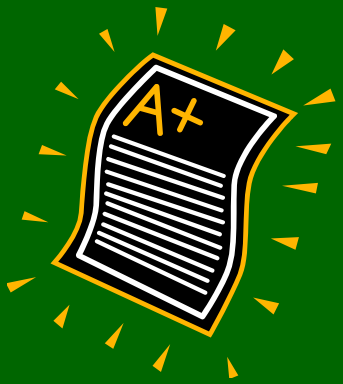


MAKING THE GRADE WHEN APPLYING FOR AID

...AND GETTING AN 'A' IN THE PROCESS!!



THE INFORMATION CONTAINED IN THIS PRESENTATION IS CURRENT AT THIS TIME FOR STUDENTS ENTERING COLLEGE IN FALL 2011 BUT IS SUBJECT TO CHANGE.

2010/2011

Presented By: DeeDee Barnes Bruns
Executive Director of New Student Programs

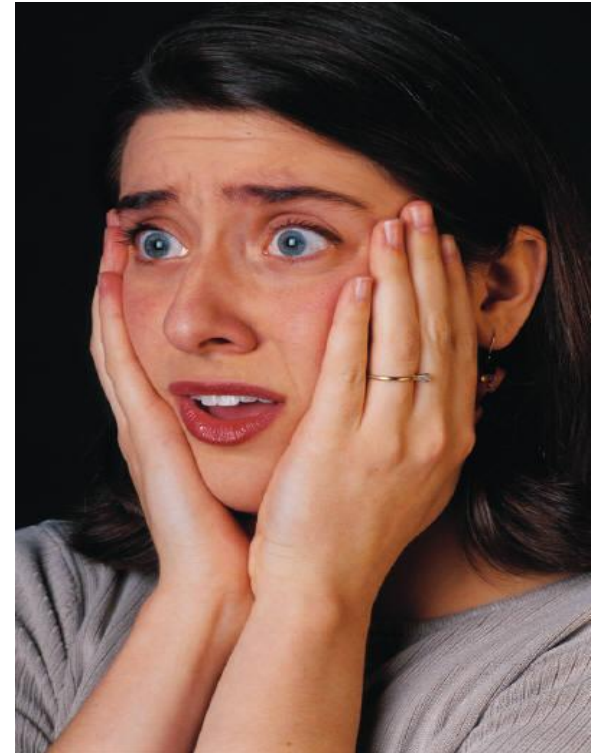
Financial Aid Doesn't Have to be SCARY!!

You will...

- learn about timelines & deadlines
- **learn some “lingo” & acronyms**
- learn what is reasonable to expect from colleges & what the colleges will be expecting of YOU!
- **learn how to stay organized & informed & prepared to meet deadlines**

AND

You will discover that you have LOTS of resources for information, i.e. high school guidance counselors, university financial aid & admission professionals, and on-line resources (too many to count!)



Where do I start???

1. Start with the colleges!!

Request scholarship/financial aid info
download from their website...ASAP!

2. Look for Local Area Resources:

Civic organizations
Service Clubs

3. Employers (students and parents)

System-wide scholarships/credit unions

4. Special Interest Funds

Obscure & (usually) very specific.

Most have very early application deadlines

Best info source for these? **FREE** websites!

Please DON'T Pay for scholarship search services!



Closely examine every possibility!

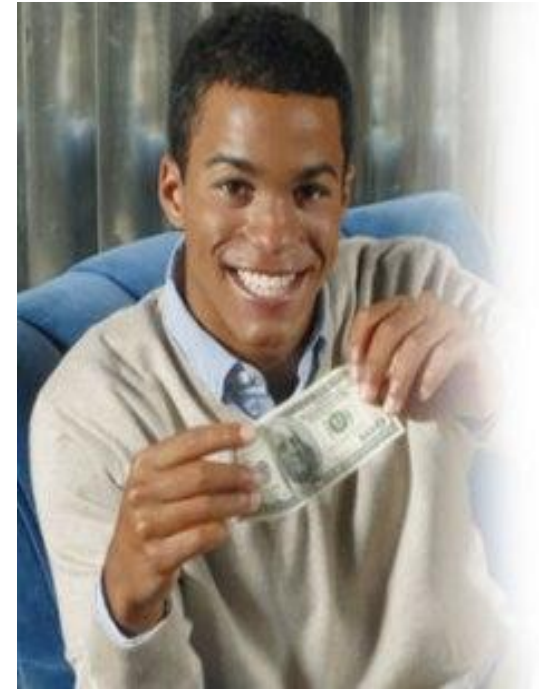
- **National Service** - *The Corporation for National Service* offers a number of funding opportunities in exchange for community service. Learn more at www.cns.gov
- **The Student's Employer**
 - Competitive scholarships
 - Book funds
 - Career experience
(summer and PT during school)
- **Special Interest Funds**
 - Obscure & (usually) very specific
 - VERY early application deadlines
 - Best info source for these?
FREE web sources!!!



**Don't pay for scholarship search services
that make guarantees!**

WHERE to L K for info...

- FastWeb Scholarship Search
www.fastweb.com
- ACT (great website for parents!)
www.act.org
- The College Board
(good checklists can be found **here!**)
www.college.board.com
- The Student Guide
(a FREE federal guidebook often available at your HS)
- And my favorite....**GOOGLE!!!**
(But you have to **GOOGLE** smart!!)



What about the PACT plan?

http://www.treasury.state.al.us/Content/Pact_intro.htm

Colleges do not have any control over this program!

Colleges *only* receive and distribute funds as they are sent from PACT.



529 plan? Roth IRA? How do I know?

Saving money for college is an important family goal. There are multiple tax-deferred savings plans available, including 529 plans, Roth IRA's, etc. Each has different perimeters, and one option may work better than another option for your family's particular situation.



For a table explaining the similarities and differences in the most common college-savings plans, go to:

<http://www.401kid.com/collegefunding/compare-options.php>

How and when do I apply for government-funded resources?

You **MUST** complete and submit the **FAFSA** (Free Application for Federal Student Aid) to be considered for government-funded aid of **ANY** kind!

Complete the FAFSA as soon as possible after Jan. 1st of the student's senior year in high school (not before). The results of the FAFSA determine your eligibility for **ALL** federal aid.

FEDERAL AID PROGRAMS INCLUDE:

❑ PELL Grants

Most families do **not** qualify for PELL grants. Must have a **very low** family contribution. Please don't be discouraged if you do not qualify for this program! **Many families do not.**

Current minimum PELL grant is \$555; maximum is \$5550

❑ SEOG Grants

Supplemental grant, with priority given to students who have already qualified for a PELL grant.



...and also these Government-Funded “Self Help” Options

□ Work Study Jobs

- ✓ Federal Work Study – Based on “demonstrated need”
(salary is paid from 75% government sources & 25% university)

□ Loan Options

Current Interest rate

- ✓ Perkins Student Loan (5% - reserved for neediest families)
- ✓ Stafford Student Loan (4.5% - subsidized-need based)
- ✓ Stafford Student Loan (6.8% - unsubsidized-not need based)

AND/OR

- ✓ PLUS (Parents Loan)
 - ✓ (7.9% interest and parents must be credit worthy)
- ✓ Banks or Credit Unions



What Does the FAFSA actually DO?

Federal Student Aid FAFSA



When you complete the Free Application for Federal Student Aid (FAFSA) at www.fafsa.gov the answers enable the federal government to calculate how much of your family's financial resources should be available to pay for the cost of college expenses.

The FAFSA refers to this calculated number as your “**EFC**” or “**E**xpected **F**amily **C**ontribution”

Colleges then use that EFC to determine your “demonstrated need” for federal aid such as PELL grants, work-study, etc.

So..how is my “need” calculated?

COST of the college/university equals...

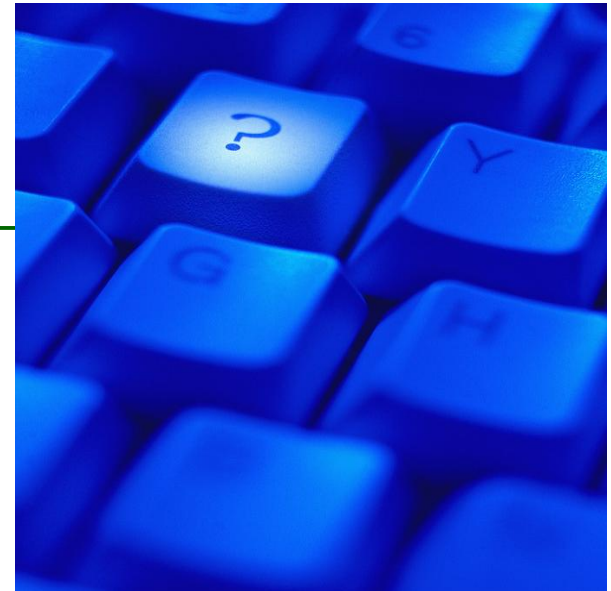
Direct Costs

(defined costs of tuition, required fees, & room and board, if living on campus)

+ **Indirect Costs** (estimate for books, travel, expenses)

Minus EFC (**Expected Family Contribution - taken from results of FAFSA)**

**Equals DEMONSTRATED NEED
for federal aid**



A couple of examples...

College "A"

Cost = \$7,000

EFC = \$7,000

NEED = \$0

College "B"

Cost = 15,000

EFC = 7,000

NEED = \$8000

REMEMBER: The Expected Family Contribution (EFC) remains the same, regardless of the college's cost.

The challenge becomes finding ENOUGH financial aid and scholarship assistance to **MEET/EQUAL** the demonstrated need!



FAFSA Definition of “PARENT”

- No divorce?
 - Parents income = parent (s) of the student
- Divorced??
 - Parents income = parent who provides the most support (typically the parent that the student lives with the majority of the calendar year prior to completing the form) **AND THAT** parent's spouse (Income/Assets of both!)

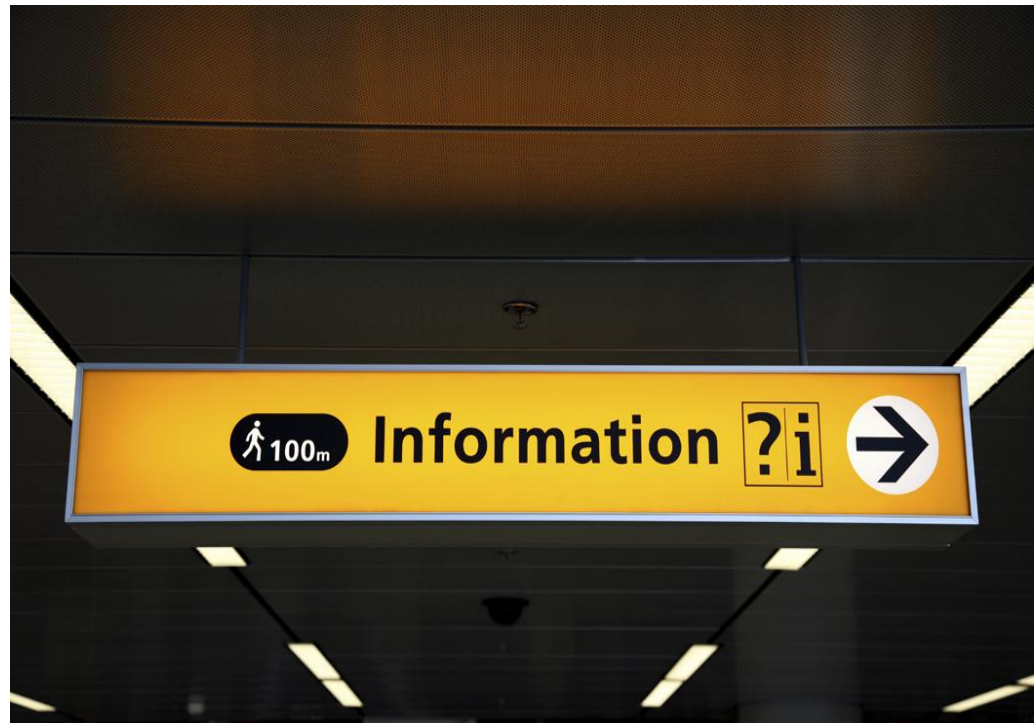


- Forget...**
- 1) who claims child on a tax return
 - 2) what divorce papers say
 - 3) what pre-nuptial agreement says

Parents of Juniors...

Curious to know your projected EFC??

The Federal Government has a form you can complete that gives you an “early estimate” of your EFC based on the *current* year’s income and assets. This will help you make projections for *NEXT* year.



Go to... www.fafsa4caster.ed.gov

Steps for ALL to take NOW!

- **Determine ADMISSION requirements** and what it takes to be *admitted* to various colleges and universities of interest.
- **Determine SCHOLARSHIP requirements** and what it takes to be considered for one.

NOTE: Not every college/university offers academic scholarships, and those that do vary widely as to what they consider to be “outstanding scholarship” for their school.

For example, if the **AVERAGE ACT score for a college is a 28**, then a score of **27** (though **90%** nationally) is going to be **BELOW average** at THAT school and probably will not be scholarship eligible.



And when you are a senior...

- **Apply for admission and gain acceptance.**
 - Different dates for different schools. **USUALLY** must be accepted to a college by December 1 of the senior year in high school to be considered for academic \$\$\$.
 - Know the deadlines!
 - **PRIORITY deadlines** are usually on college websites.

- **Complete any college-specific forms**
 - Varies from school to school
 - Read websites and brochures thoroughly!

- **Complete the FAFSA**
 - **ASAP** *after* January 1 of student's Senior year in HS
 - Available on-line at www.fafsa.gov
 - Make photocopies/download a hardcopy



Observe all required “respond by” deadlines!

And just a word about Interviews and Essays for Competitive Scholarships and/or Schools...

Many scholarships require an essay or interview.
Do's and Don'ts; PLEASE no MDI/DDI...

Occasionally, admission will be influenced by the quality of an interview and/or essay

BUT...

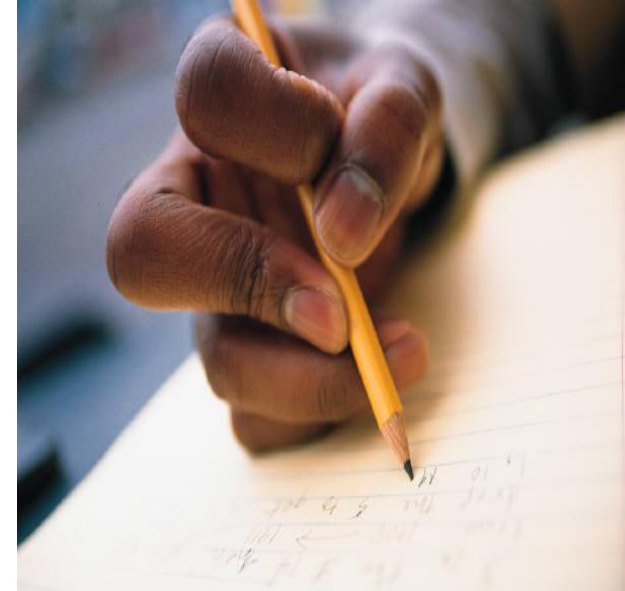
the quality of an interview or an essay will nearly ALWAYS affect scholarship amounts

Practicing for scholarship interviews and perfecting an essay can make thousands of dollars of difference!



You've got homework to do!!

- Request scholarship info from colleges
- Make a "COLLEGE CALENDAR"
- Apply early and well before deadlines
- Make a file for each college you apply to
- Make photocopies/hardcopies for files
- Log info sent/phone calls made
- Make a list of key contact people w/ numbers and e-mail addresses
- Utilize final decision "etiquette"



***Know Your Rights ...
AND Know Your Responsibilities!***

www.nacacnet.org/MemberPortal/AboutNACAC/Policies/

***then scroll to hand-out regarding
"Students Rights and Responsibilities"***

QUESTIONS???



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