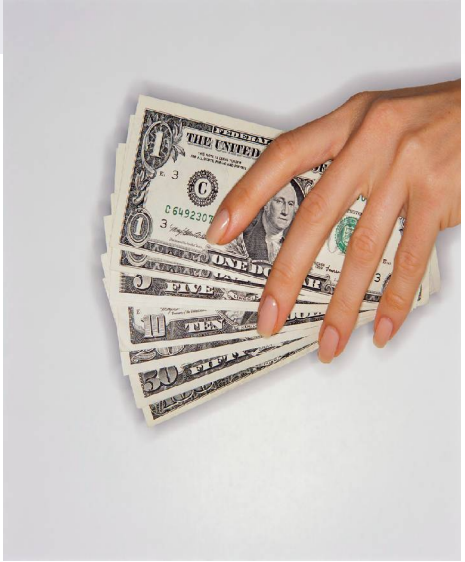
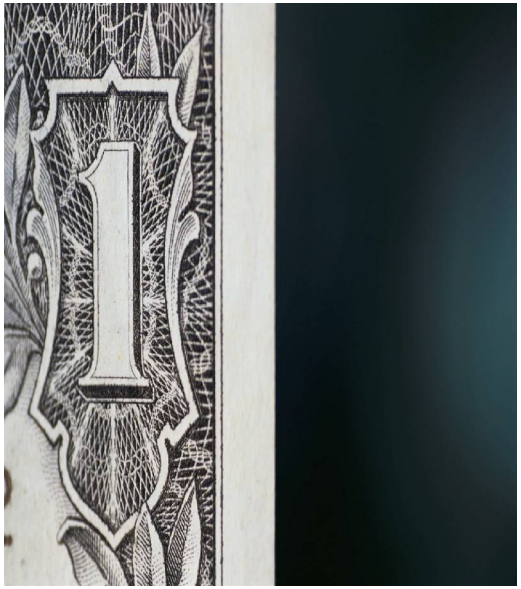


The FIRST Scholarships Overview

and…



The Little Known Facts on the Best Way to Plan for College!

Murray J. Miller

- FIRST Volunteer working with the Scholarship Program
- Founder of the *American Scholastic Foundation*
- Founder of *College Funding Strategies (www.MyFundingPlan.com)*
- 23 Years of Experience as a Financial Advisor & Financial Educator
- Published Author: Winning the College Funding Game
- Recognized as **one of the TOP FIVE College Funding Advisors in the country** by the National Association of College Funding Advisors.

Frequent guest on radio talk shows including:

- Mat Schaffer's Boston Sunday Review on WBCN
- Common Ground with Kimberly on WZLX

Three Categories of Families regarding qualification for Financial Aid…

- ***Category 1:*** **Those Families that will qualify 100% for Need Based financial aid regardless of which school your student applies to.**

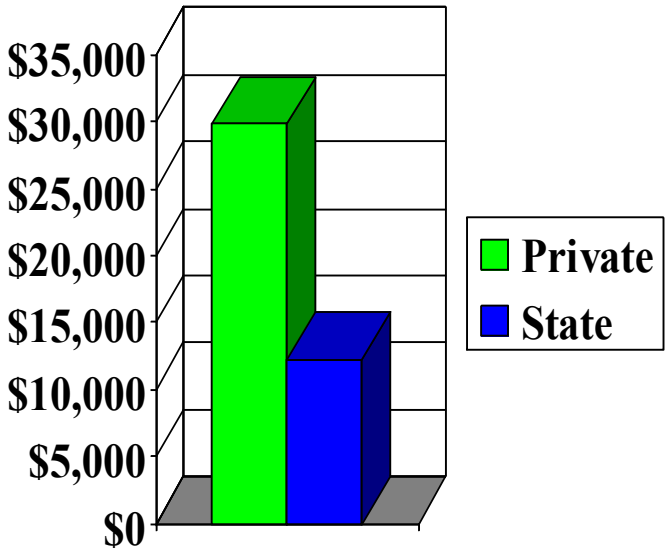
- ***Category 2:*** **Those Families that will qualify for a portion of Need Based Financial Aid.**

- ***Category 3:*** **Those Families that will not qualify for any Need Based Financial Aid.**

It's Expensive No Matter Where Your Students Go!

- **Not just tuition - includes books, room and board, living expenses, etc.**
- **4 years can cost $65,800 to $166,150 *...or even more!***
- **Multiply by number of Students.**

Average Yearly Cost Of Private Schools Versus State Schools!



Today's High Cost Of College!

- Why is it so ridiculously expensive?
  - Less aid from government sources.
  - Teacher's salaries going up.
  - Costs of maintenance, upkeep, repairs, infrastructure, etc., all going up.
  - Changes in technology.
  - Each year, college cost are increasing faster than inflation rates!

How Is your Family Supposed To Pay For All That?

- Savings?
- Borrow?
- Scholarships?
- Go To Lesser School?
- Not Go At All?

Financial Aid Demystified

Who is eligible?

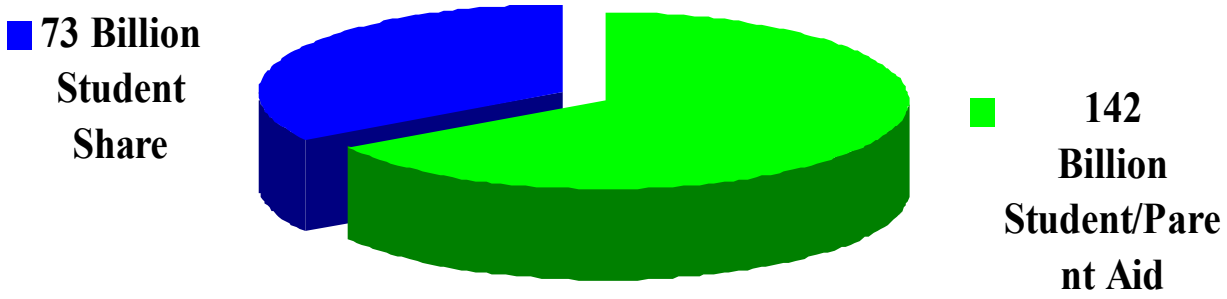
- ***Myths vs. reality-***
- **Income too high.**
- **Grades too low.**
- **Own a home.**
- **Aid is only for special groups.**
- **It's an easy process.**
- **School people can help.**

How Much Aid Is Available?

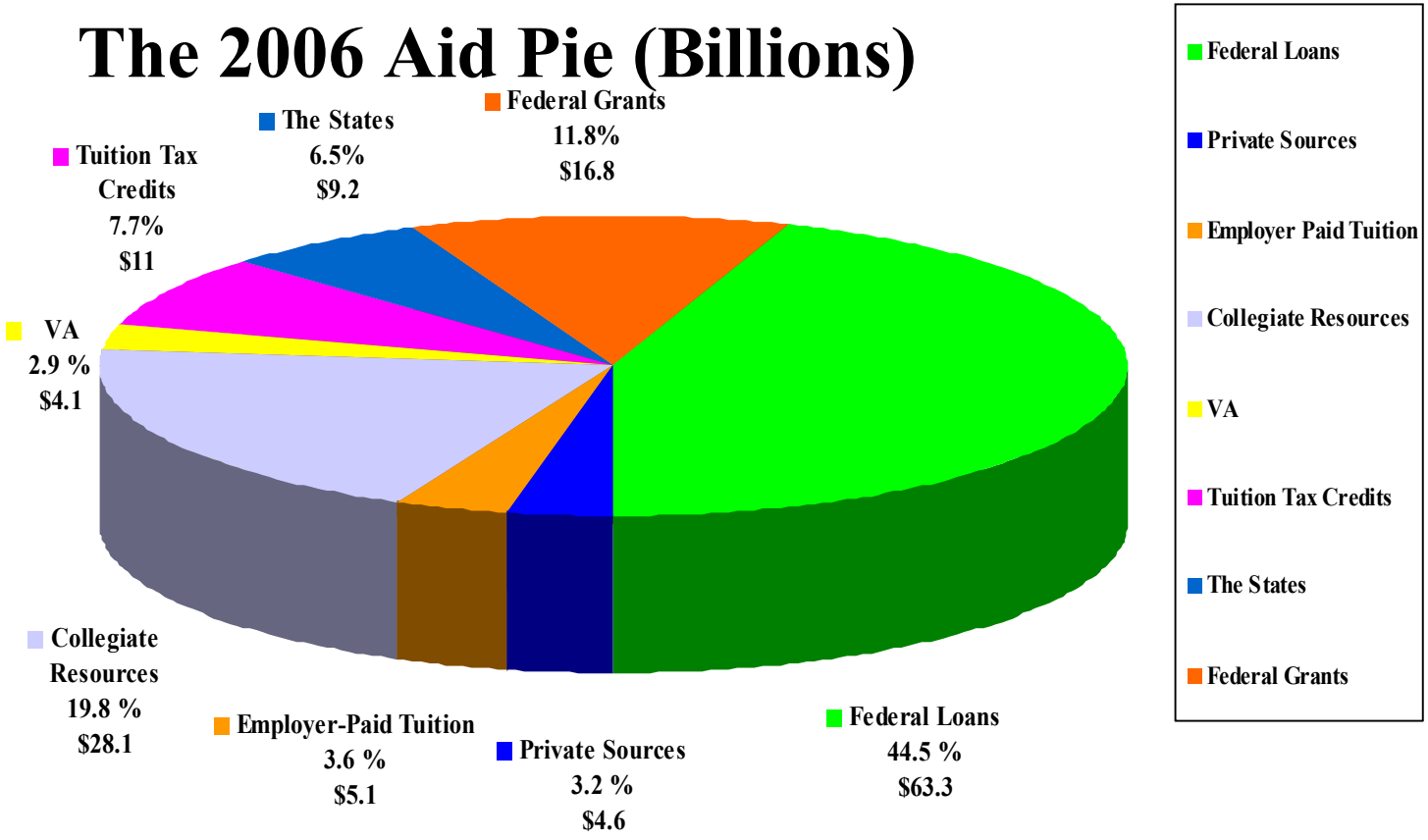
How Much Aid Is Available?

There is about <u>$142 Billion</u> of Aid *(and tax relief)* available, if you know where to get it!

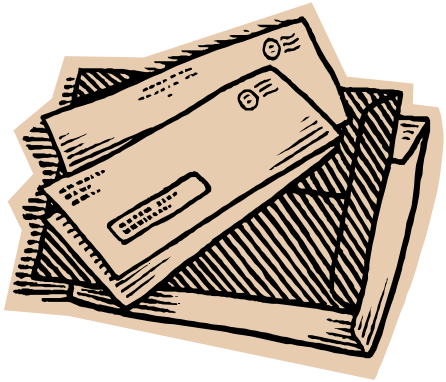
Cost Chart - Billions of Dollars - (2006 Academic Year)



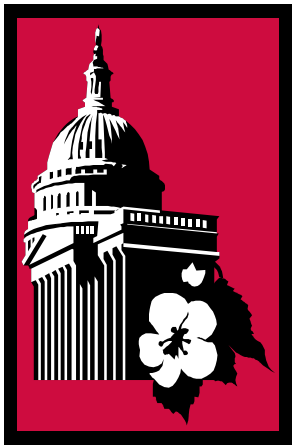
How Much Aid Is Available?



Sources Of Financial Aid!



Where To Get Money!



- **Federal Government.**
  - **Pell Grants**
  - **SEOG Grants**
  - **College Work/Study**
  - **Subsidized and Unsubsidized Stafford Loans**
  - **Perkins Loans**
  - **PLUS Loans and SLS Loans**

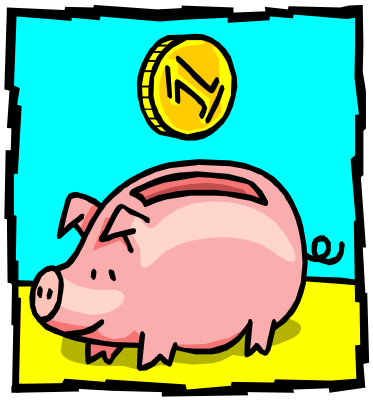
Where To Get Money!

- **Federal Government.**
- **State Government.**
  - **Special programs for in-state residents.**
  - **Teachers, health professionals, minorities, etc.**
  - **Contact state higher education agency for more information.**

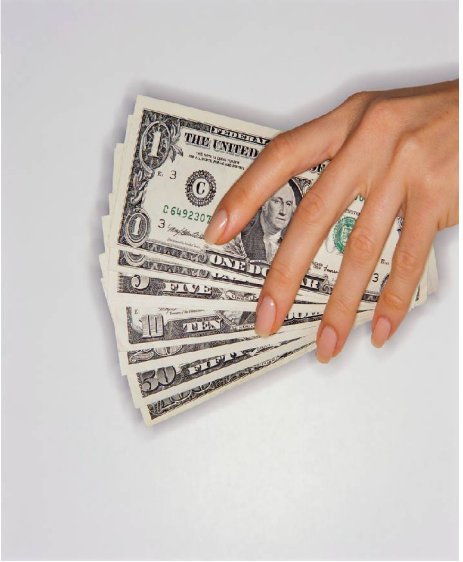
Where To Get Money!

- **Federal Government.**
- **State Government.**
- **Colleges And Universities.**
  - **Private universities have endowment funds, outside of federal and state funds.**
  - **Awarded on a first come, first served basis.**
  - **Give preferential packaging to student who are in the top 25% of applicants.**

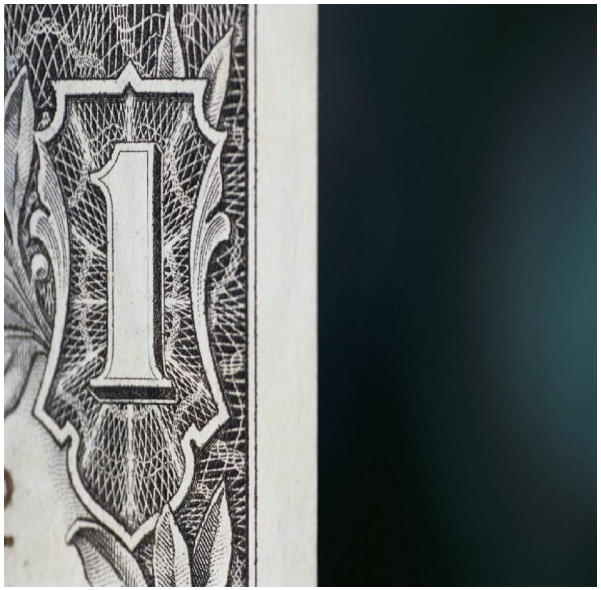
Where To Get Money!



- Federal Government.
- State Government.
- Colleges And Universities.
- Private Sources.
  - Only 3% of all the aid.
  - Don't spend too much of your time looking for crumbs!



FIRST Scholarship Opportunities



FIRST Scholarship Program 2007 (as of 2-20-07)

- ✓ **Offerings for students on *FIRST* Robotics Competition (FRC) Teams**
  - $8.0 Million in scholarships
  - 435 available scholarships
  - 74 donor organizations (colleges, universities, and professional associations)

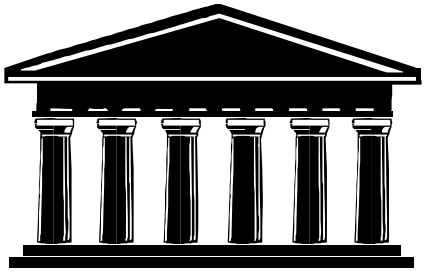
- ✓ **Offerings for students on *FIRST* Vex Challenge (FVC) Teams***
  - $5.4 Million in scholarships
  - 268 available scholarships
  - 52 donor organizations (colleges, universities, corporations, and professional associations)

* The FVC Scholarships are a subset of the FRC Scholarships

FIRST Scholarship Donors

- Arizona State University
- ASME
- Boston University
- Clarkson University
- Cleveland Institute of Art
- College for Creative Studies
- Colorado State University-Pueblo
- Daniel Webster College
- DeVry University
- Drexel University
- Eastern Michigan University
- Embry-Riddle Aeronautical University
- Fairleigh Dickinson University
- Ferris State University
- Florida Atlantic University
- Florida Institute of Technology
- Georgia Institute of Technology
- Grand Valley State University
- Hampshire College
- Henry Ford Community College
- Hofstra University
- Idaho State University
- Illinois Institute of Technology
- ITT Technical Institute
- Kansas State University
- Kettering University
- Lake Superior State University
- Lawrence Technological University
- Marquette University
- Massachusetts Institute of Technology
- Mercedes-Benz USA
- Michigan State University
- Michigan Technological University
- New Hampshire Technical Institute / UNH-Manchester
- New Jersey Institute of Technology
- Northeastern University
- Ohio State University
- Oregon State University

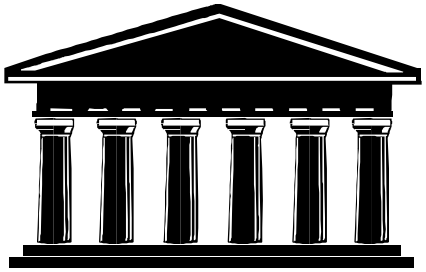
(continued)



FIRST Scholarship Donors

(continued)

- Pennsylvania College of Technology
- Phil Clancy Scholarship
- Polytechnic University
- Purdue University/Delphi Corporation
- Raytheon Company
- Rensselaer Polytechnic Institute
- Rochester Institute of Technology
- Schoolcraft College
- Society of Women Engineers
- Southern California Regional Robotics Forum (SCRRF)
- Spring Arbor University
- Temple University
- University of Arkansas-Little Rock
- University of California-Davis
- University of Central Florida
- University of Delaware
- University of Denver
- University of Hartford
- University of Illinois-Chicago
- University of Kansas
- University of Massachusetts-Lowell
- University of Michigan/Delphi
- University of Missouri-Kansas City
- University of Nebraska-Lincoln
- University of New Hampshire
- University of Rochester
- University of South Carolina
- University of Southern California
- University of Toronto
- University of Waterloo
- Virginia Commonwealth University
- Washington State University
- Washtenaw Community College
- Wayne State University
- Wisconsin Lutheran College
- Worcester Polytechnic Institute



Why are Scholarships Offered to *FIRST* Students?

Because many colleges and universities recognize that:

- *FIRST* builds self-esteem and self-confidence.
- *FIRST* students are passionate about science and technology.
- *FIRST* helps students develop critical life skills including project management, teamwork, problem solving, and appreciation of diversity.
- In short, students with *FIRST* experience are better equipped to succeed in college (as reported in our evaluation studies).
- YOU are the kind of student that colleges want to attract!

What Kinds of Scholarships are Available?

- Some are for special majors such as engineering, math, science, computer science or technology. Others are for any course of study.
- Values of scholarships vary from $500 to full tuition.
- Most are merit based. But you don't have to be a straight-A student to win a *FIRST* Scholarship! There are scholarships for a broad range of scholastic abilities.
- Most are renewable annually if the student maintains an acceptable academic average.
- Most are from colleges or universities for enrollment at their campus, but a few are provided by corporations and professional associations and can be used at any school.

Who Can Apply?

- High school students participating on FRC and FVC teams
- Not all scholarships require *FIRST* participation in the current year - some simply require participation during any high school year
- Most scholarships are for seniors, but there are at least 9 scholarships available to juniors

When Do I Apply?

- Application deadlines range from late November to the end of June.
- Most applications are due during January through April.
- Pay attention to application deadline dates!

USFIRST.org - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://www.usfirst.org/community/frc/content.aspx?id=512

Arizona State University Scholarship Description (pdf - 115 KB)

Boston University
Boston University has established a half-tuition scholarship, renewable annually for up to 4 years, for students who have participated in the *FIRST* Robotics program and have applied and been admitted to BU's College of Engineering. BU *FIRST* Scholars will also receive funding for up to 10 hours per week to participate in a research program with a College of Engineering faculty member for one semester in the first two years of study. BU admissions applications are available online and must be submitted by January 1, 2007. Scholarship applications must be submitted by February 1, 2007.
(Updated 10/18/06) **FRC**

Boston University Scholarship Description (pdf - 73 KB)

Boston University Scholarship Application

Clarkson University
In partnership with FIRST, Clarkson University will award up to twelve merit-based scholarships to students who have participated on a FIRST FRC team. Each scholarship recipient will receive up to $6,000 per year for four years upon enrollment at Clarkson University. Applications must be received by January 15, 2007.
(Updated 10/9/06) **FRC**

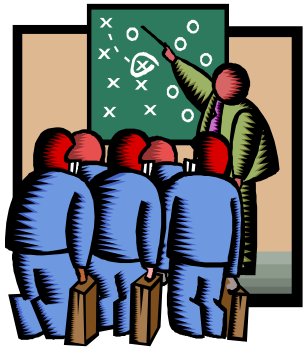
Clarkson University Scholarship Description(pdf - 69 KB)

Clarkson University Scholarship Application (pdf - 61 KB)

Cleveland Institute of Art NEW for 2007

Need Based Aid:

How Do They Determine If I'm Eligible for?



Formula: COA - EFC = Need

- **COA stands for Cost of Attendance.**
  (Includes tuition, books, room/board, etc.)
- **EFC stands for Expected Family Contribution.**
  (Based on parent's and student's income, assets, ages, number of people in school.)
- **Need is how much aid the family is eligible for.**

How Do I Apply?

The FAFSA. (Free Application for Federal Student Aid.)

- **A large % go in with errors or inconsistencies.**
- **EVERYONE must fill out this form to get aid! (You cannot apply for Federal Loans if you do no fill one out!)**
- **If it is done wrong, it usually gets bumped, adding another <u>4-6 weeks</u> processing time…which often results in lost financial aid!**

How Do I Apply For Aid? (continued)

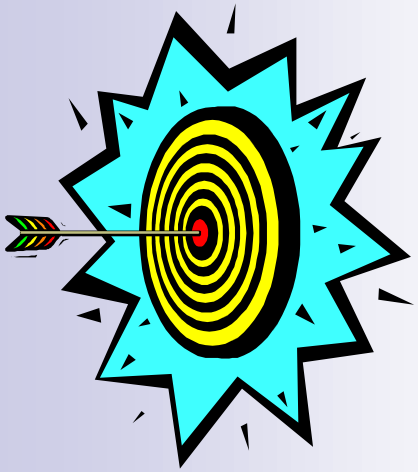
- **The CSS/Financial Aid Profile & Registration Form.**
  - Many private schools want this form as well.
  - Asks about home equity, more detailed explanation of income, assets and expenses.
  - Must be consistent with FAFSA!
  - Not easy to understand or fill out!

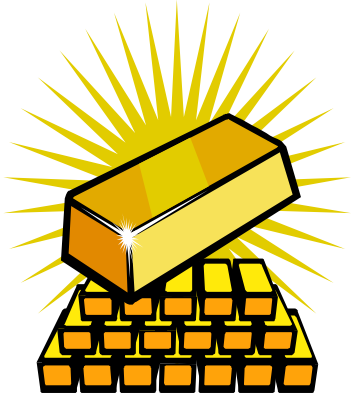
How Do I Apply For Aid? (continued)

- **The School's Own Institutional Forms.**
  - Some schools will make you fill out their own forms.
  - They must be consistent with the other forms.
  - Usually will ask similar questions to the other two forms.

- **Additional Forms:**
  - Business/Farm Supplement.
  - Divorced/Separated Agreement.

Which Colleges Give You The Best Shot At Getting Money?



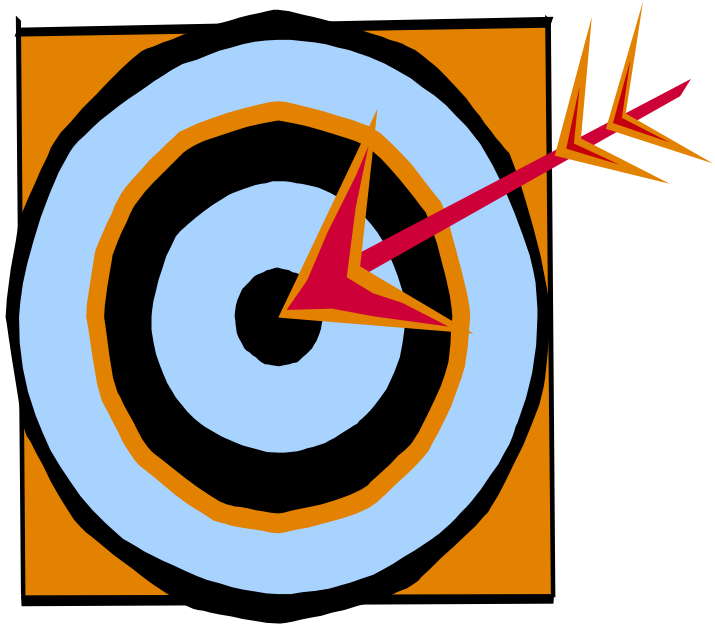


The Best Shot!

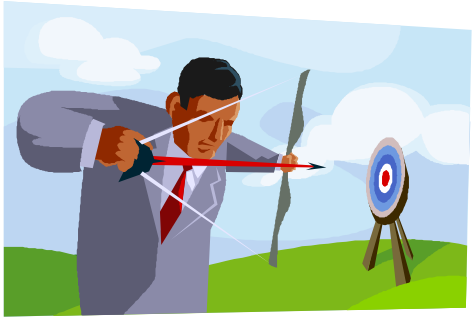
- **Percentage Of Need Met.**
  - Some schools meet 100% of need.
  - Others only meet 30-60%!
  - (**COA-EFC = Need**)
  - **COA:** ($20K) **- EFC:** (10K) **= Need** ($10K)
  - 10K - 60% = $4,000 + 10K = **$14,000 your new EFC** (<u>including unmet Need</u>).
  - **You MUST KNOW these statistics BEFORE APPLYING!**

The Best Shot!

- ✓ Percentage Of Need Met.
- ✓ Percentage Of Gift Aid.
  - Some schools meet most needs in FREE money, while others give mostly loans.
  - You MUST also know about this BEFORE applying!



The Best Shot!



- ✓ Percentage Of Need Met.
- ✓ Percentage Of Gift Aid.
- ✓ Percentage Of Self-Help Aid.
  - Some schools meet most or all of needs in work/study or loans. (You do not want to find out in June that they met most of your need in loans!)
  - You must have a history on what that school has done in the past!
- ✓ Know BEFORE applying!

Case studies:

School A:
Cost - $30,000
EFC - $10,000
Need - $20,000

School B:
Cost - $20,000
EFC - $10,000
Need - $10,000

School A:
Meets 100% need.
Gift aid - 80%
Self help - 20%

School B:
Meets 60% need = $6,000 ($4,000 short!)
Gift aid - 50%
Self help - 50%

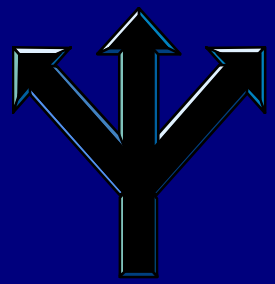
What you actually pay at each school:

School A:
Total EFC = $10,000
Total Gift = $16,000
Total Self = $4,000

School B:
EFC = $10,000
+ Unmet Need = $ 4,000
Total EFC = $ 14,000
Total Gift = $ 3,000
Total Self = $ 3,000

For this family, attending ***School A actually costs $4,000 less out of pocket to than the "cheaper" School!*** Don't make the huge mistake of picking schools based on cost of attendance only! Your family may not get the best education...because you didn't know the inside secrets of college funding!

How To Negotiate For the Best Possible Package!



You must know your options to get the best deal!

How To Negotiate for the Best Possible Package!

- Some schools mis-award.
- Some schools under-award.
- Some schools will try to compete with other schools.

A Successful Negotiation

Original Offer:

COA - $30,000
EFC - $10,000
Need - $20,000

Aid offered:

University Grant -	$4,000
College work/study -	4,000
Subsidized Stafford -	2,625
Perkins Loan -	3,375
Total Aid -	$14,000
Unmet Need -	6,000
Total Need -	$20,000

Adjusted offer after negotiation:

COA - $30,000
EFC - $10,000
Need - $20,000

New Package:

University Grant -	$6,500
Scholar Award -	3,500
College work/study -	4,000
Subsidized Stafford -	2,625
Perkins Loan -	3,375
Total Aid -	$20,000
Unmet Need -	0!

Avoid Negotiation Pitfalls!

- **You must know whether or not to accept the first award letter!**

Avoid Negotiation Pitfalls!

- **You must know whether or not to accept the first award letter!**
- **You must know how to to talk to these people in the financial aid offices!**

Avoid Negotiation Pitfalls!

- **You must know whether or not to accept the first award letter!**
- **You must know how to to talk to these people in the financial aid offices!**

Making the <u>wrong moves</u> may cause a <u>reduction in aid</u>!

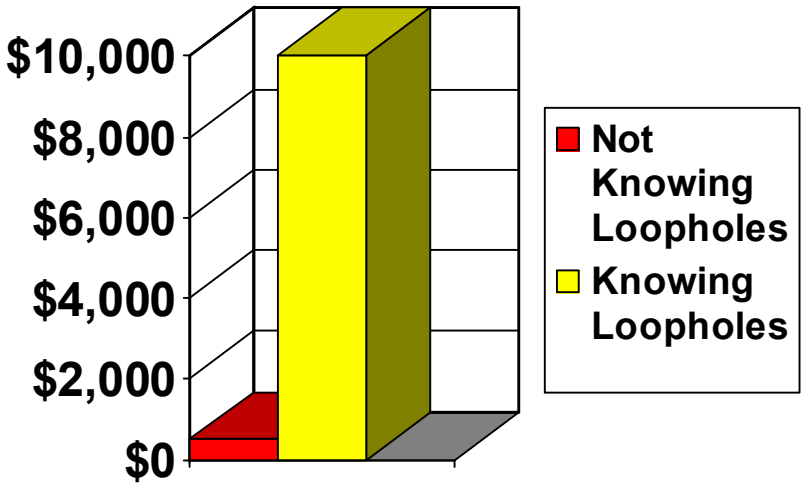
How to get more Need Based Financial Aid for College

You Can Re-Arrange Your Affairs To Get More Money By Learning The Legally Established Rules!

Financial Aid Legal “Strategies"

- *It is perfectly legal and ethical to make use of rules that allow you to get more money!*
- *It's no different than using legal tax “strategies" to save money!*
- *You may get thousands more just by knowing the rules that they don't want you to discover!*

Knowing more… gets you more!!



Example of two families – one took control!

***Family A*:**

Income:	**$80,000**
Assets: (Excluding home)	**$90,000**
Other real estate:	**$150,000**
Number in family:	**4**
Number in school:	**1**
FC -	**$18,185**

***Family B*:**

Income:	**$80,000**
Assets: (Excluding home)	**$90,000**
Other real estate:	**$150,000**
Number in family:	**4**
Number in school:	**1**
FC -	**$9,153**

The Difference of $9,032 per year, because Family B took the time to understand the process, how the pieces of the puzzle fit together...and took control!

“But What If I Make Too Much Money To Qualify For Need Based Aid?”

- **College Funding Planning Isn’t Only Trying To Get Need Based Aid!**
- **Other Planning Strategies Are Available To Reduce Your Out Of Pocket Costs!**

- **There Are Many Legal Ways To Win The College Funding Game That Most People Never Heard Of…And Their Current Advisors Don’t Know About!**

The $1.35 Trillion Economic Growth And Tax Relief Reconciliation Act Of 2001

George Bush Signs into law on June 7, 2001 and Contains Major Changes To The Tax Payer Relief Act of 1997!

You <u>Must Understand</u> The New Law Has An Effect On Many Areas Of College Funding! There Are Opportunities And Pitfalls You Have To Watch Out For!

Understanding These Tax Provisions That Directly Affect Education Costs can be extremely Beneficial!

- 1. HOPE Scholarship Credit
- 2. Lifetime Learning Credit
- 3. College Tax Deduction
- 4. Student Loan Interest Deduction
- 5. Coverdell ESAs *(formerly called Education IRAs)*
- 6. Penalty Free IRA Withdrawals
- 7. Employee Education Assistance Plan Extension
- 8. Qualified State Prepaid Tuition Program Tax Advantages

Tax Deductions VS. Tax Credits!

- Tax Deductions Reduce Taxable Income.
- A $1,000 Tax Deduction In A 28% Tax Bracket Saves You <u>$280</u> In Taxes!

- Tax Credits Reduce Income Tax.
- A $1,000 Tax Credit In ANY Bracket Saves You <u>$1,000</u> In Taxes!

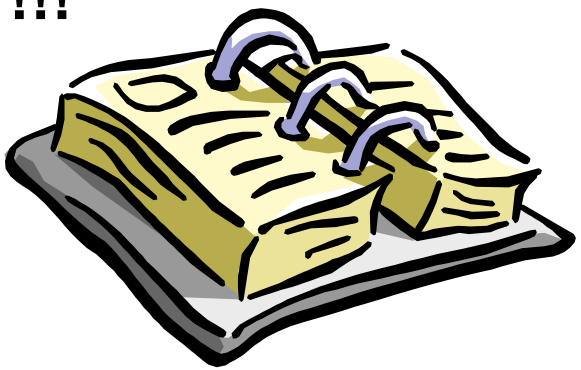
Getting Maximum Money For College Under The Confusing And Complicated Tax Relief Reconciliation Act Is No Easy Task…

- Will taking advantage of one of these new tax provisions actually cost you by reducing the amount of aid you would otherwise qualify for?
- Should you elect the HOPE Scholarship Credit or the Lifetime Learning Credit?
- Do you make too much money to qualify for the HOPE Credit or the Lifetime Learning Credit?
- Should you take advantage of the student loan interest deduction?
- Should you refinance your home to pay for college.
- Do you qualify for, or should you start a Coverdall ESA?
- What are the restrictions on IRAs used for college expenses?
- Are Qualified State Tuition Programs a viable option?

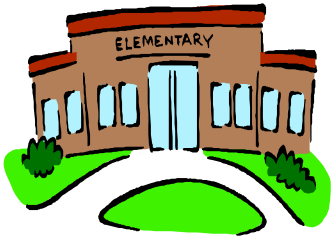
Learning the answers to these questions can be beneficial.

How NOT To Become A Casualty Of The Economic Growth And Tax Relief Reconciliation Act!

- **Start your financial and tax planning early... NOW!**
- **Make sure your tax professional is completely aware of the required integration and coordination necessary between your tax and college funding situations!**
- **Don't even think about filling out either your tax or college financial aid forms without doing PROPER PLANNING FIRST!!!**

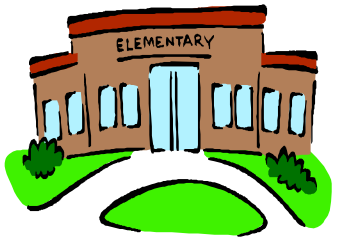


What Have We Learned So Far?



- There is a ton of false, misleading and plain incorrect information about college funding!
- There are literally billions of dollars available through various government & private grants, loans, and work study programs!
- The FAFSA forms are often times submitted with errors and inconsistencies costly delays and/or loss of money you would have been eligible for if the forms were filled out right!
- All public schools use only the FAFSA. Private schools can require additional (and confusing forms) with other financial information!

What Have We Learned So Far?

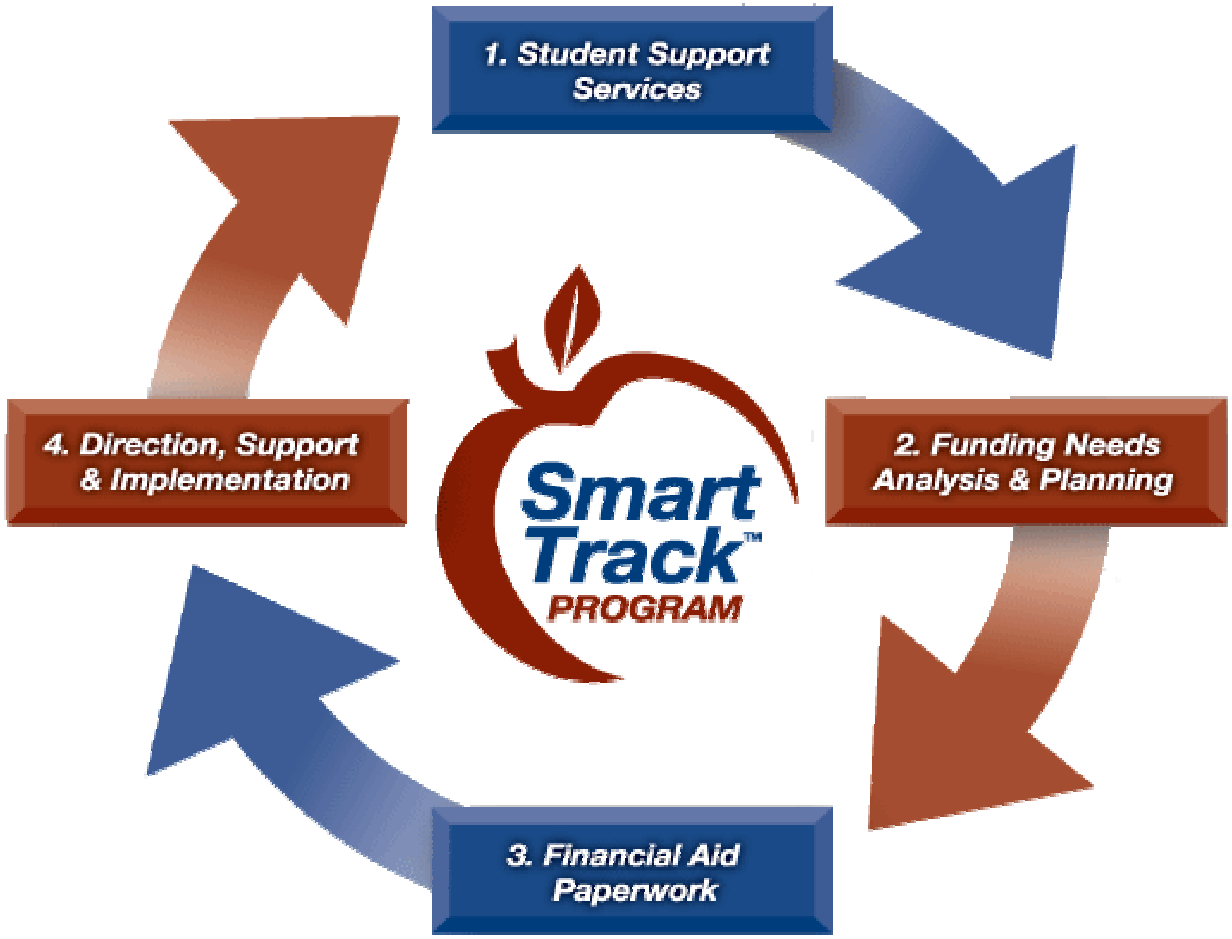


- Financial Aid is given out on a first come first served basis. Once their allotment of aid is gone, it's gone!
- There are strategies to position your financial assets that will help maximize the financial aid your family receives.
- Regardless of whether or not you qualify for financial aid, there are college funding strategies that can save you thousands of dollars in taxes (above and beyond educational tax credits).
- Some schools historically provide more aid than others!
- Just like buying a car…you usually have to haggle the right way to get a better deal! ("Sticker price" means nothing!)

If a Friend, Family Member, CPA or FAO Tells You They Can Help You, Ask Them:

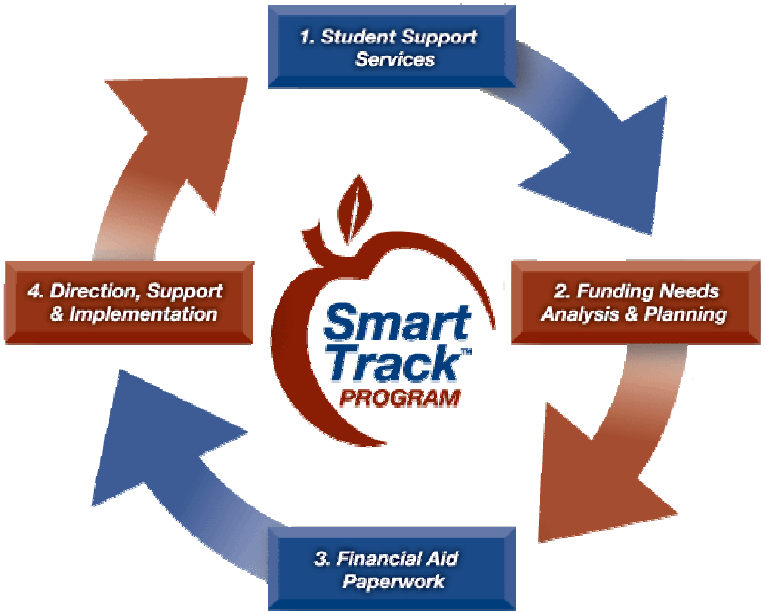
- **Can you show me how to lower my EFC & maximize my eligibility for aid?**
- **Can you help me pick schools that will give me the best aid package - meet most need, more FREE money, less loans, etc.?**
- **Can you help me fill out the FAFSA & CSS/Financial Aid PROFILE Forms line by line?**
- **Will you help me negotiate if I get a bad package or less than I expected from each school?**
- **Can you show me how to pay for college on a tax favored basis if I don't qualify for financial aid?**

Complete College Funding Solutions



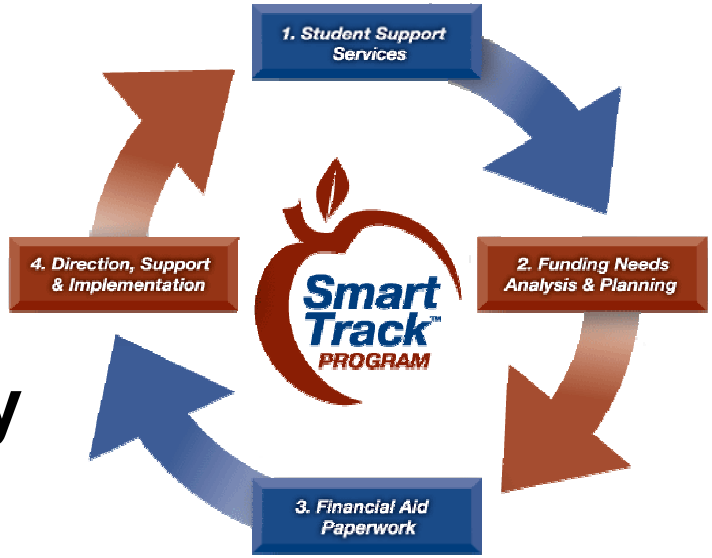
Student Support

- ✓ Essay Service
- ✓ College Search
- ✓ Career Profile
- ✓ Student Orientation and Tutorial

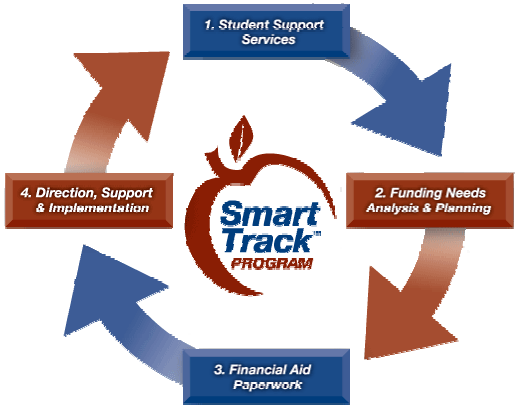


Funding Needs Analysis & Planning

- ✓ Calculate your Federal and Institutional EFC
- ✓ Review your financial data and cash flow
- ✓ When applicable, make recommendations to pay your EFC in the most advantageous manner



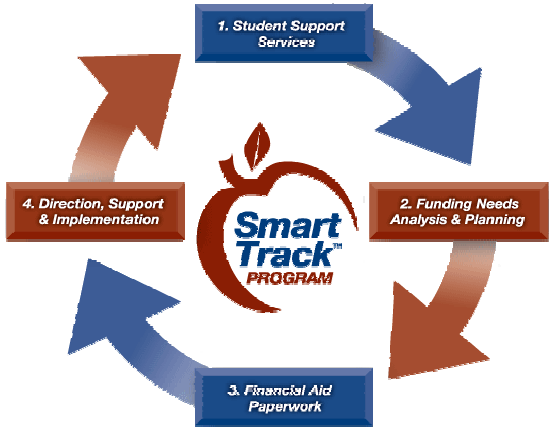
Financial Aid Paperwork



- ✓ Complete the FAFSA
- ✓ Register for the CSS and Complete the CSS Profile
- ✓ Confirm Accuracy of the SAR (and make required updates and adjustments).
- ✓ Complete Verification Forms
- ✓ Complete all other institutional financial aid forms required by the institutions or government
- ✓ Direct all negotiations & appeals
- ✓ Assist in recommendations for favorable student loan

Direction, Support & Implementation

- ✓ Access to private "Client-Only" Website Resources
- ✓ Systematized College Planning Calendar
- ✓ Organizational Planning Check List
- ✓ Implement finalized recommendations
- ✓ Complete Client Care (Newsletter, Workshops, Ongoing E-mail & Phone Support)



College Planning Calendar

Family Scheduling & College Prep All In One

Includes:

- Popular Holidays
- Test Dates & Registration Deadlines
- Financial Aid Deadlines
- College Fairs
- College Planning Steps Broken Out For Parents & Students

When should you start planning?

- Best time is before January 1st of the junior year!
- As early as possible, since aid is allocated on a first come, first served basis!

Thank you for coming…
Q & A…

For more
College Planning Strategies
you can visit
www.MyFundingPlan.com