


Solutions for Tuition offers every Family a Free College Planning Analysis.


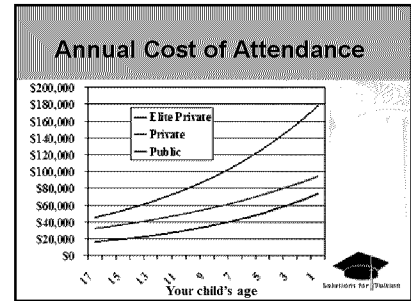
How Every Family Can Cut the Cost of College



Average Annual Cost of Attendance

- Public university - \$24,061
Growing at 3%-5% per year!
- Public out-of-state university - \$38,544
Growing at 3%-6% per year!
- Private University - \$47,831
Increasing at 3%-4% per year!
- Many private colleges and universities are over \$60,000 per year

Source: Collegeboard


Don't Be Fooled

2015-2016 Cost of Attendance*

CU Boulder (Resident)
\$26,921 (A+S) - \$31,745 (Business)


University of Oregon - \$49,392

Stanford University - \$66,696



Accuracy


Numbers when tortured, will confess to anything.



Cost of Attendance (COA)

- Tuition and Fees
- Room and Board
- Books and Supplies
- Transportation
- Personal Expenses


sufficient for the prudent student to live.
(Your child's actual cost may vary based upon lifestyle expectations.)



The Reality Of College in the 21st Century


- College costs growing rapidly (Tuition inflation)
- Less than 4% of all families have saved \$5,000. 33% have saved nothing.
- 60% of students do NOT finish where they started
- Over 50% of students do NOT finish in 4 years

This may INCREASE your costs by 25% - 50% or more.



Action Step #1


Calculate an Accurate Cost Projection for All Children



Cost of Undergrad Degree

Grade of Student	CU Boulder	University of Oregon	Stanford
HS Senior	\$158,725	\$278,224	\$287,402
HS Freshman	\$201,147	\$312,964	\$314,052

Based Upon 3%-4% Cost of Attendance Inflation and 5 Years State, 4 years private college
Source: Each college's website




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You May Not Have Just a College Funding Problem

...you may also have a retirement problem...


How Old Will You Be When Your Youngest Child Graduates?




Is College Worth the Cost?

"Education trumps money and social prestige as a route to happiness."
Vaillant, National Institute on Aging

"If you think education is expensive, try ignorance."
Benjamin Franklin




Parent's Complex Problems





Desire to Provide a Quality Education without


- Depleting Cash Flow
- Depleting Savings
- Depleting Retirement
- Taking on Student + Parent Debt



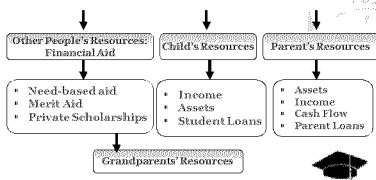
Strategies for Coping


Not Planning and Not Having a Plan B



How ARE YOU Going to Fund College?



- Other People's Resources: Financial Aid**
 - Need-based aid
 - Merit Aid
 - Private Scholarships
- Child's Resources**
 - Income
 - Assets
 - Student Loans
- Parent's Resources**
 - Assets
 - Income
 - Cash Flow
 - Parent Loans
- Grandparents' Resources**



Other People's Resources Financial Aid


Need-Based Aid
Family Income & Assets

Merit-Based Aid
Academic
Athletic
Other



Action Step #2


Calculate Your EFC



Expected Family Contribution (EFC)

The Amount your Family is Expected to Pay Per Child Per Year

Federal and Institutional Methodologies



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FAFSA

FREE Application for Federal Student Aid (Federal Methodology)

FAFSA Opens on October 1st of the Senior Year and Every Year Thereafter


- ✓ **Do Not Wait!** Financial Aid and Merit Awards Are issued on a First-Come First-Serve Basis. The Money RUNS OUT! (The Best Financial Aid Awards, Those Heavy on Grants and Lighter on Loans, are Generally Given to the Earliest Applicants).
- ✓ Each College/University will have their own FAFSA Deadlines. Look on the Colleges' Websites and Write Them Down.
- ✓ Students Must Complete a FAFSA Every Year the Student Wishes to Receive Financial Aid (FAFSA Deadlines are Later in the Year for Returning Students, Look at the School's Website).



Filling Out the FAFSA Correctly (Don't Speed Through It)

- ✓ **Do Not Report Retirement Investments** - It Will Ask for Parental and Student Investments, **Do Not Report Any Qualified Retirement Investments.**
- ✓ **Do Not Report the Value of a Business with Less Than 100 Employees.**
- ✓ **If Divorced, the FAFSA Only Looks at the Financial Information of the Custodial Parent (CP). CP is the Parent Who the Student Lived with Most in the Base Year.** (The Base Year is the Prior-Prior Tax Year to College Attendance).


☆ The FAFSA Provides Federal Funds, in the Form of Grants and Loans, to Qualifying Students.



CSS Profile (Institutional Methodology)

- ✓ The CSS Profile Opens on October 1st of the HS Senior Year and Every Year There After.
- ✓ The CSS Profile Has Different Deadlines for Each School (Check Their Websites).
- ✓ Assesses Much More Than the FAFSA (Home Equity, Business Value, Income/Assets of both Divorced Parents and Spouses if Remarried, ...)
- ✓ Some Schools May Require You to Complete Additional Forms, such as College's Own Form, The Business/Farm Supplement, the Noncustodial Parent Profile
- ✓ Costs \$25 to submit for the first school applied to and \$16 per school after that (fee waivers are available to certain students).

☆ The CSS Profile Helps Schools Determine Which Students Qualify for the Grants and Scholarships Offered by the School Itself.




Net Price Calculators

A Step in the Right Direction


Based upon College's published COA

So close




Expected Family Contribution Formula

Student Income	- \$6,310 Allowance	+ Taxes Paid	x 50%	=	Student's Contribution from Income
Student Assets	- Nothing		x 20%	=	Student's Contribution from Assets
Parents' Income	- Living Allowance	+ Taxes	x 22 - 47%	=	Parents' Contribution from Income
Parents' Assets	- Asset Allowance		x 5.6%	=	Parents' Contribution from Assets




The Rich Family The Middleton Family



Expected Family Contribution

Based on the "Needs Analysis" Formula

EXAMPLE:	<u>Rich</u>	<u>Middleton</u>
Cost of Attendance	\$ 38,000	\$38,000
EFC	<u>-42,000</u>	<u>-12,000</u>
Financial Need	0	\$ 26,000




Action Step #3

Learn the Averages


% Need Met (Gap)

Gift Aid vs. Self-Help



Action Step #4

Minimize Your EFC to Lowest Legal and Ethical level




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Expected Family Contribution

Based on the "Needs Analysis" Formula

EXAMPLE:	Rich's	Middleton's
Cost of Attendance	\$ 38,000	\$38,000
EFC	<u>-42,000</u>	<u>-12,000</u>
Financial Need	0	\$ 26,000
Missed Opportunity	\$12,000/yr.	\$2,300/yr.




Percent of Need Met

100% of Need Met is Not 100% Gift Aid

The Federal Government and the College will Award You the Privilege of Borrowing 20%- 60%


If 100% of Need is not met, you will have to pay the difference.



Sources of Financial Aid

Federal	State	College
Pell Grant*	Opportunity Fund*	Endowment*
Stafford Subsidized Loan	"Stipend"	Tuition Discounts
Stafford Unsubsidized Loan		Tuition Waiver*
Plus (Parent) Loan		
Work/Study**		
SEOG Grant**	Western Undergraduate Exchange (WUE)	
Perkins Loan**		

*Gift Aid
**Federal Programs Administered by the Colleges



Western Undergraduate Exchange (WUE)


www.wiche.edu/wue

Students who are residents of WICHE states are eligible to request a reduced tuition rate of 150% of resident tuition at participating two- and four-year college programs outside of their home state.

The WUE reduced tuition rate is not automatically awarded to all eligible candidates. Many institutions limit the number of new WUE awards each academic year, so apply early!

WICHE members include: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming, and the Commonwealth of the Northern Mariana Islands.

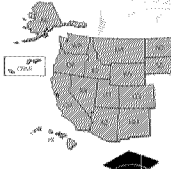

Great, However....



Western Undergraduate Exchange (WUE)


www.wiche.edu/wue

Not All Majors are Available at the WUE rate. Participating institutions have the option of excluding certain majors from the WUE rate. Typically they are programs that are in high-demand by in-state residents, such as nursing. In Arizona, Montana.


Merit Aid

and the Elite College ...Where do you Stand?



Federal Student and Parent Loans


Uncle Sam is now the sole lender



Pop Quiz

The total amount a student can borrow in the freshman year is:


- \$5,500 / year
- \$9,500 / year
- \$11,500 / year



Pop Quiz

The interest rate on a Parent (PLUS) Loan is:

- 6.31% / year
- 6.84% / year
- 7.9% / year
- unknown




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Parent (PLUS) and Stafford Loans



PLUS Loans
6.31% interest and a
4.276% origination fee
CAN NOW BE DEFERRED*

Stafford Loans
3.76% interest and
1.069% origination fee



Borrowing Increases Your Costs!

Einstein's Rule of 72





Federal Student and Parent Loans

2.2 million people ages 60 years and older hold student loans
10 percent of those loans are delinquent, and

the Social Security checks of 115,000 retirees are being garnished to pay defaulted loans.



Source: US Department of Education



How to Find and Win Scholarships





Scholarships
Stuck At Prom
Fast Web Scholarships

How to Win Scholarships


- Have a System
- Set Up Multiple Profiles and Keywords
- Recycle Essay Themes
- Don't Fall for A Scam

[How to Spot a Scholarship Scam...](#)




Opportunities

- IB/AP Students
- Students of Divorced Parents
- Business Owners
- Private Schools
- Athletes
- Award Appeal




Our Message


“The Only Family that Should Pay Full Price for College is the Family that so Chooses.”



Action Step #5




Investigate Tax and Cash Flow Strategies




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Education Tax Strategies



**Let the IRS Help
Pay Your
College Costs**




Every Family Can Save

Yes


No

Are you a Business Owner?




Every College has Two Prices

**One for the
Informed Parent,
another for the
Uninformed Parent.**



Action Steps Review

- 1. Calculate an Accurate
Cost Projection for All of Your Children**
- 2. Calculate Your EFC**
Call Solutions for Tuition at 720-529-0707
and
www.finaid.org/calculators/finaidestimate
- 3. Learn the Averages: Gift Aid vs Self Help**
<http://www.usnews.com/education/best-colleges/paying-for-college/articles/2014/09/15/colleges-and-universities-that-claim-to-meet-full-financial-need>
- 4. Minimize Your EFC to the Lowest
Legal and Ethical Level**
- 5. Investigate Tax and Cash Flow Strategies**
IRS Publication 970



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