How Are You Going To Pay for College?
College Costs – Past, Present and Future
Four-Year Institutions
2002 to 2022

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Public University</th>
<th>Average Private College</th>
<th>Elite Private College</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>$12,000</td>
<td>$25,000</td>
<td>$45,000</td>
</tr>
<tr>
<td>2012</td>
<td>$25,000</td>
<td>$45,000</td>
<td>$55,000</td>
</tr>
<tr>
<td>2022</td>
<td>$38,000</td>
<td>$60,000</td>
<td>$75,000</td>
</tr>
</tbody>
</table>

Paying for College

Less than 4% of all families have set aside over $5,000 for their children’s college education.
In Addition…

• Over 60% of students do NOT finish where they started

• Over 50% of students do NOT finish in 4 years

• This may INCREASE your costs by 25% - 50% or more
The causes...

• A “bad college fit”
  • Choosing a school based solely on where friends or family went
  • Selecting colleges based solely on “sticker price”

• Starting too late – Parents and students are busy
  • Missing deadlines for the school of choice
  • Each school has it’s own application time line

• Not having back-up choices

• Just “settling” on a school – Being unaware of the vast number of colleges out there
The results...

Some students are so uncomfortable at college that they just leave.

If a student transfers, many credits can be lost.
How To Achieve the “Best Fit”

• Have a Purpose – A career path
  • Take personality assessments
  • Combine with career assessment

• Do college searches based on results of:
  • personality assessments
  • career assessments
Personality Assessments help determine…

• Student’s Personality Type - which helps guide them toward a satisfying career
• Their real interests and goals
• Their academic interests
• The type of learning environment that will help them succeed - big or small school
Career Assessments …

- Identify careers and majors that match your student’s Personality Type
- Help students confirm career they’re already considering
- Uncover unknown interests that may help them decide on -”the right fit”
- Keeps students focused – results oriented
- Eases the decision process
- Saves money!
Things to do:

• Complete the Career profiles Assessment

• To recognize your student’s strengths and personality preferences

• To help them identify careers and majors consistent with their likes and dislikes
Student - Career - Major - College

Career Profiling

Career Search

Major

College Search

Satisfying Career
Financial Aid Process

• Apply for admission
• File the financial aid application form(s)
• Review the Student Aid Report
• Verification of information
• Review and compare award letter offers
• Appeal any special circumstances
Financial Aid is Based on:

• Merit
  – Academic
  – Athletic
  – Other
• Financial need
  – Family income & assets
The "FAFSA"

(Free Application for Federal Student Aid)

☑ EVERYONE must fill out this form to get aid.

☑ You cannot apply for Federal Loans without.

☑ Over 100 questions.

☑ Annuities & Cash Value Life Insurance are exempt.
What Is the EFC?
(Expected Family Contribution)

• Formula-driven approach for estimating how much the family can pay

• Computed based on information submitted on the FAFSA or PROFILE financial aid application forms

• Based on the Parents’ and Student’s income and assets
Financial Need is based on a Three-line FORMULA

Cost of Attendance (COA) - Expected Family Contribution (EFC) = Financial Need
What is the COA?
(Cost Of Attendance)

Tuition
Room & Board
Books & Supplies
+ Transportation Costs
Personal Items

= Total COA
PALMETTO FELLOWS

• High School Requirements

• Score at least 1200 on SAT (SAT Writing subsection not applicable) or 27 on ACT;

• Earn a minimum 3.5 cumulative grade point average (GPA) based on SC Uniform Grading Policy (SC UGP); and

• Rank in the top 6% of class in the sophomore, junior, or senior year.
To Retain Eligibility

• Earn a minimum 3.0 institutional cumulative GPA each academic year (Fall, Spring and Summer);
• Earn at least of 30 credit hours each academic year;
• Enroll full-time as a degree-seeking student at time of scholarship disbursement; and
• Must enroll in a four-year eligible South Carolina college or university full-time immediately
Award Amount

• 4-year Degree (Eligible S.C. Public or Private Institution)

• Up to $6,700 in the freshman year not to exceed the cost of attendance; sophomores and

• above receive up to $7,500 per academic year not to exceed the cost of attendance.
LIFE

• Eligibility Requirements
• High School Requirements for a 4-year Institution

• Earn two out of the following three:
  • 1) Score at least 1100 on SAT (SAT Writing subsection not applicable) or 24 on ACT; or
  • 2) Earn a minimum 3.0 cumulative GPA based on SC UGP at end of senior year; or
  • 3) Rank in the top 30% of graduating class.
Award-Amount

• Up to $5,000 ($4,700 plus $300 book allowance) per academic year not to exceed the cost of attendance.

• Sophomores and above in approved math/science programs may receive up to $7,500 per academic year not to exceed the cost of attendance.
Requirements for a 2-year Institution

• Earn a minimum 3.0 cumulative GPA based on SC UGP at end of senior year (test score and rank requirements waived).
To Retain Eligibility

- Earn a minimum 3.0 LIFE GPA each academic year (Fall, Spring and Summer);
- Earn an average of 30 credit hours each academic year; and
- Enroll full-time as a degree-seeking student at time of scholarship disbursement
2-year College Associate Degree

• Up to the cost of tuition plus $300 book allowance per academic year (total award shall not exceed $5,000)

• Students attending 2-year institutions or technical colleges are NOT eligible to receive the LIFE Scholarship Enhancement.
• High school requirements (Award only available for freshman year of college)
• Earn a minimum 3.0 cumulative GPA based on SC UGP at the end of senior year; and
• Enroll full-time as a degree-seeking student at time of scholarship disbursement.
Award-Amount

• 4-year degree (Eligible S.C. Public or Private Institution)
• Up to $2,500 plus a $300 book allowance for the first academic year (two terms) only toward cost of attendance.
Have a Plan B:

Apply to more than one college
6 – 8 is recommended
List them on FAFSA

Because....... 
What if the school the student has their heart set on doesn’t accept him or her?
Or doesn’t offer a financial award package as good as other schools

And that’s important because...
Financial Aid Facts

• Many of you may qualify for financial aid even though you think you earn too much money!
• Colleges compete for students
• Colleges have empty seats to fill
• Colleges will pay for good students
# Public vs. Private College

<table>
<thead>
<tr>
<th></th>
<th>Public University</th>
<th>Private College</th>
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</thead>
<tbody>
<tr>
<td><strong>Total Cost</strong></td>
<td>$17,900</td>
<td>$34,500</td>
</tr>
<tr>
<td><strong>EFC</strong></td>
<td>- 12,000</td>
<td>- 12,000</td>
</tr>
<tr>
<td><strong>NEED</strong></td>
<td>$ 5,900</td>
<td>$22,500</td>
</tr>
<tr>
<td><strong>% Need Met</strong></td>
<td>80%</td>
<td>90%</td>
</tr>
<tr>
<td><strong>Financial Aid Eligibility</strong></td>
<td>$ 4,720</td>
<td>$20,250</td>
</tr>
<tr>
<td><strong>Gift Aid (20%)</strong></td>
<td>$ 944</td>
<td>$14,175</td>
</tr>
<tr>
<td><strong>Self-Help (80%)</strong></td>
<td>$ 3,776</td>
<td>$ 6,075</td>
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<tr>
<td><strong>“Out-of-Pocket Cost”</strong></td>
<td><strong>$ 13,180</strong></td>
<td><strong>$ 14,250</strong></td>
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<tr>
<td>(Total Cost – Financial Aid Eligibility)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>“True Cost”</strong></td>
<td><strong>$16,956</strong></td>
<td><strong>$20,325</strong></td>
</tr>
<tr>
<td>(Total Cost – Gift Aid)</td>
<td></td>
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</tbody>
</table>
Appealing an Aid Award

• The first award may not be the last offer!
• Follow each school’s appeals procedures
• Base appeal on circumstances related to:
  – Income and Assets
  – Household Information
  – Any “special circumstances”
• Adequately document the appeal
Summary

Remember these important tools to help you reduce the cost of college!

• Career planning & college fit
• Positioning the student
• Financial aid - need and merit based
• Grants, scholarships and student loans
• Education tax incentives - reduce taxes
• Debt consolidation to free up cash flow
• Asset/Liability realignment to increase cash flow
Do You Have A Game Plan?

• Has your student identified and or investigated specific careers in areas that interest them?

• Will you find the right college “Fit” for your student?

• Have you developed your student’s merit and marketability?

• Have you identified the best strategies to pay for college without jeopardizing your retirement and other financial priorities?