

# Paying For College



# FAFSA

The FAFSA is an application for federal student aid that is used to apply for all federal and state grants, federal loans, and most institutional need-based aid. It is free and can be accessed and completed online at: [www.fafsa.ed.gov](http://www.fafsa.ed.gov).

# When to Apply

- The FAFSA application is **available online after January 1<sup>st</sup>**.
- Paper applications are available in the counseling office in the late Fall.
- Many colleges have a **March 1<sup>st</sup> deadline**, students should check with each of their colleges.
- Students should submit their application at least 4 weeks before their earliest financial aid deadline

# Information needed to fill out the FAFSA

- Tax returns and W2 forms for the year.
- Untaxed income records:
  - Child support received
  - Worker's Compensation
  - Veterans benefits records
- Current bank statements

# **Cont. Information needed to fill out the FAFSA**

- Current mortgage statements
- Records of stocks, bonds, and other assets.
- Your driver's license.
- Your Social Security number.
- Your alien registration or permanent resident card (if your not a US citizen)

# TIPS

- Complete your taxes early in January so you have the information needed to fill out the FAFSA. You can estimate, but will then need to update the FAFSA later.
- Use <http://www.fafsa4caster.ed.gov/> to get an early start on the financial aid process.

# How FAFSA4caster Helps

- Get an early start on the FAFSA process.  
(<http://www.fafsa4caster.ed.gov/>)
- Provides you with an early estimate of your eligibility.
- Allows you to transfer all your FAFSA4caster information to the FAFSA application online.
- Provides you with the option to apply for your Federal Student Aid PIN.
- Increases your knowledge of the financial aid process.

# PIN

- “A PIN is a 4-digit number that is used in combination with your Social Security Number, name, and date of birth to identify you as someone who has the right to access your own personal information on Federal Student Aid Web sites, such as *FAFSA on the Web*.”



# What is a PIN used for?

- Electronically signing federal Student Aid documents.
- Accessing your personal records
- Making binding legal obligations.

## How to get a PIN?

If you don't already have a PIN number, you can apply for it at

<http://www.pin.ed.gov/PINWebApp/appinstr.jsp>

# Student Aid Report (SAR)

- Within 2-4 weeks of submitting the FAFSA, students will receive a Student Aid Report (SAR) from the U.S. Department of Education.
- If you filled out the FAFSA online, you will be able to access your SAR online within 3-5 days.
- The SAR is summary of the information reported in the FAFSA, which also includes the government's determination of your expected family contribution.
- The schools listed on your application will also receive the results.

# What to do with the SAR

- Review the SAR report carefully.
- Make sure to correct any errors and return the form right away to the federal processing center.

# Expected Family Contribution (EFC)

- EFC is the amount that the family is expected to pay for college costs.
- Financial Need is determined by subtracting the EFC from the Cost of Attendance (COA).

Cost of Attendance

- Expected Family Contribution

= Financial Need

# What to do now?

## March:

- You should contact the financial aid offices of the colleges you are applying to and make sure that they have received all the necessary application materials.

## April:

- Compare your acceptance letters and the financial aid and scholarship offers.
- Notify your colleges by May 1<sup>st</sup> whether you will be attending their school or not.

# Understanding Award Letters

- Students can expect their financial aid awards to arrive by mid-April.
- EDUCATIONPLANNER.ORG provides great information on helping families understand & interpret their letter:

[http://www.educationplanner.com/education\\_planner/deciding\\_article.asp?sponsor=2859&articleName=Financial Aid Award Letters](http://www.educationplanner.com/education_planner/deciding_article.asp?sponsor=2859&articleName=Financial Aid Award Letters)

# What's included in the Award Letter

- Cost of Attendance (COA).
- Expected Family Contribution (EFC).
- The award letter will itemize the type of financial aid (grant, loan, work study, etc) and the amount being offered.
- Award Letter Comparison Tool:  
<http://www.finaid.org/calculators/awardletter.phtml> .

# What to do now?

## May:

- Send a deposit check to the school you will be attending postmarked by May 1<sup>st</sup>.

## June:

- Contact your school and determine what fees are due and how much.



# Renewal Process

- In January of every year (while in college), students will receive a notice to complete a renewal process to cover the following academic year.
- Students may then access their renewal FAFSA online using your PIN.
- Students must review the information, make changes, corrections, and add pertinent information.
- Students will then receive a SAR, which they need to review for accuracy.

# Renewal Process

- Renewal Processes Guide:

<http://www.fsadownload.ed.gov/repository/RAD0708Sept/0708RenewalFAFSAProcessGuide.pdf>

- Renewals can be completed between January 1<sup>st</sup> and June 30<sup>th</sup> of every year. However, students should check with their college on the deadline.

# What to do if the Aid Package is Not Enough?

- Appeal the Financial Aid Package:
  - Contact the college financial aid office to find out what process, if any, do they have for reviewing financial aid award.
  - Be prepared to discuss any special circumstances that may have been overlooked.
  - Many colleges will listen to an informed and data-based appeal, however it is not true that most colleges will bargain.

# Other Options

- If the financial aid package is not enough, there are many other options available to help families, such as:
  - Scholarships
  - Grants
  - Federal Loans
  - Private Loans
  - Work Study

# Scholarship Search Sites

- <http://scholarships.fatomei.com/index.html>
- <http://www.fastweb.com/>
- [http://www.collegeanswer.com/paying/scholarship  
hip\\_search/pay\\_scholarship\\_search.jsp](http://www.collegeanswer.com/paying/scholarship_search/pay_scholarship_search.jsp)
- [www.finaid.org](http://www.finaid.org)
- [www.collegeplan.org](http://www.collegeplan.org)
- [www.collegeispossible.org](http://www.collegeispossible.org)
- [www.scholarsite.com](http://www.scholarsite.com)
- [www.mapping-your-future.org](http://www.mapping-your-future.org)
- <http://www.scholarshipexperts.com/>

# Cal Grants

- If a student meets the income and eligibility requirements along with the GPA requirements, they are guaranteed free money from the state through the Cal Grant.
- In order to apply, students must fill out the FAFSA and file a verified grade point average GPA to the California Student Aid Commission no later than March 2<sup>nd</sup>. The next deadline for community colleges only is September 2<sup>nd</sup>.
- Many high schools automatically submit the students verified GPA electronically to the Student Aid Commission by March 2<sup>nd</sup>, but some do not. Students should check with their high school.

# Loans

- **Subsidized Loans**: are awarded based on financial need. Students will not be charged interest before repayment begins. Repayment is deferred until 6 months after a student graduates or leaves school.
- **Unsubsidized Loans**: are not awarded based on financial needs. Any eligible student can take out unsubsidized loans. Students will be charged interest from the time the loan is disbursed, to the time the loan is repaid in full.

# Federal Student Loans

- **Stafford Loan** (Guaranteed by the US dept. of Ed.)
  - Unsubsidized and Subsidized
- **Perkins Loans** are need based, low interest available to pupils (undergraduate & graduate).
  - The loan amount is determined by the college and is based on the expected family contribution (EFC) & demonstrated exceptional need.
  - Repayment of loan starts at least nine months once the student leaves school.
- **PLUS Loans** are offered to parents & can pay for the child's education, & also assist with such items as payment for housing, meals, and transportation. PLUS loans are low interest & tax deductible for the families.



# Private Loans

- Private loans can help close the gap when other sources of aid have been depleted.
- Private loans are available at a variety of terms & interest rates.
- Resource to look for private loans:  
<http://www.finaid.org/loans/privatestudentloans.shtml>

# Helpful Loan Websites

- eCampusTours.com – offers great information for parents and students to review, & obtain a good understanding of the student loan process.

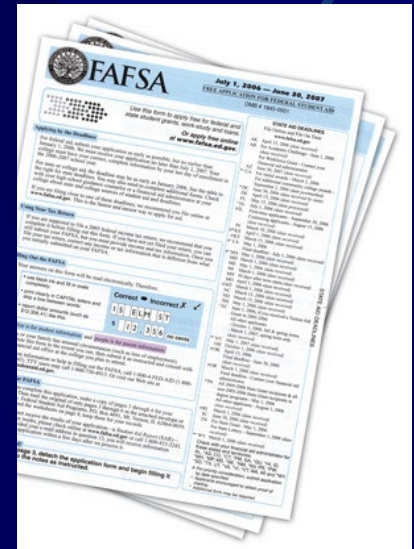
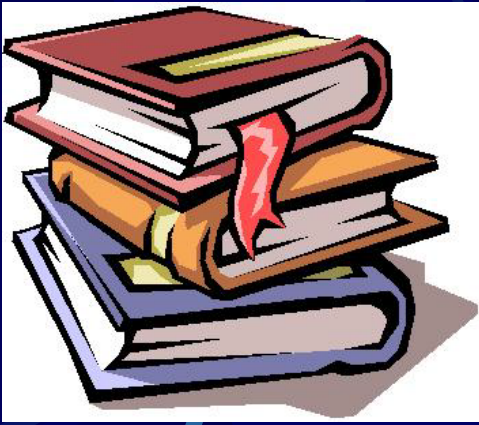
<http://www.ecampustours.com/payingforcollege/studentloans/federalstudentloans.htm>

- CollegeBoard also provides detailed information on Financing Options

<http://www.collegeboard.com/student/pay/loan-center/414.html>

# Work – Study

- This is a campus-based federal program providing employment opportunities for students who are enrolled at the undergraduate or graduate level.
- Students are usually employed on campus.
- Students are paid at least minimum wage.
- 10-15 hours is typical for first-year students.
- Eligibility is based on demonstrated financial need.



*"Education is not expensive, it's priceless."*

