

College Cost

UNDERSTANDING THE FINANCIAL AID PROCESS

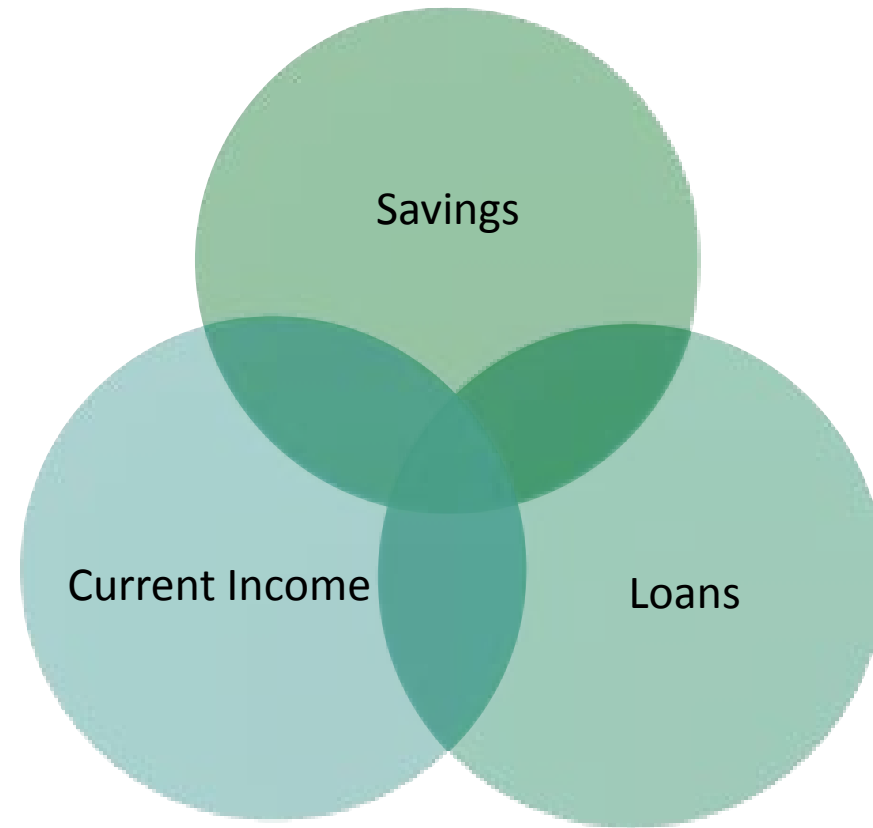
Agenda

- History and Philosophy of Federal Financial Aid Programs
- College Choice
- Forms, Formulas and Assessing Family Financial Strength
- Completing the FAFSA
- Types of Aid
- Comparing Aid Offers
- Resources

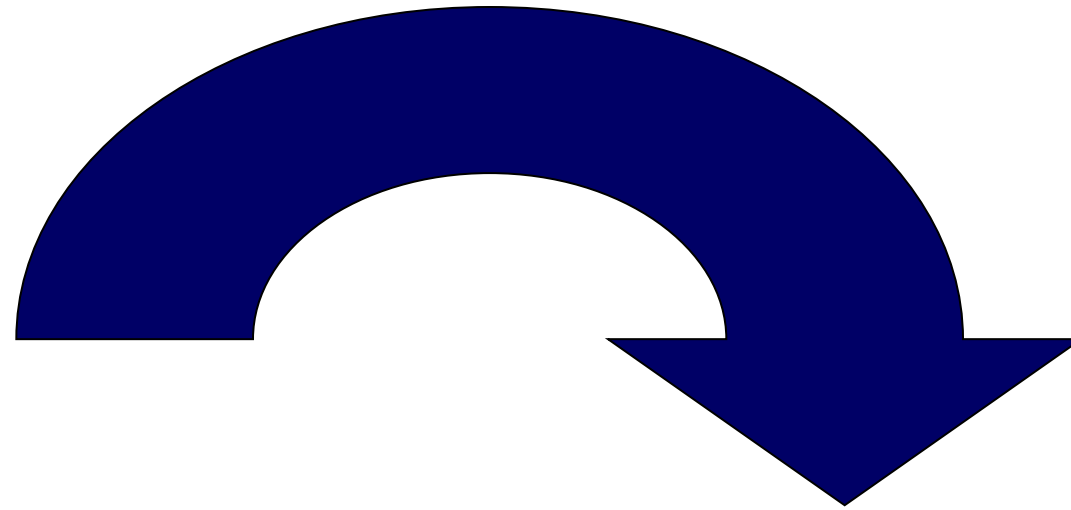
History and Philosophy

- Students and their family(ies) have the primary responsibility to pay for college.
- Sacrifice is assumed.
- Financial aid assessment is NOT a cash flow analysis but rather an evaluation of an individual family's economic strength.
- The contribution is determined by a standard formula that assesses a family's ability to pay.
- Willingness is not a factor.

History and Philosophy



***Financial aid
helps bridge the gap
between the cost of education and
what the family can pay.***



College Choice must be Rational

- College or University in everyone's price range
- Don't be distracted by brand names
- Fit
 - Academic, Social and Financial

Forms, Formulas and Assessing Financial Strength

Forms

- FAFSA
 - Free
 - Required at all Schools
 - Perceived difficulty
- CSS Profile
 - Fee and Fee Waivers
 - Utilized to award Institutional Aid at more selective private institutions
- Institutional Form

Formula

Process for assessing a family's ability to contribute toward post secondary education is called:

Needs Analysis

- Begins with completing the FAFSA
- Results in an EFC
 - Eligibility Index
 - Rationing tool
 - Family Share

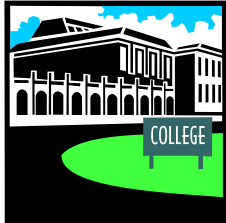
EFC

- Income
- Assets
- Family Size
- Age of the Older Parent
- Number of Dependent Children enrolled in College

Determining Financial Need

Direct Cost Charged typically by the College:

Tuition & Fees



+

Dorm Charges



+

Meals



Indirect Cost that *may not* be Charged by the College:

Books & Supplies



+

Personal Expenses



+

Transportation



Determining Financial Need



Examples of Financial Need

Public College

Cost \$ 24,061

EFC -\$10,000

Need \$ 14,061

Private College

Cost \$47,831

EFC -\$10,000

Need \$37,831

Source: The College Board

Average Estimated Budgets, 2015-16

Completing the FAFSA

To complete the FAFSA you will need to:

- Gather your and your parent's 2015 tax information
 - *Use the IRS Data Retrieval Tool*
- Apply for a FSA ID
 - *Email addresses associated with FSA ID accounts must be unique.*
- Parent(s) must have his/her own FSA ID.
- FSA ID serves as electronic signatures for the FAFSA and promissory notes

fsaid.ed.gov

Log in to STUDENTAID.GOV

Create An FSA ID

Edit My FSA ID

E-mail



Confirm E-mail



Username *



Password *



Numbers Uppercase Letters Lowercase Letters Special Characters 8-30 Characters Show Text

Confirm Password *



Are you 13 years of age or older? *

- I am 13 years of age or older.
 I am 12 years of age or younger.



CONTINUE >

Completing the FAFSA

- The FAFSA is student specific.
- Select the appropriate school year
- Complete all sections about you, your school plans and the financial information (use the IRS Data Retrieval Tool).
- List your school code(s). You may list up to 10 schools on the electronic FAFSA.
- Provide electronic signatures (FSA IDs)
- Submit your information
- Keep copies for your records

www.FAFSA.gov



Home



About Us



PIN Site



Student Aid
on the Web



Help

SEARCH

English | Español

Get help paying for college

Submit a Free Application for Federal Student Aid (FAFSA)



New to the FAFSA?

[Start A New FAFSA](#)

Returning User?

- Make a correction
- Add a school
- View your Student Aid Report (SAR), and more...

[Login](#)

Deadlines

Information about your deadlines.

School Code Search

Find your college's school code. Also find detailed information about your college.

FAFSA Filing Options

Learn about the other options for filing

Announcements

use the Tool, click **Login** to start a correction. Once in the FAFSA, navigate to the "Finances" section, where the option to use the tool displays for eligible students and parents.

Thinking About College?

Completing the FAFSA



**Use your 2015 income
and tax data**



**Submit your FAFSA as early as
Oct 1, 2016**



**For the 2017-18
academic year**

Completing the FAFSA

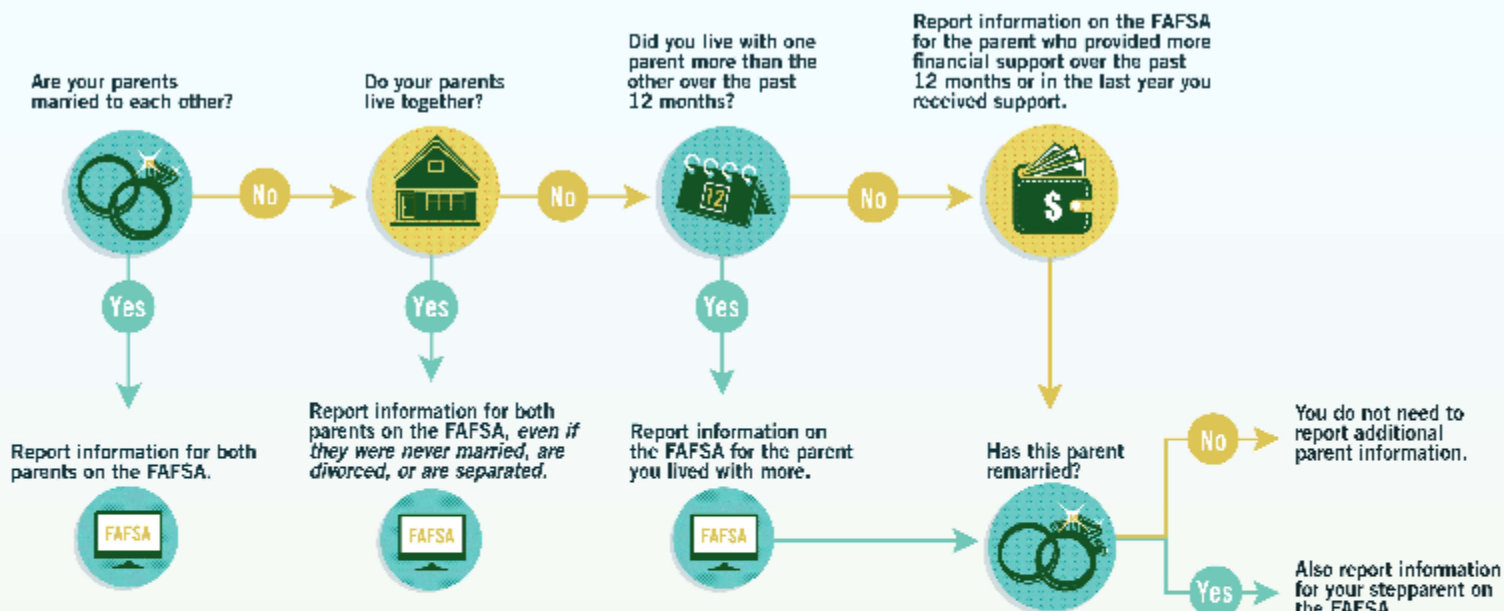
Points to Remember:

- The earliest you may file the FAFSA for the 2017-2018 school year
October 1, 2016.
- Check with the colleges where you plan to apply for deadlines and institutional requirements
- Link to the IRS data Retrieval Tool
- Your student must re-apply for aid every year.
- Dependency Status
- Who is considered a parent?

WHO'S MY PARENT WHEN I FILL OUT MY FAFSA®?

Dependent students are required to report parent information on the *Free Application for Federal Student Aid (FAFSA)*.¹ For reporting purposes, "PARENT" means your legal (biological or adoptive) parent or stepparent, or a person that the state has determined to be your legal parent.

Use this guide to figure out which parent's information to include (depending on your family situation).



The following people are not your parents unless they have legally adopted you:



Widowed Stepparent



Grandparents



Foster Parents



Legal Guardians



Older Brothers or Sisters



Aunts or Uncles

If you're not sure whom to report as a parent, you can visit StudentAid.ed.gov/afsa/filling-out/parent-info or call 800-4-FED-AID (800-433-3243).

¹ If you're not sure whether you are a dependent student, go to StudentAid.gov/afsa/filling-out/dependency

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THE AMERICAN VINTAGE

Completing the FAFSA

Here's what happens after you file:

- Your EFC is calculated
- Results are sent electronically to the college(s) you selected.
- You will receive a Student Aid Report (SAR).
- If you have extraordinary circumstances notify the Financial Aid Office.
- After you are admitted to a college, a financial aid award will be sent to you.
- You may be required to verify the information submitted on your FAFSA

Using the IRS Data Retrieval Tool will simplify the process

NEW Non-Tax Filers must provide W-2s and IRS Verification of non-filing

Types of Aid

- Gift Aid
 - Scholarships
 - Grants
- Self Help
 - Student Employment
 - Loans

Scholarships

Merit-based

Academic

Talent

Athletic

Service

ROTC

Private:

Fastweb <http://www.fastweb.com/>

My College Dollars <http://mycollegedollars.hyfnrsx1.com/>

BigFuture <https://bigfuture.collegeboard.org/scholarship-search>

Grants

Need-based

Federal Grants

Pell

SEOG

TEACH

State Grants

Wisconsin Grant

Institutional Grants



Employment

Two Types:

- Federal Work Study
- Regular Campus Employment
 - Can be used for personal expenses
 - Does not adversely affect grades

Student Loans

Federal Stafford

Subsidized

Unsubsidized

(anyone can borrow)

Freshmen - \$3500

Sophomores - \$4500

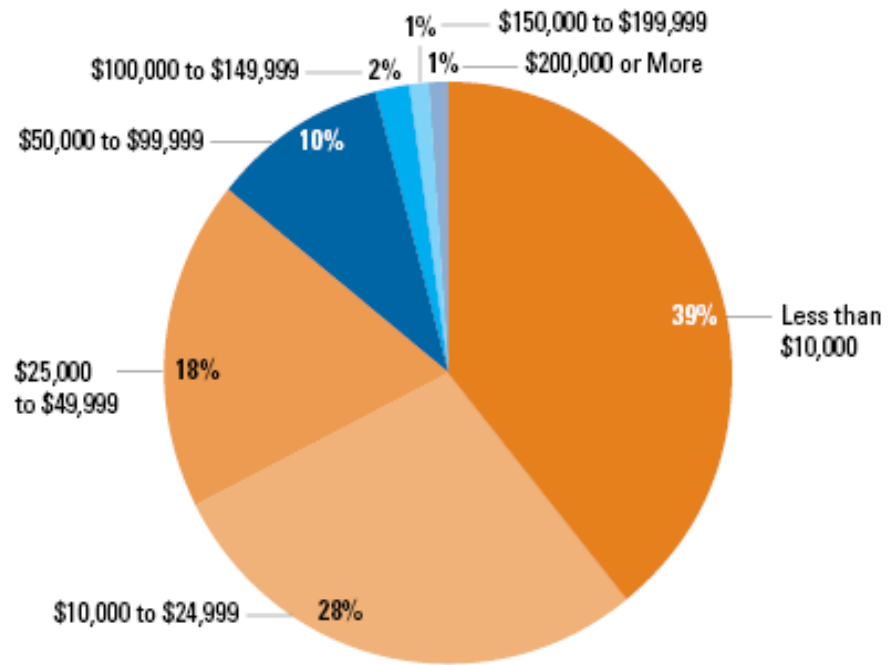
Juniors/Seniors - \$5500

Additional Unsub \$2000/year

6 month Grace Period

10 year Standard Repayment

Student Debt



SOURCE: Federal Reserve Bank of New York Consumer Credit Panel/Equifax.

Other Options

- Parent PLUS Loan
- Student Alternative Loans – Private Lenders
- Private Scholarships
 - Must be reported to the school
- Payment Plan
- Tax Credits
- 529 Plans

Comparing Financial Aid Offers

School Information	Public (In State)	Public (Out of State)	Private (FAFSA and CSS PROFILE meets need)	Private (FAFSA only – does not meet need)
Total Cost of Attendance	\$28,204	\$41,126	\$59,855	\$33,550
EFC (Family Share)				
FAFSA	\$4,496	\$4,496	\$4,496	\$4,496
CSS PROFILE	-	-	\$4,956	-
Grants and Scholarships				
Federal Pell Grant	\$1,365	\$1,365	\$1,365	\$1,365
Other Federal & State Grants	\$4,720	\$0	\$1,800	\$500
University Scholarships & Grants	\$2,478	\$5,500	\$49,200	\$10,000
Total Gift Aid	\$8,563	\$6,865	\$52,365	\$11,865
Net Price	\$19,641	\$34,261	\$7,490	\$21,685

Comparing Financial Aid Offers

Comparison, continued	Public (In State)	Public (Out of State)	Private (FAFSA and CSS PROFILE meets need)	Private (FAFSA only – does not meet need)
Net Price	\$19,641	\$34,261	\$7,490	\$21,685
Loan Options (Borrowed)				
Federal Direct Loan (subsidized)	\$3,500	\$3,500	\$3,034	\$3,500
Federal Direct Loan (unsubsidized)	\$2,000	\$2,000	\$2,466	\$2,000
Total Loans	\$5,500	\$5,500	\$5,500	\$5,500
Student's Out of Pocket Cost (Net Price less Total Loans)	\$14,141	\$28,761	\$1,990	\$16,185

Resources

➤ Net Price Calculators

- Early Financial Aid Estimation Tool
- On every College Website
- $\text{Cost} - \text{Grants \& Scholarships} = \text{Net Price}$

➤ Websites

General Information

- www.StudentAid.gov
- <http://www.consumerfinance.gov/paying-for-college>
- <https://bigfuture.collegeboard.org>

Resources

➤ Websites cont.

College Cost Comparison Tools

➤ <http://nces.ed.gov/collegenavigator/>

➤ <https://bigfuture.collegeboard.org/compare-colleges>

Award Letter Comparison Tools

➤ <https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator>

Resources

➤ Websites Cont.

Scholarship Search Engines

- www.Fastweb.com
- www.TheSalliemafund.org
- www.Bigfuture.collegeboard.org/college-search

➤ College Goal Wisconsin

- 35 sites around the state
- November 2,5,9 & 12, 2016
- January 18,21,25, & 28, 2017
- Free assistance with completing the paper or on-line FAFSA
- <http://www.collegegoalwi.org>

Additional Information

Marquette University
Office of Student Financial Aid
414.288.4000

marquettecentral@marquette.edu

Website: www.marquette.edu/mucentral