

# The Daly Harold

Back to School Edition

September 2014

## Senior To-Do list

### All Year

Work hard all year—second semester grades can affect scholarship eligibility.

Stay involved in after-school activities and seek leadership roles if possible.

### Fall

Meet with your school counselor to make sure you are on track to graduate and fulfill college admission requirements.

If you haven't done so already, register for and take the standardized tests required for college admission.

Check with the colleges you are interested in to see what tests they require.

Apply to the colleges you have chosen. Prepare your applications carefully. Follow the instructions and **PAY CLOSE ATTENTION TO DEADLINES!**

Well before your application deadlines, ask your counselor and teachers to submit required documents (e.g., transcript, letters of recommendation) to the colleges to which you're applying.

### Winter

Encourage your parent(s) to complete income tax forms early. If your parent(s) has (have) not completed tax forms, you may provide estimated information on your federal student aid application, but remember to make any necessary changes later. After January 2nd, College Planners Inc. will prepare your FAFSA.

Complete any last scholarship applications.

### Spring

Visit colleges that have invited you to enroll.

Have College Planners Inc. review and compare the colleges' financial aid offers.

Contact a school's financial aid office if you have questions about the aid that school has offered you. In fact, getting to know your financial aid staff early is a good idea no matter what—they can tell you about deadlines, other aid for which you might wish to apply, and important paperwork you might need to submit.

When you decide which school you want to attend, notify that school of your commitment and submit any required financial deposit. Many schools require this notification and deposit by May 1.

## College Planners Inc. fee increase

Our company, College Planners Inc., has been working hard through the years to deliver high-quality service for the lowest possible price. We know that today it is becoming increasingly hard to make do with every dollar of your hard-earned money.

Although we continually make an effort to give you top-notch service at a low price, we must inform you that substantial increases in office expenses and supply costs have left us with no alternative but to increase our prices. Our new CPI client fee will be \$525 and returning client fee will be \$100.

We are looking forward to your continued patronage despite this increase, and we hope that you see that our service is worth every dollar.

## Don't Lose Aid Because You Miss Deadlines

Some of the colleges will have early deadlines and we don't want to miss them. This means you shouldn't wait to have your taxes completed before filling out the FAFSA. We will use estimated tax numbers for 2014 and then update them at a later date when the final tax returns are completed. FAFSA for the 2015-2016 school year cannot be submitted until after January 1, 2015.

## Illinois MAP Grant

If you have or think you might have an EFC (Expected family contribution) under \$9000 due to special circumstances, it is very important that you have your FAFSA form filed prior to March 1<sup>st</sup>.

As of the middle of March 2014, the Illinois government was turning away students who had a qualifying EFC due to the fact that they had already run out of money.

Make sure you have all requested information to College Planners Inc. as early as possible.

**Federal Loans**

Here is a table of the loan interest rates disbursed between July 1, 2014 and June 30, 2015. Keep in mind that the rate is fixed for the life of their loan. In each subsequent year, a new loan rate will be published for that specific academic year. **The following table provides interest rates for each type of federal student loan.**

<b>Loan Interest Rates by Disbursement Dates</b>	
<b>Loan Type</b>	<b>First Disbursed between July 1, 2014 and June 30, 2015</b>
<b>Direct Subsidized Loans (Undergraduate Students)</b>	<b>Fixed at 4.66%</b>
<b>Direct Unsubsidized Loans (Undergraduate Students)</b>	<b>Fixed at 4.66%</b>
<b>Direct Unsubsidized Loans (Graduate or Professional Students)</b>	<b>Fixed at 6.21%</b>
<b>Direct PLUS Loans (Parents and Graduate or Professional Students)</b>	<b>Fixed at 7.21%</b>
<b>Perkins Loans (Undergraduate and Graduate or Professional Students)</b>	<b>Fixed at 5%</b>

**Note: The interest rates for federal student loans are determined by federal law. If there are future changes to federal law that affect federal student loan interest rates, we will update this page to reflect those changes.**

**How Much Can You Really Afford to Pay for College?**

The EFC or Expected Family Contribution is the amount the government feels a family can afford for college. In most cases whatever expenses are not met by financial aid can be borrowed via a PLUS loan which is in the parent's name. A PLUS loan can be repaid in two different ways. The first would allow payments to begin 90 days after disbursement and the second, in cases of hardship, would allow parents to put off payments until after the student graduates college. A PLUS loan is not necessarily a good thing. While it has a fair interest rate and is sometimes tax deductible, parents have to be aware of assuming too much debt. Many of you have heard us say that you will not be doing your child any favors by impoverishing yourself to send him/her to college and then be unable to meet your own needs during retirement.

You need to be realistic about what you can afford. We will help you set a limit on what you should pay for college.

**And how do you pay for your share?**

1. From current cash flow. Yes, this may require a reduced spending plan. (Budget)
2. From savings. Hopefully, you will NOT use ANY of your retirement monies, although you may have to reduce your retirement contributions for a while.
3. From debt. Hopefully, you will not have any additional debt, but it is ok for the student to have debt, within reason.

Our comprehensive service includes helping you determine how the parents and the students will pay the cost of college that is not met by financial aid.

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