

FINANCIAL AID INFORMATION

The issue at hand is FINANCIAL AID for the 2010-2011 academic year. The information presented here is the bare minimum. If you want to learn more, I urge you to attend our Financial Aid workshop on Tuesday, November 10, in the lunch Room at 2;30. EducationQuest will be here to present the workshop.

FINANCIAL AID

What's available:

- Scholarships (merit and need based)
- Grants* (need-based)
- Work-Study* (need-based)
- Loans* (need and non-need-based)

*Based on FAFSA results

Scholarship Resources on the web:

- ✓ ScholarshipQuest at Educationquest.org
- ✓ Collegeboard.com
- ✓ www.scholarshipmonkey.com
- ✓ Scholarships.com
- ✓ Schoolsoup.com
- ✓ ScholarshipExperts.com
- ✓ <https://studentaid2.ed.gov/logon.asp>

Scholarship warning! Students and parents should never pay for scholarship searches or financial aid services!

Merit-based aid is aid that students get because of their academic, musical, artistic, physical, etc. abilities. It is aid that you do not have to pay back.

Need-based aid was created by the government to remove financial barriers, provide access to

postsecondary education, and to provide students with a choice. Simply put the definition of need is given by the following:

Cost of Education

$$\text{- Expected Family Contribution from } \underline{\text{FAFSA results}} \\ \text{= Financial Need}$$

The cost of education for each school varies. It is based on the following: 1. Tuition and fees. 2. Room and board. 3. Books and supplies. 4. Transportation. 5. Miscellaneous personal. Because the cost of education varies for each school, your financial need can differ, depending on the college you attend.

Grants

- **Federal Pell**
 - Limited to first bachelor's degree
 - Range \$976-\$5,350 (usually around \$1,000)
 - EFC must be \$4,617 or below

- **Academic Competitiveness Grant (ACG)**
 - Must be Pell eligible
 - 1st year or 2nd year student in 2 or 4 year degree program
 - Must have completed a rigorous secondary school program of study (4 years of English, 3 years of math - algebra 1 and above, 3 years of science - Biology, Biology 2, chemistry, physics, 3 years of social studies, and 1 year foreign language.
 - Must have a 3.0 GPA in eligible program for second year award
 - First-year award \$750 maximum
 - Second-year award \$1,300 maximum

- Federal SEOG (Supplemental Education Opportunities Grant)
 - ❖ Priority to Pell Grant recipients
 - ❖ Campus-based
 - ❖ Limited to first bachelor's degree
 - ❖ Range \$100-\$4,000 (usually around \$400)
 - ❖ Apply early-limited \$\$

- Work Study
 - Need-based
 - Campus-based
 - Earn money while attending college - on campus or off campus
 - At least minimum wage
 - Earnings won't affect next year's financial aid
 - Ave 12-15 hours/week
 - Earn it during the year (don' have it at the start)

Student Loans

- Federal Family Education Loans
 - You chose lender (college may provide list)
- William D. Ford Federal Direct Loans
 - Borrow from federal government (UNL & Chadron)
- **Need-Based**
 - ❖ Perkins Loan
 - ❖ Borrow from college (limited \$\$)
 - ❖ 5% interest rate
 - ❖ No fees
 - ❖ Loan limits-\$4,000/yr undergraduate
 - ❖ 9 month grace period
 - ❖ 10 year repayment
 - Subsidized Stafford Loan (most common)
 - ❖ \$3.500 max for freshman
 - ❖ 5.6% fixed interest rate

- ❖ 4.5% fixed interest rate effective 7/1/10
- ❖ Up to 1.5% in fees
- ❖ 6 month grace period
- ❖ 10 year repayment
- **Non-Need Based**
 - Unsubsidized Stafford Loan
 - ❖ \$3,500 max for 1st year (subsidized + unsubsidized)
 - ❖ 6.8% fixed interest rate
 - ❖ Up to 1.5% in fees
 - ❖ Borrower pays all interest
 - ❖ 6 month grace period
 - ❖ 10 year repayment
- **Plus Loan**
 - Parent borrows for dependent children
 - Must be creditworthy
 - May borrow cost of education minus other aid
 - 8.5% fixed interest rate (FFELP)
 - 7.9% fixed interest rate (Direct)
 - Up to 1.5% in fees
 - 10 year repayment immediate repayment-may request deferment
- **Other Resources**
 - Workforce Development
 - Bureau of Indian Affairs
 - Military Service Scholarships
 - Vocational Rehabilitation
 - AmeriCorps
 - Veteran Benefits
 - Alternative Loans
- **Alternate Loans**
 - **Pros**
 - No payment generally required while in school
 - Loan is in student's name

- Provides additional funding when other loan options fall short
- **Cons**
 - Higher interest rates than Title IV loans
 - Unpaid interest often capitalized
 - Stricter credit requirements
 - May require co-signer

Application Forms

- Institutional
 - College specific questions
 - Complete and return to college
 - Separate from verification
- Student Profile-CSS
 - Typically not needed in Nebraska
 - Has a \$9 fee plus \$16/school
 - Serves as institutional application for certain colleges
 - Uses financial info from 3 years
- Free Application for Federal Student Aid (FAFSA)
 - Universal form
 - Application for federal, state, and college-based aid
 - Processed at no charge to students if you go to FAFSA.gov
 - Complete after January 1
 - Use 2009 student/parent federal tax information
 - Meet priority filing dates - in other words file income tax as soon as possible

The philosophy of federal aid is that parents and students are responsible for paying for higher education. Every family's situation is evaluated consistently.

Financial Aid Process - How it works.

Get PIN
Complete FAFSA
Send to PROCESSOR

Processor sends report to COLLEGE and STUDENT (SAR)

COLLEGE SENDS AWARD NOTIFICATION to Student
Listing awards, student loans, etc.

PERSONAL IDENTIFICATION NUMBER (PIN)

- Request at www.pin.ed.gov SUGGEST APPLY NOW
 - Student and Parent must register
 - Must provide SSN, name (as appears on social security card), address, date of birth
 - Select 4-digit pin (REMEMBER IT)
 - Can be viewed immediately
 - Will be e-mailed within 3 days or mailed within 7-10 days of request
 - Serves as electronic signature
 - Required to make electronic FAFSA Corrections
 - Allows access to grant and loan data on the web

FAFSA OPTIONS - You may apply at www.fafsa.ed.gov.
You will need signature page or PIN. **This option is suggested as the method to use.** There is a paper option for 10-11-available as a PDF at educationquest.org.

The financial aid process can be confusing as well as frustrating. If you have any questions, please

feel free to contact me at school, or contact the financial aid office at the institution you are considering. Another excellent source of information is the Educationquest. They have tools ranging from a video to FAFSA Tutorial to help you complete the FAFSA.

GET YOUR FINANCIAL AID QUESTIONS ANSWERED AT OUR FINANCIAL AID WORKSHOP ON Tuesday, NOVEMBER 10, IN THE LUNCH ROOM STARTING AT 2:30.