

UAB THE UNIVERSITY OF
ALABAMA AT BIRMINGHAM.

Paying for College

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UAB Office of Student Financial Aid

Today's session will cover

1. Cost of Attendance
2. Scholarships
3. Federal Financial Aid
4. Resources
5. Questions

Cost of Attendance

- Includes
 - Tuition & fees
 - Room & board
 - Books & supplies
 - Transportation expenses
 - Miscellaneous & personal expenses
- Direct costs vs. indirect costs
- Cost of attendance \neq bill



Cost of Attendance

- Costs vary by institution and type of institution
- Review the Net Price Calculators for the schools you are interested in attending



Scholarships

Scholarships are the best type of aid because they do not have to be repaid!

- Types of Scholarships
 - Institutional scholarships
 - Merit-based
 - Need-based
 - Performance-based
 - Leadership
 - Community/outside scholarships – organizations, foundations, employers, churches, businesses
 - Military and veteran’s scholarships
 - Athletic scholarships

Scholarships

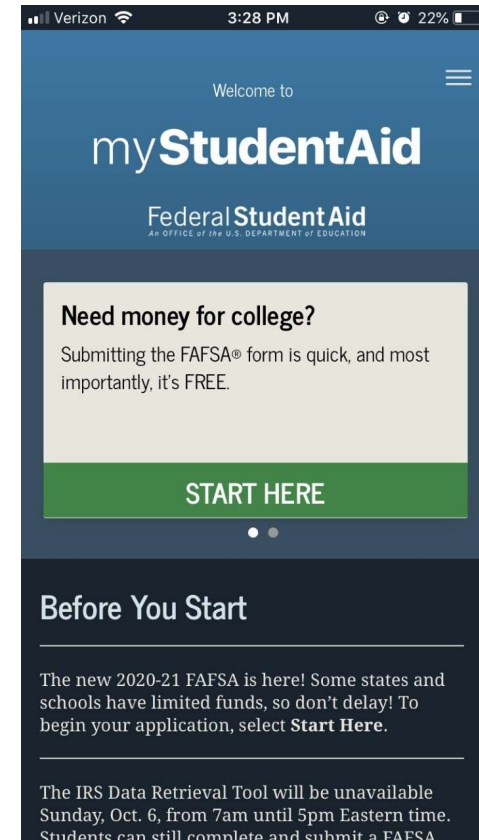
- Application processes vary
 - Automatic consideration vs. separate application
- Requirements
 - Resume
 - Letters of recommendation
 - Test scores & transcripts
- Deadlines
 - Begin searching for scholarships early – varying deadlines
- Reach out to your high school guidance counselor

Completing the FAFSA

Complete the Free Application for Federal Student Aid (FAFSA)

www.studentaid.gov | **myStudentAid** app

- Generally takes less than 30 minutes to complete
- FAFSA becomes available October 1 each year
- Some schools may have a priority filing deadline



Completing the FAFSA

The FAFSA has seven sections:

1. Student information
2. School selection
3. Dependency status
4. Parent information
5. Parent financials
6. Student financials
7. Sign & submit



Completing the FAFSA

Have the following information available when filing the FAFSA:

- Social security number
- Federal tax information or tax returns
- Cash, savings, and checking account balances
- Investments and untaxed income records

Completing the FAFSA

Federal Student Aid (FSA) ID

- To sign the FAFSA electronically, the student and parent must each have an FSA ID (username and password)
- Create your IDs at fsaid.ed.gov
- Keep this information on hand for future years
- Don't share your FSA ID information with others

Completing the FAFSA

When to Apply

- The FAFSA becomes available October 1 each year
- Apply early for best consideration
- Some federal and state programs have limited funding and are offered on a first-come, first-served basis
- Income information is based on your taxes from 2 years prior – 2020 tax information will be used for the 2022-2023 academic year
- Use the IRS Data Retrieval Tool when available

Tax & Parent Information

- The FAFSA will use your family's tax, asset, and household information to calculate an Expected Family Contribution (EFC)
- Students must provide information about their biological or adoptive parents
- If you are an orphan, emancipated minor, or homeless, you can indicate this on the FAFSA.

Dependency Status

- Students are generally considered dependent for financial aid purposes unless they meet one of the following criteria:
 - 24 years of age or older
 - Married
 - Veteran or active military duty
 - Dependents for which you provide the majority of support
- Dependent students are required to provide parent information on the FAFSA

After Completing the FAFSA

- The Department of Education will process your FAFSA within 3-5 business days
- Students will receive an email when the results are ready for review – Student Aid Report (SAR)
- Review your information and make any necessary corrections
- The Financial Aid Office will let the student know if any additional information is needed – approximately 22% of applicants are selected for verification
 - Students and their families may be asked to provide forms, tax documents, and confirm information entered on the FAFSA to ensure the student is receiving the full amount of federal financial aid for which they are eligible

Special Circumstances

- Special circumstances may include:
 - Death or divorce
 - Loss of job or significant benefits
 - Major medical expenses not covered by insurance
- Professional Judgment
 - Provide a written letter explaining the special circumstances
 - Additional documentation is required
- Contact your financial aid office for additional details and requirements

Types of Federal Financial Aid

- There are three main categories of federal aid:
 - Grants
 - Federal Work-Study
 - Loans
- Some aid is need-based while some is non-need-based

Need-Based Aid	Non-Need-Based Aid
<ul style="list-style-type: none">• Pell Grant• Supplemental Educational Opportunity Grant (SEOG)• Direct Subsidized Loan• Work-Study	<ul style="list-style-type: none">• Iraq-Afghanistan Service Grant• TEACH Grant• Direct Unsubsidized Loan• Parent PLUS Loan

Grants

Grants – need-based aid that you are not required to pay back

Pell Grant

- Awarded to students with a lower EFC (maximum eligible EFC is 5,846)
- Award amounts vary each year and are prorated based on enrollment – maximum award for 2021-2022 is \$6,495

Supplemental Educational Opportunity Grant (SEOG)

- Awarded to undergraduate students with the highest level of need
- Limited funding is available and not all schools participate in the program
- Each school determines award amounts and how students are selected

Work-Study

Work-Study – need-based program that allows students to work on-campus or in certain off-campus jobs and earn funds to help pay college expenses

- Great work experience opportunity & a variety of jobs are available – community service, student affairs, research
- Students are paid at least minimum wage, often more
- Limited funding is available and not all schools participate in work-study

Direct Student Loans

Loans – money that students can borrow, at a low interest rate, from the federal government to help pay for college

Two types of Federal Direct Loans:

- Direct Subsidized Loan (need-based) – does not accrue interest while enrolled at least half-time
- Direct Unsubsidized Loan (non-need-based)

Things to keep in mind:

- Must be enrolled at least half-time (6+ hours/semester)
- Repayment begins 6 months after graduation or when students are no longer enrolled at least half-time
- 10-year standard repayment period

Parent PLUS Loan

Parent PLUS Loan – low-interest loan through the federal government that allows parents to borrow money to help pay the remaining college costs

- Separate application becomes available May 1 – www.studentaid.gov
- Credit-based, not need-based
- No annual limit; parents can borrow up to the cost of attendance, less any additional aid a student has received
- Denial funds can be requested if the parent is denied

Covering Your Costs

In most cases, federal financial aid will not cover all of a student's expenses

Other resources available:

- Institutional scholarships
- Scholarships from 3rd party organizations
- Educational assistance through an employer
- Veterans benefits
- Private loans

Estimating Costs

<i>Estimated</i> Cost of Attendance	\$20,000
<ul style="list-style-type: none"> • Tuition and fees • Room and board • Books & supplies • Transportation • Miscellaneous expenses 	
Expected Family Contribution	-\$5,000
Estimated Financial Need	\$15,000
Scholarships, grants, work-study, subsidized loans	-\$8,000
Remaining unmet need	\$7,000
Unsubsidized loan	-\$2,000
<i>Unmet Cost of Attendance</i>	<i>\$5,000</i>

Student Account Balance	\$10,000
<ul style="list-style-type: none"> • Actual tuition and fees • On-campus housing • Meal Plan • Parking 	
Scholarships, grants, loans	-\$6,000
Amount due to institution*	\$4,000

*Can be covered using federal work-study earnings, savings, Parent PLUS loan, private loans, etc.

Changes Coming for 2023-2024

The FAFSA will be undergoing major changes beginning with the 2023-2024 academic year.

Main changes impacting students and families:


- The number of questions on the FAFSA will go from over 100 currently to a maximum of 36
- The Expected Family Contribution (EFC) will be replaced with a Student Aid Index (SAI)
- Greater income protection allowance

Helpful Resources

- Financial aid offices
- High school counselors
- Financial aid nights through school and community
- Budgeting resources – check with your local financial institution
- www.studentaid.gov
 - Videos, graphics, and more



Contact Us – Office of Student Financial Aid

 205.934.8223

 Lister Hill Library

 finaid@uab.edu

 uab.edu/financialaid

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Thanks for joining us!