

Financial Aid Guide

What is financial aid?

Financial aid is money that the government and other organizations give you or lend you so you can pay for your college education. To qualify for financial aid, you have to apply.

Sources of Financial Aid

Financial aid comes from these sources:

- The federal government (the largest source)
- State governments
- Colleges and universities
- Private organizations, such as companies, clubs, and religious organizations
- Banks and lending companies

Types of Financial Aid

There are four main types of financial aid.

Grants

Grants are called gift aid because they do not have to be paid back. Grants come from federal and state governments and from colleges. Most grants are need-based, which means they are usually given based on your or your family's financial circumstances.

Scholarships

Scholarships are also gift aid. Scholarships come from governments, colleges, and private organizations. They may be awarded for academic or athletic ability, interest in a certain subject, or volunteer work, for example. Some scholarships are given based on membership in an ethnic or religious group. Companies may also give scholarships to children of employees.

Loans

Borrowing money from a bank, government or lending company is called taking out a loan. A loan must be paid back with an extra charge called interest. The federal government offers low-interest loans to students with financial need. Other lenders charge more interest.

You can use a student loan calculator to understand better how this borrowing works.

Student Loan Calculator

<https://bigfuture.collegeboard.org/pay-for-college/loans/student-loan-calculator>

Work-Study Programs

The Federal Work-Study Program offers paid part-time jobs to help students pay for part of their college cost.

How to Apply for Financial Aid

Complete the [Free Application for Federal Student Aid \(FAFSA\)](#) to be considered for financial aid from the federal government, state governments, and many colleges. You can also apply for financial aid directly from the colleges you're applying to and from private organizations. Some of these may require you to submit the [CSS/Financial Aid PROFILE](#) or other forms. Both the FAFSA and CSS/Financial Aid PROFILE open on Oct. 1 each year.

Remember that meeting deadlines is your responsibility. You have to submit your applications on time to qualify for financial aid.

When to Apply for Financial Aid

Oct. 1 of the year before you plan to go to college is the first day you can file the FAFSA. College, state, and private financial aid deadlines vary. Aim to file the FAFSA as close to Oct. 1 as possible; remember that financial aid dollars are limited, and in many cases are awarded on a first-come, first-served basis.

Colleges set their own aid application deadlines. You may not be awarded the aid for which you qualified if you miss an institutional aid application deadline. It is a good idea to file the FAFSA as soon as it's available, so you don't miss out on anything.

What year's income do I report?

Students are required to report income and tax information from an earlier tax year or what is called "prior prior" or PPY. For example, on the 2023–24 FAFSA, students (and parents, as appropriate) will report their 2021 income and tax information, rather than their 2022 income and tax information. The benefits of the PPY policy are:

- Available fall semester; October
- Allows taxes from two years ago
- Taxes already filed & data is correct from previous year
- Better aligned with college application calendar – some colleges are releasing aid packages earlier.
- Financial aid information available further in advance of college decision deadlines
- Allows for more at ease, informed college & financial aid decisions

Financial Aid Application Forms

All schools will require a completed FAFSA (Free Application for Federal Student Aid) to award government grants and loans. Some colleges will use the FAFSA data to award additional aid from their own resources, but other colleges will require an additional form called the CSS Profile in order to award their institutional aid.

FAFSA <https://fafsa.ed.gov/>

The Office of Federal Student Aid, a part of the U.S. Department of Education, is the largest provider of student financial aid in the nation. Authorized under Title IV of the Higher Education Act of 1965, they provide more

than \$150 billion in federal grants, loans, and *work-study* funds each year to more than 13 million students paying for college or career school.

To apply for federal student aid, you will need to complete the FAFSA® (the Free Application for Federal Student Aid) at the same time you submit your admission application. It is a free application and is relatively quick to complete. The FAFSA data is used to determine your eligibility for federal, state and institutional aid, and some private financial aid providers may use your FAFSA information to determine whether you qualify for their aid.

CSS Profile <https://student.collegeboard.org/css-financial-aid-profile>

This form is used to apply online for nonfederal financial aid from almost 400 colleges, universities, professional schools, and scholarship programs. There is a fee to submit this form. However, it is possible to qualify for fee waivers. First-time, domestic college applicants who used an SAT® fee waiver may now also receive up to eight PROFILE fee waivers. To qualify, students must log in to PROFILE using the same credentials used for the SAT. Students who did not use an SAT fee waiver may still qualify for a PROFILE fee waiver based on income.

FREQUENTLY ASKED QUESTIONS ABOUT CSS PROFILE FEE WAIVERS

Q. What does a PROFILE fee waiver cover?

A. The fee for the initial PROFILE application and one college or program report is \$25. Additional reports are \$16. PROFILE fee waivers cover both the application and reporting fees for up to eight colleges.

Q. Do students who received an SAT fee waiver need to enter a code in order to receive a PROFILE fee waiver?

A. No, students simply need to log in to PROFILE using the login credentials they used when registering for the SAT to be considered for PROFILE fee waivers.

Q. When are students notified that they will receive a PROFILE fee waiver?

A. Students will find out if they are eligible for PROFILE fee waivers after they have completed the application. Students generally receive PROFILE fee waivers if their parental income is around \$40,000 or less or if they have received an SAT fee waiver AND if their parents live in the United States.

Q. Will a student who uses an SAT fee waiver and receives a PROFILE fee waiver for the custodial

family's PROFILE application also receive a PROFILE fee waiver for the Noncustodial PROFILE application?

A. No, fee-waiver eligibility for the noncustodial family is assessed based on the information provided on the Noncustodial PROFILE application.

Q. May students who have not received an SAT fee waiver receive a PROFILE fee waiver?

A. Yes, first-time domestic students are generally eligible for a PROFILE fee waiver if they come from a family with annual parental income around \$40,000 or less, or if they are orphans or wards of the court under the age of 24.

Researching College Costs

Net Price

Net price is the real price that a student pays to go to a college. It's the published price of the college minus the gift aid that the student receives. The net price of a college is often much lower than its published price.

Most colleges now offer a tool on their websites called a net price calculator. This online tool gives you an estimate of the actual price you would pay to go to a certain college, based on information you enter about your finances.

Your net price will be different for every college, so it's a good idea to use each college's net price calculator. Don't Rule Out "Expensive" Colleges. Keep in mind that a college that charges a lot for tuition might offer you generous financial aid. It might even be more affordable than colleges that charge lower tuition. So think about net price, not published price — do your research up front, and you will have a better sense of what will work financially for your family.

Financial Aid Calculators

Since every college is required to provide a "net price calculator" for prospective students to discover how affordable or unaffordable a particular school may be for you and your family, we recommend completing net price calculators for the schools on your research list in the spring of the junior year. In this way, we will be able to work together to identify which financial aid approaches meet your needs and create a college search list of schools that will be within your financial reach. Given your unique circumstances, you may find that the school with the lowest list price may not end up being the most affordable school for you.

How do I find them?

The easiest way to find a school's calculator is to google the name of the school and the words, "net price calculator."

Useful Websites:

US Department of Education College Affordability and Transparency Center:

<https://collegecost.ed.gov/index.aspx>

College Board's Big Future

<https://bigfuture.collegeboard.org/pay-for-college/financial-aid>

Scholarship Search Sites

Naviance We post national, state and local scholarship information we receive.

Fast Web <http://www.fastweb.com/>

Weird Scholarships <https://weirdscholarships.net/>

FinAid www.finaid.org

ADDITIONAL INFORMATION FOR STUDENTS WITH HIGH FINANCIAL NEED

Standardized Testing Waivers

The College Office can assist eligible students in obtaining fee waivers for the ACT and SAT/Subject Tests. Review the following information and inform your counselor of your eligibility as soon as possible so that you will have your waivers *before* you register for a test. Waivers cannot cover fees that were already paid.

Students must list four colleges to which they are likely to apply on each registration in order to reduce the cost of sending score reports later.

If your family does not meet these guidelines, but you believe these fees will present barriers to your college access, please alert your counselor.

ACT Waivers Guidelines

Eligible students may use a maximum of TWO separate ACT Fee Waivers. The waiver is used once the student registers, submits a standby request, or is approved for Special testing, even if the student does not test on the requested test date. (Such students may request a test date change and pay the associated fee.) Fee waivers do not cover late registration fees.

Eligibility Requirements

Each student who receives an ACT Fee Waiver must meet ALL eligibility requirements:

1. Be currently enrolled in high school in the 11th or 12th grade.
2. Be a US citizen or testing in the US, US territories, or Puerto Rico.
3. Meet one or more of the indicators of economic need listed below:
 - Enrolled in a federal free or reduced-price lunch program at school, based on US Department of Agriculture (USDA) income levels (see table).
 - Enrolled in a program for the economically disadvantaged (for example, a federally funded program such as GEAR UP or Upward Bound) Note: If the student participates in a program, but is not economically disadvantaged, they are not eligible for a fee waiver.
 - Resides in a foster home, is a ward of the state, or is homeless.
 - Family receives low-income public assistance or lives in federally subsidized public housing.
 - Family's total annual income is at or below USDA levels for free or reduced-price lunches (see table).

Number in Household (including the student)	Total Annual Income Before Taxes* (in last calendar year)
1	\$21,978
2	\$29,637
3	\$37,296
4	\$44,955
5	\$52,614
6	\$60,273
Each additional	plus \$7,696 each

*See <http://www.fns.usda.gov/school-meals/income-eligibility-guidelines>

What the ACT Fee Waiver Covers

ACT Fee Waivers cover the registration fee for either the ACT (no writing) or the ACT with writing. Hawken School recommends students take the ACT with writing. This fee includes one report to the high school and up to four college choices.

Additional Benefits for Students

● Access to Test Prep Tools

Students registering with a fee waiver will also receive free access to ACT® Kaplan Online Prep Live, which includes full access to ACT Online Prep™.

- Students registering with a fee waiver online or via phone will have ACT Kaplan Online Prep Live automatically added to their order at no cost.

- Students registering via paper registration packet will need to create a student account with the ACT ID provided on the admission ticket. Once the account is created, the order will automatically be processed.

Note: All students will receive an email with their login information.

● Request for Waiver or Deferral of College Admission Application Fee

ACT offers a Request for Waiver or Deferral of College Admission Application Fee form for students that qualify for an ACT Fee Waiver. Please complete this form for students to use as part of their application process. The form is available at www.act.org. Students should retain the copy of their signed ACT or SAT waiver in case a college requests it. There is no limit to how many times a student can use this form when applying to schools. Colleges and universities may consider the request but are not obligated to waive or defer their admission fees for any particular applicants.

SAT Waiver Guidelines

Once your counselor determines that you are eligible, you can receive up to four fee-waiver cards. You are eligible for two SAT registrations and two SAT Subject Test registrations (for example, you can't use three fee waivers for the SAT and one for SAT Subject Tests). SAT Fee waivers can be used during the late registration period if you are testing in the United States or U.S. territories. Make sure you obtain a waiver before the end of the school year if you are planning to register for the August test.

Eligibility Requirements

If you are a high school student who lives in the United States or its territories, or who is a U.S. citizen residing outside the U.S., you may be able to receive fee waivers. To be eligible, you must meet at least one of the criteria below:

1. You are enrolled in or eligible to participate in the federal National School Lunch Program (NSLP).
2. Your annual family income falls within the Income Eligibility Guidelines set by the USDA Food and Nutrition Service (provided below).
3. You are enrolled in a federal, state, or local program that aids students from low-income families (e.g., Federal TRIO programs such as Upward Bound).
4. Your family receives public assistance.
5. You live in federally subsidized public housing, a foster home, or are homeless.
6. You are a ward of the state or an orphan.

Number in Household (including the student)	Total Annual Income Before Taxes* (in last calendar year)
1	\$21,978
2	\$29,637
3	\$37,296
4	\$44,955
5	\$52,614
6	\$60,273
Each additional	plus \$7,696 each

*See <http://www.fns.usda.gov/school-meals/income-eligibility-guidelines>

* The household size should be the number of household members plus the filer on the family's current tax statement. A student who is in foster care is considered a household size of one person.

* Income levels are based on the USDA Food and Nutrition Service Income Eligibility Guidelines for reduced price meals used by schools, institutions, and facilities participating in the National School Lunch Program (NSLP). To see the complete table of guidelines, go to fns.usda.gov/slp and select Income

What SAT Fee Waivers Cover

The registration fee for up to two SATs, with or without the SAT Essay

The registration fee for up to two SAT Subject Test administrations (take up to three individual SAT Subject Tests on a single test day)

Four limited-time score reports plus four to use at any time. Every SAT or SAT Subject Test registration covers four score reports, as long as you specify them by the date indicated on your Admission Ticket (usually nine days after your test date). If you are eligible for a fee waiver, however, you get four additional score reports to use at any time during high school. No matter how many times you register with a fee waiver (or even if you didn't use a fee waiver to register), you are entitled to the four reports. To use the flexible score reports, sign in to your free College Board account. The number of score reports still available to you will appear automatically if you have registered using a fee waiver. If you have not previously registered with a fee waiver, indicate that you are eligible and enter the 12-digit code from the bottom of your fee-waiver card.

Note: If you didn't register for the SAT with Essay, but want to switch later, you can add it for free until the registration deadline. After that, you can still add it until the late registration deadline, but you'll have to pay a fee. You can't add the essay after late registration ends. But if you decide to add the essay on test day, and if materials are available at the test center, you can take the SAT with Essay for no additional fee.

Fee-waiver codes are good for only one registration. If you register with a fee waiver and miss the test day, you cannot reregister with the same fee waiver code. You can, however, pay a fee to change your registration (change fees are not covered by fee waivers). To do this, go online or call Customer Service and transfer your registration to another test date.

What Fee Waivers Don't Cover

Even if you have a fee waiver, it doesn't cover some of the costs for changing your registration. For example, if you want to change your test center or the date you're taking the SAT, you'll have to pay for that. You also have to pay for rush scores or to receive your scores by phone. Fee waivers may not be used for Waitlist requests.

Additional Benefits for Students

- Four additional score reports, which you can order at no charge at any time after registering for the test(s), **including after you have seen your scores**. You are entitled to a total of four such reports regardless of how many fee waivers you use.
- Question-and-Answer Service (QAS) or Student Answer Service (SAS) if ordered at the time of registration. These two services provide more information about the types of test questions and how you answered them. (QAS and SAS aren't available for SAT Subject Tests.)
- Up to four College Application Fee Waivers. If you qualify for a fee waiver and have taken the SAT or SAT Subject Tests with a fee waiver or as part of a district or state program while in high school, you will automatically receive up to four College Application Fee Waivers to use when applying to college for the 2017-18 academic year. You should only submit the forms along with your college applications, and only to institutions listed in the College Application Fee Waiver Directory of Colleges. The directory is available online at collegeboard.org/waiver-colleges. You are entitled to use no more than four College Application Fee Waivers, and institutions listed in the directory are not obligated to waive their application fees.

- Up to eight CSS/Financial Aid PROFILE® fee waivers to use to apply online for nonfederal financial aid from colleges, universities, professional schools, and scholarship programs, for free.
- A fee reduction for multiple-choice score verification or essay score verification
- Official SAT Practice on Khan Academy®. Prepare for SAT success with the Official SAT Practice at satpractice.org.
- If you took the PSAT/NMSQT®, you can link your results to get personalized practice recommendations. You can also practice with The SAT Student Guide to see test directions and sample questions for the SAT. The Guide also includes a full-length practice test and a special answer grid for automatic scoring.
- Daily Practice for the New SAT App. For quick, on-the-go practice, the Daily Practice for the SAT mobile app is available for iOS (iPhone, iPad, iPod Touch) and Android devices (phones and tablets).

Test Preparation for Students who qualify for Fee Waivers

ACT – If you qualified for a fee waiver AND used it to register for a test, you will be granted access to ACT prep through their partnership with Kaplan.

SAT – provides free access to test prep for all through Khan Academy. You can link your PSAT results to this test prep to maximize the effectiveness of the practice.

Application Fees

Common Application Schools

If you qualified for an ACT or SAT waiver, you are eligible to request a fee waiver for all of your Common Application Schools. On the application under Common App Fee Waiver, you will check the appropriate boxes.

Non- Common App Schools

You will need to make an appointment with your counselor in September to complete a NACAC Fee Waiver request form which we will submit to your schools.

Additional Resources and Programs

Summer Program Grants

Joyce Ivy Summer Scholars Program <http://www.joyceivyfoundation.org/summer-scholars.html>

The Summer Scholars program provides scholarships for talented female high school students to participate in a summer academic program at one of our partner programs – some of the most rigorous and selective colleges and universities in the country.

Scholarship Programs

Horatio Alger: <https://scholars.horatioalger.org/scholarships/about-our-scholarship-programs/>

Cleveland Foundation: <https://www.clevelandfoundation.org/scholarships/how-to-apply/>

Congressional Black Caucus: <http://www.cbcfinc.org/scholarships/>

Gates Millenium Scholars: <http://www.gmsp.org/gates-millennium-scholars-program/>

Jack Kent Cooke: <http://www.jkcf.org/scholarship-programs/college-scholarship/how-to-apply/>

Ron Brown: <https://www.ronbrown.org/section/apply/eligibility-requirements>

Quest Bridge

<https://www.questbridge.org/>

The QuestBridge National College Match is a college and scholarship application process that helps outstanding low-income high school seniors gain admission and full four-year scholarships to the nation's most selective colleges. If you think the program is a good match for you, please speak with your counselor in the SPRING OF YOUR JUNIOR YEAR.

College Match Scholarships, which are provided by participating colleges, cover the full cost of tuition, room and board, are loan-free, and require no parental contribution.

If you are a student who has achieved academic excellence in the face of economic challenges, we encourage you to apply. QuestBridge's college partners are committed to making college affordable for all students — regardless of financial background — and offer generous financial aid packages that cover 100% of demonstrated financial need.

Who Should Apply?

Academically outstanding high school seniors

From families earning less than \$65,000/year for a family of four

How to Apply?

Application opens in the summer (before senior year)

Research college partners

Submit free application and other materials in late September

Scholarship Search Sites

Naviance	We post national, state and local scholarship information we receive.
Fast Web	http://www.fastweb.com/
Weird Scholarships	https://weirdscholarships.net/
FinAid	www.finaid.org
Greenlight*	https://www.collegegreenlight.com/

* This site connects is dedicated to guiding first generation and underrepresented students.

Visiting Colleges

One of the most important factors in deciding if a college is right for you is whether or not you can picture yourself as a member of the campus and for many students this means a campus visit. If the college isn't nearby, however, being able to make the visit might not be possible due to financial limitations. The good news is that some institutions offer free fly-in programs, travel assistance scholarships, overnight programs, and diversity programming that comes at little or no cost to students accepted to their programs.

Below is a link to these fly-in, diversity, and other programs that are great opportunities for multicultural students. While many of these programs have announced their dates for 2016, some colleges hold their events later in the year, and these dates have yet to be announced. Be sure to check back later in the summer for updates.

College Fly-In & Diversity Programs (Google this title for updates)

<http://blog.collegegreenlight.com/blog/college-fly-diversity-programs-2016-2017/#sthash.CmAuZMV3.dpbs>

Local resources

College Now <https://www.collegenowgc.org/>

College Now's mission is to increase college attainment in Greater Cleveland through college access advising, financial aid counseling and scholarship and retention services. College Now advisors provide support and resources to middle school students, high school students, and adult learners to prepare for and explore educational opportunities after high school, including 2-year and 4-year degree programs and technical/vocational certificate programs. College Now advisors serve 25,000 students each year in more than 175 settings, including schools, our downtown Resource Center, businesses and community settings.

Financial Aid Glossary

By Kay Peterson, Ph. D.

<http://www.fastweb.com/financial-aid/articles/financial-aid-glossary>

Academic Year: The period in which school is in session – typically September through May.

Accrual Date: The date on which interest charges on an educational loan begin to accrue.

Adjusted Available Income: The remaining income after taxes and a basic living allowance have been subtracted (in the Federal Methodology).

Assets: Cash in checking and savings accounts, trusts, stocks, bonds, other securities, real estate (excluding home), income-producing property, business equipment, and business inventory. Considered in determining expected family contribution (EFC).

Asset Protection Allowance: The portion of parents' assets that are not included in the calculation of the parent contribution (calculated by Federal Methodology formula).

Assistantship: A type of student employment; usually refers to a student teaching or research position.

Associate Degree: A two-year college degree.

Award Letter: Official letter from the college financial aid office that lists all the financial aid awarded to the student.

Bachelor's Degree: A four-year college degree.

Budget: The estimated cost of attendance for a student at an institution: typically includes tuition, fees, books, supplies, room, board, personal expenses, and transportation.

Bursar's Office: The university office responsible for the billing and collection of university charges.

Campus-Based Programs: U.S. Department of Education federal student aid programs administered by colleges and universities. Includes: Federal Perkins Loan, Federal Supplemental Educational Opportunity Grant (FSEOG) and Federal Work-Study (FWS).

Central Processing System (CPS): The computer system that receives the student's need analysis data. The Central Processing System performs database matches and calculates the official Expected Family Contribution (EFC) and sends out the Student Aid Report (SAR).

Collateral: Property used to secure a loan which can be seized if the borrower defaults on a loan.

Commercial Lender: A commercial bank, savings and loan association, credit union, stock savings bank, trust company or mutual savings bank.

Commuter Student: A student who lives at home and travels to school.

Consolidation Loan: Loan that allows borrowers to lower their monthly payments by replacing their original loans with one loan. Consolidation loans typically have longer repayment periods and greater interest.

Cooperative Education (Co-op): Many college programs offer paid opportunities to gain professional, full-time work experience while enrolled in college.

Cosigner: Individual who assumes responsibility for a loan if the borrower fails to repay.

Cost of Attendance: Also known as the budget, it includes tuition and fees, room and board, allowances for books and supplies, transportation, and personal and incidental expenses.

Custodial Parent: In cases where a student's parents are divorced or separated, the custodial parent is the parent with whom the student lived the most during the past 12 months.

Default: Failure to repay or otherwise meet the terms and condition of a loan. Default typically occurs after six months of delinquent payments. Penalties include a bad credit rating, loss of future financial aid eligibility, withholding of tax refunds, garnishing wages and loss of monthly payment options.

Deferment of Loan: Period during which the repayment of the loan is suspended because the borrower meets certain eligibility requirements (e.g., enrolled in college at least half time).

Delinquency: Failure to make a scheduled loan payment.

Dependency Status: A student's dependency status determines the degree to which the student has access to parent financial resources. An independent student is at least 24 years old as of January 1, is married, is a graduate or professional student, has a legal dependent other than a spouse, is a U.S. Armed Forces veteran or is/was an orphan or ward of the court.

Direct Loans: A new federal program where the school becomes the lending agency and manages the loan funds directly, with the federal government providing the loan funds. Not all schools currently participate in this program.

Disbursement: The process by which financial aid funds are made available to students for use in meeting educational and related living expenses. Funds may be disbursed directly to the student, or applied to the student's account.

Early Action/Early Admission/Early Decision: An early action program has earlier deadlines and earlier notification dates than the regular admissions process. If accepted, students are not committed to attending that college. An early admission program allows exemplary high school juniors to skip their senior year and enroll directly in college. An early decision program has earlier deadlines and earlier notification dates than the regular admissions process and students who apply to an early decision program commit to attending the school if admitted (which means the student must accept the offer of admission before they see their financial aid package.)

Enrollment Status: Indication of whether student attends full or part time. Typically students must be enrolled at least half time (and in some cases full time) to qualify for financial aid.

Expected Family Contribution (EFC): The dollar amount that a family is expected to pay toward a student's educational costs. EFC is based on family earnings, assets, students in college and family size.

FAFSA: Look under Free Application for Federal Student Aid.

Federal Direct Student Loan Program (FDSLP): Loans provided by the U.S. government directly to students and their parents through their schools.

Federal Methodology: The need analysis formula used to determine a family's expected family contribution. The Federal Methodology considers family size, the number of family members in college, taxable and nontaxable income and assets.

Federal Processor: The Federal Processor is the organization that processes the information submitted on the Free Application for Federal Student Aid (FAFSA) and uses it to compute eligibility for federal student aid.

Federal Stafford Loan: Federally-guaranteed, low-interest rate for students. There are two types of Federal Stafford loans: subsidized (need-based) and unsubsidized (non-need-based). Both types allow deferment of payments until a student leaves school.

Federal Supplemental Educational Opportunity Grant (FSEOG): These are federal grants for students with exceptional financial need (as determined by the college). Approximately five percent of undergraduates are recipients of FSEOG.

Federal Work-Study: Federally sponsored Work-Study (FWS) Program provides undergraduate and graduate students with school-year part-time employment. The Federal Government pays some of the student's salary, which helps departments and businesses pay for and ultimately hire students. Eligibility is based on financial need.

Fellowship: Financial aid for graduate students that does not need to be repaid. (Typically includes tuition and living expenses.)

Financial Aid Administrator: University employee responsible for preparing and communicating information about student loans, grants, scholarships and employment programs, and for advising, awarding, reporting, counseling and supervising student financial aid office functions.

Financial Aid Package: The total amount of financial aid a student receives, including grants, loans, and federal work-study. Unsubsidized Stafford loans and PLUS loans are not considered part of the package.

Financial Aid Transcript: A record of all financial aid awards a student received at other educational institutions.

Financial Need: The difference between the student's educational costs and the Expected Family Contribution.

Fixed Interest Loans: Interest rate stays the same for the life of the loan.

Forbearance: The approved temporary suspension of loan payments due to a financial hardship (interest continues to accrue).

Free Application for Federal Student Aid (FAFSA): The application students must first complete to apply for virtually all forms of financial aid. Available by calling 1-800-4-FED-AID, and on the Web by following the links at <http://www.fafsa.ed.gov>.

Gift Aid: Grants and scholarships that do not need to be repaid.

Grace Period: The period after a student either graduates or leaves school and before loan payments must begin (typically six to nine months).

Grant: Financial aid that does not have to be paid back – typically based on financial need.

Guarantee Fee: A percentage of the loan that is paid to the guarantor to insure the loan against default. The fee is usually one percent of the loan amount.

Guarantor: A state agency or private, nonprofit organization that administers a student loan insurance program.

Home Equity: The current market value of the home minus the mortgage's unpaid principal (based on market value).

Income Contingent Repayment: The size of the monthly payments depends on the income earned by the borrower. As the borrower's income increases, so do payments.

Institutional Methodology: A formula some schools devise to determine financial need for allocating their own institutional financial aid funds.

Lender: A bank, credit union or other financial institution that provides funds to the student or parent for an educational loan.

Merit-based Aid: Financial aid based on academic, artistic, athletic or other merit-oriented criteria (not financial need).

Need Analysis: The process used by a college to evaluate an applicant's financial resources and determine how much the student or family can pay toward the cost of the education.

Need-Blind Admissions: The school decides whether to offer of admission to a student without considering the student's financial situation. Most schools use a need-blind admissions process.

Need-Sensitive Admissions: The school takes the student's financial situation into account for some admissions decisions. Some schools use need-sensitive admissions for borderline students.

Packaging: A financial aid administrator's attempt at combining various types of student aid (grants, loans, scholarship and employment) to attempt to meet a student's financial need.

Parents' Contribution: A quantitative estimate – calculated by the federal government – of the parents' ability to contribute to postsecondary educational expenses.

Pell Grant: Federal grant program for undergraduate students who demonstrate financial need and have not yet completed a baccalaureate degree.

Perkins Loan: Low-interest, subsidized federal loan (five percent) for students with exceptional financial need (as determined by the college).

PLUS Loans (Parent Loans for Undergraduate Students): Federal loans available to parents of dependent undergraduate students to help finance their child's education. Parents may borrow up to the difference between education costs and financial aid received from a bank or other lending institution.

Preferred Lender List: A college's list of loan providers that they recommend to students.

Prepaid Tuition Plan: A college savings plan guaranteed to rise in value at the same rate as college tuition. Several states and institutions offer such programs.

Principal: The amount borrowed or owed on a loan.

Professional Judgement: For need-based federal aid programs, financial aid administrators can adjust the expected family contribution (EFC), or the cost of attendance (COA), or change the dependency status (with documentation) when extenuating circumstances exist (for example, if a parent becomes unemployed, disabled or deceased).

Promissory Note: A legally binding contract a student signs before receiving loan funds that

details the terms of the loan and obligates the borrower to repay.

Satisfactory Academic Progress: A school's policy concerning the minimum number of courses that must be completed each semester, the maximum time frame, and the minimum GPA required to receive financial aid.

Scholarship: A form of financial assistance that does not require repayment or employment and which is usually offered to students who show potential for distinction, or who possess certain characteristics important to the scholarship provider (such as religious beliefs, hobbies, ethnicity, etc.).

Secondary Market: An organization that buys loans from lenders, which provides the lender with the capital to issue new loans.

Servicer: An organization that is paid by a lender to administer their student loan portfolio.

Simplified Needs Test: An alternate method of calculating the expected family contribution for families with adjusted gross incomes less than \$50,000, who have filed or are eligible to file an IRS Form 1040A or 1040EZ or who are not required to file an income tax return.

State Student Incentive Grants: States receive matching funds from the federal government to help fund this program for state residents.

Student Aid Report (SAR): The official notification sent to students after submitting the FAFSA.

Students may be required to submit this document to the college's financial aid office.

Student Contribution: A quantitative estimate of the student's ability to contribute to postsecondary education expenses. (Typically 35 percent of his or her savings and half of the student's summer earnings above \$1,750).

Subsidized Loan: A loan that student borrowers do not have to pay interest on until after their grace period expires.

Supplemental Education Opportunity Grant (SEOG): Federal grant program for undergraduate students with exceptional need. SEOG grants up to \$4,000 are awarded by the school's financial aid office.

Title IV Programs: Federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended. Includes Federal Pell Grants, Federal Supplemental Educational Opportunity Grant, Federal Work Study, Federal Perkins Loan, Federal Stafford Loan, Federal PLUS Loan, Direct Loan, Direct PLUS Loan and SSIG.

Undergraduate Student: A student who has not yet received a bachelor's degree.

Unmet Need: Difference between a student's total cost of attendance at a specific institution and the student's total available resources, including financial aid.

Unsubsidized Loan: A loan that student borrowers must pay all the interest on, including while they are enrolled.

Verification: The review process in which the financial aid officer requests documentation from a financial aid applicant to verify the accuracy of the application.

Work-Study: See Federal Work-Study for a description of the federally subsidized work-study program.

Financial Aid Checklist

Summer/Fall:

- Complete your FAFSA.** You can submit the FAFSA after Oct. 1 — sooner is better so you can qualify for as much financial aid as possible. Filling out the form online at fafsa.ed.gov is the fastest way to do it.
- Research local scholarship opportunities.** Investigate Naviance (COLLEGES tab => scholarships and money) and talk with teachers or other adults in your community about scholarships offered by local organizations. Go to your local library and ask for help. Ask your parents to see if their employers grant scholarships. And don't forget to check the College Board's [Scholarship Search](http://bigfuture.collegeboard.org/scholarship-search).
<https://bigfuture.collegeboard.org/scholarship-search>
- Look up deadlines.** Don't miss the priority deadlines for your colleges' financial aid applications — meeting these will help you get as much money as possible. You can compare deadlines for different colleges by using the [College Search](#) tool found on the College Board's website, *Big Future*. And be sure to find out the application deadlines for any private scholarships or loans you plan to apply for.
- Get an estimate of what the colleges on your final list will actually cost.** Get a better idea of what you'll pay to attend a college by looking at its estimated net price — the total cost of attending a college (Tuition, fees, room, board and living expenses) minus grants and scholarships you receive. You can get this figure by going to the net price calculator on the college's website or, for some colleges, by using the College Board's [Net Price Calculator](#). Net Price Calculators tend to be reasonably accurate. The more questions asked, the better the estimate. To make apples to apples comparisons, record each school's expenses and aid on the College Counseling spreadsheet or use the Compare Your Aid Awards calculator, <https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator>.
- Find out about different kinds of student loans.** Not all student loans are equal. Loans come from different sources, and some kinds are more expensive than others. Read [Types of College Loans](#) (<https://bigfuture.collegeboard.org/pay-for-college/loans/types-of-college-loans>) to learn more.

Loan	Need-Based?	Subsidized?	Sponsor	Borrower	Interest Rate (Loans disbursed after July 1, 2015)
Direct Subsidized Loan	Yes	Yes	Federal government	Student - undergraduate	4.29% (fixed)
Direct Unsubsidized Loan	No	No	Federal government	Student - undergraduate	4.29% (fixed)
Direct Unsubsidized Loan	No	No	Federal government	Student - graduate/professional	5.84% (fixed)
Perkins	Yes	Yes	Federal government	Student	5% (fixed)
Direct PLUS Loan	No	No	Federal government	Parent (or graduate/professional student)	6.84% (fixed)
State and Private Loans	No	No	Banks, colleges, foundations, state agencies	Usually student with creditworthy cosigner	Usually higher than federal rates; variable

- Find out if you need to file a CSS/Financial Aid PROFILE®.** A college may require students to complete this application — or the college's own forms — to apply for financial aid awarded by the institution.

Complete the CSS/Financial Aid PROFILE, if required. If you need to submit the PROFILE to a college or scholarship program, be sure to find out the priority deadline and submit it by that date. The College Board's CSS/Financial Aid PROFILE® is an online application that collects information used by almost 300 colleges and scholarship programs to award financial aid from sources outside of the federal government. Check your colleges to see if they require it. After you submit your application and pay the associated fee, the College Board sends your report to the colleges and scholarship programs you have chosen.

- TO begin, log in to the CSS Profile site using your College Board login and password (the one you used for your SAT, AP Scores and/or PSAT).
<https://student.collegeboard.org/css-financial-aid-profile>
- Sending your PROFILE report to one college or scholarship program costs \$25. Additional reports are \$16 each. Domestic students who are completing PROFILE for the first time and who used an SAT fee waiver can receive up to eight PROFILE fee waivers. To qualify, students must log in to PROFILE using the same account used for the SAT. Students who did not use an SAT fee waiver may still qualify for a PROFILE fee waiver based on income.
- You should register at CSS/Financial Aid PROFILE at least **two weeks** before the earliest college or scholarship priority application date you need to meet. This date is the college or program's deadline for submitting a completed PROFILE application.

Winter/Spring:

Apply for any private scholarships you've found. Make sure you understand and follow the application requirements and apply by the deadline. To request school documents, complete a College Office Pink sheet at **least one week before the scholarship's application deadline**. (Check to see whether deadlines are "received by" or "Postmarked by.") Confidential school documents cannot be released directly to students.

Compare your financial aid awards. The colleges you apply to will send financial aid award letters to tell you how much and which kinds of aid they're offering you. Use the [Compare Your Aid Awards](https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator) calculator (<https://bigfuture.collegeboard.org/pay-for-college/financial-aid-awards/compare-aid-calculator>) or the College Office spreadsheet to make side-by-side comparisons of each college's actual aid package.

Meet with you counselor to go over packages if you have questions. We are here to help you sort through these awards. Contact Ms. Chounet to set up a meeting.

Contact a college's financial aid office, if necessary. Financial aid officers are there to help you if you have questions. If your financial aid award is not enough, don't be afraid to ask about other options.

- Investigate whether your health insurance plan provides sufficient coverage. If it does, you may be able to waive the school's health insurance fee.
- Investigate payment plans that may make it possible to spread out the cost of several months or even the entire year. This may allow you to reduce loan amounts.
- Investigate room and board charges to make sure they meet your needs.
- Ask about any additional state or institutional grants or loans that may have become available since your package was awarded.

Appeal the financial aid award, if your circumstances have changed or were not clearly articulated. Many schools have a formal appeal process on their financial aid website. The most successful appeals involve

sharing changed circumstances or additional information that may not have been shared initially. Simply wanting more money or comparing it to another school's package does not often result in additional aid as each school awards monies based on their own institutional priorities and resources. However, if you think one school has understood your financial circumstances better than another, you may certainly offer to share that package with the other school.

- Select a financial aid package by the deadline.** Once you've compared the offers, you and your family should discuss which package best meets your needs. Financial aid is limited, so if you don't accept your award on time, it may go to another student. You can, however, ask for an extension if you are waiting to hear from other schools. Each college will decide if it's able to give you an extension. Students typically must log in to the college's financial aid portal and formally accept each aid item.
- Complete financial aid paperwork.** If loans are part of your financial aid package, you'll have to complete and submit paperwork to get the money.
- Get ready to pay the first college tuition bill.** This usually covers the first semester and is due before you enroll, unless you have enrolled in a payment plan.

Future years

- Students will need to apply for and accept aid ever year. Be sure to follow your college's guidelines.

Adapted using resources from:

<https://bigfuture.collegeboard.org/pay-for-college/financial-aid-101/financial-aid-checklist>