

# Coping with College Costs: Paying for College

*Presenter:  
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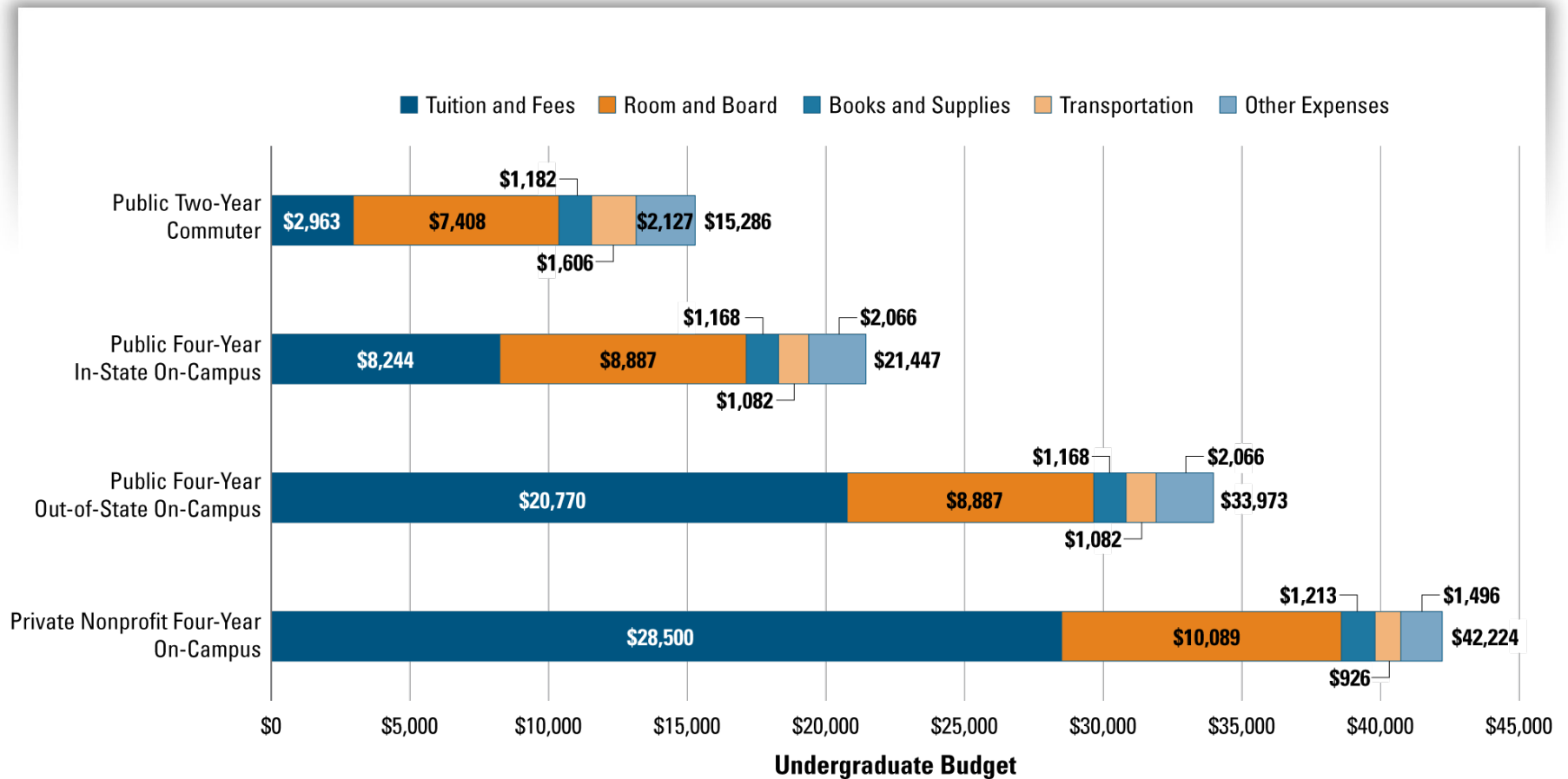
*Discover Chemeketa Day  
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# How much does college cost?

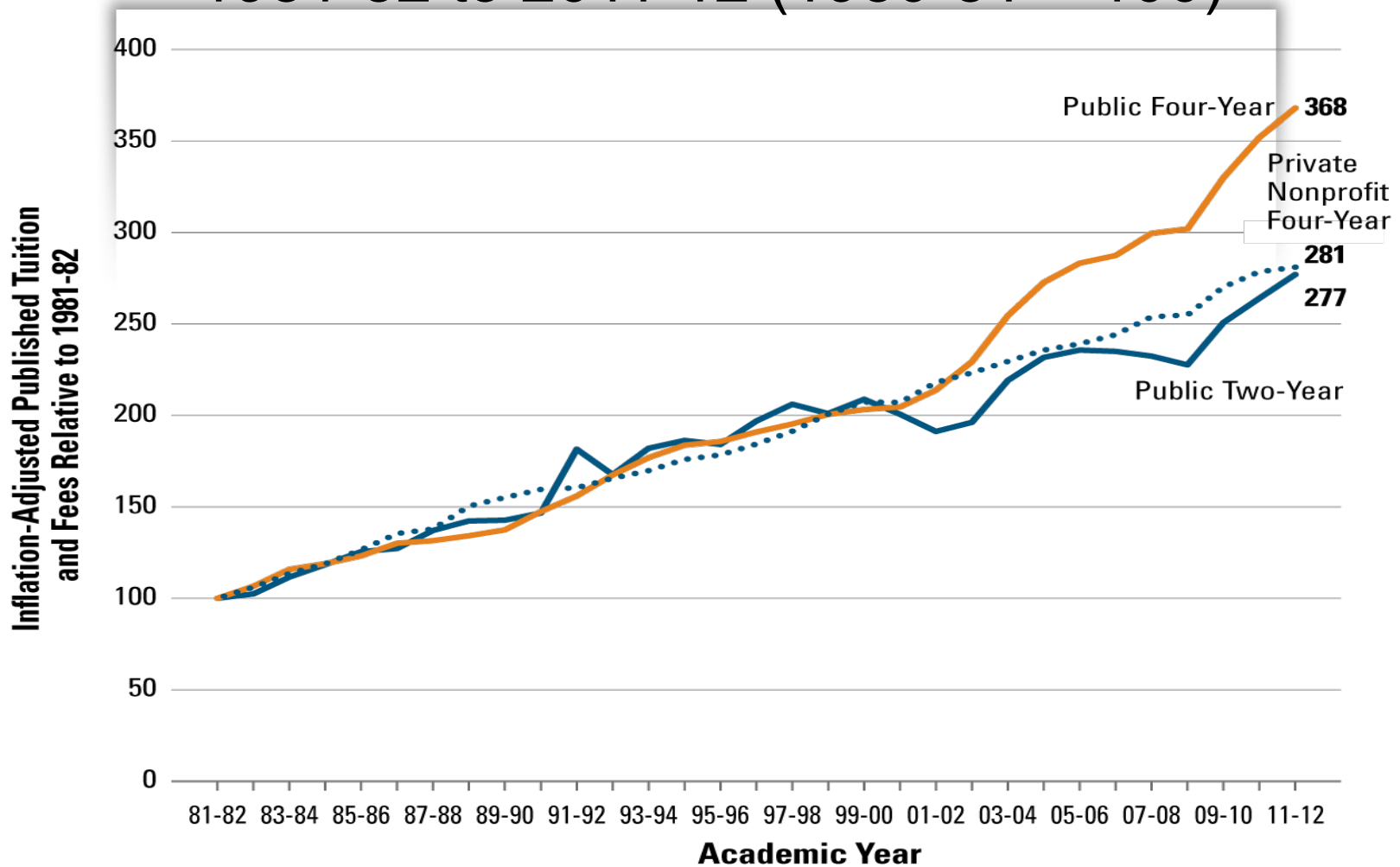


# Average Estimated Undergraduate Budgets, 2011-12 (Enrollment-Weighted)



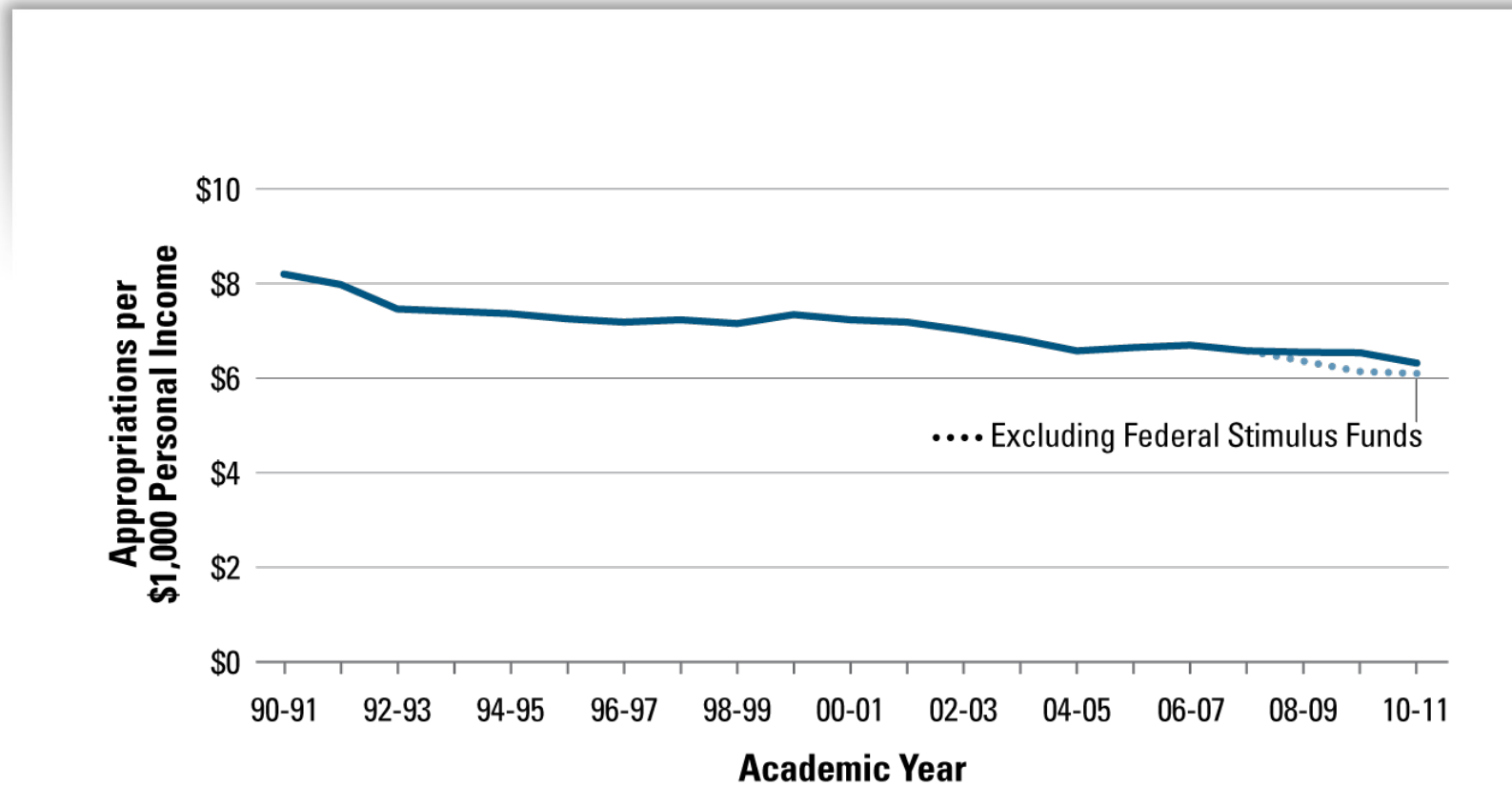
SOURCE: The College Board, *Trends in College Pricing 2011*, Figure 1.

# Inflation-Adjusted Published Tuition and Fees, 1981-82 to 2011-12 (1980-81 = 100)



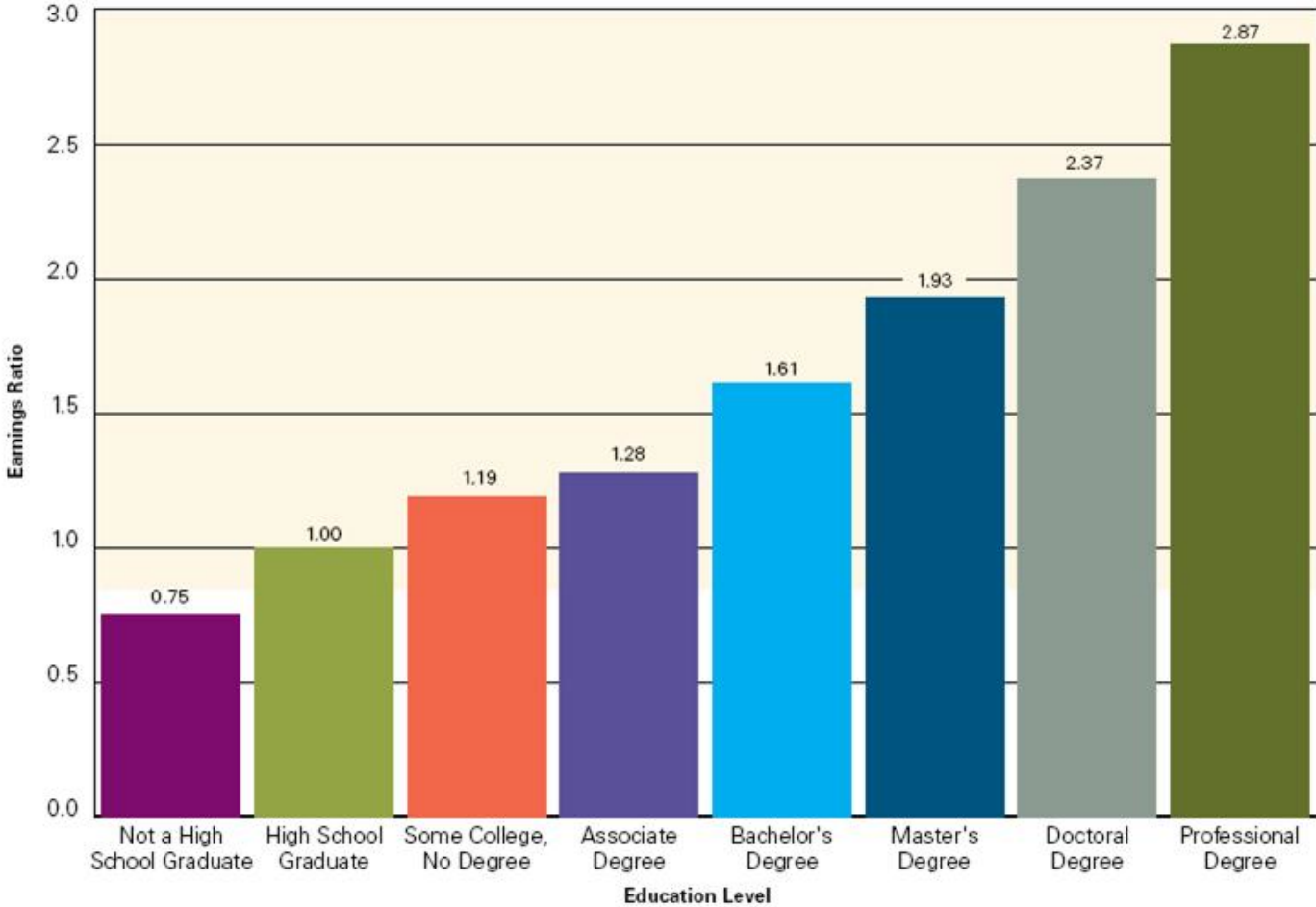
SOURCE: The College Board, *Trends in College Pricing 2011*, Figure 5.

# Mean and Median State Appropriations for Higher Education per \$1,000 in Personal Income, 1990-91 to 2010-11



SOURCE: The College Board, *Trends in College Pricing 2011*, Figure 11A.

# Expected Lifetime Earnings Relative to High School Graduate, by Education Level



Sources: U.S. Census Bureau 2006; College Board, 2004.

# Coping with the College Costs, Part 2: Paying for College



# Sources of Financial Assistance aka “Financial Aid” or Student Aid”

- Family
- Scholarships
- Grants
- Loans
- Employment





# Family Contributions

- Gifts from family members, savings
- “529” College Savings Plans
  - Contributions & earnings are exempt from federal (and some state) taxes if used for college expenses.
  - Money can be controlled by parent.
  - Oregon College Savings Plan  
[www.oregoncollegesavings.com/](http://www.oregoncollegesavings.com/)
- Pre-paid tuition plans



# Scholarships (free money)

- Awarded for merit or special abilities
- Student doesn't have to repay but there may be “strings attached”
- Awarded by colleges & universities, private foundations & organizations, businesses, individuals, groups, etc.



# Scholarships: Some Examples

- **Chemeketa Scholars** (*free full-time tuition for 2 years. For current HS students & military veterans*)
- **Chemeketa Foundation Scholarships** (*more than 100 different scholarships worth a total of \$450,000 annually. For 2011-12 awarded \$391,127 to students*)
- **Chemeketa Transition Scholarships** (*6 to 12 free credits for successfully completing ESOL/ABE/GED*)



# Applying for Scholarships

- Check out scholarship “search” websites:
  - <http://www.fastweb.com/>
  - [http://apps.collegeboard.com/cbsearch\\_ss/welcome.jsp](http://apps.collegeboard.com/cbsearch_ss/welcome.jsp)
  - [www.chemeketa.edu/earncertdegree/payingforcollege/](http://www.chemeketa.edu/earncertdegree/payingforcollege/)
- Go to Chemeketa financial aid office (2/200)
- Fill out application forms
- Apply for more than one scholarship
- Beware of “scam” scholarship offers (If there’s an application fee, it’s a scam!)

# Higher Education Act of 1965

- Goal: to make a college education more accessible to low and middle income students.
- Created federal grant and loan programs
- \$154 billion in federal assistance including loans, grants, work-study, and tax credits (2010)



# Grants (free money)

- Based on financial need
- Greater need = more \$
- Students don't have to repay
- Awarded by federal & state government, and some colleges
- FAFSA (Free Application for Federal Student Aid) required



# Grants: Some Examples

- Federal Pell Grants (*awards based on EFC—Expected Family Contribution. Lower EFC = higher award*)
- Federal Supplemental Education Opportunity Grant (*for students with exceptional financial need*)
- Oregon Opportunity Grant (*awarded to Oregon resident undergraduates for 2 terms*)



# Education Loans

- Generally need-based
- Lender is U.S. government
- Usually better interest rates than banks
- Loans must be repaid. NOT free money!





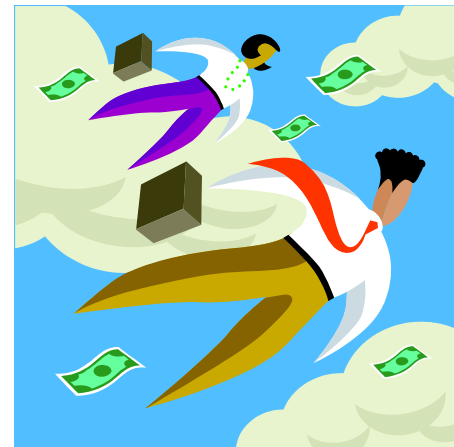
# Education Loans: Examples

- Federal Perkins Loans (*for needy students. Low interest rates*)
- Federal Stafford Loans: *variable interest*
  - *Subsidized: federal gov't pays interest*
  - *Unsubsidized: student pays interest*
- Federal PLUS Loans (*grads & parents*)
- Other types of loans: (*state education, private loan companies, home equity, personal, tuition tax credits*)

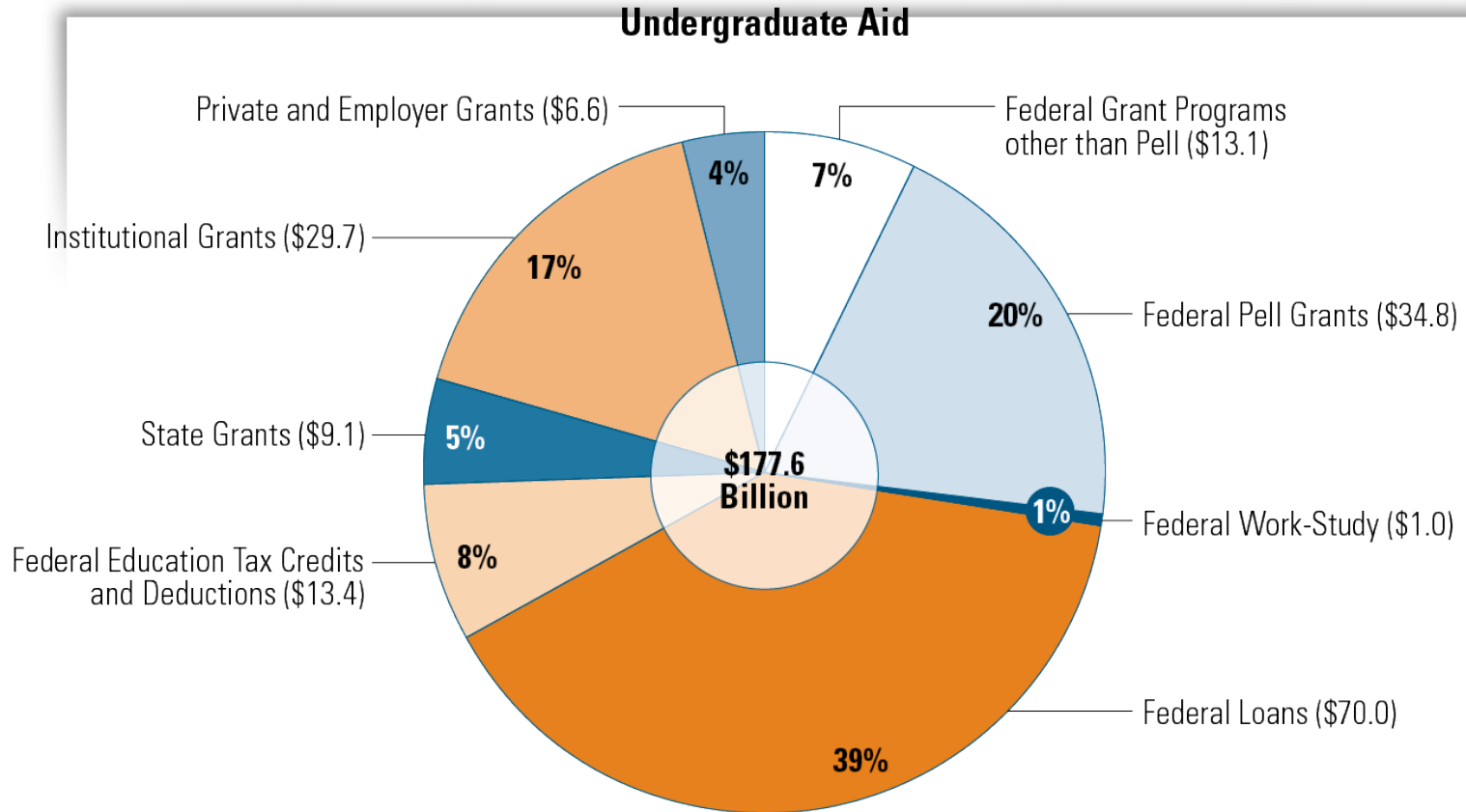


# Employment

- **Federal Work Study** (*students work part-time on-campus in exchange for financial aid*)
- **On-campus Employment** (*e.g. cafeteria, library, offices, labs etc.*)
- **Off-Campus Employment**

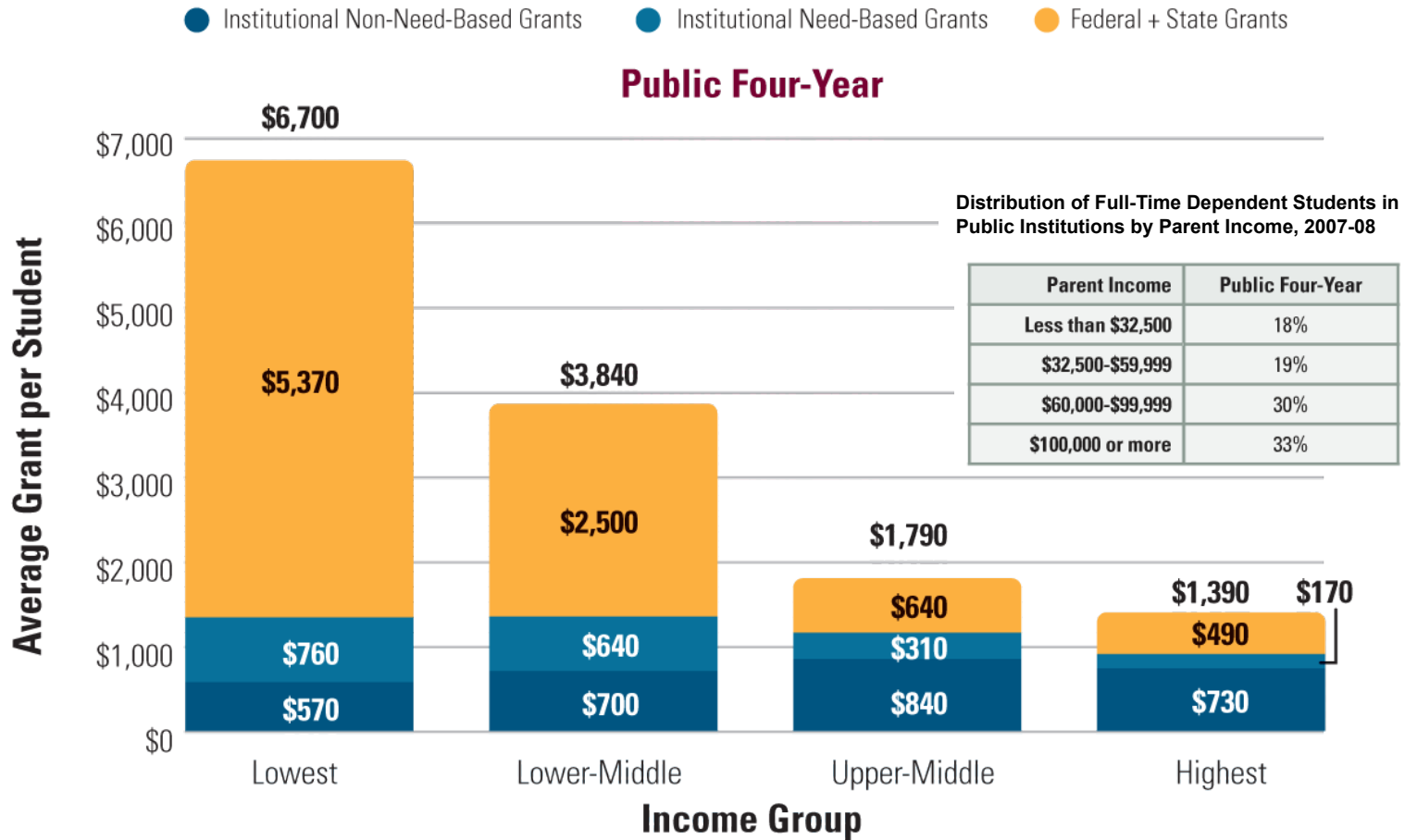


# Undergraduate Student Aid by Source (in Billions), 2010-11



SOURCE: The College Board, *Trends in Student Aid 2011*, Figure 2A.

# Average Institutional Grants and Average Federal plus State Grants per Full-Time Dependent Student by Parent Income Public Institutions, 2007-08



**Sources:** The College Board, *Trends in Student Aid 2009*; NPSAS, 1993, 1996, 2000, 2004, 2008; U.S. Census Bureau, *Current Population Survey, Annual Social and Economic Supplement, 2007*.

# Applying for Financial Aid

- Choose colleges to apply to
- Check with a financial aid officer at each college about aid & necessary forms.
- Fill out FAFSA (Free Application for Federal Student Aid)



# The FAFSA

(Free Application for Federal Student Aid)

- The “key” to all need-based financial aid
- Fill out on paper (forms available 2/200) or online: [www.fafsa.ed.gov](http://www.fafsa.ed.gov)
- Income vs. expenses determine your EFC (Expected Family Contribution)
- Must be submitted every year (check deadlines)



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Free Application for Federal Student Aid



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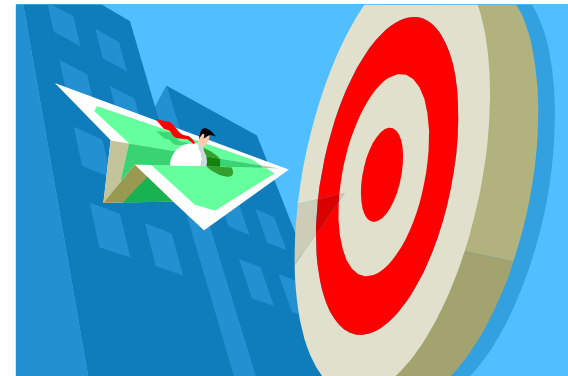
English

Español

# To Learn More about Financial Aid for College

- Chemeketa Advising & Counseling Office:  
Building 2, first floor
- Chemeketa Financial Aid Office: 2/200
- Chemeketa financial aid webpage:  
[www.chemeketa.edu/earncertdegree/payingforcollege](http://www.chemeketa.edu/earncertdegree/payingforcollege)

Click on “Financial Aid Tutorial”



## **Chemeketa Financial Aid Webpages:**

[www.chemeketa.edu/earncertdegree/  
payingforcollege](http://www.chemeketa.edu/earncertdegree/payingforcollege)

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[faculty.chemeketa.edu/whij/college\\_costs.pdf](http://faculty.chemeketa.edu/whij/college_costs.pdf)