

# Paying the Tuition Bill

# Today's Webinar

### **Reducing Background Noise**

We've muted all attendees to help with audio quality.

### Using the "Questions" Feature

Submit questions at any point. Let's test it!

### **Presentation & Recording**

This presentation is being recorded and will be posted on our YouTube channel to re-watch.

### **Post-Workshop Survey**

Take our post-workshop survey and let us know how we did.

# Meet the Host

# Jen Fries, CCUFC Community Engagement Manager



# Not-For-Profit Banking at Harvard FCU



### **Community Focused**

Harvard FCU exclusively serves the Harvard community and all Harvard affiliates. Once a member, always a member, even if you leave your job. When you join membership extends to all family members.



Free access to ATMs nationwide. Credit cards with cash back rewards. Home loans for purchases and refinancing, student loans and refinancing options, auto loans and more.





### **Products & Services**

### Access Anywhere

Convenient locations and Online Banking. Mobile Banking and Digital Wallet ready. Access to the nationwide CO-OP Shared Branching Network.

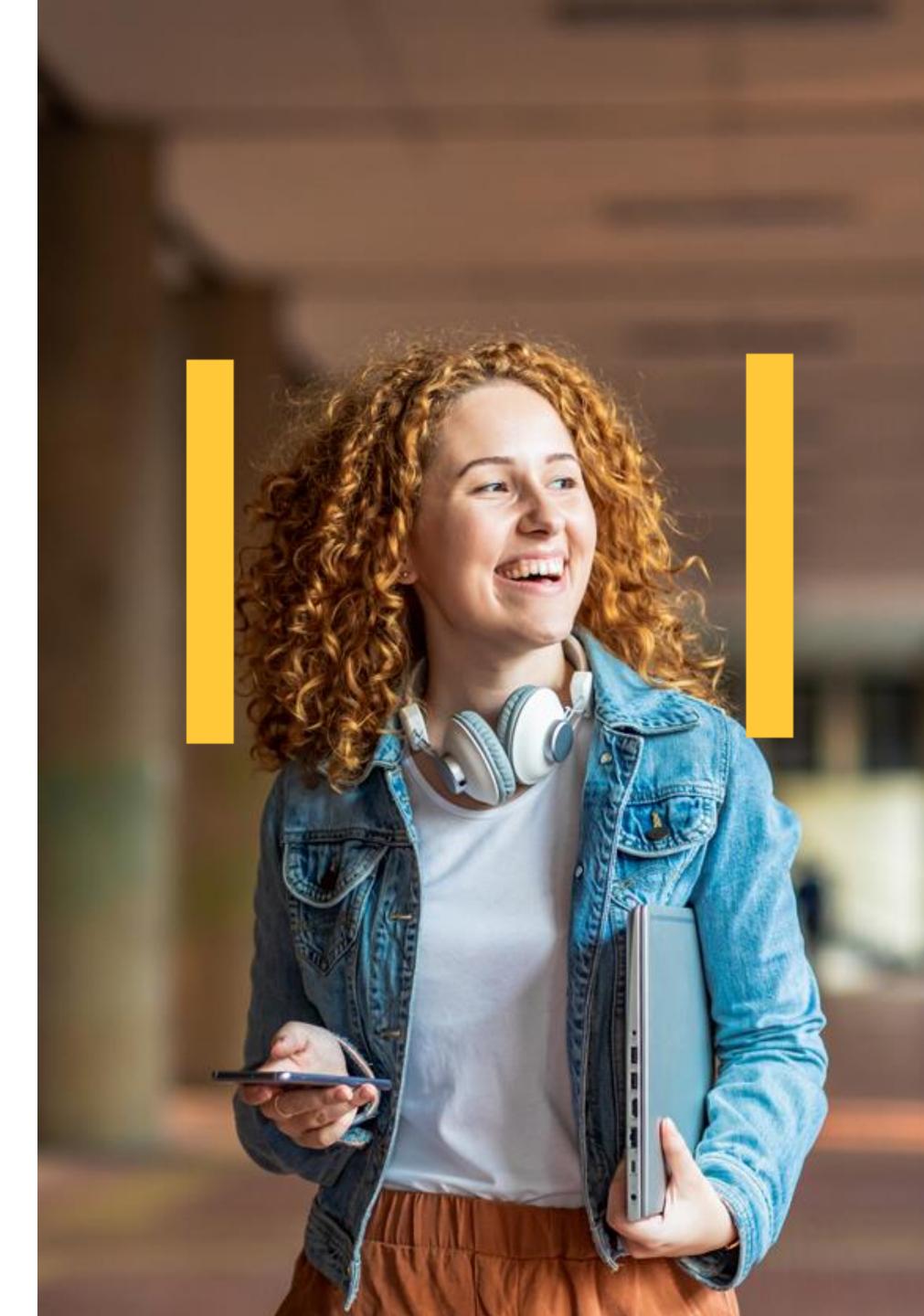
# Who is Paying the **Tuition Bill?**





Vhat is the True Cost?				
True cost accounting	Institution			
<b>Billed Costs</b> Tuition, Room & Board, Commuter Meal Plan, Parking Pass, Health Insurance, Fees, etc.	\$50,000			
<b>Financial Aid*</b> Institutional Grants/Scholarships Private Scholarships Federal Student Loans (\$5,500 before fees)	- \$18,000 - \$1,500 - \$5,442			
Tuition Bill	\$25,058			
<b>Estimated Cost for 4 Years</b>	\$100,232			

\*Federal Work-Study does not get applied to tuition bill.



# Most Colleges Bill Per Semester

### FALL SEMESTER

Due in the summer

(July/August)

### **SPRING SEMESTER**

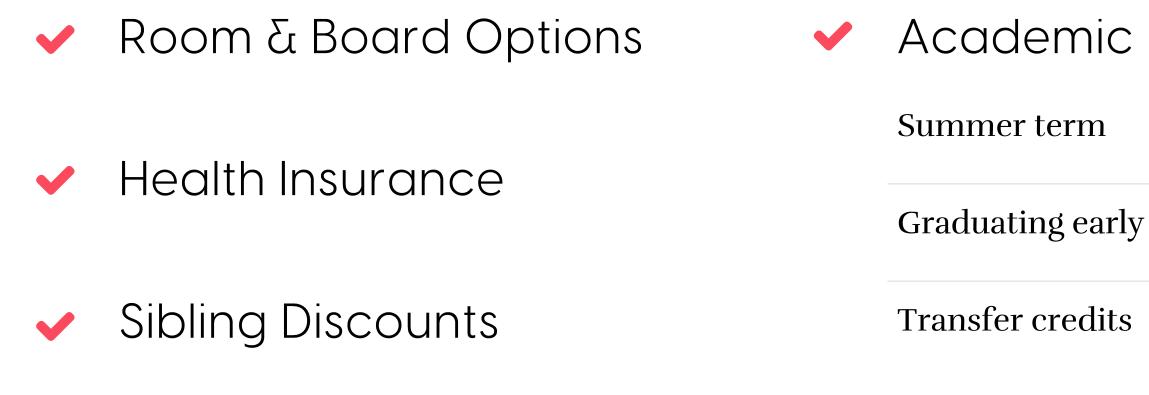
Due in winter (November/December)







# **Reducing Costs**





### Academic Planning

#### Student Scholarships

Resident Advisor Scholarships

Scholarships for returning students

# **Harvard Federal Credit Union** Scholarship

HarvardFCU.ORG/SCHOLARSHIP







Scholarship Program

Home » Meet Harvard FCU » Scholarship Program

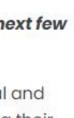
#### Thank you for your interest in our Harvard FCU Academic

#### Scholarship!

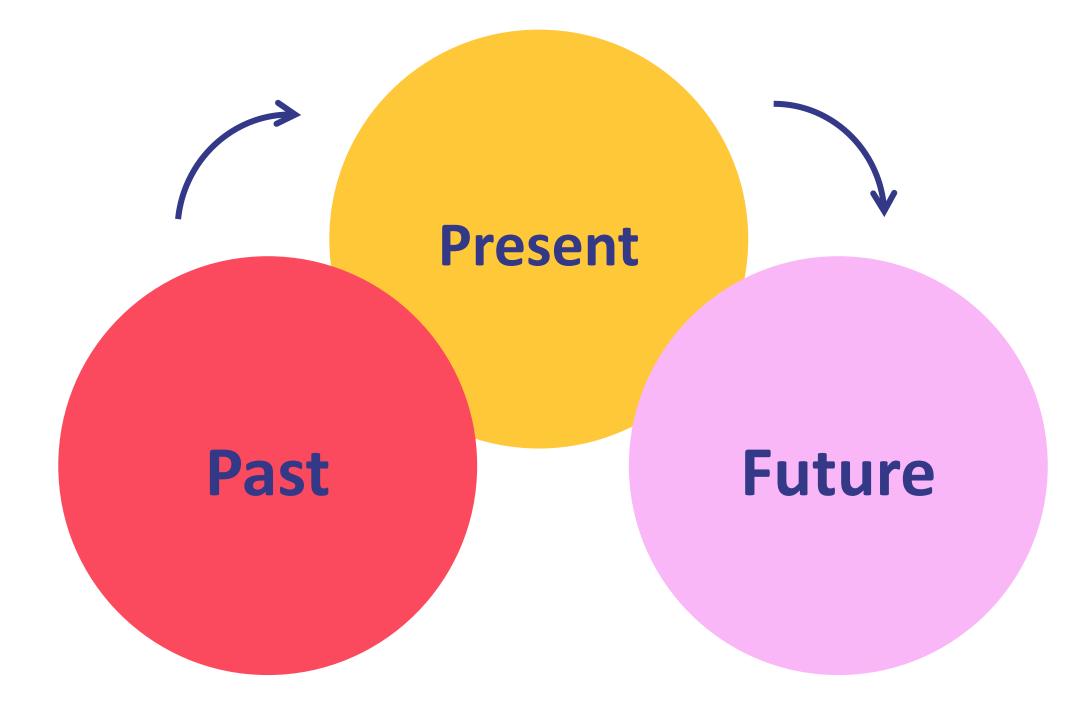
The 2024 - 2025 High School Scholarship is now closed. Winners will be notified in next few weeks.

At Harvard FCU, we're committed to helping high school students reach their financial and academic goals. That's why we award ten (10) \$1,500 scholarships to students starting their first year of college.





# Sources of Tuition Payment





# Past Income: Savings

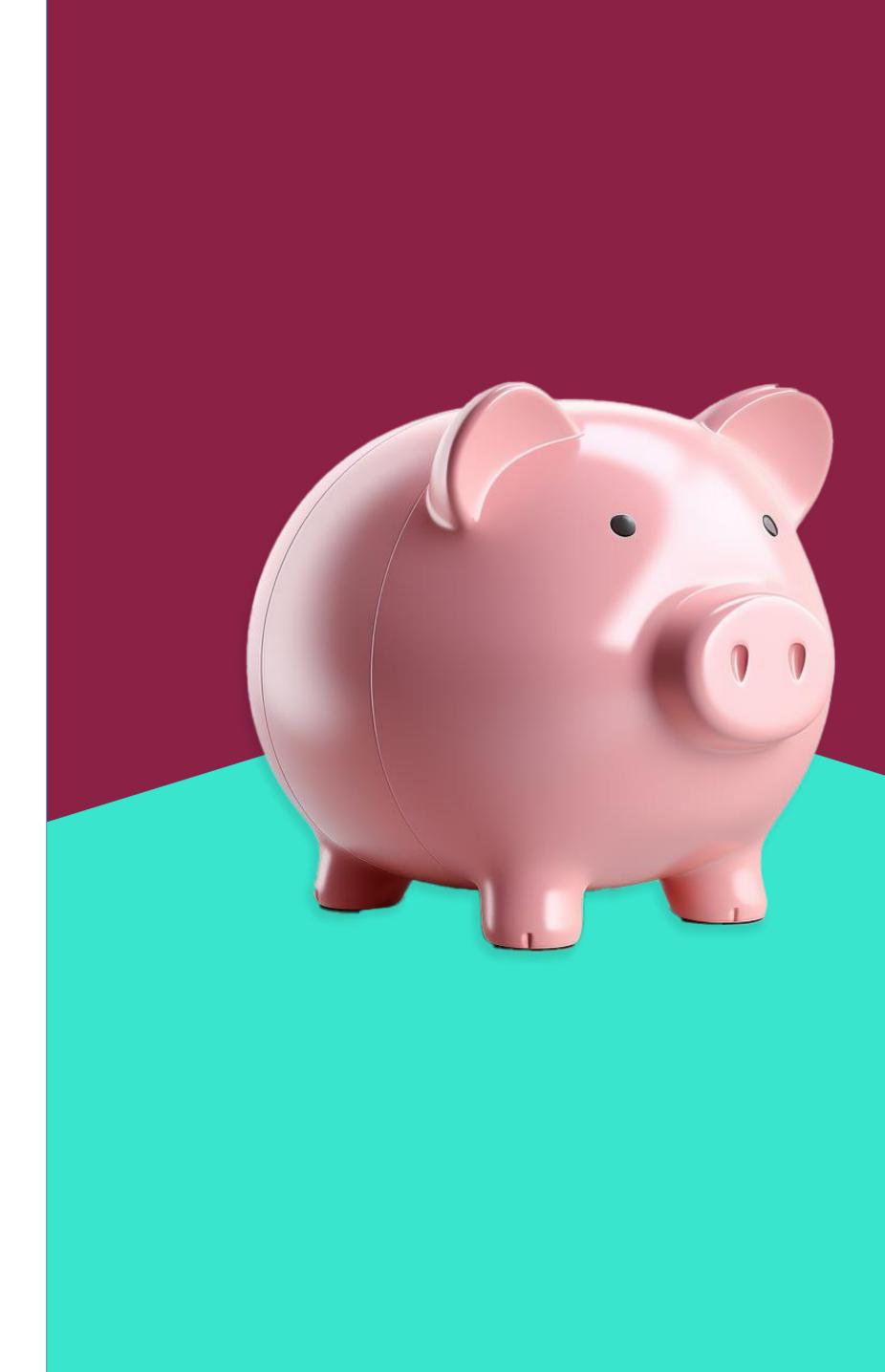
Your past income savings include your college savings plans and your personal savings accounts.

### **CONVERSATIONS TO HAVE**

Use all funds for first year OR all years?

How/when do you need to withdrawal funds?

What about other children?



# Present Income: Current Cash

Your present income includes lump sum payments and payment plans.

### **NEXT STEP**

Review college website to see if payment plans are offered.







# Future income



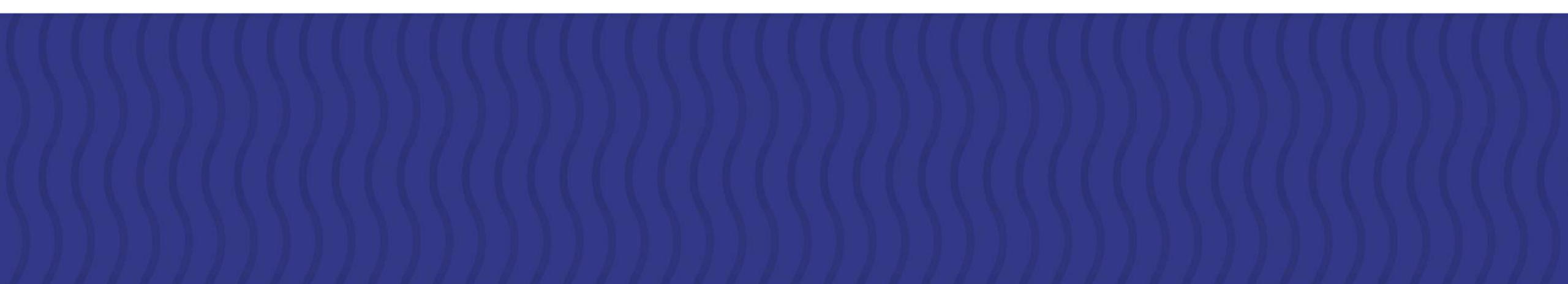


#### Federal Student Loans $\checkmark$

Direct Subsidized & Unsubsidized

PLUS

Tend to offer more repayment, forgiveness, and deferment option





Student Loans

Parent/Family Loans

Tend to offer lower rates and more loan programs

# **Federal Direct Subsidized and** Unsubsidized Loans

### **Formerly Stafford Loans**

The student is the borrower, no credit check required

Subsidized loans are only available to undergraduates

Deferred while enrolled at least half-time

6 Month grace period

### 1.057% Loan fee for loans disbursed after 10/1/21 and before 10/1/25



### **Projected Fixed Rate for 2025-26**

6.39% Undergraduate

7.94% Graduate



# Federal Direct Subsidized and Unsubsidized Loans

UNDERGRADUATE STUDENTS	DEPENDENT	INDEPENDENT STUDENTS	MAXIUMUM SUBSIDIZED
FIRST YEAR	\$5,500	\$9,500	\$3,500
SECOND YEAR	\$6,500	\$10,500	\$4,500
THIRD YEAR & BEYOND	\$7,500	\$12,500	\$5,500
AGGREGATE LIMIT	\$31,000	\$57,500	\$23,00



# Federal PLUS & Graduate PLUS Loan

	PLUS	<b>GRADUATE PLUS</b>	
BORROWER	<b>Parent</b> (student must complete FAFSA)	Student	
<b>GRACE PERIOD</b>	None, but can request deferment 6 months		
2025-2026 PROJECTED INTEREST RATE	8.94%		
LOAN FEE	4.228%		
CREDIT CHECK	Required		

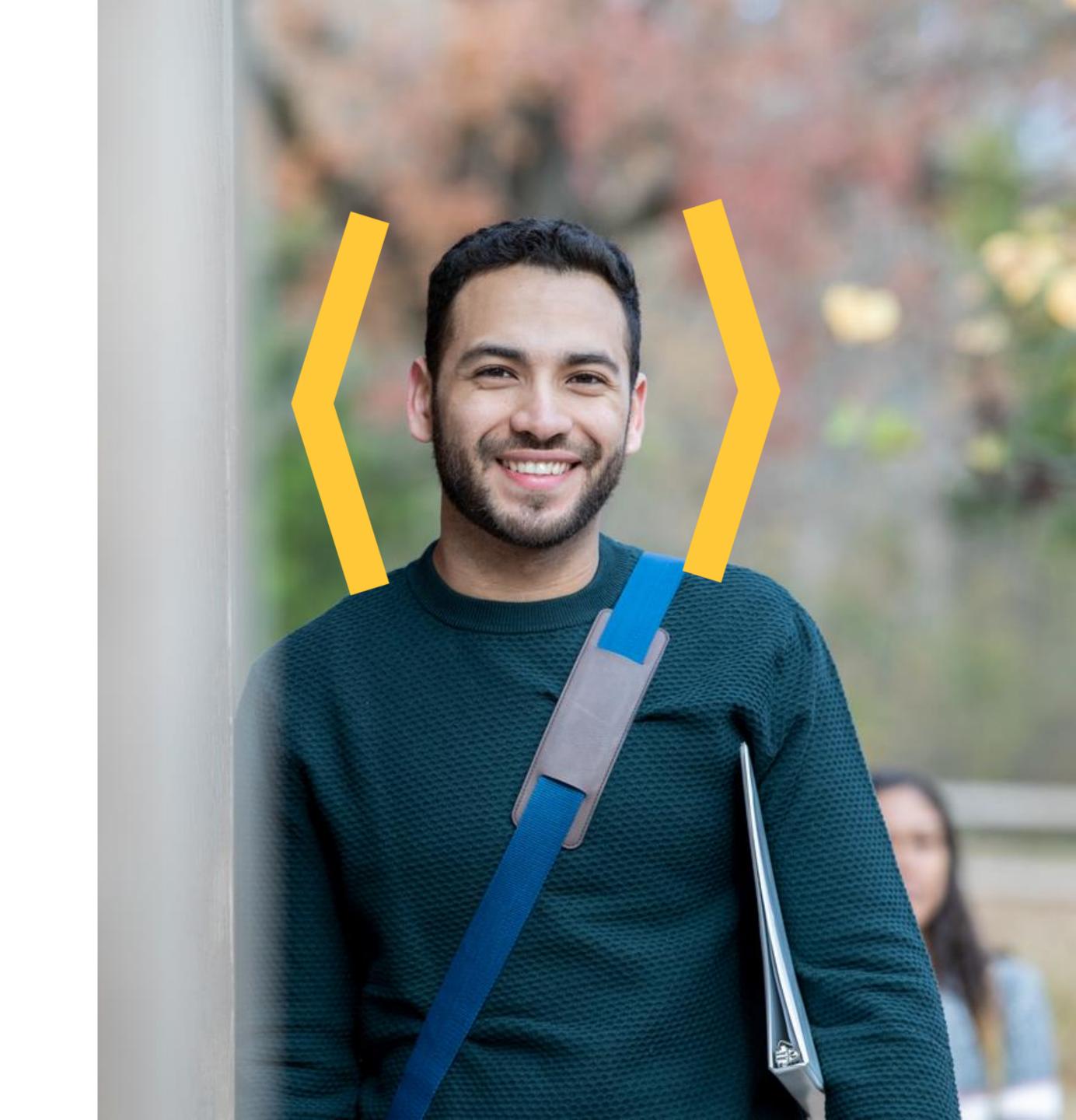
# Your Options

### If you are denied Federal Parent Plus....

Appeal to the Department of Education

2 Co-signer Apply with an endorser (co-signer)

With either option, must complete 20-30 minute online PLUS Credit Counseling.





# Know The Details



### AMOUNTS

RATES



TERMS

More information on Federal Loans:

STUDENTAID.GOV

#### ø

#### Manage Loans

Navigate the student loan repayment process with confidence: make payments, change repayment plans, explore options, and get help.

View My Account

#### Understanding Student Loan Repayment

Learn about federal student loan repayment based on where you are in the process.

### Ba

#### I'm Starting School or In School

I'm in the process of earning a degree or certificate.

Complete Entrance

<u>Counseling</u> <u>Financial Awareness</u> <u>Counseling</u> <u>Avoid TEACH Grant</u> <u>Conversion to Loan</u> <u>Estimate Your Payments</u>

Manage Your Account



#### I'm About to Graduate or Leave College

I'm completing my program or taking a break from school.

Complete Exit Counseling Start Making Loan Payments Update Your Contact Info

### \$

#### I Just Graduated or Left School

I'm in my grace period and preparing to repay my loan.

<u>Find Your Loan Servicer</u> <u>Understand Grace Period</u> <u>Estimate Your Payments</u> <u>Choose a Repayment Plan</u> <u>Start Making Loan Payments</u>



# **Private Student Loans**



### Lender Options

Borrowed through bank, credit union, private company.

### Terms Vary Based On Lender

You can shop around for interest rates. Grace periods may differ from lender to lender as well as repayment terms.



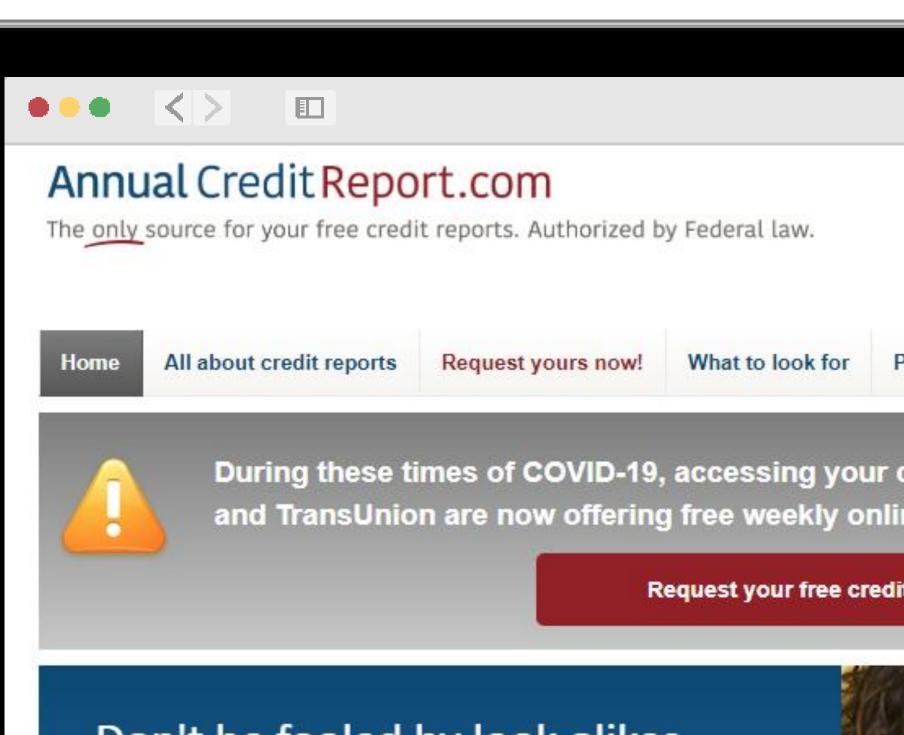
### **Potential Benefits**

Co-signer release options. Interest Rate reduction with auto-pay.

# **Free Credit Report**

Receive a free weekly copy of report from each of 3 bureaus.

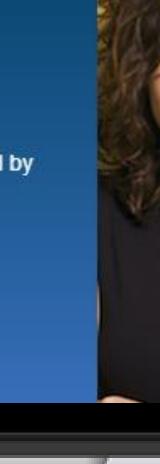
## **ANNUALCREDITREPORT.COM**



### Don't be fooled by look-alikes.

Lots of sites promise credit reports for free. AnnualCreditReport.com is the only official site explicitly directed by Federal law to provide them.

About AnnualCreditReport.com



# See your financial future.

With Savvy Money, you'll get:

- Daily updates
- Real-time alerts
- Personalized tips
- Special offers to help your credit

All with no impact to your credit score!

Get started in Online Banking.







Non-Educational Loan Options

### **ITEMS TO CONSIDER**

What would be tax implications?

What are the fees?

What if you need funds for an emergency?

What is impact on your retirement age?

# Loan Factors to Consider

Amount (COA-Aid=Need)

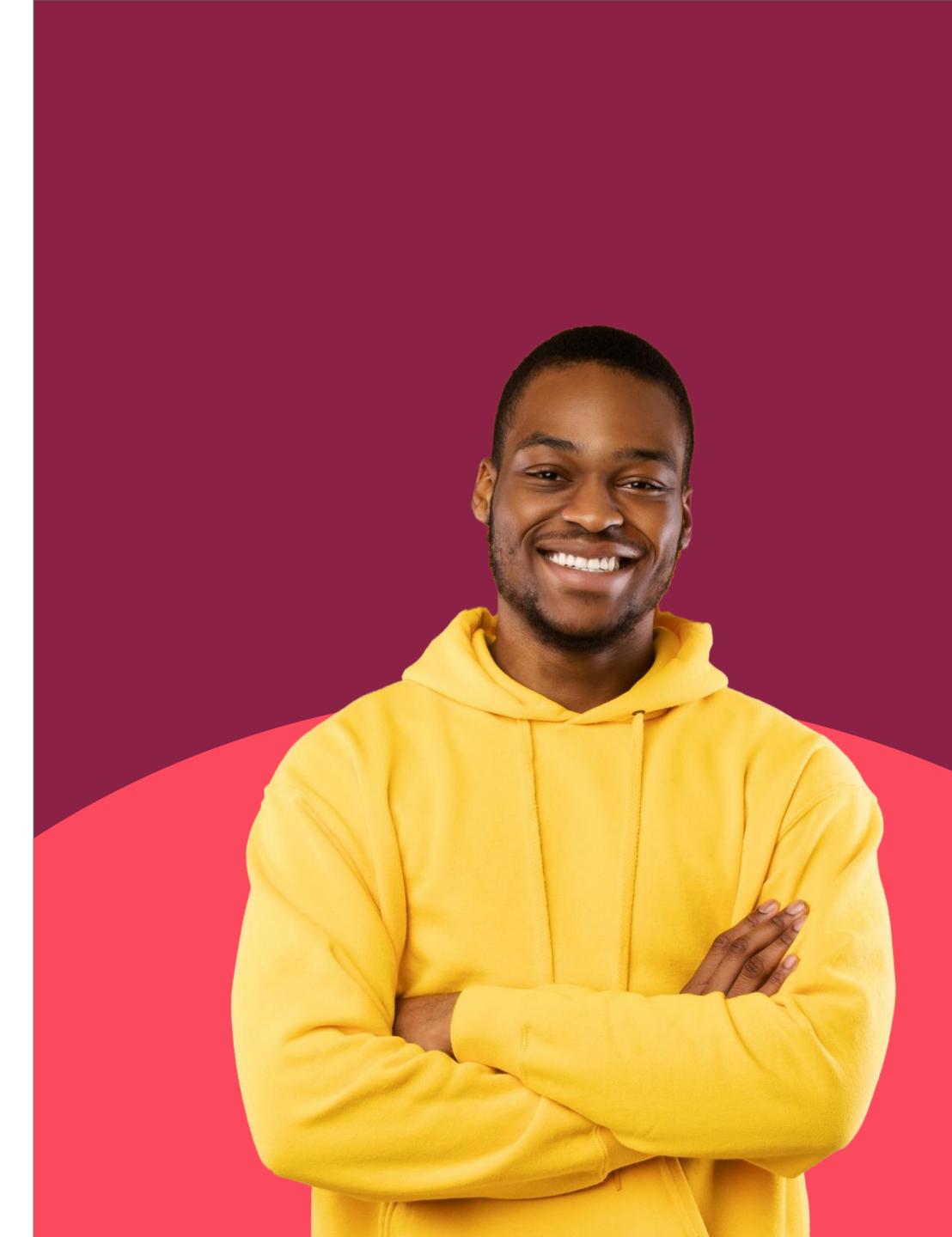
Fees

Type of Interest Rate

Borrower

#### **Pre-payment Penalties**

\*Some lenders offer interest rate discounts for automatic loan payments and co-signer release option



# Loan Timeline

### **Educational Loans**

Student/family applies for loan (annual or semester loan).

Once approved, student completes additional documents.

Institution is notified of approval and amount.

Funds are disbursed at a later date (set by school or lender).

### **Non-educational Loans**

Typically, funds are, sent to borrower *not* the school.



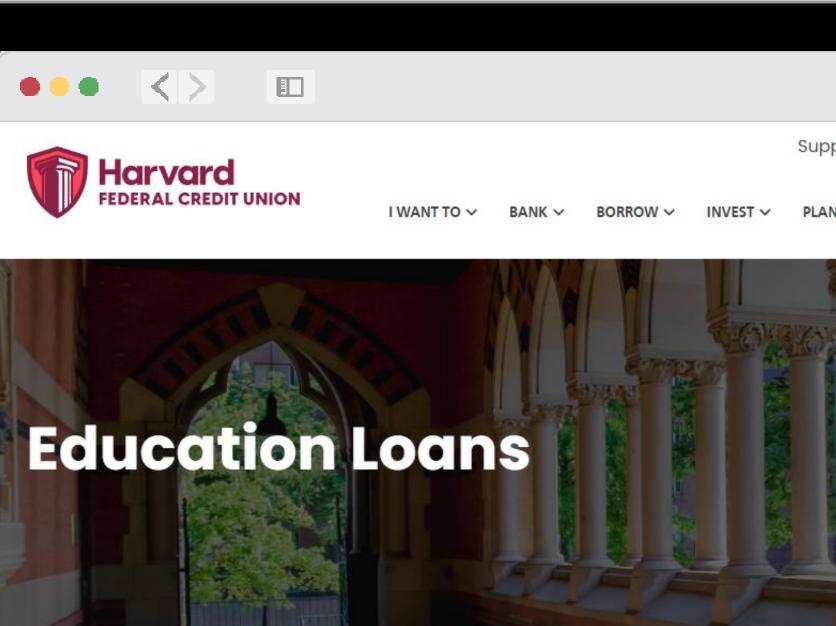
# Harvard FCU **Education Loans**

HarvardFCU.ORG/EDUCATION-LOANS





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Home » Education Loans

#### **Finance your education**

Applying to college or post-grad comes with a lot of preparation. With an education loan, we'll he right for you - so you can spend more time focusing on classes!





# **BILH Tuition Reimbursement**

### Through Sentinel Tuition Assistance Programs

sentinelgroup.com/BILH-Benefits



Beth Israel Lahey Health has partnered with Sentinel Group for the management of your Flexible Spending Account (FSA), Tuition Assistance, and Direct Billing & COBRA programs.

We look forward to serving you! Please contact us with any questions at (888) 762-6088!

# IRS Publication 970 IRS.GOV

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Department of the Treasury Internal Revenue Service

Publication 970 Cat. No. 25221V

### Tax Benefits for Education

For use in preparing 2022 Returns



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# GreenPath

GreenPath Financial Wellness offers free credit, debt, budget, housing, and federal student loan counseling.

HarvardFCU.ORG/GREENPATH





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# **GreenPath Financial Wellness**

Home » THRIVE » GreenPath Financial Wellness

#### **Expert Financial Counseling**

As a benefit of Credit Union membership, you have access to the GreenPath Financial Wellness Program.

A caring GreenPath expert will take time to understand your financial situation and develop a personalized plan that works for you.

To speak with a GreenPath Financial Counselor, call 877-337-3399. Help is available in more





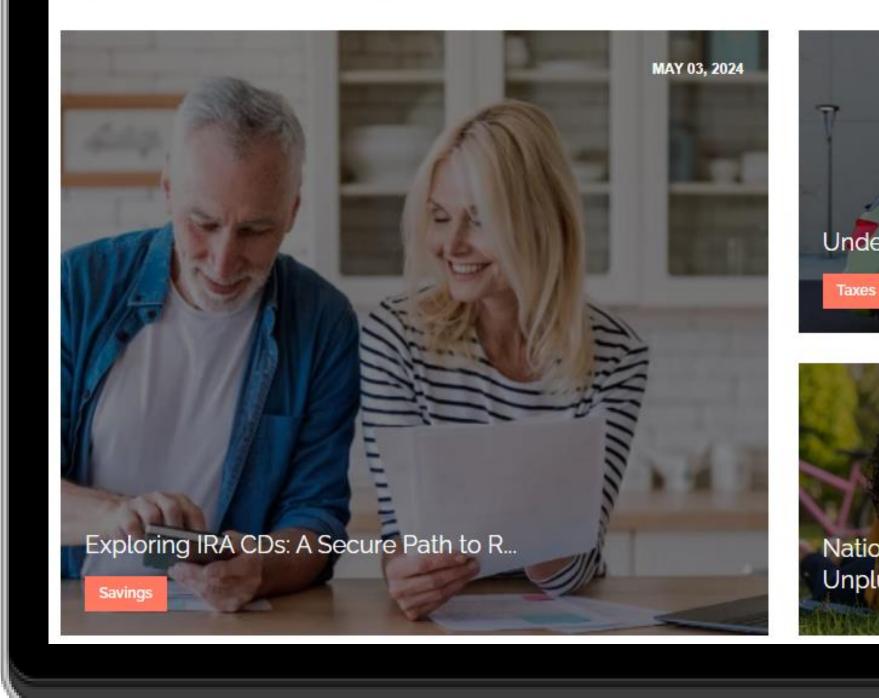
# We Blog

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#### Financial Wellness Blog





# Survey Says!?

### Let us know how you liked this webinar.

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**Workshop Survey** 

Home » Workshops » Workshop Survey

#### Thank you for attending an Harvard FCU workshop.

Please click the button below to take a brief five question survey about your workshop experience. You we can better support you and improve the financial wellness of the communities we serve.

Give us Feedback! >



# Disclaimer

- This presentation is a general overview of principles you may want to consider. Only you
  - can decide what is best for you. This presentation is educational in nature and is not
  - intended to be, and should not be construed as tax, legal or investment advice. You
  - should always consult a certified advisor for advice on your specific situation. The
    - examples used in this presentation are for illustrative purposes only.



# New Branch Coming Soon!

# Check out our new location at One Brigham Circle, opening this summer.

1620 Tremont St, Boston, MA 02120

harvardfcu.org

# Let's keep in touch!

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- connect@harvard.edu



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