

FINANCING YOUR EDUCATION

The choice of a college should not be determined by family finances alone. There are so many financial possibilities for funding your education, a student and family should choose a college based not only on finances, but on the also on the student's desire and ability to attend college.

Basically, there are two types of financial aid: merit-based and need-based.

- Merit-based awards are typically given by a private institution, your college, or the government. These awards recognize your academic, athletic, musical and various other talents.
- Need-based aid is awarded according to your ability to pay for college. Colleges calculate your need using this formula:

COST OF ATTENDANCE minus your **EFC** (Estimated Financial Contribution on FAFSA) minus **OUTSIDE AID** (Scholarships) equals **DEMONSTRATED NEED**

You do not need to be poor to receive aid. There are funds available to help all students who demonstrate need. In order to receive financial aid you must ask for it, i.e., complete the forms and applications. And remember, if you apply for assistance early, you may be more successful in finding the aid you need.

HINTS

- Keep copies of everything
- Open and read all mail
- Use scholarship search engines
- Apply for every scholarship, even if you don't think you will receive it

FAFSA (Free Application for Federal Student Aid)

You should fill out the FAFSA as soon as possible after January 1. You must complete your income tax return before filling out the FAFSA. You don't have to have FILED your taxes, just have them figured. Institutions have different priority filing deadlines, so it may be necessary to estimate tax information to meet those dates. For answers to questions regarding the FAFSA, guidance is provided through FAFSA by phone or online.

FINANCING METHODS

Financial aid packages are offers from the school that contain the following items:

Scholarships (monies you don't pay back; offered by the college and/or outside sources.)

Grants (monies you don't pay back)

Loans (monies you must pay back, usually after the student finishes attending)

Employment (money you can earn through work/study programs or outside jobs)

SCHOLARSHIPS FROM THE COLLEGE

Many institutions offer automatic scholarships. Applications are screened upon admissions and monies are awarded if applicant meets criteria.

- Information on institutional scholarships may be obtained by checking the school's web site.

- A+ Monies (MO 2 year colleges) is available for students completing the requirements. Check with the A+ Coordinator.
- Bright Flight—Students obtaining a 31 on their ACT qualify. This has recently been raised from a 30.
- Remember, colleges are eager to keep their classrooms full. They are the most likely candidates to give you scholarships in order to get you to attend their school. Make sure you look at the scholarships they offer.

GRANTS

- Pell Grants (awarded by completing the FAFSA)
- Supplemental Educational Opportunity Grants
- Grants awarded by the college

LOANS

- Perkins Loans
- Stafford Loans
- Parent Loans (Federal PLUS Loans)

*Subsidized loans are loans in which the government will pay your interest as long as you are enrolled in school at least half time. Unsubsidized loans begin to accrue interest as soon as you accept the loan.

A QUICK SUMMARY OF STEPS TO FINANCIAL AID:

1. Have taxes figured as soon as possible after receiving W-2's.
2. Complete the FAFSA which is required by all colleges. Colleges may require supplemental financial aid forms, such as the PROFILE. Contact the individual colleges to which you are applying. Forms are available in the counseling office after winter break.
3. Apply for federal and state funds by checking the appropriate boxes on the applications.
4. Tell each college if you are applying for financial aid. Usually this is done by checking the appropriate box on the application. A college may also have its own financial aid form for you to complete.
5. Check for scholarships for which you are eligible:
 - From each college
 - Those posted in the *Academic Newsletter*
 - Military
 - Corporations where your parents are employed
 - Various search engines
6. Begin your Stafford Student Loan application by checking appropriate boxes on the FAFSA.
7. If you have properly filled out the financial aid forms, you will receive a Student Aid Report (SAR) in 2-6 weeks (2 if you apply on-line). You will be asked to sign an acceptance of the amount received, and the money will be sent to the college. Colleges will notify you of further grants/loans you are to receive in their financial aid package.