

Springboro High School

Financial Aid 101

A solid blue diagonal bar that starts from the bottom left corner and extends towards the top right corner, covering the lower half of the slide.

Heart & Head Decision



Tips For Parents

- Become A Mentor As Much As A Parent
- Present A Unified Front
- Talk About Hopes And Goals, Not Just Colleges
- Expect Your Student To Accept Others' Advice He Or She Wouldn't Accept From You
- Expect Complications
- Educate Yourself About The Process
- High School Still Matters
- Listen To The Springboro Counseling Staff

THE PHILOSOPHY OF NEED BASED FINANCIAL AID

“It is the primary responsibility of the family to pay for higher education costs. Assistance from the federal government, state government, and individual institutions may be available when those resources are not sufficient.”

Financial aid is any resource provided to students and families to help pay for postsecondary educational expenses.

HOW FINANCIAL NEED & AID ARE DETERMINED

- Cost of Attendance (COA)
 - Cost of attending a particular school for one academic year
 - Includes tuition, fees, room & board, books, spending allowance, etc.
 - Amount will vary from school to school
- Expected Family Contribution (EFC)
 - Calculated by the Free Application for Federal Student Aid
 - The EFC is the government's way of measuring your financial strength
 - Amount your family is expected to contribute to your college education for one academic year
 - The EFC is often more than most families feel they can afford
 - EFC will be the same at every school

HOW NEED IS CALCULATED

$$\begin{array}{r} \text{COA} \\ - \text{EFC} \\ \hline \end{array}$$

FINANCIAL NEED

FINANCIAL NEED EXAMPLES

	Private	Public	2-Year
COA	\$60,000	\$35,000	\$5,000
EFC	\$10,000	\$10,000	\$10,000
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Need	\$50,000	\$25,000	-\$5,000 (No need)

Some of your financial need may be met with merit or need-based aid. There may still be a balance after all financial aid has been applied.

TYPES OF FINANCIAL AID

Need-Based Aid

- Gift Aid
 - Federal and State
 - Institutional
- Self-help Aid
 - Loans
 - Student Employment

Merit-Based Aid

- Academic Scholarship
- Athletic Scholarship
- Leadership Scholarship
- Service Scholarship
- Talent Scholarship

TYPES OF NEED-BASED FINANCIAL AID

- Based on the Family's Calculated Financial Need
 - Gift Aid
 - Federal Grants
 - Pell Grant, FSEOG, TEACH , etc.
 - State Grants
 - Ohio College Opportunity Grant, etc.
 - Institutional Grants from Colleges and Universities
 - Self-help Aid:
 - Federal Student Loans (Stafford Loan Program)
 - Current interest rate of 4.53%, Origination fee 1.069%
 - » Interest rates are fixed for life of the loan
 - » Can be subsidized or unsubsidized
 - » First-year loan limit: \$5,500 regardless of income
 - Federal Work Study or University Funded Employment

OTHER TYPES OF FINANCIAL AID

- Federal PLUS Loan
 - Loan in parent(s) name for undergraduate student
 - Current interest rate of 7.08%, Origination fee: 4.248%
 - Interest rates are fixed for life of the loan
 - Eligibility based on credit check
 - If parent is denied student is eligible to borrow \$4,000 in additional unsubsidized federal direct loan
 - [STUDENTLOANS.GOV](https://studentloans.gov)
- Private Student Loans
 - Offered to students from banks, credit unions, and lenders
 - Interest rates and loan terms vary
 - Generally require a creditworthy co-signer for student to be the primary borrower on the loan

APPLYING FOR NEED-BASED AID

- Create your FSA ID at fsaid.ed.gov
- The FSA ID provides access to online Federal Student Aid systems and is your legal signature
- Parent and Student MUST use different email addresses
 - Tip: Use email addresses that you'll always have - i.e. not a high school account that may be terminated
- Create your student and parent FSA IDs prior to completing the FAFSA
- Use legal name from social security card

APPLYING FOR NEED-BASED AID

- Free Application for Federal Student Aid (FAFSA)
 - An application that collects demographic and financial information about the family and the student
 - Families can file the FAFSA beginning Oct. 1 for the upcoming school year
 - Must be completed each calendar year
 - The FAFSA is free - you do not need to pay to complete it
 - [FAFSA.GOV](https://fafsa.gov)
- CSS/Financial Aid PROFILE
 - A supplemental aid application required by some colleges and universities to determine financial aid eligibility; contact each school before filing
 - [COLLEGEBOARD.ORG](https://collegeboard.org)

APPLYING FOR MERIT-BASED AID

- Ask your high school counselor about scholarships from local and regional sources
- Contact each college and university for their specific applications, deadlines and procedures for scholarships
- Use online resources to locate scholarship opportunities and apply directly
- Some companies have scholarships available to children of employees

FREQUENTLY ASKED QUESTIONS

- I live with my aunt and uncle, rather than my parents. Should their financial information be reported on the FAFSA?
 - Generally, no. You would report your birth or adoptive parents' financial information. You would report on the FAFSA any cash support that you received from your aunt and uncle as untaxed income, excluding food and housing. If your aunt and uncle have legally adopted you, then you would report their information on the FAFSA.
- My parents do not believe I will qualify for any need-based aid. Why should I complete the FAFSA?
 - You should complete the FAFSA, regardless of income level, because all students who complete the FAFSA are eligible for at least unsubsidized federal student loans. You may also be eligible for institutional aid, even if you're not eligible for federal or state aid. You also must complete the FAFSA in order to apply for the Federal PLUS Loan.

FREQUENTLY ASKED QUESTIONS

- When should I apply for financial aid?
 - You should complete the FAFSA as soon as possible after October 1. Send results to every school to which you're applying. You will not be awarded aid until you've been admitted.
- What tax data should I use in completing the FAFSA?
 - If you are completing the FAFSA for the 2022-23 school year, you would use 2020 tax information. If available, you should be able to use the IRS DRT in the FAFSA to electronically transfer your completed tax information into your FAFSA.

SPECIAL CIRCUMSTANCES

- The FAFSA calculates EFC based on financial data from prior-prior year (ex: 22-23 FAFSA uses 2020 tax data)
- You may have special circumstances that may result in an EFC that does not reflect your family's current financial situation
 - Common reasons include: loss of job, loss or death of a wage earner, medical or dental expenses not covered by insurance, change in marital status, or one-time payments from severance or retirement withdrawal within the past calendar year
- Federal law allows each school to use professional judgment to evaluate these circumstances and potentially change your EFC and aid
 - Schools are not required to accept special circumstances
 - Each school will have varying documentation requirements

FINANCIAL AID SUMMARY

- Each school has their own deadline dates and requirements for scholarships and financial aid
 - If you miss a deadline, you could miss out on aid
 - Check with each school for necessary financial aid documents
 - Your Student Aid Report from the FAFSA will indicate any additional federal requirements
- Once you have been accepted, each school will send you scholarship and financial aid information
- Compare each financial aid award you receive as well as the final, total costs of each school
 - Some schools may assume loan borrowing when calculating costs
 - Consider anticipated tuition increases, textbooks, and fees
- Make final decision by May 1, the national enrollment deadline

Federal Student Aid



An official website of the United States government.

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