



# Financing Your College Education

*Information for college-bound students and their families*

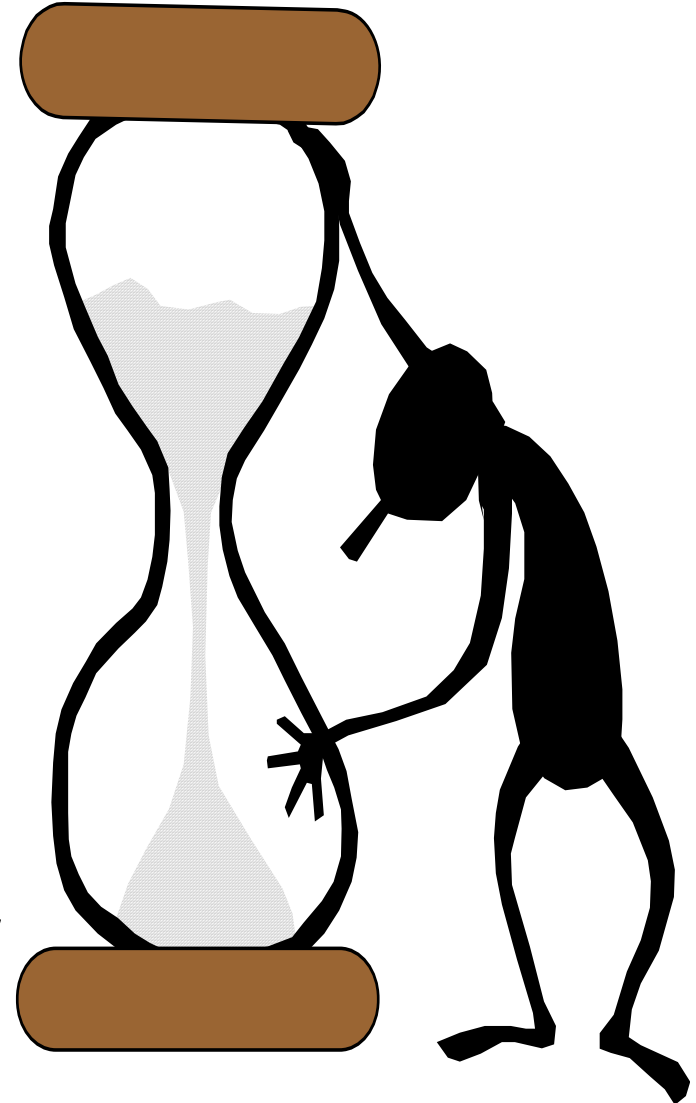
Presented by  
Seattle University

# Overview

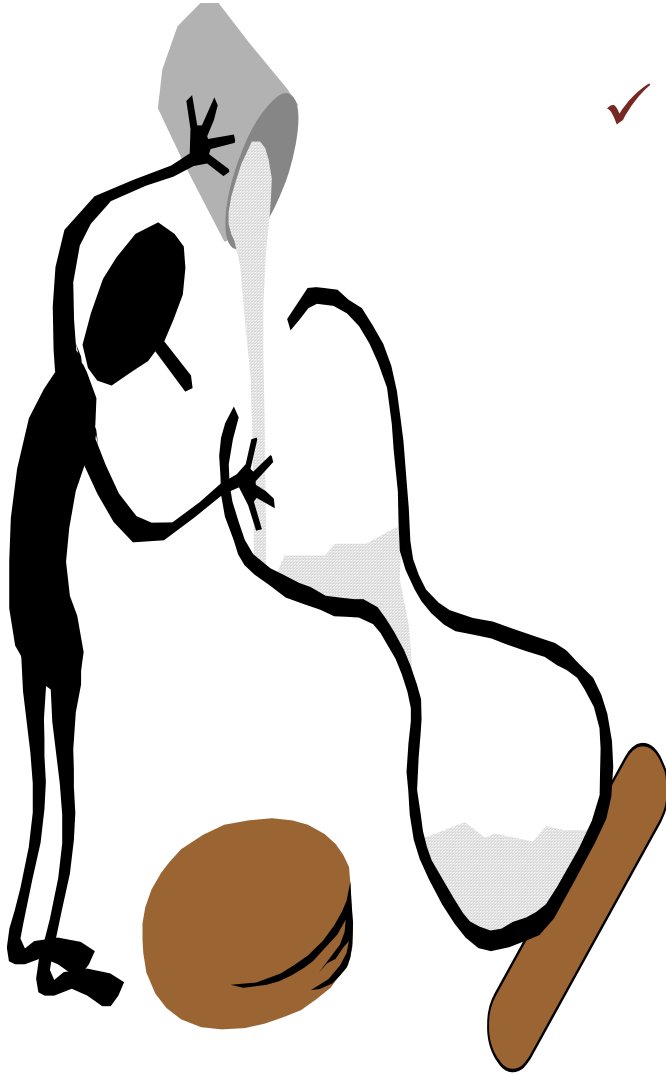
- ✓ Timelines
  - ✓ Financial Aid Basics
- ✓ Applying for Financial Aid
  - ✓ Types of Financial Aid
- ✓ Resources and Web Sites

# Timeline for Seniors

- ✓ Fall of your senior year:
  - ⇒ Apply for admission
  - ⇒ Complete institutional financial aid form and/or supplemental application such as PROFILE as requested
  - ⇒ Begin scholarship search
    - High School Counselor and/or Career Center
    - Web Search
- ✓ January of your senior year:
  - ⇒ File your 2009-10 FAFSA
- ✓ Don't wait to be admitted to apply for financial aid ... or for a financial aid award to apply for admission



# Timeline for Juniors



- ✓ Do a FAFSA “practice run” by going to [www.FAFSA4caster.ed.gov](http://www.FAFSA4caster.ed.gov):
  - ⇒ Get an estimated expected family contribution (EFC)
  - ⇒ Get your Federal Personal Identification Number (PIN)
    - Be sure your parents get their own PIN, too
  - ⇒ Then use the Renewal FAFSA on the Web in January of your senior year: [www.fafsa.ed.gov](http://www.fafsa.ed.gov)

# What's the purpose of financial aid?

The purpose of financial aid  
is to fill the gap  
between the cost of attendance  
and what the student and his or her family  
is able to contribute  
toward that cost.

# In A Nutshell:



Your Estimated Cost of Attendance (COA)

**LESS:** Your Expected Family Contribution (EFC)

---

**EQUALS:** Your Financial Need

# My Cost of Attendance? What's that?

Your Cost of Attendance (COA) includes actual or estimated amounts for the following:

- ✓ Tuition and fees
- ✓ Room and board
- ✓ Books and supplies
- ✓ Transportation
- ✓ Loan fees
- ✓ Miscellaneous personal expenses
- ✓ Other documented educational expenses (cost of purchasing a computer or expenses associated with a disability, for instance)

# And my Expected Family Contribution?

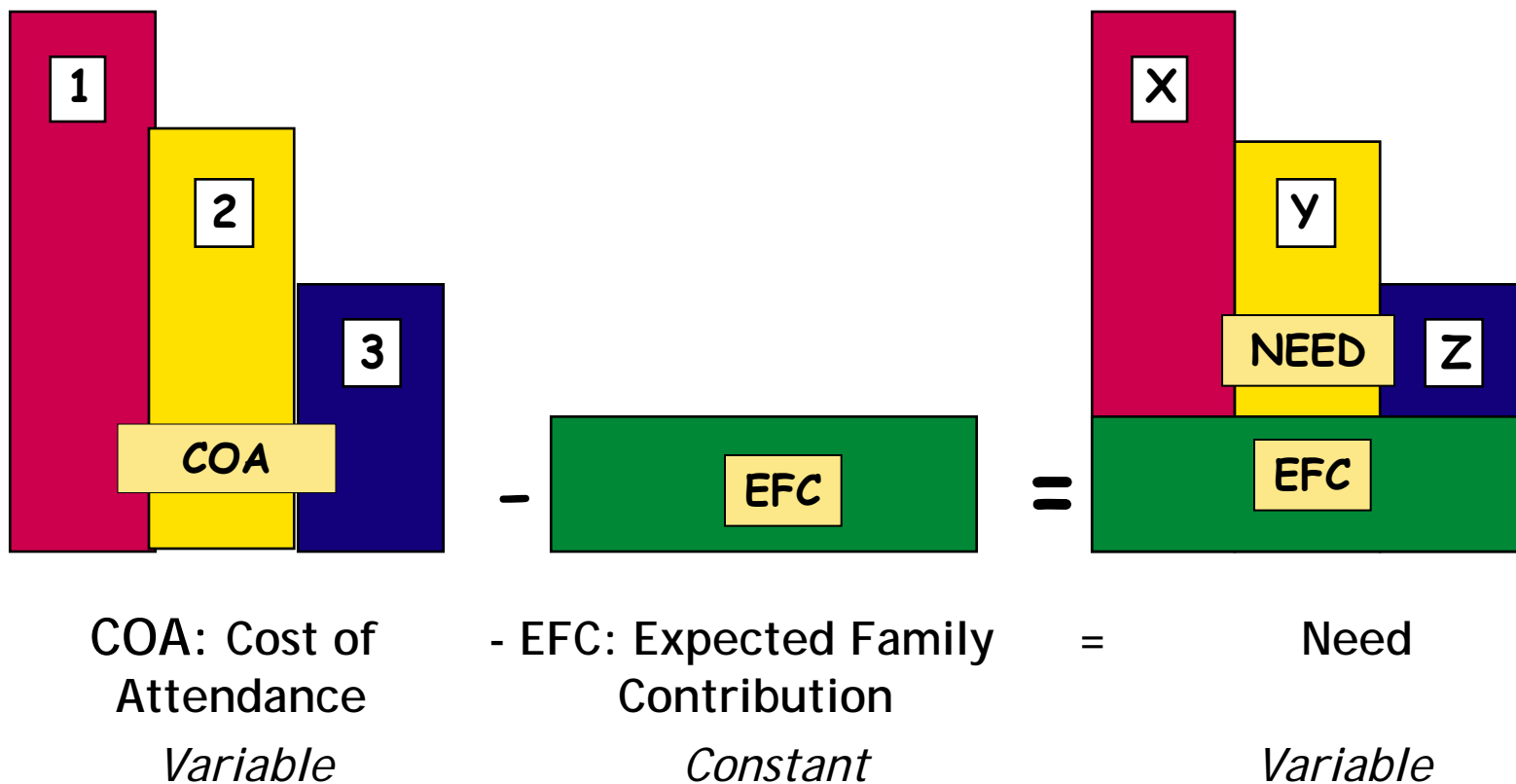
Your Expected Family Contribution (EFC) is calculated from the information you provide on your Free Application for Financial Aid (FAFSA), including:

- ✓ Parent income, taxes and assets
- ✓ Student income, taxes and assets
- ✓ Number of people in the household
- ✓ Number of people in the household in college
- ✓ Number of working parents
- ✓ Age of the older parent

# Will my EFC be right?

- ✓ The FAFSA is used to ensure that your family's ability to pay is evaluated in an equitable and consistent manner. It does not recognize special circumstances like
  - ⇒ K-12 tuition
  - ⇒ Disability
  - ⇒ Medical/dental expenses
  - ⇒ Changes in income after filing your FAFSA or from the FAFSA "base" year (2008 on the 2009-10 FAFSA) to the next year
- ✓ You should file the FAFSA reporting the information as it's requested. AFTER you file the FAFSA, report special circumstances to your college's financial aid office.

# Need (NOT EFC) Varies by School



# So ... My COA - My EFC = My NEED. Now what?

You begin the financial aid process by applying for aid:

- ✓ Check information from each school you're considering for their financial aid application deadlines and required forms.
- ✓ Complete a FAFSA online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) AFTER January 1, 2009 but PRIOR to the earliest deadline for the schools you're considering.
- ✓ Complete any additional forms required by the schools to which you're applying

# Whose information do I enter on the FAFSA?

- ✓ ALL students, whether dependent or independent, must provide income and asset information about themselves.
- ✓ Dependent students must also provide their parents' income and asset information.
  - ⇒ Be sure to check the FAFSA instructions for information about whose information to report when parents are divorced or divorced and remarried.
- ✓ Independent students who are married must also provide their spouse's income and asset information.

# I'm independent ... aren't I???

No matter what your actual circumstances,  
to be considered "independent"  
when applying for financial aid for 2009-10

*... that is, to have your  
Expected Family Contribution (EFC)  
calculated without  
your parents' income or asset information ...*

you must be able to answer "YES"  
to at least ONE of the following questions:

# Answer "YES" to ONE of these questions ...

- ✓ Were you born before January 1, 1986?
  - ✓ At the beginning of the 2009-10 school year, will you be working on a master's or doctorate program?
  - ✓ Are you married?
  - ✓ Do you have children or other dependents who receive more than half of their support from you?
  - ✓ Are both of your parents deceased or are you (or were you until you turned 18) a ward/dependent of the court?
  - ✓ Are you on active duty in (for purposes other than training) or a veteran of the U.S. Armed Forces?
- ... and you can apply for 2009-10 financial aid as an independent student. Otherwise you must provide your parents' information.


# Who's eligible to apply?

## NEARLY EVERYONE!!!

- ✓ You won't know unless you apply ... and it's free so, if you think you'll need help in paying for going to college, complete a FAFSA and see what happens!
- ✓ DON'T exclude yourself because you don't think you'll qualify. With only a few exceptions, EVERYONE is eligible for at least a low interest student loan as long as they complete a FAFSA.
- ✓ Have a "Plan B." You can list several colleges to receive the results of your FAFSA. Keep your options open.



# FAFSA on the Web: [www.fafsa.ed.gov](http://www.fafsa.ed.gov)



The screenshot shows the FAFSA website homepage. At the top left is the Department of Education logo with the slogan "START HERE GO FURTHER FEDERAL STUDENT AID". To the right is the "FAFSA Free Application for Federal Student Aid" logo. A navigation bar contains links for "FAFSA Home", "Student Aid on the Web", "Application Deadlines", "PIN Site", "Help", "Contact Us", "FAQs", "Site Map", and "About Us". On the right side, there are language options for "English" and "Español". A left sidebar lists three main sections: "1 Before Beginning a FAFSA", "2 Filling Out a FAFSA", and "3 FAFSA Follow-Up", along with "Special Announcements" and a "Juniors" section. The main content area features a large heading "Federal Student Aid FAFSA" and a sub-heading "We have simplified the process of filling out the FAFSA. You can follow each section all of the way through for a comprehensive set of instructions." Below this are three numbered columns: "1 Before Beginning a FAFSA", "2 Filling Out a FAFSA", and "3 FAFSA Follow-Up", each with a brief description and a list of links.

**START HERE GO FURTHER FEDERAL STUDENT AID**

**FAFSA**  
Free Application for Federal Student Aid

FAFSA Home Student Aid on the Web Application Deadlines PIN Site Help Contact Us FAQs Site Map About Us

English | Español

## Federal Student Aid FAFSA

We have simplified the process of filling out the FAFSA. You can follow each section all of the way through for a comprehensive set of instructions.

- 1 Before Beginning a FAFSA**

Get organized!  
To simplify the application process, gather required documents and other information ahead of time.

  - [Determine Your Dependency Status](#)
  - [FAFSA on the Web Worksheet](#)
  - [Search for School Codes](#)
  - [Students & Parents Apply For a PIN](#)
  - [Check Application Deadline Dates](#)
- 2 Filling Out a FAFSA**

Fill out the FAFSA!  
The FAFSA has seven steps that ask about you, your financial information, your school plans, and more.

  - [Fill Out Your FAFSA](#)
  - [Open Your Saved FAFSA or Correction Application](#)
  - [Sign Electronically With Your PIN](#)
- 3 FAFSA Follow-Up**

View your results online!  
You can check the status of your application, make corrections to a processed FAFSA, and get other information.

  - [Check Status of a Submitted FAFSA or Print Signature Page](#)
  - [Make Corrections to a Processed FAFSA](#)
  - [Add or Delete a School Code](#)
  - [View and Print Your Student Aid Report](#)

**Special Announcements**

**Alert! Important information about two new grant programs.**

**Juniors. Looking for an early start on the FAFSA?**

High school juniors can take advantage of our FAFSA4caster Web site and learn about the financial aid process, gain early awareness of aid eligibility, and much more.

[Link to FAFSA4caster](#)

# Before Beginning a FAFSA

The screenshot shows the FAFSA website interface. At the top left is the Department of Education logo with the text 'START HERE GO FURTHER FEDERAL STUDENT AID'. To the right is the 'FAFSA Free Application for Federal Student Aid' logo. A navigation bar contains links: 'FAFSA Home', 'Student Aid on the Web', 'Application Deadlines', 'PIN Site', 'Help', 'Contact Us', 'FAQs', 'Site Map', and 'About Us'. A left sidebar lists navigation options: '1 Before Beginning a FAFSA', '2 Filling Out a FAFSA', and '3 FAFSA Follow-Up'. Under '1 Before Beginning a FAFSA', there is a sub-menu with 'Overview', 'General Student Aid Info', 'Documents Needed', 'FAFSA on the Web Worksheet', 'Drug Conviction Worksheet', 'Other Worksheets', 'Signatures Required', 'PIN Information', 'Time to Complete', 'Application Deadline', 'Search for School Codes', 'Browser Requirements', 'Clearing Your Browser's Cache', and 'Before beginning a FAFSA FAQs'. The main content area is titled 'Before Beginning a FAFSA' and includes a '1' icon. It contains several sections: 'Time Saving Suggestions', 'Gather the documents you need' (with a paragraph about Social Security Number, driver's license, etc.), 'Print a FAFSA on the Web Worksheet' (with a paragraph about writing answers and gathering parent info), 'Plan how to sign your FAFSA' (with a paragraph about signing electronically with a PIN or by mail), 'Apply for a PIN now!' (with a paragraph about speeding up the process), 'Check your eligibility for federal student aid.', and 'Note important deadlines' (with a paragraph about meeting the Federal Student Aid deadline and a bulleted list of instructions).

↔ Print out the worksheet

↔ Check out your signing options

↔ Apply for your PIN

# Avoid ERRORS!



- ✓ Errors made in completing the FAFSA and/or supplemental forms may delay application processing and result in the loss of financial aid funds which you would otherwise be eligible to receive.
- ✓ Be sure to complete all forms carefully!
- ✓ Don't leave anything blank unless specifically instructed to do so.
- ✓ If you're not sure ... ASK!!!

# Frequent FAFSA Errors

- ✓ Incorrect Social Security Number, Name and/or Date of Birth
- ✓ Reporting income taxes WITHHELD rather than income taxes PAID
- ✓ Incorrect number of people in the household
- ✓ Incorrect number of people in college
- ✓ FAFSA not signed



# The Financial Aid Process

## ✓ The processor

- ⇒ Computes your family contribution
- ⇒ Sends the result to you and the schools you've selected to receive it

## ✓ The school

- ⇒ Calculates your need
- ⇒ "Packages" your financial aid
- ⇒ Sends you notification of your financial aid award

# The Financial Aid Process

## ✓ The student

- ⇒ Be sure to respond to any and all requests for documents ...
- ⇒ ... and do so by any deadlines you're given by Admissions, Financial Aid, Student Development, Housing, etc.
- ⇒ ASK QUESTIONS!!!

# Types of Financial Aid

## SCHOLARSHIPS and GRANTS

Don't have to be repaid

## WORK STUDY

Must work part-time to earn

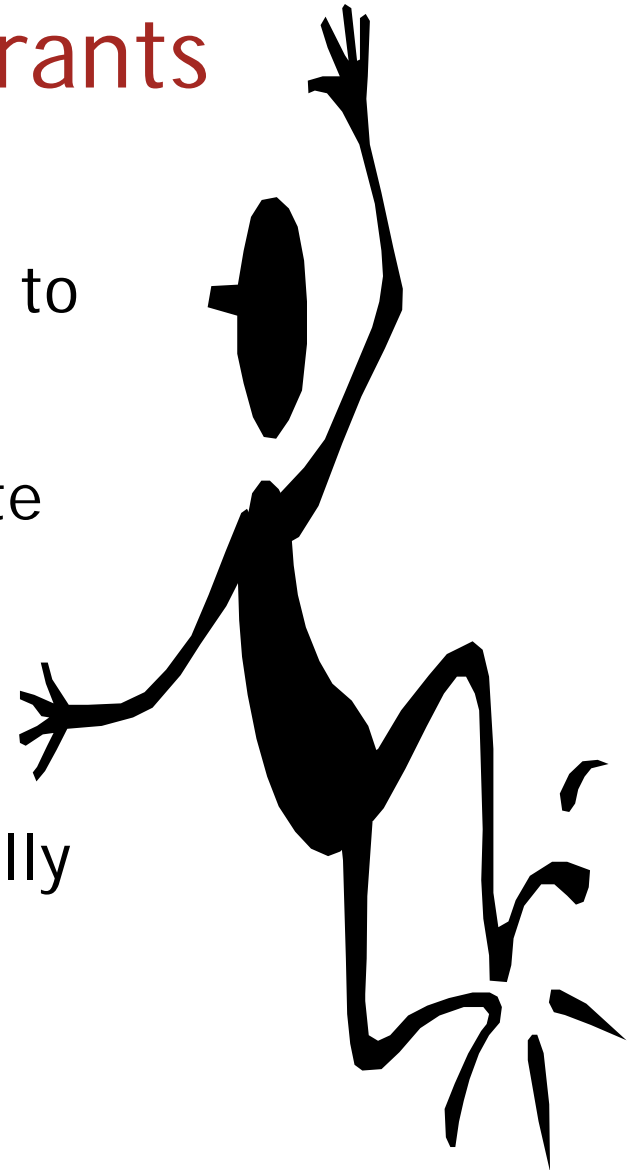
## LOANS

Must be repaid



# Scholarships and Grants

- ✓ Often referred to as “gift aid,” scholarships and grants don’t have to be repaid.
- ✓ May be awarded from federal, state and/or institutional sources.
- ✓ Pay special attention to anything called a “conditional” grant or scholarship because it might actually be a loan.



# Institutional Scholarships

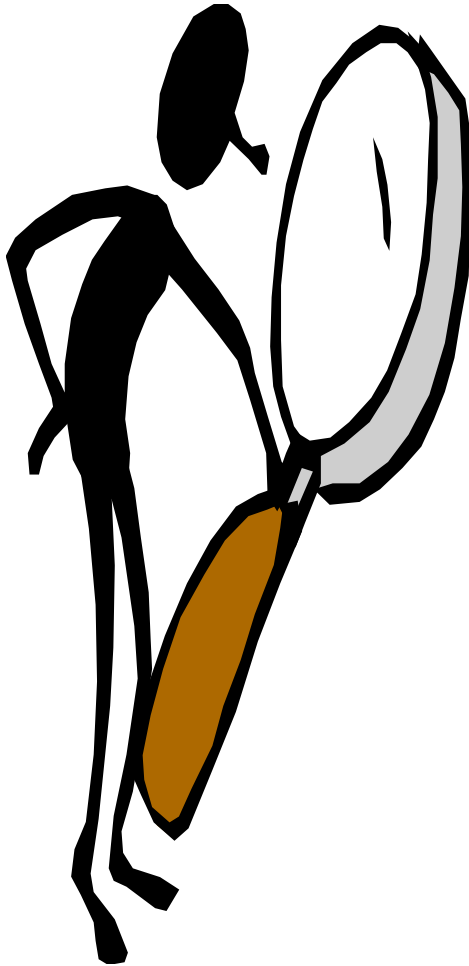
- ✓ Merit based on achievement and/or potential
  - ⇒ Academic (grades, test scores, rigorous curriculum, etc.)
  - ⇒ Talent (music, debate, skills, interests, etc.)
  - ⇒ Leadership (activities, training, goals, etc.)
- ✓ May be institution- or donor-sponsored
- ✓ May be selected by Admissions or other non-financial aid officials
- ✓ Academic major may be a factor
- ✓ Although often awarded “need blind” with no information about the student’s need, some do have a “need” component.
- ✓ All must be considered as a resource against the student’s total cost of attendance

# Private Scholarships

Private scholarships are generally awarded directly to the student outside the financial aid award process and the student then brings them to the school.

- ✓ These awards are made for many reasons including:
  - ⇒ Merit
  - ⇒ Talent
  - ⇒ Leadership
  - ⇒ Community Service
  - ⇒ Group Interest
- ✓ And are made from many sources, including:
  - ⇒ Employers of students or parents of students
  - ⇒ Professional organizations
  - ⇒ Churches, religious and faith communities
  - ⇒ Civic Groups

# Private Scholarship Search



On the Internet:

✓ The College Board Scholarship Search  
[www.collegeboard.com/paying](http://www.collegeboard.com/paying)

✓ FastWeb Scholarship Search  
[www.fastweb.com](http://www.fastweb.com)

✓ Peterson's  
[www.petersons.com](http://www.petersons.com)

✓ FinAid!  
[www.finaid.org](http://www.finaid.org)

✓ Student Scholarship Search  
[www.studentscholarshipsearch.com](http://www.studentscholarshipsearch.com)

# Work Study

- ✓ Awards don't guarantee of a job but schools help students locate employers to contact
- ✓ Students work to earn a paycheck. If the student doesn't work, the award isn't earned.
- ✓ Jobs are part time
- ✓ Hours are flexible around the student's school schedule
- ✓ Jobs are available on-campus and off-campus
- ✓ There are two programs, one subsidized by the federal government and the other subsidized by the State of Washington.
  - ⇒ Because of these subsidies, students must have need to receive awards from these programs
  - ⇒ Most schools also have listings of part-time jobs for students who don't have work study as part of their financial aid award.



# Loans for Students

## Federal Perkins Loan

- ✓ Students borrow from their school
- ✓ \$4,000 annual maximum ... the actual amount awarded is based on each school's financial aid award protocol
- ✓ Fixed interest rate of 5%
- ✓ 9 month grace period
- ✓ Up to 10 years to repay
- ✓ No penalty for early repayment
- ✓ Some deferment and cancellation provisions

# Loans for Students

## Federal Stafford Loan

- ✓ 2 Programs:
  - ⇒ Federal Direct: Students borrow from the U.S. Treasury after their school authorizes the loan
  - ⇒ Federal Family Educational Loan Program (FFEL): Students borrow from banks and other lending institutions after their school certifies the loan
- ✓ 2 Types of Loan:
  - ⇒ Subsidized: Interest doesn't begin to accrue until the loan goes into repayment
  - ⇒ Unsubsidized: Interest begins to accrue as soon as the loan is disbursed but may be capitalized until the loan goes into repayment

# Loans for Students

## Federal Stafford Loan

- ✓ Fixed Interest Rates
  - ⇒ 2009-10 Undergraduate Subsidized: 5.6%
  - ⇒ Undergraduate Unsubsidized: 6.8%
- ✓ Up to 10 years to repay
- ✓ No penalty for early repayment
- ✓ Some deferment and cancellation provisions

# Loans for Parents of Students

## Federal PLUS Loan

- ✓ 2 Programs:
  - ⇒ Federal Direct: Parents borrow from the U.S. Treasury after their school certifies the loan
  - ⇒ Federal Family Educational Loan Program (FFEL): Parents borrow from banks and other lending institutions after their student's school certifies the loan
- ✓ 2 Borrower Groups:
  - ⇒ Parents of dependent undergraduate students
  - ⇒ Graduate students

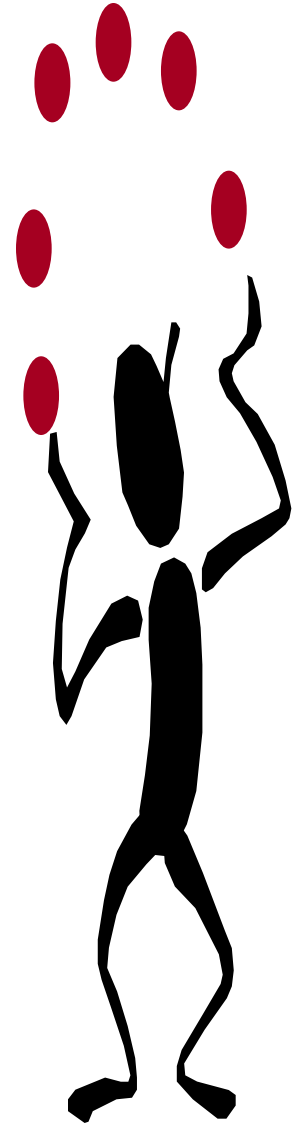
# Loans for Parents of Students

## Federal PLUS Loan

- ✓ 2 Interest Rates:
  - ⇒ Federal Direct: 7.9%
  - ⇒ FFELP: 8.5%
- ✓ Requires a credit check
- ✓ Up to 10 years to repay
- ✓ Effective July 1, 2008, payment may be deferred until the student leaves school; interest is capitalized from the date of disbursement

# FINANCIAL AID WEB SITES

- ✓ FAFSA
  - ⇒ [www.fafsa.ed.gov](http://www.fafsa.ed.gov)
- ✓ FAFSA Personal Identification # (PIN)
  - ⇒ [www.pin.ed.gov](http://www.pin.ed.gov)
- ✓ Department of Education, Federal Student Aid
  - ⇒ [www.fsa.ed.gov](http://www.fsa.ed.gov)
- ✓ Washington State Higher Education Coordinating Board
  - ⇒ [www.hecb.wa.gov](http://www.hecb.wa.gov)
- ✓ FinAid!
  - ⇒ [www.finaid.org](http://www.finaid.org)



Questions?

