

# Five Steps to Paying for College

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Together we'll go far



# Agenda

- Why pursue a college degree
- Knowledge is power
- Step 1: Complete the FAFSA
- Step 2: Apply for scholarships
- Step 3: Estimate and compare your total college costs
- Step 4: Determine if you need additional money for college
- Step 5: Explore additional college financing options
- Helpful tools and resources
- Questions

# Why pursue a college degree?

## Earning power

- According to the Bureau of Labor Statistics, people with more education typically earn a higher median weekly income compared to their peers with a high school diploma:
  - \$124 more per week for an Associate's degree
  - \$433 more per week for a Bachelor's degree
  - \$658 more per week for a Master's degree

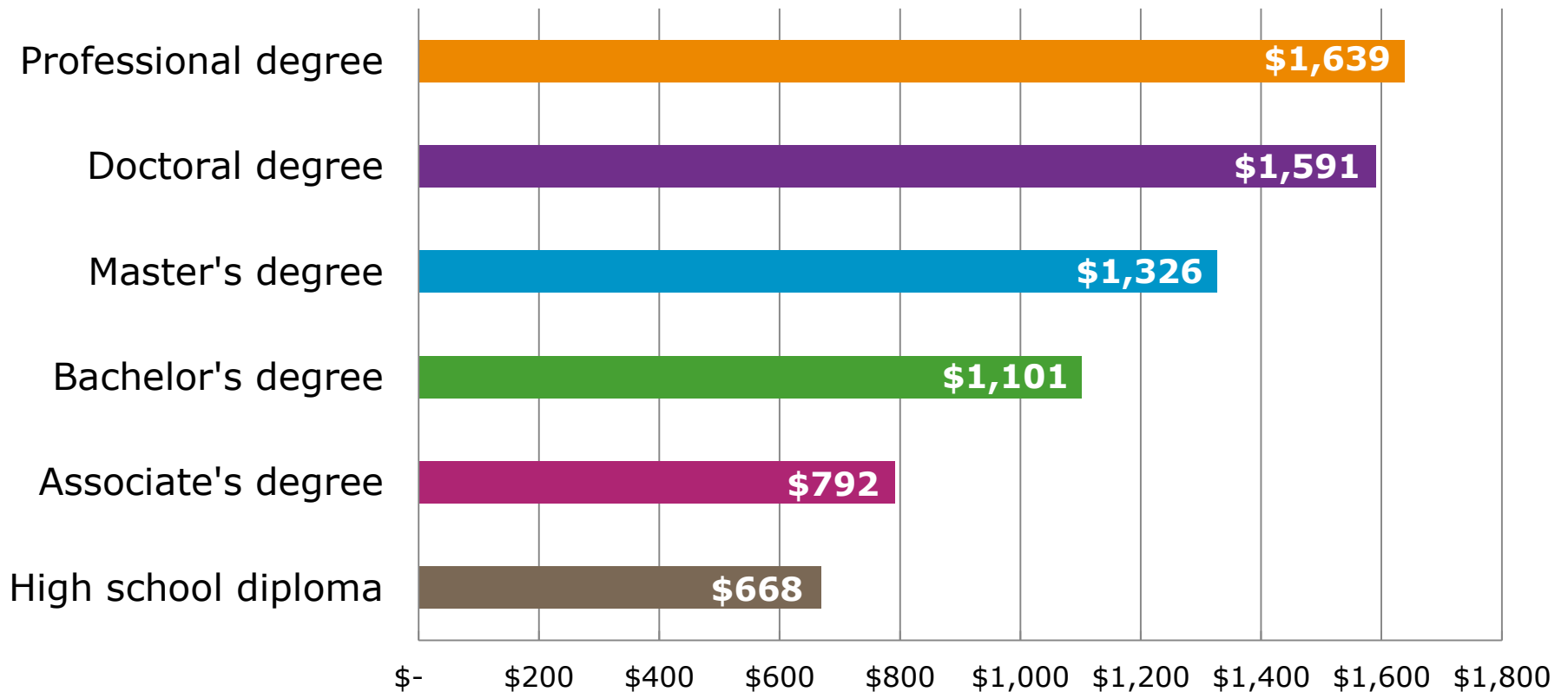
## Employment opportunity

- Bureau of Labor Statistics also finds that the unemployment rate drops for those with more education:
  - 6.0% for those with a high school diploma
  - 4.5% for an Associate's degree
  - 3.5% for a Bachelor's degree

# College can help increase earning potential

## Median weekly earnings in 2014

Based on level of education



# Knowledge is power

Knowing how you're going to pay for college is one of the most powerful ways you can set yourself up for success.

Our 5-step process can help you estimate your education costs, and understand the different options to help you pay for them.

- **Step 1:** Complete the Free Application for Federal Student Aid (FAFSA)
- **Step 2:** Apply for scholarships
- **Step 3:** Estimate and compare your total college costs
- **Step 4:** Determine if you need additional money for college
- **Step 5:** Explore additional college financing options

**Find more online**

**Check out our video and eBook on the financial aid process at [wellsfargo.com/fivesteps](https://www.wellsfargo.com/fivesteps)**

# Step 1:

Complete the Free Application for  
Federal Student Aid (FAFSA)

# Step 1: Complete the FAFSA

All families should complete the FAFSA annually because all federal aid and most state and institutional aid require it.

## Here's how it works:

- ❑ Set up your personal Federal Student Aid ID to access, complete, and submit the FAFSA online at **fsaid.ed.gov**
- ❑ Complete your application as soon as possible after the FAFSA start date each year you plan to attend college at **fafsa.ed.gov**
- ❑ Once you receive your Student Aid Report (SAR), make sure your FAFSA information is correct and complete

### Guess what?

**For the 2017-2018 school year you can submit your FAFSA as early as October 1 and use slightly older tax information.**

**Visit [fafsa.ed.gov](http://fafsa.ed.gov) for more information.**

# Step 1: Complete the FAFSA

## Types of financial aid

- **Pell Grants** provide need-based grants to undergraduate students. The money doesn't have to be repaid (unless you withdraw from school before finishing an enrollment period).
- **State aid** is primarily available to students who attend a college in their state of residence.
- **Institutional aid** is provided by public and private colleges and universities to help their students pay for tuition and fees.
- **Federal Work Study Programs** are offered by colleges to help their students earn money by working part-time.
- **Federal Direct Stafford Loans (subsidized and unsubsidized)** are available to undergraduate and graduate students attending college at least half-time. These loans will need to be repaid.

**Fill out the FAFSA each year you plan to attend college. The sooner you complete the FAFSA the more aid you may receive.**



Step 2:

Apply for scholarships

## Step 2: Apply for scholarships

Determination pays off with scholarship applications – especially since it's **money you don't usually have to repay**. Tuition Funding Sources is a great place to start.

### Here's how it works:

- Create a free profile at **tuitionfundingsources.com**
- Make an ongoing list of scholarships you may be eligible to receive
- Start early and continue applying throughout your college career
- Set aside time each week to research, apply for, and check the status of your scholarships

There are more than **7 million** scholarships totaling more than **\$41 billion** up for grabs at Tuition Funding Sources

## Step 2: Apply for scholarships

Maximize your scholarship search with these tips


- ❑ Make the time
- ❑ Master the essay
- ❑ Consider who you know
- ❑ Little amounts add up
- ❑ Get an editor
- ❑ Talk with the financial aid office

***Give yourself plenty of time for the scholarship application processes. And remember, getting money you won't need to repay is worth it in the end!***

# CollegeSTEPS® program

Find more tips, tools, and resources on student loans, credit, and money management with our **CollegeSTEPS** program.

CollegeSTEPS® program



Whether you're planning for college or already there, sign up for the CollegeSTEPS program today and get tools, tips and a chance to win \$5,000  
No purchase necessary

**CollegeSTEPS sweepstakes**

When you sign up for the CollegeSTEPS program, you will be automatically entered into the CollegeSTEPS sweepstakes\* for a chance to win \$5,000. The sweepstakes runs from 8/14/15 through 6/30/16. Four sweepstakes drawings will be conducted to award **one high school student and one college student \$5,000 at each drawing!** In addition, twenty high school students and twenty college students will be selected to win \$500 in each of the four drawings. See the Official Rules for drawing dates and complete details.

Once you sign up, we will email you with timely, helpful information like study tips, securing financial aid, and managing your money.

**Who can sign up for the CollegeSTEPS program?**

- High school students
- College students
- Parents
- Counselors

Receive emails specific to your year in school - parents can sign up too. You'll know what to expect next as you plan and move through college.

**Sign up today at: [wellsfargo.com/collegesteps](http://wellsfargo.com/collegesteps)**

# Step 3:

Estimate and compare your total college costs

## Step 3: Estimate and compare your total college costs

Use your college's Net Price Calculator to help **estimate** your total college costs. A school you may have initially ruled out due to cost might actually be less expensive than you think.

### Here's how it works:

- ❑ Go to your college's or university's website and search for the Net Price Calculator
- ❑ Enter the required data
- ❑ See the estimated costs for one year at that school
- ❑ Find out what financial aid may be available

### Play with the variables

See how your total cost might change with different variables like living on campus, off campus, or at home.

## Step 4:

Determine if you need additional money for college

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Review your award letters to see what your actual college costs will look like.

### Here's how to determine if you need additional money for school:

- Separately add up the costs for each school you're considering
- Subtract the financial aid you'll receive on your award letter
- See how much additional money you may need to cover remaining college expenses
  - If you **do** need additional money, go on to Step 5
  - If you **don't** need additional money, you're all done

**Contact the school's financial aid office if you have any questions about your award letter.**



# Step 5:

Explore additional college financing options

## Step 5: Explore additional college financing options

Your family's circumstances and preferences will help determine what federal and private financing options may fit your situation.

### Here's how it works:

- Research all financing programs carefully
- Line up a cosigner who may help you qualify for a private student loan
- Ideally, your total student loan debt should not exceed the salary you expect to earn your first year working after college

**Estimate your post-graduation salary at [bls.gov/emp](https://bls.gov/emp)**

## Step 5: Explore additional college financing options

- **Tuition payment plans** may be available by colleges to help their students pay tuition in interest-free monthly installments instead of one lump sum at the start of the semester.
- **Federal Direct PLUS Loans** are credit-based student loans offered by the federal government. These loans are available to graduate or professional degree students and parents of dependent undergraduate students.
- **Private or alternative student loans** are credit-based student loans which may be available for graduates, undergraduates, professional degrees, or qualified certificate or licensure programs. There may also be financing options available for anyone who may be interested in borrowing to help the student pay for college. These loans are provided by banks or other lenders.

### Read the fine print

Know the pros and cons of each financing option before you make a choice.

# Helpful tools and resources

## **Wells Fargo CollegeSTEPS® program**

Receive college planning and money management tips, tools, and resources by signing up at **[wellsfargo.com/collegesteps](https://wellsfargo.com/collegesteps)**

## **Tuition Funding Sources**

Get access to over 7 million scholarships totaling more than \$41 billion to help pay for college at **[tuitionfundingsources.com](https://tuitionfundingsources.com)**

## **Path to credit videos**

Find videos and information to help you get on the path to understanding credit and the benefits it may provide at **[wellsfargo.com/pathtocredit](https://wellsfargo.com/pathtocredit)**

## ***The Student LoanDown*<sup>SM</sup> blog**

Check out conversations focused on everything from college planning to paying back student loans at **[blogs.wf.com/studentloandown/](https://blogs.wf.com/studentloandown/)**

# Helpful tools and resources *continued*

## **Calculators and tools for student loans**

Estimate private student loan payments, how much you may need to borrow, and more at **[wellsfargo.com/student/calculators](https://www.wellsfargo.com/student/calculators)**

## **My Financial Guide**

Find resources on budgeting, choosing a college, finding scholarships, and more at **[wellsfargo.com/financial-education](https://www.wellsfargo.com/financial-education)**

## **Student Center**

Whether you are in high school, preparing for college, or about to graduate, we're here to support you every step of the way. Visit us at **[wellsfargo.com/studentcenter](https://www.wellsfargo.com/studentcenter)**

# Questions?

Thank you for attending