Financial Aid & the College Decision Process
THE COLLEGE DECISION PROCESS

- Academic
- Social
- Financial
Be Prepared

Financial Aid Offices will review:

- Salary
- Cash, Savings, & Checking
- Taxes Paid
- Tax Return (or Transcript)
- Home Value
- Value of Investments
GET ORGANIZED

- Colleges have varying deadlines
  - Priority deadlines
  - Hard deadlines?
- Financial Aid Applications
- Scholarship Applications
- Financial Aid Dictionary
  - CollegeInColorado.org for Financial Aid Planning
Establishes the Cost of Attendance
Evaluates family’s ability to pay using the FAFSA, CSS Profile, and other documents
Offers need-based scholarships, grants, loans, and work-study based on demonstrated need
Distributes resources in an equitable manner
Counsels families on financial issues
Determining Costs & Aid

Cost of Attendance

- Direct Costs
  - Tuition & Fees
  - Room & Board
- Indirect Costs
  - Books & Supplies
  - Transportation
  - Personal Expenses

Estimated Costs for the 2018-2019 Academic Year: Your estimated total cost of attendance is $67,727

<table>
<thead>
<tr>
<th>Direct Cost (estimated charges billed by DU):</th>
<th>Estimated Indirect Costs (not billed by DU):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>Housing</td>
</tr>
<tr>
<td>$49,392</td>
<td>$8,847</td>
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<tr>
<td>Fees</td>
<td>Meals</td>
</tr>
<tr>
<td>$1,164</td>
<td>$4,158</td>
</tr>
<tr>
<td>Total Direct Costs: $50,556</td>
<td>Books</td>
</tr>
<tr>
<td></td>
<td>$1,200</td>
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<tr>
<td></td>
<td>Personal Expenses</td>
</tr>
<tr>
<td></td>
<td>$1,359</td>
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<tr>
<td></td>
<td>Transportation Expenses</td>
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<tr>
<td></td>
<td>$1,536</td>
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<tr>
<td></td>
<td>Average Loan Fees</td>
</tr>
<tr>
<td></td>
<td>$71</td>
</tr>
<tr>
<td></td>
<td>Total Indirect Costs: $17,171</td>
</tr>
</tbody>
</table>
ESTIMATE YOUR AWARD

- Use the Net Price Calculator (NPC) available at each school’s website
- Know what to expect – it’s not about cost, it’s about the net price
- Colleges provide different financial aid awards; using the NPC can gauge affordability
Determining the Expected Family Contribution

- FAFSA – Free Application for Federal Student Aid
  - Required to determine eligibility for federal state and institutional aid programs
  - Including but not limited to: scholarships, grants, work-study, and student loans
  - FAFSA.ed.gov
FAFSA Availability

- FAFSA will be available starting October 1st
  - Families use taxes from 2 years ago
  - Moved from Prior Year to, “Prior-Prior Year” to make the application process easier
  - Special Circumstances
    - If the family’s income is significantly different, contact individual Financial Aid office’s to work through an appeal
EXPECTED FAMILY CONTRIBUTION: FAFSA

Income
- Taxed & Untaxed
- Allowances for:
  - Basic living expenses, social security & income taxes

Assets
- Cash, Savings, Checking, Stocks, 529 Plans, Business Net Worth
- Home value is NOT included
  - Large portions of parent assets are excluded from the EFC Calculation

Other Factors
- Size of family
- Number of dependents in college
EXPECTED FAMILY CONTRIBUTION: CSS PROFILE

CSS Profile – College Board

- Many private universities & scholarship providers require the CSS Profile to determine financial eligibility
- Over 400 nationwide (DU, Colorado College)
- Fee paid to College Board ($25) but there are waivers
- Comprehensive look at family’s financial status
  - Home equity is included
- Noncustodial Parent Profile
- CSSProfile.CollegeBoard.org
FINANCIAL AID APPLICATIONS

Documentation needed to complete applications from both Parent & Student

- Federal Income Tax Return
- W-2’s
- Driver’s License
- Social Security Numbers
- Savings & Checking Account Information
- Misc. Documentation
Tips for completing applications

• Meet deadlines
• Have tax documents available to fill out profiles
• Re-apply every year
• Ensure Social Security Number is correct!
• Send applications to the right school (001371, 4842)
• Ask questions if you’re unsure!
  • FinAid@du.edu or 303-871-4020
Determining Financial Need

- Need varies based on COA
- Most colleges are unable to meet 100% of need

Cost of Attendance – Expected Family Contribution = Financial Need
Need Varies Based on Cost

- Cost of Attendance (Variable)
- Expected Family Contribution (Constant)
- Demonstrated Need (Variable)
Types of Aid

Student Employment
- Students work on-campus 10-20 hours a week
- Paid hourly wages; treated as a normal job
- Work in a variety of departments

Scholarships & Grants
- Need-Based, Merit-Based, or a combination

Federal & State Grants
- For lower income students & families (Pell Grant)

Loans
- Direct Stafford, Parent PLUS, & Private Loans*
LOANS – DEBUNKING MYTHS

☐ Are loans a bad thing? No… but excessive borrowing is!

☐ How much will your payment be?
  • Loan balance of $10,000
  • 5% interest rate
  • Standard 10-Year Repayment Plan
    • For every $10,000 in loan debt, you will pay $106 per month for 10 years
      • $12,728 total in payments; $2,728 in interest
      • Can make interest-only payments while student is in school
SMART BORROWING

⚠️ Don’t borrow more than your estimated first-year salary
🔍 Do some research about the field you are thinking about going in
📢 What are salary expectations?
EXPECTATIONS VS. REALITIES

🎓 Expectations from 2011¹
  • Average expected starting salary: $73,000
  • Average expected salary once established in a chosen career path: $150,000

🔒 Realities in 2018²
  • Average expected starting salary: $50,400

¹ (Charles Schwab - Teens & Money Survey 2011)
² (Money CNN - Class of 2018 Starting Salary)
FINANCIAL AID RESOURCES

• Financial Aid Office & Website
  • Webinars, Chats, Videos, FAQ’s ([DU.edu/FinAid](DU.edu/FinAid))
• Department of Education
  • @FAFSA, [StudentAid.ed.gov](StudentAid.ed.gov)
WHERE DO I GO FROM HERE?

• Make Financial Aid a part of your college visits!
• Do some detective work
  • Do colleges use financial aid in determining their Admission Decision?
  • How does this college treat private scholarships?
  • What will your award look like at each school? Compare & choose the best fit for you!
• Inform colleges about Special Circumstances
• Apply for Private Scholarships!
Questions?

• General Financial Aid Questions?
  • FinAid@du.edu
  • 303-871-4020