

NCAHS: FINANCIAL AID EXPLAINED 2024-2025

There are a variety of ways to get Money for College: Here is a primer on FINANCIAL AID

1. FAFSA: Federal Loans and Grants- Through the FAFSA application:

This is money that you receive when your parent/s/guardian/s apply for Federal money **using the FAFSA application. The FAFSA HAS OPENED AS OF NOVEMBER 22ND, 2024.** This should be completed as soon as the student submits.

Should I fill out the FAFSA if I don't feel I will qualify for the loans:

- **There is no income limit for the FAFSA.**
- The amount of financial aid you receive depends on several factors, including your family's Expected Family Contribution (EFC) and the cost of attendance at your school. Your EFC is calculated using a federal formula that takes into account a large percentage of your parents' discretionary income
- **The minimum amount of loans is \$5500 a year;** some parents/students will take the loans (which are in the student's name) so that the student has "skin in the game". In other words, the loans give the student motivation to do well and provide a way to build easy credit upon graduation
- Some private colleges want/require parents to fill out the FAFSA even for merit scholarships.
- **To get Work-Study in college, the FAFSA must be filled out** as the money paid to the student for work on campus is federally funded.
- **If a student is considering the Free Community College option in Massachusetts, the FAFSA is a requirement to receive free tuition.**

Changes to the FAFSA:

FAFSA Changed in 2023-24. IT IS IMPORTANT TO READ ABOUT NEW CHANGES AND BE PREPARED TO FILL IT OUT (both parent and student) and COMPLETE IT ASAP.

Federal Loans: money to be borrowed and paid back

- Parents can apply beginning in December and through the Winter
- Both parent and student must fill out this form--however, you should do it with them as the Loan will be in your name and you must understand what it is all about.
- For the 2024-25 FAFSA, Parents will use their 2022 Income Tax Statement
- If your parents filed electronically, it is a VERY easy form to fill out. Have them connect their FAFSA application to the IRS Data Retrieval system to upload their tax info.
- **USE this website:** <https://studentaid.gov/h/apply-for-aid/fafsa>
- BOTH parent and child make an account with a Username and Passcode AND a 4-digit signature code, called a FSA ID. WRITE IT ALL DOWN as the website makes you change the password yearly
- These loans are based on your parents'/guardians' income.
- If parents are divorced, the main custodial parent fills it out.
- The loans are between \$2200 and \$5500 a year and are in the STUDENT'S name
- The Parent/Guardian and student reapplies each year
- You must list all the colleges you have applied to on the FAFSA
- It is highly suggested you check the box for Work-Study--if your college takes federal funding for Work-Study you may qualify for a small, PT job that could put as much as \$2K in your pocket per year. But you MUST select what you are interested in.

THREE types of FEDERAL loans:

1. Subsidized loans: the federal government pays the interest rate
2. Unsubsidized loans: student pays interest rate--it is very low
3. Parent PLUS loans: these are larger federal loans that your parents MAY qualify for. These loans are in your PARENTS' NAMES. [Read about it here:](#)
 - If a student takes these loans each year, it totals about \$20K-\$30K after graduation
 - These loans are paid back 6 months **after** graduation **by the student**. The loan repayment can be set up based on income, length of repayment, amount, etc.
 - The average loan repayment amount is \$300.00/per month

Federal Grants: Money that is given; NOT to be paid back.

Pell Grant. Typically to qualify for a Pell Grant, the family has to earn between \$30,000-\$60,000 a year

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OTHER FINANCIAL AID FORMS TO FILL OUT:

CSS PROFILE for Financial Aid--For PRIVATE COLLEGES ONLY

- **Institutional Scholarships from PRIVATE COLLEGES:** Some private colleges use this Financial Aid form called **The CSS Profile**.
 - The CSS Profile asks for MUCH more detailed information about a family's financial situation, including assets, debt, savings, etc., and can provide more information that can help a school offer more financial aid to applicants.
 - The form takes a while but can be worth it!
 - You pay a fee to fill out the form and it is done through Collegeboard.
 - Here is a [list of private colleges that require the CSS Profile](#)
 - [Here is the CSS form](#)
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2. Scholarships: Inside and outside Scholarships

INSIDE Scholarships- offered from the College -Inside:

- This is money offered from the college you got into (this will come with your admissions letter and/or from the college's financial aid office); the letter may arrive AFTER acceptance and usually by January and will include:
 - How much you are awarded in federal loans
 - How much you are awarded by the college
 - If you qualified for federal work-study money
 - You MUST ACCEPT this Financial Aid AWARD letter. You check off what you want to have: **READ ALL EMAILS from the college and financial aid office!!**
- Always check to see if the amount is for all 4 years, or yearly. Note what GPA you MUST maintain to keep the scholarship.

OUTSIDE SCHOLARSHIPS:

- **Your local town High School may offer Scholarships:** Many high schools or local districts/towns have a scholarship committee that is either part of the town or the high school.
- These are scholarships from local alumni, residents, a businesses that resident students can apply for. There is usually a selection committee. This can be done in the winter through the spring of the senior year.
- **Outside scholarships that YOU find:** These are scholarships that you search for using a Google search or scholarship website.

Ideas on where to search for OUTSIDE scholarships:

- **On the NCAHS School Website:** we post scholarships that are available to students that you may or may not qualify for: [Look HERE under Student Services/Guidance - then Seniors](#)
 - your **parents' employers or Union** or any organization your parents belong to
 - **your local high school** as you have access to any scholarship offered by your town as a resident of the town
 - **your local church/mosque/synagogue/parish**
 - **Google search by your major**, for example: "undergraduate scholarships for nursing majors"

Scholarship search engines - www.fastweb.com--www.scholarship.com

[Link for best Outside Scholarship search engines](#)

3. Private Educational Loans/Family Savings/529 College Account/Out-of-Pocket:

Whatever is left that you owe is covered by you and your parents

Where does this money come from?

1. **Personal family savings or a college account from another relative**
 - 529 College Savings Account
 - A private Educational loan: Google search who has the best rate for this year!
2. **Private Educational loans:** These loans are in your PARENTS' name and you are the secondary co-signer.
 - Your parents pay these back OR parent and child, or just you
 - IF your parents don't have a strong credit score for a private educational loan, you will have to find someone to co-sign--another family member or family friend.
 - Check out: MEFA, SOFI, Fannie May, or other educational financing organizations. Google search for the BEST Educational Loan offers.
<https://www.nerdwallet.com/best/loans/student-loans/private-student-loans>
 - Parent PLUS loans: these are larger federal loans that your parents MAY qualify for. These loans are in your PARENTS' NAMES. Read about it here:
<https://studentaid.gov/help-center/answers/article/what-is-parent-plus-loan>

4. Payment Plan Directly to the College:

- It is advised to attempt to pay SOME part of your college bill through a monthly payment plan set up with the college. IF your parents or you can pay ANY PORTION of the bill out of pocket through a payment plan, this lowers how much you have to take out in loans.

GIVING A DEPOSIT: You MUST provide a deposit to your college NO LATER than May 1. You do this through a credit card on the school's website.

REMEMBER: You MUST GIVE DEPOSIT TO THE COLLEGE BY MAY 1st!!

See more below to help with the process:

New News:

Information and Help for the FAFSA or CSS Profile:

2024-25 FAFSA and CSS Profile Opens 12/1: <https://studentaid.gov/h/apply-for-aid/fafsa> and <https://cssprofile.collegeboard.org/>

Video: How to File the FAFSA: <https://www.youtube.com/watch?v=OAeAVGscEWU>

Virtual FAFSA filing support: <https://fafsact.org/>

More FAFSA resources:

- [FAFSA.gov](https://fafsa.gov): Submit, edit or renew your FAFSA or add school codes.
- [StudentAid.gov](https://studentaid.gov): Part of the U.S. Department of Education, Federal Student Aid is the largest provider of student financial aid in the nation. Here, you can learn more about the financial aid process and manage any student loans you may have.
- Create an account at [StudentAid.gov](https://studentaid.gov).
- Helpful [resources for parents](#), with a quick overview of the FAFSA process.
- [UCanGo2.org](https://ucango2.org) [FAFSA page for educators](#) contains helpful resources for educators planning and hosting FAFSA sessions for students and parents.
- [OKcollegestart.org](https://okcollegestart.org) houses important information about Oklahoma colleges and universities.
- [College Navigator](#), a website with information about colleges nationwide.

Great Advice for Parents:

<https://www.collegeave.com/articles/how-to-pay-for-college/>

<https://www.usnews.com/education/best-colleges/paying-for-college>

Older News:

Recommended Reading: <https://www.amazon.com/How-Pay-College-financial-education/dp/0857199293/>
How to Pay for College by Ann Garcia

Virtual and FREE Financial Literacy Programs:

<https://moneymattersfpack.org>

SAMPLE College Cost and Financing Options:**SAMPLE**

The total cost of the College, including Room and Board:	\$50,000.00
- Scholarship offered by College per year; usually based on GPA	- 15,000.00
- Loan received from FAFSA; loan in student name	- 5,500.00
- Work-study grant offered via FAFSA; you must select that you want this	- 2,000.00
- Total outside Scholarships that you apply for and receive	- 2,500.00
Total cost of attendance per year	\$25,000.00

Financing \$25,000:

- Parents pay a portion out of pocket to the college in monthly installments	- 5,000.00
- Parents have a 529 College Savings account or other college savings account	- 10,000.00
Total amount to finance per year	\$10,000.00

What is left over is what you and your parents need to pay via a private college loan program.

Private Educational Loans

1. These loans are typically applied for in the summer, prior to paying the first bill.
2. Complete a Google search for the best college loan-serving programs.
<https://www.nerdwallet.com/best/loans/student-loans/parent-loans-college>
3. The loan is in your parents'/guardians' name and you are the cosigner. Your parents are primarily responsible for paying them back or in conjunction with you.
4. Like FAFSA loans, you are not required to pay them back until after graduation or if the student is in college for less than part-time.
5. It is highly recommended that you or your parents make interest-rate payments on these loans while you are in school.
6. Your parent or guardian can also request to begin paying back the loan immediately.
7. The federal government also has a parent loan program called Parent Plus.
<https://studentaid.gov/understand-aid/types/loans/plus/parent>
8. MEFA: Massachusetts Educational Financing Authority also provides excellent resources, advice, and educational loan resources. <https://www.mefa.org/pay>

Welcome to the beginning of the fall season and the time for financial aid applications. See more below to help with the process

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2024-2025 FAFSA and CSS Profile will open in the fall: <https://studentaid.gov/h/apply-for-aid/fafsa> and <https://cssprofile.collegeboard.org/>

Video: How to File the FAFSA: <https://www.youtube.com/watch?v=OAeAVGscEWU>

Virtual FAFSA filing support: <https://fafsact.org/>

More FAFSA resources: <https://thecollegefinanciallady.com/2022/09/27/fafsa-resources-2/>

Great Advice for Parents:

https://publications.inceptia.org/view/108813868/?utm_source=Flyer&utm_medium=flyer&utm_campaign=Great+Advice+for+Parents+2022

Prepaid Tuition Plans:

<https://thecollegefinanciallady.com/2022/06/21/prepaid-tuition-plans/>

How America Pays for College:

<https://www.salliemae.com/content/dam/slm/writtencontent/Research/HowAmericaPaysforCollege2022.pdf>

Loan Cancellation: <https://studentaid.gov/debt-relief-announcement/one-time-cancellation>

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