

FINANCIAL AID 2024-2025

INTRODUCTION

The federal financial aid process has undergone a major makeover. Two pieces of legislation, the FAFSA Simplification Act and the FUTURE Act [Fostering Undergraduate Talent by Unlocking Resources for Education] significantly changed the process and procedures for completing the FAFSA, which is the form required to receive federal financial aid. The new FAFSA is much more compact [there are now only 40-50 questions, rather than 100+ on older versions!], user-friendly and less complicated.

This guide is arranged in the following format:

- Overview of Financial Aid
- Changes to 2024-2025 FAFSA
- Tips on Completing the FAFSA
- Terms, Resources, Comparing Financial Aid Awards

In addition, there is an addendum for Illinois residents about the state MAP Program. [Throughout this guide, major changes to the FAFSA process and procedures will be indicated by ••.]

OVERVIEW OF FINANCIAL AID

A student's financial need is determined by the following equation:

$$\begin{array}{rcl} & \text{Cost of Attendance} & \\ - & \text{SAI [Student Aid Index]} & \\ - & \text{OFA [Other Financial Assistance]} & \\ = & \text{Financial Need} & \end{array}$$

The Cost of Attendance is the total amount it will cost a family for a student to go to college for an academic year. It takes into consideration tuition and fees, room and board, books, supplies, transportation, childcare, costs associated with a disability, and miscellaneous expenses. The college sets this figure. ••The Student Aid Index is an index determined by formulas established by Congress and the individual college that indicate how much of a family's financial resources should be available to help pay for school.

After all corrections have been made to all financial information each family provides, the financial aid administrator at each college which receives information from the student will create a financial aid package [or award] for each student. Using available resources, the aid administrator gives each student the best possible combination of *gift aid* (scholarship and grant monies which do not have to be repaid) and *self-help* (loans and work study programs) monies to meet the student's aid. These monies may be from federal and state (and, in the case of some public and private schools, campus) sources.

Students are typically given a timeframe in which to respond to each school's offers. Colleges and universities try to mail their award letters in a timely fashion, so that families can consider actual cost of attendance before students have to choose their college.

The best contact person each family has while applying for financial aid is the financial aid officer at each college in which a student is interested. They are the experts; reach out to them for information and support.