



# PAYING FOR COLLEGE Program Guide

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The program guide is intended as a rough outline for the topic and can be adapted as you see fit to meet the needs of your program, students/clients, or situation. The guide also includes copy-permissible activities as a supplement to instruction. **Please note that color handouts are copyright protected and duplication in any form is strictly prohibited.** See our website [www.dreamcatchercurriculum.com](http://www.dreamcatchercurriculum.com) for additional info, updates and new curriculum topics.

➡ **BEFORE YOU BEGIN:** This workshop requires minimal prep, however, it is strongly recommended that you read and review the program guide along with the handout before meeting with students.

## **PAYING FOR COLLEGE OBJECTIVE & INCLUDED TOPICS:**

To prepare college students for the financial aid application process and provide information about the types of financial aid including the Free Application for Federal Student Aid (FAFSA); *Four Types of Financial Aid, FAFSA Process, FAFSA Terms to Know, FAFSA Fast Facts, Working in College, Scholarship Sources*

## **BEFORE THE WORKSHOP/SESSION:**

Consider scheduling the workshop or advising session in the fall semester before the FAFSA application opens. Students should start completing and submitting the FAFSA as soon as they are able. Another option is holding the session after the FAFSA opens and assisting with submission and completion as part of the workshop. Since students may already have an FSA ID and have probably submitted the FAFSA at least once, they should only need to make minimal updates. If possible, research potential scholarship sources for your students. Consider inviting a financial aid officer to discuss any updates with the group and to help answer questions regarding the FAFSA.

## **STEP ONE TIME: 15 MINUTES**

Introduce the topic of FAFSA and financial aid. **Ask students/clients how their experience has been with financial aid so far.** Discuss if time allows. Distribute the *Paying for College* handout and review the types of financial aid. Cover the three basic types of scholarships: **merit-based, need-based, and student-specific.** Explain that they should be continually researching and applying for departmental and other scholarships; this is an ongoing process throughout college. Distribute the *Don't Lose Your Scholarship* supplemental handout and review/discuss.

Move to the *Grants* section, including the current Pell Grant award. Discuss work-study jobs and how to apply for those jobs on campus. Explain loans, recommending loans through the FAFSA because these provide the lowest interest rate. Cover the difference between federal student loans and private student loans. Be sure to review the terms below (*Interest & Rate, Subsidized/Unsubsidized Loans, Master Promissory Note*, etc.). Lastly, review the FAQs at the bottom corner of the page. Answer any questions about loans, scholarships, grants, and work-study.

## **STEP TWO TIME: 15 MINUTES**

Turn to the inside of the handout and cover *FAFSA Facts*. Students should know that FAFSA stands for *Free Application for Federal Student Aid*. They should never have to pay to fill out the FAFSA application; the only website that is legitimate for federal aid application is [studentaid.gov](http://studentaid.gov).

Review the *Terms to Know* and answer any questions concerning this section. Let everyone know that the **Student Aid Report (SAR) will be replaced by the FAFSA Submission Summary (FSS) and the Expected Family Contribution will be replaced by Student Aid Index.** Remind students it's important to keep up-to-date with annual FAFSA announcements. Distribute the included *FAFSA Changes to Know for 2023* supplementary guide.

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### **STEP TWO** (CONTINUED)

Discuss the *Before*, *During*, and *After* sections. Mention that they will use the same FSA ID during college to log in and submit the FAFSA. Emphasize that names should match their official names and identifications during this process. Using a nickname is discouraged; if any names are spelled differently, that will need to be resolved before completing the FAFSA. Students and parents/guardians will also need to use the tax information from 2 years prior to enrollment in college (**for the 2024-25 school year, the IRS Transfer will use the family's 2022 tax returns to determine aid eligibility**).

During FAFSA completion, students should be aware of which info will be needed and the two ways to complete the FAFSA. **Strongly encourage submitting the FAFSA application online.**

After completing the FAFSA, students should review their **FAFSA Submission Summary (FSS)**. The colleges to which they applied will review the financial information and complete the financial aid award, sending a letter of award by mail (or email in some cases). Students must return this letter or complete the process online to indicate the aid they wish to receive. The state in which they reside might also receive information to award state-based aid.

Discuss the **2024-2025 FAFSA**, covering what to expect for the upcoming FAFSA submission window (2 years prior tax info and FAFSA submission beginning in December of the current school year for 2023). Briefly review the 2025-26 FAFSA, which should return to an October application opening date. Review **Interest Rates for Federal Student Loans** and direct participants to the link for the current rates. Emphasize that interest rates can fluctuate year-to-year.

### **STEP THREE** TIME: 15 MINUTES

Transition to the section titled ***Are You Dependent or Independent?*** Point out the flow chart to determine dependency status. Note the helpful Federal Student Aid link with more information on dependency.

Review *More FAFSA Facts* and discuss each section, answering questions as needed. **Cover the following:**

- ◆ Use only [studentaid.gov](https://studentaid.gov) to complete and submit the FAFSA
- ◆ Accept aid in this order: Free Money (scholarships and grants), Earned Money (work-study), Borrowed Money (loans)
- ◆ Parents will also need a FSA ID that is separate from their child/children's FSA ID. It is used to electronically sign the FAFSA.
- ◆ If a life-changing event happens after families submit the FAFSA (or it's not reflected in the tax information), approach the college's financial aid office to discuss options on funding.
- ◆ Students must provide their parents' financial information when they meet the criteria for dependent student. If they cannot contact their parent(s) and/or it may pose a risk to contact them, they may qualify as a "Provisional Independent Student" under the **Unusual Circumstances** question. Their college will follow up for documentation before disbursing funds obtained by the FAFSA.
- ◆ Review the IRS Data Retrieval has been replaced by IRS Transfer. Students and parent(s) must provide consent for the IRS to transfer their financial data to the FAFSA.
- ◆ If one or both parents do not have a social security number, they should enter their mailing address when prompted. This will not affect the parent/guardian's citizenship or resident status in the United States.
- ◆ Aid from the FAFSA is first-come, first-served, so the sooner the FAFSA is submitted, the better the chances of getting aid.

### **FINAL STEP & ASSESSMENT** TIME: 15 MINUTES

Turn to the back page about scholarships. Tell participants to jot down ideas for scholarships in each section. Share any scholarship research you did before the session, as well. To discover more options, students could consider these general sources: *List continued on next page!*



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### **FINAL STEP & ASSESSMENT** (CONTINUED)

- ◆ National companies like Coca-Cola, Dr. Pepper, Kohl's, Target, (and [DreamCatcher Curriculum!](#)) etc. offer annual scholarships.
- ◆ Use free online scholarship searches and matching tools like [scholarships.com](#), [collegeboard.org](#), [chegg.com/scholarships](#), [fastweb.com](#), and [careeronestop.org/Toolkit/Training/find-scholarships.aspx](#). Emphasize that they should **never pay for a scholarship search**. Some searches require an account using a valid email address.
- ◆ College departments offer scholarships based on certain majors; these scholarships are sometimes offered after freshman year.
- ◆ Continue searching and applying for scholarships throughout the year (assist with research if necessary).

If time allows, distribute the *My Financial Aid Plan* included in this guide. Ask participants to consider all they have learned, and complete the plan with strategies that work best for them. **Distribute the included assessment and collect when complete.**

### **OTHER DISCUSSION POINTS:**

Mention that it *might* be possible to make tuition payments in installments if a balance remains after scholarships and financial aid are applied (check your institution's policy first). Emphasize to students that they might have to opt in to college-based scholarships (and sometimes all financial aid). They should be checking their student email accounts frequently for updates and information about financial aid, and NEVER pay for a scholarship search or financial aid assistance. Also, meeting regularly with their financial aid office is critical. If a student's financial situation changes, they should alert the financial aid office as soon as possible. They might be able to adjust COA and financial award rates using professional judgement.

### **INCLUDES A COMPLIMENTARY DIGITAL LINK FOR THE *PAYING FOR COLLEGE* TOPIC!**

Updated regularly as new information becomes available. Simply refresh your flipping book for the latest updates! Share with your staff, students, and parents. Internet access required. Only available for this topic for the 2024-25 academic year. We'll email you the link after your printed FAFSA purchase!

## ***PAYING FOR COLLEGEASSESSMENT***

List the three different categories/types of SCHOLARSHIPS available to students:

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What do these acronyms stand for?

SAI: \_\_\_\_\_

FSS: \_\_\_\_\_

COA: \_\_\_\_\_

Name one new FAFSA change you learned about in the workshop:

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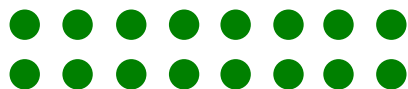
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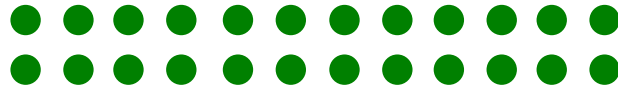
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# DON'T LOSE



*Congrats!* You applied for and received scholarships to help pay for college. Understand the terms of your scholarships so you won't lose that hard earned money!

# YOUR SCHOLARSHIP!



## FIRST:

Determine if any of your scholarships are **renewable**, meaning they will be automatically awarded if you meet or exceed the predetermined requirements. Answer these questions about your award: *How often is scholarship eligibility reviewed? When does the review occur? Do I need to reapply for renewal? How often? What info do I need to submit?*

## NEXT:

Make sure you meet or exceed the requirements to keep your scholarships. Keep track of your eligibility semester-to-semester. **Understand the repercussions of the decisions you make in college**

### ● Meet or Exceed the GPA Requirement

Many scholarships **require a minimum GPA** to be awarded and renewed (the required GPA may differ to be renewed). If you're falling below the minimum GPA, meet with your instructors and academic advisor to see what you can do about your grades. If possible, take extra classes in the summer or the following semester to improve your GPA.

### ● Take Enough Credit Hours

Some scholarships require recipients to be **full-time students or take a certain number of credit hours per academic year**. If you must drop a class, be sure to either replace it immediately (if possible) or retake it later. Discuss the number of credit hours required for your scholarships with your academic advisor when signing up for courses each semester to stay on track.

### ● Changing Your Major Affects Eligibility

If you were awarded a scholarship from a specific academic department, area of study, or for a major of a certain field, **changing your major may put that scholarship at risk**. It's okay to want to study something else, just make sure you'll be okay without that scholarship if lost due to the change.

### ● Think Before You Act

If you get in trouble on a college campus for cheating, plagiarism, stealing, underage drinking, drugs, etc., **your scholarship could be at risk**. Also, think before you post on social media. Even outside scholarship providers could find out about your actions and revoke your awards.

### ● Changing Colleges Affects Eligibility

You may have received scholarships that are specific to the college you are attending. **If you leave that college to go to another college, the scholarships don't get to tag along, too**. However, the college you will be attending might have awards for transfer students or other categories including field of study or financial need.

### ● Spend the Scholarship Money Wisely

Scholarship providers might state exactly how they want you to use the money. Some examples would be **an award to be used for tuition only or a scholarship just for books**. If you spend the money on something other than what is specified, it could be revoked. Make sure you know the terms before spending the scholarship money.

## OTHER FACTORS TO CONSIDER:

If you take **time off from school** due to an illness, to work or save money, for study-abroad, etc., research the implications on your financial aid. Ensure you're **acquiring the community service hours** (if required) for your scholarship. Send academic, athletic, or philanthropic **progress reports** to the provider, if needed. Fulfill **post-baccalaureate service requirements** (teaching or military service).

## WHAT TO DO IF YOU LOSE A SCHOLARSHIP:

Try not to panic. If you lost a scholarship due to not meeting eligibility requirements, **there is often an appeals process**. Find out the process and follow it to the letter. **Document extenuating circumstances** (illness, lost job, family emergency, etc.). If your award runs out, you can **appeal for an extension or apply again for a possible second round of funding**. Even if you lose eligibility for one scholarship, it doesn't mean you're ineligible for other opportunities. **Search for other scholarships and apply**.



# FAFSA CHANGES TO KNOW FOR 2023

## #1: THE FAFSA WILL BE SHORTER

The FAFSA was 108 questions long prior to 2023, which was a barrier in completing the application.

New laws passed in 2021 will cut the maximum number of questions to an estimated total of **36 questions**, cutting down the amount of time needed to complete the FAFSA.

Income info will be transferred directly to the FAFSA from tax returns (before you had to access the data yourself using the IRS Data Retrieval Tool). This change will reduce the number of questions required for families to self-report income.

Students will no longer have to answer whether they have had any drug-related convictions, meaning drug offenses will no longer keep students from getting federal financial aid.

## #2: NAME CHANGES

The "Expected Family Contribution," or **EFC will be replaced by the "Student Aid Index,"** or SAI. The SAI is a number that colleges will use as an indicator of financial need to determine how much financial aid you can receive. The SAI can be a negative number (up to -\$1,500), making it easier for a college to identify students with the most financial need.

The number of people in your family enrolled in college will not factor into the SAI.

The "Student Aid Report," or **SAR will be replaced by the "FAFSA Submission Summary,"** or FSS.

## #3: PARENT CHANGES

The parent who provides the most financial support will complete the parent section of the FAFSA for dependent students.

**Parents and students must log in separately to complete their respective sections.** The student and parent will each provide their legal name, SSN, date of birth, and the email of the student/parent required to contribute after completing their section. If the parent doesn't have a SSN, they must provide their full mailing address. A notification is then sent to the student or parent

## #4: FSA IDs

Federal Student Aid IDs will be verified by the Social Security Administration before completing the FAFSA. This could take up to 3 days for new applicants.

Students AND parent(s) accessing the FAFSA must have an FSA ID. Even parents who do not have a social security number must create an FSA ID. All accounts will use two-step verification for logging in to the FAFSA.

## #5: PELL ELIGIBILITY EXPANDED

More students will now be eligible for federal Pell Grants. You will also be able to know sooner whether you qualify and how much of the grant you will receive (**up to \$7,395 for the 2023-2024 school year; this amount typically increases each year**).

Under the new guidelines, family size and adjusted gross income will determine Pell eligibility (not EFC/SAI, which is how Pell Grant eligibility was determined prior to 2023).

Also, the following students can now qualify for a Pell Grant in 2023-24: incarcerated students participating in prison education programs and students with drug convictions, among others.

## #6: LIFETIME LIMITS ELIMINATED

You can now get subsidized loans for **as long as it takes to complete your education.** Before, you would have only been able to take out loans for 150% of the length of your education program (for a 4-year program, the maximum length of time you could take out loans was 6 years). Now you can take out loans for the full length that it takes to finish college.

## #7: ASSETS AND UNTAXED INCOME

Business and farm net worth will be included as an asset on the FAFSA (in the past, small businesses and family farms were excluded). Child support received will be included as an asset.

Untaxed income will no longer be listed, including payments to tax-deferred retirement, worker's compensation, & housing allowances.

## #8: PROFESSIONAL JUDGEMENT

When there are unusual situations or circumstances that impact your federal student aid eligibility, federal regulations give a financial aid administrator discretion, or professional judgment on a case-by-case basis (with adequate documentation) to **make adjustments to the data elements on the FAFSA that impact your Student Aid Index (SAI) to gain a more accurate assessment of your family's ability to contribute to your cost of education.**

The Department of Education does not have the authority to override or impact a school's professional judgment decision.

## #9: MISCELLANEOUS CHANGES

Students and parents will need to consent to have tax information transferred from the IRS to their FAFSA. This includes tax filers and non-filers.

**Students can list up to 20 colleges on the FAFSA.**

Demographic questions will include expanded ethnicity and race options. The FAFSA will only be available in English and Spanish.

## #9: "UNUSUAL CIRCUMSTANCES"

If you are a dependent student but cannot contact your parent(s) or contacting them causes risk to you, you may be considered a **provisional independent student.** You will be able to submit the FAFSA without parental info, but your college will follow up to gather documentation.

## HELPFUL WEBSITES & RESOURCES:

Federal Student Aid Website: [studentaid.gov/](https://studentaid.gov/)

Free Application for Federal Student Aid: [studentaid.gov/h/apply-for-aid/fafsa](https://studentaid.gov/h/apply-for-aid/fafsa)

Create a Federal Student Aid ID (FSA ID): [studentaid.gov/fsa-id/create-account/launch](https://studentaid.gov/fsa-id/create-account/launch)

How Financial Aid Works: [studentaid.gov/h/understand-aid/how-aid-works](https://studentaid.gov/h/understand-aid/how-aid-works)

Types of Financial Aid: [studentaid.gov/understand-aid/types](https://studentaid.gov/understand-aid/types)

Managing Student Loans: [studentaid.gov/h/manage-loans](https://studentaid.gov/h/manage-loans)

# ●● MY FINANCIAL ●● ●● AID PLAN: ●●

Whether you entered college right after high school or took a year or more between high school and college, having a financial aid plan is an excellent idea to ensure your education is funded. There are two very important parts of your plan already listed below. What else will you do to ensure that you can pay for your education?

**VISIT WITH THE FINANCIAL AID OFFICE IF I HAVE QUESTIONS ABOUT MY AID.**

**RENEW MY FAFSA EVERY YEAR I'M IN COLLEGE.**

# ●● STUDENT LOAN REPAYMENT ●●

Understanding how to repay your federal student loans can save you money in the long run. First, select a **repayment plan**. If you don't choose a specific plan, you'll be placed in the Standard Repayment Plan, which will have loans paid off in 10 years. Your monthly payment can also be based on how much you make. You can change plans anytime. Use the **Repayment Estimator** to help decide on the right plan.

Your loan servicer handles billing for payments to your loan. Each has its own process and can work with you if help is needed making payments. If you can't afford payments, **don't ignore your loans**. You can change the payment due date, change the repayment plan, and/or consolidate your loans. You also might be able to postpone your loans through **deferment or forbearance**. Interest might still accrue while you're not making payments. There are some circumstances that may result in no longer having to repay your student loan. Some or all of your loan could be **forgiven, canceled, or discharged** in exchange for service, such as teaching or public service.

Go to [studentaid.gov/h/manage-loans](http://studentaid.gov/h/manage-loans) for more information.

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