

FINANCING COLLEGE

I got in - now what?

WHAT ARE THE TYPES OF FINANCIAL AID?

- **Scholarships** – these are based solely on merit; you do not need to pay these back
- **Grants** – these are based solely on need; you do not need to pay these back
- **Loans** – you need to pay these back + interest
- **Work study** – federally funded jobs through your college; receive money in the form of a paycheck

SO WHERE DOES THE MONEY COME FROM?

- **The college or university** – scholarships, grants, and work study
- **Government** – grants and loans
- **Private banks** – loans
- **Outside sources** – scholarships

HOW DO I APPLY TO GET SOME OF THIS AID?

1. Fill out the FAFSA: <https://fafsa.ed.gov/>
2. Fill out a CSS profile (**maybe**)
 - a. Only required by some, usually highly selective, institutions
3. Complete scholarship applications, found on the school's website and on outside websites, i.e...
 - a. www.fastweb.com
 - b. www.finaid.org
 - c. www.wiredscholar.com
 - d. www.gocollege.com
 - e. Download the app "Scholly"

SO WHAT IS FAFSA AND WHAT DOES IT DO?

- **F**ree **A**pplication for **F**ederal **S**tudent **A**id; collects information to determine your eligibility for financial aid
- Determines your **EFC** (Expected Family Contribution), and sends this information to the colleges you list
- $\text{Cost of attendance} - \text{EFC} = \text{Need}$ (aka the money you need to get from scholarships, grants, etc.)
- Schools will use the Need amount to determine grants offered

WHAT IF MY SCHOLARSHIPS
AND ~~STUDENT LOANS~~ GRANTS DON'T COVER MY
FULL NEED?

HOW DO I KNOW WHAT TYPE OF LOAN IS RIGHT FOR ME?

- Talk with your parent/guardian - they have the option to take out a ParentPLUS loan
- Decide if you would rather take out a loan with the Federal Government or a private bank
 - Loans with the government have a lower interest rate, but you can't re-finance them for a lower rate at a later date; these loans will stay with you past bankruptcy
 - Loans with private banks have a higher interest rate but have the option of re-financing later; these will disappear with bankruptcy

ONE MORE NOTE ABOUT
SCHOLARSHIPS: SOME SCHOOLS
HAVE AUTOMATIC SCHOLARSHIPS,
OTHERS REQUIRE APPLICATIONS.
ALWAYS SEARCH THOROUGHLY!