



MASFAP and St. Louis Graduates

Webster University

September 22, 2017



Growing Gap of Unmet Need



EXAMPLE:

\$21,860 (An average Cost of Attendance at a state school in Missouri)

-0 (EFC of a needy student)

-5,920 (Max Pell Grant)

-1,850 (Access Missouri Grant)

-2,000 (Institutional aid)

-\$5,500 (Federal Loans)

=\$6590 Unmet need/Gap



Filling the Gap with Scholarships



Institutional scholarships

- Auto-awarded vs. Apply-to
- Apply-to tend to have early deadlines
- Community college foundations

Scholarship Central

- St. Louis Graduates program to improve students' access to private scholarships & interest-free loan programs
- Over 100 different scholarship and interest-free loan programs

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Scholarship Central



2017-2018 Academic Year

- 1,200 awards
- College freshmen from 97 area high schools

\$6.2 million

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How Can Your Students Access These Funds?



- www.myscholarshipcentral.org
 - Complete the General Application (profile)
 - Must also select and apply to opportunities
 - External opportunities resource

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Help!



- Need help with Scholarship Central?
 - Students use “contact us” on site
 - Faculty – contact me
- Please help us grow
 - Your school’s scholarships?
 - Share info on other scholarship programs

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Filling the Gap: Payment Plans



Monthly installments for the remaining balance due

Ex: 4-Month Payment Plan for a remaining bill of \$1,829

1 st payment -	\$483.50
2 nd payment -	\$448.50
3 rd payment-	\$448.50
4 th payment-	\$448.50
Total	\$1,829

Usually interest free, but enrollment or application fee per semester (Ex: \$35-95) and additional late payment fees (Ex: \$30).
Credit card payment subject to convenience fee.

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Filling the Gap: Federal Loans



Dependent Student Direct Loans based on Grade Level

1 st year	\$5,500
2 nd year	\$6,500
3 rd year	\$7,500
4 th year	\$7,500

Independent Student Direct Loans based on Grade Level

1 st year	\$9,500
2 nd year	\$10,500
3 rd year	\$12,500
4 th year	\$12,500

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Filling the Gap: Federal Loans



Federal Stafford Direct Loans

- Student is the borrower
- NOT credit-based
- Fixed interest rate of 4.45% for undergraduate students
- 1% origination fee deducted from each loan disbursement
- Funds sent each semester to school
- Repayment begins 6 months after graduation or student falls below half-time attendance
- Deferments and Forbearance provisions, as well as numerous repayment options available

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Filling the Gap: Federal Loans



Subsidized Stafford Direct Loan

- Need-based (unmet need is required)
- Government pays the interest during in-school enrollment

Unsubsidized Stafford Direct Loan

- Not need-based, anyone can receive
- Interest accrues beginning on the day it is disbursed



Filling the Gap: Federal Loans



Initial Principle Balance	Number of Payments	Standard Monthly Payment	Estimated total repayment
\$7,500.00	120	\$86.31	\$10,357.20
\$8,500.00	120	\$97.82	\$11,738.40
\$10,500.00	120	\$120.83	\$14,499.60
\$11,000.00	120	\$126.59	\$15,190.80
\$13,500.00	120	\$155.36	\$18,643.20
\$16,000.00	120	\$184.13	\$22,095.60
\$27,000.00	120	\$310.72	\$37,286.40
\$30,000.00	120	\$345.24	\$41,428.80
\$31,000.00	120	\$356.75	\$42,810.00
\$35,000.00	120	\$402.78	\$48,333.60
\$40,000.00	120	\$460.32	\$55,238.40
\$50,000.00	120	\$575.40	\$69,048.00
\$57,500.00	120	\$661.71	\$79,405.20
\$60,000.00	120	\$690.48	\$82,857.60
\$65,500.00	120	\$753.78	\$90,453.60
\$80,000.00	120	\$920.64	\$110,476.80
\$90,000.00	120	\$1,035.72	\$124,286.40
\$100,000.00	120	\$1,150.80	\$138,096.00
\$138,500.00	120	\$1,593.86	\$191,263.20

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Filling the Gap: Perkins Loan



- Funds depend on financial need and availability of funds at the college
- Not all schools participate
- 5% interest
- No origination fee
- School is the lender and loan made with government funds and school contributes a share
- Repayment begins nine months after graduation
- Must exhaust eligibility for Federal Stafford Direct Loans before receiving

Please Note: Perkins is slated to be discontinued September 30, 2017. Students whose Perkins first disburse before then can receive the second disbursement in the Spring, but no further disbursement after that unless Congress changes this. More to come...

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Filling the Gap: PLUS Loans



- Some schools list on the award letter
- Borrower is parent of dependent undergraduate student
- May borrow up to the COA, less other aid awarded
- Fixed interest rate of 7%
- 4.2% origination fee
- Credit approval required
- If parent is denied PLUS loan, student is eligible for additional Unsubsidized Stafford Loan
- Repayment begins 60 days after full disbursement or 6 months after the student has graduated/withdrawn

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Filling the Gap: Private Loans



- Credit-based
- Students with little credit will need a co-signer
- Interest rate is either fixed, or variable and based off a rate index such as LIBOR or Prime
- Typically higher rates and fees
- Less repayment provisions

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Filling the Gap: Other Resources



Regional Resources

- Scholarship Foundation of St. Louis
 - Interest-free loan
 - Apply through Scholarship Central
- Missouri Scholarship & Loan Foundation
 - Interest-free loan
 - Missouri students attending Missouri schools