

*Creating Assets, Savings and Hope*



# Saving For College

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# **Presenter:**

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**CASH (Creating Assets, Savings and Hope)**  
**Campaign of Maryland**

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# Who We Are

The CASH Campaign of Maryland is a nonprofit organization that promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland.

**<https://cashmd.org/>**

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# What We Offer

CASH offers direct service programs, builds organizational and field capacity, and leads policy and advocacy initiatives to strengthen family economic stability.

## **Direct service programs include:**

- **Free Tax Preparation**
- **Financial Coaching**
- **Benefits Screening**
- **Maryland CASH Academy**
- **Bank On Maryland**
- **Financial Fitness Fairs**

**<https://cashmd.org/>**

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# Group Guidelines

- **Maintain confidentiality,**
- **Ask for clarification when needed,**
- **Step up/Step Back,**
- **Stay on topic – we can “park” ideas to the end.**

# Objectives

- 1. Understand the different types of financial aid**
- 2. Learn about personal resources that help pay for college**
- 3. Discuss strategies to reduce the cost of college.**

# Disclaimer

## **We Will Discuss:**

- Education around Saving for College,
- Provide General Examples,
- Provide general information on potential impact of financial aid and college savings on means tested benefits.

## **We Will NOT Give:**

- Advice on benefits, legal, investment, or tax matters,
- Benefits Counseling,
- Recommendations on specific circumstances experienced.

NOTE: Information in this workshop should be considered educational and not advice.

## **Chat 1 - Icebreaker**

**What makes up the costs of going to college?**



# Cost Of Attendance (COA)



**Cost of Attendance (COA)** is the estimated total expenses a student should anticipate having while attending college for an academic year.

All schools are required to have a Cost of Attendance (COA) that includes billable and non billable expenses.

**Billable charges** are expenses that the school will bill the student every semester for direct services include:


- Tuition,
- Fees,
- On campus housing and meal plan.

**Non-billable estimated expenses** that are not paid to the school include:

- Transportation,
- Off campus housing and food
- Personal expenses
- Technology
- Textbooks

# What makes up the Costs of College?

For a sample letter visit -  
<https://www.svcc.edu/students/finaid/forms/award-letter-sample.pdf>



**Sauk Valley Community College**  
**Financial Assistance Award Offer**  
**2022-2023 Aid Year**

October 19, 2022

John Q. Public  
PO Box 123  
My Town IL 61999-0123

ID: @00999999  
2223

Dear John,

The Office of Financial Assistance is pleased to provide you with this statement of your estimated financial assistance for the 2022-2023 year. Your financial assistance is based on full time enrollment of 12 credit hours or more for both the fall and spring semesters. Summer eligibility is determined separately and is based on fund availability once the fall and spring semesters are complete. Please note the amounts shown below will be reduced if you are not a full time student. You may stop by the Office of Financial Assistance for help determining the adjusted amounts based on less than full time enrollment.

Please review the offered awards. You may decline any award by checking the decline space, signing, and returning a copy of the Financial Assistance Award Offer to the Office of Financial Assistance within five days of receipt. We will assume after five days that you wish to keep all awards. You may begin charging against available financial assistance in the SVCC book store the week prior to the start of each semester. The Federal Work Study program funds are only available to you if you pursue and are hired under the Federal Work Study program. The positions pay \$13.00 per hour and you may earn up to the amount shown for Federal Work Study. Job positions are posted on the svcc.edu web site.

**By signing below and returning this form to the Office of Financial Assistance, you are declining the awards marked below.** In the event that you should later decide you wish to accept the award, you must contact the Office of Financial Assistance.

Signature _____	Date _____				
	Fall	Spring	Summer	Total	Decline
<b><u>Grant Aid</u></b>					
Federal Pell Grant	\$3,448.00	\$3,447.00		\$6,895.00	( )
Federal SEOG	\$250.00	\$250.00		\$500.00	( )
State of IL MAP Grant (EST)	<u>\$1,235.00</u>	<u>\$1,235.00</u>		<u>\$2,470.00</u>	( )
Total Grant Aid Awarded	\$4,933.00	\$4,932.00		\$9,865.00	
<b><u>Self Help Aid</u></b>					
Federal Direct Subsidized Loan	\$1,750.00	\$1,750.00		\$3,500.00	( )
Federal Direct Unsub Loan	\$750.00	\$750.00		\$1,500.00	( )
Federal Work-Study	<u>\$2,000.00</u>	<u>\$2,000.00</u>		<u>\$4,000.00</u>	( )
Total Self Help Aid Awarded	\$4,500.00	\$4,500.00		\$9,000.00	
<b>Total Aid Awarded</b>	<b>\$9,433.00</b>	<b>\$9,432.00</b>		<b>\$18,865.00</b>	

## Your Financial Path to Graduation – Consumer Financial Protection Bureau resource

<https://www.consumerfinance.gov/paying-for-college/your-financial-path-to-graduation/>

The tool helps students with financial aid offers decide whether to enroll in a specific school and how to pay for it.

- This tool works best if you have a financial aid offer to become a full-time, first-time student.

To start, it helps to have:

- Your financial aid offer (if you have one)
- An idea of how much money you and your family can put towards school
- A private loan offer (if you have one)
- You may want to use this tool with someone you trust who can help you weigh your options.

# Cost Of Attendance (COA) - Review



**Cost of Attendance (COA)** is the estimated total expenses a student should anticipate having while attending college for an academic year.

All schools are required to have a Cost of Attendance (COA) that includes billable and non billable expenses.

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- Technology
- Textbooks

# Ways to Pay for College: Billable Expenses and Financial Aid

**There is financial aid that directly goes to the academic institution to pay for those billable/direct costs.**

Financial Aid that commonly covers billable expenses includes:

- Grants,
- Loans,
- Scholarships, and
- Work-study.

# Ways to Pay for College: Non- Billable Expenses and Personal Resources



**Students must take advantage of different sources of income to pay non-billable expenses. These may include:**

- **Savings and Investment Accounts, for example 529, Special Needs Trusts and/or ABLE accounts if eligible,**
- **Other Investment Accounts,**
- **Social Security's PASS (Plan to Achieve Self-Support)**
- **Gifts,**
- **Side Hustles,**
- **Tax Credits.**

**NOTE:** Personal resources can often cover billable expenses, but this can get complicated when receiving means tested benefits. Don't hesitate and ask for help from financial professionals or govt agencies. For example: Talk to SSA about the potential impact of financial aid or savings and investment accounts on means tested benefits.

# Financial Aid

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# Complete the FAFSA

**First and Foremost, if eligible, complete the Free Application  
for Federal Student Aid (FAFSA®)**

**WWW.FAFSA.GOV**

**For 2025-2026, the federal deadline to apply is  
June 30, 2026.**

**States have varying priority deadlines.**



# 1. Grants

## What is it?

A form of financial aid that generally does not need to be paid back. Offered at the federal, state and college level. Often for Undergraduate students.

Example: Federal Pell Grant up to \$7,395 (2025-26)

## Who can get it?

Often, students with financial need or under special circumstances. Grants come with a lot of guidelines and restrictions.

## How do you get it?

**Complete the FAFSA.** Even if you think you may not qualify at the federal level, the FAFSA shares its data with states and schools (additional forms may be required by the college).

## 2. Work-Study

### What is it?

Part-time jobs, often on campus, to help pay for college costs. Students earn at least the federal minimum wage. The amount varies on financial need, school funding, etc.

### Who can get it?

Students who are U.S. citizens or permanent residents with financial need.

### How do you get it?

**Complete the FAFSA.** Students are responsible for finding a job that accepts work-study students when they get to campus.

## 3. Loans

### What is it?

Borrowed money for college that must be paid back.

**Federal or Private:** Federal loans usually have lower interest rates and more flexible repayment options.

**Subsidized or Unsubsidized:** Subsidized loans are better because the federal gov't pays the interest on your loans while you are in school.

**Student or Parent:** Parent loans should be a last resort. Student loans usually have better terms.

# Loans Cont.

## Who can get it?

Students and/or parents

## How do you get it?

**Complete the FAFSA.** To be eligible for federal loans. Other lenders may require a credit history or co-signers.

# Scholarships

## What is it?

Given by colleges or organizations for good grades, community service, athletic ability, or other unique personal qualities.

## Who can get it?

There are scholarships for everyone. Simply ensure you meet the eligibility requirements

## How do you get it?

**Complete the FAFSA** (Some scholarships may require it to know the need). Use search engines to find them and ask your high school counselor for a list of local scholarships. Complete applications before deadlines.

# Maryland Specific Financial Aid

## Maryland Higher Education Commission (MHEC)

- Main website is <https://mhec.maryland.gov/pages/default.aspx>
- For state scholarships and grants
- **Must create an Maryland College Aid Processing System (MDCAPS) account to receive any state scholarships and/or grants.**
- MHEC One-App you can access [One Application](#) to apply for all State scholarships!

**On the MHEC website you can also learn about waivers**, such as the “Community College Tuition Waiver for Students with Disabilities Receiving SSI or SSDI”

- Submit FAFSA by the priority deadline for the semester you wish to apply
- Contact the College/University for details related to application.

# Maryland Specific Financial Aid Cont.

## Maryland Higher Education Commission (MHEC)

Scholarship website

<https://mhec.maryland.gov/preparing/pages/financialaid/descriptions.aspx>

- **Need-Based Grants/Scholarships** - Need-based grants/scholarships are awarded based on demonstrated financial need and do not have to be repaid.
- **Legislative Scholarships** - Scholarships are awarded by Maryland Senators and Delegates.
- **Career/Occupation-Based Grants & Scholarships** - Grants and Scholarships are awarded to students enrolled in a certain degree program.
- **Unique Populations** - Grants or scholarships are available to certain individuals majoring in a specific field at a post-secondary institution.
- **Tuition Waiver Programs** - Tuition waiver for individuals attending a Maryland public institution.

## Chat 2

**Share the names of scholarships/financial aid hacks you know about in the chat!**



# Grants and Scholarships to Have on your Radar

## **National Federation for the Blind Scholarship Program**

- Main website is <https://nfb.org/programs-services/scholarships-and-awards/scholarship-program>

## **American Foundation for the Blind Scholars Program**

## **American Foundation for the Blind Listing**

- <https://www.afb.org/get-involved/afb-scholars-program/discover-more>

# Impact of Grants, Scholarships, Fellowships and Gifts on SSA Disability Benefits- Exclusions

Visit [SI 01130.455 Grants, Scholarships, Fellowships, and Gifts](#) from the POMS (Social Security Program Operations Manual System)

“All student financial assistance received under Title IV of the Higher Education Act of 1965 (HEA) or Bureau of Indian Affairs (BIA), is excluded from income and resources, regardless of use. The resource exclusion for this educational assistance does not have a time limit, i.e. regardless of how long the assistance is held, it is excluded from resources.”

# Examples of HEA Title IV Programs:



- Pell grants,
- State Student Incentives,
- Academic Achievement Incentive Scholarships,
- Byrd Scholars,
- Federal Supplemental Educational Opportunities Grants (FSEOG),
- Federal Educational Loans (Federal PLUS Loans, Perkins Loans, Stafford Loans, Ford Loans, etc.),
- Upward Bound,
- Gear Up (Gaining Early Awareness and Readiness for Undergraduate Programs),
- LEAP (Leveraging Educational Assistance Partnership),
- SLEAP (Special Leveraging Educational Assistance Partnership),
- Work-Study Programs.

**NOTE:** State educational assistance programs, including work-study, funded by LEAP or SLEAP are programs under Title IV of HEA.

# Impact of OTHER Grants, Scholarships, Fellowships and Gifts on SSA benefits: Time limited exclusions Cont.



## **Grants, Scholarships, Fellowships, or Gifts Set Aside to Pay Educational Expenses:**

Beginning with benefits payable on or after June 1, 2004, any portion of a grant, scholarship, fellowship, or gift used or intended to be used to pay the cost of tuition, fees, or other necessary educational expenses at any educational institution, including vocational and technical education, is excluded from resources for 9 months beginning the month after the month it was received. This exclusion does not apply to any portion set aside or actually used for food or shelter.

## **Excluded Funds Not Spent:**

Grants, scholarships, fellowships, and gifts that are retained after the 9-month exclusion period are countable resources beginning the month following the end of the 9th month.

# Impact of OTHER Grants, Scholarships, Fellowships and Gifts on SSA: Time limited exclusions



## **Excluded Funds Spent For Another Purpose:**

If any portion of this excluded educational assistance is used for something other than tuition, fees, or other necessary educational expenses or the individual no longer intends for the funds to be used to pay tuition, fees, or other necessary educational expenses, then the funds are income at the earliest of the following points: in the month they are spent, or the month the individual no longer intends to use the funds to pay tuition, fees, or other necessary educational expenses.

See [SI 00830.455](#) for income exclusions of grants, scholarships, fellowships, and gifts.

# SSI work Incentives for Students: Student Earned Income Exclusion

## **Student Earned Income Exclusion –What is it:**

In 2025, the Student Earned Income Exclusion (SEIE) will allow eligible SSI recipients under age 22 and regularly attending school to exclude up to \$2,350 of their monthly earned income without reducing their SSI benefits. The maximum yearly exclusion is \$9,460. These amounts are adjusted annually based on the cost of living

# Impact of Student Housing on Benefits

**SSI is intended to pay for food and shelter, so non-students will have their payments reduced when they receive in-kind support and maintenance (ISM) from other sources. In such cases, SSI may be cut back by up to one-third of the maximum federal SSI monthly benefit, plus \$20.**

If a student receiving SSI resides on campus, with room and board covered by parents or financial aid, other rules apply. The school living arrangements will be considered temporary and not categorized as ISM if:

- the individual is over 18;
- will return to their permanent address during holidays, vacations or following graduation;
- and lived at their permanent address for at least one calendar month prior to attending school.

However, if the student receives free housing and meals at their permanent residence, ISM applies and SSI will be reduced.

# Personal Resources

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# Gifts

**What are some opportunities to receive money for a college fund? (example: birthday)**

## **How to save it?**

- **Bank**
- **Piggy bank/cash**
- **ABLE Account**
- **529 Account**

# Side Hustles: What skills do you have?

## **Is this a long-term side hustle?**

- It may take time to build clientele
- Start a blog or write an e-book

## **If you have a unique product, start selling on Etsy**

## **Is this a short-term side hustle? Make money quickly**

- Free lance writing or other tasks
- Focus groups or surveys
- Other short-term work

# Child Saving Accounts

**Marylanders have the opportunity to receive up to \$500 towards future education through the Save4College State Contribution Program with a Maryland 529 College Investment Plan account.**

# What is a 529 Plan?

**A tax-advantaged savings plan designed to encourage saving, for future education expenses.**

**Any earnings grow tax-free and can be withdrawn tax-free for qualified educational expenses like tuition, room and board, and required textbooks.**

**Investment plans are similar to a 401k retirement savings plans (returns are not guaranteed)**

# How Do I Qualify for the State Contribution?



## Eligibility Guidelines

- The Account Holder and the person you're opening the account for (aka, the "Beneficiary") must be Maryland residents.
- The Beneficiary must be under the age of 26.
- Account Holder must be at least 18 years old for State Contribution applications filed on or after January 1, 2022.
- The Account Holder must meet income eligibility guidelines (Adjusted gross income cannot exceed \$112,500 as an individual or \$175,000 as a married couple filing jointly based on the previous taxable year).
- If they file Maryland taxes, the Account Holder must file their State taxes by July 15 to be eligible for the State Contribution.\*

\* This does not amend the regular April 15<sup>th</sup> filing deadline and is regardless of other extensions that may be available.

# How Do I Qualify for the State Contribution? Income Breakdown.

## Maryland Adjusted Gross Income - Minimum Contribution

If your Individual Income is \$49,999 or less, or if you are part of a household and your family income is \$74,999 or less, you must make a minimum contribution of \$25 for the state contribution of \$500.

If your Individual Income is \$50,000 to \$87,499, or if you are part of a household and your family income is \$75,000 to \$124,999, you must make a minimum contribution of \$100 for a state contribution of \$500.

If your Individual Income is \$87,500 - \$112,500, or if you part of a household if your family income is \$75,000 to \$124,999, you must make a minimum contribution of \$250 for a state contribution of \$250.

\*You must make the minimum contribution by November 1<sup>st</sup>. Contact MD 529 to learn more about how often you can receive the state contribution. There are limits on how often it can be received.

# What is ABLE Account?

**An ABLE (Achieving a Better Life Experience) account is a tax-advantaged savings account for individuals with disabilities and their families. It allows them to save and invest for qualified disability expenses (QDEs) without jeopardizing their eligibility for public benefits programs like Medicaid or Supplemental Security Income (SSI).**

Who is eligible?

Individuals with a disability that occurred before age 26\* who meet certain criteria are eligible to open a Maryland ABLE account. (After Jan 1, 2026 age will increase to 46)

\$25 is the minimum deposit required to open a Maryland ABLE account with a \$5 minimum for any contribution or withdrawal after that.

# ABLE Accounts Cont.

**An ABLE account is a way to save for eligible disability-related expenses. If you're receiving Supplemental Security Income (SSI), you can have up to \$100,000 in an ABLE account without it counting towards the \$2,000 asset limit. Remember, if you go over the SSI limit, you'll still be eligible for all other benefits (like Medicaid) but your SSI will be suspended — resuming once your balance drops below the limit again.**

**Very broad list of eligible expenses: Visit**  
**<https://www.marylandable.org/eligibility/eligible-expenses>**

**For MD ABLE accounts visit <https://www.marylandable.org/>**



# Plan to Achieve Self-Support (PASS)

**A PASS is a written plan that allows you to set aside income, other than your Supplemental Security Income (SSI), and other things you own for a specified time to help you reach your work goal.**

If you have an approved plan, you can use that income for the items you need to reach your work goal. SSA doesn't count the income you set aside for your PASS when they decide your SSI payment amount. This can reduce your countable income enough for you to get a higher SSI payment.

If you receive SSDI but have too much income to be eligible for SSI, you can set aside all or a portion of your SSDI to pay for your PASS expenses. We don't count the SSDI you set aside for your PASS when we decide your SSI payment amount. This can reduce your countable income enough to qualify for SSI.

# Other investment Options

## **Coverdell Education Savings Accounts:**

Contributions up to \$2,000 per year after-tax money to pay for future education costs. Earnings accumulate tax-free and withdrawals for qualified expenses are tax-free.

## **Custodial Accounts**

Are brokerage accounts opened in the name of a child under the provisions of the uniform Gifts to Minor Act (UGMA). Then the child will take full control once they reach age of 18 or 21. *Note: UGMAs are reported as the child's asset when completing FAFSA.*

## **Government Savings Bonds**

Series EE and Series I, are promissory notes issued by the federal government. Certain amounts can potentially be tax-free when proceeds are used to fund a child's college education if certain requirements are met.

# Potential Tax Credits

## **American Opportunity Tax Credit (Refundable):**

- Enrolled at least part time. Can include books, supplies, and other course-related materials.
- Can reduce the amount of tax you have to pay and 40% may be refundable.
- \$2,500 credit per student.

## **Lifetime Learning Tax Credit (Non-refundable):**

- Enrolled in at least one course.
- Can reduce the amount of tax you must pay.
- \$2,000 credit per tax return

## **Student Loan Interest Deduction**

- Max \$2,500 deduction per return
- Deduct interest paid on qualified loans

## Chat 3

What are some strategies to reduce the cost of college?

# Strategies to Reduce College Costs

- Compare state and private colleges
- Take AP courses or college level classes in high school
- Look for apprenticeship or certificate programs
- Attend a community college first and then transfer to a four-year college
- Look into AmeriCorps or Peace Corp (Segal Award)
- Look for employers that offer undergraduate/post-graduate sponsorship programs
- Apply for public benefits during college (SNAP)

# Strategies to Reduce College Costs cont.

- If out of state, become a resident as soon as possible to get in-state tuition.
- While selecting room & board, pick the cheaper meal plans and select to room with one or more people.
- Research your career path and plan out what degrees are a must v. optional.
- Before graduating, understand your loan details (interest, minimum payments, etc.)
- After college, if you have federal student loans, select a payment plan that works for you.
- Know the student loan forgiveness programs in your state
- Budget! Budget! Budget! Know where your money is going.

# Already Have Student Loans?



## **Maryland Center for Collegiate Financial Wellness:**

- Fosters a continuum of campus-based financial wellness programming and supports that build financial life skills and empower students to thrive.
- They have office hours where you can get additional assistance.  
<https://www.mccfw.org/>

## **Consumer Financial Protection Bureau:**

- Student loan resources including how to manage student loans and common student loan questions. <https://www.consumerfinance.gov/>

## **Review Your Financial Aid Award Annually:**

- There may be changes to your loan details

## **Total and Permanent Disability Discharge:**

- Applies to certain loans visit <https://studentaid.gov/manage-loans/forgiveness-cancellation/disability-discharge>

# Resources



**Federal Student Aid Office** <https://studentaid.gov/>

**The Office of Student Financial Assistance (OSFA) at the Maryland Higher Education Commission (MHEC)**

- <https://mhec.maryland.gov/preparing/pages/financialaid/descriptions.aspx>

**ABLE National Resources Center:**

- Article ["ABLE and the Student Earned Income Exclusion Work Support for Transition Age Youth"](#)

**The Arc**

- Blog Post ["SSI Makes Allowances for Student Finances"](#)

**MD ABLE**

- <https://www.marylandable.org/>

**MD 529**

- <https://maryland529.com/>

**SSA**

- For more information call 1-800-772-1213 (TTY 1-800-325-0778), VISIT [www.ssa.gov](http://www.ssa.gov), or contact your local SSA office.



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**Thank you!**

**Questions? Comments?**

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