

***SENIOR CLASS 2019***  
***Financial Aid 101***

# *What Will You Learn?*

- *Financial Aid Definitions*
- *Financial Aid Programs*
- *Applying for Financial Aid using the Free Application for Federal Student Aid (FAFSA)*
- *Role of the Financial Aid Office*
- *Money Management as a College Student*

# *Financial Aid Definitions*

*Common Terms to Learn and Know*



# *What is Financial Aid?*

- *Money to help you pay for college or career school.*
- *Can come from a variety of sources.*
- *Can come in a variety of forms.*

# *Types of Aid: Definitions*

- ***Merit-based Aid:***

- *Usually awarded based on good grades, high test scores, extracurricular involvement, personal characteristics, or special talent/ability.*
- *Typically requires separate application process.*

- ***Need-based Aid:***

- *Eligibility based on family financial strength as determined by the FAFSA.*
- *Awarded as gift aid and self-help aid from a variety of federal, state, institutional, and private sources.*

# *Types of Aid: Definitions*

- ***Gift Aid:***
  - *Typically does not need to be repaid.*
- ***Self-Help Aid:***
  - *Typically requires work or repayment.*
  - *Student takes responsibility for this type of aid.*

# *What is Financial Aid?*

- *Scholarships*

- *Grants*

*Gift Aid*

- *Loans*

- *Employment*

*Self-Help  
Aid*

# *Gift Aid: Scholarships*

- *Money that does not have to be paid back.*
- *Awarded on the basis of merit, need, skill, or unique characteristics.*
- *Awarded by schools, community agencies, and other organizations.*
- *Start searching and applying during junior and senior year of high school.*
- *Talk to university or college about possible scholarship opportunities.*



# *Gift Aid: Grants*

- *Money that does not have to be paid back.*
- *Usually awarded on the basis of financial need.*
- *The FAFSA is the application for federal and state grants.*
- *What is the priority filing deadline at the school you are attending?*

# *Self-Help Aid: Loans*

- *Money students and parents borrow to help pay college expenses.*
- *Repayment usually begins after education is finished.*
- *Amount based on need and educational level.*
- *May come from government (Federal Direct Loans) or private lenders.*
- *Look at loans as an investment in the future.*
- *Only borrow what is really needed.*

# *Self-Help Aid: Employment*

- *May be through Federal Work-Study program or private employers.*
- *Allows student to earn money to help pay educational costs through a paycheck or nonmonetary compensation (such as room and board).*
- *Students should consider how they will balance work and school before starting a job.*

# *Definition of Financial Need*

***Cost of Attendance***                      ***(Variable)***

– ***Expected Family Contribution***   ***(Fixed)***

---

= ***Financial Need***                      ***(Variable)***

# *Cost of Attendance (COA)*

- *An estimate of the total cost to attend a school for one academic year.*
- *Will vary from school to school.*
- *Includes both direct and indirect costs:*
  - *Tuition and fees*
  - *Books and supplies*
  - *Housing/Food (Room/Board)*
  - *Transportation allowance*
  - *Personal expense allowance*

# *Expected Family Contribution (EFC)*

- *Calculated by a federal formula using information provided on the FAFSA.*
- *Will be the same from school to school.*
- *Used by schools to determine your eligibility for financial aid.*
- *Amount the government determines a family can reasonably be expected to contribute.*
- *Not the amount of money your family will have to pay for college.*
- *Not the amount of federal financial aid you will receive.*

# *Expected Family Contribution (EFC)*

- *Two components*
  - *Parent contribution*
  - *Student contribution*
- *Based on financial information:*
  - *Household size*
  - *Number in college*
  - *Student and parent taxed and untaxed income*
  - *Student and parent assets*
  - *Benefits received (such as unemployment or Social Security)*

# *EFC Calculation:*

## *Principles of Federal Need Analysis*

- *To the extent they are able, parents have the primary responsibility to pay for their dependent children's education.*
- *Students also have the responsibility to contribute to their educational costs.*
- *A family's ability to pay must:*
  - *Be evaluated annually.*
  - *Be determined in an equitable and consistent manner.*
  - *Reflect that special circumstances can and do occur.*



# *Financial Aid Programs*

*Sources of Financial Aid to Help Cover Your Educational Costs*



# *Sources of Financial Aid*

- ***Federal Government***
- ***State Government***
- ***Individual Colleges and Universities (Institutional Funds)***
- ***Private Agencies and Organizations (External Funds)***
- ***Employers***
- ***Student and Parent***

# *Sources of Aid: Federal Aid Programs*

- *Largest source of financial aid.*
- *Aid awarded primarily on the basis of financial need.*
- *Must apply each year using the FAFSA.*

# *Sources of Aid: Federal Aid Programs*

- ***Pell Grant***

- *Based on EFC and financial need.*
- *Maximum amount is the same at all schools.*
- *The amount you receive is based on your enrollment level.*

- ***Federal Supplemental Educational Opportunity Grant (FSEOG)***

- *“Supplements” the Pell Grant.*
- *Amount varies from school to school.*
- *Limited funds available. Apply early.*

# *Sources of Aid: Federal Aid Programs*

- ***TEACH Grant***

- *Available to students in certain eligible programs.*
- *Requires commitment to serve after graduation.*
- *Not available at all schools.*

- ***Iraq and Afghanistan Service Grant***

- *Available to students with a parent or guardian who died as a result of military service performed in Iraq or Afghanistan after 9/11.*

# *Sources of Aid: Federal Aid Programs*

- ***Federal Work-Study***

- *Provides part-time jobs for undergraduate students with financial need.*
- *Earn money to help pay education expenses.*
- *Work is on-campus or with local community organizations.*
- *Jobs, award amounts, and award availability vary from school to school.*
- *Student receives a paycheck which can be used to pay for living expenses as well as direct educational costs.*

# *Sources of Aid: Federal Aid Programs*

- *Federal Direct Student Loans*

- *Money students borrow from the government to help pay college expenses.*
- *Feature a fixed interest rate.*
- *Loan may be subsidized or unsubsidized.*
- *No credit check or cosigner required.*
- *Borrowing limits increase as you progress in your degree program.*
- *Must be repaid.*
  - *Consider the loan an investment in your future. Only borrow what you really need.*
  - *Repayment begins after you leave school. Government offers flexible repayment options.*

# *Sources of Aid: Federal Aid Programs*

- ***Federal Direct Parent PLUS Loans***

- *Money borrowed by creditworthy parent to help pay child's educational costs.*
- *Feature a fixed interest rate.*
- *Credit check required.*
- *Interest is unsubsidized.*
- *Repayment can be deferred upon request while the student is in school.*
- *Limited to cost of attendance minus other aid/resources.*



# Sources of Aid: Federal Aid Programs

- **Rates, Fees, and Payment Information**

	Interest Rate	Origination Fees	Monthly Payment per \$10,000
Direct Loan	5.04%	1.066%	\$103
Parent PLUS	7.59%	4.264%	\$115

Note: Fees for loans funded October 1, 2017 to September 30, 2018.



# Sources of Aid: State of Texas

[www.collegeforalltexas.com](http://www.collegeforalltexas.com)

The screenshot shows the homepage of the College For All Texans website. At the top, there is a navigation bar with the text "COLLEGE FOR ALL TEXANS" and a search box. Below this is a main content area with the heading "GET THE FACTS, PLAN, APPLY". Underneath the heading are three columns, each featuring a photograph of a person and a label: "Students" (a young woman), "Military" (a man in a military uniform), and "Adult Learners" (a man with glasses). Below these columns is the text "Select a student type to learn more...". At the bottom of the main content area, there is a copyright notice: "Copyright © 2017 Texas Higher Education Coordinating Board. All Rights Reserved." and links for "Site Policies | Site Map | Contact". Below the main content area is a large banner for the "60x30TX" initiative, which includes the text "By 2030, at least 60 percent of Texans ages 25-34 will have a certificate or degree." Below the banner are three columns with the headings "Inspiration", "Exploration", and "Application". Under "Inspiration" is the "OPEN TV" logo. Under "Exploration" is the "COMPARE COLLEGE | TX" logo. Under "Application" is the "ApplyTexas" logo.



# *Sources of Aid: State of Texas*

*www.collegeforalltexas.com*

- [\*Fifth Year Accounting Student Scholarship Program\*](#)
- [\*Kenneth H. Ashworth Fellowship Program\*](#)
- [\*Marine Corps Foundation Scholarship\*](#)
- [\*National Health Service Corps \(NHSC\) Scholarship\*](#)
- [\*Texas Armed Services Scholarship Program\*](#)
- [\*Texas Educational Opportunity Grant Program \(TEOG\)\*](#)
- [\*Texas Public Educational Grant Program \(TPEG\)\*](#)
- [\*Top 10 Percent Scholarship Program \(Top 10%\)\*](#)
- [\*Toward EXcellence, Access and Success Grant Program \(TEXAS Grant\)\*](#)
- [\*Tuition Equalization Grant Program \(TEG\)\*](#)

# *Sources of Aid: School Aid Programs (Institutional)*

- *Award aid on the basis of both merit and need.*
- *Aid may be gift aid or self-help aid.*
- *Use information from the FAFSA and/or institutional applications.*
- *Deadlines and application requirements vary by institution. Check with each college or university.*

## *Sources of Aid: Private Sources of Aid (External)*

- *Deadlines and application procedures vary widely.*
- *Consider organizations (community groups, churches, volunteer groups, etc.) in which the student and/or family belong.*
- *Application process usually occurs during spring of senior year. Start researching early!*
- *Small scholarships add up!*

# *Sources of Aid: Private Sources of Aid (External)*

- *Scholarship search engines are also available online.*
- *Excellent websites to start searching:*
  - [www.finaid.org](http://www.finaid.org)
  - [www.fastweb.com](http://www.fastweb.com)
  - [www.collegeboard.org](http://www.collegeboard.org)
- *Scholarship search services that charge fees are NOT recommended.*

# *Sources of Aid: Employers*

- *Companies may have scholarships available to the children of employees.*
- *Companies may have educational benefits for their employees.*
- *Companies may offer you loan assistance when you are hired after graduation.*

# *Sources of Aid: Students and Parents*

- *Start saving money now to help pay for school.*
- *Can use College Savings 529 plans to help cover costs.*
- *Consider working reasonable hours while in college to help fund your education.*



# *Sources of Aid: Other Resources*

- *Veterans Benefits*
  - *G.I. Bill benefits*
  - *Dependent Educational Assistance Program (DEAP)*
  - *Veterans Educational Assistance Program (VEAP)*
- *Military Service Scholarships (ROTC)*
- *Bureau of Indian Affairs (BIA) Grants*
- *Vocational Rehabilitation*
- *National Guard*
- *Hazelwood Act (for Veteran)*
- *Hazelwood Act/Legacy Act (for Child of Veteran)*

# *Applying for Financial Aid*

*Steps in Completing the Free Application for Federal Student Aid*

# *Free Application for Federal Student Aid (FAFSA)*

- *A standard form that collects demographic and financial information about the student and family.*
- *May be filed electronically or by mail.*
- *Submitting the FAFSA online at [www.fafsa.gov](http://www.fafsa.gov) is highly recommended.*
- *Available in English and Spanish.*
- *FREE – do not pay to file.*

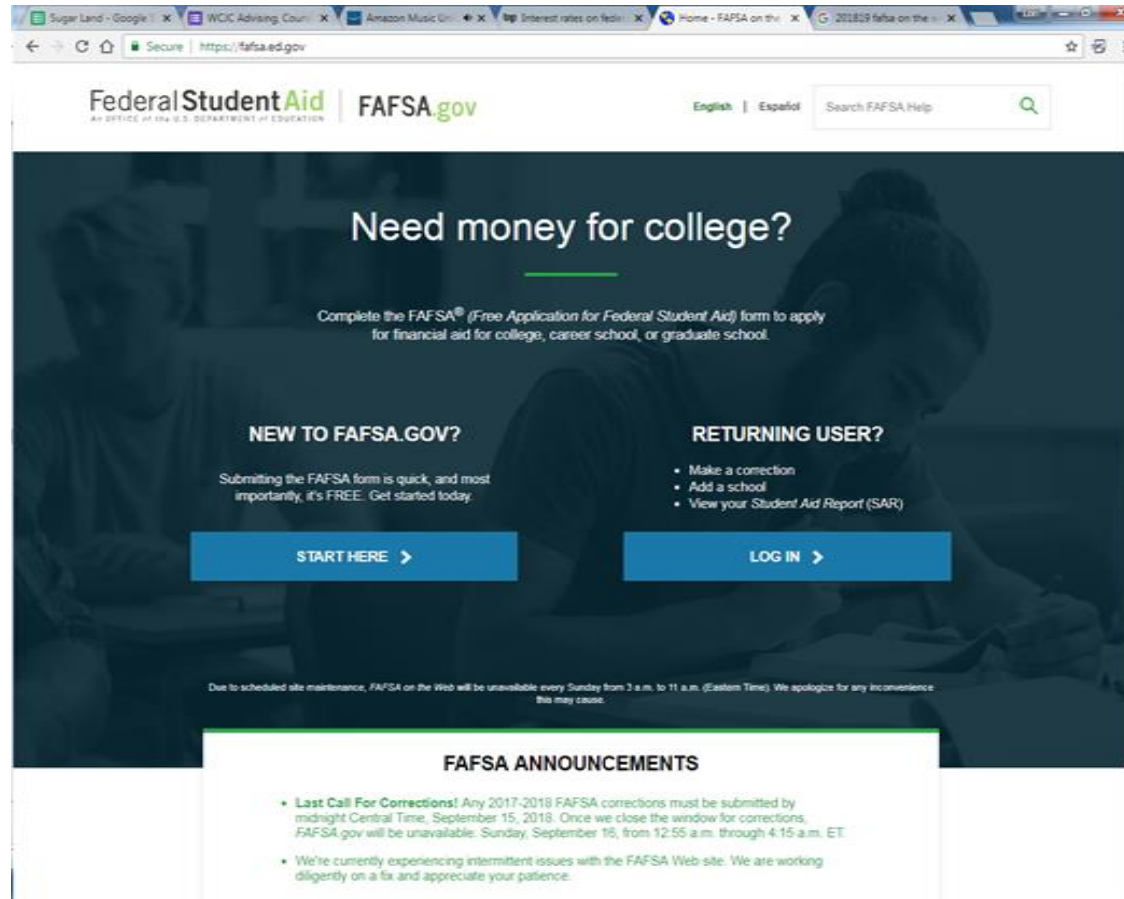
# *FAFSA*

- *Information used to calculate the Expected Family Contribution (EFC)*
  - *Amount of money a student and his or her family may reasonably be expected to contribute towards the cost of the student's education for an academic year.*
- *Colleges use EFC to award financial aid.*

# FAFSA

- *May be filed at any time during an academic year, but no earlier than the October 1<sup>st</sup> prior to the academic year for which the student requests aid.*
- *For the 2019-20 academic year, the FAFSA may be filed beginning October 1, 2018.*
- *Your college or school may have an earlier filing deadline.*

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



The screenshot shows the homepage of the FAFSA.gov website. At the top, there is a navigation bar with the "Federal Student Aid" logo, the "FAFSA.gov" text, and language options for "English" and "Español". A search bar for "Search FAFSA Help" is also present. The main content area features a large dark blue background with the heading "Need money for college?". Below this, a sub-heading states: "Complete the FAFSA® (Free Application for Federal Student Aid) form to apply for financial aid for college, career school, or graduate school." Two primary call-to-action buttons are displayed: "START HERE >" for new users and "LOG IN >" for returning users. The "RETURNING USER?" section lists three options: "Make a correction", "Add a school", and "View your Student Aid Report (SAR)". A small notice at the bottom of the main area indicates a scheduled site maintenance period on Sunday from 3 a.m. to 11 a.m. Eastern Time. Below the main content, a white box titled "FAFSA ANNOUNCEMENTS" contains two bullet points: one regarding the "Last Call For Corrections" for the 2017-2018 FAFSA form and another about intermittent website issues.

English | Español Search FAFSA Help

## Need money for college?

Complete the FAFSA® (Free Application for Federal Student Aid) form to apply for financial aid for college, career school, or graduate school.

**NEW TO FAFSA.GOV?**  
Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

**RETURNING USER?**

- Make a correction
- Add a school
- View your Student Aid Report (SAR)

**START HERE >** **LOG IN >**

Due to scheduled site maintenance, FAFSA on the Web will be unavailable every Sunday from 3 a.m. to 11 a.m. (Eastern Time). We apologize for any inconvenience this may cause.

### FAFSA ANNOUNCEMENTS

- **Last Call For Corrections!** Any 2017-2018 FAFSA corrections must be submitted by midnight Central Time, September 15, 2018. Once we close the window for corrections, FAFSA.gov will be unavailable: Sunday, September 16, from 12:55 a.m. through 4:15 a.m. ET.
- We're currently experiencing intermittent issues with the FAFSA Web site. We are working diligently on a fix and appreciate your patience.

# *FAFSA on the Web*

## *Good reasons to file electronically:*

- *Faster and easier than completing a paper application.*
- *Built-in edits to prevent costly errors.*
- *Skip-logic allows student and/or parent to skip unnecessary questions.*
- *Option to use Internal Revenue Service (IRS) Data Retrieval Tool to import tax data.*

# *FAFSA on the Web*

## *Good reasons to file electronically:*

- *More timely submission of original application and any necessary corrections.*
- *More detailed instructions and “help” for common questions.*
- *Ability to check application status online.*
- *Simplified application process in the future.*



# *FAFSA Information: General Student Information*

- *Social Security Number*
- *Citizenship status*
- *Marital status*
- *Drug convictions*
- *Selective Service registration*
- *Level of parents' school completion*

# *FAFSA Information: Student Dependency Status*

*FAFSA asks questions to determine dependency status for federal student aid (not IRS) purposes:*

- *If all “No” responses, student is dependent.*
- *If “Yes” to any question, student is independent.*

# *FAFSA Information: Student Dependency Status*

- *Why is parent information included?*
- *The federal government considers a student a dependent of their parents unless the student is:*
  - *24 years of age or older*
  - *Married*
  - *Veteran or on active duty*
  - *A graduate student*
  - *An orphan or ward of the court*
  - *Financially supporting his or her own dependents*
  - *An emancipated minor*
  - *In a legal guardianship*
  - *An unaccompanied or homeless youth*
- *Does not matter if students are living on their own or financially supporting themselves.*

# *FAFSA Information: Parents of Dependent Students*

*Information reported on the FAFSA includes:*

- *Tax, income, and other financial information*
- *Dislocated worker status*
- *Receipt of federal means-tested benefits*
- *Assets*
- *Untaxed income*

# *FAFSA Information: Student (and Spouse)*

*Information reported on the FAFSA includes:*

- *Tax, income, and other financial information*
- *Dislocated worker status*
- *Receipt of federal means-tested benefits*
- *Assets*
- *Untaxed income*

# *FAFSA Information: Household Size*

- *The number in household should include:*
  - *Student and his/her parents*
  - *Others who live in household and receive more than half of their financial support from parents*
- *Household definitions can be complicated*
  - *In case of divorce or separation, include the parent that:*
    - *The student lived with most recently, or*
    - *Provides the most financial support for the student*
  - *If a parent is remarried, include stepparent's information*

# *FAFSA Information: Number in College*

- *Reported number in college should include student and any other dependent attending college during the FAFSA year.*
- *Do not include parents who are attending college.*
- *Ask a financial aid counselor if you have further questions.*

# *FAFSA Information: Student and Parent Income*

- *Taxable income determined from most recent federal income tax form information.*
- *Untaxed income such as child support received.*
- *If you have filed your tax return, you may be able to import your tax information from the IRS.*
- *Allowances for living expenses, taxes paid, etc. are provided in the EFC calculation.*



# *IRS Data Retrieval Tool*

- *While completing FOTW, applicant may submit real-time request to IRS for tax data.*
- *IRS will authenticate taxpayer's identity.*
- *If match found, IRS sends real-time results to applicant in new browser window.*
- *Applicant chooses whether or not to transfer data to FAFSA.*

# *IRS Data Retrieval Tool*

- *Participation is voluntary.*
- *Reduces documents requested by financial aid office.*

# *IRS Data Retrieval Tool*

- *Some will be unable to use DRT.*
- *Examples include:*
  - *Filed an amended tax return.*
  - *No Social Security Number (SSN) was entered.*
  - *Student or parent married but filed separately.*

# *FAFSA Information: Student and Parent Assets*

- *Assets include:*
  - *Value of cash/savings/checking accounts.*
  - *Net worth of investments, business >100 employees, investment farm, qualified education benefits (e.g., 529 plans).*
  - *NOTE: 529 plans in dependent student name is reported as parent asset.*
- *Do NOT need to report value of primary home, family farm, small business (<100 FT employees), and retirement plans.*

# *FAFSA Information: Signatures*

- ***Required***
  - ***Student***
  - ***One parent (dependent students)***
- ***Format for submitting signatures***
  - ***Electronic using FSA ID***
  - ***Signature page***
  - ***Paper FAFSA***

# *FAFSA Processing Results*

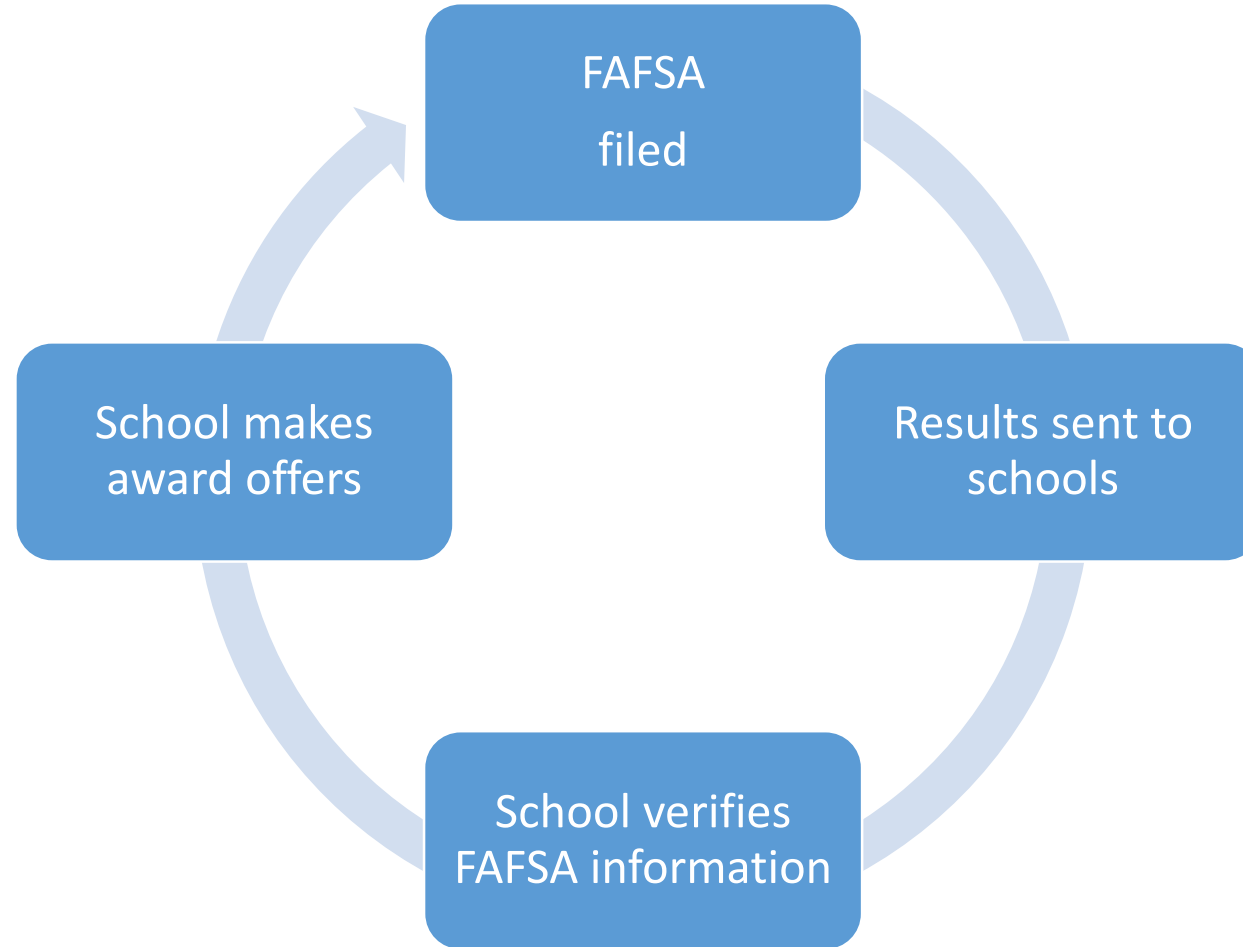
*Central Processing System (CPS) notifies student of FAFSA processing results by:*

- *Paper Student Aid Report (SAR) if paper FAFSA was filed and student's email address was not provided.*
- *SAR Acknowledgement if filed FAFSA on the Web and student's email address was not provided.*

# *FAFSA Processing Results*

- ***CPS notifies student of FAFSA processing results by:***
  - ***Email notification containing a direct link to student's online SAR if student's email was provided on paper or electronic FAFSA.***
- ***Student with FSA ID may view SAR online at [www.fafsa.gov](http://www.fafsa.gov).***

# *FAFSA Processing Results*





# *Student Aid Report*

- *Review data for accuracy and correct any errors.*
- *Update estimated tax information when actual figures become available.*

# *Making FAFSA Corrections*

*If necessary, corrections to FAFSA data may be made by:*

- *Using FAFSA on the Web ([www.fafsa.gov](http://www.fafsa.gov)) if student has a FSA ID;*
- *Updating paper SAR (SAR Information Acknowledgement cannot be used to make corrections); or*
- *Submitting documentation to college's financial aid office.*

# *FAFSA Tip #1: Plan Ahead*

- *Before beginning, get organized.*
- *To complete the FAFSA, you will need:*
  - *Your Social Security Number or Alien Registration Number (if you are not a U.S. citizen).*
  - *Your prior, prior year's federal income tax returns, W-2s, and other records of money earned.*
  - *Bank statements and records of investments (if applicable).*
  - *Records of untaxed income (if applicable).*
  - *An FSA ID to sign electronically.*
- *Use the FAFSA on the Web Worksheet at [www.fafsa.gov](http://www.fafsa.gov) to review questions before you start. **DON'T MAIL THE WEB WORKSHEET!***
- *Find the Federal School Code for your college(s).*



## *FAFSA Tip #2: Create FSA Username and Password*

- *To “sign” the FAFSA and complete other Department of Education documents, you will need an FSA username and password.*
- *Not required, but speeds processing.*
- *Both the student and one parent should create their username and password before starting the online application.*
- *Create your FSA username and password at [fsaid.ed.gov](https://fsaid.ed.gov).*

# FSA ID

**Federal Student Aid**  
An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of  
the AMERICAN MIND®

## Create a New FSA ID

An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature.

Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member. Misrepresentation of your identity to the federal government could result in criminal or civil penalties.

To create your own personal FSA ID, enter answers for the questions below and select CONTINUE.

*Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires.*

→ Required

Create An FSA ID | Edit My FSA ID

E-mail	<input type="text"/>	?
Confirm E-mail	<input type="text"/>	?
Username *	<input type="text"/>	?
Password *	<input type="password"/>	?
	<input checked="" type="checkbox"/> Numbers <input checked="" type="checkbox"/> Uppercase Letters <input checked="" type="checkbox"/> Lowercase Letters <input checked="" type="checkbox"/> Special Characters <input checked="" type="checkbox"/> 8-30 Characters <input type="checkbox"/> Show Text	
Confirm Password *	<input type="password"/>	?
Are you 13 years of age or older? *	<input type="radio"/> I am 13 years of age or older. <input type="radio"/> I am 12 years of age or younger.	?

[Edit My FSA ID](#)  
[Frequently Asked Questions](#)

**CONTINUE** >

## *FAFSA Tip #3: Use IRS Data Retrieval*

- *Data retrieval allows you to access your tax information from the IRS and transfer the data to your FAFSA.*
- *You will answer a series of questions on the FAFSA to determine your eligibility.*
- *Do not change any data after importing.*
- *Available 2-3 weeks after filing your tax return electronically or 8-12 weeks after filing your tax return by paper.*

## *FAFSA Tip #4: File as early as October 1 every year*

- *FAFSA can be filed as early as October 1 to be eligible to receive aid for the upcoming school year.*
- *Check to see the **PRIORITY DEADLINE** at your school to get maximum awards.*
- *Award letters sent out earlier will help with decision making process if applying to multiple schools.*

## *More FAFSA Tips: Avoid Frequent FAFSA Errors*

- *Filing the FAFSA for the wrong year.*
- *Name listed on FAFSA does not match name on Social Security card.*
- *Questions that should be completed are left blank (if unsure about a response put zero “0”).*
- *Conflict in marital status and income reported, especially relating to divorced/remarried parent info.*



## *More FAFSA Tips: Avoid Frequent FAFSA Errors*

- *Fail to include untaxed income or income earned by parents or step-parents.*
- *Reporting amount of taxes withheld and not taxes owed.*
- *Reporting the same amount for income earned and taxes paid.*
- *Household size determined incorrectly.*
- *Filing FAFSA at [fafsa.com](http://fafsa.com).*

# *Financial Aid Office*

*Your Guide to Understanding Your Options*




# *Role of the Financial Aid Office*

- *Determines eligibility for aid.*
- *Conducts verification of FAFSA data.*
- *Reviews any special circumstances.*
- *Answers questions about financial aid awards.*

# *Role of the Financial Aid Office*

- ***Sends award notifications which detail:***
  - *Student's cost of attendance and aid eligibility.*
  - *Types and amounts of aid offered (grants, scholarships, work-study, loans).*
  - *How and when aid will be disbursed.*
  - *Terms and conditions of offer.*

# Sample Award Notification



**Institute of the United States (IUS)**  
Tom Brown, 777666

Letter A

**Costs in the 2013-14 year**

<b>Estimated Cost of Attendance for full-time enrollment</b>		<b>\$ 37,875 / yr</b>
Tuition and fees .....	\$ 24,036	
Housing and meals (on-campus resident) .....	9,801	
Books and supplies .....	1,980	
Transportation .....	990	
Other educational costs .....	1,068	

**Grants and scholarships to pay for college**

<b>Total Grants and Scholarships ("Gift" Aid; no repayment needed)</b>		<b>\$ 500 / yr</b>
Grants from your school .....	\$ 500	
Federal Pell Grant .....	0	
Grants from your state .....	0	
Other scholarships you can use .....	0	

**What you will pay for the 2013-14 year**

**Net Costs** (Cost of attendance minus total grants and scholarships) **\$ 37,375 / yr**

**Options to pay net costs**

**Work options**

Work-Study (Federal, state, or institutional) .....	\$ 0 / yr
---	-----------

**Loan options\***

Federal Perkins Loan .....	0
Federal Direct Subsidized Loan .....	\$ 5,500 / yr
Federal Direct Unsubsidized Loan .....	4,750 / yr


\*Recommended amounts shown here. You may be eligible for a different amount. Contact your financial aid office.

**Other options**

<b>Family Contribution</b>		<b>\$ 16,625/ yr</b>
<small>(As calculated by the institution using information reported on the FAFSA or to your institution.)</small>		
<ul style="list-style-type: none"> <li>• Payment plan offered by the institution</li> <li>• Parent PLUS Loan</li> </ul>	<ul style="list-style-type: none"> <li>• Military and/or National Service benefits</li> <li>• Non-Federal private education loan</li> </ul>	

**Graduation Rate**

Percentage of full-time students who graduate within 6 years

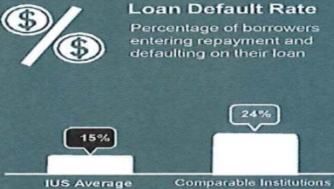


69%

LOW	MEDIUM	HIGH
-----	--------	------

**Loan Default Rate**


Percentage of borrowers entering repayment and defaulting on their loan



15% IUS Average      24% Comparable Institutions

**Median Borrowing**

Students at IUS typically borrow \$24,200 in Federal loans over 4 years. The Federal loan payment over 10 years for this amount is approximately \$238 per month. Your borrowing may be different.



**Repaying your loans**

To learn about loan repayment choices and work out your Federal Loan monthly payment, go to: <http://studentaid.ed.gov/repay-loans/understand/plans>

**For more information and next steps:**

**Institute of the United States (IUS)**  
Financial Aid Office  
123 Main Street  
Anytown, ST 12345  
Telephone: (123) 456-7890  
Email: [financialaid@ius.edu](mailto:financialaid@ius.edu)



# *Money Management*

*Tips on Preparing for Financial Success as a College Student*

# *Maximizing Affordability*

- *A college education can be affordable!*
- *Don't rule out colleges based on the "sticker price."*
- *What you actually will pay could be much less.*
- *Apply for as many awards as possible from both internal and external sources.*

# *Maximizing Affordability*

- *Aid packages are often a combination of all resources.*
- *Complete your FAFSA as early as October 1 (or by your college's deadline) for maximum aid eligibility.*
- *Monitor deadlines for all funding opportunities.*
- *Reapply each year if necessary to maintain eligibility.*
- *Maintain sufficient enrollment status and academic performance.*



# Maximizing Affordability

- *Complete your degree as quickly as is realistic.*
- *Avoid failing or withdrawing from classes. Don't pay for the same class twice!*
- *The sooner you graduate, the sooner you stop paying for school or taking out loans and the sooner you start earning money as a graduate.*

# *Minimizing Debt*

- *Students are offered loans up to their maximum eligibility.*
- *You are not required to take the full amount.*
- *Borrow conservatively.*
  - *Use loans as a last resort.*
  - *Borrow only what you need to cover costs not already covered by “free money.”*
  - *Accept a smaller amount at the beginning of the term. You can always request more later.*
  - *Return excess funds if you requested more than you needed.*

# *Minimizing Debt*

- *Pay the interest on your loan while you are in school. Unpaid interest increases your overall balance.*
- *Think critically before using loan funds to pay for non-essential items.*
- *Know what you owe! Track your overall loan balance at [www.nslds.ed.gov](http://www.nslds.ed.gov).*
- *Develop a financial plan for paying for school and living as a student.*

# *Spending Plans for College Students*

- *Costs of going to school are more than tuition and fees.*
  - *Books*
  - *Food*
  - *Rent*
  - *Gas*
  - *Parking permit*
  - *Insurance*
  - *Entertainment*
  - *Gifts*
  - *Cable*
  - *Cell phone*
  - *Emergencies*

# *Spending Plans for College Students*

- *Determine if you have enough financial resources to meet your costs.*
- *List all costs and funds for the academic year.*
- *School and online resources can help estimate costs and track amounts.*
- *Have a conversation with your financial partners (parents, family members, spouses, etc.).*
  - *Determine who will cover what.*
  - *Outline expectations.*
  - *Students: Ask for more than money. Your parents can offer good financial advice.*
  - *Parents: Be realistic and patient with your children. This will be a big change for them.*

# *Spending Plans for College Students*

- *If you have more resources than you need:*
  - *Reduce loan borrowing, if possible.*
  - *Save some for the future.*
- *If you don't have enough resources to cover costs:*
  - *Look for ways to reduce costs.*
  - *Consider employment, if practical.*
  - *Make smart use of loan options.*

# *Ways to Save Money as a College Student*

- *Take advantage of student discounts and free events.*
- *Use streaming services instead of cable.*
- *Cook instead of eating out.*
- *If you pay for a meal plan, use it.*
- *Rent textbooks instead of buying them new.*
- *Walk, ride a bike, or carpool instead of driving.*
- *Add a roommate to reduce rent and utility costs.*
- *Attend school full-time, if possible.*

# *Other Financial Tips for College Students*

- *Know when payments are due.*
- *Know when money will come in.*
- *Be careful with student refunds.*
  - *Money may come from loans.*
  - *Money typically comes all at once at the beginning of the semester.*
  - *Money may need to last 4-5 months.*



# *Other Financial Tips for College Students: Higher Education Tax Benefits\**

- *American Opportunity Credit and Lifetime Learning Credit can help offset the costs of college or career school by reducing the amount of your income tax.*
- *Can also deduct higher education expenses if you don't qualify for a credit.*
- *Deductions also available for student loan interest payments.*
- *Withdrawals from 529 plans are usually not taxed.*
- *Consult your tax advisor and/or the IRS (Publication 970) for more information.*

*\*Tax credits subject to change or elimination with legislation*

# *Questions*

***Lori A. Blust***

***Wharton County Junior College***

***281-243-8431***

***800-561-9252 ext 8431***

***lorib@wcjc.edu***

