Financial Aid &
Managing College Costs
Vermont Student Assistance Corporation
College & Career Pathways 2022
Communication = success

Research/Planning

Family expectations

Good college matches

Student expectations

FINANCIAL AID & MANAGING COLLEGE COSTS
## Advertised college price

<table>
<thead>
<tr>
<th>Most expensive college</th>
<th>One year</th>
<th>All years</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of VT</td>
<td>$75,700</td>
<td>$302,800</td>
</tr>
<tr>
<td>Vermont state college</td>
<td>$35,200</td>
<td>$140,800</td>
</tr>
<tr>
<td>Community College of VT</td>
<td>$26,000</td>
<td>$104,000</td>
</tr>
<tr>
<td>Community College of VT</td>
<td>$13,800</td>
<td>$27,600</td>
</tr>
<tr>
<td>(2 years)</td>
<td></td>
<td>(6 months)</td>
</tr>
<tr>
<td>Vermont trade school</td>
<td>$28,400</td>
<td>$28,400</td>
</tr>
</tbody>
</table>

FINANCIAL AID & MANAGING COLLEGE COSTS
Net price

\[(\text{minus})\] Cost of attendance

\[\text{Gift aid you receive}\]

\[\text{(grants & scholarships)}\]

\[\text{(equals)}\] What you need to pay
## Average net price

<table>
<thead>
<tr>
<th>College</th>
<th>Cost —1 yr full-time</th>
<th>Net price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most expensive college</td>
<td>$75,700</td>
<td>$26,290</td>
</tr>
<tr>
<td>University of VT</td>
<td>$35,200</td>
<td>$19,000</td>
</tr>
<tr>
<td>Vermont state college</td>
<td>$26,000</td>
<td>$15,300</td>
</tr>
<tr>
<td>Community College of VT</td>
<td>$13,800</td>
<td>$11,000</td>
</tr>
<tr>
<td>Vermont trade school</td>
<td>$28,400</td>
<td>$17,000</td>
</tr>
</tbody>
</table>

FINANCIAL AID & MANAGING COLLEGE COSTS
College Scorecard

FIND THE RIGHT FIT.
Search and compare colleges: their fields of study, costs, admissions, results, and more.

SEARCH SCHOOLS
SEARCH FIELDS OF STUDY
SHOW ME OPTIONS

Type to search

CUSTOM SEARCH
The family has the primary responsibility to pay for higher education.

Financial aid is meant to assist families with paying for college.

- Parents
- Students
Types of financial aid

1. Grants
2. Scholarships
3. Work-study
4. Loans
Financial applications to submit

- Free Application for Federal Student Aid (FAFSA)
- Vermont grant application
- College financial aid forms
  - CSS Profile
- Scholarship applications
- Loan applications
How & when to apply — FSA ID

• Every student applying for federal aid must create an FSA ID account. One parent of any dependent student must also create their own FSA ID account.

• Takes time to set up:
  More security = more questions.

• Use non-school email address

• Can do NOW.
How & when to apply

File your FREE Application for Federal Student Aid (FAFSA)

• Required.
• Available October 1, 2022.
• Use 2023–2024 version (the year student will attend college).
• Check college deadlines.
• Add colleges later if student applies early and then decides on more schools.
How & when to apply

File your Vermont grant application

• Open to all Vermont residents on October 1, 2022.
• Use 2023–2024 version (the year student will attend college).
• Required for state grant aid.
• Apply early, check status online, and complete “To Do” list.
• Can fill out forms online, upload documents.
• Students must create MyVSAC account before applying.
Determining financial need

What is the EFC/family contribution and how is it determined?

The family contribution is a starting point — **not** what you have to pay.

- Income
- Assets
- Family Size
- Number of family members in college
- Age of older parent
The family contribution is a starting point—not what you have to pay.
Maximizing financial aid

• Do well in school.
• Challenge yourself.
• Increase school and community involvement.
• Communicate special circumstances to financial aid offices and VSAC.
• Research scholarships.
• Apply for scholarships.
Ways to reduce costs

• Look farther (in state, other states, Canada).
• Dual enrollment
• Early college
• Advanced Placement
• NEBHE
• Start at a school that costs less, then transfer.
• Consider attending local and commuting.
• Consider service.
## Ways to pay

<table>
<thead>
<tr>
<th>Past income</th>
<th>Present income</th>
<th>Future income</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Savings</td>
<td>• Payment plans</td>
<td>• Parent PLUS loan</td>
</tr>
<tr>
<td>• College savings plan</td>
<td>• Tax credits</td>
<td>• Additional student loans</td>
</tr>
<tr>
<td></td>
<td>• Scholarships</td>
<td>• Private loans</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Other borrowing options</td>
</tr>
</tbody>
</table>
Ways to pay

Savings

• The more you save, the less you have to borrow.
• What can you add to savings before you need to borrow for college?
• How much can students add to savings through gifts or summer employment?
## Ways to pay

### Federal loans for Dependent students

<table>
<thead>
<tr>
<th></th>
<th>Annual eligibility</th>
<th>Cumulative borrowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freshman year</td>
<td>$5,500</td>
<td>$5,500</td>
</tr>
<tr>
<td>By sophomore year</td>
<td>$6,500</td>
<td>$12,000</td>
</tr>
<tr>
<td>By junior year</td>
<td>$7,500</td>
<td>$19,500</td>
</tr>
<tr>
<td>By senior year</td>
<td>$7,500</td>
<td>$27,000</td>
</tr>
</tbody>
</table>
# Student loan options

<table>
<thead>
<tr>
<th>Federal or non-federal</th>
<th>Available from</th>
<th>Loan type</th>
<th>Interest rate 2021–2022</th>
<th>Accept or compare?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>Your college</td>
<td>Direct loans for students</td>
<td>3.73%*</td>
<td>Accept these first.</td>
</tr>
<tr>
<td>Non-federal</td>
<td>VSAC</td>
<td>VT Advantage Student —fixed rate</td>
<td>3.79%, 5.20%, 6.10%</td>
<td>Compare these loans.</td>
</tr>
<tr>
<td></td>
<td>Nonprofit organizations, banks, credit unions, other private lenders</td>
<td>Alternate loans (often called private loans)</td>
<td>Varies by lender (variable and fixed).</td>
<td></td>
</tr>
</tbody>
</table>

* Each year on July 1, the U.S. Department of Education sets a new rate.
## Parent loan options

<table>
<thead>
<tr>
<th>Federal or non-federal</th>
<th>Available from</th>
<th>Loan type</th>
<th>Interest rate 2021-2022</th>
<th>Accept or compare?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal</td>
<td>Your college</td>
<td>PLUS loan for parents</td>
<td><strong>6.28%</strong>*</td>
<td>Compare these loans.</td>
</tr>
<tr>
<td>Non-federal</td>
<td>VSAC</td>
<td>VT Advantage Parent — fixed rate</td>
<td><strong>3.79%, 6.10%</strong></td>
<td><strong>3.79%-6.72%</strong> APR</td>
</tr>
<tr>
<td>Non-federal</td>
<td>Nonprofit organizations, banks, credit unions, other private lenders</td>
<td>Alternate loans (often called private loans)</td>
<td>Varies by lender (variable and fixed).</td>
<td>Compare these loans.</td>
</tr>
</tbody>
</table>

* Each year on July 1, the U.S. Department of Education sets a new rate.
Calculators

**Federal Student Aid Estimator**
- EFC and Federal Aid estimates

**Collegeboard.org** financial aid tools & calculators
- EFC calculator
- Parent debt calculator

**Mappingyourfuture.org**
- Student loan debt/salary wizard
Next steps for junior year

- Online college searches.
- College Scorecard to gather net price information.
- College Net Price calculators for specific net price information.
- Family discussions about choosing and paying.
- Research scholarships.
- Create a free, college and scholarship-appropriate email address.
Next steps for senior year

- Research forms and deadlines required by colleges. Meet earliest deadline.
- Create Federal Aid accounts — FSA ID, one for student and one for parent.
- Create MyVSAC account for student.
- Gather family financial aid info to file applications.
- File the FAFSA and VT grant applications.
- File VSAC’s Unified Scholarship Application.
- Apply for other scholarships
VSAC’s paying for college guide

Available at vsac.org/pay-resources
VSAC’s education loan guide

With expanded section on ways to minimize education debt

Available at vsac.org/pay-resources

or order a printed copy by e-mailing publications@vsac.org
Financial aid forms help

Phone:
• FAFSA: 800-4FEDAI D (800-433-3243)
  Mon–Fri, 8:00 am–11:00 pm; Sat–Sun, 11:00 am–5:00 pm
• FAFSA and VT grant: 833-802-8722
  Mon–Fri, 8:00 am–4:30 pm

Online:
• FAFSA — chat while filling out application
• VSAC Financial Aid videos at vsac.org/financial-aid-videos
• FAFSA Fridays — schedule one-on-one zoom meeting from October-January
• VSAC Shows You How events this fall. Check vsac.org/events for more information.
Follow us

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@VSAC

@802vsac

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