

HOW TO PAY FOR COLLEGE

College Prep for Juniors & Seniors



Now that you know how to find the right college and how much college will cost, it's time to figure out how to pay for it. We'll walk you through the steps to apply for scholarships and financial aid.

1 APPLY FOR SCHOLARSHIPS.

Follow these tips for scholarship success:

- Research potential awards by using free scholarship-search resources including your school counselor, the college you plan to attend, and other free internet-based scholarship searches.
- Have a list of your activities, honors, and awards handy when completing applications.
- Create a list of scholarships you're eligible to apply for. Tackle the most difficult applications first. Pay attention to deadlines: if you miss one, your application will not be considered.
- Request letters of recommendation from adults who know you well. Give them plenty of notice, a deadline, information about the scholarship, and a copy of your list of activities.

2 CREATE AN FSA ID.

A Federal Student Aid ID (FSA ID) is a user name and password that will serve as your electronic signature for the Free Application for Federal Student Aid (FAFSA). You and a parent must each create IDs at fsaid.ed.gov.

SCHOLARSHIP SERVICES WARNING!

If you receive offers for scholarship services, research them carefully if a fee is involved.

How do you know if the offer is questionable? Watch for this type of language:

- "You've been selected."
- "The scholarship is guaranteed or your money back."
- "May I have your credit card number?"

Ask your school counselor about free resources that are available.



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3 COMPLETE THE FAFSA.

The FAFSA is your application for federal, state, and college-based financial aid. Complete the form at fafsa.gov on or after October 1 of your senior year.

- The colleges you list on the application will use your FAFSA information to award financial aid. Submit the form before the college(s) FAFSA priority date to get the best financial aid package.
- After you submit your FAFSA, expect a Student Aid Report (SAR) via an email link. It acknowledges that your FAFSA was processed, and indicates your Expected Family Contribution (EFC). Renew the FAFSA every year you're in college.

4 BE PREPARED FOR VERIFICATION.

Watch your student account and email closely as the college(s) might request verification of your FAFSA information. The college(s) will not process your financial aid package until you provide required documents.

TYPES OF FINANCIAL AID

SCHOLARSHIPS

These are awarded by private donors or your college. Some are based on financial need while others are based on criteria such as academics, leadership, athletics, or talents.

GRANTS*

These are not repaid and are awarded to students who show financial need. They include:

- Pell Grant
- College-based grants

WORK-STUDY*

Also based on financial need, this is money you earn from a college-based job to help pay for school expenses.

STUDENT LOANS*

This is money you borrow and must repay after you're done with college. Loans are also available for parents.

**These types of financial aid are based on FAFSA results.*



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5 EXPECT A FINANCIAL AID AWARD NOTIFICATION.

The colleges you listed on your FAFSA will notify you of the types and amounts of financial aid they're offering. You will only receive notifications from colleges that accepted you for admission. Accept or decline the financial aid package by the deadline.

The colleges use this "financial need" formula to calculate how much to award you in financial aid:



$$\begin{aligned} & \text{COST OF EDUCATION (tuition, books, living expenses)} \\ & - \text{EXPECTED FAMILY CONTRIBUTION (your FAFSA results)} \\ \hline & = \text{YOUR FINANCIAL NEED} \end{aligned}$$

The colleges will award you as much of the "financial need" amount as possible. This could be a combination of scholarships, grants, work-study, and loans.

Here are examples of the financial need calculation based on the type of college you attend:

FINANCIAL AID FORMULA EXAMPLES

	COMMUNITY COLLEGE	FOUR-YEAR PUBLIC	FOUR-YEAR PRIVATE
Tuition & fees	\$3,300	\$7,800	\$31,000
Books & supplies	1,500	1,100	1,100
Room & board	7,200	9,500	9,500
+ Personal & transportation	3,000	3,500	3,500
= Cost of Education	\$15,000	\$21,900	\$45,100
- Expected Family Contribution*	-11,000	-11,000	-11,000
= Financial Need	\$4,000	\$10,900	\$34,100

* Expected Family Contribution (for one year) is based on a family of four, one in college, \$85,000 income.

