National Association of Student Financial Aid Administrators Presents …

What You Need to Know About Financial Aid

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Pace University

September 2025

NASFAA FINANCIAL AID NIGHT

Topics We Will Discuss

- What is financial aid, cost of attendance (COA), student aid index (SAI), and financial need?
- Categories, types, and sources of financial aid
- Free Application for Federal Student Aid (FAFSA®)
- Special and unusual circumstances
- New for 2026-27

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**Unless otherwise noted, screenshots are taken from the U.S. Department of Education's 2026-27 FAFSA® Preview Presentation, August 2025*

What Is Cost of Attendance (COA)?

- Tuition and fees
- Housing and food (living expenses)
- Books, course materials, supplies, and equipment
- Transportation
- Miscellaneous personal expenses

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What Is Student Aid Index (SAI)?

Number resulting from the evaluation of a student's (and family's) approximate financial resources for a student's postsecondary education

Student contribution

Parent contribution

(for dependent students)

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What Is Financial Need?

Cost of attendance (COA)

– Student aid index (SAI)

= Financial need

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Categories of Financial Aid

Need-based aid

Non-need-based aid

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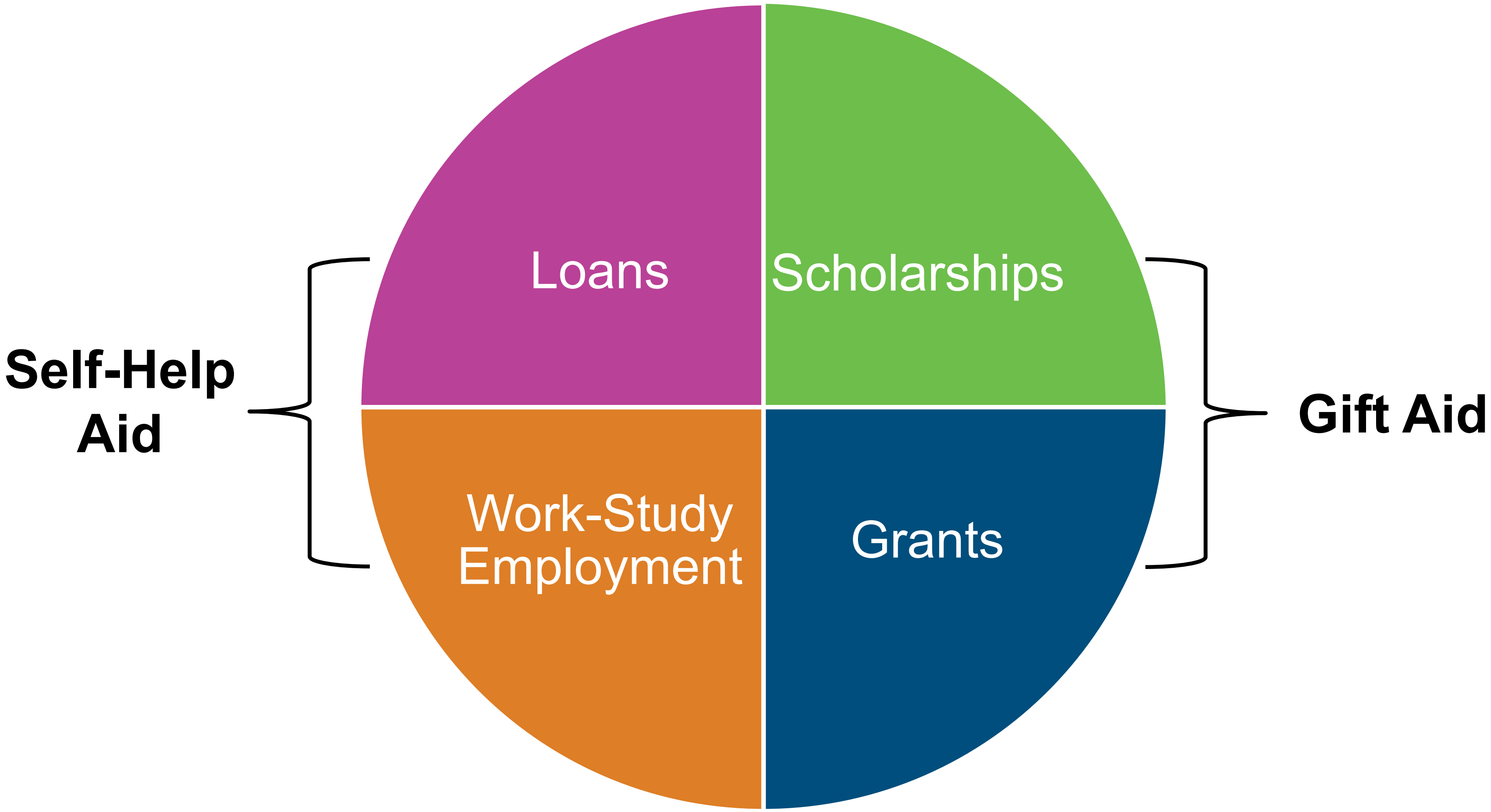
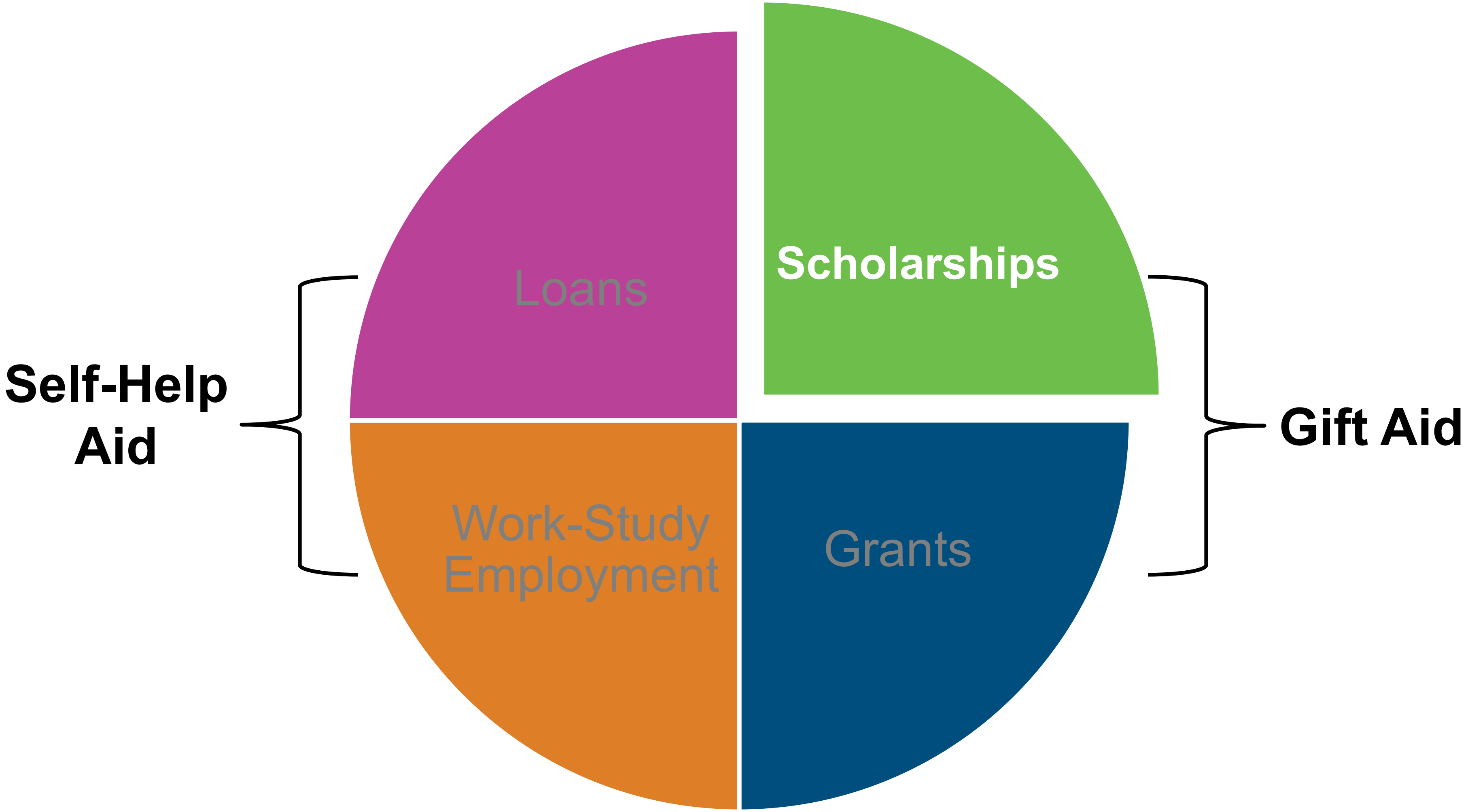
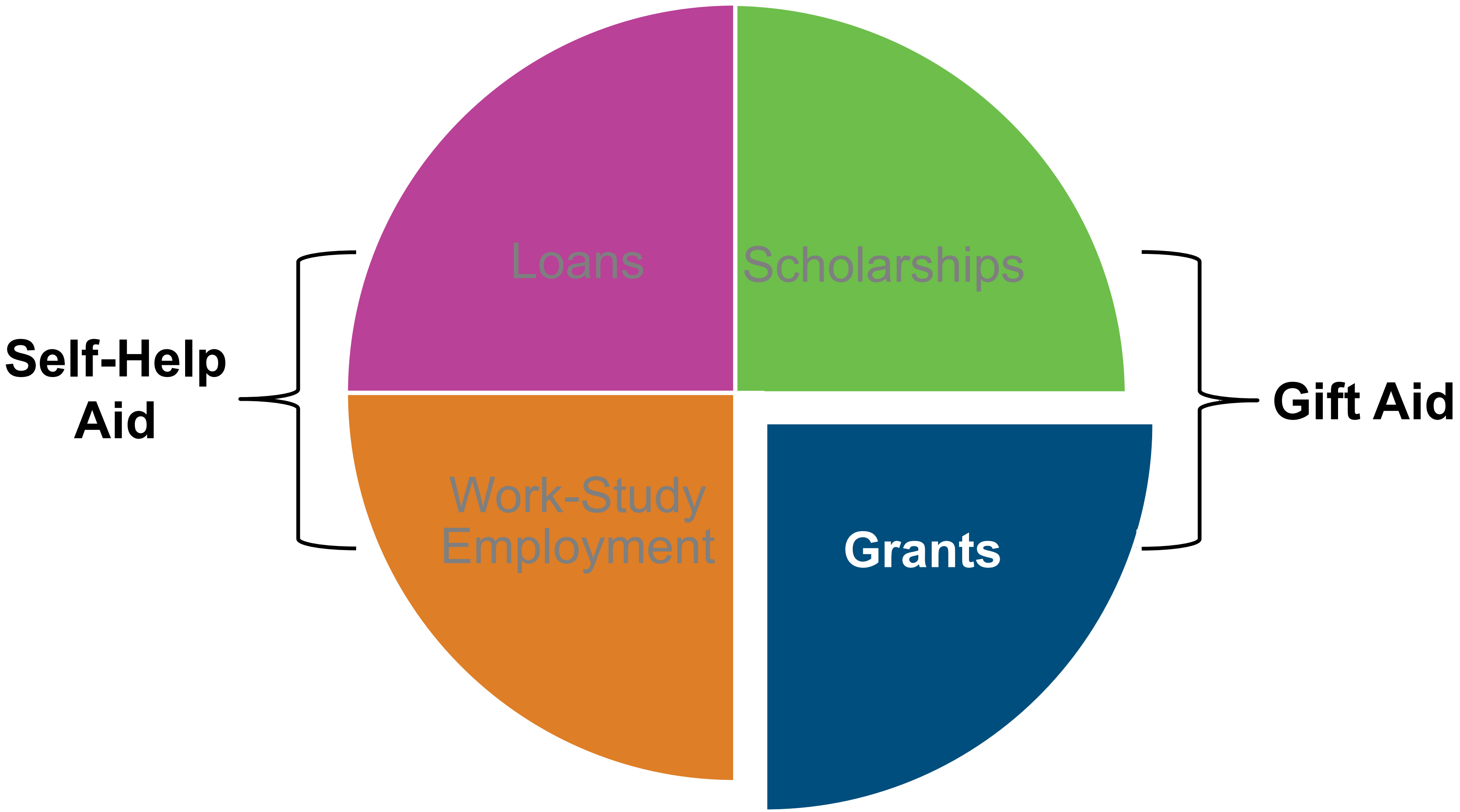
Types of Financial Aid



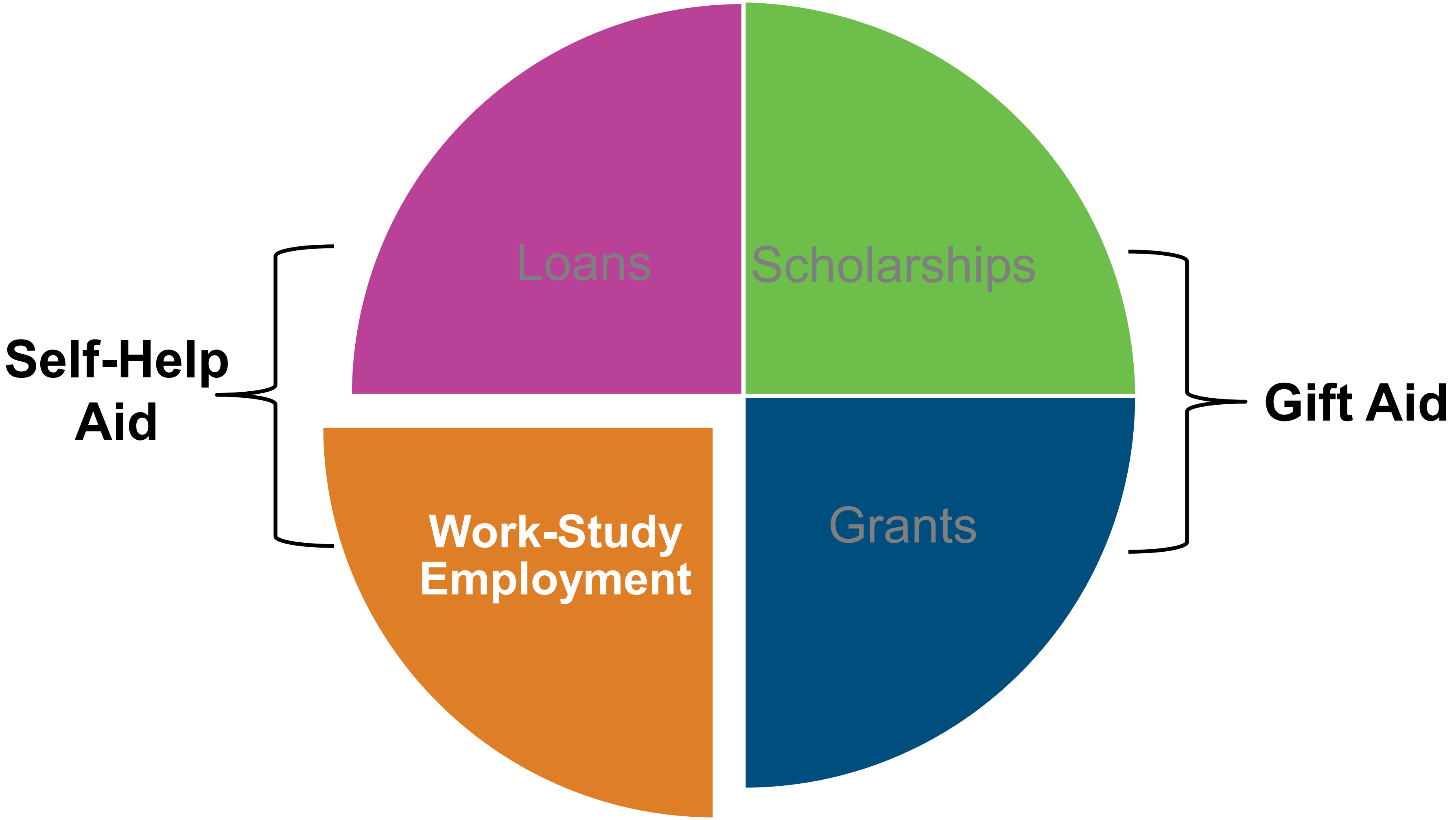
Scholarships



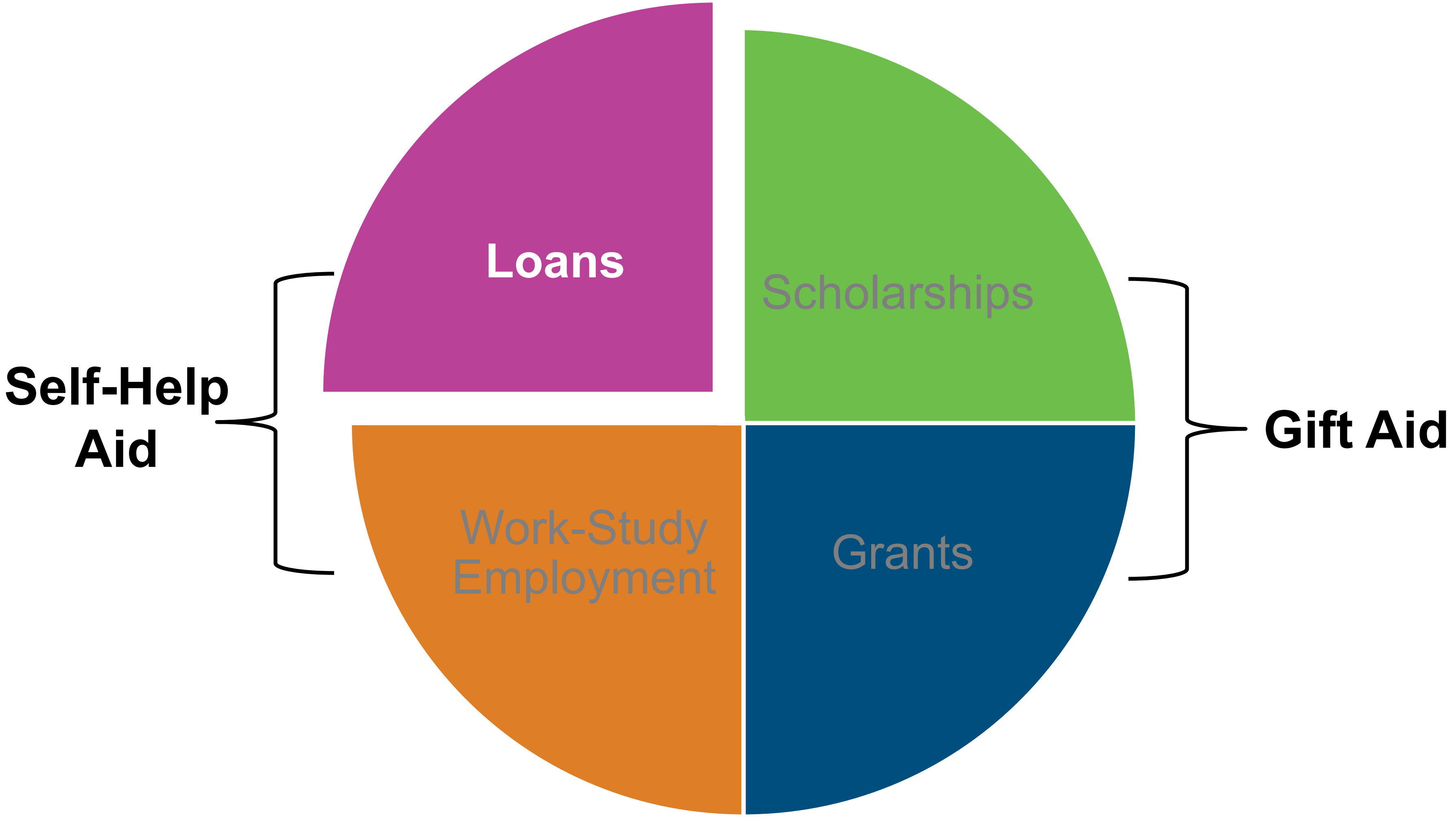
Grants


Loans
Scholarships
Work-Study Employment
Grants
Self-Help Aid
Gift Aid

Work-Study Employment



Loans



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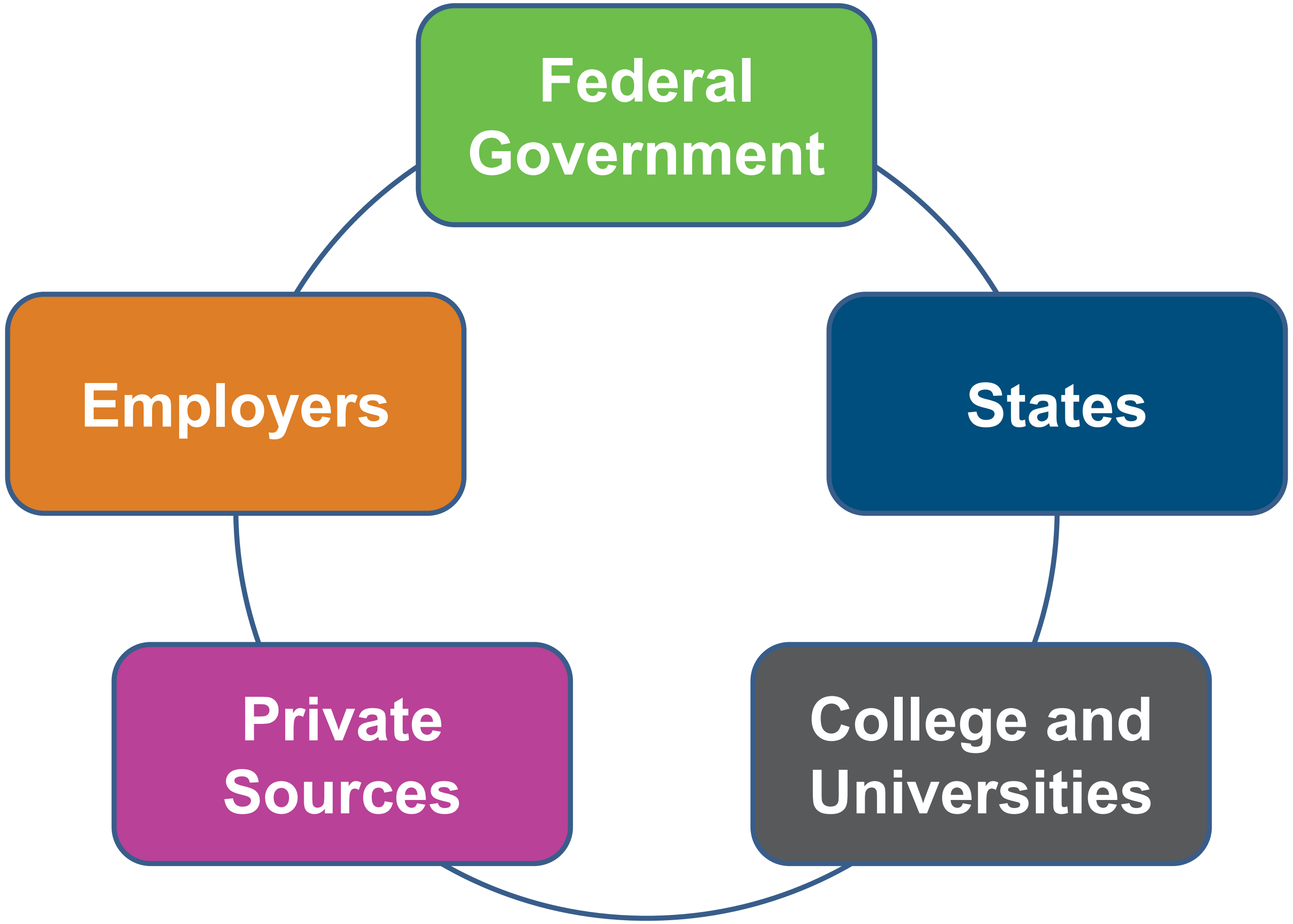
Sources of Financial Aid



Federal Government

- Largest source of financial aid
- Aid provided primarily based on financial need
- Must apply each year using the FAFSA
- Eligibility requirements must be met

Federal Student Aid Programs

Federal Pell Grant*	Federal Supplemental Educational Opportunity Grant (FSEOG)	Teacher Education Assistance for College and Higher Education (TEACH) Grant
Federal Work-Study (FWS)	Federal Direct Student Loans (Direct Loans)	**Federal Direct PLUS Loans***

**Changes to program effective with 2026-27 award year*

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Federal Pell Grant Changes

- Creation of Workforce Pell Grant
  - For short-term, job-focused programs
- Limitations on Pell Grant eligibility
  - Student is <u>not</u> eligible for the Pell Grant if:
    - SAI exceeds twice the maximum Pell Grant amount; or
    - Student's nonfederal grants and scholarships cover entire COA (even if otherwise eligible)

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Parent PLUS Changes

- New borrowers on or after July 1, 2026:
  – Annual loan limit: $20,000 per dependent student
  – Aggregate loan limit: $65,000 per dependent student
- Legacy borrowers may borrow at previous loan limits for the shorter of:
  – 3 academic years; or
  – Time for student to complete program

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States

Residency requirements usually apply

Aid may be provided based on both merit and need

Use information from the FAFSA and/or state aid applications

Deadlines vary by state

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Colleges and Universities

- Aid provided based on both merit and financial need
- Aid may be gift aid or self-help aid
- Use information from the FAFSA and/or institutional applications
- Deadlines and application requirements vary by institution

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Private Sources

Foundations, businesses, churches, civic, and charitable organizations

Deadlines and applications procedures vary

Begin researching private sources early

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Employers

May have scholarships available
to the children of employees

May have educational benefits for their employees

Federal Student Aid Estimator

- Early estimation regarding SAI and possible Title IV aid available
- Requires demographic, income, and asset information

https://studentaid.gov/aid-estimator

Free Application for Federal Student Aid (FAFSA®)

- Collects demographic and financial information
- Information used to calculate the student aid index (SAI)
- Colleges use SAI to offer financial aid
- Available in English and Spanish
  - Assistance available in additional languages

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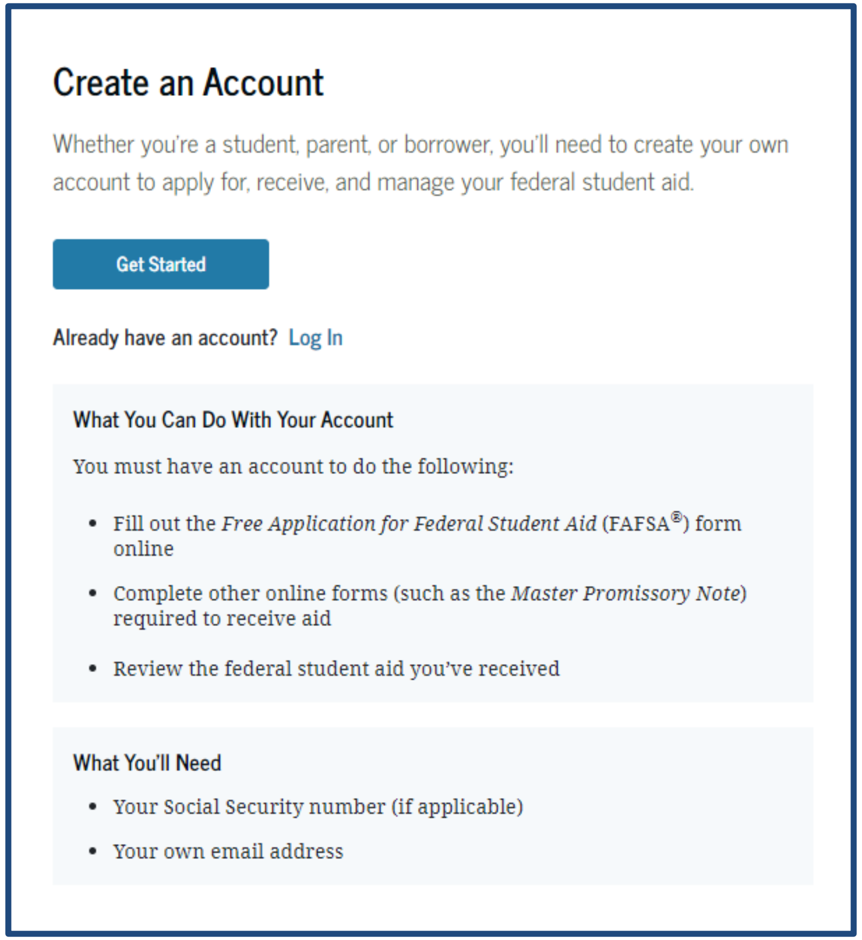
Free Application for Federal Student Aid (FAFSA)

- May be filed at any time during an academic year, but typically no earlier than October 1st prior to the academic year for which the student requests aid
- **For the 2026-27 academic year, the FAFSA will be available by October 1, 2025**
- Colleges may set FAFSA priority dates

StudentAid.gov Account Username and Password (FSA ID)

- Used for FAFSA completion and access to certain U.S. Department of Education websites
- Student and parent must create own FSA ID
- May be used throughout financial aid process, including subsequent school years
- Only the owner should create an FSA ID



Create an Account

Whether you're a student, parent, or borrower, you'll need to create your own account to apply for, receive, and manage your federal student aid.

Get Started

Already have an account? Log In

What You Can Do With Your Account

You must have an account to do the following:

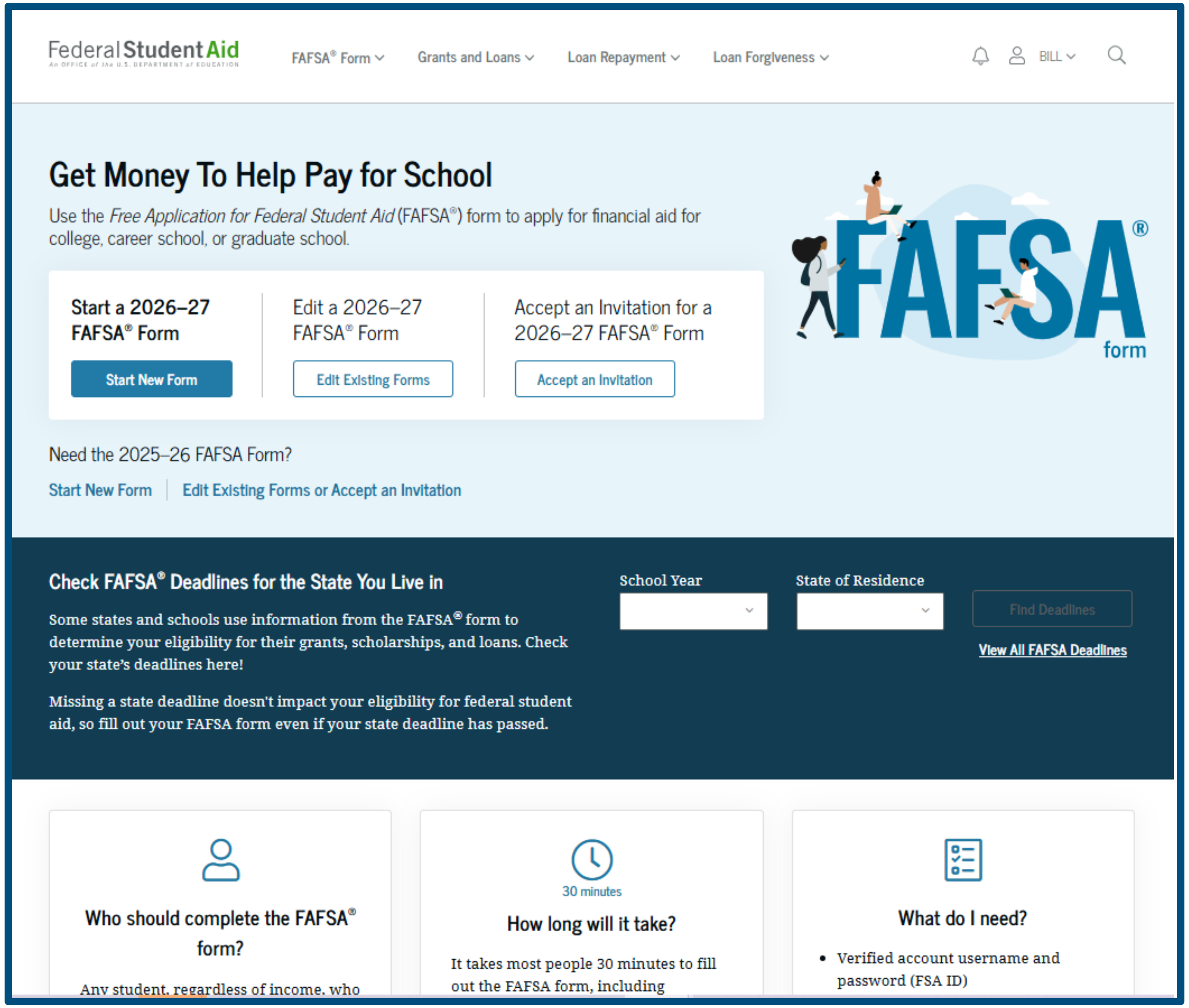
- Fill out the *Free Application for Federal Student Aid* (FAFSA®) form online
- Complete other online forms (such as the *Master Promissory Note*) required to receive aid
- Review the federal student aid you've received

What You'll Need

- Your Social Security number (if applicable)
- Your own email address

Apply at https://studentaid.gov/fsa-id/create-account/launch

Online FAFSA



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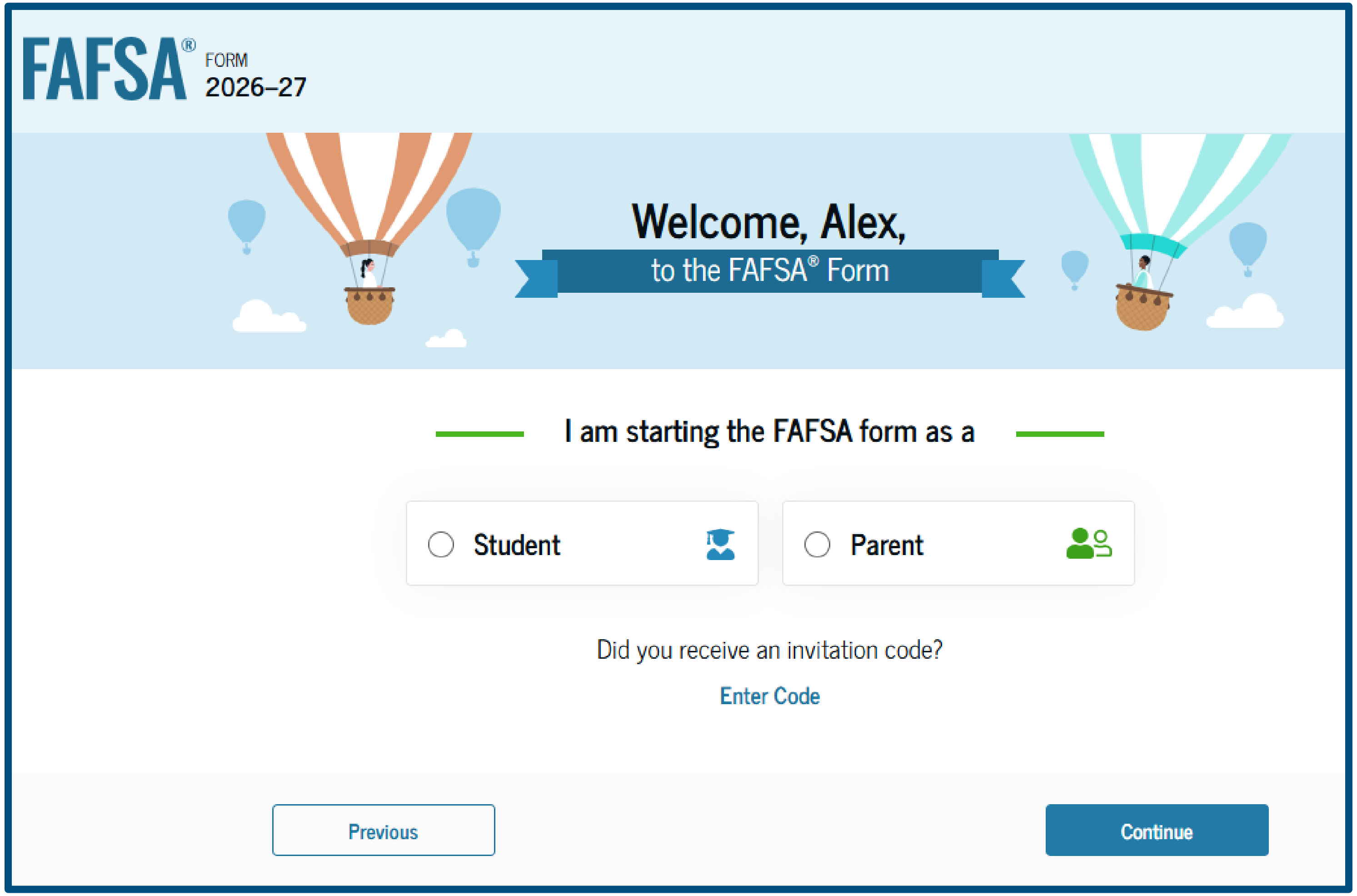
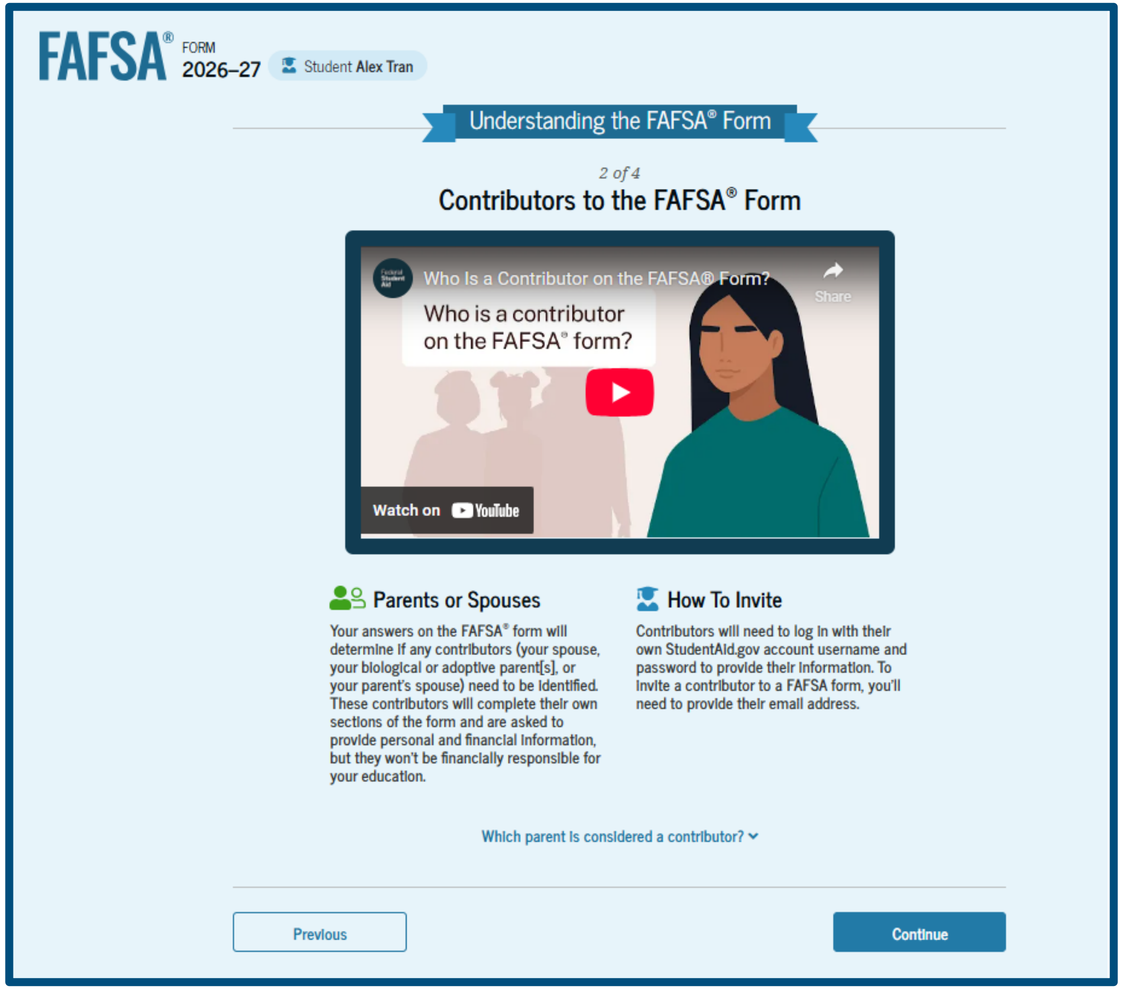
Online FAFSA



FAFSA Contributors


FAFSA® FORM 2026–27 Student Alex Tran

Understanding the FAFSA® Form

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Contributors to the FAFSA® Form

Who Is a Contributor on the FAFSA® Form?

Who is a contributor on the FAFSA® form?

Share

Watch on YouTube

Parents or Spouses

Your answers on the FAFSA® form will determine if any contributors (your spouse, your biological or adoptive parent[s], or your parent's spouse) need to be identified. These contributors will complete their own sections of the form and are asked to provide personal and financial information, but they won't be financially responsible for your education.

How To Invite

Contributors will need to log in with their own StudentAid.gov account username and password to provide their information. To invite a contributor to a FAFSA form, you'll need to provide their email address.

Which parent is considered a contributor?

Previous

Continue

FUTURE Act Direct Data Exchange (FA-DDX)

- Allows for an individual's federal tax information (FTI) to be directly transferred from the IRS to the FAFSA
- Consent is required by all contributors on FAFSA
- IRS transfers information to populate FAFSA income questions for most tax filers
- Eliminates manual entry of tax and income information

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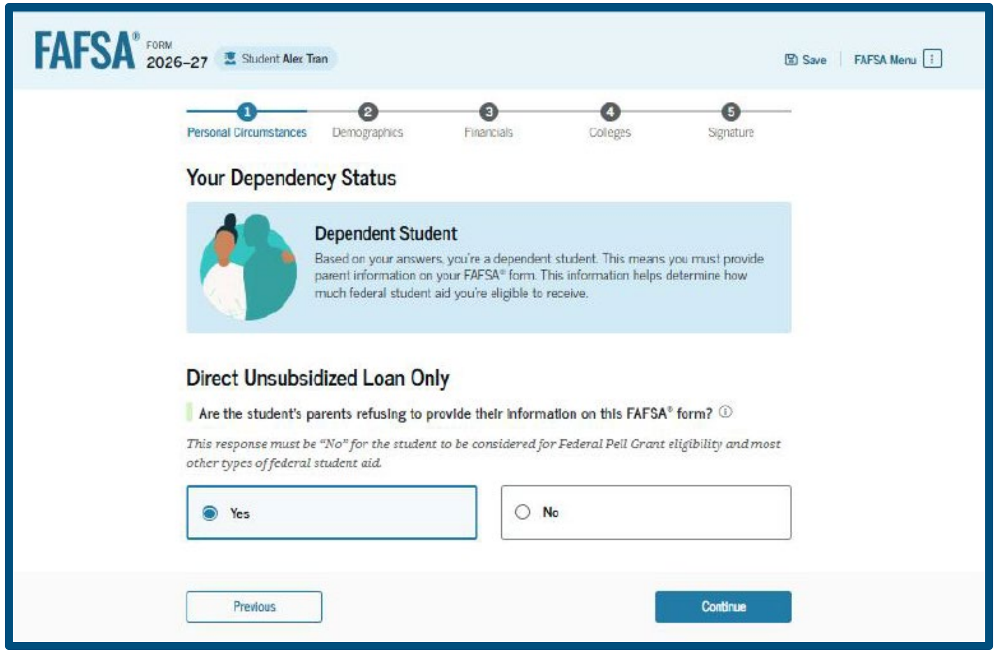
Student Information

- Identity and contact information
- Consent for FTI transfer from IRS
- Marital status
- College plans
- Personal and unusual circumstances

Student Dependency Status



- Born before January 1, 2003?
- Married?
- Graduate or professional student?
- Active-duty military?
- Veteran?
- Children or legal dependents?
- Orphan, ward of the court, foster care?
- Emancipated minor or legal guardianship?
- Homeless or self-supporting and at risk of homelessness?

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Unusual Circumstances

- Conditions that justify an institution making an adjustment to a student’s dependency status
  - Cannot contact parent or contact poses risk to student
- Student does not provide parental data on FAFSA
  - Considered provisionally independent
- Student follows institution’s process for dependency override determination

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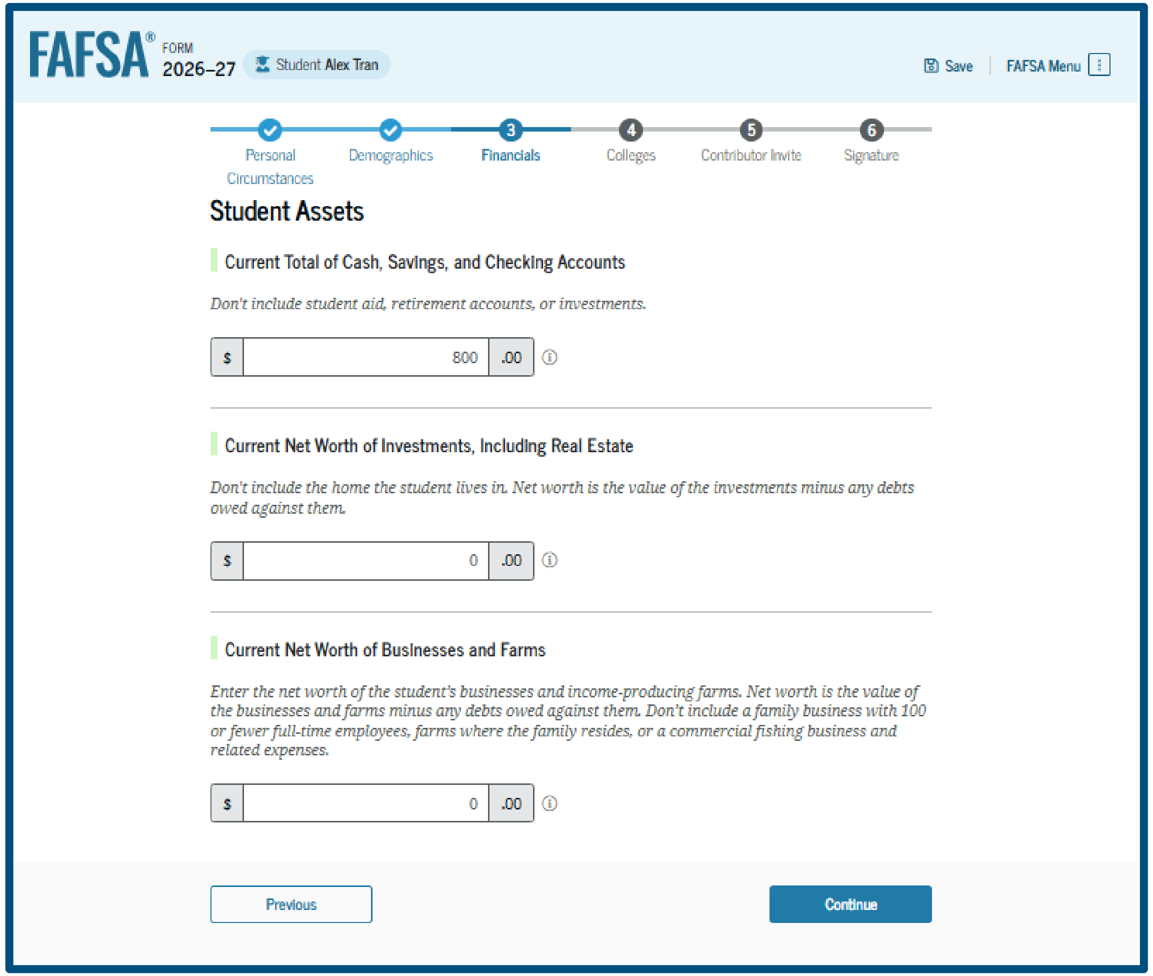
Student Information

- Demographic information
- Citizenship status
- Parents’ education status
- Parent killed in line of duty
- High school information

Student Financial Information

- Tax return information
  - Minimal questions if FTI transferred from IRS
- Asset information



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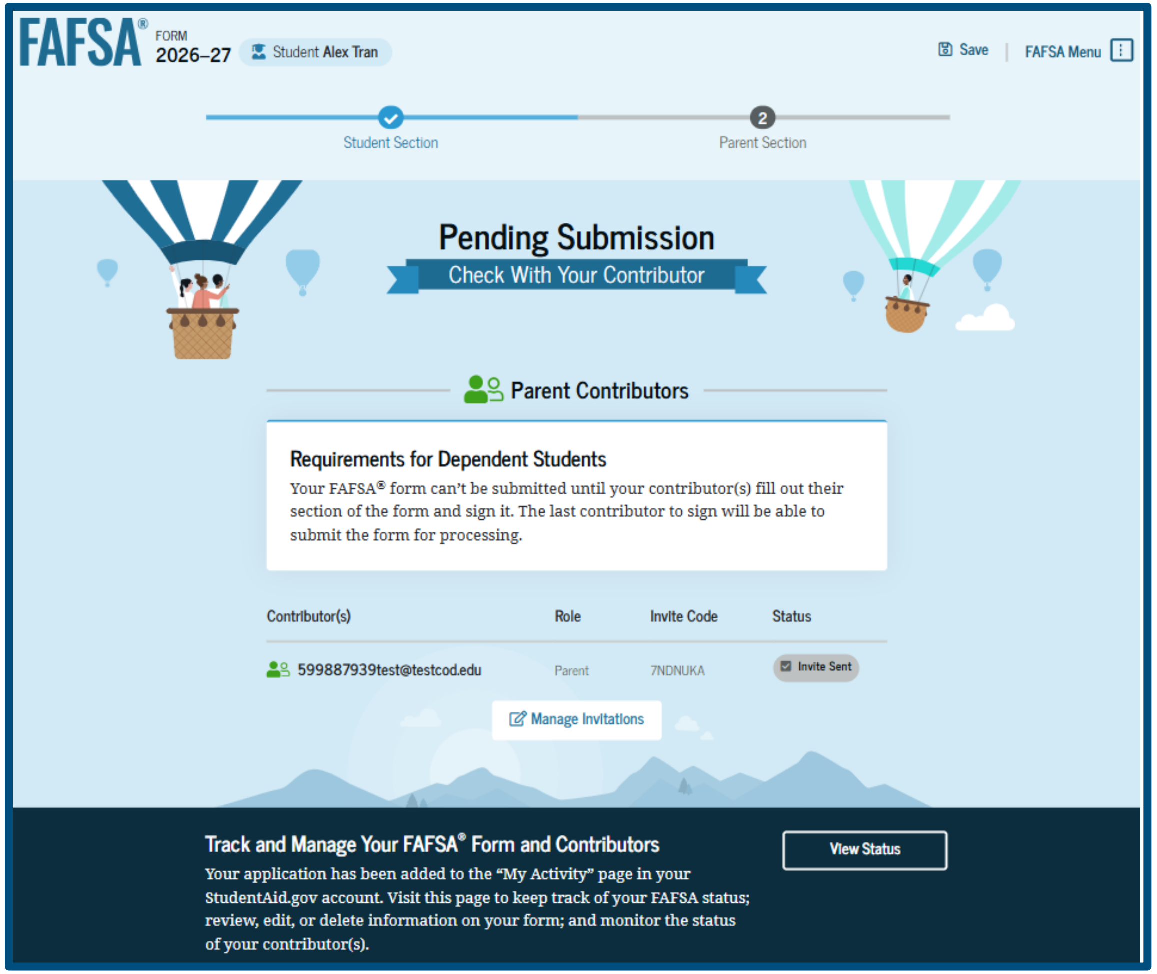
Student Section Completion

- College selection
- Parent invitation
- Review of information
- Signature



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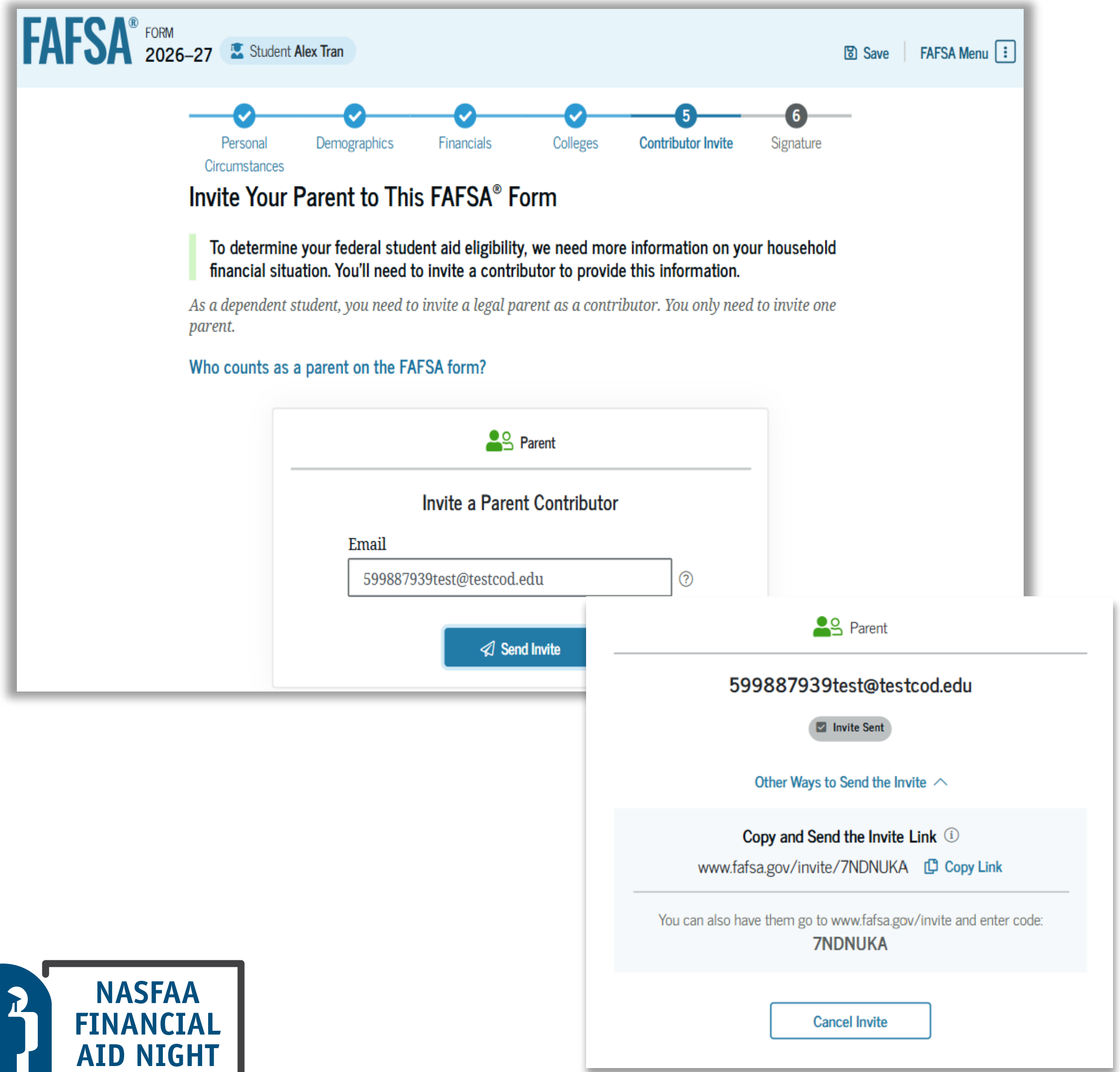
Student Invites Parents to FAFSA



- Student enters parent email address to invite them to complete parent portion of the FAFSA
  - No longer need DOB and SSN
- Invitation link/invitation code can be shared directly

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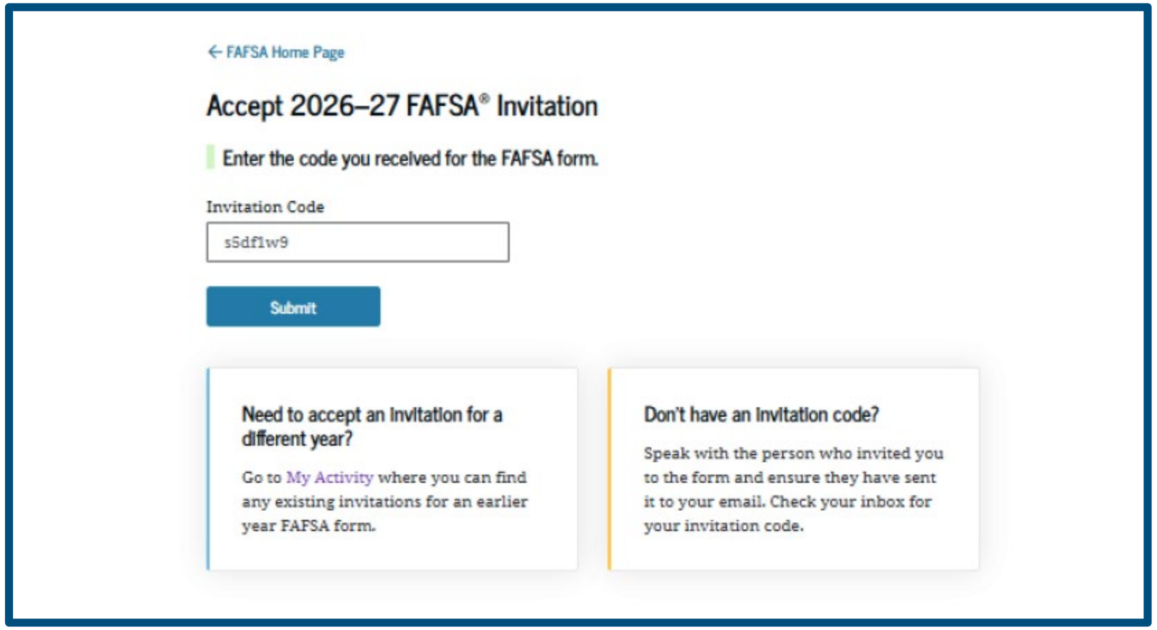
Parent Invitation

- Accept email invitation or use invitation link or invitation code to complete parent portion of student's FAFSA
- Parents must use FSA ID to access FAFSA



Parent Information

- Identity and contact information
- Consent for FTI transfer from IRS
- Marital status
- State of residence

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Parent Financial Information

- Receipt of means-tested federal benefits in the previous two years
- Tax filing status
- Family size and number in college*
- Tax return information
  - Minimal questions if FTI transferred from IRS
- Assets
- Other parent information

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Who Is Included in Family Size?

Dependent Applicants

- Student
- Parent (and spouse)
- Parent's dependent children, even if they live apart from the parent because of college enrollment*
- Other people if they live with the parent*

Independent Applicants

- Student (and spouse)
- Student's dependent children, even if they live apart from the student because of college enrollment*
- Other people if they live with the student*

**Include only if providing more than half of their support between July 1, 2026 and June 30, 2027*

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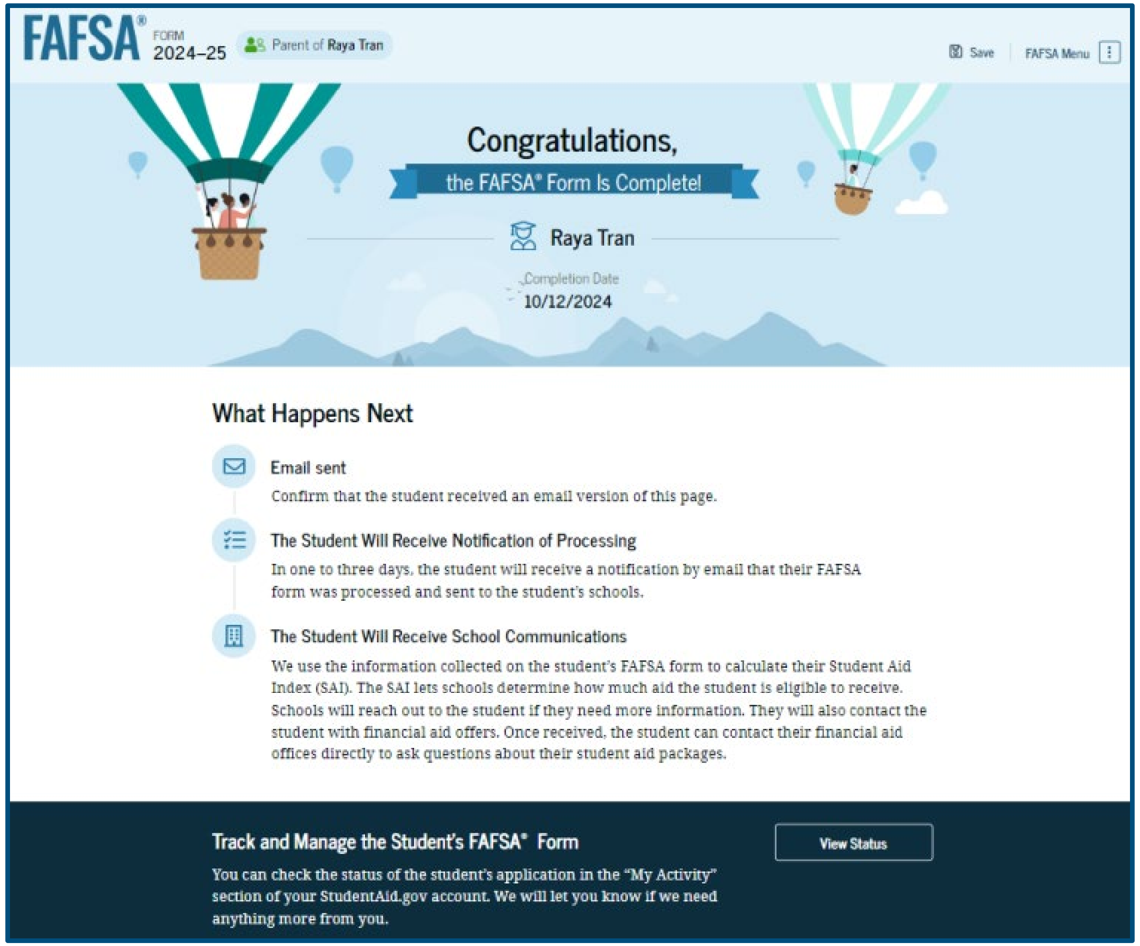
Parent Section Completion

- Review of information
- Signature and submission of FAFSA



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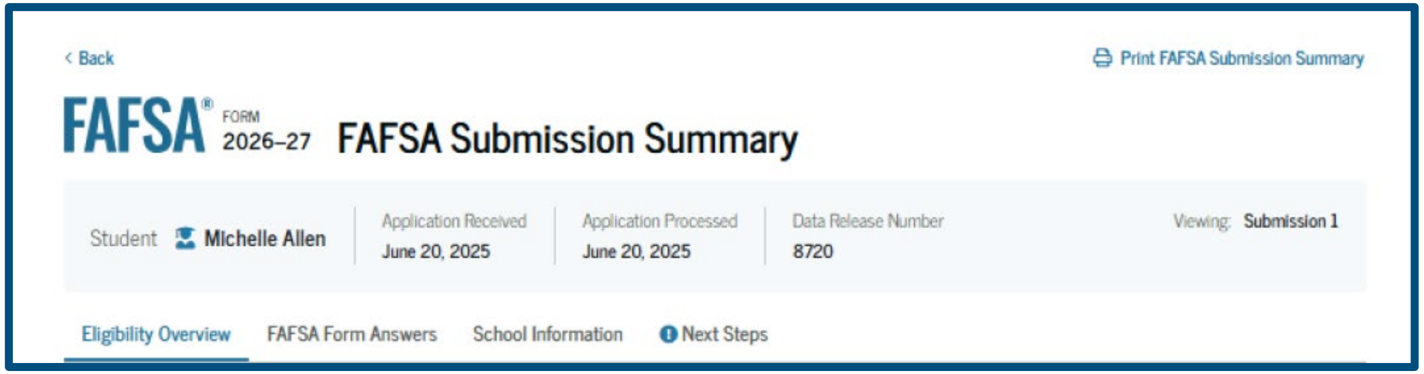
FAFSA Submission Summary

- Four sections:
  - Eligibility Overview
  - FAFSA Form Answers
  - School Information
  - Next Steps
- Ability to print summary



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Special Circumstances

- Different than unusual circumstances (dependency overrides)
- Unique conditions exist that cannot be documented with the FAFSA, or circumstances have changed since filing
- Student should contact institution's financial aid office for more information
- Decisions are final and cannot be appealed to U.S. Department of Education

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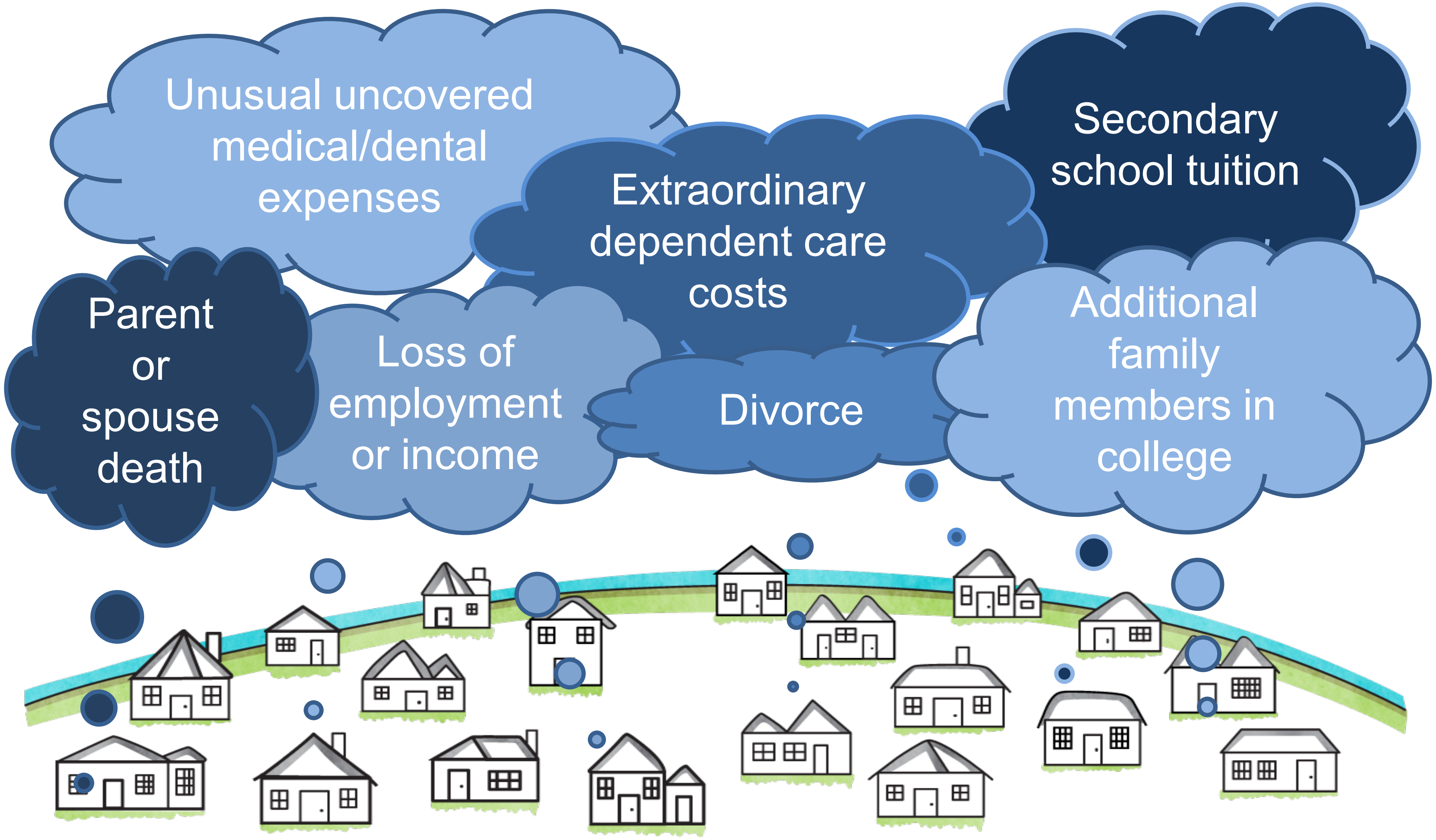
Special Circumstances



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NYS Aid Eligibility

- Students must:
  - Be New York State residents for at least 1 year
  - If dependent, parents must also be NYS residents
  - Attend and be matriculated at an eligible college in New York State
  - Meet other eligibility criteria for specific programs

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NYS Student Aid Programs

- Tuition Assistance Program (TAP)
  - Must File FAFSA
  - Undergraduates
  - Need-based, up to $5,665/year
  - Full-time and part-time study in NYS
  - Based on NYS net taxable income (must be below $125,000)

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Other NYS Aid Programs

- Excelsior Scholarship
  - Provides full-tuition only coverage at ***<u>SUNY/CUNY schools only</u>***

- Enhanced Tuition Award (ETA)
  - Tuition matching award for Private Colleges and Universities
  - Not all schools participate in this program

★ NYS STEM Incentive Program
  - ❑ Provides full SUNY tuition scholarship at SUNY/CUNY colleges
  - ❑ Must be ranked in top 10% of class

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CSS Profile

- ★ Additional application used by some colleges to award institutional aid
  - ❑ Check with each college
- ★ Collects more detailed income and asset information and non-custodial parent info
- ★ Application Fee, waivers may be available
- ★ Apply starting October 1st of senior year online at collegeboard.org

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