



What You Must Start Doing Right Now To GUARANTEE The Maximum Amount Of Money For Your Child's College Education...

Most people wait until the very last minute to start thinking about college funding, and then act surprised when they find out...

They Don't Have Enough Money To Pay For College!

I want to make sure that doesn't happen to you or anyone you know.

So, we're going to discuss exactly what you must be doing right now to maximize your family's chances of getting money to cover college costs:

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Step #1 – Make Sure Your Child Applies To, At Least, 8-10 Colleges.

Why, you ask?

If you follow my “Positioning” advice and use my college search, you should have several schools to apply to. If you apply to 8-10 schools using my system, then you would apply to 8-10 schools, 4-5 will give you substantial scholarships. This will also put you in a position of strength when it comes to appealing an award letter.

PLEASE DO NOT TAKE THIS LIGHTLY, IGNORE IT AT YOUR WEALTH’S PERIL. This is crucial as now we will know some schools that will give you money. REMEMBER, it is not necessarily that you have to go to these schools. In a perfect world, your student would want to go to one of the schools on the list. Many times this does happen, but if it does not, do not fear. We want these schools to give you the large financial aid offers so we can use them to negotiate with other schools to up their offers. SO PLEASE DO NOT IGNORE THIS. SCHOOL SELECTION IS IMPERATIVE TO MAXIMIZING YOUR AID!!! (see below HOW TO STACK THE CARDS IN YOUR FAVOR)

Step #2 – Don’t Let Your Child Apply “Early Decision.”

A lot of students are convinced that the only way they will be accepted at a “reach” school is by applying “early decision.” This may help their chances of being accepted but it significantly reduces their chances of getting a good financial aid package. By applying “early decision,” your child is committing themselves to that college even if they don’t get a good financial aid package. Colleges know that these students are committed to going to their school, kind of have them over a barrel, and therefore end up awarding them “less than stellar” funding packages. Another option to consider is “early action” which allows your child to find out if they’ve been accepted “early” but does not commit them to going to that school.

I have been doing this some 17 years now (ugghh) and I have personally NEVER seen an adequate financial aid package from an early decision candidate.

Step #3 – Apply For Financial Aid Even If You Think You Won’t Qualify.

Many families wrongly assume they make too much money to qualify for college funding. In most cases... **They’re Dead Wrong!** In many cases, families with incomes in excess of \$150,000 a year will qualify for some form of financial aid, especially at private universities.

But, here’s the main reason...

You Won’t Even Be Considered For College Funding At Any School Unless You Apply!

So, make sure you fill out the FAFSA and the CSS forms (if your child is applying to private

colleges) so that you're considered for financial aid even if you don't qualify for "need-based" funding.

Step #4 – Find Out The Financial Aid Deadline At Each School.

Every college has a deadline for financial aid. It's important that you find out when each deadline date is, and make sure you get your financial aid applications in before the earliest deadline date. Why? Financial aid is awarded on a first-come, first-served basis, if you miss a deadline, you will probably end up losing substantial amounts of funding you otherwise might have been eligible to receive.

Step #5 – Do Last Minute "Income & Asset Planning."

Did you know your eligibility for college financial aid will be based on your 2015 income and your assets "as of the date you sign the form?"

Since most financial aid forms get submitted on or soon after January 1st, 2016, you still have a short "window of opportunity" to do some last minute income and asset planning.

Things like:

- How to value your home?
- Where to put assets held in your child's name?
- How to categorize rental/vacation properties?

By setting up your finances properly before filling out the financial aid forms, you can literally save yourself thousands of dollars in financial aid.

My next newsletter will detail IF, when and how you should reallocate your assets.

Which leads me to the final step...

Step #6 – Get Started Now!

If for some strange reason you haven't gotten started yet, now is the time to do something. Start by following through on the steps I listed above. Remember, you have about 11 months until your child starts college, so don't waste any more time procrastinating! If you have a younger child, even better!

How To Stack The Cards In Your Favor And Pick Schools That Will Give You The Most Money Towards Your Child's College Education..

Most families sit down with their children around this time of year, create a "wish list" of schools, request admissions information and brochures, and schedule a couple of family road trips to visit many of these schools.

The only problem with this is that most families do not do any research on...

Which Schools Have The Ability To Give You The Best College Funding Packages!

This is a big mistake for a couple of reasons.

You never want to be in the position where the student falls in love with a school and becomes obstinate in his refusal to attend anywhere else. By getting out in front of this problem and doing the research below you can have a list of colleges that not only the student will love, but will also give you a very good award letter.

So, here are the four questions you must answer before applying to any college or university:

Question #1 - What Is Your School's Policy On Meeting Financial Need?

"Financial Need" is determined at each school by subtracting your "Expected Family Contribution" from their "Cost Of Attendance".

Here's the important part: Some schools meet 100% of their applicant's "financial need" while others only meet 50% or less.

As you've probably already figured out...You Want To Apply To Schools That Meet Close To 100% Of Your "Need"!

Question #2 - How Much Of My "Financial Need" Do You Meet In "Gift Aid?"

Gift aid includes scholarships and grants or FREE money. The more gift aid you are offered, the better. Some schools meet as much as 100% or more of your "financial need" in gift aid while others meet only 30% or less. Try to pick and apply to well-endowed schools that have the ability to meet much of your "need" in FREE money that never has to be repaid. In MOST cases, it can end up costing you less out of pocket to send your child to an expensive private university than a state school simply because they have the ability to meet close to 100% of your family's need, and give you mostly FREE money. Make sure you know this information before you apply.

Question #3 - How Much Of My Financial Need Do You Meet In "Self-Help" Aid?

Self-help aid is work-study or loans. It is called "self-help" because this type of aid involves either a work component or repayment of loans. No matter where your child applies to school, there will also be some "self-help" component of their college funding package. But, you want to know whether it is 30% or 70% of the packages each school has a history of awarding. If a college or university tends to meet most or all of a student's need in work-study or loans, you might want to consider applying elsewhere.

Question #4 - What Is The Average GPA And ACT/SAT Scores Of Incoming Freshman?

This is the essence of my “Positioning” strategy. This is very important information to know since most schools award better overall packages (more FREE money, less loans) to students who lie in the top 25% of the incoming class. Try to stack the cards in your favor by finding out where your child lies in comparison to the overall applicant pool of each school, and make sure they apply to, at least, 2 - 4 schools where they stand out in the top 25% of the class. If you do not, and your child applies only to "reach" schools, these universities will be far less inclined to offer you a good funding package.

Now, you can spend hours browsing the schools web sites for this info, or you can call me to help you. This is part of my service that I offer.

WHAT'S NEW IN FINANCIAL AID?

Earlier this month the Obama Administration announced changes to the timeline for submitting the Free Application For Federal Student Aid (FAFSA). The college aid form that millions of families use to apply for federal financial aid. The changes will be instituted in October 2016, not this year, but next October. Under the changes, students applying for federal aid for the 2017-2018 school year will be submitting their forms in October using 2015 tax information. This is a departure from the antiquated process currently being used in which families apply in January of their senior year using the previous years tax data. The tax year is termed the “base year” which I describe as junior Jan 1 to Senior Dec 31st. Under the current method which will still be used for this graduating year the families will use 2015 tax data. Under the new process, the 2017 grads will use what is termed “prior-prior” which means they will use the year prior to the prior year or 2 years previous data, for 2017 it will be 2015.

Because the first year of financial aid has a major impact on the decision of where a student attends college, these changes will ease the complications and stress of this major decision. Currently financial deadlines are anywhere from January to March, most families should and do use estimated tax numbers to fill out their FAFSA only to have to go back to the website and update the numbers after they file their taxes. This delays and frustrates all parties involved so this is a long overdue and welcome change. However all is not so rosy if you are a junior in high school and were planning on the current system and sold stocks in 2015 at all-time highs. You might have sold those stocks in 2015, in part so the capital gains wouldn't appear as 2016 income and affect your child's aid eligibility when he or she first filed a FAFSA in January or February of 2017-that is, in the middle of your child's senior year. Now, it turns out, those gains *will* show up on the FAFSA form filed in October of 2016 and could make your expected family contribution toward the cost of college soar, decreasing aid eligibility dramatically. (On the bright side, maybe you sold before the recent stock market correction.)

Another concern is whether the College Board and each school will also implement this new “prior-

prior” system. The College Board administers the infamous CSS Profile, used by about 200 private schools and a few publics to determine what is termed “institutional aid.” This refers to the schools own need based money.

Also unknown is if the families are still going to have to update the forms as a lot can happen in 2 years’ time, both good and bad. I personally, my own opinion, is that they will require some form of update as I cannot imagine the system just rubber stamping aid based on a 2 years ago tax return. People may be laid-off, deaths in families, unemployment, sickness can impact on the disastrous negative side. While inheritances, stock gains, perhaps winning the lottery all may be of impact on the positive side.

In summary, this is for the most part a very welcome and positive change to this poorly run system. However, we must be careful as this also amounts to what is essentially a 2 year look back period.

Lastly, PREPARATION IS KEY. The proper planning is always the most essential part of receiving the maximum amount of aid and making sure you and your family are not shorted. We all want to send your student to his or her first choice school and would be crushed if you had to tell your student that you couldn’t afford it. There are ways to properly plan and avoid these pitfalls.

If you feel confused or overwhelmed by this process and want more information on how to get started, or if would like to discuss your specific situation, please do not hesitate to call or e-mail me at the numbers listed.

Until Next Time....

Best Wishes,

Michael Gaer

P.S. Please like, follow and connect with me on Facebook, Twitter and LinkedIn to get instantaneous updates and news regarding college financial planning.

ATTN ALL CLIENTS: IF YOU RECEIVE ANYTHING FROM THE COLLEGES YOU ARE APPLYING TO REGARDING FINANCIAL AID, MAKE SURE YOU FORWARD THAT TO ME IMMEDIATELY!!!

Also, if you have updates or adjustments to make to your income or assets, please contact me to let me know ASAP.