

A decorative graphic on the left side of the slide consists of several colored squares and two portraits. At the top left is a small red square. Below it is a portrait of a woman with long dark hair, overlaid with a red tint. To the right of this portrait is a blue square containing a portrait of a man with glasses, also overlaid with a blue tint. Below the red-tinted portrait is a solid blue square. To the left of the blue-tinted portrait is a solid green square. Below the blue square is a large orange-to-yellow gradient rectangle. To the left of this gradient rectangle is a portrait of a woman with short dark hair, overlaid with a green tint. At the bottom left is a solid light green square.

# Paying for College

David Rodriguez

Student Choice Strategic Partner for Sound Credit Union

# Why college

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70% more earnings

- than a HS graduate (\$60k vs. \$35k median salary for ages 25-34)

\$1,000,000 more over career

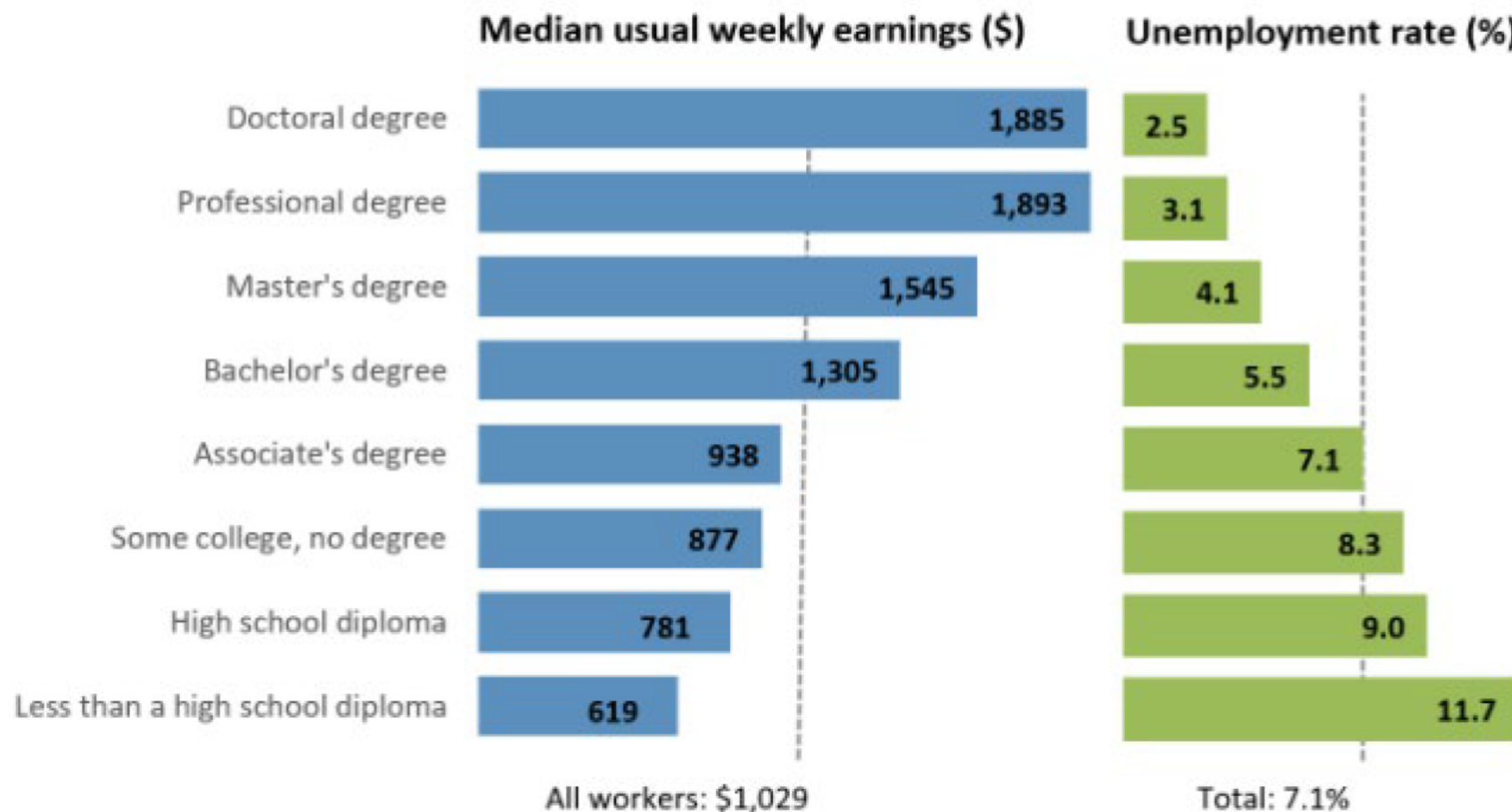
- than a HS graduate as indicated by the CFPB

A Better starting salary

- than a HS graduate with earnings that have kept pace w/debt loads (salaries almost 2x debt load)

# The value & security of four years

## Earnings and unemployment rates by educational attainment, 2020




Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.  
Source: U.S. Bureau of Labor Statistics, Current Population Survey.


# College Navigator: [www.nces.ed.gov/collegenavigator](http://www.nces.ed.gov/collegenavigator)

**ies** INSTITUTE OF  
EDUCATION SCIENCES

NATIONAL CENTER FOR  
EDUCATION STATISTICS

Enter search terms here 

Publications & Products | Surveys & Programs | Data & Tools | Fast Facts | School Search | News & Events | About Us




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Name of School


States (use map for more than 1 state)  


No Preference  
Alabama  
Alaska  
Arizona




ZIP Code  Miles from


Programs/Majors  
0 Items Selected [Browse for Programs](#)

Level of Award   
☐ Certificate ☐ Associate's  
☐ Bachelor's ☐ Advanced


Institution Type   
☐ Public ☐ 4-year  
☐ Private non-profit ☐ 2-year  
☐ Private for-profit ☐ < 2-year


[+ MORE SEARCH OPTIONS](#)

 **Show Results**

 [Guide Me](#) | [Clear Search](#)

**Find** the right  
college for **you**

 **Guide Me**



[» Refine your search with \*More Search Options\* to select additional search criteria.](#)

[» Build a list of schools using \*My Favorites\* for side-by-side comparisons.](#)

[» Pinpoint school locations with an \*interactive map\*.](#)

[» Export search results into a \*spreadsheet\*.](#)

[» Save your session including search options and favorites.](#)

[» \*\*Add College Navigator\*\* to your browser search bar.](#)


[College Affordability and Transparency Center](#)  
Browse lists of institutions with the highest and lowest tuition & fees and net price. [» GO](#)

**ADDITIONAL RESOURCES**  
[Preparing for your Education](#)  
Find out what you need to do to prepare for education beyond high school. [» GO](#)

[Financial Aid](#)  
Apply for Federal Student Aid on FAFSA. [» GO](#)

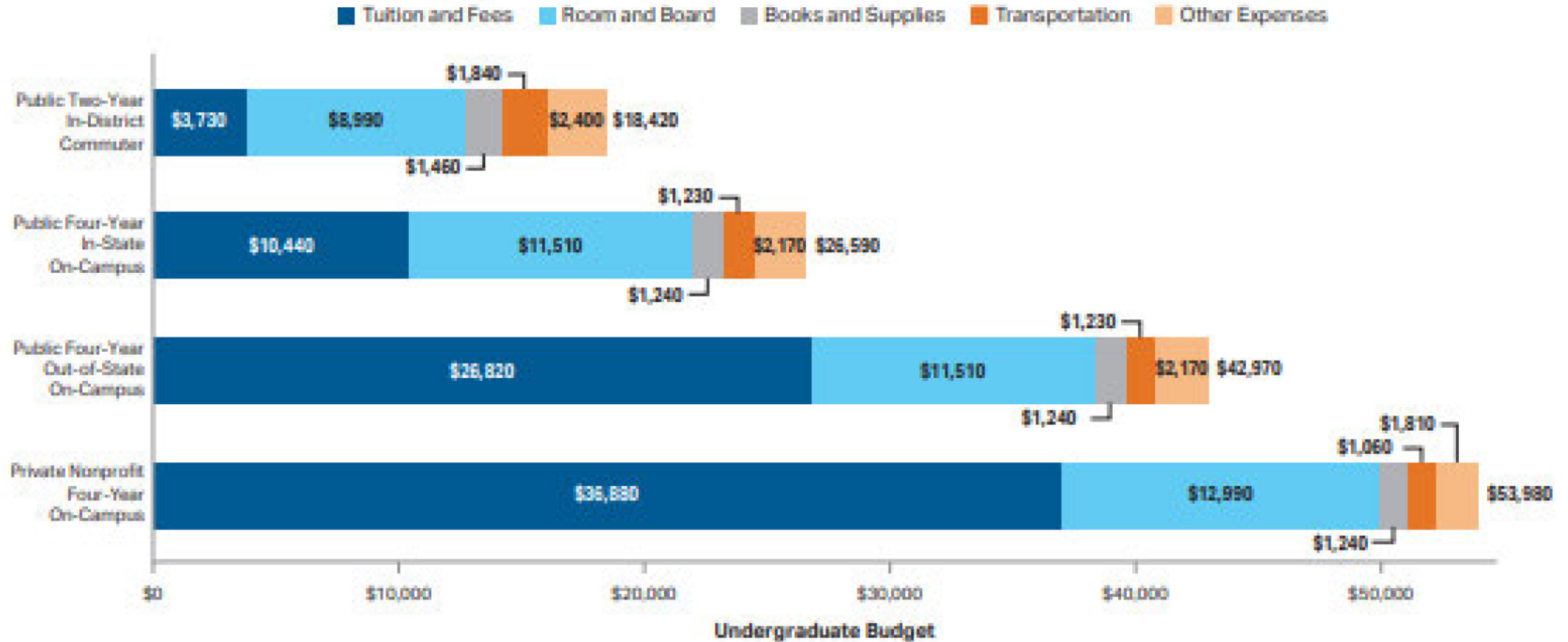
[Careers](#)  
Deciding on a career? Consult the *bls.gov* Occupational Outlook Handbook. [» GO](#)

Online research tool from the US National Center for  
Education Statistics

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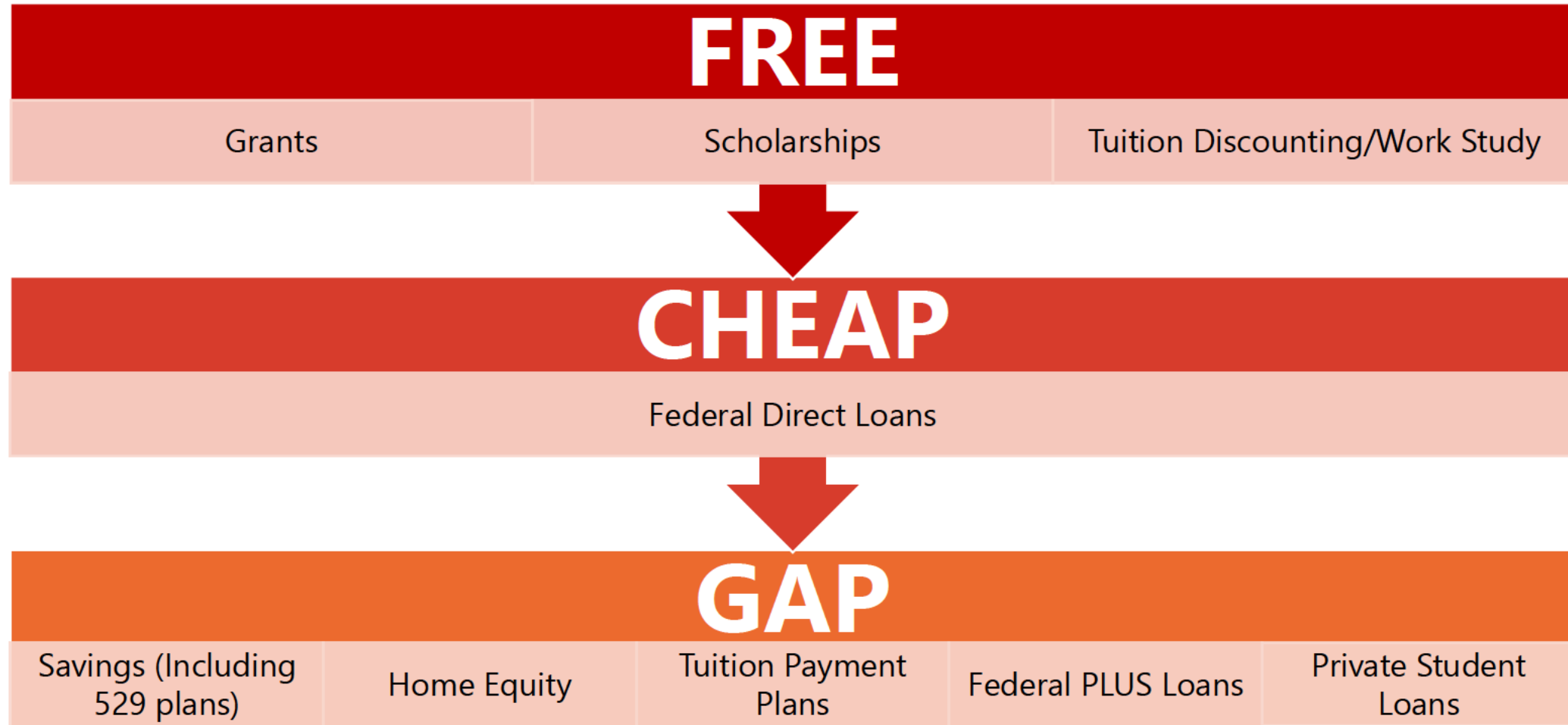
# Cost of Education

# Average full-time UG costs



Source: College Board, Annual Survey of Colleges

# Value based approach to Financial Aid



**Start with FAFSA**



# Financial Aid opportunities

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Opens 10/1

Online application

Apply annually

Beware of scams

Remember FAFSA is FREE!



## Complete the FAFSA® Form

Use the *Free Application for Federal Student Aid* (FAFSA®) form to apply for financial aid for college or graduate school.

### New to the FAFSA® Process?

Completing the FAFSA form is free. Fill it out now.

[Start Here](#)

### Returning User?

[Correct info](#) | [Add a school](#)

[View your Student Aid Report \(SAR\)](#)

[Log In](#)

# Helpful hints

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- Keep your FSA ID in a safe place
- Remember the email address/cell phone number associated with the FSA ID
- Parent(s) must create an FSA ID to sign the FAFSA form
- Parent(s) must use a different email address than the student
- You will use the same FSA ID every year you file the FAFSA form

# Estimated Family Contribution (EFC)

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**Cost of Attendance**  
**- Estimated Family Contribution**

**Financial Need**



**Free: Scholarships & Grants**

# Scholarships

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A grant or payment made to support a student's education. Usually paid directly to the school.

Typically  
merit or  
needs  
based

May have  
specific  
obligations

Could be  
awarded  
one-time or  
renewable

Don't have  
to be repaid

Eligibility  
can vary

# Resources for scholarships

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**fastweb!**



**FinAid!**

 **CollegeBoard**



**RaiseMe**

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# Scholarship tips

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Follow instructions

Use reference letters

Highlight community involvement & charity work

Include job history

Essays = **TEE**: Time, Energy and Effort

Focus on 5 or less



# Grants

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Free money  
from gov.,  
state,  
foundation  
school

Does not  
have to be  
repaid

May have  
obligations

Award  
based on  
need or  
merit

Ask for  
more

# Federal Grants

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## Federal Pell Grant

- \$6,495 max for 2021-2022 award year

## Iraq and Afghanistan Service Grant

- \$6,125 max 10/1/21 – 10/1/22

## Federal Supplemental Educational Opportunity Grant

- Ranges between \$100 to \$4,000/year

## TEACH Grant

- \$3,772 max 10/1/21 – 10/1/22

*As of June 2021 data*

<https://studentaid.ed.gov/sa/types/grants-scholarships>

# **Cheap: Federal Loan Options**

# Federal Direct Loan

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## Loans made by the federal government to the student

Must be a U.S. citizen or eligible noncitizen of the U.S. *with* a valid Social Security Number

Have a HS diploma, GED, complete homeschooling or pass an approved "ability to benefit" test

Must enroll in an eligible program as a regular student seeking a degree or certificate

Must be making satisfactory academic progress

### Exceptions:

- Do not owe a refund on a federal grant or be in default on a federal education loan

# Subsidized vs. Unsubsidized

## Subsidized

Awarded to eligible students based on financial need

Government pays interest  
While in school

Fixed interest rate of 3.73%\* plus loan fee\*\*

vs.

## Unsubsidized

Awarded to all eligible students, not based on need

Student pays interest  
May defer

Fixed interest rate of 3.73%\* plus loan fee\*\*

Standard repayment term is 10 years with a 6-month grace period

\*First Disbursement between July 1, 2021 and June 30, 2022

\*\*Fee typically just over 1% (1.057 during '20-'21 academic year) – First Disbursement between October 1, 2020 and September 30, 2022

# Loan limits

## Subsidized

Freshman	\$3,500
Sophomore	\$4,500
Juniors/Seniors	\$5,500

## Unsubsidized

<i>Dependent Student</i>	
Freshman	\$5,500
Sophomore	\$6,500
Juniors/Seniors	\$7,500
<i>Independent Student</i>	
Freshman	\$9,500
Sophomore	\$10,500
Juniors/Seniors	\$12,500

# **Gap: Other Options & Private Student Loans**

# Options for filling the funding gap

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Savings  
Accounts

(Including 529 Plans)

Retirement  
Accounts

Home Equity  
Loans

Tuition  
Payment Plans

Federal Plus  
Loans

(Complete FAFSA)

Private Loans

(Completing FAFSA  
Recommended)



# Federal Direct PLUS (Parent) Loan

A government administered credit-based loan made to the biological, adoptive, or in some cases a step-parent of a dependent student. ***~Loan is not made in the student's name~***

Borrowing limit is the cost of attendance, less any financial aid awarded

Interest rate is fixed at 6.28%\*  
Origination fee typically over 4%\*\*

10-year repayment begins immediately (60 days)

Dependent students whose parent is denied may qualify for additional Federal Direct Loan limits

\*First Disbursement between July 1, 2021 and June 30, 2022

\*\* 4.228% fee for disbursements on or prior to September 30<sup>th</sup> - First Disbursement between October 1, 2021 and September 30, 2022 fee TBD

# Private Student Loans

A financing option for higher education that can supplement but **SHOULD NOT** replace federal direct loans.

Rates vary by institution

Origination fees vary from 0%-3%

5-25 years repayment terms

Require co-borrower meet FICO and debt to income requirements

Option to defer payments while in school



**Student Choice Solution**

# Sound CU's Student Choice Solution

A unique and cost-effective student loan solution provided by Sound for your educational funding gaps.

Line-of-credit  
structure

Apply once for  
an entire  
undergraduate  
career

Borrow up to  
\$40,000

Nearly 2,000  
eligible 4-year  
schools  
\*Title IV  
eligible

Flexible  
payment  
terms

Low  
Competitive  
Variable &  
Fixed Rate  
Options

Check website for most current rates & details.

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# Sound CU's Student Choice Solution

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No origination or  
prepayment fees

0.25% rate  
discount w/ACH

Flexible  
Repayment  
Options

Full deferment  
\*5 years grace +6  
month grace

Co-borrow  
release

Make payment  
towards Principal  
and/or Interest

Can apply despite  
unknown variables  
(School opening, amount needed,  
future transfer)

# Resources, Information, & Application



Student Lending Center

[Resources](#)

[Support](#)

[About](#)



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## I would like to:

### PAY FOR COLLEGE

Responsibly fill college funding gaps with a private education line of credit.

[Get Started](#)

### LOG IN TO MY ACCOUNT

Finish an application, request funds, or make a payment.

[View Options](#)

Visit online or call 844-801-2462 to apply or for additional information

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# Individual 1-1 Help With A College Access Counselor

**FREE!**



Student Lending Center

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## College Counselor

**Need help completing your FAFSA, interpreting your award letter, or deciphering financial aid lingo? How about finding the right repayment strategy or refinancing your student loans?**

Our College Counselor can provide personal, one-on-one consultation for all of your financial aid, repayment, and refinancing questions. Whether you're a parent, high school student, or college graduate entering loan repayment, our counselor can walk you through the necessary steps to make smart financial decisions.

Need immediate assistance with your application? [Speak with a representative.](#)

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# Questions? Contact us!



[info@soundcu.com](mailto:info@soundcu.com)



[soundcu.com/student-loans](https://soundcu.com/student-loans)



[soundcu.com/scholarships](https://soundcu.com/scholarships)



800.562.8130