

“Managing the Price of College”

SUNY NEW PALTZ **Office of Financial Aid**



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OVERVIEW OF PRESENTATION

- **Key trends in costs and funding**
- **Traditional and Non-Traditional ways of paying for college**
- **How to determine student aid eligibility**
- **Understanding the costs of college**
- **Financing options and other resources**
- **Establishing a family plan to lessen anxiety and manage college costs**
- **The future of your investment**

Key Trends in Costs and Funding

- **College costs are increasing**
- **Less support from federal and state government**
- **Financial aid program funding is remaining flat which leaves families with large unmet need**
- **Extremely minimal university grant aid**

WHAT IS FINANCIAL AID?

- **Scholarships**
- **Grants**
- **Loans**
- **Employment Opportunities**



SUNY New Paltz's Major Grant Programs

- **PELL Grant**

- **Must have EFC between \$0-\$4,110**
- **Maximum award is \$4,731 for year**
- **Minimum award is \$523**

- **NYS TAP Grant**

- **Based on NYS net taxable income**
- **Maximum award is \$4,350 for dependent student and \$3,025 for independent student**

FINANCIAL AID PROGRAMS

“Regardless of income, all families are generally eligible to participate in the following programs”

- **Student Stafford Loans**: \$1,750 per semester or \$3,500 per year. (Subsidized or Unsubsidized) Amounts increase for subsequent years of study.
- **Parent Loans**: Parents may borrow up to the cost of education minus all other financial aid received.

CONTINUED...

- **New Paltz Time Payment Plan**: Families may spread the semester direct costs over five months.
- **Part-Time Employment**: Jobs are available and located both on and off campus for students to earn funds to assist with personal expenses throughout the year at:
www.newpaltz.edu/financialaid/offcampusjobs.html
- **Free Scholarship Search on the Internet**:
www.newpaltz.edu/financialaid/scholarships.html

**HOW IS
FINANCIAL AID
ELIGIBILITY
DETERMINED?**

Free Application for Federal Student Aid

FAFSA

FAFSA

- You must submit a **FAFSA** to be considered for financial aid
- Apply for New York State aid (TAP) via the **FAFSA**
- Your **FAFSA** information determines your EFC

EXPECTED FAMILY CONTRIBUTION

- **EFC is determined by**
 - **Parents income and assets**
 - **Student's income and assets**
 - **Size of family**
 - **Number of children in college**

Annual Cost minus EFC = Need

FINANCIAL AID ELIGIBILITY LETTER

- **Indicates programs and amounts of aid available**
 - **Grants (TAP, Pell, SEOG, ACG, SMART)**
 - **Loans (Stafford, Perkins, Parent Loan)**
 - **Work (Work Study)**

What We Try to Remind Students Everyday!

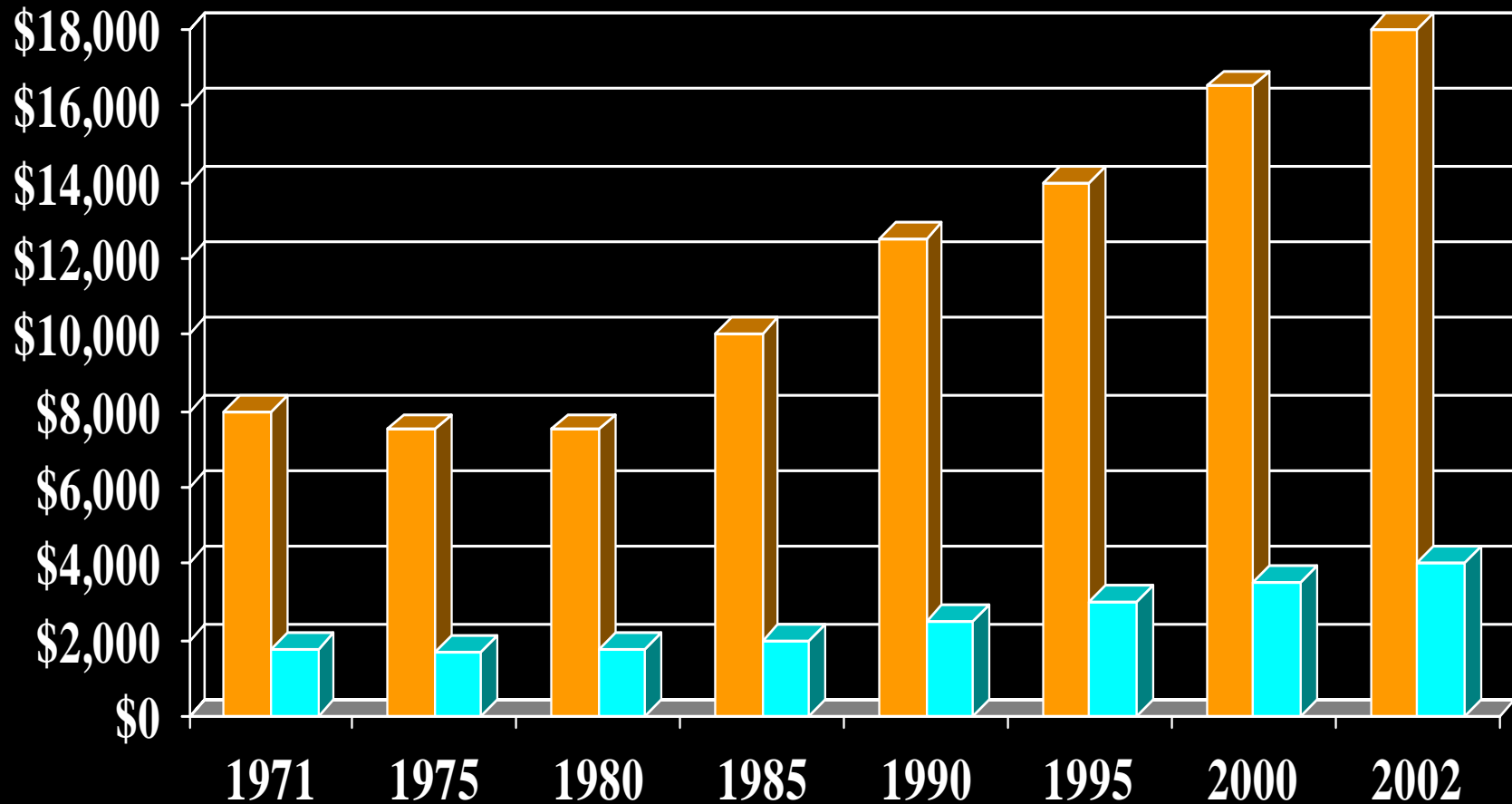
Comparing Financial Aid Award Packages

SUNY COA	\$17,800
SUNY SFA Package	- <u>8,000</u>
Net cost to family	\$9,800

Non-SUNY COA	\$38,000
Non-SUNY SFA Package	- <u>20,000</u>
Net cost to family	\$18,000

- ***Focus on Net Cost vs. SFA Package***
- ***Focus on Type of Aid & Total Amount***

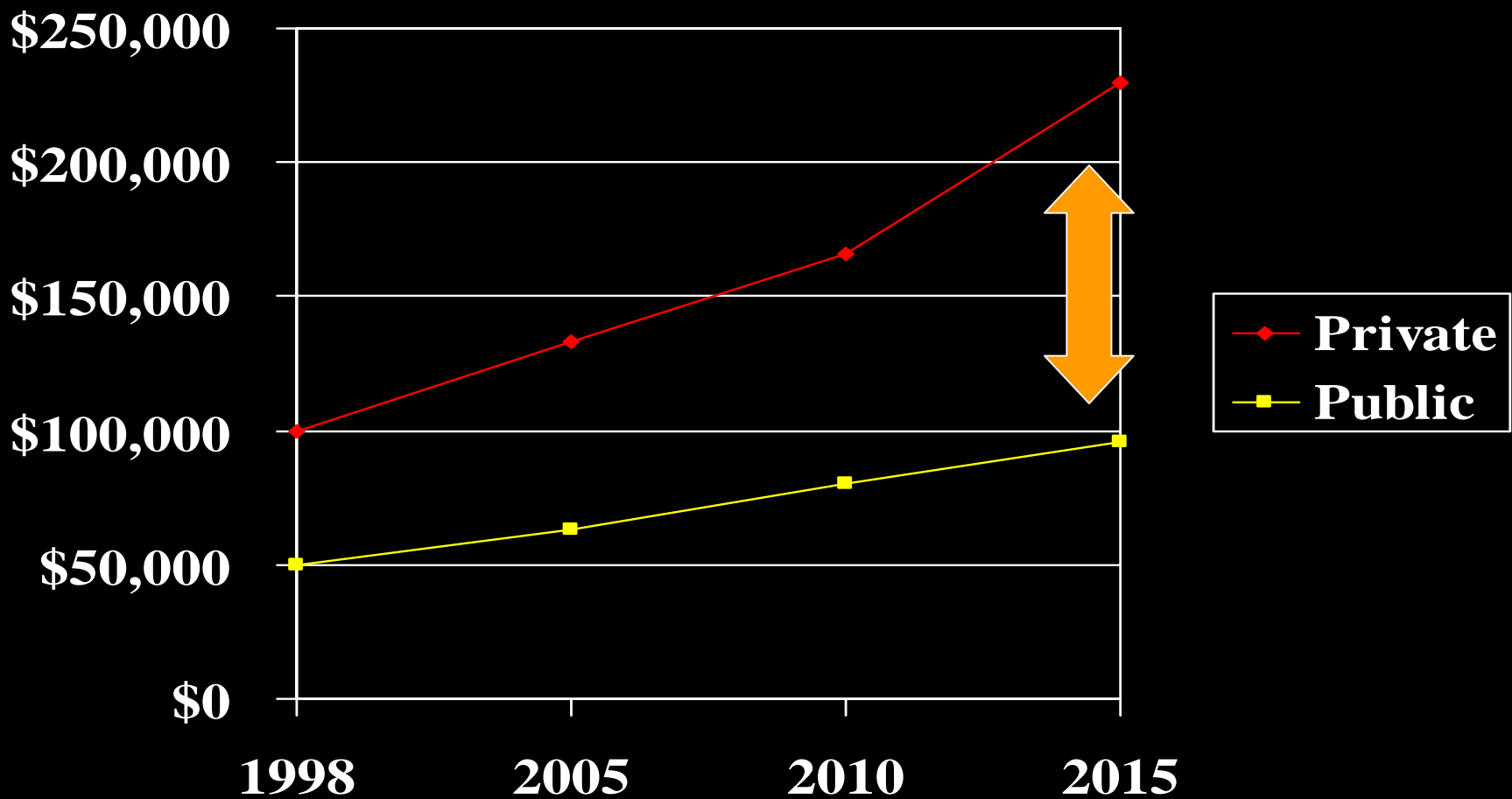
Tuition: Private vs. Public



Source: College Board

Private 4-year Public 4-year

Cost To Attend College For Four Years



Source: Newsweek

\$\$\$ COSTS OF COLLEGE \$\$\$

Direct Costs (Billed)

Tuition & Fees

Room & Meals

Indirect Costs

Transportation

Personal Expenses

Books & Supplies

DIRECT + INDIRECT = ANNUAL COST

***Estimated FALL 2008 - SPRING 2009
DIRECT COSTS OF ATTENDANCE**

	<u>FALL</u>	<u>SPRING</u>	<u>YEAR TOTAL</u>
TUITION	\$2,175	\$2,175	\$4,350
FEES	520	520	1040
ROOM	2,770	2,770	5,540
BOARD	<u>1,600</u>	<u>1,600</u>	<u>3,200</u>
TOTAL	\$7,065	\$7,065	\$14,130

(Out of State Students add \$3,130 per semester, \$6,260 per year)

FINANCING OPTIONS

- **Time Payment Plan**
- **Student & Parent Loans**
- **Private Loans**

OTHER RESOURCES

*TAX BENEFITS

- DEDUCTIONS: Up to \$3,000 for higher education expenses.
- TAX CREDITS: \$1,000 to \$1,500 per year

*Subject to various income limits, Etc...
(Contact your tax advisor)

BORROWING TO FINANCE YOUR EDUCATION MAKES SENSE IF YOU...

- **Take your studies seriously**
- **Graduate**
- **Pay back your loan on time**

TYPES OF EDUCATION LOANS

Federal Loan Programs

Non-Federal

STAFFORD LOANS

Subsidized

- **Low-interest**
- **Based on need**
- **Federal government pays interest while student is in school**

Unsubsidized

- **Low-interest**
- **Not based on need**
- **Student is responsible for interest while in school**
- **Current interest rate is 6.80%**

PARENT LOANS FOR UNDERGRADUATE STUDENTS

- **For parents of dependent students**
- **Borrow up to entire cost of college less financial aid awarded**
- **No adverse credit**
- **Current interest rate is 8.50%**

PRIVATE LOANS

- **A private loan in the student's name, not based on financial need.**
 - **Loan is based on student's credit. Most will need a co-borrower.**
 - **The student can borrow up to the cost of attendance minus all other aid.**
 - **The interest rate and terms of the loan vary from lender to lender.**

YOUR PLAN TO MANAGE COSTS

- **Estimate costs to be paid and when**
- **Determine student aid available**
- **Estimate family resources available**
- **Discuss options to finance balance due**
- **Agree on plan and share responsibility**

THE FUTURE

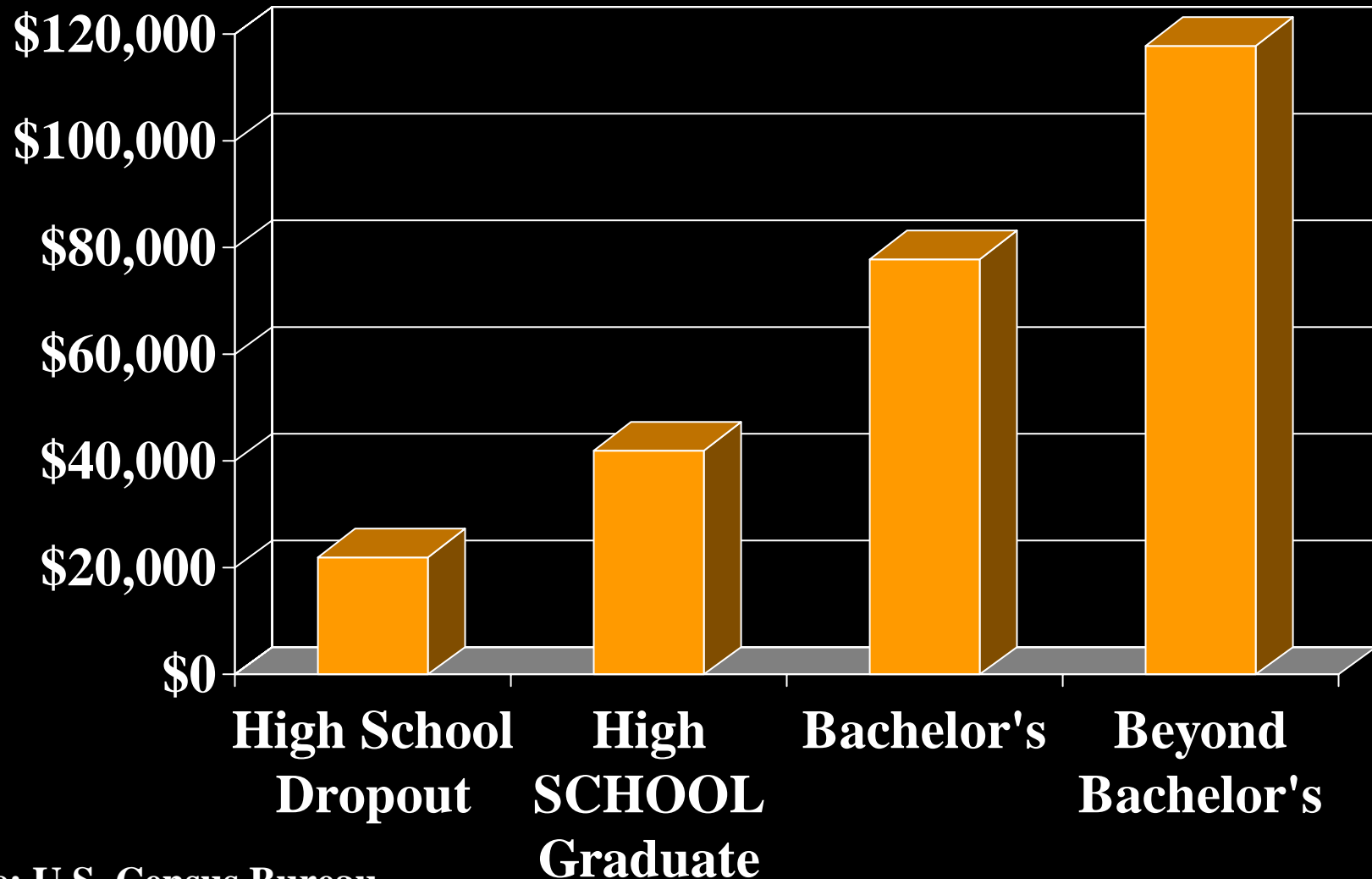
QUESTION

WHAT IS YOUR
COLLEGE
EDUCATION?

ANSWER

YOUR
EDUCATION
IS AN
EXCELLENT
INVESTMENT!

Average Family Income by Educational Attainment of Householder, 1996



Source: U.S. Census Bureau

**QUESTIONS?
NEED MORE INFORMATION?**

**Visit our website 24/7 at:
www.newpaltz.edu/financialaid**

**Also, visit the NYS Financial Aid Administrators
Association's website at: www.nysfaaa.org**

Or

**The NYS Higher Education Services Corporation's
website at:**

www.hesc.com