



HISPANIC DEVELOPMENT FUND Financial Aid Night



@HDFKC

1055 BROADWAY BLVD, SUITE 130
KANSAS CITY, MO 64105

Example Financial Aid Package

We are going to analyze a student's financial aid award to determine:

Which types of financial aid should you accept?

Can you afford to attend this college?

Paying for College



Books



Transportation



Tuition & Fees



Meals



Room & Board

Sticker Prices of 4-Year Colleges

Avila University

\$28,255/yr

College of Saint Mary (NE)

\$29,800/yr

Emporia State University

\$17,504/yr

Rockhurst University

\$49,000/yr

University of St Mary

\$38,500/yr

University of Central Missouri

\$18,756/yr

UMKC

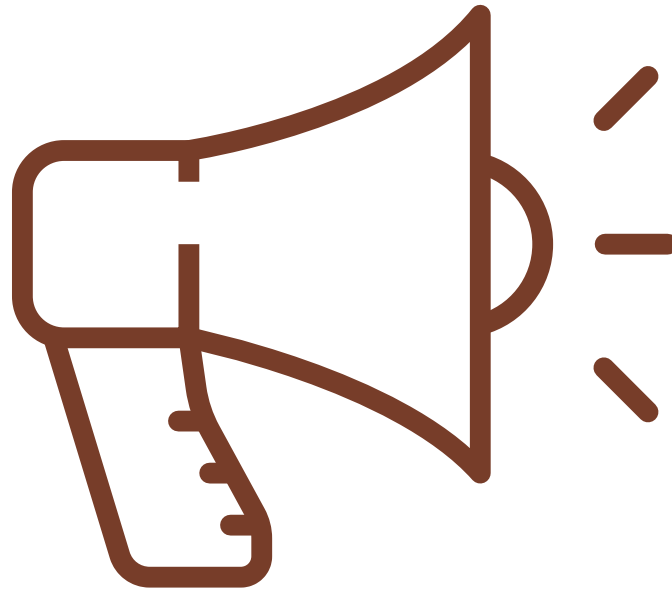
\$22,664/yr

William Jewell College

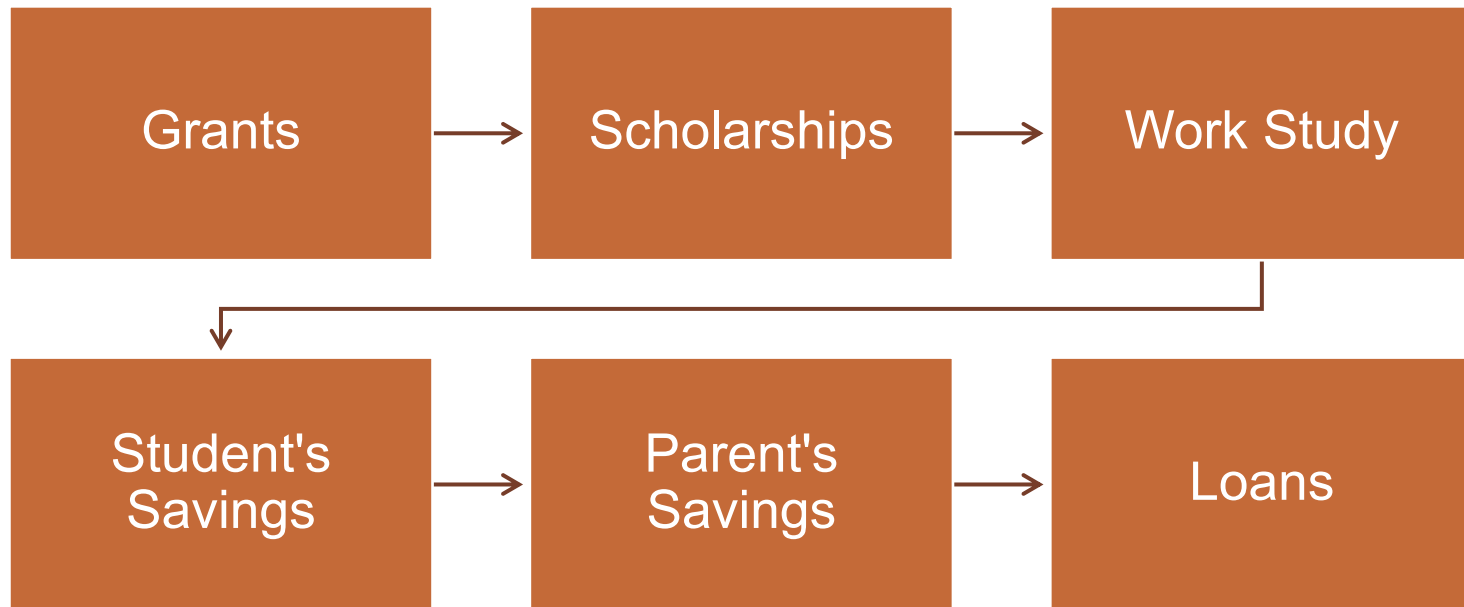
\$28,220/yr

*Costs include room & board

So...how are we going to pay for college?



Options



Federal Financial Aid

**By filling out the FAFSA
(Free Application for Federal
Student Aid) in October,
your student becomes
eligible for:**

1. Federal Grants
2. Work Study
3. Federal Loans



What is an FSA ID?

ALL FAFSA – eligible students need to create an FSA ID (and make sure you don't forget it!)

Parents of FAFSA-eligible students (who are U.S. citizens or Permanent residents) also need to create an FSA ID

Website:

<https://fsaid.ed.gov/npas/index.htm>



**Please create these
before October 1st**

What is the FAFSA4CASTER?

The **FAFSA4caster** is a website you can visit to get an **estimate of how much federal financial aid your child can expect to receive**

It's free and takes about 15 minutes

Website:

<https://fafsa.ed.gov/spa/fafsa4c>



Federal Pell Grant

- **FREE Money** from the Federal Government!
- **Based on financial-need**

\$6,345 is the maximum award offered annually



FSEOG Grant

(Federal Supplemental Educational Opportunity Grant)

- **FREE Money!**
- Based on **financial-need**
- FSEOG is awarded by school

\$100 - \$4,000 per year is the maximum award offered annually



Work Study

- **The college provides the student with a part-time job to help earn income**
- Based on financial-need
- Work-study is awarded by school

Estimated Amount: \$1,000-\$5,000



Student Loans

The average American graduates from college owing **\$30,000** in student loans

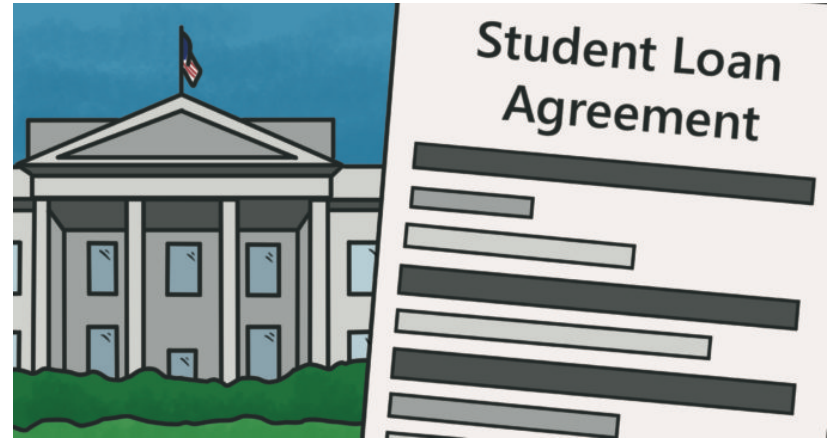
Source:

www.usnews.com/news/articles/2014/08/04/student-loan-debt-is-bad-but-theres-no-bubble-to-burst



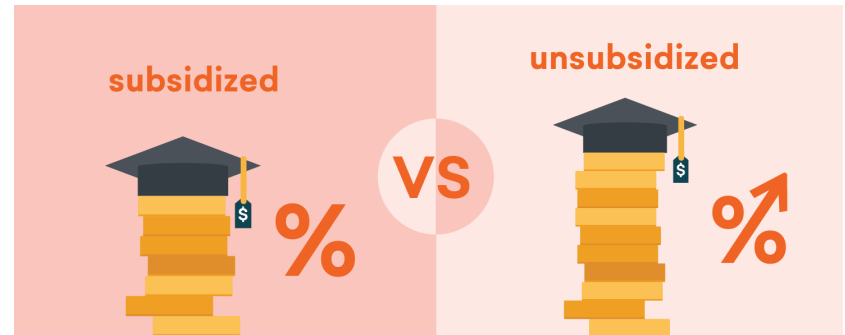
Loans offered by the Federal Government

1. Direct Subsidized Loan
2. Direct Unsubsidized Loan
3. PLUS Loan



Direct Subsidized Loan

- Federal, need-based loan
- The government pays the interest that accrues on these loans while the student is in school
- Currently offers a fixed rate of 2.75%
- Freshmen year maximum is **\$3,500**
- You have a 6-month **grace period**



*The recommended first-choice federal loan to consider

Direct Unsubsidized Loan

- These loans are **not need-based**
- The government does **NOT** pay the interest that accrues on these loans while the student is in school. This interest will be **added** to the principal of the loan.
- **Fixed rate of 2.75%**
- **\$5,500-\$20,500 (less any subsidized amounts received for same period)**



*2nd best loan option behind the Stafford subsidized loan

PLUS Loan

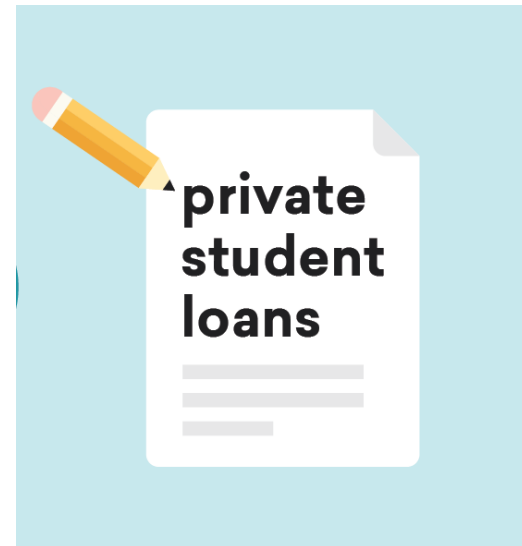
- Federal loans made available to **PARENTS** of student
- These are available regardless of need
- **5.30%** is the current rate + **4.236% loan fee**
- Interest begins to accrue as soon as the loan is taken out
- **The borrower must have a good credit history**



Do NOT recommend these loans unless you absolutely need them

Private Student Loans

- Loans financed by private companies (banks or credit unions) rather than the government
- Since interest rates and fees aren't capped by the government, **they cost more than federal loans.**
- **The more money you accept in private loans, the less federal financial aid you'll qualify for,** since it will appear to the government that you have more financial resources



***We do not recommend these loans if you are eligible for federal loans**

Scholarships...Free Money!

Students earn scholarships from:

- The **college** itself based on their GPA, CLASS RANK, and ACT Score
- The **college** by applying for specific scholarships (usually involve an essay)
- **Private organizations or businesses** (usually involve an essay)



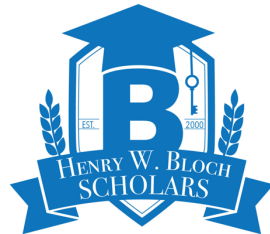
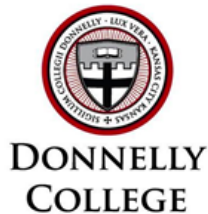
How to earn **AUTOMATIC** Scholarships from Colleges?

- Apply before the Scholarship Deadline (**Nov. 1**)
- Based on GPA, Class Rank, and ACT
- HDF College Playbook pages 16 – 21



How to earn **INSTITUTIONAL** Scholarships from Colleges?

HDF College Playbook pages 16 - 21



How to earn **PRIVATE** Scholarships?

HDF College Playbook pages 11 – 15



A+ Program

2 **FREE** years at a Missouri
public Community College

Requirements Upon Graduation

1. Enrolled at an A+ high school for 2 years prior to graduation
2. Must be a US citizen or permanent resident and apply for FAFSA
3. 2.5 cumulative GPA
4. 95% cumulative attendance rate
5. Good citizenship
6. Beginning with class of 2015: demonstrate Math Proficiency on Algebra 1 End of Course Exam (*or other test accepted by MDHE)
7. Complete **50 hours of unpaid academic tutoring**, which can include 20% job shadowing

Other Scholarship Websites & Apps



Student's College Savings

Your student needs to open
**a savings account dedicated
to college**



Student Savings Lead To Higher Graduation Rates

Families with less than \$50,000 annual income

Even having a small amount of savings designated for college can have a positive effect on low- and moderate-income children's persistence in college through graduation.

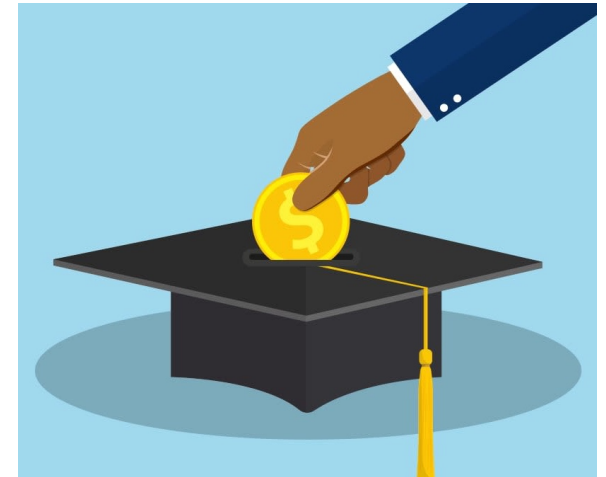
	Enrollment	Graduation
No college savings	45%	5%
\$1 to \$499 saved	65%	25%
\$500 or more saved	72%	33%

The Assets and Education Initiative (AEDI) Research Team University of Kansas School of Social Welfare

Parents' College Savings

There are several college expenses on the horizon besides tuition & fees:

- **Enrollment Fee** after your child has been admitted to a school and he/she commits to attend (\$300 at the University of Missouri)
- **Room & Board Deposit** \$350 at the University of Missouri this past year
- **Transportation Costs**
- **Online/Lab Fees**
- **Books** (estimate \$100 or more per class)
- **Spending Money**

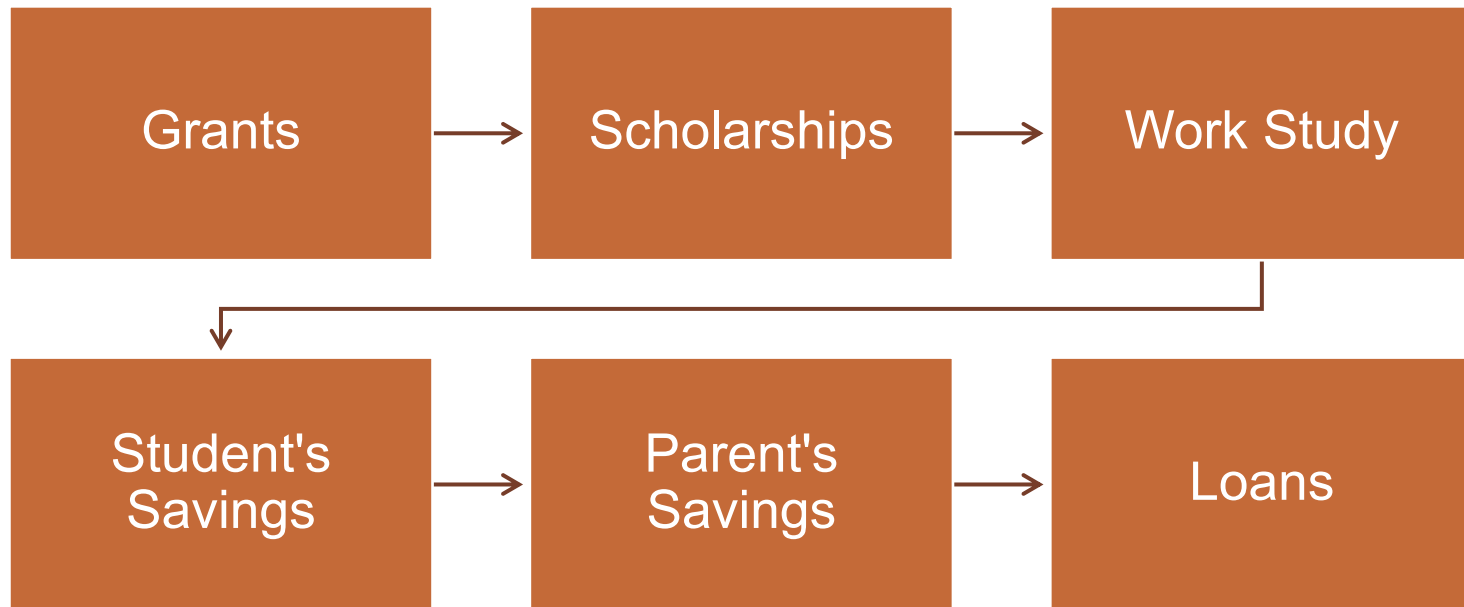


529 College Savings Plan

- Long-Term College Savings Vehicles
- Can be used to fund private education BEFORE college



Options



Next Step: FAFSA 4Caster

1. Go to fafsa.ed.gov/spa/fafsa4c
2. Enter your personal and financial information
3. Enter estimates for scholarship and grant amounts
4. See how much money you would need to come up with out-of-pocket to make that school happen, financially

Questions?



John Kearney

Director of Educational
Programs

kearney@hdfkc.org
(913) 486-2191

Alex Perez

Program Coordinator

perez@hdfkc.org
(816) 268-3230

THANK YOU!