



Resources for Financial Aid: Parent/Guardian Workshop

Objectives

- To help parents and guardians understand college costs and the various types of financial aid available to them
- To motivate parents to begin financial planning that will help meet future college costs.

Message

“Mom... I need \$30,000 for my first year at college.” Such a message can bring shock to the parent who isn’t informed about and prepared for the costs associated with higher education. This section will explore the cost of going to college and examine the different types of financial aid that can alleviate this burden for students and families in need.

One year at most colleges these days, especially if living costs are included, range from an average of \$2,713 at two-year public schools (no room/board); to \$16,140 in-state and \$28,130 out-of-state at public four-year schools; and \$36,993 at private four-year colleges (room/board included). The good news is that there is financial aid available to help meet college costs. Two-thirds of the undergraduate students attending college in the US receive some form of financial assistance. The admission decision and the financial aid decision usually are made independently and separately, often by different college offices. Parents need to become fully informed about costs and assistance opportunities in time to plan an appropriate financial strategy to pay for college. However, it is important to know that cost should never be a deterrent to the student in choosing the colleges to which he or she will apply. During the application process, it makes sense to pick colleges with a range of costs, including some that are within reach financially. But the student should never eliminate a college from consideration because of cost alone. Colleges have financial aid plans because they want to enroll the best students, not just those who can afford to pay. Remember that fit is the most important criterion. Keep in mind that the likelihood of receiving aid becomes greater as the cost of college increases. The most expensive colleges have the most aid to give.

In fact, most of the students who apply for and need aid do receive part of what they need to attend their first-choice colleges. Certainly there are no guarantees, but there is a considerable amount of federal, state, institutional, and private financial aid available every year to those who submit accurate applications on time.

Introduction

If this section is the first workshop that you do for families, you will need to use some type of “icebreaker” technique to introduce yourself, your fellow presenters, and the participants to each other.

Discussion Questions and Topics

This section affords the *Step by Step* presenter a number of opportunities to engage in dialogue with parent participants. Some of the questions and discussion topics to interject are listed below:

- During the discussion of college costs, the *Step by Step* presenter may wish to present a case study of actual costs incurred by a family in sending a student to college. Inviting parents who are currently paying college costs to participate in the workshop can provide for a relevant and lively discussion.
- Due to the technical nature of many financial aid programs and the changing nature of legislation that authorizes these forms of aid, having a financial aid officer participate in the workshop as a guest presenter can be valuable.
- Many states operate financial aid programs for state residents. Become knowledgeable about these programs and invite representatives to present information about them.

Activities

- Have families calculate college costs, then estimate their Expected Family Contribution and prospective federal aid eligibility by completing the FASFA4caster at www.fafsa4caster.ed.gov/F4CApp/index/index.jsf.
- Fill out the FAFSA to become familiar with the process. The instructions and forms are at www.fafsa.gov.
- Contact institutions' admission offices or browse their websites for schools that offer scholarships, grants and work-study programs.

College and Financial Aid Events Calendar

	GRADE 9	GRADE 10	GRADE 11	GRADE 12
SEPT.	Outline high school courses to take for next four years. Sign up for extracurricular activities.	Sign up for extracurricular activities. Sign up for the PSAT 10 and/or ACT Aspire with counselor. Sign up online for college mailing lists to get more information.	Sign up for extracurricular activities.	Register for achievement tests, SAT I, ACT, or TOEFL. Know each college's application financial aid deadlines. Colleges won't accept incomplete applications.
OCT.	Find out if your school offers pre college testing, like EXPLORE. Testing dates will vary.	Take the PSAT 10 (optional).	Take the PSAT. Attend a college fair.	Start researching and applying for scholarships. Start developing college essays. Continue finalizing college essays. Fill out FAFSA and CSS Profile and mail. (Not all schools require the CSS Profile).
NOV.				Take one or two SAT Subject Tests if needed for applications. Review your Student Aid Report (SAR). If you need to make changes on your FAFSA, this is the time, via the SAR. You can do so electronically or via email.
DEC.	Research summer enrichment programs and/or jobs.	Research summer enrichment programs and/or jobs.	Research summer enrichment programs and/or jobs.	Take SAT, SAT Subject Tests, or ACT if applicable.
JAN.	Start applying for summer enrichment programs and/or jobs.	Start applying for summer enrichment programs and/or jobs.	Start applying for summer enrichment programs and/or jobs. Register for SAT, ACT, TOEFL. See your counselor to determine if you qualify for fee waivers for any of these tests.	
FEB.			Start thinking about the college application process. Meet with counselor to review academic and non-academic achievements and discuss financial aid.	Most financial aid applications can be submitted online. Check with your college's priority deadline for submitting your FAFSA. This ensures you are considered for all available fund.
MARCH	Schedule classes for the following year.	Research SAT and ACT prep programs (optional). Schedule classes for the following year.	Develop college list; check schools' SAT Subject Tests requirements. Schedule classes for the following year.	You will hear from most colleges regarding admission.
APRIL		Register for SAT Subject Tests if applicable.	Check college SAT Subject Tests requirements then pre-register for SAT Subject Tests (take two or three).	You will hear from most colleges this month. Review financial aid packages. Visit one or two colleges before making your final decision (opt.).
MAY	Pre-register for summer school or new/make-up work.	Pre-register for summer school or new/make-up work.	Take the SAT or ELPT (English Language Proficiency Test). Research scholarships. Retake SAT/ACT if necessary. Work on test prep over summer based on spring performance.	Notify school of your choice by May 1.
JUNE	Think about your career interests and start researching colleges' majors.	Start building your recommendation file (ask teachers in classes you've excelled in for recs). Ask for recommendations. Research scholarships.	Take SAT Subject Tests. Ask for recommendations. College search.	
JULY/AUG.	Visit colleges (informal).	Plan to take the PSAT/NMSQT in the fall of junior year. Visit colleges (informal).	Visit colleges (call to schedule a formal visit), apply for private scholarships, make a list of schools you will apply to and their requirements.	Attend freshmen orientation and register for fall classes.

How Much Will College Cost?

The costs of college can be broken down into two areas: direct/billable costs and indirect costs.

Billable Costs

Tuition and Fees
Room and Board
(if the student lives on campus)

Indirect Costs

Books and Supplies
Room and Board
(if the student lives off campus)
Transportation
Other Expenses

1. Tuition and Fees – this is the cost of the student’s instruction; tuition and fees vary widely depending on the type of college or university. According to the College Board, averages range from \$33,480 at private colleges, \$9,650 for state residents at public colleges, and \$24,930 for out-of-state residents attending public universities. (Figures are from the 2016–2017 academic year.)
2. Room and Board – these costs will be billed by the college if a student lives on campus, and include housing and meal costs.
3. Books and Supplies – these are the costs for course materials, and materials can cost up to \$1,000 per year.
4. Transportation – if the student lives more than a few hundred miles away, this will add to the cost of attending.
5. Other Expenses – this includes the cost of laundry, entertainment and clothing, and can add up quickly.

Methods

Have each participant estimate how much each year of college will cost. Illustrate the difference in cost and Expected Family Contribution (EFC) (Resource 5.2). Also discuss the costs for different types of institutions.

Billable Costs

These are fixed costs that show up on the college bill. They include the items that are paid directly to the college or university, including tuition, student activities fees, laboratory fees, and other charges. For students who live on campus, the costs of room and board will also be fixed, especially if optional plans aren’t available at reduced rates.

Indirect Costs

These are costs that don’t show up on the college bill. They include books and supplies, travel to and from campus, and personal expenses (laundry, entertainment and clothing, to name a few). The amount spent on these items will vary according to need and preference. If the student lives and eats off campus, room and board costs will also be indirect costs. Families have some control over indirect costs by making smart spending choices.

Assessing Student Need

Financial aid provides a specific amount of money to a student to help pay for educational expenses. Most financial aid is given because it has been determined that the student has financial need. The amount of aid is limited to the student's calculated need. As costs go up, student need also rises, and since parent resources remain the same, financial aid should increase. A student's need is the difference between the total cost of attending school and their financial resources.

Cost of Attendance (the total cost of attending college)

– **Expected Family Contribution (the parents' and student's financial resources)**

= **Financial Need**

In all instances, the student and parents are responsible for paying what they can; financial aid is intended to supplement such efforts, not substitute for them.

The Financial Aid Process

In 2012–13, the federal government provided more than \$169,732 billion, about 71 percent of all student aid, to help students and families pay for postsecondary education. Families can call the US Department of Education's Federal Student Aid Information Center at 800/4FEDAID (800/433-3243) for current information about federal student aid. Information is also available on the Department's website for students at <http://federalstudentaid.ed.gov/students.html>.

The easiest and fastest way to apply for federal and state financial aid is by completing the Free Application for Federal Student Aid (FAFSA) online at www.fafsa.ed.gov. The site is available in both English and Spanish. A FAFSA on the web sheet can be accessed online prior to October, and the FAFSA should be submitted as soon as possible after Oct. 1 of the student's senior year of high school. Submitting the FAFSA makes the student eligible for consideration for all federal and most state grants and loans.

Expected Family Contribution (EFC) is influenced by these factors:

- The amount the student's parents will be asked to pay from their income and assets.
- The amount the student will be asked to pay from earnings and savings.
- Family size, age of older parent, number of children currently attending college.

Private colleges and universities may require additional financial aid forms. One such form is the CSS Profile, which is administered by the College Board. The Profile does charge a fee, which varies according to the number of colleges to which the information is sent. Students can register for the Profile only online at <https://student.collegeboard.org/css-financial-aid-profile>. In addition, colleges and universities may have their own financial aid forms for families to submit. Students should check with all colleges to which they apply to find out their requirements for financial aid.

Males 18 years and older must register with the Selective Service to be considered for federal or state financial aid.

Families may be asked to provide copies of their income tax forms for the preceding year, so it is a good idea to file income taxes as soon as possible. Federal and state governments, colleges, and other sources of financial aid have limited funds, which are given to those who qualify and submit completed applications on time. So, the earlier financial forms are submitted, the better the chances for receiving financial aid.

Also, students must re-apply for financial aid every year that they are in college.

There are other ways to finance a college education. Options include:

- Serving in the military
- Attending the US Army, Air Force, or Navy military academies
- Participating in the Reserve Officer Training Corps (ROTC)
- Serving in AmeriCorps, a network of national service programs

Military recruiters, the academies, school counselors, public libraries, and the internet have information on earning money for college by serving in the military. Education benefits available to former service members have greatly expanded in recent years. For information on the Post 9/11 GI Bill, see www.gibill.va.gov/GI_Bill_Info/benefits.htm#CH33.

For more information on AmeriCorps, visit www.americorps.gov or call 800/94-ACORPS (800/942-2677).

Types of Financial Aid

Grants

Grants are also known as gift aid. They are based on need and don't have to be repaid. Grants are provided by federal and state governments or a college. Grants are based on a student's financial need, and when the need is high, the grant aid tends to be high as well. Grants may be made up from various sources. There are five types of federal student aid grants, all of which require filing the FAFSA to be eligible:

- Federal Pell Grants are the largest source of free money for college from the federal government. To be considered, the student must file the FAFSA. Pell Grants can be used for tuition, fees, and living expenses. They pay up to \$5,815 per year (2017).
- Federal Supplemental Education Opportunity Grants (FSEOG) are awarded to students with exceptional financial need. Filing the FAFSA is all that is needed, and students who qualify for a Pell Grant will be given priority consideration. The grants pay up to \$4,000 per year (2017). The FSEOG program is administered directly by the financial aid office and each participating school, so is called "campus-based" aid. Not all schools participate.
- Teacher Education Assistance for College and Higher Education (TEACH) Grants are for students pursuing a degree in education. The award amounts up to \$4,000 and the student agrees to teach in a participating school or teach in a high-need field for four complete years. This grant is converted to a direct unsubsidized loan and must be repaid if the teaching agreement isn't fulfilled.
- In addition to federal grant money, many institutions have their own grant aid available for high-need students.
- Almost every state education agency has at least one grant or scholarship available to state residents. Visit www.nasfaa.org/state_financial_aid_programs for more information.

Scholarships

Scholarships are a form of financial aid that is usually based on merit, sometimes in combination with need. The competition for many scholarships is intense. Some are given to the student who exhibits a particular ability or skill such as athletics or music; others are awarded for academic achievement. Scholarships are often renewable for each college year, usually contingent on the student continuing to participate in the activity that prompted the award; or, in the case of academic scholarships, maintaining a certain achievement level or grade point average. In some instances, the college controls the scholarship process, inviting only certain students to become candidates.

Websites, such as Fastweb (www.fastweb.com) and The College Board (<http://bigfuture.collegeboard.org/scholarship-search>) provide free scholarship search services that allow students to identify scholarships based on their interests, talents, need, ethnicity, and other factors. However, students should be aware of scholarship scams. One way to spot a scam company is if it asks students to pay a fee in order to provide a scholarship search or guarantees a successful search. Visit www.finaid.org/scholarships/scams.phtml for more information on scholarship scams.

Don't overlook the possibility of local scholarships. Students should seek out and apply for as many local scholarships as possible. High schools, churches, local businesses, civic organizations, and special programs may have local scholarships. Some companies and businesses offer assistance to children of their employees. The school counselor or the school's website can provide information about local scholarships as well.

Work-Study

In this case, the student earns the money awarded, often working part-time on campus. (Examples are front desk assistant, biology tutor, and research assistant.) Students may be able to find employment related to college studies or community service. The typical number of hours worked is 10–15 hours per week, and the salary is often higher than minimum wage.