



Investing in a College Education

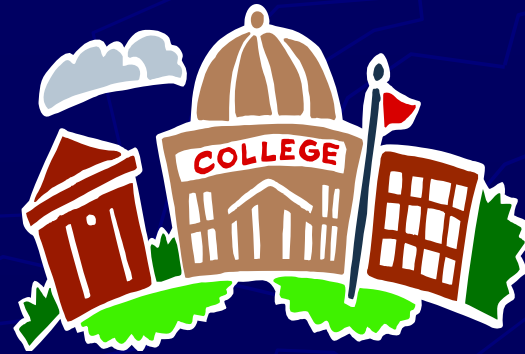
Jon Urish

Beloit College

Choosing a College

Best Fit

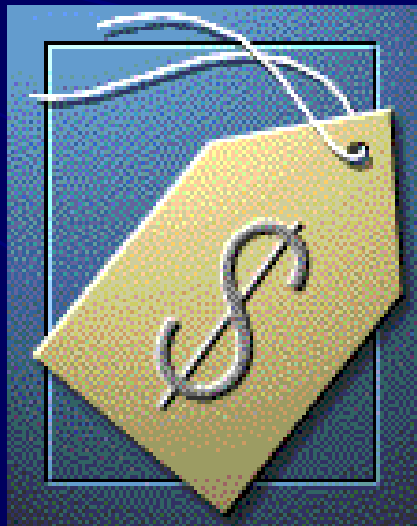
- ▶ Program
- ▶ Location
- ▶ Size
- ▶ Mix of Students
- ▶ Academics
- ▶ Extracurricular
- ▶ Facilities
- ▶ Financial Considerations



Current College Costs 2010-2011

- Average Tuition, Fees, Room, Board
 - 4 Year Public: \$16,000
 - 4 Year Private: \$33,000
- Average personal expenses [clothing, laundry, toiletries, recreation, entertainment] = \$2,000
- Books = \$700 - \$1,000 per year

Sticker Price
VS.
After Financial Aid/Scholarship Price

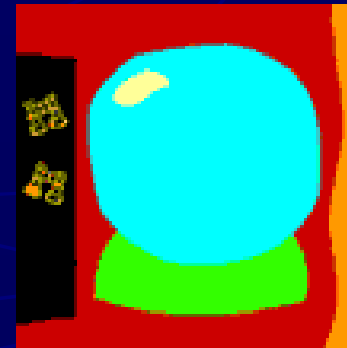


“A Partnership”

- ▶ To the extent they are able, **parents** have primary responsibility to pay for their dependent children’s education
- ▶ **Students** also have a responsibility to contribute to their educational costs
- ▶ Families should be evaluated in their **appropriate** financial condition
- ▶ A family’s ability to pay for educational costs must be evaluated in an **equitable and consistent manner**, recognizing that **special circumstances** can and do affect its ability to pay

What is Financial Aid?

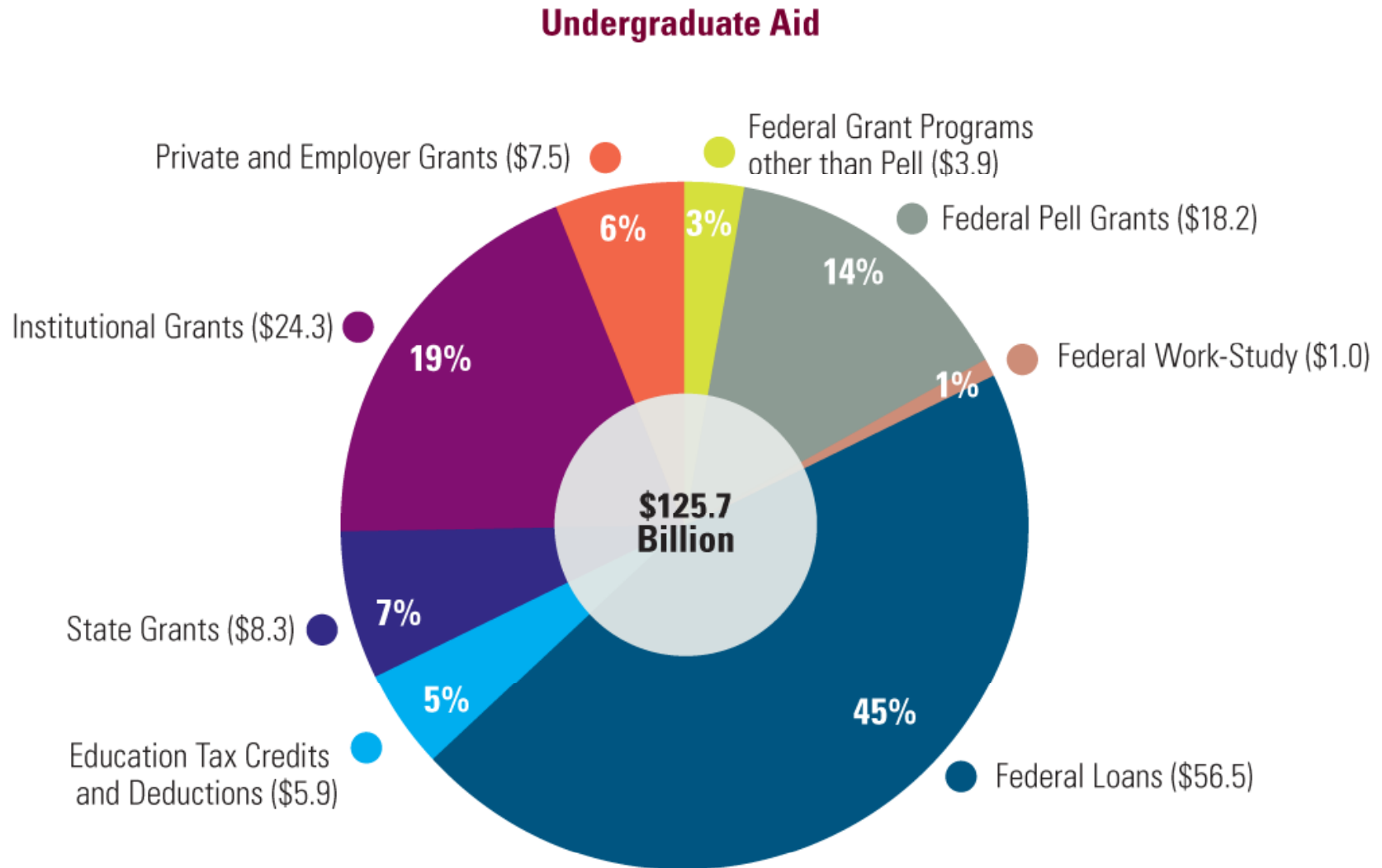
- ▶ **Scholarships**
- ▶ **Grants**
- ▶ **Student Loans**
- ▶ **Work-Study**



Financial aid is available from four major sources:

- **U.S. Department of Education**
- **States**
- **Colleges and Universities**
- **Private Organizations**

Undergraduate Aid by Source, 2009-10



Source: The College Board, *Trends in Student Aid 2009*

Two Categories of Aid

- ▶ **Merit-based**

- ▶ **Need-based**



Merit Scholarships

Based on a student's . . .

- ▶ Academics
- ▶ Talent
- ▶ Service/leadership
- ▶ Athletic ability

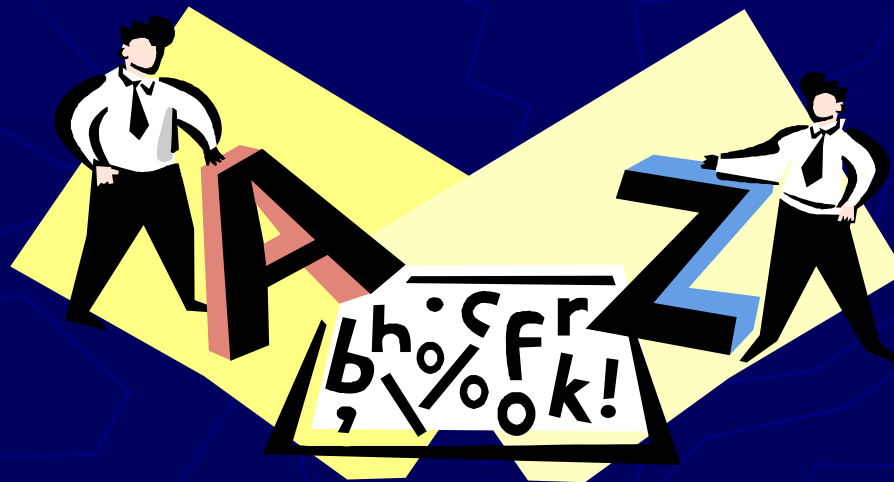


Need-based Aid

- ▶ Grants
- ▶ Student Loans
- ▶ Work-Study



*So . . . how does the
process begin?*



To apply for all federal and state aid, families must complete the...

***Need Money
For Your Education?***

Start Here ►

WWW.FAFSA.ED.GOV



The FAFSA collects basic financial data is used to determine the student's eligibility by calculating an "index" #

Supplemental Financial Aid Applications



- ▶ **The College Scholarship Service Financial Aid *PROFILE***
- ▶ **A College's own application for financial aid**

Overview of the FAFSA

▶ 2011-2012 available in January

▶ 7 Steps

▶ Submit it soon after January 1

▶ E-Signature



The screenshot shows the FAFSA website homepage. At the top, it says "FAFSA Free Application for Federal Student Aid". Below the header is a navigation bar with icons for home, help, login, and search. The main content area features a large banner with the text "Get help paying for college" and "Start Here" button, followed by "Fill out your FAFSA". Below the banner is an "Announcements" section with three items: "You can now complete the 2011-2012 FAFSA", "Updated information is available for the new TEACH Grants", and "Submit 2009-2010 Corrections on the Web form by midnight Central Daylight time, September 21, 2009". The "Multimedia" section includes a video player with a play button and a description: "I'm going to college! Are you? Listen to 22 real students who are helping the U.S. Department of Education get the word out about the aid available for education beyond high school. Share this PSA at financial aid or community outreach events for students, parents and caregivers. [Learn more.](#)". The "Deadlines" section lists "FAFSA Deadlines: 2011-2012 FAFSA Midnight (CDT), June 30, 2011" and "2010-2011 FAFSA Midnight (CDT), June 30, 2010". It also includes "State Deadlines" and "College Deadlines". The "Resources" section includes "School Code Search" and "FAFSA4caster" with a calculator icon.

FAFSA on the Web (FOTW)

- ✓ English or Spanish
- ✓ Skip logic and online editing
- ✓ Electronic signature
- ✓ Electronic notification
- ✓ Over 17 million (99%) FOTWs processed in 2010/11





FAFSA on the Web Submission Confirmation

Congratulations, Chris! Your FAFSA on the Web Application was successfully submitted to Federal Student Aid.

You can check your status, or make corrections or updates to a processed FAFSA at www.fafsa.gov.

Your 2010-2011 Confirmation and Student Aid Eligibility Information (Print, e-mail or write down the following information for your records)

Confirmation number: **F 033000804 1 10/08/2009 14:09:37** Data Release Number (DRN): 1704

Estimated [Expected Family Contribution \(EFC\)](#) = 4036

The EFC is an index that schools use to determine your eligibility and is not the amount of money that you have to pay.

Based on your EFC of 4036 you appear to be eligible to receive the following:

- A [Federal Pell Grant](#) of up to \$1300. Grants do not have to be repaid; they are free money to help with the cost of college.
- An [Academic Competitiveness Grant \(ACG\)](#) of up to \$750 for your first undergraduate year or up to \$1300 for your second undergraduate year.
- [Low-interest federal student loans](#). The amount of these loans depends on, among other things, your year in college, the cost of attendance at your school, and what other student aid you will be receiving.
- You may also be eligible to receive other federal, state, or institutional grants, scholarships, and/or work-study.

Does your parent need to complete a FAFSA for your brother or sister?

Click [here](#) and all the information your parents provided in this application will be transferred to a new FAFSA. Your parents will only have to provide their signature again.

What Happens Now?

If you need to make any corrections or updates you must wait until your FAFSA has been processed. Once your FAFSA is processed we will send you a notification by e-mail. You will then be able to access your Student Aid Report (SAR), which summarizes the information you submitted on your FAFSA.

Your school will also have access to your FAFSA record once it is processed. Your school's financial aid office will advise you of the specific types and amounts of student aid you are eligible to receive. Your financial aid package could also include other federal, state, or institutional grants and scholarships, and/or a work-study award. For more information on grants, loans or work-study, scholarships and other sources of aid go to www.FederalStudentAid.ed.gov/aidinfo.

Some e-mail providers will only deliver messages to your inbox if the sender's address is in your address book. So add our e-mail to your address book: FederalStudentAidFAFSA@cpsemail.ed.gov.

Graduation and Retention rates

School Name	Graduation Rate	Retention Rate	Transfer Rate
FLORIDA A & M UNIVERSITY	39%	82%	6%

Go to the Department of Education's Navigator website at www.nces.ed.gov/collegenavigator. The site has important information about colleges, including college costs, admissions policies, what financial aid is available, and their graduation and retention rates.

Want this confirmation page e-mailed? Click [E-mail](#).

The confirmation number will contain the student's randomly generated identification number.

New

Compare School Information

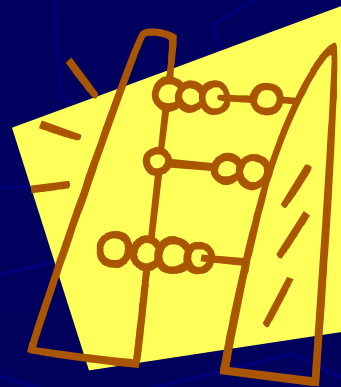
The following information is a subset of data that has been obtained from the College Navigator Web site, developed by the National Center for Education Statistics. Complete information for each college can be accessed by visiting <http://nces.ed.gov/collegenavigator/>.

School Name:	JACKSONVILLE STATE UNIVERSITY	ALASKA PACIFIC UNIVERSITY	UNIV OF ALASKA-ANCHORAGE	MASTER'S COLLEGE & SEMINARY (THE)	NATIONAL BROADCASTING SCHOOL
Address:	700 PELHAM RD NORTH FINCL AID	4101 UNIVERSITY DRIVE	3211 PROVIDENCE AVENUE	21726 PLACERITA CYN ROAD	2033 HOWE AVENUE SUITE 110
City:	JACKSONVILLE	ANCHORAGE	ANCHORAGE	SANTA CLARITA	SACRAMENTO
Federal School Code:	001020	001061	011462	001220	016364
Web site:	www.jsu.edu	www.alaskapacific.edu	www.uaa.alaska.edu	www.masters.edu	www.westwood.edu
School Type:	Public- 4-year or above	Private not-for-profit- 4-year or above	Public- 4-year or above	Private not-for-profit- 4-year or above	Private for-profit- 4-year or above
Tuition and Fees:					
In-State	\$ 4,992	\$ 24,410	\$ 4,910	\$ 24,670	\$ 13,958
Out-of-State	\$ 9,984	\$ 24,410	\$ 14,810	\$ 24,670	\$ 13,958
Graduation Rate:	33%	33%	22%	59%	60%
Retention Rate:	70%	79%	70%	78%	45%
Transfer Rate:	31%	NA	14%	NA	NA

- The information provided above is updated quarterly and may not reflect recent changes.
- NA indicates that information is not available from College Navigator.
- The amounts for tuition and fees apply to full-time first-time degree/certificate-seeking students.
- Graduation rate is the percentage of a school's first-time, first-year undergraduate students who complete their program

*The College determines
eligibility for financial aid by:*

$$\begin{aligned} & \text{Cost of Attendance} \\ & - \text{Expected Family Contribution} \\ & = \text{Financial Need} \end{aligned}$$



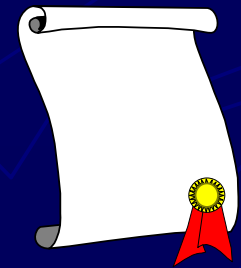
The Financial Aid Award Letter (or “package”)

Will contain a combination of:

- scholarship, grant, loan and work-study funds

Why might “packages” be different?

- cost of attendance
- scholarship criteria and availability
- institutional philosophy and funding
- federal or state funding levels



2011-2012 Financial Aid Award Letter, sample

November 2, 2010

Scott Lewis

Student ID: 555

Dear Scott,

On behalf of the Office of Financial Aid, *congratulations on your admission!* To help in your decision-making process, the College is pleased to offer you the following financial assistance:

Part 1. TYPES AND AMOUNTS

Source:	Fall	Spring	Total	
College Scholarship	6,000	6,000	12,000	} Gift Aid
State of Illinois MAP Grant (est)	2,400	2,400	4,800	
Federal Pell Grant	2,775	2,775	5,550	
Federal ACG	750	750	1,500	} Loans
Fed'l Direct Stafford Loan - subsidized	1,750	1,750	3,500	
Fed'l Direct Stafford Loan -unsubsidized	1,000	1,000	2,000	
Fed'l Direct PLUS Loan	2,000	2,000	4,000	} Work-study
Federal Work-Study	1,250	1,250	2,500	
Total Awards:	17,925	17,925	35,850	

Part 2. CALCULATIONS.

- The funds are based on your enrollment as a **full-time student**, with housing **On Campus**.
- The "direct costs" for the year which will appear on your bill will total approximately **\$45,000**.
- With this assistance, we estimate that your "family contribution" to cover these costs will be **\$9,150**.

Cost of attendance

The amount you will owe

Part 3. Other Important Notes.

The amount shown as your "family contribution" is what we believe you will pay toward regular direct costs (tuition, fees, and - if applicable - room and board) for one year. This figure *does not* include the cost of books (estimated at \$1,000 for the year), personal expenses, or the College's health insurance (estimated at \$940; this cost may be waived with proof of other insurance).

Illinois MAP Grant recipients must enroll in four course credits each semester to receive the amount offered.

Be sure to review the [Financial Aid Announcement Guide](#) for descriptions of this assistance, the costs you should be prepared to pay, scholarship requirements, payment options, and financial aid policies of the College. Please let us know if you have questions after reviewing the Guide. We will help in any way we can!

If you decide to use any loan offered to you, we will provide application instructions in the summer.

During the summer you will receive a Statement of Account (bill) from our Office of Business Affairs, which will outline these costs, your applicable financial aid, and the exact amount you will owe for the *fall semester*.

We look forward to welcoming you to campus this fall!

cc: Parent(s):
Admission Officer:

Deadlines



Where to Look for



- ✓ **At the individual ACM school**
- ✓ **A College's Financial Aid Office**
- ✓ **The Internet**
 - ✓ *www.collegezone.com*
 - ✓ *www.finaid.org*
 - ✓ *www.studentaid.ed.gov*
 - ✓ **College Web Sites**



Major Issues related to \$

- ✓ **Financial aid gapping?**
- ✓ **Aggregate loan burdens for graduates?**
- ✓ **Parental involvement/support?**
- ✓ **Fiscal health of the institution?**
- ✓ **Graduation rates?**
- ✓ **Job/grad school placement?**
- ✓ **Make sure students have options and are realistic!**

