Paying For College

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**Personalized Consultations & Group Workshops for ALL CUSD students**

<table>
<thead>
<tr>
<th>Best Fit College Search &amp; Selection</th>
<th>Application Strategy &amp; Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Explore Schools</strong>&lt;br&gt;Find majors, create a balanced list</td>
<td><strong>Complete Applications</strong>&lt;br&gt;Common App, UC-CSU</td>
</tr>
<tr>
<td><strong>Naviance Usage Strategies</strong>&lt;br&gt;Aptitude surveys, search, resume</td>
<td><strong>Activity &amp; LOR Strategy</strong>&lt;br&gt;Organize, advice</td>
</tr>
<tr>
<td><strong>Planning College Visits</strong>&lt;br&gt;Strategy, journals, planning</td>
<td><strong>Test Prep Planning</strong>&lt;br&gt;SAT, ACT, SAT Subjects, Prep Options</td>
</tr>
<tr>
<td><strong>Student Athlete Guidance</strong>&lt;br&gt;NCAA Eligibility, coach contact plan</td>
<td><strong>Essays</strong>&lt;br&gt;Orientation, brainstorm, and edit</td>
</tr>
</tbody>
</table>

**WHEN:** Mon – Fri, 1:30pm – 9pm @ MV Mall  
**REGISTER:** One-on-one appointments or workshops @ www.cusd-futureology.org/appointments-events
Personalized Consultations & Group Workshops for ALL CUSD students

Career Exploration & Planning

- **Explore Options**
  - Find career clusters, aptitude surveys

- **Curriculum Strategy**
  - Programs, Career Technical Education

- **Strategic Goal Setting**
  - Strategy, journals, planning

- **Job Skill Planning**
  - Resumes, interview prep, portfolios

Financial Aid & Scholarship Support

- **Complete Applications**
  - FAFSA and CSS Profile

- **Scholarship Search**
  - Tips and sites

- **Aid Package Review**
  - SAT, ACT, SAT Subjects, Prep Options

- **Resources & Tools**
  - Websites,

**WHEN:** Mon – Fri, 1:30pm – 9pm @ MV Mall

**REGISTER:** One-on-one appointments or workshops @ www.cusd-futureology.org/appointments-events
Agenda

- Cost of college
- How do families pay for college
- Cost of attendance
- Overview of FSA
- Types of aid
- How to pick colleges
- Tips
Worry

Biggest worry in 2006: Won’t get into top choice college
In 2006, the biggest concern among the majority (34%) was...
"Won’t get into first-choice college."

Biggest worry in 2007-2012: Won’t afford their top choice
From (2007 to 2012), the biggest concern among the majority (34%) was...
"Will get into their first choice college but won’t have sufficient funds/aid to attend it."

Biggest worry in 2013-2016: Level of debt
Debt has been the biggest concern among respondents (parents and students alike) for the past three years. The majority (39%) said...
"Level of debt...to pay for the degree."
Cost of college

- A college education is the most expensive purchase a family will make 2nd only to a home.

<table>
<thead>
<tr>
<th>Type of College</th>
<th>Average Published Yearly Tuition and Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA Community College</td>
<td>$1,104</td>
</tr>
<tr>
<td>Public Two-Year College (in-district students)</td>
<td>$3,440</td>
</tr>
<tr>
<td>Cal State University (in-state students)</td>
<td>$5,472</td>
</tr>
<tr>
<td>Public Four-Year College (in-state students)</td>
<td>$9,410</td>
</tr>
<tr>
<td>University of California (in-state students)</td>
<td>$12,294</td>
</tr>
<tr>
<td>Public Four-Year College (out-of-state students)</td>
<td>$23,890</td>
</tr>
<tr>
<td>Private Four-Year College</td>
<td>$32,410</td>
</tr>
</tbody>
</table>
Myths

- Can’t get aid if
  - I own a home
  - I make $150K
  - I am unemployed
  - I receive only gov’t benefits
  - I am not a US citizen
  - I am a 1st gen student

- Everyone pays the same price

- Best way to get $$ is to search for little-known scholarships that go unclaimed
How do families pay for college

- Financial Aid
  - Merit Aid
  - Loans - need-based federal, private, & other
  - Grants – federal & state
  - Work study
  - Scholarships
- Paying Colleges Directly
  - Savings
  - Family and Student Contribution
How much student aid is out there?
How much student aid is out there?

A. Under $10 million
B. $10 - 100 million
C. $100 - 500 million
D. $1 billion
E. $100+ billion
How much student aid is out there?

Over $150 billion was awarded.
How many people receive aid?

17 million students attend college each year.
How many people receive aid?

17 million students attend college each year.

80% (4 out of every 5) receive some form of financial aid
Where does aid come from?

(In billions)

Source: Trends in Student Aid, The College Board
Where does aid come from?

Source: Trends in Student Aid, The College Board
Why award need-based aid?

- **Anyone** should be able to attend college, **regardless** of financial circumstances

- **Primary goal** - help students pay for college thus making college **accessible** to students who couldn’t afford it otherwise (across socioeconomic spectrum)

- Unusual family circumstances considered when possible

- Enable student to apply to first-choice college

- Attend college based on best fit
The design of FSA

- The first and most important contributor of money to pay for college is...

...you and your family.
The goal of FSA

- To bridge the gap between how much college costs & how much your family can afford.

\[
\text{How much college costs} - \text{How much your family can afford} = \text{The Gap}
\]
The goal of FSA

- To bridge the gap between how much college costs & how much your family can afford.

How much college costs - How much your family can afford = The Gap

Cost of Attendance - Expected Family Contribution = Need
Cost of Attendance

- Is Cost of Attendance just a fancy way of saying tuition?
Cost of Attendance

- Is Cost of Attendance just a fancy way of saying tuition?
- Hard (direct) v soft (indirect)?

Tuition & Fees  Room & Board  Books & Supplies
Insurance      Transportation  Personal Expenses

\[ \text{Cost of Attendance} - \text{Expected Family Contribution} = \text{Need} \]
What does College REALLY Cost?

Private College “X” Tuition/Room/Board.

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$45,028</td>
</tr>
<tr>
<td>Mandatory Fees (health ins.)</td>
<td>$2,218</td>
</tr>
<tr>
<td>Room</td>
<td>$6,770</td>
</tr>
<tr>
<td>Board (food)</td>
<td>$4,726</td>
</tr>
</tbody>
</table>

**Total Cost of Attendance (COA) listed on website:** $58,472

Estimated additional COA beyond T/R/B – not on websites; vary by family/college location:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Books and Supplies</td>
<td>$1,500</td>
</tr>
<tr>
<td>Airfare (3 round trips)</td>
<td>$1,000</td>
</tr>
<tr>
<td>Parent visits 2x w/hotel</td>
<td>$2,000</td>
</tr>
<tr>
<td>Winter Clothing</td>
<td>$1,500</td>
</tr>
<tr>
<td>Dorm room outfitting</td>
<td>$800</td>
</tr>
<tr>
<td>Annual cellphone bill</td>
<td>$750</td>
</tr>
<tr>
<td>Allowance ($100/month)</td>
<td>$1,000</td>
</tr>
<tr>
<td>Transportation (In school area)</td>
<td>$500</td>
</tr>
<tr>
<td>Personal care (Laundry, etc.)</td>
<td>$500</td>
</tr>
<tr>
<td>Weekend travel w/friends (2x)</td>
<td>$500</td>
</tr>
<tr>
<td>Emergency fund (optional)</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

**TOTAL ADDITIONAL COSTS** $10,050

**PLUS PUBLISHED COSTS** $58,472

**ACTUAL COST OF ATTENDANCE** $68,522
Overview of Federal Aid

- When you apply for admission, you are not applying for federal aid.

- These are two distinct processes.

- If you are accepted to a college, enroll, and do nothing else, YOU will not receive any financial assistance.
EFC

- Who decides how much a family can afford?

  You?  The College?
  Parents?  The Government?

\[
\text{Cost of Attendance} - \text{Expected Family Contribution} = \text{Need}
\]
EFC

- Theoretical description of a student’s/student’s family’s contribution to college costs in the upcoming year
Need

- Who decides how much a family can afford?

You & Your family → FAFSA Income & Assets → Federal Gov’t → SAR EFC

Cost of Attendance

Expected Family Contribution

= Need
## Need

<table>
<thead>
<tr>
<th>Total Cost</th>
<th>Public A</th>
<th>Private B</th>
<th>Private C</th>
<th>Public D</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35,000</td>
<td>$65,000</td>
<td>$45,000</td>
<td>$30,000</td>
<td></td>
</tr>
</tbody>
</table>
# Need

<table>
<thead>
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<th></th>
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<th>Private C</th>
<th>Public D</th>
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<td>$65,000</td>
<td>$45,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Family Contribution (EFC)</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
</tbody>
</table>
## Need

<table>
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<td>$65,000</td>
<td>$45,000</td>
<td>$30,000</td>
</tr>
<tr>
<td>Family Contribution (EFC)</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Financial need</td>
<td>$20,000</td>
<td>$50,000</td>
<td>$30,000</td>
<td>$15,000</td>
</tr>
</tbody>
</table>
Review

Cost of Attendance \[ - \] Expected Family Contribution \[ = \] Need
Review

\[
\text{Cost of Attendance} - \text{Expected Family Contribution} = \text{Need}
\]

College
Review

Cost of Attendance - Expected Family Contribution = Need

College

The Gov’t
Review

Cost of Attendance - Expected Family Contribution = Need

College → The Gov’t

Who creates your award?
Meeting your need

- Colleges create award packages from a single pool of federal funds.
- They decide how much a family receives.
- They decide what types of aid they will receive.

- If you have **unmet need**, who makes up the difference?
- Answer: You and your family.
Review

You & Your family → FAFSA Income & Assets → Federal Gov’t → SAR EFC
Review

You & Your family

FAFSA
Income & Assets

Federal Gov’t

SAR
EFC
Review

You & Your family → FAFSA
Income & Assets → Federal Gov't → SAR
EFC → College
Review

You & Your family

FAFSA
Income & Assets

Federal Gov’t

SAR
EFC

Award

College
Review

You & Your family

FAFSA
Income & Assets

Federal Gov’t

SAR
EFC

Award

College
How do families pay for college

- Financial Aid
  - Merit Aid
  - Loans - need-based federal, private, & other
  - Grants – federal & state
  - Work study
  - Scholarships

- Paying Colleges Directly
  - Savings
  - Family and Student Contribution
Need vs Merit Aid

- Need is financial

- Merit is what do you have that the college wants
  - Special talent
  - Diversity (cultural/geographic)
  - Test scores
Merit Aid

- Students are not typically able to APPLY for merit aid.
- Merit aid is determined by student’s GPA and/or standardized test scores as well as each college’s internal policies.
- These awards are NOT based on family income.
- There is no way to accurately predict merit aid awards.
- Merit awards are typically disbursed when students receive their college acceptance letter.
- Not all schools offer merit aid. However, some colleges are known to be generous with these awards. Many lists of “merit aid generous” schools are online.
## Better Scores, Big Awards

<table>
<thead>
<tr>
<th>School Name</th>
<th>Average merit award per student</th>
<th>Minimum SAT score to qualify for merit aid</th>
<th>Minimum ACT score to qualify for merit aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adelphi University</td>
<td>$14,907</td>
<td>1050</td>
<td>22</td>
</tr>
<tr>
<td>Baylor University</td>
<td>$11,445</td>
<td>1000</td>
<td>21</td>
</tr>
<tr>
<td>Centenary College of Louisiana</td>
<td>$11,194</td>
<td>1070</td>
<td>23</td>
</tr>
<tr>
<td>Chatham University</td>
<td>$16,848</td>
<td>810</td>
<td>16</td>
</tr>
<tr>
<td>College of St. Benedict/Saint John’s University</td>
<td>$15,288</td>
<td>930</td>
<td>20</td>
</tr>
<tr>
<td>Dickinson College</td>
<td>$16,952</td>
<td>1350</td>
<td>31</td>
</tr>
<tr>
<td>Florida Southern College</td>
<td>$7,636</td>
<td>1000</td>
<td>21</td>
</tr>
<tr>
<td>Juniata College</td>
<td>$15,353</td>
<td>1000</td>
<td>21</td>
</tr>
<tr>
<td>Quinnipiac University</td>
<td>$17,000</td>
<td>1100</td>
<td>25</td>
</tr>
<tr>
<td>Saint Louis University</td>
<td>$16,794</td>
<td>1070</td>
<td>23</td>
</tr>
<tr>
<td>Santa Clara University</td>
<td>$18,264</td>
<td>1380</td>
<td>31</td>
</tr>
<tr>
<td>Texas Christian University</td>
<td>$16,326</td>
<td>1230</td>
<td>28</td>
</tr>
<tr>
<td>Trinity Christian College</td>
<td>$8,092</td>
<td>940</td>
<td>20</td>
</tr>
<tr>
<td>University of Maine</td>
<td>$10,800</td>
<td>1100</td>
<td>24</td>
</tr>
<tr>
<td>University of North Carolina, Charlotte</td>
<td>$16,455</td>
<td>1270</td>
<td>29</td>
</tr>
</tbody>
</table>
Scholarships

- Two types of scholarships
  - Merit scholarships
  - Outside scholarships (clubs, churches, companies, foundations)
- Most scholarships come from colleges (check with them)
- Most scholarships are awarded for academic merit
  - 3.0-3.4: 11%
  - 3.5-4.0: 20%
- Very few scholarships pay the whole way
- Competition for national scholarships is fierce
- Let your community assist in the effort (check locally + your HS guidance)
<table>
<thead>
<tr>
<th>School</th>
<th>State</th>
<th>Name of Scholarship</th>
<th>Value</th>
<th>Minimum Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Alabama</td>
<td>AL</td>
<td>Academic Elite Scholarships</td>
<td>Full tuition + $8,500 per year + iPad</td>
<td>32 ACT or 1400 SAT, 3.8 GPA</td>
</tr>
<tr>
<td>Loyola Marymount University</td>
<td>CA</td>
<td>Trustee Scholarship</td>
<td>Full tuition + room and board (10)</td>
<td>3.6 GPA, SAT math and verbal 650 or ACT 29</td>
</tr>
<tr>
<td>Soka University of America</td>
<td>CA</td>
<td>Global Merit Scholarships</td>
<td>Full tuition + transportation + books and supplies + personal expenses</td>
<td>GPA of 3.0 or higher</td>
</tr>
<tr>
<td>University of Delaware</td>
<td>DE</td>
<td>Eugene DuPont Memorial Scholars</td>
<td>Full tuition + room &amp; board + $375 per semester for textbooks + $2,500 enrichment</td>
<td>Preference first-gen students, 3.2 GPA (unweighted) and 1150 SAT or 25 ACT</td>
</tr>
<tr>
<td>American University</td>
<td>Wash. DC</td>
<td>Frederick Douglass Scholars Program</td>
<td>Full tuition + fees + room &amp; board + books</td>
<td>1420 SAT or 32 ACT and GPA above 3.6</td>
</tr>
<tr>
<td>Rollins College</td>
<td>FL</td>
<td>Alfond Scholarship</td>
<td>Full tuition (10)</td>
<td>3.5 GPA</td>
</tr>
<tr>
<td>Barry University</td>
<td>FL</td>
<td>Stamps Leadership</td>
<td>Full tuition + room &amp; board + $6,000</td>
<td>3.7 GPA</td>
</tr>
<tr>
<td>Agnes Scott College</td>
<td>GA</td>
<td>Marvin B. Perry Presidential Scholarship</td>
<td>Full tuition + room &amp; board</td>
<td>Academics, leadership, character, and personal achievement</td>
</tr>
<tr>
<td>Morehouse College</td>
<td>GA</td>
<td>Stamps Leadership Scholarship</td>
<td>Full tuition + $10,000 enrichment activities (5)</td>
<td>3.7 GPA</td>
</tr>
<tr>
<td>Drake University</td>
<td>IA</td>
<td>George A. Carpenter Scholarship</td>
<td>Full tuition + fees + room &amp; board (16)</td>
<td>ACT 31, SAT 1380, Top 5% or 3.8 GPA</td>
</tr>
<tr>
<td>University of Kentucky</td>
<td>KY</td>
<td>Otis A. Singletary Scholarship</td>
<td>Full tuition, room &amp; board, stipend, iPad, $2,000</td>
<td>31 ACT or 1360 SAT and minimum unweighted GPA of 3.5</td>
</tr>
<tr>
<td>Saint Louis University</td>
<td>MO</td>
<td>Presidential Scholarship</td>
<td>Full tuition + up to $1,200 in enrichment funding</td>
<td>GPA 3.85, weighted, 30 ACT or 1330 SAT</td>
</tr>
<tr>
<td>SUNY Alfred College</td>
<td>NY</td>
<td>Distinguished Scholars Program: Excellence</td>
<td>Full tuition + room &amp; board</td>
<td>SAT 1250</td>
</tr>
<tr>
<td>North Carolina A&amp;T State University</td>
<td>NC</td>
<td>Lewis and Elizabeth Dowdy Scholarship</td>
<td>Full tuition + room &amp; board</td>
<td>3.75 or higher GPA and a 1200 SAT (verbal and math) or 26 ACT score</td>
</tr>
<tr>
<td>Hiram College</td>
<td>OH</td>
<td>Trustee Scholarship</td>
<td>Full tuition</td>
<td>GPA 3.8 and ACT 28 or SAT 1260</td>
</tr>
<tr>
<td>Wofford College</td>
<td>SC</td>
<td>The Richardson Family Scholarship</td>
<td>Full tuition + fees + room &amp; board + laptop</td>
<td>Nomination by school. Top 10% of class and combined score of 1250</td>
</tr>
</tbody>
</table>
Scholarship Tips

- Apply to schools where you would be in top 10% of applicants
- Research and research. Scholarship search websites:
  - www.scholarships.com
  - www.fastweb.com
- Apply for all scholarships for which you are eligible.
- Take the time. $250 a waste of time? 4 hours invested in a $250 scholarship is $62.50/hour!!
- The first few applications take a lot of time, but after the 5th or 6th application, you have the majority of the info you need for all future applications.
Scholarships

- **David Letterman Telecommunications Scholarship** - $10,000. Telecommunications professionals.
- **Common Knowledge Challenge Scholarships** - $3,000. If you know a lot about a lot by taking a quick quiz.
- **Create-A-Greeting-Card Scholarship Contest** - $10,000. Create your own creative greeting card.
- **Doodle 4 Google Scholarship** - $30,000. Submit a Doodle of your own.
- **Clowns of America International Scholarship**
- **Morgan/O’Neill Underwater Photography Grant**: $2,000. Female students in the field of underwater photography.
- **New Look Laser Tattoo Removal Scholarship**: $1,000. Opinion of the societal impact of laser tattoo removal.
Grants

- Grants provide money you *don’t* have to pay back.
- Grants are provided to students with exceptional need.
- Accept any grant offered to you!
- Start in HS (and earlier)
  - Get good grades & test scores
  - Take AP courses/AP tests - place out of required college courses

<table>
<thead>
<tr>
<th>Federal</th>
<th>State</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pell Grant, SEOG</td>
<td>Cal Grant A,B Entitlement $12,240</td>
<td>Depending on School</td>
</tr>
<tr>
<td>$5,815</td>
<td>Cal Grant A,B Competitive $13,896</td>
<td></td>
</tr>
<tr>
<td>$4,000</td>
<td>Cal Grant C</td>
<td></td>
</tr>
<tr>
<td>TEACH $4,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Need-Based Financial Aid - Public

- Public universities typically offer federal financial aid in the form of need-based federal loans and work-study.

- Need-based loans are determined by each family’s financial need as defined by the FAFSA.

- States frequently offer grants to students who attend in-state colleges. This policy varies by state and is typically based on student’s GPA and family financial status.
Need-Based Financial Aid - Private

• Many private colleges offer need-based (not federal) GRANT AID funded by their endowments/scholarship funds.

• This aid is FREE and does not require repayment.

• The $$ awarded is typically based on numbers generated by the CSS/Financial Aid PROFILE, a form exclusively required by private schools.

• Some private schools may fill in “gaps” between grant aid and the cost of attendance with federal loans and/or work study.
Loans

- Private schools may mix this aid with Grants.
- Variety of federally funded “DIRECT” loans.
- The loans are taken out by the student. PLUS can be borrowed by the parents of dependent.

- Private
- Other

<table>
<thead>
<tr>
<th>Stafford Loans</th>
<th>Federal Perkins Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidized Stafford Loan</td>
<td>Low interest rates and students does not pay interest while attending school.</td>
</tr>
<tr>
<td>Federal Government Pays interest while student is in school</td>
<td></td>
</tr>
<tr>
<td>Unsubsidized Stafford Loan</td>
<td></td>
</tr>
<tr>
<td>The student is responsible for paying interest</td>
<td></td>
</tr>
</tbody>
</table>
Loans

- If you submit a FAFSA, you almost certainly will receive a Federal loan. Federal loans are the best deal in town.

- You do have to pay back loans, but borrowing money for your education is a shrewd investment.
**Loans - Interest Rates**

- Undergraduate Students – 3.76%
- Graduate students – 5.31%
- PLUS (and GradPLUS) - 6.31%

<table>
<thead>
<tr>
<th>Grade Level</th>
<th>Subsidized*</th>
<th>Unsubsidized</th>
<th>Annual Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; Year Undergrad</td>
<td>$3500</td>
<td>$2000</td>
<td>$5500</td>
</tr>
<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Year Undergrad</td>
<td>$4500</td>
<td>$2000</td>
<td>$6500</td>
</tr>
<tr>
<td>3&lt;sup&gt;rd&lt;/sup&gt; and 4&lt;sup&gt;th&lt;/sup&gt; Year Undergrad</td>
<td>$5500</td>
<td>$2000</td>
<td>$7500</td>
</tr>
</tbody>
</table>

*If not eligible for Subsidized loan, you can borrow this amount in Unsubsidized loan. Independent students in 1<sup>st</sup> & 2<sup>nd</sup> year can borrow an additional $4,000 Unsubsidized Loan Independent students in the 3<sup>rd</sup> & 4<sup>th</sup> year can borrow an additional $5,000 Unsubsidized Loan
Work - Study

- A federally funded program that works together with the university that the student attends which provides financial aid through employment opportunities/jobs in campus
- The student can work a maximum of 20 hours per week.
  - Flexible schedules are available.
  - Student’s education is a priority.
- Jobs range from working in library to ushering in theaters to doing research with professors.
- Job listing is provided by school, however, student must take initiative to apply.
- Paycheck goes directly to student to offset school related costs. This money is taxable.
- When possible, jobs focus on civic education and/or work related to your course of study.
Private loans – last resort

- Do not consider a private loan until you’ve exhausted all other avenues of financial aid.

- Evaluate private loans on 5 criteria:
  - interest rate (variable)
  - fees
  - repayment terms
  - borrower incentives
  - schedule for repayment
## Meeting your need

<table>
<thead>
<tr>
<th></th>
<th>Public A</th>
<th>Private B</th>
<th>Private C</th>
<th>Public D</th>
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<tbody>
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<td>Total Cost</td>
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<td><strong>Total paid</strong></td>
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Award evaluation

- It’s not the size of the award that matters. What matters is how much of your need is being met and...

- ...with which types of aid is your need being met (how much will you owe in student loans).
Award evaluation

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Award packages

- You may appeal an award package.
  - There is no downside—they won’t rescind your admission.
  - If someone turns down an offer of admission, money might be freed up for you.
  - Be prepared.
    - There may be paperwork.
    - You may need to fluidly discuss your financial situation - focus on unmet need or debt loan.
    - The school may (nor may not) be interested in other award offers you have.
    - Discuss special circumstances (birth, death, loss of job).
  - It’s not a negotiation.
    - You are expressing interest in the school.
    - You must be respectful and don’t haggle.
    - If the college says no, that is the answer.

- Do not complain about the EFC; it cannot be changed.
- Rather, seek additional money for unmet need.
Net Price

• Specific to you because it's based on your personal circumstances and the college’s financial aid policies.
• On average, is considerably lower than the published price.
Cost is rarely the sticker price

Published Tuition & Fees, Financial Aid, and Net Tuition & Fees
For Full-time Undergraduates at Private Nonprofit 4-Year Institutions
in constant 2013 dollars

Source: The College Board
How much does it really cost?

<table>
<thead>
<tr>
<th>UCLA</th>
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<td>$7,780</td>
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</tr>
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</tr>
<tr>
<td><strong>Total Avg Family Indebtedness</strong></td>
<td>$20,650</td>
<td>$16,580</td>
<td>$14,490</td>
<td>$27,977</td>
<td>$19,534</td>
<td>$30,225</td>
</tr>
<tr>
<td><strong>4 yr. Grad Rate</strong></td>
<td>67%</td>
<td>13%</td>
<td>85%</td>
<td>79%</td>
<td>85%</td>
<td>66%</td>
</tr>
<tr>
<td><strong>6 yr. Grad Rate</strong></td>
<td>91%</td>
<td>65%</td>
<td>96%</td>
<td>82%</td>
<td>90%</td>
<td>77%</td>
</tr>
<tr>
<td><strong>Median Salary</strong></td>
<td>$51,000</td>
<td>$43,800</td>
<td>$59,800</td>
<td>$51,400</td>
<td>$55,600</td>
<td>$50,600</td>
</tr>
</tbody>
</table>
Free money

How the Typical Family Pays for College, Funding Source Share

How the Typical Family Pays for College, Funding Source Share, by School Type

- Parent Borrowing:
  - 2-Year Public: 3%
  - 4-Year Public: 7%
  - 4-Year Private: 7%

- Student Borrowing:
  - 2-Year Public: 10%
  - 4-Year Public: 17%
  - 4-Year Private: 11%

- Parent Income & Savings:
  - 2-Year Public: 28%
  - 4-Year Public: 32%
  - 4-Year Private: 26%

- Student Income & Savings:
  - 2-Year Public: 25%
  - 4-Year Public: 12%
  - 4-Year Private: 9%

- Relatives & Friends:
  - 2-Year Public: 4%
  - 4-Year Public: 4%
  - 4-Year Private: 5%

- Grants & Scholarships:
  - 2-Year Public: 30%
  - 4-Year Public: 29%
  - 4-Year Private: 41%
Cost of college

- Don't base your decision on sticker price alone
- Colleges that pay you back – private colleges more money to spend (can be more affordable)

<table>
<thead>
<tr>
<th></th>
<th>Colgate</th>
<th>Princeton</th>
<th>Vassar</th>
<th>Pomona</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost (COA approx)</td>
<td>$65,300</td>
<td>$60,530</td>
<td>$63,280</td>
<td>$62,700</td>
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<tr>
<td>Ave. Need Based</td>
<td>$49,442</td>
<td>$44,890</td>
<td>$41,100</td>
<td>$43,912</td>
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Financial Aid Process

- Complete the Free Application for Federal Student Aid (FAFSA) as early as possible

- Don’t be proud, be honest.

- Don’t overstate value of assets

- About 65% of students in private colleges get aid
The FAFSA

- www.fafsa.ed.gov
- What does the FAFSA evaluate? 100 Q
- PPY is here
- Assets vs. Income
- Size of household
- Family members who attend school
- EFC (Expected Family Contribution)
- Determining “need”
  - Submit only one
  - Submitted after Oct. 1 of Sr Year
  - And submitted every year for each year of college the student attends
Early FAFSA

• October date enables more users to access IRS data retrieval tool from prior tax year - reducing the need to update the FAFSA later.

• Internally syncs college admissions and financial aid calendars.

• Students receive their award letters earlier. This encourages more financially informed enrollment decisions.
The CSS/Profile

- Created by the College Board
- Institutional form
- Used by more than 300 private schools to determine financial need and distribute GRANT aid.
- $25 for the first submission and $16 per additional school.
How to pick colleges

- Find your EFC (Expected Family Contribution) for each school
  - Net Price Calculator
  - Calculators differ by institution
  - Income and asset data
  - One-year net price projection
- Review your student’s college list
  - Rule of thumb
- Have an honest conversation with your student about college costs
How to pick colleges

- Some students don't consider schools whose price tags are too high.
  - When you are deciding which school to attend, consider the cost.
  - When you are deciding to which schools you will apply, don’t rule out expensive schools. Let cost take a backseat (for now), not be a deal breaker. What you are expected to contribute could be far less than the cost of attendance. Sometimes, your out-of-pocket costs may be less at a school with a higher sticker price than a school with lower sticker price.
- As a precaution, apply to some inexpensive schools.
- The bottom line is that you won't know what your financial obligation will be until after you are accepted, apply for financial aid, and receive your financial aid award letter Only then will you have all the information (financial, too) to decide which school is the best choice to attend.
- 75% of private colleges and 67 % of public colleges use merit aid (discounting) in recruiting.
- Average discount at private colleges = 46%!
## Enrollment management

<table>
<thead>
<tr>
<th>Ability to Pay</th>
<th>COA Can Afford 75-100%</th>
<th>COA Can Afford 50-75%</th>
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<tr>
<td>Student Rank in Admitted Pool</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Top 25%</td>
<td></td>
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<tr>
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<tr>
<td><strong>3rd 25%</strong></td>
<td>Full Pay (Merit ??)</td>
<td>Gapped -</td>
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<tr>
<td><strong>4th 25%</strong></td>
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Paying for the investment

- It is less expensive to save than to borrow
- Those who do not save have to borrow more
- Current income can cut borrowing costs as well
- Some level of sacrifice – at some point – will have to be made (sooner, now, or later)
- Need-based grants and scholarships are designed to provide the amount that the family and student cannot reasonably afford over time

Most families use a combination of all saving, borrowing and current income to pay their share of college expenses.
Tips

• Fill out the FAFSA. Even if you don’t think you’ll qualify. Many state governments, private institutions and colleges use it to see if you qualify for state and institutional scholarships too.

• Fill out the CSS/Financial Aid Profile. The College Scholarship Service PROFILE is used by over 400 private institutions and colleges, particularly highly-selective schools, to gather additional information about financial aid and scholarship eligibility. Chances are, you're applying to at least one school that requires it, so find out which schools use it.

• Apply early. While FAFSA money doesn’t “run out”, money sometimes does run out for scholarships and colleges that use the FAFSA for granting financial aid packages. The early bird gets the $$$.

• Apply for institutional scholarships. Many schools automatically consider you for merit and institutional scholarships. But many schools offer scholarships that must be applied for separately with earlier application dates, additional essays and separate interviews. Contact FA office.
More Tips

• Apply to BEST FIT schools
• **Apply for outside scholarships.** I know, it’s obvious. But you’d be surprised how few students actually put in the time and effort to apply for these and how easy it is to actually get them. With smaller scholarships that are less than $2,000, sometimes the quantity that you apply to is more important than quality (or in this case, the size) of the scholarship. BUT avoid scholarship programs and search services that charge fees
  - Reapply annually for aid
  - Know your loan types and terms
  - Other Options
    - ✓ Summer/academic year student employment
    - ✓ 2 + 2 Educational programs (community college)
    - ✓ College 529 savings plans, other savings plans
    - ✓ Payment plans
    - ✓ Distance learning
Questions to discuss as a family

- How will we pay for college?
- Have we saved for college? How much?
- Do we have any special financial circumstances (med bills, private school tuition, etc)?
- Do we plan to complete the FAFSA?
- Do we plan to take out student and/or parent loans?
- Do we understand the difference between “sticker price” and “net cost”?
- What college opportunities do we think are worth more than what other colleges offer?
- Is our student planning to work while in school? What are the expectations for earned income?
Questions to ask a college you consider

- How do we apply for scholarships?
- Are there non-academic scholarships or grants, and what is the process to apply?
- What are the deadlines for scholarships and financial assistance?
- Is your Net Price Calculator a good indication of financial assistance? Why or why not?
- What is the average loan amount for graduates?
- How many students take longer than 4 years to graduate?
- What is your avg, difference between your “sticker price” and “net cost”?
College is an investment that lasts a lifetime.