

CURRY COLLEGE



Understanding Your Award Letter & Putting the Pieces Together

Accepted Student Day - April 1, 2023

Presenter

Robert Loconto – Director of Financial Aid



Putting the Pieces Together...

Presentation Overview

- Understanding the Award Letter
- Determine Amount to Finance
- Financing Options Available
 - Interest-Free Monthly Payment Plan
 - Savings, 529 Plans
 - Loans (Private, Federal, Other)
- Financing Strategies
- Putting a Plan into Action



FAFSA

- It's not too late to file the Free Application for Federal Student Aid (FAFSA)!
- FAFSA is filed on-line at studentaid.gov
- Once submitted, Curry will receive your FAFSA information within 2-3 business days
- FAFSA is required to determine your eligibility for need based financial aid for institutional, federal and state grant and loan programs
- Need based aid is in addition to the merit awards you received through Admission



Understanding the Award Letter

- The Curry College Award Letter informs students of their need-based eligibility for financial aid from Curry, the federal government and the state of Massachusetts (if you are a Massachusetts resident) based on the information you reported on the Free Application for Federal Student Aid (FAFSA)
- The award letter also includes the merit scholarship awarded by Admission along with the Early Action Award and Curry Resident Award (if applicable)
- Individual awards fall into 3 categories:
 - Scholarships/Grants
 - Loans
 - Work

Understanding the Award Letter (Scholarships, Awards & Grants)

- Curry Scholarships
 - Excellence In Education
 - Academic Achievement
 - Trustees
- Awarded by the Office of Admission based on the student's application for admission
- Scholarships are renewable up to 8 semesters. Students must maintain a minimum 2.0 grade point average (GPA) and have continuous full-time (12+ credits per semester) enrollment
- Scholarship amounts, while renewable, will not increase in subsequent academic years
- Scholarships are “free” money not requiring to be paid back. There is also no work component associated with the award

Understanding the Award Letter (Scholarships, Awards & Grants)

Early Action Award

- Awarded by Admission for students who completed their application and were accepted by December 1
- \$2,000 amount, renewable up to 8 semesters

Curry Resident Award

- Awarded by Admission for resident students
- \$3,000 amount renewable up to 8 semesters requiring continuous on-campus residency

Understanding the Award Letter (Scholarships, Awards & Grants)

Curry Grant

- Need-based grant awarded by the Financial Aid Office based on information submitted on the FAFSA
- Students must complete the FAFSA each academic year to be considered for Curry Grant funding
- Grant eligibility determined each year based on FAFSA information and supporting documentation (if applicable)

Understanding the Award Letter (Scholarships, Awards & Grants)

Federal Pell Grant

- Federal need-based grant. Eligibility and award amount based on student's Expected Family Contribution (EFC). Award amounts vary between \$767 and \$7,395
- Students must complete the FAFSA each academic year to be considered for a Federal Pell Grant
- Pell Grant eligibility and award amount determined each year based on FAFSA information and supporting documentation (if applicable)

Understanding the Award Letter (Scholarships, Awards & Grants)

Supplemental Education Opportunity Grant (SEOG)

- Federal need-based grant that accompanies Federal Pell Grant
- Students must complete the FAFSA each academic year to be considered for SEOG
- SEOG eligibility and award amount determined each year based on FAFSA information and supporting documentation (if applicable)

Understanding the Award Letter (Scholarships, Awards & Grants)

Massachusetts State Grant

- State grant available to eligible students who are residents of the Commonwealth of Massachusetts
- Award amounts range from \$1,200 to \$2,800
- Students must complete the FAFSA each academic year to be considered for the Massachusetts State Grant
- Massachusetts State Grant eligibility and award amount determined each year based on FAFSA information and supporting documentation (if applicable)

Understanding the Award Letter (Scholarships, Awards & Grants)

Massachusetts State Grant

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- Students must complete the FAFSA each academic year to be considered for the Massachusetts State Grant
- Massachusetts State Grant eligibility and award amount determined each year based on FAFSA information and supporting documentation (if applicable)

Understanding the Award Letter (Scholarships, Awards & Grants)

Massachusetts Gilbert Grant

- State grant available to eligible students who are residents of the Commonwealth of Massachusetts
- Award amounts range from \$1,200 to \$2,000
- Students must complete the FAFSA each academic year to be considered for the Massachusetts Gilbert Grant
- Massachusetts Gilbert Grant eligibility and award amount determined each year based on FAFSA information and supporting documentation (if applicable)

Understanding the Award Letter (Loans & Work)

Federal Direct Loans

- Two Types of Direct Loans:
 - **Subsidized Direct Loan** is a need-based loan awarded by the Financial Aid Office based on FAFSA information. Interest free until the student graduates or ceases to be enrolled at least half-time (6 credits)
 - **Unsubsidized Direct Loan** awarded by the Financial Aid Office based on FAFSA information. Interest begins accruing upon initial fall semester disbursement
- \$5,500 is the maximum a freshmen student is eligible to borrow between both programs. \$3,500 is the maximum Subsidized amount if eligible
- Must complete FAFSA each year to determine eligibility
- Repayment of loans begins 6 months after graduation or when a student ceases to be enrolled at least half-time

Understanding the Award Letter (Loans & Work)

Massachusetts No Interest Loan

- 0% interest rate for life of the loan
- Awarded by the Financial Aid Office to eligible Massachusetts residents as determined by information submitted on the FAFSA
- Must complete FAFSA each year to determine eligibility
- Repayment of loans begins 6 months after graduation or when a student ceases to be enrolled at least half-time

Understanding the Award Letter (Loans & Work)

Federal Work-Study

- Awarded by the Financial Aid Office to eligible students as determined by information submitted on the FAFSA
- Allows students to work on-campus or at off-campus community service positions and earn up to \$2,000 during the academic year (September – May)
- Work-Study earnings are **not** deducted from the tuition bill but are paid to students bi-weekly for hours worked less any taxes and other withholdings
- Great opportunity to earn money and gain work experience!

Understanding the Award Letter

- Award Letter Status: Estimated or Official
- Reverse side of the Curry Award Letter provides an estimate of your aid deducted from a typical bill
- Provides an estimated billable balance for the year to assist with paying/financing the balance

Putting the Pieces Together

- How do I know how much I need to finance?
- Do I secure financing for the semester or for the year?
- When do I need to start?
- How do I start?
- What are private loans?
- What is a PLUS Loan?
- Who borrows the loan?
- How does a payment plan work?

Putting the Pieces Together

Follow These 4 Steps

- Determine Amount to Finance
- Review Financing Options
- Develop Your Financing Plan
- Putting Your Plan Into Action

Determine Amount

- Review award letter (if applicable)
- Review charges that can be adjusted or waived
 - Health insurance may be waived
 - Meal plan may be adjusted
- Determine amount to finance for the entire academic year not semester by semester
- Review outside scholarships student is receiving and how they will be utilized
- Review any other source(s) of assistance (i.e. gifts from family)



Direct Costs 2023-2024

Tuition:	\$43,670
Room & Board:	\$18,430
Comprehensive Fee:	\$ 2,150
Orientation Fee:	<u>\$ 400</u>
Total:	\$64,650

Room & Board charge based on standard room and Meal Plan A (17 meals per week)

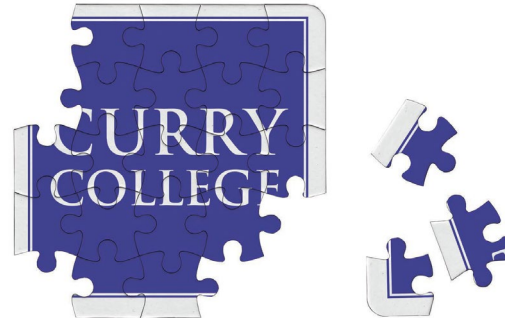
PAL Direct Costs 2023-2024

Tuition:	\$43,670
Room & Board:	\$18,430
PAL Tuition:	\$ 8,010
Comprehensive Fee:	\$ 2,150
Orientation Fee:	<u>\$ 400</u>
Total:	\$72,660

Room & Board charge based on standard room and Meal Plan A (17 meals per week)

Review Financing Options

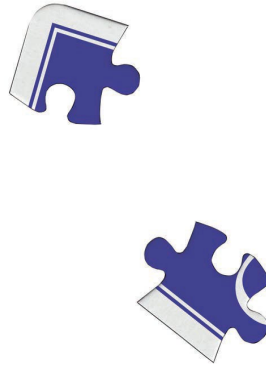
- Savings
- Interest Free Monthly Payments
- Loans (Private, Federal, Home Equity)



Review Financing Options

Savings

- 529 Plan (state education savings plans)
- Stocks, Bonds, Mutual Funds
- Gifts or financial commitments from relatives



Review Financing Options

Monthly Payment Plan

- No interest or finance charge
- No credit-check
- Semester based plans with a low \$40 enrollment fee per semester
- Allows family to budget all or a portion of education expenses monthly like other debt obligations (i.e. mortgage, car payment, credit cards)
- Semester plans allow payments over 5 months
 - July – November (Fall)
 - December – April (Spring)

Review Financing Options

Monthly Payment Plan

- Reduces borrowing through private or federal loans
- Able to combine with other financing options
- Flywire is Curry's payment plan provider Payment plan information is available at curry.myonplanu.com

Review Financing Options

Private Loans

- Credit based loans
- Student is usually the primary borrower with a qualified cosigner, however some private loans allow the parent to be the primary borrower
- Cosigner can be any credit worthy individual
- Most lenders offer fixed and variable rate options
- Most private loans have 0% origination and processing fees
- Payments may be deferred during in-school period
- Student may borrow up to the cost of education less financial aid
- Private Loan comparison at elmselect.com

Review Financing Options

Curry College Private Loan Lender List

- AAA
- Citizens Bank
- College Ave
- Discover
- Massachusetts Educational Finance Authority (MEFA)
- New Hampshire Higher Education Loan Corporation (NHELCO)
- PNC
- Rhode Island Student Loan Authority (RISLA)
- Sallie Mae
- SoFi
- Vermont Student Assistance Corporation (VSAC)

Curry College will work with and process private loans for any lender of your choice. Parents and students have the right to select the private loan lender of their choice and are not required to use any private loan lenders listed above

Review Financing Options

Federal Direct PLUS Loan

- Federal loan option available to biological, adoptive or step-parent
- Credit check required, however less stringent than private loans (income not reviewed as part of credit decision)
- Payments may be deferred during in-school period
- Origination fee of 4.228% deducted from loan proceeds
 - A \$10,000 loan nets \$9,577 after \$423 origination fee
- Fixed interest rate currently 7.54% (will reset on July 1st)
- All applicants receive same rate
- May borrow up to cost of education less financial aid
- Apply at studentaid.gov for instant credit decision
- 2023-24 application available in mid-April

Review Financing Options

Home Equity Loan

- Allows families to access their home's equity
- Home Equity Loan or Home Equity Line of Credit
- May provide lower interest rate than PLUS or private loans
- Potential tax benefits*

* Consult with your tax advisor to see if you qualify



Develop Your Financing Plan

Which options work for you... Savings?
Monthly Payments? Loans?..

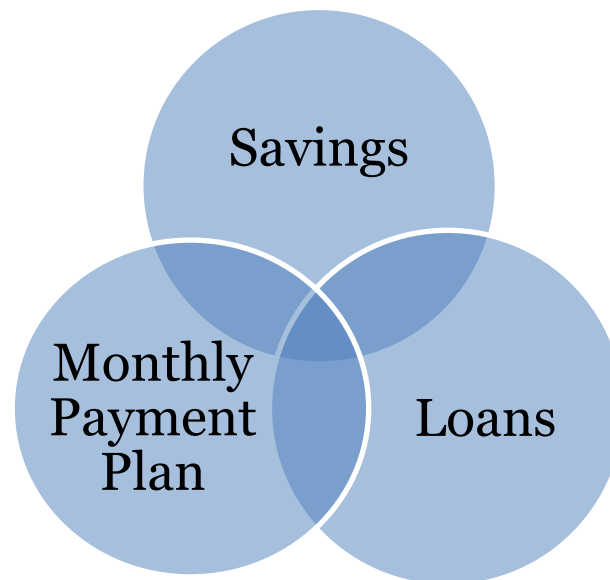
Perhaps a “**combination**” of options works best

Many Curry families utilize a “**combination strategy**”

Develop Your Financing Plan...

What is a “Combination Strategy?”

- **Combination Strategy** is a strategy that utilizes multiple types of financing to settle one’s financial obligation (i.e. loans, payment plan, savings, etc.)



Develop Your Financing Plan

Combination Strategies

Amount to Finance: \$15,000

<u>Family</u>	<u>Monthly Payment Plan</u>	<u>Loan</u>	<u>Savings</u>	<u>Outcome</u>
Family A	\$ 10,000 (\$1,000 per month)	\$5,000	\$0	Reduced borrowing with payment plan
Family B	\$ 7,500 (\$750 per month)	\$5,500	\$2,000	Reduced borrowing utilizing savings
Family C	\$ 5,000 (\$500 per month)	\$9,000	\$ 1,000	Reduced borrowing utilizing savings
Family D	\$ 2,500 (\$250 per month)	\$12,500	\$ 0	Reduced borrowing with payment plan

Develop Your Financing Plan

Consider the following...

When reviewing Savings

- Look to utilize savings first
- How much from savings, if anything, can be allocated toward education expenses?
- How will it be allocated ?

When reviewing the Monthly Payment Plan

- What can you comfortably afford each month to allocate toward education expenses?
 - This monthly amount X 10 = **Total Plan Amount**
 - Fall Plan: Monthly amount X 5
 - Spring Plan: Monthly amount X 5
- Total Plan Amount**

Develop Your Financing Plan

Consider the following...

When reviewing Loans

- What type of loan will you borrow?
- Who will the borrower be...Student?... Parent?
- How strong is the cosigner's credit?
- Who will cosign the private loan and is this person willing and able to cosign in future years?
- Does your loan have an origination fee? If yes, what is that fee? Is that fee deducted from the loan or added to the loan?

Develop Your Financing Plan

Consider the following...

When reviewing Loans

- Does the lender offer both a fixed and variable rate?
- Will you begin loan repayment of principal and interest immediately? Interest only? Defer during in-school period?
- Borrow only what is needed to satisfy billed costs

Putting your Plan into Action

It's now time to put your plan into action!

- Initiate a final review of your billed costs
- Determine which option or options are right for you
- If using a “combination strategy” determine amounts for each option (savings, payment plan, loan)
- If you are using the monthly payment plan, maximize what you are paying monthly in order to limit borrowing

Ask the following:

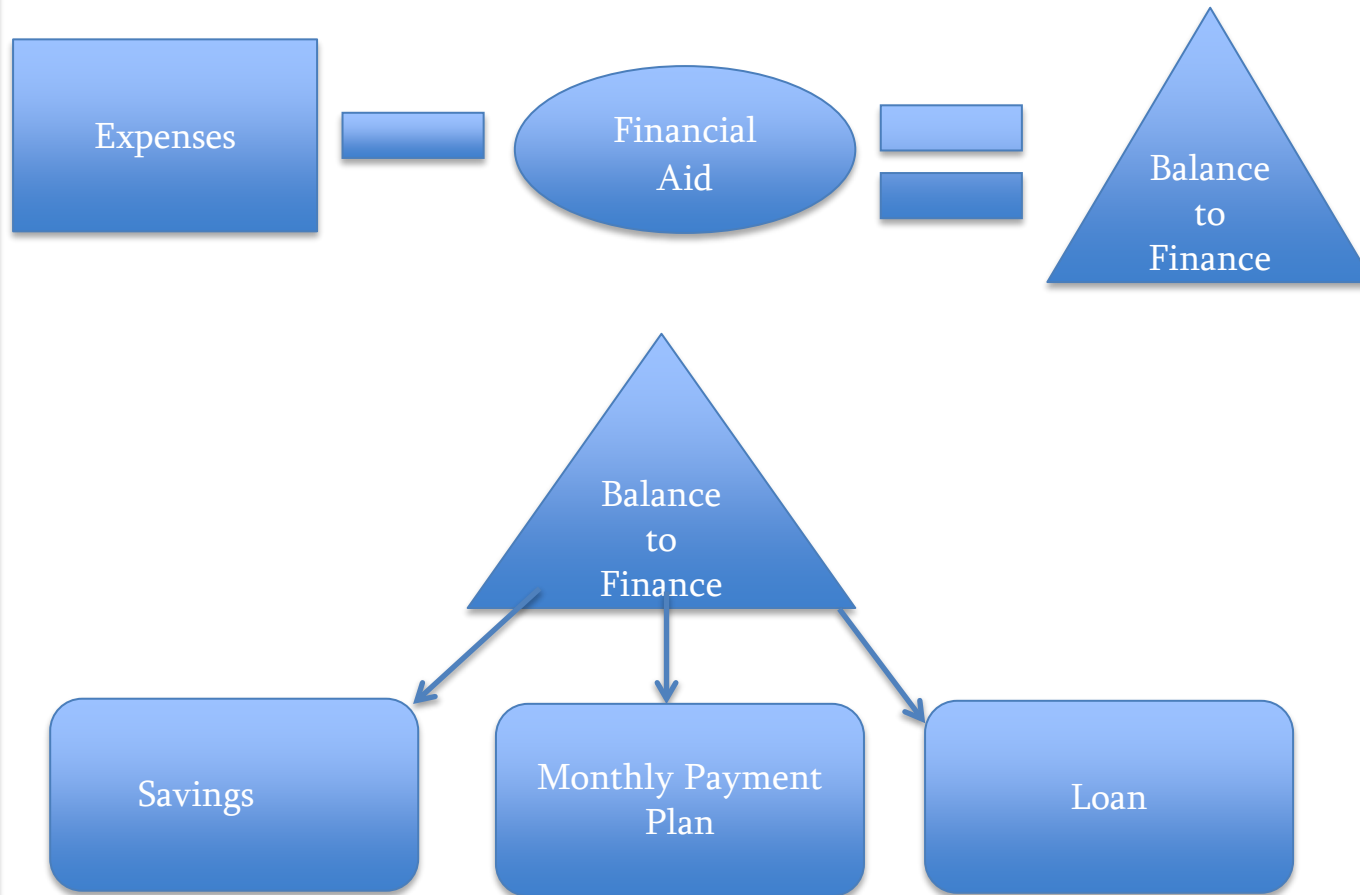
- “Is my plan realistic based on my financial resources?”
- “Can my plan be repeated in subsequent years?”

Putting your Plan into Action

Please be aware of the following dates:

- **Late May/Early June** - Federal PLUS or Private Loan applications initiated with the Department of Education (PLUS) or your lender of choice (Private Loan)
- **July 15** - Monthly Payment Plan: Enroll with plan provider
- **Mid July** - Direct payments to Curry from savings, home equity line of credit or state 529 Plans

Putting your Plan into Action - Recap



Glossary

Cosigner – An individual who secures another person's debt which involves a legal obligation to make payments on the other person's debt should that person default

Origination Fee - A fee that is either subtracted from or added to the gross amount of a loan

Fixed Rate Loan – An interest rate that will remain consistent (will not increase or decrease) for the entire term of the loan

Variable Rate Loan – An interest rate that can fluctuate (increase or decrease) for the entire term of the loan

Glossary

Prime Rate— An interest rate that commercial banks charge their most credit-worthy customers. Prime is determined by the Federal Funds Rate which is the rate banks charge each other to borrow money overnight. Current rate as of March 2023 is **7.75%**



Lender Fair Today!

The following lenders are present today in the Smart Café area to speak with you 1:1 and answer any questions you have regarding their private loan products:

- AAA
- Citizens Bank
- College Ave.
- Massachusetts Educational Financing Authority (MEFA)
- PNC Bank
- Sallie Mae
- SoFi Bank



Extended Meeting Time

Financial Aid will be holding extended meeting times during the following days:

- **Thursday, April 13 4:30 - 7:00**
 - In-office, virtual or by phone

Staff is also available to meet anytime in-office, virtually or by phone during the business week from 9:00 to 3:30. Call 617-333-2354 or email fin-aid@curry.edu us to set up a meeting time

Student Financial Services (SFS)

Hours of Operation

Monday - Friday 8:30 am to 4:30 pm

Telephone: 617-333-2354

Fax: 617-333-2915

E-Mail: fin-aid@curry.edu
studentaccounts@curry.edu

Questions...???

