



Know Before You Owe

**A Student Loan Forum and Resource Fair
January 18, 2017**

**Howard County Office of Consumer Protection
Howard County Consumer Advisory Board
Howard Community College**





A college education matters!

Average annual earnings in 2015 for fulltime employees 25 to 34 years old by level of educational attainment:

Bachelor's degree	\$59,124
Associate's degree	\$41,496
High school diploma	\$35,256

**Those who earn an Associates degree earned 25% more than those with a high school diploma.*

Those who earned a Bachelor degree earned almost **70% more than those with a high school diploma.*

Source: http://www.bls.gov/emp/ep_chart_001.htm

Is cost a factor in choosing a college?

The College Board reports that the average annual tuition and fees by type of college is:

	<u>Annual Tuition & Fees</u>
Private Colleges	\$ 32,410
Public 4 Year, In state	\$ 9,410
Public 4 Year, Out of State	\$ 23,890
Howard Community College	\$ 4,848 (30 credits)

**Other non-tuition expenses average another \$10k to \$15 per year to live on-campus.*



That's about **\$100,000** at a public, in-state 4-year college live on campus and to earn and earn a bachelor degree!
(\$125,000 for 5 years)

Sources of Financial Aid



Summary of Aid By Sources and Types

Type of Aid	Federal	State	College	Private
Grants	Pell Grant; SEOG Grant; TEACH Grant	MD EA & GA Grants; MD Part-Time Grant	College Grants	n/a
Scholarships	n/a	Senatorial/Delegate; Several occupation-based scholarships	Donor Scholarships	Private Scholarships
Loans	Direct Loan Programs	n/a	n/a	Bank Loans
Work-study	Federal Work-study	n/a	Institutional Work- study	n/a

Federal Grants and Work Study

Federal Grants

Pell Grant

- Need-based (*high need students only*)
- Up to \$5,920/year for 2017/2018

Supplemental Educational Opportunity Grant (SEOG)

- Need-based (*high need students only*)
- Up to \$4,000/year – by school

Other Federal Grants

- TEACH Grant
- Iran and Iraq Service Grant

Federal Work-Study

Allows the student to work part-time and earn some spending money

- Need-based
- College identifies the jobs
- Most but not all work-study jobs are on campus
- Some jobs are tutoring and other community service positions
- Students can earn up to money to help with miscellaneous costs



Maryland State Scholarship Programs

Grants and Scholarships

Maryland Higher Education Commission (MHEC) administers over 20 programs for the State of MD (www.mhec.state.md.us). Parent and student must be Maryland State Residents.

MHEC uses the FAFSA as the application document for most of their scholarship programs.

A Maryland college must be listed on your FAFSA, and recommend at least one four year college.

Examples of State Aid

- Educational Assistance Grant
- Guaranteed Access Grant*
- 2+2 Transfer Scholarship*
- Part-Time Grant
- Legislative Scholarships*
 - Senatorial Scholarships
 - Delegate Scholarships

College Aid

Grants

- Grants from the institution based on need

Donor Scholarships

Awarded by the institution based on various criteria, which may include:

- financial need
- academic merit
- special skills or talents
- volunteer experience
- goals / essay

Work-Study

- Institutional Work-Study



Private Sources of Scholarship Aid



Scholarship Funding From Private Organizations

- Civic Organizations
- Professional Associations
- Private Businesses
- Use reliable **free** scholarship search services
 - <http://www.fastweb.com>
 - <http://www.collegeboard.com/student/pay>
 - <http://www.finaid.org>



What Application Forms?

- **For Federal Aid, College Grants & MD State Scholarships**
 - **FAFSA** (*Free Application for Federal Student Aid*)
 - *Some state scholarships may require an additional application*
- **For College Donor Scholarships**
 - The college's **Scholarship Application**, if they use one
 - *Some college's require the College Board's "PROFILE" for college grants & donor aid*
- **For Private Scholarships**
 - Apply to the source
 - *Your church, local community organizations, free scholarship search engines*

***So the bottom line is TWO FORMS are most important – the FAFSA and each college's Scholarship Application.**



When Do I Apply?

for Fall 2018/ Spring 2019 Aid?

2018-2019 FAFSA *(for federal aid, MD state aid, and colleges' need-based grant)*

- **For Federal Aid** - October 2017 through May/June 2019
- **For MD State Scholarships** - by **March 1, 2018** – FINAL DEADLINE!
 - *Some MD State Scholarships have a separate application & deadline*
- **For College Need-based Aid** – **January 15, 2018?? Ask the college!**
 - *Please note that some private colleges may use the College Board's PROFILE application to award need-based college aid*

College Scholarship Applications

- **For College Donor Scholarships** – **check each college's website for their deadline!**

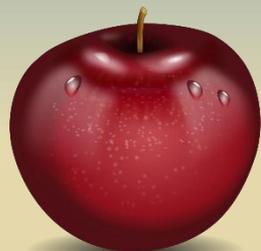
The important deadlines are each college's deadline for the TWO FORMS that are most important –
The FAFSA and each college's Scholarship Application.

A Little Financial Aid "To-Do" Chart

	College 1	College 2	College 3	College 4	College 5
Does the college use the FAFSA to award need-based grant aid?					
What is the college's FAFSA deadline?					
Is there a Scholarship Application?					
What is the URL for Scholarship Application?					
What is the deadline for Scholarship Application?					
<i>PROFILE required?</i>					
<i>Deadline for PROFILE?</i>					



Compare The Financial Aid Award Package Between Schools



Determine the cost to you for each college you are interested in!

Since both your total costs and your financial aid awards will differ from college to college, **you must compare to determine the “net cost” to you for your education at each school.**



Tools for “Comparison Shopping”

- Most schools use the Financial Aid Shopping Sheet to notify students of their costs and awards.
- The College Score Card at collegescorecard.ed.gov
- The Net Price Calculator will also help to compare the cost between schools. Students will find a link to this at each college’s website.



Example #1 – Cost Comparison

	<u>College A</u>	<u>College B</u>
Cost	\$20,000	\$40,000
Grant Aid	<u>\$10,000</u>	<u>\$20,000</u>
Net Cost!	\$10,000	\$20,000

**Estimate Costs as either what the college will bill you for (tuition, fees) plus books/supplies, or estimate full costs to include estimated incidental costs and commuting/transportation costs. Its up to you!*

***Grants/Scholarships should include an estimate of all federal, state, and college scholarships and grants, and any other resources available to pay for college that do not need to be repaid.*

***Do not subtract loans when determining your Net Cost!*



Example #2 – Cost Comparison

	<u>College A</u>	<u>College B</u>
Tuition & Fees	\$ 20,000	\$ 40,000
Dorms	\$ 10,000	\$ 10,000
Dining	<u>\$ 5,000</u>	<u>\$ 5,000</u>
Total <i>Direct</i> Costs	\$ 35,000	\$ 55,000
College Grants	\$ 20,000	\$ 30,000
<i>Student Loans</i>*	<u>\$ 15,000</u>	<u>\$ 25,000</u>
Total Aid	\$ 30,000	\$ 55,000
Net Balance Due To The College	\$ 0	\$ 0
Net/Actual Out of Pocket Cost!	\$15,000	\$25,000

**Student Loans are a cost to the student so we don't subtract them from costs when determining the "Net Cost" to the student!*



Other Ways to Pay for College

- **2 + 2 Transfer Programs!**

- 2 years at a community college & transfer to complete the last 2 years of your bachelor degree at the 4 year college.

- **Earn college credit before going to college!**

- Take college courses while in high school (HCC's Early College, Startalk, JumpStart)
- Take AP courses and score well on the AP tests

- Tuition Payment Plans

- 529 Savings & Prepaid Tuition Programs

- *Parents with 529 plan must include the plan on the FAFSA as an asset of the parent.*

- Employer Tuition Reimbursement Plan

- Military Tuition Assistance

- Veterans Benefits

- Tuition Waivers

529



Where can I find more information?

- Each college's admissions office or financial aid office
- Howard Community College's Financial Aid Services Office
- FAFSA Workshops at HCC or Your High School
 - Your high school counselors will let you know about these!
- **Websites**
 - U.S. Department of Education — www.ed.gov
 - Maryland State Scholarship — www.mhec.state.md.us
 - National Center for Education Statistics – <https://nces.ed.gov>



Howard Community College's Financial Aid Services department serves as a community resource for Howard County.

We are located in the Rouse Student Services Hall, RCF-222.

Find us online at www.howardcc.edu