Getting the information you need about

Financial aid . . . . . .

Questions to ask colleges

Although the process of applying for financial aid may seem complicated and difficult, the financial aid officers at colleges and universities are there to help you. Don't hesitate to contact them! Here are some questions you might ask.

1. What kind of financial assistance does the college offer: need-based, merit-based, or both?
2. Can the college provide an early estimate of what our financial aid award might be?
3. What forms are needed in order to apply?
4. When are financial aid applications due?
5. What costs for a student are taken into account by the financial aid office? Tuition, room, board, transportation? How about additional expenses like books, fees, computers and personal expenses?
6. What is included in the comprehensive fee? For example, do students have to pay extra for computer time or to attend campus events (concerts, plays, films, lectures, athletic events, etc.)?
7. When will we be notified about the amount of assistance we can expect?
8. Does the institution have an appeal process to review special circumstances?
9. Is there a commitment for financial assistance beyond the first year?
10. How and when do we apply for financial assistance after the first year?
11. What if we do not qualify for need-based aid? Are there alternative financing options available?
12. What grants, loans and work study opportunities are offered by the college itself? Are there any we might be eligible for?
13. What is the average student loan indebtedness of the college's graduates?
14. Is there a restriction to the length of time that financial assistance will continue?
15. How long does it typically take a student to graduate from this college? Four years? Longer?
16. What impact do scholarships from outside sources have on other financial aid?
17. Can we apply financial aid toward an off-campus study program, either in the U.S. or another country?
18. What happens if our family's financial situation changes substantially during the school year?
19. Are there any payment options available (such as monthly or quarterly)?

The types of financial aid

Financial assistance comes in several types: grants and scholarships, loans and work-study.

Funding for financial aid comes from the federal government, state government, private sources and from the colleges and universities themselves.

• **Scholarships and grants** are outright gifts of money. Most of the time, they are based upon need. Sometimes, though, they are awarded for academic excellence and promise, or for special achievements or abilities. This is also known as gift aid.

• **Loans** are a significant part of most aid packages. They must be repaid, but most often not until after you graduate. Interest rates are usually lower than other types of loans. The payback period on college loans varies from two or three years up to 30 years.

• **Work-study** is a part-time job on campus. For instance, you might work in the library, or as a resident advisor, lifeguard or food-service worker.

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Some financial aid terms

Financial aid package The combination of gift aid, loans and work-study that a student receives.

Comprehensive fee The total cost of tuition, room, board and student fees charged by a college or university. In addition, other expenses (such as transportation and books) are added to the comprehensive fee to determine the cost of attendance at a college.

Need analysis Using information provided on the FAFSA (Free Application for Federal Student Aid) form and on other forms a college or university might require, the income and assets of both the parents and the student are analyzed. Many variables that affect a family's financial situation are considered, such as the number of people in the household, number of children in college, state of residence, age of the parents, and the types of assets and savings.

Expected family contribution The amount that the family, including the student, could reasonably be expected to contribute toward the cost of college education. This is determined by need analysis.

Financial need The difference between the estimated family contribution and the estimated cost of attendance at a college or university. The amount of financial need is the basis for awarding need-based aid.

Need-based aid Financial aid awarded on the basis of the financial need shown by a family, as determined by need analysis.

Merit-based aid Financial aid awarded on the basis of factors other than financial need. This usually consists of scholarships awarded for academic performance or for special talents, such as artistic or athletic ability.

Where to go on the Web for more info

Here are some sites on the Web that provide further information about financial aid.

www.finaid.org A comprehensive Web site, including explanations of different types of financial aid, a glossary of terms, and calculators for estimating college costs and financial aid.

www.studentaid.ed.gov This is the student financial aid site for the U.S. Department of Education. The site includes resources and suggestions for every step of the process, from beginning your college search to financing your education to repaying college loans. The "Funding" section has links to information about the FAFSA, downloadable federal student aid publications, and links to information about financial aid programs in each state. This site has a Spanish language version.

www.studentaid.org The Web site of the National Association of Student Financial Aid Administrators (NASFAA) features online financial aid brochures (some in Spanish), worksheets and checklists.

www.fastweb.com FastWeb is a searchable database of more than 600,000 scholarships.

Tips for navigating the financial aid process

- **Read each college's brochures carefully** to find out which form(s) to submit and when to apply for financial aid.
- **Fill out all forms accurately and completely**. Mistakes or incomplete information on financial aid forms can cause delays.
- If you have questions about filling out the FAFSA (Free Application for Federal Student Aid), call the **Federal Student Aid Information Center** at 1-800-4-FED-AID.
- Make sure you **don't miss important deadlines**, as the dates might vary. For example, merit scholarships often have deadlines that are different than those for other types of financial assistance.
- **Keep a copy** of every financial aid form and supporting document that you send out. Also, keep copies of any correspondence and notes of conversations you have with financial aid officers.
- **Beware of scholarship scams**. As a general rule, if you have to pay money to get a scholarship, it's probably a scam.
- **Reapply every year**. Most financial aid awards are not automatically renewed.

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