

# Planning For The College Funding Adventure

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## SUMMARY KEYWORDS

students, college, schools, fafsa form, families, questions, parents, bit, campus, financial aid, child, money, daughter, new hampshire, karen, visiting, fafsa, file, institution, year

## SPEAKERS

Introduction, Karen, Wil, Terri

- T** Terri 00:00  
Today in the studio we will be talking about college planning and how to finance it with College Outreach Specialist, Karen Collins.
- I** Introduction 00:15  
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- T** Terri 00:34  
Welcome to the Triangle Studio. I'm your co-host, Terri Connolly, along with co-host Wil Infante. Joining us today is Karen Collins from New Hampshire Higher Education Assistance Foundation, which we refer to as NEAF. Karen presented at Triangle's College Night for the past 10 years and we appreciate her passion for college planning. We are happy you're joining us. And we're happy Karen Collins is joining us too. Good morning, Karen.

**K** Karen 00:57  
Good morning. Thanks for having me.

**T** Terri 00:58  
Absolutely. Absolutely. So let's start off with a little bit about Karen Collins. Like who are you? What do you do?

**K** Karen 01:06  
Sure, I'm Karen Collins, I'm one of the Outreach Specialist with the Center for College Planning at the Youth Network Organizations. I've been with them for about 20 years. But I'm 12, so it's okay. Um, prior to being with NEAF I actually was in college admissions, so I spent some time on the other side of the desk. Now I help families to do their college planning to figure out what schools make a lot of sense for their students based on interests, based on where they'd like to be, based on their academics, based on their talents and skills, based on finances and that's a lot of the stuff that I spend a lot of time talking about is finances. So it's been a fun, fun ride.

**W** Wil 01:49  
Cool. So, you know, as we talked today, Terri and I are actually parents as well. And you know, she has two teenage daughters. I have young daughters, my oldest is five so as we gain some perspectives, is it okay, if we ask you a specific questions on our current situations?

**K** Karen 02:08  
Absolutely, because that'll be what other people are looking for.

**W** Wil 02:10  
Exactly.

**T** Terri 02:13  
Alright, so, Karen, let's begin with just what are our first steps? What should really be our first move when we're planning for college?

K

Karen 02:25

Yeah, I think it also depends a little bit, as you were saying on how old our children are, you know. For younger children, right now, we're not going to start visiting colleges necessarily, if they're five. Although taking them on campus to an event, soccer game, or a football game or a concert is a great way for them to see what a college is. When we go into the classrooms of elementary students, it's fun to- we play college bingo with them, and just hearing them tell us what colleges is very interesting. And depending on whether they have older siblings, or whether they've been on campuses, it's an interesting conversation. But as our students get older, I think some of the things become more and more important, really seeing college campuses, really thinking about what it is our students are looking for, I think a little bit about what we're looking for as parents as well. And I think as parents, one of the biggest things that we can do is save for their education, we're definitely you know, most likely not going to be able to save all of it. But as much as we can is a good idea.

W

Wil 03:20

So what should parents be doing right now, me and my situation, for example, what can my wife and I be doing right now?

K

Karen 03:27

There are a lot of different ways to save for college education. And I think it's really hard because there's not a lot of extra money these days in anybody's budget. But every little bit that you save is money that we don't have to finance, which I'm finding, I have a college senior this year, I'm finding that money that we don't have to finance is wonderful, I don't care if it's \$250, that I'm not financing that's still wonderful. So I think one of the best things that we did is we took it, you know, right out of our paychecks, we had that direct deposited into a 529 plan to save for our daughters education, and it was money that we didn't see. So it didn't hurt as much. Putting that away. That's one method. Another method that I found that was really easy and interesting is to use a program that's really attached to like your debit card or your credit card. So every time you're spending money on particular things, it's putting money automatically into those savings plans, like a you promise plan, that's easy, you're spending that money anyway, but a certain percentage is being saved from college. So that's one really great thing to do.

T

Terri 04:30

So I do have a 529 plan, we set it up a while ago for my oldest daughter. And now we have

a younger daughter that's coming up through the ranks. And we really haven't done too much for her yet. So I guess at this point and Wil and I were talking about this a little bit this morning, too, is that, what are some of the parameters around 529? And, you know, I know that you don't work for Fidelity or anything like that but we don't want to endorse anybody in particular. But um, you know, are there specific things that we should be looking for in a 529? And I know, this is my understanding, anyway, is that if my oldest daughter, for some reason, if she doesn't need it, then it could, could go to my younger daughter.

**K** Karen 05:21  
Absolutely.

**T** Terri 05:22  
So you do have to be a little bit aware of, you know, those needs in terms of like, you know, if one daughter decides or one child decides not to go to school, it can be so you don't want to over fund it as well. Right?

**K** Karen 05:39  
Exactly. So for 529 plan, the great thing is, is that, you know, we name our children as beneficiaries, but that account remains ours. So if that child depend, you know, decides that he or she is not going to go to school, or isn't going to go to school right away, you can use that money then for the second child coming along, and I've seen it happen over and over again. So that's kinda nice, knowing that we are saving in their name, because the the beneficiary, but in the event that they don't go to school, we can transfer that on.

**K** Karen 06:08  
Yeah, we can transfer that on. And I, we thought about that, too, you know, we didn't have a ton of money in a 529 plan for either of our children, but we had some there, we tried to figure you know, is it best to use this now for our oldest child, our second child is nine years younger? Do we take that money and transfer it over to the younger child so that it has more time to build? Or do we use it for the first child? I think that's a lot of strategic planning. And it's a lot of individual, you know, a lot of times families will come to us and say, when do we use the 529, we use it in the first year, second year, third year, fourth year of college, what is the way to do it, and it's really just kind of the own, you know, your own family strategy too and what's available to you each year, you know, we did end up using that for our first child because it was hers, you know, we had saved it then in her name. So,

you know, as much as it would have been nice to let it ride, you know, for those nine years until her sister went to college, we did save it for her. So we let her you know, we did use that for her education this year. So it's really, you know, a lot of planning and a lot of what's going to work best for us. Sometimes families come to us, or they often come to us and we sit down and we kind of go over all of the award letters that they've received from the different colleges and say, Okay, so this school is offered this much, and this school is offered this much. This is a gift aid, this is you know, self help aid. So you're going to need to pay that back. So we talked about those strategies, and how is how is this going to best work. And I think it's really comes down to what feels right that year. And I always tell families, we're planning kind of for this year, we're thinking four years out, but it could change next year, you know, we kind of changed our strategy as our daughter, you know, went along in college.

W

Wil 06:08

That's some good information, I had no idea.

W

Wil 06:08

Now, Karen, can you do that? If you have a 529 plan for your daughter, and nine years later in your situation you have another baby, can you take money out of the current 529 plan to fund another one?

K

Karen 06:30

That's great question. I'm not sure if you can or not. If you take money out of a 529 plan that's not used for education, you will get penalized for that. So there's a 10% penalty for that. So I don't know if you can take that out and fund a new one, I think you'll probably have to start a new one for the child. I think it's once they're established. And that first child decides not to go to school. If you withdraw that money, then for the second child to go to school, you wouldn't be penalized

T

Terri 08:25

As long as it's used for educational purposes.

K

Karen 08:27

Educational purposes, you're okay. Yeah.

**T** Terri 08:29  
Okay great, so Karen, you have been an awesome presenter at our college nights and we really appreciate everything that you bring to the table. And one thing that my daughter has decided to do is go to community college.

**K** Karen 08:46  
Perfect.

**T** Terri 08:46  
And we're going to do that for a couple of years. And she's going to get her associate's degree out of the way. It is a huge savings for us as a family. And now with the Community College System of New Hampshire, everything is accredited and easily transferable. So it's a huge win. In my opinion, for parents, not only for students, but for parents as well. So that's going to be our path. Can you talk a little bit about that, though, because the reason why we're going down this path is because I've listened to you for 10 years.

**K** Karen 09:17  
That makes me sound old.

**T** Terri 09:20  
No, you're only 12, you started at 12 so now you're 22.

**K** Karen 09:24  
That's perfect. With my college age daughter. Yeah, I think more and more, we're seeing students, often, you know, deciding that they're going to take that route, because when you're looking at the cost of tuition at some of these institutions, if you're talking a four year private institution, you know, you could be 50 or \$60,000 a year, whereas one of our community colleges is going to be closer to seven to \$7500 a year. So students are saving a great deal of money by spending two years and getting their associate degree. And then transferring on to one of the four year schools, whether that's in state or whether it's out of state, those credits are likely going to transfer for them are in state schools have set up. There's a way to go online to [NewHampshireTransfer.com](https://NewHampshireTransfer.com). And you can look up those credits. So if your student is taking, your daughter takes English 1201, and she wants to know if that's going to transfer to UNH, if that's where she decides she's going, she can

look on this New Hampshire Transfer website, and she can see Oh, yeah, I went to Nashua Community College, and I'm taking this class, yep, that's going to transfer to the University of New Hampshire. So that's really nice. And it's meaning that students aren't losing any time or parents aren't losing any money having to retake courses once they get to their receiving institution. Another one of the programs that's really great in state and we're seeing a lot of students take advantage of is the Dual NH Program where students can apply in their senior year of high school, to the two year school and to the four year school at the same time. So if a student knows they want to study engineering, they might say, started Nashua Community College and go to the University of New Hampshire. And they're admitted to both of those schools at the same time. And they know that that's what they're doing. Now, they have to perform once they get to Nashua Community College with a certain grade point average, and keep that up and do well and take the courses successfully. But once they have completed that associate degree, they move on seamlessly to the University of New Hampshire program or any of the other schools that they're interested in. So that's kind of nice for students. And I think, you know, with the stigma sometimes around, you know, going to a two year school versus a four year school. Sometimes that stigma is more with parents than it is with students these days. It's nice for them to be able to say, yeah, I've been accepted to both of these schools. And here's my plan, and this is what I'm doing. And I think, you know, for us as parents to we know that they have a path. So it works out really well. They have an advisor in that program that says, Okay, here are the classes we're taking, here's what your two years are going to look like here. They work with that receiving University, and know that, you know, these are the courses they're going to take once they get there. So it's a really well run really excellent option for our students here.

W

Wil 12:07

Seems very seamless, that's awesome.

K

Karen 12:08

Yeah, it's excellent. Really, really love that program. And we've been promoting that one for some time now. And it's been terrific, you know, and of students have a particular major in mind, one of the community colleges, and one of the four year schools might be the best fit. And you know, they can help the students to determine where that's going to be.

W

Wil 12:26

Right. That's great. So what are some things that students in high school right now can be

doing to get ready for college and financial aid?

W

Wil 12:34

I think one of the best things that I tell students how to get good grades, and they look at me like, what do you mean? The best way to get free money is to have good grades, because that is where those merit scholarships are typically coming from. For students. Yes, we have some athletes that are going to get some money, but more students are going to get money for their grades. So if students are looking for that free money, I'd tell them get good grades, certainly, we need those good grades to get into college as well. But, you know, we're all about the money as parents most of the time. So, you know, that is one way that we see students really receiving the most aid and so shop around for different schools, because schools can offer their financial aid in different ways. You know, if an institution has their own money to be able to give to fans to students, they can say, well, we're going to give that money based on good grades and test scores, or we're going to give that money based on need. So we're going to assess that family's income and assets. And based on those numbers, we're going to award aid to that student, usually in the form of grants. So you want to know how those schools are going to offer their money. Because if you feel like you may not fall into that grant category where need based aid is going to be assessed. You want to know, you know that you're going to fall into that merit category if they have it. So shopping around understanding how that works. And that's why we go out into the schools and we're able to offer those financial aid nights. Looking at different schools, getting an idea of what they might want to study is a really great idea. I think a lot of times as parents, we get hung up on that, too, we get worried we're going to send you off to this institution, we're going to spend all this money, do you know what you want to be? Or should be spend the money if they don't know what they want to be, students change their major, you know, two or three times generally speaking, so if they don't know what they want to be, that's really okay. But I think that's makes students and families nervous. But spending some time you know, maybe shadowing people that they think they you know, I want to be a physical therapist, and I'm going to be on the floor with the Celtics. Maybe they should go shadow a physical therapist and see what a day in the life is really like, because not everybody's going to be on the floor with the Celtics, you know, so some of those things are what we look at with our students in high school and how we kind of create a curriculum for them as they go through that high school high school years to prepare themselves for the process. Crazy process.

T

Terri 14:55

So I know that my daughter, I think it was her, it might have been her sophomore year think she took the PSATs right?



K Karen 15:03  
Yep.

T Terri 15:03  
And then she took the SATs. Can you speak to that a little bit in terms of like, why those tests are so important.

K Karen 15:10  
Yeah. So for many of the colleges out there, they're going to require standardized test scores. And whether those are SATs, or ACTs generally doesn't matter to the college. But they want that set of scores, it's a way for them to be able to compare students fairly quickly. Because the tests are national. So every student, whether it's a California student, or whether it's a student from New Mexico, or whether it's a student from New Hampshire, are taking those tests are taking those standard, same standardized tests. So it's a way for them to compare relatively quickly, you know, a student's potential in college. But some colleges are saying, We don't need that, you know, we're looking at other things, we're going to be looking at their transcripts, and we're not requiring tests. So there are some schools that are called test optional schools where students can choose to submit those tests or not, you know, for those students who feel they're not as great testers, you know, it's a great idea to check out those schools as well. But for most students, they're going to have at least one school on their list that is still requiring those standardized tests. So it is important, while most colleges are definitely going to be looking at their four year, you know, grades - their transcript, first, that's the most important because that's a four year picture of you know how they're going to perform in college. Schools are also going to be looking at those standardized tests, particularly for scholarship purposes. So making sure that they take the PSAT in their sophomore year, and probably again, in the fall of their junior year for most of our students, and then all of our juniors in the state are going to be taking the SAT as part of their standardized testing. So the schools actually pay for that. So our students are going to get a free administration of the SAT that, you know, they can submit to colleges. And then for most students, they'll take it one more time, somewhere along the way. But we don't encourage students to, you know, keep taking that SAT and keep stressing themselves out, because they want to get a few more points or whatever it may be, usually two times is probably pretty good for students. And then, you know, give it a break. But we do say that if they are taking those standardized tests, if they can hop on Khan Academy, it's a great way for them to study for those tests. They, once they take the PSAT, they can actually sync up their scores, they can put their information into the Khan Academy site, and it customizes their practice. So if they didn't do quite as well, in a particular section of the math, for example, they'll give them more questions to practice in

that particular area. So it's a really great way for students to, you know, take a few minutes here and there to practice what specific to them. So Khan Academy is the way to go for students that are looking to practice for these standardized tests, but they actually have to do it to get the results. But they do say, I think I saw a statistic that was if students spend about 20 hours, that doesn't mean students that you sit down for 20 hours in a row and do this, but you know, over time, over the course of time, spent about 20 hours on Khan Academy, preparing for the test that they are getting an average of 115 points higher. So and that could be the difference between you know, one scholarship versus another scholarship. So it is worthwhile, and it's not something that they're super excited to do necessarily, but it is it's definitely worth the effort. And it could make the difference, you know, of 5 - 10 thousand dollars worth of scholarships.



Terri 18:30

Well worth the time then. So is Khan Academy, is that free?



Karen 18:34

It is, yeah, it's a free service. And usually the schools are actually getting the students set up, or at least, you know, letting them know how to get set up on Khan Academy, I know that there's something with their phone apps too. And I should know it better. But they can take pictures of their score sheets. And those score sheets will, you know, pull into as they take the practice test, they can take the pictures, and that will score the test for them. So there's a couple kinds of really neat little things that they can get from their phone, they can get the question of the day on their phone, they can you know, there's all kinds of really great ways that they can do it. But it is, it's free. And it's a way that, you know, families don't have to spend more money on that college process for sure.



Wil 19:16

So we'll be sure to a link to Khan Academy in the show notes for the audience because I think that's a great resource for them.



Karen 19:22

We'll make a list of some of the stuff, we can put some up there. Yeah. Khan Academy. We'll put a link to the College Board where they take the SATs and the ACTs as well.

W

Wil 19:30

So what are some questions that, like students that are getting geared up to go to college, and they start visiting college campuses and start visiting financial aid offices, what are some questions that they should be asking those financial aid advisors?

K

Karen 19:44

For sure. I think one of the biggest things is again, and I think when I do financial aid nights, this is one of my biggest points that I make to families. How do they award their financial aid, those particular institutions that that student is looking for, because as a school counselor, when I was a school, I would have the students come to me with their list of schools that they were interested in. And knowing my students well enough, I would be thinking, Okay, so this is a student that's going to require some assistance to get them to these schools. And they would be looking at a list of colleges hoping they were going to get big merit aid, because they were strong student, but on their list of schools, were no schools that offered merit based financial aid. So if they don't offer merit based financial aid, you're not going to get it. So typically, the ivy colleges are not going to be offering merit based financial aid, because presumably, every student applying there is, you know, worthy of merit based award. So usually, they're going to be need based institutions where they're going to look at our finances and determine where we fall on that need based scale and offer students an award that way. So if we're looking for a merit based aid, we want to make sure that we're you know, that institution is awarding it. But I would also make sure that, you know, questions such as you know, are the essay T is required for Merit Scholarship. So some colleges might say that, we're test optional, meaning that we don't have to submit test scores for admission. But when they're reviewing for scholarship purposes, they need those essay t score. So if you haven't submitted them, now, suddenly, you're not eligible for those things. Usually, they say something on their website, but it's good to know it and to hear it when you're visiting the schools. I think understanding deadlines and understanding that admission deadlines are different from financial aid deadlines, and knowing when those are going to fall, because every college is going to have their own admission deadline and their own financial aid deadline. And how do we make sure we're meeting up all of those things and getting things in, you know, on time, I always say for families, it's great to have a calendar that is just all about college, so that it's not, you know, take the dog to the vet and run to ballet and go to the soccer games and all of the things that we have to do daily as families, but it's just college and maybe stick it on the refrigerator where we're all going to see it on a daily basis so that nothing is missed. It's hard to keep track of, multiple schools with multiple deadlines. Some students are going to apply early action, where their applications are all going to be due earlier in the process. They'll hear back earlier from their colleges, whether they've been admitted. But they also may need to apply for financial aid earlier for some of these schools. So it's

just keeping track of all of those details and asking those questions. on campus. One of the greatest one of the questions I really liked asking when we were visiting college campuses, was of students, you know, if we were walking around, typically not the tour guide, because they've been trained really well, how to answer all those questions, and they're wonderful. The students are great, I had a group of tour guides that were my work study students when I was in admissions, and they're fantastic. But they have been trained by us to, you know, to make sure that they're answering the questions. Well, for families, I would go into the cafeteria or into the student union or whatever the you know, gathering place is for the students and just ask it random student, hey, why did you go here? You know, what do you like best about it? What do you like least about it here? You know, get those questions candidly from another student and find out some of that information while you're there. So lots of things to think about in between from now until then. Right.



Terri 23:15

So how many colleges would you recommend the average family, explore?



Karen 23:23

Yeah, explore and then apply or two different things. So I think when families are exploring colleges that can really start earlier on the process. You know, I think we traditionally have thought of visiting colleges really starting junior year, maybe in the spring of the junior year, all the way through follow senior year, but now with the bumped up admission timelines where a lot of students are applying, you know, in October or in November for their schools, it's leaving, not much time in the fall of the senior year to get to campuses. So if families can visit, you know, starting sophomore year, even that will help the process a lot. It's expensive. It's time consuming, it's tough to find, you know, between sports and everything else, it's tough to find that time. Number of campuses might depend on the student, you know, if the student finds those schools right away that he or she loves, that might narrow down how many you're going to have to go visit. Ultimately, we want them to be thinking of applying to probably around six to eight campuses, depending on the student. Too few campuses doesn't give us enough options in terms of admission and financial aid, you know, we want to be able to see a bunch of financial aid awards, we can make good decision. Too many complicates things. You know, we've seen, I've seen students applying to 20 different colleges. And I think that's great. But it just complicates things for them. And trying to decide which one they like best in the end is kind of crazy. There are also a lot of schools that will send out you know, you can apply for free, you can here's our application, and students really have no intention necessarily of going to those schools, but they just want to see if they are admitted. And again, that just kind of muddies it up a little bit for them. And it also takes a

spot away from another student who might really want to go to those particular institutions. So I would say applying probably between six and eight to give them enough options visiting is probably going to take more than that it might take, you know, 10 or so schools, maybe 15 schools to visit which sounds like a whole lot. They don't have to do it before they apply. You know if they say I really love this college, but it's in South Carolina, and you can't get to South Carolina just now I think it's okay to go ahead and apply. And once they're admitted, if it's still the top of the list, the money comes through for for that particular student, maybe they can visit in the spring of their senior year before final decision is made. But you know, it's okay, if they can't get everywhere.

W

Wil 25:45

Right. So what are common mistakes that students make when going through this process? Is there mistakes that are made more than others? Or?

K

Karen 25:54

That's great question. I think, applying to schools without really doing the research, you know, showing up you know, with their bags, and their comforter that matches their roommate's, and they've never visited the campus, and they're just like, this is what it looks like really? Oh, I thought it was bigger, I thought it was smaller, I didn't know it was in a city. I'm not doing that kind of research is really important. And I think students really have to know themselves, they can't make a decision based on what their best friend is doing or what their boyfriend or girlfriend is doing. We do see that quite a bit. They have to make that decision based on what they need, you know what they need in an institution what they need in a classroom setting for some of our kids, that means small class sizes, where they have access to professors, and they can go to those professors office hours and sit down like we are face to face and say, Hey, I don't understand what you just said in that lecture, can you help me out or Hey, I'm writing this paper, can you take a peek at it to help me with this. They like that small intimate environment. And for other students sitting in a lecture hall. 500 other students is fine with them. They don't mind having that type of a situation where they're not able to have that, you know, one on one conversation in a classroom setting, oftentimes, the professor will have those office hours as well to have that one on one time, but they have more students, so it's a little bit more difficult. So I think knowing their learning style, knowing what they're going to need, once they get there, knowing that there's some activities that they can get involved in, that's one of the biggest things that we hear from parents is my child is homesick and wants to come home and feels like they don't have any friends. And you know, they're not sure they want to stay at this particular school they might want to transfer and right now is the time that we're seeing that for our freshmen on campuses, because the excitement

has kind of worn down a little bit. They're really in class, their assignments are really due now. And you know, some of the hype of the first weeks of school are, you know, kind of calming down. So they're starting to feel like oh, my gosh, I don't know what to do. But the students that are doing well are the students who are getting involved in some stuff on campus. So we want to make sure that there's some stuff that they want to get involved in on that campus, whether it's student government, or whether it's intramural sports, or whatever it may be, it doesn't matter. But they need something, that they can do.

T

Terri 28:12

They need a bigger connection than just their academics.

K

Karen 28:14

They do, they really do. And the academics are super important. But it's just really important socially, if they're not happy, if they're not feeling like they belong somewhere. It's really hard for them.

T

Terri 28:26

That's so funny, you should say that because in my own situation, my you know, I keep telling my daughter, you know, her job right now is about her grades, and its just focus, focus, focus, but when she was in high school, it was really about making her more well rounded, right. So I think I'm gonna have to step back and encourage her to look at those clubs.

K

Karen 28:46

Look and see what's going on. And I think, it just, I noticed for both of my girls, you know, one's 12 and one's 21. So it's a little bit different. But for both of the girls, when they're more involved, those semesters that they're more involved in things they do better academically, because there's not a lot of time to be goofing around and putting aside some of the things that they should be doing. There's this time. So I noticed, especially with my older daughter, now, who does a million different things. This is the time I can do my homework. So this is the time I do it. And it's done. And she's usually way ahead, you know, she looks ahead in the syllabus and plans ahead. Okay, so this weekend, I know I have to go to this thing. So I'm going to have to do this work for the next week ahead of time. So I think it makes them really good planners, I think it makes them committed, you know, they want to do well in all of the things that they're doing. It just makes them healthier on campus, their minds are very occupied, you know, she's not talking about

missing home much, if she's really busy and having to go to the next thing. I think it's really important for them mentally, you know, to have that connection to something, you know, instead of calling us saying, Come get me, can you come get me, can you come get me? Not that she did that she was gone and off and running. But that's, you know, that's what we're seeing at this time of the year with the new freshmen on campus, we're getting a lot of those, you know, conversations with parents that go to the high schools now saying, you know, My friend's daughter's a little sad. And yeah, it is. It's a tough time. It's their first time away, and for a significant amount of time, but but being involved is huge.

W

Wil 30:19

How can parents help facilitate that? How can they help them? How can we encourage them too?

K

Karen 30:25

It's really hard because we may be far away from them. And we sound like, it's hard to say to your child, just go get involved. Because they're just like, that's easy for you to say, and how do I do it? And I know, I was just on the parent's page of the university, my daughter attends, and some of the new freshmen parents are saying just got the first homesick text, and, you know, what do we do? And how do we do it? And you know, parents of older students are like, just get them involved. And, and that's true, that is true, but we're far away. So how do you tell them that and as a parent, they're not listening to me, she just wants me to tell her Yeah, okay, we'll fly you home and you can come visit and all of that, that's what she's looking for. For me as a parent, I think it's just, you know, if they're involved in high school, they tend to be more involved as they go to college, because it just becomes part of who they are. They enjoy that involvement. And I think sometimes it just takes the right thing on the college campus. And it might be something that you haven't even done before. You know, my daughter's involved in all kinds of different things, then what she was even doing in high school, that just need that little spark. I think the hard part for them is that if their roommate isn't going or if they don't have a buddy to go to it, it's really hard to break into some of those things. So if they can, you know, hopefully, they're in a room where, you know, they get along with that roommate and can kind of pull each other to different events. I know, my daughter's university had the 56 days, the 56 first days or something like that. So on the 56 first days of school, there was something every day for students to go to whether it was, you know, a comedian at night, or whether it was, you know, something as simple as a Involvement Fair on the green and during the day or something like that. But there was always something that you could kind of go to and be in a crowd, and nobody knows that you're there by yourself necessarily and just kind of be wandering by with your backpack on and go and do that. So as hard as it is, as

parents, we shouldn't fly them home. Right away. Let them be there for a little bit. And they do adjust, you know, and it's exciting. When they do you start getting those texts of Guess what, guess what, this thing is happening, and I'm doing this! I'm like, Okay, great. Yeah, it becomes exciting. As much as we miss them. It's exciting to hear what they're doing.

**T** Terri 32:40  
So right now, I think this is also FAFSA time. Right?

**K** Karen 32:44  
It is, we start October 1st.

**T** Terri 32:47  
Can you explain a little bit about that, because that's a pretty big deal when it comes to financing for college.

**K** Karen 32:52  
Kind of required, so yeah, it's a little big deal, we talk about a little bit. Yeah, so October 1st is the first day that are current seniors can start to file their FAFSA form. So that's the Free Application for Federal Student Aid. Everybody files it. So if you want to receive financial aid, whether a student is looking at a two year, a four year public, private, in state, out of state institution, they all require the FAFSA form. Some schools also require what's called a CSS Profile form. Usually more competitive, private colleges are looking for that particular form in addition to the FAFSA form, so some families might have to file two forms. But every family is going to file the FAFSA form. So we're gearing up for our crazy season and our office. It's it's our fun season. It's our crazy season, but October one, we will open the doors for families to come on in and file those FAFSAs with us. You can sit down with one of our counselors, it takes about an hour just a little under an hour to file a FAFSA form. We will tell the families you know what they need to bring. So typically, you know, when families are filing their FAFSA form, they're going to need their taxes from the years prior so for the families this year, they're going to be looking for 2017 tax information when they file the FAFSA form. Usually good to have your W2s right there as well, just in case, there's a question that they might need to draw from on that. And then, kind of have an idea about assets to you know, things that are not assets are our primary residence. So if we are filing the FAFSA form, we do not include the equity from our primary resident as an asset. So that is good. We also don't include our 401k's is or for three B's. So any



retirement IRA, Roth IRAs are not considered an asset on the FAFSA form. So assets are more like our accounts like our checking account or savings account, we would include things like stocks or bonds, mutual funds, would all be part of that our 529 plans that we have for our children would be considered an asset of the parent on that form, which is nice. Our parent assets are a little bit more protected than our student assets on that form. So some of those things are going to go on the form as well. The FAFSA is about 100 questions, most of those are really going to be income based, so more about income really, then about our assets. It's not, you know, going to be the best day of your life that you sat down and find your FAFSA by any means. You're not going to say. Wow, that was so fun. It was so fun. But it's also not the worst day, it is very, very doable. If you have your tax forms, it really does follow your tax form. So if they're looking for adjusted gross income, and you file a 1040, it's going to say look at line 37 of your 1040. And you're going to put it right here, there's also what's called the IRS DRT. So this is a Data Retrieval Tool built into the FAFSA form, and you click a little hyperlink and it takes you out to the IRS website. And you will key and some important information, your mailing address, and how you filed your taxes, which tax form you filed and it will be able to pull your taxes into the form for you. And that's really nice, because colleges are looking for that information to be verified, whether it's verified using a DRT, or whether you verify it later, giving them a tax transcript from the IRS directly. Doesn't matter. But it's nice to be able to do it right then in there. And it also puts everything where it belongs for you. So you don't have to say, Oh, I think that goes here and I'm not really sure. But it does it for us. So that is an option for families as well. Again, like I said, we file these with families in our office, so you can make an appointment you know, give us a call in the office and you can sit down with one of our experts. And we'll do that start to finish and send it off to all the colleges that day for you. Okay,

T

Terri 36:51

So is that something that has to be filed every year the child is in college?

K

Karen 36:56

Yeah, the great news is, is you get to do that every year, so you become the expert by the end. Usually, that's when I take a few steps back when I'm doing a financial aid night because they're like We've tried to do this more than once. It does get easier. So the first time we file it is the hardest time because we have to make our, what is called an FSA ID. And that's how we electronically sign the FAFSA form and get back into our documents. So students need an FSA ID to sign their form. And then one of the parents also needs an FSA ID. So we have to go through that process initially. And we have to put in all the background information students names or social security numbers, all of that stuff has to

go in there the first time, the second time. So the years two, three and four. It's easier because it's already all there. We already have an FSA ID. So really, we're just updating finances. So as awful as it sounds, to have to keep doing it. The second, third and fourth time really don't take very long. Yeah, it does get much, much easier. And we're still there. We do refiles with families as well.

W

Wil 37:51

Right. So parents, as you know, as their children are growing up, they may have a 529 plan to make college life less expensive. Yes. What can students do? You know when they're growing up, or getting ready, you know, their sophomore, senior year, what can they do to make it less expensive?

K

Karen 38:10

For sure. And I think this is the hardest part for students is save some money, you know, because even my 21 year old still, you know, oh, I have some money should spend it, No, you shouldn't, then you should keep it in an account. And you should save it for the one you really need it. It burns a hole in their pockets. But if they are working in the summertime, if they're working, even during the school year, some of our students are doing that as well, putting a little bit of it aside is going to make a big difference, that first couple of weeks of school is very expensive, they're going to need their ID, they're going to need a parking permit and many colleges charging for that. They're going to need their books, they're going to need, you know, inevitably there's always something that comes up, you get there and I need this for my dorm, I need this to help myself set up or I need these notebooks that will make me better organized or whatever it may be. So those first weeks particular very expensive. So saving some of their money is going to really help. But also they want to do some stuff while they're in school. You know, I think I stayed on my campus a lot. You know, when I was in school, it was not the same, I don't think at least I don't remember it being this way as free as what my daughter is doing, you know, she's off doing all these crazy things and great things, but it costs money to do all of those things. So you know, saving is a good idea, they can also get jobs on campus. So some of them will be awarded work study money, where they can get a little job, whether it's working in the cafeteria, or it's checking IDs at the gym, or maybe they're an admission tour guide. And they get paid for that get paid every other week, usually, usually minimum wage is what their offered, but it's a job. And it's something where they get a paycheck on campus. And it kind of doesn't reduce what's in their account quite as quickly that way. Some students will babysit, my daughter baby sits in the community and it's a nice area. So she gets paid very well to do that. It's a perfect situation. You know, she loves the kids, she loves the family, it's a little bit relaxing to be in a home. And, you know, that's money

that she has, every single week. I used to babysit for my professors, children. And that was great, you know, being able to be off campus in the house where there's a washing machine, sometimes that was nice, too, because they would let you do your laundry. So there's all kinds of things that students can do, you know, to have a little bit of extra spending money, you know, once they get to campus. So I think, you know, maybe that birthday money from Grandma, you know, part of it goes into an account and part of it they get to spend for fun, you know, those kinds of things is what we did with our kids.

T

Terri 40:29

Awesome. Excellent. Great. So I think it's time for us to maybe ask some questions that we have received from a couple of our listeners. So, and you may have actually, you've done a fabulous job with this, Karen, we really appreciate it. And some of these might be a little bit redundant. So you know, you can just address them how you wish. So the first question is, you know, this is someone who, she's completely overwhelmed by the process. She says "Where do I start, my husband, and I didn't go to college. So we don't know the process, and where do we begin?"

K

Karen 41:05

I think that's a great question. And I think what I see sometimes is for first generation college students, the parents are completely overwhelmed. So you don't want to get started, it's almost too much you don't know where to start. And so sometimes they don't get started, this family obviously is going to do that. So that's great. I think whether, you know, we went to college as parents or we didn't, things have changed so much since we went to college. So it's hard to be able to really use a lot of our experience to help our children, at least we've got, you know, we have gone through it. But I think things have changed. I think one of the things is to understand that there are people there to help. So it's not something that this family needs to do on their own. There are tons of people that are willing to help with each step along the way. So the school counselors at the students school are going to make that first approach with the students. So they're working with the kids really starting from freshman year, they usually have some curriculum in place to talk about careers, and then they start moving into the college process. And what are we doing and a lot of these students are using Naviance in their school, which is a great computer program that kind of really helps them all along the way. You know, it has some career modules where they can, you know, do interest inventories and figure out what they might be good at or what they might enjoy. And then it kind of moves into the college piece where they can search for colleges based on location, based on size, based on majors, all of those kinds of things. And they can create lists of schools and kind of talk about those with the counselors, the great thing is, is the counselor can also see those lists,

so they're able to work with their students a little bit on that. So the counselors are really going to kind of take the first, you know, piece with the students and kind of get them started in that process. We do this as well in our office. So for families that are thinking, You know what I've kind of like to get in on it as well. I'd like to sit with somebody and maybe talk about our student's situation, families can definitely come on up and sit with one of us in the office. And we can answer any questions a family might have, we can help create a list of colleges that works for that student based on their grades based on their test scores based on their interest, but also based on who might give that student more money because there's more money to be had at a particular institution or because this student is a great candidate for this institution, or because need based wise the school is going to give them you know, an extra bit of money. So we can work with families around all of that as well. Everything that we do is free, so probably should have told you that. But it is free. So that price is really great. There's not a lot of free stuff as you get into this college process. So you know, do take advantage of those school counselors and have those folks who are you know, there to be able to be willing to help. We do college nights in the schools. So we do junior college nights. So you know, attend the local high school night where we talk about this whole process, what do we do? How do we get started? You know, what should we be thinking about? What should we be looking for. We also do financial aid nights and all the high schools and that's what we're doing now. I'm actually going to Bishop Garden High School right here in town tonight to do a financial aid night, I'll be at Campbell High School on Thursday. So there's, you know, there's lots of time that we can, you know, be meeting with students and they can be getting that information. Destination College is another great opportunity for families to come. We are going to be at Plymouth State University this year. It's a college convention, so to speak, for high school juniors and their families they come and they go and go to workshops, everything from how do we finance this education to my student might want to study abroad. What do we do about that, to I don't know how to write my college essay, I need some pointers. All of those things are addressed that day. Again, it's free, families just need to register. So take advantage of the free, you know, the free for sure.

W Wil 44:55  
Free is great.

K Karen 44:55  
Yea, we like it.

W Wil 44:58

So the second question that we got, what's the difference between private and state schools in terms of cost? Is there a difference between in state and out of state costs?

K

Karen 45:06

That's great question. So private and public institutions definitely work a little bit differently, you'll notice that there is a price difference. If you're looking online, you'll notice that that private schools are going to cost a little bit more, sometimes a lot more than the public institutions. And it's really just the way that they're funded. So the public schools are not necessarily going to have as much financial aid to offer to students, whereas the private institutions might have a bigger portion of that to offer to their students. So although the price tags start quite a bit higher, sometimes things have a way of evening themselves out in the world of financial aid. So when students are looking at schools, and we say, check both, put a couple of both on your list, and let's see how financial aid plays out for them. So we don't know necessarily that that price tag dictate for students where they apply. That being said, we do want them to have a financial safety school on their list so that we know that if Matt, you know, somehow something crazy happens and no financial aid comes through, that won't happen. But it did for some crazy reason that we have at least one school on the list that we're more comfortable with in state versus out of state, you're going to see that in state institutions are going to have a rate for their own students, that's going to be lower than out of state prices. So our in state rate for us here in New Hampshire will be lower than students who are coming in from out of state. So we definitely want to take advantage of in state rates.

T

Terri 46:29

Right. Good. Well, we're happy to have such great schools.

K

Karen 46:33

Yeah, I know we do. We have so many great schools in New Hampshire.

T

Terri 46:36

So the third question, are parents required to take out parent loans?

K

Karen 46:41

That's good question. So no, parents are never required to take out parent loans. A lot of times, you know, we have a student whose families very reluctant to file the FAFSA form

because they're not able or they're not willing to be able to pay for that education. But the reality is, is nobody's obligated to do so. There's no rule saying how, you know, how you're going to pay for that college education. So we always tell families, please file the FAFSA with your student, even if you're not able to help them financially, because that student will be eligible for aid if you put in you know, if we get that information on to the FAFSA form. Once that award comes through for the family, and we know how much is going to be owed to that particular campus, there are a lot of ways to finance the education. One of them is parent loans. But there are other ways to so parents are never obligated to take a parent student loan.



Terri 47:34

Awesome. Great, thank you.



Wil 47:36

The fourth question is Do I have to declare the equity in my home as part of our contribution if we don't plan to take out a second mortgage?



Karen 47:44

Yeah, they don't really care how we plan to pay. And they're not that interested on you know what our debt is really on the FAFSA form, but we do not declare our primary residence as an asset on the FAFSA, the CSS Profile form, which I mentioned earlier that some of the private colleges will ask for that one will ask for the equity in our home. And that will be a portion of the consideration of what they're looking for. Usually, CSS Profile schools are need based they offer a lot of their financial aid in a need based fashion. So they do want to know as much as they can financially about the families so that they can make sure that their aid is awarded equitably. But that is one of the questions they will ask if your school is only a FAFSA school, we don't declare our first home. If you have a second home, however, that one is going to be an asset on the FAFSA form and on CSS Profile.



Terri 48:34

Okay, great. So the last question that we had was does National Honor Society impact my child's financial aid package?



Karen 48:41

It's a good question. So not directly. So National Honor Society is not going to be

something that a school is going to say because your in National Honor Society, you're going to get this necessarily, however, that's one of those things that a college likes to see from a student that's coming into their into their school, you know, it's an indication that our student has done well along, you know, along the way, and has been rewarded for that by being a member of the National Honor Society. It's not a direct correlation, but it's a probably a good indication that that student is is a stronger student coming into that school and might be eligible for more scholarships, it's going to be based on their grades, and it's going to be based on their their test scores. But but likely that student is going to fall more into that category than another student may. National Merit Scholars, it's a little bit different if they take the SATs or the PSAT is in their junior year, they might qualify for scholarship through the National Merit Scholars Program. So, test scores might correlate. That's a great question.



Terri 49:42

Very good. So well, thank you so much, Karen, you have been once again, just a tremendous asset in terms of the information that you're able to share with us today. And I do want to do a plug for Triangle's College Night.



Karen 49:55

Please, come down.



Terri 49:57

Right. And so if you can meet Karen in person that night, it's going to be on Thursday, October 25, from 6:30 to eight, or 8:30, depending on how many questions we have.



Karen 50:09

We're flexible.



Terri 50:14

That's actually going to be at our 33 Franklin Street branch in Nashua. So we're, we're able to get some more information up on our website. Actually, you can even go to our website now and look under the events page, and you can start to register for that. So in terms of questions that they may have directly for you, do you have an email or some information you could share.



Karen 50:37

So the best way to contact our office is to really call us directly. And our number is 2256612 and we're extension 119. So you can give us a ring, we actually take turns answering the telephones and being out doing fun stuff like this, I got the fun job today, and actually meeting with families in our office. So you'll get one of us one of our counselors always answers the phone. So you're always speaking with one of our counselors in the office, and you can schedule appointments by giving us a phone, you know, a phone call, we can do those college prep appointments, we can talk about filing, we can do the FAFSA filing appointments, you can find out when the next you know program is going to be in your area, you can visit our website, which is just NHHEAF.org. It's NHHEAF.org. It's a mouthful, but it's a great website with lots and lots of information. And if you want to contact me directly, the best way actually to catch me is by email I'm in and out and all about. But I do have access to my email and my direct email is KCollins@gsmr.org. Again, another mouthful, but please give us a give us a shout out and you know if we can help in any way we definitely want to do that for you.



Wil 51:58

Awesome, Karen. Thank



Terri 51:58

Awesome.



Karen 51:59

Thank you, that was fun.



Terri 52:01

Thank you for joining us today for Triangle's Making Money Personal Podcast with Terri Connolly



Wil 52:05

And Wil Infante.



Terri 52:07



We appreciate you listening to us and we'll catch you next time.



Wil 52:09

Take care.