



Boston University Financial Assistance

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BOSTON
UNIVERSITY

2016 / 2017

FOUR STEPS

TO MANAGING THE COST OF YOUR EDUCATION

Boston University Financial Assistance



STEP 1: HOW MUCH WILL IT COST?

For students living in Boston University housing* or in off-campus apartments, total expenses are estimated at \$68,060.

2016/2017 Total Educational Expenses

Tuition and Fees**	Resident \$50,240
Other Expenses	
Room and Board (<i>most plans</i>)	14,870
Books and Supplies (<i>estimated</i>)	1,000
Incidentals (<i>estimated</i>)	1,950
Total Educational Expenses	<u>\$68,060</u>

*Freshmen are required to live in University housing.

**University tuition and fees are subject to change.

STEP 2: THE MONTHLY PAYMENT PLAN

Always consider the **Tuition Payment Plan** to budget all or part of your charged expenses monthly.

- Reduces the need for parents and students to borrow.
- Five monthly payments per semester.
- No interest charges; the Tuition Payment Plan is not a loan.
- Manage your cash flow by making set monthly payments.
- Payments begin in May for enrollments starting in September.
- Contact Tuition Payment Plan for 2016/2017 fee information.

Learn more about the Tuition Payment Plan at bu.edu/studentaccountingservices/your-bill/payment-plans or call them at 888-844-4754.

STEP 3: HOW MUCH CREDIT-BASED LOAN WILL YOU AND YOUR FAMILY NEED?

From your Total Educational Expenses (Step 1) subtract your Enrollment Deposit (\$650) and amounts you expect to pay from:

- Scholarships, Grants, Student Loans (exclude Federal Work-Study)
- Student and Parent Savings
- The amount you expect to pay through the Tuition Payment Plan

Estimated Credit-Based Loan

Amount Needed to Cover Costs \$ _____

HOW DO FAMILIES PAY FOR COLLEGE?

- Scholarships, Grants, Student Loans
- Tuition Payment Plan (Current Income)
- Savings (Past Income)
- Credit-Based Loans (Future Income)

Repaying loans taken for major purchases, such as education expenses, may extend over 10-20 years.

TWO CONCERNS ARISE WHEN FAMILIES CONSIDER TAKING A CREDIT-BASED LOAN TO PAY FOR COLLEGE.

1. How to get a loan that offers **affordable** monthly payments
2. How to **minimize** the amount they need to borrow and the total cost of borrowing



WHAT ABOUT USING A HOME EQUITY LOAN?

Many families utilize home equity loans to pay for college expenses.

- They often have attractive interest rates and repayment options.
- Carefully investigate any fees and risks that may be associated with using the equity in your home to secure a loan.

WHY CONSIDER A FEDERAL STAFFORD LOAN?

- Income-driven repayment options
- No interest payments while enrolled (subsidized borrowers)
- No credit check
- No co-borrower
- Loan forgiveness, in some cases

Learn more at studentaid.ed.gov/types/loans/federal-vs-private.

HAVE YOU FILED THE 2016/2017 FAFSA?

You must file the FAFSA (Free Application for Federal Student Aid) to get a

- Federal Stafford Loan
- Federal PLUS Loan

To complete your FAFSA, go to bu.edu/finaid/apply.

 bu.edu/finaid

- Your primary resource for payment strategy information
- Use our calculators and interactive tools to evaluate your payment and borrowing options

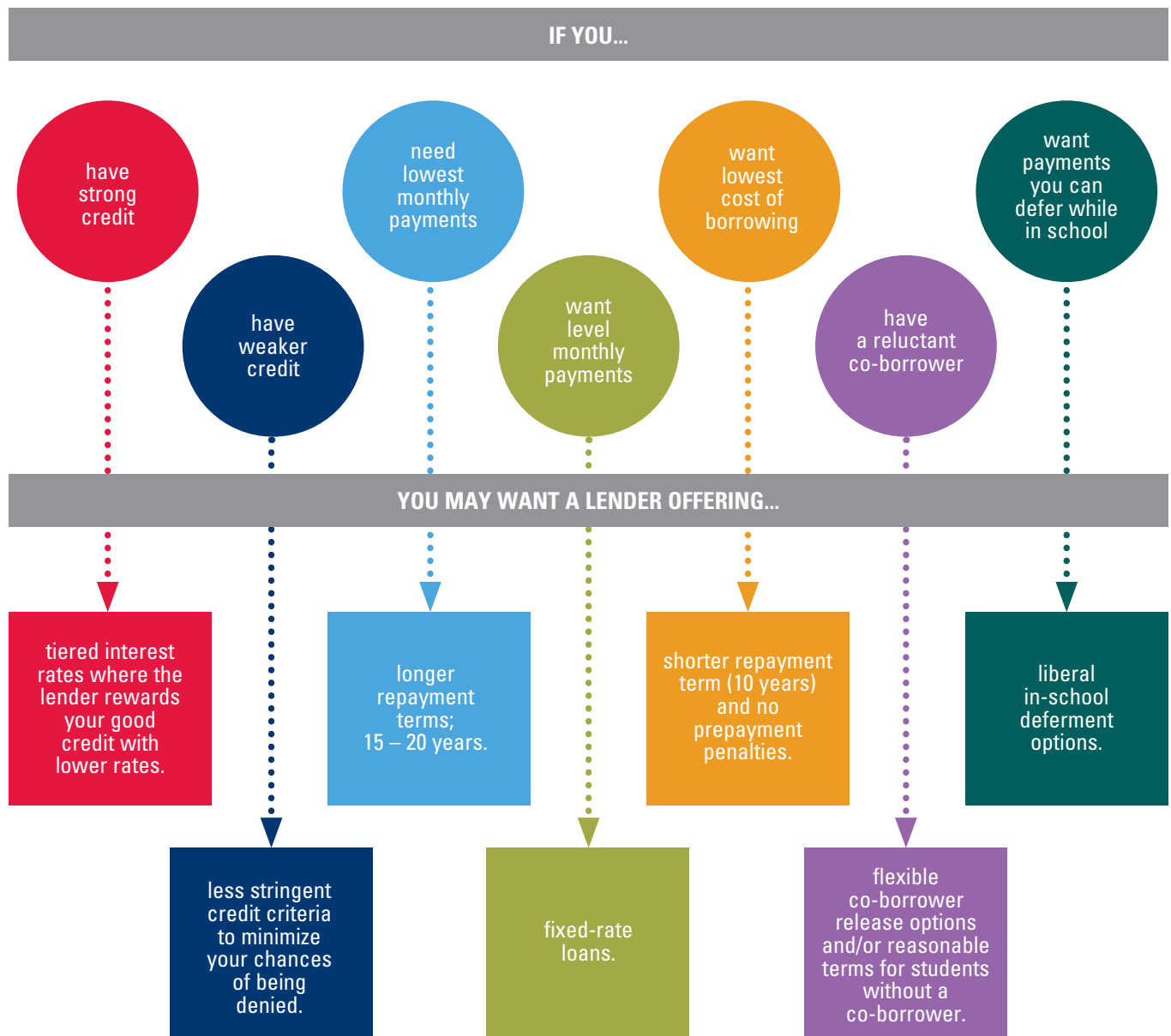
STEP 4: HOW TO SELECT A CREDIT-BASED LOAN

Only you and your family can decide which loan program is best for you. At bu.edu/financial-aid/types-of-aid/loans/credit-based-loans/undergraduate we list detailed information on several loan programs, but our list is not exhaustive. You are welcome to select other credit-based loans that are not listed there.

It is best to submit your loan application approximately 60 days prior to the semester payment deadline, which for the fall semester is early August. Also, be sure to utilize your Federal Stafford Loan eligibility before taking a credit-based loan.

WHICH CREDIT-BASED LOAN IS BEST FOR YOU?

IT DEPENDS ON YOUR CIRCUMSTANCES AND ON YOUR PRIORITIES.

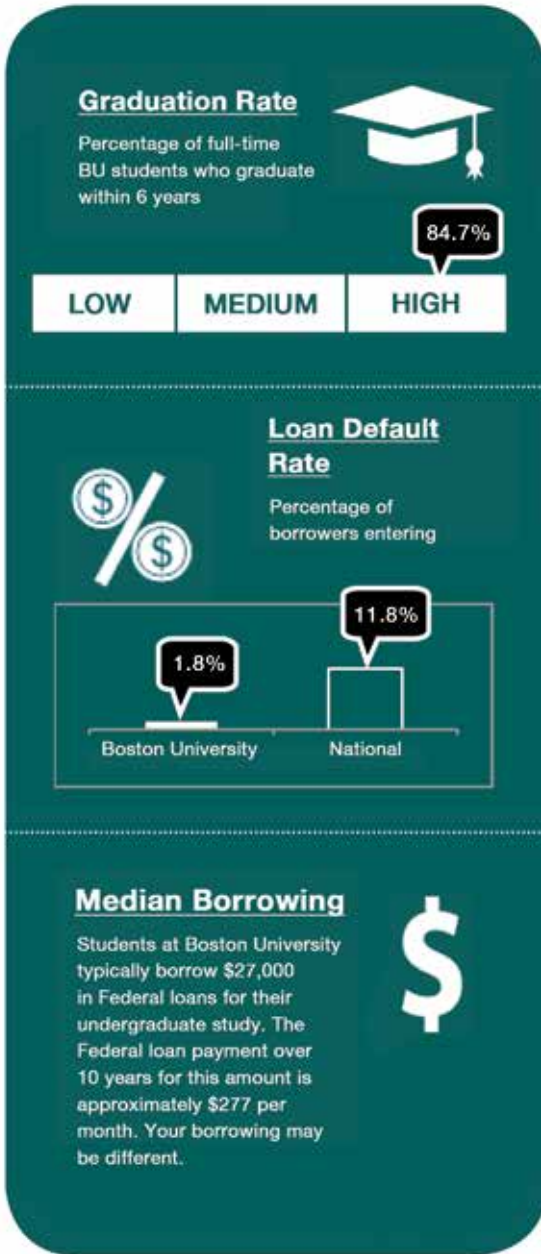


What is a “credit-based” loan?

Generally, an educational loan described as “credit-based” requires that the borrower or the borrower with a credit-worthy co-borrower, co-signer, or endorser meets certain credit criteria established by the lender. Showing calculated financial eligibility is typically not required. The lender may be a private bank, credit union or other financial institution, or a state or federal government entity. A wide variety of loan products is available and terms vary with the lender.

SMART INVESTMENT

Maximize your opportunities to enrich your life, secure rewarding employment, and repay your loans by choosing a **high-quality education**.



CAREFUL BORROWING

Here's what you should know about student loan debt as a BU student.

- Plan how much you can afford to borrow over **all four years**.
- The median four-year debt for 2015 BU graduates who borrowed a Federal student loan was **less than 13% of the total cost of their education**.
- Borrow **only as much as you need** and you'll have less to repay later.
- Learn how to reduce your expenses and borrow less at **Smart Money 101** (bu.edu/smartmoney101).
- Get a part-time job through **BU Student Employment** and borrow less by using money you earn to pay expenses.
- Check out all your loan repayment options including **Income-Based Repayment** at bu.edu/finaid/types-of-aid/loans/loan-repayment. IBR allows you to make lower monthly payments on your Federal Stafford and Consolidation loans.

FIGURE OUT THE FINANCING USE OUR EASY LOAN CALCULATORS.

- Queue up your questions.** How much do I need to borrow? What will my monthly payment be? How can I use the Tuition Payment Plan to reduce my borrowing?
- Run the numbers.** Go to bu.edu/finaid/forms-calculators/loan-calculators/payments.

HOW DO I FIT PAYMENTS INTO MY MONTHLY BUDGET?
Fit Monthly Loan & Tuition Payment Plan Payments into Your Budget

1. Total to be financed:

2. Select a loan type:

- PARENT LOANS
 - Federal PLUS
 - Citizens Bank Student Loan for Parents
 - MEFA Loan for Undergraduate Education
 - Wells Fargo Student Loan for Parents
- STUDENT LOANS
 - Citizens Bank Student Loan for Undergraduate Students
 - MEFA Undergraduate Student Defined Loan
 - Bank One Smart Option Student Loan
 - SunTrust Custom Choice Loan
 - Wells Fargo College Loan

3. Enter maximum amount you expect to have available for educational expense per month:

4. Click the Calculate button

Calculate

You must click the Calculate button each time you change the loan type or monthly dollars available.

FIN

	Tuition Payment Plan	+ Loan	= Total
Total Financed:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Monthly Payment:	<input type="text"/>	<input type="text"/>	<input type="text"/>

- Most BU students graduate within four years and **do not incur additional costs of prolonged enrollments**.
- BU's Federal student loan cohort default rate is very low, which demonstrates that **BU graduates are able to repay their student loans**.
- The unemployment rate for bachelor's degree recipients is **about half** the rate ascribed to those with only a high school diploma.
- Students who borrow a private loan in addition to a Federal loan typically borrow an additional \$4,000 for their undergraduate study.