

# Sample college-planning report with commentary

## Actionable information to help save ON, not just FOR the cost of college!

Saving for college costs is important, but there is more to college planning than just savings strategies. This report provides actionable information that may help a family significantly reduce its out-of-pocket college costs. Every dollar saved on college costs can be reallocated for other important purposes, such as retirement savings. This report contains actionable information that can help a family save ON and FOR the cost of a college education and result in a better retirement savings outlook.

### How to use this report:

1. **Review the School Information** that directly impacts costs - including cost of attendance, graduation rates and room and board costs. The four-year estimated "sticker price" for **Niagara University** is **\$212,410** - but this is NOT necessarily the price you have to pay.
2. **Do you qualify for financial aid?** Need-based financial aid can substantially reduce family out-of-pocket college costs.
3. **See how the school determines your financial aid eligibility** and determines how much you'll have to contribute to the annual costs (there are ways to reduce the amount you'll be required to pay).
4. **What do you need to do to qualify for merit-based scholarships?** School based merit scholarships can significantly reduce college costs.
5. **What is the most efficient way for you to save for college?** Analyze the options for use as college savings/retirement savings vehicles.
6. **How does your state-sponsored 529-plan measure up?** Review important tax benefits of the state-sponsored 529-plan (if available) for clients interested in 529 savings plans.
7. **Which education tax credits should you use?** Determine which education tax credit/savings options may yield the most tax savings.



**This sample report includes callouts, like this one, to help you understand the benefits of your customized college-planning report.**

**Here are the facts of the case for the family represented by this sample report:**

- AGI = \$176,000
- Liquid Assets = \$147,000
- Student grade = junior in high school
- Two children will be in college when this student goes to college
- School of interest – Niagara University in NY



Review all the data items included to see how relevant and valuable each item can be to your family save ON and not just for the cost of college.

**Three of the most valuable components of the table are** the EFC calculation, the projected aid package and the analysis that determines if your family may be able to increase financial aid eligibility.

**The Expected Family Contribution** or EFC as it is known is a calculated assessment - based on your family's financial and household information. It is the amount you will be expected to pay toward the cost of college at a particular school before qualifying for any need-based financial aid from the school. Many families making in excess of \$150,000 per year qualify for need-based financial aid.

Because need-based financial aid can significantly reduce the out-of-pocket college costs for middle and upper-middle-income families, at a minimum you should be able to estimate your EFC to ensure that you can at least cover that amount. The report provides the EFC estimate for your family

**All schools don't offer the same financial aid packages.** Therefore it can actually end up costing you more to send your child to a school with a lower cost of attendance than another option with a higher cost if the lower-cost school offers an inferior financial aid package.

You should know each school's history of giving money before applying, so you're not disappointed when you get a bad financial aid package from your child's top school choice. **The report provides this actionable information.**

In this example, although the school's sticker price is \$45,000/year, the family out-of-pocket estimate is only \$27,000!

## What You Need to Know About Paying for College:

School Information		Actionable Application of Information
<b>Niagara University</b>		
4 & 6-year Graduation Rate:	<b>75%/64%</b>	A poor 6-year graduation rate can significantly increase college costs due to extended time in school.
Current one-year Cost of Attendance (COA)	<b>\$44,700</b>	Determined for each college by totaling the costs for tuition and fees, room and board, books and supplies, personal expenses and travel. College admissions strategies can help find comparable schools at significantly reduced costs.
Current Room and Board Cost	<b>\$12,300</b>	A high room and board cost can make purchase/resale of rental property during the college years an attractive alternative.
<b>Financial Aid Info and Stats for Niagara</b>		

### University\*

Financial aid forms required by Niagara University	<b>FAFSA</b>	Indicates whether the school in question requires the FAFSA (Free Application for Federal Student Aid) or the CSS Profile to determine financial aid eligibility at the school.
Average amount of financial need met	<b>85%</b>	The percentage of a family's financial need that the school is most likely to meet. The higher the percentage of need met the better. Any unmet need will have to be covered by the family.
Gift Aid %	<b>71%</b>	The percentage of the financial need that the school will meet in the form of scholarships, grants etc. This is money that will not have to be paid back to the school. The higher this value, the better.
Self Help %	<b>29%</b>	The amount of need that the school will meet in the form of student loans and work-study.

### Family and Financial Aid Estimates

Expected Family Contribution Amount (EFC)	<b>\$23,946</b>	This is what the family will be expected to pay toward the cost of college at the school selected before qualifying for any need-based financial aid at that school. By starting with the EFC and not the COA, the family will have a much better idea which schools are REALLY affordable.
Does the family qualify for financial aid at Niagara University?	<b>YES</b>	
Could the family qualify for additional financial aid?	<b>YES</b>	The client data reveals that the total amount of liquid assets (cash instruments, securities, mutual funds, etc.) is beyond the asset protection allowance for this client. Therefore, redeployment of these assets into non-assessable assets would remove them from assessment and increase financial aid eligibility.
Financial Aid Eligibility Amount	<b>\$17,640</b>	An estimate of the amount of financial aid the family is eligible for based on the school cost, the financial aid formula used to determine their financial need and the average amount of financial need met by the school.

### Estimated Financial aid award for RL

Grants/Scholarships	<b>\$12,525</b>	Determined by applying the gift aid % to the financial aid eligibility total. This is a forecast of the amount that you may receive in the form of Gift Aid (grants and scholarships).
Loans/work-study	<b>\$5,116</b>	Determined by applying the self-help % to the financial aid eligibility total. This is a forecast of the amount that you may receive in the form of Self-Help (loans and work-study).
Total family contribution to cost of college after account for need-based financial aid	<b>\$27,059</b>	Is equal to the EFC plus any unmet need. This can be thought of as the net amount due "out-of-pocket" after accounting for financial aid from the school. This is the real one-year cost of the college to the family as opposed to the COA.

### Merit-based scholarship information at Niagara University

Qualify for merit-based scholarships at	<b>YES</b>	A yes indicates that the student is already eligible for merit-based scholarships at the school in
---	------------	--

---

Niagara University based on reported GPA/SAT scores?

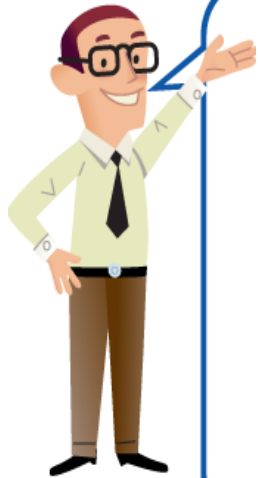
question based on GPA and standardized test scores.

---

Number of merit-based scholarships RL may qualify for at Niagara University\* (details below)

8

School-based merit scholarships are by far the leading source of potential "free money" for a family and one of the best ways a family can reduce the cost of a college education and reduce student loan debt.



Students who are in the top 20% of the incoming freshman class are likely to receive a superior financial aid package. This is known as "**preferential packaging**." These students are likely to have a greater percentage of their financial need met by the school. In addition, they are more likely to receive a better aid package (a higher percentage of Gift Aid relative to Self Help) than the averages shown.

**Even in cases where the family is affluent and not a candidate for need-based financial aid**, there is another little-known form of financial aid often given to affluent families. It is the **tuition discount**. High-performing students from affluent families are in great demand by colleges - especially expensive private ones. In order to entice these families to send their student to their particular institution, the colleges will often offer a tuition discount which comes in the form of a grant or scholarship.

Schools where a student is a candidate for preferential packaging or tuition discounting are **great candidates for applying** - either because of high interest in the school or possibly as a leveraging candidate which may cause the first choice school to sweeten the pot to match a better offer.

**We compare the student's test scores to last year's incoming freshman class and if the student's scores would put them in the top percentile the report includes a notification below, alerting you to the likelihood that you may be candidates for preferential packaging or tuition discounting at the school in question!**

This actionable information can be used to make informed college application/selection decisions which can further reduce out-of-pocket college costs!

\*The financial aid statistics provided in the table above are averages reported by the school. Students who are in the top 20% of the incoming freshman class are likely to outperform the averages provided. This is known as ""**preferential packaging**."" These students are likely to have a greater percentage of their financial need met by the school. In addition, they are likely to receive a better aid package (a higher percentage of Gift Aid relative to Self Help) than the averages shown.

**The GPA and SAT scores provided on the fact finder would put your student in the top 20% of last year's incoming freshman class at Niagara University with respect to GPA and SAT scores, making the student a good candidate for preferential packaging.**



Knowing how much you need to save to meet projected college costs is one question.

Equally and maybe even more important is the question of which option of the myriad of those available to the client – is the BEST option in light of their circumstances.

**The report will help to answer that question.**

## How Should You Save For College?

Use the table below to help determine which savings vehicles may be best for the client in light of their goals and circumstances. Each savings option currently being used by the client is rated based on 5 criteria specified in the table. For example, parents who may be eligible for need-based financial aid should consider options that have little or no negative impact on financial aid eligibility while early starters may favor very efficient saving strategies that rate highly for college and retirement savings.



**Excellent**



**Good**



**Fair**



**Poor**

Investment	Rate of Return vs. College Inflation	Effect on Aid Eligibility	Tax Favored Access for College	Tax Favored Access for Retirement	Use for College and Retirement
Cash	★	★★	★	★	★★
529 College Savings Plans	★★★★	★★★★	★★★★★	★	★
Coverdell Education Savings Account	★★★★	★★★★	★★★★★	n/a	n/a
Roth IRA	★★★★★	★	★★★★	★★★★★	★★★★
Traditional IRA	★★★★★	★	★★	★★★★	★★
Retirement accounts	★★★★	★★★★	★	★★★★	★★
Series EE Savings Bonds	★	★★	★★★★	★★	★★
Cash-value Life Insurance	★★★★	★★★★★	★★★★★	★★★★★	★★★★★
Pre-paid 529 Plans	★★★★	★★★★	★★★★★	★	★



A tax deduction on contributions to the state 529 plan (if available) may provide a compelling reason for selecting the state plan versus other alternatives. The report helps justify the benefits of your state plan:

- First - In addition to providing the limit on the annual deductible amount, it indicates if excess contributions above the annual deductible amount can be carry forward into subsequent years to obtain additional tax savings and for how years carry forward can occur. For example if the annual limit on deductible contributions is \$10,000 and the state allows for a carry forward of 5 years on excess contributions, then a \$50,000 contribution during the year will yield tax savings for 4 additional years.
- The report also shows what the **maximum potential tax savings** could be to the client by taking **full advantage** of the annual deductible limit on contributions

## What Benefits Does a State 529 Plan Offer?

The table below provides valuable advisor and client information concerning the state-offered 529 plan. A tax deduction on contributions to the state plan may provide a compelling rationale for selecting the state plan versus other alternatives. In addition to the limit on the deductible amount, it indicates if excess contributions beyond the annual deductible amount can be carry forward into subsequent years and how many years carry forward can occur. For example if the annual limit on deductible contributions is \$10,000 and the state allows for a carry forward of 5 years on excess contributions, then a 50,000 contribution during the year will yield tax savings for 4 additional years. Finally, the table shows what the potential tax savings could be to the client by taking advantage of the annual deductible limit on 529 contributions - subject to the annual gift limit amounts. Tax savings are calculated based on years until college only. Carry forward provisions based on contributions above the annual limits are not factored into the tax savings calculations.

### 529 College Savings Information

State of Residence	MI
Does state offer state deduction on 529 plan contributions?	YES
Annual Limit of Deductible Amount	\$10,000

Allow for carry forward of contribution amount?	<b>NO</b>
How many years?	<b>0</b>
Maximum Potential State Tax Savings on Contributions	<b>\$425</b> = (state tax rate)*(contribution max)*(years)



The **education tax** table in the report will help you assess which of the available education tax benefits is best in light of your circumstances.

It is valuable information to know which of the complex and ever-changing education tax benefits yields the greatest benefit so you can make well-informed decisions and leverage your financial situation and circumstances for maximum benefit.

### What Education Tax Credit is Best for You?

This table provides an overview of three education tax benefits from IRS Publication 970 Tax Benefits for Education. It also shows the estimated tax savings for the family based on their AGI and tax filing status. Therefore it can help the family determine which option will yield the most benefits.

Comparison of Tax Benefits			
Based on Tuition and Fees at Niagara University			
	American Opportunity Credit	Lifetime Learning Credit	Tuition and Fees Deduction
<b>Max Amount and Calculations</b>	\$2,500 tax credit per student	\$2,000 tax credit per student	\$4,000 exclusion from income Reduced to \$2,000 in income phase-out band
<b>Qualified Expenses</b>	Tuition, fees and course materials (textbooks)	Tuition and fees	Tuition and fees

Do you qualify?	Yes	No	No
Estimated Tax Savings	\$500	\$0	\$0



Knowing what scholarships are available at a particular school based on the student's merit and how to obtain the scholarship is vitally important information for your family.

Scholarships do not have to be repaid, are usually renewable and can dramatically reduce the family's out-of-pocket college costs. Most "free money" comes directly from the school so a family needs to know what's available and how to qualify!

Facts about our exclusive scholarship database:

- Over 1600 schools represented
- 8,000+ scholarship programs
- \$9,000 per year AVERAGE scholarship value
- Almost ALL are renewable for four years.

Much of the actionable information that families need to know in order to qualify for merit-based scholarships is NOT readily available (deadlines, ancillary requirements, additional qualification criteria, etc.).

Many families miss out on scholarships because they didn't have all the vitally important information they needed to apply for and obtain the scholarship. **This exclusive scholarship section helps solve that problem!**

## Are Merit Scholarships Available?

School-based merit scholarships are by far the leading source of potential "free money" for a family and one of the best ways a family can reduce the cost of a college education and reduce student loan debt. Are Merit Scholarships available for [RL](#) at [Niagara University](#)?

The scholarship information below reveals:

1. Exactly what school-based scholarships RL is eligible for at Niagara University.



2. The requirements associated with each scholarship in order to obtain them.
3. Additional scholarships that may be available to RL, including some that may only require a modest increase in test scores to meet the requirements.

Many families miss out on thousands of dollars of scholarship money because they don't know what's available to them and what's required to obtain them. The actionable information below can help ensure that RL does not miss out on any scholarship opportunities at Niagara University.

**RECOMMENDATION:** use the information below to review the requirements to obtain the scholarships below and to determine if a test prep program may be a prudent investment in order to raise test scores to meet qualification criteria for additional scholarships.

### **Niagara University - Trustees Scholarships**

Eligible Based On Supplied Information: **Yes**

Amount: \$16,000.00

Min GPA: 3.6

Essay Required: No

Min SAT: 1210

Interview Required: No

Min ACT: 27

Audition Required: No

Min Class Rank: not available

Specified Majors: all

Scholarship Deadline: 2016-02-15

For Minority: No

Renewable: Yes

Is Limited: No

Notes To Renew:

Number Available: Limited

State of Residence: all

Notes: Criteria varies (4.0 GPA =and 1150 SAT / 26 ACT)

Scholarship Link: <http://www.niagara.edu/scholarships-and-grants/>

### **Niagara University - Presidential Scholarships**

Eligible Based On Supplied Information: **Yes**

Amount: \$14,000.00

Min GPA: 3

Essay Required: No

Min SAT: 1120

Interview Required: No

Min ACT: 24

Audition Required: No

Min Class Rank: not available

Specified Majors: all

Scholarship Deadline: 2016-02-15

For Minority: No

Renewable: Yes

Is Limited: No

Notes To Renew: Number Available: Limited  
State of Residence: all  
Notes: Criteria varies (3.5 GPA and 1050 SAT / 23 ACT). Award ranges \$13,500 - \$14,500  
Scholarship Link: <http://www.niagara.edu/scholarships-and-grants/>

#### Niagara University - Achievement Awards

Eligible Based On Supplied Information: **Yes**  
Amount: \$12,000.00  
Min GPA: 3 Essay Required: No  
Min SAT: 950 Interview Required: No  
Min ACT: 22 Audition Required: No  
Min Class Rank: not available Specified Majors: all  
Scholarship Deadline: 2016-02-15 For Minority: No  
Renewable: Yes Is Limited: No  
Notes To Renew: Number Available: Limited  
State of Residence: all  
Notes:  
Scholarship Link: <http://www.niagara.edu/scholarships-and-grants/>

#### Niagara University - Grants

Eligible Based On Supplied Information: **Yes**  
Amount: \$8,000.00  
Min GPA: 3 Essay Required: No  
Min SAT: 950 Interview Required: No  
Min ACT: 20 Audition Required: No  
Min Class Rank: not available Specified Majors: all  
Scholarship Deadline: 2016-02-15 For Minority: No  
Renewable: Yes Is Limited: No  
Notes To Renew: Number Available: Limited  
State of Residence: all  
Notes:

Scholarship Link: <http://www.niagara.edu/scholarships-and-grants/>

### Niagara University - Vincentian Scholars Program

Eligible Based On Supplied Information: **Yes**

Amount: \$5,000.00

Min GPA: 3

Essay Required: No

Min SAT: 1050

Interview Required: No

Min ACT: 23

Audition Required: No

Min Class Rank: not available

Specified Majors: all

Scholarship Deadline: 2016-02-15

For Minority: No

Renewable: Yes

Is Limited: No

Notes To Renew:

Number Available: Limited

State of Residence: all

Notes: For students who have demonstrated interest in community service and wish to continue while at NU.

Scholarship Link: [http://apps.niagara.edu/admissions/vincentian\\_scholarship.php](http://apps.niagara.edu/admissions/vincentian_scholarship.php)

### Niagara University - Transfer Scholarship I

Eligible Based On Supplied Information: **Yes**

Amount: \$12,000.00

Min GPA: 3.34

Essay Required: No

Min SAT: 0

Interview Required: No

Min ACT: 0

Audition Required: No

Min Class Rank: not available

Specified Majors: all

Scholarship Deadline: 2016-05-01

For Minority: No

Renewable: Yes

Is Limited: No

Notes To Renew:

Number Available: Limited

State of Residence: all

Notes:

Scholarship Link: <http://www.niagara.edu/transfer-scholarships-financialaid/>

### Niagara University - Transfer Scholarship II

Eligible Based On Supplied Information: **Yes**

Amount: \$11,000.00

Min GPA: 3

Essay Required: No

Min SAT: 0

Interview Required: No

Min ACT: 0

Audition Required: No

Min Class Rank: not available

Specified Majors: all

Scholarship Deadline: 2016-05-01

For Minority: No

Renewable: Yes

Is Limited: No

Notes To Renew:

Number Available: Limited

State of Residence: all

Notes:

Scholarship Link: <http://www.niagara.edu/transfer-scholarships-financialaid/>

---

Prepared For: RL  
01/30/2016