



Financial Aid 101

Santa Clara University



Topics Covered

- What is Financial Aid?
- Types of Applications
 - CSS Profile
 - California Dream Act Application (CADAA)
 - Free Application for Federal Student Aid (FAFSA)
 - FAFSA changes for 2024-2025
- Common Mistakes
- Things to Keep in Mind
- Questions



What is Financial Aid?



What is Financial Aid ?

Financial Aid is money for education expenses for college or a career school which include:

- Grants: Federal/State
- Scholarships: Institution/Private
- Work Study
- Loans: Student Loans, Parent Loans and Private/Alternative Loans



Grants and Scholarships

Federal & state programs

- Federal Pell Grant (~\$700 - \$7,000)
- Federal Supplemental Education Opportunity Grant (\$2,250)
- State: Cal Grant A & Cal Grant B
- Must complete the FAFSA each year to be considered for these grants

Institutional need-based & merit-based grants

- Based on academic merit, talent, or a particular area of study
- Each school has their own criteria and process

Private scholarships

- Apply separately



Federal Work Study Program

Awarded on the basis of financial need as determined by the FAFSA; does not have to be paid back

- Students earn money working through this program
- Funds are paid to the student in their paycheck, they are not applied to their bill
- There are on-campus jobs even for students who don't qualify for the program



Federal Student Direct Loans

Subsidized Loans	Unsubsidized Loans
Students must complete a FAFSA to find out their eligibility.	Students must complete a FAFSA to find out their eligibility.
Available to undergraduate students with <i>financial need</i> .	Available to undergraduate and graduate students; no requirements to demonstrate financial need.
The US Department of Education pays the loan's interest while the student is in school (enrolled in at least half-time units or more) and for six months after the student graduates (grace period).	Students are responsible for paying interest on the Unsub Loan during all periods; this loan accumulates interest upon disbursement.

No interest

Current AY 23-24 interest rate: 5.50%



Federal PLUS Loan

Parent PLUS Loan

Prior to a parent applying for a Parent PLUS Loan, their student must have already filed the FAFSA. Parent has to be biological or an adoptive parent.

Student must be enrolled at least half time at an eligible school.

Requires a credit check

Obtaining an endorser who does not have adverse credit history is a possibility if denied for the Parent PLUS Loan.

- The maximum you can borrow is the cost of attendance minus any other financial assistance your child receives
- Apply online at studentaid.gov (application opens ~July 1st)
- Current AY 23-24 interest rate - 8.05%



Alternative/Private Loans

- Eligibility may not be as restrictive as federal loans
 - ◆ Verification not required; enrollment requirements and degree status requirements vary from lender to lender

- Requires a credit check. If student does not qualify, they may be able to qualify with a co-signer



Private Scholarships: Scholarship Search Engines

FinAid <http://www.finaid.org/scholarships/>

Fastweb <https://www.fastweb.com/>

Student Scholarship Search <https://www.studentscholarshipsearch.com/>

Good Call <https://www.goodcall.com/scholarships/>

Scholarships.com <https://www.scholarships.com/>

Latino College Dollars <https://finder.hsf.net/resources/latino-college-dollars>

Remember: Scholarship searches should be **FREE**. Any outside agency that requests money is most likely a scam.





Types of Financial Aid Applications



Free Application for Federal Student Aid (**FAFSA**)

Completing the FAFSA is the first step in securing financial aid

- 2024-2025 will be available ~December 2023
- Used to determine: federal, state and institutional aid
- Begin by creating an [FSA ID](#) (student and parent each need their own)
- Visit studentaid.gov to start application
- Have Tax Returns (& Schedules) ready or use IRS DRT
 - ◆ Prior-prior year income data (2022 for 24-25)
 - ◆ Haven't filed? Use estimates
- Add up to 20 colleges at a time
- Signature page

Normally opens on October 1
Fill out each year





Changes coming to the 2024-2025 FAFSA

1. **Number of questions:** Number of questions reduced from 108 to about 36
2. **FSA ID:** Everyone who wants to put information into an online FAFSA will need a FSA ID to access the form & will go through multi-factor authentication process
3. **Expected Family Contribution (EFC) -> Student Aid Index (SAI):** More clear term that the formula gives administrators an index number to calculate eligibility and is not how much family will need to pay
 - a. **Negative SAI:** The new SAI formula may result in a student receiving a negative SAI (as low as -1500)
4. **Number in College:** The Student Aid Index (SAI) formula will no longer be divided by the number in college; students with multiple siblings in college have the potential to have a much larger SAI with no change in income.
5. **Family Size:** Previously known as household size; will be determined by the number of exemptions claimed on federal tax returns. Because family situations can change, there will be a question that allows the student to modify the family size to reflect current number.



Changes coming to the 2024-2025 FAFSA

6. **Number of Colleges Listed on the FAFSA:** Students will now be able to list up to 20 colleges on the FAFSA (previously only 10)
7. **Role-Based Form:** Each person/role on the FAFSA will only be able to see questions related to their role.
 - a. When a student begins the FAFSA, they will be asked to identify the parent who will be contributing financial information on the form. It will be critical that they enter those person(s) information as it appears in their FSA ID so that it will match and be able to access the student's FAFSA.
8. **Custodial Parent:** Only custodial parent needs to complete FAFSA; previous definition of custodial parent was based on who the student resides with the most during the year. New definition is based on whichever parent provided more financial support.
9. **Assets:** Families with an adjusted gross income of greater than \$60k (up from \$50k) or those who filed certain Schedules will be required to submit assets. There are now no exemptions for reporting net business or family farm value.
10. **Pell Grant Eligibility:** Pell Grant eligibility will continue to be calculated based on SAI but will also now be calculated using Federal Poverty Tables and the family makeup, size, and income.



Important Note for Applicants

- For **EA/ED I** applicants, the 2024-2025 FAFSA will not be available yet!
- It is important to submit a CSS Profile by November 15th in order to be considered for institutional aid and to ensure timely review **and** receive your financial aid offer with *estimated* federal/state financial aid figures.
 - ◆ Once the FAFSA becomes available (currently estimated to be around mid to late Dec.), complete a FAFSA ASAP in order for your financial aid offer to be updated with *actual* federal aid eligibility.



CSS Profile

What is the CSS Profile?

- A financial aid application used to determine the family's financial need for **institutional financial aid**
 - ◆ A supplemental aid application to the FAFSA for most students
- Used by about 400 colleges, universities, and scholarship programs
 - ◆ CSS Profile required only if your institution requires it

cssprofile.org



Cost of the CSS Profile



Custodial household

- \$25 for application and first college selected
- \$16 for each additional college selected

Fee Waivers

- Family adjusted gross income is up to \$100,000
- The student qualified for an SAT fee waiver
- The student is an orphan or ward of the court under the age of 24



Completing the CSS Profile application

The application opens on October 1 each year.

Check with the schools you are applying to for their deadlines.

Be Prepared!

- You will need financial information for both the student and parents.
 - For 2024-2025 applications, use tax returns from 2022 including any applicable Schedules.
 - W-2s from 2022
 - Records of untaxed income and benefits from current and previous years.
 - Records of current year income and bank statements.
 - Records of savings, bonds, trust, and other asset information



The California Dream Act Application (CADAA)

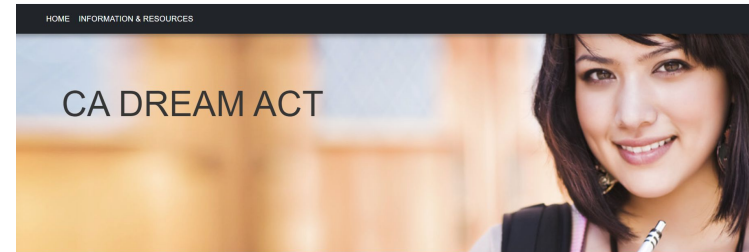
- The California Dream Act Application, often referred to as the CADAA, allows qualified undocumented and nonresident students to receive certain types of financial aid in the State of California
- The CADAA is administered by the California Student Aid Commission

***To apply for a Cal Grant submit a California Dream Act Application by March 2 (regular priority deadline)**

****For 24-25 academic year, extended to April 2, 2024 due to delayed application opening.**

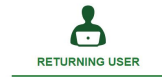


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- New to the CA Dream Act?
- Start a New application
- Do not submit multiple applications

Start



- Renew your application
- Submit a saved application
- Make a correction or add a school to your application

Login



- Request a parent PIN
- Forgot your parent PIN?
- Sign the student application

Submit



Next Steps



Application Process

01

Student submits admission and financial applications

02

Schools receives and starts processing applications

03

Student is notified of admissions

04

Student is notified of financial aid - (typically same time of admissions)

05

Decisions deadline



The Award Offer Letter

A financial aid award letter is the notification that students receive informing them how much financial aid a school is willing to offer.

Scholarship Terms

If scholarships are offered, learn as much as possible about what they include. For example:

- Will the scholarship renew every year?
- Will it renew at the same amount?
- What are your responsibilities to maintain it?
- Do I have to fill out FAFSA/CSS each year ?
- How do my outside scholarships impact my award offer?



Common Mistakes



Common Mistakes

- Wrong name, date of birth, SSN
- Confusing parent information with student information
- Not creating a FSA ID or profile before starting application
- Household/family size
- Listing only one college
 - ◆ If applying for Cal Grant consideration, make sure to list a CA college as first school on FAFSA
- Not submitting application on time
- Not signing the FAFSA®

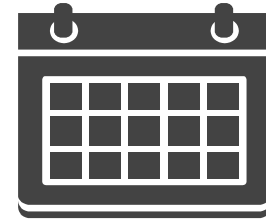


Things to Keep in Mind



Remember...

- Start with each of your colleges' websites
 - ◆ Capture all application requirements
 - ◆ **Note all critical deadlines**
- Have all financial documents ready when applying
- Complete necessary aid applications and apply regardless of income
- Keep eye on incoming emails/mail from universities



Thank you!

Any questions? 😊

Contact us!

Website: www.scu.edu/financialaid

Email: onestop@scu.edu

Phone: 408-551-1000 option 1