

College Exploration

TGR FOUNDATION
**NAVIGATING
FINANCIAL AID**



FINANCIAL AID FAMILY DISCUSSION STARTER



Great news!

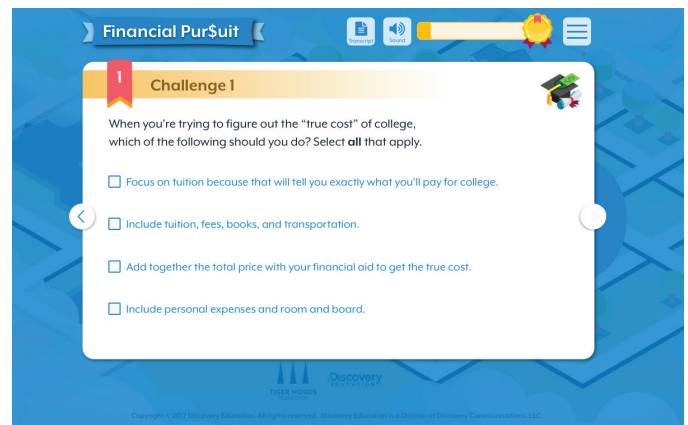
Your son or daughter has been accepted to the college(s) of his/her choice! Now what?

For many families, paying for a college education may seem out of reach. Very few can afford to pay for one year of college, let alone four. And many families automatically assume they aren't eligible for financial aid when they may very well be.

This guide is designed to help prospective college students and families learn how scholarships, grants, loans and work-study programs—or any combination of these sources—can help pay for college. Although it may require some research to find and apply for different types of financial aid, a college education really can be affordable for everyone.

PART 1 | FINANCIAL PUR\$UIT

The Tiger Woods Foundation, in partnership with Discovery Education, has designed a self-paced e-learning module called Financial Pur\$uit that your child may have already been introduced to. The module is designed as an e-learning quest where students try to reach a fictional college campus by unlocking information and answering questions about financial aid. The module includes strategies for understanding college costs, completing financial aid forms and deciphering financial aid award letters. To review the module with your child or see if you can reach the fictional college campus, simply go [here!](#)



Financial Pur\$uit covers the following questions:

- How much will college *really* cost, including living expenses and transportation?
- How can we budget/make a financial plan to cover college costs?
- What types of financial aid are available to help pay for college?
- What are the differences between each type of financial aid?
- Are some types of financial aid better than others?
- What steps must be taken to get financial aid? What deadlines must be met?
- What's the best way to find and apply for scholarships?
- What's a financial aid award package?
- How do financial aid packages differ? How can we decide which one best meets our family's needs?
- What are some ways to reduce the gap between what financial aid does and does not pay for?



PART 2 | FINANCIAL AID



It's no secret that college is expensive. In addition to the cost of tuition and books, there are fees, supplies and living expenses to consider. To determine the total cost of a college education, families must take all of a student's expenses into account.

The true cost of college includes:

- **Tuition**—the cost of the classes/credits
- **Room and Board**—the cost of housing and food
- **Fees**—incidental charges required by the college for things like health insurance, student union dues, labs and parking
- **Books & Supplies**—this includes textbooks, notebooks, pens, pencils and maybe even a laptop
- **Transportation**—how your student gets to and from school
- **Personal Expenses**—necessities like soap, shampoo and toothpaste, as well as entertainment

Luckily, financial aid is available to help your family cover the cost of a college education. There are four types of financial aid: scholarships, grants, loans and work-study programs. Scholarships and grants are considered free money and do not have to be

repaid. Loans, on the other hand, must be repaid with interest. And work-study programs offer students part-time jobs to help offset the costs of their education.

- **Scholarships**—Awarded by high schools, colleges, universities, state governments, community groups and private groups and/or individuals, scholarships are considered free money that does not have to be paid back. They can be awarded for good grades, community involvement, financial need, special talents and so much more!
- **Grants**—Like scholarships, grants are considered free money and do not have to be paid back. Grants are mostly awarded based on financial need, and are available from the federal government (such as Pell Grants or grants for military service that are available to veterans) and from state governments and colleges/universities.
- **Work-Study Program**—Work-study provides part-time jobs for students to help them earn money to pay for their education and the costs associated with it. Work-study is a federally funded program that is need-based, so it's important to fill out a FAFSA form (see #6 in Part 3) each year. Typically, students get on-campus jobs, such as working in the cafeteria or tutoring other students, but sometimes work is provided off-campus.
- **Loans**—Unlike grants and scholarships, loans are borrowed money that must be paid back over time, with interest. Loans are available from the federal government, colleges, private institutions and banks. However, not all student loans are created equal—federal loans typically have the lowest interest rate—so be sure to shop carefully for any student loans, and make sure your student understands the terms for repayment.



PART 3 | TIPS FOR ACCESSING FINANCIAL AID

1. **Develop a budget/financial plan**—Start by listing fixed expenses such as rent, utilities, food, tuition, books and transportation costs. Next, consider discretionary expenses such as clothing, entertainment and personal items. Brainstorm possible sources of income (savings, summer job, etc.) that can help your child pay for college.
2. **Compare costs at different colleges**—Although state schools may have a lower tuition cost, many private schools have more financial aid available. It's important to look at how much each college will cost *after* comparing financial aid offers in order to determine which school to attend.
3. **Create a calendar of important deadlines**—There are many critical deadlines involved in making sure your child gets the complete financial aid package s/he will need. Start with the deadlines for completing the FAFSA and the CSS Profile (which is required by many private colleges and universities). Then add deadlines for federal, state and local scholarships as well as grants. Don't forget to include the specific deadlines for the financial aid office at the colleges s/he is applying to.
4. **Get your FSA ID**—This is the username and password you need to log in to, complete and sign the FAFSA online. You **and** your child will each need your own. To get an FSA ID, please visit: <https://studentaid.ed.gov/sa/fafsa/filling-out/fsaid>
5. **Gather documents and forms**—You'll need to have everything in one place before you start filling out the FAFSA and CSS Profile, including: your federal income tax returns, W-2s and other records of money earned; bank statements; records of untaxed income (if applicable); your (and your child's) Social Security Number or Alien Registration Number; your (and your child's) FSA ID.
6. **Fill out the FAFSA as soon as it's available**—The FAFSA (Free Application for Federal Student Aid) is the single most important form you can fill out to receive financial aid. There is no charge to complete the FAFSA, and it can be done online or in paper form. Information from the FAFSA is used to determine eligibility for federal grant and loan programs along with assistance from state financial aid providers and the college or university.
7. **Fill out the CSS Profile**—The College Board oversees the CSS Profile, which is required by many private colleges and universities. It is used to determine your eligibility for non-government financial aid, such as the institution's own grants, loans and scholarships.
8. **Review your child's Student Aid Report (SAR)**—After you and your child submit the FAFSA online, your child will receive a Student Aid Report (SAR) via email within three days. Review the SAR to make sure that all the information is accurate. The SAR includes an Estimated Family Contribution (EFC), which is used to calculate how much your child is eligible to receive, based on the information you gave in filling out the FAFSA.
9. **Research scholarships**—Regardless of what financial aid package each college or university may offer, there are thousands of scholarship opportunities available, with just one small stipulation: your child must apply for them. There may be scholarships available from your employer, religious organization or community groups in your area. Encourage your child to apply for any/all of the scholarship(s) for which s/he might be eligible.
10. **Plan for unanticipated costs**—You never know when your car is going to break down and the extra expenses that go with it will pop up unannounced. College is no different—your student may be surprised with a fee for health insurance, or for making copies on campus for his/her project presentation, or needing some unforeseen lab equipment. How will s/he pay for these unexpected expenses?
11. **Compare financial aid packages**—Once the financial aid award letters begin to arrive, you'll want to compare the "bottom line" of the true cost of each college/university program *after* subtracting the total amount of all financial aid. This will help you and your child make an informed decision about which one is the best financial fit for your family. There are some resources listed below, as well as a hands-on activity, that can help guide you through this process.





PART 4 | RESOURCES/LINKS

There are many great resources available online to help you in your quest for getting the best financial aid package. Here are a few good places to start:



ONLINE APPLICATION FORMS

Free Application for Federal Student Aid (FAFSA)—This site should be the first stop on the quest for financial aid. The Federal Student Aid office provides more than \$120 billion in federal grants, loans and work-study funds each year to more than 13 million students. Everyone should fill out the FAFSA, regardless of family income. <https://fafsa.ed.gov/>

FAFSA4caster—free financial aid calculator that will give you an early estimate of your eligibility for federal student aid. If you're not ready to complete the FAFSA yet, this information can help your family plan ahead for college. <https://studentaid.ed.gov/sa/fafsa/estimate>

CSS Profile—unlocks access to grant aid in excess of \$9 billion each year at private colleges and universities. Part of the College Board, CSS Profile gives colleges and universities an accurate picture of families' financial needs, and supports the mission of making college affordable for everyone. However, the CSS Profile is not required at every college. It is highly recommended that you and your student check with each institution on their list to see if this form is required. <https://cssprofile.collegeboard.org/>

ONLINE COMPARISON TOOLS

CFPB: Paying for College—Compare Financial Aid—This tool allows you to compare college costs and financial aid offers.

On this webpage, you can compare up to three (3) different schools at a time.

<https://www.consumerfinance.gov/paying-for-college/compare-financial-aid-and-college-cost/>

College Affordability and Transparency Center—This resource has information and tools such as the [College Scorecard](#) and net price calculators, which help you estimate how much colleges cost after scholarships and grants. <https://collegecost.ed.gov/>

Financial Aid Shopping Sheet—This resource, offered by the U.S. Department of Education, is a consumer tool that helps students easily compare schools and make informed decisions about which school to attend. <https://www2.ed.gov/policy/highered/guid/aid-offer/index.html>

SCHOLARSHIPS AVAILABLE

College Greenlight—Free resource that helps you discover, research, and build relationships with colleges and universities. Provides a wide variety of financial resources, with an easily searchable database filled with thousands of scholarships, grants and merit-aid opportunities. Students will receive a customized list of the awards best suited to their academic, social and community accomplishments. <https://www.collegegreenlight.com>

OTHER USEFUL INFORMATION FOR PARENTS

Consumer Reports: "Having the College Money Talk"—This article poses ten key questions families should discuss when making a financial plan for college. <https://www.consumerreports.org/student-loan-debt-crisis/having-the-college-money-talk/>

Federal Student Aid: Resources for Parents—Offers useful information about paying for college with federal student aid programs. The site includes tips, planning checklists and other resources that are useful for parents. <https://studentaid.ed.gov/sa/resources/parents>



PART 5 | FAMILY ACTIVITY: COMPARE FINANCIAL AID AWARD LETTERS

Once all of the forms have been completed and the scholarship applications have been submitted, there's still one last step: reviewing financial aid award letters from the various schools and deciding which one to accept. A financial aid award letter summarizes the various types of financial aid each college or university your child applied to is offering him/her to help pay for college. It's important to read, compare and evaluate each financial aid award letter your child receives.

Materials:

- **Sample Letter 1—Financial Aid Award Letter from “College A”**
- **Sample Letter 2—Financial Aid Award Letter from “University C”**
- **Quick Guide for Evaluating Financial Aid Offers**
- **Quick Guide for Evaluating Financial Aid Offers—Key**

Using the sample financial aid award letters provided below, you can practice with your child by following these steps:

1. Compare the Cost of Attendance (COA) from each college.
2. Add up and compare all gift aid, such as total grants and scholarships. Is one college offering more in free money?
3. Compare work-study options. Make sure your child is willing to work during school to earn this type of aid.
4. Add up and compare eligible loans, which have to be repaid, usually after college. Make sure you and your child are willing and able to pay these back if s/he accepts them.
5. For each school, subtract and compare the total financial aid offered from the Cost of Attendance to see what the gap is. If you don't want to take out loans, just subtract the gift aid and work-study from the Cost of Attendance.

Once you compare the final costs for each college after the financial aid package is considered, you can see that College A will cost Alex \$6,000, and University C will cost \$13,995.

Next, review the details from Alex's two financial aid award letters, and answer these questions:

- Which college offers more in gift aid—College A or University C?
- Which college offers more in total financial aid awards—College A or University C?
- Which package would require Alex to pay more—College A or University C?
- Which college do you think Alex should attend?



The answers to these questions can be found at the bottom of the “Financial Aid Award Letter Side-by-Side Comparison Worksheet” (see below).

A few final tips:

- Don't be afraid to contact each school your child is considering if you have any follow-up questions that will help in making your final decision.
- Once your family has made a final decision, feel free to have your child contact the financial aid office to ask if there is any additional aid available.
- Be sure to meet the school's deadline(s) for accepting the financial aid package you and your child have chosen.

COLLEGE A FINANCIAL AID AWARD SUMMARY

Alex Student
123 College Court
Anytown, OH 12345

Dear Alex Student,

Congratulations on your acceptance to College A! We have reviewed your financial aid application for the upcoming academic year as an on-campus resident, and we are pleased to offer you the following financial assistance.

COST OF ATTENDANCE (COA):

Direct Costs		Estimated Indirect Costs:	
Tuition & Fees	\$31,100	Books & Supplies	\$1,000
Activity & Orientation Fee	\$300	Transportation	\$600
Room & Board	\$8,500	Personal Expenses	\$2,500
Total:	\$39,900	Total Cost of Attendance (COA):	\$44,000
		Expected Family Contribution (EFC)	\$1,735
		Calculated Financial Need:	\$42,265

To assist in covering your calculated financial need, you are offered the following financial assistance:

	Fall Semester	Spring Semester	Academic Year Total
College A Grant	\$7,500	\$7,500	\$15,000
Pell Grant	\$2,500	\$2,500	\$5,000
ABC Scholarship	\$5,000	\$5,000	\$10,000
Federal Work-Study	\$1,250	\$1,250	\$2,500
Direct Subsidized Stafford Loan	\$1,750	\$1,750	\$3,500
Direct Unsubsidized Stafford Loan	\$1,000	\$1,000	\$2,000
Total Awards	\$19,000	\$19,000	\$38,000

This award is contingent upon your full-time enrollment in College A and submitting any required documentation. Please sign one copy of this award letter. Return it to our office.

If you do not wish to accept any of these financial aid awards, please note that in the letter before returning it to our office.

Please feel free to contact the financial aid office at 1-800-555-5555 for assistance, or you can visit our website at www.collegeA.com

Sincerely,

The Financial Aid Office

UNIVERSITY C FINANCIAL AID AWARD SUMMARY

Alex Student
 123 College Court
 Anytown, OH 12345

Dear Alex Student,

University C is pleased to offer you the following financial aid package for the upcoming school year:

GIFT AID

	Fall	Spring	Total
University C Scholarship	\$2,500	\$2,500	\$5,000
Cal Grant	\$1,500	\$1,500	\$3,000
Pell Grant	\$2,000	\$2,000	\$4,000
Total Gift Aid	\$6,000	\$6,000	\$12,000

SELF-HELP AID

	Fall	Spring	Total
Perkins Loan	\$1,375	\$1,375	\$2,750
Direct Subsidized Loan	\$1,625	\$1,625	\$3,250
Direct Unsubsidized Loan	\$2,500	\$2,500	\$5,000
Work-Study	\$750	\$750	\$1,500
Total Self-Help Aid	\$6,250	\$6,250	\$12,500

To accept or decline these awards, you must log in to: [MyFinancialAid \(https://www.university-c.edu/myfinancialaid\)](https://www.university-c.edu/myfinancialaid)

Your awards were determined in part by the following:

Expected Family Contribution (EFC):	\$1,735
Cost of Attendance (COA)	
Fees & Tuition	\$14,790
Books & Supplies	\$900
Personal Expenses	\$2,500
Room & Board	\$16,470
Transportation	\$600
Student Union Dues	\$1,500
Total	\$36,760
Calculated Need:	\$35,025

NEXT STEPS:

Visit MyFinancialAid to view and complete all outstanding requirements, and to accept the terms and conditions of your awards. We look forward to seeing you in the Fall!



QUICK GUIDE FOR EVALUATING FINANCIAL AID OFFERS

1. Place the total Cost of Attendance (COA) for each college or university on Line A.
2. For each college, list the amount of each type of financial aid awarded and add up the total financial aid package on Line B.
3. Find the amount that needs to be covered by the student, parent(s) and/or scholarships by subtracting B from A.
4. Answer the questions at the bottom of the activity sheet.

COLLEGE A

A. What does it cost to attend college?

Financial Aid Package _____

Total of all grants and scholarships _____

Total of all loans _____

Work-Study _____

B. Total financial aid package

How much is **A** minus **B**? _____

This amount will be covered by the student,
parent(s), scholarships.

UNIVERSITY C

A. What does it cost to attend college?

Financial Aid Package _____

Total of all grants and scholarships _____

Total of all loans _____

Work-Study _____

B. Total financial aid package

How much is **A** minus **B**? _____

This amount could be covered by the
student, parent(s), and/or scholarships.

CONSIDER:

Don't forget that the Expected Family Contribution cannot be covered by a scholarship. This is what the college expects you to contribute towards your child's education.



QUICK GUIDE FOR EVALUATING FINANCIAL AID OFFERS

1. Which school offers more in gift aid—College A or University C?
2. Which school offers more in total financial aid awards—College A or University C?
3. Which package would require Alex to pay more—College A or University C?
4. Which school offers Alex a more favorable financial aid package?



KEY—COLLEGE A

A. What does it cost to attend college?	\$44,000
Financial Aid Package	
Total of all grants and scholarships	\$30,000
Total of all loans	\$5,500
Work-Study	\$2,500
B. Total financial aid package	\$38,000
How much is A minus B ?	\$6,000
This amount could be covered by the student, parent(s), and/or scholarships.	

KEY—UNIVERSITY C

A. What does it cost to attend college?	\$36,760
Financial Aid Package	
Total of all grants and scholarships	\$12,000
Total of all loans	\$11,000
Work-Study	\$1,500
B. Total financial aid package	\$24,500
How much is A minus B ?	\$12,260
This amount could be covered by the student, parent(s), and/or scholarships.	

CONSIDER:

Don't forget that the Expected Family Contribution cannot be covered by a scholarship. This is what the college expects you to contribute towards your child's education.

1. Which school offers more in gift aid—College A or University C?
[Answer: College A]
2. Which school offers more in total financial aid awards—College A or University C?
[Answer: College A]
3. Which package would require Alex to pay more—College A or University C?
[Answer: University C]
4. Which school offers Alex a more favorable financial aid package?
[Answer: College A]