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**RISLA**  
**College**  
**Planning**  
**Center**

*Celebrating our*

**25<sup>th</sup>**

**ANNIVERSARY**

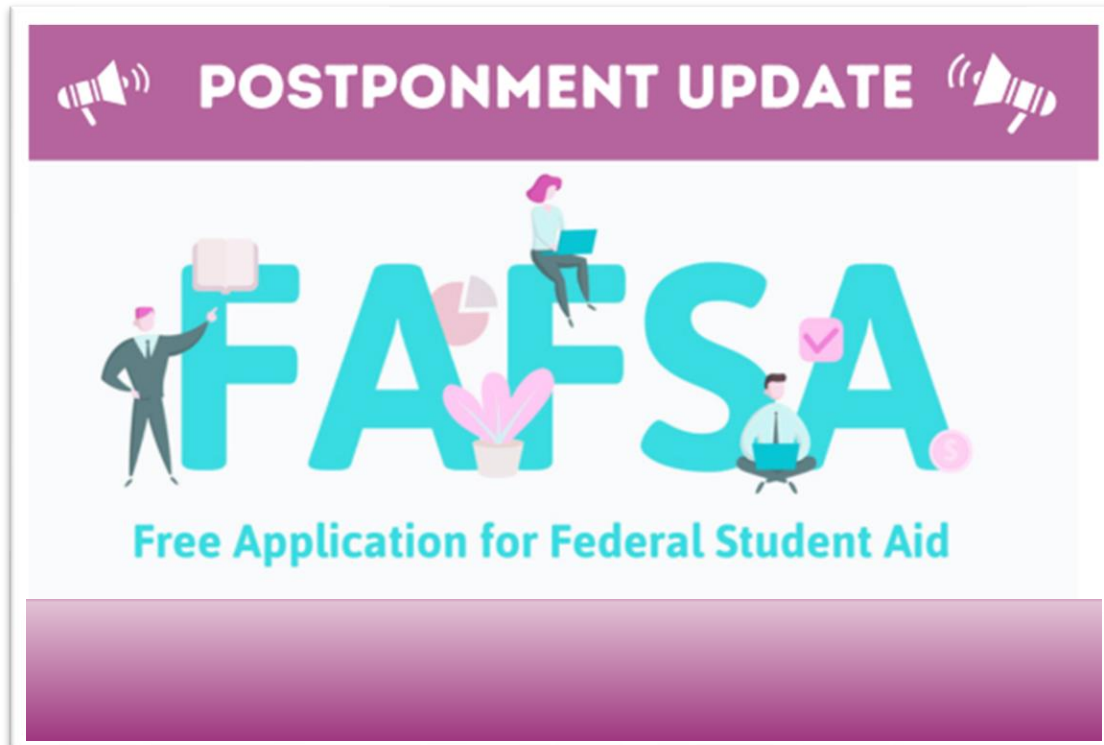
Can you guess how many  
families we have served in  
the past 25 years?

**ENTER TO WIN!**

Take a guess to have a chance to win \$200.00 in prizes!

[risla.com/cpc-25th-anniversary](https://risla.com/cpc-25th-anniversary)

# Before we begin....2 Important Notes



# FINANCIAL AID 101



# FINANCIAL AID – What it is...

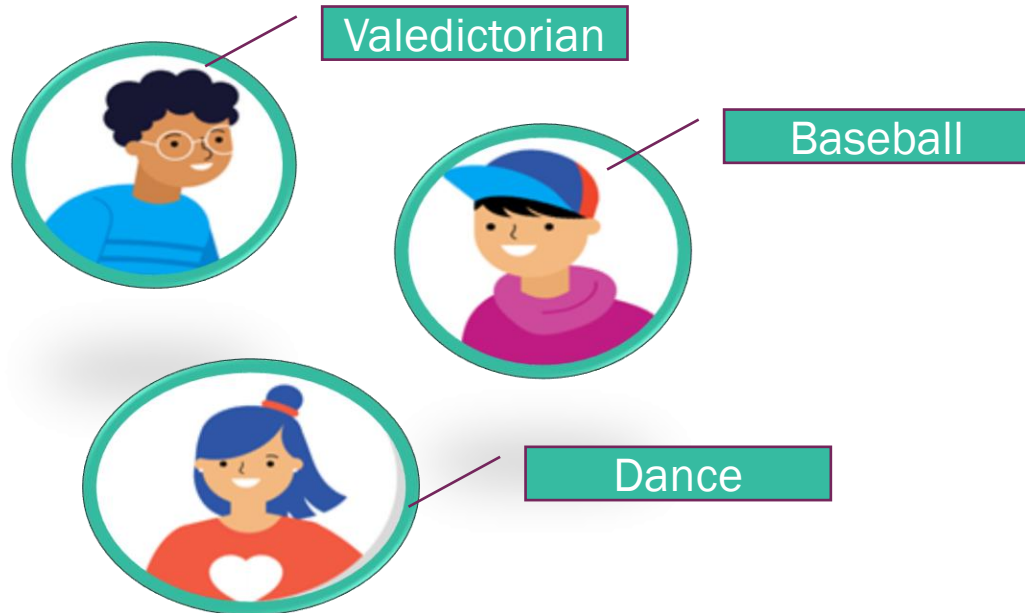
**Financial aid:** Helps you pay for college and is provided through the federal government, state, school, or a private business or organization.





# HOW IS AID AWARDED?

## MERIT



## NEED BASED



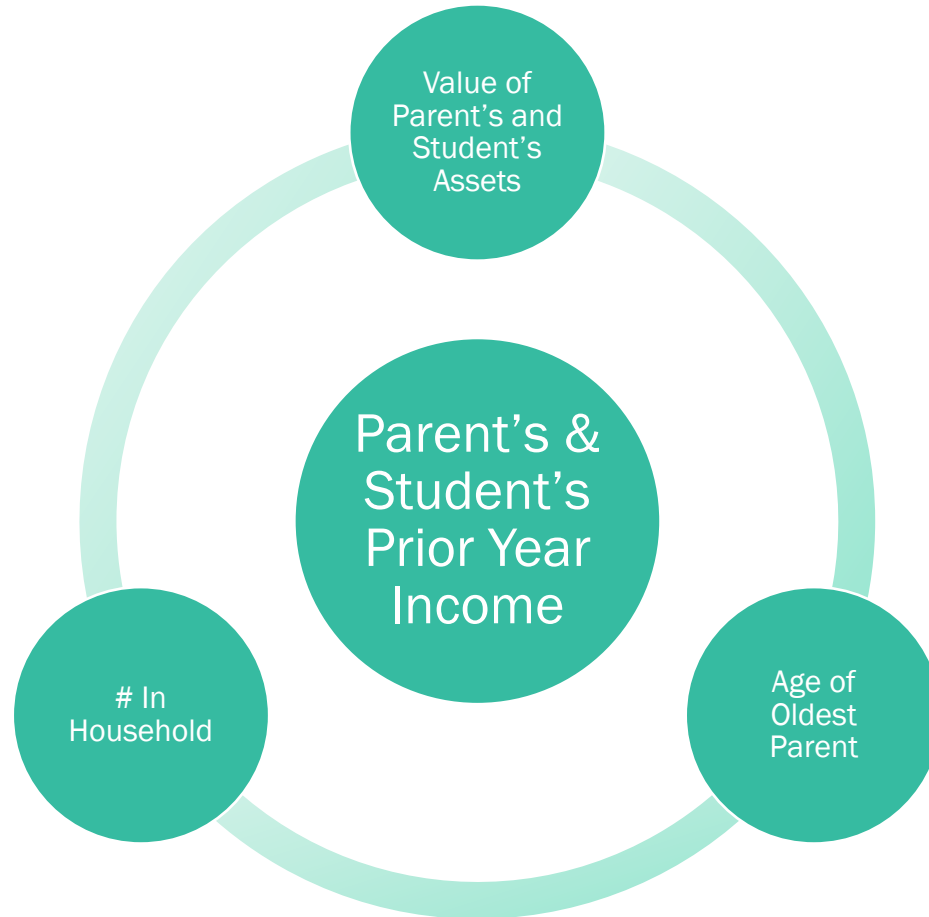
Determined  
by COA-SAI

*Do The*

**FAFSA**

**THE EARLIER THE BETTER**

# STUDENT AID INDEX



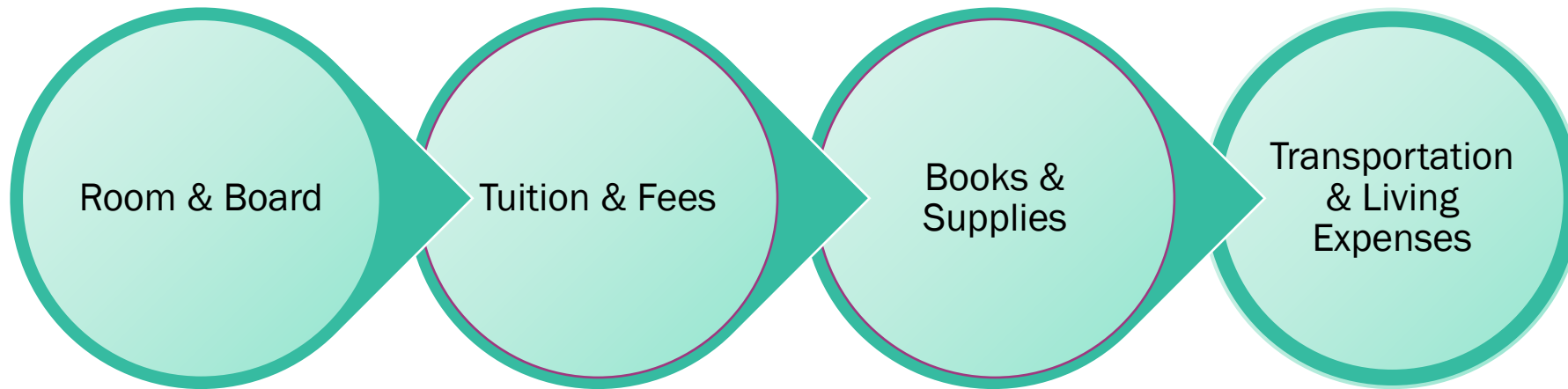
The government determines your SAI when you submit a FAFSA. Many factors affect your SAI, each having a different weight.



# COST OF ATTENDANCE



Cost of Attendance includes direct costs (those on your tuition bill) and indirect costs (such as books and living expenses).



## ELIGIBILITY FORMULA

Cost of Attendance  
- Student Aid Index

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Financial Need



# FINANCIAL NEED

## EXAMPLE A

**COA = \$48,000**  
**SAI - \$ 8,000**

Financial Need  
= \$40,000

## EXAMPLE B

**COA = \$38,000**  
**SAI - \$ 8,000**

Financial Need  
= \$30,000

## EXAMPLE C

**COA = \$8,000**  
**SAI - \$8,000**

Financial Need  
= \$

**(COA) – (SAI) = Financial Need**

**COA**

Cost of Education

**SAI**

Student Aid  
Index

Schools are not always able to offer as much financial aid as you may be eligible for, which creates a **GAP**



# Award Letter

- Grants & scholarships
- Student loans
- Student employment
- May meet some or all of your financial aid need or eligibility



[RIScholarships.org](https://rischolarships.org)

Knowledge for College  
Monthly Scholarship



# Types of Aid

There are 4 types of financial aid, broken into two categories



**Gift Aid** is money that doesn't need to be repaid.

- Grants
- Scholarships



**Self-help Aid** adopts a self-investment philosophy.

- Loans
- Work-study

# State Grants

- Amount awarded depends on the state you live in
- Awards typically available to residents of that state only
- Application procedures vary
- Provides funds to eligible colleges in Rhode Island for distribution to students
- To be eligible for consideration, a student must file a completed FAFSA at [studentaid.gov](https://studentaid.gov)
- Rhode Island Promise – [www.ccri.edu/ripromise](http://www.ccri.edu/ripromise)



# Scholarships

- Local scholarships are often easier to get than national scholarships
- Scholarships aren't just for straight-A students. Many are based on need or are awarded to students with certain traits or interests
- You should never pay a service to find you scholarships. They are typically scams!
- Don't narrow your search to just the internet. Ask your guidance counselor, read the local newspapers, and check postings at your local library
- Persist! Your scholarship search can't be completed in a single day
- Start your search at [www.RIScholarships.org](http://www.RIScholarships.org)



# Types of Aid

## PELL GRANT

Grants for financially needy undergraduates awarded through the college financial aid office.  
2023-24 max award: **\$7,395.**

## Federal Supplemental Education Opportunity Grant (FSEOG)

For undergraduates pursuing first baccalaureate or professional degrees. Awarded first to students with exceptional financial need.  
Priority is given to PELL Grant recipients.  
Awards range from \$100 - \$4,000.

## Work Study

Work-study jobs may be on or off campus. Employer may be the college, a non-profit community agency, or a profit organization. Provides part-time employment and pay must be at least federal minimum wage and paid on an hourly basis.

# Federal Direct Loans – 5.50%

## • SUBSIDIZED

- Federal government pays interest while student is in school and in their grace period.
- Awarded to students whose families can prove financial need.



## • UNSUBSIDIZED

- Student is responsible for all interest charges accrued while in school.
- Awarded to students whose families cannot prove financial need.

%

**Note:** FAFSA must be submitted in order to be eligible for Federal Direct Loans



# Federal Direct Loans

Annual  
Limits

Student Type	Subsidized Limit	Subsidized & Unsubsidized Limit
Dependent Undergrad	\$23,000	\$31,000
Independent Undergrad	\$23,000	\$57,500
Graduate Student	\$65,500	\$138,500

Aggregate  
Limits

Year in School	Annual Limit (Subsidized & Unsubsidized)	Additional Unsub Loan Limit (independent students only)
First Year	\$3,500 Sub + \$2,000 Unsubsidized	\$6,000
Second Year	\$4,500 Sub + \$2,000 Unsubsidized	\$6,000
3rd – Fifth Year	\$5,500 Sub + \$2,000 Unsubsidized	\$7,000
Graduate Students	\$8,500 Unsubsidized	\$12,000

# State Based Loans

- Offered through non-profit agencies throughout the US
- RI's program is offered through RISLA (visit [risla.com](http://risla.com) for details)
- Typically very competitive interest rates – often fixed
- Make sure you understand the rates, fees, and terms with the state-based lender before you borrow



# Federal PLUS Loan

- Borrow up to the COA minus financial aid
- Interest rate for 2023/24: 8.05%
- 4.228% fee through 9/30/2023
- Repayment: 10 years (extended options may be available dependent on your balance)
- Can defer principal payment until 6 months after graduation
- Must arrange to pay interest during deferment or it will be added on to loan principal

**P**arent **L**oan for **U**ndergraduate **S**tudents



# Institutional Aid

- Schools award institutional grants based on financial need
- May use the federal methodology or institutional methodology for determining your financial need
- Amount of grants can vary widely depending upon how much money the school has available
- Some prestigious colleges offer such generous grants so that the financially neediest students can still afford to attend



# CSS PROFILE

- An additional financial aid form that some schools require
- Looks a bit deeper into the financial situation
- Custodial parent(s) must complete the form
- In cases of divorce/separation, a noncustodial form may also be required
- There is a fee for this form (unlike the FAFSA)

## How do I know if I need this form?

- A complete list of schools requiring this form can be found at [collegeboard.org](https://collegeboard.org)
- Each school will also have it listed on their website, if required



# Meeting a Student's Needs



## **Choose your college wisely**

- Not all colleges will meet 100% of need
- The RISLA College Planning Center can help you identify good value schools that are a match for your goals

## **Private colleges generally**

- Meet a higher percentage of need
- Award a higher percentage of gift aid

**Many students can attend a private college for the same cost as a public university!**

## STEP 1:

# Applying for Financial Aid

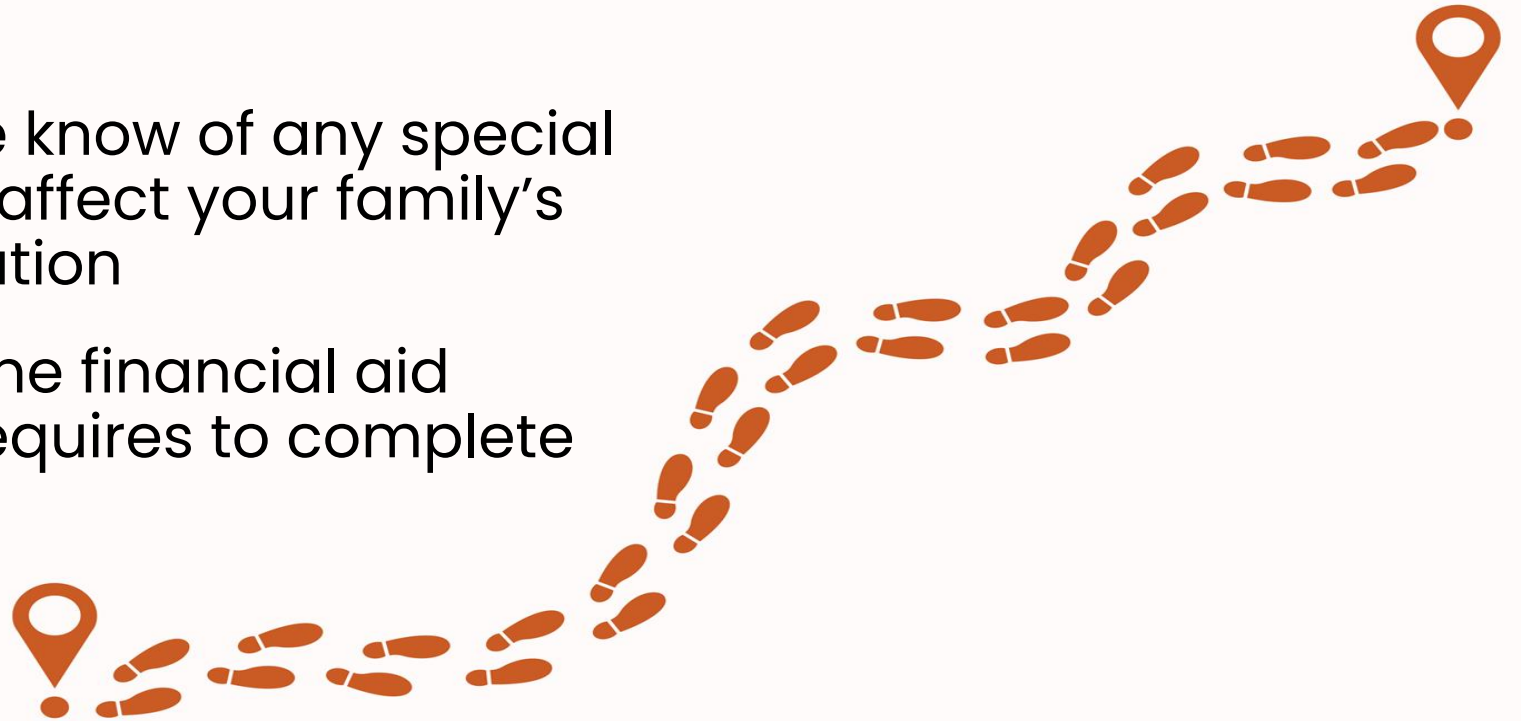
- Apply for an FSA ID at: [studentaid.gov](https://studentaid.gov)
- Complete the FAFSA
  - REQUIRED by every school to qualify for federal financial aid
  - Apply online at [studentaid.gov](https://studentaid.gov)
- Complete the CSS PROFILE, if required by your schools of choice, by the school designated deadline.



## STEP 2:

# Applying for Financial Aid

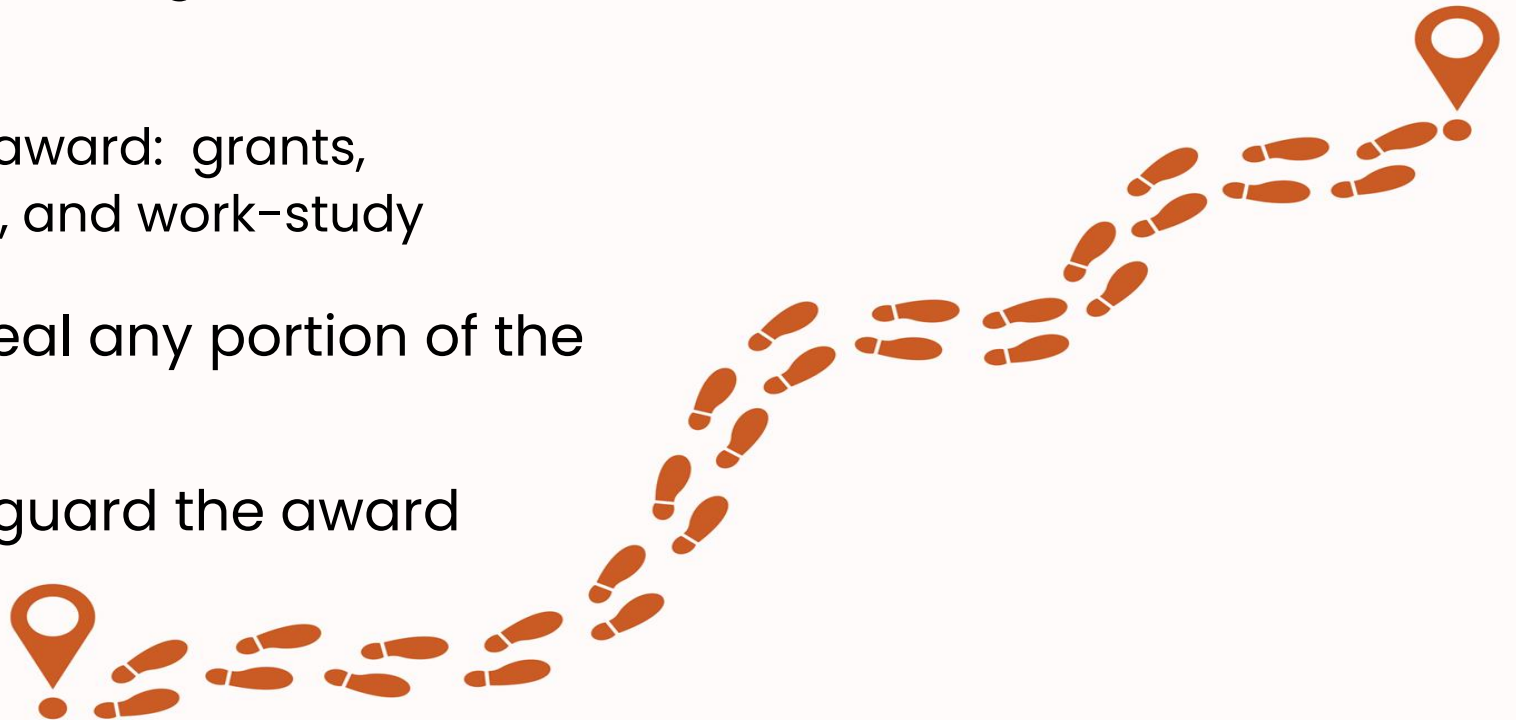
- File any supplemental financial aid forms required by your school
- Let the financial aid office know of any special circumstances that may affect your family's ability to fund your education
- Send in any documents the financial aid office at your school(s) requires to complete your application



## STEP 3:

# Applying for Financial Aid

- Review Financial Aid Package/Award Letter from school(s)
  - Includes details of award: grants, scholarships, loans, and work-study
- Accept, deny, or appeal any portion of the package
- Acceptance will safeguard the award



# 2024-2025 FAFSA Simplification

- The new FAFSA will have 36 questions; the previous form had 188
- Students will be able to list 20 schools versus just 10
- Multi-factor authentication will now be required to access the FAFSA
- Data Retrieval Tool (DRT) being replaced by Future Act Direct Data Exchange Tool to transfer data from previous tax returns

# 2024-2025 FAFSA Simplification

- Role-based completion
- Family size will be based on who was claimed on the IRS return
- Number in college is on the FAFSA but will not impact the SAI calculation



# Acronym and Terminology Changes

- Estimate Family Contribution (EFC) = Student Aid Index (SAI)
- IRS Data Retrieval Tool (DRT) = FUTURE Act Direct Data Exchange (FADDX or DDX)
- Student Aid Report (SAR) = FAFSA Submission Summary (FSS)
- Household Size = Family Size
- Contributor – Each individual who provide information on the FAFSA (student, parent, step-parent, spouse)

# Help is available:

College planning and financial aid guidance at the:

## College Planning Center of RI

Schedule on-line at

[www.collegeplanningcenter.org](http://www.collegeplanningcenter.org)

Call to schedule an appointment

**401-736-3170**