

Families face 'nightmare' of paying for college

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By JONDI GUMZ Sentinel staff writer

CORRALITOS — Gaia Dempsey is an honors student at Aptos High who's eager to explore her passions for writing, music and photography. Her grade point average is above 4.0; she scored 1,400 on the SAT college admissions test and has taken a half dozen classes at Cabrillo.

She's applied to Ivy League colleges as well as Stanford University, but now comes the hardest part of all: Figuring out how to pay for her education, which could cost \$40,000 a year. "It's a nightmare," Gaia said. "At 18, you don't know what you are getting into in the beginning. It takes a lot of organization and support."

Her mother, Mariabruna Sirabella, is a family therapist. Her father, Richard Dempsey, is a doctor. Even they struggled with the questions on the financial aid forms. "It's so confusing," said Gaia's mother. "I have bought cars and bought houses and this is much harder." Sticker shock More and more families like Gaia's are looking for advice on how to navigate the maze of requirements for college financial aid. Competition to get into college is intense. A record 100,000 students applied to the University of California last fall. Parents are suffering from sticker shock. College costs 10 times what they paid. Thirty years ago, Yale's annual tuition was \$2,550. Next fall students will pay \$29,820, plus \$11,650 for room, board, books and personal expenses.

For parents who remember when \$2,000 would cover expenses for a year at a state school, today's price tags seem high: a year at UC, including room, board, transportation and personal expenses, costs about \$22,000; a year at CSU is \$18,000. The state has hired a public relations firm to encourage California families to apply for college aid known as CalGrants. The glossy brochures from the federal government proclaim that its financial aid form is as easy as 1-2-3. But families trying to fill out the forms correctly don't see it that way. For many, it's the first time they've had to answer so many questions about their income, expenses, and in some cases, assets. The terms are unfamiliar, like the difference between family income and household income. Gaia's mother sought help from an accountant, but even the accountant was unfamiliar with the jargon.

This is why Steve **Shapiro** opened Tuition Solutions Now. A CPA, he found many clients had questions about how to pay for their children's college education. So he became certified as a college planning specialist, one of two dozen in California and the only one in Santa Cruz County. College finances are near and dear to his heart. He has a daughter at San Francisco State University and a son, a senior at Aptos High, who applied to UC and CSU campuses. **Shapiro** advises parents to file the financial aid forms early, putting them near the front of the line for consideration. He took his own advice and filed in January.

When Mariabruna Sirabella consulted with him, she discovered she had made several errors. Instead of being responsible for \$26,000 of her daughter's freshman year, she and her husband would probably contribute half that amount.

Among the mistakes: She hadn't listed the fact that her husband was still paying loans for his medical school training. Errors like that can make a big difference.

How to pay? That's the kind of mistake John Simmons nearly made a year ago.

He was stressing out about his 17-year-old son, who had top grades and had already been admitted to UC Santa Cruz as a high school senior. The stressful part was the cost of college education. Simmons, 50, an IT consultant who sells DVDs online, is a college graduate himself. But he doesn't make more than \$40,000 a year. For him, like a lot of parents, the sticker prices were scary. Simmons went to Brown University, like Yale an Ivy League school. His parents paid the bill but he decided he didn't fit in. So he transferred to the University of Colorado at Boulder, where he got his degree. He went to UC Berkeley for graduate school in literature, but he became a punk musician instead. He and his wife, MaryBeth, who worked at Streetlight Records, thought their son Robin might be tuned into music, too.

Robin went to Kirby, a private school, for a while then enrolled at Pacific Collegiate School, a charter school in Santa Cruz focusing on academics and arts. He racked up a 3.9 grade point average, showing talent as a writer while pursuing his passion for "house music." For those unfamiliar with the scene, that's when you blend the sounds from two vinyl records, inspiring nonstop dancing. Even though he was underage, Robin was so good that he got some gigs in clubs in San Francisco.

"It's not my thing at all," said his father. "To him, it's a calling." Robin wanted to study music and journalism. He picked out four colleges: UC Berkeley, UCLA, UC San Diego and Columbia University in New York. If none worked out, he could stay at UCSC, where he had been admitted through the honors program for high school students. Robin's parents are separated, so that made the process more complicated. He spends a majority of time with his mom, who makes less than \$30,000 a year. Once his applications were in, it was his father's turn to handle the financial aid forms. John Simmons wasn't at all confident. "I was filled with fear," he said. He felt better after attending a workshop at the school where he met Steve **Shapiro** of Tuition Solutions Now. "He really helped me through all this," Simmons said.

Planning ahead Like hundreds of high school seniors in Santa Cruz County, Gaia is waiting to hear which colleges will accept her. Eight of the schools on her list are private schools that ask for more information than the UC or CSU campuses.

Most colleges set a January deadline; some are still accepting applications for the fall. Gaia said she should have been realistic in her junior year about where she wanted to spend the next four years. She wishes she would have asked her teachers for recommendations the first week of September rather than waiting. "I made a lot of last-minute decisions," Gaia said. "That didn't help." Some of her classmates who applied by Nov. 1 have already gotten acceptances. But Gaia decided she wanted to keep her options open, in case she wants to take a year off and travel. Meanwhile, her mother is wrestling with those financial aid forms.

Lots of questions A surprisingly large percentage of college students qualify for financial aid, but many do not apply. **Shapiro**, a financial adviser for more than 20 years, recommends parents file the paperwork, simply because it's free. State schools require students and their parents to

file the Free Application for Federal Student Aid, or FAFSA, which asks them to differentiate between parent wages and adjusted gross income.

Private schools want another form, the profile, which asks more questions, like: How long have you owned your home? **Shapiro** charges \$120 an hour, which may seem like a large amount but the Simmons and Dempsey families found it worthwhile. Simmons said it was like working with a tax preparer. "He made it simple," Simmons said. "He answered every question. It look a lot of stress out of it." Seeing the payoff When Robin got his financial aid offers, his family knew the investment had paid off. He didn't get into Columbia, but UC Berkeley offered \$8,000 in grants, \$4,000 in work-study, and the rest in loans for his freshman year. The offer from UCLA was slightly better, but Robin favored Berkeley, where he was able to request an old pal from Kirby School as a roommate. "They're best buddies," said his dad. So far, Robin's freshman year is going well at Berkeley. His dad is about ready to file the forms again. This time, it's not so stressful, and he says the reason is **Shapiro**'s expertise. "How can you not afford to do this?" he asked. Gaia's mother agrees. "This saved us several thousand dollars," she said, adding that she plans to consult with **Shapiro** when the financial aid offers from colleges arrive in April. "I think it will pay off," she said.

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Three tips for parents:

1. Request your PIN numbers for the Free Application for Federal Student Aid before you assemble your financial records. You need two of them, one for the student and one for the parent. The request can be made online, but it takes three days before you get the number and the form can't be filed without the two PIN numbers.
2. Estimate if you don't have exact numbers. If you wait to get your tax return prepared, you may end up in a bulge of applications that arrive near the deadline. Those who procrastinate may find the money gone if they delay.
3. Use the Web at www.fafsa.ed.gov rather than a paper form. The paper forms take longer to process and if you make a mistake, it will be mailed back to you to fix. Staffers are ready to look at your numbers, and the form filed online gets to them faster.

Where to find college aid Several local consultants offer personal advice for a fee; Steve **Shapiro** focuses on finances while others specialize in preparing students to meet admissions requirements. Check with your local recreation department or high school to see if consultants will offer a workshop this spring. Here are three scheduled workshops.

Cabrillo Extension, March 10 and 17, 6:30 p.m. Aptos campus Room 432. Karen Reid, Helen Holt and Steve **Shapiro**. Cost: \$50

Scotts Valley Recreation, Feb. 16, 6:30-9 p.m., Steve **Shapiro**. Cost: \$36.

Cabrillo, Feb. 27, 1-4 p.m., Building 900, financial aid workshop. Cost: Free.

Participants should bring their Social Security card and driver's license; 2004 tax return and W2 forms, bank statements and investment records from 2004, records of other income such as Social Security benefits, child support, welfare payments, payments to retirement accounts.

How to avoid being ripped off Consultants can provide advice on what to do, but don't pay someone to find scholarships for your child. Scholarship information is available on the Web at www.fastweb.com and from high school counselors and scholarship coordinators. It's not information you need to buy. Besides, to win a scholarship, a student must meet all the requirements and apply prior to the deadline, something a service can not do for you.

Where to find local college consultants College for You, Olga Euben, 475-6080
Options, Sue Moore, 464-7600. Merit, Susan Tatsui D'Arcy, 462-5655

Tuition Solutions Now, Steve **Shapiro**, 465-1148