



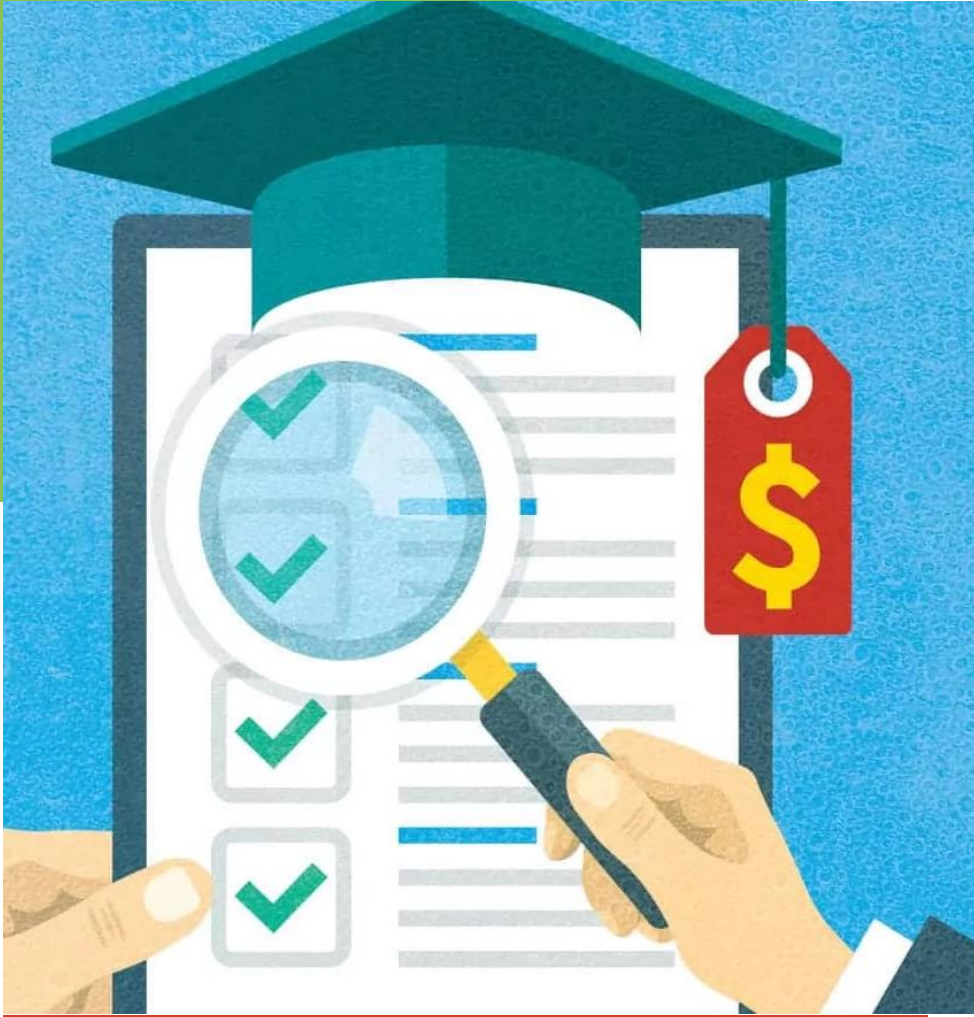
# Understanding How To Pay For College



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Presented by:

**Suzanne Wilkins, Director of Strategic  
Partnerships - Student Choice**

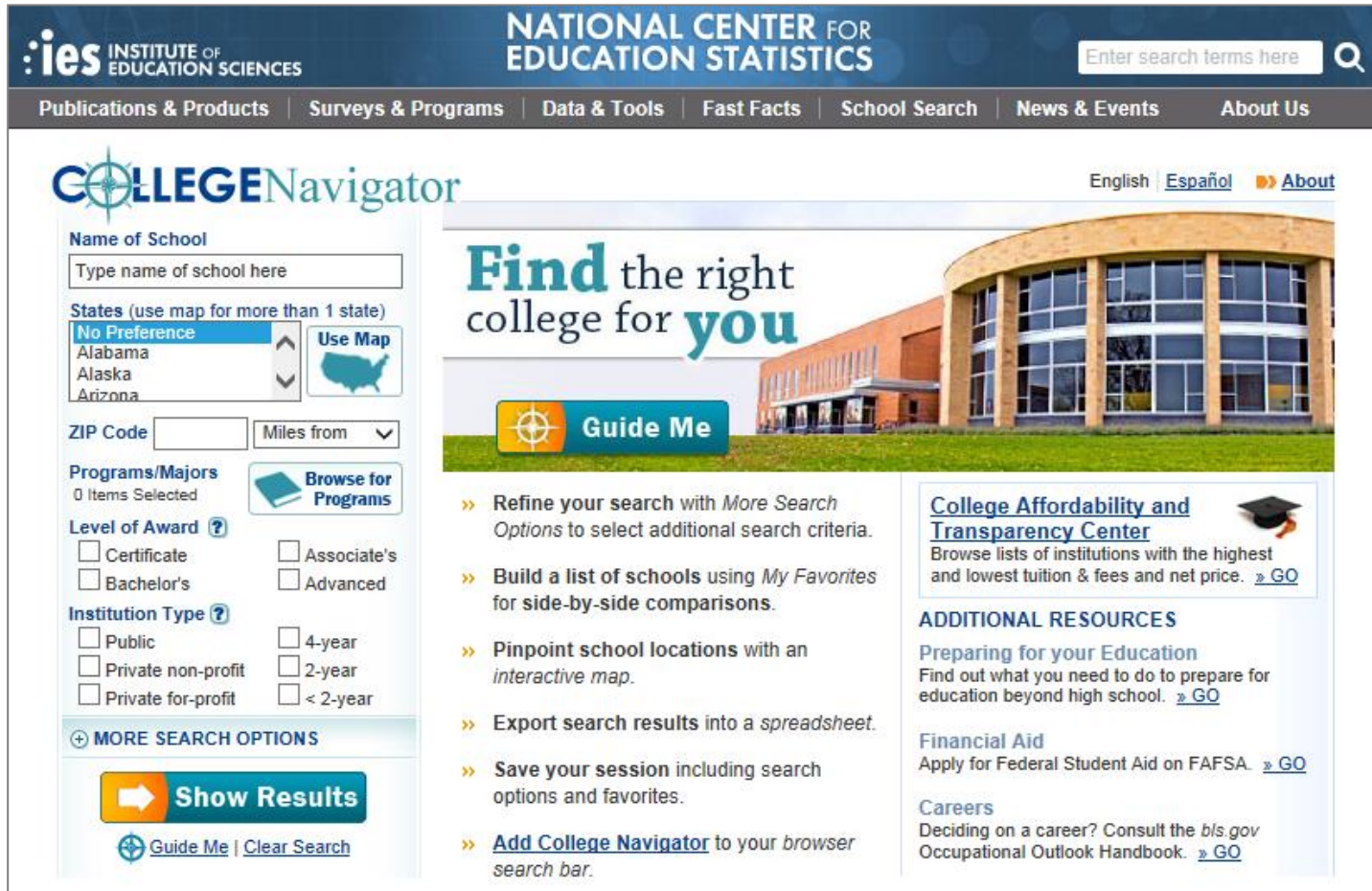


# Agenda

- Strategy to a value-based approach
- FAFSA
- The Award Letter
- Free – Grants & Scholarships
- Cheap – Federal Direct Loans
- Gap Funding – Options including private student loans

# College Navigator:

[www.nces.ed.gov/collegenavigator](http://www.nces.ed.gov/collegenavigator)



The screenshot shows the College Navigator website. At the top is the header for the Institute of Education Sciences and the National Center for Education Statistics, with a search bar. Below this is a navigation menu with links like 'Publications & Products', 'Surveys & Programs', 'Data & Tools', 'Fast Facts', 'School Search', 'News & Events', and 'About Us'. The main section features the 'COLLEGE Navigator' logo and a search form on the left. The search form includes fields for 'Name of School', 'States' (with a dropdown menu showing 'No Preference', 'Alabama', 'Alaska', 'Arizona' and a 'Use Map' button), 'ZIP Code', 'Miles from', 'Programs/Majors', 'Level of Award' (with checkboxes for Certificate, Bachelor's, Associate's, and Advanced), and 'Institution Type' (with checkboxes for Public, Private non-profit, Private for-profit, 4-year, 2-year, and < 2-year). A 'Show Results' button is at the bottom of the search form. To the right of the search form is a large banner with the text 'Find the right college for you' and a 'Guide Me' button. Below the banner is a list of search tips and additional resources, including links to 'College Affordability and Transparency Center', 'Preparing for your Education', 'Financial Aid', and 'Careers'.

Online research tool from the US National Center for Education Statistics

- Demographics
- Level of Award
- Tuition & Cost
- Opportunity for Aid
- Other Insights



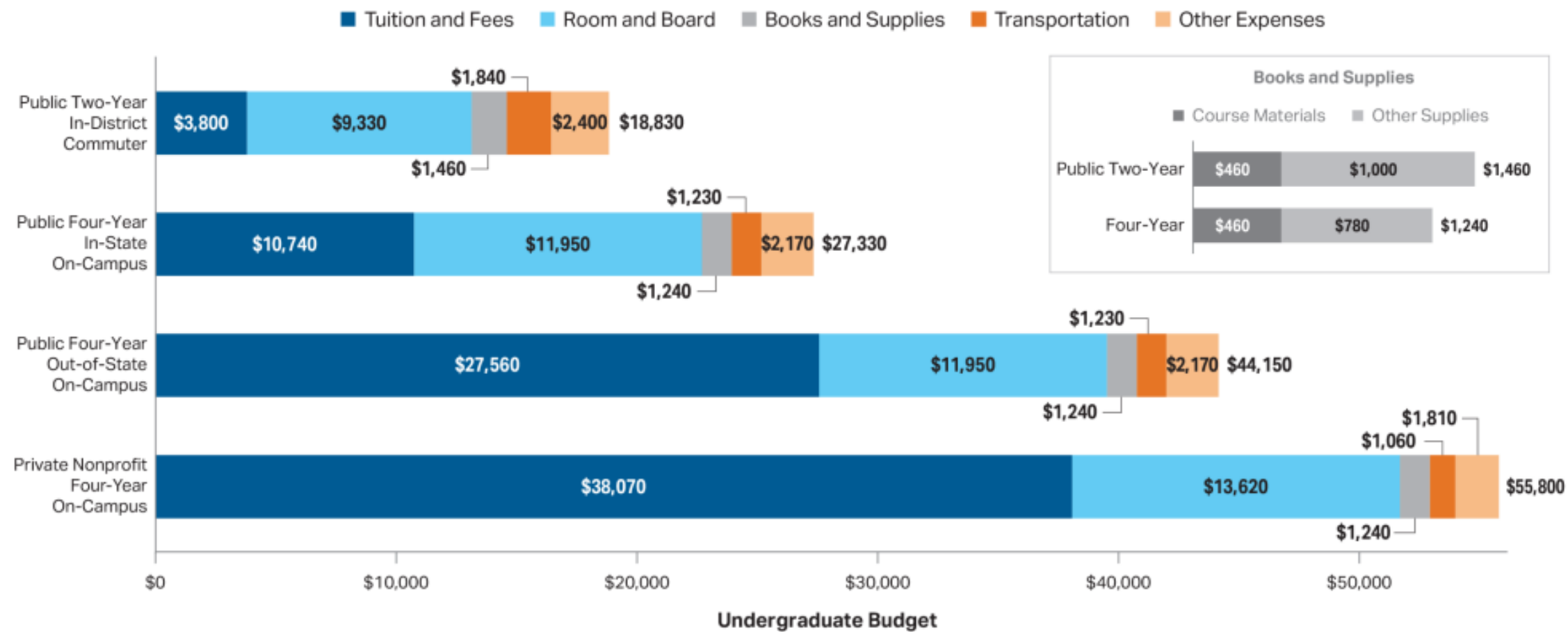


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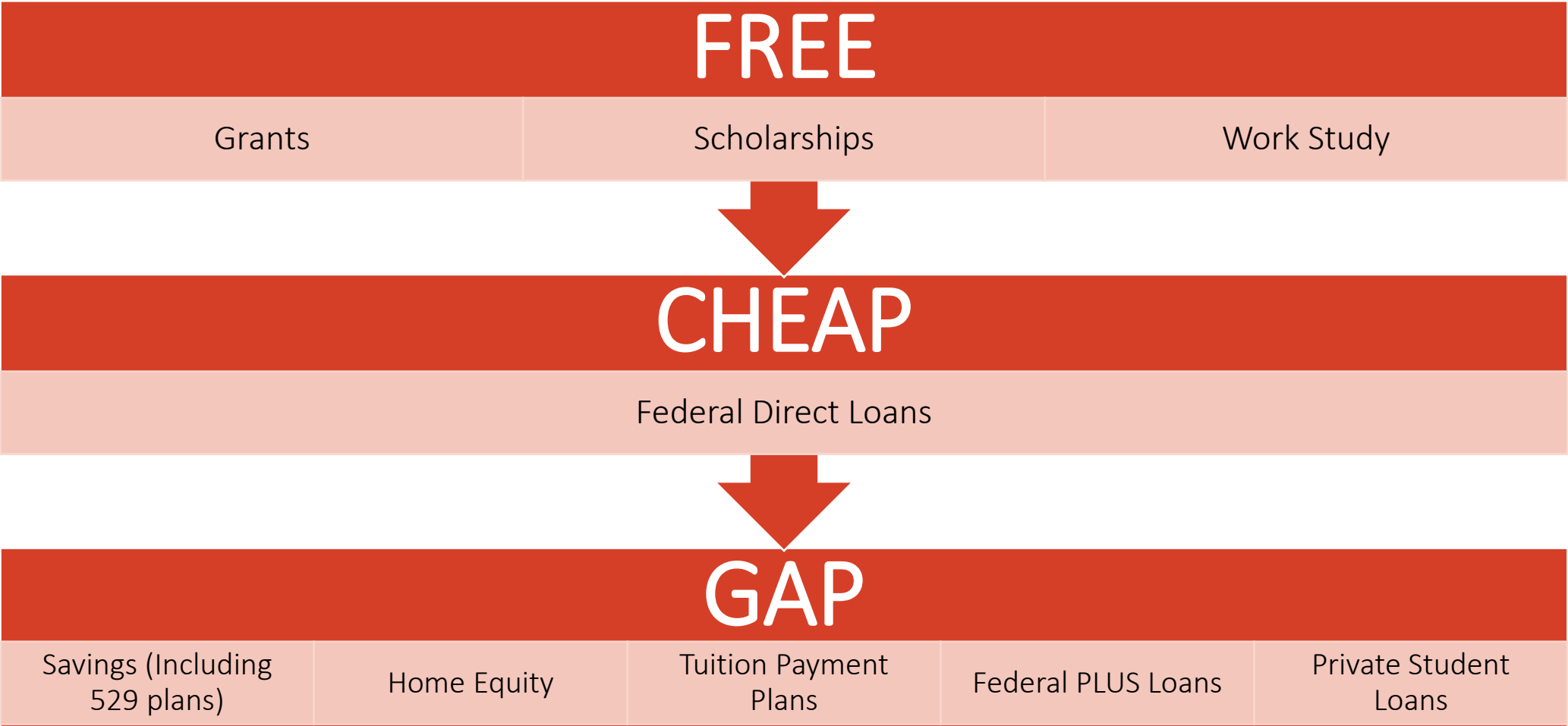
# Cost of Education



# Average full-time Undergrad cost 2021-2022



# Values-based approach to Financial Aid





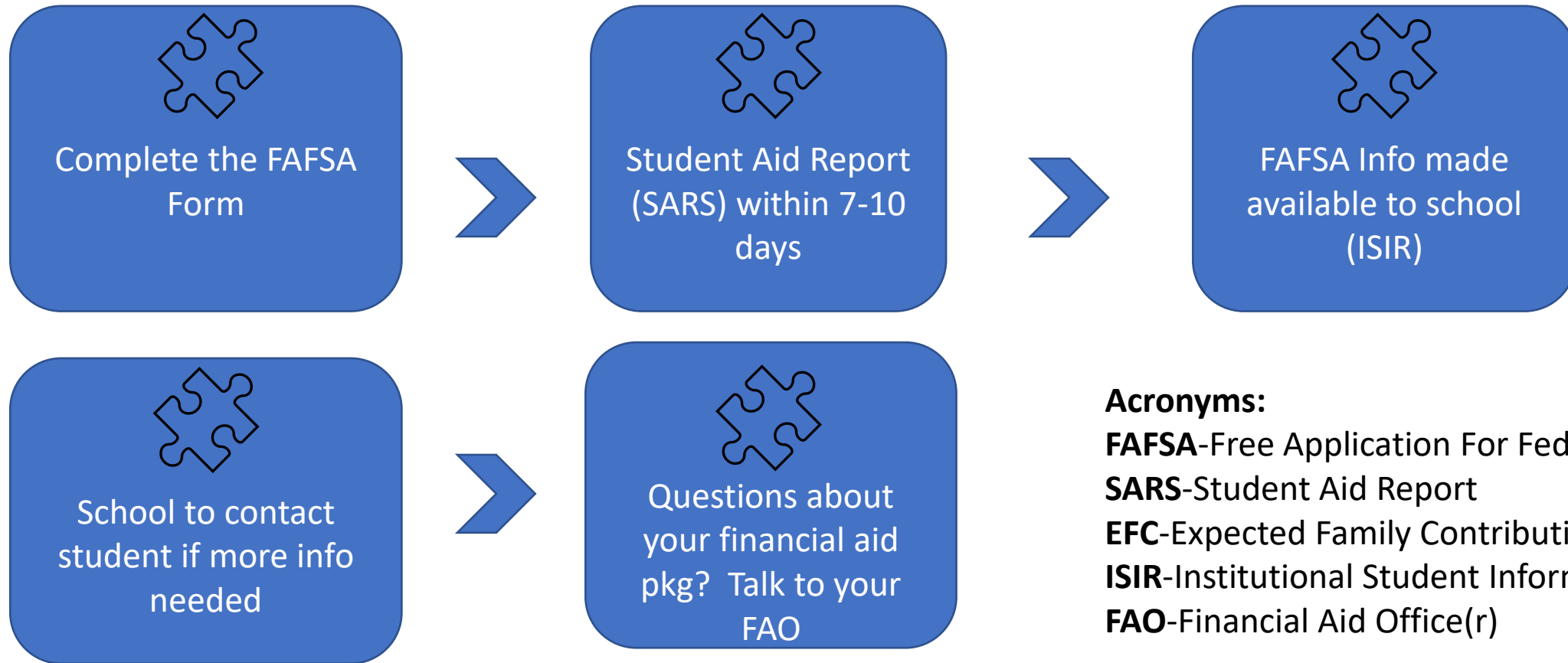
# Free Application for Federal Student Aid

- <https://studentaid.gov/h/apply-for-aid/fafsa>
- Student & Parent/Guardian must apply
- Opens on October 1st
- Typically completed in less than 1 hour
- Opens multiple opportunities regardless of income

**BIG CHANGES COMING FOR NEXT YEAR!! STAY TUNED!!!**

The screenshot shows the Federal Student Aid (FAFSA) website. At the top, there is a header with the text "An official website of the United States government." and links for "Help Center" and "English | Español". Below this is the "Federal Student Aid" logo, with the tagline "An OFFICE of the U.S. DEPARTMENT of EDUCATION". To the right of the logo are navigation links: "UNDERSTAND AID", "APPLY FOR AID", "COMPLETE AID PROCESS", and "MANAGE LOANS", each followed by a dropdown arrow. A search icon is also present. The main content area has a dark blue background with white text. On the left, it says "Complete the FAFSA® Form" with a green underline. Below this, it states: "Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or graduate school." On the right, there are two sections. The first is "New to the FAFSA® Process?" with the text "Completing the FAFSA form is free. Fill it out now." and a "Start Here" button. The second is "Returning User?" with the text "Correct info | Add a school" and "View your *Student Aid Report* (SAR)", followed by a "Log In" button.

# Financial Aid Process



## Acronyms:

**FAFSA**-Free Application For Federal Student Aid

**SARS**-Student Aid Report

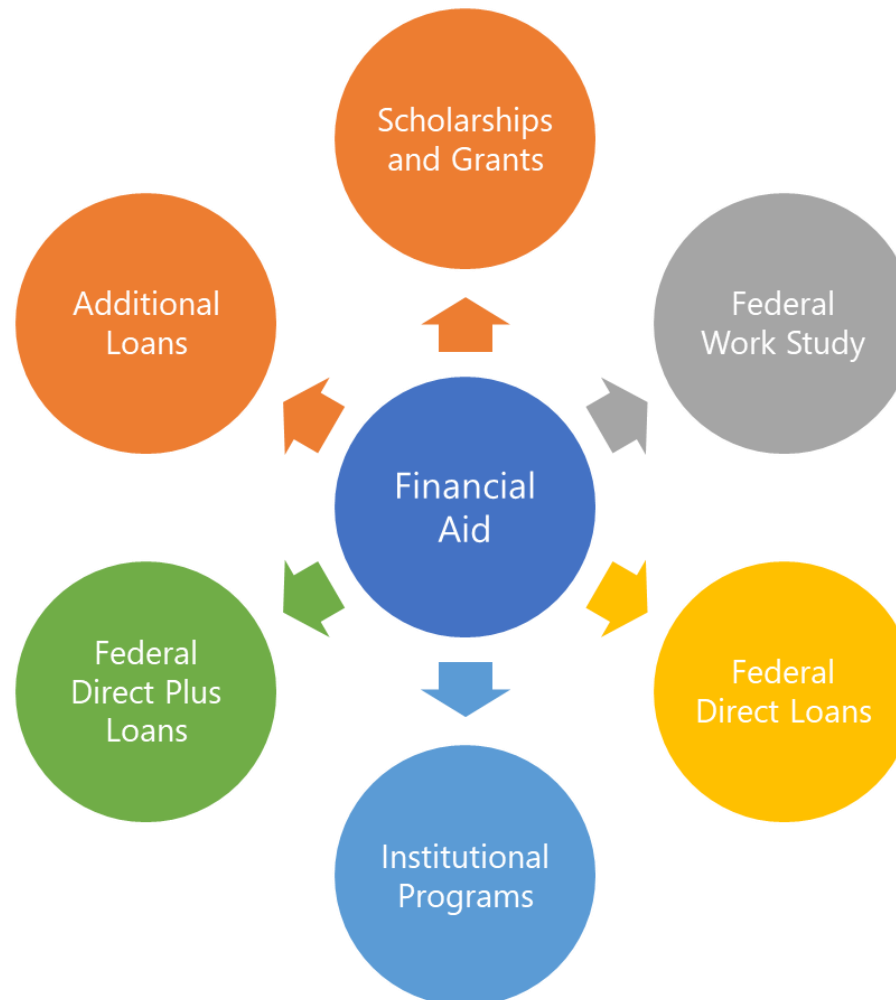
**EFC**-Expected Family Contribution

**ISIR**-Institutional Student Information Record

**FAO**-Financial Aid Office(r)



# Type of Financial Aid



# Sample Award Letter

- **NET COST:** The Cost of Attendance minus grants and scholarships. Also subtract any savings you have available to put toward your school costs. The remaining is your **“Net Cost”**.



Estimated Costs	Fall	Spring	Academic Year Total
Tuition & Fees	\$5,499	\$5,499	\$10,998
Housing & Meals	\$6,447	\$6,447	\$12,894
Books & Supplies	\$575	\$575	\$1,150
Transportation	\$400	\$400	\$800
Personal	\$1,177	\$1,177	\$2,354
Estimated Total Cost of Attendance	\$14,098	\$14,098	\$28,196
Estimated Financial Offer	Fall	Spring	Total
Merit Scholarship	\$3,499	\$3,499	\$6,998
Teaching Grant	\$2,000	\$2,000	\$4,000
Total Amt “Free Money”	\$5,499	\$5,499	\$10,998
Estimated Net Cost	\$8,599	\$8,599	\$17,198
Cost of Attendance-Free Money & Loans			
Direct Subsidized Fed Ln	\$722	\$721	\$1,443
Direct Unsubsidized Fed Ln	\$2,001	\$2,000	\$4,001
Total Amt of Loans	\$2,723	\$2,721	\$5,444
Cost of Attendance-Free Money & Loans	\$5,876	\$5,878	\$11,754

# How Much Do You Really Need?

Fixed Costs

Flexible Costs

Appeals

Other Income

Tuition  
Payment Plans

# Eliminating Unneeded Flexible Expenses

Expense	Estimated	Actual	
Rent (\$400/mo)	\$4,000	\$3,000	Addt'l roommate
Food (\$300/mo)	\$3,000	\$2,800	\$280/mo
Books (\$200 x 10)	\$2,000	\$1,300	10 Books for both semesters
Personal (\$75/mo)	\$750	\$650	Entertainment
Transportation (\$25/mo)	\$250	\$250	Bus Pass
<b>TOTAL</b>	<b>\$10,000</b>	<b>\$8,000</b>	<b>Savings of \$2,000</b>



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# The Free: Scholarships & Grants



# Scholarships

A grant or payment made to support a student's education. Usually paid directly to the school.

Typically  
merit or  
needs  
based

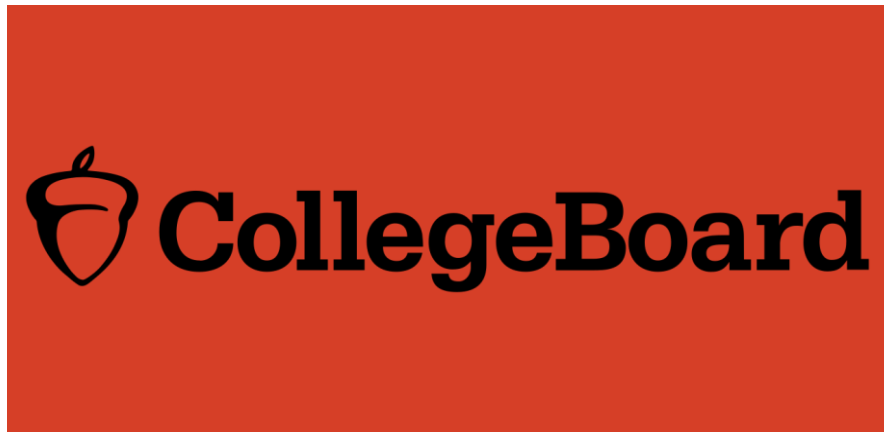
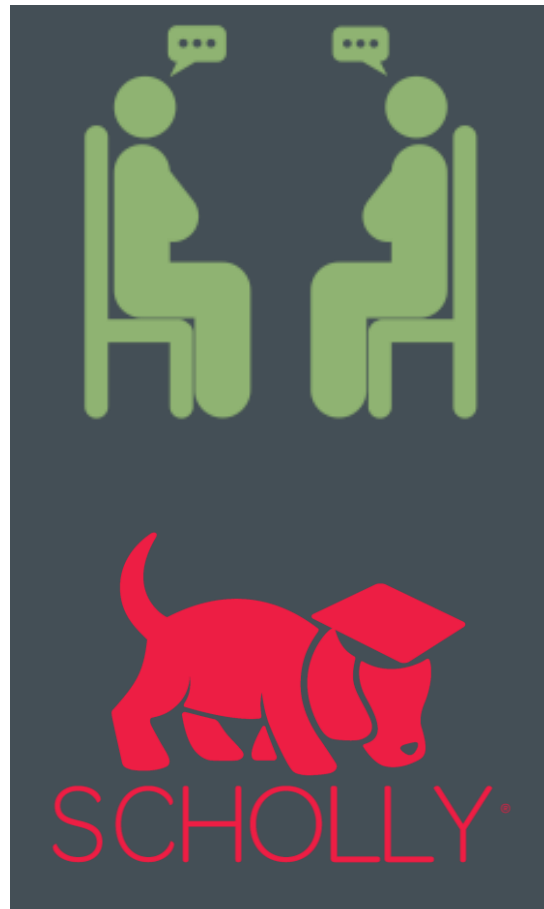
May have  
specific  
obligations

Could be  
awarded  
one-time or  
renewable

Don't have  
to be  
repaid

Eligibility  
can vary

## Resources for Scholarships





# Additional Tools For Scholarship Searches



Google

🔍 "Major" + "Association" + Scholarship



Google

🔍 "Teaching" + "Association" + Scholarship



All Education Schools

<https://www.alleducationschools.com/financial-aid>

## 20 Teaching Scholarships for Education Students

**Teaching scholarships** can help with some of the costs of school. ... and Electronics **Association** (AFCEA) provides **scholarships** to students pursuing graduate ...

[The Growing Demand For...](#) · [Pdk Prospective Educator...](#) · [Future Teachers Scholarship](#)



College Scholarships.org

<http://www.collegescholarships.org/teaching-students>

## A List of Scholarships for Students Wanting to be Teachers

This IT and communications **association** provides **scholarships** annually, to students earning an education in the field of **teaching**. Each year, 50 students who ...

# Additional Tools For Scholarship Searches



Google

"County" + "Foundation" + Scholarship



Google

"Strafford" + "Foundation" + Scholarship



About 877,000 results (0.44 seconds)



Brenda Strafford Foundation

<https://thebsf.ca> › careers › for-employees

## The Brenda Strafford Foundation Ltd. | For BSF Employees

The Brenda **Strafford Foundation's** (BSF) goal is to empower employees who may be witness to, or part of a wrong-doing to speak up. If you see: An illegal act; An ...



Facebook

<https://www.facebook.com/straffordschoolfoundation>

## Strafford School Foundation

**Strafford School Foundation, Strafford, Missouri.** ... Ministerial Alliance **Scholarship** in the amount of \$750. Congratulations! Marisa Hawley and 17 others.

★★★★★ Rating: 4.5 · 8 votes

# Scholarship Tips

Get in the money  
making mindset

Small scholarships  
add up

Build a scholarship  
list

Follow instructions

Essays = TEE: Time,  
Energy and Effort

Include job history

Use reference  
letters

Highlight  
community  
involvement &  
charity work

# Scholarship Tips (continued)

## Be Aware!!

Scholarships involving “luck”  
such as drawings

Sweepstakes/lotteries

Easy Completion

No Essay

**VS**

## Worthwhile

Competitiveness Element

Requires Effort

Has Multiple Sections



**Tip:** Save those graduation booklets or award night programs! This will give you the names of scholarships in your area and by major!

# Top Five Scholarship Mistakes

Only applying  
for private

Applying for  
too few

Instruction &  
application  
mistakes

Not aware of  
deadlines

Lack of  
persistence in  
search

# Grants

Free money  
from gov.,  
state,  
foundation  
school

Does not  
have to be  
repaid

May have  
obligations

Award based  
on need or  
merit

Ask for  
more

# Federal Grants

## Federal Pell Grant

- \$6,895 max for 2022-2023 award year

## Iraq and Afghanistan Service Grant

- \$6,502 max 10/1/22 – 10/1/23

## Federal Supplemental Educational Opportunity Grant

- Ranges between \$100 to \$4,000/year

## TEACH Grant

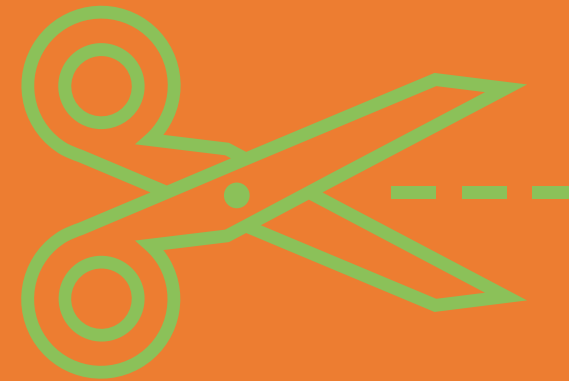
- \$3,772 max 10/1/22 – 10/1/23





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# The Cheap: Federal Loan Options



# Federal Direct Loan

Loans made by the federal government to the student

Must be a U.S. citizen or eligible noncitizen of the U.S. *with* a valid Social Security Number

Have a HS diploma, GED, complete homeschooling or pass an approved “ability to benefit” test

Must enroll in an eligible program as a regular student seeking a degree or certificate

Must be making satisfactory academic progress

\*Some exceptions apply

# Subsidized vs. Unsubsidized

## Subsidized

Awarded to eligible students based on financial need

Government pays interest  
While in school

Fixed interest rate of 4.99%\* plus loan fee of 1.057%\*\*

## Unsubsidized

Awarded to all eligible students, not based on need

Student pays interest  
May defer

Fixed interest rate of 4.99%\* plus loan fee of 1.057%\*\*

\*First Disbursement between July 1, 2022 and June 30, 2023

\*\*First Disbursement between October 1, 2020 and September 30, 2023

# Loan Limits

## Subsidized

Freshman

\$3,500

Sophomore

\$4,500

Juniors/Seniors

\$5,500

## Unsubsidized

### Dependent Student

Freshman

\$5,500

Sophomore

\$6,500

Juniors/Seniors

\$7,500

### Independent Student

Freshman

\$9,500

Sophomore

\$10,500

Juniors/Seniors

\$12,500



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# **The Gap: Other Options & Private Student Loans**



# Options for filling the funding gap

Savings  
Accounts (Including  
529 Plans)

Retirement  
Accounts

Home Equity  
Loans

Tuition  
Payment Plans

Federal Plus  
Loans  
(Complete FAFSA)

Private Loans  
(Completing FAFSA  
Recommended)

# Federal Direct Plus (Parent) Loan

A government administered credit based loan made to the biological parent of a dependent student.

**STOP – There Are More Paths To Take!!**

Borrowing limit is based on the cost of attendance, less financial aid awarded.

(Interest rates are reviewed mid May)

Dependent students whose parent is denied may qualify for additional Federal Direct Loan limits.

\*First Disbursement between July 1, 2022 and June 30, 2023

\*\*First Disbursement between October 1, 2021 and September 30, 2023



# Private Student Loans

A financing option for higher education that can supplement but **SHOULD NOT** replace federal direct loans.

Rates vary by institution

Origination fees vary from 0%-3%

5-25 years repayment terms

Require co-borrower meet FICO and debt to income requirements

Option to defer payments while in school



# **Student Choice Solution**



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## Student Choice Solution

No origination or  
prepayment fees

0.25% rate  
discount  
w/autopay (ACH)

Flexible  
Repayment  
Options

Full deferment  
\*5 years grace +  
6-month grace

Possible Co-  
borrower release

Make payment  
towards Principal  
and/or Interest

Can apply despite  
unknown variables  
(School opening, amount needed,  
future transfer)

Up to \$75,000  
Line of Credit

# Resource, Information, & Application



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Student Lending Center

Resources

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Apply

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**IMPORTANT:** Federal student loan payments and interest remain paused pending the outcome of legal challenges to the Biden Administration's proposed federal student loan debt relief measures. For details on when payments may restart, visit [studentaid.gov](https://studentaid.gov). Carefully consider your options before refinancing federal student loans, as they will no longer qualify for current and future federal benefits once refinanced with a private lender.

## PAY FOR COLLEGE

Responsibly fill college funding gaps with a private education line of credit.

[Get Started](#)

## REFINANCE STUDENT LOANS

Refinance and consolidate private and federal student loans.

[Get Started](#)

## LOG IN TO MY ACCOUNT

Finish an application, request funds, or make a payment.

[View Options](#)

## LISTEN NOW - UNDERSTANDING HOW TO PAY FOR COLLEGE

Understanding financial aid and determining how to pay for college can be stressful. From receiving award letters to securing student loans, the information – and the total amount you need to cover – can seem overwhelming. If you're not sure where to start, listen to our webinar!

[Listen Now](#)

Visit [ussfcu.studentchoice.org](https://ussfcu.studentchoice.org) or call 844-627-4305 to apply or for additional information

# College Access Counselor



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FREE!

## College Counselor

Need help completing your FAFSA, interpreting your award letter, or deciphering financial aid lingo? How about finding the right repayment strategy or refinancing your student loans?

Our College Counselor can provide personal, one-on-one consultation for all of your financial aid, repayment, and refinancing questions. Whether you're a parent, high school student, or college graduate entering loan repayment, our counselor can walk you through the necessary steps to make smart financial decisions.

Need immediate assistance with your application? [Speak with a representative.](#)

### ASK A QUESTION

Have a simple question you would like to ask? Use the form on the page linked below to submit your question via email to our counselor. Please allow up to 48 hours for a response.

[Ask a Question](#)

### SCHEDULE AN APPOINTMENT

Need a little more one-on-one help with your questions? Schedule a phone consultation with our counselor. **Remember all calls are based on your local time zone.**

[Schedule an Appointment](#)

FREE 1-1 assistance on topics such as:

- FAFSA
- Financial Aid Process
- Federal Student Loans
- Private Student Loans
- Scholarships
- Submit a question or schedule an appointment

# Thank You for Attending



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- Please visit or contact us if you have any questions.
  - [www.ussfcu.studentchoice.org](http://www.ussfcu.studentchoice.org)
- 844-627-4305 United States Senate FCU's Student Choice Solution