

The Planning Phase

1. Determine Reasonable Parent Borrowing
2. Determine Your Affordability Threshold
3. Learn Your EFC number (fafsa4caster); test score; GPA
4. Understand College Categories
 - Flagship State Schools (in and out of state)
 - Non-flagship State Schools (in and out of state)
 - Highly Selective Privates
 - Mid-Size Privates
 - Traditional Privates
 - Commuter options (back up)
 - Community College (back up)
5. Pick colleges in each category; use their net price calculators; compare the net price results
6. Establish your:
 - Financial reach schools
 - Financial fit schools
 - Financial back up schools

Assessing Your Yearly College Affordability

Questions You Should Ask Yourself

Tax Credits

If your income is 80k or less (filing singly) or 160k or less (filing jointly), you might be eligible to pay \$2500 less in federal taxes per child/per year who attends college. This tax savings can be a resource to use to pay for college with no change to lifestyle.

Check with your tax filer to determine these savings.

Cash Flow

How much per month do you believe you could contribute for college out of cash flow? Can you make lifestyle changes to maximize this contribution? Are there expenses that you have now for your child going to college that will no longer be there? The more you can do to contribute for college out of cash flow, the less you have to take from savings or borrowing.

Current Payments

Do you have any current, ongoing monthly payments that will fall off during the time your child attends college? (car loans, credit cards?) Is this money that can be used to pay for college?

Savings

Have you been making ongoing contributions to a college savings account? If so, calculate that monthly contribution into your affordability. How much per year could you take from this college savings account to fund college?

Parent Borrowing

Are you willing to engage in reasonable parent borrowing? If so, do your research on the types of parent loans available? (Equity from a home, retirement loan borrowing, alternative student loans with parent co-signing)? The most common parent loan used is the Parent Loan to Undergraduate Students (PLUS). This is a 10 year note-paid monthly by the parents with payments beginning soon after installment is received.

Check current rates, tax advantages (if any), terms, etc. to determine which parent loan option is right for you.

Once you add all of this up from above, you have determined your yearly **college affordability threshold**.

Sample Family 2019-2020 College Price Worksheet

Sample Family	Student's ACT 27	Student's GPA 3.8/4.0	Family EFC 21000
Type and Name of School	Appx. Sticker price	Appx. Net Price (using NPC)	Out of pocket cost
Flagship (in state) U of I	32,000	32,000	By accepting a \$5500 direct loan and by
Flagship (out of state) Michigan St	54,000	46,000	working on campus
Flagship (out of state) Ohio St	44,000	44,000	and earning \$2500,
Non-flagship (in state) Il State	28,000	24,000	every parent could
Non-flagship (in state) Western IL	26,000	23,000	reduce their out of
Non-flagship (out of state) Truman St	26,000	18,000	pocket cost by
Non-flagship (out of state) Central Mich	24,000	19,000	\$8,000.00
Highly Selective private Harvard	70,000	11,000	You don't need to
Mid-size private U of Tampa	42,000	25,000	look for this on
Mid-size private Bradley	45,500	28,500	net price calculators.
Traditional private St Ambrose	45,000	27,000	
Traditional private St Xavier	44,000	25,000	

Sticker Price Reduction

1. Direct Student Loan – file the FAFSA
2. Campus Employment – file the FAFSA
3. Pell Grant – low EFC
4. MAP Grant – attend school in Illinois, low EFC
5. College Grant – lower EFC than college cost; college discretion
6. Academic Scholarship – apply and submit test score and transcript; college discretion
7. Athletic Scholarship – register with NCAA or NAIA Eligibility Center; college discretion
8. Talent Scholarship – college discretion (resume and relationship)
9. Competitive Academic Scholarship – test, college discretion
10. Legacy and/or sibling scholarships
11. Independent Scholarship – apply and assessed by organization
12. ROTC/Military – some military commitment
13. Tuition exchanges
14. Pathway to residency

To develop column two, it is important to find your approximate net price at a variety of colleges, preferably from different pricing categories.

Here are 25 schools with excellent net price calculators that might help:

Flagship State Schools

University of Illinois/Urbana	https://secure.osfa.illinois.edu/NPC/NPC.asp
Indiana University	https://npc.collegeboard.org/student/app/indiana
University of Minnesota	https://npc.collegeboard.org/student/app/tcumn
University of Alabama	https://financialaid.ua.edu/net-price-calculator/
University of Kansas	https://admissions.ku.edu/tuition-scholarship/net-price-calculator

Non-flagship State Schools

Truman State	http://www.truman.edu/admission-cost/net-price-calculator/step-1/
Grand Valley State	https://www.gvsu.edu/financialaid/price_calculator.htm
Indiana State	https://indstate.studentaidcalculator.com/welcome.aspx
Central Michigan	https://netconnect.cmich.edu/netpricecalculator/
Southern Illinois/Edwardsville	https://siue.studentaidcalculator.com/welcome.aspx

Highly Selective Schools

Harvard	https://college.harvard.edu/financial-aid/net-price-calculator
Vanderbilt	https://vanderbilt.studentaidcalculator.com/survey.aspx
U of Chicago	https://financialaid.uchicago.edu/undergraduatecosts/college-aid-net-price-calculator
Northwestern	https://npc.collegeboard.org/student/app/northwestern
Dartmouth	https://npc.collegeboard.org/app/dartmouth

Mid-Size Privates

University of Tampa	http://www.ut.edu/financialaid/calculators/
Bradley University	http://bradley.edu/estimator
DePaul	https://depaul.studentaidcalculator.com/survey.aspx
St Louis University	https://slu.studentaidcalculator.com/survey.aspx
Creighton University	https://www.creighton.edu/financialaid/financialaidresources/netpricecalculator/

Traditional Privates

Saint Xavier	https://www.sxu.edu/admissions/financial_aid/calculator
Saint Ambrose	https://www.sau.edu/cost-and-aid/net-price-calculator
Loras College	https://www.loras.edu/financial-aid/netpricecalculator/
Saint Mary's Notre Dame	https://www.saintmarys.edu/financial-aid/tools/net-price-calculator
Carthage College	https://carthage.studentaidcalculator.com/survey.aspx

If you cannot find affordable options, two other back-ups can be considered:

Commuting – living at home could save you 10 to \$14,000 per year

Community College – very low tuition cost could be handled directly or through student loan

Review of Steps to Find Financial Reaches, Financial Fits, Financial Back-ups

1. Determine reasonable student borrowing; determine reasonable parent borrowing; avoid excessive borrowing at all costs
2. Determine your yearly college affordability without excessive borrowing
3. Go to fafsa4caster and learn your EFC; use your child's transcript to determine their GPA; know or forecast their ACT or SAT test score
4. Choose college in each category (preferably 2 or more in each); use their net price calculators and determine your approximate net price at each school – create a net price chart
5. Match your yearly affordability with these net prices and map out the financial reach schools, financial fit schools, and of course the financial back-ups
6. Discuss these options with your child and explain to them the danger of applying only to financial reach schools
7. Make multiple college applications and work diligently on every possible way to reduce sticker price as outlined in the handout and through this seminar
8. Complete the execution phase

<https://fafsa.ed.gov/FAFSA/app/f4cForm?execution=e1s1> (FAFSA4caster)

<https://collegecost.ed.gov/netpricecenter.aspx> (Net Price Calculator Center)

The Execution Phase

1. Complete the FAFSA – after October 1
2. Complete the CSS Profile (only if applying to highly selectives)– after Oct 1
3. List all colleges where student has interest on FAFSA (up to 10)
4. Appeal if appropriate
5. Complete verification process if requested
6. Await award letters
7. Compare each college's out of pocket cost
8. Determine merits of conversation with number one college choice
9. Make final college decision (May 1)
10. Research parent loan options (if borrowing is determined)
11. Have student hunt for campus employment (summer)
12. Have student take online loan class
13. Have student sign promissory note
14. Establish payment plan with college choice



<https://ut.studentaidcalculator.com/survey.asp>



www.sau.edu/cost-and-aid/net-price-calculator



<http://www.truman.edu/admission-cost/net-price-calculator/step-3/?estOption=2>



<https://www.sxu.edu/financial-aid/calculator.asp>



<http://bradley.edu/estimator>