

Financial Aid 101

What You Need to Know About Applying for Financial Aid

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Sussex County Community College

Topics we will cover tonight

- ▶ The Application Process
- ▶ Expected Family Contribution (EFC) and Financial Need
- ▶ Types of Financial Aid and the Award Process

Create a FSA ID and Password...

- ▶ Both the student and one parent must each create a FSA ID and Password.
- ▶ Requires each of you to link your email account to the FSA ID. You and your parent must each use a different email address and it must match the email you list on the FAFSA.
- ▶ You will need access to your cell phone and email account as you will be sent a “Secure Code” to each that must be input at the end of the setup process to activate your FSA ID.
- ▶ **Take your time!!** Always click on “Show Text” to be sure of what you typed in.

Create an Account (FSA ID)



Parents



Students



Borrowers

Whether you're a student, parent, or borrower, you'll need to create your own account to complete federal student aid tasks.

What You Can Use Your Account For

- Filling out the *Free Application for Federal Student Aid (FAFSA®)* form
- Signing your *Master Promissory Note (MPN)*
- Applying for repayment plans
- Completing loan counseling
- Using the *Public Service Loan Forgiveness Help Tool*

Begin your FAFSA at www.studentaid.gov

- ▶ Sign into the FAFSA using your FSA ID and password.

The screenshot shows the Federal Student Aid website homepage. At the top, there is a light blue banner with an information icon and the text: "Just announced: New one-time student loan debt relief to be granted based on income. [Student loan payment pause](#) extended through 12/31/2022." Below this is a grey navigation bar with the text "An official website of the United States government." and links for "Help Center", "Submit a Complaint", and "English | Español". The main navigation bar features the "Federal Student Aid" logo and several menu items: "UNDERSTAND AID", "APPLY FOR AID", "COMPLETE AID PROCESS", "MANAGE LOANS", and "Log In | Create Account" with a search icon. The main content area has a dark blue background with the heading "Apply for Public Service Loan Forgiveness (PSLF)" and a "Log In" button. Below the heading, there is a paragraph: "Apply by Oct. 31 to get credit for past periods of repayment that normally wouldn't qualify for PSLF. [Learn about the time-limited changes and how to apply.](#)" and a "Create Account" button. The background of the main content area features an illustration of diverse students in graduation caps.

Just announced: New one-time student loan debt relief to be granted based on income. [Student loan payment pause](#) extended through 12/31/2022.

An official website of the United States government. [Help Center](#) [Submit a Complaint](#) [English | Español](#)

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

[UNDERSTAND AID](#) [APPLY FOR AID](#) [COMPLETE AID PROCESS](#) [MANAGE LOANS](#) [Log In | Create Account](#)

Apply for Public Service Loan Forgiveness (PSLF)

Apply by Oct. 31 to get credit for past periods of repayment that normally wouldn't qualify for PSLF. [Learn about the time-limited changes and how to apply.](#)

[Log In](#)

[Create Account](#)

NJ Dreamers cannot complete the FAFSA but can complete the NJ Alternative Application and apply for NJ State financial aid only.

WINNING
with Financial Aid



NJ Dreamer Eligibility and Application Details

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
- Are able to file an affidavit stating that you have filed an application to legalize your immigration status **or** will file an application as soon as you are eligible to do so

[Apply Now](#)

CSS Profile

- ▶ Required by some private colleges and universities in order to be considered for institutional aid.
- ▶ All parents are required to complete the form. That includes the biological parents and step-parents if remarried. Must provide even if the biological parent and/or step-parent is not the custodial parent filling out the FAFSA.
- ▶ Fee to file is \$25.00 for the initial application and any additional reports are \$16.00 each.

Website to apply for profile:

www.student.collegeboard.org/

Customer Service

305-829-9793

help@cssprofile.org

Required documents to complete the FAFSA...

- ▶ 2021 Federal Income Tax Return and W-2 forms
- ▶ 2021 Untaxed income records such as untaxed pensions or non-educational Veterans benefits
- ▶ 2021 Child Support received, court ordered or otherwise
- ▶ 2021 Child Support paid
- ▶ Current bank statements, business and investment mortgage information and stock, bond and other investment records that show the current value
- ▶ Value of 529 Plans for students
- ▶ Social Security cards
- ▶ Alien Registration Cards (if you are not a U.S. Citizen)
- ▶ NJ Driver's License Number for the student.

Deadlines to file for financial aid...

- ▶ Look at all webpages of the colleges to which you are applying. Check the financial aid page for any priority filing deadlines. File by the earliest date.
- ▶ If you are graduating high school in June of 2023, and you are applying to any NJ colleges file as early as October 1, 2022 but no later than September 15, 2023 in order to be considered for NJ State financial aid. June 2024 graduates should file as early as October 1, 2023.
- ▶ If you attend a NJ college, going forward, file your FAFSA between October 1st and April 15th of the following year. If you miss the April 15th deadline you could lose your state aid for the fall semester.

Advice on filing your FAFSA...

- ▶ Have all necessary documentation on hand.
- ▶ Use the IRS DRT - Data Retrieval Tool and transfer your income directly from your 2021 tax return that you filed with the IRS onto your FAFSA.

NOTE: Parents who file “married filing separately” or are separated or divorced but filed “married filing joint” in 2021 cannot use this option. You must manually fill in the answers.
- ▶ Type your name and social security number exactly as it appears on your card.
- ▶ Go slow! Read the questions carefully, most are about the student.
- ▶ Be aware of which section you are in: student or parent?
- ▶ Check and re-check your information before submitting.

Common Mistakes Made on the FAFSA...

- ▶ Incorrect name, Social Security number or date of birth
- ▶ Listing parents' income and then listing it again for the student if not using the IRS Data Retrieval Tool.
- ▶ Number in the household. List parents, student, younger siblings and anyone else in the household that the parent is providing more than 50% of their support.
- ▶ Taxes paid vs. taxes withheld if not using the IRS Data Retrieval Tool.
- ▶ Do not skip the gender question for the student. This will make the FAFSA incomplete and no aid can be determined until this is resolved.
- ▶ High school completion status.
- ▶ Make sure both student and parent provide their signatures via FSA ID/Password or by printing, signing and mailing in a paper signature page.
- ▶ Saving but not **SUBMITTING** the FAFSA! It's not submitted if you don't get a confirmation page that says "**Congratulations!**".

Some common questions and answers...

- Q. My student will move out once they turn 18 years of age and I will no longer be supporting them nor will I be claiming them on my tax return. Will they be able to file as an independent student without parental information?
- A. No, students must file with their parents' information until they reach 24 years of age or if they meet one of the other eligibility requirements.

More common questions and answers...

Q. My husband and I filed jointly in 2021 but we separated in 2022. Do I include information for both of us?

A. No, include only the information of the parent that the student lives with. You will not be able to use the IRS Data Retrieval Tool. If they live with each parent 50% of the time, use the parent who provides 51% of their support or the parent that makes more money.

Still more common questions and answers...

- Q. My student's father and I divorced in 2017 and I remarried in 2022. My new husband is not financially responsible for my student. Can I file the FAFSA with only my income and assets?
- A. No, federal regulations require both the biological parent and the step-parent include their information if they are married as of the date the FAFSA is completed. Both must include their income even though they were not married and did not file together during the 2021 tax year.

More common questions and answers...

Q. I took custody of my grandchild when they were 3 years old. Since then, we've had no contact with my daughter or my grandchild's father. Do I fill out the FAFSA with our income and asset information?

A. No, you do not fill out the FAFSA with your income.

Your grandchild will need to fill out the FAFSA with their information only and then contact the Financial Aid Office at the school they will attend to request a "Dependency Override". They will need to provide signed letters from the student and the grandparent explaining the circumstances in detail as well as provide third party documentation such as court paperwork to the school. It is up to the college to determine if they have sufficient documentation to approve your request.

Very common question and answer...

Q. In 2021 both my husband and I worked but in 2022 my husband got laid off and our income is much lower. Can we update the FAFSA to show this?

A. You cannot update the FAFSA yourself. A change in circumstances after filing the FAFSA requires a Request for Professional Judgment. You may make this request to the Financial Aid Office for reasons such as:

Change in employment status

Parent becomes disabled or passes away

Change in parents' marital status

You will need to document the change. The college will review and request additional information if necessary. Decisions are final and cannot be appealed to the U.S. Department of Education.

Final common question and answer...

Q. Do I list my student's 529 College Savings Plan as the student's asset?

A. If the parent took out the 529 Plan, then it is listed as the parent's asset. If a grandparent took out the 529 Plan, then it is not reported at all. When the owner is some other person (including a noncustodial parent), distributions from these plans to the student count as untaxed income, as "money received."

Once you submit your FAFSA...

- ▶ Keep a copy of your confirmation page once you submit it. It will list your eligibility for Federal Pell Grant (if eligible) and for a Federal Direct Student Loan.
- ▶ You will instantly get an email telling you they received your FAFSA submission.
- ▶ You will get another email in approximately 3-5 days telling you it has been processed.
 - ▶ Read through this email to see if anything additional is required such as missing signatures.
 - ▶ Make any necessary corrections at www.studentaid.gov .
- ▶ Check your email for notices from NJHESAA regarding your NJ State Aid. Sign into your NJFAMS account to review your “To Do List” for documents you must submit. You may also change your school choice and review your awards at each NJ school you listed.
- ▶ Schools will begin sending award notifications late December or early January. Must be admitted before you will be notified.

Applying for State Aid...

2023 - 2024 Confirmation Page



Congratulations, Student!



Your FAFSA was successfully submitted to Federal Student Aid.

- ▶ Once submitted, a copy of the FAFSA is sent to all listed institutions, federal agencies for identity confirmation and to NJHESAA.
- ▶ 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 their "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

Log into your NJFAMS account at <https://njfams.hesaa.org>

Student login


Log in to your account.
Please identify yourself with a valid username and password.

If you are having trouble logging in, contact [New Jersey Higher Education Assistance Authority](#).

User Name:
Password:

[Forgot your username or password?](#)

To return to the main page of the NJHESAA web site, [click here](#).
Note: This site requires the use of JavaScript and Cookies. Please be sure to enable JavaScript and Cookies in your web browser in order to access the full functionality of the site.

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Review your “To Do List”



The screenshot shows the NJFAMS website interface. At the top left is the HESAA logo (Higher Education Student Assistance Authority) and the NJFAMS logo. A navigation bar contains a 'MENU' button and a 'Contact Us' link. The main content area features a 'Welcome to NJFAMS!' heading followed by a list of links with icons: 'To Do List' (checkmark), 'View and Update Your School' (folder), 'Apply Online for Scholarships' (document with arrow), 'Award and Eligibility Information' (star), 'Notifications' (envelope), and 'Help Requests' (envelope). Below the list, two status messages are displayed: 'Your FAFSA for the academic year 2020-2021 has been received' in green and 'Your FAFSA for the academic year 2021-2022 has not been received' in red.

Higher Education Student Assistance Authority

NJ FAMS

MENU

Contact Us

Welcome to NJFAMS!

- ✓ To Do List
- 📁 View and Update Your School
- 📄 Apply Online for Scholarships
- ★ Award and Eligibility Information
- ✉ Notifications
- ✉ Help Requests

Your FAFSA for the academic year 2020-2021 has been received
Your FAFSA for the academic year 2021-2022 has not been received

Expected Family Contribution (EFC)...

- ▶ The EFC is the amount that the Department of Education expects the family can contribute to the student's education.
- ▶ It has two components:
 - ▶ Parent contribution
 - ▶ Student contribution
- ▶ Calculated using a formula specified by law called Federal Methodology. This formula uses the data provided on the FAFSA.
- ▶ Stays the same regardless of the college or cost of the college.
- ▶ The EFC is used along with the cost of Attendance (COA) to determine the student's financial need.

Cost of Attendance...

- ▶ Tuition (direct expense)
- ▶ Fees (direct expense)
- ▶ Room & Board (may be direct)
- ▶ Books & Supplies (direct but not billed)
- ▶ Personal Expenses (indirect expense)
- ▶ Transportation (indirect expense)

Please note: There are special circumstances that can affect the cost of attendance (i.e. childcare, study abroad, costs related to disabilities, computer requirements, etc.) that may be considered.

Definition of Need...

Cost of Attendance (COA)

- Expected Family Contribution (EFC)

= Financial Need

Sample EFC for the Smith Family...

- ▶ Family lives in New Jersey
- ▶ Married parents, both age 52
- ▶ Household size of 4 with 1 child going to college
- ▶ 2021 Adjusted Gross Income = \$120,000
- ▶ Assets = \$20,000
- ▶ Student income/assets = 0

EFC = \$20,830

Financial Need for the Smith Family...

College	Community College	State College or University	Private College or University
COA	\$15,560	\$29,474	\$51,507
EFC	\$20,830	\$20,830	\$20,830
Financial Need	0	\$8,644	\$30,677

May be selected for a process called Verification...

Federal Verification

Federal verification happens randomly or for specific reasons when you file your FAFSA. If selected you will be required to submit certain documents to your school. *Do not supply unless asked to do so!*

State Verification

State verification happens randomly or for specific reasons as determined by NJHESAA. *Must supply by HESAA deadline dates.* Log into your NJFAMS account at www.njgrants.org, click on NJFAMS and go to your “To Do List” to check for missing documents and award notices.

Federal Types of Aid...

- ▶ Federal Pell Grant - Based on EFC
 - ▶ Automatic with eligibility
 - ▶ 2022-23 maximum annual award amount \$6,895
- ▶ FSEOG - Federal Supplemental Educational Opportunity Grant
 - ▶ Supplemental grant for the neediest of students
 - ▶ Based on availability
- ▶ TEACH Grant
 - ▶ For those planning to teach in high-need fields
 - ▶ Agreement to Serve

Federal Aid continued...

- ▶ Federal Work Study
 - ▶ Federal dollars paid in exchange for part-time employment in designated jobs
 - ▶ School comes first
- ▶ Federal Direct Loans
 - ▶ Subsidized - No interest while in school - must demonstrate financial need
 - ▶ Unsubsidized - Interest accrues while in school
 - ▶ Freshman Annual Loan Limit = \$5500 - Up to \$3500 may be Subsidized
 - ▶ 2022-23 Interest Rate = 4.99%
 - ▶ Loan Origination Fee taken off the top = 1.057%
- ▶ Federal Parent PLUS Loans
 - ▶ 2022-23 Interest Rate = 7.54% with a Loan Origination Fee of 4.228%
- ▶ Private/Alternative Loans
 - ▶ Exhaust federal aid options first

NJ State Financial Aid...

- ▶ TAG (Tuition Aid Grant)
 - ▶ File FAFSA or NJ Alternative Application.
 - ▶ Demonstrate Financial Need
 - ▶ Be a U.S. citizen, eligible non-citizen or DACA student
 - ▶ Must be New Jersey Resident & attend a New Jersey Institution
 - ▶ Must be full time in 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

NJ State Financial Aid continued...

- ▶ EOF (Educational Opportunity Fund)
 - ▶ Award ranges from \$200 - \$2,500 annually depending on type of institution
 - ▶ Must demonstrate educational and economically disadvantaged background
 - ▶ Provides both additional grant funding as well as additional academic counseling, personal counseling and tutorial services
 - ▶ File FAFSA or NJ Alternative Application.

NJ State Financial Aid continued...

▶ NJ STARS

- ▶ NJ residents who rank in the top 15% of their class at either the end of junior or senior year
- ▶ Are considered college ready if they ranked in the top 15%.
- ▶ Students must take at least 12 college credits, will not cover remedial credits.
- ▶ 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
- ▶ Must file a Free Application for Federal Student Aid (FAFSA) or a NJ Alternative 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 enroll full time (12 credit hours)
- ▶ Must file a Free Application for Federal Student Aid (FAFSA) or a NJ Alternative Application.

NJ State Financial Aid continued...

- ▶ 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 18 County Colleges
 - ▶ Benefits women and minorities pursuing certificate or degree programs in construction – related fields
 - ▶ Must be NJ resident
 - ▶ Must file a FAFSA or NJ Alternative 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

NJ State Financial Aid continued...

- ▶ **CCOG -The Community College Opportunity Grant is available for Academic Year 2023-2024!**

Community College Opportunity Grants make community colleges affordable for New Jerseyans. CCOG awards pay for the cost of tuition and approved educational fees for New Jersey residents with an annual adjusted gross income (AGI) between \$0 and \$65,000. New Jersey residents with AGIs between \$65,001 and \$80,000 pay reduced tuition costs after up to 50% of the maximum CCOG award available at their community college is applied. The CCOG covers the cost of tuition and fees that are not already covered by federal and state financial aid or scholarships.

To be eligible for the Community College Opportunity Grant, students must:

- ▶ Be a New Jersey resident with an AGI between \$0 - \$80,000
- ▶ Complete the FAFSA or NJ Alternative Financial Aid Application by applicable state deadlines
- ▶ Enroll in at least six (6) credits per semester at one of New Jersey's community colleges
- ▶ Have not yet earned a college degree
- ▶ Make satisfactory academic progress



What is the Garden State Guarantee?

The Garden State Guarantee (GSG) is New Jersey's promise to make a college degree more accessible and affordable. By reducing out-of-pocket costs for students and families, New Jersey is limiting the amount of debt that residents must borrow to attend an in-state, public college or university. This program further builds on Governor Phil Murphy's commitment to improving college affordability.

Who is Eligible?

New Jersey residents who attend an in-state, public, four-year institution and have an annual adjusted gross income (AGI) between \$0 and \$65,000 will pay a net price of \$0 for tuition and fees during their third and fourth years of study. Students who have AGIs between \$65,001 and \$80,000 will pay a discounted net price of no more than \$7,500 for tuition and fees. GSG covers the cost of tuition and fees that are not already covered by federal and state financial aid or other scholarships. Students must be enrolled full time (at least 12 credits per semester) and must be working toward completing their first Bachelor's degree.

How to Apply

You will automatically be considered for the GSG when you complete the Free Application for Federal Student Aid (FAFSA) or, if you qualify as a NJ Dreamer, the [NJ Alternative Financial Aid Application](#). You must file your application by established deadline dates. To view deadline dates, click here: <https://www.hesaa.org/Pages/StateApplicationDeadlines.aspx>

Self-Help Loans to cover the Gap

Can borrow up to the Cost of Attendance

- ▶ NJCLASS Supplemental Loan Program - rates are for 2022-2023
 - ▶ 10 Year Fixed Rate NJCLASS Loan, starting at 3.75%
 - ▶ 15 Year Fixed Rate NJCLASS Loan is 5.30%
 - ▶ 20 Year Fixed Rate NJCLASS Loan is 6.75%

All options have a 3% Administrative Fee

Rates change every year in June

Resources to Explore

SCHOLARSHIPS

- ▶ www.hesaa.org
- ▶ www.fastweb.com
- ▶ www.collegeboard.org
- ▶ www.mappingyourfuture.org

Other Resources...

▶ Outside Scholarships

- Banks, credit unions
- Churches, synagogues, local organizations
- Parents' employers
- Your medicine and kitchen cabinets

▶ Campus Administered Payment Plans

▶ Campus Employment

▶ Specialized Campus Opportunities

- Residential Advisors
- Student Ambassadors
- Student Tour Guides Internships/Co-ops

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.

College Finance Plan

- ▶ The College Finance Plan standardizes award notifications, 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.
 - ▶ Potential monthly payments for the federal student loans the typical student would owe after graduation.

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

Costs in the 2015-16 year

Estimated Cost of Attendance	\$X,XXX / yr
Tuition and fees	\$ X,XXX
Housing and meals	X,XXX
Books and supplies	X,XXX
Transportation	X,XXX
Other education costs	X,XXX

Grants and scholarships to pay for college

Total Grants and Scholarships <small>(Gift Aid; no repayment needed)</small>	\$X,XXX / yr
Grants and scholarships from your school	\$ X,XXX
Federal Pell Grant	X,XXX
Grants from your state	X,XXX
Other scholarships you can use	X,XXX

What will you pay for college

Net Costs <small>(Cost of attendance minus total grants and scholarships)</small>	\$X,XXX / yr
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Options to pay net costs

Work options	
Work-Study (Federal, state, or institutional)	\$ X,XXX

Loan Options*

Federal Perkins Loan	\$ X,XXX
Federal Direct Subsidized Loan	X,XXX
Federal Direct Unsubsidized Loan	X,XXX

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

Other options

Family Contribution <small>(As calculated by the institution using information reported on the FAFSA or to your institution.)</small>	\$X,XXX / yr
<ul style="list-style-type: none"> • Payment plan offered by the institution • Parent or Graduate PLUS Loans • American Opportunity Tax Credit* 	<ul style="list-style-type: none"> • Military and/or National Service benefits • Non-Federal private education loan

*Parents or students may qualify to receive up to \$2,500 by claiming the American Opportunity Tax Credit on their tax return during the following calendar year.

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 defaulting on their loan

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/understand/plans>

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

Talk to people in the Know!

- ▶ Guidance Office
- ▶ Admissions Office
- ▶ Financial Aid Office
- ▶ Foundation Office at your college/university

Thank you for coming!

Questions??