



Your guide to...

FINANCIAL AID AND SCHOLARSHIPS

Financial Aid

An often heard saying in higher education is that financing a college education is like a three-legged stool: **the family, the college, and the federal government**. It is important to keep in mind the order in which the three legs are listed. Although much is written about the vast amount of monies available in the way of institutional aid and independent scholarships, the responsibility of the student and family to contribute to the cost of attending college to the best of their ability is still tantamount.

How do colleges determine the amount the family should be able to contribute which is called the EFC, or **Expected Family Contribution**? The student and parents must fill out the **FAFSA** or *Free Application for Federal Student Aid*. In addition, many private colleges require a second form called the **CSS Profile**. The student must also carefully read the instructions for each college as some will require institution-specific questions.

Once the EFC has been determined, the college will subtract this amount from the total cost to attend the college, and thereby resulting in the amount of aid the student will need in order to cover the cost to attend the college.

Formula:

Total Cost to Attend the School (room, board, tuition, books, etc.)
— EFC (Expected Family Contribution)

= Amount of Aid Needed

Financial aid is awarded in a package that has three basic components: **grants, loans, and campus work/study**. Grants are awards that are not paid back; loans are usually government-backed at lower interest rates and must be repaid; and work/study is a program that offers qualifying students jobs on campus that pay the student a monthly salary. This is a government backed program, also. It is important to note that colleges do not always meet the full demonstrated financial need of the student. For example, a student may need \$15,000 to meet his financial need (as determined by the formula above), and receive a package from the college that fails to meet this need. This is called *gapping*. A package can also contain a small grant and approve a large amount in the form of loans. Families should always seek the counsel of the college counselor to discuss situations like this. As it can be difficult to compare packages at different schools and arrive at the bottom-line of out of pocket cost, taking into account the amount of loans, it is always recommended that a family use available charts that can list the packages side-by-side to interpret the data and arrive at the best package.

To prevent unpleasant surprises when school acceptances are followed by information from the Financial Aid Offices, all families should use the **Net Price Calculator** that every college and university is required to have on their website. This is a tool that allows families to answer a set of questions to estimate the cost to attend that college based on their family financial information. The questions vary from college to college and are *not* intended to result in a definitive amount, but it will give an approximate picture. Families can also use the **FAFSA4Caster**, which is also found online.

It is never too early for a family to begin thinking about financing higher education. Just remember the three-legged stool.

More detailed information about the financial aid process and scholarship information can be found on the PES website (www.PersonalizedEducationalSolutions.org).

Keep in Mind...

- Students must check the financial aid section for each college they are applying (each school has different requirements – some may want CSS Profile, many will have their own short form with additional questions)
- Be sure to avoid “fake” FAFSA pags. **Only use this link:** www.studentaid.gov/ to access FAFSA information.
- Use this website to access your CSS Profile: <https://cssprofile.collegeboard.org/>
- The FAFSA can be filled out online or you can obtain a paper copy. You can file any time **after October 1st**. The CSS Profile can only be filed on online; it should be completed by the earliest admissions deadline of the student.

Information Needed to Fill Out the FAFSA and CSS Profile

To complete these applications, you will need the following documents (for the graduating class of 2021):

- W-2 Forms and other records of money earned for the prior year
- Federal Income Tax Return from 2019 (MUST be from 2 years prior)* - IRS Form 1040, 1040A, 1040EZ, foreign tax return, or tax return for Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federated States of Micronesia or Palau
- Untaxed income records* - Social Security, Temporary Assistance to Needy Families, welfare, or veterans benefits records
- Records of savings, stocks, bonds, trusts, and other investments
- Current bank statements
- Current mortgage information
- Your most recent business and investment mortgage information, business and farm records, stock, bond, and other investment records
- Parent/Guardian and student social security numbers.
- Student's driver license number, if they have one.

Resources for Information and Completion of FAFSA Application and CSS Profile

CSS Profile Help

- [CSS Profile Student Guide](#)
- [Tutorial For CSS](#)
- [Live help for CSS](#)

FAFSA Help

- [Federal Student Aid Information Center \(FSAIC\)](#) (for Live Chat, Phone Call, or Email)
- Local resources/free services that help with FAFSA (visit your town library and look into other community organizations that offer free assistance)

Scholarships

As the cost of higher education continues to rise, it is never too early for families to begin planning for how they will meet this financial challenge. While it is true that institutions can sometimes offer merit money to augment need-based financial aid or offer scholarships to students who have no demonstrated need, many college-bound families overlook the thousands of scholarship opportunities available and the millions of dollars that are waiting to be awarded to students applying to college. While many scholarships are open only to students who show need, others are based on qualifications that do not require demonstrated financial need. Rather, they are open to students who fit a certain demographic, geographic location, religion, ethnicity, academic interest, etc. Some scholarships are geared to such an esoteric group that they often have few, if any, applicants.

As you begin looking for “free money,” using a search engine (listed below) is always a good starting point. Some of these will ask certain questions that will help pinpoint scholarships specifically geared to you, and some will allow you to click on and open additional scholarship lists that apply to specific identity groups. In addition, your high school guidance office will usually provide a list of local organizations such as civic groups, religious organizations, businesses, etc. that offer scholarships. Make sure you are aware of the requirements for each scholarship; some may ask that you submit an essay, academic recommendations, meet a minimum GPA, pursue a specific major and/or come from a certain background/location. Be sure to look for scholarships that are applicable to you! Be intentional in your search.

Here are some things to think about for scholarships:

- **There are many specialized scholarships that may apply to you!** Are you Italian American? Adopted? Have a parent who has or is currently serving in the military? Are you of Armenian descent? Do you play the fiddle? Does the employer of one of your parents offer any college scholarships?
 - Does your place of employment (grocery store, restaurant, etc.) offer college scholarships to their workers?
- **Applying for local scholarships vs national scholarships:**

- Local scholarships are less competitive, but usually do not award large amounts of money to students. Typically, students can visit their guidance office to find a list of local scholarship opportunities in their community. On the other hand, national scholarships offer higher amounts of money and they are more competitive. Many corporations and large organizations offer scholarships such as Coca- Cola, Amazon, Google, Burger King, Geico etc. Sometimes it is better to focus on local and state based scholarships as the rewards are greater in the long run.

Here are some examples of unique scholarships that are available!

- Gamers Helping Gamers Scholarship
- Super Power Scholarship
- Create-A-Greeting-Card
- International Peace Scholarship

Remember, **it is never too early to begin researching scholarships.** There are many stories and several books written about students who, with diligence and hard work, have financed their entire four years of college just by finding scholarships that are often overlooked and just waiting to be found. Even small awards add up. Happy hunting!

Scholarship Resources

Scholarship and Loan Search Engines:

www.fastweb.com/scholarships

www.niche.com/scholarships

Scholarships.com

Finaid.org

www.wiredscholar.com

[JLV College Counseling](#)

[Cappex](#)

[BigFuture \(a College Board program\)](#)

[Going Merry](#)

[Scholarship Owl](#)

[Road2College](#)

[Unigo](#)

Merit Scholarships

All students, regardless of financial need, are eligible to apply for and receive merit scholarships. Historically, merit scholarships have been awarded for meritorious excellence in academics, the arts, athletics, or anything else the college deemed outstanding and wished to reward the student for and hopefully induce that student to enroll. It was a way for colleges to help fill their incoming class with students whom they perceived would add value to their school community. Public universities often have merit scholarships based on the academic profile of the student as determined by specific testing and GPA credentials. Sometimes these are named presidential, provost, or deans' scholarships according to the amount. Scholarships are awarded automatically according to eligibility and require no special application; the college will identify you according to your credentials. These scholarships might also include preferential housing, access to research opportunities, or access to certain professors, etc. for mentorship. Colleges can also offer merit scholarships that require an application or a special essay for things like leadership, volunteer work, etc.. These scholarship opportunities will be listed on the website of the college, usually under the section for financial aid.

In recent years, colleges have begun to offer merit scholarships that are not necessarily meritorious. The rise of these scholarships started appearing in the early 80's when the title Dean of Admissions changed to Director of Enrollment Management. The idea of offering these scholarships which are not based on demonstrated need or outstanding credentials is to help build a class by enrolling students with academic credentials who might be wooed to attend your college instead of another college that might be ranked higher. This, in turn, might make your institution rise in perceived value by having a greater aggregate of high achieving students. These no-need scholarships are also offered to otherwise "full-paying" students with the idea that a \$10,000 "merit" scholarship makes the student feel good about the honor and, more importantly, this student will bring \$60,000 with him after deducting the merit. This is called *discounting*. How do the colleges identify who to offer discounts to and in what amount? Most often this is done by complicated algorithms and software or by hiring enrollment consultants that use information about the student to decide this. What will it take to enroll this student? Information about the student is evaluated to determine his interest in the college: Did the student open emails from the college? How long did the email remain open (did the student read it?) Did the student visit the campus or take a virtual tour? And so on. Some colleges now offer discounts to a majority of their applicants, again, based on an algorithm that is configured to yield the optimal class. What is an optimal class? Most colleges strive to build a class representing diverse ethnic and socioeconomic backgrounds, students who bring a variety of talents and interests, and students who will fill the seats in different academic departments. Finally, discounting or offering scholarships to financially able families, brings a majority of the cost to attend with that student. This, in turn, makes it more feasible to offer need-based aid to students who would otherwise be unable to attend.

Complicated? Not really. With few exceptions, families should submit the FAFSA (and Profile where required) to ensure consideration for need-based aid. And every family should check the

website for every college the student applies to for information about possible merit scholarships s(he) could apply for. The college will do the rest. Bottom line? **There is lots of merit money out there.** Although few colleges at the top of the food chain will discount, choosing to attend a slightly less selective college that really wants you and will offer you a discount to attend, can make the difference between graduating with little or no debt and having years of payments ahead.

Key Points about Financial Aid and Scholarships

- It's never too early to think about how students are going to pay for college.
- There are so many specialized scholarships that people do not think about. Take advantage of scholarship search engines (start a general search: ethnicity - ex: Italian American; Star Market - ex: bag groceries there, they do offer scholarship, ex: if parent is firefighter)
- Apply for both local scholarships and national ones.
- Be aware of "fake" FAFSA pages!
- Resources for help filling out financial aid applications – websites, hotlines.
- List of forms students will need to begin filling out (tax forms - 1040, social security number etc.)
- Be aware of deadlines and application-open dates (October 1st for the FAFSA and the CSS Profile). File as early as possible!
- Students must check the financial aid section for each college they are applying to. Each school has different requirements, some may want a CSS Profile, many will have their own short form with additional questions.
- Understand the difference between **grants vs. loans vs. work study.**
- Merit scholarships - where to find them (search engines/books)
- For help with completing financial aid and scholarship applications in the Boston area, the Boston Public Library has financial aid services, and many other states will have the same thing.
- There is a unique scholarship out there for every kind of student! Start exploring to find one that matches your skills, background, or interests. It makes the application much easier!