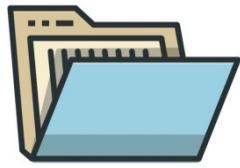


## SCHOOL COSTS COMPARISON WORKSHEET

		School #1	School #2	School #3
	School name			
	Federal school code			
	FAFSA deadline			
<b>A. COSTS</b>	Tuition and fees			
	Room and board			
	Books and supplies			
	Transportation			
	Miscellaneous/personal			
	Additional costs			
	<b>Total cost of attendance</b> (add up this section, write in total)			
<b>B. NEED</b>	Total cost of attendance (write in total from section A)			
	Expected family contribution (EFC)			
	<b>Total financial need</b> (subtract family contribution from total cost of attendance)			
<b>C. LOANS &amp; GRANTS</b>	Federal Pell Grant			
	Federal SEOG Grant			
	Federal TEACH Grant			
	Institutional aid			
	State aid			
	Private scholarships			
	Veterans educational benefits			
	<b>Employment</b>			
	Federal Work Study			
	<b>Loans</b>			
	Federal Perkins Loan			
	Federal Direct Subsidized Loan			
	Federal Direct Unsubsidized Loan			
	Federal Direct PLUS Loan			
	Institutional Loan			
	Private Loan			
Other				
<b>Total financial aid</b> (add up this section, write in total)				
<b>D. SUMMARY</b>	<b>Total financial need</b> (write in total from section B)			
	<b>Total financial aid</b> (write in total from Section C)			
	<b>Additional Out-of-Pocket Costs</b> (subtract total financial aid from total financial need)			



## Part 2: Applying for Student Loans, Grants & Scholarships



### Applying for Student Loans

Once you have compared the costs

and made your decision on which school to attend, first and foremost, visit your school's financial aid office. The staff at the financial aid office will help you apply for and receive student loans, grants, scholarships and other types of financial aid.

If you decide to take out a loan, make sure you understand who is making the loan and the terms and conditions of the loan. Student loans can come from the federal government or from private sources such as a bank or financial institution.

Before you take out a loan, it's important to understand that a loan is a legal obligation that you will be responsible for repaying with interest. You may not have to begin repaying your student loans right away, but you shouldn't wait to understand your responsibilities as a borrower.



### Types of Student Loans

Student loans may be federal or private.

#### Federal Student Loans

Federal student loans come from the federal government and have many advantages. Repayment terms are often more flexible, and interest rates are usually lower than loans from private sources (financial institutions such as banks). As long as you remain a full-time student, you will not have to begin repaying federal student loans while still attending college, but in some cases you may have to make payments on private loans before you graduate.

Federal student loans have fixed interest rates and are usually subsidized, which means the government pays the interest while you are a student. You usually do not need a cosigner, and in most cases will not need a credit check. Your interest may be tax deductible, and you may be able to consolidate federal loans or choose from several repayment plans. You may also be able to temporarily postpone payment if you are having financial difficulties, and in certain professions some of your federal student loans may be forgiven.



There are four kinds of **Direct Federal Loans**:

- **Direct subsidized loans**, which are for students with financial need enrolled in undergraduate or career school programs;
- **Direct unsubsidized loans**, which are for students in undergraduate, graduate, and professional programs who do not demonstrate financial need;
- **Direct PLUS Loans**, which may cover educational expenses that other loans do not. These loans are made to the student and parents and require a credit check for parents; and
- **Direct Consolidation Loans**, which may enable students to combine federal student loans into one loan, eliminating the need to make multiple payments.

You may also qualify for **State Loans**, either in the state where you live or in the state where you go to school. Contact your school's financial aid office or visit your state's Department of Education website for more information.

## Private Student Loans

**Private loans** are similar to personal loans. The financial institution to which you apply will look at your credit history to decide if you are eligible for an education loan and to set the interest rate. The terms of federal student loans—including interest rates—are generally better than private education loans. You will probably benefit most if you turn to private sources only if federal loans will not cover your education costs. Some lenders may charge fees, which could offset low interest rates and actually cost you more.



## Apply for Federal Student Loans First

Loans made by the federal government, called federal student loans, usually offer borrowers lower interest rates and have more flexible repayment options than loans from banks or other private sources.

Federal student loans offer many benefits compared to other options you may consider when paying for college:

- The interest rate on federal student loans is almost always lower than that on private



loans—and much, much lower than that on a credit card!

- You don't need a credit check or a cosigner to get most federal student loans.
- You don't have to begin repaying your federal student loans until after you leave college or drop below half-time.
- If you demonstrate financial need, you can qualify to have the government pay your interest while you are in school.
- Federal student loans offer flexible repayment plans and options to postpone your loan payments if you're having trouble making payments.
- If you work in certain jobs, you may be eligible to have a portion of your federal student loans forgiven if you meet certain conditions.



## How Much Money Can I Borrow in Federal Student Loans?

### If you are an undergraduate student:

- \$5,500 to \$12,500 per year in Direct Subsidized Loans and Direct Unsubsidized Loans depending on certain factors, including your year in college.

### If you are a graduate student:

- Up to \$20,500 each year in Direct Unsubsidized Loans.
- The remainder of your college costs not covered by other financial aid in Direct PLUS Loans. Note: A credit check is required for a PLUS loan.

### If you are a parent of a dependent undergraduate student:

- You can borrow the remainder of your child's college costs that are not covered by other financial aid with a Direct PLUS Loan.





## The Application for Federal Student Aid: FAFSA

To apply for a federal student loan, you must complete and submit a Free Application for Federal Student Aid (FAFSA). The FAFSA application can be found here: <https://studentaid.gov/h/apply-for-aid/fafsa>

Based on the results of your FAFSA, your college or career school will send you a financial aid offer, which may include federal student loans. The financial aid office at your school will tell you how to accept all or a part of the loan.

Before you receive your loan funds, you will be required to:

- complete entrance counseling, to ensure you understand your obligation to repay the loan; and
- sign a Master Promissory Note (MPN), agreeing to the terms of the loan.

Contact the financial aid office at the school you are planning to attend for details regarding the process at your school.

In addition, many states and colleges use your FAFSA information to determine your eligibility for state and

school aid, and some private financial aid providers may use your FAFSA information to determine whether you qualify for their aid.

If you don't fill out the FAFSA form, you could be missing out on a lot of financial aid. Even if you think your parents make too much money to qualify for financial aid, or that you are too old for financial aid, it is a good idea to apply anyway.

EVERYONE who's getting ready to go to college or career school should fill out the FAFSA form.

You can estimate what you will receive in federal student aid on the Federal Office of Student Aid's website using the following link: <https://studentaid.gov/aid-estimator/>

**You have to fill out the FAFSA form every year you're in school in order to stay eligible for federal student aid.**



## Independent Students

A student's dependency status determines whose information they must report on the FAFSA form.

You are an independent student if you are: at least 24 years old; married;



a graduate or professional student; a veteran; a member of the armed forces; an orphan; a ward of the court; someone with legal dependents other than a spouse; an emancipated minor or someone who is homeless or at risk of becoming homeless.

If any of the above is true, then for federal student aid purposes, you will not provide information about your parents on the FAFSA form. If none of the above is true, you are considered dependent and must report your parents' information on the FAFSA form.

If a parent does not contribute to a student's education, refuses to file the FAFSA form, or does not claim the student as a dependent on their federal income tax returns, the student is still considered dependent, even if the student is totally self-sufficient.



## Processing Your FAFSA Application

Your FAFSA information is shared with the colleges and/or career schools that you list on your application. The financial aid office at your school uses your information to figure out how much federal student aid you may receive at that school.

If the school has its own funds to use for financial aid, it might use your FAFSA information to determine your eligibility for that aid as well. Your school might also have other forms for you to fill out to get school aid, so check with the financial aid office to be sure.

Your information also goes to your state's higher education agency, as well as to agencies of the states where your chosen schools are located. Many states have financial aid funds that they give out based on FAFSA information.

That means that completing your FAFSA form helps you apply for federal, state, and school financial aid, all in one.

When your application is processed you will receive a Student Aid Report from the office of Federal Student Aid at the U.S. Department of Education, which is a summary of the FAFSA data you submitted.

If you applied for admission to a college or career school and have been accepted, and you listed that school on your FAFSA form, the school will calculate your aid and will send you an electronic or paper aid offer, sometimes called an award letter, telling you how much aid you're eligible for at the school. The timing of the aid offer varies from school to school and could be as early

