

MEFA's After the Acceptance Program

Helping families understand affordability



mefa
Massachusetts Educational
Financing Authority

After the Acceptance Program

- > MEFA is the not for profit Massachusetts authority that has worked with families for 30 years to save, plan and pay for college
- > Provide an extensive educational outreach program to families on early college planning, college admission and college financing
- > Have assisted tens of thousands of families to create a pathway to a college education

Development of the ATA Program

- > MEFA's public outreach supports a bridge program from College Financing to College Acceptance
- > Began as a pilot in 2009 with 4 regional locations
- > Expanded to 30 sites in 2011 reaching approximately 2,000 families

How Families Pay For College

Paying for college isn't one size fits all.

Past Income	Present Income	Financial Aid	Future Income
<ul style="list-style-type: none">- Savings- College Savings Plan- Brokerage Accounts- CDs- ESAs- Other	<ul style="list-style-type: none">- Salary- Payment Plans- Gifts- Other	<ul style="list-style-type: none">- Grants- Loans- Work-Study- Tax Benefits- Other	<ul style="list-style-type: none">- Loans- Home Equity- Education- Other

Create a combination strategy that meets your needs. MEFA can help.

How Families Pay For College


		Favorite College
Balance Due		\$26,150
Past Income	<i>Student Savings</i>	-\$2,000
	<i>Parent Savings</i>	-\$6,000
Present Income	<i>Student Contribution to Payment Plan</i>	-\$2,000
	<i>Parent Contribution to Payment Plan</i>	-\$6,000
Future Income	<i>Education Loan</i>	<u>-\$10,150</u>
		\$0

Wise Borrowing

- > Borrow only what you need, use monthly payment option to minimize borrowing
- > Know your credit history
- > Think in terms of total enrollment
- > Find the best options to meet your family's needs:
 - > Fixed rates or variable rates
 - > Repayment timeline
 - > Primary Borrower

Tools: MEFA's Monthly Payment Calculator

- Visit www.mefa.org/ata to access the Monthly Payment Calculator
- Print your plan and call MEFA at 800.449.6332 to discuss.



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MEFA Monthly Payment Calculator


MEFA's Monthly Payment Calculator helps you estimate your monthly loan payment and explore a combination plan to minimize the amount you borrow and repay with interest. Keep in mind that other factors including any college savings, the total cost of attendance, and your personal financial situation may impact affordability. To use our calculator, first enter your data to compare MEFA Loan options. Then find out how you can combine a MEFA Loan with an interest-free monthly payment plan offered through many colleges for a fixed monthly payment that may lower the amount you borrow.

Enter Your Data

Calculate Loan Options

Explore Combination Strategies

Comparison Summary

 [Download Your Report](#)

Calculate Loan Options

Included below are your estimated MEFA Loan Repayment Options for a \$26,150 loan.

MEFA Loan, Immediate Repayment	MEFA Loan, Interest Only Repayment	MEFA Loan, Deferred Repayment	MEFA Student Alternative Loan
<p>Monthly Loan Payment: \$246.70 In-school period for 48 months</p> <hr/> <p>Monthly Loan Payment: \$258.77 After-school period for 132 months</p> <p>Interest Rate: 6.89% In-school period for 48 months</p> <p>Interest Rate: 7.89% After-school period for 132 months</p> <p>APR: 8.00% - 8.36% Details</p> <p>Loan Term (months): 180</p> <p>Total Cost of Loan: \$45,999.24</p> <p>Click Here for Additional Details</p> <p style="text-align: center;">Apply Now</p>	<p>Monthly Loan Payment: \$165.69 In-school period for 48 months</p> <hr/> <p>Monthly Loan Payment: \$318.51 After-school period for 132 months</p> <p>Interest Rate: 7.19% In-school period for 48 months</p> <p>Interest Rate: 8.19% After-school period for 132 months</p> <p>APR: 8.25% - 8.64% Details</p> <p>Loan Term (months): 180</p> <p>Total Cost of Loan: \$49,996.44</p> <p>Click Here for Additional Details</p> <p style="text-align: center;">Apply Now</p>	<p>Monthly Loan Payment: \$0.00 In-school period for 48 months</p> <hr/> <p>Monthly Loan Payment: \$405.49 After-school period for 132 months</p> <p>Interest Rate: 7.69% In-school period for 48 months</p> <p>Interest Rate: 7.69% After-school period for 132 months</p> <p>APR: 7.60% - 8.27% Details</p> <p>Loan Term (months): 180</p> <p>Total Cost of Loan: \$53,524.68</p> <p>Click Here for Additional Details</p> <p style="text-align: center;">Apply Now</p>	<p>Monthly Loan Payment: \$0.00 In-school period for 48 months</p> <hr/> <p>Monthly Loan Payment: \$425.08 After-school period for 132 months</p> <p>Interest Rate: 8.29% In-school period for 48 months</p> <p>Interest Rate: 8.29% After-school period for 132 months</p> <p>APR: 8.12% - 8.88% Details</p> <p>Loan Term (months): 180</p> <p>Total Cost of Loan: \$56,110.56</p> <p>Click Here for Additional Details</p> <p style="text-align: center;">Apply Now</p>

Want to finance a different amount? [Change Your Data](#)

MEFA recommends considering an interest-free monthly payment plan, offered through many colleges, to reduce your overall costs: [Explore Combination Strategies](#)

Visit www.mefa.org/ata for tips on how to be a wise borrower.

- > Other education loans types:
 - > Variable rates - most do not have interest rate cap
 - > Students may be required to have a co-borrower
 - > Credit-based
 - > Borrower may have to make interest payments during enrollment
- > Home equity loans
- > Credit cards

Ask an Expert

- > MEFA Counselor emails to help families stay on track
- > One-on-one counseling and customer service support
 - > By web: www.mefa.org/ata
 - > Frequently Asked Questions, E-book
 - > By phone: 1.800.449.MEFA(6332)
 - > By email: info@mefa.org
 - > By appointment

2011 ATA Enhancements

- > Added additional sites to accommodate requests from high schools
- > Added new on line tools: college cost comparison tool, E-book, monthly payment calculator
- > Shortened the program to provide more one on one counseling and Q &A

Why Reinvent the Wheel?

Bentley's Adoption of ATA concepts

- Our sticker price makes affordability a delicate subject
- Families appreciate candor and full disclosure
- Be a resource for families

Cost of Attendance Confusion

- Understand the difference between direct and indirect
- Direct Costs (billed)-usually no control
 - Tuition and fees
 - Room and board
 - Health insurance
- Indirect Costs (out-of-pocket)-control
 - Books and supplies
 - Personal and travel

Other Important Aspects of the Affordability Discussion

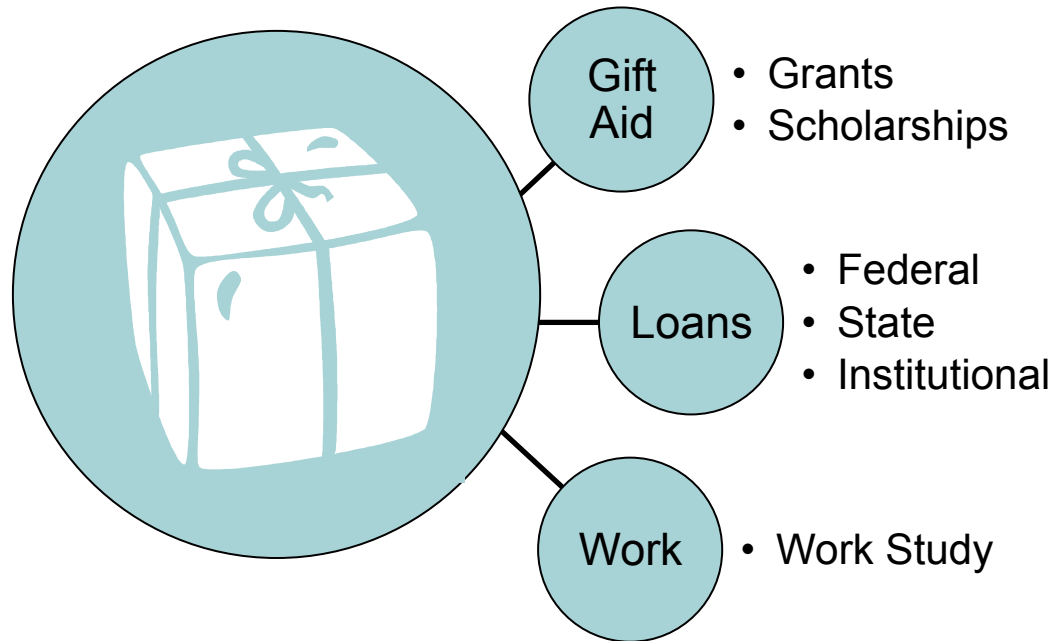
- Many factors influence college choice—insure that families are considering more than just the cost and the financial aid package
 - Graduation rates
 - Placement rates (ROI)
 - Average debt at graduation
 - Default Rates

How Will the NPC Add to the Affordability Conversation?

- “Kitchen table” conversations can happen earlier
 - Can alter the decision to go to college
 - More informed choices on where to apply
 - Sort out colleges a family can’t afford
 - Identifies options that may have been dismissed
- Provides consistent cost of attendance information that families sometimes have difficulty finding

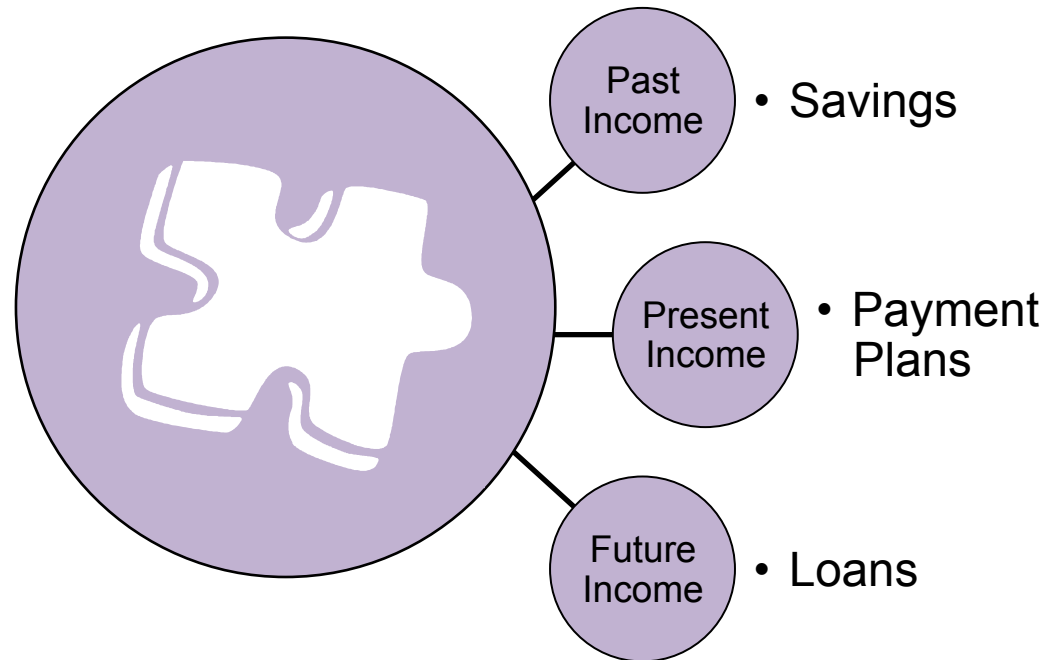
How Will the NPC Add to the Affordability Conversation?

- Confusion will still exist around definition of “net price” (gift aid vs. loan vs. work)

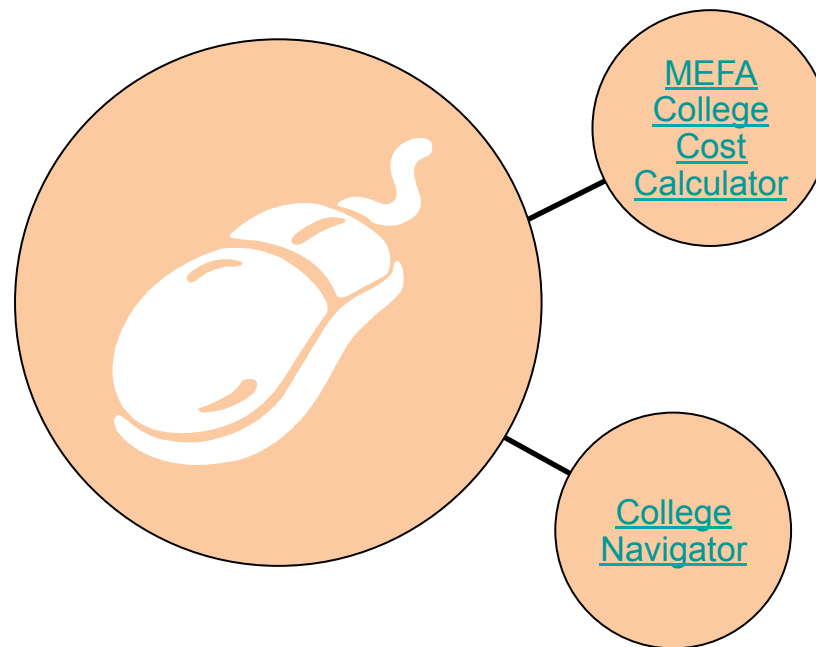


How Will the Net Price Calculator Add to the Affordability Conversation?

- Confusion will still exist around how to put together the pieces to a comprehensive plan to paying for college



Comparison Tools to Understand Affordability



Other Strategies

- Outside Scholarships
- Addressing changes in family circumstances
- What to expect in future years—four year plan

What Are *Your* Most Effective Strategies for Communicating Affordability?
