



20 Things You Need to Know About Financing College

It's important to make an informed decision about an institution of higher education. We recommend using the following three phases together, as a whole, to arrive at the best possible decision.

PHASE 1: APPLYING TO COLLEGE

Once the student's academic and social interests and objectives have been matched with appropriate institutions, the student might need to consider financial assistance.

College admission and financial aid advisers should be ready to give the following information:

1. What are the average costs for tuition and fees, books and supplies, room and board, transportation, and other personal expenses for the first year? What are the ranges of room (e.g., single, double) costs, board costs (e.g., 21 meals), and special tuition rates (e.g., flat rate, 15–18 credits)? By how much will total costs increase each year? (A three- to five-year printed history of tuition and fee increases, as well as room and board increases, should be available.)
2. Does financial need have an impact on admission decisions?
3. Does the decision to apply for early admission affect financial aid?
4. Does the institution offer financial aid programs, as well as merit or other scholarships, that do not include consideration of financial need? How and when should applications for need-based and merit aid be completed?
5. What noninstitutional sources of aid and information are available? (Check with the financial aid office regarding fee-based sources.)
6. What application forms are required to complete the financial aid process? What is the priority deadline for applying for financial aid? When will the student be notified about financial aid decisions? How soon after the FAFSA opens on October 1 does the student/family need to complete the FAFSA?

PHASE 2: CHOOSING A COLLEGE

During this phase, the student chooses the college with the best academic, social, and financial fit.

To make this decision, college financial aid offices should supply the following information:

7. How much financial aid will the student receive? Will the student be billed for their share of the costs? Are there any other costs not accounted for in the aid offer that the student should plan for, such as expenses for books, room and board, transportation, or personal needs?
8. If the student and/or the student's family can't meet the financial responsibilities from current income or assets, what financing options are available to help them pay their share?

PHASE 2: CHOOSING A COLLEGE (CONTINUED)

9. Will the financial aid office provide each student with an explanation of how their expected family contribution, financial need, and award package was determined?
10. If the financial aid award package is insufficient to make it possible for the student to attend this institution, under what conditions, if any, will the aid office reconsider its offer?
11. What are the terms and conditions of the aid programs included in the student's award package (e.g., treatment of outside scholarships, loan repayment policies, renewal criteria)? Regarding renewal, what are the academic requirements or other conditions for the renewal of financial aid, including scholarships?
12. How will the student's aid package change from year to year? Will loan amounts increase? What impact will cost increases have on the aid package? What will happen if the student's financial situation changes? What will happen if the student's or another family member's enrollment status changes?
13. What amount of student loan debt does your typical student borrower have once they finish college?

PHASE 3: BEFORE LEAVING HOME

By the end of this phase, the student should be clear about their financial obligations to their college of choice and how to meet those obligations.

The financial aid and/or business office of the student's chosen college should be able to answer the following questions:

14. When can the student/family expect to receive bills from the college? How many times a year will they be billed? If the bill is not paid by the deadline, will there be penalties? Does the college accept payment by credit card? Is there an option to pay monthly?
15. Is all financial aid credited to the student's account, or will the student receive checks for some or all of the financial aid awarded? What about student employment earnings? If aid exceeds billed charges, how does the student receive the funds?
16. How much money will the student need during the first week of school for things such as books or a parking permit? Can the student use financial aid to pay for books and supplies? Can books and supplies be charged to the student's account? What typical out-of-pocket expenses do most students have during the year?
17. Is information provided to students about budgeting resources, money management, and credit card usage?
18. Are there banking services with fee-free ATMs and/or check cashing on or near campus? Does the campus have a debit card?
19. Will the college be responsive to midyear changes in family financial situations?
20. Questions regarding student employment, including federal work-study, are also relevant: How are jobs assigned? How many hours per week will a student be expected to—or allowed to—work? How often and in what manner will the student receive earnings payments? Will earnings be automatically credited to the student's account?

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