

2020 - 2021 Financial Aid High School Presentation

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HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

The Mission

The New Jersey Higher Education Student Assistance Authority is the only State agency with the sole mission of providing students and families with the financial and informational resources to pursue their education beyond high school.

What We Will Discuss Tonight

- What is financial aid?
- How is eligibility determined?
- What is the Expected Family Contribution?
- Types and sources of financial aid
- Financial aid packaging; comparing offers
- Special circumstances
- Consumer Issues
- Overview of the FAFSA and Profile Form

What Is Financial Aid

- Generally speaking, financial aid includes all funds made available to students that do not come from their family.
- Sources are the federal and state governments, the colleges themselves and private sources
- It comes in the form of grants, scholarships, loans and student employment

What Forms are Required and When?

- Free Application for Federal Student Aid (FAFSA)
- College Board Profile Form
- Institutional Forms
- Verification Documents
- Tax documentation
- Business Supplement
- Non-custodial parent information
- Know your schools requirements and deadlines

Expected Family Contribution

- The amount that a family can reasonably be expected to contribute
- Derived from a formula that assesses contributions from the parents and the student
- Federal EFC
- Institutional EFC
- EFC Calculator: Available on the College Board Web Site:

<https://bigfuture.collegeboard.org/pay-for-college/paying-your-share/expected-family-contribution-calculator>

How Is Eligibility Determined?

- Cost of Attendance (COA) - direct and indirect costs
- Expected Family Contribution (EFC)
- Federal vs. Institutional EFC; differences in assessment
- Special circumstances

Cost of Attendance

- Tuition and fees
- Room and board
- Books and supplies, equipment, transportation, and miscellaneous personal expenses
- Loan fees
- Study abroad costs
- Expenses related to a disability

Need

Cost of Attendance

Less Expected Family Contribution

Equals Need

Types of Aid

Help! Sources of Aid

- Federal
- State of New Jersey
- The College/University
- Outside Organizations
 - Civic organizations (ex.-local Rotary Club), parent's employer, high school awards

Types of Financial Aid

- Grants
- Scholarships
- Loans
- Employment Opportunities

Scholarships

- A form of “gift aid,” does not have to be paid back
- Awarded on the basis of academic, artistic, athletics or other merit attribute

Grants

- Gift aid; does not have to be repaid
- Most often awarded on the basis of need

Loans

- Must be repaid
- Federal loans
- Privately financed loans
- Terms vary significantly by program
- Borrow wisely
- Is it a good investment?

Student Employment

- Offered by colleges using federal or institutional funds
- Part time
- Paid via a paycheck
- Not generally applied to the college bill

Federal Aid Program 2019-2020

- Federal programs provide by a wide margin the largest portion of assistance
- Awarded primarily on the basis of need
- Students must apply each year
- Federal Pell Grant up to \$6,195
- Federal Stafford Loan
- Federal PLUS Loan
- Campus-Based Programs: SEOG and Federal Work-Study

Federal Stafford Loans

Interest rate for Federal Stafford Loans for the 2019-2020 academic year is 4.53% fixed plus a 1.062% origination fee

Grade Level	Dependent Undergraduate Student	Independent Undergraduate Student
Freshman	\$5,500 (max \$3,500 subsidized)	\$9,500 (max \$3,500 subsidized)
Sophomore	\$6,500 (max \$4,500 subsidized)	\$10,500 (max \$4,500 subsidized)
Juniors, Seniors and Beyond	\$7,500 (max \$5,500 subsidized)	\$12,500 (max \$5,500 subsidized)
Cumulative Limit	\$31,000 (max \$23,000 subsidized)	\$57,500 (max \$23,000 subsidized)

Net Price Calculator

- All institutions must have a net price calculator posted on their websites.
- Students will be able to estimate the individual net price per institution.
- Based on full-time, first degree/certificate-seeking undergraduate students.

Types of Aid

State Grants & Scholarships

TAG (Tuition Aid Grant)

- File FAFSA or New Jersey Alternative Financial Aid Application
- Demonstrate Financial Need
- Be a U.S. citizen, eligible non-citizen or NJ Dreamer
- Must be New Jersey Resident & attend a New Jersey Institution
- Must be full time at an approved degree program
- Meet all state deadlines
- Part-Time TAG for County Colleges
 - Meet all TAG requirements
 - With the exception of being enrolled for 6-11 credits

Types of Aid

State Grants & Scholarship

EOF (Educational Opportunity Fund)

- Award ranges from \$200 - \$2,500 annually depending on type of institution
- Must demonstrate educational and economically disadvantaged background
- File FAFSA or New Jersey Alternative Financial Aid Application

Governor's Urban Scholarship

- Rank within the top 5% of their class at the end of junior year
- Attain a 3.0 GPA at the end of the junior year
- Attend an approved New Jersey college or University and reside in a designated community
- File FAFSA or New Jersey Alternative Financial Aid Application
- Have a New Jersey Eligibility Index below 10,500

Types of Aid

State Grants & Scholarship

NJ STARS

- NJ residents who rank in the top 15% of their class at either the end of junior or senior year
- Achieve the required score on a college placement test to determine college readiness
- Students must take at least 12 college credits or 6 credits with a qualified doctors note
- Students must attain a cumulative GPA of 3.0 or higher at the start of the third semester at the county college to remain an NJ STAR
- File a FAFSA or New Jersey Alternative Financial Aid Application

NJ STARS II

- Received NJSTARS funding and have a family taxable income of less than \$250,000
- Must earn an associates degree and graduate with a 3.25 GPA or higher
- May receive up to \$2,500 annually for a public or private 4-year NJ college or university
- Must take at least 12 college credits or 6 credits with a qualified doctors note
- File a FAFSA or New Jersey Alternative Financial Aid Application

Types of Aid

State Grants & Scholarships

Governor's Industry Vocation Scholarship for Women & Minorities (NJ - GIVS)

- Up to \$2,000 per year for the cost of enrollment at one of New Jersey's 19 County Colleges, Technical / Vocational Schools, some Proprietary Schools
- Benefits women and minorities pursuing certificate or degree programs in construction – related fields
- Must be NJ resident
- File FAFSA or New Jersey Alternative Financial Aid Application
- Complete separate application online at www.njgrants.org
- Some of the programs eligible for the scholarship include
 - Construction Supervision
 - Solar Energy Technology
 - Architectural Engineering Technology

Types of Aid – State (cont.)

Community College Opportunity Grant (CCOG)

- Tuition and Approved Fees
- AGI between \$0 - \$65,000
- Must be NJ resident attending county college of residence
- File FAFSA or New Jersey Alternative Financial Aid Application
- Minimum 6 credits per semester
- Make Satisfactory Academic Progress
- Must have a complete State grant record
 - All other federal or State grants will be deducted prior to CCOG award

Self Help Loans to Cover the Gap

borrow up to cost of attendance

2019 - 2020 - NJCLASS Supplemental Loan Program

- 10 Year Fixed Rate NJCLASS LOAN, starting at 3.99%
- 15 Year Fixed Rate NJCLASS LOAN is 4.45%
- 20 Year Fixed Rate NJCLASS LOAN is 6.50%
- All options have a 3% origination fee
- Federal PLUS Program 7.08% with a 4.236% origination fee
Origination fee, Parent is the borrower
- Private Educational Loans – terms and underwriting vary significantly
- ELM Select – www.elmselect.com/

2020 – 2021 Rates and fees are subject to change

Other Resources

- Outside Scholarships
- Campus Administered Payment Plans
- Campus Employment
- Specialized Campus Opportunities
 - ✓ Residential Advisors
 - ✓ Student Ambassadors
 - ✓ Student Tour Guides
 - ✓ Internships/CO-OP'S

Other Resources

- Institution/college web sites
- Local library resources
- Local businesses, civic organizations and churches
- Parent's employer(s)
- www.hesaa.org
- www.fastweb.com
- www.collegeboard.org
- www.mappingyourfuture.org
- High school guidance office



Other Resources

Private Scholarship Search

Free internet scholarship search engine:

www.fastweb.com

<https://bigfuture.collegeboard.org/scholarship-search>

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

Financial Aid Packaging

- Entitlement/formula driven awards
 - Pell Grants
 - Tuition Aid Grants (TAG)
- Federal Stafford Loan
- Other Federal aid: SEOG and Federal Work-Study
- Institutional aid

Institutional & Private Scholarships

- Factors that may influence eligibility:

Academics

SAT's

AP Courses

Activities

Academic Track

H.S. Attended

Athletic Ability*

Geographic Diversity

Legacy (child of alumni)

Talent

Gender/Ethnicity

Class Rank

* *Athletic awards offered by NCAA Division I and Division II schools only.*

Financial Aid Packaging

- Institutionally funded grants and scholarships
- Need-based or merit-based?
- Schools meeting full need – far and few between
- Differential or preferential aid packaging
- Need gaps
- What is your bottom line?
- Difficult decisions

Appeals

- If it is need-based be prepared to make your case that you have unmet need
- If it is merit-based, be sure you have a case to make that the student is deserving
- Set the right tone; do not try to “negotiate”
- Disclosing offers from other schools; is it a good idea?

Consumer Issues

- Need-based aid? Changes in need from year to year; will there be an adjustment in the future?
- Renewability of awarded aid; minimum GPA?
- Treatment of outside scholarships
- Scholarship scams
- Consultants: good or bad idea?
- Award offers; review them carefully

Applications to Access Aid

student.collegeboard.org/profile

CSS Profile [Home](#)

Apply for Financial Aid with CSS Profile

Nearly 400 colleges, professional schools, and scholarship programs use CSS Profile to award non federal aid.

[Sign In to Apply](#)

[Before You Apply](#) [How to Apply](#) [Fee Waivers](#) [International Applicants](#) [Info for Divorced Parents](#)

hesaa.org

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[Grants](#) [Scholarships](#) [NJ Dreamers](#)

Financial Aid Resources for New Jersey Dreamers

The New Jersey Alternative Financial Aid Application allows NJ Dreamers enrolled in eligible New Jersey colleges and universities to apply for state financial aid.

Who should complete this application?

Complete this application if you are **not** a United States citizen or eligible noncitizen and meet all of the following criteria;

- Attended a New Jersey high school for at least three (3) years
- Graduated from a New Jersey high school **or** received the equivalent of a high school diploma in New Jersey
- Registered for [Selective Service](#) (male students only)
- Are able to file an affidavit stating that you will file an application to legalize your immigration status **or** will file an application as soon you are eligible to do so

[APPLY NOW](#)

fafsa.ed.gov

Federal Student Aid | FAFSA.gov English | Español Search FAFSA Help

Need money for college?

Complete the FAFSA® (Free Application for Federal Student Aid) form to apply for financial aid for college, career school, or graduate school.

NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

[START HERE >](#)

RETURNING USER?

- Make a correction
- Add a school
- View your Student Aid Report (SAR)

[LOG IN >](#)

Application: FAFSA

- 2020-2021 FAFSA available October 1, 2019
- Mobile FAFSA via web browser, mobile phone or tablet
- FAFSA will use prior prior year income information (2018)
- IRS Data Retrieval Tool can be used immediately
 - All prior prior year tax information (2018) is already filed, allowing immediate retrieval.

Notification of Which Tax Year to Use

Applicants and parents will be instructed to provide financial information from their 2018 tax return

The screenshot shows the 'Parent Tax Filing Status' section of the FAFSA application. At the top, a progress bar indicates the following steps: Student Demographics, School Selection, Dependency Status, Parent Demographics, Financial Information (current step), Sign & Submit, and Confirmation. A banner below the progress bar reads 'PARENT INFORMATION'. A green message box states 'Application was successfully saved.' Below this, a blue information box with an 'i' icon says 'Attention! You must provide financial information from your parents 2018 tax return on the following pages.' The form contains three questions:

- For 2018 have your parents completed their IRS income tax return or another tax return? (Dropdown menu: Already completed)
- For 2018 what is your parents' tax filing status according to their 2018 tax return? (Dropdown menu: Married-Filed Joint Return)
- Did your parents file a Puerto Rican or foreign tax return for 2018? (Radio buttons: Yes, No - No is selected)

At the bottom, there is a section titled 'IRS Data Retrieval Tool' with the text: 'Applying is faster and easier if your parents transfer their tax return information into this FAFSA with the IRS Data Retrieval Tool (IRS DRT):' and a button labeled 'LINK TO IRS' with a double-headed arrow icon.

Application: FAFSA

- Submit the Free Application for Federal Student Aid (FAFSA) prior to the earliest school's deadline
- To ensure maximum consideration for federal, state, and institutional aid, check information from each school to determine:
 - Required application materials
 - Application deadlines

Free Application for Federal Student Aid (FAFSA)

- Collects family's personal and financial information used to calculate the student's Expected Family Contribution
- File the FAFSA electronically
 - FAFSA on the Web at www.fafsa.gov
 - Student & Parent must create a Federal Student Aid ID (FSA ID) at fsaid.ed.gov
- Use the IRS Data Retrieval Tool to populate income & tax information with actual prior - prior year tax information (currently 2018)

IRS Data Retrieval Tool

- The IRS data retrieval tool or (DRT) is used to transfer tax return information into the FAFSA
- The DRT will be available beginning October 1st to support early FAFSA
- Tax filers who file Married Filing Separately and foreign tax returns cannot use DRT
- Amended tax returns – original tax data will be transferred

What is a Federal Student Aid (FSA) ID?

- In order to enhance security, FAFSA has created a user name and password login at www.fsaaid.ed.gov
- Password resets, retrieval of User ID's and passwords can be accomplished at www.fsaaid.ed.gov
- If you are a parent of a ***dependent student***, you will need your own FSA ID
 - All parties must be verified by a mobile phone number or email when creating the FSA ID

General Highlighted Eligibility Requirements for FAFSA

- Must have a valid Social Security Number
- Must be enrolled or accepted for enrollment in an eligible program of study
- Must be pursuing a degree, certificate, or other recognized credential
- Must be a U.S. citizen or eligible noncitizen
- Must be registered with Selective Service (males are required)

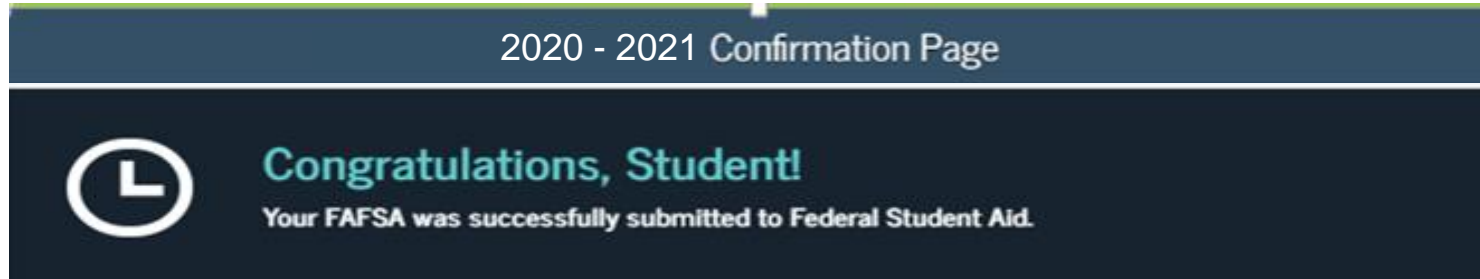
Key Components of the FAFSA

- Student Demographics
 - Full Name
 - Social Security Number
 - Date of Birth
 - NJ applicants must provide an answer to the driver's license questions
 - **ALL** applicants must indicate their gender
- Student Income and Assets
 - IRS Data Retrieval
 - Income earned from work
- Student Status: Dependent/Independent
- Parent Demographics-Who is a Parent?
 - Social Security Number
 - Last Name
 - Date of Birth

Key Components of the FAFSA (cont.)

- Household Size
 - Number in college
- Parent(s) Income and Assets
 - IRS Data Retrieval
 - Income earned from work
 - Dislocated Worker
- Federal Means Tested Benefits
 - Medicaid, SSI, SNAP, Free or Reduced Price School Lunch, TANF, WIC
 - List all colleges of interest (up to 10)

Applying for State Aid



Once submitted, a copy of the FAFSA is sent to all listed institutions and to HESAA.

About a week after submitting the FAFSA, students **MUST** log into HESAA's NJFAMS portal (New Jersey Financial Aid Management System) to complete any tasks listed on the "TO DO" list. All tasks must be completed to be considered for Tuition Aid Grant (TAG) and all other State grants and scholarships.

www.njfams.hesaa.org

Common Mistakes Made on the FAFSA

- Student's name as it appears on the social security card, social security number, and date of birth
- Parent section vs. Student section
- Number of people in the household
- Divorced/remarried households
- Taxes paid vs. taxes withheld
- Including untaxable social security benefits
- Parental and student assets
 - “Zero” is a number
- College grade level
- Skipping the gender question

Federal & State Verification

Students are randomly selected, however, using the IRS DATA Retrieval Tool will reduce the likelihood of being selected

- SCHOOL is responsible for verifying information for federal aid except for special circumstances
- HESAA is responsible for verifying information for State aid
- School may send request for information by mail or e-mail
- Always check your school account and NJFAMS account for required tasks
- Be sure to meet verification deadlines
 - November 1st for Fall and Spring
 - March 1st for Spring only

New Jersey Alternative Financial Aid Application

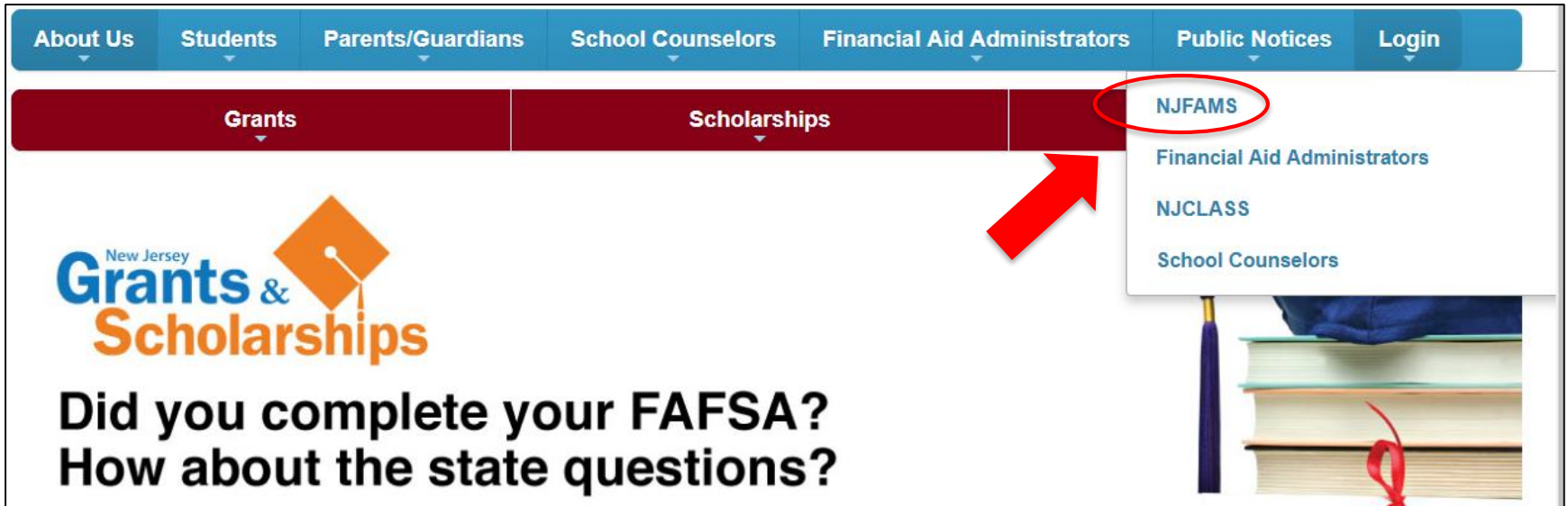
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NJFAMS










- All students must go to “NJGRANTS.org”
- Establish an NJFAMS Account by creating a User ID and Password

NJFAMS

Welcome to NJFAMS!

Check your To Do List for additional information we need to process your grant or scholarship.

-  To Do List
-  View and Update Your School
-  Apply Online for Scholarships
-  Award and Eligibility Information
-  Notifications
-  View And Update Your Contact Information
-  Edit Your Profile

Your FAFSA for academic year 2019-2020 has been received

Your FAFSA for academic year 2018-2019 has been received

Application: CSS Profile

- Nearly 400 Colleges and Organizations use the CSS profile to determine how they will award institutional funds
- Available 10/1 each year and collects more comprehensive income, asset and household information than the FAFSA (i.e. assets for business owners regardless of number of employees)
- Aligns with the FAFSA's use of prior - prior year income (currently 2018)

Register - Complete Application – Make payment - Submit

CSS Profile

- Website to apply for profile
www.student.collegeboard.org/profile
- Website to apply for Noncustodial Profile:
www.ncprofile.collegeboard.org

Customer Service
844-202-0524
help@cssprofile.org

The Cycle of Financial Aid

Oct - March	Complete FAFSA or New Jersey Alternative Financial Aid application, college search, college application process, and CSS Profile
November - May	Schools send award letters
June - July	School sends Fall Semester bill

Where Do I Go From Here?

- Obtain and review admission, financial aid materials and deadlines from each school to which you are applying
- Meet all application deadlines
 - CSS Profile if applicable
 - Complete the FAFSA and any other application materials required by the school or your state agency - NJ State deadlines are:
 - TAG Renewal Students – April 15, 2020 preceding the academic year for which aid is requested
 - All Other Applicants – September 15, 2020 for Fall and Spring term awards; February 15, 2021 for Spring awards only

NJBEST College Savings Plan

- NJBEST is the only 529 Savings Plan to award a scholarship ranging from \$500-\$1,500
- Must attend a New Jersey Institution
- Funds must be applied for in the freshmen year
- A qualified withdrawal must be taken
- Funding for NJBEST scholarships comes from HESAA
- Earnings on the NJBEST Plan are tax free when used to pay for the qualified higher education expenses of an NJBEST beneficiary
- Limit how much can be contributed annually

HESAA Services

- Web Sites
 - www.hesaa.org
 - www.njgrants.org
 - www.njclass.org
 - <https://njfams.hesaa.org>
- Customer Care Line
 - 609-584-4480**
- NJBEST
- MappingYourFuture.org

QUESTIONS?



Thank you