

# PAYING FOR COLLEGE

Optimizing your finances to invest in your education.



UTAH ENGINEERING

COLLEGE OF ENGINEERING | THE UNIVERSITY OF UTAH



# OPTIMIZING YOUR FINANCES

Knowing how to manage your money is vital to the college experience. College is expensive whether you are paying for college yourself, receiving help, using financial aid, or student loans. Having good spending practices and financial planning can help you to optimize your financial future.

Here are some ways to help you plan how to finance your education:

- Create a Graduation Plan
- Create a Budget
- Find Part-Time Student Employment
- Learn about Research Opportunities
- Apply for Scholarships and Financial Aid
- Consider Grants and Student loans
- Complete your Degree On-Time





# CREATE A GRADUATION PLAN



# PLAN YOUR GRADUATION NOW!

College is expensive and additional years can increase your college costs significantly. Creating a graduation plan early will help you to stay on track toward graduation. The sooner you graduate the sooner you start earning a good income.

- **Tip #1:** Choose courses wisely. Keep in mind the requirements for your degree. Meet with your advisor at least once a year to keep track of your progress and map out what courses you need to graduate on-time.
- **Tip #2:** Avoid multiple school transfers which can result in credits not being accepted and force you to spend extra time in school.
- **Tip #3:** Take a full course load (but not too full). It is recommended that you take 15 or 16 credits per semester to graduate in four years. Otherwise, taking 12 to 15 credits per semester as many do will require 10 full-time semesters to graduate.
- **Tip #4:** Consider taking on-line general education courses during summer, allowing you to also have a full-time internship.
- **Tip #5:** Prioritize school over work. While a part-time job can help cover expenses, working too much will cost you money if it delays graduation, and it will impact your grades. In Engineering, you would be better off getting a student loan and working less.







# CREATE A BUDGET



# BUDGETING BASICS

Managing your money is important and it helps you know what is and isn't affordable. Identify all sources of income, including money from scholarships, financial aid, savings, a job, and parents. Know and track your expenses so you know how your money is being spent.

Need help learning how to manage your money?

- The University of Utah Personal Money Management Center offers free counseling.  
<https://personal-money-management.utah.edu>
- Take a free financial resource course specifically designed for college students.  
<https://www.cashcourse.org>



## 2022-2023 Typical Undergraduate Engineering Budgets

Below is an estimated Cost of Attendance for an Undergraduate Engineering students attending fall and spring semesters, with a course load of 14 credit hours upper division per semester. Use this information to estimate what your costs may be.

\* Please keep in mind that your individual program or coursework may have additional fees associated.

	Living On Campus	Living Off Campus	Living With Parent(s)
Room and Board	\$12,456	\$ 15,012	\$9,918
Books and Supplies	\$960	\$960	\$960
Miscellaneous	\$3,646	\$3,646	\$3,646
Transportation	Resident: \$1,332 Non-Resident: \$1,494	Resident: \$1,332 Non-Resident: \$1,494	Resident: \$1,332 Non-Resident: \$1,494
Tuition and Fees	Resident: \$9,688 Non-Resident: \$31,422	Resident: \$9,688 Non-Resident: \$31,422	Resident: \$9,688 Non-Resident: \$31,422
<b>Total Budget</b>	<b>Resident: \$28,072</b> <b>Non-Resident: \$49,968</b>	<b>Resident: \$30,628</b> <b>Non-Resident: \$52,524</b>	<b>Resident: \$25,534</b> <b>Non-Resident: \$47,430</b>

**This estimate reflects a course load of 14 credit hours per semester. 16 credit hours is required for a student to graduate in four years.**





# EMPLOYMENT





# FIND A PART-TIME STUDENT JOB

- Researchers for the Bureau of Labor Statistics found that college students who worked fewer than 20 hours per week had an average GPA of 3.13, while non-working students had an average GPA of 3.04.
- In Engineering, the optimal number of work hours is 10 per week. You will have to study more than your friends in other colleges. Some students may be able to work 15 hours per week.
- Not only can a part-time job help you get better grades, it's a great way to make some extra money, build your resume, develop professional skills, and contribute to future career success.
- Having a job helps you structure your time and is a good non-academic way to connect with people



# UNIVERSITY OF UTAH STUDENT JOB OPTIONS

- **Internships** in engineering and computer science are the best student jobs because they pay well and give you valuable experience.
- **Federal Work Study** is a form of financial aid for students with need. The student award provides opportunities for students to work on campus.
- **On-campus jobs** offer convenience, and have the flexibility to accommodate student schedules. Search for on-campus student jobs at
  - <https://utah.peopleadmin.com/postings/search>



# FIND A PART-TIME STUDENT JOB

- **Education at Work**

- Earn great pay and over \$5K in tuition assistance with Education at Work
- With EAW, will earn a minimum of \$11.50 per hour regular wage + up to \$5,250 per year in tax-free tuition assistance that will be paid directly to the University of Utah! It's a great way to learn work skills and set yourself apart from your peers – all while setting yourself up for financial success in the future by working on behalf of a Fortune 500 company like Microsoft and Discover Financial Services.
- Full- or Part-time work hours built around your class schedule
- Build solid skills by gaining real-world experience either in customer experience or technical support
- Work with friends and other college students

- **[Click here to apply](#)** and start your journey toward financial success with Education at Work.



# FULL-TIME SUMMER INTERNSHIPS

- Internships help prepare students for professional work after graduation and contribute to future career success.
- Save additional income earned from summer internship to help off-set educational costs during the academic year.
- Career Services reports the going rate for engineering interns is about \$20/hour.
- Search company websites and other job boards for internship opportunities. Consider out-of-state internships as well. Browse the College of Engineering Jobs Board at <https://www.coe.utah.edu/job-board/> and the Career Services Jobs Board at <https://careers.utah.edu> to see your opportunities!





# FEDERAL WORK-STUDY

Work-study is a form of financial aid for students with need. The student award provides opportunities for students to work on campus.

To be eligible:

- Apply for FAFSA and indicate your interest in Federal Work Study on your application.
- Be a degree seeking student enrolled 1/2x or greater.
- Be eligible to work in the United States.



# WHERE TO FIND WORK-STUDY JOBS

- Search for Keywords: work-study on the University of Utah Student Jobs board <https://utah.peopleadmin.com/postings/search>
- Find University Health Care jobs at <https://employment.utah.edu/university-of-utah-health-hospitals-and-clinics/new-jobs/>
- Find elementary reading/math tutor jobs at <https://bennioncenter.org/students/utah-reads/>





# RESEARCH



# RESEARCH OPPORTUNITIES

- The University of Utah Offers students the ability to apply textbook concepts to real world applications through amazing research opportunities.
- **The University of Utah is one of 65 members of the prestigious Associate of American Universities, which requires its member institutions to be engaged at the highest levels of research, scholarship, and education;** this simply means there is a wide-range of well-funded research opportunities here for graduate students AND undergraduate students. The opportunity to become involved in this type of research as an undergraduate is exceptional.
- The Office of Undergraduate Research (<https://our.utah.edu>) provides information about earning academic credit for your undergraduate research, finding opportunities for research, and getting transcript recognition for your research work.

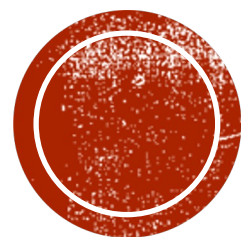




# RESEARCH OPPORTUNITIES LINKS

- The Undergraduate Research Opportunities Program (UROP) provides assistantships up to \$1200 for any first-time UROP student who assists with a faculty member's research or creative project, or who carries out a project of her/his own under the supervision of a faculty member. For more information visit the UROP website at <https://our.utah.edu/urop/>.
- The Engineering Clinic Program places Computer, Electrical, and Mechanical Engineering majors on industrially-sponsored senior projects to fulfill graduation requirements, <https://www.ece.utah.edu/senior-capstone-experience/the-engineering-clinic-program/>.





# SCHOLARSHIPS



# ENGINEERING SCHOLARSHIPS

- To be automatically matched with scholarships at all levels (University, College, and Department), complete the General Application and the College of Engineering Application in Academic Works, <https://utah.academicworks.com>.
- Apply-to scholarships require additional information from you, typically an essay or answers to a series of questions. Use the filter and search for Engineering to narrow the list of scholarships for which you may be eligible. Completing an essay for apply-to scholarships will significantly increase your chance of obtaining a scholarship.
- The College of Engineering will host two scholarship information sessions to help students understand the application process and provide information on how to write a personal statement. Watch your email to learn more!
- Complete your FASFA before January 15<sup>th</sup> to be considered for need based scholarships.



# APPLY FOR ENGINEERING SCHOLARSHIPS

- Apply for University of Utah scholarships at <https://utah.academicworks.com>
- Application opens December 1, 2022
- Apply by February 1, 2023
- **Remember to complete your FASFA by January 15<sup>th</sup> to be considered for need based scholarships.**
- Visit <https://www.coe.utah.edu/students/current/scholarships/> for more information.





# WHAT DO YOU NEED TO APPLY?

- Academic and Professional References
  - Two references are required. References are accepted from prior and current STEM/Games instructors, faculty advisors, and professional supervisors.
- DARS report
  - Upload after Fall term grades post
- Personal Statement and Resume
- Essay for industrial “apply-to” scholarships
  - Each essay asks a specific question. Read it carefully and answer the question. Do not use your personal statement for the apply-to scholarship essay.
- Anticipated graduation date from the University of Utah
- Complete your FAFSA application by January 15<sup>th</sup> to be considered for need based awards.





# FINANCIAL AID



# ARE YOU ELIGIBLE FOR FEDERAL FINANCIAL AID?

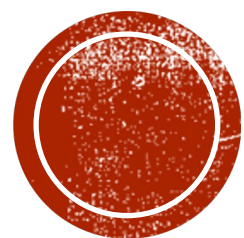
- Eligibility for most financial aid is based on need. A student's financial need is equal to the difference between what the University of Utah estimates it will cost to attend this institution and the amount the student and the family will be expected to provide, as determined by the U.S. Department of Education.
- To stay eligible, students are expected to complete a four-year degree within the equivalent of six (6) years of study. Students are also expected to complete 67% of credits attempted during their career at the University of Utah, and at least one class during any semester in which financial aid is received.
- Be a U.S. Citizen, permanent resident, or eligible non-citizen.
- Be admitted to the University of Utah as a degree-seeking student.
- Be enrolled for the minimum number of credit hours indicated by the specific award.
- Not owe a repayment of any Federal Aid to a school previously attended or be in default on a Federal Student Loan.



# HOW TO APPLY FOR FAFSA?

- Apply early! Applications can take approximately 120 days to process.
- First apply for a FSA ID. You will need your social security number to apply. To create an FSA ID, visit <https://fsaid.ed.gov>.
- Next, complete the free application for Federal Student Aid (FAFSA). Apply at <https://studentaid.gov/h/apply-for-aid/fafsa>.
- Check on your application status and complete any incomplete checklist items (<https://financialaid.utah.edu/types-of-aid/scholarships/checklist.php>).
- Submitting a FAFSA application puts you in the running to receive federal grants, work-study opportunities, student loans, and some state and school-based aid.
- Visit this site at <https://www.coe.utah.edu/students/financial-aid/> for additional resources.





**GRANTS**





# TYPES OF GRANTS

Grants are need-based awards that do not have to be repaid as long as eligibility is maintained.

- Federal Pell Grant is only for students who have not yet earned a bachelor's or professional degree.
- Federal Supplemental Education Opportunity Grant is for undergraduates with exceptional financial need.
- Utah Educational Fund available to Utah resident undergraduates who demonstrate exceptional economic need and who are educationally disadvantaged.
- Higher Education Success Stipend Program available to Utah residents who qualify for Pell Grants as a supplement to inadequate grant assistance.
- TEACH Grant Program provides up to \$4,000 a year to first bachelor degree. In exchange, students must agree to serve as a full-time teacher at specified schools and teach in a specified field for four academic years. If teaching obligation is unmet, the student must repay the grant as if it were an unsubsidized loan.



# HOW MUCH GRANT AID CAN YOU GET?

- The amounts for Pell Grants can change yearly, but the maximum award for the 2022-2023 award year is \$6,895. The amount you are actually eligible for will depend on factors such as your financial need, cost of attendance, and student status.
- The Federal Supplemental Educational Opportunity Grant is awarded to undergraduate students with exceptional financial need. If you qualify, you may be eligible to receive up to \$4,000 annually. Not all schools participate in this program.





# STUDENT LOANS



# LOANS ARE AN INVESTMENT IN YOURSELF

- Student loans are debt, but they are an investment in yourself.
- Do not be afraid to take out a loan, you just have to understand how they work.
- Know what the payment obligation is going to be. Different loans have different terms.
- Look at how much a loan will cost you over time, as well as the options you'll have for repayment.
- Apply for student loans only after exhausting scholarships, FAFSA, and savings.
- You do not have to demonstrate need to qualify for student loans. It is always worth applying to know what your options are.



# KNOW YOUR CREDIT SCORE

Most student loans will require a credit check. Having good credit is a key to getting any type of loan. Landlords, insurance companies, and even employers may also look at your credit.

There are five major components that influence your credit score:

1. Payment History - make all of your credit card and loan payments on-time. One missed payment will affect your score.
2. Amounts Owed - owing a lot of money can hurt your credit score. Try to keep your balances below 30% of your available credit limit.
3. Length of Credit History - using credit responsibly for a number of years makes it easier for lenders to determine your loan eligibility.
4. New Credit - opening a lot of new accounts in a short period of time can lower your credit score, at least temporarily.
5. Types of Credit Used - Your credit score will be higher if you've responsibly managed multiple types of credit such as credit cards, loans, and lines of credit.



# HOW MUCH TO BORROW?

- When you take out a loan, remember that you have to pay back the original amount plus the interest that accrues. High interest rates will cost you significantly more.
- Interest rates vary greatly, and can be influenced by your credit history.
- A Fixed Interest Rate will be the same for the entire life of a loan.
- A Variable Interest Rate fluctuates over time. This means your monthly payment may increase over the life of your loan. Know how often the rate is reset.
- Watch out for fees!
- Do not borrow more than you need.





# TYPES OF LOANS

- Direct Subsidized Loans are need-based loans for which the government pays your interest while you're in school. They offer a fixed interest rate, and they have a small origination fees.
- Direct Unsubsidized Loans are non-need-based loans and you are responsible for the interest from the outset. They also offer a fixed interest rate, and they have small origination fees.
- Parent PLUS Loans are loans for parents to help their children pay for college. They have fixed interest rates and flexible loan limits, but higher origination fees.
- Private Loans are offered by banks and credit unions. They usually have variable interest rates and carry different loan terms, repayment schedules, fees, and penalties. They may require a co-signer for credit approval. University has provided FASTChoice as a loan comparison tool <https://choice.fastproducts.org/FastChoice/home/367500/1>.
- College of Engineering Loans are funded by donors and carry a fixed 5% interest rate that is deferred while you are in school. Available funds are limited. Students must be at the sophomore level to apply. Loans cannot exceed total cost of attendance in combination with any other FAFSA support received and are limited to \$10,000 per year with a maximum of \$20,000.



# HOW MUCH FEDERAL LOAN AID CAN YOU GET?

Year (2022-23)	Dependent Students (except students whose parents are unable to obtain PLUS Loans)	Independent Students (and dependent undergrad students whose parents are unable to obtain PLUS Loans)
First-year Undergraduate Annual Loan Limit	\$5,500- No more than \$3,500 of this amount may be in subsidized loans.	\$9,500- No more than \$3,500 of this amount may be in subsidized loans.
Second-Year Undergraduate Annual Loan Limit	\$6,500- No more than \$4,500 of this amount may be in subsidized loans.	\$10,500- No more than \$4,500 of this amount may be in subsidized loans.
Third-Year and Beyond Undergraduate Loan Limit	\$7,500 per year- No more than \$5,500 of this amount may be in subsidized loans.	\$12,500- No more than \$5,500 of this amount may be in subsidized loans
Subsidized and Unsubsidized Aggregate Loan Limit	\$31,000- No more than \$23,000 of this amount may be in subsidized loans.	\$57,500 for undergraduates- No more than \$23,000 of this amount may be in subsidized loans.
Federal Direct PLUS Loans for Parents	The maximum you can borrow is the cost of attendance (determined by the school) minus any other financial aid.	The maximum you can borrow is the cost of attendance (determined by the school) minus any other financial aid.



# STUDENT LOAN CALCULATOR

Go to: <https://fbs.admin.utah.edu/income/tuitioninfo/calculator/>

### Loan Calculator

Loan Amount?:

Number of Months? (#):

Annual Interest Rate?:

Payment Method?:

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Monthly Payment:

Total Interest:

Total Principal & Interest:

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### Loan Calculator

Loan Amount?:

Number of Months? (#):

Annual Interest Rate?:

Payment Method?:

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Monthly Payment:

Total Interest:

Total Principal & Interest:

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# LOAN COUNSELING

- The Office of the U.S. Department of Education requires students accepting federal and institutional loans to complete an online Financial Awareness Counseling Exam prior to the loan dispersing.
- Upon completing your education, you will also be required to complete an Exit Counseling Exam as you begin your loan repayment.
- Links and other helpful resources can be found here <https://studentloans.gov/myDirectLoan/index.action>



# TALENT DEVELOPMENT INCENTIVE LOAN PROGRAM

- This loan covers up to full tuition and fees.
- Students must be enrolled full-time for two semesters and enrolled in an eligible bachelors degree program.
- Must start working in a qualifying job in Utah, one year after completion of degree.
- Work in a qualifying job in Utah, for at least the same number of years of loan received.
- Eligible majors include:
  - 11.0101 Computer and Information Sciences, General
  - 11.0103 Information Technology
  - 11.0401 Information Science/ Studies
  - 11.0701 Computer Science
  - 11.0901 Computer Systems Networking and Telecommunications
  - 11.1003 Computer and Information Systems Security/ Information Assurance
  - 52.1201 Management Information Systems, General
- The University Office of Scholarships and Financial Aid will contact you through UMail if you appear to be in an eligible program. If you feel you may be eligible, but have not been contacted, [please feel free to visit with us.](#)





**APPLY FOR RESIDENCY**



# UNDERGRADUATE POLICY (1 YEAR RULE)

- Evidence that you relinquished domiciliary ties (driver's license, voter registration, and, if applicable, vehicle registration) held in any other state and established them in Utah by the Utah tie deadline.
- Verification of financial independence showing that you are not claimed as a dependent on the federal tax return of any person who is not a resident of Utah. If you are single and 23 years of age or younger, provide a copy of the first two pages of your federal tax return (Form 1040) for the tax year prior to the academic year for which you wish to qualify for resident student status. If you did not file a federal return, provide a copy of your parent(s) federal tax return(s) for the tax year prior to the academic year for which you wish to qualify for resident tuition.
- Proof of physical presence in Utah for at least the 12 continuous months immediately prior to the first day of class for the academic term you wish to be considered a resident student.
- The University of Utah has updated guidelines for the reclassification process. Please monitor this website for current updates: <https://admissions.utah.edu/apply/residency/>



# RESIDENCY GUIDELINES

Non-resident students who plan to apply for Utah residency should be familiar with the following guidelines:

- University of Utah Institutional Policy on Residency Determination for Tuition Purposes  
<https://registrar.utah.edu/graduation/undergraduate-residency-requirement.php>
- Board of Regents R512 Policies and Procedures  
<https://admissions.utah.edu/wp-content/uploads/sites/6/2019/07/R512DeterminationResidentStatus2016.pdf>
- Utah State Law, 53B-8-102  
[https://le.utah.gov/xcode/Title53B/Chapter8/53B-8-S102.html?v=C53B-8-S102\\_2016051020160701](https://le.utah.gov/xcode/Title53B/Chapter8/53B-8-S102.html?v=C53B-8-S102_2016051020160701)





**COMPLETE YOUR DEGREE**

# GRADUATE ON-TIME AND REPAY DEBT

Graduating on-time is a smart way to save money during college and reduce your student loan burden.

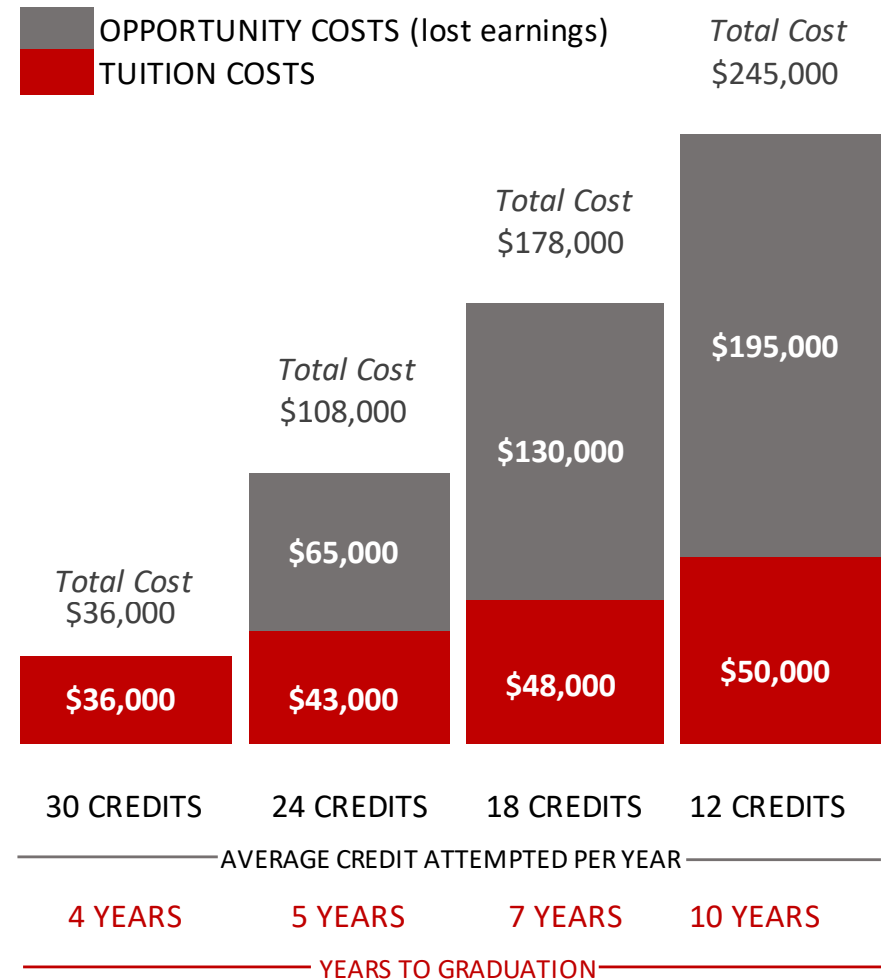
- Graduating even one semester early could easily save you over \$10,000 while earning \$25,000 or more in salary each semester. You or the people paying for school will reap huge financial benefits if you graduate on-time.
- The sooner you graduate, the sooner you can get on with your life and start earning a good salary.
- After graduation, focus on paying off your student debt as quickly as you can. Continue to live simply for one or two years to quickly reduce student loan costs.
- Be smart with your money. Focus on getting yourself financially stable and getting your money priorities in check.
- Paying off your student debt early will enable you to live comfortably later.



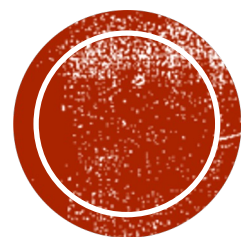
- For every year that you prolong completing your degree, you are paying more per credit hour, and you are also giving up what you could be earning at a bachelors degree level.
- There is a true opportunity cost (lost earnings) for each additional year it takes to complete your degree. Even if you are making some money while attending school, you will not make nearly as much as you will lose by graduating later. The average starting engineering salary is \$65,000/year.
- The faster you complete school, the cheaper your tuition will be, and the sooner you can begin earning money.

## Time to Completion Cost

*Each additional year beyond 4 years significantly increases cost.*







# RETURN ON INVESTMENT



# **\$\$\$ INVEST IN COLLEGE FOR A MILLION DOLLAR RETURN \$\$\$**

The average high school graduate makes around \$35,000/year vs. the average engineering college graduate with earnings starting at \$65,000/year.




That means there is a salary difference of \$30,000+ per year between those who go to college and those who do not. Multiply that over a 40-year career, with an estimated 3% raise per year, and you come up with a difference of 2.62 million dollars.

That is why we say investing in college can lead to a million dollar return.



# COLLEGE ROI CALCULATOR

Assumes total cost of attendance for 10 semesters at resident rate living off-campus.

Inputs	Outputs
Investment:  130000	Salary Difference: \$30,000
Old Annual Salary:  35000	Investment Return: 23.077%
New Annual Salary:  65000	Years to Recoup Investment: 4.3

Powered by JSCalc.io

To calculate your ROI, you need the following factors:

1. Net price you will pay
2. Your potential debt
3. Time to graduation
4. Earning potential
5. Missed income opportunities

Note: ROI Calculator does not take into consideration annual pay raises, which will increase your ROI.



# CONTINUE TO INVEST IN YOURSELF

- Continue to invest in yourself after college, there is no shortage of room to grow.
- Consider getting a Masters of Science or a Doctors of Philosophy (Ph.D.) degree in engineering.
- For a Ph.D. education, most universities will cover tuition, health insurance, and pay a stipend of over \$25,000/ year. It pays to get an advanced degree.
- Starting Ph.D. salaries in engineering can range from \$92,000 to \$144,500 annually.

