

Cash For College

October 2009



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Sponsored by:

Office of Mayor Antonio R. Villaraigosa and
and The City of Los Angeles

LA Area Chamber of Commerce

LA City Workforce Investment Board

LA Community College District

LA Community Development Department

LA Unified School District

UNITE-LA

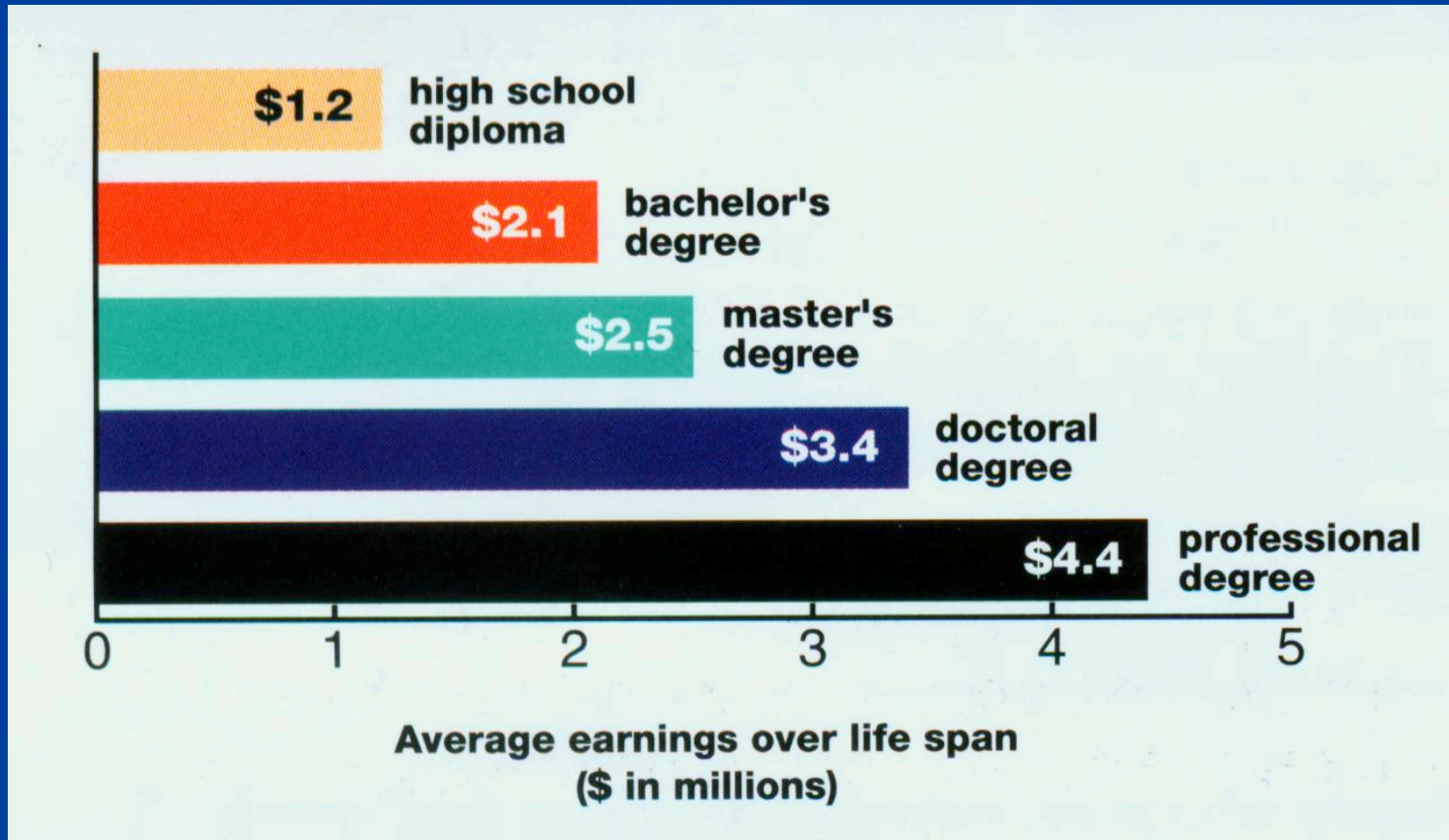
Why Are You Here?



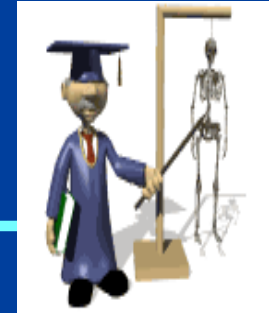
- ◆ **College is critical to your child's future**
- ◆ **Jobs of the future will require more skills than those provided by a high school education alone**
- ◆ **Students who go to college have financial advantages**
 - **their life-time earnings are higher than those of high school graduates**
 - **they are less likely to be unemployed**
 - **their children are more likely to attend college**



Who Wants A Million Dollars?



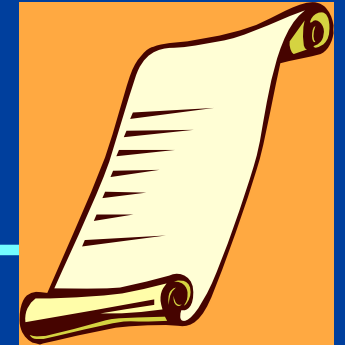
Things To Remember



- ◆ College is possible for anyone who works hard and is determined to succeed
- ◆ College is affordable
- ◆ All families can help their children get a college education



Workshop Agenda



- ◆ **The financial aid equation**
 - **Who gets the money?**
- ◆ **Types of financial aid - grants, scholarships, work, and loans**
- ◆ **How to apply for financial aid**
- ◆ **Free scholarship searches**

What Financial Aid Offers?

- ◆ Access to funds to help pay for
 - 4-year public and independent colleges and universities
 - Community colleges
 - Private career colleges
- ◆ Choice among schools
 - choose the best academic, career, cultural, and social fit rather than the least expensive program



◆ **We can't pay very much so our child can't go to college**

- **Reality:** Many factors beyond annual income are considered in determining a family's ability to pay for college expenses. These include family size, net value of assets, age of parents, number of children in college, and special circumstances.



◆ **We can't afford to send our child to a high-cost college or university**

- **Reality:** The amount you will be expected to pay will be relatively the same regardless of the type of college your child chooses to attend. Your out-of-pocket expenses will usually be the same at a low-cost or high-cost school.



Another Financial Aid Myth



- ◆ We will have to use all of our savings to pay for college
 - **Reality:** The majority of families are not expected to contribute from their assets. Assets are protected for retirement and other emergencies. Retirement funds (IRA, 401k, 403b, etc.) are not considered except for the pre-tax amounts contributed in the prior calendar year.
 - After making an allowance for retirement, no more than 5.7% of parent net assets (savings, investments, equity) are used in determining eligibility for aid. Home and business equities are not counted.



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One Final Financial Aid Myth

- ◆ **My child won't be able to pay back all the student loans**
 - **Reality:** Loans are an investment in your child's future.
 - Only a portion of financial aid is in the form of loans. Most of the educational loans available are low-interest, borrowed by the student, and repaid after graduation.
 - Colleges also offer students grants, scholarships, and part-time jobs. These sources do not require repayment.



What Are The Basic Concepts Of Financial Aid?

- ◆ *Student* **Cost of Attendance**
- ◆ *Parent and Student*
Expected Family Contribution
- ◆ *Student* **Financial Need**



The Costs Of Going To College



Tuition & Fees

Books & Supplies



Room & Board

Personal Expenses



Transportation



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What Is The Expected Family Contribution?

The Expected Family Contribution (EFC) is the amount a family (parents and student) is expected to contribute from income and assets over time



What Is Financial Need?

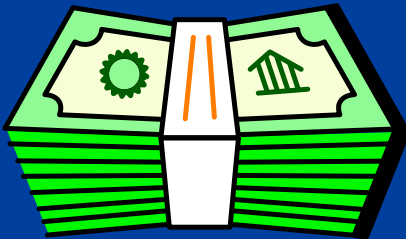
Cost of Attendance
- Family Contribution
Financial Need*



***Financial Need equals**
Financial Aid Eligibility

What Are The Major Types

- ◆ **Gift Aid** - Grants or scholarships that do not need to be repaid
- ◆ **Work** - Money earned by the student as payment for a job on or off campus
- ◆ **Loans** - Borrowed money to be



What Are The Primary Sources Of Financial Aid?

- ◆ **Federal government**
- ◆ **State governments**
- ◆ **Colleges and universities**
- ◆ **Private agencies and organizations**



How The Formula Works

| | CC | CSU | UC | Private |
|-------------|----------|----------|----------|----------|
| Cost | \$11,500 | \$18,600 | \$26,400 | \$50,000 |
| EFC | - 500 | - 500 | - 500 | - 500 |
| Need | \$11,000 | \$18,100 | \$25,900 | \$49,500 |

In the best of all possible worlds, full “need” will be met with a financial aid award made up of grants and scholarships along with reasonable amounts of work and loan. Some schools are not able to meet full need.




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Financial Aid Awards



- ◆ **After your child is admitted to one or more colleges or universities and his or her financial aid application is complete, the Financial Aid Office at each school will provide a:**
 - Financial Aid Award Letter that contains details on the types and amounts of aid such as grants, work-study, and low-interest loans the college is offering

- ◆ **You and your child should then:**
 - compare the awards your child is offered to the costs of the college that made the offer
 - compare the amount of loans offered by each college or university
 - decide whether your child should borrow or if you and the child should pay the loan amount from your own resources

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Special Circumstances



- ◆ **Contact the Financial Aid Office if there is a change in your family circumstances such as:**
 - A loss or reduction in parent or student income or assets
 - Reduction in child support, Social Security, or other non-taxable income or benefits
 - Unusual family medical or dental expenses not covered by insurance
 - Financial responsibility for elderly grandparents
 - A death or serious illness of a parent or family member
 - Any other unusual circumstances that affect your family's ability to contribute to your child's education



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How Students Apply For Financial Aid In 2010-2011

◆ **FAFSA** (Free Application for Federal Student Aid)
www.fafsa.ed.gov

◆ **Cal Grant GPA Verification Form**

◆ **Some colleges may request:**

– **CSS/Financial Aid PROFILE**

www.collegeboard.com

– 2009 parent and student IRS Federal Tax Returns (including all schedules and W-2 forms) or other income documentation

– Other required forms




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Apply For A PIN To File FAFSA On The Web

- ◆ **Federal PIN (Personal Identification Number)** serves as the electronic signature on the FAFSA and other federal aid documents
- ◆ Student and at least one custodial parent need a PIN
- ◆ May also be used to:
 - Check on FAFSA status
 - Verify FAFSA data
 - Make FAFSA Corrections on the Web
 - Reapply for financial aid in future years



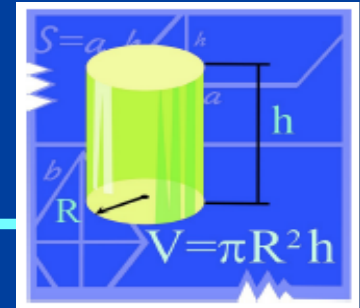
◆ **Apply NOW** for your PINs at:

Federal Academic Competitiveness Grant (ACG)

- ◆ **The Academic Competitiveness Grant (ACG)** is a federal grant of \$750 available to graduating high school students in their first year in college who:
 - completed a rigorous high school course of study
 - are U.S. citizens or eligible non-citizens
 - are federal Pell Grant eligible
 - enroll at least half-time in college
- ◆ **Second year students who earn a 3.0 GPA in college and continue to meet eligibility requirements may receive up to \$1,300**



Federal SMART Grant



- ◆ Third and fourth year college students may receive a \$4,000 federal **SMART Grant** if they
 - maintain a 3.0 college GPA
 - major in science, engineering, mathematics, technology, or specific languages
 - continue to meet the same eligibility requirements as the ACG



2010-2011 Cal Grant Entitlement Programs



◆ By **March 2, 2010**, complete and submit:

– the **FAFSA**



– the **Cal Grant GPA Verification Form**

» check with your child's school for more details



2010-2011 Cal Grant A Entitlement



- ◆ **All students who have earned a high school GPA of 3.0 or greater, demonstrate financial need, meet parental income and asset requirements, and file by March 2, 2010 will receive up to four years of**
 - **system-wide fees at UC and CSU campuses**
 - **as much as \$9,708 at independent California colleges or universities**



2010-2011 Cal Grant B Entitlement



- ◆ **All students who have earned a high school GPA of 2.0 or greater, demonstrate financial need, meet parental income and asset requirements, and file by March 2, 2010 will receive up to four years of**
 - **a \$1,551 stipend for living expenses for up to four years at all California colleges and universities including the community colleges**
 - **plus**
 - » **system-wide fees at UC and CSU campuses for second through fourth years**
 - » **as much as \$9,708 at independent California colleges or universities for second through fourth years**



Community College Fee Waiver

- ◆ **The California Community College Board of Governors' Enrollment Fee Waiver (BOG Fee Waiver)** covers the California Community College's enrollment fee for California residents:
 - who are eligible for need-based financial aid, or
 - who receive CalWORKs/TANF, SSI, or General Assistance payments, or
 - whose family income falls below published income ceilings
- ◆ Learn more about the **BOG Fee Waiver** at www.icanaffordcollege.com



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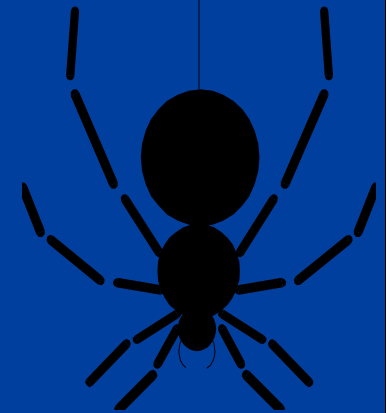
California Chafee Grant For Foster Youth

- ◆ **The California Chafee Grant** program provides up to \$5,000 annually to current and former foster youth for college or vocational training at any accredited college in the U.S.
- ◆ **To be eligible**, the foster youth must have been in California foster care on his or her 16th birthday and not have reached his or her 22nd birthday before July 1, 2010
- ◆ **To apply**, complete the:
 - 2010-2011 FAFSA
 - California Chafee Grant Program Application
- ◆ To learn more about the **Chafee Grant**, go to www.chafee.csac.ca.gov



Useful Websites

- ◆ www.fafsa4caster.ed.gov
- ◆ www.finaid.org
- ◆ www.collegeboard.com
- ◆ www.fastweb.com
- ◆ www.scholarshipsearchsecrets.com



These sites contain useful financial
aid and scholarship information

Scholarships



- ◆ Use **FREE Scholarship Searches**
- ◆ Available from colleges, companies, community-based groups and other agencies and organizations
- ◆ Usually require separate applications
- ◆ May require transcript, essay, interview, or audition
- ◆ Check with your child's high school, college or university about other scholarship opportunities
- ◆ **Beware** of scholarship search companies that charge a fee



Don't Be Fooled!

◆ Beware of false claims!



- "Thousands of dollars in scholarships go unclaimed each year"
- "Guaranteed or your money back!"
- "Give me your credit card or bank account number to hold this scholarship"
- "The scholarship will cost some money"
- "You've been selected. . ."
- "You're a finalist in a contest" (that your child never entered)

Sample Scholarship Application Questions

◆ Contact data:

- name and address of student

◆ Demographics:

- birth date, gender, race, heritage, religion, marital status, citizenship, disabilities
- parent employer, education, and veteran status



◆ Education, work, and activities:

- high school and colleges attended, year in school, GPA, SAT/ACT scores, community service and employment history
- student sports, hobbies, special talents/skills, and other interests

Gates Millennium Scholarship

◆ **Funded by the Bill and Melinda Gates Foundation**

- Minimum 3.3 high school GPA
- African American, Asian, Hispanic or Native American students who are Federal Pell Grant eligible and will be first year college students

– **Application deadlines**

- » **January 11, 2010 – online GMSP Application by 11:59 PM EST**
- » **January 11, 2010 – postmark date for paper Application**
- » **February 15, 2010 – deadline to submit FAFSA**

◆ **Renewable for all undergraduate study and graduate work in designated fields**

- Maintain minimum cumulative college GPA of 3.0
- Continue to demonstrate financial need
- Meet renewal deadlines



◆ **Application and more information available at**

www.gmsp.org



Undocumented Students

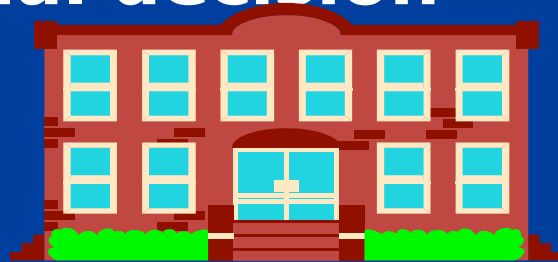


- ◆ **Undocumented and under-documented students are not eligible for federal or state aid**
 - start inquiring in elementary and high school to see if it is possible for the student to become a permanent resident
 - apply for all scholarships for which the student may be eligible
 - check with colleges and universities to see if institutional financial aid is available
 - watch for changes in federal and state laws regarding the eligibility of undocumented or under-documented students
 - for more information:
 - » call **(213) 629-2512**
 - For a list of scholarships, go to **www.maldef.org/pdf/Scholarships.pdf**



Before Deciding On A College

- ◆ **Make a list of colleges and universities that have programs of interest to your child**
- ◆ **Consult with your child's school counselor**
- ◆ **If possible, don't make a final decision about which school your child will attend until you and your child have visited the colleges and universities**
- ◆ **Consider all factors – not just cost – when making the final decision**



Get Cash for College...



- ◆ **Participate in all college information sessions at your high school**
- ◆ **Attend a **Cash for College FAFSA Workshop** on **Saturday, January 30, 2010** for**

 - » **help completing the FAFSA and the Cal Grant GPA Verification Form (both due by March 2, 2010)**
 - » **a chance to win one of many scholarships**

- ◆ **To find a location close to you, visit:**

www.lacashforcollege.org



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