



A PARENT'S GUIDE TO FINANCIAL AID

An Ebook on Paying for a
College Education



Boise Bible College

WELCOME

Soon your child will be graduating and embarking on a new adventure. The act of sending them off to college is not only an emotional milestone, but a financial one as well.

As a parent, navigating the financial aid process in preparation for your child's college education is just one of the many steps towards this new journey.

As a Christian higher education institution, [Boise Bible College](#) is dedicated to guiding parents throughout the college process.

In this ebook, you'll find suggestions from the [Financial Aid Office](#) and [Admissions Office](#) at Boise Bible College on paying for your child's education.

We hope you find the material useful as you walk with your child through this process.

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KNOW

KEY VOCABULARY

Cost of Attendance (COA)

The estimated total cost of attending an institution for one academic year. This includes both direct and indirect costs.

Expected Family Contribution (EFC):

A measure of your family's financial strength. States and colleges use this number to help determine financial aid awards. The EFC is calculated using information supplied about your family's financial circumstances. [Read about EFC here.](#)

Estimated Direct Costs

These are estimated costs that a family can expect to be billed to the student's account. Costs may include tuition, fees, room and board, and meal plan costs.

Estimated Indirect Costs

These are estimates for additional costs (including transportation and personal expenses) that the student may incur while attending that are not billed to an account.

Free Application for Federal Student Aid (FAFSA)

The free application form submitted to apply for federal financial aid. It is required for all students seeking federal student grants such as Pell Grant, work-study programs and loans. Most colleges require it as well. The FAFSA may also qualify you for state-sponsored financial aid. [Read more about the FAFSA.](#)

Federal Student Aid

Federal student aid comes from the federal government – specifically, the U.S. Department of Education. It's money that helps a student pay for education expenses at a postsecondary school.

Financial Aid

Money given or loaned to help pay for college. Financial aid can come from federal and state governments, colleges, and private and social organizations. [Learn more here.](#)

KEY VOCABULARY CONTINUED...

Financial Aid Award Letter

The document received from a college that explains the terms of the financial aid that the college is offering. The information includes the types and amounts of financial aid offered, and expectations to keep the award and a deadline for accepting the award.

Grants

A kind of “gift aid” — financial aid that doesn’t have to be paid back. Grants are usually awarded based on need.

Institutional Aid

Financial aid offered by the school and is only available to incoming and current students. This type of aid may be need-based or merit-based.

Net Price

Net price is the true amount a student will pay for a college.

Loan Repayment Assistance Programs

Some colleges offer Loan Repayment Assistance Programs such as LRAP. These help students repay their student loans after graduation. However, there

are requirements. [Learn More Here.](#)

Scholarships

A kind of “gift aid” — financial aid that doesn’t have to be paid back. Scholarships may be awarded based on merit or partially on merit. That means they’re given to students with certain qualities, such as proven academic or athletic ability. [Learn more about gift aid.](#)

SAR (Student Aid Report):

The report sent to your family after submitting the FAFSA that tells what the expected family contribution (EFC) is.

Student Loans

Money borrowed from the government, a bank or another source. Loans need to be paid back, usually over an agreed period of time. Students will most likely also have to pay loan interest, which is a percentage fee for borrowing the money. [Learn about College Loan Options.](#)

Verification

The review process in which the financial aid officer requests documentation from a financial aid applicant to verify the accuracy of the application.

GRASP

THE WHOLE PICTURE

Don't rule out a college until you've seen the whole picture. Remember, the net price is the cost after financial aid has been deducted. [See Boise Bible College's net price calculator.](#)

Colleges must publish the direct and indirect costs to prospective families to provide a well-rounded cost analysis.

Indirect costs are all portions of the total cost of attendance except tuition and fees. These costs vary depending on the college and cost of living estimates.

Case Study:

Suppose a student attends a college at full-time enrollment (12 credits) per semester and decides to live on campus. What would be the "net price" for one academic year?

Direct Costs

Tuition & Fees = \$10,466.00
Room & Board = \$6,250.00

Indirect Costs

Transportation = \$1,944.00
Books & Supplies = \$384.00
Other Expenses = \$2,052.00

Grand Total of Direct and Indirect Costs: \$21,096.00

Average Financial Aid Available = \$9,745 (\$15,245 w/loans)

Net Price = **\$11,351 (\$5,851 w/loans)**

Remember to ask about Loan Repayment Assistance Programs (LRAP), if your child needs to take out student loans. Check out [The BBC Pledge \(LRAP\)!](#)

SEARCH

Scholarships are everywhere. Receiving a college education is expensive, but with a little hard work students can earn free money for college.

INSTITUTIONAL AID

Many colleges give institutional aid based on merit or need. Sometimes, institutional aid is given simply by attending a college visit.

For many colleges, there is more institutional aid available to incoming students, which leaves returning students with little resources.

However, sometimes this is reversed such as for [Boise Bible College](#). Incoming students have over \$9,500 available where as returning students have access to over \$20,000 in institutional aid.

FOR FREE MONEY

OUTSIDE SCHOLARSHIPS

There are many hiding spots for outside scholarships. Sometimes, colleges provide information on different scholarships available to students.

But, students must do additional research for eligible **scholarships**. There are many places students can look for **scholarships**, but the common sites are:

- [U.S. Department of Labor](#)
- [Scholarship Informer](#)
- [Cappex](#)
- [The College Board](#)
- [College Greenlight](#)
- [FastWeb](#)

“Going after scholarships is living a few years of life like most students won’t, so that your child can live the rest of their life like most students can’t...with little or no debt.”

- *Gabrielle McCormick*

Gaining a college education is worth the investment, but planning ahead may save thousands of dollars.

Why you may think?

Most colleges do not send financial aid award letters until after a student is accepted.

Often times, families do not know the net price until these steps are accomplished:

- 1. Student applies and is admitted*
- 2. FAFSA is completed*

Knowing the net price eight months in advance, versus three months in advance, will help families financially prepare.

The best thing parents can do is:

- Encourage their child to start early with their college search and application. Usually, guidance counselors and college representatives suggest beginning collecting information during their junior year of high school, but begin quickly regardless.*
- Help keep track of important deadlines. Sometimes receiving financial aid is as simple as applying to the college before a certain date.*
- Assist in understanding the net price and making a payment plan.*

By planning ahead, parents and students don't miss important deadlines or opportunities.

COMPLETE THE FAFSA

The [FAFSA](#) is the only way to receive federal financial aid for students. This type of aid includes grants like the Pell Grant and student loans. Complete a FAFSA as soon as possible, even if you think your families income is too high.

Use the [FAFSA4Caster](#) to receive an estimate of your child's eligibility for federal student aid. Your estimate will be shown on the "College Cost Worksheet" where you can also provide estimated amounts of other student aid and savings.

ITEMS NEEDED FOR THE FAFSA:

- Social Security Number
- Driver's License (if applicable)
- Tax returns and W2s from the prior-prior year. You can use the IRS Data Retrieval Tool to import tax information for accuracy.
- Records of Untaxed Income
- Records of Assets

STARTING THE FAFSA:

- See fafsa.ed.gov and select "I am a Parent or Preparer, or Student from a Freely Associated State"
- Whoever starts the FAFSA will be prompted to create a "Save Key". Save it for future use.
- Whenever the first person is done with their part, save the FAFSA and close out of it.
- Give the other person the "Save Key". Then that person can use the "Save Key" to get into the partially completed FAFSA and do their part.

COMPLETING THE FAFSA:

- When everyone is done with their parts of the FAFSA, click "Submit My FAFSA Now" at the bottom of the "Signature Status" page.
- Save the "Confirmation" page. If you have another child in school, there is a link on the "Confirmation" page to start a new FAFSA for that child, allowing you to transfer information and save time.
- Create and use separate [FSA IDs](#). The FSA ID acts as a legal signature and should not be shared. A parent never needs to use their child's FSA ID to login.

THROUGH THE SEMESTER

On the Financial Aid Award Letter, there is an expectation to pay a certain percentage of the net price before or during registration. Many times parents are surprised by this amount and don't know that this amount is often covered by financial aid.

The remaining balance may be paid before the semester begins or many colleges offer payment plans during the semester.

Note: Fees are usually associated with payment plans.

To offset costs of the remaining balances, students are encouraged to:

1. Save money before and during the upcoming semester
2. Obtain a part-time job
3. Research and apply to many outside scholarships
4. Create and follow budgets



Every worthwhile accomplishment has a price tag attached to it. The question is whether or not you are willing to pay the price to attain it – in hard work, sacrifice, patience, faith and endurance.

- John C. Maxwell

CONCLUSION

KNOW FINANCIAL AID VOCABULARY.

GRASP THE WHOLE PICTURE BEFORE
MAKING A DECISION.

SEARCH FOR OUTSIDE SCHOLARSHIPS
AND GRANTS.

PLAN AHEAD TO MAXIMIZE
OPPORTUNITIES.

COMPLETE THE FAFSA, EVEN IF YOU
THINK THE FAMILIES INCOME IS TOO HIGH.

PAY REMAINING BALANCES
THROUGHOUT THE SEMESTER.

[LEARN MORE](#)

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Boise Bible College equips servant leaders for the Church worldwide through degrees in Education, Psychology, and Christian Ministry.



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