

CFNC Summer Counselor Forums, June 2022 Financial Aid Hot Topics Information Sheet

Promising Practices and Unique Opportunities to Consider when Assisting Immigration-Impacted Students:

- Understand admissions, residency, and financial aid policies
- Connect students to [financial aid](#) opportunities including scholarships and fellowship
- Maximize high school experiences to minimize college costs. By earning college credits [via dual enrollment program](#), advanced placement (AP) or International Baccalaureate (IB) courses. Promote the College Level Examination Program ([CLEP](#))
- NC Community College [Tuition Classification Exemptions](#) have provided an accessible and affordable pathway for DACA and other non-U.S. citizen students allowing them to pay the in-state rate
- [NC Promise Program](#) Tuition Plan aims to increase access to higher education by making college more affordable for North Carolinians
- [Longleaf Commitment](#) program covers tuition and fees at a NCCC for eligible students
- Identify local employers to provide sponsorship and apprenticeship opportunities
- NC Community Colleges can create local [promise programs](#) that offer tuition assistance to ALL students regardless of citizenship status.
- Collaborate with local and state Latinx serving organizations
- Include the family in the college going process

Most importantly: be intentional and build trust

Searching for Scholarships & Understanding Student Loans

Searching for Scholarships

Four main avenues for finding scholarships:

1. Local
2. Statewide (CFNC.org's Scholarship Search)
3. National
4. Institutional (college's website & communicate with college)

Understanding Student Loans

First, ensure students have completed the FAFSA form. This allows them to apply for all state & federal gift aid before borrowing. The FAFSA is also the first step in the student loan application process. Once students receive their offer letters from the financial aid office, they'll know if they need to borrow to meet the cost of attendance. If they are borrowing, their college will have next steps, such as entrance counseling and forms to complete.

Students may first be offered subsidized Direct loans, which are based on financial need, determined by answers on the FAFSA form. The interest is subsidized, so students won't begin truly accruing interest until after they graduate or fall below half-time enrollment. Next, students may borrow unsubsidized loans, which are not based on financial need. Interest accrues with these loans right away. There are maximum amounts that students can borrow each year, with a lifetime limit of \$57,500 for undergraduate students (no more than \$23,000 of this amount may be in subsidized loans).

If families need to borrow more in education loans, they can consider federal Parent PLUS loans or an alternative loan. If families go this route, be sure to shop around for the best interest rate and no fees.

Student Aid Reports (SAR) & Financial Aid Offer Letters

Student Aid Reports (SAR)

After students submit their FAFSA form, they will receive a SAR electronically, if they included a valid email address on their FAFSA form. If not, they will receive the SAR via the mail. The school(s) that the student listed on the FAFSA form will have access to their SAR data electronically within a day after it is processed.

The SAR includes: the student's Expected Family Contribution (EFC), a summary of their eligibility for federal student loans, federal Pell Grant, if they've been selected for verification, and instructions on what to do next. Note that even if the SAR doesn't note that the student has been selected for verification, they could be selected later on.

When students receive their SAR, they should review it carefully to make sure it's correct. The schools listed on their FAFSA form will use the information on the SAR to determine their eligibility for federal – and possibly nonfederal – aid. If the student finds a mistake on their SAR, they can log into their account on StudentAid.gov and make corrections. They may also want to communicate with the financial aid office(s).

Financial Aid Offer Letters

Once students have completed the FAFSA form, they will receive financial aid offer letters from their potential colleges. Typically, students need to at least have an admissions application on file in order to receive financial aid offer letters. Some colleges may wait until admissions has decided on those they will admit before they send out financial aid offer letters.

Financial Aid Offer Letters come at different times; some shortly after the FAFSA has been submitted, others may not come out until winter or spring. If the student would like more information about when exactly a college sends these out, they should contact the college's financial aid office. The offer letter will typically have financial aid the student has been awarded, such as federal and state grants, scholarships, work study, and education loans. It will also give next step instructions; the student will need to accept or decline all, part, or none of the aid they have been offered.

Unaccompanied/Homeless Youth

If a student answers "yes" to the general homelessness question on the FAFSA form, the student will not be required to add parent information, but the financial aid administrator at the college may request a copy of the homeless youth determination provided by either:

- A high school or school district homeless liaison
- A director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development
- The director of a runaway or homeless youth basic center or transitional living program

If none of the individuals above can provide a determination for the student, the student should call the financial aid office at the college to learn what additional information may be used to make a determination.

For more resources to help students experiencing homelessness, there are some helpful links and resources at CFNC.org/Plan (click Plan for College, then Students with No Fixed Address) including:

- The single point of contact (SPOC) for each 2- and 4-year public NC college campus - specific contact for homeless/transitional students to provide support with admissions,

financial aid, academic advising, campus housing, meal services, and community resources.

- Information on waivers, scholarships, and other local NC and national assistance programs

For the NC Residency Determination Service, the [NCR residency.org](https://www.ncresidency.org) Resources Page includes step-by-step guide: RDS for Students Experiencing Homelessness

Dependency Status on the FAFSA

The FAFSA form will ask students questions related to their dependency. Most students are considered dependent in terms of financial aid. Some students may be deemed independent, depending on how they answer the questions on the FAFSA. Below is a list of situations that typically make a student independent for financial aid purposes. If deemed independent, a student usually won't have to provide parent's financial information on the FAFSA form. They will have to provide their own, as well a spouse (if applicable), or possibly others. Be sure to consult with the financial aid office if there are questions.

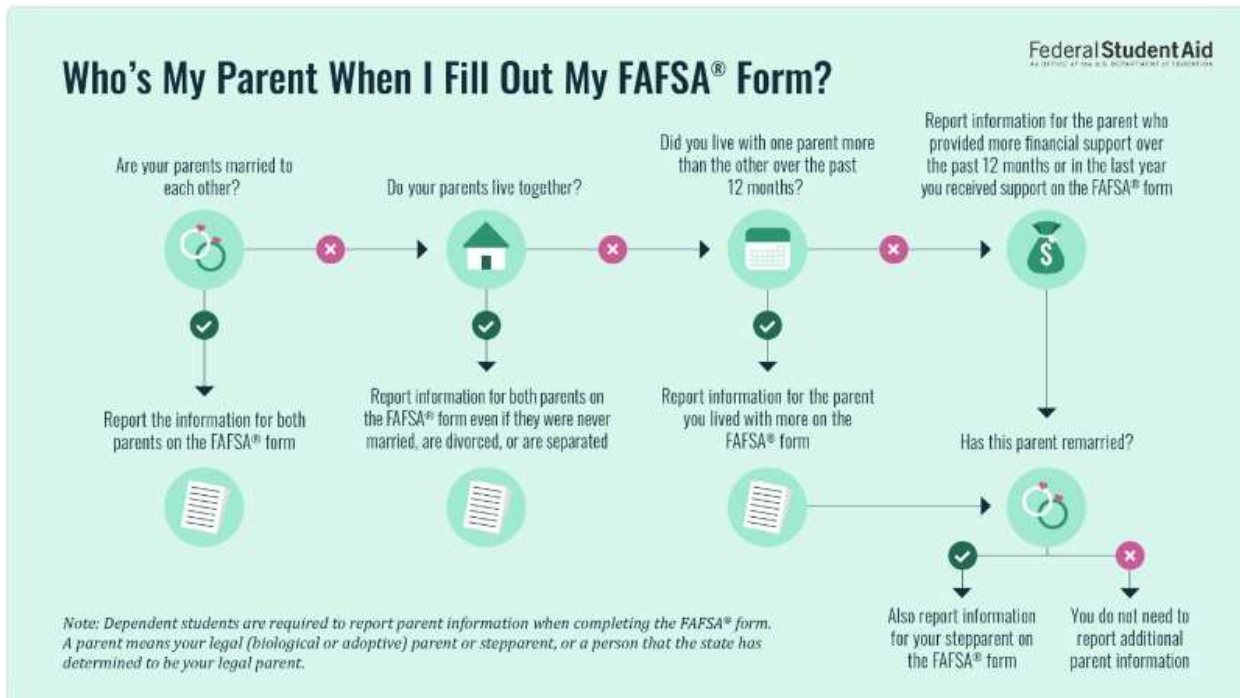
- 1** Will you be 24 or older by Jan. 1 of the school year for which you are applying for financial aid? For example, if you plan to start school in August 2022 for the 2022–23 school year, will you be 24 by Jan. 1, 2022 (i.e., were you born before Jan. 1, 1999)?
- 2** Are you married or separated but not divorced?
- 3** Will you be working toward a master's or doctorate degree (such as M.A., MBA, M.D., J.D., Ph.D., Ed.D., etc.)?
- 4** Do you have children who receive more than half of their support from you?
- 5** Do you have dependents (other than children or a spouse) who live with you and receive more than half of their support from you?
- 6** Are you currently serving on active duty in the U.S. armed forces for purposes other than training?
- 7** Are you a veteran of the U.S. armed forces?
- 8** At any time since you turned age 13, were both of your parents deceased, were you in foster care, or were you a ward or dependent of the court?
- 9** Are you an emancipated minor or are you in a legal guardianship as determined by a court?
- 10** Are you an unaccompanied youth who is homeless or self-supporting and at risk of being homeless?

**If you don't answer "yes" to any of the questions above, you're still considered a dependent student for purposes of applying for federal student aid even if you don't live with your parents, are not claimed by your parents on their tax forms, or are paying for your own bills and educational expenses.*

For more information, visit StudentAid.gov/dependency.

Who is the Parent on the FAFSA

For FAFSA-related purposes, a parent includes biological and adoptive parents or someone else who is considered to be the parent (for example, someone who is listed as a parent on the student's birth certificate). Grandparents, foster parents, uncles, aunts, cousins, brothers, sisters or legal guardians are not factored into the FAFSA methodology and will not be required to input any information into the FAFSA, unless they are the student's legal guardian. If parents were never married or are divorced, students will file the FAFSA with the parent they lived with the most or provided the most financial support over the previous year. Married parents or unmarried parents who live together will file the FAFSA together with the student, while widowed parents or parents who never married and live apart will file the FAFSA individually with the student.



Verification

Verification is the federal process of improving accuracy of the information submitted on the FAFSA form.

- 1/3 of FAFSAs are randomly chosen for verification. *Verification does not mean anyone did anything wrong.*
- Students are notified that they have been selected either on their SAR or the through their financial aid office.
- Student / parents will need to provide documentation to the college's financial aid office.

What is being verified by the school?

- Household size
- Number of family members in college
- Adjusted gross income (AGI)
- Taxes paid
- Untaxed income and benefits

Every college has its own process of collecting these documents. Student/parent must communicate with the financial aid office if selected for verification.