
Financial Aid 301 The Hard Stuff

ASPIRE

2016 Fall Conference

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Discussion Topics

- CSS Profile
- Need Based Aid vs. Merit Based Aid
- Financial Aid Packaging and Strategies
- Public Schools vs. Private Schools
- Trends in Higher Education
- The Value of Higher Education
- Loan Indebtedness
- Difficult Questions



CSS Profile: What?

- Online Application
 - Available October 1st of the student's senior year
- Fee Based
 - \$25 for first school, \$16 for each additional school
- Fee Waivers Available
 - Automatic fee waivers for first time, domestic filers based on income (assets not considered)
 - Generally students are eligible if annual parent income is \$40,000 or less or student is an orphan/ward of the court under age 24
 - Applicants who used an SAT Fee Waiver may receive Profile Fee Waivers
 - Applicant logs into Profile using the same ID/account

File Your CSS Profile



CSS Profile: Why?

- Determines eligibility for *institutional* grant funds
 - Cannot be used to determine eligibility for federal aid
 - Collects more detailed information than the FAFSA
 - Medical expenses
 - Primary/Secondary private school expenses
 - Home value/indebtedness
 - Non Custodial Parent Profile (NCP) collects information from student's non custodial parent in cases of separation or divorce
- Need assessment differs from the FAFSA
 - Individualized by school, based on institutional priorities and resources
- Calculated family contribution may be higher or lower than FAFSA Expected Family Contribution (EFC)
 - Some schools will use highest EFC



CSS Profile: Who & Where?

- Colleges that use CSS Profile and the Non Custodial Profile
 - <https://student.collegeboard.org/css-financial-aid-profile>
 - Click on *Participating Colleges, Universities and Scholarship Programs*
- Interactive Presentation:
 - <http://css.collegeboard.org/>



IDOC



- College Board Institutional Documentation Service
- Collects families' federal tax returns and other documents on behalf of participating colleges and programs
- College Board notifies students selected by participating institutions when to submit the required documents
- Documents may be submitted electronically or by mail

Need Based vs. Merit Based Aid

- Need based aid, including grants, loans, and work opportunities, is awarded based on family income, assets, and household size
- Merit based aid, usually in the form of scholarships, is awarded based on the student's academic and/or co-curricular achievements
- Distinction between need and merit is often not made clear to student
 - Merit often helps meet need
 - Non need based package may include unsubsidized loans and institutional on campus employment

Financial Aid Packaging & Strategies

- Equity Packaging
 - Standard self-help, remainder (or %) of need met with grant funds
- Preferential Packaging
 - Grant/scholarship amount or % based on academic and/or co-curricular record, remaining need (or %) met with self-help
- Leveraging
 - Tuition discounting based on student characteristics

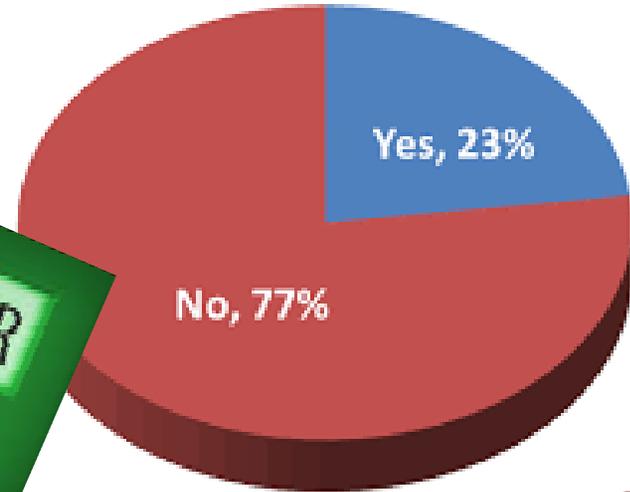
Public vs. Private Schools

- Sticker price may not be what student will pay
- Private schools can be more affordable because of institutional aid available
- Financial fit should be considered
- Net Price Calculators are a useful tool to begin discussions about financial fit





Have you ever used a cost or scholarship calculator that you found on a college's Web site?

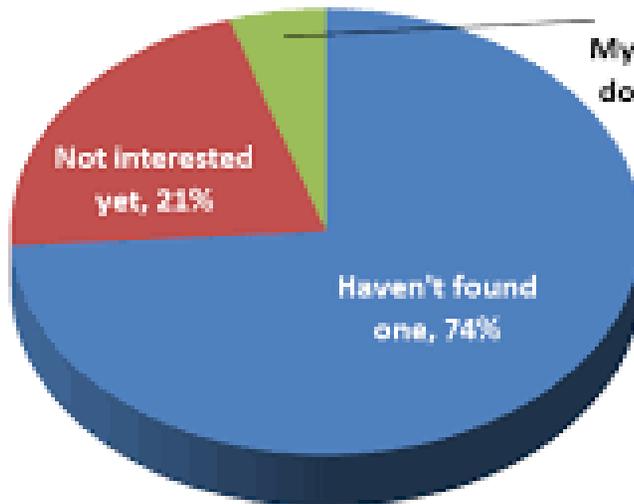


NET PRICE CALCULATOR
Estimate Your Aid



WHAT'S YOUR COST?
USE OUR
NET PRICE CALCULATOR

Why have you not used a calculator on a college's Web site?



My parents are doing this, 5%

FRESHMEN
NET PRICE CALCULATOR

**CLICK HERE FOR THE
NET PRICE CALCULATOR**

10
minutes



Trends in Higher Education

- <http://trends.collegeboard.org/>
 - *Trends in College Pricing*
 - *Trends in Student Aid*
 - *Education Pays*
 - PDF
 - Presentation
 - Data in Excel



Average Published Charges (Enrollment-Weighted) for Full-Time Undergraduates by Sector, 2015-16

	Public Two-Year In-District	Public Four-Year In-State	Public Four-Year Out-of-State	Private Nonprofit Four-Year	For-Profit
Tuition and Fees					
2015-16	\$3,435	\$9,410	\$23,893	\$32,405	\$15,610
2014-15	\$3,336	\$9,145	\$23,107	\$31,283	\$15,160
\$ Change	\$99	\$265	\$786	\$1,122	\$450
% Change	3.0%	2.9%	3.4%	3.6%	3.0%
Room and Board					
2015-16	\$8,003	\$10,138	\$10,138	\$11,516	—
2014-15	\$7,856	\$9,786	\$9,786	\$11,162	—
\$ Change	\$147	\$352	\$352	\$354	—
% Change	1.9%	3.6%	3.6%	3.2%	—
Tuition and Fees and Room and Board					
2015-16	\$11,438	\$19,548	\$34,031	\$43,921	—
2014-15	\$11,192	\$18,931	\$32,893	\$42,445	—
\$ Change	\$246	\$617	\$1,138	\$1,476	—
% Change	2.2%	3.3%	3.5%	3.5%	—

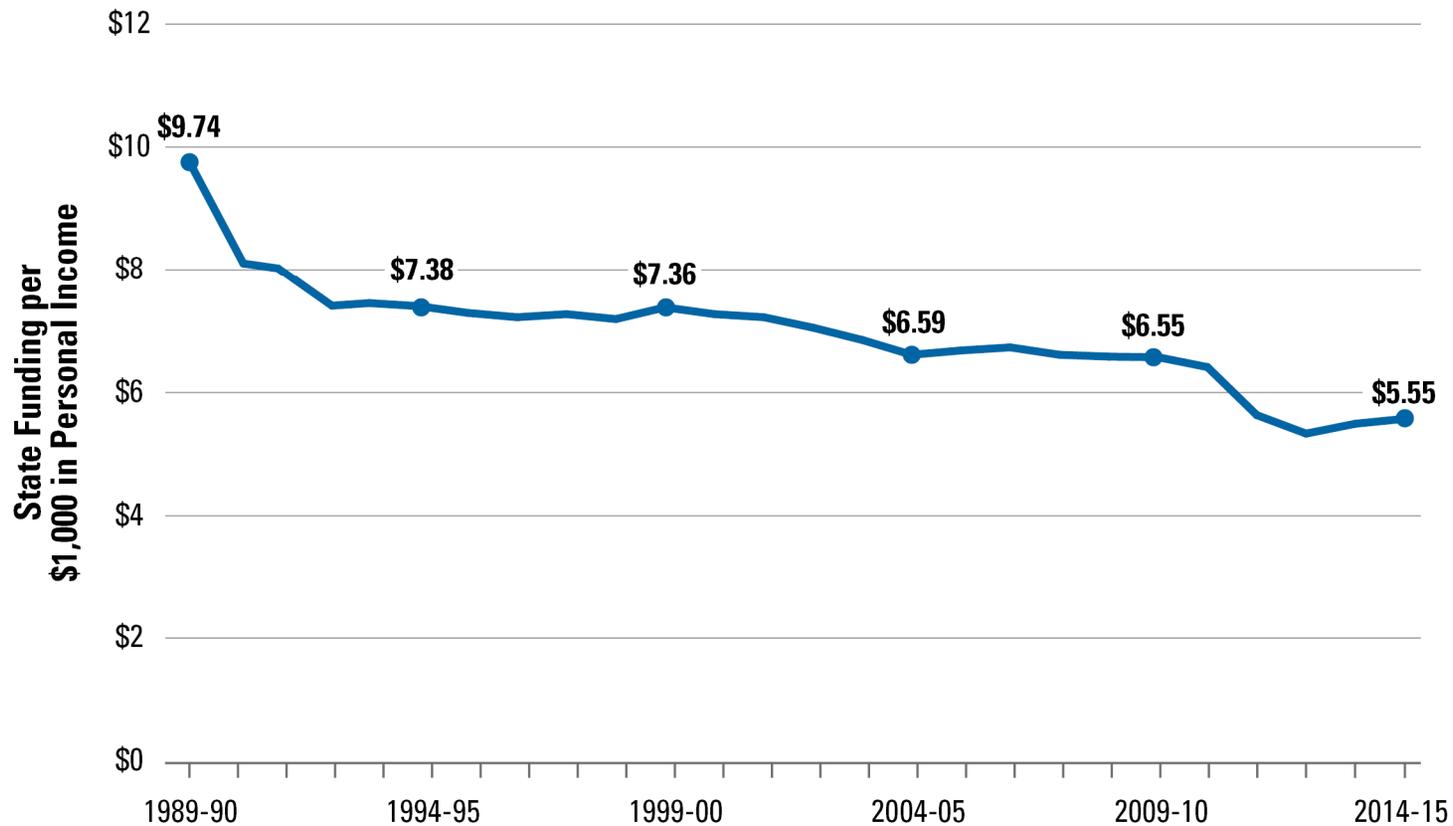
SOURCE: The College Board, *Trends in College Pricing 2015*, Table 1A

Oregon Average* Annual Costs

Oregon Institutions	Tuition & Fees	Other Costs	Cost of Attendance
2 Year Community Colleges	\$4,983	\$13,080	\$18,062
4 Year Public Universities	\$10,707	\$15,597	\$26,304
4 Year Private Universities	\$31,692	\$14,712	\$46,404

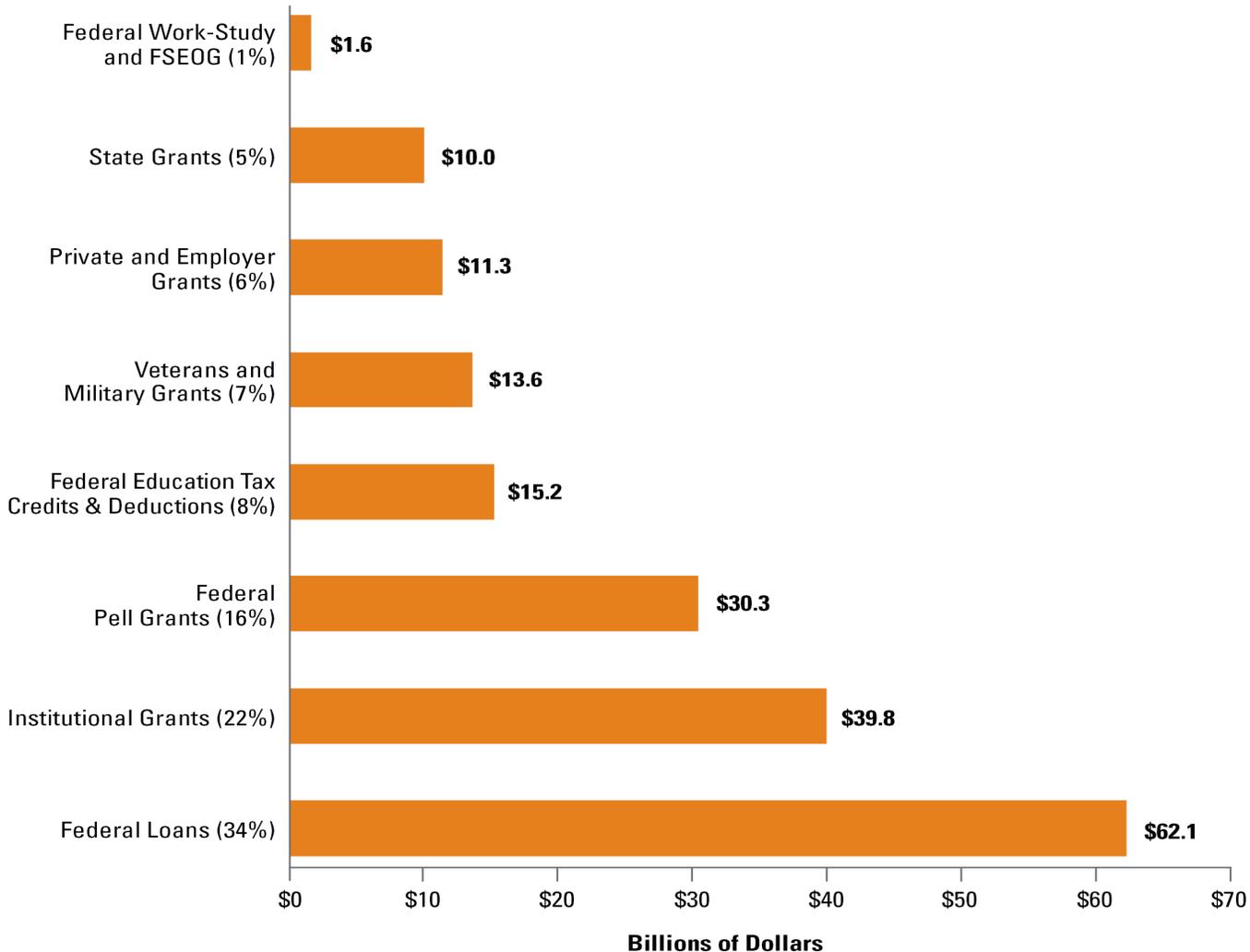
*Average costs for 2016-17. Costs may be lower or higher depending on institution.

Average State Funding for Higher Education per \$1,000 in Personal Income, 1989-90 to 2014-15



SOURCE: The College Board, *Trends in College Pricing 2015*, Figure 17A

Total Undergraduate Student Aid by Source and Type (in Billions), 2014-15



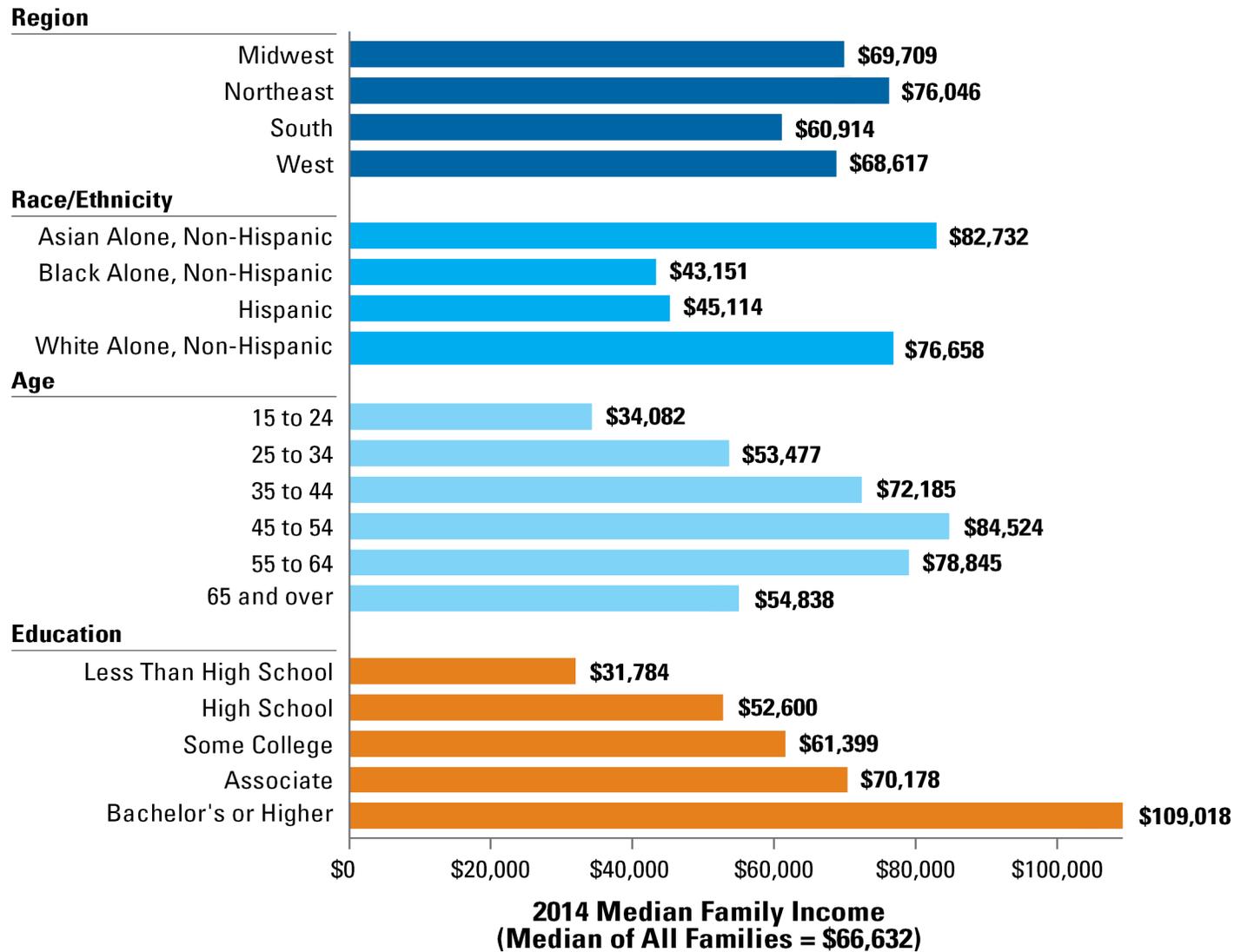
SOURCE: The College Board, *Trends in Student Aid 2015*, Figure 2A

Thirty-Year Percentage and Dollar Change in Family Income by Quintile

	Lowest 20%	Second 20%	Third 20%	Fourth 20%	Highest 20%	Top 5%
\$ Change 1984 to 2014	-\$218	\$3,296	\$9,219	\$20,633	\$73,670	\$162,825
% Change 1984 to 2014	-1%	9%	16%	25%	51%	79%
2014 Income Bracket	\$29,099 or less	\$29,100 to \$52,696	\$52,697 to \$82,031	\$82,032 to \$129,005	\$129,006 or higher	\$230,030 or higher
2014 Mean Income	\$16,110	\$40,681	\$66,899	\$103,115	\$217,021	\$370,085

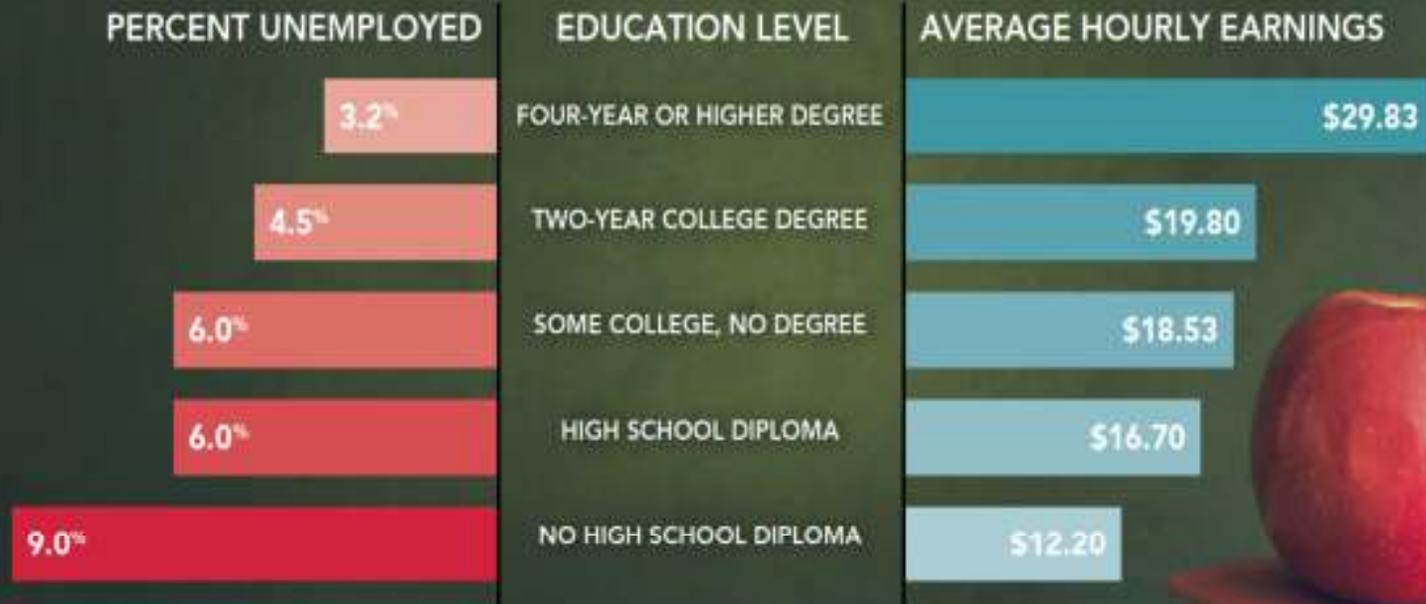
SOURCE: The College Board, *Trends in College Pricing 2015*, page 33

Median Family Income by Selected Characteristics, 2014



SOURCE: The College Board, *Trends in College Pricing 2015*, Figure 22B

EDUCATION PAYS

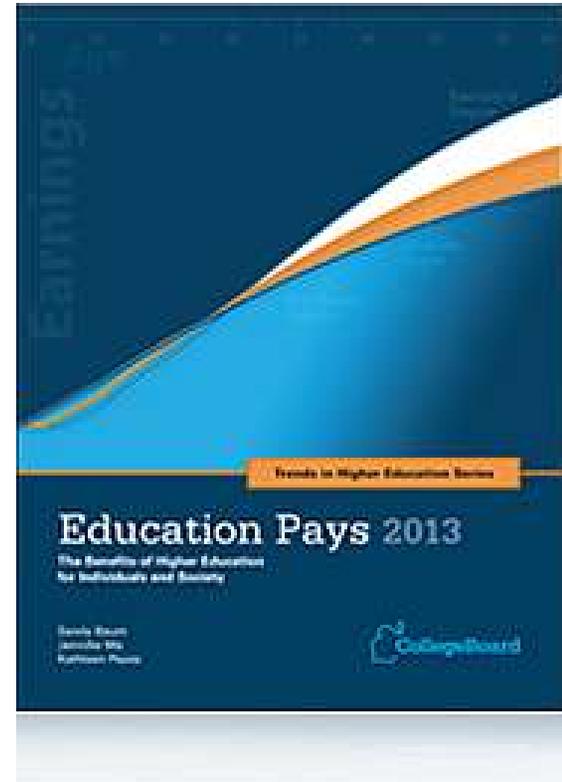


Download poster at:

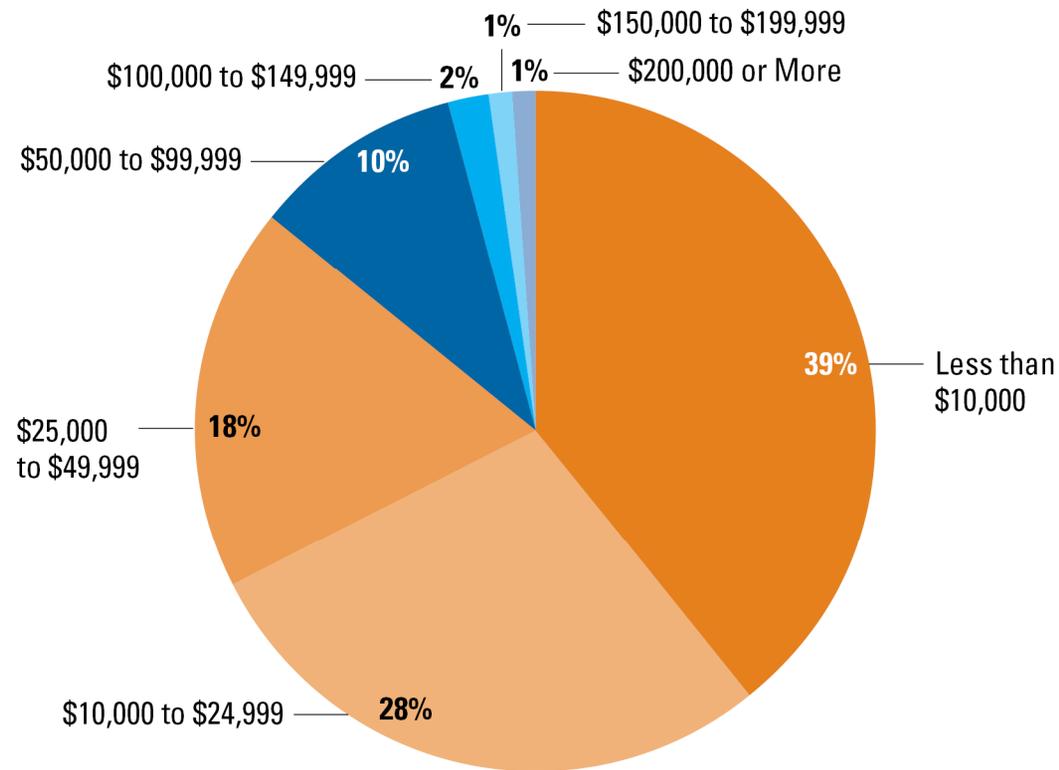
<http://oregonemployment.blogspot.com/2015/05/education-pays-2015.html>

College Works!

- Lower smoking rates
- Higher voting rates
- Longer life spans
- Greater work satisfaction
- Lower obesity rates
- Higher volunteer rates

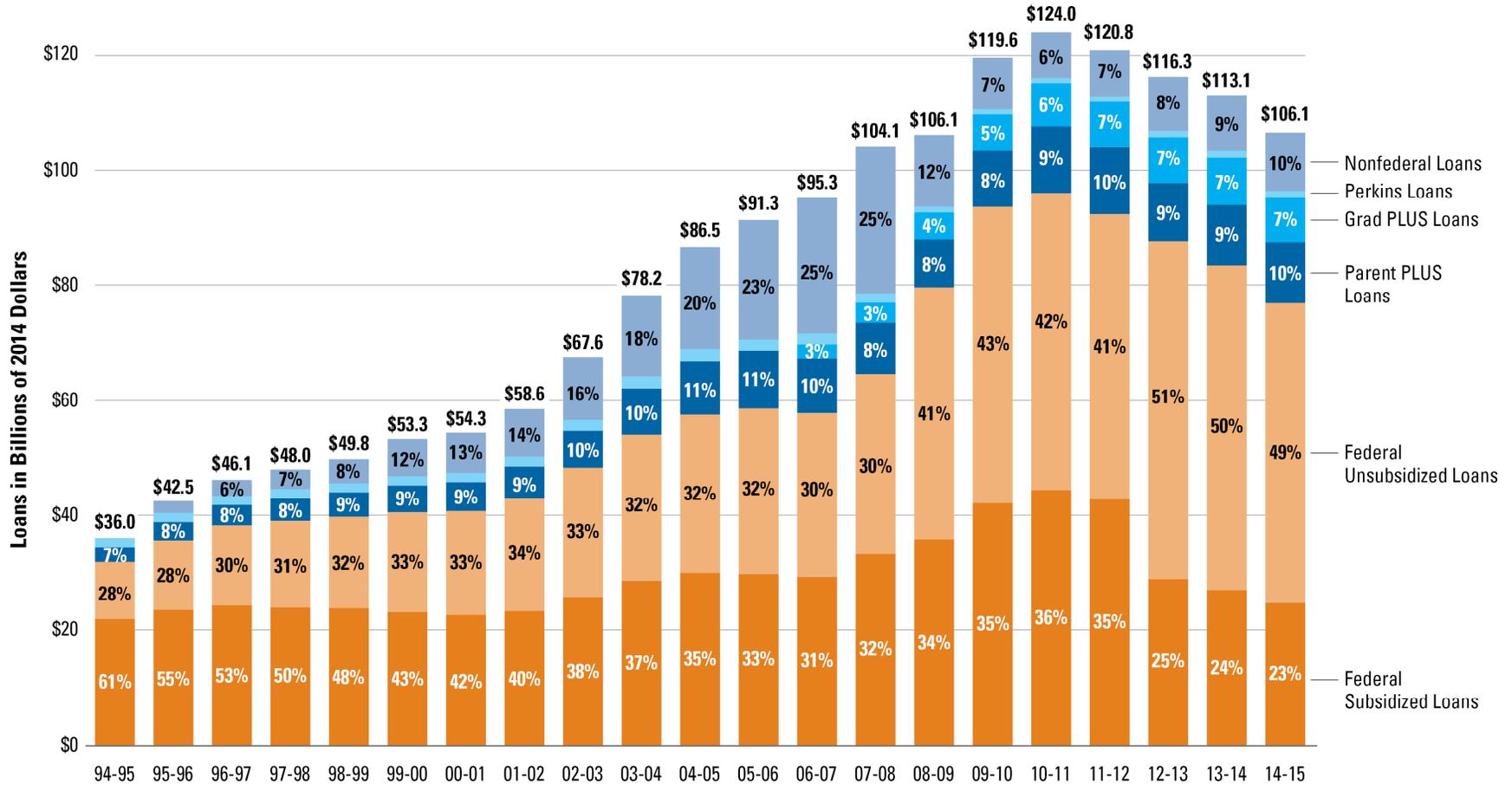


Distribution of Outstanding Education Debt by Average Balance, 2014



SOURCE: The College Board, *Trends in Student Aid 2015*, Figure 19B

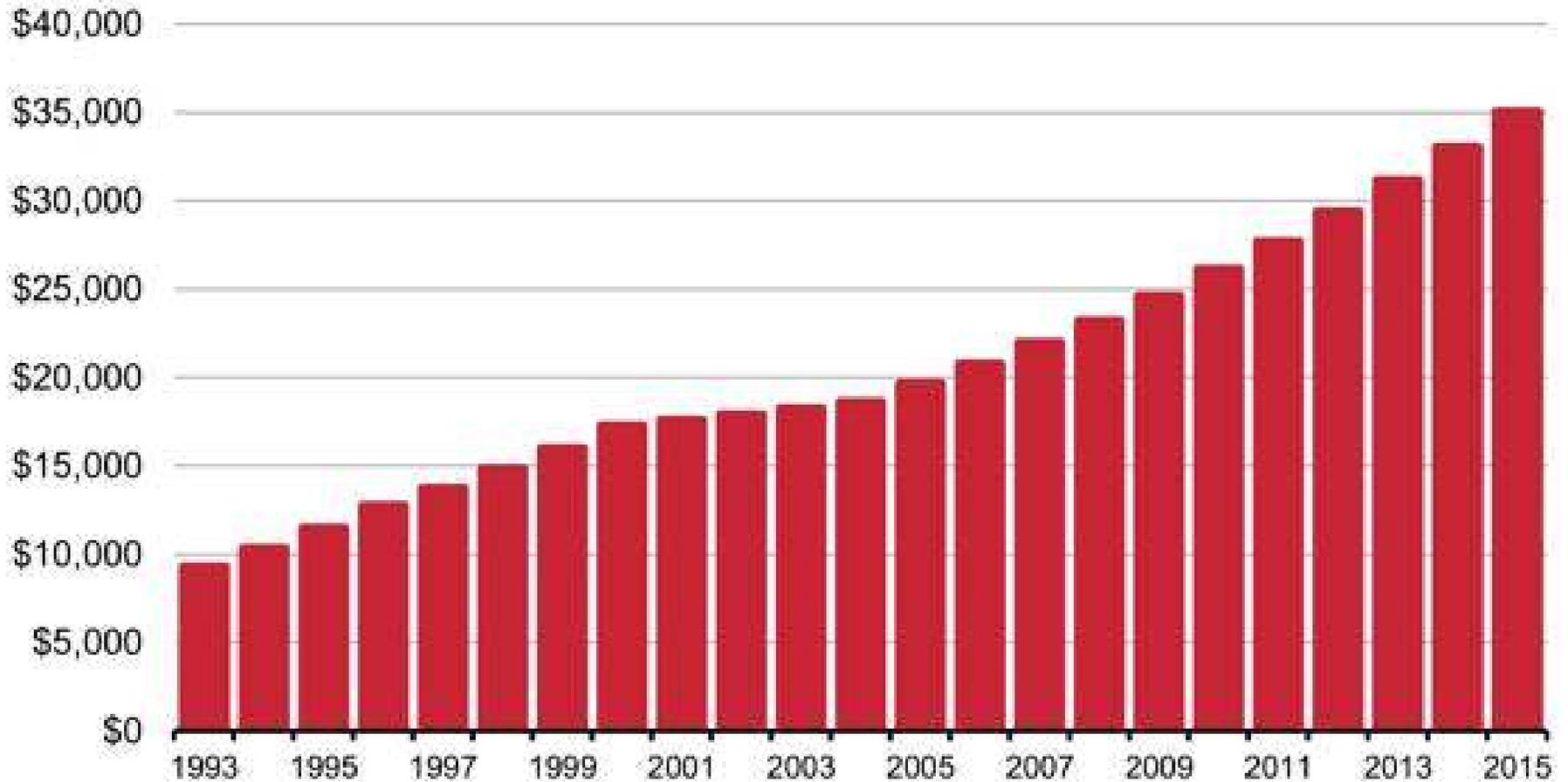
Total Federal and Nonfederal Loans in 2014 Dollars, 1994-95 to 2014-15



SOURCE: The College Board, *Trends in Student Aid 2015*, Figure 5

Head of the Class

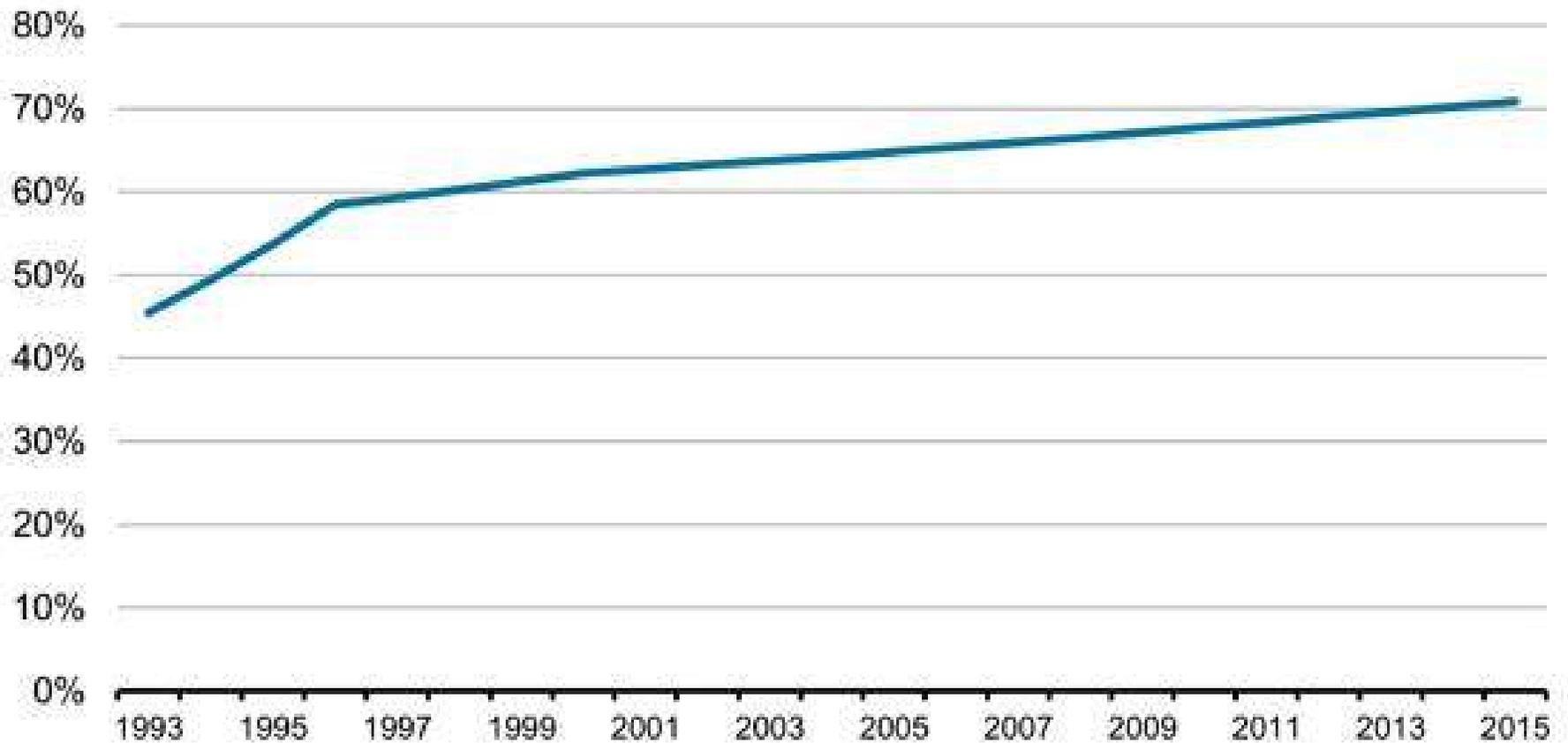
Average debt per borrower in each year's graduating class



Source: Mark Kantrowitz | WSJ.com

Higher Education

The percentage of students with loans in each year's graduating class



Source: Mark Kantrowitz | WSJ.com

“... your total student loan debt at graduation should be less than your annual starting salary.”

“ ... you should be able to pay back your loan in 10 years or less.”

“ ... a student's loan payment should not exceed 8% of their expected monthly gross income after graduation.”

“...parent or adult borrowers must consider their total debts -- including mortgage payments, credit cards, car loans, etc. Total debt payments should not consume more than 35% of gross pay.”

Questions?

