

HIFE CPP REQUIREMENTS:

- ◆ Must have a minimum GPA of 2.5
- ◆ Must seek to attend an accredited institution
- ◆ Must be willing to complete the assigned homework provided by the HIFE Coach

Inside this issue:

Message From The Dean 1

New FAFSA Rules Will Change the Way You Apply for Aid

New FAFSA Rules Will Change the Way You Apply for Aid 2

Ten Ways Colleges Work You Over 3

Ten Ways Colleges Work You Over 4

Benefits of the CPP

## Message From The Dean - Bob Fulcomer

It's that time of year when most people are thinking about the holidays. It's also the time of year when families with high school seniors or college students need to be preparing for the FAFSA. The new FAFSA application becomes available on Jan 1 of 2016 and needs to be completed as soon as possible after that date. There are some of the "needs-based" funding that is on a first come,

first served basis. A lot of schools also have merit based funds which are generally in short supply. These funds are issued to students that have completed FAFSA as they are part of the schools financial aid award packages. Another myth that people with higher income believe is that if they are not eligible for needs-based money, they don't need to complete the FAFSA. Most

schools will not award grants or scholarships to a student that has not completed the FAFSA. It is also critical that the application be completed accurately and completely in order to receive the best possible aid package. Even the smallest error can cost a family thousands in financial aid that they would otherwise been eligible for.

## New FAFSA Rules Will Change the Way You Apply for Aid

**In September, the federal government changed the FAFSA rules in a way that allows students to apply earlier for financial aid.**

Starting in the fall of 2016, students can submit the FAFSA using their parents' income from two years earlier instead of having to wait until new tax returns are filed in January or use estimates. That means, high school seniors can apply for financial aid for their 2017-18 freshman year of college and submit the FAFSA in October 2016

using tax information from their parents 2015 income tax returns. In the past students had to wait until Jan. 1 of their senior year to submit the FAFSA, often after applying for admission. They can now use the information from the return of the previous year on the financial aid form.

**How will these changes affect college applicants?**

- The new changes will lighten pressure on students who need

financial aid to attend college. It will give them more time to explore their financial aid options with the colleges offering admission, since both the FAFSA and the application can be submitted at the same time. This means that along with an offer of admission, colleges will be able to provide a



## New FAFSA Rules (cont.)



a financial aid package, instead of waiting for parents to file their income tax returns for the current year.

- Students will be able to use the online IRS system to populate the FAFSA with information from the previous year's tax return that has already been filed. This will streamline the financial aid process for families and their students.



### How will these changes affect colleges?

- Colleges and universities will need to adjust some of their financial aid practices in order to comply with the new FAFSA regulations. Most private universities set tuition in the spring for their upcoming fall applicants. They may have to move this process up to allow time for costs in the marketing

materials, on their website, and eventually in the award packages.

- With families submitting the FAFSA earlier, college aid offices will need to be prepared to award aid earlier to remain competitive with other college awards. This may also require colleges to estimate state and federal aid awards earlier. It can also affect how families make the final college choice. Colleges may be eliminated early in the process based on these new figures and the early financial aid packages that accompany early-admission and early-decision admissions offers.

- Colleges may also be faced with more financial aid appeals and an earlier start on the appeal season. This means that colleges will have to make appeal decisions before they have a clear idea of how the freshman class is shaping up.

Colleges could adapt to this change by either establishing a "first offer is the best offer" policy or by delaying appeal decisions until they have a better picture of the enrollment figures and incoming revenue.

### Who benefits?

This new option will benefit families in their search for the right financial fit. Families will be able to apply for aid using completed tax returns rather than estimates.

Colleges may need to adapt their financial aid award practices and budgeting practices as well, but can use these changes to recruit students by providing a more complete financial aid picture. It's also important to keep in mind that the FAFSA changes do not currently affect private colleges that use the CSS Profile to determine aid eligibility, but many college experts think that timeline will change as well.

Source: Oct. 16, 2015, 8 a.m.  
by Suzanne Shaffer



## Ten Ways Colleges Work You Over

**What they don't want you to know about admissions and financial aid.**

**#1 Just because a school encourages you to apply doesn't mean they actually want you.**

High school students who are inundated with personalized letters and emails from colleges urging them to apply may mistakenly think that the institutions contacting them are intending to admit them. In reality, schools often encourage students to apply so that they can reject them. The aim of the game for colleges is to boost the number of students who apply and can be rejected. By doing this, the schools see their acceptance rates fall, making them appear to be more selective—which helps them rise up the U.S. News & World Report rankings.

**#2 A college may not be as selective as it seems.**

Another way that colleges attempt to appear more selective than they really are is through use of the Common Application, a standard form that students can use to easily apply to multiple colleges. Colleges have found that they can use the Common App to inflate their applications in order to lower their acceptance rate—one of the measures used to determine an institution's ranking in U.S. News. As it turns out, the proliferation of the Common

App has enabled students to easily apply to more than one school even if they are underqualified. Indeed, students are applying to more schools than ever before.

**#3 You may be rejected or wait-listed at a college simply because you are not wealthy.**

Every year, a substantial number of private colleges reject or wait-list a certain proportion of applicants not because of grades or test scores or because they would not be a "good fit," but, rather, simply because their families aren't rich enough to pay full freight. These schools, in other words, are "need aware" when admitting a share of their students. This may seem unjust. But colleges say they have no other choice because they have only a limited amount of money to spend on financial aid.

**#4 Low-income students are not always better off at need-blind colleges.**

It's true that the most elite and wealthiest private colleges, like Harvard University and Amherst College, meet the full demonstrated financial need of their low- and moderate-income students. But many other colleges that boast about being need-blind don't come close. Instead, they leave students with a hefty gap between what the government says they should be expected to pay and what they are being charged.

**#5 Need-blind schools are not really blind about their applicants' need.**

Administrators at purportedly need-blind colleges don't necessarily need to know an applicant's family income to know if he or she is poor, because they have plenty of other clues.

**#6 It isn't always free to apply for financial aid.**

Come financial aid season, many students and families realize that they must fill out the Free Application for Federal Student Aid (FAFSA) in order to get a financial aid package from their school. What many families may not realize is that very selective, elite institutions often require a student to fill out another, more extensive form for financial aid. And unlike the FAFSA, this secondary financial aid application—the College Board's CSS/Financial Aid PROFILE—isn't free. The PROFILE is expensive, costing a student \$25 just to register and send it to one college, and then \$16 for each additional college.



## Ten Ways Colleges Work You Over (cont.)

### #7 The order that you list colleges on the FAFSA may come back to haunt you.

Even if a student is lucky and only has to fill out the FAFSA to get financial aid, he should be wary about the order in which he lists the colleges. "Some colleges are denying admissions and perhaps reducing financial aid to students based on a single, non-financial, non-academic question that students submit to the federal government on their [FAFSA]." It turns out that colleges see exactly the order the student listed the schools on the FAFSA and have become savvy at admitting, wait-listing, and packaging aid depending on the student's ordering.

### #8 Financial aid award letters may make options seem more affordable than

they really are.

Colleges don't always come clean about how much students and families are going to have to pay to attend an institution. The "financial aid award letters" that colleges send aid applicants they've accepted often make their schools look more affordable than they really are.

### #9 Some aid packages are designed to dissuade you from enrolling.

Many colleges offer extremely generous aid packages to the students they most desire, and leave large funding "gaps" for others in whom they are less interested. In the parlance of enrollment management, this is called "admit-deny," in which schools provide students with aid packages that don't come close to

meeting their financial need in order to discourage them from enrolling.

### #10 Often the financial aid you receive your first year will be less generous the following year.

The plum financial aid package you receive your freshman year may not be quite as impressive your sophomore year. The bait and switch of financial aid packages from year to year is known as "front-loading financial aid." According to Mark Kantrowitz, a financial aid expert, about half of all colleges front-load grants and scholarships so that students receive a bigger discount their first couple of years but then face a financial aid package filled with loans in subsequent years.

Source:  
[washingtonmonthly.com](http://washingtonmonthly.com)

## Heartland Institute of Financial Education's College Planning Program

HIFE College Planning supports the efforts of high school counselors and parents by helping families qualify for and access federal, state and college-controlled funds... monies colleges spend to attract quality

students. The Heartland Institute's College Planning Coaches work directly with students and parents to improve their chances of qualifying for these funds. Our coaches help each student prepare an action-plan for

college selection and career planning. We help the student develop a personal "resume" that will aid them in competing for valuable financial assistance that can help offset college education costs.