

Paying for College



Kids Making Cents: Saving for College

<https://www.cnbc.com/video/3000627931>



How much savings do you have for college?

A LOT



A LITTLE



NONE/NOT MUCH



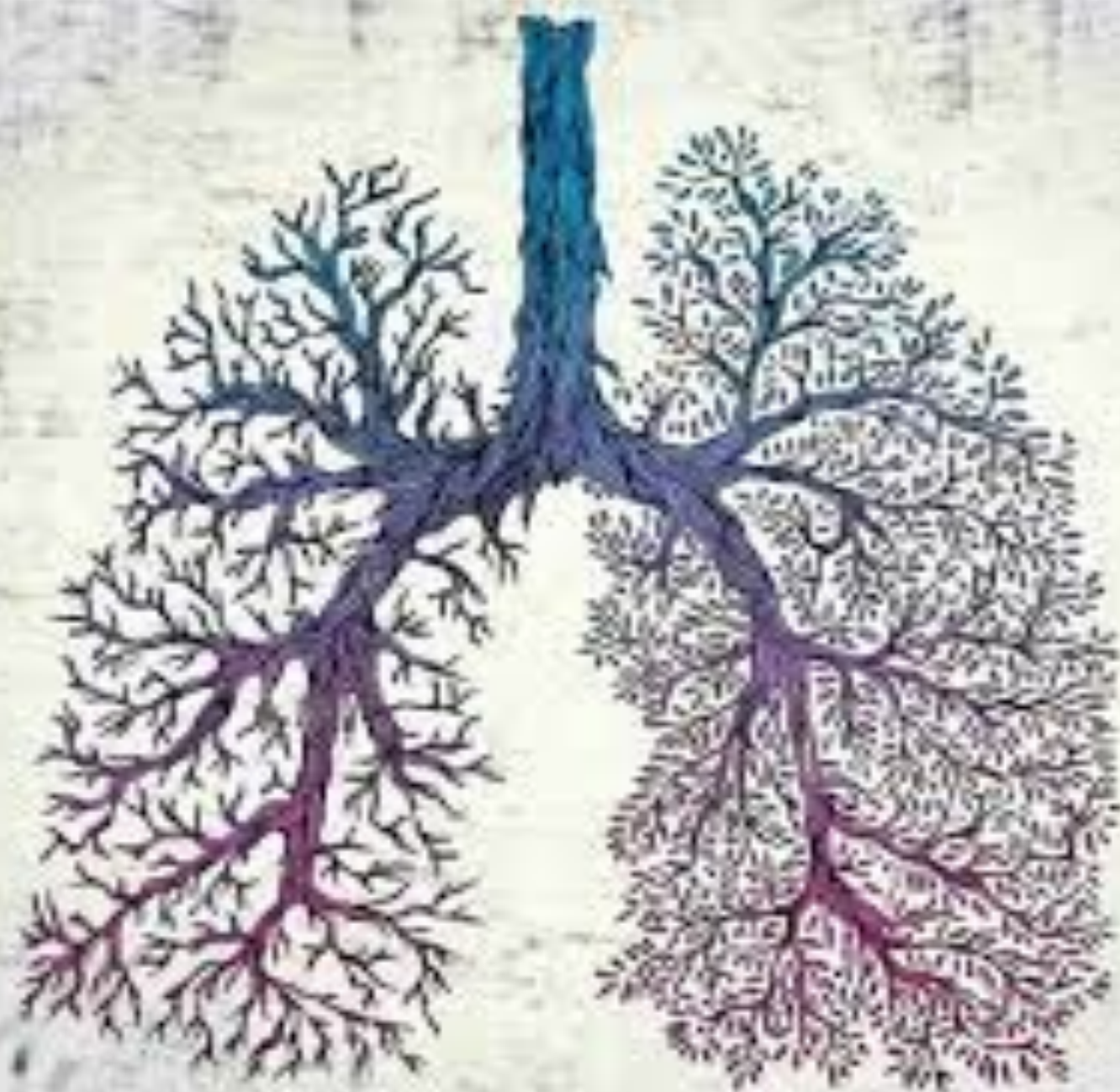
Students, drag the icon!



The Reality of College Costs in the 21st Century

- College costs are growing rapidly (about 8% per year)
- At private four-year schools, average tuition and fees rose 26% over the last decade.
- Tuition plus fees at four-year public schools, which were harder hit, jumped 35% over the same period.





If you take nothing else from tonight...

Have honest open discussions about
college funding in your family.



Have you had this type of conversation yet?



Students choose an option

41% percent of students earn their bachelor's degrees in 4 years.



Why does it take more than 4 years?

1. Working Overtime: Quit After 25 Hours
2. The 12-Credit Fallacy: Take 15
3. Transferring: You'll lose usually (or do so with care)
4. Major Problem: Don't Veer Off Course (or do so with care)
5. No Social Life: Join Something

From [THIS](#) New York Times article



LET'S BREAK IT
DOWN



3 2 1

1

How much is the most expensive
college in the United States?
(including room and board)



University of Chicago- \$81,531 per year.

BUT... always look for fine print. For example:

(UChicago guarantees free tuition for families with incomes under \$125,000 per year (with typical assets), while families earning less than \$60,000 (with typical assets) will have tuition, fees, and room and board covered by financial aid. Students who are the first in their families to attend college will receive a \$20,000 scholarship over four years and a guaranteed paid internship for their first summer.)

Most expensive colleges

Most affordable colleges



“We cover 100% of need”

Read the fine print!



Helpful info on this topic and list of colleges that cover need

How Colleges Look at Need

Need Blind Versus Need Aware



Category 1: Full Need, No Loans Schools

Category 2: Full Need With Loans Schools

Category 3: No Guaranteed Financial Aid Schools

[need blind colleges HERE](#)

How much does college really cost?



About how much more is it to
attend CU Boulder as an out
of state student?



Average Tuition

Average costs for one academic year:

- Community Colleges \$3400
out of state: around \$8210
- 4-year State Colleges \$10,400
CU = \$12,466 (\$29,372 w R/B)
- Public out of state \$22,700
CU = \$36,668 (\$55,190 w R/B)
- Private Colleges \$38,000
DU = \$53,640 (\$69,493 w R/B)

Ask about the 4 year tuition guarantee

Which of the
following
is not a
variable/indirect
cost?



Students choose an option



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Do not remove this bar

Costs you have some control of

- Books & Supplies: \$1240
CU= \$1200
- Room & Board: \$8,500 – \$15,000
CU= \$15,700
- Personal: Varies
 - transportation
 - social activities
 - health insurance
 - personal belongings (computer, etc)
 - and more



Goals of Financial Aid

- **Primary goal is to assist students in paying for college and is achieved by:**
 - Evaluating family's ability to pay educational costs
 - Distributing limited resources in an equitable manner
 - Providing balance of gift aid and self-help aid



What Is Cost of Attendance?

Full-Time Student Living On Campus

Direct Costs:	Tuition	\$53,640
	Fees	\$1,179
	Housing & Meals	\$14,674
	Subtotal	\$69,493
Indirect Costs:	Books	\$1,000
	Transportation*	\$1,536
	Personal Expenses	\$1,485
	Loan Fees**	\$76
	Cost of Attendance	\$73,590

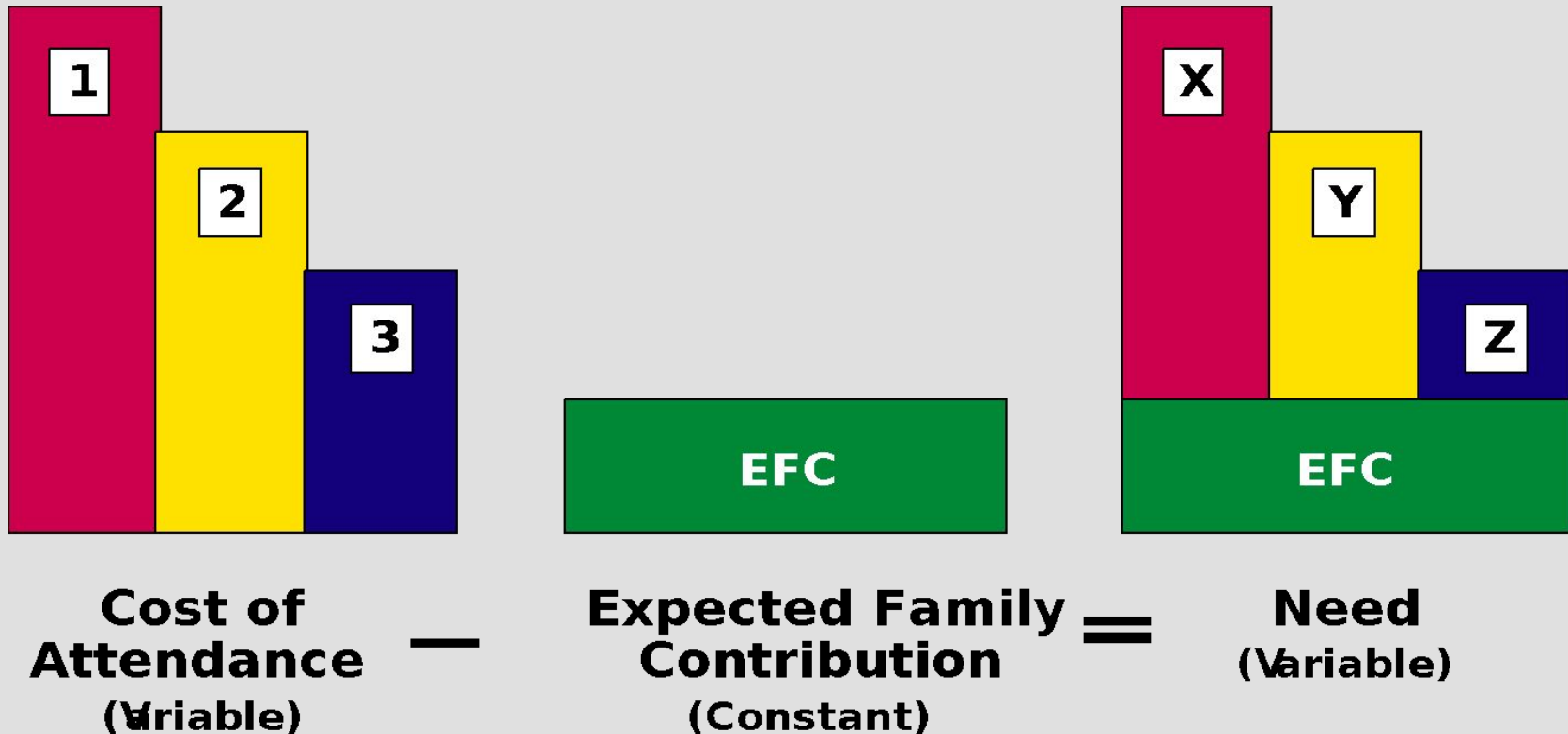
Definition of Need

Cost of attendance (COA)

– Expected Family Contribution
(EFC) (2023 Student Aid Index)

= Need

Need Varies Based on Cost



How is an EFC Determined?

Your EFC number is factored by taking into account:

- Family size, including the number of family members currently enrolled in college
- Parental income and assets
- Student income and assets
- Unemployment
- Social Security



More info on how EFC is calculated [HERE](#)

EFC EXAMPLE

Federal Aid Based on EFC

2016-2017 EFC Code	Pell Grant	Subsidized Loan	Unsubsidized Loan
EFC 00000	\$5,815	\$3,500	\$2,000
EFC 01401	\$4,365	\$3,500	\$2,000
EFC 02426	\$3,365	\$3,500	\$2,000
EFC 03401	\$2,365	\$3,500	\$2,000
EFC 04105	\$1,665	\$3,500	\$2,000
EFC 05235*	\$0	\$3,500	\$2,000
EFC 08326	\$0	\$3,500	\$2,000
EFC 10000	\$0	\$3,500	\$2,000
EFC 15000	\$0	\$3,500	\$2,000
EFC 20000	\$0	\$0	\$5,500

Ways to Lower Your EFC

- Paying off debt
- Not placing savings accounts in the student's name
- Reducing assets by purchasing big ticket items before the FAFSA is filled out
- Having grandparents, instead of parents, establish 529 college savings plans
- Enrolling more family members, such as parents, in college.



From this informative article on [What is a Good EFC?](#)

A Few More Tips and Tricks to Maximize Aid

- Spend down children's assets for college expenses ahead of parental assets.
- Roll custodial accounts like UTMA/UTGA accounts into 529s.
- Maximize saving in retirement accounts like 401ks and IRAs.
- Consider Roth IRAs for summer jobs.
- For parents going through a divorce, structure the divorce settlement with student aid in mind.
- Coordinate grandparent college contributions.
- File the FAFSA early

When you think about paying for college, how do you feel?



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DRAG YOUR DOT



Students, drag the icon!



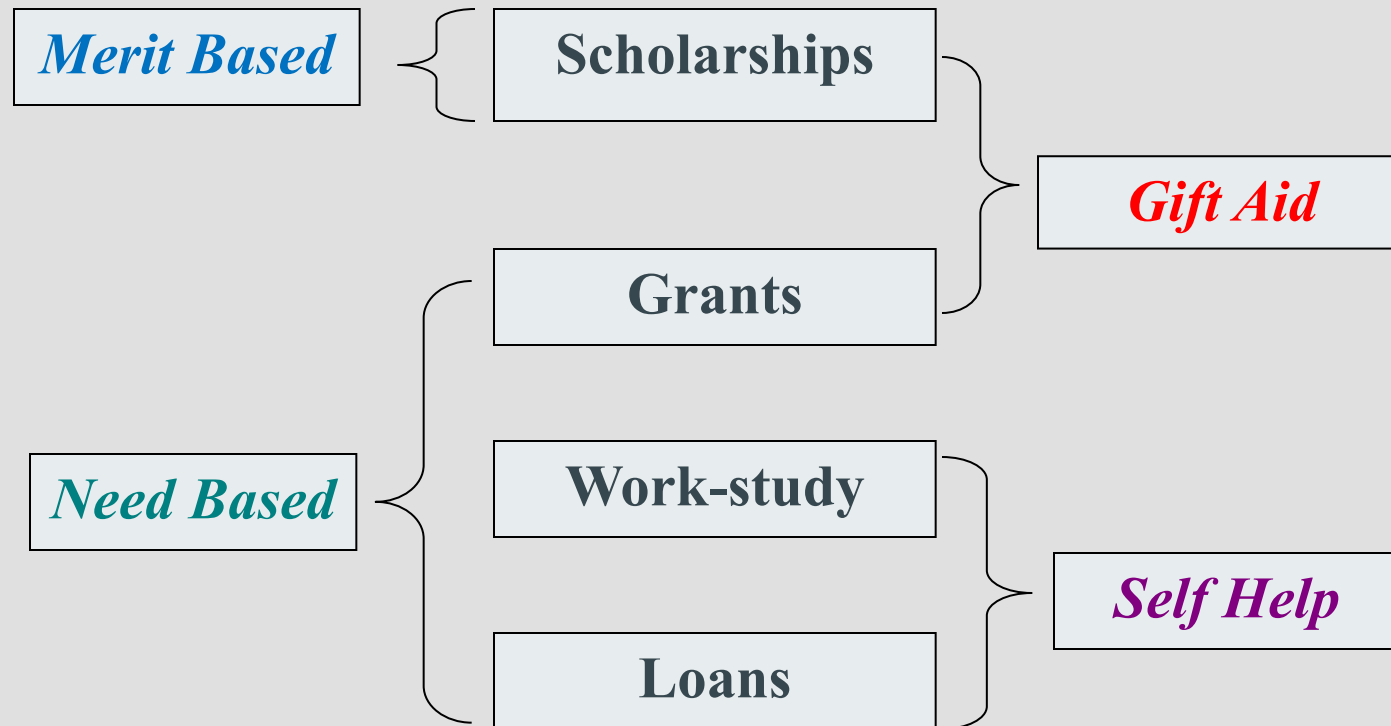
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What is Financial Aid?

- Scholarships
- Grants
- Loans
- Student Employment



Types of Aid

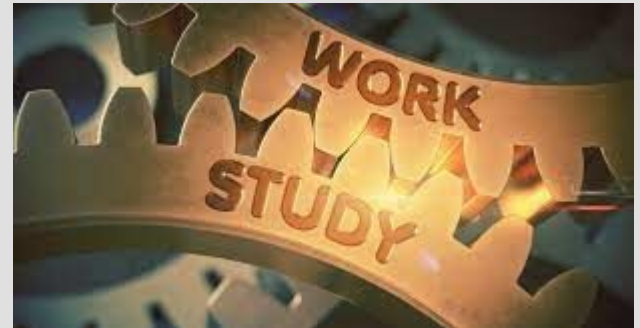




- Need-based
- Federal, State and Institutional
- Don't repay - must maintain Satisfactory Academic Progress (SAP) (usually a 2.0 GPA)
- Pell Grant = up to \$\$6,345
 - family usually makes less than \$50,000 per year
- FAFSA required

Work Study (Through FAFSA)

- Part-time hours
- Campus & Community offices/agencies
- Minimum wage & higher
- Based on financial need
- Up to 20 hours per week
- Earnings usually paid directly to students



What might be a challenge that comes with the work study pay check being given directly to the student?



Students, write your response!



Let's
talk
FAFSA

What does the “F”
stand for?



FREE Application for Federal Student Aid

Required to determine eligibility for many Federal, State and institutional aid programs which can include scholarships, grants, work study and student loans.

**Every family should fill out
the FAFSA regardless of income**



Over 2 Billion Dollars in Free College Money Goes Unclaimed Each Year

This means that of the federal government's annual budget of \$32 billion for student grants, \$30 billion is claimed.

Many high school graduates who didn't complete a federal financial aid application missed their opportunity for free money for college.

More stats and info [HERE](#)

FAFSA on the Web

- Web site: www.fafsa.ed.gov
- 2022-23 FAFSA on the Web available on or after October 1, 2021
- Estimate your federal aid [HERE](#)





Complete the FAFSA[®] Form

Use the *Free Application for Federal Student Aid* (FAFSA[®]) form to apply for financial aid for college or graduate school.

New to the FAFSA[®] Process?

Completing the FAFSA form is free. Fill it out now.

[Start Here](#)

Returning User?

[Correct info](#) | [Add a school](#)

[View your *Student Aid Report* \(SAR\)](#)

[Log In](#)



Information Needed

- Federal tax information from 2020 taxes
- W-2 Forms
- Driver's License
- Social Security Numbers or Alien registration # if not a US Citizen. If you don't have either of these, talk to Diane
- Savings and checking account information

For BOTH the parents and the student



STEP 1: FSA ID

Get a FSA ID <https://fsaid.ed.gov>

- Allows you to sign FAFSA electronically
- Student & one parent need their own
- Lifelong & used for all federal financial aid sites



Application Process

STEP 2

Get free information and help from the financial aid office

<https://studentaid.gov/help-center/contact>

Free help is available any time during the application process. You should never have to pay for help.

STEP 3

Collect the documents needed to apply, including income tax returns and W-2 forms (and other records of income). A full list of what you need is at www.fafsa.gov.

STEP 4

FAFSA opens October 1. Apply online as soon as you can at www.fafsa.gov

Application Process...cont'd

STEP 5

Be sure you add the colleges you are applying to to your FAFSA application

Can add 10 colleges. What if you have more???

STEP 6

Within a few days, the U.S. Department of Education will send you your Student Aid Report (SAR). There are five key pieces of information in your SAR that you should pay the most attention to: Expected Family Contribution, verification, Data Release Number, loan summary, and FAFSA changes.

Application Process...cont'd

STEP 7

The college will send you an award letter that lists how much aid you can get at that school. Contact the school's financial aid office if you have any questions about the aid being offered.

STEP 8

Review award letters from schools to compare amounts and types of aid being offered. Decide which school to attend based on a combination of (a) how well the school suits your needs and (b) its affordability after all aid is taken into account. **You must decide what school you will attend by May 1st.**

IRS Data Retrieval tool

- Transfer tax data directly into FAFSA from IRS website
- Available approximately 3 weeks after filing return
- Can use retrieval tool to update if taxes are completed after FAFSA
- Cannot use retrieval tool if:
 - Married Filing Separately
 - Married and filing Head of Household
 - Filing a foreign tax return
 - Filing an Amended Tax Return

Important Questions

**Who is my parent when I
fill out my FAFSA?**



[MORE INFO HERE](#)

**Am I dependent or
independent?**



[MORE INFO HERE](#)

Special Circumstances

Doesn't look right?

- Contact Financial Aid Office at the college ASAP!!!
- Provide documentation

Examples (based on school's discretion):

- Recent Unemployment
- Medical expenses not covered by insurance
- Unusually high child care costs
- Private tuition from elementary/secondary schools
- Parent enrolled in degree/certificate program
- Costs incurred as result of a student's disability
- Death or serious injury of wage-earner

Who's assets and income are
weighted more heavily on FAFSA?

CHILD

PARENT



Students, drag the icon!



5. What are the most important factors in calculating the EFC?

Summary

■ Assets & Income

Owner	Assets ²	Income ³
Student	20%	50%
Parents	Up to 5.6%	22% - 47%

Source of data: savingforcollege.com

■ Additional considerations

- How many children in the family?
- How many children in college?

² Total current balance of cash, savings and checking accounts; net worth of investments, including real estate, excluding the home in which parents and student live; net worth of parent and student current businesses and/or investment firms, excluding family firms or businesses with 100 or fewer full-time or full-time equivalent employees. Net worth means current value minus debt. Source: FAFSA 7/1/13 - 6/30/14.

³ Income includes the adjusted gross income from the parent's and student's Forms 1040 along with certain other items representing untaxed income and benefits, e.g., untaxed portions of IRA distributions and veterans non-education benefits, such as disability. Source: FAFSA 7/1/13 - 6/30/14.

Investments do include...

- 529s & education savings accounts
- Stocks, bonds, mutual funds, CDs
- UGMA/UTMA accounts (if owner)
- Trust funds
- Real estate (net worth)



Investments do not include...

- Value of life insurance
- Retirement plans
- 401[k] plans, pension funds, annuities, Keogh, etc.
- Home you live in
- UGMA/UTMA accounts (if custodian)
- Small business value
- 100 employees or less, family owned & controlled
- Family farm value

Great Articles

The 7 Trickiest FAFSA Questions & How to Approach Them

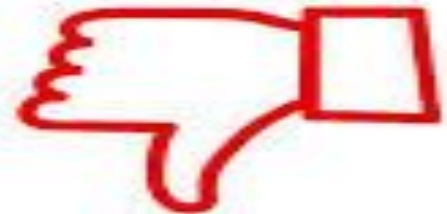


CHANGES TO FAFSA IN 2023

- We hope you get lots of grants and scholarships... and even work study!
- But if not, loans are your next option.



How Comfortable Are You Taking Out Student Loans?



Students, drag the icon!



FACTS ABOUT LOANS

- The average federal loan amount is \$8,285.
- The average total loan amount for bachelor's degree seekers at public institutions is \$30,030.
- The outstanding Federal Loan Portfolio is over \$1.56 trillion.

More info [HERE](#)



Why Get a Federal Loan?

- You don't have to start paying back your federal student loans until you graduate or stop attending school at least half-time.
- If you get a private loan, you'll probably have to start making payments right away.
- The interest rate on a federal student loan is almost always lower than that on a private loan—and much lower than that on a credit card!
- Students with greater financial need might qualify to have the government pay their interest while they are in school.
- You don't need a good credit record to get a federal student loan
- You don't need a cosigner to get a federal student loan.
- Federal student loans offer a variety of repayment plans, including one that bases monthly payments on the borrower's income.
- Some borrowers are able to have at least a portion of their loans forgiven if they work in certain jobs for which there is a high demand.

Federal student Loans

In student's name – no cosigner
No credit check/income verification
6 month grace period
1% upfront fee
Student Loans

Subsidized:

3.73% interest rate – \$3,500 1st yr.

Government pays interest while attending college

Unsubsidized:

3.73% interest rate – \$2,000 yr.

Government DOES NOT PAY INTEREST,
Interest accrues

Student Loans (THROUGH FAFSA)

- Money comes directly from Federal Government and is usually paid directly to college. Any extra goes to student.
- Must be repaid - average 10 year term
- Low fixed interest rates
- Grace period before repayment begins (student graduates, leaves school, or drops below part-time enrollment)
 - Stafford: 6 months
- FAFSA required

SOME TERMS TO KNOW

- Promissory Note- a signed document containing a written promise to pay a stated sum to a specified person or the bearer at a specified date or on demand.
- Forbearance (pay interest)
- Deferment (possibly no interest)

Helpful Info on Loans [HERE](#)

Parent Plus Loan

- For parents of undergraduate dependent students
- In parent's name
- Credit check approval
- Covers up to COA
- Repayment starts 6 weeks after disbursement
- Option to defer but interest accrues
- Interest rate –6.28%
- Go [HERE](#) to find out more and apply



Which type of loan do you want the most?



Students choose an option

Interest Calculators

<http://www.finaid.org/calculators/loanpayments.phtml>

<http://www.webmath.com/simpinterest.html>

<https://www.calculator.net/loan-calculator.html>

**And
many
many
more!**

Debt Management

- You are not obligated to accept all loans awarded
- Borrow only what you need
- Consider future earnings
- Loan Calculator: finaid.org
- Loan Entrance & Exit Interviews



- Used for many private schools and some scholarship organizations to award Non-Federal student aid funds
- Allows institutions to ask financial questions not on the FAFSA and to customize the questions. It is more detailed, so it may take more time to complete, but it can also result in additional financial aid.
- Opens Oct 1
- Only file if college/program requires
- Application fee of \$25 initial application and one report - \$16 each additional report
- Fee waivers calculated in application
- <https://cssprofile.collegeboard.org/>
- Article on CSS Profile [HERE](#)

DON'T MISS
THE DEADLINE!

**Usually around March 1st
(Priority Deadline)**

Where do you think the most money comes from?



Students choose an option

Federal grants: 47%



State grants and scholarships: 8%

Scholarships and grants from colleges: 35%

Private scholarships: 10%

[MORE INFO HERE](#)

Western Undergraduate Exchange

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming, and the U.S. Pacific Territories and Freely Associated States

- Reciprocal agreement to discount non-resident tuition
- Requirements vary by institution
- Must meet and maintain specific requirements
- Must meet specific deadlines
- Dependent upon school participation and program of study

<https://wuesavingsfinder.wiche.edu/>

College Opportunity Fund

- For all public Colorado universities
- For a few private Colorado universities
- \$94 off per credit hour
- <https://cof.college-assist.org/>



Comparing Financial Aid Packages



TOOL [HERE](#)

What will be included on the award letter?

The award will note some combination of the following:

- Cost of Attendance
- Grants funded by Federal, State and/or School
- Scholarships funded by Federal, State and/or School
- Loans funded by Federal and/or School
- Work-study funded by Federal and/or School
- EFC – Estimated Family Contribution
- Need
- Not Eligible (if applicable)

Making an appeal

Why should you consider writing a financial aid letter request?

Because...

- you can write a financial aid appeal letter in like an hour
- it may be the fastest \$2,000 (or \$8,000) you ever make
- if you don't ask, you'll never know.

When should I make a financial aid appeal letter request?

- As soon as you can. Because when the money's gone, it's gone.

More info [HERE](#)



Questions to Ask



Questions to ask for your awarded grants and scholarships

- What do I have to do to keep my scholarship?
- Is there a minimum grade point average (GPA) or other condition?
- Can I expect to receive the same assistance each year I'm in college?
- What happens to my award if I win an outside scholarship?
- Can the aid be increased if my family has financial problems?

Questions to ask for loans

- Are there any fees (origination fees) that will reduce the amount I actually receive?
- Is the interest while I'm in school paid by government or deferred and added to the loan amount?
- When do I start repayment?
- How much will I owe by the time I graduate?
- How much is my monthly bill going to be when I graduate?
- Will my loan increase after my first year and if so, by how much?
- Are there any favorable repayment programs, such as deferment for graduate school, forgiveness for particular professions, or income contingent repayment?

Questions to ask about a work study job

- Do I have a guaranteed job or do I have to find one?
- How are jobs assigned?
- How many hours per week will I be expected to work?
- What is the hourly wage?
- How often will I be paid?
- Do I get paid directly, or can my student account be credited?



Scholarships



College

Outside

College Scholarship Tips

- Check college websites
- Talk with financial aid office
- Check if eligibility is connected to your college application
- More scholarships come from colleges than outside
- Pay attention to deadlines



Where can scholarships come from?



Students, write your response!

Outside Scholarships

- Individuals
- Communities
- Religious organizations
- Businesses
- Non-profits
- Ethnic and historical organizations
- Family



Scholarships for Everything

Duck tape Prom Dress

ADHD

1st generation student

Duck calling

Speaking Klingon

Having allergies

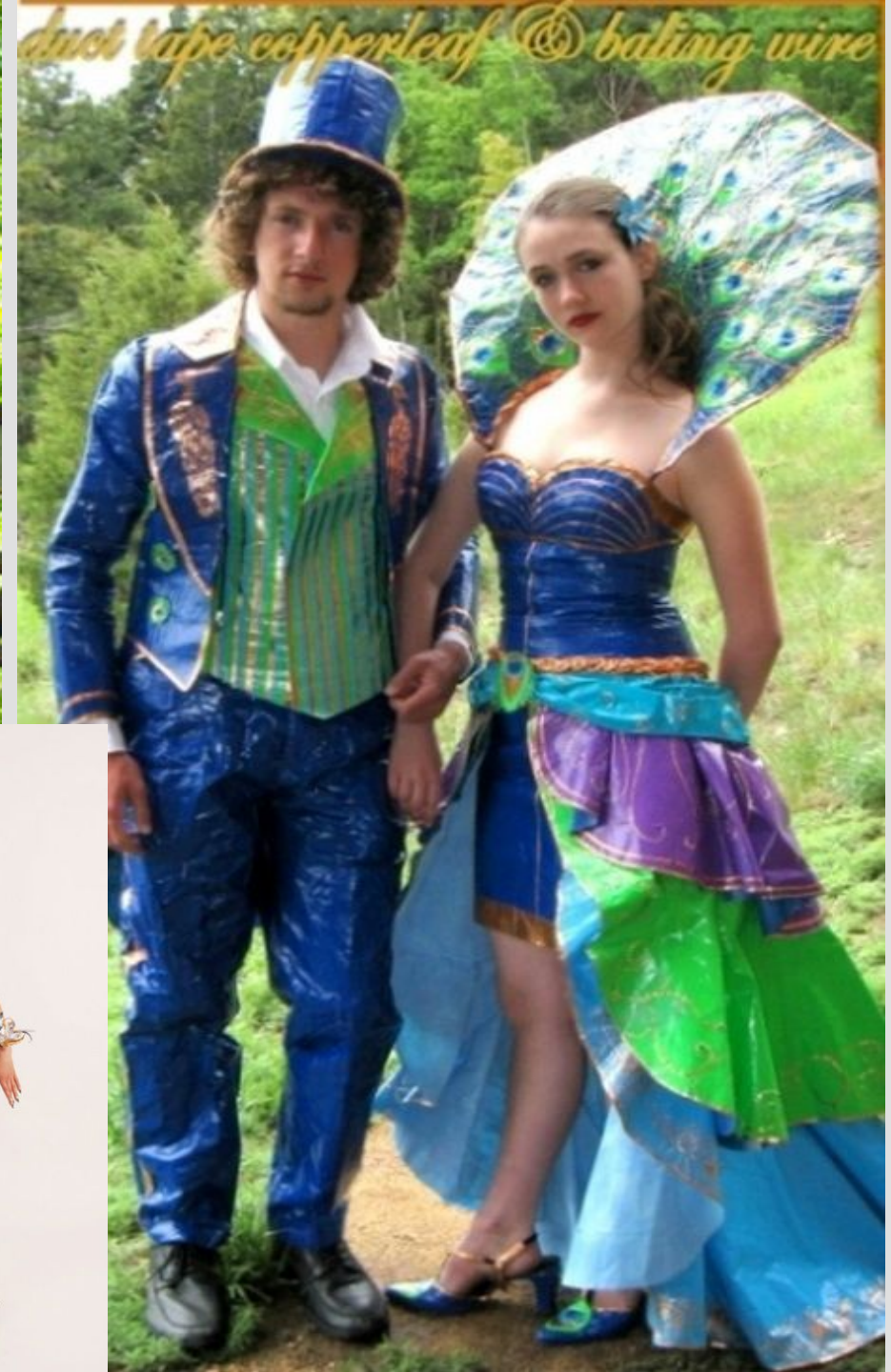
Survivor of sexual assault

Being tall ((at least 5'10" for women and at least 6'2" for men)

Skateboarding

Create a greeting card





Search Engines (Click on links below)

Naviance

Fairview High School

Sallie Mae

Scholly

CU Boulder List: Click on the drop bar for opportunities, then click on the "External" menu item.

Scholarships.com

Collegeboard

Scholarships.com

Niche

Going Merry

MORE HERE

Scholarship Searching Tips

- Create a new email address
- Choose 1 scholarship website to sign up on
- Check college financial aid websites!!
- Create a portfolio
- Small=BIG
- Use google creatively
- Keep a spreadsheet
- Share a spreadsheet with loved ones
- REUSE
- Get good at bragging
- Create a plan/schedule
- Watch out for scams



Get Creative

- Two years then transfer to 4 year
- Explore In-State Schools
- Explore affordable Out of State Schools
- Cooperative Education and Work Colleges: Alice Lloyd College, Berea College, Blackburn College, College of the Ozarks, Ecclesia College, Sterling College, Warren Wilson College www.workcolleges.org
- Explore combination bachelor's/master's programs
- Military
- Work for an employer with an education assistance program
- Apprenticeships
- [Americorps](#)
- Gap year/defer to earn money
- GRADUATE COLLEGE IN 4 YEARS!

Apply to CO Colleges October 19 -21 2021

Application fees are waived!

More info [HERE](#)



NOTE: Only application needs to be submitted, not letters of rec or transcripts.

2 important things I want you to remember

- Find “safety” / “you’re in” schools in terms of affordability
- Make sure you will be happy at these schools



Upcoming Fairs and Events

In-State College Fair: October 14, 2021, 6:00 – 7:00 PM at Broomfield High School

The National Catholic College Admission Virtual Fair: [HERE](#)

Colleges That Change Lives Recorded Event [HERE](#)

Colorado's 2021 Virtual College Fair

(hosted by StriveScan)



in partnership with the Northern Colorado College Fair
and Southern Colorado College Fair present:



Tuesday, Sept. 28th

Virtual College Panels on Financial Aid,
Essay Writing, Scholarships and More!
5:00 pm - 7:45 pm



Wednesday, Sept. 29th

Virtual College Fair
5:00 pm - 7:45 pm



Thursday, Sept. 30th

Virtual College Fair
5:00 pm - 7:45 pm

- Sessions are free for ALL Colorado students, but registration is required!
- These virtual presentations give you the opportunity to hear directly from college admissions officers from over 200 colleges!
- Student registration begins September 14th at:



CollegeFairsDenver.org

REGISTER HERE



IN-STATE COLLEGE FAIR

Thursday, October 14 | 6 - 7 pm
Broomfield High School | Eagle Gym

Register NOW from your mobile device:
<https://coloradocouncil.swoogo.com/registration>

Sponsored by:
COLORADO COUNCIL on High School/College Relations



<https://coloradocouncil.swoogo.com/registration/begin>

Attend Virtual College Visits at New Vista

- College Visits Week: Oct. 4th - 8th
- Some others outside of that time
- Register on Naviance
- If you have the college in your list on Naviance you will automatically be registered
- There will be a calendar on Naviance soon(ish)
- All grades welcome
- Let Diane know if there's a college you'd like to come



If you could do one of the
following to de-stress right now,
what would you do?





**KEEP
CALM
AND
FILE YOUR
FAFSA**



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