HOW TO

"HIDE" Your Money

From The

FINANCIAL AID OFFICE



ANDREW LOCKWOOD, J.D.

How to
“Hide”
Your Money
From the
Financial Aid Office

PRAISE FOR PEARL AND ANDY LOCKWOOD'S COLLEGE ADVISORY AND FINANCIAL AID CONSULTING PROGRAMS

We really love the fact that their starting point was all about finding the right fit for my daughter and helping her uncover a path. -Lisa Colletti, Garden City NY

I was generally looking up online and I looked you up and obviously you had extraordinary reviews. That's why it was cool to have you to talk to. You made it a lot more relaxing and fun. Because I think that's what I needed. - Priti Suneja, Melville NY

It relieved my wife of all the anxiety and attention. Everything was taken care of. It was almost like "Take me, take me."Wherever you want me to go, I'll go." And it turned out just perfect. - Rob Salzbank, Port Washington, NY

Call Andy, get some good advice. You really have nothing to lose because it can only save you money on tuition. I meet people all the time who are supposedly college advisors. And what I see over and over again is that many of them collect a person's money and the child ends up at

the college that he or she probably would've ended up on his own. But in your case, I saw real results.

-Dr. Dennis O'Hara, Superintendent, Islip, New York Public School District

How to
"Hide"
Your Money
From the
Financial Aid Office

Strategies buried in the financial aid formulas that you can use to legally and ethically shelter your savings…so that you can qualify for more aid and avoid needlessly overpaying – even if you can "write the check – so that you can comfortably afford tuition without scrimping on your lifestyle or taking on boatloads of high rate, predatory debt

Andrew Lockwood, J.D.

Legal Stuff I Have to Put Somewhere

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Not Advice. I'm assuming that we're both adults but here we go anyway. The strategies and other information in this book are NOT intended to give you personal advice on sheltering savings, income or anything else.

You and I have not met each other, so I don't know anything about you or your individual situation. Therefore, I hope you benefit from the ideas in this book, but strongly recommend that you talk to an advisor that knows what they're talking about before you implement any of the strategies described in these hallowed pages. (An accountant, attorney or knowledgeable financial planning professional, in most cases. Or all three.)

Not Liable. We (Andy Lockwood and his employees, partners, shareholders, contractors, etc.) are in no way responsible for your decisions or actions that may or may not have occurred as a result of your reading this book. It's all on you, buddy.

Sense of humor. One more thing. I think I'm pretty funny, but not everyone agrees with me for some reason. I have included what can only be described as an excessive

number of lame jokes in this non-refundable book. Consider yourself warned.

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A Short Introduction to the 2025 Edition

How to "Hide" Your Money From the Financial Aid Office, the book, is 95% based on 1. a free report of the same name, that I advertised online[1] to generate inquiries for our college advisory and financial aid consulting business, and 2. a webinar that expanded on the financial aid strategies in that report, that I run periodically for parents of college-bound teens, called *How to "HIde" Your Money From the Financial Aid Office - The Webinar.*

While that title admittedly lacks creativity, I hope that you will find this short and sweet book to be:

1. Valuable, in terms of helping you learn how to make unaffordable colleges affordable, giving you hope that you won't need to sell a vital organ to pay for your kids' tuition, whatever
2. Easy to understand, because most of the other books on this topic are impossibly arcane, due to the convoluted nature of financial aid regulations

[1] You should see some of the comments, "SCAM!" "Don't do this, you're taking money away from people who really need it!" Sigh.

and the way colleges interpret and apply them to calculate how much, or how little, they’ll award you

3. Moderately entertaining, although the subject matter is as dry as sawdust, I tried to lighten things up periodically because I believe humor helps us pay attention and retain information. (And I can’t help being a wiseass.)

The text is based on a transcription of the above-mentioned webinar, edited and with some of the original slides thrown in. I even threw in some slides from my original slide deck. That’s why this book reads conversationally, instead of like a textbook.[2]

Brace yourself for an informal tone and possible/probable grammatical errors or odd syntax. I tried to make this book helpful, but readable.

But please understand that this book does not cover each and every teensy weensy little detail about EVERY possible financial aid and merit aid scenario. I’m not up for writing that and I doubt you’d want to read it.

[2] Actually, that’s only one of the reasons. The other reason is that I have zero interest in writing (or reading) a textbook.

This is not a research paper or textbook. If this is going to prevent you from focusing on the SUBSTANCE of the strategies and advice inside, you might want to stop reading here and give it to your dog as a chew toy.

Last, I included some of the questions and answers from the source webinar at the end, because I figured you might have some of the same questions.

Disclaimer from a recovering attorney

Take everything in this book as an EXAMPLE of a strategy or concept that MIGHT pertain to some people, which may or not include you and your family. **Not specific advice** for your particular set of circumstances.

A famous Elizabethan man once said “brevity is the soul of wit,” so I thought I’d keep things short and to the point for the sake of making the information easy for you to obtain.

The flip side of brevity, however, is incompleteness. I did my best to give the minimum dosage of information to be highly effective, but I admit that there is more to learn beyond the pages of this little print book. That’s why I

included a “Resources” section at the end of this blockbuster.

That is not a thinly-veiled pitch to hire us. We’re on the pricey side and not right for everyone. There are many other college advisors out there, but I’m one of the taller ones.

About the 2025 Update

One more thing. When I wrote this book, the rules were different than they are today in 2025. For one thing, there’s no more EFC. It’s now called SAI. I’ll be using both terms interchangeably, sometimes, awkwardly, (“EFC/SAI”) because I want to make sure you’re able to use the same terms as in the financial aid formulas. Apologies in advance for the distracting language, but I could not figure out a better, more flowing way to use my old material, updated.

(If you must know, EFC stands for Expected Family Contribution, and SAI means Student Aid Index. When you see a reference to EFC, mentally swap that term for SAI.)

The rules about how untaxed income changed, as did the rules about how to value a business if you're self-employed.

Ditto for rules re: divorced and separated families.

Final comment: by the time you read this, there might not be a Department of Education any longer, thanks to the efforts of Linda McMahon under President Trump's directive.

If that happens, my best guess is that the concepts in this book will remain valuable, no matter which agency takes over the administration of financial aid.

OK, onward.

CHAPTER 1

Is This Legal?

This book is called *How to Hide Your Money From the Financial Aid Office*, but truth be told, we're not really “hiding” anything, we’re merely “repositioning” it to help you get more money.

Some types of assets penalize you more than others, namely, child savings versus parent savings Some don’t penalize you at all.

In this book, I’ll walk you through **how to move or shelter your savings from “bad” places into “good” places** that will result in more financial aid eligibility for you, because they are off your financial aid balance sheet, so to speak.

And I’ll also discuss the **pros and cons**, including tax consequences and risks, of sheltering your money in my own, cute, amateurish way. I’m not a CPA or financial advisor, but that’s not going to stop me from giving you an incomplete overview of the potential negative factors you should be aware of.

This information is 100% legal and ethical, thank you very much, based on actual rules and regulations of the Department of Education. Not moving money offshore, ditching your kids on a distant, low income relative or handing your 529 to Uncle Tony to “hold” while you figure out how to pay for college.[3]

Warning: =This book may contradict what you, your guidance counselor or other parents “know”

The information I’m going to cover might be flat out **contradictory** to what you may have thought you knew. Or what other parents told you, or what you heard from other experts, people that you rely on for expertise like accountants. Use your own brain and judgment.

[3] All actual strategies I’ve heard about over the years. None recommended by me.

CHAPTER 2

Who This Book is For

I wrote this book especially for parents who saved money for their kids' college over the years, but finally, now that the college years are staring at them, suspect that they made a mistake.

If that's you, you will discover some strategies that could help you fix these errors and level the playing field between you and the rip-off colleges.

And it's for financial advisors, CPAs, guidance counselors who want to deepen their understanding and not give advice that can sabotage their parents' eligibility.

I put this together ESPECIALLY for you if..



You're **freaking out about how much college costs** and whether you can afford to send your child to the college she deserves

You're **frustrated** that your guidance counselor hasn't lifted a finger to help you with an actual PLAN to get into - and pay for - college next year

You can "write the check" for college...but you're not quite sure you see the VALUE or return on investment for paying full price!



Finally, I put this together especially for you if you're freaking out about how much college costs and whether you can afford to send your child to the college he deserves.

Maybe you're frustrated that your guidance counselor hasn't lifted a finger to help you put an actual plan together to get into and pay for college next year or in the near upcoming years.

CHAPTER 3

Who is Andy Lockwood and Why Should You Care

If you are new to our little community, Pearl Lockwood and I are college advisors who help kids get into college, and parents pay for college.[4]

We've been in the news a fair amount recently and I've written a few books. One of my first best sellers was *How to Pay Wholesale for College*. I've written a book on how to write a standout college essay. I wrote *How to Get into Your Dream College Without Lying, Bribing or Photoshopping.* And my latest book: *How to Negotiate Your Crappy Financial Aid Merit Aid Offer*. So I'm well-versed in all things college.

The weirdest thing was I was in a Netflix documentary, *Operation Varsity Blues: The College Admissions Scandal*. For about 43 seconds.

[4] Pearl's last name isn't a coincidence, we're married. Happily.



Long Island’s Greatest Unindicted College Advisor, Andy Lockwood

IMPORTANT: I was interviewed as a subject matter expert, NOT a suspect**.**

Origin story - How I became a Long Island’s Greatest Unindicted College Advisor

Sometimes people ask out of morbid curiosity, how did you get into this field?

The short answer is I attended Wesleyan University, which was at the time the fourth most expensive college in the country. My dad was a low income photojournalist and writer, and his attitude about money was much different than mine is. I was paying all this money, taking on these loans, and his feeling was, "Don't worry about it all is going to work out."

So…it didn't really work out. I ended up with more than $100,000 in high rate, high fee college loans that took decades to repay.

Unfortunately, racking up all this debt led to all sorts of credit issues and getting turned down for apartment rentals and mortgage applications and things like that. So that is kind of how we got motivated to get into this field circa 2000.

Our kids are a little bit older now – we have two in college and two out – but when we started Lockwood College Prep when they were babies. Our goal was to help them and any kids that we worked with, including your kids, avoid the stress and the strain that I went through.

This is really important stuff because student debt is at an all time high, $1.7 trillion according to the *Wall Street Journal*. Average debt loads have been spiking more than double since 2007 from about $18,000 to $36,000 per student.

Honestly, that's really low, compared to what I see. A golf buddy of mine, a dentist who owns six offices, tells me about young dentists he interviews who have $500,000,

even $700,000 worth of debt! Hard to crawl out from under that.

Defaults are on the rise. Parent loan defaults (on the PLUS loan, primarily), which rarely get publicized, are on the rise. It's really hard to get a job that requires a college degree.

You see why it's so important to not just sit back, but to take action to prevent all of these horrible outcomes?

Let’s take our first steps now. Let’s get into the most important bit of math you need to know to succeed in financial aid…

CHAPTER 4

The Double Secret Part of the Financial Aid Formula

If you have trouble sleeping, this chapter is for you.

EFC (SAI)[5] is the most important concept in financial aid, but most people have never heard of it. Failure to understand is a big reason why most families sabotage themselves in the financial aid process, "stealing" from themselves.

But it's not your fault when you discover how complicated things can get.

[5] Second and final reminder - EFC is now SAI (Student Aid Index). SAI works the same as EFC though. (Don't ask why the good folks at the Department of Education thought it was important to change, but maybe that's a clue why The Donald wants to shut it down.

THE EFC FORMULA, 2021–2022

What is the EFC?

The Expected Family Contribution (EFC) is a number that determines students' eligibility for certain types of federal student aid. This number is calculated with the EFC formulas, which use the information that students provide on the Free Application for Federal Student Aid (FAFSA®). Financial aid administrators (FAAs) subtract the EFC from students' cost of attendance to determine their need for the following federal student financial assistance offered by the U.S. Department of Education (the Department):

- Federal Pell Grants,
- Subsidized Loans through the William D. Ford Federal Direct Loan Program,
- Federal Supplemental Educational Opportunity Grants (FSEOG), and
- Federal Work-Study (FWS).

The Teacher Education Assistance for College and Higher Education Grant (TEACH Grant) is a non-need-based federal program for which a student must also use the FAFSA to apply.

The methodology for determining the EFC is found in Part F of Title IV of the Higher Education Act of 1965, as amended (HEA). Tables used in the computation of the EFC for the 2021–2022 Award Year were published in the June 5, 2020 *Federal Register* (ifap.ed.gov/sites/default/files/attachments/2020-06/FR060520.pdf) (85 FR 34605).

Page one of the Department of Education's publication about Expected Family Contribution. Note the helpful acronyms and other bureaucratic terms and gobbledegook. Buckle up, there are 29 pages total! And this is only part of the story.

You won't get advice from people you'd probably assume would be useful.

Guidance counselors aren't trained in this area.

CPAs are not trained in financial aid either. So there's nowhere to turn for help, you've got to stumble across some random guy on the internet giving a seminar (ahem!) or a random guy who wrote a book on this stuff (DOUBLE AHEM).

If you're reading this book, you probably understand implicitly that you've got to take responsibility for arming

yourselves against the colleges who want as much money as they can get from you.

Nobody at your high school can help you, and most other parents don't have any idea of how financial aid works.

So congrats for taking charge and taking this first step..

What EFC (SAI) Means and Why It Matters

Expected Family Contribution (Student Aid Index) is a bureaucratic calculation of what "they" think you can afford for one year. Most families are not happy with their SAI, once they learn it, after they apply for financial aid.

The time to estimate your SAI is not after you've filed, of course. It's months or years before.

A semi-helpful way to figure it out is to use the Net Price Calculator on each of the colleges' respective websites, as soon as you start drawing up a preliminary college list. See Chapter 9, Net Price Calculators, page 35.

In general, the lower your Expected Family Contribution, the more need you'll show and the greater your eligibility for grants, scholarships and loans.

It's different for the two main financial aid forms, the FAFSA and the CSS Profile. There are others, but we're going to be focusing mostly on those two.

Expected Family Contribution (EFC)



What “They” Think you can afford for one year

The **lower your EFC,** the more need you’ll show…

...and the **greater your eligibility** for grants, scholarships, loans

Different for FAFSA and CSS Profile

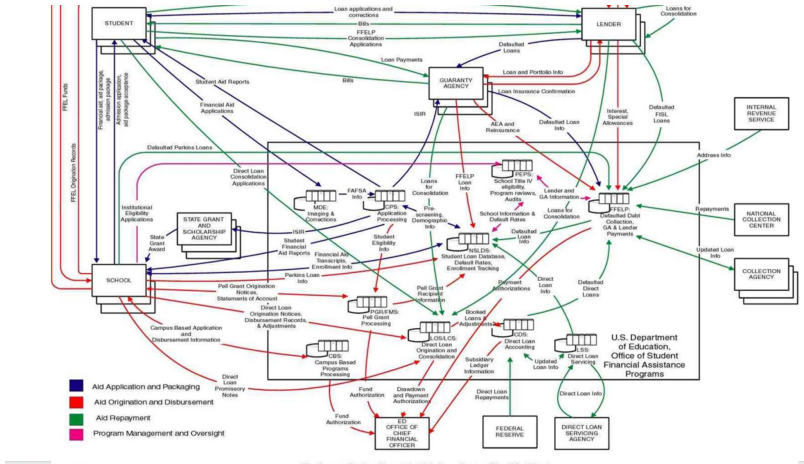
Now, if you were to look up on the FAFSA site, fafsa.gov, “what's SAI?” You would learn that SAI is calculated according to a formula established by law. Your family's taxed and untaxed income, assets and benefits, such as unemployment or social security, all are considered in the formula.

Also considered are your family size, the number of family members who attend college or career school during the year.

The SAI formula shows exactly how an SAI is calculated in 29 pages of gobbledygook. And this is focusing only on

one component of the financial aid regulations. There's a bigger picture.

Here's a handy chart from the Department of Education.



The Department of Education's explanation of how financial aid works. Helpful!

Maybe we should simplify things a little bit, just so we don't go through all 29 pages of jargon, acronyms (EFC, SAI FAFSA, SAR, FSA ID) and convoluted charts.

KEY POINT: The lower your EFC (SAI), the greater your eligibility for aid. (The higher your EFC/SAI– i.e. the more the government expects you to be able to contribute – the less eligible you are).

CHAPTER 5

The Financial Aid Formula and EFC/SAI

Here's the actual financial aid formula that is published in the code of federal regulations for Title IV financial aid:

Cost of Attendance minus Expected Family Contribution equals Need.

Cost of attendance means a couple things: tuition plus other expenses such as room and board. So COA, Cost of Attendance. (I'm going to repeat this a few times.)

COA (Cost of Attendance)

-EFC (Expected Family Contribution)

=NEED

COA minus EFC/SAI equals your Financial Need. SAI is the key because the lower it is, the more need you show and therefore the greater your eligibility for need-based aid.

(I know I’m repeating myself but this is an important concept, so I’m saying it again so that you retain it.)

(And I know that I’m repeating myself.)[6]

COA
- EFC
= Need

So let's apply this formula. In “action”. (Poor choice of words.)

Applying The Formula

COA	$60,000
- EFC	-$40,000
= Need	= $20,000

Let's say that the total cost to attend college is $60,000. Yes, that's rounded down, sadly.

[6] Yep. Intentional, lame joke.

And your Expected Family Contribution is $40,000. You are showing Financial Need of $20,000.

Very simple. Cost of attendance minus EFC equals your Financial Need.

IMPORTANT: Colleges meet a *percentage* of Financial Need. You likely will not get $20,000. You will most likely get less, perhaps $16,000 leaving you a "gap" of $4,000 to pay in addition to your EFC.

This happens frequently enough that there's a financial aid term for this, "Gapping." (Who said financial aid pros weren't clever?)

So you will always pay your Expected Family Contribution plus whatever unmet need the college leaves you with, the Gap.

KEY CONCEPT: "Gapping:" Although you have a unique Expected Family Contribution, that's NOT necessarily what you'll pay at every college your child gets into. At each college, you'll pay your EFC/SAI plus the "gap" you've got to come up with to reach the entire Cost of Attendance.

So let's say you were able to LOWER your SAI legally and ethically, of course, because that's all we're talking about here. (I can't give the good presentation. Just kidding. Hopefully you're not wearing a wire.) Okay.

So let's say you can lower your Expected Family Contribution magically by $15,000. And now all of a sudden instead of being expected to contribute $40,000, you can cough up only $25,000.

KEY (REPEATED) POINT: If you lower your SAI, you will INCREASE your eligibility for need-based financial aid.



That will increase your Financial Need to $35,000 and therefore increase the amount of money you should receive. You're eligible for *another* $15,000 per year.

Not just one year. You reapply every year.

Assuming things stay about the same, this could be a $15,000 per year or $60,000 swing potentially.

IMPORTANT: Percentage of need met varies from college to college. Some schools are a lot more generous than others. The **super generous schools – there's roughly 60 of them – will cover one hundred percent of need.**

So in the new example, they would cover $35,000. And if you had an SAI of $25,000, that's all you would pay.

Pay Your Expected Family Contribution...PLUS Unmet Need

Listen up here, because this point confuses a ton of parents.

Just because a formula says that you can afford a certain amount does NOT mean that you will pay that amount.

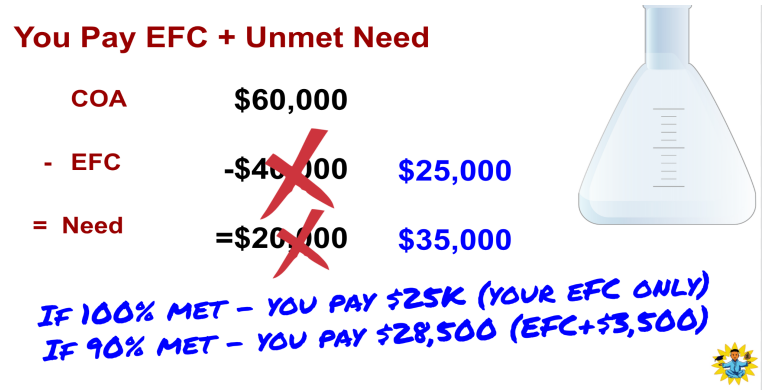
It COULD work out that way for less than 15% of the colleges in the country.

But for the most part, you'd pay your SAI plus any unmet need. As just discussed, for 60, mostly elite colleges, there is zero unmet need. So you're paying $25,000 for a $60,000 per year school. Not bad.

Does that seem weird? I'm going to show you later why it's actually not.

Most private schools do NOT cover one hundred percent of need. They might cover 90% or 80% or somewhere in the middle.

So back to the example: if a college covers 90% of your Financial Need, 90% of $35,000 is $28,500.



So you would pay the unmet Need, the 10% “Gap” that they are not covering, which is $3,500, plus your Expected Family Contribution. So $28,500.

You pay your EFC/SAi plus The Gap: also known as unmet Need.

Now let’s ponder, “What goes into the EFC/SAi? “

Meaning, how do “they” figure out what you can afford?

CHAPTER 6

Inside the EFC/SAI

Everything you always wanted to know about EFC/SAI but weren't nerdy enough to ask

Here's the bottom line: Income is the most important factor. I'll come back to income in a few pages, but for now, know that there is no "Magic Number" that, if you hit it, disqualifies you from financial aid.

Other SAI considerations: parents' age, number of children in college at the same time[7]

And, savings. Not necessarily how much, but where you have money saved.

[7] Back in the old days, but no longer. Bummer.

EFC factors

- Income
- Age
- # children in college
- Savings

IT'S ABOUT **WHERE**
NOT ONLY "HOW MUCH"



KEY POINT (THAT PARENTS HARDLY EVER REALIZE): Income is by far the most important factor that determines your eligibility. That includes untaxed income, for now (2022). Savings matters, but far, far less than income.

CHAPTER 7

It’s Not HOW MUCH, but WHERE

All right. Let's talk about the “closely guarded truth” about saving for college. This is where a ton of financial advisors and accountants get it wrong and sometimes actually sabotage their clients when they give advice about saving money…

…specifically, WHERE to save money..

Some assets or some savings count against you, penalize you more than others, and some don't penalize you at all.

Here is a simple chart, a representation of how they calculate your SAI based on income and assets.

Right now we're focused on assets. I'm going to come back to income.

	Income	Assets
Parent	22-47%	5.64%
Child	50%	20-25%



Child assets get penalized between 20% to 25%. Meaning if you have money saved in your kid's name, you'll be penalized at up to 25% of that amount.

Whereas if the money was in your name as a parent, you're only penalized only 5% and change.

KEY POINT: You are penalized waaaay more for saving in your child’s name than if you saved in your own name. Approximately 400% more!

Penalty: $100,000 saved in...

Parent’s name: $5,640 (5.64%)

Child’s name: **$20,000-$25,000** (20-25%)

THE FINANCIAL AID FORMULA PUNISHES YOU FOR SAVING $$ FOR COLLEGE

What do I mean by child assets? Usually trust accounts, like custodial accounts.

Do you have questions about the 529? No?. Okay. I'll skip that.

Ha ha. Just kidding. Free, non-refundable webinar. (Not free, yet non-refundable book.)

I will talk about the 529 momentarily. Let's use some real numbers here.

$100,000 saved in your name as a parent will penalize you or reduce your eligibility by a $5,640 or so.

But if it's one of those UTMA or UGMA or custodial accounts, you could lose up to $25,000 per year, just because you have it in the wrong place.

Yes, you're penalized for saving money for college. It's a twisted disincentive to be responsible by saving money, living below your means, etc.

This is shocking for many families I speak with, so if you feel like you got a bucket of ice water thrown in your face, you're not the first.

So where do you shelter your money? Where do you "hide" it?

CHAPTER 8

Should You Shelter Your Savings for Financial Aid Purposes?

Hang on a sec. Before I get to how to shelter your assets, the real question is, **should you even bother sheltering your money?**

It might not pay to do it because your income might knock you out of the box.

What's the "Magic Number" for Income?

I just told you that there's no income ceiling in terms of "how much is too much" that you earn.

But I'll give you some rules of thumb if you promise to really believe me that that's all they are, rules of thumb.

For public universities, your income must be low, around $60K per year to qualify for need-based aid. Most of the awards at these colleges are from the federal government, such as Pell Grants.

For private universities, the closer you get to $200,000 – with one child in college – the harder it is to qualify for need-based aid. With two children in college, the outer income limits are closer to $280,000 plus.

The Income Penalty

Income is penalized at a sliding scale between 22% to 47%. What does that mean?

First, the financial aid formulas factor income from two years ago, the prior prior year, in Department of Education parlance: “Prior, prior.” (I wonder how many hours were wasted debating this.)



If you have a child graduating in 2027, the income from 2025 is what they're looking at. If someone is graduating in 2028, then they're looking at 2026, 2 years ago, prior, prior. That's what the bureaucrats call it.

I presented the webinar that birthed the book you're reading at the end of 2021. Back then, income included taxed and untaxed income.

At the time of the webinar I noted that there were changes slated for 2023 that would exclude some untaxed income such as workers' compensation. I think child support too[8]

Here is a quick and dirty way to see if you should even bother moving money around to improve your eligibility for need-based aid:

Income: $250,000

EFC/SAI with 1 kid in college: $80,000

[8] Turns out they were changed. The formulas no longer penalize you for untaxed income. Nor do they penalize you for making contributions to your retirement accounts, which is a good change if you ask me. (Did you ask. NVM.)

Take your total income and multiply it by a third. if you make $250,000, the penalty that goes to your Expected Family Contribution just from income is about $80,000.

So if you're applying to a college that costs $90,000, but you have an SAI of $80,000, you're showing only $10,000 of Financial Need. It’s probably not worth the hassle of moving assets in order to get a maximum of $10,000.

Therefore, it doesn't matter where you have money saved and it’s futile to shelter your savings. You might as well keep it in the 529 or in the child account.

SIDE BAR: I have had SO MANY conversations over the years with high income families who told me a financial advisor was talking them into buying an annuity in order to shelter their savings from the financial aid office. Although this strategy can work SOMETIMES, the only person who would benefit in this particular scenario is the financial guy, earning a commission. Not the high income family.

Now, let's say you still make $250,000, but now **you have two children in college**.

Now, that Expected Family Contribution / Student Aid Index gets split between the kids, between the "F" in EFC, which stands for the family.

Income: $250,000

EFC/SAI with 1 kid in college: $80,000

EFC/SAI with 2 kids in college: $40,000

You might be able to benefit from moving money around.

NOTE: By the time you read this, the Department of Education **may have eliminated this "sibling discount" from their financial aid formula**. It's the subject of negotiation as I write this in the beginning of 2022. Pretty annoying.

However, I do *not* anticipate the CSS Profile to change its methodology this way.[9]

[9] So this happened: most CSS Profile colleges still appear to give the Sibling Discount. But not the FAFSA colleges any more. However, there's nothing stopping you from appealing your award, because financial aid officers have discretion to consider non-formulaic factors.

“Sibling Discount” bottom line for 2025-26: No longer given on FAFSA. But still given by CSS Profile Schools.

CHAPTER 9

Net Price Calculators

Another thing you can do to see if it makes sense to shelter funds, is to mess around with colleges' Net Price Calculators.

Every college has a Net Price Calculator on its website. The College Board makes one and there are other variations out there. They are good starting points. They are not necessarily accurate to the penny, but they will give you a good idea of what your award might be.

DO THIS (BUT BE CAREFUL): The Net Price Calculators are a *good,* not a perfect starting point to figure out what you could ultimately get in financial aid. One of the flaws is that they vary: there is no universal standard set of data for you to input. Some ask for more information than others. So take your results with a grain of salt.

I was talking to a client earlier today in India who told me he wasn't going to be on my webinar tonight because it's like 3:00 AM for him. Can you imagine that? So rude.

He was running the calculators showing money that he currently has in his name versus sheltering it using the strategies we recommended to him. It was roughly an $18,000 to $19,000 improvement per year in eligibility.

One more tip about the Net Price Calculators. After you run it, save it (screen shot or printout.) THEN, call the financial aid office to verify that the estimate is accurate. Do this months before you apply. NOBODY does this. But this is how you avoid shock, outrage and disappointment when the actual awards come your way.

Now let me draw your attention to three additional, related items you’ll want to research as you and your child are finalizing your college list.

CHAPTER 10

Three Critical Questions

As you finalize your college list, you'll want to get answers to these three questions

1. What percentage of Need do you meet? Are you a 100% need met school? Are you in 90%? Are you less?
2. How is that Need met? Meaning when you give an offer, is that mostly free money that doesn't have to be repaid? Is it mostly loans? It's usually a combination, but the percentage varies from college to college.
3. If your Financial Need is the same next year, will your award stay the same? Meaning, do they bait and switch? Do they "front load" the offers and then take them away? Or keep your award the same if nothing changes.
4. Here's bonus question, also a big one: How long does it take to graduate? Because if you're applying to colleges that take six years to get out on average,

then that's more expensive, right? Paying for six years is more expensive than four years.

Questions To Ask

What percentage of need do you meet?

How is that need met?

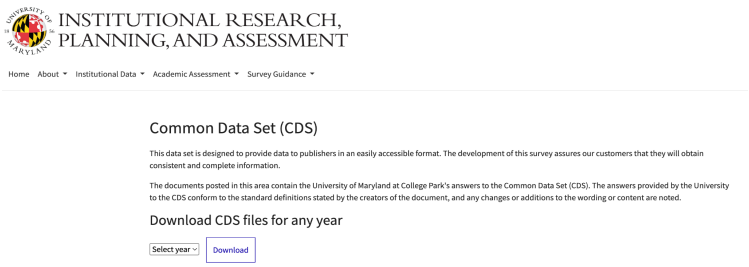
If my need is the same next year, will my award stay the same?

Graduation rates?

Where do you get answers to these questions? The College Board site (collegeboard.org) covers a lot of this stuff.

There's also something called the **Common Data Set**, which is not a website, but a format that each college uses to self-report data.

So if you were interested in attending the University of Maryland, you could Google “University of Maryland Common Data Set”, and you will find 15 pages of spreadsheets that cover a lot of data, including answers to the three questions above.



HOMEWORK: Estimate your eligibility for financial aid by using each college's Net Price Calculator, posted on each college's website. Cross check that information with the Common Data Set.

CHAPTER 11

FAFSA and CSS Profile



EFC: FAFSA vs Profile

Key differences how EFC calculated

"Federal Methodology" - FAFSA: published

"Institutional Methodology" - CSS Profile: unpublished

Hopefully you guys are finding this helpful. Let me press on.

I've mentioned two main financial aid forms. The **FAFSA**, the Free Application for Federal Student Aid, and the **CSS Profile**. There are others, but I'm trying to keep this book under 500 pages.

The FAFSA is about 80 or so questions. Every college in the country requires it.

The CSS Profile is approximately 200 questions. Some colleges have extra supplemental, questions, so it might be 200 to 300 questions.

Approximately 400 colleges in the country require it. You can find a list at cssprofile.collegeboard.org.

> How do you know which financial aid application(s) to submit? Check each college on your list, the answer will vary.

To be clear at the risk of being repetitive, the CSS Profile is required **in addition to, not in lieu of,** the FAFSA. Meaning this set of colleges requires *both* FAFSA and the CSS Profile.

The FAFSA is currently fairly straightforward, but we're going through some of the nuances here momentarily. Meaning, some of the big mistakes that people make.

There's nothing straightforward about the CSS Profile.

One of the big differences is how they calculate your Expected Family Contribution. There's something called the Federal Methodology, which governs the FAFSA, and is published.

And then there's the Institutional Methodology, which governs the CSS Profile. It is not published. It's actually top secret, like the formula for Coca Cola.

Although I actually just learned that I have access to the institutional methodology. It's in a software that a business partner of mine who served on the admissions committee at Princeton for 30 years created. He's got some like a double secret, super spy way of getting the actual... There's only a handful of people who have access to the Institutional SAI format.

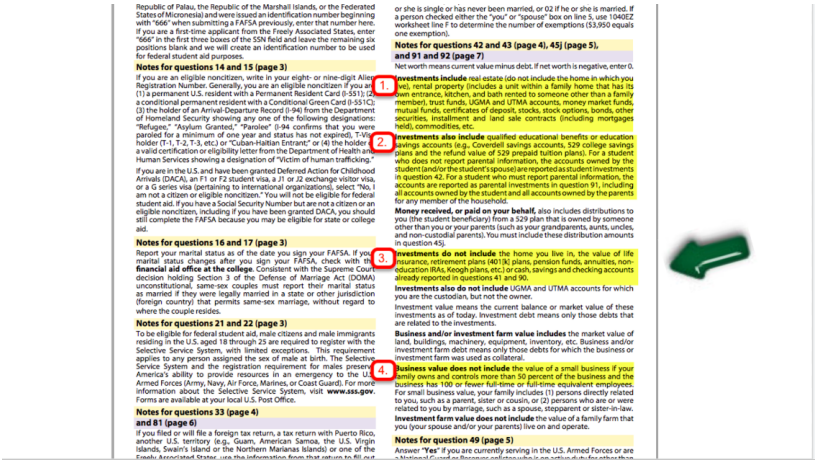
The interesting or frustrating thing is that you can think you're eligible for a lot of money at one school, but it might turn out that you're not because of the way they calculate your Expected Family Contribution.

Here's a look at the FAFSA directions, which everyone blows off. It gives you a breakdown of what is included for assets and what is exempt.

In other words, potential loopholes.

CHAPTER 12

The Four FAFSA Exemptions



Republic of Palau, the Republic of the Marshall Islands, or the Federated States of Micronesia) and were issued an identification number beginning with "666" when submitting a FAFSA previously, enter that number here. If you are a first-time applicant from the Freely Associated States, enter "666" in the first three boxes of the SSN field and leave the remaining six positions blank and we will create an identification number to be used for federal student aid purposes.

Notes for questions 14 and 15 (page 3)

If you are an eligible noncitizen, write in your eight- or nine-digit Alien Registration Number. Generally, you are an eligible noncitizen if you are (1) a permanent U.S. resident with a Permanent Resident Card (I-551) (2) a conditional permanent resident with a Conditional Green Card (I-551C); (3) the holder of an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any one of the following designations: "Refugee," "Asylum Granted," "Parolee" (I-94 confirms that you were paroled for a minimum of one year and status has not expired), T-Visa holder (T-1, T-2, T-3, etc.) or "Cuban-Haitian Entrant;" or (4) the holder of a valid certification or eligibility letter from the Department of Health and Human Services showing a designation of "Victim of human trafficking."

If you are in the U.S. and have been granted Deferred Action for Childhood Arrivals (DACA), an F1 or F2 student visa, a J1 or J2 exchange visitor visa, or a G series visa (pertaining to international organizations), select "No. I am not a citizen or eligible noncitizen." You will not be eligible for federal student aid. If you have a Social Security Number but are not a citizen or an eligible noncitizen, including if you have been granted DACA, you should still complete the FAFSA because you may be eligible for state or college aid.

Notes for questions 16 and 17 (page 3)

Report your marital status as of the date you sign your FAFSA. If your marital status changes after you sign your FAFSA, check with the **financial aid office at the college**. Consistent with the Supreme Court decision holding Section 3 of the Defense of Marriage Act (DOMA) unconstitutional, same-sex couples must report their marital status as married if they were legally married in a state or other jurisdiction (foreign country) that permits same-sex marriage, without regard to where the couple resides.

Notes for questions 21 and 22 (page 3)

To be eligible for federal student aid, male citizens and male immigrants residing in the U.S. aged 18 through 25 are required to register with the Selective Service System, with limited exceptions. This requirement applies to any person assigned the sex of male at birth. The Selective Service System and the registration requirement for males preserve America's ability to provide resources in an emergency to the U.S. Armed Forces (Army, Navy, Air Force, Marines, or Coast Guard). For more information about the Selective Service System, visit **www.sss.gov**. Forms are available at your local U.S. Post Office.

Notes for questions 33 (page 4) and 81 (page 6)

If you filed or will file a foreign tax return, a tax return with Puerto Rico, another U.S. territory (e.g., Guam, American Samoa, the U.S. Virgin Islands, Swain's Island or the Northern Marianas Islands) or one of the Freely Associated States, use the information from that return to fill out

or she is single or has never been married, or 02 if he or she is married. If a person checked either the "you" or "spouse" box on line 5, use 1040EZ worksheet line F to determine the number of exemptions ($3,950 equals one exemption).

Notes for questions 42 and 43 (page 4), 45j (page 5), and 91 and 92 (page 7)

Net worth means current value minus debt. If net worth is negative, enter 0.

1. **Investments include** real estate (do not include the home in which you live), rental property (includes a unit within a family home that has its own entrance, kitchen, and bath rented to someone other than a family member), trust funds, UGMA and UTMA accounts, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, installment and land sale contracts (including mortgages held), commodities, etc.

2. **Investments also include** qualified educational benefits or education savings accounts (e.g., Coverdell savings accounts, 529 college savings plans and the refund value of 529 prepaid tuition plans). For a student who does not report parental information, the accounts owned by the student (and/or the student's spouse) are reported as student investments in question 42. For a student who must report parental information, the accounts are reported as parental investments in question 91, including all accounts owned by the student and all accounts owned by the parents for any member of the household.

Money received, or paid on your behalf, also includes distributions to you (the student beneficiary) from a 529 plan that is owned by someone other than you or your parents (such as your grandparents, aunts, uncles, and non-custodial parents). You must include these distribution amounts in question 45j.

3. **Investments do not include** the home you live in, the value of life insurance, retirement plans (401(k) plans, pension funds, annuities, non-education IRAs, Keogh plans, etc.) or cash, savings and checking accounts already reported in questions 41 and 90.

Investments also do not include UGMA and UTMA accounts for which you are the custodian, but not the owner.

Investment value means the current balance or market value of these investments as of today. Investment debt means only those debts that are related to the investments.

Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, etc. Business and/or investment farm debt means only those debts for which the business or investment farm was used as collateral.

4. **Business value does not include** the value of a small business if your family owns and controls more than 50 percent of the business and the business has 100 or fewer full-time or full-time equivalent employees. For small business value, your family includes (1) persons directly related to you, such as a parent, sister or cousin, or (2) persons who are or were related to you by marriage, such as a spouse, stepparent or sister-in-law.

Investment farm value does not include the value of a family farm that you (your spouse and/or your parents) live on and operate.

Notes for question 49 (page 5)

Answer **"Yes"** if you are currently serving in the U.S. Armed Forces or are

These loopholes are writer downers, so get ready with your oversized number two pencil and pocket protector and short sleeve middle management dress shirt to write down the stuff that does not count against you.

Exempt Assets

1. Retirement accounts
2. Primary residence*
3. Annuities*
4. Cash value life insurance



WRITER-DOWNERS!

The four exempt assets that should never be disclosed on the FAFSA are:

- Retirement accounts
- Primary residence
- Annuities, and
- Life insurance with cash value.

The flip side of the coin is that you might be able to use some of these exemptions, or “loopholes,” to improve your eligibility for need-based aid, by strategically re-positioning your assets out of a bad “bucket” where you’re penalized, into a good bucket where you will not incur any financial aid penalties.

These strategies do not work for everyone, of course. But for the right people, these moves can result in tens of thousands of dollars of additional grants and scholarships.

Let's go through each exemption.

CHAPTER 13

Retirement Accounts

Retirement accounts means 401k, 403b, et cetera, cetera, et cetera. **Do not share this information on the FAFSA**. If you disclose it, you will likely hurt your chances of getting financial aid.

I'm putting this dramatic, spooky graphic here so you remember “Disclosure equals death.”



There’s hardly a month that goes by where we don't talk to someone who mistakenly included their 401(k) etc. when they filled out their own FAFSA and their own financial aid applications.

You will not make this mistake if you decide to fill out the applications yourself or find someone competent to help you. (We can prepare and file financial aid applications for you, see LockwoodCollegePrep.com if you’re interested.)

Do not overshare your retirement accounts.[10]

WARNING: Do not “overshare” – disclose things that should not be disclosed – on the FAFSA or CSS Profile. Read their respective directions carefully. Don’t rob yourself of financial aid that you otherwise deserve!

Let’s move onto the second exemption, your primary residence.

[10] While we’re on the topic, please do not overshare anything else online. That goes for what you had for lunch every day for the last six months, ditto for cocktails. I don’t need to see you working out, either. And don’t get me started on those toes on the beach pics.

CHAPTER 14

Primary Residence

Your home is exempt on the FAFSA and should never be disclosed.

However, if you're applying to a CSS Profile school and own your primary residence, you must disclose your home value, outstanding mortgage balances and other information.

That's one of the key differences between the FAFSA and CSS Profile. It says right there in black and white; your primary residence is not an asset on the FAFSA.

Incidentally, if you own other real estate as an investment or as a second home, that is *not exempt* on the FAFSA, and must be disclosed.

In contrast, the CSS Profile DOES ask about your home, when you bought it, what the purchase price was, how much your mortgage payments are, and other information.

Fun fact: Technically, guess who's supposed to fill out the CSS Profile?

Not you. Your child is supposed to because your child has the College Board username and password. The College Board makes the CSS Profile. I don't recommend that your child answer 200+ questions about your finances, incidentally!

KEY POINT, KEY DISTINCTION: The FAFSA does not consider your primary residence a resource that you can use to pay for college. Hence the exclusion. (Other real estate is included.) The CSS Profile on the other hand DOES consider your home to be a resource that you could use to pay for college. However, many colleges cap the amount of equity that they penalize.

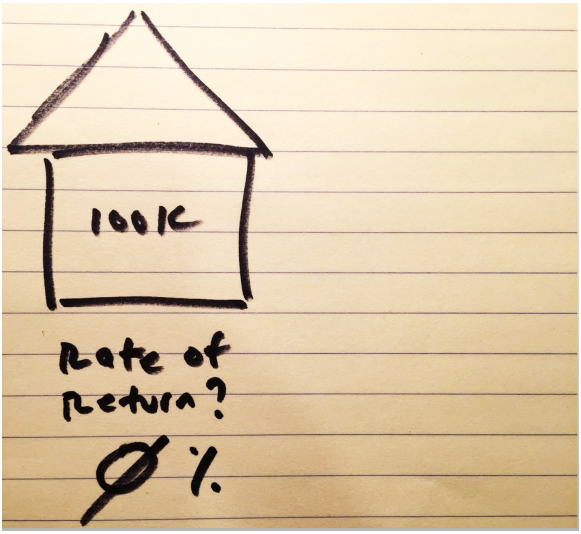
CHAPTER 15

How to Make Your Home Crappier in the Financial Aid Formulas… An advanced home equity repositioning strategy

Let’s talk about a strategy to minimize the equity in your home. It can be a powerful tool, not only to help you improve your eligibility for aid, but for other reasons.

But of course, there are negatives to this strategy too. It can be a really bad financial move if the stars don't align.

So let's cover some of those with my new ultra expensive and slick graphics. Buckle up.



Let's say this is your house and you have equity (fair market value minus liabilities) of $100,000 in it.

What interest rate is that $100,000 earning?

The theory is – by the way, I'm not a mortgage broker either – that you're not earning any interest, or any return on your investment until you sell it.

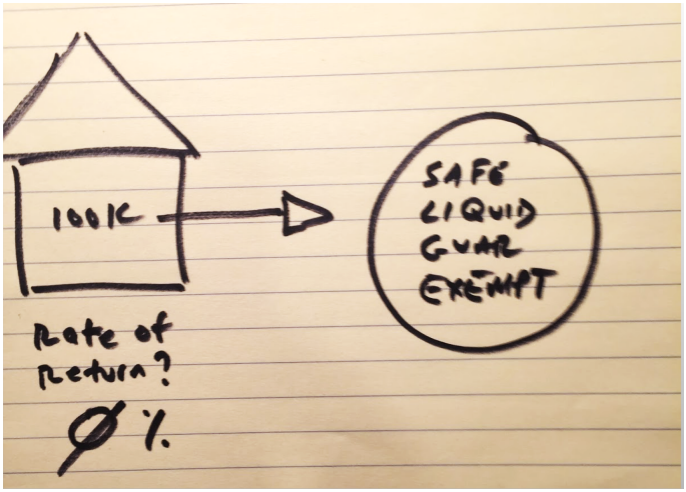
We all hope that our homes appreciate in value for some day when we sell, but in the meantime, we’re earning ZERO.

We’re not “making” anything while the fictitious equity is trapped in the bricks, in a manner of speaking.

It's not like the money is in a savings account, earning interest.

Ponder this: if there was a way to remove that equity and put it into a side account, it might earn more than zero.

So it would still be your home equity, but instead of being trapped in the house, it's would be sitting in an account that is Safe, Liquid, Guaranteed and Exempt, or as I like to call it, SLGE. (Pronounced "Sludge.)



I really should come up with a less gross term.

- Safe means not risky.
- Liquid meaning you can access it.

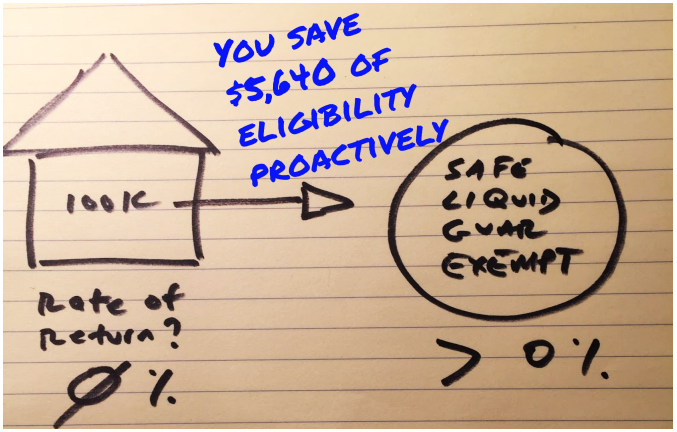
- Guaranteed means ‘really safe,’ you can't lose money, it can't drop in value.
- Exempt means the funds don’t count against you in the financial aid formulas.

That is how this strategy could work for a **small percentage of folks.**

<u>This does not work for everybody</u>. I’ll get to the negatives in a moment.

And let's say you're earning more than 0% on your SLGE funds (net of your borrowing costs). Then you're coming out ahead, theoretically, the longer you leave it in the new account, thanks to the power of compounding interest.

That’s the theory.



You'll save on your terms, $5,640 per $100,000 of equity that you do this strategy with.

Risks and Potential Negative Consequences

Okay. Those are the pros, but there are cons too. Namely, risks. Here's an incomplete list:

- **Cash flow.** What if you can't afford your new mortgage payments if you're taking money out of your house? Rates are pretty low right now, but that doesn't mean that they're necessarily going to drop your payments.
- **Consuming (not preserving) your equity.** What if you do something impulsive or dumb with the mortgage proceeds? You don't put it in something that's guaranteed and safe, instead you buy new cars, take expensive vacations, whatever.
- **Investment features.** And what if you don't understand the type of deposit, or investment you just made? Meaning fees involved and how long you have to "lock it up" before you withdraw your funds.

There are all these stories about people who took their PPP or economic injury loans and bought Maseratis. We know someone who did that.

Actually, I know someone who bought a yacht and did some other things with his PPP money that the feds decided to make an example out of. That's not what you want to do with a strategy like this, but it would not be illegal if you’re using your own assets of course.

Just highly risky and highly stupid. Don’t be dumb with the equity in your house. (Did that sound judgmental?).

- **Closing costs.** Here’s another consideration: you've got to look at closing costs for refinancing or pulling an equity line. And there's potential stuff that you can't necessarily see. You have to be prepared and nimble.

As a rule, we should all be super aware that unpredictable, unimaginable things can happen. So you don't want to do weird stuff to chase a few financial aid bucks that can lock your access up to your money, put a strain on your cash flow, eradicate your savings, etc.

I have more to say on this but, in the interest of time, let me remind you to consult with an actual, competent financial planner or accountant. Not rely on a random college advisor.

Don’t consume your equity or use it for something risky.

TIP: Don’t do something dumb.

CHAPTER 16

Annuities

All right. Next exempt category is annuities.

On the FAFSA, they are entirely exempt.

On the CSS Profile, only retirement annuities (called Qualified Annuities) are exempt. So if you have a non-retirement annuity, you will be penalized on the CSS Profile.[11]

The reason I'm saying this with a little bit of detail here is that there are people who go around the country giving presentations about how you can buy annuities and improve your eligibility for financial aid.

And then the epiphany, about an hour into the presentation, is, "Oh, by the way, I have an application here for you to buy an annuity from me, right here in my suit jacket pocket, because I'm also coincidentally an insurance salesman!"

[11] Yeah, speak to a competent financial advisor about this.

I'm not an insurance guy. I've come across numerous folks who, in the past, were pressured into purchasing annuities.

But many of these folks purchased non-qualified annuities, AND applying to CSS Profile colleges. The very same schools who PENALIZE non-qualified annuities. Oops.

When the dust settled, that financial move did not help them get more money.

In contrast, the only people who benefited from the purchase of an annuity were the insurance salespeople who made a commission recommending an investment that didn’t do what they promised. Be very careful.

If you’re going to purchase an annuity you also have to look at fees, whether you can access your money before you’re 59 ½, other restrictions, tax consequences, you name it.

Before you buy an annuity or make any type of financial move, ask, what happens if you try to get it out early? What are the termination fees or surrender charges?

And if you're going to take money out of the stock market or mutual funds to purchase an annuity, you have to factor capital gains. Those are just some of the ones off the top of my head. Again, I'm an amateur. I'm not a pro financial advisor.

KEY POINT ABOUT ANNUITIES: If you're going to purchase an annuity for college financial aid purposes, know that 1. this strategy doesn't work for most families; and 2. you will have fees and other factors to weigh in order to make sure you're making a good decision.

To wrap up: FAFSA-only schools, you can buy any annuity you like. Those are completely exempt.

And it doesn't matter if you have a lot of equity in your house if you're applying to schools that only accept the FAFSA, which don't penalize you for having equity in your home..

However, if you're applying to some schools that require the CSS Profile, non-retirement annuities penalize you and your home *is* considered an asset that can be used probably by pulling an equity line as a resource to pay for college.

So it comes down to what colleges you're applying to and what their requirements are. Just to complicate things a little bit more, some colleges require the CSS Profile in year one, and then afterward they don't.

I’d be remiss if I didn’t point that out.

KEY DISTINCTION ABOUT ANNUITIES: All annuities are exempt on the FAFSA. Only “qualified,” or “retirement” annuities are exempt on the CSS Profile. Check which financial aid applications your colleges require before considering buying an annuity for college financial planning purposes.

CHAPTER 17

Cash Value Life Insurance

All right. Last exemption: life insurance. Bonus points if you can name the movie.



Cash value life insurance is exempt on each of the FAFSA and CSS Profile. No colleges penalize you for having cash value life insurance.

Well, check that. There's always one or two. When I put this slide deck together, Harvard and Hamilton were two

schools that do ask about life insurance with cash value, but that's really it as far as I know off the top of my head.

Incidentally, I'm not talking about term insurance. This discussion pertains to life insurance that has cash in it, typically referred to as whole life.

Of course there are other obvious reasons for buying life insurance, to protect your children and all that. I will disclose that I own cash value life insurance and part of the reason is for college purposes, like I'm talking about here. But there are other reasons, there are other benefits also.

However, again, you need to see someone who's qualified to talk about this stuff, or at least pass the insurance license test.

KEY POINT – LIFE INSURANCE: Cash value life insurance, commonly referred to as “Whole Life” is exempt as an asset by most colleges. However, you should understand all of the potential negative factors before purchasing a policy, such as fees, access to your funds, etc. Speak to a trusted life insurance-licensed person.

CHAPTER 18

Case Study: “Rachel”

Let's do a case study here with "Rachel." Not her real name.

Rachel had $220,000 of income, which equates to about $70,000 in for her Expected Family Contribution. She had $700,000 in savings, which boosted her EFC by about $39,000. But she had two kids in college simultaneously. I can't remember if they were twins or just in college at the same time.

So her initial Expected Family Contribution was $60,000. It would've been $120,000 with one kid in college, but with two, it was $60,000. We were able to lower that by $19,000 to $41,000, I'm not sure how visible this is at the top here, but Cornell, Tufts went from practically full pay to eligibility between $27,000 and $26,000 each. Per year.

I think her new eligibility at Dartmouth was $31,000.

She was not eligible for anything at Stony Brook. So her kid got into some of these schools and she got a great financial aid award from most of those colleges.

Rachel’s strategies were the exact same that I just described in the pages preceding this example. We took some of her mutual funds and purchased whole life policies, cash value life insurance.

She had lesser amounts invested in 529s. I'm still going to talk about them, promise.

We terminated those and put those into sheltered assets, and made sure that she had plenty of schools that were generous, like the ones that you just saw. The private liberal arts colleges tend to be the most generous.

“Rachel’s”* strategies

1. Move mutual funds into whole life policies
2. 529’s
3. Focus on generous need-based schools



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*Still not her real name

In Rachel's case, we didn't have to worry about tax consequences because a lot of her money came from an inheritance and a “stepped up cost basis,” which limited her capital gain. We worked in conjunction with her financial advisor to figure this out.

Had he not passed away, her father would have had a huge capital gain if he sold the securities before he died. But he held the investments until the day he died.

When he passed away, Rachel got the new, stepped-up basis, which, under IRS rules, was calculated as the fair market value of the accounts as of the date he father passed away, not the date of the original purchase.

So when Rachel inherited the securities, her cost basis stepped up to $700,000.

She didn't have to worry much about tax consequences associated with sheltering her funds. And she had minimal penalties for the 529s, mostly because she didn't have a lot of money in them.

We also looked at some strategic home equity strategies, and these were real options, but they weren't worth doing when we looked at the economics of that strategy.

Some Short Comments on the 529

If you are trying to get out of your 529 early, for “non-qualified” higher education purposes, you'll pay a penalty equal to 10% of the earnings. That can wipe away all or some of the potential financial aid benefit you were hoping to receive. Be careful.

More 411 on the 529, below.

CHAPTER 19

Black Swan Warning/Cover My Tush Disclaimer

Here are some disclaimers. You've seen this one already, but it's worth repeating:

You have to anticipate the unanticipatable (the Black Swan event, popularized by Nassim Taleb). Before you decide to shelter funds or make any type of financial move, you must consider how to get out of your transaction if you need to do it in a hurry.

I think it's a good idea as a rule to be comfortable with your decisions independent of your financial aid motives or considerations.

Here's another risk: let's say your child doesn't get in anywhere!

Or they get in, but decide not to go.

That could happen. There are a lot of moving parts out of your control. Don't get lazy about assessing all the risks, no matter how unlikely.

If you have a smart financial planner or other, similar advisor, please consult him or her before you make any move.

CHAPTER 20

Preferential Packaging

Let's talk about the concept of "Preferential Packaging", which colleges do by their own admission. Have you heard this term?

Here's how it works.

Alberto and Bob each get admitted to the same college. Alberto is at the top of the heap, grades, standardized test scores, extracurriculars, etc. far above the median of his competition.

In contrast, Bob gets in by the skin of his teeth.

Each of Alberto's and Bob's family looks identical on paper, income, savings, et cetera, But approximately 99 out of 100 times, Alberto will receive a more generous financial aid award than Bob.

That's called Preferential Packaging, and that's just the way it is.

You may not think this is “fair.” Who cares, I'm just telling you how things work in the real world of college admissions and financial aid.

CHAPTER 21

The 529 College Savings Plan

Let's talk about the 529. Interestingly, supposedly only 19% of families have them, last I read.

It is not a widespread magic wand, even though it's been pushed for years as a tax-favored way to pay for college, mostly by mutual fund companies. It has not received widespread acceptance.

So if you don't have one, that's okay. But if you do have one, here's a 411 on the 529:

You're penalized if you have one.

One one hand, the 529 gives you a way to save tax-free. And when you pull funds out to pay for college, you don't pay capital gains on your earnings, as long as you use the funds for qualified higher education expenses.[12]

[12] The definition of qualified expenses recently expanded beyond college tuition and related expenses. Now you can use these funds to pay for private high school tuition, and tutoring. Which means that I am now tax-free, apparently (but don't feel any different).

On the other hand, you receive less aid if you have 529 funds. You’re penalized.

The FAFSA treats it as a parent asset. That means it's penalized a much lower amount, 5.64%. However, colleges that have their own money – who tend to follow the Institutional Methodology – can do whatever they want.

My suspicion, it's not just me, but many of my colleagues suspect that many colleges still treat the 529 as a child asset. So that's why a 529 may not be a good thing for you.

Its status, as friend or foe, depends on what colleges you applied to, their financial aid methodology, (are they mostly private colleges, or state schools?), your income, and a bunch of other factors, most of which we've covered today.

The 411 on the 529

- Treated as parent asset (better) on FAFSA
- Colleges using a different methodology (CSS Profile) can do whatever they want
- I suspect that many private colleges treat 529 as a child asset - 25% penalty!
- 529 status as “Friend” or “Foe” depends on where you apply, income + other factors



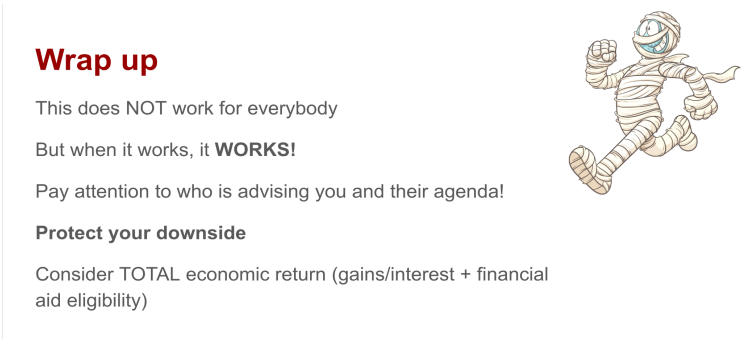
One more comment: if a grandparent or an uncle or aunt opens a 529 on behalf of a college-bound kid, that does not reduce eligibility any more.

Under the old rules, when the funds from grandpa’s 529 went to pay college tuition, that would reduce the college kid’s eligibility the following year. Not anymore.

You can use the proceeds of your 529 for “Qualified Expenses”. Sheltering your 529 funds does not qualify. If you don’t, you are subject to a 10% penalty on the earnings of this account, and possibly other state fees.

CHAPTER 22

Last Word on Sheltering Your Assets



So let's wrap this up. I was looking for a graphic for wrapping. I didn't want to use a photo of a rapper because someone would call me a racist. Hopefully I'm not offending the mummy or embalmed communities.

Sheltering money does not work for everyone. My best guess is that 20% of families could benefit from this type of strategy.

But this is just general, non-specific advice to you, Mr. or Mrs. Viewer and Mr. Mrs. Reader. You've got to pay attention to not only the benefits but also the risks for your SPECIFIC set of facts.

This is why I was mentioning the insurance guys before, the Ned Ryersons of the world. Pay attention to who's advising you and what their agenda is. Protect your downside, especially the unforeseen. And I urge you to consider, with an accountant or financial pro, your *total economic return*, meaning don't just do something that works for financial aid and ignore the bigger picture. You've got to look at the costs that could drag or cut into your financial aid gain.

CHAPTER 23

What if You Don't Qualify for Need-based Aid?

Here's an fascinating, fun fact:

Giraffes sleep only 30 minutes in a 24-hour period.



I didn't say I had a fun *financial aid* fact.

All right, fine. As luck would have it, I have **five fun financial aid facts** to share.

5 More Fun (Non-Giraffe) Facts



1. Most aid goes to top 25% of income earners
2. Average discount by a private college: 53.9%
   National Association of Collegiate Business Officers
3. 25%-75%
4. More Merit funding than Need-Based $$
5. “High sticker price” private colleges can cost LESS out than “cheaper” state schools!

Most aid goes to the top 25% of income earners. Why? Because people who can pay are highly desirable customers in the college business and every business.

Colleges must encourage those families to come because they may give them 25% off, but they're going to get the other 75% coming into their bank accounts.

This is not politically correct. I warned you at the beginning. But that is why most aid goes to six-figure earners.

The average discount currently by private college, nationally, according to the National Association of

Collegiate Business Officers, is a whopping 53.9%.[13] That's the average. I think in all colleges, not just private, but public also, it's like 48%. So you can get a huge discount if you know where to apply.

At any given college, the breakdown of families that pay full price versus families that get some sort of subsidy is 25%, 75%.

75% of the families at any given college get some sort of discount. Paying full price is a choice, not a foregone conclusion. It's not an obligation. It's a choice.

You have to pay tuition. You don't have to leave a tip.

This may surprise you: here's more merit funding than need-based funding out there. So if you don't qualify for need-based aid, you shouldn't give a hoot.

"Merit" simply means any money from the college that's not based on income and sayings, FAFSA or the CSS

[13] I believe that number changed to 56.3% in 2025. But let's not split hairs, counselor.

Profile, although **some colleges require you to file financial aid applications to be considered for merit scholarships**, as weird as that might sound.[14]

Merit aid awards have to do largely with how your child stacks up compared to her competitors. Here are the two elements you must meet in order to win merit aid:

1. **Apply to generous colleges** (private colleges, for the most part)
2. **Apply to the generous colleges that will be generous to YOUR KID**. (If he or she is in the top 20-25% of their cohort, you’ve got a good shot at merit.)

The New York Times columnist Ron Lieber has a good course on finding merit aid. I bought it myself a year ago and think it’s worth a look.

KEY POINT: At any given college, approximately 25% of families pay full price, helping to subsidize the other 75%. Which group would you rather be in? (IHow cheesy was that?)

[14] Fordham University, New York University, Tulane University are three of ‘em off the top of my head.

CHAPTER 24

Discounting: Private, High Sticker Price Colleges vs State Universities

Frequently, it's the high sticker price private colleges that discount you down to a point that's lower than state universities, certainly out of state universities. It's hard to discount a private college down to an in-state tuition level but it can happen.

So the point here is don't eliminate private colleges from consideration only because of the apparent costs. The NET Price matters, not Sticker Price.

One more point:, colleges compete with each other and frequently negotiate. Thus, another reason not to be scared off by Sticker Price. You might be able to Pay Wholesale for College![15]

PRIVATE VS PUBLIC: Don't rule out expensive private colleges for financial reasons. They're more likely to discount than cheaper public universities, mostly

[15] My first best seller was How to Pay "Wholesale" for College. It's out of date. This book is more up to date. Now you know.

because they have the endowments to do so! (State schools rely mostly on federal funds, which are not plentiful by any means.)[16]

[16] That sure turned out to be the understatement of the year in 2025, based on the Trump administration has been doing to colleges’ federal funding.

CHAPTER 25

Merit Aid Rules of Thumb

Here are a few rules of thumb for merit aid. If you're a child, apply to college where you're in the top 20%, 25% compared to your cohort. That means it's more likely they will roll out the red carpet.

And make sure that you have at least two or three colleges that compete with each other on your list. For more information, see *How to Negotiate Your Crappy Financial Aid and Merit Offer*, available on Amazon.[17]

But I'm going to give you a few highlights. First, just to show you that the advice actually works, here's a before and after from 2012 from a great client of mine named Rick, who you'll hear from a little bit later, where his initial offer was $23,000 and change. And then we were able to negotiate that to $53,540, an increase of $30,022.

[17] Tell 'Bayze" that Andy sent you.

Rick’s cost to send his daughter to the expensive, ritzy University of Southern California was actually LESS than if he were to send her to a state university!

Here is a client of ours from Canada who got into Harvard, who said, "You're not getting any money from us." But, "Oh, now that we appealed it, you're going to get between $16,200 to $19,200." I don't know why they didn't give an actual number instead of a range. Here's a range. But she succeeded.

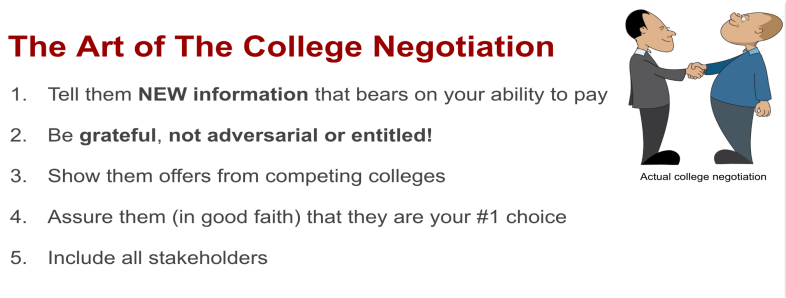
A client of mine, Jim, who's a CPA, was offered from Fordham $5,800 initially. Then we were able to negotiate that to an even $20,000.

Here’s another before and after offer from Muhlenberg. Our client received $27,700. And then we were able to increase that by $10,000 and change, to almost $40,000.

Let’s take a quick look at how to negotiate with a college…

CHAPTER 26

How to Appeal Your Financial Aid Award



Number one, attitude matters. Do not be adversarial or entitled. Be grateful. Be nice too. Act as if you are on the same side of the table, not across it and argumentative.

Give new information that bears on your ability to pay for college. You can't just rehash stuff they already know.

Offers from competing colleges. That is huge. Play them off against each other ruthlessly and mercilessly:

"You're my daughter's number one choice. If you can make the numbers work, we're coming." Obviously you do that in good faith. Don't do that to 10 colleges please.

Last but not least, don't just appeal to financial aid. Also appeal to the admissions office because they are not the bean counters. Or if you're being recruited for sports or something, appeal to the coach.

KEY POINT – APPEALING: When appealing, it’s important to share the “right,” new information in a courteous and respectful way. Follow each college’s protocols. See *How to Negotiate Your Crappy Financial Aid and Merit Aid Offer* on Amazon.

CHAPTER 27

Special Circumstances

Let's continue with the topic of appealing. Financial aid officers are looking for "special circumstances."

Drop in Income Since Base Year.

One common example is a drop in income from the base here. Remember, they're looking at income two years ago. I wrote a ton, over 120 letters of appeal last year for my clients. I'd say half of them indicated there was a drop in income: "I know things looked rosy for us on paper two years ago, but since then my business went down the toilet," or "I had a great job two years ago, but since then took a paid cut, got laid off," et cetera, et cetera.

A big drop in income is a classic special circumstance.

Unusually High Expenses.

So too are unusually high expenses such as medical or dental or legal.

Or you had to take care of a family member unexpectedly.

Or got divorced. Generally, something unusual and dramatic is what they’re looking for.

“I live in a really expensive area” is not a special circumstance.

They know that. They see your address. They'll tell you something like, "Yeah, well, no one forced you to live there." That's not new information.

“My kids go to an expensive camp every summer.” Um, no. Don’t try that. (I didn’t make that up, unfortunately. Sigh.)

CHAPTER 28

Tax Scholarships For Business Owners

Okay. Switching to business owners. We business owners are treated differently. Some of that special treatment is we have to make more disclosures when we apply for financial aid to college.

By way of reminder for business owner and W2 employee alike: Income is the most important factor in financial aid. In most cases, you as a business owner might be able to shelter or control – meaning lower – your income.

Again, Amateur Andy here speaking, don't take this or anything in this webinar or book as specific advice. I'm merely describing strategies that we have used for SOME of our clients. Even for ourselves, as business owners, in some cases.

We specialize in helping business owners lower their taxable income, which of course results in paying less in taxes, which most people don't complain about.

In some circumstances, these taxable income-reducing strategies could help you become eligible for Need-based aid.

I refer my clients to my personal accountant, Rick “The Legend”[18] Darvis, who is an expert at Tax Scholarships, a term he coined to help business owners free up cash from their business to use for college finance purposes, or other purposes.

Here’s one for businesses organized as a subchapter S corporation (“S Corp”).

The deal with S Corps is that all the income that comes into the business after expenses flows to you personally. The term is “flow through.”

Okay. That's good for tax purposes because you're not double taxed, meaning you don't get taxed on corporate earnings and then taxed individually the way you would with a C Corp.

However, in some cases, it might make sense to have another entity that has elected C Corp status, where the

[18] He calls himself that. I’m throwing him a bone.

money gets stored at the corporate level, and therefore doesn't filter all the way down to the individual. This lowers the individual's taxable income.

If you discuss this with your accountant (or are an accountant), the immediate, reflexive reaction you'll get is NO - THAT'S DOUBLE TAXATION!!!

They're right. C Corp status results in double taxation, once at the corporate level and once at the personal level. Whereas S Corps feature one level of taxation.

But here's the deal. Just because you're being taxed twice does not mean that you automatically lose money. If you have enough expenses to run through the C Corp, when you calculate the net effect of this strategy, you MIGHT see an overall economic improvement, meaning:

- Less money paid out to the IRS
- More money in your pocket to use for college expenses or anything else

That is a high-level, broad brush description. I'm leaving out a few details, mostly because I'm an amateur at tax planning.

Talk to your accountant. After they scream, NO, DOUBLE TAXATION, BAD! at you, talk to a different accountant.

Another example: We had a personal injury attorney who made $800,000 in a windfall from a case he had been working on for years.

Instead of taking the revenue into this flow-through entity, we advised him to shelter the income into an entity that he created that featured C Corp treatment, which kept the income from hitting his personal bottom line.

He was able to get $17,000 in need-based aid from Ithaca college and a similar amount from another private college for his other kid

Note that controlling income in this manner is above board. There’s a paper trail

Each entity files a tax return with the IRS, nothing is “hidden” or offshore at the Cayman Island Bank of Madoff.

Another business owner case study. Tina occupied the building next to our office (since sold, and we took larger space elsewhere). Her daughter got into a bunch of expensive schools.

She got nothing in aid. She called me after the fact, which is usually when I can't help.

As a favor, I looked at what she had disclosed on her financial aid applications. I saw immediately what the problem was.

I asked Tina two questions: how much of the business do you own? How many employees do you have?

Once she told me, I saw the issue.

I explained that the value of her business was zero.

Tina argued, “I can’t say that. I make an annual filing with our equipment lenders that includes a balance sheet and a profit and loss statement.”

“That’s not what I’m talking about,” I said. “You live in the real world. But in the bizarro world of financial aid regulations, the value of your business is zero.” I showed her the specific rule in the FAFSA directions.

Want to know what happened next? We (Pearl) refiled corrected financial aid applications. She wrote up letters explaining everything.

NYU, re-evaluated their initial offer (bupkis) and, weeks later, awarded her $25,000. Tina got the same amount again, three consecutive years.

$75,000 for a corrected FAFSA and some emails. Not too shabby!

KEY POINT – BUSINESS OWNER TAX SCHOLARSHIPS AND LOOPHOLES: Business owners might be able to control their income to either save money on taxes, which frees up cash for college; or shelter funds in their business; or some combination of the two. Be prepared to make extra disclosures, many colleges require supplemental business financial aid forms.

CHAPTER 29

Divorced / Separated Families

All right. Switching gears here. Who can identify this movie?



Divorce and FAFSA.

The FAFSA is very specific about which parent should complete and file that form. it has nothing to do with any divorce agreement that might have been signed.

FAFSA directions state that the parent who provides the most support to the child should be the one who files the FAFSA.

The intent of this rule change seemed to be in order to align the IRS with the Department of Education, so that the parent who declares the child on his/her tax return would also be the one to file the FAFSA.

But here’s the weird thing: the directions do not define “most support.” And they do not direct the parent who has the child listed on his/her tax return as dependent to file.

Read into that what you will.

One more thing. if the divorced spouse is filing the FAFSA and has remarried, the FAFSA asks for household income. Not only the divorced spouse’s income.

This may not seem fair, but that’s the rule. The theory is that the divorced spouse and new husband/wife are sharing expenses, income and other resources, so they should not be left out of the equation. Even if the new spouse has no legal or moral obligation to support the child of the divorced spouse.

CSS Profile and Divorce.

The CSS Profile is different. Depending on each college’s respective requirements, it asks you either a little bit about

the non-custodial parent or a lot of information. So whether or not the non-custodial parent factors into the equation depends on where you apply.

RULES FOR DIVORCE/SEPARATED FAMILIES: For FAFSA purposes, the custodial (filing) parent is the one who provides the most support to the college-bound child. The CSS Profile considers both the custodial and non-custodial parents in the determination of eligibility.

CHAPTER 30

Wrap Up

I hope you've enjoyed this short book and found it helpful. I hope you see that paying full price is a **choice** – **not an inevitability** – for every family, no matter how much they earn or have in the bank.

One final comment, in case you feel guilty.

If you pick up an extra $5,000, $10,000 or more in scholarships because of some strategy you implemented, there's nothing wrong with that. Just ask me, I'm a college advisor.

Seriously, no matter what anyone might say, you are not taking money out of the pocket or food off the table of another, more "deserving" family. That's just not how things work.

The college money is out there - go get it!

Resources

For more information about the author and his firm, visit LockwoodCollegePrep.com.

You can text us from that site if you have questions about our college advisory, financial aid consulting and/or tutoring services.

To book a complimentary College Strategy Session consultation, available at no charge for readers of this book, call 516-882-5464, or email vip@lockwoodcollegeprep.com, or scan this QR code:



Podcast: *The College Admissions Edge*. Apple podcasts, Spotify, other random places.

Weekly Show: *College Coffee Talk.* Mondays 10am EST, facebook.com/lockwoodcollegeprep

We’re all over Youtube, Instagram and, I’m told, Tik Tok. Search Andy Lockwood or Lockwood College Prep.

Other books (each available on Amazon):

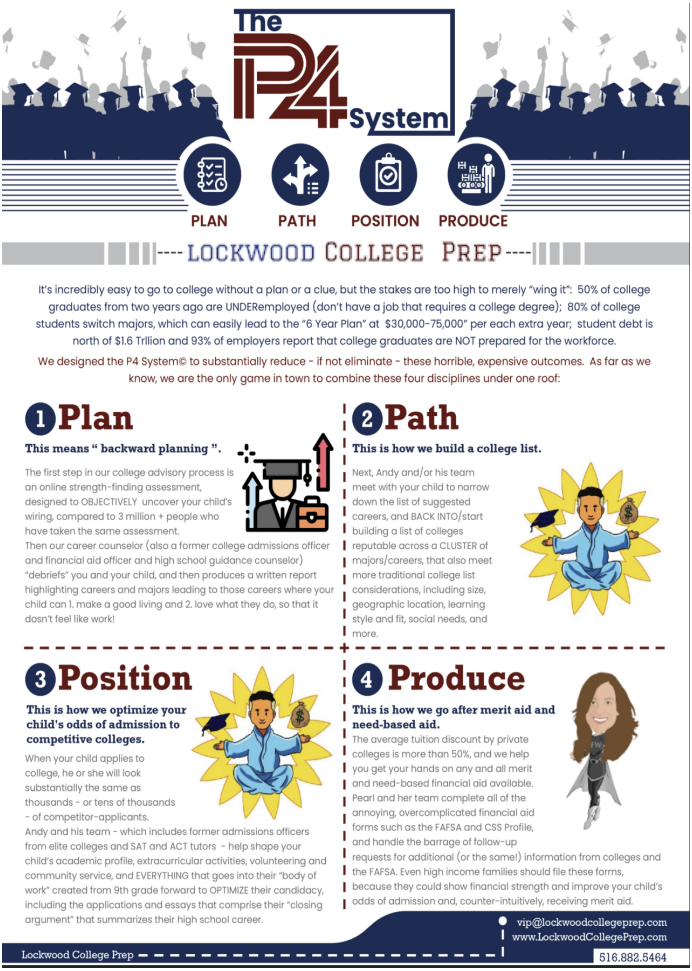
- *How to Negotiate Your Crappy Financial Aid and Merit Aid Award*
- *College Lies Exposed*
- *How to Get Into Your Dream College Without Lying, Bribing or Photoshopping*

Recommended sites:

- CollegeBoard.org
- FAFSA.gov
- The Net Price Calculators on every college’s website

The P4 Positioned for Success College Advising System

Our college advising program, comic book-style



APPENDIX

Webinar Q's and A's

Leftovers from the source webinar that gave rise to this book

I see a lot of questions here. Wow. Okay….

Does cost of attendance also include fees?

Yeah, it's supposed to.

Adam, "Are they going by adjusted gross income?" All income currently.

Adam asked, *"Are you going by AGI?"* And then he said, *"When you say income, do you mean AGI?*"

You're trying to trick me, counselor. Objection. Asked and answered. All income.

Rena, "CSS asks what parents expect to contribute. What suggestions do you have for answering this question effectively?"

Use a low, but reasonable number. We typically take the EFC from the FAFSA to answer this question,.

Aaron, "If your income's too high, should you bother filling out the FAFSA? Are there other grants offered?"

I would fill out the FAFSA regardless because some colleges want you to be considered for merit aid. And it will show financial strength, which could give your child a leg up in admissions.

Ben, "Does net price calculator also estimate the amount of merit scholarships the college will provide?"

It's supposed to. It doesn't always do that. Some colleges do a better job of estimating merit than others.

Stacy, "If you take money out of your home, don't you then have a liquid asset that you have to report?"

Yes, unless you do the strategy that I recommended, to shelter the funds in an insurance or annuity product.

I'm sorry. That I described. Not “recommended.” Whoops! Not a recommendation. Big mistake there. Don’t want to get in hot water with the legal department, which is me.

If retirement can't be used against you, why does the CSS ask for the balance? And is it necessary to report if they can't use it against you?"

Yeah. That is one of those things, not to sound naïve, but I don't think they count it against you, but they do ask for it. So yes, you have to disclose it. I mean, you shouldn't lie in these forms. There could be big repercussions.

Aaron, "What about taking the liquidity out of your home and buying an annuity with it?"

Yeah. I covered a strategy like that. I don't love annuities if they lock you up. Some annuities are different, but that's a fine thing to discuss with your financial advisor.

"529 savings are considered parent savings. Does that mean they're included in FAFSA and CSS's parents savings cash?"

So yes, they’re disclosed on the FAFSA and CSS Profile. The Profile breaks it out more, in terms of how much you have for each child. The FAFSA treats it as a lump sum.

Do UGMAs get included in the student's savings?

Yes. Don't double enter the data. Put it where it belongs.

Pao, "If you entered your retirement accounts on your first year FAFSA, can you omit it in next year's application?"

Yes, but I would actually try to revise the FAFSA with the mistake. You can refile the first year’s FAFSA to correct your mistake too

Jody, "What is a sheltered account?"

Those are the four exemptions that I went through. Insurance and annuities are the two big ones.

Adrian, "What's the penalty for early withdrawal of 529?"

It's 10% of the earnings. The state you live in may also impose a penalty.

Gabrielle, "If the money is in our youngest kid's name, does it go against our other kids?"

Well, if you're talking about a 529, that's considered a parent asset on the FAFSA, so it goes against the whole family.

David, "Can you generalize the savings total amount at which you're unlikely to receive any Need-based aid regardless of income?"

Well, it doesn't have to be generalized. Your EFC will be boosted by 5.64%. Okay. So 5% and change of whatever you have saved. Stinks to be middle-class. Yes.

Andy, "So spend all 529 money on the first kid."

Maybe. Don't trap me into giving you advice. :)

Stacy, "What is the top college rank wise that gives real merit?"

I'm not sure how to answer that. I'm not sure what that question is. I think what you're acknowledging is that most of the elite schools are Need-based schools, like Ivies, but that's only a handful of schools, like 20 something total between the Ivy's and other similar schools.

So there's 4,000 colleges in the country, most give merit.

Maeve, "If you list five colleges on FAFSA, but only apply to four, is that okay?"

Yeah. It doesn't penalize you at all. We recommend 10 to 12 colleges though, FYI. I gave you the arguments.

Andy, "How do you know who they compete with?"

Some are just sort of common sense, like the same athletic conference, some compete with each other in certain types of programs, communications or something.

Lukeman Lee, "What should we put on the CSS Profile for the retirement plans then?"

No. You have to actually answer the real number.

Rena, "High premiums for dental medical get included in the high medical expenses. Does it matter if this info is not listed on the 1040?"

Usually it's not considered a special circumstance, but if it's really high, go for it.

Chip, "If you have special circumstances, do you wait to communicate to them until you receive offers or do it proactively before acceptance?"

The CSS Profile actually has a very small special circumstances box. So I'd be prepared to do both: complete it on the CSS Profile, then appeal it after you get the award.

Adrian, "So if we're not a C Corp or S Corp, we can't change at this point?"

You can change it anytime, actually. If it makes sense.

What if a business owns property? Is it still zero?

We would try to get away with that. Yes. But if you have income producing property, then that runs through your tax returns. And the problem is that some colleges will not buy that argument, but some will. So it's worth trying.

A lot of you guessed Kramer vs. Kramer. Terrific. :)

Can we omit retirement info on the FAFSA?

All right. Yeah. Don't ever include retirement account information on the FAFSA!

Tracy, "Can you negotiate with an Early Decision school?"

Yes, but it's really hard to do that because you don't have any leverage. And how I ask the school for more, especially if we're supposed to withdraw all the other apps. So you can't use those letters to show. Yeah, it's hard. I don't love Early Decision for negotiating purposes. You can still try, even if you don't have any leverage. If they made some mistake or you made some mistake, that's different.

Adam, "If you accrue consumer debt due to a drop in income during COVID, do they consider that as an added expense?"

They consider the drop in income more than anything. The debt probably not so much, but possibly. It depends on how much it is.

Lori, "This is so exciting."

Exciting, really? Thanks.

Rena says thank you. Gabrielle, you are welcome. Fun. Thank you very much. Laurie, "Do we go to the site now?" Yeah, you can go there.

What if your kid isn't taking the SATs yet?

Well, as long as you know they're going to college, we can certainly talk. Richard, you're welcome. Oh, Colleen, nice. You're here.

Andy and Pearl have helped our family so much, professional and smart. Forever grateful. And enjoy the humor. That's an added bonus to the great service. Thank you. Gabrielle Tobin.

You are welcome. Helen, you're welcome.

Kurt, "What's the best place to transfer a parent's savings account that would not be counted on the FAFSA?"

That's the stuff I went over. The monetary limits of what could be put into those four exempt assets. That's a little out of the wheelhouse, but you got the basic ideas from this.

How do I fill out the FAFSA if I'm a grandma with legal custody?

Then you're the right person to fill it out if you're the guardian.

Laurie, "Should I take out money in savings before you report it?"

It depends on what you do with it, but cash counts against you also. Especially in these trusts for a student that's disclosable, but you can explain it.

For twins, one of my sons is not sure he will go to college. Do I still include him?

Yeah, I would because that'll improve your eligibility if he's not sure he's going to attend, that means he could go to college. If you include him, then he does not go, you would be obligated to tell the college your other twin is attending of this change.

Rena, "Now I wonder about closing and taking out of UTMA savings. So much for trying to help out your kids when they are born."

No, you can still help them out, you just have money in the wrong places.

Donna, "When you fill out the FAFSA, do you recommend using the IRS upload tool? If yes, will it automatically show your retirement income as total income?"

Yeah, we recommend using the data retrieval tool, unless there's something weird in your income.

IRS DRT, IRS Data Retrieval Tool, which dumps in your income automatically. Kurt,

"What if you filed on your 2020 tax return jointly, but are since separated?"

That is an example when you don't use the IRS Data Retrieval Tool. And when Pearl does those, she carves out the information from one parent. So you have to go manual on that. .

And Denise, "What if I have a rental property, but on a small percentage and no saying what is done. How do I report the small percentage I own?"

Yeah, that is a very common thing. You have to give it some value. We give it a low value, low but defensible, and then we explain that you can't possibly use that to pay for college.

Andy, "My son got a ridiculous merit aid award from Hartwick. Would any other schools care?"

Yes, possibly. Can’t hurt to show them!

All right. That's going to do it. That was about an hour and a half. So a little bit less. Not bad.

So I hope you enjoyed this. I hope you got value out of it. Don't keep us a secret. If you know anyone who needs our type of advice, you can always direct them to our website or any of the presentations that we do. And if you need to

reach out about your own situation, you know how to do that. So have a great night. And on behalf of Pearl, thank you for being part of our little community here and good luck with everything. And I'll talk to you soon. Bye-bye.

How to Contact the Author

First, thanks for reading my book, I sincerely hope you found it helpful and mildly entertaining in spots.

Our phone number is 516-882-5454 and our firm email is vip@lockwoodcollegeprep.com.

You can also text us from our website, lockwoodcollegeprep.com.

Shameless request: If you're interested in having me speak to your PTA/PTO or other parent group, visit lockwoodcollegeprep.com/speaking, or email or call us for more info.

About Andy Lockwood

Andy is a five-time bestselling author, speaker and prominent expert on college admissions and financial aid.

Andy and his wife, Pearl Lockwood, own Lockwood College Prep, with offices in Long Island, New York and Boca Raton, Florida. Pearl and Andy host the highly ranked (and mildly above average-rated) college planning podcast, *The College Admissions Edge* and have been featured multiple times by local, national, and international media, such as *The Wall Street Journal, The New York Post, The Miami Herald,* Fox Business News, CBS, and even Netflix, which was weird.

The Lockwoods' clients include high income business owners, student athletes, divorced and separated families, high school principals, superintendents, college professors, accountants, lawyers and anyone who values unvarnished, occasionally blunt professional advice.

Andy is the creator of the P4 system, a different, backwards, comprehensive approach to college planning that helps select families optimize their odds of admission

to great colleges that will help launch their children for success post college, while paying wholesale prices, even if they think they can't qualify for any financial aid.