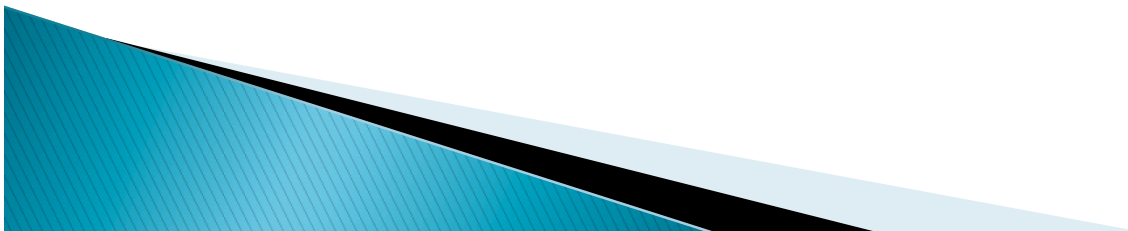



Financial Literacy For College

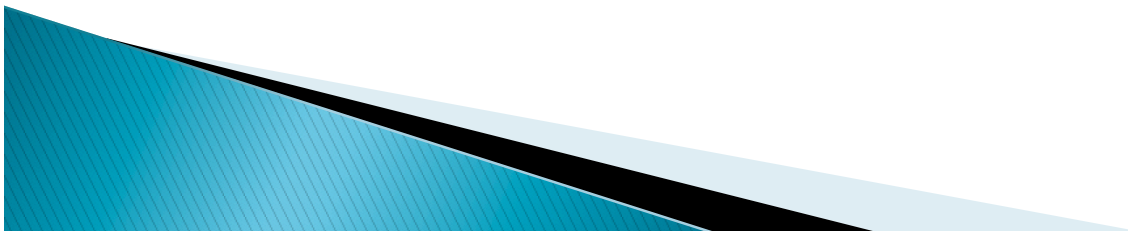


WELCOME!

- ▶ This is Part Three of a Three-Part Workshop Series
 - ▶ Part I Resume Drafting
 - ▶ Part II Professional Etiquette/Interview Skills
 - ▶ Part III Who You Are/Financial Literacy and Financial Aid for College
- 

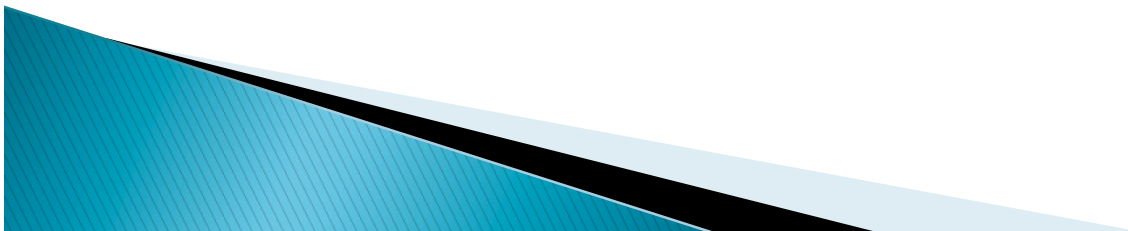
WHAT DOES COLLEGE COST?

- ▶ This is your first question.
- ▶ TUITION
 - **Biggest Cost.**
- ▶ OTHER
 - **room and board, textbooks, and other mysterious “fees.”**



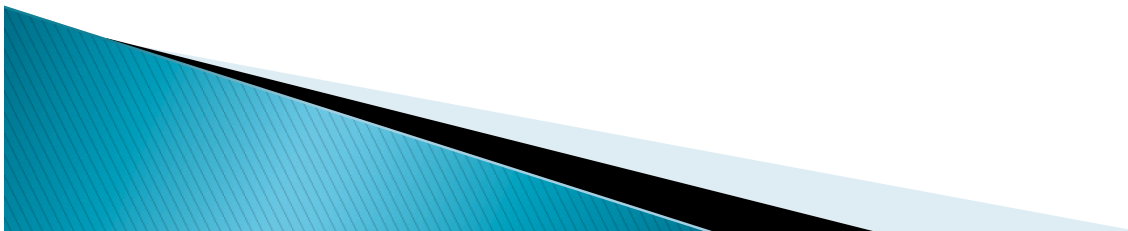
TUITION

- ▶ PUBLIC 2-YEAR \$3,131 per yr
- ▶ PUBLIC 4-YEAR (in state) \$8,655 per yr
- ▶ PUBLIC 4-YEAR (out of state) \$21,706 per yr
- ▶ PRIVATE 4-YEAR \$29,056 per yr



FINANCIAL AID

- ▶ This is money that is either given or lent to you to pay for college. It may be awarded based upon need, or academic or athletic ability. Most full time college students receive some form of financial aid.



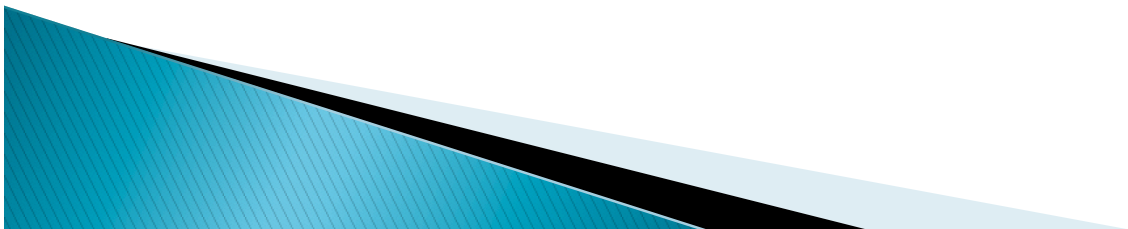
“PUBLISHED” PRICE V. “NET” PRICE

- ▶ PUBLISHED PRICE – THE PRICE AN INDIVIDUAL COLLEGE LISTS AS ITS ANNUAL TUITION
- ▶ NET PRICE – THE PRICE A STUDENT ACTUALLY HAS TO PAY AFTER ALL LOANS, GRANTS, SCHOLARSHIPS AND TAX BENEFITS ARE DEDUCTED. IT SHOULD BE SIGNIFICANTLY LESS!



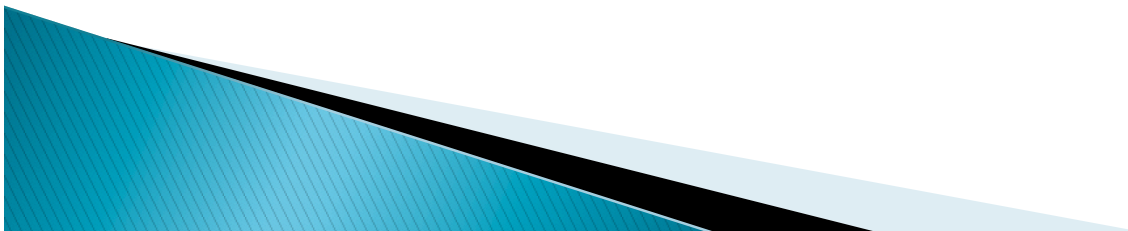
NET PRICE CALCULATOR

- ▶ MOST COLLEGES HAVE A NET PRICE CALCULATOR ON THEIR WEBSITES
- ▶ THIS IS VERY HELPFUL FOR DETERMINING WHETHER A PARTICULAR COLLEGE IS AFFORDABLE FOR YOU
- ▶ DON'T AUTOMATICALLY RULE OUT EXPENSIVE COLLEGES – THEY MAY GIVE YOU ENOUGH AID TO MAKE THEM MORE AFFORDABLE THAN LESS EXPENSIVE SCHOOLS!



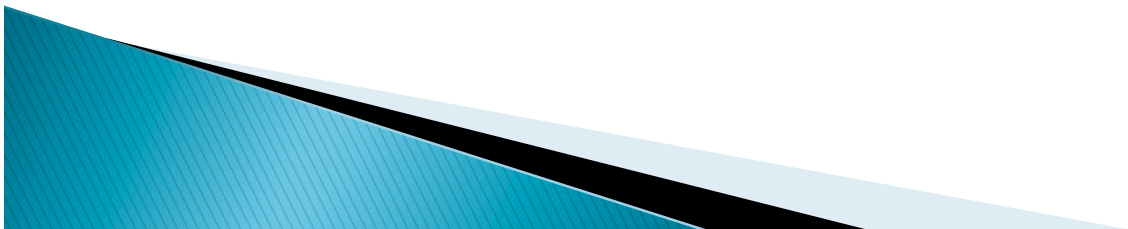
DEMONSTRATED NEED

- ▶ THE DIFFERENCE BETWEEN YOUR EXPECTED FAMILY CONTRIBUTION (EFC) AND THE TOTAL COST OF ATTENDING A PARTICULAR COLLEGE



EXPECTED FAMILY CONTRIBUTION

- ▶ ALSO CALLED EFC
- ▶ A MEASURE OF YOUR FAMILY'S FINANCIAL STRENGTH. GOVERNMENTS AND COLLEGES USE THIS TO CALCULATE YOUR FINANCIAL AID AWARD.



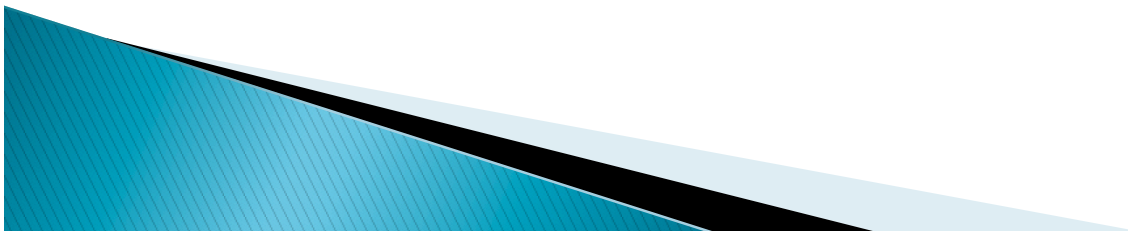
GRANTS

- ▶ MONEY YOU DO NOT HAVE TO PAY BACK!
- ▶ ALSO CALLED GIFT AID
- ▶ GIVEN BY FEDERAL AND STATE GOVERNMENTS, AS WELL AS COLLEGES.
- ▶ MOST GRANTS ARE NEED BASED (BASED ON YOU OR YOUR FAMILY'S FINANCIAL CIRCUMSTANCES)



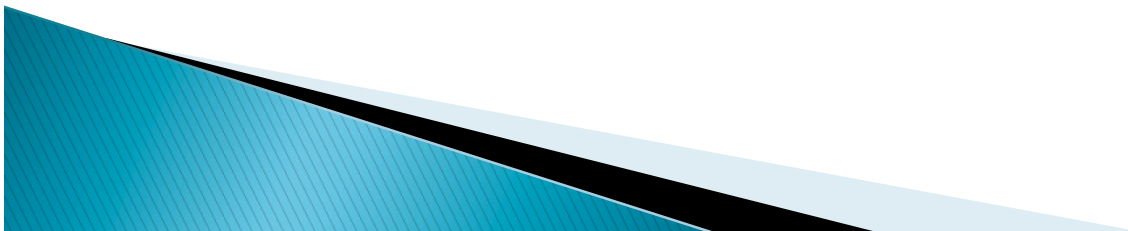
SCHOLARSHIPS

- ▶ ALSO CALLED GIFT AID
- ▶ GRANTED BY FEDERAL AND STATE GOVERNMENTS, COLLEGES, AND PRIVATE ORGANIZATIONS
- ▶ BASED ON ACADEMIC OR ATHLETIC ABILITY, INTEREST IN CERTAIN SUBJECTS, VOLUNTEER WORK



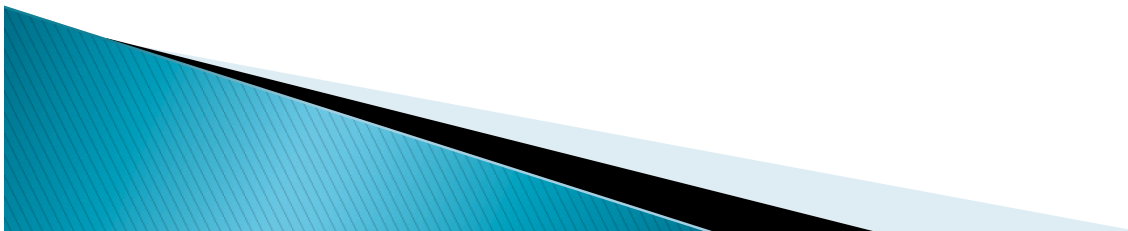
SCHOLARSHIPS (CONT.)

- ▶ SOME COMPANIES GIVE SCHOLARSHIPS TO CHILDREN OF EMPLOYEES
- ▶ SOME SCHOLARSHIPS ARE BASED ON MEMBERSHIP IN CERTAIN ETHNIC OR RELIGIOUS GROUPS



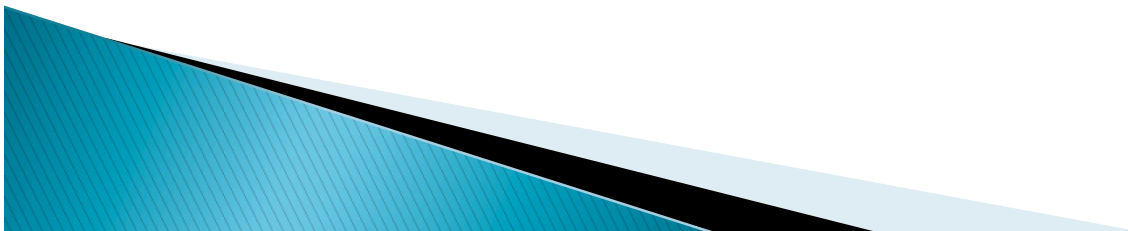
WORK STUDY

- ▶ A PROGRAM THAT ALLOWS YOU TO WORK PART-TIME TO PAY FOR COLLEGE EXPENSES.
- ▶ WORK-STUDY PROGRAMS ARE PAID FOR BY THE FEDERAL GOVERNMENT



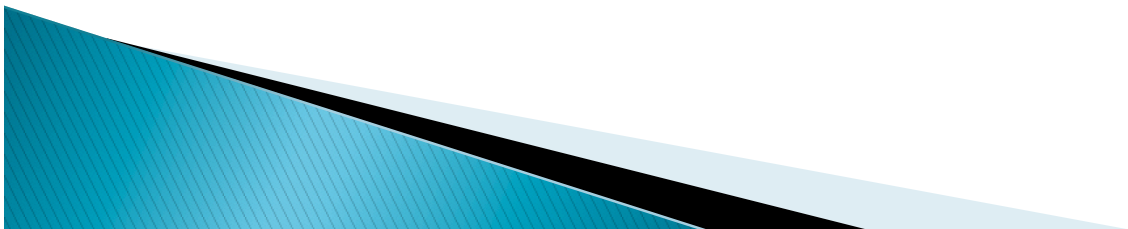
WORK STUDY (CONT.)

- ▶ THE COLLEGE YOU ATTEND MAY GIVE YOU A JOB TO EARN MONEY TO DEFRAY YOUR COLLEGE EXPENSES.
- ▶ THIS USUALLY INVOLVES LIGHT ADMINISTRATIVE ASSISTANT WORK.



LOANS

- ▶ BORROWED MONEY FROM BANKS, FEDERAL OR STATE GOVERNMENTS, COLLEGES OR A PRIVATE LENDER
- ▶ PRIMARILY NEED BASED
- ▶ THIS MONEY DOES HAVE TO BE PAID BACK!
- ▶ LOAN MONEY IS PAID BACK WITH AND EXTRA CHARGE CALLED INTEREST. IT IS VERY IMPORTANT TO KEEP YOUR EYE ON THIS!



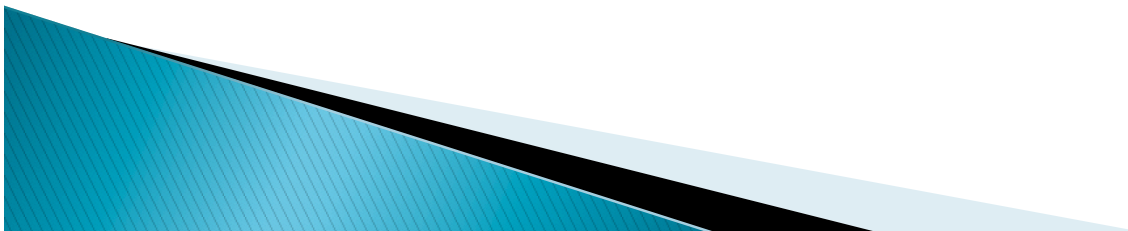
FEDERAL GOVERNMENT LOANS

- ▶ TEND TO OFFER THE LOWEST INTEREST
- ▶ THE FEDERAL GOVERNMENT IS THE LARGEST PROVIDER OF STUDENT LOAN AID
- ▶ THERE ARE BILLIONS OF DOLLARS AVAILABLE




ONE CAVEAT....

- ▶ **IF YOU RECEIVE NEED BASED FINANCIAL AID, YOU WILL BE EXPECTED TO REMAIN IN GOOD ACADEMIC STANDING TO RENEW YOUR AID ANNUALLY**

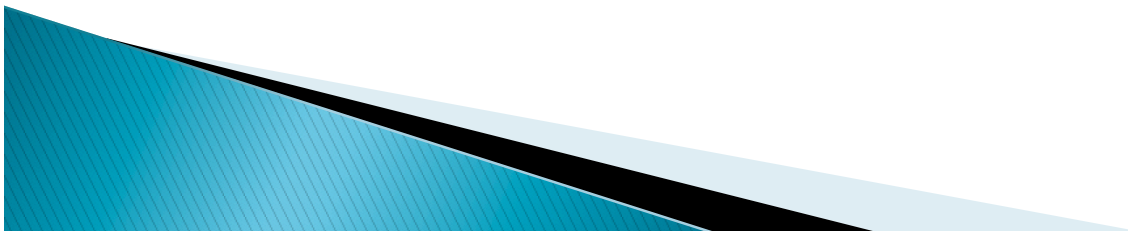


FAFSA

- ▶ FREE APPLICATION FOR FEDERAL STUDENT AID
 - ▶ THIS IS A FREE APPLICATION FORM YOU SUBMIT TO APPLY FOR FEDERAL AID.
 - ▶ IT IS REQUIRED FOR ALL STUDENTS SEEKING FEDERAL GRANTS, LOANS AND WORK STUDY OPPORTUNITIES.
- 

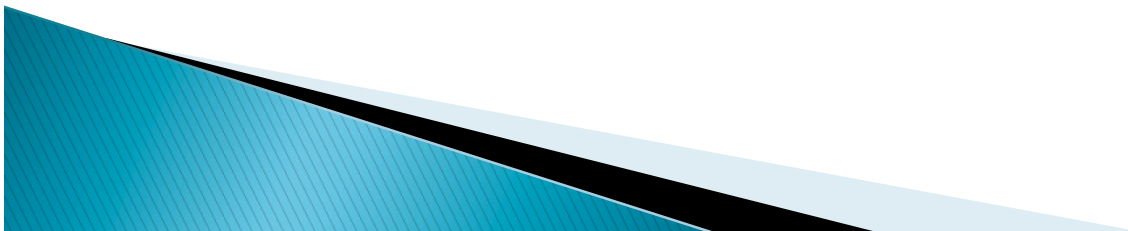
WHERE DO I FIND A FAFSA?

- ▶ AVAILABLE AT MOST COLLEGES
- ▶ ALSO AVAILABLE ON THE WEB
- ▶ www.studentaid.ed.gov/PDFfafsa
- ▶ 1-800-4-FED-AID (433-3243)



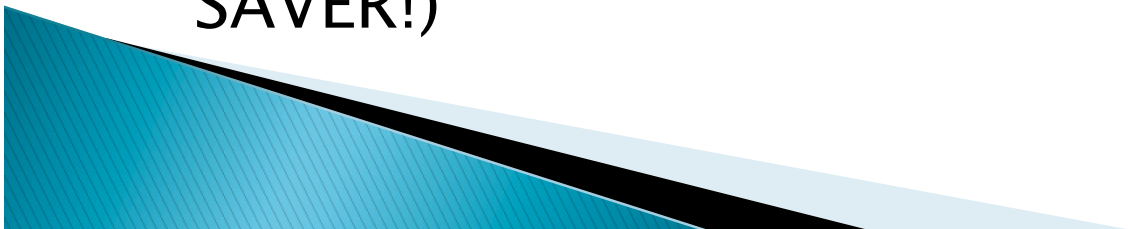
FAFSA ON THE WEB

- ▶ THE EASIEST WAY TO SUBMIT AND TRACK YOUR APPLICATION ONLINE.
- ▶ THE ONLINE PROCESS CHECKS YOUR DATA BEFORE IT IS PROCESSED SO THERE IS LESS CHANCE OF ERROR



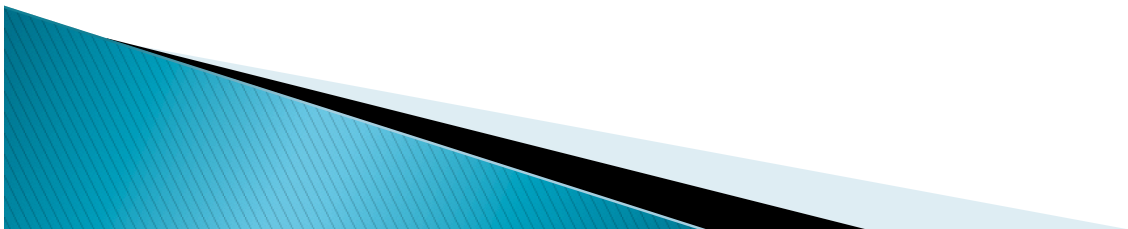
BEFORE FILING YOUR FAFSA

- ▶ COMPLETE YOUR INCOME TAX RETURN
- ▶ YOU DON'T HAVE TO FILE YOUR RETURN, BUT IT IS A GOOD IDEA TO DO SO SINCE A LOT OF THE INFORMATION IS THE SAME
- ▶ YOU MAY BE ABLE TO USE THE IRS DATA RETRIEVAL TOOL TO SAME TIME
- ▶ (THIS WILL TRANSFER DATA DIRECTLY FROM YOUR TAX RETURN TO YOUR FAFSA - BIG TIME SAVER!)



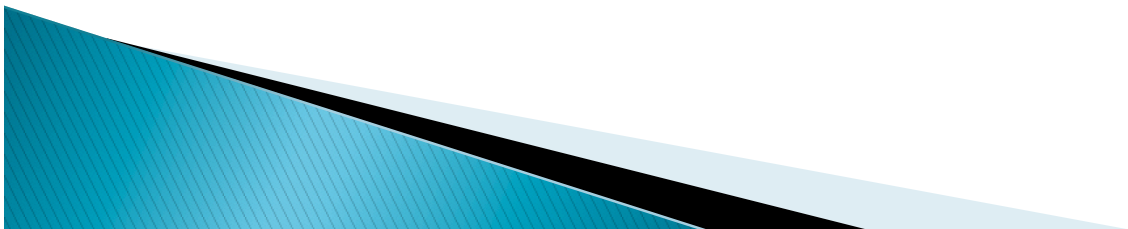
Getting a PIN

- ▶ THE US DEPARTMENT OF EDUCATION WILL GIVE YOU A PIN IF YOU FILL OUT A SHORT APPLICATION
- ▶ www.pin.ed.gov



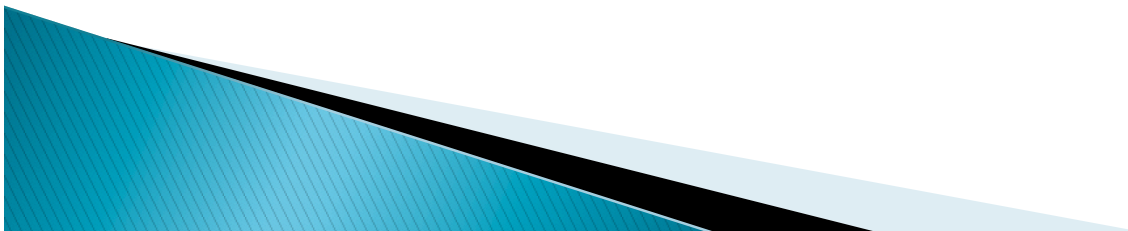
Deadlines!

- ▶ January 1 is the first day you can file your FAFSA
- ▶ TRY TO FILE YOUR FAFSA AS CLOSE TO JANUARY 1 AS POSSIBLE
- ▶ DO CHECK FOR YOUR COLLEGE'S PRIORITY FINANCIAL AID DEADLINES



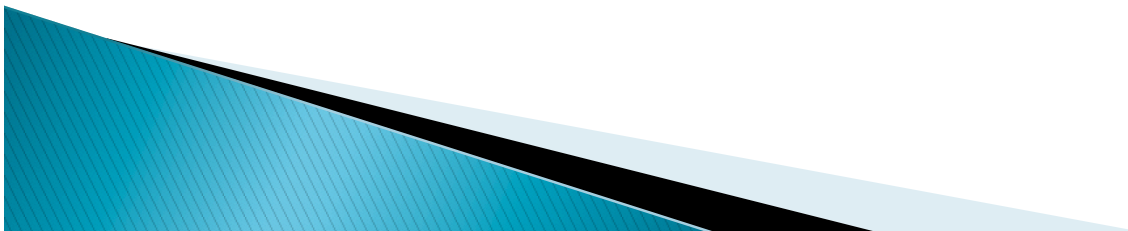
AFTER YOU APPLY

- ▶ YOU WILL RECEIVE A SAR (STUDENT AID REPORT) CONTAINING THE DATA YOU SUBMITTED ON YOUR FAFSA. BE SURE TO CORRECT ANY ERRORS PROMPTLY.
- ▶ KEEP COPY FOR YOUR RECORDS!



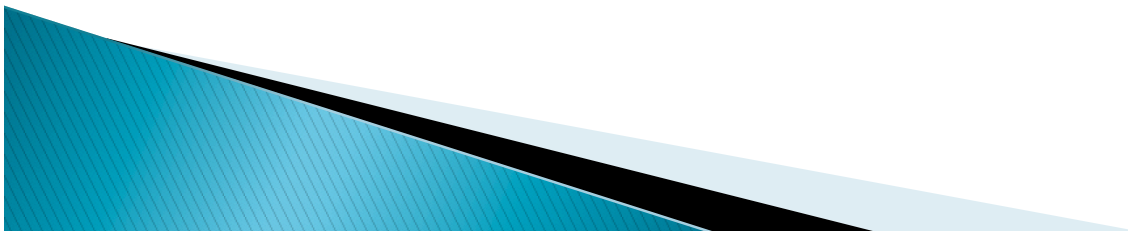
EFC

- ▶ ON FRONT PAGE OF THE SAR WILL BE YOUR EFC



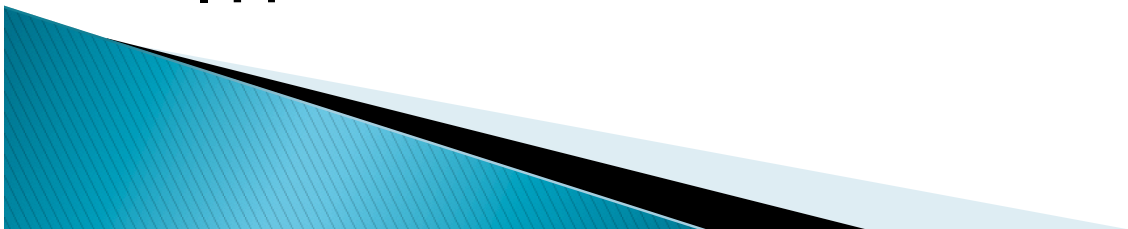
OTHER FORMS

- ▶ **MANY COLLEGES REQUIRE YOU TO SUBMIT A CSS/Financial Aid PROFILE FORM**



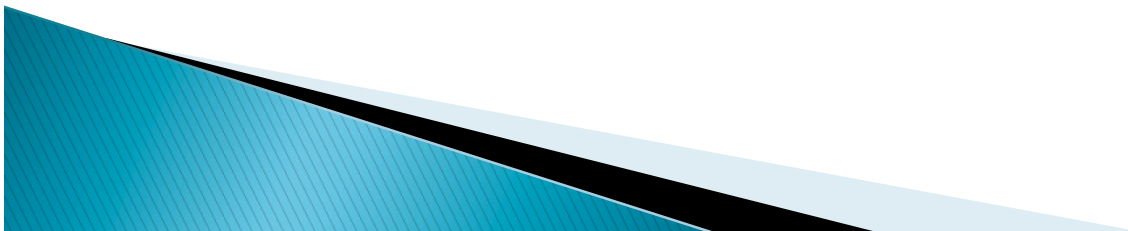
AWARD LETTER

- ▶ AFTER YOU HAVE SUBMITTED YOUR (1) FAFSA, (2) CSS Financial Aid PROFILE AND (3) NCOLLEGE APPLICATION, YOU WILL RECEIVE A DOCUMENT CALLED AN “AWARD LETTER”
- ▶ THIS WILL OUTLINE THE TYPES AND AMOUNTS OF FINANCIAL AID OFFERED.
- ▶ IT WILL HAVE A DEADLINE – KEEP YOU EYE ON IT!



CSS/FINANCIAL AID PROFILE

- ▶ THIS IS A FINANCIAL AID APPLICATION USED BY 400 + COLLEGES AND UNIVERSITIES TO AWARD THEIR FINANCIAL AID FUNDS.



III. BASIC FINANCIAL LITERACY BEYOND COLLEGE

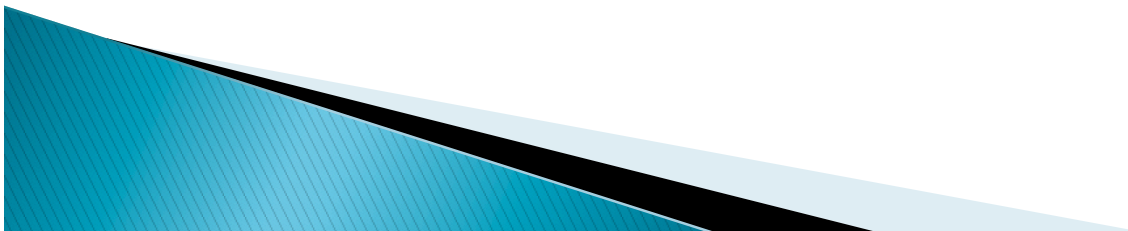
- ▶ THERE ARE SOME BASIC FINANCIAL CONCEPTS THAT EVERYONE SHOULD KNOW
- ▶ TONIGHT WE WILL FOCUS ON TEN BASIC MONEY ESSENTIALS



(1) SETTING PRIORITIES

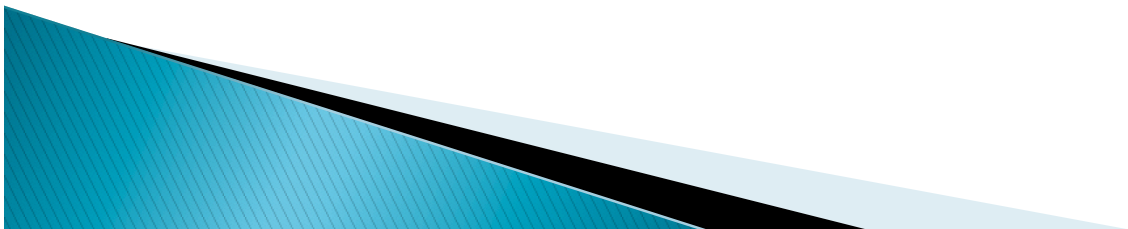
▶ WHAT ARE YOUR HIGH PRIORITY GOALS?

▶ -----



(2) MAKE A BUDGET

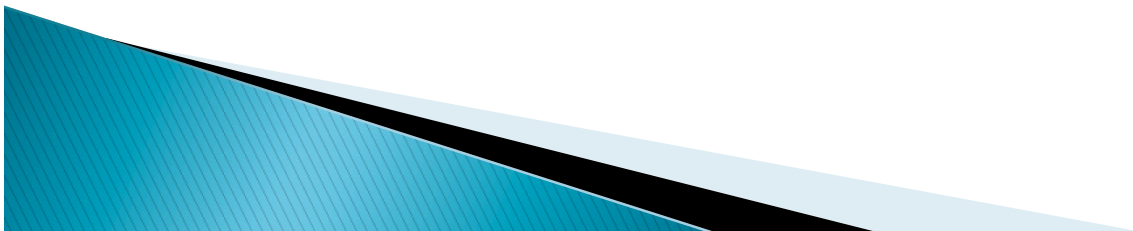
- ▶ A NECESSARY EVIL!
- ▶ THREE STEPS; (1) HOW DO YOU SPEND NOW (2) EVALUATE YOUR SHORT AND LONGTERM GOALS (3) TRACK SPENDING ACCORDINGLY
- ▶ USE SOFTWARE SUCH AS QUICKEN OR MICROSOFT MONEY



MY BUDGET



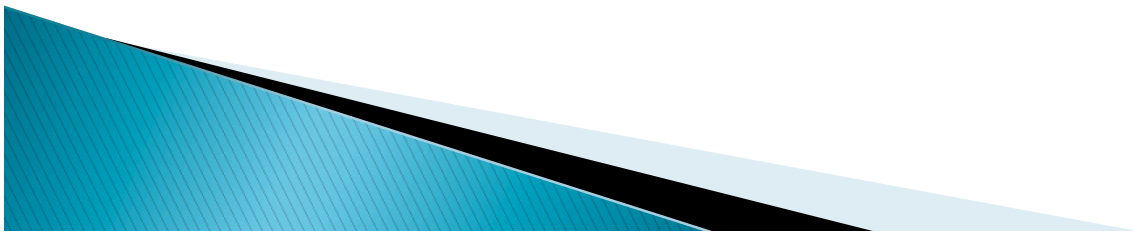
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(3) BANKING BASICS



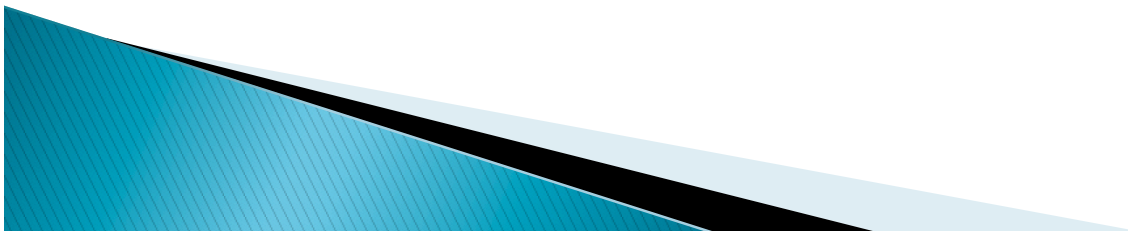
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BANKING BASICS (CONT)

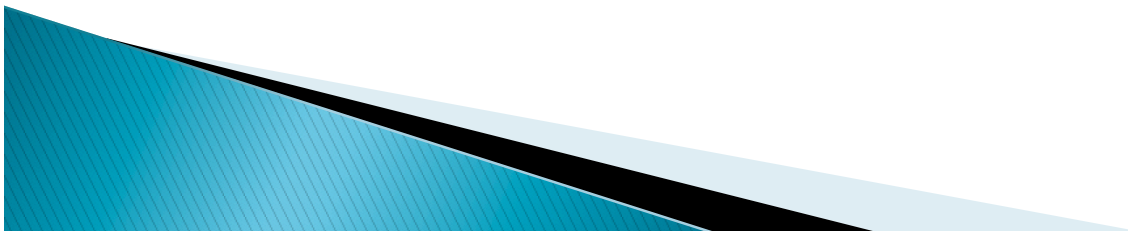


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(4) INVESTING BASICS

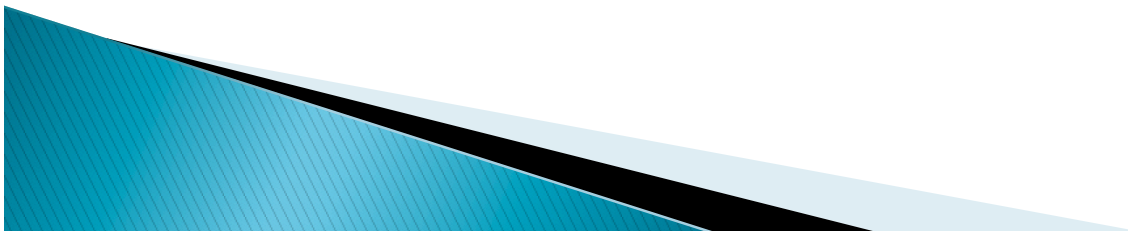
- ▶ STOCKS
- ▶ BONDS
- ▶ MUTUAL FUNDS



STOCKS

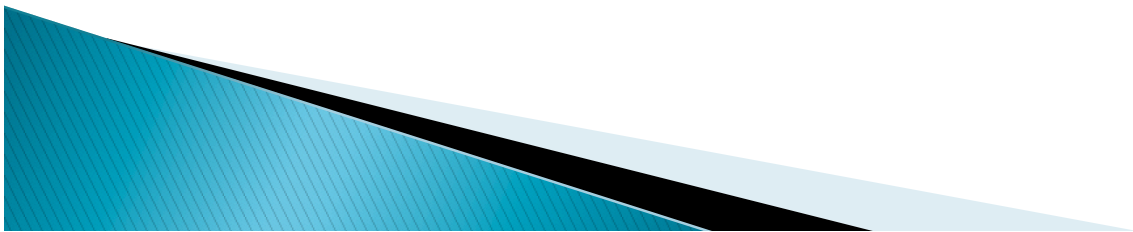


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BONDS

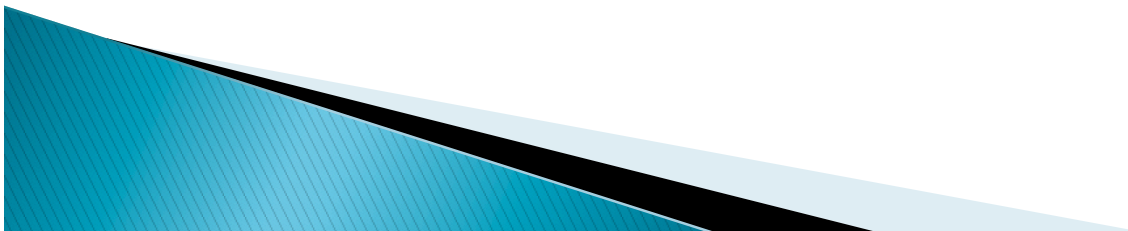




MUTUAL FUNDS



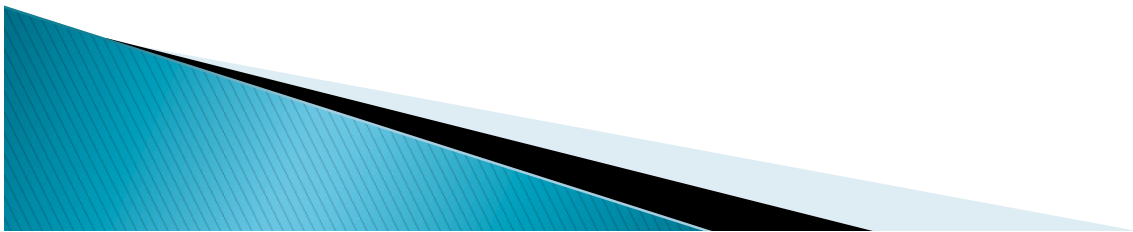
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(5) BUYING A HOUSE



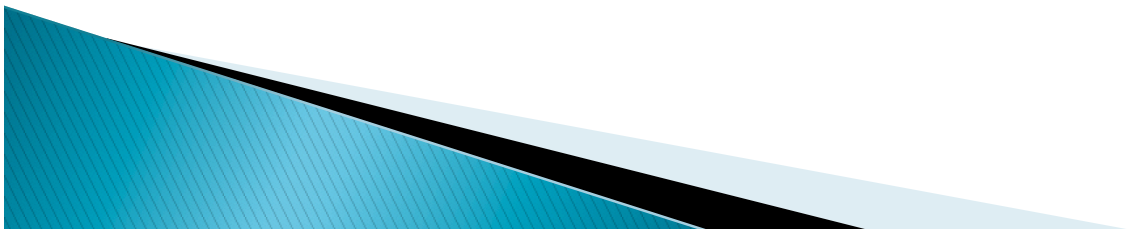
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(6) PERSONAL DEBT



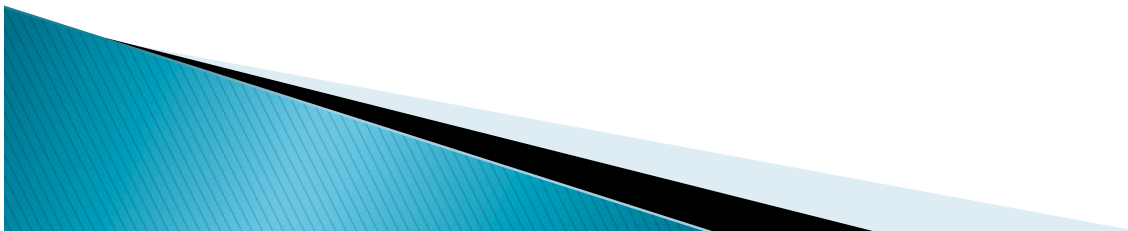
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(7) RETIREMENT PLANNING

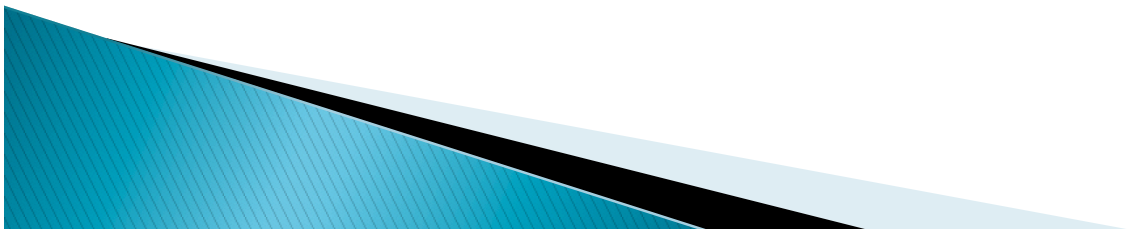


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(8) INSURANCE

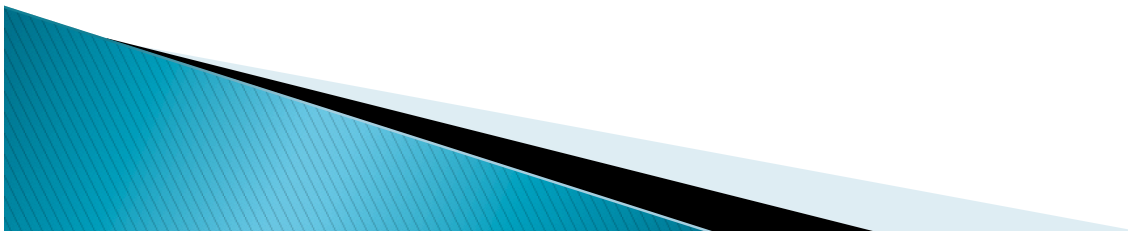
- ▶ HEALTH INSURANCE
- ▶ LIFE INSURANCE
- ▶ HOME INSURANCE
- ▶ CAR INSURANCE



HEALTH INSURANCE

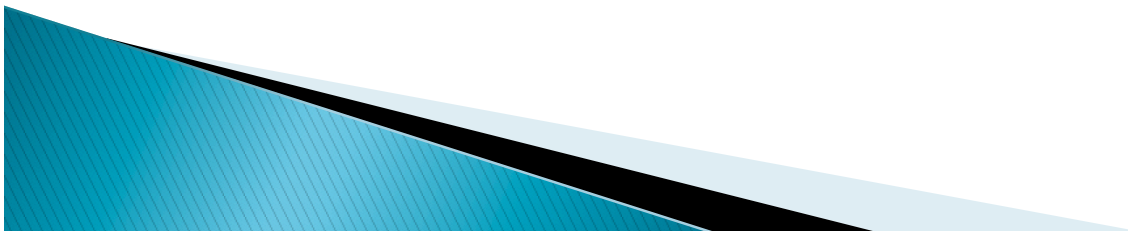


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LIFE INSURANCE

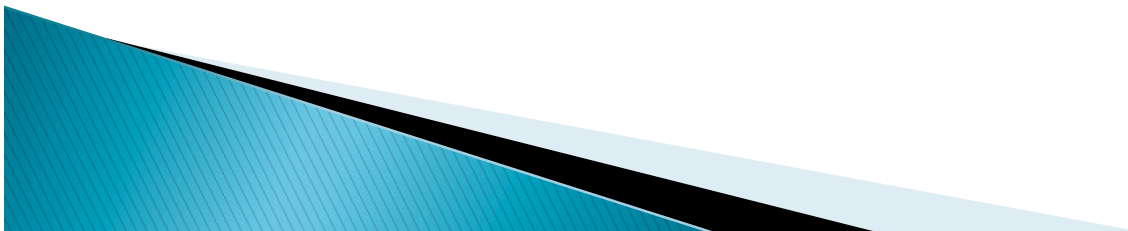




HOME INSURANCE

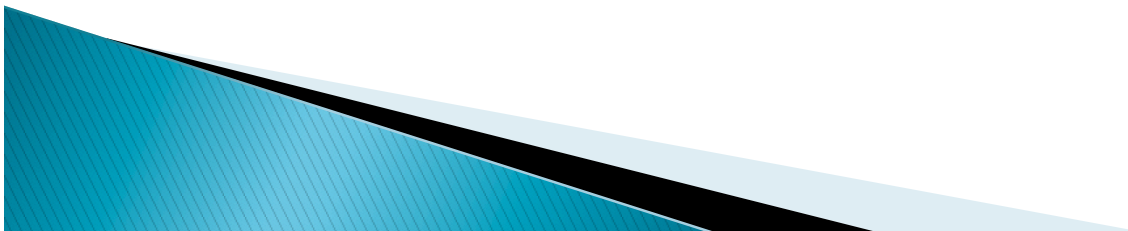


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CAR INSURANCE





(9) BUYING A CAR



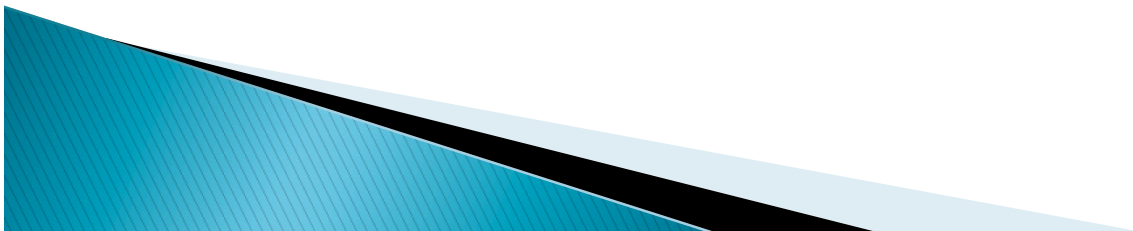
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(10) TAXES



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- ▶ *This workforce solution is 100% funded by a grant awarded by the U.S. Department of Labor, Employment and Training Administration, TAACCCT grant agreement # TC-22505-11-60-A-25. The solution was created by the grantee and does not necessarily reflect the official position of the U.S. Department of Labor. The Department of Labor makes no guarantees, warranties, or assurances of any kind, express or implied, with respect to such information, including any information on linked sites and including, but not limited to, accuracy of the information or its completeness, timeliness, usefulness, adequacy, continued availability, or ownership. Massachusetts Community Colleges are equal opportunity employers. Adaptive equipment available upon request for persons with disabilities.*

