

Financial Aid

Fact Sheet 2019-2020

STIFEL

Expected Family Contribution

Federal student aid is administered by the U.S. Department of Education. Types of aid available include grants and loans. Grants are need-based awards for postsecondary education and do not require repayment. Loans are typically part of an overall financial aid package and must be repaid. The amount of federal student aid you are eligible to receive is based on your expected family contribution (EFC).

85% of all full-time undergraduate students receive some type of financial aid, according to the Education Department.

To apply for federal student aid, you will need to fill out a Free Application for Federal Student Aid (FAFSA). The income and asset information reported on the FAFSA will be used to calculate your EFC. The following chart shows the amount of income and assets that the Education Department will consider in determining your EFC:

	Parent	Student
Income	Modified adjusted gross income (MAGI) after allowances for federal, state, and FICA taxes as well as an income protection allowance based on family size	50% of MAGI after allowances for federal, state, and FICA taxes as well as an income protection allowance of \$6,660
Assets	Up to 5.64% of non-retirement assets above asset protection allowance: <ul style="list-style-type: none"> • Mutual funds • Securities • Bank accounts/CDs • 529 savings plans 	20% of assets held in student's name: <ul style="list-style-type: none"> • UGMA/UTMA accounts • Minor trusts • Savings bonds

Cost of Education – Expected Family Contribution Financial Need

Federal student loans can be either subsidized or unsubsidized. The Education Department will pay interest on subsidized loans while the student is in school as long as they are enrolled at least half-time. Interest on unsubsidized loans begins accruing as soon as the loan is disbursed, and the borrower is responsible for interest accrued while still in school. However, borrowers are not typically required to begin making payments on these loans until the student graduates. The exception is Direct Plus Loans for parents. These loans will typically require repayment beginning when the loan is disbursed.

Federal Loan Limits 2019-2020

	Dependent	Independent	Graduate
Direct Subsidized Undergraduate students. Eligibility is based on financial need.	\$3,500*	\$3,500*	Ineligible
Direct Unsubsidized Undergraduate and graduate students. Eligibility is based on financial need.	\$5,500*	\$9,500*	\$20,500*
Federal Perkins Undergraduate and graduate students with exceptional need.	\$5,500	\$8,000	\$8,000
Direct PLUS Parents of undergraduate and for graduate students.	Cost of attendance – Financial aid received		

* Amounts are based on first-year undergraduate annual loan limits. Limits can increase, depending on grade level.

IMPORTANT NOTES

- Any student-owned 529 account is reported as the parent's asset if the student files the FAFSA as a dependent student.
- For parents and independent students with dependents, the income protection allowance for 2019-2020 can range from \$18,580 to \$55,690. The income protection allowance is \$6,660 for dependent students, \$10,360 for single independents and married independents where both spouses are attending college, and \$16,620 for married independent students with one spouse enrolled.
- FAFSA uses your tax return from two years prior (i.e., your 2017 tax return will be used for the 2019-20 school year) to determine your available income.
- The 2019-2020 asset protection allowance ranges from \$0 to \$33,600.