My kid went to college and all I have left is this T-shirt.

Hey! Our microwave is missing too!
Presentation Overview

- Financial Aid 101—the Basics
- How & When to Apply
- Sources of Aid
- Financing Alternatives
- Next Steps
Why a College Education Matters

Unemployment rates and earnings by educational attainment, 2017

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Unemployment Rate (%)</th>
<th>Median Usual Weekly Earnings ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doctoral degree</td>
<td>1.5</td>
<td>1,743</td>
</tr>
<tr>
<td>Professional degree</td>
<td>1.5</td>
<td>1,836</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>2.2</td>
<td>1,401</td>
</tr>
<tr>
<td>Bachelor’s degree</td>
<td>2.5</td>
<td>1,173</td>
</tr>
<tr>
<td>Associate’s degree</td>
<td>3.4</td>
<td>836</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>4.0</td>
<td>774</td>
</tr>
<tr>
<td>High school diploma</td>
<td>4.6</td>
<td>712</td>
</tr>
<tr>
<td>Less than a high school diploma</td>
<td>6.5</td>
<td>520</td>
</tr>
<tr>
<td><strong>Total: 3.6%</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>All workers: $907</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.
Return on Investment @ SJU

96.5% of SJU’s class of 2017 was employed, pursuing graduate study or in full-time volunteer programs within six months of graduation.

99% of students complete at least 1 experiential learning opportunity while at SJU.

52,000+ Hawk Alumni
A vast network to tap into.
What is Financial Aid?

Financial Aid = Assistance for students to fund their education in the form of:

• Grants
• Scholarships
• Loans
• Employment
Merit-Based Aid vs. Need-Based Aid

**Merit-Based Grants & Scholarships** = aid given to students strictly on the basis of merit. May be based on:

- Academic record
- Skills or talents
- Special characteristics
- Involvement

- Does not have to be repaid; usually renewable from year to year.

**Need-Based Aid** = aid awarded to students on the basis of financial need. Re-evaluated each year as financial situations may change.
What is the FAFSA?

• **FAFSA** = Free Application for Federal Student Aid

• **Current Seniors:**
  – Based on 2017 “**prior-prior year**” income

• **Current Juniors:**
  – 2020-2021 FAFSA available at https://fafsa.gov beginning **October 1, 2019** for students entering college Fall 2020/Spring 2021
  – Based on 2018 “**prior-prior year**” income

• Application for federal and state aid (may also be application for college aid as well—varies by school)
  • Parent/Student Sections
  • File one FAFSA **per year** per student (**not** one per college)
  • List up to 10 colleges—Title IV Code or school name; schools receive info. electronically
The FAFSA

- Parent and student applying for aid each apply for an FSA ID at [https://fsaid.ed.gov](https://fsaid.ed.gov)
- Use FSA ID to submit add’ l. information, make corrections online at [fafsa.gov](http://fafsa.gov) and file future renewal FAFSA’s more quickly!
  - *If prior-prior year income is higher than income for calendar year student will be enrolled, can complete Special Circumstances Form after FAFSA is filed*
- Use the [IRS Data Retrieval Tool](https://dataretrievaltool.fafsa.ed.gov) when filing FAFSA
  - Retrieves tax figures right from your tax information in IRS database
- The FAFSA has gone mobile! (In App store, search for [myStudentAid](https://play.google.com/store/apps) or [FAFSA](http://fafsa.gov)).
FAFSA Dependency Status

• **Dependent**: parental & student financial data required
• **Independent**: student & spouse financial data required
• Student must meet one of following criteria to be considered independent:
  – Be 24 years of age or older (for 2019-2020 FAFSA, born before Jan. 1, 1996)
  – Be veteran of the U.S. Armed Forces
  – Be enrolled in a graduate or professional program
  – Be married
  – If before age 18, both parents were deceased, or in foster care or dependent/ward of court
  – Have legal dependents that student provides at least 50% support for
  – Be an emancipated minor or an unaccompanied youth who is a homeless child or youth
  – Are, or were, in legal guardianship as determined by a court in your state of legal residence
• **Divorced/separated situations**: Complete form using financial info. of custodial parent (and his/her current spouse if re-married)

Saint Joseph’s University
live greater.
Financial Need

Cost of Attendance
- Expected Family Contribution
= Financial Need

- Cost of Attendance typically includes tuition, fees, room & board, books & supplies, personal expenses and a transportation allowance.

<table>
<thead>
<tr>
<th>2018-2019 Costs<em>Estimated</em></th>
<th>Academic Year (Fall &amp; Spring)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition &amp; Fees:</td>
<td>$44,974</td>
</tr>
<tr>
<td>Standard Housing &amp; Meals:</td>
<td>$14,840</td>
</tr>
</tbody>
</table>

- Health insurance can be purchased through University ($1,825 fee for 2018-2019); students not purchasing must opt out online.
- 2019-2020 academic year costs likely announced in February.
What is the EFC

- Basis of financial aid package
- EFC=determined by a federal formula that calculates need via the FAFSA
- EFC & Financial Need are guidelines used by schools to determine aid package
- EFC not necessarily = to out-of-pocket cost of family
Primary Factors Used to Calculate EFC

• Taxable Income: Adjusted Gross Income
• Untaxed income & benefits
• Number in family
• Number of dependent children in college
• Assets
  – includes cash/savings, value of other real estate and investments
  – excludes value of primary home, retirement plans (IRA’s, Keogh, 401K’s), life insurance policies
  – Education Savings & Asset protection allowance acc. to age*
    *(ex: Oldest Parent’s Age = 50, $12,500 of assets protected if married.
• 12% of parents assets counted toward EFC
• 20% of student’s assets counted

*Based on 2019-20 FAFSA, parent age as of 12/31/19.
Special Circumstances

• In special circumstances, a Financial Aid Administrator can use “professional judgement” to update information on FAFSA and recalculate a student’s EFC.

• Once student has filed FAFSA and receives financial aid package, if student or parent’s 2016 calendar year income, as listed on FAFSA, is higher than their projected 2018 calendar year income, due to:
  • Loss of income/unemployment
  • Death of a wage earner

OR YOU EXPERIENCED:

• Significant medical expenses not covered by insurance
• Other financial circumstance not reflected on the 2018–2019 FAFSA

THEN.........
Special Circumstances

• Submit the Special Circumstance Appeal Form (see www.sju.edu/admittedfinance, Next Steps).

• Admitted Students must use their Saint Joseph's Admission Account credentials in order to access the form. Will receive response, typically, within 2-3 weeks.
HELP! Sources of Aid

• Saint Joseph’s University
• Federal Aid
• State Aid
• Outside Organizations
  – Civic organizations (ex.-local Rotary Club, parent’s employer, high school)
Saint Joseph’s University Aid

- Saint Joseph’s University is the largest source of funding for our students: More than $91 million in SJU grants/scholarships awarded to FT undergraduates in the 2017-18 year (compared to $2.8 million in federal grants and $1.4 million in state grants).
Saint Joseph’s University Aid

• Institutional grants awarded to students based on their high school performance, achievement and need.

• To receive consideration for most merit scholarships, simply apply for admission. For most, notification arrives with acceptance offer.

• Select “special” scholarships require separate applications. See https://www.sju.edu/admission/undergraduate/scholarships for a full listing of SJU scholarships.

• Decisions for special scholarships: Mid-March

• For need-based grant consideration, must submit a FAFSA.

• SJU merit scholarships can only be used toward tuition costs. Limited to 8 semesters. Must remain FT and meet required GPA.
Federal Aid

• Must:
  – Be a U.S. citizen or eligible non-citizen
  – Have H.S. diploma or equivalent (GED)
  – Be registered with Selective Service if a male between ages of 18 and 25

• **Pell Grant** (need-based):
  – $6,095/year in 2018-2019
  – EFC of $5,486 or less
Federal Aid

• Loans funded directly through the U.S. Department of Education via Federal Direct Loan Program.

• Federal Direct Stafford Loan:
  – In student’s name/no credit check
  – Available to all students, regardless of need
  – Repayment begins 6 months following graduation or withdrawal
  – Standard 10 year repayment period
  – Current “Variable-Fixed” interest rate of 5.05% (for 2018-19 year) on Stafford Loans for undergraduates; will be reset July 1, 2019 for 2019-20 academic year
  – 1.062% origination fee deducted by government
Federal Aid
Federal Direct Subsidized vs. Unsubsidized Stafford Loan

• **Subsidized**
  – Based on financial need
  – Govt. pays interest on loan while student is enrolled

• **Unsubsidized**
  – Available to ALL students, regardless of need
  – Interest paid quarterly or capitalized upon repayment

**Base Stafford amount caps by grade level**
- $3,500 freshmen year  - $4,500 sophomore year  - $5,500 junior/senior year

• All dependent and independent undergraduates permitted to borrow an extra $2,000 Unsubsidized Stafford Loan in addition to base amount indicated above.

• Total annual eligibility:
  - freshmen: $5,500  - sophomore: $6,500  - junior & senior years: $7,500

• Add’l. unsubsidized available to independent students and dependent students whose parent(s) are denied on the PLUS Loan due to credit
Federal Aid

Federal Direct Plus Loan (Parent Loan for Dependents)

- Parent is borrower
- Current 2018-19 year “Variable-Fixed” interest rate = 7.6%
- Repayment typically begins within 60 days of 2nd disbursement being made
- Parents can defer for up to 4 years
- Minimal credit check required
- 4.248% origination fee charged by government
- Unsubsidized (interest accrues from date of disbursement)
- Borrow up to cost of attendance minus other financial aid student is receiving
Federal Campus-Based Aid

SEOG Grant:
- Awarded to those with exceptional need - $1,000/year generally
- Must be Pell eligible

Federal Work Study:
- Based on financial need (FAFSA info.)
- Not deducted from tuition bill
- Variety of positions available; jobs not guaranteed
- Paid bi-weekly for hours worked ($8.00/hour to start)
- Students apply for positions directly through Career Development Center website
- More information sent in July to deposited students

*Schools receive limited Campus-Based Aid Funds for each type of award for those with greatest financial need; may receive at one institution and not another
State Aid

**PHEAA Pennsylvania State Grant**
(for PA Residents): $4,122 max award for 2018-2019 for students attending a PA school

- Eligibility based on the family’s EFC
- Maximum eligibility that can travel out of state is approx. $500, many states it is less than that—some states it’s $0
- Student **must** file FAFSA by **May 1** for upcoming fall term
- Link to PA State Grant Form directly from FAFSA
- Student must go online to www.pheaa.org to view status notice beginning mid-May
State Aid

Non-PA Residents:

• View state aid deadlines at https://fafsa.gov
• States that transfer their state grant $ to PA schools: DE, Washington D.C., MA, OH, WV, VT
Outside Sources of Aid

- Private sources of scholarship funds include:
  - Service/Fraternal Organizations, Employers/Businesses, Churches/Religious Groups
- Sources of Information
  - Guidance Office
    [www.zinch.com](http://www.zinch.com)  [www.myscholly.com](http://www.myscholly.com)  [www.bigfuture.org](http://www.bigfuture.org)
- If outside scholarship received, send copy of award notification to Financial Aid Office
Next Steps:

- At point of acceptance, student typically receives financial aid package (if FAFSA filed, will be “full” package).
  - Begin sending mid-December to ED1 students, February to EA students and in March to regular admission students.
- Submit deposit to hold spot in class
  - [www.sju.edu/deposit](http://www.sju.edu/deposit)
  - $500 residential/$250 commuter
- Explore financing options/apply for any additional loans
Financing Options

• **Interest-free payment plan** through TMS
  – Budget any portion of out-of-pocket cost over 3, 4 or 5 equal monthly payments
  – $35 registration fee
  – www.afford.com/sju or call 1-800-722-4867

• **Federal Direct Parent PLUS Loan**

• **Alternative Student Loans**
  – Students are primary borrower; Credit-worthy cosigner typically required
  – Variable interest rate (based on PRIME or LIBOR); $0 origination fees
  – Deferred minimally 6 months following graduation
  – Can borrow up to the annual cost of attendance minus other aid

• **ELMSelect comparison tool**: https://www.elmselect.com

• Visit [sju.edu/admittedfinance](http://sju.edu/admittedfinance) for more info.

Apply for PLUS, Private Loans by June 15th if possible!
Co-Op/Financial Aid

• Receive 8 semesters of SJU financial aid (during semesters they are attending class full-time).

• Federal aid is generally divided fall/spring (exception: Pell-eligible students may be able to receive Pell in summer if student is taking minimum of 6 credits).

• Can use Parent PLUS Loan and private loans in summer as well.

• Food Marketing students: no SJU aid 5th year, but will process federal aid, private loans.
What You Can Do NOW!

- Student (and one parent) each apply for FSA ID at [https://fsaid.ed.gov](https://fsaid.ed.gov)
- Set up “profiles” on free scholarship search sites such as fastweb.com & begin applying
- Seniors:
  - Apply for outside scholarships
  - Get ready to file FAFSA October 1, 2018!
Questions?

Presentation can be found at www.sju.edu/finaidoffice (Financial Aid News)