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DOLLARS — FOR — COLLEGE

a student financial planning toolkit

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PRESENTED BY

America's Promise, Citi Foundation and uAspire

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AMERICA'S PROMISE ALLIANCE

America's Promise Alliance is the nation's largest partnership dedicated to improving the lives of children and youth. We bring together more than 400 national organizations representing nonprofit groups, businesses, communities, educators and policymakers. Through our GradNation campaign, we mobilize Americans to end the high school dropout crisis and prepare young people for college and the 21st century workforce. Building on the legacy of our founding chairman General Colin Powell, America's Promise believes the success of young people is grounded in the Five Promises—Caring Adults, Safe Places, A Healthy Start, Effective Education, and Opportunities to Help Others. For more information, visit www.americaspromise.org.



THE CITI FOUNDATION

The Citi Foundation works to promote economic progress in communities around the world and focuses on initiatives that expand financial inclusion. We collaborate with best-in-class partners to create measurable economic improvements that strengthen low-income families and communities. Through a "More than Philanthropy" approach, Citi's business resources and human capital enhance our philanthropic investments and impact. For more information, visit www.citifoundation.com.



UASPIRE

uAspire's mission is to ensure that all young people have the financial information and resources necessary to find an affordable path to—and through—a postsecondary education. To accomplish this mission, uAspire partners with schools and community organizations to provide financial aid advice and advocacy to young people and families to help them overcome the financial barriers to higher education. uAspire provides college affordability guidance and information to students in grades 7-16 in six communities nationwide (Boston, Lawrence, Springfield and Fall River, Massachusetts; Miami, Florida; and the Bay Area of California) as well as providing training, tools and ongoing support to frontline practitioners at school districts, charter management organizations and community-based organizations across the country. uAspire is committed to reaching the day when all young people have the opportunity to reach their full potential by graduating from college, regardless of their families' financial resources or college experience. www.uaspire.org

Thank you for picking up this toolkit! It's sure to help you have a great journey on your way to and through COLLEGE.

By the way, when we say "COLLEGE" in this toolkit, we mean any type of higher education.

America's Promise's GradNation campaign focuses on preparing all young people for success, starting with reaching a 90 percent nationwide high school graduation rate by 2020. But a high school diploma only brings you to the second starting line of life—it doesn't get you running at full speed. A college degree gives you that running start. Which is important, because today's careers increasingly demand the skills and knowledge you get from higher education.

Too often, however, the process of paying for college gets in the way. The seemingly huge costs and the complexity of the financial aid system cause far too many students to decide not to attend, or to leave before they graduate.

This is wrong. It's wrong for you, because you won't have as many opportunities. It's wrong for our country, because we need your talents. Finances should never be a barrier to pursuing your dream of a college degree.

This toolkit will help put you on the right track. It's authored by uAspire, an organization that works one-on-one with thousands of students around the country each year. It breaks down the confusing parts of the financial aid process and gives you the most important information you need at each grade level.

Within these pages you'll find a ton of support and guidance in navigating often-challenging financial processes. In five comprehensive and easy-to-use chapters—plus an additional chapter for parents and caregivers—you'll discover resources, answers to tough questions you might be afraid to ask and clear steps that will put you on an affordable path toward the college degree you want.

Use this toolkit as a companion at every stage of the process, from middle school through your college years. Each chapter will meet you where you are, offer solutions to potential challenges and point you to resources that will keep you moving toward your goal.

There will be challenges on the road to and through college, but resources like this toolkit can help keep you on track. Get information, support and guidance from its pages to achieve your college dreams....**affordably.**

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Pre-High School

By the end of this chapter, you will understand...

- ✓ What college is and the variety of different colleges that exist
- ✓ Why college is worth the cost and your time
- ✓ The cost of college and potential ways to pay
- ✓ How savings can be a powerful tool to pay for college

What is College?

For some, college is an image from a movie or TV show they've seen. For others, it's that next step after high school before working full time. For most, college equals opportunity to study what excites them, while unlocking new possibilities for themselves and their families. Perhaps most of all, college is a time and place to learn new skills, improve existing ones and chart a path for the most successful future possible.

There are literally *thousands* of colleges in the United States. And they are quite different from one another.

Some are big with tens of thousands of students, while others are small with hundreds. Some prepare you to master a specific skill; others educate you by introducing you to many subjects. Some require you to stay two years to graduate, while others require at least four.

With so many choices, where do you begin?

- **What are other ways colleges differ from one another?**
- **How do I make sense of all the choices?**
- **How do I select the right one for me?**

We'll get into the details of your different options, but first, let's take a step back to explore one important question: **Why go?**

“College is a place where a young person discovers who they truly are as well as who they want to be.”

“College is a chance to step outside your comfort zone and achieve something awesome.”

QUOTES FROM COLLEGE STUDENTS

The Benefits of Investing in College

Before you think about *where* to go, consider *why* you want to go to college. What makes it worth it to you? It's important to think through your reason for making what will be a **major investment of time and money**.

College is often described as an investment because many people pay something for it believing they will get a lot out of it. Each person's reasons for wanting to invest are different. In fact, if you ask around or do some research, you'll find a variety of reasons to go.

RESOURCES

- U.S. Department of Education: <http://tinyurl.com/mjtp39h>
 - College Board: You Can Go! website: <http://tinyurl.com/d4u93dn>
 - College Board: Big Future Get Started section: <http://tinyurl.com/o5jbq7w>
-

What's *YOUR* reason?

Take some time to identify why **you** want a college degree. Challenge yourself to think beyond just making more money. Everyone is looking for a way to make more money, and while financial security is important, a college degree also opens up other pathways to success.

Let's use a campaign from an organization called the College Board (highlighted on their "You Can Go" website and in their Five Ways Ed Pays resources) to talk through some of the most common reasons people choose to go.

- 1 Greater Wealth
 - 2 More Security
 - 3 Better Health
 - 4 Stronger Community
 - 5 Closer Family
-

RESOURCES

- Five Ways Ed Pays flyer: <http://tinyurl.com/lwcqzgv>
 - Five Ways Ed Pays overview for students: <http://tinyurl.com/k5tuxzm>
-

FIVE WAYS ED PAYS¹

1 Greater Wealth

College graduates, on average, make \$22,000 more per year than high school graduates. Maybe you've seen this before, and therefore want to make more money for yourself and your family, creating more opportunities. Maybe, for the lifestyle you want to have—owning your own home, car, etc.—you know you'll need a good salary. A college degree pays off with more money in your bank account.

RESOURCE | Check out this earnings chart on the federal student aid website: <http://tinyurl.com/nyn5cvt>

2 More Security

College graduates have a lower unemployment rate than high school graduates. In fact, the more education you get (associate, bachelor's, master's, maybe even a medical or law degree), the lower your chance is for unemployment.

Employers want to employ college graduates, and they typically look for that degree when hiring for specific jobs. Maybe you know from family or friends what unemployment looks like, and you want to do all you can to avoid the struggles that may come with being out of work.

3 Better Health

College graduates are less likely to be obese, to be smokers and to be depressed. College graduates are more likely to exercise and live longer. Maybe this wasn't something you'd thought of as a reason for college, but it's certainly a great added bonus. And if not for you, maybe this reason helps your family, friends and future children.

RESOURCES

- Read more about how education ties to your health: Robert Wood Johnson Foundation: <http://tinyurl.com/ygt8gsz>.
 - Read this online article from CollegeStats.org on positive health benefits for college graduates: <http://tinyurl.com/pksz73n>
-

4 Stronger Community

College graduates are more likely to vote, volunteer and give back to their communities.² Maybe your community has given a lot to you, and you want to repay their generosity, guidance and care. Maybe you want to better your community, and you see college as a tool for developing the skills that will empower you to return home and build a stronger community.

5 Closer Family

College graduates are more likely to read to their children and spend time with their families. Maybe you decide to go in order to give your future family and children more opportunities. Maybe you've seen family members struggle while working many jobs to provide opportunity, and you want to change that pattern.

¹ Credit: College Board.

² Five Ways Ed Pays: <http://tinyurl.com/k5tuxzm>

Beyond those five benefits, there are more to consider:

- Get smarter—master a new skill and expand your mind
- Gain greater independence
- Learn about yourself

WHAT ARE YOUR THOUGHTS ABOUT COLLEGE?

“It’s going to be hard!”

“I don’t think I have the money to go.”

“It’s going to be one big party.”

“I’m so excited to move away from home.”

You may have many ideas about what college is or isn’t or about why you may or may not go. It’s not always easy to know what college is really like when there are so many possibilities. There are also some myths and misconceptions about the college experience. **So do some research, ask around and figure out the truth.**

Resources to consider:

- Most common myths: http://www.knowhow2go.org/mentors_myths.php
- You Can Go (<http://youcango.collegeboard.org/stories>)—Student videos describing what myths/misconceptions they had about college that held them back
- College is Different from High School: <http://pics.collegetrends.org/differences.cfm>
- Not everyone finishes in four years:
<http://www.onewordnation.com/5-common-myths-about-college-life/>

One of the biggest myths about college is that you have to have a lot of money to go. Maybe you’ve heard on the news or from someone you know that it’s not always easy to pay college tuition and fees. **While some schools may not be a good financial fit for your family, there are ways to help you prepare for and meet the costs of college. This entire toolkit is designed to set you up for success. If you know you want to attend college, and need help making it affordable, keep reading!**

How Colleges Differ

Let's start with the basics.

There are two types of colleges for students like you to consider:



Public institutions—These colleges are funded by local and state governments and usually have a lower overall cost, especially if you live in the state where the school is located. Each state has at least one public institution.



Private institutions—These colleges are funded primarily through **tuition and fees***. Private colleges can be non-profit or for-profit.

* TUITION AND FEES = The cost to attend classes and use campus resources.

Let's break down colleges by one other difference—the degree(s) they offer:



Bachelor's degree—Received from completing a full program at a four-year college. (NOTE: It could take a little less or a little longer than four years to complete.)

EXAMPLES

- Bachelor of Arts in Journalism; Bachelor of Science in Biology



Associate degree—Received from attending a two-year college. These degrees are typically specialized.

EXAMPLES

- Chiropractic Medical Assistant; Associate Degree in Administration of Justice



Certificates—Offered by some colleges, especially vocational-tech or career colleges. These can be helpful for getting a job in the specific area you studied but aren't always helpful if a job requires a college degree.

EXAMPLES

- Lake Washington Institute of Technology—Computer and Information Systems, Support Services: Web Page, Digital/Multimedia and Information Resources Design
- Central Carolina Technical College—Heating, Air Conditioning, Ventilation and Refrigeration Maintenance Technology/Technician (HAC, HACR, HVAC, HVACR)

WHAT'S THAT?

Non-Profit: Most schools are non-profit. Examples include state colleges (for example, Michigan State University). These schools use the money they receive from tuition to pay for the college's expenses.







For-Profit: These colleges are typically known for preparing students for specific careers. Many of them offer online learning, and while they typically have a similar sticker price to non-profit colleges, you get a very different type of education. Examples of well-known for-profit colleges include University of Phoenix, Kaplan, ITT Tech, DeVry.

Examples of some for-profit institutions from CollegeCost. Ed.Gov:
<http://tinyurl.com/modnftu>




BIG TIP | If you are using college search tools (College Navigator, Big Future, etc.), you can filter for-profit schools in or out of your search.

WHAT CONTRIBUTES TO COLLEGE COSTS?

EXPENSE TYPE	DEFINITION	AVERAGE PERCENT OF TOTAL COST	EXAMPLE Duke University Durham, NC	YOUR SCHOOL
TUITION & FEES 	The cost for obtaining credits at that college. It includes paying for classes and extra expenses like insurance, student activities or use of computer labs on campus.	60%	\$45,376	
ROOM & BOARD 	This is the cost to live and eat on campus. At some schools this is a required cost; at others, you can choose to live off campus but you might still need to pay for that.	25%	\$12,902*	
BOOKS & SUPPLIES 	This is the average estimated cost of books and materials for that year.	5%	\$1,300	
PERSONAL EXPENSES 	This is the average estimated cost you might have to pay for laundry, entertainment, cell phone bill or eating off campus. It's sometimes called miscellaneous expenses.	7%	\$2,170	
TRANSPORTATION 	This is the average estimated cost for getting to/from campus and/or parking on campus if you have a car. This amount applies if you don't live on campus or if you attend college far from home and need to get there.	3%	\$500	
			 TOTAL STICKER PRICE	\$62,248

*Assuming on-campus costs. Costs are estimates.

 **BIG TIP** | High sticker price, right? Before saying no to this school, consider that the average financial aid package for freshmen at Duke is \$40,561. About half of Duke students receive aid from the university.

Do I have to come up with all that money in one year?!

FINANCIAL AID



As mentioned, it's rare that all students going to the same college will pay the same amount. For most students, there is a big difference between the sticker price of a college (also called the cost of attendance) and the amount they will eventually pay. The difference between these numbers is due to something called **financial aid***. There are three types of financial aid:

- Scholarships and Grants = Gift Aid
- Student Loans = Borrowed Aid
- Work-Study = Earned Aid

The amount of financial aid awarded to you depends on you and your family's **financial need** and could also be affected by your **academic performance and extracurricular activities** (or merit). Financial aid amounts vary by the type of schools to which you apply (some have more financial resources than others).

SAVINGS



Did you have a piggy bank when you were younger? If so, maybe it was used to hold your money until you were ready to buy something you really wanted. **You and your family members can and should start saving as a way to help you pay for college.**

Why is saving helpful?

- You'll know how much you have to contribute when you look at the sticker price of different schools.
- You'll have a reminder in the years ahead of the goal you're working towards.
- You can start right now. So much of the college process happens in high school, especially senior year, but saving for college is a step you can take right now.

Saving money can help you pay less for college because you'll have money to put towards what you may have to pay.

* **FINANCIAL AID** = money to help you pay for college. It can come from a college, the government, organizations and businesses.

WHAT'S THAT?



Gift aid is also referred to as Free Money, money that is a *gift* to you, that you receive without obligations to pay back. We'll look at grants in the next chapter.

FOR MORE INFORMATION | Parents! Check out the Parents' Guide at the back of this toolkit for more information on saving.

Here are a couple helpful online saving tools:

- The 1:1 Fund, developed by the Corporation for Economic Development, rewards you for saving if you belong to one of their 1:1 programs (you save and the same amount is donated). Make money and save money at the same time!

RESOURCE | Check out the 1:1 Fund to see if there's a program near you:
<http://tinyurl.com/kn2l2rt>

- The Big Future college savings calculator can be used with your family members to figure out how much is possible for you to save.

RESOURCE | Big Future college savings calculator: <http://tinyurl.com/kueq2p7>

RESOURCES | Money management site www.mint.com writes articles and creates activities for middle and high school students too.

Also, check out a few savings-related resources here:

- Scholastic: <http://tinyurl.com/ngojqa6>
- We the Savers: <http://tinyurl.com/pwmeles>,
- Mint: <http://tinyurl.com/ld3jnve>

STUDENT SAVINGS ACTIVITY

For each of these students, figure out what they're saving in their high school years and then calculate what that amount would help them buy at college. A little goes a long way.

Juan

Juan babysits for his sister and his sister's friend every Tuesday and Thursday after school. He makes \$20 a week and saves \$4 of that money every week towards college.

If he is a freshman, and there are 204 weeks until he begins college, how much will he save?

\$	×	=	\$
SAVING PER WEEK		WEEKS UNTIL COLLEGE	AMOUNT SAVED

Ping

Ping starts working a Saturday shift at Burger King at the end of her freshman year of high school. She makes \$45 per week and saves \$10 per week towards college.

There are 156 weeks until she begins college. How much will she save?

\$	×	=	\$
SAVING PER WEEK		WEEKS UNTIL COLLEGE	AMOUNT SAVED

Cost of Items in College*:



Books for freshman year = **\$850**



Train pass or Parking pass for freshman year = **\$130**



One pizza every month of freshman year = **\$95**



Cell phone bills for freshman year = **\$720**



Laundry for freshman year = **\$100**

*Costs are approximate

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9th & 10th Grades

By the end of this chapter, you will understand...

- ✓ The differences in costs between types of colleges
- ✓ The difference between sticker price and actual costs
- ✓ What financial aid is and how to qualify for it
- ✓ How borrowing can help you pay for college, and common challenges to look out for
- ✓ How your performance in high school can affect financial aid
- ✓ The benefits of earning college credits while in high school and how to do it

Why Do Some Colleges Cost More Than Others?

There are many factors that can affect the price of a school for you, such as:



Going to a **public college** (in your home state) versus a **private college**



The type of **degree** you're seeking



Choosing to **live at home** instead of on campus

TYPES OF DEGREES¹



Remember earlier we mentioned that the cost of college can be lower depending on what degree you're seeking? Let's examine the types of degrees so that you can start thinking about which one might be right for you.

Associate Degree

Number of years to obtain the credential? Designed to take two years, sometimes three

Types of colleges that award this degree? Typically community colleges, some four-year schools

Specific areas you can study?

There are many options. For example, you can get an AA (Associate of Art) or an AS (Associate of Science); you can study something broad (e.g., English) or highly specific (e.g., Culinary Management).

Bachelor's Degree

Number of years to obtain the credential? Designed to take four years, but can take up to six

Types of colleges that award this degree? Four-year colleges, some community colleges

Specific areas you can study?

Students pick a **major*** to study and typically graduate with a BA (arts), BS (science), or BFA (fine arts).

* MAJOR = A major is the subject or academic area in which you specialize

Certificate

Number of years to obtain the credential? Two weeks to two years, with an average of six months to one year

Types of colleges that award this degree? Many two- and four-year colleges, certificate-only schools

Specific areas you can study?

Certificates are highly specialized and technical. They're similar to a job-training program: You get a certificate in a specific area with the intention of working in that area. Certificate programs don't allow you to switch career fields as easily, but they do provide great preparation for a particular field. Examples include health care (x-ray technician) and technology (web design).

Associate degrees and certificates require fewer credits (taking less time) and therefore typically have lower sticker prices.

Keep in mind that you can always continue your education!

- ✓ After obtaining a certificate, you can get an associate degree.
- ✓ After an associate degree, you can pursue a bachelor's degree.
- ✓ After a bachelor's degree, you can obtain a master's or other professional degrees in medicine, law, etc.


¹ Source: Big Future: www.bigfuture.org

Sticker Price vs. What You'll *Actually* Pay


What is sticker price?

So you've looked at a few types of schools and have seen their sticker prices (listed costs). For most students, there is still a BIG DIFFERENCE between the "sticker price" of a college and the actual amount they will end up paying.

- The difference between sticker price and what you pay is the financial aid you receive. Financial aid—in short—is money that helps you pay for college.
- Financial aid awarded to you is affected by two main factors:
 - ▶ **Need:** you and your family's financial need
 - ▶ **Merit:** your academic performance and extracurricular activities




STICKER PRICE (LISTED COST) = Tuition & Fees + Room & Board + Books + Personal Expenses + Transportation



FINANCIAL AID = Grants + Scholarships + Loans + Work-Study



The difference between sticker price and what a student may pay can be big or small. For example, the listed price of Dickinson College in Pennsylvania is \$58,254, but the average amount of financial aid a student at Dickinson receives is \$34,269 (leaving \$23,985 to pay). The University of Illinois lists a cost of \$29,368 for in-state students living on campus, and the average amount of aid a student receives there is \$14,647 (leaving \$14,721 to pay).¹ Let's look at some additional examples to the right.

 **BIG TIP** | Note that these numbers are average financial aid amounts and do not necessarily reflect the exact amount you will get.



Next time you are looking at a college's sticker price online, in a catalog, or anywhere else, remember that this is the maximum you'd pay for one year at that school. It's important to dig deeper and see that **financial aid can make a huge difference!**

Let's learn more about financial aid and see how you can use this knowledge in your search.

4-Year Private Schools

	SCHOOL A	SCHOOL B
	\$41,500	\$52,911
	—	—
	\$26,000	\$51,000
	—	—
	\$15,500	\$1,911
	<i>(What is Left to Pay)</i>	

4-Year Public Schools

	SCHOOL A	SCHOOL B
	\$24,881	\$13,773
	—	—
	\$22,883	\$13,581
	—	—
	\$1,998	\$192
	<i>(What is Left to Pay)</i>	

“A deciding factor in my college choice was receiving a scholarship to an in-state school and admittance to their honors program. This provided an option to receive a liberal arts education within a public university. The scholarship made a big difference in my ability to attend college.”

KELSEY, COLLEGE JUNIOR

¹ Source: Big Future: www.bigfuture.org

Understanding Financial Aid

Have you ever gotten something on sale that you were ready to buy at full price?

It's likely you felt much better about your purchase knowing that you got a deal. For one of the biggest "purchases" you'll make in your life—your **education**—there are several ways to pay less than the price advertised. The cost of your education depends on a lot of factors, but with hard work and preparation, there is something you can count on to help you pay less than full price for the college you choose.

It's called **financial aid**.

We've discussed it in simple terms, but let's look a little closer here. Financial aid is money to help you pay for college. It's made up of three types of money:



Gift Aid—typically called scholarships and grants



Borrowed Aid—money you have to pay back



Earned Aid—called "work-study," this is money you earn from a job once on a college campus

FOR MORE INFORMATION | To get the full scoop on work-study, visit the College Years chapter.

Many students use a combination of all of these types of financial aid to help them pay for college. Throughout this toolkit, unless a specific type of aid is mentioned (such as scholarships), the reference is to financial aid in general.

"I had a combination of work-study, state grants, scholarships from my college and federal loans."

KIMBERLEY, COLLEGE SOPHOMORE

WHAT'S THAT?



Gift aid is also called "free money" because you don't have to give it back. Schools and tools refer to grants and scholarships as gift aid.

Scholarships will be discussed more in depth later in this chapter.

Grants are awarded by federal and state governments and colleges.



Borrowed Aid: Also called student loans

"I received financial aid in the form of multiple scholarships and grants. Most of my scholarships were from employers, organizations and businesses I interacted with through my experiences beginning in middle school."

DAVID, COLLEGE JUNIOR

NON-U.S. CITIZENS

I am not a U.S. citizen. Can I still access financial aid?



To find out your citizen status, check out the first resource in the bulleted list to the right, and talk to your family. If you still need more help, consult legal services. If you are not a U.S. citizen or eligible non-citizen, you could be undocumented. If this is your first time considering what this means for you and affording college, there's probably a lot to think about. Exploring and understanding your options **early**—in the 9th or 10th grade—will only help you. Please know that you are not alone. There are many undocumented students who have gone to college, and you can too.



BIG TIP | Talk to your family. College and paying for college may seem far away, but it's critical that you start thinking through this process now if you want the most affordable options possible. This information is also located in the Parents section of this toolkit.

To answer your question... To qualify for **federal government dollars**, you must be a U.S. citizen or eligible non-citizen. However, in some states, undocumented citizens do sometimes qualify for state financial aid and institutional dollars. Research the schools that might award you institutional funds regardless of citizenship, and think about applying to those schools.

Here are some tools and resources to connect you to experts in making college affordable for undocumented students.

1. **United We Dream** (www.unitedwedream.org): A movement led by immigrant students, United We Dream will provide you with a “Toolbox” that includes an explanation of different statuses, stories of other students and families in immigration processes, how to get involved in the movement, and what your educational options are state to state within the U.S. It's a very youth-friendly, helpful place to start. United We Dream also has helpful information on Deferred Action for Childhood Arrival (DACA).
2. **We Own the Dream** (www.weownthedream.org): This site is mostly a resource for DACA, but it also has some great tools to find legal help for documentation.

WHY NOW?

The road to documentation can be a long and sometimes challenging one. The earlier you start, the more likely you are to discover resources that can help you afford college. Reach out to your family, a teacher, guidance counselor or other trusted adult to let them know you'd like support. Twelfth grade can be too late to exploring options for gaining status, specifically for financial aid purposes. You have three to four years to use now.

RESOURCES

- Look at the bottom of this Federal Student Aid infographic to determine your status: <http://tinyurl.com/lh6jr5l>
- DREAM Educational Empowerment Program (DEEP) information: <http://tinyurl.com/mnlkz6e>
- For more on DACA, including to see whether you qualify: United We Dream: <http://tinyurl.com/lerddw4> (check out the infographic on page 4). You can also call 855-DREAM-31
- We Own the Dream legal support resources: <http://tinyurl.com/mr3mhmb>
- Check out this great guide, designed for undocumented students: E4FC: <http://tinyurl.com/97mp7tm> Page 19—national scholarships that don't require a social security number (SSN) or proof of citizenship. Page 30—college-specific scholarships. Page 37—colleges with scholarships for students without SSNs.

3. Educators for Fair Consideration (E4FC)

(www.e4fc.org): Started by two educators, this website shares resources to support undocumented students in reaching academic and career goals. Whereas United We Dream is more broad, E4FC focuses more specifically on education options and resources. One of its best resources is its scholarship guide.

Study hard and start looking for scholarships to increase your chances

The E4FC scholarship guide mentioned above highlights an important fact: **There are indeed scholarships available for undocumented students.** Tips to improve your chances of getting one of these scholarships:

- Get involved in extracurricular activities and in your school so that you have a higher chance of getting those limited national scholarships
- Work hard academically. The schools on that list are highly competitive, so while you might get funding if you get accepted, you have to get in first!

Talk to others who have been through a similar path

Want to know what it was like for a student like you? Learn one student's story.

Believe in yourself

Financial aid is out there, but your path might look a little different. Stay confident, and check out five great pieces of advice in the resource below.

RESOURCE | Five Secrets to Success for Undocumented Students (E4FC): <http://tinyurl.com/oclytkh>

“ In my senior year, I met a financial aid advisor at my school. I was nervous to tell him I was undocumented the first time I met with him, but the second meeting with him, I shared it immediately.

My brother has been paying out of pocket as an international student at a local college and I knew I didn't and couldn't pay out of pocket. With my advisor's help, I applied for deferred action status.

Luckily, the school I was applying to had a waiver that if I had Deferred Action and could prove I'd been going to high school in state for the past four years, I'd get charged in-state tuition.

With help, I filled out the waiver, applied and thankfully, got an in-state rate and a merit scholarship. At the end, I only had to pay \$1,000 out of pocket. So, I applied for outside scholarships that helped me cover that difference.

If I had any advice for students who are undocumented, it would be this:

a) Have confidence to say something and ask for help from those around you. My financial aid advisor and the college staff were so helpful for me.

b) Taking advantage of resources **early**. That also saved me! Someone is out there to help you. Don't sit back! You can not afford to sit back. As undocumented students, our window of time and the availability of money is smaller.

c) Don't get too comfortable with one solution (why I applied for scholarships), you never know what new rules the government or a school will make. Until the DREAM ACT passes, nothing is permanent.

JASMINE, COLLEGE FRESHMAN

The Basics of Borrowing Money

There is a lot of information out there about borrowing money for college—in the media, and from friends and family. Some are success stories while others highlight challenges. This toolkit provides information that can help you make smart decisions.

College is an INVESTMENT.

It's likely that for you, if not also for your family, college is the biggest financial decision you've made in your life. Especially if you've never bought a house, car, etc., this is a BIG investment. It can feel a bit frightening to think you might make a "purchase" that you don't have all the money for up front. This is why it's an investment. You're making a choice now that will reward you over the long term. Similar to buying a house or a car, for which you'll pay a lot but use it for years, the education you get from college will stay with you for your lifetime!

Borrowing is a REALITY.

Chances are that you have borrowed something in your life—a shirt from a friend, a book from the library, maybe a few dollars to pay for dinner. Borrowing is a part of our everyday lives, but when it comes to college, it feels like such a bigger decision because of the amount. It **should** feel like a big decision. You are borrowing much more money than you ever have, and you must pay it back.

In some ways, though, borrowing for college should not feel as big because it is fairly common. In fact, over 60 percent of students in college today are borrowing some amount of money to go to college.¹ The important question to consider is, *"If I borrow, how much is manageable for me and/or my family to repay when I'm finished with school?"*

WHY NOW?

For a few reasons. First, to understand that borrowing is not necessarily a bad idea. Second, to understand smart borrowing and if this is something you and your family might have to consider. Third, to give you a lot of time to explore your options.

¹ Chronicle of Higher Education, Almanac of Higher Education, 2012-2013

COMMON QUESTIONS AND FEELINGS ABOUT LOANS

I don't want to borrow. All around me I hear about student debt and how so many former students are struggling to pay back their college loans. I am never going to use loans; I'm just going to get lots of scholarships.

Reality Check: Students don't have to struggle with debt. Those who do, do so for one or more reasons:

- They trusted that a good job with a high salary would be easy to find after college. Although it's likely a college degree will help a student land a higher paying job, it's not always a guarantee.
- They didn't plan for how much they would have to repay, or only looked at one year of costs. Some students believe they can make a large loan work for a year, maybe two, but a bachelor's degree takes at least four years, and those amounts add up quickly. Make sure that you think long term when considering loans.
- The loan repayment plan they've chosen is not the best plan for them.
- They didn't understand the amount of their loans (or it wasn't clear) as stated on their award letter.

Reality Check: Paying with scholarships only is unpredictable and unrealistic.

- You might be lucky enough to get a tremendous amount of scholarship money when you're a senior in high school, but then again, you might not, so it's not smart to depend on that.
- Scholarships are competitive, so even if you try hard, sometimes it doesn't always work out as planned.
- Another important note is that scholarships aren't always **renewable***, so counting on them throughout college might not work.

I don't want to depend on anyone else. I've worked hard to make ends meet my whole life and I have succeeded so far without too much help. In order to make this college dream a reality, I need to do it on my own—no one needs to lend me anything.

Reality Check: Unless you are going to a relatively inexpensive school or are guaranteed to receive lots of scholarships and/or grants, it's likely you will need to borrow some amount of money to pay for college, and it's totally normal to.

FOR MORE INFORMATION

- Learn more vocabulary and key terms about loans in the 12th Grade chapter.
- Learn more about Repayment Options in the College Years chapter.

“ I picked my dream school over another more affordable choice. It took one year for my parents and me to realize that while we could make my freshman year work, the loans from additional years would put a huge burden on me and my family. I have since transferred to a state university, which is a lot more affordable for us in the long run.”

MATT, COLLEGE JUNIOR

* **RENEWABLE** = Able to be extended, or continued through another cycle of time

HAVE QUESTIONS? ASK!

“Does this come in a larger size?” “Do you have this in red?” “Can I get 25 percent off?” When you buy something at a store, you usually ask a few questions about it, right? You're about to make a pretty big purchase in just a few years—ask questions so you'll understand what you are buying. Maybe you'll ask about class size, or an activity on campus, but **you should always ask about financial aid, too.** Talk to the schools. Know your options.

Good Grades + Activities = Scholarships

If you've heard about any type of financial aid before this toolkit, you're probably most familiar with scholarships. Remember how we categorized this earlier? Scholarships are a type of GIFT AID (free money—the best kind!).

Scholarships can come from a variety of places:

- Colleges
- Organizations
- Businesses
- Your state
- Your high school

Scholarships can be awarded for a variety of reasons, such as:

- Community service
- Scores on a standardized test
- Artistic or athletic talent
- Employer availability
- Intended major
- Your parents' status (e.g., if your mother or father is single)

Scholarships can range in amount awarded, from as low as \$100 to as high as 10 years of paid education.

So, are you convinced yet? Doesn't applying for scholarships sound like a no-brainer?

Before we get into more details about where and when to apply, let's talk about why we're telling you all about scholarships now, in the 9th grade. Most scholarship applications aren't due until senior year, but if you wait that long to prepare for them, you might wind up with very few options.

Scholarships require putting in effort—in the classroom and in your school or community. **Remember the formula: Good Grades + Activities = Scholarships.**

EXAMPLES

College: John Marshall Scholarship at Marshall University (for West Virginia residents, merit based)

Businesses: CVS Caremark Scholarship (for employees or children of employees of CVS)

High School: Davenport Schools Foundation Scholarship (for students enrolled in Davenport Community Schools, Iowa)

RESOURCE

Students with **high test scores** are invited to apply for National Merit Scholarships. Read more about becoming a finalist here: <http://tinyurl.com/n6agulz>

What does this mean?

All of the people and organizations that can award you scholarships (and admissions to college) want to see that you have pushed yourself to the best of your ability. Not just in senior year, but during all four years of high school. To be as competitive as possible, raise that **GPA*** and start joining clubs and activities that interest you. You don't need to overdo it, just find something that you're excited to do—run track, play the trombone, join the Spoken Word club or getting an after-school job.

* GPA = Grade Point Average



BIG TIP | Unfortunately, sometimes scholarships are too good to be true. Read up on scholarship scams and be informed! Federal Student Aid:
<http://tinyurl.com/d26msfr>

SET YOURSELF UP FOR SUCCESS WITH SCHOLARSHIPS

Let's figure out what you can do now to set yourself up for success later.
Time to WORK HARD!

1. Research scholarships

FOR MORE INFORMATION | Check out many different scholarship resources in the 12th Grade chapter.

2. Start tracking potential scholarships in a planning tool

3. Know your GPA

- ▶ Ask a teacher or your guidance counselor to help you understand where you are right now and decide where you want to go
- ▶ Challenge yourself to do well in school and find opportunities to get extra help if needed

4. Join a club or sport at school

- ▶ Decide what interests you or what you feel you're strong at and sign up for the next meeting, tryout, etc.



BIG TIP | Talk to your guidance counselor about what type of activities you enjoy, and see if they'll connect you to a teacher or coach who will support your passion.

Get a Jump Start Now, Save Money Later

Here are some other steps you can take during your early high school years to set you up for success later, both financially and academically.

DUAL ENROLLMENT

What if you could earn college credits before you even get to college? Most colleges require you to take a specific number of courses (to acquire credits) to graduate. And credits cost money—so the more courses you take, the more you pay.

The good news is that before you even set foot on a college campus, you could begin earning college credit **for a fraction of the cost**, through something called “dual enrollment.”

Early College High Schools, one type of dual enrollment, give students the opportunity to earn college credit as part of their high school experiences. At these schools, students can work towards an associate degree or a bachelor’s degree FOR FREE, through coursework they take in high school with a college partner. In other words, you’re still in high school, but you’re taking college classes.

RESOURCES | If you’re interested in finding out if dual enrollment is right for you or is offered nearby, take a look at some of these resources:

- For basic background information on early college high schools:
<http://www.earlycolleges.org/>
 - Where to find early college high schools: <http://www.earlycolleges.org/schools.html>
-

ADVANCED PLACEMENT (AP) COURSES

Advanced Placement (better known as AP) courses are offered at some, but not all, high schools to help prepare students for college classes. At the end of every course, you can elect to take an AP test (which costs a fee, approximately \$89), and if you score high enough, you can earn college credits for that subject area.

This means that for a comparatively small dollar amount, you can enter college ahead of the game. That gives you extra dollars (or financial aid) to use on other classes. You can explore a new subject, or the extra credits you bring to college could potentially help you graduate early! Flash forward two-to-three years when you are making a decision about where

to attend college: Having a few extra dollars (in the form of college credits) can give you more flexibility with your money.

The difference:

An Economics 101 college course could cost about \$ 1,000 for three credits OR an AP Economics Exam could cost you \$89, and you'd also receive three credits.

INTERNATIONAL BACCALAUREATE (IB) COURSES

International Baccalaureate (IB) coursework is quite similar to AP: Courses are completed in high school, you can opt to take a test after you finish a course, and you can receive college credit if your score is high enough.

RESOURCES | Here is an IB overview to review with your family: <http://tinyurl.com/kz2cgk4>

What are the differences between IB and AP?

IB coursework, while growing in popularity, is currently not offered at as many schools as AP coursework. Ask your teacher or counselor what your school offers. Further, IB coursework has two levels: Standard and Higher. Many colleges only award credit for passing Higher Level IB courses. You can inquire about a college's IB policy when you apply to attend.

Interested in getting a jump start? Talk to your guidance counselor or teacher to understand your options with these types of opportunities.

This chapter has given you a lot to consider. Your path to college is underway! Don't let all this information overwhelm you. Instead, tackle a little at a time, and when you arrive in 11th grade you'll realize you have set yourself up for a successful, and affordable, college experience.

YOUR NOTES

A series of horizontal dotted lines for taking notes.

11th Grade

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GETTING CREATIVE TO INCREASE AFFORDABILITY 43

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FINDING A MENTOR 48

11th Grade

By the end of this chapter, you will understand...

- ✓ The big picture of the financial aid process you will experience in 11th and 12th grades
- ✓ What “financial fit” means, how you can identify affordable college choices and how the Net Price Calculator can help you plan
- ✓ How to plan now for applying for scholarships later
- ✓ How to begin building the team that will support you through the financial aid process and decision making

Preview of the Financial Aid Process

So, you're in 11th grade. Where did the time go? College seemed so far away a few years ago, and now it's right around the corner. Maybe you've been taking some of the steps we talked about in previous chapters and feel good about where you're headed and the options you have. If you're feeling a bit uneasy about how prepared you are, it's not too late! Revisit the Pre-High School and 9th and 10th Grade chapters for valuable tips and important resources.

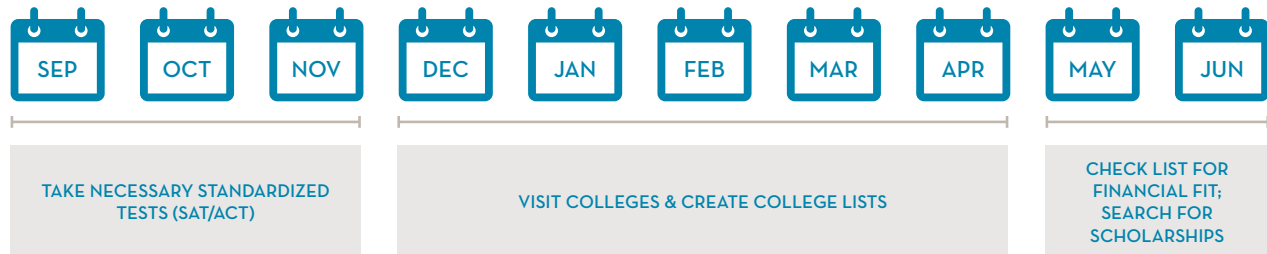
For now, in your 11th grade year you should have college on your mind a lot more. It's time to look at what's ahead. This time next year (fall/early winter) you'll be applying to colleges and for scholarships and financial aid. This section is designed to introduce you to what's ahead, but to also help you focus on *what you can do right now*.

WHY NOW?

Why now? Look ahead over the next two years—there's a lot more happening. Twelfth grade is going to be a busy year with lots of decisions to make amidst the applications. It's all manageable with support from others and good planning. Working on some of this during junior year will be extremely helpful in setting you up for success next year.

TIMELINE

Junior Year: Key college-going tasks include:



Here's a preview of **Senior Year**. Key tasks include:



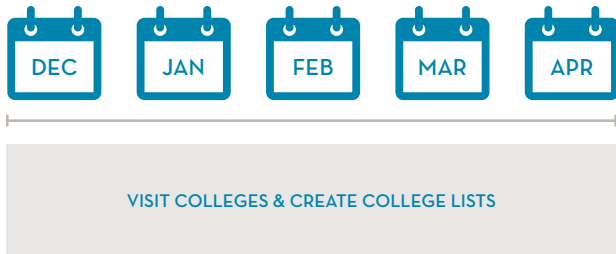
Now let's look a little closer at your junior year activities.



What do standardized tests have to do with paying for college?

1. Sometimes, the scores you get on your standardized tests or the personal information you put into the application can connect you to scholarship opportunities.
2. Taking these tests costs money, but they should be seen as necessary pre-college costs. If your family's income qualifies, you might be able to take these tests free of charge.

RESOURCE | You can always speak with your guidance counselor. Check this College Board resource out for more information on fee waivers: <http://tinyurl.com/7n2qpm>




RESOURCES | Here's a great overview about college visits from Big Future:
<http://tinyurl.com/nt6pg76>

How do visiting colleges and finalizing college lists connect to paying for college?

1. When making decisions about where to visit and ultimately where to apply, there are many factors to consider. Whether or not you can afford a school should absolutely be part of that conversation! Many counselors and college admission professionals recommend looking at schools that are a good academic fit, a good social/personal fit and a good financial fit. Read on to learn more!
2. Like standardized tests, visiting colleges and applying to them can cost money. Look into options for reducing these costs with the colleges you would like to explore. One great way to visit for free is to take a virtual tour.

RESOURCES

- eCampusTours: Stepping foot on a campus may be the best way to get a true feel for a college, but eCampus Tours will give you the next best option from the convenience of your couch. The website provides 360-degree virtual tours of college campuses and surrounding areas for the user to explore—at no cost. At this time, there are more than 1,300 virtual tours available on the site. <http://www.ecampustours.com/>
- YouVisit: Much like eCampusTours, YouVisit allows students to explore a campus using 360-degree functionality. While this site doesn't provide as many college tour options, it does offer more social opportunities, such as providing prospective students with insights and images through blogs and photo galleries posted by current and former students. <http://www.youvisit.com/>

 **BIG TIP** | The more searching and visiting you do now, the more likely you'll be to learn about opportunities at those campuses. Get on the mailing lists, connect to admissions officers and make yourself known. Waiting until senior year for all this exploration will cause you extra stress and extra money!



CHECK LIST FOR
FINANCIAL FIT;
SEARCH FOR
SCHOLARSHIPS

How does checking my college list for financial fit and searching for scholarships connect to paying for college?

We've talked a little about scholarships; learning more about them, as well as financial fit, is coming up shortly in this chapter. The message is simple—find a school that you feel you can afford and apply to receive as much money as you can to help pay for it. Starting in junior year is especially smart because you're exposed to more potential dollars, and you get in the practice of applying (by getting some essays ready, for example) so that senior year scholarship applications are a breeze.

A BRIEF INTRODUCTION TO SCHOLARSHIPS

We've already covered this a lot already, but waiting until senior year to think about scholarships will only hurt you. There are so many FREE DOLLARS out there, and finding them means doing some research and working through the applications. Both of these parts to the process take time. Now, let's talk about *preparing to apply*.

Here is a list of things you should collect now to have handy when you start your applications later:

1. Transcript and ACT/SAT scores
2. Resume

RESOURCES | Check out this great website from Texas Guarantor for sample resumes and templates you can use. <http://tinyurl.com/pqgk5jd>

Don't even know where to begin? See this part of the website: <http://tinyurl.com/oe7byt6>

3. Application Form
4. Essays and/or Short Answers
5. Recommendations
6. Financial Documents: Taxes or "Student Aid Report"

More information on scholarships and financial documents (like the student aid report) can be found in the 12th Grade chapter.

OTHER STEPS FOR 11TH GRADERS

Talking with Your Family

A big part of this year and next, when it comes to paying for college, is the involvement of your family. For the most part, you can research schools, fill out applications and write essays independently. Completing the **FAFSA*** and other financial aid forms can be challenging to do on your own.

Talk to your family for help—this year. Don't wait. They need to be a part of the (financial) decision, too.

Here are a few topics you should discuss with them now:

- **Savings:** Do you or your family members have any college-related savings plans? Or money set aside for college expenses big and small (from application fees to tuition costs)?
- **Required information:** Will any of the information you need for completing financial aid forms be tough to get without help from your family? Keep reading.

Collecting Required Information

What if you found an affordable school you liked, secured scholarships, visited, took the necessary tests and then started to fill out your financial aid forms senior year but realized you didn't have what you needed to complete them? If the deadline is too close, or even worse, passes while you are collecting what you need, you could lose some of your eligibility for federal, state or college dollars.

Start thinking about this now, so that come senior year, this isn't an issue. There is free money out there; let's be sure you have what you need to get as much of it as possible.

Check out the following chart. It might look long, but take the time to read it and ask yourself and family, "Can I get ahold of this information?" If you answer no for any of the lines, talk to your guidance counselor about next steps.

* FAFSA = Free Application for Federal Student Aid. This form is the most important and well-known financial aid form. You'll learn more about it in the 12th Grade chapter. This chapter will prepare you to complete it.



INFORMATION YOU AND YOUR FAMILY MEMBERS MIGHT NEED (CHECK WHEN COMPLETED)

Proof of Citizenship and/or residency status (Social Security or Permanent Residency number)

WHY YOU NEED THIS INFORMATION | Many financial aid forms (federal and institutional) require you to be a citizen or permanent resident to receive aid.

FOR MORE INFORMATION | See the 9th & 10th Grades chapter.

Most recent W-2 forms or most current pay stubs from all jobs worked in previous year

WHY YOU NEED THIS INFORMATION | W-2s, which are tax documents that employers provide to employees, are requested to get an idea of your family's income in one year. Income is the biggest factor in determining how much aid you receive, and most income is reported on these forms.

Federal income tax forms from prior year (if filed)

WHY YOU NEED THIS INFORMATION | Like the W-2s this can give a snapshot of income and earned income tax credits, and may also share how many people you or your family are supporting, if unemployment was received. Income from other sources also appears on these federal tax forms.

Bank information (i.e., amount in savings, checking accounts)

WHY YOU NEED THIS INFORMATION | Those evaluating the forms like to know the full financial picture of the family—is this a family that saves a lot, or doesn't have as much to spare? The big financial picture is important.

Benefits information

WHY YOU NEED THIS INFORMATION | If you receive benefits (e.g., food stamps, TANF), this can be an indicator to a school and the government about your income level.

Demographic information about you and your parents

FOR MORE INFORMATION | on dependency information, visit the 12th Grade chapter.

WHY YOU NEED THIS INFORMATION | Most forms will ask for birthdates, addresses, marital status and number of children. The purpose is to understand a little more about your family composition and what you might be able to contribute.

But I don't feel comfortable sharing all this information about myself!

That's understandable. Collecting and entering all this information can feel a little personal or even invasive. The forms ask for A LOT of information. The benefits to sharing it, however, are huge, and the privacy of all forms is guaranteed. When in doubt, if you are working on these forms online, use the .gov sites for federal forms and use other secure networks for individual campuses. If you are not already completing the forms with an adult, you can always ask a guidance counselor or a college financial aid officer about how to make your information as secure as possible.

Finding Your “Financial Fit”

We spoke about this earlier: You should absolutely consider financial, social and academic fit when deciding which schools to put on your college list, which schools to apply to and, ultimately, which school to attend. You are *much more likely* to succeed in college if you consider all three factors.

Academic Fit means that you are likely to be admitted to the college based on your academic performance, and that the school has the courses and academic environment you seek, such as small versus large classes, research versus practice focused, grading system versus portfolio-based assessments, etc.

Social Fit means that the college has what you are seeking socially, whether that’s a commitment to sports or the arts, whether you want a school with a Greek system (sororities and fraternities) or not, etc. A school that fits you socially will appeal to what you like to do and what you’re interested in exploring.

Financial Fit means that you and your family can afford the school (for two, four, or six-plus years, not just for one). Remember, there isn’t a one-size-fits-all financial fit for you and your peers, because everyone comes from different financial backgrounds.

The good news? There is definitely a school out there that is a great financial fit for you—probably even several.

TOOLS TO HELP YOU FIND “FINANCIAL FIT” SCHOOLS

Here are several tools to help you familiarize yourself with what you might be expected to pay for college, or how much schools might cost for you specifically.

Net Price Calculator (NPC)



This tool will help to give you an idea of what kind of free money you might get from a specific school. Each NPC is very specific to student and to school and requires some of the forms mentioned earlier in this chapter. Check out page 40 for more information.

Big Future



College Board’s college search tool allows you to explore colleges by type or find specific schools. Each college has an extensive “Pay for College” section that shares financial aid averages for that college, important deadlines and scholarship opportunities. <http://bigfuture.org>

WHY NOW?

The time to play around with various tools and explore and compare results is now. Waiting until senior year (or waiting until after you find schools you already love) to consider finances will make for more work senior year. Find the schools to apply to NOW that you love academically and socially, and that feel like you can most likely afford.

College Savings Calculator



This helps you develop a big-picture view of what college might cost and how much you'd need to save, depending on time left before you attend. <https://bigfuture.collegeboard.org/pay-for-college/paying-your-share/college-savings-calculator>

EFC Calculator



This tool allows you to enter your family's information to receive an estimate of what the government believes you can contribute each year towards college. This amount you contribute is also called "out of pocket." <https://bigfuture.collegeboard.org/pay-for-college/paying-your-share/expected-family-contribution-calculator> and http://www.aie.org/managing-your-money/finance-tools/EFC_Calculator/

FAFSA4caster



The FAFSA4caster gives you an idea of the amount of federal money you might receive. (Unlike the Net Price Calculator, it doesn't just share estimates for free money, but for all types of government financial aid.) <https://fafsa.ed.gov/FAFSA/app/f4cForm?execution=e1s1>

Get Schooled



This innovative website uses pop culture and social media to raise high school graduation and college completion rates. Students can connect with other students, join competitions within their school and play games like Financial Football. <https://getschooled.com/>

Occupational Outlook Handbook



For you and your family, financial fit may be about what seems worthwhile to pay because of what you decide to study and pursue in a career. Many families determine that it's worth investing more if the return (what you might eventually make) is much more. This is called "return on investment" or ROI. To look at average salaries of careers you're considering, use this Occupational Outlook Handbook. While it's always helpful to consider ROI, we don't recommend using it as the sole determinant of financial fit. After all, industries could change while you are in college, and so could your mind. <http://www.bls.gov/ooh/>

COOL TOOL: THE NET PRICE CALCULATOR



The Net Price Calculator (NPC) is a helpful tool that can predict what amount of financial aid you might receive. Here's how it works.

First, what is Net Price?

Remember when we looked at the three types of financial aid?



Gift Aid (grants and scholarships)



Borrowed Aid (loans)



Earned Aid (work-study)

Well, **NET PRICE** is the cost of college to a student or family **after gift aid** (*aka free money*). In other words, it's what you and your family must come up with through a combination of other financial aid (loans, work-study, scholarships), savings and out-of-pocket dollars.

What is the Net Price Calculator?

The NPC is a tool designed to help you and your family get an estimate of:

- The amount of **financial aid you might get** from a specific college, and
- The net price that you and your family might have to pay.

Where do I find the Net Price Calculators?

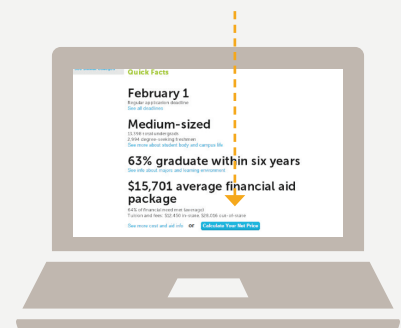
Every college and university is **required** to have an NPC on its website. Some have it on the financial aid homepage, some have it on the college homepage and others have it within information on the financial aid section.

- **Big Future:** To find the NPCs on BigFuture.org, use the search field to enter in your college. Once the college profile appears on the page, scroll down, and in the center under Quick Facts there will be a link to the school's NPC. It will be in a blue box that says "Calculate Your Net Price." Click this box.
- **Google search:** To find an NPC for a particular school, Google the school name and "net price calculator." For example, for University of Washington, you would Google: "University of Washington and Net Price Calculator."



Big Future

Calculate Your Net Price



- **College Navigator:** You can also visit <http://nces.ed.gov/collegenavigator/>, type a school into the search bar and then select “net price” on the list of items (it’s the fourth choice).

It’s important to note that there are many types of NPCs, and one school’s NPC might look very different from the next. If you have multiple schools on your college list, use each school’s NPC.

What else should I be aware of?

- This is not an application for financial aid! It is an estimate of what you might get, but you still must fill out the FAFSA to apply for financial aid (more on the FAFSA later).
- NPCs are estimates for first year students, not students who are already enrolled in college.
- Anyone can complete any calculator; schools do not pre-screen for academic merit or likelihood of acceptance. Keep this in mind: Getting an estimate from an NPC does not equal getting accepted. You still must apply for admission.
- There are many different types of NPCs, so do not be surprised if questions read differently.
- Every school must put down costs for room and board. Pay attention to the difference in costs if you will be living at home. For example, community colleges, many of which don’t have housing, still budget a standard living cost into their NPC.
- Use the results from the NPC in a big picture way—that is, to determine if a school is in your family’s financial range or not.
- Continue to develop relationships with the schools to which you’re applying and their financial aid offices. The NPCs do not and should not replace in-person conversations.

If you’d like to practice using the tool, use Dina’s (a sample student) information on the next page. For the sake of this example, Dina is applying to college from Massachusetts, where she attends high school. When you fill out the Net Price Calculator for your colleges, use your information/state.

NET PRICE CALCULATOR CASE STUDY

STUDENT & FAMILY INFORMATION

Dina wants to live on campus.

STUDENT NAME: Dina

STUDENT'S MARITAL STATUS: Single

STUDENT'S # OF CHILDREN: 0

STUDENT'S DATE OF BIRTH: 1/1/1995

CITIZENSHIP STATUS: U.S. Citizen

STATE OF RESIDENCY: Massachusetts

STUDENT GRADE: Senior

GPA: 3.0

STUDENT EMPLOYMENT: Student worked, but is not filing taxes. Worked for summer program and earned stipend of \$800

STUDENT BANK ACCOUNT: Student has \$150 in savings/checking account

STUDENT'S ZIP CODE: 02125

PARENTS' EMPLOYMENT: Dad worked, and filed taxes

PARENTS' ADJUSTED GROSS INCOME: \$40,000

OF PEOPLE IN COLLEGE: None

PARENTS' RETIREMENT: He does not have any retirement plans

PARENT'S MARITAL STATUS: Married

BENEFITS: None

HOUSEHOLD SIZE: 3

INVESTMENTS: None

PARENT BANK ACCOUNT: Parent has \$2,000 in savings and checking account

LIVING ARRANGEMENT: Rent and pay \$1,200 a month

MEDICAL/DENTAL EXPENSES NOT COVERED BY INSURANCE: None

EXEMPTIONS: 1

Dina's Results

Here are images of the results of two NPCs for Dina. One is for a larger, public institution: University of Massachusetts, Lowell (an in-state choice for Dina), and one is for a smaller, private institution: Lehigh University (out-of-state for Dina). See how different the results can both look and be calculated with the same information.

REMINDERS

- Net Price is the **cost after all free money** (grants and scholarships). You and your family can still use loans, work-study, savings and other funds towards that price.
- Some colleges and universities can be quite generous with institutional grants and scholarships, but you must be able to meet their admissions requirements. An NPC tells you what you'll pay, not whether you'll be admitted.

These results emphasize a crucial point: Focus on the **net cost**, **NOT** the **sticker price**. After all, Lehigh has the higher sticker price.

UNIVERSITY OF MASSACHUSETTS, LOWELL

be eligible to receive a discounted tuition rate to attend UMass Lowell. Through the New England Regional Student Program (RSP) residents of New England are eligible for a tuition break when they enroll in an approved major that is not offered by the public colleges and universities in their home-state. For more information, visit NEBE's Tuition Break website.

Your estimated need:	
Total Cost (including personal expenses)	\$24,712
Expected Family Contribution (EFC)	-\$2,516
Total Need	\$22,196
Your estimated grants and scholarships:	
Federal Grants	
Federal Pell Grant	-\$3,095
Federal Supplemental Educational Opportunity Grant (FSEOG)	-\$800
State Grants	
Massachusetts Grant	-\$300
DHE Tuition Waiver	-\$1,000
DHE Cash Grant	-\$1,000
College Grants and Scholarships	
UML Need-based Grant	-\$5,400
Total Grants and Scholarships	\$11,595
Your Estimated Net Price	\$13,117

LEHIGH UNIVERSITY

My Estimated Net Price for Academic Year 2013-14 is \$ 6,525

How did we calculate your net price? Your net price is the cost of attendance (estimated below) minus grants and scholarships (money you do not have to pay back) that you may receive.

Estimated Cost of Attendance	
Tuition & Fees	\$ 41,920
Room & Board	\$ 11,230
Books & Supplies	\$ 1,000
Transportation	\$ 0
Personal Expenses	\$ 1,220
Estimated Total Cost of Attendance	\$ 55,370
Estimated Grant/Gift Aid	
Estimated Federal Pell Grant	\$ 3,295
Institutional Grant	\$ 45,550
Estimated Total Grant/Gift Aid	\$ 48,845
ESTIMATED NET PRICE	\$ 6,525

Estimated Self Help

NOTE:

This chart shows the estimated share of money available to you from grant aid (money that does not have to be repaid) and self-help (money that you earn or receive). The difference between your cost of attendance and these two sources of funds is the amount you will be responsible for paying. It is the estimated "Remaining Cost," and is the first slice of the pie.

Important Note: The "Remaining Cost" is a calculation of both university-aided and unaided expenses; therefore, this calculation is not indicative of the amount directly billed from the school.

GETTING CREATIVE TO INCREASE AFFORDABILITY

There are always ways to make things a little cheaper, right? You could drive a little farther to a grocery store because it has good deals. You could shop around on eBay or Amazon for a cheaper version of something you found in a store. With college, you can do the same thing. Aside from scholarships and other aid, there are many more creative ideas on how to make this experience more affordable—the best thing to do is ask others. We'll talk more about who to ask shortly.

Here are some ideas to consider. It's good to keep your options open throughout your college experience.

Transferring

➡ Are you aiming for a bachelor's degree? If so, you can get there by
➡ enrolling directly into a bachelor's degree-granting college, or you could get your associate degree first (which takes two-to-three years and will give you half of your credits), and then **transfer*** to a school for the remaining credits and graduate with the same degree.

Why is this affordable?

- ▶ Remember when we talked about sticker price? Well, the sticker prices for most community colleges (that offer associate degrees) are much lower than schools that offer bachelor's degrees. This means you pay less for the first few years of your degree. For many students the first few years of college are about fulfilling requirements (such as taking standard coursework), exploring and figuring out what you'd like to do. Why not do this exploration and complete your basic courses for a better price? This is why getting an associate degree first makes sense to so many students. Here are a few resources to help you learn more and a few stories from students who took this affordable pathway and ended in the same place as their peers.

RESOURCES AND STUDENT STORIES | on the community college difference (Chronicle of Higher Education): <http://tinyurl.com/bbrzgj7>

* TRANSFER = to leave one school and switch to another (either withdraw and enroll or graduate and enroll). Often, you must complete an application for the school you are choosing to switch to, but this is not always the case.

- Here are some tips and extra information from Big Future on a two-year to four-year transfer: <http://tinyurl.com/7j5pvda>
- And here is more general information on transferring from the Princeton Review: <http://tinyurl.com/kykjord>

Building Your Support Team

As we've been discussing, the financial aid system can be complex to navigate at times. Even if you have no family members who have attended college, this does not mean you should try to navigate the path to and through college on your own.



You certainly shouldn't try to work through the financial aid process alone. Doing so could be discouraging at points (for one thing, there are some complex forms, and having a second set of eyes on them is crucial).

There are people and resources out there to help you...

- Find and fill out scholarship applications
- Prepare for the SAT/ACT
- Remind you of your next steps
- Take you on college tours
- Review your essay
- Complete the FAFSA
- CELEBRATE when you have your acceptance and generous award letters in hand!

This toolkit is one resource, but there are also people all around you who know a lot about this process. Let's find them. Getting you to college is a team effort, and your teammates are waiting to hear from you.

How does building a team of support connect to affordability?

One barrier in the financial aid process is incorrect completion of forms. Sometimes, because of complicated language, items are incorrectly filed or left blank. It's important for you to understand that you can work through these forms with support!

Here are a few resources you can consider to help you file these forms:

- Your guidance or college counselor
- A local college access and success organization

RESOURCE | Use the National College Access Program Directory to find a college access and success organization near you: <http://tinyurl.com/bhxqcc>

- Parents, relatives, friends or older siblings who have been through the process before
- A local college's financial aid office (you can find their phone numbers on their websites)
- The Big Future website: <https://bigfuture.collegeboard.org/get-started/for-parents/webinar-completing-fafsa-what-you-need-to-know>
(Click on *play recorded webinar*. It's 90 minutes long but extremely thorough and helpful.)
- Federal Student Aid Information Center (FSAIC): 800-4-FED-AID (433-3243) / TTY 800-730-8913
- uAspire, a national organization that support students with an affordable path to and through college. Visit their website at www.uaspire.org and see if they are in your area or available to help you.

Take a moment to list at least two names below of places you can start:

RESOURCES FOR FINANCIAL AID HELP

Guidance Counselor

College Access/Success Organization

Family member

Online Resource

College Financial Aid Office


Other

FINDING A MENTOR

In addition to building a team of support, you can also choose to identify one (or more) specific members of that team who can provide a little extra coaching, support and friendship. A mentor is someone who you not only trust to help you, but who you can look to for that guidance more frequently.

Why is a mentor important?

The path to college can be tough to navigate at times. Having someone to talk through ideas, understand the financial aid process, help you answer questions and celebrate your success can make it a positive experience. A mentor can serve this role.

 **BIG TIP** | Your family members can be great supports—maybe your parents or older siblings are already helping you through the college process—but having a mentor, someone outside of your family, to support you is also critical.

WHY NOW?

There will many times throughout the next year of high school and in college that you will **need** a trusted adult. Don't wait until it's too late and you don't have someone to turn to; start building relationships now.

A mentor can...

- Help you figure out which courses to take in high school
- Support you at your debate competition, or volunteer with you at a soup kitchen
- Travel with you to visit campuses
- Write you recommendations for colleges and scholarships
- Sit with you while you complete your college applications, your FAFSA, your scholarship forms
- Help you analyze your award letters and decide which school you can get into and afford
- Connect you to internship or job opportunities during the summers and school year

A mentor will...



Listen



Advocate



Teach



Guide

12th Grade

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12th Grade

By the end of this chapter, you will understand...

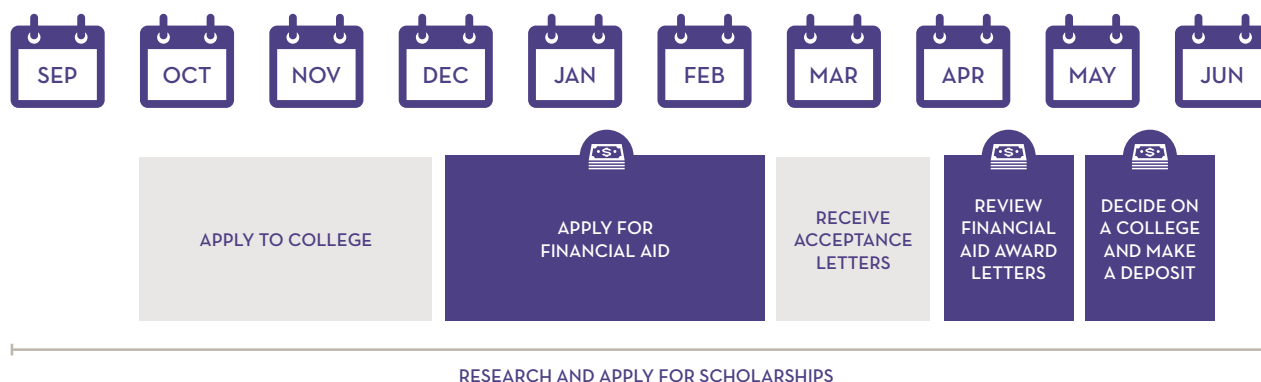
- ✓ Your senior year financial aid process
- ✓ What the FAFSA is, why it's so important, and where to get help completing it
- ✓ Which additional forms you need to complete to unlock more financial aid
- ✓ How to find and obtain the scholarships you deserve
- ✓ How to analyze your financial aid award letters and understand your affordability options

Your Senior Year Timeline

This is it. Your senior year! You have a lot on your plate, so consider this section of the toolkit your guide to the *absolute essentials* for getting money for college. You have worked so hard to get to this point, and the next nine months will be very important.

We saw this senior year timeline in the previous chapter, but maybe it didn't stick in your memory because it wasn't senior year yet. Can't hurt to review it again! Then we'll take a deeper dive into the boxes highlighted with the financial aid icon.

Senior Year: Key tasks include:



Let's take a closer look at the elements related to financial aid.



This is one of the **most important** parts of the whole process. Because, guess what, if you don't apply for the money, the money can't come. It sounds simple, but thousands of dollars are left unclaimed every year because students don't apply for relevant scholarships, grants or loans. Why?

I don't even know if I'll qualify.

Chances are, you'll qualify for something—such as a scholarship or a federally backed loan. You definitely won't receive anything without even asking, though.

The forms are too complicated; I'll figure out another way to pay for college.

No doubt, some of the forms can be confusing, and very personal. But with a little help (including from this guide), you'll be flying through them in no time!

In this chapter, we'll outline how to apply in two sections:

- A. **FAFSA:** The key form that all students *must* fill out to qualify for financial aid.
- B. **CSS/Profile® and institutional forms:** Some schools require additional paperwork to get financial aid. We'll make sure you understand when you have to do a little extra work and how to make sense of these forms.
- C. **Scholarships:** How to find them and how to fill out the applications.



After completing verification, you'll receive award letters from the schools that have admitted you. While getting those acceptance letters are so exciting, **wait until your award letters arrive** to decide which college you want to attend. Reviewing award letters will help you and your family understand exactly how much you are getting from the government and college, as well as how much you and your family might have to pay out of pocket. This step in the process is one of the most important you will take on your path to and through college because it helps you figure out where you can afford to go.

Later in this chapter, you'll learn more about how to read, review and analyze these award letters, but for now, just remember: **Celebrate your acceptance letters; DECIDE with the help of your award letters.**



You're getting close... High school graduation is around the corner, and college is looming on the horizon. You just need to make your decision (with the help of those award letters) and make a **deposit***.

When you get to this point, you'll need to take one of two steps:

- A. If you have the deposit amount (approximately \$100), pay it for the school of your choice
- B. If you or your family can't afford to pay the deposit, contact the school's admission office to see if **waiving*** the fee is possible, or if you might be able to pay it in multiple payments over the course of a month. Remember that the school accepted you because it wants you there, so it will want to help you.

FOR MORE INFORMATION | You'll learn all about verification later in this chapter

* **DEPOSIT** = a dollar amount that you pay to reserve your space at that college. You can also put down deposits when you buy a house, car or other large purchase. It's a way to say, "I'm interested, so don't give this away to someone else."

* **WAIVING A FEE** = not paying it because you either don't need to or can't.

BIG TIP | It's sometimes challenging to come up with a few hundred dollars at moment's notice (for that deposit), and that's okay. Just make sure that school is an affordable choice for the long term. You don't want to feel like you have to scramble often to pay for things like the deposit, the tuition bill, books, etc.

All About the FAFSA

The Free Application for Federal Student Aid (FAFSA) is the most important and well-known form that can get you money for college.

RESOURCES

- Watch this How to Complete the FAFSA video on Big Future: <http://tinyurl.com/d8avt3t>
- All you need to know and gather for FAFSA completion on the federal student aid website: <http://tinyurl.com/nxvgr5m>

IMPORTANT FAFSA FACTS

- It's **required** by all colleges
- It's **FREE!** So don't pay to complete this form! Go to www.fafsa.gov to complete.
- You can fill it out as early as **January 1** of your senior year.
- Filling it out determines how much **need-based aid*** you and your family can receive (grants/scholarships) and what your eligibility is for loans and work-study.

FOR MORE INFORMATION | On loans and work-study see the College Years chapter

- To complete the FAFSA, you must be a U.S. citizen or eligible non-citizen.

FOR MORE INFORMATION | Visit the 9th & 10th Grades chapter

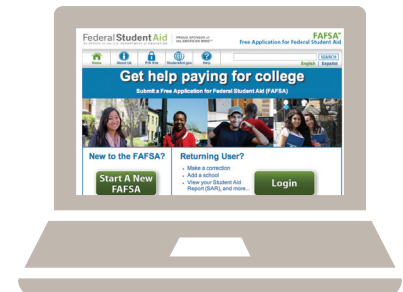
WHAT DOES THE FAFSA DETERMINE?

So, you fill out the FAFSA, put in all types of information about you and your family members, and then what? What do individual schools and the government do with that information?

First, your Expected Family Contribution (EFC) is calculated. This is what the government thinks you and your family can provide for college based on information provided on the FAFSA. EFCs range from \$0 to \$99,999. The lower the EFC, the less the government thinks your family can contribute.



BIG TIP | Sometimes, even if your EFC is zero, you will still have to contribute some amount of money to some schools. It's good to use the EFC as an estimate of the minimum you and your family will pay, but do not depend on it to be 100 percent accurate.



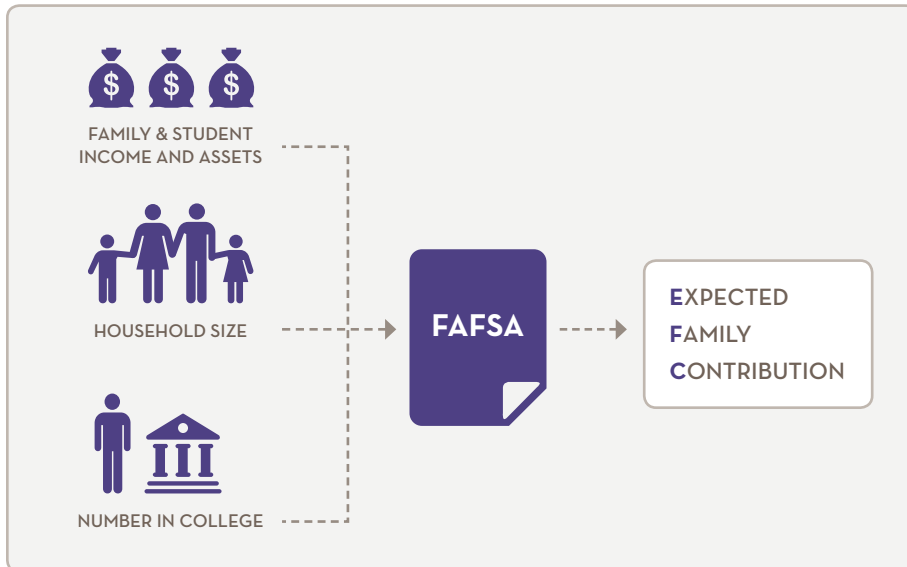
Here is what the FAFSA website looks like; if you log onto a website and it doesn't look like this, double check to make sure you're on the correct website.

* **NEED-BASED AID** = money awarded to a student based on how much you need to pay for college. A family that makes less money than another family would most likely qualify for more need-based aid because they have fewer resources.

WHY NOW?

It's helpful to have an idea of your EFC before you start hearing back from schools. This way, you and your family can continue to plan how you will pay for college.

- The EFC is the **minimum amount** of money you and your family will be asked to pay towards your college expenses.
- Remember, this expected amount does not mean that the government assumes you and your family have this money readily available to contribute, but that your family has the financial strength to obtain these funds through savings, loans or tuition payment plans.



In addition to receiving your EFC, once you've completed the FAFSA you'll also receive your Student Aid Report (aka SAR).

Student Aid Report: A summary of information you reported on your FAFSA that includes your family's Expected Family Contribution (EFC). It will be available to view after a few days of submitting the FAFSA. If necessary, make corrections on the form, update current year tax information via the IRS Data Retrieval Tool on the FAFSA and add colleges.

BIG TIP | Pay close attention to all things related to financial aid and the forms you fill out to get it. If there's a mistake on your FAFSA (and therefore your SAR), it could cause delays in your awards from colleges. Stay on top of it to have access to as much aid as possible!

RESOURCES | Take a look at some sample SARs:

- English: <http://tinyurl.com/lzs9bod>
- Spanish: <http://tinyurl.com/mozyly5>

COMMON FAFSA MISTAKES & HOW TO AVOID THEM

The following are all phrases heard frequently about the FAFSA. There are a number of common mistakes people make with the FAFSA; we want to keep you from making one of them, so that you don't leave dollars on the table. It takes 30-45 minutes to accurately complete the FAFSA. Trust us; that time will be WORTH IT!

I've heard it's kind of long and complicated. Maybe I'll skip it and do a bunch of scholarship applications instead.

Reality: The form has gotten shorter over the years. The online version skips questions that don't apply to you. When filling it out online (www.fafsa.gov), there are helpful hints to guide you through different sections, which speed up the process.

Don't assume that you'll get the scholarships you're applying for. After all, other people are probably applying for them, too. Complete the FAFSA so you know all of your options.

I don't think my family is going to qualify for any need-based aid, so why bother?

Reality: Your family might not be eligible for aid based on financial need, but you'll never know if you don't try, right? Also, you have to complete the FAFSA to be eligible for federal loans (which have much better interest rates than private loans) and for work-study. Additionally, many colleges will use the information from the FAFSA to give out their own need-based aid. So, even if the government doesn't give you money, colleges still might.

I keep hearing about the FAFSA, and I know I need to fill it out. I'll get to it eventually.

Reality: Eventually, money from the government and from the universities you're applying to does run out (get spent). Year after year, many students wait too long to complete the FAFSA, or complete it but don't complete verification, and end up missing key deadlines—which often means losing out on money. There is a reason we keep talking about the FAFSA and January 1. Fill it out early to guarantee you're meeting state deadlines. Some colleges have earlier FAFSA deadlines than your state's deadline, so research specific colleges' deadlines too.

RESOURCE | Visit the FAFSA website to see when your state's deadlines are:
www.fafsa.ed.gov/deadlines.htm.

“As a guidance counselor, I try my hardest to make sure that students understand deadlines and other requirements associated with their financial aid. One of the hardest experiences I have gone through was when one of my extremely talented students did not complete one secondary financial aid application and lost essentially \$45,000 of institutional gift (per year) that she would have received given her EFC and the college's meeting full-need policy. The student completed her FAFSA, her CSS Profile® and all within the month of January- meeting the deadline for this school. However, the school also required something called IDOC—which is like verification for students who complete the CSS Profile®. While it is an easy task to complete, my student unfortunately disregarded emails from the College Board notifying her of this requirement. The result: she was NOT eligible for any institutional aid which resulted in losing about the \$45,000. By the time we received her award letter, it was too late to anything about it—the college had already awarded all of their institutional funds. This will forever stick out to me as an example of the importance of not only following deadlines for financial aid forms, but giving extra special attention to the follow-up steps requested from colleges.”

HIGH SCHOOL GUIDANCE
COUNSELOR

A few of the questions were tough to understand, but since I wanted to submit it early, I made my best guess on those questions.

Reality: Heads up—the FAFSA is going to ask a lot of personal questions. After all, the government wants to make sure it’s giving money to students who need it and will use it. Thus, they ask for personal financial information, and they check it for accuracy. So don’t guess. Get the forms you need from your parents and understand your financial situation. The more accurate the information that goes into the FAFSA form, the more accurate the information that comes out will be.

I’m an undocumented student, so I don’t think I can file the FAFSA.

Reality: If you are an undocumented citizen, you are currently not eligible for federal financial aid and therefore cannot complete the FAFSA. However, in some states it is possible to obtain state aid or aid from colleges and universities. Check out the 9th & 10th Grades chapter for more information on what’s available for undocumented students.

CREATING YOUR FAFSA ACTION PLAN



1 Research and track deadlines

- To look up the deadlines and requirements, you can visit the school’s website, call them or look up the school’s profile on Big Future, www.bigfuture.org.
- To track your form deadlines, you can use any organizational tool that works for you, or you can try the planning tool on page 64.

2 Revisit who can help you understand the FAFSA form and fill it out.

“ In 2012, I faced many challenges during my financial aid process. One of many challenges was having to fix my parents’ tax return. I had received a nearly a full scholarship to my dream school but unfortunately I couldn’t attend that upcoming fall. I was extremely sad; my process was not successful. My advice to students in order for their financial aid processes to be successful would be to make sure their parents have/ know all the information needed and documented correctly!”

CRYSTAL, COLLEGE JUNIOR

3 Gather documents

- In order to be fully prepared to complete the FAFSA, you need to have all the necessary documents and information. Let’s review the list: <https://fafsa.ed.gov/help/before003.htm>.
- You will need **parent*** financial and personal information (their names, Social Security Numbers, dates of birth, dates of marriage, separation and/or divorce), so it’s much easier if your parents sit with you and be available to answer questions you may have.

* PARENT = For form completion, parent is defined as your biological or step-parent.

What if I can’t get my parent’s information because I don’t live with my biological parents?

There are two answers to this question.

- If you don’t live with your biological parent(s), but live with adopted parents, a legal guardian, or on your own, you might be able to file as an independent student (and not use any parental information).

WHAT’S THAT?

To find out if you are **dependent** or **independent**, use this Federal Student Aid tool: <http://tinyurl.com/msavyq6>

- If you don’t live with your parents, but they are still alive and in your life, and/or they support you, you’ll need to obtain their information. Even if you live with a relative, if they haven’t adopted you, you must use your parental information. Use your college support team to help you if you think this may be difficult.

4 Complete your FAFSA—on time!

5 FAFSA follow-up and verification:

You've probably heard this message from your teachers, coaches, counselors or even parents: Follow-up is extremely important in financial aid and admission processes. Here's how to follow up after submitting the FAFSA.

UPDATING TAX INFORMATION

If you submitted your FAFSA early in January, before filing taxes, it's likely you used last year's tax information. If so, once you (and/or your parents) have completed the current year's taxes, you'll need to update the FAFSA so the government and schools have updated information.

To understand how to make corrections on the FAFSA, visit <http://tinyurl.com/m37tmva>.

VERIFICATION

What's next? Many of you, in order to complete your financial aid process and receive an award letter, will need to go through a process called **verification***.

What's that?

Colleges and the government want to ensure you're telling the truth on your forms. So, some of them may require you to submit additional documents to confirm the information you reported on your financial aid forms.

Examples:

- Official tax return transcripts
- Proof of citizenship
- Documentation of legal guardianship (if applicable)

Your financial aid award will be pending until you submit all requested documentation by the college's deadline. **So, complete verification ASAP!**

If you follow up with financial aid offices a few weeks after you submit your forms (allowing some time for processing), you'll know ahead of time whether or not you have to complete any next steps for verification.



BIG TIP | A common myth is believing that once you've submitted your FAFSA, you're good to go. In reality, for many of you the process has just begun.

*** VERIFICATION = The process of making sure, or certain**

How do I complete verification?

If you find out you have been picked for verification, either by calling and finding out yourself, or by receiving something by mail from your school, complete verification immediately. The process will vary by school, but here are common steps:

1. **Complete the form required by the school.** Sometimes this is a school-specific form, while other times it's a standard verification form from the government.
 2. **Call or go online to request your tax transcript.** This is an official government document. The tax transcript is, essentially, a copy of your taxes. Once you have requested it, it will take a few weeks to be sent to your colleges.
-
- RESOURCE** | Contact the IRS for your tax transcript here: <http://tinyurl.com/lx7qw6x>
-
3. **Gather other requested documents.** If requested, provide proof of independent status (if applicable), citizenship, government benefits (e.g., copy of SNAP card), etc.
 4. **Mail, fax or deliver paperwork to the schools that requested information.**
 5. **Follow up a few weeks later.** Check to see if they're missing anything and to confirm your tax transcript(s) arrived.

Not completing verification, or completing it late, is one of the primary reasons students are delayed in receiving award letters or risk not receiving them at all. Don't put yourself behind in getting the dollars you deserve—if you are flagged for verification, complete it.

If you need help, ask the person who helped you complete the FAFSA process.

WHAT'S THAT?

There are many reasons you could get flagged for verification. It could depend on where you're applying (some schools verify 100 percent of applicants), it could depend on your expected family contribution amount, or it could be because there was a small error or missing item in your financial aid forms. Verification isn't bad news, just an extra step. But a very critical one!

BIG TIP | There are different forms depending on whether you filed as a dependent or independent student. Make sure to use the correct one.

The image shows two overlapping forms titled "2012-2013 Verification Worksheet". The top form is for a "Dependent Student" and includes sections for "Dependent Student's Information" (with fields for last name, first name, SSN, address, city, state, zip code, and phone number) and "Dependent Student's Family Information" (with a table for family members including columns for full name, age, relationship, college, and date of birth). The bottom form is for an "Independent Student" and includes a section for "Independent Student's Information" with fields for last name, first name, SSN, address, city, state, zip code, and phone number.

EXAMPLES

Here are some examples of verification forms.

More Forms! The CSS/Profile[®] and Institutional Forms

Wait, there's more?!

Depending on where you apply to college, you might have several more forms to complete to get financial aid **from that college**.

Let's break it down:


COLLEGE SCHOLARSHIP SERVICE/FINANCIAL AID PROFILE[®] (CSS/PROFILE[®])

This form is **required by some private colleges**, with deadlines as early as November 1 of your senior year. The CSS/Profile[®] gives colleges in-depth knowledge of you and your family's financial situation to help them determine how to distribute their aid.


Why complete the CSS/Profile[®]? To be eligible for institutional financial aid at the colleges that require the form. Private colleges have dollars to award, but you must complete this application to be eligible. (FYI: The FAFSA is only for federal aid.)

Fast Facts:

- **Apply:** Starting October 1 or after at www.collegeboard.org/profile (check college websites for individual deadlines)
- **Cost:** Unlike the FAFSA, this form is not free. CSS/Profiles[®] cost \$25 for the first school, \$16 for each additional (fee waivers are available for up to eight schools and determined by College Board).

 **BIG TIP** | You must fill out the CSS/Profile[®] entirely before you know if you qualify for a waiver. Waivers are provided based on need.

- **What you need:** Most recent tax/earnings information for you and your custodial parent(s), investments, checking and savings account amounts, **non-custodial parental information***, mortgage/rent information, etc.

 **BIG TIP** | All colleges have different deadlines for the CSS/Profile[®]. Look them up so you're sure not to miss them.

* **NON-CUSTODIAL PARENTAL INFORMATION** = Regardless of whether or not you live with both biological parents, according to the CSS/Profile[®], both parents are responsible for supporting college costs and therefore, both parents' information must be included.

If you have a parent with whom you don't live, you are required to have them complete a non-custodial profile. If you don't have any contact with that parent at all, you can apply for a waiver request for that parent's information.

- **Who requires it:** 600 colleges, universities, graduate and professional schools use the CSS/Profile®. Find out which ones on www.collegeboard.org/profile.

RESOURCES

- Visit Big Future to get support on completing this form. <http://tinyurl.com/8ou5zma>
- Also, check out page 3 of this College Board resource: <http://tinyurl.com/k2xflp9>

INSTITUTIONAL FORMS

Some colleges ask you to fill out their own forms. Yes, it takes more time, but remember, without filling those forms out, you won't know if you're leaving money on the table. Many schools use the CSS/Financial Aid Profile®, their institutional forms, or both to determine how much **merit aid*** to give you.

Fast Facts:

- Forms will be sent to you or can be found online; you should always send them directly back to the college.
 - ▶ **Unsure whether your college(s) requires additional forms?** Visit the school's website, contact the Financial Aid Office or ask your school guidance counselor.
 - ▶ **What can I expect?** Here are a couple examples.

UNDOCUMENTED?

Some states will award you state and/or college funding but will require you to file an additional form (e.g., the Dream Act application). Look into which forms are available and required based on the state you live in and to which schools you're applying.

FOR MORE INFORMATION | visit the 9th & 10th Grades chapter.

*** MERIT AID = Money you don't have to pay back that is given to you for your "merit," something you've done well (could be academics, arts, community service, sports, etc.).**

The image shows two overlapping financial aid application forms. The top form is from Lehigh University, titled "2013-2014 Application for Financial Aid". It includes sections for "A. STUDENT INFORMATION" with fields for Student Name, Email, Campus Box, Home Address, LIN*, Primary/Cell Phone, Campus Phone, and Home Phone. It also has checkboxes for "Are you applying for: Federal and Institutional Aid" and "Federal Aid Only". Below this is a section for "Term(s) for which aid is being requested" and "Anticipated Graduation Date".

The bottom form is from Sewanee, titled "2014-2015 Need-Based Financial Aid Application". It includes a "For Office Use Only" box with fields for TRS CODE, INSTAP, and STATUS. The application asks for "Name (Last, First, Middle)", "Preferred Name", "Permanent Home Address (Number & Street)", "SSN or Student ID", "City or Town, State Zip/Postal Code", "Area Code/Home Phone Number", "Date of Birth", and "Major or Probable Major". It also contains "PARENT AND FAMILY INFORMATION" instructions and a table for listing family members.

Name	Relationship	Age	*Name of the College/ University student will attend in 2014-15
1. Yes, the student aid applicant	Self		University of the South
2.			
3.			



LOTS OF FORMS, LOTS OF DEADLINES – GET ORGANIZED!

Use a planning tool like this one to stay on top of all of your deadlines.

COLLEGES	FAFSA <i>(As early as January 1, no later than your state's deadline)</i>	CSS/PROFILE®	INSTITUTIONAL AID FORM
UT, AUSTIN	<input checked="" type="checkbox"/> Due: June 30	<input checked="" type="checkbox"/> Due: N/A	<input type="checkbox"/> Due: March 31
UNIVERSITY OF MICHIGAN	<input checked="" type="checkbox"/> Due: June 30	<input type="checkbox"/> Due: April 30	<input checked="" type="checkbox"/> Due: N/A
<input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>
<input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>
<input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>	<input type="checkbox"/> Due: <input type="text"/>



BIG TIP | Here's how to navigate the form:

In the first column, write the names of the schools you are applying to. The other three columns, FAFSA, CSS/Profile® and Institutional Forms, are to help you organize what forms are required at each college and when the deadlines are. You can check the box once you have submitted the required form.

Remember that you only need to complete the FAFSA and CSS/Profile® once for all colleges.

Finding Scholarships



Many of you probably skipped right to this section of the toolkit. Why? Because getting scholarships is a pretty great way to pay for college. Scholarships are considered “gift aid.” Like a gift, you don’t have to give it back!

While making sure you are applying for the right scholarships is a great action step, it’s also helpful to understand that scholarships aren’t always guaranteed—getting them at all, or getting them for multiple years of school. Bottom line: It’s unwise to depend solely on these dollars, so in order to make sure you don’t get stuck paying more out of pocket later in college, research scholarships before you apply, and make sure you know whether or not they are **renewable** so you can plan ahead. Always consider your **entire** college career.

Now, how to get your hands on that free money out there...

WHICH SCHOLARSHIPS ARE RIGHT FOR ME?

Finding good-fit scholarships is the first step. There are many scholarship opportunities out there, through individual colleges, high schools, community organizations, national organizations, the government and more. Finding ones that make sense for you is almost like finding a good-fit college. And like applying to colleges, you want to make sure that if you’re putting effort into an application, you probably have some likelihood of getting it.

There are many scholarship match websites you can use to start your search, but it’s also wise to ask around your high school, place of worship, work and community to see what’s available. Your high school guidance counselor should have some ideas as well.

Look at the requirements for Grade Point Average (GPA), ethnic background, neighborhood of residence, family income and leadership or volunteer experience to see if you qualify to apply. If not, move on to find scholarships that are a better fit.



BIG TIP | Note that some scholarships are only awarded for one year. When you apply, be sure to check this.



If you answer “yes” to either question, it’s a scam!

- 1) Did you win a scholarship you did not apply to?
- 2) Do you have to pay a fee to apply to the scholarship?

.....
RESOURCE | <http://studentaid.ed.gov/types/scams>



QUESTIONS TO ASK YOURSELF AS YOU REVIEW SCHOLARSHIPS:

1. **What are the requirements for this scholarship?** If there is a GPA minimum, is my GPA high enough? If I am required to have completed 500 hours of community service, have I?
2. **Is this a renewable scholarship?** If I get it for my first year of college, can I continue to reapply and potentially receive it more than once?
3. **What does this scholarship cover?** Some scholarships cover tuition only. While any gift aid is great to receive, tuition-only scholarships aren't always as good as they sound. When you look closely, most colleges have tuition and fees listed together, but fees are often much greater than tuition costs. If a scholarship is a full tuition scholarship, make sure you read the fine print to see if it covers just tuition or tuition plus fees.
4. **What additional materials do I need to submit with my application (e.g., transcript, recommendations), and is the timeline realistic for gathering those materials?** Figuring out if a scholarship is a good fit is not just about personal match; it's about timing, too. Scholarships take time to complete, and you will get out only as much you put in.

Here are a few scholarship search engines. These websites have up-to-date links to scholarship applications, and several of them will customize searches to you and your interests.

NATIONAL SCHOLARSHIP SEARCHES

College Board

bigfuture.collegeboard.org

- On the “Pay for College” tab, select “Scholarships and Grants”
- Search for scholarships based upon eligibility criteria with “Scholarship Search”

Fast Web

www.fastweb.com

- Join to see your scholarship matches and receive emails with upcoming scholarships
- Create or update your profile to be matched with scholarships

College Greenlight

www.collegegreenlight.com

- Under “Fund Your Education” tab, click on “My Scholarships”
- Create an account to find scholarship matches

RESOURCES

- Utilize the Federal Student Aid website for more information: <http://tinyurl.com/b94x7nh>
- Check out this great scholarship search website, www.cappex.com. It requires account registration, but it's worth it.

Hispanic or Latino**Hispanic Scholarship Fund**

www.hsf.net

Hispanic College Fund

www.hispanicfund.org

Latino College Dollars

www.latinocollegedollars.org

MALDEF

www.maldef.org

Black or African American**United Negro College Fund**

www.uncf.org

Black College Dollars

www.thesalliemaefund.org

NAACP

www.naacp.org

**Asian American or Pacific
Islander****APIASF Scholarship Fund**

www.apiasf.org

USPAACC Scholarships

www.uspaacc.com

HOW TO SUBMIT A SUCCESSFUL APPLICATION



It would be awesome to be automatically considered for scholarships, but the reality is that you'll have to work for it. To give yourself the best possible chance of success, take time to complete your applications thoroughly and gather required materials.

- Many scholarships require **two or more recommendation letters** from adults who know you well. Recommenders can be teachers, counselors and coaches, as well as program and work supervisors. Remember, recommendations can typically be used for multiple scholarships.
- Scholarships often ask for an **official transcript** of your grades and SAT scores. You'll need to request copies from your school.
- If the scholarship provider requires a paper (versus online) entry, **print out applications** once you find them so you save time when you're ready to apply.

Remember your financial aid form checklist? A tool like that could be helpful for your scholarship applications, especially if you're applying for many of them. Scholarships have different deadlines; to stay on top of them and not miss an opportunity, make sure you have things organized. An example tool can be found on the next page.

Represent Yourself Well

- Highlight your strengths, achievements and goals, as well as challenges you have overcome.
- Read scholarship directions very carefully. **Turn in everything on time.**
- Applications should be typed or very neatly written in pen, and should not be crumpled, smudged or food-stained.
- Do not submit more materials than are required as they will not be reviewed.
- Answer the questions posed. Don't ignore specifics of questions or submit generic essays that don't apply.

Follow-Up

As we just mentioned in the FAFSA follow-up section, **follow-up is crucial!** And just like for your financial aid forms, **follow-up*** is just as critical for the scholarships for which you've applied. You should not wait until after deadlines have passed to ask questions like:

"Have you received all my materials?"

"Do you need anything else?"

Reach out after you've submitted materials to verify that others have what they need to make decisions. Scholarship providers won't always reach out if your applications or materials are incomplete. Don't wait on others to tell you something is missing. Go after your answers.

Long-term follow-up

Notify your college about all scholarships you've received. And stay connected to your scholarship provider by:

- Knowing what GPA you need to maintain in college (if any) to keep the scholarship
- Knowing who to contact if you are struggling in school (again, don't wait for the scholarship organization to reach out to you!)
- Knowing what the renewal process deadlines are

“My advice for young people with regard to financial aid is to consider seeking as much financial support in the form of scholarships as possible. The preparation is simply making the time to devote to searching for scholarships and utilizing your resources to the fullest. This is the most opportune time to call people you've worked for or done internships or community service with, to gain knowledge of scholarships that fit your interest.”

DAVID, COLLEGE JUNIOR

* FOLLOWING UP = reaching out—via email, phone, on the web or in person, to check on the status of your application or at which step you are in a process. It's important to know what's required of you next; following up enables you to ask and find out. It also shows initiative.

BIG TIP | Some colleges replace institutional aid with outside scholarships. Be sure to **ask your college(s) how outside scholarships are processed** with regard to financial aid awards. If you have been awarded a scholarship, you are required to let the school you attend know about the scholarships, so knowing a school's policy ahead of time is helpful.



SCHOLARSHIP PLANNER

SCHOLARSHIP NAME AND WEBSITE:	APPLICATION DEADLINE	APPLICATION REQUIREMENTS		
SAMPLE SCHOLARSHIP WWW.SCHOLARSHIP.COM	MARCH 1	<input checked="" type="checkbox"/> Recommendation(s): 2	<input type="checkbox"/> Essay(s)	<input checked="" type="checkbox"/> Transcripts
		<input checked="" type="checkbox"/> Other Docs: SAR and Award Letter		
		<input checked="" type="checkbox"/> Other Docs: Taxes & W-2s		
1.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		
2.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		
3.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		
4.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		
5.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		
6.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		
7.		<input type="checkbox"/> Recommendation(s) _____	<input type="checkbox"/> Essay(s)	<input type="checkbox"/> Transcripts
		<input type="checkbox"/> Other Docs _____		
		<input type="checkbox"/> Other Docs _____		

Accepted! Now What? How to Decide Where to Attend

Congrats on getting accepted into college! Remember in the 11th Grade chapter we discussed applying to schools that are good financial fits? Well, now it's time to find a good financial fit again, but this time based on the places you were **accepted**.

The best way to decide what an affordable option is for you and your family is to understand what your family members or others feel they can contribute out of pocket. If schools don't give you enough financial aid to cover the full cost, how much flexibility do you have?

AWARD LETTERS



Award letters share what your financial aid award is for that school. They are designed to give you an idea of what financial aid you can expect, including how much of that aid is grants and scholarships versus loans versus work-study. Let's walk through what to expect with award letters, how to understand what you are really getting from the schools, and finally, what items to consider before deciding where to attend and make your deposit.

Here are pieces of an award letter to give you an idea of what the layout looks like.

Grade Level: Freshman		Housing: On Campus		Sticker Price: \$22,129.00	
Financial Aid Offer	Fall	Spring	Total	Message	
Federal Pell Grant	\$2,775.00	\$2,775.00	\$5,550.00		
DHE Cash Grant	\$500.00	\$500.00	\$1,000.00		
College Grant Fall	\$600.00	\$0.00	\$600.00		
College Grant Spring	\$0.00	\$600.00	\$600.00		
UML Need-Based Grant	\$2,400.00	\$2,400.00	\$4,800.00		
Tuition Waiver	\$500.00	\$500.00	\$1,000.00		
Fed Direct Loan Subsidized	\$1,750.00	\$1,750.00	\$3,500.00	FEE	
Fed Direct Loan Unsubsidized	\$1,000.00	\$1,000.00	\$2,000.00	FEE	
TOTAL			\$19,050.00		

COMMON ITEMS ON YOUR AWARD LETTER

Grants

Federal Grants:

The most common federal grant on award letters is the Pell grant. This grant is awarded based on your financial need. A federal formula determines if you qualify for the Pell grant and if you qualify, you receive Pell dollars.

RESOURCE | Take a look at this page on the Federal Student Aid website for more Pell information: <http://tinyurl.com/by599gk>

What you need to know:

- You cannot receive the Pell grant unless you complete the FAFSA.
- The largest Pell grant (as of 2014-2015 academic year) is \$5,730. This is **maximum** you would receive.

RESOURCE | This chart will give you an idea of the connection between your EFC and your awarded Pell amount: <http://tinyurl.com/mdpsm86>

Institutional (College/University) Grants:

Colleges also award institutional grants that can be based on your need or on merit. The amount varies by school and by individual.

Remember, grants are the best kind of aid—a gift! You do not have to pay them back or earn those dollars!

Federal Loans

These are the federal loans that will typically show up on your award letters:

- Federal Direct **Subsidized/Unsubsidized***:
 - ▶ Federal direct loans (both subsidized and unsubsidized) have a 3.86 percent interest rate (as of 2014)
 - ▶ There is a six-month grace period after graduation or leaving school before you need to begin paying the loan and interest back



BIG TIP | If you leave school early without graduating, and you have borrowed federal loans, you still only have six months until you must start repayment.

* **SUBSIDIZED** = the government pays the interest that accrues on your loans while you are in college, so you only have to pay the original amount (the “principal”)

* **UNSUBSIDIZED** = you will be required to pay the interest that accrued while you were in college, as well as the principal

For more information, check out <http://tinyurl.com/ab4pc3u>


- ▶ You must complete Master Promissory Note and entrance loan counseling to receive the loans

 **FOR MORE INFORMATION** | See the College Years chapter.

- ▶ There are multiple repayment options
- ▶ If you want to repay early, there is no penalty for pre-payment
- Perkins:
 - ▶ Federal loan at 5 percent interest (subsidized)
 - ▶ There is a nine-month grace period before repayment
 - ▶ You are also required to sign a form for this loan, acknowledging you'll repay it. Check your college's financial aid website to see what their policy is for Perkins loans.
 - ▶ It should be paid off in equal payments over 10 years
 - ▶ If you want to repay early, there is no penalty for pre-payment

Work-Study

Work-study is another form of aid awarded based on your financial need. This is found on your award letter, but because it hasn't been earned yet, is wise not to factor it into your overall award.

 **FOR MORE INFORMATION** | You'll learn more about work-study in the next chapter.

HOW TO COMPARE: AWARD LETTER ANALYSIS



Choosing a college to invest in is one of the bigger financial decisions you and your family will make in your life. Even if you get a lot of financial help, you will still, most likely, be paying some dollars out of pocket. So, it's critical that you make that decision with a lot of information.

Celebrate your acceptance letters; DECIDE with the help of your award letters.

With luck you'll have many award letters to consider. To make an informed decision, you need to understand how the award letters compare to each other. For example, one award letter could look very generous based on the way information is presented to you (for example, highlighting awarded amount only) or because the scholarship award is large, but until you do some simple math, it's hard to really know which option comes out on top.

“ I applied to five different schools, and all along I knew it would only come down to choosing between two schools. My number one pick gave me around \$16,000 in loans, grants and work-study, leaving about a \$3,000 gap for me to pay. My number two school gave me around \$21,000 with less money in loans and more in grants and scholarships, so I had to really consider this as a viable option. When I included my outside scholarships, I decided to go to my number one school, for which, in the end, I only had to take out around \$2,000 extra in loans. Since I am paying for college by myself, I definitely needed to keep financials in mind when choosing my school.”

MATTHEW, COLLEGE SOPHOMORE

Here are a few examples of award letters:

Sample award letter

Congratulations on your acceptance to Bates College! We are pleased to provide you with financial assistance for the 2012-13 school year. Listed below is an outline of your estimated cost of attendance, your family's calculated contribution to these expenses, and your financial award.

1) Cost of Attendance*

Comprehensive Fee	57,350
Estimated Books and Supplies	800
Estimated Travel and Personal	1,250
Total Cost	59,400

**Your calculated cost of attendance includes an estimate of direct costs (the comprehensive fee) billed by Bates, as well as an estimate of indirect costs (books, travel and personal expenses) that are paid by you and your family over the course of the academic year.*

2) Family Contribution

Parent Contribution	0
Student Contribution	2,220
Total Contribution	2,220

3) Your Calculated Financial Need (Cost of Attendance minus Family Contribution)

Cost of Attendance	59,400
Family Contribution	2,220
Financial Need	57,180

4) Financial Aid Award

Award Description	Fall	Winter	Full Year
Bates Scholarship	28,590	28,590	57,180
Total Award	28,590	28,590	57,180

Enclosed is a booklet that explains your award and provides additional information about our aid policies and student and parent loan options. Please contact your Financial Aid Advisor at 603.652.4036 if you have any questions or we can provide further.

Sample award letter

Dear _____,

Congratulations on your acceptance to MCLA. We are pleased to present you with the financial aid package indicated below for the Fall 2012 and Spring 2013 semesters. Your award is based on your status as an in-state student living on campus. Please review the offers of financial aid listed below and refer to the enclosed sheet that describes each award.

	Fall 2012	Spring 2013
Accept/Reject Pell Grant	2,715.00	2,715.00
Accept/Reject Tuition Waiver	515.00	515.00
Accept/Reject Direct Subsidized Student Loan	1,750.00	1,750.00
Accept/Reject Direct Unsub. Student Loan	1,000.00	1,000.00
Accept/Reject College Work Study Program	1,000.00	1,000.00
Accept/Reject MCLA Grant	1,659.00	1,659.00
Accept/Reject Estimated Mass Grant	450.00	450.00
Total Amount Awarded:	\$9,149.00	\$9,149.00

To accept the above offers of financial aid, you must circle "Accept" next to each individual award, sign and return this letter back to the Financial Aid Office. You may decline any of these offers or you may also reduce the loan amounts by circling the amount out and writing in a lesser amount. Please call us at (413) 662-5219 if you have any questions regarding your award or the individual offers that you are eligible to receive.

I hope that you are seriously considering MCLA. Please return one copy of this letter to the Financial Aid Office. The second copy _____

Sincerely,
Director of Financial Aid

I accept the aid listed above and agree to receive under Title IV, if applicable, I agree to a tuition invoice for the 2012-2013 academic year.

Dear _____,

Congratulations again on your decision to attend UTI at our Norwood campus. You'll soon be training for an exciting career as a professional technician.

You'll become a part of UTI-Norwood's success story that includes training thousands of students like you to become professional technicians getting paid to do what they love.

Based on the information you have provided, the Financial Aid Office is pleased to offer you this ESTIMATED Financial Aid Package. In an effort to minimize the amount of long-term debt you and/or your parent will incur, this package only reflects what is necessary to finance your program tuition. Please contact your Financial Aid Advisor if you wish to discuss the possibility of additional loan funds for other educationally-related expenses such as room and board.

Please note that all academic year awards are packaged below. The awards listed for subsequent academic years are subject to change upon completion of the Free Application for Federal Aid for the new award year.

Total Tuition Charges: \$38,460

Providing I maintain satisfactory progress, my loans/grants will be disbursed as follows:

	First Academic Year	Second Academic Year	Third Academic Year
Tuition Amount:	\$ 15,380	\$ 15,380	\$ 7,690
ederal PELL Grant	\$ 2,775 9/10/2012		
ederal SEOG Grant	\$ 375 9/10/2012		
irect Loan Subsidized	\$ 1,750 9/10/2012	\$ 2,250 4/15/2013	\$ 2,813 11/12/2013
irect Loan Unsubsidized	\$ 1,750 12/20/13	\$ 2,250 7/28/2013	
irect Loan PLUS	\$ 1,893 9/10/2012	\$ 4,659 4/15/2013	\$ 3,819 11/12/2013
Balance:	\$ -2	\$ -1	\$ 0

Notes: * PLUS and Alternative Loans (if applicable) are subject to a credit check.
* The amounts shown above are gross loan amounts and loan fees will be deducted by the lender/guarantor on all Federal Subsidized, Unsubsidized, and PLUS Loans. The net loan amount after the fees are deducted will be disbursed to UTI to cover your tuition.

Sample award letter

Home Awards Documents

Below is a list of the funds you have been awarded for the upcoming academic year. If this is your first notification, there are additional forms that need to be completed to approximate the amounts listed. You may access the required forms on the Office of Student Administrative Services website by clicking on the appropriate link below, be sure to read all the information carefully; your awards may be prorated depending on your enrollment status. Return any forms that require a signature to the Office of Student Administrative Services.

If you have received any awards not listed in this award package or if you will not be enrolling as a full time student, please provide us with that information below.

Please access the DOCUMENTS tab to see a list of documents that must be completed in order to receive your aid. If the document status is "Not Received" or "Incomplete", please submit these forms to the Office of Student Administrative Services as soon as possible to avoid delays in processing your aid.

Fund	Amount	Message
Academic Grant	\$1,100.00	
Academic Grant Housing	\$900.00	
Estimated Alternative Loan	\$9,243.00	
Federal Direct Loan Sub	\$1,250.00	
Federal Direct Loan Un-Sub	\$1,000.00	
Federal Pell Grant	\$3,775.00	
Federal Supplemental Grant	\$1,000.00	
Federal Work Study Award	\$1,000.00	
Lynn Institutional Loan-Initial	\$1,500.00	
University AIA Housing Grant	\$450.00	
University Financial Aid Grant	\$1,000.00	
Subtotal	\$24,368.00	

The College Board, PowerFIDSO

Sample award letter

REPLY DATE: May 1, 2012

Dear _____,

The Financial Aid Office is pleased to provide this offer of financial assistance for the 2012-2013 academic year. This offer supersedes any offer previously made for this academic year.

This Award is based on your expected enrollment in 12 or more credits each semester and your status as a Resident student with a Cost of Attendance of \$54,982.00. The Cost of Attendance (COA) includes tuition, fees, room and board (if a resident) and estimates of indirect expenses such as books, transportation, personal and living expenses.

- Please indicate your decision to accept or decline each award listed above by checking the appropriate indicator in the column on the right.
- You must also sign this award letter below and return it to the Financial Aid Office by the reply date. If you wish to accept only a portion of any award, indicate the new amount requested and initial.

Award Description	Fall 2012	Spring 2013	Total	Accept/Decline
Federal Pell Grant	2,775.00	2,715.00	\$5,500.00	<input type="checkbox"/>
Private Incentive Award	5,000.00	5,000.00	\$10,000.00	<input type="checkbox"/>
Peace Grant - New	5,500.00	5,500.00	\$11,000.00	<input type="checkbox"/>
Federal Work Study-Fall-Spring	2,000.00	2,000.00	\$4,000.00	<input type="checkbox"/>
Direct Sub-Stafford FI-SP	1,750.00	1,750.00	\$3,500.00	<input type="checkbox"/>
Direct Unsub-Stafford FI-SP	1,000.00	1,000.00	\$2,000.00	<input type="checkbox"/>
Direct PLUS (Parent) Loan F-SP	9,455.00	9,455.00	\$18,910.00	<input type="checkbox"/>
Award Totals	\$27,490.00	\$27,490.00	\$54,980.00	

Please refer to the enclosures with this letter for additional information about accepting loans you have been offered. If you have been offered a PLUS Loan, you may choose instead to borrow a Private Education Loan in the same amount.

This award is subject to cancellation if you do not respond by the reply date. Please be sure to review the terms and conditions of these awards, as described on the reverse and in any accompanying materials, before signing the Acceptance.

STUDENT ACCEPTANCE

In order to accept or decline the financial aid award indicated above, please check the appropriate box and sign at the place indicated below.

I ACCEPT the financial aid award indicated above. I agree that my financial aid award shall be subject to: (i) the terms and conditions set forth on the reverse side of this notice and (ii) the additional terms and conditions of the particular scholarship, award, grant, loan and work-study that I have been offered, as described in additional documentation received when the award was offered, and as described in Pace University's catalog and online at enrollment.pace.edu/scholarships and on MyPace Portal. (It is my responsibility to read these terms and conditions before accepting my financial aid award.) I understand and agree that: (i) my financial aid may be cancelled or adjusted during the period of the award for any of the reasons described on the reverse side of this notice, accompanying the award, in the Pace University Catalog or online; and (ii) that my failure to comply with the terms and conditions contained therein, could jeopardize my ability to qualify for and/or receive financial aid awards in the future.

I DECLINE the financial aid award indicated above.

Signature: _____ Date: _____

Sample award letter

Dear _____,

I am pleased to inform you of the financial aid award(s) below for the 2012-2013 aid year. Detailed information on awards, policies, and procedures may be found in the "Student Guide to Financial Aid".

COST OF ATTENDANCE.....\$59,345

Tuition	\$43,350
Undergraduate Fees	\$11,125
Room and Board	\$12,250
Books and Supplies	\$1,120
Personal and Misc.	\$1,400
Direct Loan Fee	\$75

TOTAL RENDELAER AND OTHER FINANCIAL AID.....\$50,050

	Fall 2012	Spring 2013	Total
Rensselaer Leadership Award	\$8,250	\$8,250	\$16,500
Rensselaer Grant	\$9,250	\$9,250	\$18,500
Federal Pell Grant	\$2,775	\$2,775	\$5,550
Federal Perkins Loan	\$1,000	\$1,000	\$2,000
Federal Direct Subsidized Loan	\$1,750	\$1,750	\$3,500
Federal Direct Unsub. Loan	\$1,000	\$1,000	\$2,000
Federal Work-Study	\$1,000	\$1,000	\$2,000

ESTIMATED FAMILY COST TO ATTEND RENDELAER.....\$9,295

Receipt of awards not listed above or changes to information may change award eligibility or amounts. Awards you wish to decline or reduce should be crossed out, adjusted and initialed. Be sure to meet the May 1, 2012 enrollment deposit deadline. Please feel free to contact a staff member if you have any questions regarding your aid.

There are several tools out there to help you compare schools, but here is one to start with: **The Compare Aid Calculator**. Here are some steps for using this tool:

- Go to <https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator>.
- The first thing you'll plug in to the form is cost of attendance, which is the same as sticker price. Cost of attendance can be found on the award letter itself, or if it's missing, on the Big Future website.

HERE'S HOW TO FIND IT ON THE BIG FUTURE WEBSITE:

- In the search field on the top right side of the web page, enter college name
 - Once on the school's page, click the "Paying" tab on the left hand side of the screen
 - Average Net Price and Cost of Attendance should be the tab highlighted
 - Scroll down and make note of the cost in each of these areas:
tuition and fees, room and board, books, etc.
-
- Second, use the award letter to plug in the different aid amounts. For some schools, you might need to add a few amounts together to come up with the total amount. You would also add the Pell grant and the school grants here.
 - Make sure you are entering the amount of financial aid by type and for the entire year. If you have cost of attendance for one year, you want to make sure you are looking at aid for a total of one year.
 - Look at loans next. Enter in Stafford, then Perkins, then any other loans, if applicable. Do not enter information for Parent PLUS (or other parent) loans, as this is a separate loan that your parents must apply for. You, the student, haven't received it, even if it's on the award letter.
 - Finally, look on the award letter to see if you received work-study. If you did, enter this information as well.

Now, let's go over your answers. Once you click save and calculate, what is the family share of costs? This is the line you'll want to compare across all schools.



BIG TIP | Work-study

appears on many award letters, but you have not yet earned this, and therefore you will receive your first bill before earning it. Even if this is a part of your overall aid, sometimes it's best to not even count it so you aren't depending on it.

Quick flashback: Do you remember your Expected Family Contribution (EFC) from earlier in this chapter?**EXPECTED
FAMILY
CONTRIBUTION**

Even though your EFC was the same number all schools received, each school has slightly different ways of calculating its aid and draws on varying resources. This is why it's important to understand realistically what you/your family can actually pay out of pocket.

Why was my EFC from the FAFSA so different from what the college expects me and my family to pay?

First of all, the EFC is based upon a federal formula, which can be very different from the formula that a college uses, which is referred to as “institutional methodology.” You should feel free to follow-up with a college with any questions you might have about this.

Secondly, the EFC is the minimum amount a family may be expected to pay out of pocket. Many colleges will not be able to meet your full financial need.

Let's take a look at the financial **gap*** you may have at some of your schools. Hopefully you've figured out that the smaller that gap, the better, because it means less out of your pocket. Hopefully your gaps feel small comparative to what your family can afford.

* GAP = Your gap is the amount of money left to pay out of pocket after financial aid is subtracted from the cost of that college. For example, if the college costs \$22,000 per year and you receive \$18,500 in financial aid, your annual gap is \$3,500.

Questions to ask yourself:

1. Does this amount to pay feel manageable for me and my family?

TIP: If your EFC is \$0, you likely don't have a lot of resources to pay out of pocket. Maybe you will work, use savings, or use other methods, but think long term. Does “making it work” every year make sense for you and your family? If your gap is over \$2,000 and you are already taking out full Stafford loans, do you really want to borrow more?

2. Have I also considered the amounts of the loans I'm taking out? Even though I don't have to pay them now, they will eventually be dollars I have to pay back.

No one can tell you what's too high or just right for you and your family, but you should be conservative where you can. Some people in the financial aid world suggest not taking out more than the maximum federal loan amounts (Stafford and Perkins). You need to make the decision that's right for you and your family.

Bridging Your Financial Gap

So you have a financial gap that you're comfortable with, but you still need to figure out how to fill it, right? Here are a few suggestions of how and what to think about in the process. FYI: The bigger the gap, the harder bridging it will be. Remember this is not just a gap for one year, but potentially for every year at that school. Make smart decisions now.

Here are some ways to bridge the gap.

- 1 **Outside scholarships**
- 2 **Savings (see the Pre-High School chapter)**
- 3 **Work-study (see the College Years chapter)**
- 4 **Summer earnings (see the College Years chapter)**
- 5 **Tuition payment plans (see the College Years chapter)**
- 6 **Appeals**

A financial aid award **appeal** involves going back to the college and proving why your award should be bigger. It's not just asking for more money because you think you need it, it's about proving *why* you need it.

Considering an appeal? Questions to ask yourself:

Before I have a conversation with the financial aid office, am I sure this award letter has a chance of being successfully appealed?

- Does something seem suspicious? For example, did you have a zero EFC but not receive a Pell grant?
- Has your family's financial situation changed drastically?
Job loss, medical bills, separation/divorce, death?
- Have you received a better package from another competing college?
If colleges are similar (in their resources available), you might be able to leverage that letter with the school that awarded you less.
- In deciding whether to go through the appeals process, consider if the money you receive will be enough to make a difference:
 - ▶ If your unmet need is \$12,000-\$20,000, will getting another \$2,000, for example, really help?

“ I was accepted to my dream school, but unfortunately I needed to come up with over \$8,000 by August 1st in order to attend. I went to my guidance counselor and asked for any and all scholarship applications. I spent the next two weeks filling out as many applications as I could. Yes, I had to write a bunch of essays, and yes, I would rather have been planning for prom and senior trip, but I knew this was my only chance. My hard work paid off; I received three outside scholarships: one for \$3,000, one for \$4,000 and one for \$1,000. The scholarship applications were long, but well worth it!”

LUIISA, COLLEGE SOPHOMORE

- ▶ If your unmet need is lower, such as \$5,000-\$12,000, a successful appeal of an additional \$2,000 will reduce the unmet need, but you will most likely still need to take out additional loans. Are you ok with this?
- ▶ If your unmet need is \$500-\$5,000, on the other hand, it's probably worth trying for an appeal. With success, your unmet need could become a more manageable amount.

What important documents do I need to make an official appeal?

- Accurate and complete financial information
- Monthly/yearly family expenses
- Award letter(s) from competing colleges (if requested)
- College appeal form (if applicable)
- Records (such as a money order) of funds sent to support family members in other countries (if applicable)

In what order should I appeal for specific items?

1. First, the Pell grant (if you are eligible)
2. **Supplemental Education Opportunity Grant (SEOG)***
3. State grants
4. Any other institutional aid
5. Perkins loan
6. Work-study
7. If parent is denied the Parent PLUS loan, the additional \$4,000 unsubsidized Stafford

* SUPPLEMENTAL EDUCATION OPPORTUNITY GRANT (SEOG) = SEOG is awarded by colleges to students with high financial need. Some schools award it, others don't. This is something to ask in the appeals process.

What are some additional helpful tips?

- A face-to-face appeal can be more effective.
- Check the college's website for instructions on how to file an appeal. Some colleges will have a specific appeal form that needs to be submitted.
- Never use the word "negotiate." Most colleges don't like that word because they are trying to be fair.

7 Parent PLUS loans

The federal Parent Loan for Undergraduate Students (PLUS) lets parents borrow money to cover costs not already covered by your financial aid package. Money can be borrowed up to the full cost of attendance. Responsibility for the loan (repayment) falls on your parents only.

Common loan comments and questions:

My parents are not going to help me, so I will take out loans myself to cover my gap.

Your determination to cover these costs is admirable, but you might want to look at other options instead. The government puts limits on the amount of federal loans that college students can take out so that they don't take on too much loan debt. You cannot just ask for more federal loans (with the exception of the additional \$4,000 unsubsidized if parent is denied PLUS loan), and using private loans can be risky.

Who is responsible for repaying loans?

You are responsible for all student loans, and parents are responsible for the Parent PLUS loan, even if you have agreed that you will repay it after college.


Do I have to accept all the loans I was offered on my financial aid award letter?


No! You can decline loans. Just make sure you have enough money elsewhere to cover your billable expenses, half of which will most likely be due on August 1.


8 Private loans

Many students and families make the decision to take out private loans in addition to or in place of federal loans. If you are taking out private loans in place of federal loans, make sure you know the facts about each and difference in terms and interest rates.

RESOURCE | If you decide to take out both private and federal loans, educate yourself on the differences here at the Federal Student Aid website: <http://tinyurl.com/dyus7sm>

 **BIG TIP** | Because the PLUS loan is taken out by parents and they are the ones responsible for repayment, the Parents' Chapter includes more information about this. Check in with your family so you can understand this together.

 **BIG TIP** | If you are independent, you qualify for an additional \$4,000 in unsubsidized Stafford loans. Also, if your parents apply for the PLUS loan and are denied, you also qualify for an additional \$4,000 in unsubsidized Stafford loans.

 **BIG TIP** | Although parents can borrow a lot of money through the PLUS loan program, think about what your family can afford to pay back. Also consider that this is a loan you will likely take out for multiple years.

Making Your Deposit



You've done it! You've made a decision about where you're going to college. Now reserve your spot by making a tuition deposit.

What's a tuition deposit?

A tuition deposit is required so that you can secure your anticipated enrollment at an institution. Most schools require a deposit, so check the deadline for your school. Many schools have a deadline of May 1.

Tuition deposits are important. If the college does not receive the tuition deposit by the deadline, and you did not call to request a deferment, the college assumes that you will not be attending that institution.

What is the amount of a tuition deposit?

Tuition deposits generally range from \$200–\$700. The cost varies with each college.

Should I make a tuition deposit if I have yet to receive my financial aid award letter?

Absolutely not! If the college has yet to let you know how much you are being awarded, do not make any tuition payments. If you don't feel like you're getting your award letter in a timely manner, you should contact the college to see what's delaying the process. Many times colleges need additional documentation to complete your award letter. Be sure to follow up. When you contact the college, express that you can't make a decision until you know this information, and that you should be granted an extension on your decision.

Are the deposits refundable?

Please be aware that in most cases the tuition deposit is non-refundable, so make sure that you've decided which college you plan to attend before you submit a tuition deposit. If the deposit is refundable, it probably is so for a limited time only.

You're on your way! So proud of you, and happy you're making an affordable choice. Now, onto college!

What if I don't have the money for the deposit yet?





As the deadline for the tuition deposit approaches, you should be aware that you can postpone your tuition deposit until your first tuition payment is due. All you have to do is call the college and request a **tuition deposit deferment**.

College Years

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College Years

By the end of this chapter, you will understand...

-  What financial aid steps to take throughout the summer after high school graduation and into your college years
-  Satisfactory Academic Progress (SAP) policies and how those policies connect to financial aid
-  The benefits of budgeting
-  The repayment options of various types of loans, and how to set yourself up for success with repayment

Key Summer Steps



Congratulations! You graduated high school, and you have a plan to attend college in the fall. These are HUGE life accomplishments, and you should extremely be proud of yourself.

Now it's summertime, and you'd probably like to kick back, hang with friends and enjoy being out of school. You **absolutely** should do these things—you have worked really hard to get to this point. However, the hard work—especially around the financial aid process—doesn't take a summer vacation. It keeps going, even when you're not in school. In fact, it's just getting started.

So in order to make sure you're enjoying summer, let's make it as easy as possible for you. We'll give you an overview of what to look out for this summer and what steps to take to make sure you successfully set foot on campus this fall. After all, you've worked so hard to get to college, the summer **right before college** should not be what stops you from getting there.

In this section, you'll learn about the summer activities that are related to financial aid and affordability: getting a job, figuring out your loan commitments, paying your first bill, and purchasing college supplies.



Above is a mini timeline to help you get organized.

Now let's take a closer look at each activity.

GET A SUMMER JOB

You and your peers are likely looking for summer jobs and opportunities as you read this. If so, great! You're ahead of the game.

Why is this important, especially this summer?

- While you may just want to sit back and put your feet up (the application process took a lot of effort, after all!), college comes with many new expenses. Being prepared for some of those expenses—from small (pizza on the weekend) to large (books or supplies)—is smart. Summer jobs, whether you are making minimum wage or are lucky enough to make more, give you some security in your pocket once school rolls around in the fall. It might be hard to save 100 percent of every paycheck, but you'll be happy you saved something.
- For some of you, there may have been a small (or larger) gap in what you received for financial aid and the actual cost of college. Depending on what your family can contribute, or what options you've explored to pay that bill, your earnings from a summer job might be just enough to pay some of that gap.

How can I get a summer job?

Every community is different, but here are a few places to start asking about paid summer opportunities:

- **Your high school:** The guidance counselors, teachers, the principal or others. If they know you're looking, they're likely to forward job opportunities along to you.
- **Your community:** Are you involved in a Boys & Girls Club, after-school program, or college prep group? Ask them. They might know about opportunities at their own organizations or others.

- **Your city government:** Many times, the mayor's office supports city programs that will connect youth to jobs. Check in with your city hall to see if this type of program exists in your area.
- **Your favorite shops, restaurants and recreation spots:** If you're already hanging out a certain restaurant, store, or movie theater all the time, why not see if they have any summer employment? It could turn into a job through the school year too, if you're going to college closer to home. If you're already spending money somewhere, why not get a discount?!

CONSIDER TUITION PAYMENT PLANS

Although your first bill won't arrive until later in the summer, tuition payment plans begin as early as May or June. If this is an option your family is interested in, you'll want to know when to begin the process.

What is a tuition payment plan?

- A tuition payment plan is a way to pay your tuition for the academic year in a 10- to 12-month plan. Your bill will be split into equal payments (e.g., six, eight or 10 payments).
- Please note that most colleges use an outside agency to arrange these plans, so there is generally a registration fee (typically \$50).

RESOURCE | Many schools use Tuition Management Systems (www.afford.com), but check your school's website first to clarify.

- The benefit to a tuition payment plan is knowing what you and your family can expect to pay and when.

Talk to your school's financial aid office to set up a tuition payment plan.

TAKE CARE OF LOAN COMMITMENTS

Loans, for better or worse, are with you for a long time—until you've paid them off. Even though you won't start paying them until after you leave college, there are some commitments you'll need to take care of now.

Specifically, if you are borrowing Federal Direct Subsidized/Unsubsidized loans, your commitment to those loans begins this summer: You will need to sign your Master Promissory Note and complete your Entrance Loan Counseling. Your school will contact you about these. Let's review each of them:



BIG TIP | Often, important communication about financial aid (and courses, housing, etc.) will come via your online student portal—something you have to logon to. So remember to logon and check it often.

Master Promissory Note

A legally binding agreement stating that the student will repay the loans.

- In order for first-time borrowers to receive Federal Direct Subsidized/Unsubsidized loans, the Master Promissory Note (MPN) must be completed.
- Federal Direct loan MPNs can be completed at www.studentloans.gov.
- There is also a paper version of the MPN. You must contact your college's financial aid department to ask for it.
- The MPN must be completed in a single session and takes about 30 minutes to complete.
- The MPN will ask for contact information for two people that you have known for at least three years.

Stafford Loan Entrance Counseling

A short overview and quiz to help students understand their rights and responsibilities as loan borrowers.

- If you are a first time borrower, in order to receive Federal Direct Subsidized/Unsubsidized loans, you must complete the online Federal Entrance Interview/Counseling.
- This can be completed at www.studentloans.gov.
- To satisfy the Entrance Counseling requirements, you must read the entire tutorial and pass a quiz at the end. Students must get 12 out of 15 questions correct to pass.
- You may take the quiz three times, but the questions will keep changing. If you don't pass after the third time, you must call your college to complete the counseling.
- After completing the quiz, print a copy of your Loan Rights and Responsibilities, as some colleges will ask for this as proof that you completed the Entrance Counseling.
- Topics during Entrance Counseling include:
 - ▶ Terms and conditions of loan
 - ▶ Examples of actual monthly repayment scenarios
 - ▶ Deferral and forbearance

KNOW YOUR (LOAN) TERMS!

Lender: Makes or originates the loan; the amount of money lent is called the principal.

Holder: Currently owns the loan; often the same as the lender.

Guarantor: This person guarantees that if the student does not pay back the loans, they will. Students without enough credit must have someone else sign the loan with them to guarantee it will be repaid.

Servicers: Provide customer service and account management services.

Borrower: Takes out the loan.

Prime: The Prime Lending Rate as published in the Wall Street Journal. This is the rate that banks charge their most credit-worthy customers. Currently at 3.25 percent.

APR: The Annual Percentage Rate, which factors in the interest rate, fees and other terms. This is the “true cost” of borrowing the loan for a year.

Deferment: Period during which a borrower who meets certain criteria may suspend loan payments. During an approved period of deferment, the borrower may or may not be required to pay interest on the loan. Refer to your promissory note for deferment eligibility.

Consolidation: A process for helping you combine loans into one repayment to manage multiple loans in one place.

RESOURCE | Tips on consolidation: <http://tinyurl.com/dy6vas8>

Forbearance: A way to possibly postpone or reduce your payments for a certain period of time because you are experiencing financial difficulty.

RESOURCE | Forbearance (for federal loans) is further defined here: <http://tinyurl.com/ca585mj>

Delinquency: Occurs when your loan payment is past due or late. If you are more than 60 days late, your credit score will report this for seven years.

Default: Occurs when your loan is delinquent for 270 days or more. This is BAD. Consequences can include wage and tax refund garnishment; federal benefit garnishment; credit score rating severely lowered; constant phone calls from collection agencies; or denial of employment or an apartment lease.

RESOURCE | Further information on default: <http://tinyurl.com/crg2ayt>

PAY YOUR FIRST BILL



One of the most bizarre things about college costs, and something that rarely happens in other parts of your life, is that you have to pay for your college experience *before* you get anything—before you have any classes, set foot on campus, or eat anything from the dining hall. Your first bill for college will arrive at some point during the summer between high school and college. You'll be asked to pay a few weeks before school begins. The amount you are required to pay depends on: a) how much you're paying out of pocket (as noted on your award letter) and b) how often your school bills you.

What if my out-of-pocket expenses are \$0? Should I expect a bill?

If this was the case—lucky you! You'll likely still get a bill, but it will probably say that you owe \$0. If it says you owe something, check to see if that number includes loans that may or may not have been disbursed yet. If anything seems off, just contact your college's financial aid office to discuss.

Example: If you get billed twice per year, and your award letter was for one year, you would divide the gap into two parts and expect a bill for that amount.

Gap = \$3,000 Billed 2x/year Each bill = \$1,500

How do I pay my bill?

Contact your bursar office or look online through your student account for payment options. Most schools will accept check, credit card, or cash. You can either pay the full balance or set up a payment plan to break it up into smaller payments.

What happens if I don't pay my bill?

If you don't pay your bill, there will be a hold on your account and you can be charged late fees, which are usually over \$100! You may be dropped from classes, and if you are planning on living on campus you might not be allowed to move in. If you set up a payment plan but don't complete the payments, the credits you earn will not count, even if you transfer schools.

When will I get my bill?

Chances are, you'll get your bill sometime in July or August. If it's August and you have not yet heard anything, follow up! Not paying your bill on time could mean you're delayed in getting housing, getting courses you want, even getting a spot at orientation sessions. Each school has different processes and policies, so your job is to find out what your school's timeline is.

Sample Bill 1

ALICE M. SAMPLE
1000 MAIN STREET
CORTLAND, NY 13045

Cortland ID: C00998877
 Semester: Fall 2013
 Student Status: UG Full-Time
 Credit Hours: 12.00
 Residency: IN-STATE
 Billing Date: 06/11/2013 6

PREVIOUS BALANCE	NEW CHARGES/ADJUSTMENTS	PAYMENTS/CREDITS	ANTICIPATED FINANCIAL AID	CURRENT BALANCE
0.00	9,833.50	- 460.00	- 2,750.00	2 6,623.50

TERM	DATE	TRANSACTION DETAIL	CHARGES AND ADJUSTMENTS	PAYMENTS AND CREDITS 3	ANTICIPATED FINANCIAL AID 4
CURRENT TERM CHARGES					
201390	06/03/2013	Prgm Svc Chg & Course Fees	716.00		
201390	06/03/2013	College Fee	12.50		
201390	06/03/2013	Housing	3,715.00		
201390	06/10/2013	Meal Plan	2,180.00		
201390	05/16/2013	Optional Alumni Fee	15.00		
201390	06/11/2013	Orient./Advisement Charges	260.00		
201390	06/11/2013	Tuition	2,935.00		
201390	06/11/2013	Deposit Payment - Housing		150.00	
201390	06/11/2013	Deposit Payment - Tuition		50.00	
201390	05/16/2013	Mastercard/Visa Virtual Merch.		280.00	
201390		Direct Loan - Stafford			1,750.00
201390		Direct Loan - Unsub. Stafford			1,000.00
		CURRENT TERM BALANCE	6,623.50		
		MINIMUM AMOUNT DUE NOW	1,700.88		

Important Terms on Your Bill:

- 1 Bill:** A statement summarizing the charges, payments, financial aid and how much you have to pay for your next semester.
- 2 Balance:** The amount you owe for the semester. Balance = (total charges) minus (payments, credits and financial aid)
- 3 Payments/Credits:** This is what you have already paid or been credited. Common examples of this include your freshman admissions deposit and the health insurance waiver.
- 4 Anticipated Financial Aid:** This is the amount of financial aid that the school currently expects to be applied to your account. This number may be lower than expected if you have not completed verification, which prevents the school from releasing your financial aid.
- 5 Due Date:** By this date you must have either paid your balance in full or put a payment plan in place to cover the balance. (The example above does not have a due date on it.)
- 6 Statement Date:** The date that the bill was issued and the date at which the bill is current.

Understanding SAP's Role in Financial Aid

SAP is...

S=Satisfactory

A=Academic

P=Progress

SAP is a policy that **every college** has that states that you (the student) must maintain a minimum GPA and complete a certain percentage of credits attempted each semester to remain eligible for financial aid. It is extremely important to know your school's SAP policy.

This policy is designed to make sure you're moving towards the college finish line. No school wants to take government or institutional money away from you, but they do want to make sure that if they're giving you money, you're going to class. You have to earn those dollars!

How does SAP work?

If you don't achieve the minimum GPA required and complete the minimum percentage of classes required at your school during a semester, **you will not be eligible** to receive federal financial aid the following semester(s).

WHY NOW?

Because waiting until you get a letter from your school saying you haven't met SAP is too late. Know your number now so that you'll know if you get close to the border and might need extra academic help.

Can you give me an example?

EXAMPLE: COLLEGE STATE UNIVERSITY

To satisfy SAP, students must complete 67 percent of credits attempted.

For the first 24 credits, GPA must be at least 1.75. After 24 credits, it must be at least 2.0.

Joe Skool is taking four classes fall semester of his freshman year, each worth three credits. After looking at his SAP policy, he knows he has to complete at least three of those classes in order to be over 67 percent credits completed (three out of four is 75 percent). He also knows he has to have a GPA of at least 1.75. If he is struggling in two classes, he cannot take an **"incomplete"** grade in both because he would only be completing 50 percent of his credits, and he would lose his financial aid. He decides to ask for help from his professors and from the academic advising center where there is free tutoring.

What is my school's SAP policy?

Directions: Use your school's website to look up the SAP policy. You can always start at the financial aid office and ask them for support first. Filling out these answers now will really pay off in the long run.

School

My school's SAP policy

Minimum GPA requirement

Credit completion percent

How this applies to me

How many classes am I taking?

How many do I have to pass in order to keep my financial aid?

What is my current GPA? What GPA do I need to get this semester to keep my financial aid?

What is the best way for me to check my grades? How often should I do this?

Who should I talk to about withdrawing or changing classes?

Who should I talk to if I'm struggling in a class?

If I do violate my SAP policy, what do I do?

“ One of the biggest pieces of advice I have is to look up your school's (SAP) policy and follow it! I was put on academic probation after my first semester and because I couldn't get my grades up, my financial aid was taken away. I had to take a semester off of school because I couldn't pay my bill. Luckily I am back in school now, but I wish I had known that my grades were not only important for my GPA but also to keep my financial aid.”

MAXIEL, COLLEGE GRADUATE

Managing College Expenses

Living the college student life costs money!

Use the resources available to you in your community, on your college campus, or even on the internet to learn more about how to manage your money. Let's start here with building a budget.

RESOURCE | Need some help building a budget and understanding your expenses? Check out this great Texas Guarantor tool: <http://tinyurl.com/n4bzn49>

BUDGETING COLLEGE COSTS

What is a budget?

- A budget is a way to plan and then keep track of how much money you spend to make sure that you have enough for everything you need.
- During college, students usually use a budget for all indirect expenses, which include everything except tuition, fees, and room and board (if you are living on campus).
 - ▶ Examples of indirect expenses are train passes, books, your cell phone bill and concert tickets. You need to have a plan for direct college costs too, like tuition, but that has already been covered in this toolkit.

How do I start a budget?

- First, track your expenses and write down everything you spend money on in one month. Sometimes the best way to do this is to spend as you normally do for a month, and every time you spend money write down how much you spent. You could even make this list on your phone.
- Next, estimate how much you spend on each category (food, transportation, clothes, etc.), and add up all expenses in expenses column of the chart you've created.
- Next, add up how much total income you earn each month.
- What's the larger number, income or expenses? You always want your income to be more than your expenses. If your expenses are more than your income, you need to find a way to either cut back on your expenses or increase your income.

Here is an example to get you started:

INCOME (PER MONTH)	EXPENSES (PER MONTH)
Work-Study...\$200	Train Pass... \$70
	+
	Food in addition to meal plan...\$50
	+
	Haircut...\$20
	+
	Cell Phone bill... \$40
	+
	Fun!... \$50
	+
	Savings for 2nd Semester Books...\$75
	+
	Emergency Fund...\$20
-	-
Total Income = \$200	Total Expenses = \$325

Make sure you are comparing monthly income to monthly expenses or weekly to weekly.

UH-OH! Expenses are more than income.

WANT SOME EASY WAYS TO CUT BACK ON EXPENSES?

Decide on your needs versus wants. We would all like to buy much more than we can, so it's important to decide what expenses we **need** and which ones we **want**.

- We might need a train pass in order to get to school and work, but how many pairs of shoes do we need to buy each month? Or meals at restaurants? Or movies in theaters?
- Each person's needs are different, but deciding that some of your expenses are wants and cutting back on them is one of the best ways to lower expenses.

Find cheaper substitutes. Think about ways to do what you normally do but for less money.

- For example, buying a \$2 cup of coffee every day for a month costs \$60. But buying ground coffee from the grocery store can cost you less than \$15 per month, so making your own coffee can save you \$45 each month!
- The same can be done by buying used books, bringing lunch, being careful about where you shop for clothes, watching movies at home instead of in theaters and more.
- It's not always easy, but the power of habits is huge; just making your own coffee can save you \$500 every year!

“ I currently attend college and work about 20-25 hours a week at Burberry. Having a job not only helps me pay for my tuition and school necessities, but it has also given me the chance to network and meet people as well as make connections that ultimately could have a significant impact on my area of study. It is also a great feeling knowing you're somewhat independent and do not have to rely constantly on your parents for the smallest things.

I would definitely recommend that students in college to try and get a job, whether it's five hours per week or 30. It all depends on how much that person can handle. It's a good chance to grow and learn as an individual in a real life work place.”

KATLIN, COLLEGE SOPHOMORE

Renewing Your FAFSA Annually

Yes, you have to renew your FAFSA. This probably doesn't come as a huge surprise, but you have to renew it **every year you're in college**.

Why? The biggest reason is because things change. A school's ability to contribute can change, your family's finances can change, and state or government policy can shift. The bottom line is that you have to keep reapplying if you want to keep getting financial aid.

The good news? It's A LOT easier the second (and third, and fourth and fifth) time around. You know the drill now. You know what forms you need, how to find your tax information and what resources can help you.

When do I have to do this?

While you can certainly fill it out as early as January 1 of each school year, it's suggested that you do your taxes first and then submit your renewal online (www.fafsa.gov) later in the year. Check your school's renewal deadline to make sure you submit materials on time.

FOR MORE INFORMATION | You can refer back to the FAFSA section in the 12th Grade chapter for more detailed information about this form.

“ My biggest piece of advice is that applying for financial aid doesn't stop when you're accepted into college for your freshman year. I have reapplied for the FAFSA and various scholarships every year. I was actually awarded my biggest scholarship during my junior year of college.”

KELSEY, COLLEGE JUNIOR

BIG TIP | This toolkit focuses on FAFSA renewal, but other financial aid forms sometimes require annual renewal too. Read the fine print!

GETTING HELP FROM THE FINANCIAL AID OFFICE

Get to know your college's financial aid office. **Early**. If you do this, it will get you better support and services throughout college.

Here are a few of the ways the staff there can help you:

- Answer questions about what forms are required from that college.
- Verify they have received your materials.
- Help you through the verification process.
- Process/consider an appeal.
- Discuss deposit questions.
- Show you where you can do your entrance loan counseling.
- Create a tuition payment plan with you.
- Give you a list of work-study positions.
- Explain the school's Satisfactory Academic Progress policy; support you through any challenges with SAP.
- Help you budget and plan for the loans you will have to repay.
- Be your friend, advocate and partner throughout college.

Post-College: Federal Loan Repayment

Borrowing money through loans has surfaced many times throughout this toolkit. While selecting the right loans to pay for college is extremely important, the biggest decision you will make with your loans is what repayment plan or method makes the most sense for you. One of the worst things you can do for your future credit is not to pay your student loans. Therefore, consider your choices for repayment seriously, consult others in decision making and ***always make your loan payments!***

RESOURCE | Learn more about loan repayment: <http://tinyurl.com/d5acddf>

Here are your repayment options:

Standard Repayment:

You pay a fixed amount each month until the loans are paid in full. Monthly payment is at least \$50, and you have up to 10 years to repay the loans. The monthly payment is larger because you are squeezing repayment into a shorter amount of time. The benefit? You will pay the least in interest, and so your total payments will be the lowest.

Graduated Repayment:

With this plan, payments start out low and increase every 24 payments. The length of your repayment period will be up to 10 years. If you expect your income to increase steadily over time, this plan may be right for you since the interest accumulation will be low.

Income Based Repayment (IBR):

Payment amounts are set based on income and family size, which helps keep loan payments affordable. The payment amount is usually less than 10 percent of one's earnings. IBR will forgive remaining debt after 25 years of qualifying payments. For more information, visit www.IBRinfo.org.

Pay as You Earn:

Both Pay as you Earn and IBR are for students with a high debt-to-income ratio. There is a slight difference between Pay as you Earn and IBR in years of repayment: Pay as you Earn is 20 years, versus 25, and payments are typically lower. Pay as you Earn is only available to new borrowers.



BIG TIP | Remember, loan repayment begins when you leave college. If you leave before graduating, you are **STILL** responsible for your loans!

Here's an example that demonstrates what your repayment amounts will be depending on how many years you take to pay back a loan. As you can see, the fewer years you take, the less you will pay overall, but the higher your monthly payments will be.

Loan Information: \$25,000 unsubsidized Stafford loan at 6.8 percent interest

REPAYMENT LENGTH	MONTHLY LOAN PAYMENT	TOTAL INTEREST	TOTAL PAYMENTS
Standard—10 Years	\$288	\$9,524	\$34,524
Extended—12 years	\$254	\$11,639	\$36,639
Extended—15 years	\$222	\$14,946	\$39,946
Extended—20 years	\$191	\$20,802	\$45,802
Extended—25 years	\$174	\$27,054	\$52,054
Extended—30 years	\$163	\$33,674	\$58,674

TOOLS TO PREDICT PAYMENTS

To maintain healthy loan habits, educate yourself on the potential roadblocks you could encounter. Review the common barriers mentioned in the key loan terms earlier in this chapter. Yes, there are potential barriers to look out for, but similar to the messages in every chapter of this toolkit, the **earlier** you can learn these key tips and lessons, the greater chance for your success!

RESOURCES

- The Repayment Estimator: <http://tinyurl.com/lekxgto>
- www.finaid.org has many different types of loan calculators you can use with students and families, such as this one: <http://tinyurl.com/mnvyxrk>
- This website has a student loan calculator which can help you compare loan offers. Enter four required student loan values: your requested loan amount, annual interest rate, repayment term in years, and the start date of your loan. StudentEdLoans.com: <http://tinyurl.com/86n7vb4>

CONGRATULATIONS on making it this far, and best of luck as you continue building yourself an affordable path through college and life.

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Parents & Caregivers

WELCOME!



Thank you for taking the time to read this toolkit. By doing so, you will learn important information that will assist you in helping your son or daughter successfully transition from high school to college.

Although the toolkit is primarily designed to support your child on his or her path to and through college, identifying ways to pay for college will be **impossible** without your support and input. While it's important to be there for your child during all parts of the college process—visiting campuses, taking preparatory courses and standardized tests, writing essays—the financial aid process is the only piece that is impossible to complete without your help. Your son or daughter needs your help, from planning how to pay for college to completing forms to deciding which school to attend.

The goal of this toolkit is to help families navigate the complex financial aid process. If you need more information about other aspects of the college process, you are encouraged to talk to your son or daughter's school officials about other resources.

- There are some areas of the toolkit that make more sense to share with family members instead of students, although all parts were created with both audiences in mind, and family members are strongly encouraged to read and reference all sections with their children.
- To help you know where to start. There is a lot of information in this toolkit, so this section helps you focus on exactly what you, as the parent or caregiver, need to know.

The toolkit is organized chronologically by the student's grade level, as is this parents' chapter. You are encouraged to read the entire chapter of the stage at which your son or daughter is currently, and you may find it helpful to read ahead so that you know what's coming before your son or daughter reaches that stage.

Use this toolkit to help you understand and work through paying for college. ***The cost of college should not be a barrier for you or your son or daughter.***

Pre-High School

Although college seems far away when your children are in middle school, there are important things to think about and conversations to have now, so that there's time to prepare and shift actions or beliefs to make the path easier for you, your son or daughter and the rest of the family.

THE POWER OF SAVINGS

How Can Savings Help?

Research shows your children are motivated by your investment in them¹.

- Children of parents who save are more likely to enroll and complete college than parents who don't save.
- Children of parents who save are more likely to perform better in school, in terms of higher grades and better behavior.
- And even better, if the student and the family both save, the benefits increase.

It's the **act** of savings, not the **amount** of savings, that supports college completion. Make savings part of your family practice. A little bit goes a long way. Here's an example:

RESOURCES | These articles from the Center for Social Development will give you more information about the positive impact of savings:





- <http://tinyurl.com/m4vbwrt>,
- <http://tinyurl.com/mr9pjh5>
- More information about how savings works: <http://www.collegesavings.org/>
- Why saving early is important: Department of Education: <http://tinyurl.com/lxv9uwy>

Saving is not an easy habit, but it can make a huge difference, especially when it comes to college. Imagine your son is in 8th grade. If you started saving \$20 a month from now until he entered college, you could save a little over \$1,300. That amount could be a difference maker!

\$20 per month (\$5 per week) starting in 8th grade through end of senior year = \$1,300



\$1,300 could be the extra dollars you need to pay for...

-  ...the first bill
-  ...textbooks for the first year of school
-  ...plane tickets home at the holidays and the summer
-  ...a laptop

¹ Elliott, W. and Beverly, S. (2011). The role of savings and wealth in reducing-will between expectations and college attendance. *Journal of Children & Poverty*, 17(2), 65-185.

WHAT YOU NEED TO KNOW ABOUT 529 PLANS



529 plans are savings plans specifically dedicated to college costs.

Two kinds of plans exist: Pre-paid Tuition Plans and College Savings Plans. We're going to focus on the 529 College Savings Plans. If you want to explore saving outside of the 529 Plan, contact your local bank. If you want to start saving a few dollars a week, open a savings account to save that money.

The most important thing isn't HOW you save, it's that you start saving.

The Basics of 529 Plans

- An adult can open a 529 for any beneficiary, no relation needed.
- Unlike other savings accounts, 529s are tax exempt, meaning withdrawals (for educational expenses) don't get taxed and earnings aren't taxed either.*
- Every U.S. state has either a Pre-paid Tuition Plan or a College Savings Plan. You **do not** have to choose your own state's plan. Do your research and find a plan that's a good fit for you.
- There are different limitations by state on how much you need to put into an account to open it, but many states are now opening 529s for as little as \$25.
- Once the student gets to college, resources can be withdrawn in one lump sum or over time. Funds can also be transferred to another beneficiary.
 - ▶ Example: If your son or daughter gets a full scholarship and doesn't need any of the savings accumulated, you may transfer the money to another son or daughter or withdraw it (note that it is taxed if not used for educational purposes).

*All 529s are free from federal taxes, although some states do impose limited taxes. Check this before opening a 529 account.

Tools for Your Toolbox

There are great tools out there to learn more about 529s, compare different plans or access other financial resources.

RESOURCES

- Overview of individual states' plans, basic information; best to use to see where to start and what your states' options are: <http://www.collegesavings.org/viewState.aspx>
 - State-by-state information, "did you know" tips, free downloadable guides for families, calculators and other tools: <http://www.savingforcollege.com/>
-

COMMON THOUGHTS ABOUT SAVINGS

I don't make enough to save.

- You don't have to save a lot to get the benefits. It's the act of savings that makes a difference.
- 529 plans can be opened for as little as \$25 in some states, with a monthly direct deposit of \$10 minimum. Consider collaborating with other friends and family to raise that amount.
- Anyone can open an account for a future college student; it doesn't have to be the parent. It could be an older sibling, grandparent or family friend. Work with those around you to share the monthly contributions.

I won't get as much financial aid.

- Financial aid is awarded more heavily based on income than on savings and assets. In most cases, you'd have to save a significant amount for this to affect your financial aid award amount. Income makes a bigger difference in what you will or will not receive for financial aid.
- Check out this chart, which helps predict Expected Family Contribution (EFC) for four different financial scenarios:

	FAMILY A	FAMILY B	FAMILY C	FAMILY D
Family Income	\$40,000	\$60,000	\$60,000	\$60,000
Savings & Assets (not including residence or retirement)	\$0	\$0	\$30,000	\$60,000
Expected Family Contribution (EFC)	\$282	\$3,026	\$3,026	\$3,623

FOR MORE INFORMATION | Visit the 12th Grade chapter

9th & 10th Grades

Early high school years are pivotal for setting the tone for later in high school and understanding what types of opportunities will be available to your son or daughter. It's also an ideal time to uncover myths that exist around college costs and affordability, so that you don't wait until a son or daughter's senior year to learn something brand new. Finally, it's beneficial for you and your son or daughter to begin learning about the financial aid process early, to have ample time to navigate potential roadblocks.

FINANCIAL AID

RESOURCE | Here is an overview on the types of aid that exist: <http://tinyurl.com/mwatehw>

To receive financial aid, you must apply for it and be eligible to receive it.

Why is critical for families to know about financial aid eligibility?

Knowing whether or not your son or daughter is eligible to receive aid early in high school allows you to help connect to resources that may change his or her eligibility before 12th grade. Even if eligibility can't change, knowing now gives you a longer amount of time to save, explore scholarships and weigh your options.

To complete the FAFSA, and therefore be eligible to receive federal, some state and some college financial aid, your son or daughter must be a U.S. citizen or eligible non-citizen. If you know your child is not, don't hide that information from him or her. Talk to your child about his or her status and work together to find external support. This toolkit provides you with many resources and options for an affordable path.

FOR MORE INFORMATION | Read the 9th & 10th Grades chapter.

RESOURCES | These resources share eligibility requirements and describe different citizenship types

■ <http://tinyurl.com/lh6jr5l>

■ <http://tinyurl.com/mqpfst3>

Do not navigate the financial aid process alone. Rely on the help that's available to you: legal services, community organizations, colleges, etc. One great guide to help you from now until your son or daughter enters college is on a website called Educators for Fair Consideration. (FYI: It's also in Spanish.)

RESOURCE | This guide is designed just for parents: <http://tinyurl.com/ko8pmaf>



BIG TIP | Please understand that there is not a connection between financial aid and immigration. These processes are separate. *You will not be at risk by researching options for your child.*

11th Grade

The 11th Grade chapter focuses on financial aid preparation leading to your son or daughter's senior year. There are a lot of financial aid-related steps and tasks during senior year, and having advance notice that they are coming is important for both you and your son or daughter. This toolkit asks your children to have conversations with you about these tasks. One of the best things you can do is be open to these conversations and help your children get the answers they need.

Here are some of the questions they may have:

Does our family have any college-related savings plans?

It's never too late to start saving for your son or daughter. Even if you have not started already, let this conversation help you learn what next steps you can take to begin this process. Refer back to the pre-high school content earlier in the parents' chapter.

Does our family have money set aside for college expenses?

It's time to begin to take note of what kind of help you can provide your son or daughter.

Can you please give me some information for my financial aid forms?

To complete the financial aid process in 12th grade, your son or daughter will need information from you. Some of this information includes:

- Your Social Security Number
- Date of birth
- Income information (W-2s, income tax forms, etc.)

For a glimpse of other information you'll need to provide, check out this guide that walks you through the FAFSA questions.

RESOURCE | Federal Student Aid FAFSA walk through: <http://tinyurl.com/q6633hv>

 **FOR MORE INFORMATION** | Visit the 12th Grade chapter

When your son or daughter starts the college search process, you can help by making sure that affordability is a part of that search process. Here are some tools that can help you and your son or daughter understand what you might have to pay for college, and what specific schools might cost for your family.

12th Grade

This is a big year: Your son or daughter's last year of high school and a year full of big processes (applying to college, applying for financial aid) and big decisions (where to go, what to pay). You are HIGHLY encouraged to read through the entire 12th Grade chapter with your son or daughter. There will be a lot of details to remember around the financial aid process, and having more than one person aware of deadlines, next steps and available resources will be helpful.

The biggest activities that you will participate in are form completion and helping your son or daughter decide where to go.

FORM COMPLETION

As you recall, students will need support with form completion. Financial aid forms are the one part of the entire college process in which **parents must be involved**. Here's how you can help:

- Provide required information
- Understand whose information to put into these forms
- Sit side by side with your children (and their advisors or counselors) to help them complete these forms.

The two most common financial aid forms are the FAFSA and the CCS/Financial Aid Profile®. This latter form is required by some private colleges. To understand more about the CSS/Profile® and what your role is in completing that form, visit this website: <https://bigfuture.collegeboard.org/pay-for-college/financial-aid-101/how-to-complete-the-css-financial-aid-profile>.

LOANS FOR PARENTS

Months after FAFSAs and other financial aid forms are submitted, acceptance letters begin to arrive and shortly after that, award letters (with financial aid amounts) also arrive.

Some of you who are providing resources for your son or daughter's education might play more of a role in where your son or daughter decides to go. Regardless of how much you are contributing, supporting your child through this very BIG FINANCIAL DECISION is extremely helpful.

If your child is relying on you for financial support, you will need to determine together what's possible, including what you are able to pay out

.....
RESOURCE | Learn more about the steps and what's required here:
<http://tinyurl.com/nxvgr5m>
.....

.....
RESOURCE | Helpful tips about what type of parental information is needed: <http://tinyurl.com/k7k8ej4>
.....

.....
 **FOR MORE INFORMATION** | Visit the 12th Grade chapter
.....

of pocket. Use award letter analysis to really compare the options your son or daughter has and see what's more affordable.

When looking at award letters and figuring out how to **close the gap***, the option of loans may arise. Most loans are taken out in the student's name, but there is one loan available to parents, called Parent PLUS. Some quick facts are listed below; use the cited resources for more information.

The Parent PLUS Loan

- The federal **Parent Loan for Undergraduate Students (PLUS)** lets parents borrow money to cover costs not already covered by the student's financial aid package, up to the full cost of attendance.
- Responsibility for the loan falls on parents only.


How to apply:

- Parents must complete a Parent PLUS loan application and promissory note, which the school can mail to the parent upon request.
- Or visit www.studentloans.gov for an online application.

Basic Terms:

- Federal loan set at 7.9 percent fixed interest rate, 4 percent **disbursement fee***.
- Amount allowed to borrow for one year: Cost of attendance minus financial aid offered.
- Must be the biological parent or adoptive parent. (Sometimes, step-parent).
- If parent is denied, student is eligible for additional \$4,000 unsubsidized Stafford.
- If parent is denied, there is an option for an **endorser***. The endorser must complete an application and MPN as well.
- Parent can defer payments while the student is in college (interest will accrue), or make interest-only payments while student is in college.
- Three repayment options are offered: standard, extended and graduated. 10-25 years to pay back.

* **CLOSE THE GAP** = Cover the dollar difference between what the school costs and what financial aid you were awarded.

 **BIG TIP** | Although you can borrow a lot of money through the PLUS loan program, think about what your family can afford to pay back. Consider that this is the loan that you will take out for multiple years, so borrow what you feel is manageable over time.

* **DISBURSEMENT FEE** = Amount charged by the lender to borrow principal (loan amount)

* **ENDORSER** = An endorser is an individual who agrees to make a loan payment if the primary borrower is unable to make a payment.

.....
FOR MORE INFORMATION | See the College Years chapter

College Years



Congratulations, your son or daughter has made it to college! You were a huge part of his or her journey to this point.

Financial aid processes do not end here, but your involvement is less frequent (beyond yearly FAFSA renewals). Your son or daughter is now responsible, and you should rely on them to remind you of the activities in which you need to be involved.

There are still many steps to take during the summer before college, so read up with your son or daughter so you can understand those steps. This includes when to anticipate that first bill.

 **FOR MORE INFORMATION** | See the College Years chapter

RESOURCE | The Big Future website, designed by College Board, has some wonderful yearly checklists for parents. These checklists include all tasks, not just financial aid-related, and can be very helpful if you don't know where to start.

-  Pre-High School
-  9th Grade
-  10th Grade
-  11th Grade
-  12th Grade

Big Future parent guides: <http://tinyurl.com/lvptc5y>

Continue to stay involved with your son or daughter's success in all parts of his college career. Thank you for playing such an active role so far!

Resources

Necessary Resources for Your Toolbox 118

Necessary Resources for Your Toolbox

This toolkit should be helpful in providing you and your family with extra context and detail around different financial aid steps. In addition to the stories, examples, and tools within these pages, here is a short list of some key resources that appear frequently in the toolkit, and others that will be extremely useful in your path to and through college.

Federal Student Aid



U.S. government website designed for students. Filled with frequently asked questions, worksheets, flyers, webinars and connection to further information. Focused primarily on financial aid.

<http://studentaid.ed.gov/>

Financial Aid Toolkit



This U.S. government website is designed to support teachers, guidance counselors and parents working with college bound students. The library of resources available is massive yet easy to navigate.

<http://financialaidtoolkit.ed.gov/tk/search>

College Affordability and Transparency Center



A one-stop shop website with all the lists, tools, and sites designed by the U.S. Department of Education. College search tools include College Navigator; others, like College Scorecard and Net Price Calculator Center, focus on affordability, allowing you to compare cost and net price information.

<http://collegecost.ed.gov/>

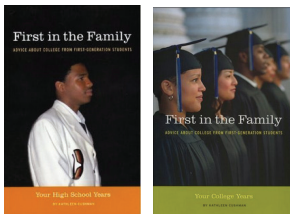
Big Future



A website designed by College Board to support students in their college search process. Full of individual college information, student and college personnel videos, checklists, and tools. Has a lot of financial aid information, but focuses on entire college process.

<https://bigfuture.collegeboard.org/>

First in the Family Series



A two-book series, written by Kathleen Cushman, that uses real life student stories to discuss the path to college as a first-generation college student. Filled with stories about college searches, applications and affordability.

http://www.nextgenerationpress.org/titles/fitf_highschool.html

I'm First Campaign



An online community for first-generation students, filled with video stories, highlighting colleges with special focus on first generation student and a Q&A forum.

<http://www.imfirst.org/>

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