

FINANCIAL AID SOURCES

SCHOLARSHIPS

Scholarships are awarded to students based on their academic record, leadership ability, talents, or need for financial assistance. Since colleges award many scholarships, students should apply to the colleges directly for information and applications. Other sources of scholarship aid are your parents' employers, labor unions, civic and religious organizations, professional associations, and other private groups. Renewable scholarships will have continuing eligibility requirements, such as maintaining a certain level of academic or athletic performance, or showing evidence of continuing financial need.

Free online scholarship searches:

www.fastweb.com

www.ed.gov

www.collegeboard.com

www.gocollege.com

www.collegenet.com/mach25

www.collegeanswer.com/index.jsp

**According to the Federal Trade Commission, be cautious about scholarship scams!
Be aware of the following statements:**

“The scholarship is guaranteed or your money back.”

“You can’t get this information anywhere else.”

“I just need your credit card or bank account number to hold this scholarship.”

“The scholarship will cost money.”

“You’ve been selected by a national foundation to receive a scholarship” or

“You’re a finalist” in a contest you never entered.

FEDERALLY-FUNDED PROGRAMS

Federal Pell Grants

Largest need-based student aid program

Awarded to undergraduate students with extreme financial need

Dollar range set annually by Congress

Does not have to be repaid

Federal Supplemental Educational Opportunity Grants (FSEOG)

Awarded to undergraduates with extreme financial need

Priority goes to those students receiving Pell Grants

Amount of award depends on available funds
Does not have to be repaid

Federal Work-Study (FWS)

On and off-campus employment
Awarded to students who demonstrate financial need
Amount earned may not exceed demonstrated need
Salary must be at least minimum wage
Does not have to be repaid

Federal Perkins Loans

Low interest rate loan
Awarded to students with exceptional financial need
Repayment begins nine months after graduation

Federal Stafford Loans - Subsidized

Variable interest rate loan
Awarded to students who demonstrate financial need
Federal government pays interest on loan while student is in school and for a six-month grace period after graduation
Repayment begins six months after graduation

Federal Stafford Loans - Unsubsidized

Variable interest rate loan
Available to students who do not qualify for a subsidized Stafford Loan
Student responsible for paying interest during school and deferment period
Repayment of principal and interest begins six months after graduation

PLUS Loans (Loans to parents)

Variable interest rate loan
Available to parents for the full cost of education less any other student aid received
Repayment begins within 60 days of loan disbursement

Hope Scholarships

Tax credit of up to \$1500 available to eligible tax payers who file a tax return and owe taxes
Students must be enrolled at least half time and not have completed two years of undergraduate study

Lifetime Learning Credit

Tax credit of up to \$1000 available to eligible tax payers who file a tax return and owe taxes

Students must be enrolled at least halftime in an eligible program and have completed at least two years of college.

Applying For Financial Aid

Applying for financial aid is a separate and vital part of the college application process. Your family may need assistance meeting the annual cost of tuition, books, fees, room, and board. The following steps will help you organize the financial aid application process:

- ❖ Utilize the <http://www.palmerschools.org/Highschool/HighGuidance.html> website to locate local scholarships.
- ❖ Find out what forms your colleges require and what the deadlines are.
- ❖ Pick up the necessary financial aid forms from the guidance office or career center.
- ❖ Attend a financial aid workshop at your school for an explanation of the financial aid process and for directions on filling out the FAFSA.
- ❖ Complete and return CSS Profile application in the fall if applying to a college using this system. <http://profileonline.collegeboard.com>
- ❖ Complete the Free Application for Federal Student Aid (FAFSA) as soon as possible after January 1. www.fafsa.ed.gov
- ❖ Review the Student Aid Report (SAR), which will arrive about six weeks after you file the FAFSA. Make corrections if necessary.
- ❖ Carefully compare financial award letters when they arrive in the spring. Once you have decided which college to attend, notify the financial aid office of your decision to accept all, part, or none of the financial award.