

College Planning Guide



Finance College Education

Financing Your College Education



College can be expensive, so the earlier you begin to plan and save for college, the better off you will be. **Lack of money, is not an excuse for not going to college.** There are several ways to gain financial help for college.

How to Apply: Most financial aid programs and many scholarships require that you complete the FAFSA - Free Application for Federal Student Aid. The FAFSA is how your “financial need” is determined. **Plan early and apply on time!**

Financial Aid:

There are several types and sources of financial aid. Financial aid is based on **financial need**. A student must be admitted and matriculated (enrolled) in a degree-granting program to receive financial aid and must be making **satisfactory progress** toward a degree, **including maintaining a minimum GPA**, to keep financial aid. There are three primary types of financial aid:

Need Based Grants

Need Based Grants are awarded by the federal or state government or the college to which you are applying. Need based grants are based on family income. To qualify, you must show that you and your family do not have the financial resources to pay for your education. Most grants require that the students maintain adequate academic progress. **Grants do not have to be repaid.**

Work Study Programs

Work Study Programs provide award funds that are earned through part-time employment. Awards vary depending on a student’s EFC but are typically about \$3,000 per year.

Student Loans

Student Loans are available from colleges, banks, and credit unions. Depending on family income, the interest on student loans may be subsidized (partially paid) by the federal government as long as you remain in school. **Loans must be repaid**, although it may not be necessary to begin re-paying as long as you remain in school. Repayment is usually scheduled over 10 years and payments start 6 months after college graduation.



Scholarships:

Scholarships are offered by colleges, businesses, foundations and other private organizations. Scholarships vary in amount from just a few hundred dollars to a “full-ride” – meaning almost all college expenses such as tuition, books, housing, etc. **Scholarships do not have to be re-paid.** Some scholarships are “renewable” each year. Most scholarships require that students maintain a certain GPA or meet other criteria in order to keep the scholarship.

Students should apply for all scholarships for which they are eligible. Several small scholarships can be just as helpful as one large one.

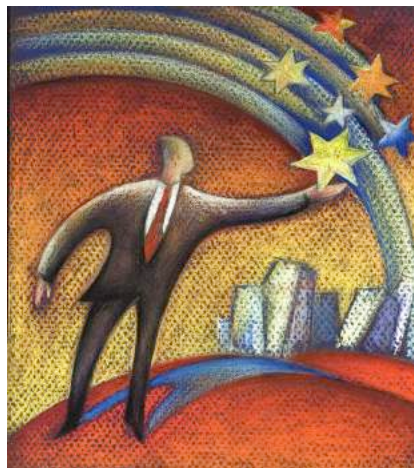
There are two basic types of scholarships:

Merit Scholarships

Merit Scholarships are available to students who excel in one or more areas. For example, students who have very high GPAs, ACT or SAT scores, or who have demonstrated strong leadership potential, or those who have excelled in sports, music, or an academic area are good candidates for a merit scholarship.

Need-based Scholarships

Need-based Scholarships are available to students who face or have overcome particular challenges. For example, there are scholarships for students with disabilities, scholarships for students of low-income families, scholarships for students for specific ethnic or racial backgrounds, etc. Even though the primary purpose is to assist students with financial need, merit, academic achievement and other factors, are usually considered.



The FAFSA

FREE Application for Federal Student Aid

The FAFSA is the first step in the financial aid process. You use it to apply for federal student financial aid, such as grants, loans and work-study. In addition, most states and schools use information from the FAFSA to award non-federal aid.

Federal Student Aid (FSA) uses the data on your FAFSA to calculate an ***Expected Family Contribution (EFC)***. The EFC is an indicator of your family's financial strength to pay for education after high school. Your school will subtract your EFC from your total cost of attendance. The result is your financial need. The EFC is not the amount of money that your family must provide. Rather, you should think of the EFC as an index that colleges use to determine how much financial aid (grants, loans, or work-study) you would receive if you were to attend their school.

There are three ways to complete a FAFSA:

- Online (FAFSA on the Web) at www.fafsa.ed.gov (recommended)
- PDF FAFSA (download file) at www.FederalStudentAid.ed.gov
- Paper FAFSA (request a copy by calling 1-800-4-FED-AID)

Using a Federal Student Aid PIN to sign your application (recommended)

You and your parents are encouraged to apply for a Federal Student Aid PIN to sign your online application before filling out your FAFSA. For a dependent student, at least one parent whose information is provided on the application must sign. Your PIN will serve as an identifier and as your electronic signature. It works much like the personal identification number you get from your bank. You can apply for a PIN from within FAFSA on the Web or at the Federal Student Aid PIN Web site at www.pin.ed.gov.

Documents Needed to Complete the FAFSA

- Social Security Number
 - Driver's license (if any)
 - W-2 Forms or records of money earned
 - Federal Income Tax Return
 - Parents' Federal Income Tax Return
 - Untaxed income records
 - Current bank statements
 - Current business and investment information
 - Alien registration or permanent resident card (if you are not a US. Citizen)
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How Much \$\$\$\$ Will I Need to Go to College?

Cost of attendance varies by institution.

How much financial aid and scholarships you can get is based on the institution's "Cost of Attendance" and your "Estimated Family Contribution".

Estimated family contribution (EFC)

Your EFC will be based on your family's income will determine how much your family (parents, spouse, and you) is expected to contribute to your educational costs.

The EFC is determined by filling out a form called the **Free Application for Student Aid (FAFSA)** form. You will fill out the FAFSA between January and March of your senior year. Upward Bound and high school counselors are available to help.

Most students file their FAFSA on-line. To give you an idea of what to expect, the *FAFSA On-The Web Worksheet for 2009-10* can be downloaded online and used for practice. The actual form that you and your parents will complete will not be available until January 1.

Estimated Cost of Attendance

Each institution sets its own tuition and other expense estimates. For **example**, the following are estimated Cost of Attendance at a California State University (CSU) and a University of California (UC) for the 2009-10 school year. The estimates are based on a "typical" student meeting the following criteria:

- California resident
- Single dependent (not married, no dependents)
- Undergraduate enrolled in two semesters of 12 credit hours, per academic year

CSU

Tuition and Mandatory Fees for 2 semesters	\$4,370-\$6,498
Books & Supplies:	\$1,734
Room/Board – on campus housing	\$7,794-\$11,970*
Transportation	\$1,300
Personal Expenses	\$3,114
TOTAL Cost of Attendance	\$18,312-\$24,616

UC

Tuition and Mandatory Fees for 2 semesters	\$9,749-\$10,095
Books & Supplies:	\$1,734
Room/Board – on campus housing	\$10,655-\$13,641*
Transportation	\$1,300
Personal Expenses	\$3,114
TOTAL Cost of Attendance	\$26,551-\$29,884

** Students meeting different criteria, such as living off campus, but not with family would have a different “cost of attendance”.*

Financial Need:

Financial Need is the difference between the estimated Cost of Attendance and your EFC. For

EXAMPLE:

\$18,312 Total estimated cost to attend the college or university
 \$1000 Expected family contribution (EFC – determined by your FAFSA)
\$17,312 TOTAL Need

Once the need has been determined, then the financial aid “package” can be built.

FOR EXAMPLE:

\$17,912 TOTAL Need
 \$4,000 Pell Grant
 \$2,600 Scholarships
 \$3,000 University Grant
 \$3,000 Federal Work Study
\$12,600 TOTAL Aid
\$5,312 Unmet Need
 \$3,000 Perkins Loan (Subsidized)
 \$2,312 Stafford/Federal Direct Loan
0 Balance