

Funding Education Beyond High School Talking Points for 2008-09 Edition

- Highlight the **types of federal student aid** in the chart on **page number XI**.
 - **Pell grant** information on **page 6**.
 - Monies that **do not** have to be repaid.
 - **Renewable** each year.
 - **Up to \$4310.00** each year (typically increases each year).

 - **Work-study** information on **page 8**.
 - College/university will **help you find** a job.
 - Typically **10-15 hours** a week.
 - Supervisors will **work around class/study times**.
 - Most jobs are **on campus**, but they can be off-campus if needed.
 - Available to full-time **or** part-time students.

 - **Loan** information on **page 8 and 9**.
 - While not the ideal way to pay for college, it's a better **option than not attending**.
 - **Perkins loan**.
 - Must demonstrate **financial need**.
 - Up to \$4000.00 per year.
 - Interest rate is 5.0%.
 - Up to 10 years after graduation to repay the loan.
 - **Stafford loan**.
 - Financial need is **not** a requirement.
 - See chart on page 11 for lending amounts.
 - Interest rate was 6.8% for 07-08 school year (varies year to year).
 - Up to 25 years to repay (based on the lender – bank vs. government).
 - **PLUS loan**.
 - Available to **parents**.
 - Amount is based on cost of attendance **after** other funding has been exhausted.
 - Interest rate was 8.5% for 07-08 school year (varies year to year).
 - Up to **25 years to repay** (based on the lender – bank vs. government).

What is the difference between a subsidized loan and an un-subsidized loan?

A **subsidized loan** is available to students who demonstrate financial need. The federal government will pay the interest on this loan while the student is in college as well as the first six months after graduation.

An **unsubsidized loan** is available to all students, regardless of financial need. The student is responsible for paying all interest that is accrued, but can choose to wait until graduation to pay.

- **Applying for a PIN** is explained on **page 19**.
 - PIN is a **personal identification number**.
 - It allows you to submit your FAFSA **online**.
 - Parents and students should each get their **own** PIN.
 - Get a PIN **even if** you don't submit your FAFSA online, so that you can access the results online.
 - **How and when** do I get a PIN? Anytime at www.pin.ed.gov. (JUNIORS can get a PIN, too!)

- Go over **important terms** on **page 36**.
 - **Cost of Attendance (COA)** – the total amount it will cost you to go to school, expressed in a yearly figure. This includes tuition and fees, on-campus room and board, textbooks, supplies and transportation.
 - **Expected Family Contribution (EFC)** – a number that results from financial information provided on your FAFSA, it's used to determine your eligibility for federal aid.
 - **Financial Aid Package** - The total amount of aid a student is awarded when all aid is grouped together (grants, loans, work-study, scholarships).
 - **Student Aid Report (SAR)** – Results of what types of aid a student is eligible for that is emailed or mailed a few days or a few weeks after submitting a FAFSA.
 - **Satisfactory Academic Progress** – Schools require that students must meet and maintain satisfactory academic progress to keep federal financial aid. The definition of satisfactory academic progress will be different for each college/university, so students should check with the office of financial aid to make sure they understand the expectations.

- **FAFSA4caster** on **page 3**.
 - Attention **JUNIORS!** – The FAFSA4caster is a way for juniors and younger students to prepare financially for college before actually applying for federal student aid. It provides an estimate of federal student aid eligibility by instantly calculating an estimated EFC. FAFSA4caster determines what type of federal aid (grants, work-study and loans) the student is eligible to receive and provides an estimated award amount for each.