

## COLLEGE FUNDING

Many funding options are available to help families and students in financing further education after high school graduation. While postsecondary costs continue to rise, money *is* available. However, you have to apply. You and your family should review these pages for an overview of available college funding options. You can find additional information regarding these and other programs on the websites listed on page 9, in publications from state and federal financial aid agencies, and through your advisor or counselor at your local school.

### TYPES OF FINANCIAL AID

**Loans:** A loan is money that you (or your parents) borrow and must repay with interest to the lender. You may apply and qualify for federal direct loans, federally guaranteed loans from private lenders, institutional (college-backed) loans, or private loans. It's important to know the differences between loan programs, terms for repayment, how interest and fees are calculated, and your rights and responsibilities as a borrower.

**Grants:** A grant is money that is awarded as financial aid that does not have to be repaid (unless, for instance, a student withdraws from school before the end of the term and owes a refund).

**Scholarships:** A scholarship is money that is awarded to a student who meets the criteria for the award. Scholarships may be a one-time award or renewable if a student meets set criteria. Many scholarships are based on some combination of leadership, financial need, and/or academic achievement. For entering college freshmen, high school averages and scores from the SAT and/or The ACT are considered. Generally, scholarship money is not repaid, unless the student does not fulfill all requirements. Scholarships may be offered by a postsecondary institution, agencies, clubs and organizations, businesses, and individuals. Gwinnett high school students receive announcements regularly regarding the availability of scholarships and the criteria for selecting scholarship recipients.

**Work-Study:** Postsecondary work-study programs offer jobs to eligible students who show financial need and who must earn a part of their educational expenses. Work-study is offered as a portion of a student's financial aid package. Federal work-study jobs may be on- or off-campus. Students are paid at least federal minimum wage for federal work-study jobs. Some colleges may offer or require work-study programs. Pay and available hours may vary for school-based programs.

**Note: This is a general guide on college funding.**

*Not all postsecondary institutions participate in these financial aid programs. Talk to a financial aid advisor at the college of your choice to learn about your options.*

### SOURCES OF FINANCIAL AID

#### State Financial Aid

*Graduates of Georgia high schools may be eligible for state aid through the HOPE Program, which offers both scholarships and grants. Also see pages 10–11 for details.*

#### HOPE Program

The Helping Outstanding Pupils Educationally (HOPE) Program is funded by the Georgia Lottery and provides postsecondary financing for qualifying students through both the HOPE Scholarship and the HOPE Grant. To be eligible for HOPE funding (scholarship or grant), students must submit a completed Free Application for Federal Student Aid (FAFSA) *or* a HOPE Scholarship and Grant Application. (Note: The HOPE application is accepted only for HOPE funding and only in Georgia. If you expect to need federal financial aid, will apply for a loan of any kind, or are applying to schools outside of Georgia, you should submit the FAFSA instead.) Both applications are available online and can be accessed through [www.GAcollege411.org](http://www.GAcollege411.org). Students' transcripts must include their social security number to be eligible for HOPE funding. Application confirms eligibility for HOPE and is required to receive funding. *Following, you'll find more about the HOPE Scholarship and the HOPE Grant:*

**HOPE Scholarship:** The HOPE Scholarship is a four-year program (capped at 127 attempted semester hours) for qualifying Georgia residents (HOPE grade point average of 3.0 or higher in required and elective core classes). As of 2014, the scholarship pays a portion of tuition in degree-granting programs at eligible in-state public colleges and universities. Students must meet certain criteria to qualify for the scholarship and to maintain eligibility. The amount of the award is adjusted annually, based on lottery revenue. Eligible students enrolled in a Georgia private college or university may qualify for a private HOPE award covering a portion of tuition, plus a Georgia Tuition Equalization Grant.

**Zell Miller Scholarship:** Students who graduate from high school with a GPA of 3.7 or higher and have received a score of at least 1200 on combined Critical

Reading Score and Math Score on the SAT, or a score of at least 26 on The ACT; or are the valedictorian and salutatorian of their graduating class, receive full tuition at Georgia's public institutions and the full private HOPE award at private Georgia colleges and universities.

**Important Note:** *The Class of 2015 must earn at least two credits in rigorous high school coursework to qualify for the HOPE Scholarship, with three credits for 2016 graduates and four credits for those graduating in 2017. Students earning credit for courses in GCPS' standard sequence for math and science— as well as foreign language or college-level Advanced Placement and International Baccalaureate classes— would meet the HOPE requirement.*

**HOPE Grant:** The HOPE Grant is a program for Georgia residents pursuing an eligible diploma or certificate program through selected technical colleges in Georgia. As of 2014, the HOPE Grant pays a portion of tuition for qualified students. Students enrolled in designated programs of study who are eligible for, and receiving, HOPE Grant funding also may be eligible for funding from the Strategic Industries Workforce Development Grant. No specific high school GPA is required, but students must meet entrance requirements of the postsecondary institution to which they apply, and earn a 2.0 cumulative GPA at certain HOPE checkpoints, once enrolled. Note: High school students may use the Dual HOPE Grant to earn college credit while still in high school. Credit hours paid by a Dual HOPE Grant do not count toward the limit of hours paid for by the HOPE Grant program.

### Federal Financial Aid

*Programs administered by the federal government comprise the nation's largest source of student aid, including three types of federal financial aid:*

**Federal Grants:** These federal student aid grants are awarded to students with financial need: Federal Pell Grant and the Federal Supplemental Educational Opportunity Grant (FSEOG). A student must qualify for a Pell Grant in order to receive the FSEOG. The amount of offered grants is based on financial need, enrollment status, and full or partial academic year. The federal TEACH Grant requires a teaching service commitment. Surviving children of a U.S. Servicemember who died as a result of service in Iraq or Afghanistan also may be eligible for a grant.

**Federal Work-Study (FWS) Program:** FWS provides jobs for students with financial need. In on-campus jobs, students work for the school. Off-campus jobs most often are for non-profits or a public agency, emphasizing com-

munity service. A total FWS award is dependent on when you apply, your level of need, and your school's funding level. Generally, students are paid by the hour, at least once a month, and directly to the student. The amount you earn cannot exceed your total FWS award.

**Federal Loans:** Student (and parent) loans are borrowed money and must be repaid. The Perkins Loan is a federally guaranteed loan through your postsecondary institution. The U.S. Department of Education is the lender for the William D. Ford Direct Loan Program, which includes Direct Loans and PLUS loans. Types of loans include Federal Perkins Loans, Direct Loans (subsidized and unsubsidized), and Direct PLUS Loans for Parents. (Note: Interest on a Direct Subsidized Loan is paid by the government while a student is in college. Interest accrues and is paid by the borrower with a Direct Unsubsidized Loan.) Students who complete the FAFSA (see *Financial Aid Terms You Need to Know* on page 8) will be considered for both the Perkins and Direct loan programs. To accept the loan, the student must sign a legally binding promissory note. Parents of dependent students can borrow from the PLUS Loan program. Eligibility, award amounts, interest rates, and the length of repayment vary for these loans. Students are urged to learn more about their options and their rights and responsibilities as borrowers before taking out any loan.

Find out more about these programs from Federal Student Aid, an office of the U.S. Department of Education. A number of useful publications are available from them, along with FAFSA4caster, an online tool to estimate your eligibility for federal student aid. Call 1-800-433-3243 or go to [www.FederalStudentAid.ed.gov](http://www.FederalStudentAid.ed.gov).

### School-Based Financial Aid

Some colleges and universities offer additional school-funded financial aid to qualifying students, including scholarships, grants, fellowships, and work-study. While many institutions automatically consider a student for school-based aid— using FAFSA and/or CSS Financial Aid PROFILE to determine eligibility— some schools require additional applications, especially for school-funded scholarships with specific criteria and qualifications. Be aware of the requirements and deadlines of the schools in which you are interested.

### Other Funding Options

In addition to financial aid available from state and federal sources and school-based aid, there are some additional options, including scholarships, private loans, and

programs that forgive or repay loans based on service or work in specified areas. Check out the options in this section and talk to your counselor or advisor.

**Scholarships from Other Sources:** Hundreds of scholarships are available from clubs, community organizations, businesses and corporations, civic groups, foundations, and individuals. However, beware of scholarship scams and services that offer to search for scholarships for a fee or guarantee that you'll receive a scholarship. This information is available free of charge from many reputable sources. Your school maintains a list of scholarships that you may want to pursue. In addition, a number of online services compile scholarship opportunities that you can tap into at no cost. Here are a few potential scholarship resources to keep in mind... *Do you work?* Your employer may have a scholarship program for student employees. *Does your parent or someone in your family belong to an organization or work for a company that offers scholarships for family members? Are you involved with a club or organization, in or out of school, that offers scholarships? Do you have a talent or ability that you could turn into scholarship money?* The key to earn-

ing scholarships is to look for the opportunities that best meet your strengths and abilities, complete applications to specifications, and meet deadlines.

**Credit-Based Loans from Private Lenders:** Borrowers must be considered credit-worthy in order to be eligible for a credit-based loan program. These loans are not guaranteed by the federal government. As with any loan, make sure you understand terms and conditions of the loan.

**Service-Cancelable Loans:** Service-cancelable loans can be repaid through service in specific fields identified as critical needs by the agency offering the loan. If a student accepts a service-cancelable loan and does not go into or stay in the field, or otherwise meet the commitments of the loan, he or she is responsible for repaying the loan and interest. Learn more about options in Georgia.

**Federal Loan Forgiveness/Deferment/Repayment Options:** The federal government will forgive (cancel) all or part of a federal educational loan under certain circumstances. Loan-forgiveness programs are available for certain types of volunteer work (AmeriCorps, VISTA, Peace Corps), military service, teaching or practicing

## FINANCIAL AID TERMS YOU NEED TO KNOW

**FAFSA:** Free Application for Federal Student Aid, required for any student seeking federal financial aid, including federal grants, federally backed student and parent loans, and federal work-study. Applying for federal student aid is free, as is help completing the FAFSA, if needed. To complete the FAFSA, you will need information from your family's federal tax forms for the current and previous years.

**Student Aid Report (SAR):** A summary of the information you provided on the FAFSA. Schools that receive your SAR will use this information to determine your eligibility for financial aid.

**Expected Family Contribution (EFC):** An amount that is used to determine your eligibility for aid, based on information provided on the FAFSA. Savings, loans, prepaid college accounts, and outside scholarships are among the sources that families may use to pay the balance between the cost of attendance and offered financial aid.

**Cost of Attendance (COA):** The total amount it will cost to attend a school, usually expressed as a yearly figure, including tuition and fees; room and board (or a housing and food allowance for off-campus students); allowances for books, supplies, loan fees, and transportation; and miscellaneous and personal expenses.

**Financial Need:** Cost of attendance minus expected family contribution. The school uses federal and other aid to help meet your financial need. A school may not fully meet your financial need.

**Award Letter:** A letter from a school detailing a student's financial aid package, noting the type and amount of aid the school is willing to offer if the student accepts admission and registers for classes.

**Financial Aid Package:** The total amount of financial aid (federal and nonfederal) that a student is offered by the school. A financial aid package may fall short of what a student needs to meet the full cost of attendance. Federal student aid is affected by other sources of aid (scholarships, state aid, etc.).

**Promissory Note:** A legally binding document that a student must sign for a federal student loan. The note lists terms and conditions of the loan, interest rate, how interest is calculated, and deferment and cancellation provisions.

**CSS Profile:** An additional financial aid application required by some private colleges and universities. The CSS Profile requires a fee and is administered by College Board.

medicine in certain types of communities or with certain specialties, some law enforcement work, or meeting other criteria specified by the forgiveness program. The Federal Student Loan Repayment Program allows federal agencies to repay federal loans on behalf of employees to help in recruitment and retention efforts. Deferment or postponement of federal loan repayment may be available for qualified borrowers who work in certain fields, including teaching. The Public Service Loan Forgiveness Program also may be an option. Learn more about all of these options on the Federal Student Aid website.

### KEEPING DOWN THE COSTS OF COLLEGE

*A postsecondary education is certainly worth the investment, but you and your family may want to look for some ways to reduce the cost of your education after high school. Here are a few tips from Federal Student Aid:*

**Postsecondary Credit in High School:** Students have several options for earning college credit, waiving prerequisite college courses, or earning placement at a higher level of study. Students may earn credit with Advanced Placement (AP) or International Baccalaureate (IB) exams. High school students participating in dual enrollment programs— Accel, Dual HOPE Grant, and Move On When Ready— can earn both college and high school credit for college courses they take. Articulation agreements between GCPS and local technical colleges also may allow students to earn credit or advanced placement. Remember, credit you earn before you get to college may allow you to graduate early (which will save you money) or expand your course of study to a double major or study abroad while still graduating in four years.

**Lower-Cost Schools:** Consider attending a community college (two-year), then transferring to a four-year college for your junior and senior years. Make sure that your community school classes will transfer to the four-year degree program that interests you.

**Work or Volunteer Opportunities:** Working part-time while attending classes can help you pay part of your postsecondary costs. However, be aware that financial aid often is tied to your status as a full- or part-time student (based on registered hours) and how many semesters you are enrolled each academic year. If you are not enrolled in classes for one or more semesters in a row, you may be required to start repaying your student loans. Certain volunteer work may qualify you for loan forgiveness.

**Tax Breaks:** Borrowers may qualify for a tax deduction for interest paid on student loans and for tuition and fees

paid. Check with your family's tax advisor or the Internal Revenue Service for details.

**Tax Credits:** You or your parents also may qualify for an available tax credit. Check with your family's tax advisor or the Internal Revenue Service to learn more.

**Loan Forgiveness and Repayment Programs:** Both state and federal loans may qualify for special programs that cancel or repay all or part of a loan, based on the borrower's public service work. See the "Other Funding Options" section to learn more.

### ONLINE RESOURCES... PAYING FOR COLLEGE

#### Georgia Student Finance Commission

[www.gsfc.org](http://www.gsfc.org)

#### Free Application for Federal Student Aid (FAFSA)

[www.fafsa.ed.gov](http://www.fafsa.ed.gov)

#### Federal Student Aid (including FAFSA4caster)

[www.FederalStudentAid.ed.gov](http://www.FederalStudentAid.ed.gov)

#### CSS/Financial Aid PROFILE®

<https://profileonline.collegeboard.com/index.jsp>

#### Guide to Student Financial Aid

[www.finaid.org](http://www.finaid.org)

#### Georgia Higher Education Savings Plan (529 Plan)

[www.path2college529.com](http://www.path2college529.com)

#### National Assn. of Student Financial Aid Administration (Check out the Parents and Students section.)

[www.nasfaa.org](http://www.nasfaa.org)

#### Scholarship Search

[www.scholarship-page.com](http://www.scholarship-page.com)

[www.collegeanswer.com](http://www.collegeanswer.com)

[www.iefa.org/](http://www.iefa.org/)

[www.scholarshipamerica.org](http://www.scholarshipamerica.org)

[www.fastweb.com](http://www.fastweb.com)

[www.gocollege.com](http://www.gocollege.com)

#### Protect yourself from financial aid scams!

1. If you are asked to pay money to get money, it might be a scam.
2. Never give out a credit card or bank account number to submit a scholarship application or to participate in a service.
4. Never invest more than a postage stamp to get information about scholarships.
5. Nobody can guarantee that you'll win a scholarship. Programs that make promises may not be legitimate.
6. Legitimate scholarship foundations do not charge application fees.

*Spend the time, not the money!*