



## **Income and Expected Family Contribution- How Do They Relate July 2014**

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Expected family contributions, or EFC is a measure of one's ability to pay for college. Based on information that prospective college students provide on the Free Application for Federal Student Aid (FAFSA), the EFC is used in calculating students' eligibility for federal need-based financial aid as well as, often, state- and institutionally-funded aid. The higher a student's EFC, the more the student or student's family may be expected to contribute to the costs of college.

In order to calculate an EFC, the FAFSA collects information related to a broad range of individual circumstances, such as whether a student is dependent or independent, whether the student has dependents of his or her own, how many members of the family are attending college, and other considerations. By design, student or family income alone cannot be used to estimate EFC. Rather, the purpose of the EFC is to provide a measure of ability to pay for college based on a more comprehensive range of factors. (For more information about the EFC formula, see the 2013-14 EFC Formula at:

<http://www.ifap.ed.gov/efcformulaguide/attachments/091312EFCFormulaGuide1314.pdf>

While the EFC takes into consideration numerous factors in addition to income, the table on the following page provides background on the relationship between income and EFC. It shows the average EFC for various value ranges of Adjusted Gross Income (AGI), as reported by financial aid applicants on their U.S. federal individual income tax returns. The table is based on an analysis of FAFSAs filed by Iowa residents between January 2013 and June 2014. This table cannot be used to estimate any individual family's EFC. Rather, it is intended to provide only a broad sense of the relationship between family income and expected family contribution (EFC).

**Average Expected Family Contributions (EFC) by Adjusted Gross Income (AGI) for  
Financial Aid Applications in Iowa in 2013-2014**

AGI Range (\$)	Dependent Students Average EFC (\$)	Independent Students Average EFC (\$)
Less than 0	2,107	744
Equal to 0	52	51
1 - 5,000	290	113
5,001 - 10,000	251	153
10,001 - 15,000	269	436
15,001 - 20,000	389	1,255
20,001 - 25,000	645	2,087
25,001 - 30,000	1,367	2,780
30,001 - 35,000	2,194	3,442
35,001 - 40,000	3,013	4,084
40,001 - 45,000	3,513	4,629
45,001 - 50,000	4,386	5,103
50,001 - 55,000	5,743	5,770
55,001 - 60,000	6,548	5,959
60,001 - 65,000	7,640	6,638
65,001 - 70,000	8,505	8,092
70,001 - 75,000	9,967	8,925
75,001 - 80,000	11,610	9,846
80,001 - 85,000	12,940	10,422
85,001 - 90,000	14,192	12,885
90,001 - 95,000	15,959	12,840
95,001 - 100,000	17,820	15,215
100,001 - 105,000	18,998	17,205
105,001 - 110,000	21,114	17,375
110,001 - 115,000	22,505	19,798
115,001 - 120,000	23,325	21,675
120,001 - 125,000	25,070	22,967
125,001 - 130,000	26,925	26,091
130,001 - 135,000	28,251	27,791
135,001 - 140,000	29,411	28,210
140,001 - 145,000	31,707	26,372
145,001 - 150,000	33,390	30,302
150,001 - 155,000	34,053	29,636
155,001 - 160,000	36,365	32,030
160,001 - 165,000	38,432	34,809
165,001 - 170,000	41,139	36,219
170,001 - 175,000	40,179	43,148
175,001 - 180,000	42,454	38,038
180,001 - 185,000	44,323	39,994
185,001 - 190,000	46,903	41,543
190,001 - 195,000	47,370	45,797
195,001 - 200,000	48,850	44,569
Greater than 200,000	68,243	65,256