



Income and Expected Family Contribution How Do They Relate June 2017

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 2016-17 EFC Formula at:

<https://ifap.ed.gov/efcformulaguide/attachments/100615EFCFormulaGuide1617Attach.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 2016 and June 2017. 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 2016-2017

AGI Range (\$)	Dependent Students Average EFC (\$)	Independent Students Average EFC (\$)
Less than 0	\$5,937	\$378
Equal to 0	\$61	\$92
1 - 5,000	\$660	\$97
5,001 - 10,000	\$495	\$154
10,001 - 15,000	\$389	\$387
15,001 - 20,000	\$371	\$1,301
20,001 - 25,000	\$554	\$2,142
25,001 - 30,000	\$1,453	\$3,051
30,001 - 35,000	\$2,353	\$3,587
35,001 - 40,000	\$2,658	\$4,305
40,001 - 45,000	\$3,522	\$5,036
45,001 - 50,000	\$4,534	\$5,366
50,001 - 55,000	\$5,535	\$6,046
55,001 - 60,000	\$6,699	\$6,997
60,001 - 65,000	\$7,783	\$6,971
65,001 - 70,000	\$8,808	\$7,711
70,001 - 75,000	\$9,925	\$8,299
75,001 - 80,000	\$11,250	\$9,468
80,001 - 85,000	\$13,033	\$10,993
85,001 - 90,000	\$14,917	\$11,242
90,001 - 95,000	\$16,851	\$13,027
95,001 - 100,000	\$17,718	\$14,638
100,001 - 105,000	\$20,014	\$15,827
105,001 - 110,000	\$21,276	\$16,688
110,001 - 115,000	\$22,365	\$20,413
115,001 - 120,000	\$24,136	\$20,948
120,001 - 125,000	\$25,837	\$22,405
125,001 - 130,000	\$28,042	\$23,102
130,001 - 135,000	\$28,491	\$25,204
135,001 - 140,000	\$29,277	\$24,374
140,001 - 145,000	\$31,278	\$29,751
145,001 - 150,000	\$34,291	\$23,076
150,001 - 155,000	\$34,700	\$28,299
155,001 - 160,000	\$37,360	\$30,597
160,001 - 165,000	\$37,530	\$36,810
165,001 - 170,000	\$40,749	\$37,362
170,001 - 175,000	\$43,622	\$41,175
175,001 - 180,000	\$43,579	\$31,582
180,001 - 185,000	\$44,844	\$44,465
185,001 - 190,000	\$47,130	\$42,190
190,001 - 195,000	\$49,080	\$39,810
195,001 - 200,000	\$53,009	\$45,352
Greater than 200,000	\$97,930	\$87,958

Note: The highest AGI (Adjusted Gross Income) is set at "\$999,999"