

The Current Student Financial Aid Delivery System (Simplified View)

# What is financial aid?

merit

financial need

scholarships

grants

## the goal of financial aid

# Need Based Formula

 Total College Costs (COA)

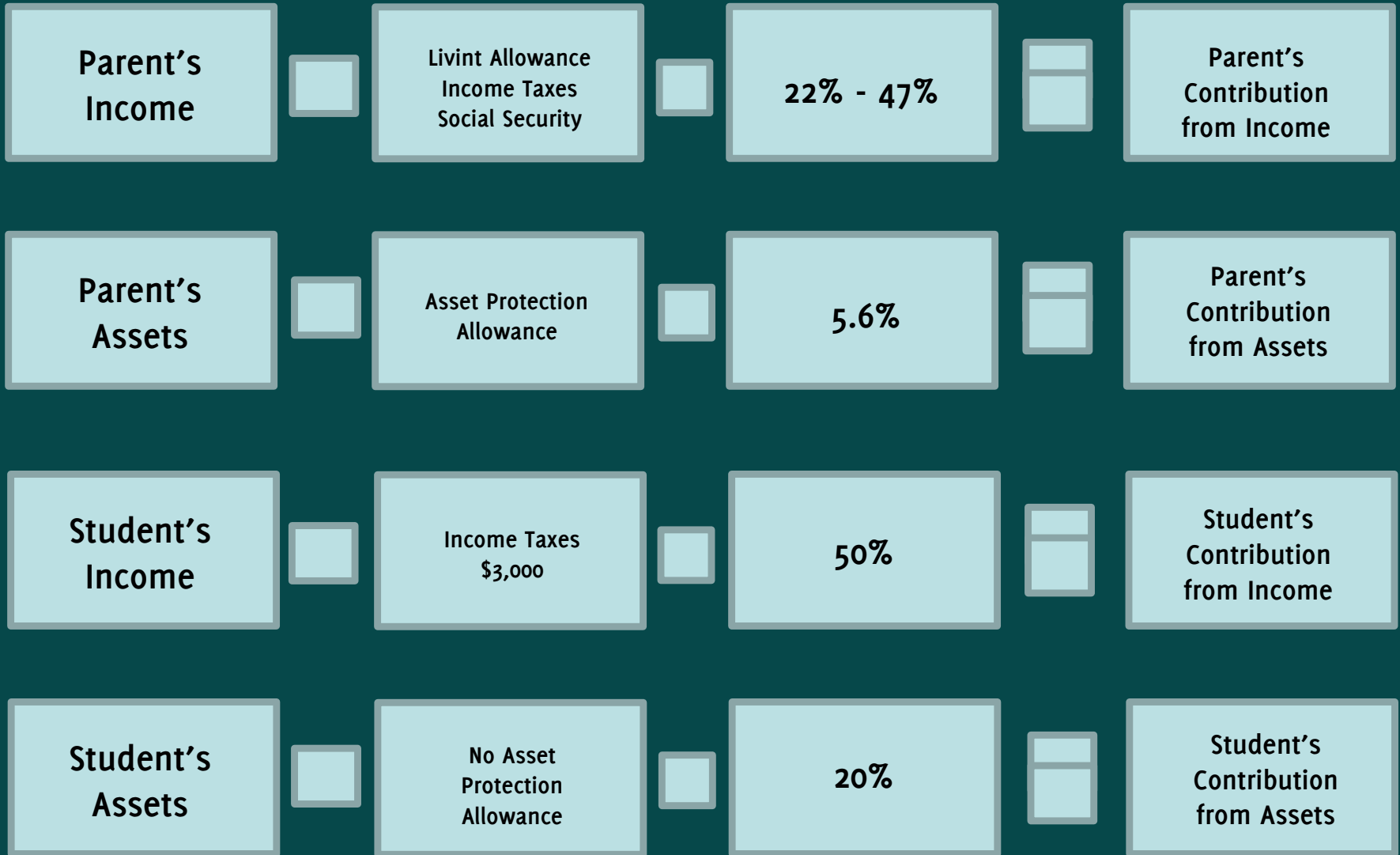
 Expected Family Contribution (EFC)

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 Financial Need

Federal Formula (FM)

Institutional Formula (IM)



**Parent's  
Income**

Livint Allowance  
Income Taxes  
Social Security

**22% - 47%**

**Parent's  
Contribution  
from Income**

**Parent's  
Assets**

Asset Protection  
Allowance

**5.6%**

**Parent's  
Contribution  
from Assets**

**Student's  
Income**

Income Taxes  
\$3,000

**50%**

**Student's  
Contribution  
from Income**

**Student's  
Assets**

No Asset  
Protection  
Allowance

**20%**

**Student's  
Contribution  
from Assets**

## 2010 – 2011 EFC Calculations

Income	Family of 3	Family of 4	Family of 5	Family of 6
\$80K	\$13,656	\$12,146	\$10,763	\$9,141
\$90K	\$17,921	\$15,782	\$14,398	\$12,776
\$100K	\$20,468	\$19,130	\$17,919	\$16,411
\$110K	\$23,171	\$21,834	\$20,622	\$19,171
\$120K	\$26,629	\$25,056	\$23,844	\$22,393
\$130K	\$30,086	\$28,277	\$27,066	\$25,615
\$140K	\$33,542	\$31,734	\$30,288	\$28,837
\$150K	\$36,999	\$35,191	\$33,510	\$32,059
\$160K	\$40,448	\$38,648	\$36,966	\$35,280
\$170K	\$43,764	\$42,007	\$40,377	\$38,266
\$180K	\$47,079	\$45,323	\$43,693	\$41,370

# Common FAFSA Errors

Divorced/Remarried parent info

Not obtaining two pins

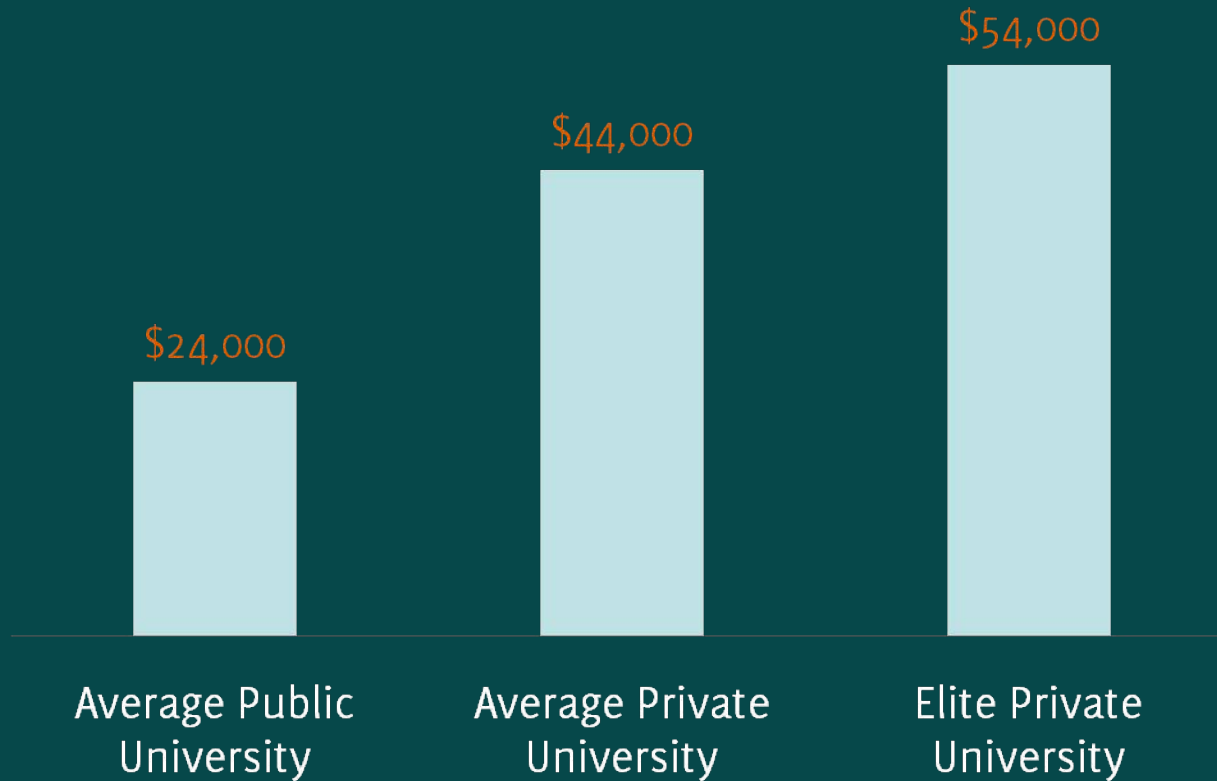
Untaxed income

Household size

Number in post-secondary education

Real Estate and investment net worth

# Cost of College



# Financial Aid Leveraging



\$50,000 +

George Washington  
University of Richmond  
Sarah Lawrence U.  
Kenyon College  
Vassar College  
UPENN

Drexel University  
Bucknell University  
Bennington College  
Columbia University  
Wesleyan  
Trinity College



**Retire well or educate well?**

New York University

Duke University

Any of the Ivies (when no financial need)

American University

Tufts University

University of VA (traditionally lousy aid)

Drexel University

Boston College

90% of Art and Music Colleges/Schools/Conservatories

Villanova University

Washington University in St. Louis

Emerson College (traditionally lousy aid!)

# How to make paying for college a non-event

Scholarships and Grant opportunities

Maximizing Current Cash Flow

Utilizing Tax Strategies

Tax-Scholarship Strategies

Achieving Retirement Goals

Long Term Wealth Planning