2014/15 Financial Aid
High School Presentation

New Jersey Higher Education Student Assistance Authority

For 2014 & 2015 & 2015/2016 Award Years
The 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.
Goals of Financial Aid Office

• Primary goal is to assist students in paying for college and is achieved by:
  – Evaluating family’s ability to pay for educational costs
  – Distributing limited resources in an equitable manner
  – Providing a balance of gift aid and self-help aid
  – Implement federal and state regulations for their college/university
### 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

We help students lay the foundation for a solid financial future.
Types of Aid - Federal

Gift Aid - Grants

• Federal Government 2014/15
  – Pell ($5,730 max award)
  – SEOG ($4,000 max award)
  – TEACH ($4,000 max award)

• Federal Government 2015/16
  – Pell ($5,830 projected award)
  – SEOG ($4,000 max award)
  – TEACH ($4,000 max award)
Types of Aid – State

• **State of New Jersey**
  - TAG (Tuition Aid Grant) 2014-2015
    • Demonstrate Financial Need
    • Be a U.S. citizen or eligible non-citizen
    • Must be New Jersey Resident & attend a New Jersey Institution
    • Must be full time at in a approved degree program
    • Meet all state deadlines
  - Part-Time TAG for County Colleges 2014-2015
    • Meet all TAG requirements
    • With the exception of being enrolled for 6-11 credits
Types of Aid – State (cont.)

- State of New Jersey
  - EOF (Educational Opportunity Fund)
  - Governor’s Urban Scholarship
    - Rank in the top 5% of the high school graduating class
    - Attain a 3.0 GPA at the end of the junior year
    - Must graduate from a traditional public, public charter, county vocational or non-public school and reside in an eligible area
    - Have a New Jersey Eligibility Index below 10,500
State Scholarships

- **NJ STARS**
  - Students who graduate in the top 15% of their high school graduating class
  - Complete a rigorous high school course of study
  - Achieve the required score on a college placement test to determine college readiness
  - Students must take at least 12 college credits
  - Students must attain a cumulative GPA of 3.0 or higher
  - Must file a Free Application for Federal Student Aid (FAFSA)

- **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 enroll full time (12 credit hours)
  - Must file a Free Application for Federal Student Aid (FAFSA)
• State 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
    • Benefits women and minorities pursuing certificate or degree programs in construction – related fields
    • Must be NJ resident
    • Must file a FAFSA
    • Some of the programs eligible for the scholarship include
      o Construction Supervision
      o Solar Energy Technology
      o Architectural Engineering Technology
      o Heating / Refrigeration / Air Conditioning / Ventilation
Institutional & Private Scholarships

• Factors that may influence eligibility:

Academics  Athletic Ability*
SAT’s      Geographic Diversity
AP Courses  Legacy (child of alumni)
Activities  Talent
Academic Track  Gender/Ethnicity
H.S. Attended
Class Rank

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

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
  305-829-9793
  help@cssprofile.org
Self Help Loans & Gap Shortfall Solutions

• Monthly Payment Plans – offered by the college
• Federal Perkins Loan up to $5,500 (5% interest rate)
• Federal Direct Loan Program (1st year dependent)
  – Subsidized Stafford Loan $3,500 need based
  – Unsubsidized Stafford Loan $2,000 additional
• 2014-2015 - Federal Direct Undergraduate Direct Loans are 4.66% plus a 1.073% origination fee, for subsidized and unsubsidized loans.
Self Help Loans to Cover the Gap

borrow up to cost of attendance

2014-2015 - NJCLASS Supplemental Loan Program

- Variable Rate NJCLASS LOAN, starting at 4.48%
  This option has a 0% fee
- Fixed Rate NJCLASS LOAN, varying repayment options
  Interest rates range from 5.99% to 8.40% for the 2014/2015 award year.
  Can borrow up to cost of attendance and student can be the borrower.
  Each option has a 3% fee.
  Can borrow up to the cost of attendance

2014-2015 - Federal PLUS Program (7.21% & 4.292% Origination fee)
  Can borrow up to the cost of attendance

Institutional or Private Loans

- May be a fixed or variable rate loan - can borrow up to cost of attendance
Application: FAFSA

• Submit the Free Application for Federal Student Aid (FAFSA) prior to the earliest school’s deadline & complete the NJ State Specific Questions

• To ensure maximum consideration for federal, state, and institutional aid, check information from each school to determine:
  – Required application materials
  – Application deadlines

• Be sure to answer all optional questions on the FAFSA like “Gender” & “Driver License” to speed up processing
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](http://www.fafsa.gov)
  – Student & Parent must obtain a Personal Identification Number (PIN) from the FAFSA website before starting

• Estimated income or actual prior year tax information

• Use the IRS Data Retrieval Tool to populate income & tax information
FAFSA on the Web: www.fafsa.gov
To Register for a PIN:

www.pin.ed.gov
General Highlighted Eligibility Requirements

• 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**
  - Last 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
  - SSI, SNAP, Free or Reduced Price Lunch, TANF, WIC
- College Choice
  - List a New Jersey college first
  - List all colleges of interest (up to 10)
- Once submitted, use the link from the FAFSA confirmation page to HESAA’s webpage to complete the additional data elements for Tuition Aid Grant (TAG) and NJ STARS (II) eligibility.
  - May also come to HESAA website to complete additional data elements if a student forgets to go there from the FAFSA confirmation page.
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
- Parental and student assets
  - “Zero” is a number
- College level
- Skipping the gender question
How To Be Considered for State Aid

- Complete the FAFSA within established deadlines
- Be sure to list a New Jersey college or university as your 1st choice on the FAFSA
- Once you submit the FAFSA, NJ residents will be given the option to link to the Higher Education Student Assistance Authority’s website to respond to additional questions to be considered for TAG, NJ STARS, NJ STARS II and other state programs.
- Click the link and complete the additional New Jersey State questions. If questions not answered, student may log into “njgrants.org” to complete the additional questions for state aid.
- HESAA will notify you of the status of your State grant application.
Cost of Attendance

- Tuition and fees
- Room and board
- Books and supplies, equipment, transportation, and miscellaneous personal expenses
- Loan fees
- Study abroad costs
- Dependent care expenses
- Expenses related to a disability
- Expenses for cooperative education program
Unexpected Costs

- Remediation Classes: extra 1 – 2 semesters
- Change in major: 1 – 2 years in addition
- Transferring: possible extra semester
- Unpaid internships: loss of Summer wages
- Study Abroad, Spring break, trips home and pledging costs
- Moving expenses and Summer storage
What Is The Expected Family Contribution (EFC)?

• Basis of financial aid package
• EFC is determined by a federal formula that calculates need using the information you supplied on the FAFSA
• EFC & Financial Need are guidelines used by schools to determine an aid package
• EFC is not necessarily equal to a family’s out-of-pocket costs
Sample EFC for Smith Family

- Family lives in New Jersey
- Married parents, both age 52
- Household size of 4 with 1 child going to college
- 2012 adjusted gross income = $120,000
- Assets = $20,000
- Student income / assets = 0

EFC = $20,830
## Financial Need for Smith Family

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<thead>
<tr>
<th>College</th>
<th>Community College</th>
<th>State College or University</th>
<th>Private College or University</th>
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<tr>
<td>Financial Need</td>
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<td>$4,731</td>
<td>$24,846</td>
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Financial Aid Shopping Sheet

The Shopping Sheet standardizes award letters, making it easier to comparison shop and provide students with key information including:

- How much one year of school will cost.
- Financial aid options to pay this cost, with a clear differentiation between grants and scholarships, which do not have to be repaid, and loans, which do.
- The net costs after grants and scholarships are taken into account.
- Fundamental information about student results, including information comparing default rates, graduation rates, and median debt levels for the school.

Higher Education Student Assistance Authority

We help students lay the foundation for a solid financial future
• 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.
CAUTION!

• Please, avoid being charged a fee to file the FAFSA
  – Completing and processing the FAFSA is FREE
  – If filing FAFSA on the Web, make sure you go directly to: www.fafsa.gov
  – Contact the financial aid office or HESAA at 1-800-792-8670 if you need help in completing the FAFSA
The Cycle of Financial Aid

Jan-March - Student/Parents complete FAFSA

March-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 – June 1, preceding the academic year for which aid is requested
    - All Other Applicants – October 1 for Fall and Spring term awards; March 1 – Spring awards only
Other Resources

• Outside Scholarships
• Campus Administered Payment Plans
• Campus Employment
• Specialized Campus Opportunities
  ✓ Residential Advisors
  ✓ Student Ambassadors
  ✓ Student Tour Guides
  ✓ Internships/CO-OP’S
Private Scholarship Search

- 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
NJBEST College Savings Plan

- $3 billion in assets invested in the Plan
- NJBEST is the only 529 Savings Plan to award a scholarship ranging from $500-$1,500
- Funding for NJBEST scholarships comes from HESAA
  - Over $1.3 million has been awarded since FY 2003
- 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

- Customer Care Line
  - 609-584-4480

- NJBEST

- MappingYourFuture.org
Questions?
Thank you