What HS Counselors Need to Know to Help Students Apply for and Consider Financial Aid Offers

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WACAC SLC 2018
What you really need to know . . .

- Is how to help students understand that they deserve a college education
- Is how to help students/families determine “value”
- Is how to help students apply
- And how to evaluate their financial aid packages
What Students Need to Know about College Financial Aid

GAINING INTEREST AND TRUST

3/11/2018
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Why Go To College?

- to prepare for a career
- to prepare for all the careers a person will have over his/her lifetime
- to learn about the world and improve quality of life
- to provide for a family
Financial Advantages of a College Degree

Bachelor Degree Holders earn over 50% more than HS diploma holders, and approx. 100% more than those without a high school diploma.

From: Higher Education Earnings Premium by Sandy Baum for the Urban Institute, Feb. 2014
When to Start This Conversation?

- make “college” a part of every presentation
- for every student, it is the option
- keep the doors open . . . each student can decide whether to go through them
- A – G completion a good start
- work with parents to understand the value
Determining Value and Costs

I’m going . . .

How can I understand how financing should be a part of my considerations in where to apply
How to Determine “Value”: Big Future

University of San Francisco
San Francisco, CA

At a Glance

Semester

<table>
<thead>
<tr>
<th>Calendar type</th>
<th>85% Returning for sophomore year</th>
</tr>
</thead>
</table>

15:1

Student-faculty ratio

77%

Graduating in 6 years

Degrees Offered

- Bachelor’s
- Master’s
- Doctoral

Natl. Average Retention Rate: about 67%
Natl. Average Graduation Rate: 44%
Financial Aid Distribution

64% Scholarships/Grants
16% Loans/Jobs
89% of need met
100% of freshmen with need who received aid

$26,871 Average 1st year financial aid package
Financial aid can include grants, loans, scholarships and work-study jobs. Every student’s financial aid package varies depending on individual circumstances.

Financial Aid Stats for All Undergraduates

- Applied for need-based aid: 63%
- Judged to have need: 82%
- Were offered aid: 82%
- Had full need met: 74%

Basic criteria used to determine aid from this school:
This school practices need-blind admissions.
Non need-based aid determined by:
- Academics
- Athletics
- Leadership

Tuition Plans Offered:
Tuition guarantee plan

Avg. Need-Based Loan: $4,374
Avg. Need-Based Grants: $26,442
Avg. “Merit” Scholarship: $5,596
Avg. Indebtedness at Graduation: $17,584
How to Determine “Value”:
College Navigator

Sonoma State University
1801 E Cotati Ave, Rohnert Park, California 94928-3609

General Information: (707) 664-2860
Website: [www.sonoma.edu](http://www.sonoma.edu)
Type: 4-year, Public
Awards offered: Bachelor’s degree, Master’s degree
Campus setting: Suburb: Large
Campus housing: Yes
Student population: 9,323 (6,631 undergraduate)
Student-to-faculty ratio: 21 to 1

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Retention rates measure the percentage of first-time students who are seeking bachelor's degrees who return to the institution to continue their studies the following fall.

**Retention Rates for First-Time Students Pursuing Bachelor's Degrees**

- **Full-time students:** 80%
- **Part-time students:** 37%

Percentage of Students Who Began Their Studies in Fall 2015 and Returned in Fall 2016

**Overall Graduation Rate and Transfer-out Rate**

The overall graduation rate is also known as the "Student Right to Know" or IPEDS graduation rate. It tracks the progress of students who began their studies as **full-time, first-time degree- or certificate-seeking students** to see if they complete a degree or other award such as a certificate within 150% of "normal time" for completing the program in which they are enrolled.

Some institutions also report a transfer-out rate, which is the percentage of the full-time, first-time students who transferred to another institution.

Note that not all students at the institution are tracked for these rates. Students who have already attended another postsecondary institution, or who began their studies on a part-time basis, are not tracked for this rate. At this institution, 67 percent of entering students were counted as "full-time, first-time" in 2016.

**Overall Graduation and Transfer-out Rates for Students Who Began Their Studies in Fall 2010**

- **Overall graduation rate:** 61%
- **Transfer-out rate:** 6%
Determine “Value”: College Scorecard
Retention and Graduation Rates and Earnings After School above/below national averages

**Graduation & Retention**

- **Graduation Rate**
  - 92% ➡️ ABOVE AVERAGE
    - National Median

- **Students Who Return After Their First Year**
  - 69% ➡️ ABOVE AVERAGE
    - National Median

**Earnings After School**

- **Percentage Earning Above High School Grad**
  - 81% of students who attend this school earned, on average, more than those with only a high school diploma.

- **Salary After Attending**
  - $70,400 ➡️ ABOVE AVERAGE
  - National Median

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“Bill” vs. Cost of Attendance

The “Bill” . . . paid to the college, includes tuition, fees, room and board if the student lives on campus.

Cost of Attendance (COA). . .

includes tuition and fees PLUS
room and board or living allowance
books and supplies
transportation and personal expenses
Why is this Important?

<table>
<thead>
<tr>
<th>UC Berkeley</th>
<th>San Jose State U</th>
<th>Santa Clara U</th>
</tr>
</thead>
<tbody>
<tr>
<td>bill: $29,784</td>
<td>bill: $23,315</td>
<td>bill: $64,345</td>
</tr>
<tr>
<td>COA: $34,400</td>
<td>COA: $28,166</td>
<td>COA: $69,439</td>
</tr>
</tbody>
</table>

*for resident students 2017-18*
Publics are not necessarily less expensive than Privates . . . Or Out-of-State Institutions

- Merit scholarships
- Time to degree, have to start at a community college?
- Opportunities for co-ops / paying internships
- WUE . . . Western Undergraduate Exchange
WUE: Western Undergrad Exchg

“WUE”: Awards qualified students “scholarships” so they pay 150% of in state tuition at public institutions. Not all offer, and each determines eligibility based on gpa and majors.

2017-18 Tuition:

- Arizona State*: WUE: $14,750 Out of State: $27,372
- Colorado State: WUE: $17,192 Out of State: $26,660
- U Nevada Reno: WUE: $9,573 Out of State: $20,653

*some programs
Actual Cost is Rarely “The Sticker Price”
## Gaps in Meeting Need (EFC = $20,000)

<table>
<thead>
<tr>
<th>College One</th>
<th>COA = $45,000</th>
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</thead>
<tbody>
<tr>
<td>Need = $ 25,000</td>
<td></td>
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<tr>
<td>Award:</td>
<td></td>
</tr>
<tr>
<td>Scholarship</td>
<td>$20,500</td>
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<tr>
<td>Work</td>
<td>$ 2,500</td>
</tr>
<tr>
<td>Loans</td>
<td>$ 2,000</td>
</tr>
<tr>
<td>total award</td>
<td>$ 25,000</td>
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</tbody>
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<table>
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<tr>
<th>College Two</th>
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<td>total award</td>
<td>$ 20,000</td>
</tr>
</tbody>
</table>

“*gap*” of $5,000 or Parent Loan of $5,000
How to Help Your Students Apply

TIMING, INFORMATION, SUBMISSION
Change in FAFSA Dates: Oct 1!

- FAFSA opens for Fall 2019 on October 1st
- Cal Grant deadline is still March 2nd
Change in FAFSA Dates: Oct 1!

BUT

- CSAC requires “opt out” program for those students who do not want their info uploaded for Cal Grant consideration

- CSAC tells us . . . Student applies by October 1st, should receive both a paper letter and an email with Cal Grant eligibility by November 1st . . . Could use that info in counseling about applying to 4 year colleges!

- Students need to use WebGrant accounts to “claim” their Cal Grants in May!

Implications of PPY “Early FAFSA”

- FAFSA opens in October:
  
  \textit{timing of admission applications and then financial aid applications}

- FAFSA before the list is complete? Know the EFC?
  
  \textit{many colleges do not package to demonstrated need}

- Financial aid applications easier:
  
  \textit{using the 2017 taxes to apply for aid for Fall 2019, etc.}

- Financial aid awards earlier?
  
  \textit{probably not, but hopefully the CSUs will get these done on time!}
Need-Based Aid and Merit Scholarships

NEED-BASED AID

Based on Family Income & Assets

Meant to help make college affordable for all

Also based on tuition and other costs

MERIT-BASED SCHOLARSHIPS

Income and Assets not considered

But grades and test scores count!

May depend on student activities, essay, etc.
FAFSA Workshops . . . In Fall of Senior Yr.

- Night program for parents . . . Fundamentals of the FAFSA & CSS Profile
- Go into Government / Senior English Classes

Goals: to get the parents and students “ready” and ask them to register for the FSA ID (formerly the PIN) before they begin the process
Completing the FAFSA

- if using directional handouts, one side for the FAFSA, one side for the Dream Act Application
- Sat/Sun workshops?
- use local accountant/tax firms to help families?
- FAFSA filers should use the Data Retrieval Tool if possible
About the CSS Profile

- not required by most public institutions
- not required by all private institutions
- usually takes info on non-custodial parents, etc.
- Fall filing may be required by some institutions if the student is applying “early”; otherwise should be filed in Jan/Feb
Differences between the FAFSA and CSS Profile

**FAFSA:** information on size of family, adjusted gross income, age of older parent, assets outside the home, etc.

**CSS PROFILE:** individual colleges ask for information including home equity, income and assets from non-custodial parents, etc.
Biggest Mistakes on the FAFSA

- Name on FAFSA does not match the name in Social Security system
- Parents include value of the home on the FAFSA
- Parents do not use the FSA ID to “sign” the FAFSA
- Parents do not update the FAFSA with actual figures after using estimated figures on the FAFSA
- Parents do not file the FAFSA on time!
Questions Asked Most about the FAFSA

- which parent needs to fill it out (the parent the students lives with the most; and claiming on taxes does not matter)
- does a step-parent’s income and assets need to be included (yes, if the step-parent is married to the custodial parent)
- does the non-custodial parent’s income appear on the FAFSA (no, but it is asked on the CSS Profile)
- does the value of retirement need to be included in assets (no, but the amount contributed that year is included)
How to Help Your Students Analyze Their Awards

HELP THEM UNDERSTAND
“THE BOTTOM LINE”
<table>
<thead>
<tr>
<th>COSTS / EXPENSES</th>
<th>Coll / Uni #1</th>
<th>Coll / Uni #2</th>
<th>Coll / Uni #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>tuition and fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>room and board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>total of &quot;direct&quot; costs (which means the bill)</td>
<td>add lines 4+5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>books and supplies</td>
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<td></td>
</tr>
<tr>
<td>transportation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>personal expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>total cost of attendance</td>
<td>add 6+8+9+10</td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>FINANCIAL AID</th>
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</thead>
<tbody>
<tr>
<td>grants and scholarships</td>
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<td></td>
<td></td>
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<tr>
<td>other gift aid</td>
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After the Worksheet is Completed

- how much loan is in the package? what will be the total by the end of the degree? grad school?
- how much work is expected?
- is there a Parent PLUS Loan?
  - if so . . . can the parent pay out of savings, etc., and decline the loan?
  - if so . . . if the parent wants to use this, will the parent qualify?
  - if so . . . what about years #2-4 +, and other children’s education?
After the Worksheet is Completed, *cont.*

- how long will the student need to complete the degree?
- will there be extraordinary travel/personal expenses?
- does the family have health insurance? *If not, the college will expect between $900 and $1800 to pay for the insurance.*
- can the family afford the monthly / semester payments?
- how much can the student earn in the Summer?
After the Worksheet is Completed, cont.

- which college offers the best financial “bottom line”?

- which college makes the best sense in terms of “fit” and “bottom line”?
At the end of the day . . .

It is the student’s family decision . . . our responsibilities end before the decision is made.
Questions?

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