



Income and Expected Family Contribution How Do They Relate June 2019

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 2017-18 EFC Formula at:

<https://ifap.ed.gov/efcformulaguide/attachments/071416EFCFormulaGuide1718.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 2017 and June 2018. 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 2017-2018

AGI Range (\$)	Dependent Students Average EFC (\$)	Independent Students Average EFC (\$)
Less than 0	\$4,809	\$53
Equal to 0	\$890	\$54
1 - 5000	\$347	\$117
5,001 - 10,000	\$412	\$132
10,001 - 15,000	\$837	\$383
15,001 - 20,000	\$298	\$1,406
20,001 - 25,000	\$302	\$2,014
25,001 - 30,000	\$1,033	\$2,865
30,001 - 35,000	\$1,349	\$3,538
35,001 - 40,000	\$1,935	\$4,162
40,001 - 45,000	\$2,794	\$4,416
45,001 - 50,000	\$3,612	\$4,904
50,001 - 55,000	\$5,198	\$5,549
55,001 - 60,000	\$5,762	\$6,379
60,001 - 65,000	\$6,668	\$6,414
65,001 - 70,000	\$8,247	\$6,704
70,001 - 75,000	\$9,222	\$7,975
75,001 - 80,000	\$10,381	\$9,085
80,001 - 85,000	\$12,221	\$10,082
85,001 - 90,000	\$13,178	\$11,037
90,001 - 95,000	\$15,165	\$12,617
95,001 - 100,000	\$16,884	\$13,931
100,001 - 105,000	\$18,261	\$14,810
105,001 - 110,000	\$19,599	\$16,658
110,001 - 115,000	\$21,276	\$18,283
115,001 - 120,000	\$22,353	\$19,171
120,001 - 125,000	\$24,637	\$22,816
125,001 - 130,000	\$25,273	\$23,839
130,001 - 135,000	\$27,637	\$24,163
135,001 - 140,000	\$27,601	\$23,737
140,001 - 145,000	\$31,622	\$28,784
145,001 - 150,000	\$31,590	\$26,694
150,001 - 155,000	\$34,102	\$33,162
155,001 - 160,000	\$37,541	\$29,568
160,001 - 165,000	\$35,469	\$29,647
165,001 - 170,000	\$38,341	\$33,331
170,001 - 175,000	\$44,028	\$33,579
175,001 - 180,000	\$43,435	\$28,130
180,001 - 185,000	\$43,661	\$45,534
185,001 - 190,000	\$45,037	\$44,311
190,001 - 195,000	\$48,383	\$34,452
195,001 - 200,000	\$49,055	\$60,532
Greater than 200,000	\$96,335	\$118,802

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