



Financial Aid Workshop

For High School Seniors and Parents

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Financial Aid Applications

- ***Free Application For Federal Student Aid (FAFSA)***
 - Used by all schools; deadlines vary
- **Institutional Scholarship Application**
 - Required by some schools
- ***CSS Profile***
 - Required by some schools to apply for institutional aid

Financial Aid Terms

- **Cost of Attendance (COA)** – The estimated cost of tuition, fees, room, board, books, transportation and personal expenses at each school; includes indirect costs
- **Expected Family Contribution (EFC)** – A number generated by the **FAFSA** based on the family's size, income and assets that is used to determine eligibility
- **Financial Need** – The difference between the school's COA and your EFC

Caution:

- *Your EFC is not the amount you will pay.*
- *Financial aid may not cover your financial need.*

Financial Need

If your Expected Family Contribution (EFC) is 20,000, your need will be different at each school.

| | School A | School B | School C |
|------------------------------|----------|----------|----------|
| Cost of Attendance | \$60,000 | \$30,000 | \$15,000 |
| Expected Family Contribution | 20,000 | 20,000 | 20,000 |
| Financial Need | \$40,000 | \$10,000 | \$0 |

Sources of Financial Aid

- **Federal**
- **State**
- **School**
- **Donors (local & national)**
- **Military**
- **Other Agencies**

Types of Financial Aid

- **Scholarships** – Merit-based aid based on academics (SAT/ACT, rank in class, GPA) or performance that *generally* requires a 3.0 GPA or higher for renewal
- **Grants** – Need-based aid based on income/assets that *generally* requires a 2.0 GPA for renewal
- **Loans** – Self-help aid that must be repaid
- **Employment** – Self-help aid that is paid based on hours worked

Scholarships

- **University Scholarships** – Vary by school
- **Donor/Outside Scholarships** – Local and national businesses and agencies
- **Palmetto Fellows Scholarship***
- **LIFE Scholarship***
- **Hope Scholarship***

**Students must meet SC residency requirements.*

**Students can receive only one type of state scholarship.*

Palmetto Fellows Scholarship

- \$6,700
- Rank in top 6% of high school class (sophomore, junior or senior year)
- Score 27 ACT composite or 1200 on new or old SAT (SAT minimum may change for 2018-19)
- Earn 3.5 GPA on uniform grading scale (UGS) (GPA minimum may change for 2018-19)
- Student applies through school counselor
- To retain:
 - Earn 30 credit hours EACH year
 - Earn 3.0 GPA at home institution
 - AP/IB classes do not count in credit hours for renewal
- Students who lose the Palmetto Fellows Scholarship may still be eligible for the LIFE Scholarship

Palmetto Fellows Scholarship

Alternate Criteria

Students who do not meet the 6% requirement may still be designated a Palmetto Fellow if they:

- Score 32 ACT composite or 1400 on old or new SAT (**SAT minimum may change for 2018-19**) **and**
- Earn 4.0 GPA on uniform grading scale (UGS)

LIFE Scholarship for Four-Year Colleges

- \$5,000
- Two out of three:
 - Graduate in top 30% of high school class
 - Score a minimum 24 ACT composite or 1100 on old or new SAT (**SAT minimum may change for 2018-19**)
 - Graduate with a minimum 3.0 GPA on uniform grading scale (UGS) (**GPA minimum may change for 2018-19**)
- No application process; awarded by college
- To retain or regain:
 - Earn AVERAGE of 30 credit hours/year
 - Earn all-college 3.0 GPA
 - AP/IB classes count in credit hours for renewal

LIFE Scholarship for Two-Year Colleges

- \$5,000 OR up to tuition/fees and \$300 towards books
- Graduate with a minimum 3.0 GPA on uniform grading scale (UGS) (GPA minimum may change for 2018-19)
- No application process; awarded by college
- To retain:
 - Earn AVERAGE of 30 credit hours/year
 - Earn all-college 3.0 GPA
 - AP/IB classes count in credit hours for renewal
 - Not renewable for students enrolled in certificate or diploma programs

Math and Science Enhancement

- Applies to certain math and science majors at four-year colleges
- Applies to second, third and fourth years
- **LIFE** increases from \$5,000 to \$7,500
- **Palmetto Fellows** increases from \$6,700 to \$10,000
- Student must complete 14 hours of math, science or combination in the first year
- AP/IB classes count towards the Enhancement requirements (but not the renewal requirements for Palmetto Fellows)

Hope Scholarship

- \$2,800
- Four-year institutions only
- Graduate with a minimum 3.0 GPA on uniform grading scale (UGS) (GPA minimum may change for 2018-19)
- No application process; awarded by college
- Non-renewable
- To gain LIFE Scholarship in second year:
 - Earn 30 credit hours/year
 - Earn all-college 3.0 GPA

Grants

- All require submission of **FAFSA**
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (SEOG)
- South Carolina Tuition Grant (SCTG) – For private/independent schools
- South Carolina State Need-Based Grant (SNBG) – For public/state schools
- South Carolina Lottery Tuition Assistance Program (LTAP) – For two-year schools; not need based

Federal Grants

Pell Grant

- \$5,920 maximum for 2017-18

Supplemental Educational Opportunity Grant (SEOG)

- Supplement to the Pell Grant
- Limited funding; based on deadline
- Amounts will vary by school

State Grants

SC Tuition Grant (SCTG)

- For private/independent institutions only
- Eligibility based on **FAFSA** by June 30
- Projected maximum for 2017-18 is \$3,200
- Freshman must:
 - Rank in top 75% of high school class OR
 - Score 900 SAT (math and critical reading) OR
 - Score 19 ACT OR
 - Earn 2.0 GPA on the uniform grading scale
- Renewal requires completion of 24 credit hours and satisfactory academic progress

State Grants

SC State Need-Based Grant (SNBG)

- For public/state institutions only
- Eligibility based on the *FAFSA*
- *FAFSA* deadline will vary by school
- Projected maximum for 2017-18 is \$2500; award will vary by school
- Renewal requires completion of 24 credit hours with minimum 2.0 GPA

State Grants

Lottery Tuition Assistance (LTAP)

- For two-year institutions only
- Requires **FAFSA** or a **FAFSA** waiver, but not need-based
- Currently \$1,200 per term (\$100 per credit hour for part time)
- Cannot be used with LIFE Scholarship or tuition waivers
- Must be enrolled at least half time (six hours)
- Must be enrolled in an eligible certificate, diploma, or degree program

Loans

- **Federal Direct Loan**
- **Federal Direct PLUS Loan**
- **Federal Perkins Loan – Ends 9/30/17**
- **Private Educational Loans**

Federal Direct Loan

- Student is borrower
- Maximum dependent freshman loan is \$5,500
- Can be partially subsidized
- Interest rates for 2016-17 loans:
 - 3.76% for subsidized (no interest if in school half time)
 - 3.76% for unsubsidized (interest accrues during school or borrower can elect to make interest-only payments)
- Student must submit **FAFSA**, complete **Entrance Counseling** and sign a **Master Promissory Note**
- Six-month grace period before repayment

Federal Direct Loan

| Annual Loan Limits | | |
|--------------------|-------------------|---------------------|
| | Dependent Student | Independent Student |
| Freshman | \$5,500 | \$9,500 |
| Sophomore | \$6,500 | \$10,500 |
| Junior | \$7,500 | \$12,500 |
| Senior | \$7,500 | \$12,500 |
| Graduate | | \$20,500 |

| Aggregate (Total) Loan Limits | | |
|-------------------------------|-------------------|---------------------|
| | Dependent Student | Independent Student |
| Undergraduate | \$31,000 | \$57,500 |
| Graduate | | \$138,500 |

Federal Direct PLUS Loan

- Parent is borrower
- Maximum loan is up to the remaining annual cost of attendance
- Interest rate for 2016-17 loans is 6.31%
- Approval is based on absence of adverse credit
- Can be deferred (with or without interest-only payments)
- Parent must sign promissory note
- **FAFSA** is required, but not need-based aid

Employment

- **Federal Work-Study**
 - Requires *FAFSA*; based on need
 - Not paid in lump sum; based on hours worked
- **Institutional Employment**
 - Does not require *FAFSA*
 - Depends on the workforce needs of the school
- **Cooperative Education**
 - Student alternates semesters of coursework with semesters of full-time employment in a field related to major

Programs for Future Teachers

- Programs include:
 - **South Carolina Teacher Loan**
 - **South Carolina Teaching Fellow**
 - **Federal TEACH Grant**
- Awards are \$2,500 to \$6,000 per year
- Recipients must fulfill teaching obligation
- Teaching obligation may be restricted to certain locations, subjects, types of schools, and timeframe
- Must be repaid with back interest if teaching obligation is not fulfilled
- Not all programs are offered at all colleges
- Teachers may also be eligible for federal loan forgiveness

Completing the *FAFSA*

- Create a federal ID at fsaid.ed.gov for student and at least one parent
- Complete *FAFSA* **annually** at www.fafsa.gov
- Apply early and meet all deadlines (**opens October 1**)
- If parents are divorced, use parent with whom the student lives most
- Step-parent must be included
- If student thinks he/she can answer “yes” to a dependency status question, check with financial aid administrator

IRS Data Retrieval Tool

- It is **very** important to use the IRS data retrieval tool when filing the **FAFSA**
- The FAFSA uses “prior-prior” year data, e.g., 2015 income for the 2017-18 year, so taxes are already done
- Using IRS data retrieval tool will reduce chances of being selected for Verification (audit)
- Not available if filing MARRIED FILING SEPARATELY
- Not available if marital status has changed
- If you are filing late with an IRS extension, the IRS data retrieval tool is available approximately 10 days after e-filing

Common Mistakes to Avoid

- Leaving questions blank instead of listing zeros
- Listing parent's information in student's section
- Using the incorrect Social Security Number
- Using a nickname or middle name
- Not using IRS data retrieval tool
- Neglecting to electronically sign (FSA ID) for both student and parent when filing the first time or making corrections later.
- Missing a deadline

Verification

- One third of **FAFSAs** are selected for **Verification** by the US Department of Education.
- If you do not use the IRS Data Retrieval Tool, the school may ask for federal income tax return transcripts (we cannot accept photocopies of IRS Form 1040).
- The federal income tax transcript is available from the IRS by registering at www.irs.gov.
- Financial aid awards cannot be finalized until Verification is complete.

Special Conditions

- If your family encounters a financial crisis that is not reflected on the **FAFSA**, contact the financial aid office.
- Examples of events for which financial aid administrators *might* use professional judgment:
 - Loss of job
 - Separation/divorce
 - Death of parent or spouse
 - Extraordinary out-of-pocket medical expenses
- Financial aid administrators are not required to make (and may be prohibited from) some adjustments.

Timeline to College for 2017-18

(May vary depending on school; does not apply to early decision process)

- ✓ August Apply for admission; learn deadlines for housing, financial aid, orientation, etc.; start system for good record keeping
- ✓ October Submit **Free Application for Federal Student Aid (FAFSA)** using IRS Data Retrieval
- ✓ November Complete FREE online scholarship searches; research local scholarships
- ✓ December Use the NET PRICE CALCULATOR on schools' websites
- ✓ Winter/Spring Respond promptly to all information requests from schools
- ✓ April Analyze and compare award letters and costs
- ✓ By May 1 Commit to school of choice
- ✓ May Complete loan Entrance Counseling and sign Master Promissory Note at www.studentloans.gov
- ✓ June Assess remaining out-of-pocket expenses; apply for PLUS or private loan if needed

Tips for Parents and Students

- Set up a workspace, calendar and designated weekly time to work on college forms.
- Define roles and assign tasks (parent and student).
- Set goals using **Timeline to College** and college deadlines.
- Avoid fees and scams.
- Use all resources (school, church, employers, clubs, grandparents, etc.).
- Be willing to invest your time (applications, essays, interviews, etc.).

Application and Essay Tips

- Use an appropriate email address.
- If possible, rework an essay for several uses.
- Be authentic. Show the person you are, not the person you think they want to see.
- Use good essay form unless the prompt encourages other forms of creative expression.
- Proofread and edit!
- Give reference providers a list of your awards and activities and allow them **PLENTY OF TIME**.

Resources

- www.studentloans.gov Entrance Loan Counseling and Master Promissory Note
- www.studentaid.ed.gov Federal student aid
- www.che.sc.gov SC scholarships and grants
- www.sctuitiongrants.org SC Tuition Grant
- www.cerra.org SC Teaching Fellows
- www.scstudentloan.org SC Teacher Loan
- www.fastweb.com Free scholarship search
- www.finaid.org Financial aid calculators
- Your school counselor

College Goal SC

Check for locations and dates at
sccango.org

- Free assistance in completing the *FAFSA*
- Prizes!