Financial Aid for 2016-17

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Goals for Today

• Basic understanding of how financial aid works and terms used... and how to maximize opportunities
• How to make informed “family” decisions regarding education choices
• Understand that choosing a college is an economic decision
• Know where to go for resources and help

College is not a dream...it is a plan.
Financing College

- Decisions affects entire family’s finances long term
  - What do you NEED?
  - What do you WANT?
  - What can you AFFORD?
  - How will the decision affect the rest of the family?
What is Financial Aid?

GIFT AID:
- Grants
- Scholarships

Based on need and/or merit

SELF HELP:
- Work-study
- Loans

Work-study and some loans based on need
Why Apply for Financial Aid?

- Limited Income families:
  - Pell Grant: $588 - $5,775/year (6 years max)
  - Access to need and merit based scholarships
  - Access to work study (jobs on college campus)
  - Access to student loans
  - Idaho Opportunity Scholarship (3.0 GPA and financial need) awarded up to $3000
Why Apply for Financial Aid?

- Middle Income families:
  - Access to need and merit based scholarships
  - Access to student loans
  - Income Tax Credits
  - Eligible for University scholarships based programs.
  - Access to merit based scholarships
    - Example: University Foundations/ Idaho Power, Lightfoot Foundation
Why Apply for Financial Aid?

- Higher Income families:
  - Access to merit based scholarships
    - Example: University Foundation/ Idaho Power
  - Access to student loans
  - Income Tax Credits
  - FREE insurance – life can change between January and summer prior to student going to college
  - 30 minutes to fill out application
Types of Applications

- **FAFSA** (US Citizens or Permanent Residents)

- Other applications or forms as required by the college such as:
  - CSS/Financial Aid PROFILE
  - Institutional Scholarship and/or Financial Aid Application
  - 2015 federal tax transcript, tax return or other income documentation (ok to use 2014 information for initial submission)
Financial Aid Cycle

“Fill the Bucket”

Expected Family Contribution (EFC) 

Cost of Attendance (COA)

COA - EFC = Need

Meeting the Need (“Filling the Bucket”)

Financial Aid Award 

FA pays bills to the college; refund to student

Apply by state/college deadlines.

Need Money For your Education?

financialaid@ed.gov

www.fafsa.ed.gov
FAFSA – Free Application for Federal Student Aid

- **Fafsa.gov**
- “Help and Hints” make the application easier
- Interacts with the IRS

### Parent Financial Information continued

#### Additional Financial Information

- American Opportunity Tax Credit or Lifetime Learning Tax Credit
- Child support paid
- Taxable earnings from Work-study, Assistantships or Fellowships
- Grant and scholarship aid reported to the IRS
- Combat pay or special combat pay
- Cooperative education program earnings

#### Untaxed Income

- Payments to tax-deferred pension and retirement savings plans
- IRA deductions and payments to self-employed SEP, SIMPLE, and Keogh
- Child support received
- Tax exempt interest income
- Untaxed portions of IRA distributions
- Untaxed portions of pensions
- Housing, food, and other living allowances paid to military, clergy, and others
- Veterans noneducation benefits
- Other untaxed income not reported such as workers’ compensation or disability

#### Help and Hints

**Parents’ Payments to Tax-Deferred Pensions & Retirement Savings Question 94a**

Check the box if your parents received tax-deferred pension and retirement savings plans (paid directly or withheld from their earnings) in 2013.
What is the Expected Family Contribution (EFC)?

- An index created by the FAFSA to help the Financial Aid office determine your eligibility for aid
- Unique for each student
- Stays the same regardless of college
What is Cost of Attendance* (COA)?

- Five components:
  - Tuition & fees
  - Room & board
  - Books & supplies
  - Transportation
  - Personal expenses

- Direct payments to the college for tuition/fees and room/board (if living on campus)
- Student chooses how much to spend on books/supplies, transportation, personal expenses, (room/board if living off campus)
- COA is different at EVERY college

*Sometimes called “Student Budget”
Notes about Income on the FAFSA

- Do **NOT** separately report any amount of Social Security income

- Student income
  - $6,310 is “protected”
  - Student income greater than $6,310 may be calculated into the EFC
Assets on the FAFSA: do **NOT** include the following:

- Home equity
- Retirement accounts (IRA, 401k, 403b, Roth, etc)
- Life insurance & annuities
- Assets entitled to a business or ranch/farm, IF
  - You own/operate at least 50% AND
  - Have 100 or fewer employees

Assets are usually best kept out of the student’s name.
Assets affect the EFC

**Student**
- 3.9 GPA
- Excellent SAT Scores
- Wants to attend a UC
- $33,000 in UGMA
- $1,200 annual income

**Parent(s)**
- Single parent
- No savings/assets
- No other children
- $34,000 annual income

EFC: 7,332
## Change ownership of the Asset

<table>
<thead>
<tr>
<th></th>
<th>Initial EFC</th>
<th>Final EFC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student net assets</td>
<td>$33,000</td>
<td>$0</td>
</tr>
<tr>
<td>Student earned income</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Student family size</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Parent’s net assets</td>
<td>$0</td>
<td>$33,000</td>
</tr>
<tr>
<td>Parent’s earned income</td>
<td>$34,000</td>
<td>$34,000</td>
</tr>
<tr>
<td>Number of parents in home</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Expected Family Contribution

- **7,332**
- **2,419**

- **Change UGMA to 529 plan – consult with financial professional**
Household Size

- You (the student)
- Your parents (the ones reported on the FAFSA)
  - Same-sex couples are treated the same as opposite-sex couples for financial aid purposes
- Parents’ other children (if they are dependent according to FAFSA definitions)
- Parents’ unborn child (if child born before July 1 of upcoming year)
- Other people (if more than 50% of support provided by your parents)
Dependent vs. Independent

• “Dependent” and “Independent” very uniquely defined for financial aid
• Unless Student can answer one of the dependency questions “yes”, Student will need to provide parental information
• If Student has an unusual situation, talk to high school counselor ASAP
Number of Household in College

- You (the student)
- Siblings living in and/or supported by the same household (if they meet FAFSA definition of dependent)
- If parent is also a college student, s/he is NOT included on student’s FAFSA (but is included on parent’s FAFSA)
### Household Can Affect EFC

#### Student
- 2.5 GPA
- No career direction
- No savings
- $3,000 annual income

#### Parent(s)
- Single parent (divorced – 50/50 custody/support)
- 2 other children (also 50/50)
- $43,000 savings/stocks
- $23,000 in debt (poor credit)
- $62,000 annual income

**EFC 5,319**
## Review Each Household

<table>
<thead>
<tr>
<th></th>
<th>EFC#1 (MOM)</th>
<th>EFC#2 (DAD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student net assets</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Student earned income</td>
<td>$3,000</td>
<td>$3,000</td>
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<tr>
<td>Student family size</td>
<td>4</td>
<td>2</td>
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<tr>
<td>Parents’ net assets</td>
<td>$43,000</td>
<td>$22,000</td>
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<tr>
<td>Parents’ earned income</td>
<td>$62,000</td>
<td>$21,000</td>
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<tr>
<td>Number of parents in home</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Expected Family Contribution</td>
<td>5,319</td>
<td>0</td>
</tr>
</tbody>
</table>
Using an EFC Estimator

- See what Student’s EFC might be before filling out the FAFSA
- Two good estimators:
  - ECMC EFC Estimator: https://www.ecmc.org/students/my-EFC-calculator.html
  - FAFSA Forecaster: https://fafsa.ed.gov/FAFSA/app/f4cForm?execution=e1s1
Financial Aid Cycle

"Fill the Bucket"

Apply by state deadline

Expected Family Contribution (EFC)

Cost of Attendance (COA)

COA - EFC = Need

“VERIFICATION” and CORRECTIONS

Financial Aid Award

Meeting the Need ("Filling the Bucket")

FA pays bills; $$ to student

Need Money For your Education?

www.fafsa.ed.gov
What is Financial Need?

- Basic formula:

  Cost of Attendance
  - Expected Family Contribution
  = Financial Need
Financial Aid Award

- Once the Financial Aid office has determined the Financial Need, they create a Financial Aid Award
  - Evaluate the student’s eligibility for every kind of financial aid (grants, work-study, scholarships and loans)
  - Communicate the award in a “letter” (either paper or online via the student’s individual “portal”)
- Award also called a “Financial Aid Package”
- If selected for “Verification” Student MUST submit additional documents before Financial Aid Award is created
How a Financial Aid Office will package a Financial Aid Award as a student qualifies with need and or merit.
“Filling the Bucket” at...

Gap – “Unmet need”
$1,400

Loans ($5,500)

Outside scholarships
(3.7 gpa) ($3,000)

Institutional Scholarships $1,500

Federal work-study ($3,500)

Pell grant ($1,500)

EFC (4,000)

University of Idaho resident
Living on-campus
EFC of 4,000
COA: $20,400
Need: $16,400

From family:
EFC + “gap” = $5,400
Addressing Unmet Need and EFC:

- **Student job:** Work study program or off-campus job
- **Budgeting:** Food, gas, insurance savings at home while student is in college
- **Current Income** could it be increased?
- **Education tax credits**
- **Family resources:** Savings, selling of assets, second mortgages, credit cards etc.
- **Additional government student loans** (PLUS Loan)
- **Private direct-to-consumer loans:**
  - Could adversely affect future financial aid eligibility
  - Always discuss with college's financial aid department
Reducing College Costs

- Extra roommate
- Career Planning before/during college
  - Changing your major (or college) costs time and money
  - Internet, informational interviews, job shadowing
- Apply for scholarships
  - Priority on local (smaller applicant pool)
  - If you are eligible, apply!
  - Use College Cost Comparisons Use College Cost Comparison Tools and Scorecards to evaluate and compare award letters, project costs over time, make decisions based on OBJECTIVE factors. https://collegescorecard.ed.gov

Consider an alternative college (what you want, need and can afford)
Special Circumstances and Professional Judgment

- Colleges’ Financial Aid offices have the ability to recalculate an EFC based on significant hardships or new information.

Examples:
- Significant reduction of income/loss of job
- Death
- Abuse
- Divorce/Separation
- One-time settlement income
- Student marriage
What will you need to fill out the FAFSA?

- If you are a **dependent student**, then you will also need the information below for your parent(s).
- Student & at least one Parent create Federal Student Aid ID
- Social Security Number
  - Alien Registration Number (if you are not a U.S. citizen)
- Most recent federal income tax returns, W-2s, and other records of money earned. (**Note:** You may be able to transfer your federal tax return information into your FAFSA using the IRS Data Retrieval Tool.)
- Bank statements and records of investments (if applicable)
- Records of untaxed income (if applicable)
How to Create a Federal Student Aid ID for the FAFSA (student and one parent each need an ID)

If a parent is not there or available a student may get stuck because they need the parent’s FSA ID to finish the FAFSA and or their email.

**How to create an FSA ID**

The FSA ID — a username and password — has replaced the Federal Student Aid PIN and must be used to log in to certain U.S. Department of Education websites. Your FSA ID confirms your identity when you access your financial aid information and electronically sign Federal Student Aid documents. If you do not already have an FSA ID, you can create one when logging in to fafsa.gov, the National Student Loan Data System (NSLDS®) at www.nslds.ed.gov, StudentLoans.gov, StudentAid.gov, and Agreement to Serve (ATS) at www.teach-ats.ed.gov.

**Step 1** When logging in to one of the websites listed above, click the link to create an FSA ID.

**Step 2** Create a username and password, and enter your e-mail address.

**Step 3** Enter your name, date of birth, Social Security number, contact information, and challenge questions and answers.

**Step 4** If you have a Federal Student Aid PIN, you will be able to enter it and link it to your FSA ID. You can still create an FSA ID if you have forgotten or do not have a PIN.

**Step 5** Review your information, and read and accept the terms and conditions.

**Step 6** Confirm your e-mail address using the secure code, which will be sent to the e-mail address you entered when you created your FSA ID. Once you verify your e-mail address, you can use it instead of your username to log in to the websites.

You can use your FSA ID to sign a FAFSA right away. Once the Social Security Administration verifies your information in one to three days, or if you have linked your PIN to your FSA ID, you will be able to use your FSA ID to access the websites listed above. For help, visit StudentAid.gov/fsaid.
Senior Year Checklist
College & Financial Aid
(in English and Spanish)

September
- Create a personalized electronic or paper calendar of deadlines for college admission and financial aid applications.
- Start drafting essays for college and scholarship applications.
- Sign up for the SAT and/or ACT (www.sat.collegeboard.com or www.actstudent.org) if you haven’t taken them.
- Memorize your Social Security number. If you do not have a Social Security number, talk to your counselor.
- Apply for a driver’s license or state ID card if you don’t already have one. You may need one for financial aid verification purposes.
- Research career options thoroughly; the better informed you are, the more effective your college search will be. www.onetonline.org
- Research colleges online: www.california-colleges.edu www.nces.ed.gov/collegenavigator
- Attend local college fairs and meet college representatives visiting your school.
- Ask teachers, counselors, employers, and/or coaches for letters of recommendation (at least 2 weeks before a deadline).
- Your e-mail address should be appropriate for communicating with colleges, lenders & employers. Example: firstname.lastname@________.com
- Estimate your Expected Family Contribution. www.ecnc.org/my-efc-calculator/

October
- Oct 1 CSU & UC applications available. Check other colleges for app availability.
- The College Board’s CSS PROFILE is an additional financial aid application that some private colleges require. Research if you need to complete this application. profileonline.collegeboard.org
- Visit colleges or take a virtual tour online.
- Planning to live on-campus? Research what your potential colleges’ housing application processes are; some have application deadlines as early as October.

November
- Nov 30 CSU & UC applications due. Check other colleges for deadlines. Priority application deadline for CSU campuses’ Educational Opportunity Program (EOP).
- Attend the Financial Aid Information Night at your school in November or December. www.collegeoptions.org
- Start researching and applying for scholarships. Some have early deadlines.

December
- US Citizens and eligible non-citizens: Complete the FAFSA on the Web Worksheet at www.fafsa.gov. You and one of your parents should each create a Federal Student Aid ID so you can e-sign the FAFSA for faster processing. https://fsaid.ed.gov
- ABS40 students: Complete the California DREAM Application worksheet at www.caldreamact.org
- You and your parents should save your year-end payroll stubs. The FAFSA and CA DREAM Applications ask about income.
- Confirm official SAT/ACT scores were sent to colleges.
- Apply for scholarships at each of the colleges you have applied to; some deadlines are as early as December.

January
- Jan 2: FAFSA and CA DREAM Applications are available online (www.fafsa.gov or www.california-college.org). Submit the appropriate application as early as possible. Estimate info if you don’t have completed tax returns. Provide required e-signature and an e-mail address for faster processing. Due March 2 if you want to be considered for Cal Grant.
- Attend a Cash for College workshop in January or February for free help completing the FAFSA or the CA DREAM Application. www.calgrants.org
- Some college financial aid deadlines may be earlier than the March 2 Cal Grant deadline—check each college.
- Check your online portal at each college you applied to and respond to your email on a weekly basis. Respond to colleges’ requests for information promptly.
- Ask your counselor how your high school submits seniors’ Cal Grant GPA (paper forms or electronic upload). If paper, fill out a paper Cal Grant GPA Verification form and turn it in to your counseling office by March 2nd. www.calgrant.org
- Keep a copy of everything you submit (paper or electronic copy).
- Watch for application confirmation emails from your college(s); create a “portal” for each college you applied to. Monitor each portal for admissions decisions.
- Apply for scholarships!

February
- Manage your Cal Grant status online using WebGrants for Students at www.webgrants4students.org
- Review your FAFSA Student Aid Report and make corrections at www.fafsa.gov if necessary. If you don’t receive an email directly to you by your report within three weeks of submitting your FAFSA, call toll free 800-433-3243.
- Complete your (and your parents’) tax
Who Is My “Parent” When I Fill Out the FAFSA℠?

Which parent’s information should I report on the FAFSA℠?

Maybe you know you're considered a dependent student* by the Free Application for Federal Student Aid (FAFSA℠), and you’re supposed to put information about your parents on the application. But what if your parents are divorced? Remarried? What if you live with your sister? Whose information should you report?

Below are some guidelines that might help. Unless otherwise noted, “parent” means your legal (biological and/or adoptive) parent or your stepparent. In addition, the rules below apply to your legal parents regardless of their gender.

- If your parents are living and legally married to each other, answer the questions about both of them.
- If your parents are living together and are not married, answer the questions about both of them.
- If your parent is widowed or was never married, answer the questions about that parent.
- If your parents are divorced or separated and don’t live together, answer the questions about the parent with whom you lived more during the past 12 months. If you lived the same amount of time with each parent, give answers about the parent who provided more financial support during the past 12 months or during the most recent year that you actually received support from a parent.
- If your parents are divorced but live together, you’ll indicate their marital status as “Unmarried and both parents living together,” and you’ll answer the questions about both of them.
- If your parents are separated but live together, you’ll indicate their marital status as “Married or remarried,” and you’ll answer the questions about both of them.
- If you have a stepparent who is married to the legal parent whose information you’re reporting, you must provide information about the stepparent as well.
- The following people are not your parents unless they have adopted you: grandparents, foster parents, legal guardians, older brothers or sisters, and uncles or aunts.

EXCEPTION: The FAFSA asks about your parents’ education level. For these two questions, your parents are considered to be your birth parents or adoptive parents—your stepparent is not your parent in those questions.

What if my parents are worried about providing their private information on the FAFSA?

Their information is safe with us. We recommend you fill out your FAFSA online, where your information is put into special code before it’s sent over the Internet to our processor. Also, we won’t share your FAFSA information with anyone except the schools you tell us you want to attend (so they can use the information to award financial aid to you) and a few federal and state government agencies (so they can check to be sure you’ve reported your information accurately or can assess your information to see what financial aid they could offer you).

What if I don’t live with my parents?

You still must answer the questions about them if you’re considered a dependent student.

What if my parents aren’t going to help me pay for college and refuse to provide information for my FAFSA?

You can’t be considered independent of your parents just because they refuse to help you with this process. If you do not provide their information on the FAFSA, the application will be considered “rejected,” and you might not be able to receive any financial aid. The most you would be able to get (depending on what the financial aid administrator at your college decides) would be a loan called an unsubsidized loan.

The FAFSA will tell you what to do if you are in this situation. You also will need to speak to the financial aid administrator at the college or career school you plan to attend.

What if I have no contact with my parents?

If you don’t know where your parents live, or you’ve left home due to an abusive situation, fill out the FAFSA and then immediately get in touch with the financial aid office at the college or career school you plan to attend. The financial aid administrator will tell you what to do next. Don’t put this off or you might miss financial aid deadlines!

*Find out whether you’re a dependent student: see “Am I Dependent or Independent?” at StudentAid.gov/resources.

For more information on federal student aid, visit StudentAid.gov or call 1-800-4-FED-AID (1-800-433-3243).

January 2014
# Types of Federal Student Aid

## Types of Federal Student Aid

There are three categories of federal student aid: grants, work-study, and loans.

### Grants:
Money that doesn’t have to be repaid. For more information on grants, visit StudentAid.gov/grants.

<table>
<thead>
<tr>
<th>Program</th>
<th>Eligibility and Program Details</th>
<th>Award Amounts (subject to change)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Pell Grant</td>
<td>For undergraduates with financial need who have not earned a bachelor’s or professional degree; in some cases, a student enrolled in a post-baccalaureate teacher certification program might receive a Federal Pell Grant. A student can receive a Federal Pell Grant for no more than 12 semesters or the equivalent (roughly six years).</td>
<td>Up to $5,730 For details and updates, visit StudentAid.gov/pell-grant</td>
</tr>
<tr>
<td>Federal Supplemental Educational Opportunity Grant (FSEOG)</td>
<td>For undergraduates with exceptional financial need; Federal Pell Grant recipients take priority; funds depend on availability at school.</td>
<td>Up to $4,000 For details and updates, visit StudentAid.gov/fseog</td>
</tr>
<tr>
<td>Teacher Education Assistance for College and Higher Education (TEACH) Grant</td>
<td>For undergraduate, post-baccalaureate, and graduate students who plan to become teachers; recipient must sign Agreement to Serve saying he or she will teach full-time in a high-need field for four complete academic years (within eight years of completing the academic program) at an elementary school, secondary school, or educational service agency serving children from low-income families. If recipient does not satisfy this requirement, all TEACH Grants must be repaid as Direct Unsubsidized Loans with interest accrued (accumulated) from date the grant was first disbursed (paid to student).</td>
<td>Up to $4,000 For details and updates, visit StudentAid.gov/teach</td>
</tr>
<tr>
<td>Iraq and Afghanistan Service Grant</td>
<td>For students who are not Pell-eligible due to having less financial need than is required to receive Pell funds; whose parent or guardian died as a result of military service in Iraq or Afghanistan after the events of 9/11; and who, at the time of the parent’s or guardian’s death, were less than 24 years old or were enrolled at least part-time at an institution of higher education. A student can receive an Iraq and Afghanistan Service Grant for no more than 12 semesters or the equivalent (roughly six years).</td>
<td>Up to $5,311.71 for grants first disbursed on or after Oct. 1, 2014, and before Oct. 1, 2015 For details and updates, visit StudentAid.gov/Iraq-Afghanistan</td>
</tr>
</tbody>
</table>

### Work-Study:
Money that’s earned while attending school and that doesn’t have to be repaid. For more information on work-study, visit StudentAid.gov/workstudy.

| Federal Work-Study | For undergraduate and graduate students; jobs can be on campus or off campus; students are paid at least federal minimum wage; funds depend on availability at school. | No annual minimum or maximum amounts For details and updates, visit StudentAid.gov/workstudy |

### Loans:
Borrowed money for college or career school. You must repay your loans, with interest. For more information on loans, visit StudentAid.gov/loans.

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</thead>
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<tr>
<td>Federal Perkins Loans</td>
<td>For undergraduate and graduate students with exceptional financial need; must be repaid to school that made the loan; 5% interest rate.</td>
<td>Undergraduate students: up to $5,500; graduate and professional students: up to $4,000 For details and updates, visit StudentAid.gov/perkins</td>
</tr>
<tr>
<td>Direct Subsidized Loans</td>
<td>For undergraduate students who have financial need; U.S. Department of Education pays interest while borrower is in school and during grace and deferment periods; student must be at least half-time; 4.66% interest rate for loans first disbursed on or after July 1, 2014, and before July 1, 2015; visit StudentAid.gov/interest for latest information on interest rates. First-time borrowers may not receive this type of loan for more than 150 percent of the length of their program of study; U.S. Department of Education may stop paying interest if student who received Direct Subsidized Loans for maximum period continues enrollment.</td>
<td>Up to $5,500, depending on grade level For details and updates, visit StudentAid.gov/sub-unsub</td>
</tr>
<tr>
<td>Direct Unsubsidized Loans</td>
<td>For undergraduate and graduate students; borrower is responsible for all interest; student must be at least half-time; financial need is not required; 4.66% (undergraduate) and 6.21% (graduate or professional) interest rates for loans first disbursed on or after July 1, 2014, and before July 1, 2015; visit StudentAid.gov/interest for latest information on interest rates.</td>
<td>Up to $20,500 less any subsidized amount received for the same period, depending on grade level and dependency status For details and updates, visit StudentAid.gov/sub-unsub</td>
</tr>
<tr>
<td>Direct PLUS Loans</td>
<td>For parents of dependent undergraduate students and for graduate or professional students; borrower is responsible for all interest; student must be enrolled at least half-time; financial need is not required; 7.21% interest rate for loans first disbursed on or after July 1, 2014, and before July 1, 2015.</td>
<td>Maximum amount is cost of attendance minus any other financial aid student receives For details and updates, visit StudentAid.gov/plus</td>
</tr>
</tbody>
</table>

For current interest rates, visit StudentAid.gov/interest. For more information on types of federal student aid, visit StudentAid.gov/types.
Federal and Private Student Loans: Comparison

What are the differences between federal and private student loans?

Federal student loans include many benefits (such as fixed interest rates and income-based repayment plans) not typically offered with private loans. In contrast, private loans can be more expensive than federal student loans; while interest rates are low, it is possible to find private loans with lower interest rate (be careful that they do not have “variable rates” for interest). This chart provides a summary of the differences:

<table>
<thead>
<tr>
<th>Federal Student Loans</th>
<th>Private Student Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>You will not have to start repaying your federal student loans until you graduate, leave school, or change your enrollment status to less than half-time.</td>
<td>Many private student loans require payments while you are still in school.</td>
</tr>
<tr>
<td>The interest rate is fixed and is often lower than private loans—and much lower than some credit card interest rates. View the current interest rates on federal student loans.</td>
<td>Private student loans can have variable interest rates, some greater than 18%. A variable rate may substantially increase the total amount you repay.</td>
</tr>
<tr>
<td>Undergraduate students with financial need will likely qualify for a subsidized loan where the government pays the interest while you are in school on at least a half-time basis.</td>
<td>Private student loans are not subsidized. No one pays the interest on your loan but you.</td>
</tr>
<tr>
<td>You don’t need to get a credit check for most federal student loans (except for PLUS loans). Federal student loans can help you establish a good credit record.</td>
<td>Private student loans may require an established credit record. The cost of a private student loan will depend on your credit score and other factors.</td>
</tr>
<tr>
<td>You won’t need a cosigner to get a federal student loan in most cases.</td>
<td>You may need a cosigner.</td>
</tr>
<tr>
<td>Interest may be tax deductible.</td>
<td>Interest may not be tax deductible.</td>
</tr>
<tr>
<td>Loans can be consolidated into a Direct Consolidation Loan. Learn about your consolidation options.</td>
<td>Private student loans cannot be consolidated into a Direct Consolidation Loan.</td>
</tr>
<tr>
<td>If you are having trouble repaying your loan, you may be able to temporarily postpone or lower your payments.</td>
<td>Private student loans may not offer forbearance or deferment options.</td>
</tr>
<tr>
<td>There are several repayment plans, including an option to tie your monthly payment to your income.</td>
<td>You should check with your lender to find out about your repayment options.</td>
</tr>
<tr>
<td>There is no prepayment penalty fee.</td>
<td>You need to make sure there are no prepayment penalty fees.</td>
</tr>
<tr>
<td>You may be eligible to have some portion of your loans forgiven if you work in public service. Learn about our loan forgiveness programs.</td>
<td>It is unlikely that your lender will offer a loan forgiveness program.</td>
</tr>
<tr>
<td>Free help is available at 1-800-FED-AID and on StudentAid.ed.gov or StudentLoans.gov</td>
<td>The Consumer Financial Protection Bureau’s private student loan ombudsman may be able to assist you if you have concerns about your private student loan.</td>
</tr>
</tbody>
</table>

College Scorecard: Useful Data to help families make informed choices about college

The College Scorecard provides you with an easier way to find critical information about a college, including:

- How big is the college?
- Is it public (funded by state taxes) or private (funded by tuition only) or for-profit (stockholders benefit from tuition payments)
- Setting (urban, suburban, rural)
- Location
- Annual average cost (after average financial aid award is applied)
- Total typical debt of graduates (and average monthly payment for that debt)
- Graduation rates
  - For schools with 2 year programs, graduation is based on how many graduate in 3 years
  - For schools with 4 year programs, graduation is based on how many graduate in 6 years
- Retention rates – how many students return to the college after their first year?
- Salary after attending (average)
- Statistics about the students that go there
- Average SAT and ACT test scores for admitted students
- Most popular academic programs

Department of Education College Scorecard
https://collegescorecard.ed.gov
For more information:

Key websites:

- [www.StudentAid.gov](http://www.StudentAid.gov) (Federal grants, Work-Study, Loans)
- Next Steps [https://nextsteps.idaho.gov/](https://nextsteps.idaho.gov/)
- [https://boardofed.idaho.gov/scholarship/scholarship_jump.asp](https://boardofed.idaho.gov/scholarship/scholarship_jump.asp)
- [www.education.boisestate.edu/trio](http://www.education.boisestate.edu/trio)
  (this PPT as well as tools featured in this PPT)

Financial Aid office at the colleges and universities
www.id saves.org

CWIDea l
A matching scholarship program for your IDeal college savings!
Questions?

- High School Counselor
- College Financial Aid Offices
- TRIO / GEAR UP / AVID Teachers/ Counselors
- Financial Aid Information Nights at high schools in November/December
- Cash for College Workshops at high schools in January/February
- [https://www.finaid.ucsb.edu/fafsasimplification/](https://www.finaid.ucsb.edu/fafsasimplification/)

College is not a dream...It is a PLAN!
Thank you for this resource!

www.CollegeOPTIONS.org at the University of California Davis for this PPT as well as tools featured in this PPT. We appreciate their help in training and providing the base of this presentation.
Financial Aid for 2016-17

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