

The College Insider Series

FINANCIAL

— \$ \$ \$ —

AID



COVID-19 Edition

Look for this icon for information on how to navigate financial aid during the pandemic.

About NHHEAF's Center for College Planning

Each year, the Center for College Planning (CCP) at The NHHEAF Network is dedicated to providing students and families with free valuable information about the college planning process. College Outreach Specialists travel statewide annually presenting in 100% of the state's public high schools. The CCP offers an array of early awareness, college and career planning, and financial aid programs for K-12 students, parents, and school counselors.

nhheaf.org

Table Of Contents

3	Financial Aid Checklist
Understanding Financial Aid	
4	Financial Aid Philosophy
5	Types of Aid
Financial Aid & Your College Search	
6	Have the "Money Talk" Early
7	Consider Net Price, Not Sticker Price
	Merit Aid vs. Need-Based Aid Schools
	Colleges that Meet Full Demonstrated Need
Applying for Financial Aid	
8	Application Forms
9	Application Deadlines
	FAFSA Filing: Create an FSA ID
10	The FAFSA Belongs to the Student
	Use Tax Information from the Correct Year
11	Use the IRS Data Retrieval Tool
	Parents & the FAFSA
12	Which Parent(s) to Include
	Income and Asset Information
13	Special Circumstances
	Verification
Determining Eligibility for Financial Aid	
14	Expected Family Contribution
15	Cost of Attendance
	Calculating Eligibility for Need-Based Aid
	Where Do Private Scholarships Fit In?
Interpreting Financial Aid Awards	
16	Sample Financial Aid Award
17	Types of Federal Financial Aid
	Federal Direct Loan Maximum Annual Awards
18	Comparing Financial Aid Awards
19	Accepting Your Financial Aid Award
Paying for College	
20	Ways to Reduce College Cost
21	Scholarships
22	When Financial Aid Isn't Enough
23	Loan Comparisons
	Financial Aid Tracker

How We Can Help

Timeline:	What We Offer:
Freshman through Senior Year	School-Based College Planning and Financial Aid Presentations – FREE presentations for students and parents in 100% of the public high schools in NH on a variety of college topics Check with your school counseling office or nhheaf.org to see our calendar of when we are in your community.
Spring of Junior Year	Destination CollegeSM – FREE day of college planning workshops and college fair – for current high school juniors and families Saturday, March 20, 2021 Plymouth State University
Spring of Junior Year through Fall of Senior Year	College Counseling Appointment – Appointment with student and family to discuss college planning and the admission and financial aid processes
Summer Before Senior Year	Summer Boot Camp Workshops – Workshops for rising high school seniors focused on helping them write the college essay or start their Common Application
Fall of Senior Year	Free Application for Federal Student Aid (FAFSA) Filing Appointment – Appointment to help file this important federal financial aid form any time after October 1st of the year you need to file
Winter and Spring of Senior Year	Funding Options Appointment – Appointment to review financial aid award letter and discuss options to pay for college any time after a student receives their financial aid award

Financial Aid Checklist

BEFORE YOU FILE

- ☐ Set up an FSA ID (info found on [page 9](#)).
- ☐ Create a spreadsheet including each school you are applying to AND each of your financial aid deadlines (suggested chart found on [page 23](#)).

READY TO FILE

- ☐ File the FAFSA on or after October 1, 2020 but no later than each school's deadline. File at studentaid.gov.
- ☐ If required by the school, complete and submit additional financial aid paperwork (CSS Profile and/or Institutional forms) before each school's deadlines.

REVIEW/CORRECTIONS TO YOUR FAFSA

- ☐ The Student Aid Report (SAR) will be sent to you via e-mail or can be viewed online at studentaid.gov within three (3) days of submission. Review your SAR for accuracy.
- ☐ If necessary, correct inaccurate items online at studentaid.gov. Once corrections have been made and the FAFSA is re-submitted, the new information is automatically sent to the schools listed in the FAFSA.

VERIFICATION

- ☐ Promptly respond to any school requests for additional information or documentation as any delay can prolong the financial aid process.

FINANCIAL AID AWARD

- ☐ Each school to which you have been accepted will send a financial aid award. Check with each school to determine if it will be sent via mail, email, or post in your college portal.
- ☐ Read all financial aid notifications. Most financial aid awards have conditions for receipt or renewal, such as earning a certain grade point average or being enrolled full-time.
- ☐ Some schools require you to accept the award by either signing/returning the award letter or accepting it electronically. If this action is required, you should promptly accept the award from the school you plan on attending.
- ☐ Contact the financial aid office with any questions about the award.

SCHOLARSHIPS

- ☐ Investigate private sources of financial aid. Check with your high school, local library, local businesses, and employer(s). Also, explore the New Hampshire Charitable Foundation scholarship opportunities at nhcf.org.
- ☐ **IMPORTANT** – Notify your financial aid office of any outside or private scholarships, grants or other types of student aid you received or expects to receive. Ask the school for their policy on how outside scholarships may affect other financial aid.

COMPLETE MPN'S AND ENTRANCE COUNSELING

- ☐ Master Promissory Notes (MPN's) must be completed by students and parents prior to any loan funds being released to a college. Visit studentaid.gov to access MPN's for Federal Direct Loans and PLUS loans. Contact any private lender(s) to learn the MPN process through their organization.
- ☐ You must also complete Entrance Loan Counseling at studentaid.gov to have your Federal Direct Loan disbursed to your school.

Understanding Financial Aid



College is one of the biggest investments you will make in your life, so as a family you will want to consider the impact of your choices. In 2019, a survey conducted by Ipsos revealed families spent an average of \$26,226 to pay for one year of college and 55% of that amount came from financial aid. Two things are clear from this data: college is expensive, and paying for it generally requires financial aid. Paying for college can be one of the toughest parts of earning your degree — but it doesn't have to be. Use this guide to help you navigate and understand the process of applying for financial aid, interpreting your award, and options for paying for college.

Financial Aid Philosophy

Student financial aid programs are designed to provide resources to students who would not otherwise be able to afford to pursue a college education. Colleges share the philosophy that while financial aid can make college more affordable, parents and students are expected to take **primary responsibility** for paying for post-secondary education. This means, based upon the family's ability to pay (as determined by completion of the financial aid forms discussed on [page 8](#)), most students will pay some amount to attend college. When the total resources a family can provide do not meet expenses, the college will award financial aid to assist the student in meeting these expenses. Note: not all colleges can meet a student's full need. For some of the ways families meet this funding gap, see [page 22](#).



Meeting your financial aid deadlines is just as essential as meeting your college application deadlines.

Types of Aid

There are many different forms of financial aid to help you pay for college. A majority of that aid comes from the federal government and the colleges themselves, though aid can come from private sources as well. Financial aid can be grouped into two main categories: gift aid and self-help aid.

GIFT AID

This form of aid is, as its name suggests, a "gift" of free money for college. Gift aid does not have to be paid back after you graduate. Gift aid can be awarded on the basis of merit or need.

Merit-based gift aid is awarded to students in the form of scholarships based on a certain talent (performing arts, athletics), academic accolade (GPA, standardized test scores), being part of a certain group (student from a particular city, nursing major), etc. Typically, if the college awards a scholarship, it is renewable for future years as long as the student still meets the specified criteria the school sets forth (maintains a certain GPA, or is an active member of the sport for which it was awarded, for example).

Need-based gift aid is awarded to students based on their family's financial circumstances as documented on the Free Application for Federal Student Aid (FAFSA) and other financial aid paperwork. This aid is generally called a grant and must be reapplied for each year you will be in college.

SELF-HELP AID

This form of financial aid requires repayment or is earned through work.

Federal student loans offer you the opportunity to borrow money in your own name to help pay for college. Every student who files a FAFSA is eligible to receive student loan money from the federal government. However, your financial need will determine if these loans will or will not accumulate interest while you are in school (see [page 17](#)).

Work-study allows you to earn money for college through an on-campus job. During the school year, you can work part-time through a Federal Work Study program (FWS) to earn money that can either be received in a paycheck or put towards outstanding school fees like tuition. Only students who demonstrate financial need will receive work-study.

All students are **guaranteed** some financial aid from the federal government to help pay for college **as long as they complete the FAFSA form** and the college or university is a Title IV school eligible to receive federal funding.



Not all colleges offer merit-based aid.
Some colleges solely offer need-based aid. If you are hopeful for a scholarship from a particular college, check with their admissions and/or financial aid office to determine if they offer merit-based financial aid.

Financial Aid & Your College Search



For most students and families, cost is a primary factor in the college decision process. Yet, many wait to begin considering college costs until after financial aid awards are received. This may limit your college choices. Students are often forced to reject one or more of their top choice colleges due to finances. Taking some simple steps earlier in the college application process can help you to avoid a similar situation.

Talking about finances is more important than ever. Were you or your parent temporarily unemployed or did you lose a job due to the pandemic? How will this affect your ability to pay for college? If the configuration of college (online vs. in-person, commuter, or residential) changes at any point, does that change how much you are willing to contribute or borrow?



Have the “Money Talk” Early

Although talking about finances with your parents might be difficult, setting expectations about money before you begin the college search process will go a long way toward making decisions that will work for you and your family. Consider these questions as part of your discussion:

1. Is there a particular amount you are able/willing to contribute toward your education (from savings, summer jobs, graduation money)?
2. Is there a particular amount your parents are able/willing to contribute toward college costs?
3. Are there other costs which should be included in the budget (books, travel, cell phone, entertainment, computer, etc.)?
4. Do you or your parents have any money set aside for your college education?
5. Who will take out loans if they are needed?
6. What happens if one (or more) of the schools on your list does not offer enough financial aid for you to comfortably afford to attend?

Consider Net Price, Not Sticker Price

STICKER PRICE VS. NET PRICE

Many students and parents make the mistake of using a college's **sticker price** – the price published on their website – as a determining factor in evaluating potential colleges. The truth is, most students will pay less than the sticker price because of financial aid. Colleges you consider to be out of reach financially may be more affordable than you think.

So instead of focusing on sticker price, concentrate on the actual price you will pay after subtracting any scholarships or grants you might receive. This is called the **net price**.

Understanding the Difference Between Sticker Price and Net Price

\$59,000	Sticker Price (listed on school's website)
-\$35,000	Gift Aid - Free Money (scholarships, grants)
\$24,000	Net Price (actual cost to attend)

NET PRICE CALCULATORS

Net price calculators are available on each college or university's website and allow you to enter information about you and your family to get a personalized estimate of your net cost to attend the institution. Each college's estimate is specific to you because it is based on your personal circumstances and the college's financial aid policies. Net price calculators offer a more informed method of deciding which colleges may

be the most affordable for you. Remember that these are estimates – the actual price you pay may be higher or lower than the college's net price calculator indicates.

Diversify Your List: Merit vs. Need-Based Aid Schools

Individual colleges will award their own financial aid to students based on need, merit, or sometimes both. Knowing how a college awards their aid is essential. If a school only offers need-based aid, for example, you will not receive a merit scholarship from that college – even if you are the valedictorian of the senior class. Also, if you apply to mostly reach schools (those where your grades and test scores are lower than those of the average accepted student), you may not qualify for merit aid. Merit aid is generally awarded to top admissions candidates, so be sure your list of colleges includes schools offering merit aid where you are a better than average candidate for admission in order to maximize your scholarship potential.

- Use net price calculators before finalizing your college list if cost will be a factor in your decision.
- Use these calculators strategically. See how your GPA and/or test scores could help you receive merit awards at your chosen college(s).
- Ask a school how accurate its calculator is – some schools may offer merit aid that is not accounted for in their net price calculator (but would significantly reduce your cost).
- Note the year for which costs are being calculated; some schools may not have updated their cost of attendance to reflect current costs.

Colleges That Meet Full Demonstrated Need

Some colleges meet a student's full demonstrated need as determined by federal and/or institutional financial aid methodology (see [page 15](#)). Colleges that “meet full need” will offer admitted students enough financial aid to cover the difference between the college's cost of attendance (COA) and a family's ability to pay. For some schools this amount is determined using the Expected Family Contribution (EFC) based on information reported on the FAFSA (see [page 14](#)). But most colleges with generous financial aid also require a second financial aid form—the CSS Profile—and they use that to guide their institutional financial aid formula.

So, for example, if the financial aid formula says your family can afford to pay \$24,000 a year and a college charges \$65,000, then a school that meets full need will make sure the remaining \$41,000 is covered through a combination of federal and institutional aid. It is important to note that there are few schools who meet this need without including student and/or parent loans.

Applying for Financial Aid



Application Forms

Organization is one of the most important factors in successfully completing the necessary forms and meeting the deadlines to be eligible for financial aid. Each school will require one or both of the forms mentioned below and may have separate deadlines for each. Keeping a calendar of important dates right on the refrigerator where everyone is bound to look at it multiple times a day is a great way to stay organized and meet deadlines!

FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)

The FAFSA is the application for federal student aid used to evaluate a family's ability to pay for college and to determine eligibility for federal grants, work-study programs, and education loans. Colleges also require the FAFSA to determine eligibility for their own aid. The FAFSA cannot be filed until October 1st of your senior year, but you should file well before your individual school's deadlines. File your FAFSA online at studentaid.gov.

Have you considered not filing a FAFSA because you've heard you may not qualify for aid? The good news is – **everyone qualifies for something!** Even if you don't receive free money, the only way to borrow through the Federal Direct Loan program is to file a FAFSA. Also, some colleges and private scholarships require students to complete the FAFSA before applying. Don't miss out on aid for which you qualify – take the time to file your FAFSA!

CSS PROFILE

The CSS Profile is an **additional** online financial aid form required by roughly 240 colleges and scholarship programs nationwide. The CSS Profile form does not take the place of the FAFSA requirement at these schools, it is filed as a secondary financial aid form. This form allows colleges to gather more information to assist in awarding their institutional grants and scholarships. Unlike the FAFSA, this form is not free. There is a \$25 registration fee (which includes sending the results to one college) and a \$16 charge for each additional school. The fee may be waived based upon the answers to the financial questions in the registration process. For an updated list of colleges requiring the CSS Profile form and to register to complete the application, visit cssprofile.org.



If a parent is filing the CSS Profile on your behalf, they must use your College Board® username and password when accessing the form.

In order to ensure maximum consideration for federal, state, and institutional aid, check with **each** school to determine:

- **Required application forms**
- **Application deadlines** (Note: different forms may have different deadlines – even at the same college!)

Application Deadlines

Financial aid timelines are not one-size-fits-all. Although the FAFSA and CSS Profile can be filed any time on or after October 1st of your senior year, there are many factors to take into consideration to determine your own timeline:

WHERE ARE YOU APPLYING?

Each individual college has their own application deadlines. Check the financial aid websites of EACH college to which you intend to apply to see which forms they require and what their own specific deadline is. Complete your FAFSA (and CSS Profile, if required) prior to your earliest college deadline.

HOW ARE YOU APPLYING?

The admissions process under which you are applying will affect the financial aid deadlines. If you are applying **early action** or **early decision**, your financial aid applications may be due early as well. For these two admissions options, your applications will likely be due in the fall. If you are applying **regular decision** or have a **rolling admissions** deadline, you may not have to submit your financial aid paperwork until later in the process.

FAFSA Filing: Create a Federal Student Aid ID (FSA ID)

Your FSA ID is a username and password combination used to confirm your identity and electronically sign your federal student documents, including the FAFSA. To create your FSA ID visit studentaid.gov/fsaid. Once you have created your FSA ID, you can start the FAFSA, save your progress, and log in and out as you wish.

FSA ID TIPS

- Create an FSA ID for yourself and a separate FSA ID for one of your parents
- Students and parents cannot use the same email address or cell phone number to set up the FSA ID
- Do not use your high school email address because once you graduate, that account will be deactivated - you will need to access this email in the future, so use an email you will be able to access
- Be sure to enter your name and Social Security number exactly as they appear on your Social Security card
- Have access to your email and cell phone while creating your FSA ID - you will be prompted to verify your email address by accessing a link sent to your account and your cell phone number through a text message sent to your phone
- Keep your username and password (and those of your parent) in a safe place as you will need them each time you access your FAFSA or the federal aid website



The FAFSA Belongs to You (the Student)

Read every question carefully! Wherever you see the words “you” and “your” on the FAFSA, this always refers to the student, not the parent.

When filing your FAFSA, use your (and your parents’) legal name(s) as they appear on each Social Security card. Note-nicknames, married names, maiden names, and incomplete names should be checked to avoid processing delays.

The email address you use in the student information section of the FAFSA is the address that will receive all correspondence regarding FAFSA. Check your emails frequently.

Be sure to count yourself as one of the people in your household. You will be a college student during the FAFSA award year.

Use Tax Information from the Correct Year

This easy-to-read chart outlines which tax form your family should use when filing the FAFSA form, based on the academic year you will attend college.

High School Class	When a Student is Attending College (School Year)	When a Student Can Submit a FAFSA	Which Year’s Income and Tax Information is Required
Class of 2021	July 1, 2021 - June 30, 2022	Beginning October 1, 2020	2019
Class of 2022	July 1, 2022 - June 30, 2023	Beginning October 1, 2021	2020

Use the IRS Data Retrieval Tool

The IRS Data Retrieval Tool (IRS DRT) allows students and parents who filed a U.S. tax return to access their IRS tax return information and, with the click of a button, transfer the necessary data directly into their FAFSA form. Using the IRS DRT is the easiest and most accurate way to provide your tax return information and lowers the chances of being selected to verify the information on your FAFSA (see [page 13](#)).

IRS DRT Tips:

- Select “Link to IRS” in the student and parent finances section of the FAFSA to transfer your (and your parents’) tax return information from the IRS website into your form
- Once at the IRS site, enter your information exactly as it appears on your federal income tax return (for example, if on your tax return your mailing address is listed as “101 Main Street,” your information will not transfer if you enter “101 Main St” in the IRS DRT)
- For your protection, your tax information will not be displayed on the IRS site or on your FAFSA — you will see “Transferred from the IRS” in place of your tax information on the FAFSA
- If your parents are married and filed as “Married Filing Separately” or “Head of Household,” or filed a Puerto Rican, foreign tax return, or an IRS Form 1040NR or 1040NR-EZ, they are not eligible to use the IRS DRT and will need to enter their tax return information manually
- If you’re ineligible or choose not to use the IRS DRT, your college might require a copy of your IRS Tax Return Transcript, and your parents’ IRS Tax Return Transcript if you’re a dependent student, for verification purposes (see [page 13](#)) — visit [irs.gov](#) to obtain a tax transcript

Parents & the FAFSA

Your dependency status will dictate whose financial information must be reported on the FAFSA. Dependent students must report their parents’ finances, while independent students will only include their own financial information. Many students going to college directly out of high school are considered dependent students, but there are specific questions on the FAFSA to help you determine your status.

A student is considered independent for the purposes of federal student aid only if one or more of the following is true. He or she:

- is age 24 or older
- is married
- has a child who receives more than half of his or her support from the student
- was in foster care, a dependent or ward of the court, or both parents were deceased at any time since the age of 13
- has been declared homeless by their high school liaison
- has a legal guardian who is not the parent or stepparent

For a complete list of criteria for independent student status, visit [studentaid.gov/dependency](#).

The philosophy of the federal student aid program is that it is primarily the student and his or her family’s responsibility to pay for the student’s education. For dependent students, this means collecting parent information in order to provide a complete picture of the family’s circumstances. Supplying their financial information for the FAFSA does not obligate your parents to pay for college, but their finances will be used to determine your eligibility for aid.

Which Parent(s) to Include

When filing the FAFSA as a dependent student, the “parent” is considered to be your legal parent (biological or adoptive) and stepparent. The following people are NOT considered parents unless they have legally adopted you: widowed stepparent, grandparents, foster parents, older brothers or sisters, aunts or uncles. Use the following chart to determine which parent(s)’ information to include on the FAFSA.

If...	File the FAFSA with...
Parents are married to each other	Both parents
Parents are divorced or separated	The parent with whom you lived 51% or more of the time during the last 12 months. If you lived the same amount of time with each divorced or separated parent, file the FAFSA with the parent who provided more financial support during this time. This parent is considered the “custodial parent” for financial aid purposes.
Parents are divorced and custodial parent is remarried	Custodial parent and stepparent
Biological parents are not married, but are living together	Both parents. Since unmarried parents would not be able to file taxes jointly, you will need to combine their adjusted gross income and tax liabilities and list them together on the FAFSA.



Students are not able to declare themselves “independent” unless they meet the federal guidelines.
Not living with your parents or not being claimed on their tax forms does not make you an independent student. You are still considered a dependent student.

Income and Asset Information

This chart outlines which assets are included on the FAFSA form, and who needs to claim ownership for each type of asset (parent or student).

	Parent	Student
Not Included	<ul style="list-style-type: none">• Primary residence• Retirement funds (401K, 403B, IRAs including Roth)• Annuities and insurance policies• Value of family-owned businesses (if under 100 employees)	<ul style="list-style-type: none">• Student-owned retirement funds• (IRAs including Roth)
Income	<ul style="list-style-type: none">• Wages• Rental income• Interest and ordinary dividends• Cashed in pensions, annuities and IRAs• Child support received for all children in the house	Adjusted Gross Income under \$6,840 not considered <ul style="list-style-type: none">• Wages• Interest and ordinary dividends
Assets	Up to 5.64% of Assets <ul style="list-style-type: none">• Cash, checking, and savings• CDs, stocks, bonds, money markets, mutual funds• Equity of any property other than primary residence• Coverdells• 529s for all children	20% of Assets <ul style="list-style-type: none">• Cash, checking, and savings• UTMA and UGMA accounts• Savings bonds (in their name)
Number in College	Both the student's and parents' financial information is calculated to determine the student's Expected Family Contribution (EFC) (see page 14). The parent contribution portion of the EFC is divided by the number of children enrolled in college. Each child will need to file their own FAFSA application and will have their own EFC based on a combination of parent contribution and student contribution.	

Special Circumstances

You and your family may have circumstances which affect your ability to contribute to postsecondary education expenses, but there is no place to report these circumstances on the FAFSA.

Some of these situation may include:

- Loss or reduction of employment
- Loss of untaxed income, such as child support
- Separation or divorce of parents
- Death of a parent
- Unusually high medical or dental expenses not reimbursed by insurance

If you want your colleges to consider your special circumstances when they award your financial aid, you must send a letter or complete a special circumstances form for each school to which you are applying. Be as detailed as possible, including dollar amounts for the items you are discussing. Check each financial aid webpage for a special circumstances form to complete and more detailed instructions or reach out to a financial aid professional with your questions. If your school requires the CSS Profile, there is a box to include special circumstances on the form.



If your family's finances have been negatively affected by COVID-19, be sure to report these special circumstances to the financial aid office at each of your colleges. Some of these situations may include reduction in hours, furlough or loss of employment; high unreimbursed medical bills; and caring for a sick family member.

Verification

As part of the financial aid process, colleges need to verify that the information provided to them on the FAFSA form is accurate. Students and parents may be asked to utilize the IRS Data Retrieval Tool (DRT) to connect directly to the IRS from the student's FAFSA and transfer their tax information into the form. If the student or parents are unable to utilize the DRT, the college may request a copy the Tax Transcript found at [irs.gov](#).

Verification can involve more than tax forms. Colleges may request other documentation or completion of various worksheets. Make sure to read all correspondence from the college and promptly send the required paperwork. Contact the Financial Aid Office with any specific questions about their process.



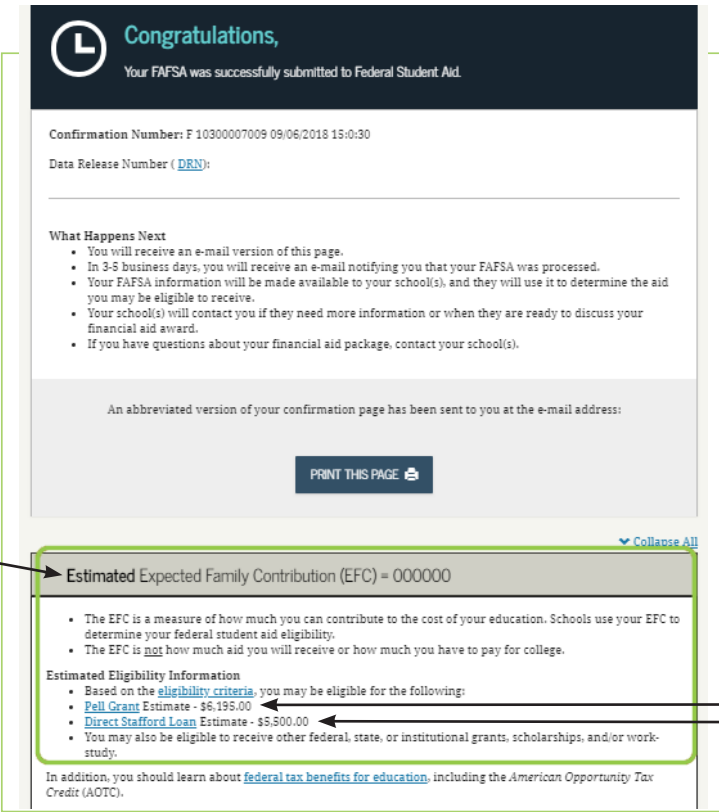
If you have applied to more than one college, know that you may be asked to submit verification forms to each one. Pay attention to your email – schools may request more information from you and your family.

Determining Eligibility for Financial Aid

Expected Family Contribution (EFC)

The Expected Family Contribution (EFC) is a measure of a family's financial strength generated by the information you provide on the FAFSA. This number represents the amount of money the federal government has estimated you and your family can contribute toward college costs for that year. It is important to understand that the EFC is neither the amount of money you will pay for college nor the amount of financial aid you will receive. Instead, this number is used to determine the eligibility for financial aid at each individual college (see [page 15](#)). Your EFC is reported on your Student Aid Report (SAR) and is included on the FAFSA confirmation page. The confirmation page is sent to the email address listed in the student section on the FAFSA.

SAMPLE CONFIRMATION PAGE



Your **Expected Family Contribution (EFC)** is listed on the confirmation. **Note:** What appears to be a code is actually a monetary amount. In this example, the EFC is \$0.

Note: If you are eligible for a **Federal Pell Grant**, based on your EFC, it will be noted here with the estimated award amount.

First year, full-time students are eligible to receive \$5,500 in **Federal Direct Loan**.

Cost of Attendance (COA)

The cost of attendance (COA) is the cost to attend a particular college or university for one year. The COA includes both the direct costs (due directly to the college) and indirect costs (expenses that need to be covered outside of the bill paid to the college). Examples of both types of costs include:

- | | |
|---|---|
| Direct Costs <ul style="list-style-type: none"> • Tuition • Fees • Room and board | Indirect Costs <ul style="list-style-type: none"> • Books and supplies • Travel expenses • Lab fees • Health insurance (if not insured through a parent) • Study abroad fees • Personal expenses |
|---|---|



Be sure to account for both the direct and indirect costs when making your college decision and yearly budget.



Be aware that many colleges will be holding some or all of their coursework online in the coming semesters. Note if the cost of attendance indicated on the website is for online or in-person classes when you are considering cost as a factor in your college search or financial aid calculations.

Calculating Eligibility for Need-Based Financial Aid

Each college or university will determine whether a student demonstrates financial need using the following formula:

$$\text{Cost of Attendance (COA)} - \text{Expected Family Contribution (EFC)} = \text{Financial Need}$$

If a student demonstrates financial need and meets other eligibility criteria, he or she may receive need-based financial aid from the federal government or the individual college. A student cannot receive more need-based aid than the amount of his or her financial need. For instance, if a school's COA is \$32,000 and a student's EFC is 12000, the student's financial need is \$20,000; he or she is not eligible for more than \$20,000 in need-based aid.

Where Do Private Scholarships Fit In?

If a student receives any need-based financial aid from the federal government, state government, or the school itself, the total of that aid plus any private scholarships must fit within the student's eligibility for need-based financial aid. The following formula can be used to determine how much private scholarship money a student has room to receive:

$$\text{Cost of Attendance (COA)} - \text{Financial Aid Awarded So Far} = \text{Eligibility for Private Scholarship Aid}$$

For instance, if the COA is \$32,000 and a student has been awarded a total of \$18,500 in financial aid, the student can bring in up to \$13,500 in private scholarships.

In the event a student receives more outside scholarship than this gap allows, colleges must adjust the financial aid award. Generally, this means reducing the amount of student loan or work-study offered. Occasionally colleges reduce their own gift aid. Speak with the financial aid office for more details.

Interpreting Financial Aid Awards

Students will receive a financial aid award once they have been accepted to a college and have submitted the required financial aid form(s). This award is the official offer of financial aid from the college. The financial aid award will include different types of aid intended to meet all or part of the student's financial need (the difference between the expected family contribution and the cost of attendance) for one academic year.

Sample Financial Aid Award

Financial aid award packages look different at each college. While some colleges utilize the Federal Shopping Sheet (pictured), many create their own template. Some colleges include their estimated cost of attendance, or how much a student will potentially need for one year of college (including billable costs such as tuition, fees, and room and board if living on campus, as well as non-billable costs, such as transportation, books, supplies, etc.) right on their financial aid award, while others do not.

Some financial aid awards will list the amount of free money (grants and scholarships) offered separately from loan options (Federal Direct Loans) and may include information such as net cost (a college's cost of attendance minus the total amount of grants and scholarships awarded). The financial aid award(s) you receive from your college(s) may not look exactly like the one shown here, but it is important for you and your family to understand the various components listed on each one.

University of the United States (UUS)
Student Name, Identifier

MM / DD / YYYY

Download

Costs in the xxxx-xx year

Estimated Cost of Attendance

Tuition and fees

Housing and meals

Books and supplies

Transportation

Other education costs

\$ X,XXX

X,XXX

X,XXX

X,XXX

X,XXX

\$X,XXX / yr

Grants and scholarships to pay for college

Total Grants and Scholarships ("Gift" Aid; no repayment needed)

Grants and scholarships from your school

Federal Pell Grant

Grants from your state

Other scholarships you can use

\$ X,XXX

X,XXX

X,XXX

X,XXX

\$X,XXX / yr

What will you pay for college

Net Costs

(Cost of attendance minus total grants and scholarships)

\$X,XXX / yr

Options to pay net costs

Work options

Work-Study (Federal, state, or institutional)

\$ X,XXX

Loan Options*

Federal Direct Subsidized Loan

Federal Direct Unsubsidized Loan

X,XXX

X,XXX

*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.

Other options

Family Contribution

(As calculated by the institution using information reported on the FAFSA or to your institution.)

\$X,XXX / yr

• Payment plan offered by the institution

• Military and/or National Service benefits

• Parent or Graduate PLUS Loans

• Non-Federal private education loan

Customized information from UUS

Graduation Rate

Percentage of full-time students who graduate within 6 years

XX.X%

Low

Medium

High

Loan Default Rate

Percentage of borrowers entering repayment and

X.X%

X.X%

This Institution

National

Median Borrowing

Students who borrow at UUS typically take out \$X,XXX in Federal loans for their undergraduate study. The Federal loan payment over 10 years for this amount is approximately \$X,XXX per month. Your borrowing may be different.

\$

Repaying your loans

To learn about loan repayment choices and work out your Federal loan monthly payment, go to: <http://studentaid.ed.gov/repay-loans/understandplans>

For more information and next steps:

University of the United States (UUS) Financial Aid Office

123 Main Street

Anytown, ST 12345

Telephone: (123) 456-7890

E-mail: financialaid@uus.edu

COA

Gift Aid

Net Price

Self Help

Funding Options Beyond Financial Aid Offered

Source: collegecost.ed.gov

Types of Federal Financial Aid

PELL GRANT

A federal grant for undergraduate students with financial need. The amount offered is based on the results of the FAFSA form. Pell grants do not need to be repaid.

FEDERAL SUPPLEMENTAL EDUCATION OPPORTUNITY GRANT (FSEOG)

A federal grant for undergraduate students with exceptional financial need. Students must qualify for the Pell grant to receive the FSEOG, however, not all Pell recipients are awarded an FSEOG.

FEDERAL WORK-STUDY

A federal student aid program that provides part-time employment while a student is enrolled in school to help pay his or her education expenses. The amount of Federal Work-Study earned does not get deducted from the college bill. Rather, it is money given to the student in a bi-weekly paycheck based on the number of hours worked. Not all students are offered work-study. Eligibility is based on the student's financial need and the resources the college has available in their work-study program.

FEDERAL DIRECT LOAN

Subsidized (does not accrue interest while in college) and unsubsidized (accrues interest while in college) loans are federal student loans for eligible students to help cover the cost of higher education at a four-year college or university, community college, or trade, career, or technical school. Subsidized loans are available to students who demonstrate need, while there is no requirement to demonstrate need for unsubsidized loans.

For more information about federal financial aid programs, visit studentaid.gov.

Colleges share financial aid awards differently. Check with each college to determine if the award will be sent via mail, email, or student portal. And always check email for important next step information from the colleges. Remember, most correspondence will only be sent to your email, not your parents'.

Federal Direct Loan Maximum Annual Amounts

Dependent Undergrad Students	Subsidized & Unsubsidized (Maximum amount of subsidized portion based on need)	Additional Unsubsidized	Maximum Amount of Award
Freshman	\$3,500	\$2,000	\$5,500
Sophomore	\$4,500	\$2,000	\$6,500
Junior	\$5,500	\$2,000	\$7,500
Senior	\$5,500	\$2,000	\$7,500

16

17

Comparing Financial Aid Awards

FINANCIAL AID AWARD WORKSHEET

HOW MUCH WILL COLLEGE COST? Write in the Total Cost of Attendance for each college for the coming year. The Total Cost of Attendance includes tuition and fees, room and board if living on campus, books, transportation and all other expenses needed for the year.

	Sample A	Sample B	School #1	School #2	School #3
College Name	College #1	College #2			
Total Cost of Attendance	\$ 20,000	40,000			

WHAT IS OFFERED? LIST ALL OF THE FINANCIAL AID OFFERED. SEPARATE GRANTS AND SCHOLARSHIPS FROM LOANS.

Federal Pell Grant	\$ 5,920	5,920			
Federal SEOG Grant	\$ 1,000	1,000			
College Grants/Scholarships	\$ 3,500	15,000			
Private Scholarships	\$ 1,000	1,000			
A.Total Grants & Scholarships =	\$ 11,420	22,920			

Federal Subsidized Direct Loan	\$ 3,500	3,500			
Federal Unsubsidized Direct Loan	\$ 2,000	2,000			
Subtotal Loans =	\$ 5,500	5,500			
Subtract Loan Fees* from the Loan Subtotal	\$ (94)	(94)			
B. Total Loans =	\$ 5,406	5,406			

Total Cost of Education	\$ 20,000	40,000			
Subtract Total Grants and Scholarships (Line A)	\$ 11,420	22,920			
Total	\$ 8,580	17,080			
Subtract Total Loans (Line B)	\$ 5,406	5,406			
Total Amount Due to School	\$ 3,174	11,674			

WHAT DOES THIS REALLY MEAN? NOW THAT YOU HAVE DETERMINED THE AMOUNT OF MONEY THAT THE STUDENT NEEDS IN ORDER TO ATTEND EACH SCHOOL FOR ONE YEAR, LET'S LOOK AT WAYS TO HELP PAY THE DIFFERENCE.

Total Amount Due to School	\$ 3,174	11,674			
Work Study Amount Student Can Earn	\$ 500	1,500			
Tuition Payment Plan	\$				
Direct PLUS Loan	\$				
Private Loan	\$				
Subtract Total Payment Methods from Amount Due to School	\$				

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January 2018

If a student is awarded work study, know that the amount will not be taken off the total bill. It is money that needs to be earned which the student will receive as a paycheck.

* Estimated 1.073% default fees for Federal Direct Loans. Direct PLUS loans carry a 4.264% loan fee.

* Assuming a 0 EFC scenario

This worksheet is for demonstration purposes only.

Since financial aid awards will differ in appearance from college to college, review them carefully to determine your family's true out-of-pocket costs at each school. Keep in mind that any Federal Direct Loans will need to be repaid, so while they are excellent loan options, they must be included in the total cost of the college. Use a worksheet like the one shown here to help you conduct a side-by-side comparison of your college financial aid offers. For a PDF of this worksheet, visit nhheaf.org/handouts.asp.

ESTIMATED STUDENT & PARENT LOAN PAYMENTS

Amount	Federal Direct Loan Payment	Federal PLUS Loan Payment
\$12,000	\$115	\$129
\$27,000	\$258	\$290
\$50,000		\$538
\$75,000		\$806
\$100,000		\$1,075
\$125,000		\$1,344

Payments are rounded to whole dollars and based on a 10 year term and the current year's interest rates of 2.75% for Direct Loans and 5.30% for PLUS Loans.

APPEALING A FINANCIAL AID AWARD

Appeals are a way for families to share additional information with a college, usually in the hopes of receiving more financial aid.

If you feel your academic circumstances have changed since scholarship money was awarded (i.e. your grades went up significantly, you received higher SAT or ACT scores, you received an honor or distinction, etc.), contact the Office of Admissions at the college to discuss applying for a merit appeal.

Appeals based on a family's change in financial circumstances should be submitted to a college's Financial Aid Office. While there is no guarantee a college will offer more aid based on a change in circumstances, colleges will do their best to assist the student.

Accepting Your Financial Aid Award

When you receive your offer of financial aid, accept the scholarship and grant money awarded first. Remember, this is money that you do not need to pay back when you graduate from college. Be sure you understand the conditions or requirements for receiving these funds. Next, review the loans you were offered. If you will need to borrow, accept those loans with the most favorable conditions first starting with the Federal Direct subsidized and unsubsidized loans (see [page 17](#)).

SAMPLE FINANCIAL AID ACCEPTANCE LETTER

Dear Joe,

We are pleased to offer you the financial aid indicated below. Please accept or decline each offer by circling the A or D after each offer. Please sign, date, and return this form by May 1.

	Fall	Spring	Total		
Dean's Scholarship	5000	5000	\$10000	A	D
Federal Pell Grant	1922	1923	\$3845	A	D
Federal Work-Study	750	750	\$1500	A	D
Federal Direct Subsidized Loan	1750	1750	\$3500	A	D
Federal Direct Unsubsidized Loan	1000	1000	\$2000	A	D
	10,422	10,422	\$21,844		



Ask your college financial aid office how these awards may be affected should the school need to switch to an on-line learning platform during your first year of study.



You can accept or decline any part of your financial aid award. So, if your high school graduation cards are filled with cash, or you work extra hard all summer, you are not required to borrow the Federal Direct Loans you were offered. Never borrow more than you must for your education!



Start your scholarship search in the school counseling office at your high school.

Ways to Reduce College Costs

Beginning your college education at one of the seven Community College System of New Hampshire (CCSNH) schools can significantly reduce college costs. Or perhaps you can get a head start on your college coursework while you are still in high school. You may also take advantage of the discounted out-of-state tuition if your intended major is not offered at one of our state's colleges or universities. Learn more about the many ways to reduce college costs below.

NH TRANSFER

Check out nhtransfer.org for information about transferring college credits earned in the Community College System of New Hampshire (CCSNH) to participating colleges and universities in New Hampshire. Use the database to determine if and how your credits will transfer.

DUAL NH

This educational pathway allows students to enroll at one of the seven CCSNH schools and be admitted into a University System of New Hampshire (USNH) school at the same time. Students first complete an associate degree at the community college and then transition to one of the four USNH system institutions to complete a bachelor's degree. Students receive special academic advising along the way and can take advantage of activities at both colleges that may include academic, athletic, cultural, and social events. To find out how to enroll, visit dualnh.com.

TUITION BREAK FOR NEW HAMPSHIRE RESIDENTS

The New England Board of Higher Education's (NEBHE) Tuition Break program, the New England Regional Student Program (RSP), provides a discount on out-of-state tuition to New Hampshire residents when they enroll in approved degree programs at specific state colleges and universities in Connecticut, Maine, Massachusetts, Rhode Island and Vermont. New Hampshire residents are eligible for these degree programs because they are not offered by any of the New Hampshire state colleges or universities. Visit nebhe.org/tuitionbreak for more information.

Other Ways to Reduce College Costs

- Take Advanced Placement (AP) courses in high school and receive a score of 3 or more on the AP exam. Check with each college to determine their requirement(s) to test out of a class
- Talk with your school counselor about taking Running Start, Early College and/or eStart courses
- Rent textbooks
- Leave the car at home
- Use an existing health insurance plan instead of paying for the college's plan
- Utilize student discounts offered by local merchants, banks, etc.

Scholarships

It is estimated that \$7.4 billion in scholarships is available each year. Remember, every dollar you earn through scholarships is a dollar you do not have to borrow!

LOCAL AND REGIONAL SOURCES

These scholarships often have local and regional residency requirements making a student's "pool of competition" smaller and chances of winning higher.

New Hampshire Charitable Foundation (nhcf.org) is the largest source of private scholarship aid in New Hampshire. They award over \$6 million in scholarships to New Hampshire students annually. The student does not need to attend a college in New Hampshire to receive a scholarship, but they do have to be a New Hampshire resident to apply for a scholarship. Each year approximately 1 in 5 applicants receive an award. Below are their programs and deadlines.

Statewide Student Aid Program

Enrolling in 4-year degree program (due April 2021)

Career Aid to Technical Students Program

Enrolling in 2-year degree program (due June 2021)

The Center for College Planning offers a database of scholarships for New Hampshire students. Check it out at: nhheaf.org/scholarship-search.asp.

NATIONAL SOURCES

These scholarships are available to students from all over the country making a student's "pool of competition" very large and chances of winning lower.

Fastweb.com – This free matching service for scholarships offers a database of over 3 billion in national scholarships.

Collegeboard.org – This national scholarship search engine can help you find scholarships and other financial aid from more than 2,200 programs, totaling nearly \$6 billion.

Scholarships.com – This database holds over 3.5 million national scholarships and provides nearly \$19 billion to help students pay for college. Download their app to track scholarships!

Scholarshipowl.com – This website streamlines the application process by having students complete one application. Once complete, the matching begins.

Scholarships360.org – Rather than a database of billions of scholarships, this site selects quality scholarship opportunities and profiles a select number of reputable scholarships.

iefa.org - Scholarship opportunities for international students.

When Financial Aid Isn’t Enough

While financial aid can certainly help cover some of the cost of college, there is usually a gap between what is offered and the total cost that the family must cover. Families have options to meet the balance, and many choose to use a combination of funding types to do so. Families should research and understand their options fully before committing to a payment plan or loan program.

TYPES OF FUNDING OPTIONS

Tuition Payment Plans

Many colleges provide tuition payment plans which help limit the need for borrowing by allowing families to pay college costs from current income or savings. The plans offer no-interest payments which are divided over 8 – 12 months. There may be a small enrollment fee. Contact the financial aid office at your college for more information.

Federal Direct PLUS (Parent Loan for Undergraduate Students) Loan

The Federal Direct PLUS Loan is a government loan for parents. While parents can certainly ask their student to help with payments, ultimately the parent is responsible for repayment until the loan is satisfied. This loan has a fixed interest rate as well as a loan origination fee. The PLUS loan has a typical repayment term of 10 years, but options are available to defer payments while the student is enrolled at least half-time. A parent interested in this loan must complete a credit pre-approval process and the annual maximum he or she can borrow is determined by the cost of education less any other aid you have received. Visit studentaid.ed.gov for more information.

Private Student Loan

Private student loans are available through lenders such as banks and financial organizations. These loans are usually in the student’s name with a credit-worthy co-signer. Payments are often deferred while you are in school.

WILL I NEED A CO-SIGNER?

Many students do not have the necessary credit history, earnings or other criteria to qualify for a private student loan without a co-signer. Co-signers agree to take responsibility for loan payments in the event a borrower does not meet their obligation. Lenders have particular criteria co-signers must meet regarding earnings, credit score, credit history, etc. Each lender could have different criteria, so it’s important for you and your co-signer to compare student loan options before committing.

THINGS TO CONSIDER WHEN LOOKING FOR A PRIVATE LOAN

- Fees** - Are there origination or repayment fees?
- Interest Rate** - Is the rate fixed or variable? If variable, how high can the rate go?
- Repayment Options** - When does repayment begin? Are in-school payments required?
- Co-Signer** - Is one required? How is the co-signer evaluated (credit score, credit history, debt-to-income ratio)? Can they be released after a certain number of payments?
- Repayment Benefits** - Are there interest rate reductions for autopay or having an existing account? Are there deferment options available?
- Forgiveness** - Is the loan forgivable in the case of death or disability?



When borrowing money for college, determine the cost for one year and request that amount from the lender to avoid needing to apply for another loan to finance 2nd semester.

Loan Comparisons

Federal Direct PLUS Loan	Private Student Loan
Fixed interest rate of 5.30%*	Variable or fixed interest rate tied to credit score(s) and Prime/LIBOR
In parent's name for life of loan	In student's name with a credit-worthy co-signer
10 year repayment; payments can be deferred while student is enrolled at least half-time as an undergraduate	10-20 year repayment; payments may or may not be deferred while student is enrolled at least half-time as an undergraduate
4.228% origination fee*	May have loan origination fee
No pre-payment penalties	May or may not have pre-payment penalties
Will accrue interest while student is in school	Will accrue interest while student is in school
Deferment & forbearance options available	Limited deferment & forbearance options available

* as of July 2020

Financial Aid Tracker

College	FAFSA Deadline	CSS Profile® Required?	CSS Profile® Deadline



Thinking About College?

The NHHEAF Network's
Center for College Planning
is Proud to Bring New Hampshire
**Free College Planning
Programming and Events**

- Workshops and College Planning Presentations
- Special Events Including Destination CollegeSM & Discover U
- Individual College Counseling Appointments
- Assistance with FAFSA Filing
- Monthly College Planning e-Newsletters
- Toll-Free College Planning Hotline
- Early College Awareness Programs Featuring our College Planning Bear Mascot

