



Financing
A
College Education

Jerry Cebrzyn

Lake Forest College

College costs “planning”

How a College can help

What exactly is financial aid

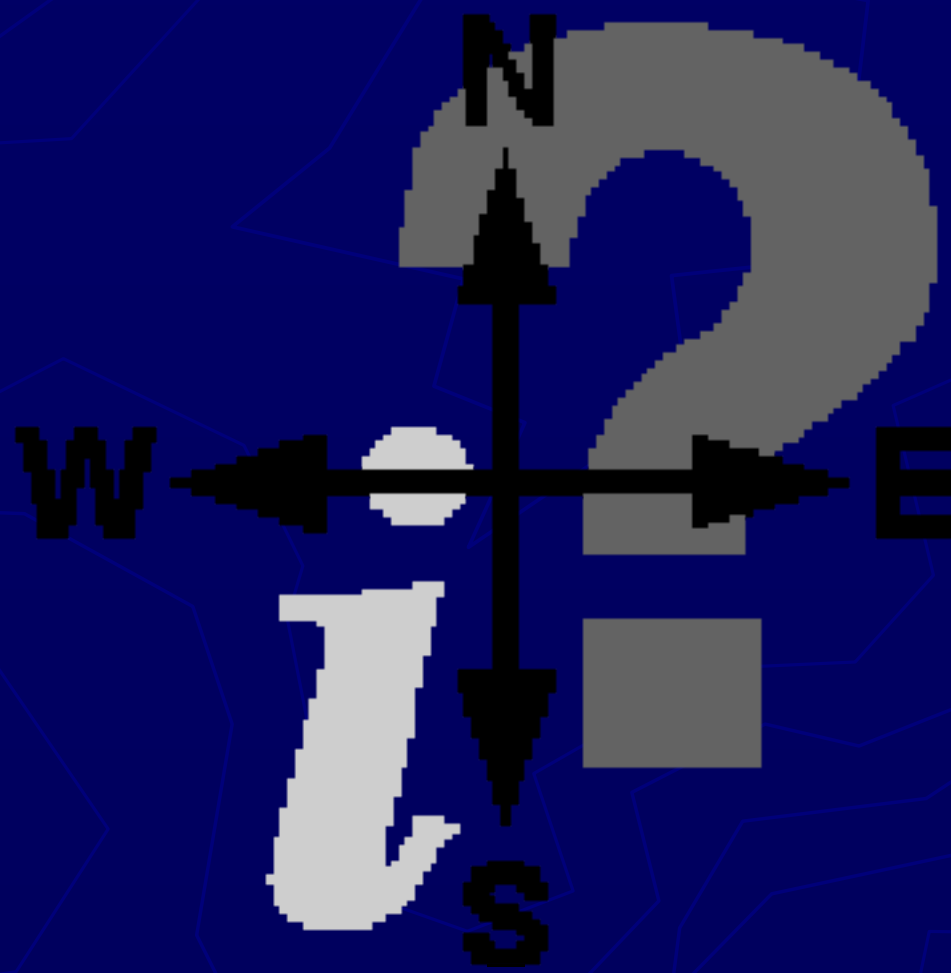
The financial aid “language”

Application process in a nutshell

How eligibility is determined

Other resources





Choosing a College

Best Fit

Program

Location

Size

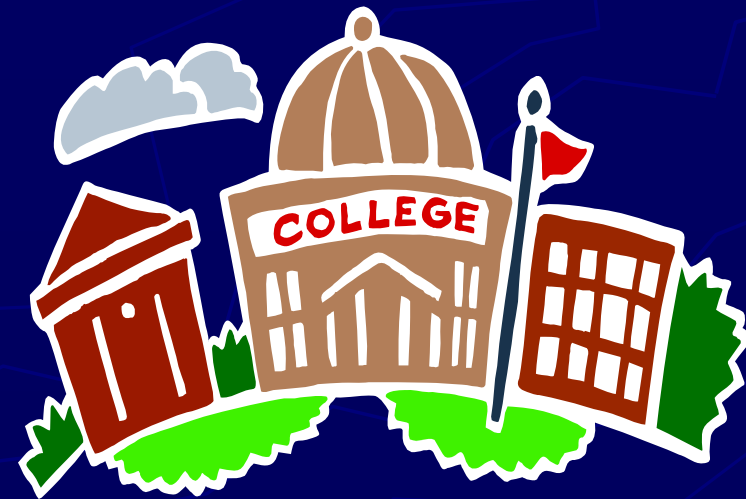
Mix of Students

Academics

Extracurricular

Facilities

Financial Considerations



Current College Costs 2009-2010

➤ Average Tuition, Fees, Room, Board

- 4 Year Public: \$15,000

- 4 Year Private: \$32,000

➤ Average personal expenses [clothing, laundry, toiletries, recreation, entertainment] = \$2,000

➤ Books = \$700 - \$1,000 per year

Sticker Price

VS.

After Financial Aid/Scholarship Price



Net Price Calculator Tool



Financial Planning

Estimate total costs for length of program

Develop a plan to fund and finance

- How will you pay?

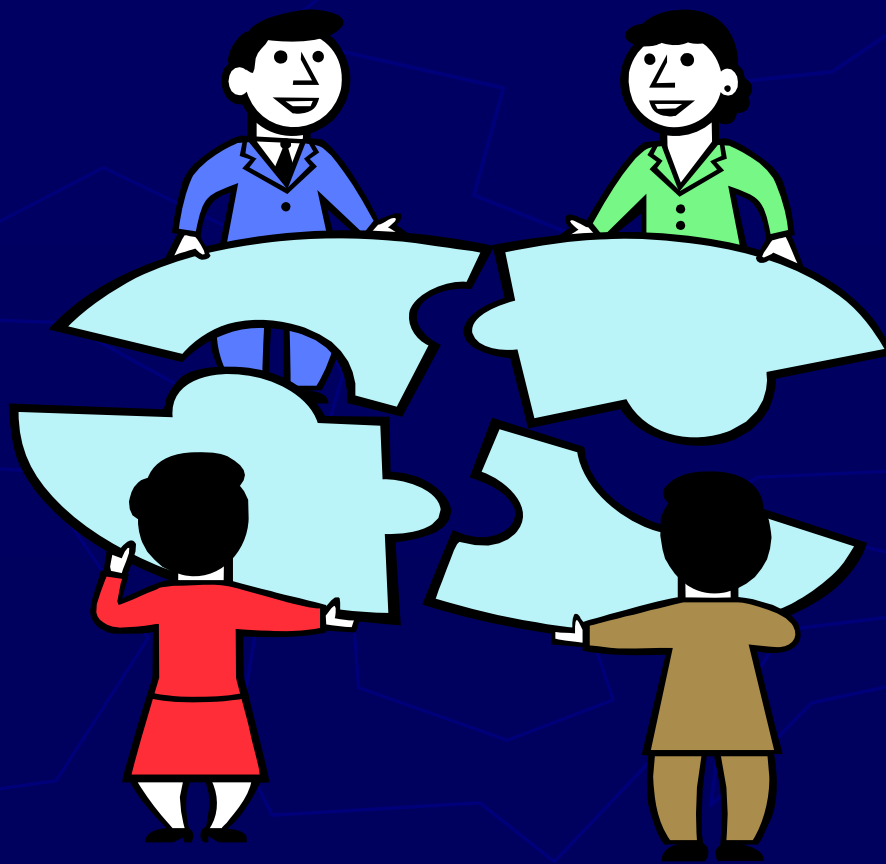
If you need to borrow understand your options

- Educational loans, personal loans, home equity loans
- Know the terms (read the fine print)

Apply to at least one "safe" school

- Academics and affordability

The Relationship Between Financial Admissions, and the HS Counselor



The Financial Aid Office

Is committed to removing financial barriers

Is an advocate for the student at all levels

Educates students and families through quality
consumer information

Provides services that do not discriminate

Maintains the highest level of professionalism

"A Partnership"

to the extent they are able, **parents** have primary responsibility to pay for their dependent children's education

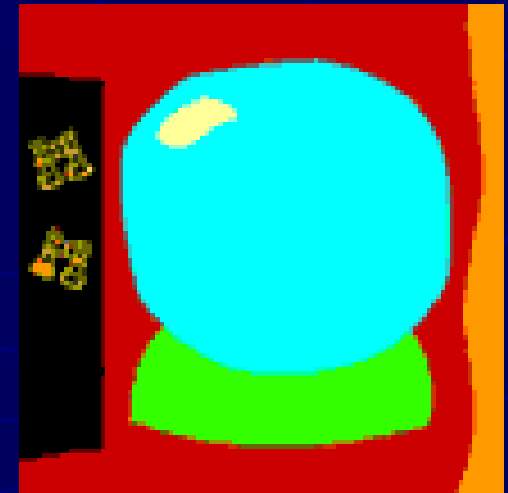
Parents also have a responsibility to contribute to their dependent children's educational costs

Families should be evaluated in their **appropriate** financial condition

A family's ability to pay for educational costs must be evaluated in a **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**

Private Scholarships

- ▶ 3 Million Recipients
- ▶ \$7 Billion Awarded
- ▶ \$2,500 Average Award
- ▶ 7% of undergraduates



Scholarship Search

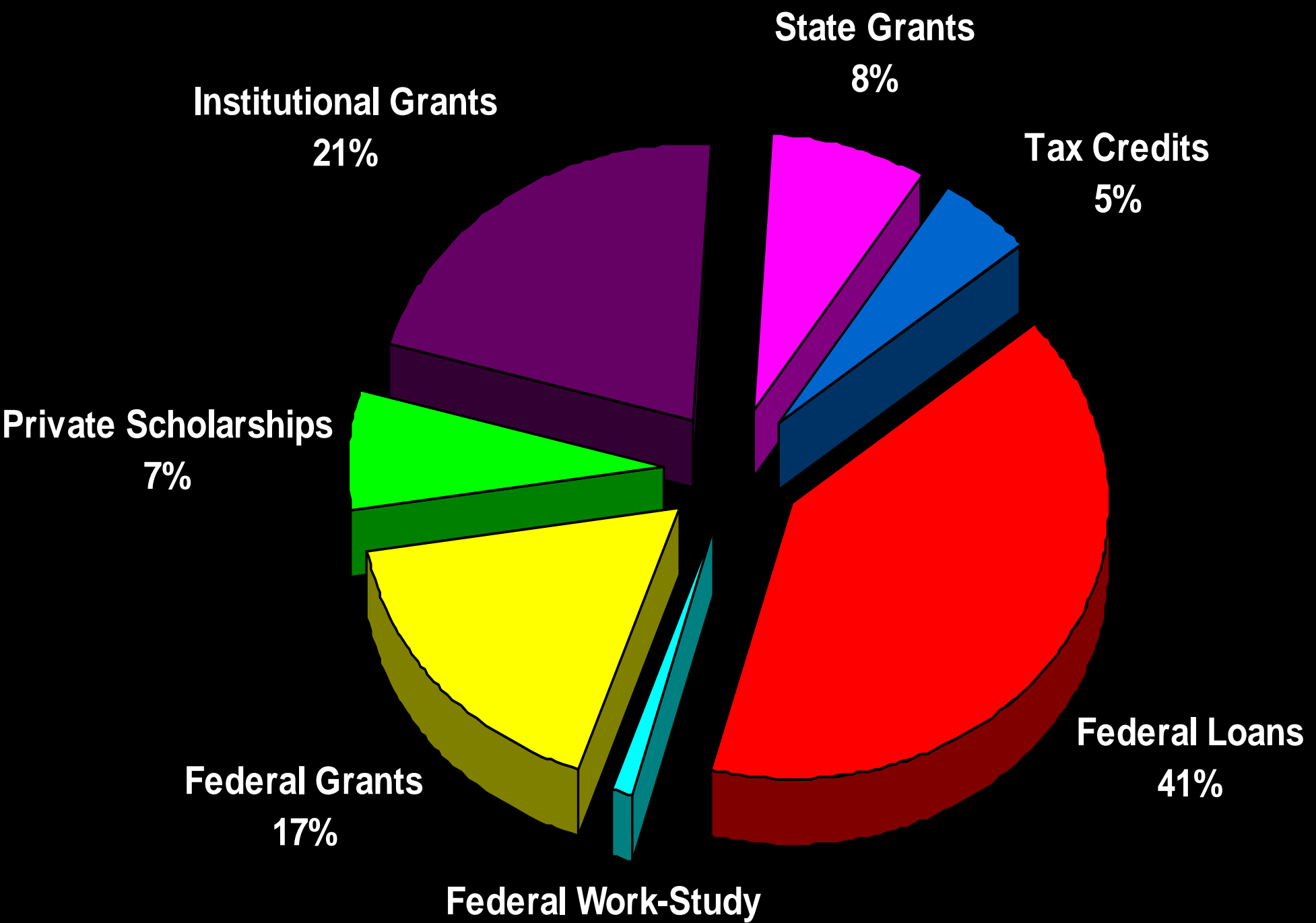
WWW.FINAID.ORG

- Fastweb.com, brokescholar.com

But beware of scholarship scams
(consultants, seminars)



Types of Undergraduate Aid, 2008-09



Two Categories of Aid

Merit-based

Need-based



Merit Scholarships

Based on a student's . . .

Academic ability,

Merit

Talent

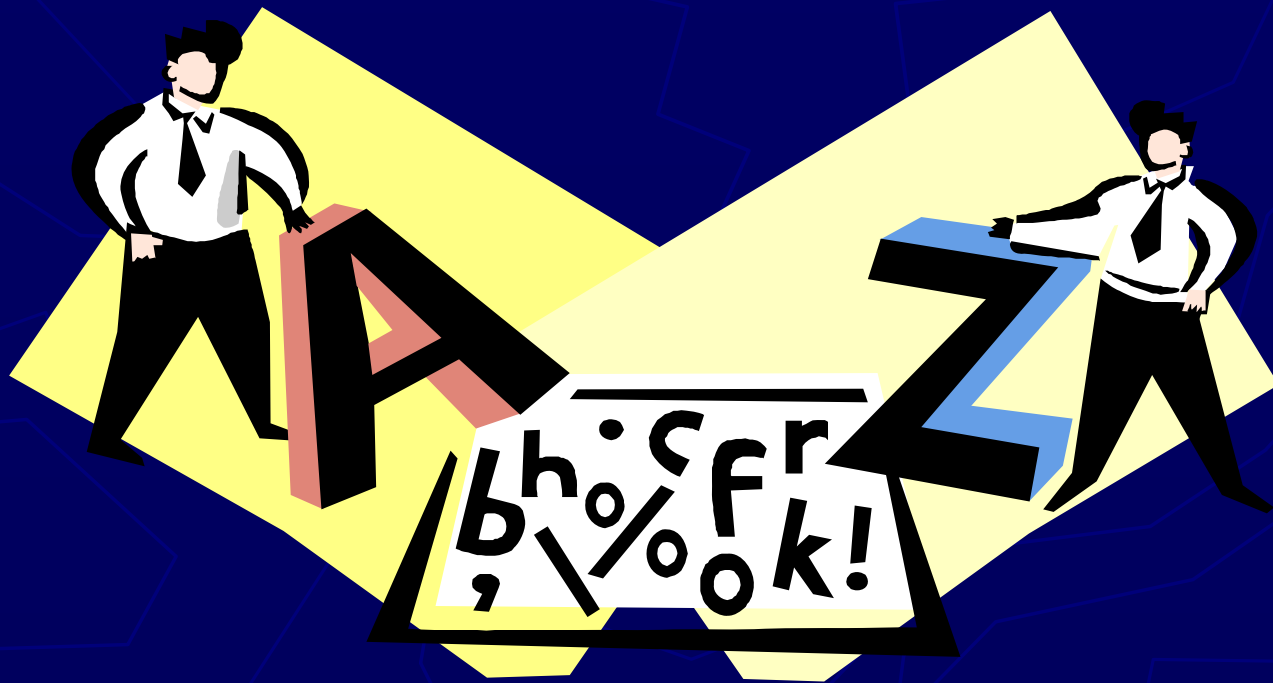


Need-based Aid

- ▶ Scholarships
- ▶ 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" #

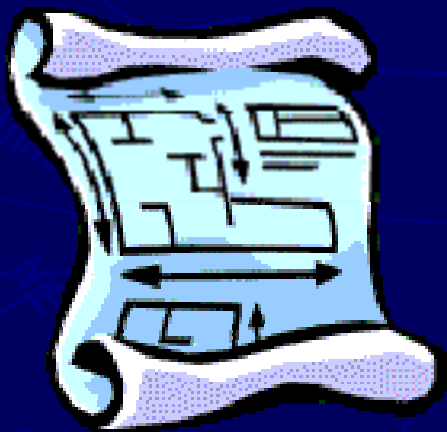
Why bother?

Submit the FAFSA whether or not you think you qualify for aid.

- 67% of all students receive aid [88% at private colleges]

Sometimes being rejected for federal aid is a prerequisite for receiving private awards.

Supplemental Financial Aid Applications



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

Special Situations

Examples of items not on the FAFSA:

Income change (work, child support, SSBs, etc)

Large healthcare costs

Some educational costs

Support of extended family

Significant non-elective home repairs

Consideration will vary from school to school

Check with financial aid office for "how to"

Provide #s and explanation, and daytime phone

Overview of the FAFSA

2010-2011 available in January

7 Steps

Submit it soon after January 1



The screenshot shows the FAFSA website homepage. At the top, there is a logo with the text "START HERE GO FURTHER FEDERAL STUDENT AID" and "Free Application for Federal Student Aid". Below the logo is a navigation menu with links: "FAFSA Home", "Student Aid on the Web", "Application Deadlines", "PIN Site", "Help", "Contact Us", "FAQs", "Site Map", and "About". The main content area features a large heading "Federal Student Aid FAFSA" with a large number "1" next to it. Below this heading, there is a sub-heading "Before Beginning a FAFSA" and a large number "1" next to it. The text under "Before Beginning a FAFSA" says: "Get organized! To simplify filling out the FAFSA, gather the required documents and other information." Below this text are links: "FAFSA on the Web Worksheet", "Find my school codes", and "Students & Parents apply for". To the right of this section, there is another section with a large number "2" next to it, titled "Filling Out a FAFSA". The text under "Filling Out a FAFSA" says: "Fill out the FAFSA! It has seven steps that ask about you, your school plans, financial information and more." Below this text are links: "Fill out a FAFSA", "Llenar la FAFSA en español", "Fill out a Renewal FAFSA", and "Llenar la FAFSA de". To the right of this section, there is a third section with a large number "3" next to it, titled "FAFSA Follow-up". The text under "FAFSA Follow-up" says: "Find your FAFSA online. You can go back to your FAFSA to check status, make corrections to a processed FAFSA and get other information." Below this text are links: "Check Status of a submitted FAFSA or print Signature Page".

Federal Student Aid FAFSA

We have simplified the process of filling out the FAFSA. You can follow each section all of the way through for a comprehensive set of instructions.

1 Before Beginning a FAFSA

Get organized! To simplify filling out the FAFSA, gather the required documents and other information.

- [FAFSA on the Web Worksheet](#)
- [Find my school codes](#)
- [Students & Parents apply for a PIN](#)
- [Check FAFSA Deadline Dates](#)

2 Filling Out a FAFSA

Fill out the FAFSA! It has seven steps that ask about you, your school plans, financial information and more.

- [Fill out a FAFSA](#)
- [Llenar la FAFSA en español](#)
- [Fill out a Renewal FAFSA](#)
- [Llenar la FAFSA de Renovación en español](#)
- [Continue working on saved FAFSA](#)
- [Sign Electronically with your PIN](#)

3 FAFSA Follow-up

Find your FAFSA online! You can go back to your FAFSA to check status, make corrections to a processed FAFSA and get other information.

- [Check Status of a submitted FAFSA or print Signature Page](#)
- [Make Corrections to a processed FAFSA](#)
- [Add or Delete a School Code](#)
- [View and print your Student Aid Report](#)

FAFSA ALERTS:

FAFSA Deadlines:

Submit 2006-2007 FAFSA on the Web Applications by **midnight Central Daylight time, July 2, 2007.**

Submit 2007-2008 FAFSA on the Web Applications by **midnight Central Daylight time, June 30, 2008.**

[More»](#)

State deadlines are normally much earlier than Federal deadlines. To find your state's deadline, select [state deadlines](#)

Scheduled Maintenance:

FAFSA on the Web will be unavailable on every Sunday from 5 a.m. to 11 a.m. (Eastern Standard Time). We apologize for any inconvenience this may cause.

[More»](#)



Use this form to apply free for federal and state student grants, work-study and loans.

Or apply free online at www.fafsa.ed.gov.

Applying by the Deadlines

For federal aid, submit your application as early as possible, but no earlier than January 1, 2007. We must receive your application no later than June 30, 2008. Your college must have your information by your last day of enrollment in the 2007-2008 school year.

For state or college grants, apply as early as January 2007. See the table to the right for state deadlines. You may need to complete additional forms. Check with your college's financial aid administrator at your college for state grant aid and deadlines.

If you are filing electronically, we recommend you file online at www.fafsa.ed.gov to apply for aid.

Using Your Tax Return

If you are supposed to file a 2006 tax return, complete it before filling out this form. You still submit your FAFSA, but you must file your tax return, correct any income errors you initially submitted on your FAFSA.

Filling Out the FAFSA

Your answers on this form will be read electronically.

- use black ink and fill in ovals completely;
- print clearly in CAPITAL letters and skip a box between words;
- report dollar amounts (such as \$12,356.41) like this:

Yellow is for student information. Do not fill in this area.

If you or your family has been notified by the U.S. Department of Education to complete this form to the U.S. Department of Education, you must do so with the financial aid administrator at your school.

For more information, call 1-800-4-FED-AID (1-800-433-3243) or visit our website at www.fafsa.ed.gov. If you are deaf or hard of hearing, you may call 1-800-730-8913. Or visit our website at www.fafsa.ed.gov.

Mailing Your FAFSA

After you complete the form, mail a copy of pages 7 through 10 for your records. Then mail the completed pages 7 through 10 in the attached envelope or send it to: Federal Student Aid Programs, P.O. Box 7001, Mt. Vernon, IL 62864-0071. Do not send the worksheets on page 5; keep them for your records.

If you do not receive the results of your application—a Student Aid Report (SAR)—within three weeks, please check online at www.fafsa.ed.gov or call 1-800-433-3243. If you provided your e-mail address in question 13, you will receive information about your application within a few days after we process it.

Let's Get Started!

Now go to page 7 of the application form and begin filling it out. Refer to the notes as instructed.

STATE AID

Check with your financial aid administrator for these state deadlines:

AK April 15, 2007
AR For Applications received by March 15, 2007

CA April 15, 2007
CO April 15, 2007
CT April 15, 2007
DC April 15, 2007
DE April 15, 2007
FL April 15, 2007
GA April 15, 2007
IA April 15, 2007
IL April 15, 2007
IN April 15, 2007
KS April 15, 2007
KY April 15, 2007
LA April 15, 2007
MA April 15, 2007
MD April 15, 2007
ME April 15, 2007
MI April 15, 2007
MN April 15, 2007
MO April 15, 2007
NC April 15, 2007
ND April 15, 2007
OH April 15, 2007
OK April 15, 2007
OR April 15, 2007
PA April 15, 2007
RI April 15, 2007
SC April 15, 2007
TN April 15, 2007
TX April 15, 2007
VA April 15, 2007
VT April 15, 2007
WA April 15, 2007
WI April 15, 2007
WV April 15, 2007
WY April 15, 2007

AL, *AS, CO, *CT, *DC, *DE, *FL, *GA, *IA, *IL, *IN, *KS, *KY, *LA, *MA, *MD, *ME, *MI, *MN, *MO, *NC, *ND, *OH, *OK, *OR, *PA, *RI, *SC, *TN, *TX, *VA, *VT, *WA, *WI, *WV, *WY

* Additional form required

^ Additional form required

For priority consideration, deadline specified.

* Applicants encouraged to apply by this deadline.

^ Additional form required

For priority consideration, deadline specified.

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FATSA on the Web (FOTW)

Available January 1

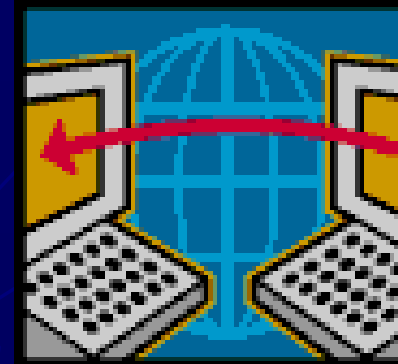
English or Spanish

Skip logic and online editing

Electronic signature

Electronic notification

17 million (99%) FOTWs processed 09/10 so far



Definitions Provided

Net Asset Information

Investments include real estate (do not include the family home), trust funds, UGMA and UTMA accounts, money market funds, mutual funds, certificates of deposit, stock options, bonds, other securities, Coverdell savings accounts, 529 college savings plans, the refund value of 529 state prepaid tuition plans, installment contracts (including mortgages held), commodities, etc. For more information about reporting educational savings plans call 1-800-4-FED-AID. Investments include the current balance or market value of these investments as of today. Investment debt means only those debts that are related to the investments.

Do not include the value of life insurance, retirement plans (pension funds, annuities, noneducation IRAs, Keogh plans, etc.) or cash, savings, and checking accounts reported in Q43 and Q87.

Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, etc. Business and/or investment farm debt includes those debts for which the business or investment farm was used as collateral.

Today, what is your parents' total current balance in cash, savings, and checking accounts? (Q87)

\$

Today, what is the net worth of your parents' investments, including real estate (not their home)? (Q88) Net worth means current value minus debt.

\$

Today, what is the net worth of your parents' current business and/or investment assets? (Q89) Do not include the value of a family farm that you (your spouse and/or your parents) live on or own. Do not include the value of a small business that you (your spouse and/or your parents) own and operate that has 100 or fewer full-time or full-time equivalent employees.

\$

Live Help Feature

Contact Us FAOs Live Help

About You (the Student)

Dependency Status

Parents' Information

Finances

Steps to Receive Your Aid

How FAFSA and Apply

Submit Your FAFSA

Your Finances

Enter the amount of your (and your spouse's) income tax for 2007 (question 36):

This information may be on the following forms:

- IRS Form 1040 - line 57;
- 1040A - line 35; or
- 1040EZ - line 11.

Enter whole dollar amounts in this box, and do not use commas.

\$.00

Enter your (and your spouse's) exemptions for 2007 (question 37):

This information may be on the following forms:

- IRS Form 1040 - line 6d;
- 1040A - line 6d; or
- 1040EZ

PREVIOUS

NEXT

NEED HELP?

SAVE

VIEW FAFSA SUMMARY

EXIT

Changes to the FAFSA

FAFSA on the Web (FOTW) the preferred method

99% processed electronically 2009-10

Real-time PIN

NEW

FAFSA EZ

Very Soon

Beginning a FAFSA

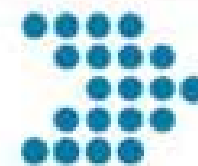
Filling Out a FAFSA

Follow-Up

Announcements

Important changes
may affect your
eligibility for student aid.

Federal Student Aid FAFSA



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Before Beginning a FAFSA

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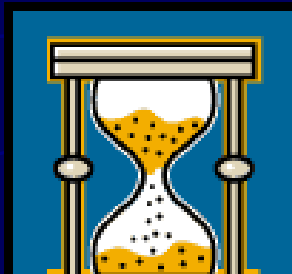
Complete FAFSA after January 1

Receive a Student Aid Report (SAR) 72 hours later

Review SAR for correctness

Check if other additional application required or beneficial

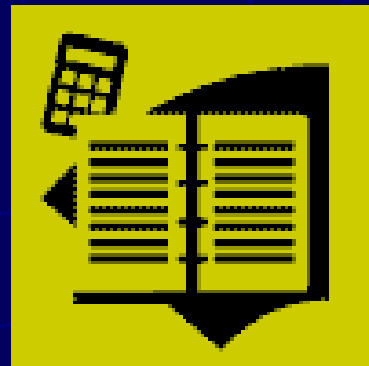
Receive Financial Aid Award Letter before May 1



The College determines eligibility for financial aid by

Cost of Attendance

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



Cost



Cost of Attendance
(Variable)

—

Expected Family Contribution
(Constant)

=

Need
(Variable)

(or “package”)

Will contain a combination of:

scholarship, grant, loan and work-study funds

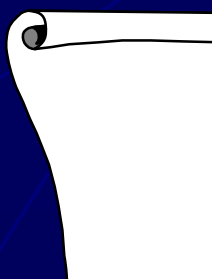
Why might “packages” be different?

cost of attendance

scholarship criteria and availability

institutional philosophy and funding

federal funding levels



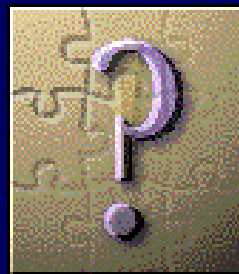
Where to Look for



- ✓ **Right here at LFHS**
- ✓ **A College's Financial Aid Office**
- ✓ **The Internet**
 - ✓ *www.collegezone.com*
 - ✓ *www.finaid.org*
 - ✓ *www.studentaid.ed.gov*
 - ✓ **College Web Sites**



Questions to Ask a Colleg



Deadlines





**THE
END**

**THANK
YOU!**