



PAYING FOR COLLEGE IS A FAMILY AFFAIR AND HERE'S HOW IT WORKS

THE SAD FACT is many students who earn admission to college never go because they do not complete the financial aid process.

THE GOOD NEWS is there are lots of ways to pay for college and lots of information and help are available to students who honestly need financial aid assistance.

FACTS WORTH NOTING:

- The earlier you begin to think about paying for college the better.
- Money is available to almost every student who attends college.
- No one gets financial aid by wishing! You need to apply and follow through.
- Even the most ambitious student will need assistance from the adults in the household in order to complete the financial aid application process.
- You do not need to pay anyone to help you apply for financial aid! Beware of anyone who offers a service for a fee.
- Often the most expensive colleges have the “deepest pockets” and can help the very neediest students to make college affordable.

In a perfect world, families begin thinking about college finances when their children are still in grade school. But we all know this is not a perfect world. So—the time for you to start thinking about paying for college is TODAY!

There is a lot of money available to students with need:

While it is true that college costs increase almost yearly, it is also true that there is more financial aid available than ever before—according to the College Board, more than \$199 billion. This money comes from the following sources:

- US Government programs, which provide \$146.5 billion a year in grants, loans and work-study assistance.
- State grant and loan programs.
- College and university grant, loan and scholarship programs.
- Scholarships given by foundations, corporations, and community organizations.

These are the sources of financial aid:

- **Grants and scholarships:** Also called “gift aid,” grants are based on financial need and do not need to be repaid. Scholarships are most-often awarded on the basis of strong academic achievement, a special talent or ability, or personal characteristics.
- **Work-study:** This option gives students the opportunity for part-time employment either on campus or off campus at a private, non-profit organization or public agency to help them meet their financial need.

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- **Loans:** These are offered to students or parents and must be repaid. Loans that are awarded based on financial need are low-interest loans, usually sponsored by the federal government. Interest on these loans is paid by the government for students with the greatest need. Repayment does not begin until six months after completion of the college program and may be deferred until a later date under some special circumstances.

APPLYING FOR FINANCIAL AID IS TIME-CONSUMING, BUT NOT HARD! Here is how the need-based application process generally works:

1. Every student must complete the Free Application for Federal Student Aid (FAFSA). This is the only application required by many colleges, and should be completed as soon as possible after January 1 of the senior year. As the name says, this is free! This form is completed online, although a paper copy is available. The website is **www.fafsa.gov** (NOT “.com,” a fee-based, unnecessary service).
2. A few colleges and universities also require that students complete a financial aid form specific to the institution, or the College Scholarship Service Profile application, which is offered through the College Board. There is a fee for this form, but students from low-income families with limited assets will automatically receive fee waivers.
3. Financial aid offices use the information provided through these forms to determine a family’s ability to pay for college. This is called the “estimated family contribution” (EFC), and it is always the same, regardless of the cost of the college. That means that financial aid can help you afford even the most expensive college, if you qualify for admission.
4. In the spring of the senior year, colleges notify students of the amount and type of aid offered.
5. Students have until May 1 to compare offers of admission and financial aid to make one final college enrollment decision.

There are many people and resources who can help you find your way through the financial aid process. Your school counselor, your teachers, adults in your community or place of worship may all be available to advise you. At every college you consider, financial aid officers will be eager to help students and families understand and complete the financial aid process. Don’t be afraid to ask for lots and lots of help.

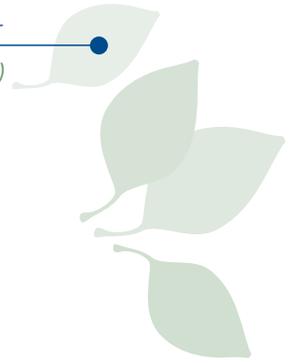
If you are a good student and an active participant in school and community, you may qualify for scholarships offered by corporations, foundations, religious organizations, or community groups. Ask at your school about possibilities. Do some research online at FastWeb (www.fastweb.com/) and The College Board (http://apps.collegeboard.org/cbsearch_ss/welcome.jsp).

In the end, all of the work required to apply for financial aid is well worth the effort! In 2011, the US Census Bureau report that:

- Bachelor’s degree recipients working full-time earned an average of \$56,500 (before taxes).
- High School graduates working full-time earned an average of \$35,400 (before taxes).

Over the course of your life and career that difference will make up for the cost of even the most expensive college—many times over.

For more information on financial aid visit: **www.finaid.org** and **www.studentaid.ed.gov**



HERE IS HOW ONE STUDENT FINANCED HER FIRST YEAR IN COLLEGE:

Susan Smart

Total Cost: **\$21,120**

(Tuition, Room and Board, Books, Fees, Travel)

EFC **\$3,241**

(Estimated Family Contribution as determined by FAFSA)

Financial need: **\$17,879**

How she pays:

Scholarship from college	\$4,000
Federally subsidized student loan	\$3,500
State scholarship	\$2,500
Federal Pell Grant	\$1,060
Federal Perkins Loan	\$2,400
Federal SEOG Grant	\$300
Federal Work Study	\$1,600
Scholarship from church	\$1,500
Summer earnings	\$1,019

