



# Helping Families Determine College Affordability in Five Steps

IECA's Standards of Excellence for IECA College Consultants include expectations that understanding financial aid is a component of college consulting practices. College affordability is an integral part of reaching the goal of identifying best fit colleges for students. This document provides an outline for IECs to use to implement the standards of IECA. IECs can assist families with college affordability and financial fit by leading them through Five Steps. The steps follow the timeline of college planning.

## Rationale

Just as IECs match students to colleges for good fit by starting with the interests, needs and qualifications of the student, the IEC should be able to help parents with financial fit by starting with the parents' values and their college budget.

Just as IECs teach students how to research and evaluate colleges, they should teach and explain the financial aid processes to parents and, to an appropriate extent, students, so they can anticipate and understand what they may be expected to pay, what they realistically can pay, and how to compare financial aid award letters.

Just as students' opinions about colleges evolve during the search process, so will parents' views on fit, affordability and value. IECs provide important information but the final choice is the family's.

The goal is to have students get into (at least some) colleges that are not only good educational matches but that are also affordable. "Affordable" would be defined by the family with the input of the IEC helping the family understand its financial resources in relation to appropriate colleges. Another goal is to prepare parents and students early in the process for the financial decision they will make on May 1. No guarantee of specific amounts or types of financial aid is promised.

## Professional Development to Help IECs Implement The Five Steps

A glossary, Infographic, and Roadmap for Training have been created by our Subcommittee to provide ongoing professional development for IECA members in the basic financial aid skills and competencies an IEC should have in order to help families with financial fit, and to assist families through the steps below. The Five Steps and Roadmap organize ongoing training related to affordability and financial fit.

## STEP 1: Assess Family Financial Concerns

1. To what extent will money/paying for college drive the process for the family?
2. How concerned are they about the cost?
3. What are their financial aid concerns and questions?

Asking all families these questions at the beginning of the college search process starts the conversation about their values and concerns. It helps to clarify what they know and fear about college costs. The parents and student will make ultimate decisions about "college value" once they have all the facts about academic and financial fit.

## STEP 2: Enable Discussion of Available Family Resources

1. What family resources are available to pay for college, both current income and savings, and ability and willingness to borrow?
2. What other resources are available to help finance college?

## STEP 3: Help Parents and Students Find Colleges That Fit Their Budget

1. Determine whether the student is a US citizen, permanent resident, or otherwise eligible for federal financial aid. Recognize that international students will be treated differently in the financial aid process.
2. Assist parents to understand the ways need-based financial aid is calculated: the differences between Federal and Institutional Methodologies and the impact of citizenship status.
3. Assist parents to understand the differences between types of need-based, merit-based aid, and which sources of aid the student is most likely to receive.
4. Assist parents to understand the difference between the Total Cost of Attendance and Net Cost.
5. Explain to parents how financial aid is strategically awarded to meet colleges' institutional goals. The percent of need filled, sometimes by a combination of need and merit aid, may vary due to leveraging. These factors will determine the college list and final college choice if affordability is one of the family's criteria.
6. The IEC will integrate the information gathered from Steps 1- 3 to build a college list to include institutions that are most likely to meet a family's determination of affordability.

## STEP 4: Assist Parents and Students with Financial Aid Forms and Processes

1. Assist families to understand which financial aid forms are required by each institution and by citizenship status: the filing deadlines, and the current mechanisms for filing such forms as the FAFSA, the CSS PROFILE and other Institutional forms for both custodial and noncustodial parents.
2. Explain to families which year is their "base financial aid year."
3. Enable families to understand or have access to online or professional resources to help them complete the forms correctly and to deal with special circumstances such as divorce, trusts, adoption, guardianship.

## STEP 5: Help Parents and Students Make Their College Choice

1. Assist families to understand how to interpret and compare financial aid award letters, and how to compare their family college budget to what they will be expected to pay.
2. Explain "professional judgment" and assist parents to appeal a financial aid award if necessary.
3. Assist parents and students to understand their future loan opportunities, debt burdens and repayment plans.
4. Facilitate a discussion between parents and student about the overall college fit, the family budget, their values and how the family will define a good college "value" in order to make a final decision about where to enroll.