FINANCIAL AID 101
Today's Presenters

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OBJECTIVES

1. Learn about the different federal, state, and school-based financial resources available
2. Understand how students access financial aid resources
3. Understand how financial aid offices build cost of attendance budgets
4. Understand how aid is awarded
5. Q&A
1. SOURCES OF FINANCIAL AID
1. TYPES OF FINANCIAL AID

1. **Grants and Scholarships**
   - Free money.
   - Grants and scholarships are usually based on financial need and don’t have to be repaid.

2. **Loans**
   - Borrowed money.
   - Loans are an investment in your future...if you borrow only what you need. Remember, they must be paid back with interest.

3. **Work-Study**
   - Earned money.
   - A work-study job allows you to earn money while you are in school.
## 1. TYPES OF FINANCIAL AID

<table>
<thead>
<tr>
<th>Types of financial aid</th>
<th>Grants</th>
<th>Scholarships</th>
<th>Work Study</th>
<th>Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants</strong></td>
<td>Federal</td>
<td>National</td>
<td>Federal</td>
<td>Federal</td>
</tr>
<tr>
<td></td>
<td>- Pell Grant</td>
<td>- College Bound Scholarship</td>
<td>- Direct Subsidized loan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- FSEOG</td>
<td>- Passport to Careers Scholarship</td>
<td>- Direct Unsubsidized loan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Educational Training Vouchers</td>
<td>- Governors' Scholarship for Foster Youth</td>
<td>- Parent Plus loan</td>
<td></td>
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<tr>
<td></td>
<td>- TEACH Grant</td>
<td>- Washington State Opportunity Scholarship</td>
<td><strong>Private</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Iraq &amp; Afghanistan Service Grant</td>
<td>- American Indian Endowed Scholarship</td>
<td>- Nonprofit Organizations</td>
<td></td>
</tr>
<tr>
<td><strong>State</strong></td>
<td>- Washington College Grant</td>
<td>- Seattle Promise</td>
<td><strong>Nonprofit Organizations</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Institutional</strong></td>
<td>- College Grant</td>
<td>- King County Promise</td>
<td></td>
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<tr>
<td></td>
<td>- Tuition Waiver</td>
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<tr>
<td><strong>Private</strong></td>
<td></td>
<td><strong>Institutional</strong></td>
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<tr>
<td></td>
<td></td>
<td>- Leadership 1000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Features</strong></td>
<td>Do not need to be repaid</td>
<td>Do not need to be repaid</td>
<td>Does not need to be repaid</td>
<td>Must be repaid.</td>
</tr>
<tr>
<td></td>
<td>Need-based</td>
<td>No COST; never pay to apply</td>
<td>Must be earned</td>
<td>Accru interest.</td>
</tr>
<tr>
<td></td>
<td>Merit-based</td>
<td>RENEWAL; know the requirements</td>
<td>Need-based</td>
<td>May require co-signer</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PORTABLE; can you take it to other schools?</td>
<td></td>
<td>Credit history/check</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Many are one-time awards.</td>
<td></td>
<td>Not discharged in bankruptcy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Need or merit-based</td>
<td></td>
<td>Good vs. bad debt</td>
</tr>
<tr>
<td><strong>Application</strong></td>
<td>FAFSA or WASFA</td>
<td>Separate application for each one</td>
<td>FAFSA or WASFA</td>
<td>FAFSA and additional forms</td>
</tr>
<tr>
<td>Additional forms</td>
<td>Additional forms</td>
<td></td>
<td>Additional forms</td>
<td>Online Master Promissory note</td>
</tr>
<tr>
<td>(check with the financial aid office)</td>
<td></td>
<td></td>
<td></td>
<td>Online Entrance Counseling</td>
</tr>
</tbody>
</table>
1. TYPES OF FINANCIAL AID

**Pell Grant**
- Current max award: $6,495
- Need-based aid
- FAFSA required
- May receive for up to 12 semesters or equivalent
- EFC cutoff: $5,846

**Federal Supplemental Educational Opportunity Grant (FSEOG)**
- Current max award: $4,000
- Need-based aid
- FAFSA required
- First-come, first-served
- Students with lowest EFCs, Pell eligible given priority in award process

**EDUCATIONAL AND TRAINING VOUCHER PROGRAMS (ETV)**
- Current max award: $5000
- Use at an accredited college, university, vocational or technical college
- Awards are unique to each student and are determined based on unmet financial need
- May receive funding for up to 15 semesters

The ETV application is available online at: [www.independence.wa.gov](http://www.independence.wa.gov).
1. TYPES OF FINANCIAL AID

STATE GRANTS

Washington College Grant
- Awards: depend on family income & size and type of institution
- Need-based aid
- FAFSA/WASFA required
- May receive for up to 10 semesters
- Use at one of 67 eligible WA state institutions

<table>
<thead>
<tr>
<th>Institution</th>
<th>Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>UW/WSU</td>
<td>Just over $10000</td>
</tr>
<tr>
<td>CWU/EWU/WWU</td>
<td>$6500-$7000</td>
</tr>
<tr>
<td>Private 4 year</td>
<td>$5600-$9700</td>
</tr>
<tr>
<td>CTC</td>
<td>$4000-$6500</td>
</tr>
</tbody>
</table>

COLLEGE BOUND
- Students are automatically enrolled
- No felony convictions
- Need-based aid
- FAFSA/WASFA required
- May receive for up to 8 semesters or equivalent within 5 years of HS graduation
- Use at one of 67 WA state institutions
- Covers tuition and some fees (at public college rates) after other aid is applied.
1. TYPES OF FINANCIAL AID

**STATE SCHOLARSHIPS**

- **PASSPORT TO CAREERS**
  - Current max award: $4,500
  - Need-based aid
  - Inter/State/tribal foster care, federal unaccompanied refugee minor after age 13
  - FAFSA/WASFA required
  - Activate before age 22; Eligibility expires at age 27
  - May receive for up to 15 semesters or equivalent
  - Priority given for WCG and State Work Study
  - Additional support services offered through college’s Passport Designated Support Staff

- **PASSPORT TO APPRENTICESHIP**
  - Assists students participating in a registered apprenticeship or pre-apprenticeship programs.
  - Covers occupational-specific costs.
  - Tuition, fees, work clothes, rain gear, boots, and occupation-related tools
  - Services provided through ANEW for administration.
1. TYPES OF FINANCIAL AID

**Federal, State, Community Service**
- Provides part-time (except summer)
- Need-based
- FAFSA/WASFA required
- Paid by the hour
- Wages must equal at least current federal minimum wage
- Amount earned cannot exceed Federal Work Study (FWS) award
- Award amount, class schedule, and academic progress are considered when assigning work hours for work study.
1. TYPES OF FINANCIAL AID

### Good or better loans

**Subsidized loans**
- Need-based
- Government pays interest while in school
- **FAFSA required**
- The interest rate on subsidized loans first disbursed to undergraduate students between July 1, 2021 and June 30, 2022 will be fixed at 3.73%
- Students have 6-month grace period
## 1. Types of Financial Aid

### Be cautious: limit or avoid loans

<table>
<thead>
<tr>
<th><strong>Unsubsidized loans</strong></th>
<th><strong>Parent Plus loans</strong></th>
<th><strong>Private loans</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• NOT need-based</td>
<td>• NOT need-based</td>
<td>• Institutional</td>
</tr>
<tr>
<td>• Government does NOT pay interest, which means interest accrues immediately.</td>
<td>• Interest accrues immediately</td>
<td>• Bank</td>
</tr>
<tr>
<td>• <strong>FAFSA required</strong></td>
<td>• <strong>FAFSA required</strong></td>
<td>• May have credit requirements</td>
</tr>
<tr>
<td>• The interest rate on subsidized loans first disbursed to undergraduate students between July 1, 2021 and June 30, 2022 will be fixed at 3.73%</td>
<td>• Biological or adoptive parent borrows for the student's education.</td>
<td>• May require cosigner</td>
</tr>
<tr>
<td>• Students have 6-month grace period</td>
<td>• Credit-based</td>
<td>• High and/or variable interest rate</td>
</tr>
</tbody>
</table>

- **Interest rate on subsidized loans:**
  - The interest rate on PLUS loans first disbursed between July 1, 2021 and June 30, 2022 will be fixed at 6.28%.
  - Repayment begins when loan is fully disbursed. First payment is 60 days after final disbursement.

- **Repayment begins when loan is fully disbursed. First payment is 60 days after final disbursement.**

- **FAFSA required:**
  - All private bank loans must be certified by financial aid administrator.
Each financial aid office has their own internal deadline; make sure students check.

How to Apply

- Complete the FAFSA or WASFA online
- Submit required documents to the financial aid office

Federal Student Aid
An Office of the U.S. Department of Education

WASHINGTON STUDENT ACHIEVEMENT COUNCIL
The agencies process your application & send our office your results

• Signals schools you may attend
• Calculates Estimated Family Contribution (EFC)
• Outlines next steps (verification, appeals)

Opens October 1st
### 2. APPLY: WHICH APPLICATION TO COMPLETE

<table>
<thead>
<tr>
<th>FAFSA</th>
<th>WASFA</th>
</tr>
</thead>
<tbody>
<tr>
<td>• U.S. Citizens</td>
<td>• Undocumented students, including those with DACA (expired or not), or other non-citizens (check with individual college/university) meeting SB 5194* requirements</td>
</tr>
<tr>
<td>• U.S. Nationals (American Samoa or Swains Islands)</td>
<td></td>
</tr>
<tr>
<td>• U.S. Permanent Residents</td>
<td></td>
</tr>
<tr>
<td>• I-94 Holders: Refugee, Asylum granted, Cuban-Haitian Entrant, Conditional entrant, Parolee</td>
<td></td>
</tr>
<tr>
<td>• Visa Holders under VAWA</td>
<td></td>
</tr>
<tr>
<td>• T or T-1 Visa Holders</td>
<td></td>
</tr>
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</table>

*Source: [https://wsac.wa.gov/wasfa](https://wsac.wa.gov/wasfa)  **Other ways to be resident: [https://wsac.wa.gov/student-residency](https://wsac.wa.gov/student-residency)
2. APPLY: SB 5194

Effective July 25, 2021, the new law, Senate Bill 5194, makes it easier for all Washingtonians, including and especially undocumented students, to meet residency requirements for in-state (resident) tuition and state financial aid.

1. It removes the requirement that a person must earn a high school diploma or equivalent in Washington. **It now requires a high school diploma or equivalent without specifying a location.**

2. It removes the requirement that a person must live in Washington for three years prior to earning a high school diploma or equivalent. **The law now requires that a person must live in Washington for one year, or 12 consecutive months, prior to college admission.**

*Source: https://wsac.wa.gov/sites/default/files/SB5194OfficialGuidance.pdf*
2. APPLY: GET LOGINS

**FAFSA**: https://fsaid.ed.gov

Who needs an FSA ID?
- Student
- One of the parent(s) if:
  - The student is a dependent student
  - The parent has a social security number

What number should you use?
- Use your SSN
- If parent doesn’t have SSN, do not get an FSA ID (use all zeroes)

**WASFA**: https://wsac.wa.gov/wasfa

Who needs an Account?
- Student
- One of the parent(s) if:
  - The student is a dependent student

What number should you use?
- Use your SSN, DACA, or ITIN, if you have one. If you don’t, leave blank.

**Tips:**
- Parent and student need different email addresses and phone numbers
- If multiple children or parent is a student, parents can use same FSA ID/WASFA Account
2. APPLY: Special circumstances

- Social security numbers
- Parents’ marital status and taxes
- Homelessness
- Unaccompanied minor
- Foster Youth
- Ward of the court
- Deceased parents
- Unable to locate parents
- Emancipated, legal guardianship
- Staying with family members
- Changes in family income - EFC
- Unexpected expenses - COA
3. **COST:** What is included in cost of attendance?

**Cost of Attendance**
- Tuition + Fees
- Housing
- Food
- Books/Supplies
- Transportation
- Misc. Expenses

**Cost affected by**
- Type of institution
  - On-Campus/Off Campus
- Resident/Non-Resident
- # of credits enrolled
3. **COST:** What is included in cost of attendance?

**Direct Costs**
Direct costs include charges which are paid directly to the school such as tuition, fees, and room and board **if you are living on campus**.

**Indirect Costs**
Indirect costs are necessary costs incurred by the student while attending school, but not paid directly to the institution.
3. COST: How is need determined?

Cost of Attendance - EFC = FINANCIAL NEED
3. COST: How should students calculate REAL cost?

Cost of Attendance
- Free money
= UNMET NEED
4. HOW IS NEED DETERMINED

**Cost of Attendance (COA)**
Tuition, fees, books, supplies, room, board, transportation and living expenses

**Expected Family Contribution (EFC)**
Amount determined by FAFSA/WASFA (it can be modified for special circumstances).

**Grants**
Aid awarded from all sources that does not have to be repaid. This includes Pell Grant, Federal Opportunity Grant, Washington College Grant, and institutional scholarships (found on award letter).

**Unmet Need**
Amount remaining to fulfill cost of education. This amount is usually met by scholarships, work study or loans.

$12,900
4. HOW IS NEED DETERMINED

<table>
<thead>
<tr>
<th>Cost of Attendance (COA)</th>
<th>Tuition, fees, books, supplies, room, board, transportation and living expenses</th>
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<tbody>
<tr>
<td>$ 18,000</td>
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<tr>
<th>Expected Family Contribution (EFC)</th>
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<thead>
<tr>
<th><strong>Expected Family Contribution (EFC)</strong></th>
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<tbody>
<tr>
<td>Amount determined by FAFSA/WASFA (it can be modified for special circumstances). <em>THIS IS AN OUT-OF-POCKET EXPENSE.</em></td>
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<td></td>
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</table>
4. HOW IS NEED DETERMINED

- Dependent student
- Attending 2-year public college

**Cost of Attendance (COA)**

- $18,000
- Tuition, fees, books, supplies, room, board, transportation and living expenses

**Expected Family Contribution (EFC)**

- $1,000
- Amount determined by FAFSA
  
  *THIS IS AN OUT-OF-POCKET EXPENSE.*

**Grants**

- $12,900
- Aid awarded from all sources that does not have to be repaid. This includes Pell Grant, Federal Opportunity Grant, State Need Grant, and institutional scholarships (found on award letter).

**Unmet Need**

- $4,100
- Amount remaining to fulfill cost of education. This amount is usually met by scholarships, work study or loans.
  
  *THIS IS AN OUT-OF-POCKET EXPENSE.*
### 4. HOW IS NEED DETERMINED

**FINANCIAL AID FORMULA**

<table>
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<tr>
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<th><strong>Expected Family Contribution (EFC)</strong></th>
<th>$1,000</th>
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<tr>
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<td></td>
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<th><strong>Grants</strong></th>
<th>$12,900</th>
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<th><strong>Unmet Need</strong></th>
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</tr>
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<tbody>
<tr>
<td>Amount remaining to fulfill cost of education. This amount is usually met by scholarships, work study or loans. <strong>THIS IS AN OUT-OF-POCKET EXPENSE.</strong></td>
<td></td>
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</tbody>
</table>

**CSF RECOMMENDED FORMULA**

<table>
<thead>
<tr>
<th><strong>Cost of Attendance (COA)</strong></th>
<th>$18,000</th>
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</table>

<table>
<thead>
<tr>
<th><strong>Unmet Need</strong></th>
<th>$5,100</th>
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</thead>
<tbody>
<tr>
<td>Amount remaining to fulfill cost of education. This amount is usually met by scholarships, work study or loans. <strong>THIS IS AN OUT-OF-POCKET EXPENSE.</strong></td>
<td></td>
</tr>
</tbody>
</table>
4. HOW IS NEED DETERMINED

Cost of Attendance
- Free money

= UNMET NEED

Family*
Work Study
Loans
Private scholarships
Savings**
4. HOW IS NEED DETERMINED

**Subsidized**
- **YR1:** $3,500
- **YR2:** $4,500
- **YR3+:** $5,500
- **Lifetime Limit:** $23,000
- **Interest Rate:** 2.75%**

**Unsubsidized**
- **$2,000 (D)*
- **$6,000-$7,000 (I)*
- **Lifetime Limit:** $31,000 (D) $57,000 (I)
- **Interest Rate:** 2.75%**

**Other Resources**
- **Work-study Savings**
- **Outside Scholarships**
LETS TEST DRIVE WHAT WE LEARNED:

1. How can students calculate their unmet need?
2. If a student’s award letter doesn’t include need-based aid, what is one of the main reasons that could explain this?
3. When should students file their FAFSA or WASFA applications?
4. Name two documents that students will be required to submit if selected for verification.
LET’S TEST DRIVE WHAT WE LEARNED:

1. COA-EFC= unmet need
2. EFC is too high
3. October 1 of every year
4. Verification form, tax transcripts, W2s, statement of child support, documentation of net worth, or SNAP benefits.
Questions? Comments? Help?

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Program Officer, Scholarship Services

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