

Sources of Aid Programs

The principal sources of aid are:

- federal, state, and local governments
- postsecondary schools
- private donors (such as community groups)



Academic Qualifications for Postsecondary Study

A student must:

- have a high school diploma (or a GED), **or**
- receive a passing score on an examination approved by ED, **or**
- meet other standards established by your state's Department of Education and approved by ED.



Social Security Number And Selective Service Registration

For more information from:

◇ The Social Security Administration, call toll free:

• **1-800-772-1213**

◇ The Selective Service, call:

• **1-847-688-6888**



Enrollment Issues

Issues relating to enrollment that affect a student's eligibility for federal aid are:

- Enrollment in an eligible institution
- Enrollment in an eligible educational program
- Student enrollment status



Satisfactory Academic Progress (SAP)

Using federal guidelines, schools set minimum standards for the rate at which students must complete their programs of study and the minimum grades they must earn.

A school's SAP policy is usually defined in the school's catalog.

<i>Transcript</i>			
<u>Subject</u>	<u>Grade</u>	<u>Hours</u>	<u>Credit</u>
<i>Math</i>	<i>B</i>	<i>3</i>	<i>9.0</i>
<i>History</i>	<i>C</i>	<i>3</i>	<i>6.0</i>
<i>English</i>	<i>B</i>	<i>3</i>	<i>9.0</i>
<i>Science</i>	<i>B</i>	<i>3</i>	<i>9.0</i>
		<i>12</i>	<i>33.0</i>
<i>GPA = 2.75</i>			



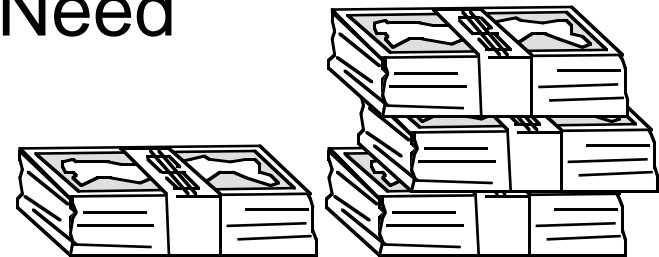
Student Financial Need

Congress defines financial need as follows:

Cost of Attendance (COA)

minus Expected Family Contribution (EFC)

equals Student's Financial Need



Terry's Financial Need

$$\begin{array}{r} \$ 6,500 \text{ (COA)} \\ - \quad 1,500 \text{ (EFC)} \\ \hline = \$ 5,000 \text{ (Terry's Need)} \end{array}$$



Types of Student Aid

- ➔ Grants and scholarships—gift aid that does not need to be repaid
- ➔ Loans—self-help aid that must be repaid
- ➔ Employment opportunities—self-help aid for which work must be performed to receive funds



Title IV

Need-Based Programs

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Work-Study (FWS)
- Federal Perkins Loan
- Federal Subsidized Stafford Loan
- Federal Direct Subsidized Loan
- State Student Incentive Grant (SSIG)



Title IV

Non-Need-Based Programs

- Federal PLUS Loan (for parents)
- Federal Direct PLUS Loan (for parents)
- Federal Unsubsidized Stafford Loan
- Federal Direct Unsubsidized Loan



Federal Pell Grant Program

Pell Grant funds are awarded on the basis of:

- the student's financial need
- the student satisfying general eligibility requirements
- the student satisfying program-specific eligibility requirements



Campus-Based Programs

These programs are administered directly from the school's financial aid office:

- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Work-Study (FWS)
- Federal Perkins Loan



FSEOG

FSEOG funds are awarded on the basis of:

- the student's financial need
- the FSEOG funds available at the postsecondary school
- the FSEOG annual award limit
- the postsecondary school's policies for awarding student aid



Federal Work-Study

To be eligible for FWS job placement, a student:

- can be an undergraduate, graduate, or professional student
- can work for designated on-campus or off-campus employers
 - ◇ The employer must pay at least the federal minimum wage.



Federal Perkins Loan

Perkins Loan funds are awarded on the basis of:

- the student's financial need
- the amount of Perkins Loan funds available at the postsecondary school
- the Perkins Loan annual and aggregate award limits
- the postsecondary school's policies for awarding student aid



Federal Direct Loan Program

The Direct Loan Program consists of the following self-help aid:

- Federal Direct Subsidized Loans
- Federal Direct Unsubsidized Loans
- Federal Direct PLUS Loans (for parents)

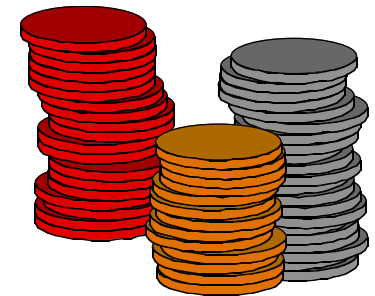


Loan Types

Subsidized—The federal government covers interest on a need-based loan until the student graduates, withdraws, or drops below half-time status.



Unsubsidized—The student or parent, depending on who is borrowing the loan, pays interest on the loan until the loan is paid in full.



Federal Direct Loan Repayment Plans

Student borrowers may choose from one of these repayment plans:

- Income Contingent
- Standard
- Extended
- Graduated



Federal Direct PLUS Loan Repayment Plans

Parent borrowers may choose from one of these repayment plans:

- Standard
- Extended
- Graduated



Federal Family Education Loan (FFEL) Program

The FFEL Program consists of the following programs:

- Federal Stafford Loan Program (subsidized)
- Federal Stafford Unsubsidized Loan Program
- Federal PLUS Loan Program (for parents)



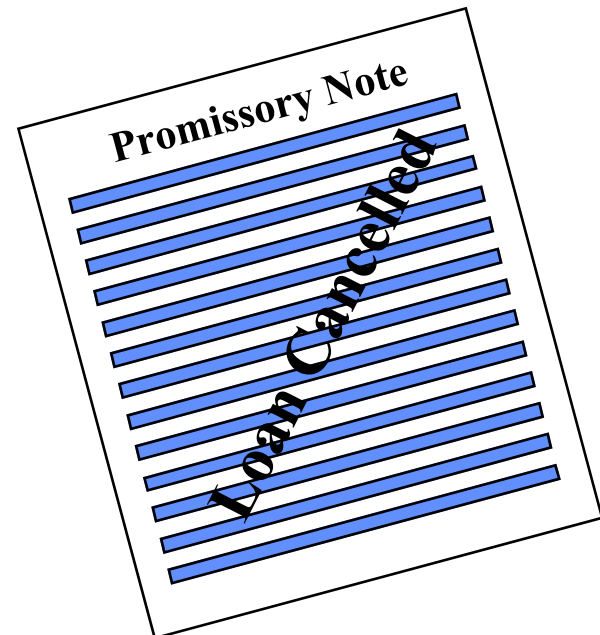
Important Note

- A student borrower may not receive both Federal Direct and Federal Stafford loans during the same enrollment period.
- A parent borrower may not receive both Federal Direct PLUS and Federal PLUS Loans during the same enrollment period for the **same** dependent child.



Title IV Loan Provisions

- ✓ **Deferment** —Postponement of loan repayment
- ✓ **Forbearance**—Temporary reduction or cessation of payment
- ✓ **Discharge**—Cancellation of the debt
- ✓ **Consolidation**—Combining loans into a consolidated loan



Federal Scholarship Programs

- ➔ The Paul Douglas Teacher Scholarship Program
- ➔ The Robert C. Byrd Honors Scholarship Program
- ➔ The National Science Scholars Program



Other Federal Programs

Other sources of federal financial aid are:

- National and Community Service Program
- U.S. Department of Veterans Affairs Programs
- U.S. Department of Defense Programs
- U.S. Department of Health and Human Services Programs



State Sources of Financial Aid

- State Student Incentive Grants (SSIG)
- State Vocational Rehabilitation Benefits
- Job Training Partnership Act (JTPA)



Institutional Sources of Financial Aid

Many postsecondary schools offer programs to supplement federal and state funds, such as:

- Grants and scholarships (gift aid)
- Tuition waivers (gift aid)
- Student loans (self-help aid)
- Student employment programs (self-help aid)



Recruited Prospective Student-Athlete

- Official visit by college representative (such as a coach or booster)
- More than one phone call from the college representative
- Visit off campus by college representative



Private Sources of Financial Aid

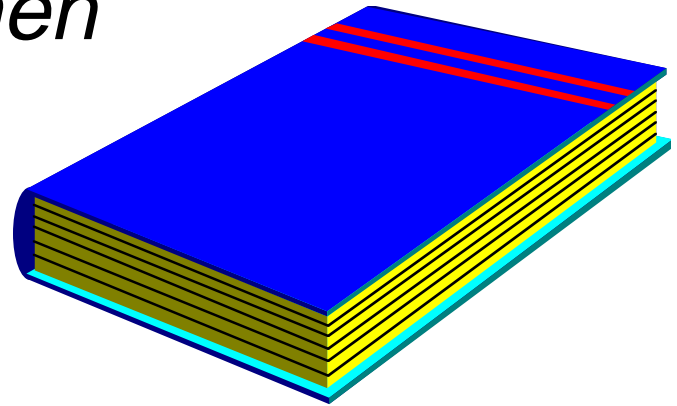
The following places have information on—or provide—private financial aid:

- the student's high school
- the postsecondary school to which the student is applying
- parents'/student's place of employment
- civic, trade, or social organizations
- religious organizations



Library Resources

- *Need a Lift?*
- *Higher Education Opportunities for Minorities and Women*



Need More Information?

Call toll free:

1-800-4-FED-AID



Session 2

Introduction to Student Financial Aid Programs and General Eligibility Requirements

