



# College Planning

SAVING & PAYING STRATEGIES FOR FAMILIES





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**Paying For College**



**Saving For College**



**Paying For College**



**Saving For College**



**What is the total cost of attendance at a mid-sized private university for 2014-15?**

1. \$26,000
2. \$45,000
3. \$38,000
4. \$18,000

# Paying for college

- College bills don't all come at once: some may be able to pay as you go
- Financial aid bridges the gap between cost and what family can pay for
- Establish firm financial guidelines with your kids – what you will and will not pay

# Have the “college talk”

## Establish “will pay vs. will not pay” guidelines

- State (in and out of state) vs. private
- Community college vs. 4-year university
- Dorm room or living at home
- Does degree support cost?

# What is financial aid?

- Gifts
- Grants (Federal and State)
- Scholarships
- Federal Work Study
  
- Self-Help
- Employment
- Loans





# Applying for aid

[www.fafsa.ed.gov](http://www.fafsa.ed.gov)

- Apply for each student
- Send application to ALL schools your student might attend



The image shows a screenshot of the FAFSA website homepage. At the top left is the logo for the Department of Education with the text "START HERE GO FURTHER FEDERAL STUDENT AID". At the top right is the "FAFSA" logo and the text "Free Application for Federal Student Aid". Below the logos is a navigation bar with icons for Home, About Us, Student Aid on the Web, PIN Site, Contact Us, and Browse Help, along with a search box and language options for English and Español. The main content area features a large image of diverse students sitting at a table, with the text "Get help paying for college" and "Submit a Free Application for Federal Student Aid (FAFSA)". A prominent orange "Start Here" button is located below the text, with a list of links: "Start or continue your FAFSA", "Correct your FAFSA", and "Check the status of your FAFSA, and more..."

# How financial aid works



# How financial aid works



# How financial aid works


## Cost of Attendance

- Tuition and fees
- Room and board
- Transportation
- Books and supplies
- Living expenses

University of Wisconsin-Eau Claire A-Z index | MyBlugold CampS | D2L | Directories | Search | Webmail

### Office of Financial Aid Quick Links

[About Us](#) [Costs](#) [Types of Aid](#) [How to Apply](#) [Scholarships](#) [Student Employment](#) [Policies](#)



#### Costs

2013-2014 *Estimated Cost of Attendance*  
9 Month Academic Year

UNDERGRADUATE (Full time 12 - 18 credits)			
	WI Res	MN Res	Non-Res
Tuition and Fees*	9,230	9,230	16,790
Room and Meals - est.	6,720	6,720	6,720
<b>Basic Institutional Charges</b> (full-time tuition and residence hall costs)	<b>15,950</b>	<b>15,950</b>	<b>23,510</b>
<b>Estimates of additional expenses:</b>			
Books and Supplies - est.**	350	350	350
Personal - est.	1,950	1,950	1,950
Transportation - est.	1,030	1,030	1,030
<b>Total</b>	<b>19,280</b>	<b>19,280</b>	<b>26,840</b>

Costs

Credit Cards

Estimate your bill

Need More Money?

Financial Aid Estimator

Budget Worksheet

**Related Links**

Cash Course

# How financial aid works



- Indicator of financial strength
- May need to contribute more



**What is the largest determining factor for your Estimated Family Contribution (EFC)?**

1. Parents' age
2. Parents' income
3. Child's assets
4. Parents' assets

# Expected family contribution

- Factors used to determine your EFC (from year before):
- Income (largest factor: think about Pre-tax/Roth)
- Assets
- Family size
- Number in college
- Age of older parent (the older, the less assets that count)

A white rectangular card is pinned to a brick wall. The card has blue text on it. The brick wall is made of reddish-brown bricks with grey mortar. The card is held in place by four pieces of silver, textured tape, one in each corner. The text on the card is as follows:

**Is a step-parent's income included as a resource for paying for college?**

1. Yes
2. No
3. Depends on who has custody



# How your assets affect efc

## *Included*

- Cash and savings
- Education IRAs
- 529 Plans
- Second home

## *Excluded*

- Your home

### *QUICK TIP*

*20% of child assets count*

*6% of parent assets count*

*0% of Roth IRA balances count*

# How financial aid works



# Getting ready to apply

- Personal information for students and parents
- Financial information for student and parents
  - Taxes and W-2s (IRS retrieval tool)
  - Bank statements
  - Asset information
- Online process can be completed in about 45 minutes
- Results sent electronically to colleges

# Financial aid application

- File early: earliest you can apply: January 1 for fall entry
- There may be supplemental forms required by school
- Under 24 = dependent student, unless....
  - Military
  - Married with child
  - Graduate student

