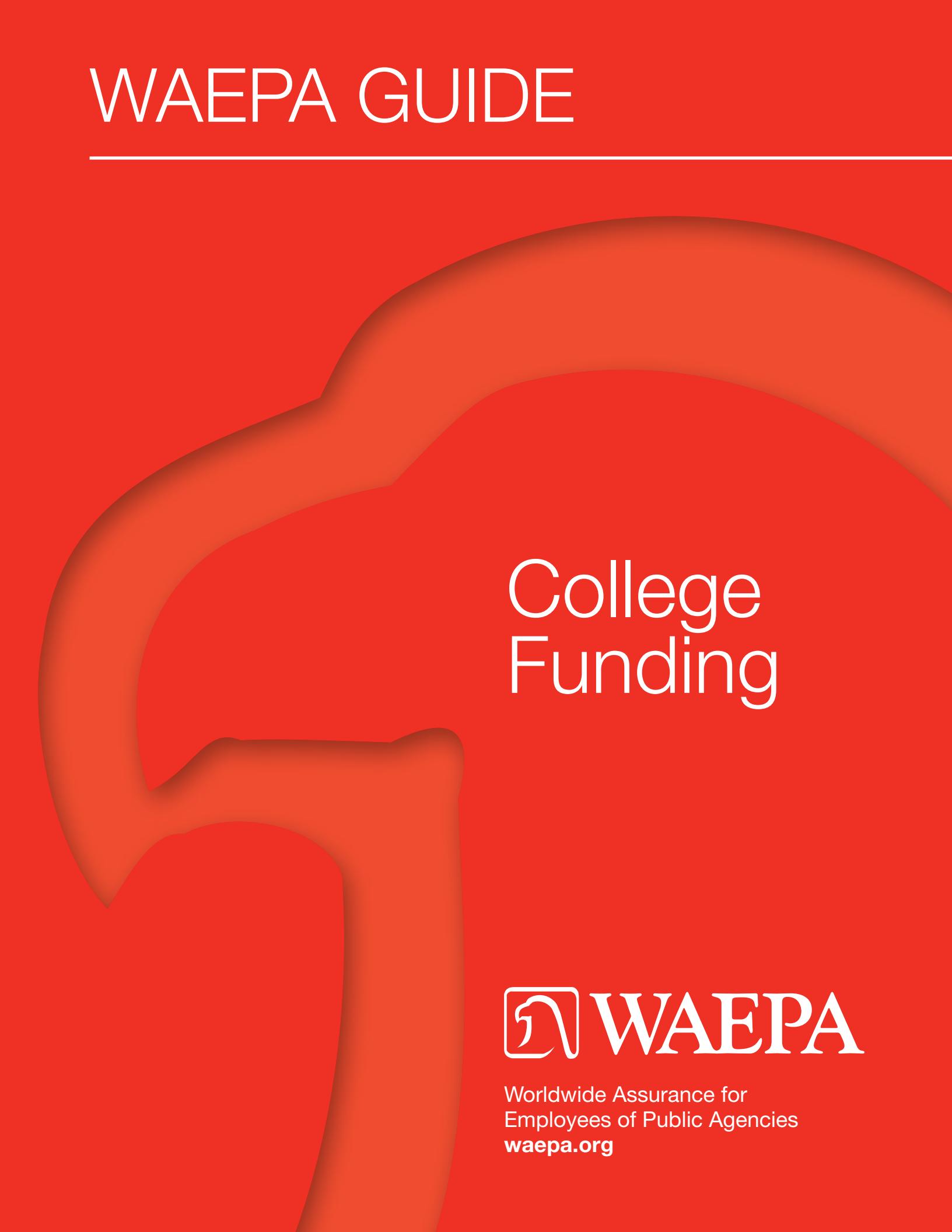


WAEPA GUIDE



College
Funding



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College Funding Guide

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The College Funding Guide is presented by:



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Introduction

College is an Investment

A college education is a big investment of time, money, and effort. The hardest part of the equation is often figuring out how to pay for it – without putting yourself (or your parents) in crippling amounts of debt. The **WAEPA College Funding Guide** was published to help you put the pieces of the puzzle together – and to help you find the funding you need to pursue your goals for college – and beyond.

It can be very tempting to go from high school directly to the work place – especially if you think you need to be working to earn money. However, college really is an investment that pays great dividends – for the rest of your life. College gives you a wider variety of jobs to choose from, and – most importantly – you'll earn significantly more money over your lifetime with a college degree in hand. Just check out the earnings and unemployment rates for people with different levels of education:

Median weekly earnings and unemployment rate by education attainment in 2017 (Source: www.bls.gov/careeroutlook/2018/data-on-display/education-pays.htm)

Unemployment Rate*	Level of Education Completed	Median Earnings
1.5 %	Professional Degree	\$95,472
1.5 %	Doctorate	\$90,636
2.2 %	Master's Degree	\$72,852
2.5 %	Bachelor's Degree	\$60,996
3.4 %	Associate Degree	\$43,472
4.0 %	Some College, No Degree	\$40,248
4.6%	High School Graduate, No College	\$37,024
6.5%	Less than a High School Diploma	\$27,040

The old tagline was that “college isn’t for everyone” but that’s no longer true. Whether you want to go full-time, part-time, days or nights, or even get your degree from an online university – you can make it happen. This is truly an extraordinary time for those seeking a college degree – you can study a greater breadth of courses, topics and majors than ever before.

We hope that you find the **WAEPA College Funding Guide** helpful and we wish you the best of luck in your pursuit of your college degree. Remember to study hard, work hard, and most importantly – enjoy your future.

– *The WAEPA Staff*

College Preparation Checklist

General Overview

Pre-High School

- Take challenging classes in English, mathematics, science, history, geography, the arts, and a foreign language.
- Develop strong study skills. This is more important than many people realize. The sooner you understand how to study – and figure out a system that works for you – the easier it will be to successfully complete your course load.
- Start thinking about which high school classes will best prepare you for college.
- If you have an opportunity to choose among high schools, or among different programs within one high school, investigate the options and determine which ones will help you –
 - Further your academic and career interests.
 - Open doors to many future options.
- Start saving for college if you haven't already. Investigate the pros and cons of different ways to save:
 - Buy a U.S. Savings Bond.
 - Open a savings account in a bank.
 - Invest in mutual funds.
 - Open a 529 Plan.

High School: 9th Grade

- Take challenging classes in English, mathematics, science, history, geography, the arts, and a foreign language. You should also take government, civics, and economics class when offered.
- Get to know your career counselor or guidance counselor and other college resources available in your school.
- Talk to adults in a variety of professions to determine what they like and dislike about their jobs and what kind of education is needed for each kind of job.
- Continue to save for college.

High School: 10th Grade

- Take challenging classes in English, mathematics, science, history, geography, the arts, a foreign language, government, civics, and economics.
- Talk to adults in a variety of professions to determine what they like and dislike about their jobs and what kind of education is needed for each kind of job.
- Become involved in school, or community-based extracurricular (before or after school) activities that interest you and/or enable you to explore career interests.

- Meet with your career counselor or guidance counselor to discuss colleges and their requirements.
- Take the Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT). You must register early. If you have difficulty paying the registration fee, see your guidance counselor about getting a fee waiver.
- Take advantage of opportunities to visit colleges and talk to students.
- Continue to save for college.

High School: 11th Grade

- Take challenging classes in English, mathematics, science, history, geography, the arts, a foreign language, government, civics, and economics.
- Meet with your career or guidance counselor to discuss colleges and their requirements.
- Continue involvement in school, or community-based extracurricular activities.
- Decide which colleges most interest you. Contact them to request information and an application for admission. Ask about special admissions requirements, financial aid and deadlines.
- Talk to college representatives at college fairs.

College Preparation Checklist

Continued

- Visit colleges and talk to students.
- Consider people to ask for recommendations – teachers, counselors, employers, etc.
- Investigate the availability of financial aid from federal, state, local, and private sources. Talk to your guidance counselor for more information.
- Find out more about AmeriCorps (often called the domestic Peace Corps), by calling **(800) 942-2677 (TTY)
(800) 833-3722**, or visiting www.nationalservice.gov. After completing a year of service, full-time AmeriCorps members receive a monetary award to be used toward college.
- Investigate the availability of scholarships provided by organizations such as corporations, labor unions, professional associations, religious organizations, and credit unions.

- If applicable, look online or at your local library for directories of scholarships for women, minorities, and disabled students.
- Register for and take the SAT I, the ACT, SAT II Subject Tests or any other exams required for admission to the colleges you might want to attend. If you have difficulty paying the registration fee, see your guidance counselor about getting a fee waiver.
- Continue to save for college.

High School: 12th Grade

- Take challenging classes in English, mathematics, science, history, geography, the arts, a foreign language, government, civics, and economics. You should also take classes in advanced technologies when offered.
- Meet with your counselor early in the year to discuss your plans.
- Complete all necessary financial aid forms, especially the Free Application for Federal Student Aid (FAFSA). Apply online at: studentaid.ed.gov/sa/fafsa

- Write colleges to request information and applications for admission. Ask about financial aid, admissions requirements, and deadlines.
- If possible, visit the colleges that most interest you.
- Register for and take the SAT I, ACT Assessment, SAT II Subject Tests or any other exams required for admission to the colleges to which you are applying. If you have difficulty paying the registration fee, see your guidance counselor about getting a fee waiver.
- Prepare your application carefully. Follow the instructions, and PAY CLOSE ATTENTION TO DEADLINES! Be sure to ask your counselor and teachers at least two weeks before your application deadlines to submit the necessary documents to colleges (your transcript, letters of recommendation, etc.).

Taking the First Step

Before enrolling, make appointments to visit the colleges or career schools you're considering. Bring a list of questions to ask school representatives. Your education is a major investment, so find out as much information as you can before you enroll.

Information you should get from a school:

1. Ask about the school's accreditation and licensing.

- Talk to high school counselors, local employers, and your state higher education agency. You can also see if any complaints about the school have been filed with the local Better Business Bureau or the consumer protection division of the state attorney general's office. You can search for Better Business Bureau offices at www.bbb.org.

2. Ask about the school's loan default rate.

- Find out the school's loan default rate (the percentage of students who attended the school, took out federal student loans, and later failed to repay their loans on time). You might not be able to get aid from some programs at a school that has a high default rate.

3. Find out the school's job placement rates (the percentage of students who are placed in jobs relevant to their courses of study).

- If the school advertises its job placement rates, it must also publish the most recent employment statistics, graduation statistics, and any other information necessary to back up its claims. This information must be available at or before the time you apply for admission to the school. Also, check with local employers to see whether they have hired graduates from the school.

4. Find out about financial aid at the school.

You have the right to receive the following information:

- The location, hours, and counseling procedures for the school's financial aid office;
- The financial assistance available, including Federal, state, local, private, and institutional financial aid programs;
- The procedures and deadlines for submitting applications for each available financial aid program;
- The school's criteria for selecting financial aid recipients;
- The school's process for determining your financial need and the type and amount of assistance in your financial aid package;

- The method and timing of aid payments to you;
- The school's basis for determining whether you're making satisfactory academic progress, and what happens if you're not (whether you continue to receive federal financial aid depends, in part, on whether you make satisfactory academic progress); and

- If you're offered a Federal Work-Study job, the nature of the job, the hours you must work, your duties, the pay, and the method and timing of payment to you.

5. Find out about the school's refund policy.

- If you enroll but never begin classes, you should get most of your money back. If you begin attending classes but leave before completing your course work, you might be able to get part of your money back.

6. Find out about the school's return-of-aid policy.

- If you receive Federal student aid from any program mentioned in this publication (except for Federal Work-Study), and you withdraw from school, some of that money might have to be returned by you or by your school. Even if you don't finish your course work, you'll have to repay the loan funds you received, less any amount your school has returned to your lender.

Taking the First Step

Continued

7. *Find out the school's completion and transfer-out rates.*

- If many students withdraw from a school, it might indicate a problem with the school. A school is required to disclose to current and prospective students the percentage of its students who complete the school's programs and the percentage of students who transfer out of the school.

8. *Ask about Campus Security.*

- Your security and safety are something the school should take very seriously. Many college students live on or near campus and have the right to a safe environment. The U.S. Department of Education collects data on

campus crime statistics. You can search the records for schools that receive Title IV funding at; ope.ed.gov/campussafety.

- Ask about on-campus police and safety programs available to you.

Make sure you get the information you need and check out all your options as you prepare for education after high school—and don't wait until the last minute to get started! Know what to expect from the schools you're considering and submit your Free Application for Federal Student Aid (FAFSA) early in the award year to see if you qualify for federal student aid.

Before enrolling, submit your Free Application for Federal Student Aid (FAFSA) early in the award year to see if you qualify for federal student aid.

Ways to Reduce College Costs

1. Most colleges and universities offer merit or non-need-based scholarships to academically talented students. Students should check with each school in which they're interested for the criteria for merit scholarships.
2. The National Merit Scholarship Program awards scholarships to students based upon academic merit. The awards can be applied to any college or university to meet educational expenses at that school.
3. Many states offer scholarship assistance to academically talented students. Students should obtain the eligibility criteria from their state's education office.
4. Many schools offer scholarships to athletically talented students. Parents and students should be careful, however, to weigh the benefits of an athletic scholarship against the demands of this type of award – as well as the requirements for keeping this scholarship.
5. Some colleges and universities offer special grants or scholarships to students with particular talents. Music, journalism, and drama are a few categories for which these awards are made.
6. A state college or university charges lower fees to state residents. Since public institutions are subsidized by state revenues, their tuition costs are lower than private schools' costs. The college selection process should include consideration of a state school. Although cost should be a consideration, students should not base their choice of a school only on cost.
7. Some students choose to attend a community college for 1 or 2 years, and then transfer to a 4-year school. Tuition costs are substantially lower at community colleges than at 4-year institutions.
8. Some parents may be financially able to purchase a house near campus while their child is in school. If other students rent rooms in the house, the income may offset monthly mortgage payments. Families should make certain, however, that the property they purchase meets all of the requirements of rental property. Many factors and added costs go into buying another home. You should consult with a tax professional before doing so.
9. Commuting is another way for students to reduce college costs. A student living at home (rent free or even for a small fee) can save thousands of dollars a year.
10. Many schools provide lists of housing opportunities that provide free room and board to students in exchange for a certain number of hours of work each week.
11. Cooperative education programs allow students to alternate between working full time and studying full time. This type of employment program is not based upon financial need, and students can earn several thousand dollars a year. Students should ask about co-op programs at the schools they are interested in.
12. Another way to reduce college costs is by testing out of certain classes. Students should find out their school's policy regarding the Advanced Placement Program (APP), the College-Level Examination Program (CLEP), and the Provenience Examination Program (PEP). Under these programs, a student takes an examination in a particular subject and, if the score is high enough, receives college credit.

Ways to Reduce College Costs

Continued

13. Some colleges give credit for life experiences, thereby reducing the number of credits needed for graduation. Students should check with the college for further information. You can also write to: Distance Education and Training Council at 1101 17th (seventeenth) Street, NW, Suite 808, Washington, DC 20036, or call **(202) 234-5100**.
14. Most schools charge one price for a specific number of credits taken in a semester. If academically possible, students should take the maximum number of credits allowed. This strategy reduces the amount of time needed to graduate.
15. In many cases, summer college courses can be taken at a less expensive school and the credits transferred to the full-time school. Students should check with their academic advisor, however, to be certain that any course taken at another school is transferable.
16. Most schools have placement offices that help students find employment, and all schools have personnel offices that hire students to work on campus. These employment programs are not based upon financial need, and working while in school is an excellent way to meet college expenses.
17. Most colleges and universities offer their employees a tuition reduction plan or tuition waiver program. Under this type of arrangement, the school employee and family members can attend classes at a reduced cost or no cost at all. This type of program is based not upon financial need, but rather on college employment.
18. Most colleges and universities sponsor resident advisor programs that offer financial assistance to students in the form of reduced tuition or reduced room and board costs in exchange for work in resident halls.
19. The Reserve Officers Training Corps (ROTC) Scholarship Program pays all tuition fees, and textbook costs, as well as providing a monthly living stipend. Students should be certain, however, that they want this type of program before signing up because there is a service commitment after graduation.
20. Service Academy Scholarships are offered each year to qualified students to attend the U.S. Military Academy, the U.S. Air Force Academy, the U.S. Naval Academy, the U.S. Merchant Marine Academy, or the U.S. Coast Guard Academy. The scholarships are competitive and are based upon a number of factors, including high school grades, SAT or ACT scores, leadership qualities, and athletic ability. Students receive their undergraduate education at one of the service academies. They pay no tuition or fees, but there is a service commitment after graduation.
21. One of the most obvious ways of reducing college costs is to attend a low-cost school, either public or private. There are many colleges and universities with affordable tuition and generous financial assistance. Students should investigate all schools that meet their academic and financial needs.
22. Some schools offer combined degree programs or 3-year programs that allow students to take all of the courses needed for graduation in 3 years, instead of 4, thereby eliminating 1 year's educational expenses.
23. Partial tuition remission for the children of alumni is a common practice. Parents and students should investigate their alma mater's tuition discount policy for graduates.
24. Some colleges and universities offer special discounts if more than one child from the same family is enrolled.

Ways to Reduce College Costs

Continued

25. Some schools offer a tuition discount to student government leaders or to the editors of college newspapers or yearbooks.
26. Some colleges offer bargain tuition rates to older students. A growing number of people over the age of 50 are going back to college – or even going for the first time. Universities welcome this demographic and are making the process easier and more affordable than before.
27. Some colleges and universities convert non-federal school loans into non-federal grants if the student remains in school and graduates.
28. Some schools will pay a student's loan origination fees.
29. Some schools offer reduced tuition rates to families if the major wage earner is unemployed.
30. Some colleges and universities have special funds set aside for families who do not qualify for federal or state funding.
31. Some private colleges will match the tuition of out-of-state institutions for certain students. Check with your college to determine whether you qualify for this option.
32. Some companies offer tuition assistance to the children of employees. Parents and students should check with the personnel office for information.
33. It is advantageous to buy used textbooks.

Where to look for Student Aid

The largest source of student aid in the United States comes from the Federal Student Aid (FSA) programs. These programs provide more than \$150 billion a year in grants, loans and work-study assistance (more on these programs later in this publication).

When looking for student aid, make sure you look at all available sources including Federal and State.

Should you pay someone to help you find or apply for student financial aid?

Free help is available, whether you're looking for sources of student aid or completing the Free Application for Federal Student Aid (FAFSA). If there's a fee involved, be sure you know what you're paying for.

Where can you get free information about student aid?

The following sources usually have information about aid from the federal government and your state government; most can tell you about funds from your local community and private sources as well.

- **A college or career school financial aid office.** Talk to the financial aid administrator at the school you plan to attend. Be sure to ask about "institutional aid" – money the school itself awards students. The

school's catalog or Web site is also a good source of information about aid available at the school.

- **A local or college library.** Relevant materials are usually listed under "student aid" or "financial aid." If you need help, ask the reference librarian.
- **The Internet.** Search using the key words "student aid" or "financial aid." Remember that many scams operate over the Internet, so if an Internet service charges a fee, research it carefully. Better yet, use one of the many free Internet search services or aid information sites including studentaid.ed.gov.
- **A high school counselor's office.** Many counselors have a large selection of materials, know what recent graduates have received, and can guide you to free online information.

The major source of student financial aid is the U.S. Department of Education. The Department's aid includes grants, loans, and work study.

Free materials available in the financial aid office at your college or career school or the guidance office at your high school include the Free Application for Federal Student Aid (FAFSA).

Federal Student Aid Information Center (FSAIC): **(800) 4-FED-AID** **(800) 433-3243** **(TTY) (800) 730-8913**

Most federal student aid is awarded based on financial need rather than scholastic achievement. For instance, most grants are targeted to low-income students. However, you do not have to show financial need to receive certain federal student loans.

You may apply for federal student aid at no cost by filing a paper FAFSA or applying electronically with FAFSA on the Web, the online application for federal student aid. All you need for FAFSA on the Web is a computer that supports a Department-approved browser. FAFSA on the Web is at studentaid.ed.gov/sa/fafsa.

Who else awards aid to students?

Student aid may also be available from foundations, community organizations, and organizations related to your field of interest (for example, the American Medical Association or American Bar Association). Contact the organizations directly for detailed information. Check with your parents' employers to see whether they award scholarships or have tuition payment plans. Although funds from these sources make up a small percentage of the total aid awarded each year, it's worth doing the research – you

Where to look for Student Aid

Continued

never know what you might find.

Checklist of Free Resources of Student Financial Aid Information:

- the financial aid office at your college or career school.
- a high school counselor.
- the U.S. Department of Education.
- other federal agencies (including the military, if appropriate).
- your state education agency.
- the reference section of your school or public library.
- the Internet.
- foundations, religious organizations, community organizations, local businesses, and civic groups.
- organizations (including professional associations) related to your field of interest.
- ethnicity-based organizations.
- your employer or your parents' employers.
- free scholarship search services.

Scholarship Search Services

A number of privately operated scholarship search

services charge fees that can range from \$50 to well over \$1,000. It is important to understand what information scholarship search services can provide. Some can be helpful in identifying sources of aid for students who meet certain criteria, such as academic achievement, religious affiliation, ethnic or racial heritage, artistic talents, athletic ability, career plans, or proposed field of study. However, bear in mind that funds from these sources are usually limited and not all applicants will receive awards.

Listed below are some of the services you might reasonably expect from a private scholarship search service:

- Most scholarship search services provide a list of sources of financial assistance you may apply for. After studying the list, you then send a separate application to each source that interests you. The scholarship search service does not apply on your behalf or pay any additional application fees that may be required.
- Many search services offer to refund your fee if you do not receive any award. However, some services require you to provide a rejection letter from every source on the list to claim your refund. You should be aware that many scholarship sources do not routinely send rejection letters. Make sure you get the scholarship

search service's refund policy in writing before paying any money.

What are some questionable tactics you should watch out for?

- Some services will tell you that millions of dollars in student aid go unclaimed every year. The large figures you may hear or read about usually represent an estimated national total of employee benefits or member benefits. Usually, such benefits are available only to the employees (and their families) of a specific company, or to the members of a specific union or other organization.
- Some claim that you can't get the same information anywhere else. Many services make you pay to get information you could have received for free from a college financial aid office, state education agency, local library, the U.S. Department of Education, or the Internet. Remember that you can find out about student aid without paying a fee to a search service.
- Others request your credit card or bank account number to hold student financial aid for you. Search services do not, in most cases, provide any awards directly to applicants, apply on behalf of applicants, or act as a disbursing agent for financial aid providers. You should never give out a

Where to look for Student Aid

Continued

credit card or bank account number unless you know the company or organization you are giving it to is legitimate.

- Others try to get you to send them money by claiming that you are a finalist in a scholarship contest. Most sources of financial aid have application deadlines and eligibility criteria; they do not, generally, operate like a sweepstakes.
- Scholarship seminars frequently end with one-on-one meetings in which a salesperson pressures the student to “buy now or lose out on this opportunity.” Legitimate services don’t use such pressure tactics.

Each year, the U.S. Department of Education receives numerous complaints from students and parents who did not receive the information they expected from a search

service. The Department does not evaluate private scholarship search services. If you decide to use one of these services, you should check its reputation by contacting the Better Business Bureau (www.bbb.org), a school guidance counselor, or a state attorney general’s office.

Additionally, investigate the organization yourself before making a commitment:

- Ask for names of three or four local families who have used its services recently.
- Ask how many students have used the service and how many of them received scholarships as a result.
- Find out about the service’s refund policy.
- Get everything in writing.
- Read all the fine print before signing anything.

The Scholarship Fraud Prevention Act created a fraud-awareness partnership between the U.S. Department of Education and the Federal Trade Commission (FTC). For more information about scholarship scams or to report a scam, call the FTC toll free at **1-877-FTC-HELP (877) 382-4357** or go to www.ftc.gov/scholarshipscams.

Most of the information private scholarship search services provide can be obtained for free elsewhere. Before you pay any company or organization to find student financial aid for you, make sure you’re not paying for free information. Also, be sure to ask what you will be getting in return. Searching for student aid on your own can prevent you from wasting your money. You just need to know where to look.

Free Student Aid Information and Sources

Check out these other great resources for federal or non-federal student aid:

- **Public Libraries/Internet**
This is where you should start your search. The internet or a public library provides excellent sources of information on state and private forms of aid. When using either source, search using keywords like "financial aid," "student aid," "scholarships," etc.
- **Financial Aid Administrator**
Talk to the aid administrator (or his or her staff) at each school you're interested in to find out about the school's aid programs and total cost of attendance.
- **State Higher Education Agency**
This agency in your home state can give you information about state aid—including aid from the Leveraging Educational Assistance Partnership (LEAP) Program.
- **AmeriCorps**
This program provides full-time educational awards in return for work in community service. You can work before, during, or after your postsecondary education, and you can use the funds either to pay current educational expenses or to repay federal student loans. For more information, call **(800) 942-2677**. The TTY

number is **(800) 833-3722**. Information is also available at www.nationalservice.gov/programs/americanosrp.

- **Companies and Labor Unions**
Check with your parents' places of work. They might have programs to help pay the cost of postsecondary education for employees and their children.
- **Organizations, Foundations, Etc.**
Foundations, religious organizations, fraternities or sororities, and town or city clubs often offer financial assistance. Include in your search community organizations and civic groups such as the American Legion, YMCA, 4-H Club, Elks, Kiwanis, Jaycees, and the Girl or Boy Scouts. Organizations connected with your field of interest can be helpful—for example, the American Medical Association and the American Bar Association are good sources for students seeking specialization in those fields.
- **U.S. Armed Forces**
The Armed Forces also offer financial aid opportunities. For more information on recruitment incentives, visit the U.S. Department of Defense at www.todaysmilitary.com. You can also contact your local

recruiter.

- **U.S. Department of Veterans Affairs**
If you (or your spouse) are a veteran or you're the dependent of a veteran, veterans' educational benefits may be available. Information is also available at benefits.va.gov/gibill or call **(888) GIBILL-1 (888) 442-4551**.

- **Internal Revenue Service (IRS)**
The IRS offers two federal income tax credits (dollar-for-dollar reductions in tax liability) for higher education expenses.

— American Opportunity Credit

The American opportunity tax credit modified the existing hope credit. It is a credit for qualified education expenses paid for an eligible student for the first four years of higher education. You can get a maximum annual credit of \$2500 per student.

The full credit is available to individuals whose modified adjusted gross income is between \$80,000 or less, or \$160,000 or less for married couples filing a joint return. The credit is phased out for taxpayers with incomes above these levels. These income limits are higher than under the existing hope and lifetime learning credits.

Free Student Aid Information and Sources

Continued

— *Lifetime Learning Credit*

The lifetime learning credit helps parents and students pay for post-secondary education.

For the tax year, you may be able to claim a lifetime learning credit of up to \$2,000 for qualified education expenses paid for all students enrolled in eligible educational institutions. There is no limit on the number of years the lifetime learning credit can be claimed for each student. However, a taxpayer cannot claim both the Hope or American opportunity credit and lifetime learning credits for the same student in one year. Thus, the lifetime learning credit may be particularly helpful to graduate students, students who are only taking one course and those who are not pursuing a degree.

Generally, you can claim the lifetime learning credit if all three of the following requirements are met:

- You pay qualified education expenses of higher education.
- You pay the education expenses for an eligible student.
- The eligible student is either yourself, your spouse or a dependent for whom you claim an exemption on your tax return.

If you pay qualified education expenses for more than one student in the same year, you can choose to take credits on a per-student, per-year basis. This means that, for

example, you can claim the American opportunity credit for one student and the lifetime learning credit for another student in the same year.

For more information on the American Opportunity Credit and Lifetime Learning tax credits, and other tax benefits for postsecondary students, go to www.irs.gov/. IRS Publication 970, Tax Benefits for Higher Education, which explains these credits and other tax benefits, is available online. Or, call the IRS at **(800) 829-1040**. TTY callers can call **(800) 829-4059**.

How to Find Scholarships

Hit the books

Looking for scholarships is similar to finding student aid – you need to know where to look and who to ask. Doing research can help you find scholarships you may not have otherwise known about. Most public and campus libraries carry scholarship guides. Ask your librarian or guidance counselor for help. Also look under “financial aid,” “student aid,” and “scholarships.”

Check with the colleges you're applying to

Most college-sponsored scholarships don't require additional applications beyond their standard admission and financial aid applications. Just be sure to complete and file the applications on time!

Some colleges offer special scholarships (for certain major fields or for certain talents) that you can apply for in addition to any that are open to all applicants.

Ask employers

Your parents might already be aware if scholarships are provided for children of employees. If not, the human resource department is usually the place to check to find out what is available. The staff there should be able to provide applications, deadlines, and any other information you'll need.

If you are employed, check with your employer to see if scholarships are available. Be sure to get any application forms and information about deadlines and complete the process on time.

Check local scholarships

Many community organizations, churches, and clubs offer scholarships. Your high school guidance counselor should be able to provide information about most of them, and can refer you to sponsors who can provide applications and information.

Search the Net

Using keywords like those mentioned earlier, you can find a wealth of free scholarship information on the internet, but be careful.

General Scholarship Information

The term “scholarship” can have many meanings. At its most basic, a scholarship is money for college that you will not be expected to repay. Scholarships are worth seeking!

Scholarships sponsored by colleges are often designated for students who fit a particular profile (from the college's home state, holding a specified grade average, enrolling in a particular major, or bringing special talent in athletics, music, and the like).

What Does It Take to Get a Scholarship?

Most students assume that they have to be brilliant, athletically talented, or gifted musically, to earn a scholarship for college. Once accepted, many colleges award scholarships to students with significant financial need in the accepted applicant group — a grant that you don't need to repay, just for making the cut and getting admitted!

Good grades won't hurt if you hope to get a scholarship, even if your family doesn't demonstrate financial need. When scholarships are awarded on the basis of academic merit, without regard for need, students who have worked hard and achieved results in high school will be the winners.

You should be persistent in seeking out other scholarship sources. Sometimes all it takes to get a scholarship is to find out who in your area is offering them: your church, your employer, your parents' employers, and local civic organizations. You'll just need to fill out any required applications or interviews on time in order to be considered.

How to Find Scholarships

Continued

How Do You Apply for a Scholarship?

The most important thing to do to apply for scholarships is to get accurate information up front:

- What are the qualifications for applicants?
- Where do you get forms and how do you apply (online, by mail, etc.)?
- Are additional interviews or references required?
- What are the deadlines?

Once you have the information in hand, you can make a chart of what's due and when to follow through. Taking small steps throughout the process will help ensure you will meet all the requirements on time. Remember, most scholarship funding comes directly from the colleges themselves, so focus on making your college applications as strong as possible.

Many community organizations, churches, and clubs offer scholarships. Your high school guidance counselor should be able to provide information about most of them, and can refer you to sponsors who can provide applications and information.

Information for Borrowers

When you take out a student loan, you have certain responsibilities. Here are some important ones:

Think About How Much You're Borrowing.

Think about what your repayment obligation means before you take out a loan. If you don't repay your loan on time or according to the terms in your promissory note, you might go into default, which has serious consequences and will affect your credit rating. You don't have to borrow the maximum amount you're allowed. Borrow only what you really need to pay for school.

Agree to Repay the Loan.

When you sign a promissory note, you're agreeing to repay the loan according to the terms of the note. The note states that except in cases of loan discharge (cancellation), you must repay the loan, even if you don't complete your education (unless you couldn't for a valid reason—because the school closed, for example). Also, you must repay your loan even if you can't get a job after you complete the program, or you don't like the education you paid for.

Make Payments Regardless of Receiving Billing Notices.

You must make payments on your loan even if you don't receive a bill or repayment notice. Billing statements (or coupon books) are sent to you

as a convenience, but you're obligated to make payments even if you don't receive any reminders. Also, you must make monthly payments in the full amount your repayment plan has established. Partial payments do not fulfill your obligation.

Continue to Pay While Waiting for Deferment, Forbearance or Discharge Approval.

If you apply for a deferment or forbearance or a loan discharge, you must continue to make payments until you're notified your request has been granted. If you don't, you might end up in default. You should keep a copy of any request form you submit, and make sure you document all contacts with the organization that holds your loan.

Keep in Touch with Your Loan Servicer.

You must notify your loan servicer when you graduate; withdraw from school; drop below half-time status; change your name, address, or Social Security number; or transfer to another school.

Receive Entrance and Exit Counseling.

For Direct or FFEL Stafford Loans, you must receive entrance counseling before you're given your first loan disbursement, unless you've previously received a Stafford Loan. No matter what type

of federal student loan you have, you must receive exit counseling before you leave school. Your school will provide the counseling and important information about your loan. Your lender will give you additional information.

Rights as a Borrower.

You have certain rights as a borrower – some of them are listed below...

Before the First Loan Disbursement

Before your school makes your first loan disbursement, you must receive the following information about your loan from your school, lender, or the Direct Loan Servicing Center:

- The full amount of the loan and the interest rate;
- The date you must start repayment;
- A complete list of any charges you must pay (loan fees) and information on how those charges are collected;
- Information about the yearly and total amounts you can borrow;
- Information about the maximum repayment periods and the minimum payment amount;
- An explanation of default and its consequences; and

Information for Borrowers

Continued

- An explanation of available options for consolidating your loans and a statement that you can prepay your loan(s) without penalty at any time.

Before You Leave School

Before you leave school, you will receive the following information about your loan (as part of exit counseling) from your school, lender, or the Direct Loan Servicing Center:

- A current description of your loans, including average anticipated monthly payments;
- The amount of your total debt (principal and estimated interest), your interest rate, and the total interest charges on your loan;
- If you have FFEL (Federal) Stafford Loans, the name of the lender or agency that holds your loans, where to send your payments, and where to write or call if you have questions;
- If you have Direct Stafford Loans, the address and telephone number of the Direct Loan Servicing Center;

- An explanation of the fees you might be charged during the repayment period, such as late charges and collection or litigation costs if you're delinquent or in default;
- A reminder of available options for loan consolidation and a reminder that you can prepay your loan without penalty at any time;
- A description of applicable deferment, forbearance, and discharge (cancellation) provisions;
- Repayment options and advice about debt management that will help you in making your payments; and
- Notification that you must provide your expected permanent address and the name and address of your expected employer. You must also provide any corrections to your school's records concerning your name, Social Security number, references, and driver's license number (if you have one).

Grace Period

You have the right to a grace period before your repayment period begins. (Your parents do not receive a grace period for a PLUS Loan.) Your grace period will be six or nine months depending on the type of loan you have.

Loan Repayment Schedule

Your school, lender, or the Direct Loan Servicing Center, as appropriate, must give you a loan repayment schedule that states when your first payment is due, the number and frequency of payments, and the amount of each payment.

Sale of Loan

If you or your parents borrow under the FFEL Program, you (or your parents, for a PLUS Loan) must be notified when the loan is sold if the sale results in making payments to a new lender or agency. You must be given the identity of the new lender or agency holding the loan, the address to which you must make payments, and the telephone numbers of both the old and new lender or agency.

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**Premium Refunds not guaranteed

Federal Student Aid

Who can get federal student aid?

Eligibility is based on financial need and on several other factors. Your eligibility is determined by the information you provide on the Free Application for Federal Student Aid (FAFSA) — see later section in this guide.

Here are some of the basic requirements you must meet:

- Demonstrate financial need (except for certain loans—see below).
- Demonstrate by one of the following means that you're qualified to enroll in postsecondary education:
 - Have a high school diploma or a General Education Development (GED) Certificate;
 - Pass an approved ability-to-benefit (ATB) test (if you don't have a diploma or GED, a school can administer a test to determine whether you can benefit from the education offered at that school);
 - Meet other standards your state establishes and have been approved by the Department of Education; or
 - Complete a high school education in a home school setting approved under state law.
- Be working toward a degree or certificate in an eligible program.
- Be a U.S. citizen or eligible noncitizen (such as a permanent resident). Maintain satisfactory academic progress once in school.

You might not be able to receive federal student aid if you've been convicted under federal or state law of selling or possessing illegal drugs. If you have a conviction for these offenses, contact the [Federal Student Aid Information Center](#) to find out your status. Even if you're ineligible for federal aid, you should still complete the federal student aid application (the FAFSA): Many schools and states use the FAFSA to determine eligibility for aid they offer.

- If you have a question about your citizenship status, contact the financial aid office at the college or career school you plan to attend. Visit this site for more non-citizen eligibility: studentaid.ed.gov/sa/eligibility/non-us-citizens.

What about the financial need requirement?

Aid from most programs is awarded based on financial need (except for unsubsidized Stafford Loans and PLUS Loans). Your financial need is calculated according to a formula established by law. Most use an Expected Family Contribution (EFC) number

when your need is determined. The EFC is a measure of your family's financial strength and is calculated from the information you report on the Free Application for Federal Student Aid (FAFSA). Your EFC will appear on your Student Aid Report (SAR) you receive.

To be eligible for a Federal Pell Grant, your EFC must be below a certain number, which can vary from year to year.

To determine your financial need for other federal student aid programs (unless you receive an unsubsidized Stafford Loan), your school will subtract from your cost of attendance the following: the EFC, any Federal Pell Grant amount you're eligible for, and other financial aid you'll receive. If anything is left over, you're considered to have financial need for additional federal student aid.

How much aid can you get?

Because the Expected Family Contribution formula must be applied to each family's financial information, we can't tell you here whether you'll be eligible for federal student aid or estimate how much aid you might get. That's why you need to apply to find out. For more information about your eligibility status after you get your application results, contact the financial aid office(s) at the school(s) you're considering.

Federal Student Aid

Continued

Special circumstances in determining financial need

In some cases, a school's financial aid administrator might adjust your cost of attendance or the information used to calculate your EFC to take into account special circumstances you might have. These circumstances could include your family's unusual medical expenses, tuition expenses, or unemployment. The aid administrator decides whether to make an adjustment, however; his or her decision is final and cannot be appealed.

TEACH Grant Program

Through the College Cost Reduction and Access Act of 2007, Congress created the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program that provides grants of up to \$3,764 (2019-20) per year to students who intend to teach in a public or private elementary or secondary school that serves students from low-income families. If you are interested in learning more about the TEACH Grant Program, you should contact the financial aid office at the college where you will be enrolled.

Conditions

In exchange for receiving a TEACH Grant, you must agree to serve as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves low-income students (see

below for more information on high-need fields and schools serving low-income students). As a recipient of a TEACH Grant, you must teach for at least four academic years within eight calendar years of completing the program of study for which you received a TEACH Grant. **IMPORTANT:** If you fail to complete this service obligation, all amounts of TEACH Grants that you received will be converted to a Federal Direct Unsubsidized Stafford Loan. You must then repay this loan to the U.S. Department of Education. You will be charged interest from the date the grant(s) was disbursed. Note: TEACH Grant recipients will be given a 6-month grace period prior to entering repayment if a TEACH Grant is converted to a Direct Unsubsidized Loan.

Student Eligibility Requirements

To receive a TEACH Grant you must meet the following criteria:

- Complete the Free Application for Federal Student Aid (FAFSA), although you do not have to demonstrate financial need.
- Be a U.S. citizen or eligible non-citizen.
- Be enrolled as an undergraduate, post-baccalaureate, or graduate student in a postsecondary educational institution that has chosen to participate in the TEACH Grant Program.

- Be enrolled in course work that is necessary to begin a career in teaching or plan to complete such course work. Such course work may include subject area courses (e.g., math courses for a student who intends to be a math teacher).
- Meet certain academic achievement requirements (generally, scoring above the 75th percentile on a college admissions test or maintaining a cumulative GPA of at least 3.25).
- Sign a TEACH Grant Agreement to Serve (see below for more information on the TEACH Grant Agreement to Serve).

High-Need Field

High-need fields are the specific areas identified below:

- Bilingual Education and English Language Acquisition.
- Foreign Language.
- Mathematics.
- Reading Specialist.
- Science.
- Special Education.
- Other identified teacher shortage areas as of the time you begin teaching in that field. These are teacher subject shortage areas (not geographic areas) that are listed in the Department of

Federal Student Aid

Continued

Education's Annual Teacher Shortage Area Nationwide Listing. To access the listing, please go to tsa.ed.gov/#/reports.

Schools Serving Low-Income Students

Schools serving low-income students include any elementary or secondary school that is listed in the Department of Education's Annual Directory of Designated Low-Income Schools for Teacher Cancellation Benefits. To access the Directory, please go to studentloans.gov/myDirectLoan/tcli.action.

TEACH Grant Agreement to Serve

Each year you receive a TEACH Grant, you must sign a TEACH Grant Agreement to Serve that will be available electronically on a Department of Education Web site. The TEACH Grant Agreement to Serve specifies the conditions under which the grant will be awarded, the teaching service requirements, and includes an acknowledgment by you that you understand that if you do not meet the teaching service requirements you must

repay the grant as a Federal Direct Unsubsidized Loan, with interest accrued from the date the grant funds were disbursed. Specifically, the TEACH Grant Agreement to Serve will require the following:

- For each TEACH Grant-eligible program for which you received TEACH Grant funds, you must serve as a full-time teacher for a total of at least four academic years within eight calendar years after you completed or withdrew from the academic program for which you received the TEACH Grant.
- You must perform the teaching service as a highly-qualified teacher at a low-income school. The term highly-qualified teacher is defined in section 9101(23) of the Elementary and Secondary Education Act of 1965 or in section 602(10) of the Individuals With Disabilities Education Act.
- Your teaching service must be in a high-need field.
- You must comply with any other requirements that the Department of Education determines to be necessary.

- If you do not complete the required teaching service obligation, TEACH Grant funds you received will be converted to a Federal Direct Unsubsidized Stafford Loan that you must repay, with interest charged from the date of each TEACH Grant disbursement.

IMPORTANT REMINDER

If you receive a TEACH Grant but do not complete the required teaching service, as explained above, you will be required to repay the grants as a Federal Direct Unsubsidized Stafford Loan, with interest charged from the date of each TEACH Grant disbursement.

Federal Student Aid Summary

On the following pages you will find a SUMMARY of the U.S. Department of Education's Federal Student Aid (FSA) programs that can help you pay for school. Check with your school to find out which programs your school participates in.

Federal Student Aid

Continued

Federal Student Aid Programs

The chart below is from the following website, studentaid.ed.gov/sa/sites/default/files/aid-glance-2019-20.pdf.

Program and Type of Aid	Program Information	Annual Award Amount (subject to change)
Federal Pell Grant Grant: does not have to be repaid	For undergraduates with financial need who have not earned bachelor's or professional degrees. For details and updates, visit StudentAid.gov/pell-grant .	Amounts can change annually. For 2018–19 (July 1, 2018, to June 30, 2019), the award amount is up to \$6,095.
Federal Supplemental Educational Opportunity Grant (FSEOG) Grant: does not have to be repaid	For undergraduates with exceptional financial need; Federal Pell Grant recipients take priority; funds depend on availability at school. For details and updates, visit StudentAid.gov/fseog .	Up to \$4,000.
Teacher Education Assistance for College and Higher Education (TEACH) Grant Grant: does not have to be repaid unless converted to a Direct Unsubsidized Loan for failure to carry out teaching service obligation as promised	For undergraduate, postbaccalaureate, and graduate students who are completing or plan to complete course work needed to begin a career in teaching. To receive a TEACH Grant, a student must agree to teach for four years in a high-need field at an elementary school, secondary school, or educational service agency that serves low-income families. If a student doesn't complete the teaching service requirement, all TEACH Grants the student received will be converted to a Direct Unsubsidized Loan that must be repaid, with interest. For details and updates, visit StudentAid.gov/teach .	Up to \$4,000.
Iraq and Afghanistan Service Grant Grant: does not have to be repaid	For undergraduate students who are not Pell-eligible and whose parent or guardian died as a result of military service in Iraq or Afghanistan after the events of 9/11. For details and updates, visit StudentAid.gov/iraq-afghanistan .	The grant award can be equal to the maximum Federal Pell Grant amount (see above) but cannot exceed your cost of attending school.
Federal Work-Study Work-Study: money is earned through a job and doesn't have to be repaid	For undergraduate and graduate students; part-time jobs can be on campus or off campus. Money is earned while attending school. Your total work-study award depends on <ul style="list-style-type: none">• when you apply,• your level of financial need, and• your school's funding level. For details and updates, visit StudentAid.gov/workstudy .	No annual minimum or maximum amounts.

Federal Student Aid

Continued

Program and Type of Aid	Program Information	Annual Award Amount (subject to change)
Direct Subsidized Loan Loan: must be repaid with interest	<p>For undergraduate students who have financial need; U.S. Department of Education generally pays interest while the student is in school and during certain other periods; a student must be enrolled at least half-time.</p> <p>Interest rates for new Direct Subsidized Loans can change every year. Loans made to undergraduate students during the 2018–19 award year have the rate fixed at 5.05% for the life of the loan.</p>	<p>Up to \$5,500 depending on grade level and dependency status.</p> <p>For details and updates, visit StudentAid.gov/sub-unsub.</p>
Direct Unsubsidized Loan Loan: must be repaid with interest	<p>For undergraduate and graduate or professional students; the borrower is responsible for interest during all periods; a student must be enrolled at least half-time; financial need is not required. For undergraduate students: Interest rates for new Direct Unsubsidized Loans can change every year. Loans made to undergraduate students during the 2018–19 award year have the rate fixed at 5.05% for the life of the loan. For graduate or professional students: Interest rates for new Direct Unsubsidized Loans can change every year. Loans made to graduate or professional students during the 2018–19 award year have the rate fixed at 6.6% for the life of the loan.</p>	<p>Up to \$20,500 (less any subsidized amounts received for same period), depending on grade level and dependency status. For details and updates, visit StudentAid.gov/sub-unsub.</p>
Direct PLUS Loan Loan: must be repaid with interest	<p>For parents of dependent undergraduate students and for graduate or professional students; the borrower is responsible for interest during all periods; a student must be enrolled at least half-time; financial need is not required; the borrower must not have an adverse credit history. Interest rates for new Direct PLUS Loans can change every year. Loans made during the 2018–19 award year have the rate fixed at 7.6% for the life of the loan</p>	<p>Maximum amount is the cost of attendance minus any other financial aid received.</p> <p>For details and updates, visit StudentAid.gov/plus.</p>

Applying for Federal Student Aid

How do you apply?

Complete the Free Application for Federal Student Aid (FAFSA). studentaid.ed.gov/sa/fafsa. Applying is FREE.

Applying is easy.

All you need for federal student aid is an application, referred to as the FAFSA. You might have to complete an additional application to be considered for school or state aid, but many schools and states use FAFSA information for this purpose.

Can you apply online?

Yes; in fact, it's faster and easier than using a paper FAFSA. You can complete our online application, FAFSA on the Web, from your home computer or from a computer at a central location like your high school, your local public library, or your local educational opportunity center. Go to studentaid.ed.gov/sa/fafsa to apply.

What if you decide you want a paper application?

You can get a paper FAFSA—in English or Spanish—from your local library or high school, the college or career school you plan to attend, or the Federal Student Aid Information Center.

Just mail your FAFSA in the pre-addressed envelope that's in your FAFSA packet. Or, before mailing it, you could check to see if your school, or a school that interests you, offers the option of submitting your FAFSA data electronically.

When do you apply?

For the 2018–2019 year, you can apply between Oct. 1, 2017 and June 30, 2019.

For the 2019–2020 year, you can apply between Oct. 1, 2018 and June 20, 2020.

However, there are a few federal student aid programs that have limited funds, so be sure to apply as soon as you can once the FAFSA form is available for the year you'll be attending school.

You must reapply for federal student aid for each year you'll be enrolled in a college or career school. Eligibility is determined for one award year at a time. The results of a 2019–2020 application will be good only for the 2019–2020 award year and any summer terms a school considers part of that award year.

When you're a senior, try to apply as soon as possible after October 1st (previously, the earliest you could fill out the application was January 1st). Schools and states often have much earlier deadlines than federal programs.

After you've applied for the first time, you might be able to apply more easily and quickly in later award years by completing a Renewal FAFSA. Generally, you fill out just the information that has changed from the previous award year. The Renewal FAFSA is also available online at FAFSA on the Web. You'll receive information about the Renewal

FAFSA when it's time for you to use it.

What do you need before you fill out the Free Application for Federal Student Aid (FAFSA)?

- *You need to have a Social Security Number (SSN).* Your SSN is used to verify your information and locate your federal student aid records. If you don't have an SSN yet, you should apply for one at your local Social Security office. You can find out more about applying at www.ssa.gov.
- *It's not a requirement, but you should have a FSA ID.* If you use the online FAFSA on the Web to apply for aid, having a FSA ID before you apply lets you "sign" your FAFSA electronically at the time you submit it. That way, the student aid process can be completed quickly and totally online, and you'll get your results faster.

You request an ID fsaid.ed.gov. Don't wait until you apply to request an ID. You can get one anytime. You'll receive your ID either through regular mail or e-mail, if you provide your e-mail address.

Before you apply, you should get an ID to make the application process go even faster (see below).

Applying for Federal Student Aid

Continued

Even if you fill out a paper FAFSA, you should still request an ID because you can use it to:

- Look up your processed FAFSA data online;
 - Make online corrections to your application information;
 - Complete your Renewal FAFSA online; and
 - Access all your applicant data records online. For example, you can check your student loan history.
- You'll need to have the right documents and information to complete your FAFSA accurately.

Because aid awards are based on financial need, you'll need to report certain financial information on the FAFSA. For example, if you're considered dependent on your parents—see “Dependency Status” below—you'll need your parents' W-2 forms and other records of money earned, as well as their U.S. income tax returns. You'll need your own forms as well. Referring to the tax forms while you complete the FAFSA makes it easier to answer the questions. The FAFSA requires specific information from specific lines on the U.S. income tax forms from the year prior to the award year (2018 tax return information for the 2019-2020

award year, for example). If tax forms aren't completed by the time you apply, you can complete the FAFSA with estimates of your financial information. Later, you must go back and correct your answers.

Read the instructions carefully when you fill out the FAFSA! Most mistakes are made because applicants don't follow instructions. Pay special attention to questions on income; most errors occur in that area.

Save the documents you use when completing the FAFSA. You might need them later if your school asks you to verify your FAFSA information. If the information is incorrect, you won't get federal student aid until you make corrections. It's a good idea to keep a photocopy of your completed FAFSA or a printout of your application from FAFSA on the Web.

What if you need help filling out your application?

- If you apply using the online FAFSA on the Web, help is built into the program while you're completing the form. You can also “chat” live online with someone if you have questions.
- You can also contact the Federal Student Aid Information Center with questions about either the paper or online FAFSA.

- You can also talk to the financial aid staff at the school you plan to attend.
- You can get the help you need for free from any of these sources; you don't have to pay for assistance.

How can you find out the status of your application after you submit it?

If you applied through FAFSA on the Web, you'll get a confirmation notice after you click on “Submit My FAFSA Now.” Your FAFSA will be processed in a few days. If you file a paper FAFSA, along with it you should mail the postcard that comes with the FAFSA packet. Your FAFSA will be processed within four weeks of the date you mail it.

How do the schools you're interested in get your FAFSA information?

You can list up to six schools on your FAFSA. Those schools will receive your FAFSA results electronically. If you later want to make changes to that list, you can do so online using your FSA ID or you can contact the Federal Student Aid Information Center.

Applying for Federal Student Aid

Continued

Financial Aid Application Process Summary

STEP 01 Get free information and help from your school counselor, the financial aid office at the college or career school you plan to attend, or the U.S. Department of Education, Federal Student Aid at studentaid.ed.gov or **(800) 433-3243**. Free help is available any time during the application process. You should never have to pay for help.

STEP 02 Get a Federal Student Aid ID, a personal identification number. An ID lets you apply, “sign” your online Free Application for Federal Student Aid (FAFSA), make corrections to your application information and more – all online. Apply for an ID at [fsaid](http://fsaid.ed.gov).

STEP 03 Collect the documents needed to apply, including income tax returns, W-2 forms (and other records of income). A full list of what you need is at studentaid.ed.gov/sa/fafsa. Tax return not completed at the time you apply? Estimate the tax information, apply, and correct information later.

STEP 04 Complete FAFSA between Oct. 1, 2018 and June 30, 2020 (no exceptions to either date!). BUT, apply as soon as possible after Oct. 1 to meet school and state aid deadlines. Apply online (the faster and easier way) by going to studentaid.ed.gov.

STEP 05 The Department of Education will send you your Student Aid Report (SAR) – the result of your FAFSA. Review your SAR, and if necessary, make changes or corrections and submit your SAR for reprocessing. Your complete, correct SAR will contain your Expected Family Contribution (EFC) – the number used to determine your federal student aid eligibility.

STEP 06 If you are selected for verification, your school’s financial aid office will ask you to submit tax returns and other documents, as appropriate. Be sure to meet the school’s deadlines, or you will not receive federal student aid. Your school might request additional information from you. Be sure to respond by any deadlines, or you might not receive federal student aid.

STEP 07 **All Applicants:** Contact the financial aid office if you have any questions about the aid being offered.

First-time applicants: Review award letters from schools and compare the aid being offered. Decide which school to attend based on (a) how well the school suits your needs and (b) its affordability after all aid is taken into account.



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Dependency Status

Your dependency status determines whose information you must report on the Free Application for Federal Student Aid (FAFSASM).

- If you're a *dependent student*, you will report your and your parents' information.
- If you're an *independent student*, you will report your own information (and, if you're married, your spouse's).

The federal student aid programs are based on the concept that it is primarily your and your family's responsibility to pay for your education. And because a dependent student has the support of parents, the parents' information has to be assessed along with the student's, in order to get a full picture of the family's financial strength. If you're a dependent student, it doesn't mean your parents are required to pay anything toward your education; this is just a way of looking at everyone in a consistent manner.

Are you dependent or independent?

Your answers to questions on the FAFSA determine whether you are considered a dependent or independent student. The questions change a little from one year's FAFSA to the next year's.

Here are questions from January 2019 that determine your dependency status:
studentaid.ed.gov/sa/sites/default/files/dependency-status.png

Will you be 24 or older by January 1st of the school year for which you are applying financial aid? Yes No

Are you married? (Answer "Yes" if you are separated but not divorced.) Yes No

Will you be working on a master's or doctorate degree program (such as an M.A., M.B.A., M.D., J.D., Ph.D., Ed.D., graduate certificate, etc.)? Yes No

Are you currently serving on active duty in the U.S. armed forces for purposes other than training? (If you are a National Guard or Reserves enlistee, are you on active duty for other than state or training purposes?) Yes No

Are you a veteran of the U.S. armed forces?*
 Yes No

Do you have children who will receive more than half of their support from you at the time you apply? Yes No

Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you at the time you apply? Yes No

At any time since you turned age 13, were both your parents deceased, were you in foster care, or were you a dependent or ward of the court?

Yes No

Has it been determined by a court in your state of legal residence that you are an emancipated minor or that you are in a legal guardianship?

Yes No

Are you determined to be an unaccompanied youth who was homeless, as determined by (a) your high school or district homeless liaison or (b) the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development?**
 Yes No

At any time on or after did the director of a runaway or homeless youth basic center or transitional living program determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?** Yes No

* Answer No (you are not a veteran) if you (1) have never engaged in active duty in the U.S. armed forces, (2) are currently a Reserve Officers' Training Corps (ROTC) student or a cadet or midshipman at a service academy, (3) are a National Guard or Reserves enlistee activated only for state or training purposes, or (4) were engaged in active duty in the U.S. armed forces but released under dishonorable conditions. Also answer No if you are currently serving in the U.S. armed forces and will continue to serve.

Dependency Status

Continued

Answer Yes (you are a veteran) if you (1) have engaged in active duty in the U.S. armed forces (Army, Navy, Air Force, Marines, or Coast Guard) or are a National Guard or Reserves enlistee who was called to active duty for other than state or training purposes, or were a cadet or midshipman at one of the service academies and (2) were released under a condition other than dishonorable. Also answer Yes if you are not a veteran now but will be one by a specified date on the application.

- ** If you do not have a determination that you are homeless, but you believe you are an unaccompanied youth who is homeless or self-supporting and at risk of being homeless, answer "No" to the FAFSA questions concerning being homeless. Then contact your financial aid office to explain your situation.

What if you answered Yes to one or more of the questions above?

If so, then for federal student aid purposes, you're considered to be an independent student and will not provide information about your parents on the FAFSA.

What if you answered No to every question?

If so, then for federal student aid purposes, you're considered to be a dependent student, and you must provide information about your parents on the FAFSA.

Not living with parents or not being claimed by them on tax forms does not make you an independent student for purposes of applying for federal student aid.

Note: Health profession students may be required to provide parent information regardless of their dependency status.

Which parent's information should you report on the FAFSASM?

If you need to report parent information, here are some guidelines to help you:

- If your parents are living and married to each other, answer the questions about both of them.
- If your parents are living together and are not married but meet the criteria in your state for a common-law marriage, answer the questions about both of them. If your state does not consider them to be married, fill out the parent information as if they are divorced. (See below.)
- If your parent is widowed or single, answer the questions about that parent. If your widowed parent is remarried as of the day you sign the FAFSA, answer the questions about that parent and the person whom your parent married (your stepparent).
- If your parents are divorced or separated, answer the questions about the parent with whom you lived more during the past 12 months. If

this parent is remarried as of today, answer the questions on the FAFSA about that parent and the person whom your parent married (your stepparent).

- If you lived the same amount of time with each divorced parent, give answers about the parent who provided more financial support during the past 12 months or during the most recent 12 months that you actually received support from a parent.

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.

Note: 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 these questions.

If you were adopted, follow the instructions above for parents, based on your adoptive parents' current marital status.

If you have to report your stepparent's information, it doesn't mean your stepparent has to give financial assistance to you. However, his or her income and assets are important pieces of your family's financial situation, so including your stepparent's

Dependency Status

Continued

information on the FAFSA helps form an accurate picture of your family's total financial strength.

What if you don't live with your parents?

You still must answer the questions about your parents if you're considered a dependent student.

What if your parents aren't going to help you pay for college and refuse to provide information for your FAFSASM?

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 federal student aid. The most you would be able to get (depending on what the financial aid office 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.

What if you have no contact with your parents?

If you have no contact with your parents and don't know where they 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 staff will tell you what to do next.

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.

The Student Aid Report (SAR)

After you apply, you'll get the results of your Free Application for Federal Student Aid (FAFSA). Your results are contained in your Student Aid Report (SAR).

If you gave a valid e-mail address when you applied, you'll get an e-mail (within a few days) containing a secure link so you can access your SAR online. If you didn't provide an e-mail address, it will take a few weeks to receive a paper SAR.

What do you do with your SAR?

Review it carefully to make sure it's correct and complete. If it is, and your SAR contains your Expected Family Contribution (EFC) the schools you're interested in will use your SAR to determine your eligibility for federal, and possibly nonfederal, student aid funds.

If you need to make corrections:

- you can use your FSA ID to make them online at the FAFSA on the website (studentaid.ed.gov) even if you didn't apply online, or

- you can usually make changes to a paper SAR, if that's what you received. Then, sign it, and mail it back. Make sure you keep a photocopy of your SAR containing the corrections. Note that correcting a paper SAR is a slower process than making corrections online.

If you misplace your SAR, you can request a duplicate by calling the Federal Student Aid Information Center.

Once your SAR is correct and complete, how do you find out if you're eligible and what aid you'll receive?

Contact the financial aid offices of the school(s) you're interested in. If you're eligible for federal student aid, each school will send you an award letter telling you the types of aid it will offer and how much you can receive. This combination of aid is known as your "financial aid package." Review the award letters carefully and compare how much aid you can receive at each school.

If you're eligible for federal student aid, each school will send you an award letter telling you the types of aid it will offer and how much you can receive.

Types of Federal Student Aid

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

- Grants are financial aid that doesn't have to be repaid (unless, for example, you withdraw from school and owe a refund).
- Work-study allows you to earn money for your education.
- Loans allow you to borrow money for school. You must repay your loans, with interest.

You apply for all three types of aid by filling out just one application: the Free Application for Federal Student Aid (FAFSA).

Grants

- Types of grants:
 1. Federal Pell Grants.
 2. Federal Supplemental Educational Opportunity Grants (FSEOGs).
- Generally, to receive a grant, you must be an undergraduate student (someone who hasn't earned a bachelor's or graduate degree).
- You can be enrolled full time or part time.

How much can you get?

Federal Pell Grants

Award amounts can change yearly. For the 2019-20 award

year (July 1, 2019 to June 30, 2020), the maximum grant is \$6,195.

The amount you receive depends not only on your financial need but also on your costs to attend school, your status as a full-time or part-time student, and your plans to attend school for a full academic year or less. You can receive only one Pell Grant in an award year, and you can't receive Pell Grant funds from more than one school at a time.

Federal Supplemental Educational Opportunity Grants (FSEOGs)

Awards range from \$100 to \$4,000 a year.

FSEOGs are awarded to undergraduate students with exceptional financial need—those with the lowest Expected Family Contribution (EFC) numbers. Federal Pell Grant recipients receive priority for FSEOG awards.

What's the difference between these grants?

If you're eligible for a Federal Pell Grant, you'll receive the full amount you qualify for—each school participating in the program receives enough funds to pay the Pell amounts for all its eligible students. The amount of other student aid you might qualify for does not affect the amount of your Pell Grant.

Receiving other aid might reduce the amount of your FSEOG award. Also, each

school participating in the FSEOG program receives a certain amount of FSEOG funds each year from the U.S. Department of Education. The school's financial aid office decides how best to award those funds. When all FSEOG funds are used for that award year, no more FSEOG awards can be made for that year—that's why not everyone who qualifies for an FSEOG might get one.

How will you be paid?

Your school can credit your grant funds to your school account, pay you directly (usually by check), or combine these methods. Also, with your permission, schools can credit your bank account. Schools must disburse funds at least once per term (semester, trimester, or quarter). Schools that don't use formally defined, traditional terms must disburse funds at least twice per academic year.

Federal Work-Study

- Provides part-time jobs allowing you to earn money to help pay for school;
- Encourages community service work and work related to your course of study, whenever possible;
- Is available to undergraduate and graduate students; and
- Is available to full-time and part-time students.

Types of Federal Student Aid

Continued

How much can you make?

You'll be paid at least the minimum wage, but you might receive more, depending on the type of work you do. You'll be paid by the hour or you might receive a salary. Your school must pay you directly at least once a month.

Can you work as many hours as you want?

No. The amount you earn can't exceed your total Federal Work-Study award. Also, when assigning work hours, your employer or financial aid administrator will consider your class schedule and your academic progress. Just as is true with the FSEOG program mentioned earlier, each school participating in the Federal Work-Study program receives a certain amount of Work-Study funds each year from the U.S. Department of Education. When all Work-Study funds are used for that award year, no more Federal Work-Study awards can be made for that year. So, you might receive less funds than you qualify for.

Where are the jobs located?

You can work either on or off campus. If you work on campus, you'll usually work for your school. If you work off campus, your employer will usually be a private nonprofit organization or a public agency, and the work performed must be in the public interest.

Your school might have agreements with private for-

profit employers for Federal Work-Study jobs. If so, your job must be as relevant as possible to your course of study. If you attend a career school, there might be further restrictions on the jobs you can be assigned.

Loans

- Loans are borrowed money you must repay, with interest.
- Both undergraduate and graduate students can receive loans.
- For some loans, you don't have to demonstrate financial need.
- The amounts you can borrow depend in part on your grade level in school.

Federal Perkins Loans

Under federal law, schools are no longer able to make new Perkins Loans as of September 2017. The final disbursements were given out June 2018. These loans are offered to students who demonstrate the greatest financial need; Federal Pell Grant recipients get top priority. You can be enrolled full time or part time. Each school participating in the program receives a certain amount of Perkins funds each year from the U.S. Department of Education. When all those funds are used for that award year, no more Perkins Loans can be made for that year. You repay these loans to your school.

Stafford Loans

These loans are for undergraduate or graduate and professional students and are made through one of two U.S. Department of Education programs:

- William D. Ford Federal Direct Student Loan Program — referred to as Direct Loans or Direct Stafford Loans. Funds for Direct Loans come from the U.S. Department of Education and are delivered to you through your school. You repay these loans to the Department.
- Federal Family Education Loan (FFEL) Program — referred to as FFEL Stafford Loans or Federal Stafford Loans. Funds will come from a bank, credit union, or other lender that participates in the program. You repay these loans to your lender or its servicing agent.

Whether you borrow a Direct or a FFEL Stafford Loan depends on which program the school you attend participates in. Most schools participate in one or the other, although some schools participate in both. It's possible for you to receive FFEL and Direct Stafford Loans, but not both types for the same period of enrollment at the same school.

For both types of Stafford Loans, you must be enrolled at least half time. You don't have to demonstrate financial need but, if you do, the government

Types of Federal Student Aid

Continued

will pay the interest on your loan during certain periods.

PLUS Loans

These are loans parents can take out for their dependent undergraduate children who are enrolled as at least half-time students. The loans are made through the Direct Loan and FFEL programs mentioned above and are known either as Direct PLUS Loans or FFEL (or Federal) PLUS Loans.

What are the differences in these loan programs?

See the charts on the following pages for a quick comparison.

(Source: www.navient.com/Images/Repayment-Plans-Overview tcm5-2699.pdf)

Your Direct Loans and Federal Family Education Loan (FFEL) Program Loans

Overview of Direct Loan and FFEL! Program Repayment Plans			
Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
Standard Repayment Plan	<ul style="list-style-type: none">• Direct Subsidized and Unsubsidized Loans.• Subsidized and Unsubsidized Federal Stafford Loans.• all PLUS Loans.• all Consolidation Loans (Direct or FFEL).	Payments are a fixed amount. Up to 10 years (up to 30 years for Consolidation Loans).	All borrowers are eligible for this plan. You'll pay less over time than under other plans.
Graduated Repayment Plan	<ul style="list-style-type: none">• Direct Subsidized and Unsubsidized Loans.• Subsidized and Unsubsidized Federal Stafford Loans.• all PLUS loans.• all Consolidation Loans (Direct or FFEL).	Payments are lower at first and then increase, usually every two years. Up to 10 years (up to 30 years for Consolidation Loans).	All borrowers are eligible for this plan. You'll pay less over time than under other plans.
Extended Repayment Plan	<ul style="list-style-type: none">• Direct Subsidized and Unsubsidized Loans.• Subsidized and Unsubsidized Federal Stafford Loans.• all PLUS loans.• all Consolidation Loans (Direct or FFEL).	Payments may be fixed or graduated. Up to 25 years.	<ul style="list-style-type: none">• If you're a Direct Loan borrower, you must have more than \$30,000 in outstanding Direct Loans.• If you're a FFEL borrower, you must have more than \$30,000 in outstanding FFEL Program loans.• Your monthly payments will be lower than under the 10-year Standard Plan or the Graduated Repayment Plan.• You'll pay more over time than under the 10-year Standard Plan.

Types of Federal Student Aid

Continued

Your Direct Loans and Federal Family Education Loan (FFEL) Program Loans

Overview of Direct Loan and PPE! Program Repayment Plans			
Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
Revised Pay As You Fans Repayment Plan (REPAYE)	<ul style="list-style-type: none">Direct Subsidized and Unsubsidized Loans.Direct PLUS loans made to students.Direct Consolidation Loans that do not include (Direct or FFEL) PLUS loans made to parents.	<ul style="list-style-type: none">Your maximum monthly payments will be 10 percent of discretionary income.Payments are recalculated each year and are based on your updated income and family size.If you're married, your spouse's income or loan debt will be considered, whether taxes are filed jointly or separately (with limited exceptions).Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 or 25 years.	<ul style="list-style-type: none">Any Direct Loan borrower with an eligible loan type may choose this plan.Your monthly payment can be more than the 10-year Standard Plan amount.You may have to pay income tax on any amount that is forgiven.Good option for those seeking Public Service Loan Forgiveness (PSLF).
Pay As You Earn Repayment Plan (PAYE)	<ul style="list-style-type: none">Direct Subsidized and Unsubsidized Loans.All PLUS loans made to students.All Consolidation Loans (Direct or FFEL) that do not include Direct or 14-EL PLUS loans made to parents.	<ul style="list-style-type: none">Your monthly payments will be 10 or 15 percent of discretionary income.Payments are recalculated each year and are based on your updated income and family size.If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return.Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 years.	<ul style="list-style-type: none">You must be a new borrower on or after Oct 1, 2007, and must have received a disbursement of a Direct Loan on or after Oct. 1, 2011.You must have a high debt relative to your income.Your monthly payment will never be more than the 10-year Standard Plan amount.You'll pay more over time than under the 10-year Standard Plan.You may have to pay income tax on any amount that is forgiven.Good option for those seeking Public Service Loan Forgiveness (PSLF).
Income-Based Repayment Plan (IBR)	<ul style="list-style-type: none">Direct Subsidized and Unsubsidized Loans.Subsidized and Unsubsidized Federal Stafford Loans.All PLUS loans made to students.All Consolidation Loans (Direct or FFEL) that do not include Direct or FFEL PLUS loans made to parents.	<ul style="list-style-type: none">Your monthly payments will be 10 or 15 percent of discretionary income.Payments are recalculated each year and are based on your updated income and family size.If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return.Any outstanding balance on your loan will be forgiven if you haven't repaid your loan in full after 20 or 25 years.You may have to pay income tax on any amount that is forgiven.	<ul style="list-style-type: none">You must have a high debt relative to your income.Your monthly payment will never be more than the 10-year Standard Plan amount.You'll pay more over time than under the 10-year Standard Plan.Good option for those seeking Public Service Loan Forgiveness (PSLF).

Types of Federal Student Aid

Continued

Your Direct Loans and Federal Family Education Loan (FFEL) Program Loans

Overview of Direct Loan and PPE! Program Repayment Plans			
Repayment Plan	Eligible Loans	Monthly Payment and Time Frame	Eligibility and Other Information
Income-Contingent Repayment Plan (ICR)	<ul style="list-style-type: none">• Direct Subsidized and Unsubsidized Loans.• Direct PLUS loans made to students.• Direct Consolidation Loans.	<ul style="list-style-type: none">• Your monthly payment will be the lesser of<ul style="list-style-type: none">- 20 percent of discretionary income, or- the amount you would pay on a repayment plan with a fixed payment over 12 years, adjusted according to your income.• Payments are recalculated each year and are based on your updated income, family size, and the total amount of your Direct Loans.• If you're married, your spouse's income or loan debt will be considered only if you file a joint tax return or you choose to repay your Direct Loans jointly with your spouse.• Any outstanding balance will be forgiven if you haven't repaid your loan in full after 25 years.	<ul style="list-style-type: none">• Any Direct Loan borrower with an eligible loan type may choose this plan.• Your monthly payment can be more than the 10-year Standard Plan amount.• You may have to pay income tax on the amount that is forgiven.• Good option for those seeking Public Service Loan Forgiveness (PSLF).• Parent borrowers can access this plan by consolidating their Parent PLUS Loans into a Direct Consolidation Loan.
Income-Sensitive Repayment Plan	<ul style="list-style-type: none">• Subsidized and Unsubsidized Federal Stafford Loans.• FFEL PLUS Loans.• FFEL Consolidation Loans.	<p>Your monthly payment is based on annual income. Up to 15 years.</p>	<ul style="list-style-type: none">• You'll pay more over time than under the 10-year Standard Plan.• The formula for determining the monthly payment amount can vary from lender to lender.

How do you apply for a Stafford Loan?

You just need to complete the Free Application for Federal Student Aid (FAFSA). But, you will need to sign a promissory note, a binding legal document that says you agree to repay your loan according to the terms of the note. Read this note carefully and save it.

How much money can you get?

- FFEL or Direct Stafford Loans — See the chart below.

Note: You can't borrow more than your cost of attendance minus the amount of any Federal Pell Grant you're eligible for and minus any other financial aid you'll get. So, you

might receive less than the annual maximum amounts given in the chart. Note that there are no minimum award amounts.

When you look at the chart, you'll see that your loan limits also depend on whether you receive "subsidized" or "unsubsidized" Stafford Loans.

Types of Federal Student Aid

Continued

Subsidized Stafford Loan

If you demonstrate financial need, you can receive a subsidized Stafford Loan to cover some or all of that need. If you get a subsidized loan, the U.S. Department of Education pays the interest while you're enrolled in school at least half time, for the first six months after you leave school, and during a period of deferment—a postponement of loan payments. The amount of your subsidized loan can't exceed your financial need.

Unsubsidized Stafford Loan

You might be able to receive loan funds beyond your subsidized loan limit or even if you don't have demonstrated financial need. In that case, you'd receive an unsubsidized loan. For this type of Stafford Loan, you're responsible for the interest from the time the loan is disbursed to you until it's paid in full. The government does not pay your interest. Talk with the school(s) you're interested in to find out what kind of Stafford Loan you can get and how much you qualify for.

How will you get your loan funds?

- **Stafford** — Your school will disburse your loan in at least two installments; no installment will be greater than half the amount of your loan. If you're a first-year undergraduate student and a first-time borrower, your first disbursement can't be

made until 30 days after the first day of your enrollment period.

Your Stafford Loan money must first be used to pay for your tuition, fees, and room and board. If loan funds remain, you'll receive them by check or in cash, unless you give the school written permission to hold the funds until later in the enrollment period.

Other than interest, is there any charge associated with these loans?

- Direct and FFEL Stafford Loans — Yes, there is a 1.059% loan fee on all direct subsidized and unsubsidized loans (on or after 10/1/19 and before 10/1/20).
- studentaid.ed.gov/sa/types/loans/interest-rates#fee

When do you start repaying your loans?

After you graduate, leave school, or drop below half-time status, you must begin repayment. You have a period of time, however, called a grace period, before you must start making payments.

- **Federal Perkins Loans** — The grace period is nine months (if you're attending less than half time, check with the financial aid administrator at your college or career school to determine your grace period).

- **Direct or FFEL (Federal) Stafford Loans** — The grace period is six months.

How much time do you have to repay?

- **Federal Perkins Loans** — Up to 10 years.
- **Direct and FFEL Stafford Loans** — Your repayment period varies from 10 to 25 years depending on whether the loan is a FFEL or a Direct Stafford Loan and depending on which repayment plan you choose. When it comes time to repay, you can pick the plan that's right for you.

The choices are:

- A 10-year plan;
- A graduated plan with a monthly payment that starts out low and then increases gradually during the repayment period;
- An extended plan that allows you to repay your loan over a longer period; or
- A plan that bases the monthly payment amount on how much money you make. (Direct PLUS Loan [parent] borrowers are not eligible to repay their loans under this plan.)

You'll get more information about repayment choices before you leave school and, later, from the holder of your loan.

Types of Federal Student Aid

Continued

What if you have trouble repaying your loan?

Under certain circumstances, you can receive a deferment or forbearance on your loan.

- **Deferment** — Your payments are postponed. Interest does not accumulate unless you have an unsubsidized Stafford Loan. If you have an unsubsidized Stafford Loan, you must pay the interest. You must meet specific conditions to qualify for a deferment. For example, you can receive a deferment while you're enrolled in school at least half time. You'll receive more information before you leave your college or career school, and you'll also get information from the holder of your loan.
- **Forbearance** — Your payments are postponed or reduced. Interest continues to accumulate, however, and you are responsible for paying it, no matter what kind of loan you have. Your lender usually grants forbearance if you don't qualify for a deferment.

Deferment and forbearance periods don't count toward the amount of time you have to repay.

You must apply to the holder of your loan for either deferment or forbearance. Note that you must continue to make payments until you're notified

your request has been granted. If you don't, you might end up in default.

What is default?

Default occurs when you don't repay your loan according to the terms you agreed to when you signed the promissory note for your loan. Defaulting on a student loan has very serious consequences. Listed below are some of them:

- You'll be ineligible for additional federal student aid.
- You'll be ineligible for deferment or forbearance on your loan.
- Your credit record will be damaged, which can interfere with buying what you need, like a car.
- You might have trouble getting a job.
- Legal action can be taken against you to recover what you owe.

The last thing you want to do is default! If you ever have trouble making payments, contact the holder of your loan right away to discuss options to help you out.

Are there any situations where your loan could be canceled?

Your loan can be canceled for certain specific circumstances, such as your death or total and

permanent disability. You also might qualify to have your loan canceled because of the work you do once you leave school (teaching in a low-income school, for example). You'll receive more information on cancellation provisions before you leave your college or career school.

Note that your loans can't be canceled because you're having financial problems. Also, they can't be canceled because you didn't complete the program of study at your school (unless you couldn't complete the program for a valid reason—because the school closed, for example). Cancellation is not possible because you didn't like your school or program of study, or you didn't obtain employment after you finished your program.

PLUS Loans (Parent Loans)

What are PLUS Loans?

Parents who have an acceptable credit history can take out a PLUS Loan (either a Direct PLUS Loan or a Federal Family Education [FFEL] PLUS Loan) to pay the education expenses of their children. Your parents can borrow for you if you're a dependent student enrolled at least half time in an eligible program at an eligible school.

Types of Federal Student Aid

Continued

How do your parents get a loan?

- **Direct PLUS Loan** — Your parents must complete a Direct PLUS Loan application and promissory note, contained in a single form you can get from your school's financial aid office.
- **FFEL PLUS Loan** — Your parents must complete and submit an application, available from your school, lender, or the guaranty agency in your state. After the school completes its portion of the application, it must be sent to a lender for evaluation. Your parents generally will be required to pass a credit check. If they don't pass, they might still be able to receive a loan if they can demonstrate that extenuating circumstances exist, or if someone they know—who can pass—agrees to endorse the loan and promises to repay it if your parents don't.

For either a Direct or a FFEL PLUS Loan, you must meet the general eligibility requirements for federal student aid and your parents must also meet some of these general requirements. For example, they must be citizens or eligible noncitizens and may not be in default or owe a refund to any federal student aid program.

How much can your parents borrow?

The maximum PLUS loan amount you can borrow is the cost of attendance (determined by the school) minus any other financial assistance received.

Do your parents get the money or do you?

Your school first receives the loan funds and might require your parents to endorse a disbursement check and send it back to the school. The school then applies the money to your tuition and fees, room and board, and other school

charges. If any loan money remains, your parents receive the amount as a check or in cash, unless they authorize the funds to be released to you. The remaining loan money must be used for your education expenses.

When do your parents begin repaying the loan?

Generally, the first payment is due within 60 days after the loan is fully disbursed. There is no grace period for these loans. Interest begins to accumulate at the time the first disbursement is made, so your parents will begin repaying both the principal and interest while you're in school. Your parents must pay the interest on their PLUS Loan if they have a deferment or forbearance.

Loan Repayment

When do you start paying back your student loans?

If you're attending school at least half time, you have a period of time after you graduate, leave school, or drop below half-time status before you must begin repayment. This period of time is called a "grace period".

- **Federal Perkins Loans** — the grace period is nine months (If you're attending less than half time, check with your financial aid administrator to determine your grace period.)
- **Direct Stafford Loans or Federal Family Education Loan (FFEL) Stafford Loans** — the grace period is six months.

Subsidized loan—during the grace period, you don't have to pay any principal, and you won't be charged interest.

Unsubsidized loan—you don't have to pay any principal, but you will be charged interest. You can either pay the interest as you go along or it will be capitalized (added to the principal loan balance) later.

Those on active duty with the military might have longer grace periods than those mentioned here and will have additional options to postpone repayment. Contact the holder of the loan for more information.

Your lender will send you information about repayment, and you'll be notified of the date repayment begins. However, you're responsible for beginning repayment on time, even if you don't receive this information. Failing to make payments on your loan can lead to default.

How much will you have to repay and how often do you repay?

Usually, you'll pay monthly. Your repayment amount will depend on the size of your debt and the length of your repayment period. If you have a FFEL or Direct Stafford Loan, the amount you'll pay also depends on the repayment plan you choose. Federal Perkins Loans do not have different repayment plans.

Perkins Loans

- You'll make payments to the school that made you the loan.
- You'll have up to 10 years to repay your loan.

Examples of Typical Perkins Loan Repayments – The table below shows typical monthly payments for three different 5-percent loans over a 10-year period.

Total Loan Amount	Number of Payments	Approximate Monthly Payment	Total Interest Charges	Total Repaid
\$4,000	120	\$42.43	\$1,091.01	\$5,091.01
\$5,000	120	\$53.03	\$1,364.03	\$6,364.03
\$15,000	120	\$159.10	\$4,091.73	\$19,091.73

Loan Repayment

Continued

Direct and FFEL Stafford Loans

Direct Loan — You'll make payments to us (the U.S. Department of Education) through our Direct Loan Servicing Center. Direct Loan borrowers can view and pay their bills online, using their FSA ID, through the Servicing Center Web site: studentaid.ed.gov.

- FFEL Stafford Loan — You'll repay the private lender that made you the loan or the lender's servicing agent.

The repayment periods for Stafford Loans vary from 10 to 25 years depending on whether the loan is a FFEL or a Direct Stafford Loan and depending on which repayment plan you choose. When it comes time to repay, you can pick a repayment plan that's right for you:

- A 10-year Standard Plan;
- An Extended Plan that allows you to repay your loan over a longer period;

- A Graduated Plan with a monthly payment that starts out low and then increases gradually during the repayment period; or
- A plan that bases the monthly payment amount on how much money you make. Under FFEL, this plan is called the Income-Sensitive Repayment Plan; under Direct, the plan is called the Income-Contingent Repayment Plan. The terms of these plans vary slightly.

You'll get more information about repayment choices before you leave school and, later, from the holder of your loan. You can also get more detail about these repayment plans from Repaying Your Student Loans.

Examples of Typical Direct and FFEL Stafford Loan Repayments

Source: studentaid.ed.gov/sa/repay-loans/understand/plans/standard

How do your parents pay back their PLUS Loan?

Your parents have nearly all the repayment options that Direct and FFEL Stafford Loan borrowers have. The exception is that the Direct Loan Income Contingent Repayment Plan is not an option for Direct PLUS Loan borrowers.

Are there any tax incentives available for paying back student loans?

Yes, for certain higher education expenses, including a deduction for student loan interest for certain borrowers. This benefit applies to all loans used to pay for postsecondary education costs, including PLUS Loans. The maximum deduction is \$2,500 a year. IRS Publication 970, Tax Benefits for Higher Education, explains these credits and other tax benefits. You can find out more at www.irs.gov or by calling the IRS at **(800) 829-1040**. TTY callers can call **(800) 829-4059**.

Examples of Typical Direct and FFEL Stafford Loan Repayments

Initial Debt When You Enter Repayment	Estimated Monthly Payments and Total Amounts Repaid Under Different Repayment Plans						For Direct Lops Only: Income Contingent 'mme= \$25,0110			
	Standard Not to exceed 10 years		Extended ^a		Graduated ^b Not to exceed 10 years		Single		Married/HON ^d	
	Per Month	Total Repaid	Per Month	Total Repaid	Per Month	Total Repaid	Per Month	Total Repaid	Per Month	Total Repaid
\$3,500	450	\$4,471			\$25	\$5,157	\$27	\$6,092	\$25	\$6,405
\$5,000	58	\$6,905			\$40	\$7,278	\$38	\$8,703	\$36	\$9,150
\$7,500	83	\$10,357	Not Available		\$59	\$10,919	\$57	\$13,055	\$54	\$13,725
\$10,500	121	\$14,500			\$83	\$15,283	\$80	\$18,277	\$76	\$19,215
\$15,000	173	\$20,714			\$119	\$21,834	\$114	\$26,110	\$108	\$27,451
\$40,000	460	\$55,239	\$227	\$83,289	\$316	\$58,229	\$253	\$72,717	\$197	\$84,352

Deferment and Forbearance (Postponing Loan Repayment)

Under certain circumstances, you can receive periods of deferment or forbearance that allow you to postpone loan repayment. These periods don't count toward the length of time you have to repay your loan. You can't get a deferment or a forbearance for a loan in default.

Deferment

A deferment is a period of time during which no payments are required and interest does not accrue (accumulate), unless you have an unsubsidized Stafford Loan. In that case, you must pay the interest.

How do you qualify for a deferment?

The most typical loan deferment conditions are enrollment in school at least half time, inability to find full-time employment (for up to three years), and economic hardship (for up to three years). Other deferment conditions are loan specific.

Can your parents defer repayment of their PLUS Loan?

Yes, as long as the loan isn't in default. Generally, the same deferment provisions that apply to Stafford Loans apply to PLUS Loans. Because PLUS Loans are unsubsidized, however, your parents will be charged interest during periods of deferment. If they don't pay the interest as it accrues, it will be capitalized.

Forbearance

If you temporarily can't meet your repayment schedule but you don't meet the requirements for a deferment, your lender might grant you forbearance. During forbearance, your loan payments are postponed or reduced. Interest continues to accrue (accumulate), however, and you are responsible for paying it, no matter what kind of loan you have.

Generally, you can receive forbearance for periods of up to 12 months at a time for a

maximum of three years. You'll have to provide documentation to the holder of your loan to show why you should be granted forbearance.

Your parents might also receive forbearance on their PLUS loan.

Applying for Deferment or Forbearance

Receiving deferment or forbearance is not automatic. You or your parents must apply for it.

- *Federal Perkins Loan*—contact the school that made you the loan or the school's servicing agent.
- *Direct Loans* (includes Direct PLUS Loans)—contact the Direct Loan Servicing Center.
- *FFEL Loans* (includes FFEL PLUS Loans)—contact the lender or agency holding the loan.

Loan Discharge (Cancellation)

Is it ever possible to have a federal student loan discharged (canceled)?

Yes, but only under specific circumstances and as long as you're not in default on the loan. A discharge releases you from all obligation to repay the loan.

What qualifies my loan for discharge?

Two examples are your death or your total and permanent disability. Also, your loan might be discharged because of the type of work you do: teaching in a designated low-income school, for example.

Other cancellations are loan specific. For a complete list of cancellation provisions for Perkins Loans and Stafford Loans, contact the holder of your loan.

Your loan can't be canceled because you didn't complete the program of study at your school (unless you couldn't complete the program for a valid reason—because the school closed, for example).

Also, cancellation isn't possible because you didn't like the school or program of study, or you didn't obtain employment afterwards.

Can your parents ever have their PLUS Loan discharged?

Generally, if a cancellation condition applies to you, your parents can have their FFEL or Direct PLUS Loan discharged.

For more information, if your parents have a Direct PLUS Loan, they should contact the Direct Loan Servicing Center at **(800) 848-0979**, or they can go to studentloans.gov/myDirectLoan/additionalInformation.action

If they have a FFEL PLUS Loan, they should contact the lender or agency holding the loan.

How do you find out if you can get a discharge?

After reviewing the cancellation conditions, if you think you qualify, you must apply to the holder of your loan.

- **Federal Perkins Loans**—check with the school that made you the loan or with the school's servicing agent.
- **Direct Stafford Loans**—contact the Direct Loan Servicing Center.
- **FFEL Stafford Loans**—contact your lender or its servicing agent.

Loan Consolidation

What is loan consolidation?

You can consolidate (combine) multiple federal student loans with various repayment schedules into one loan: either a Federal Family Education Loan (FFEL) Consolidation Loan or a Direct Consolidation Loan. Then, you can make just one monthly repayment.

With a consolidation loan, your payments might be significantly lower, and you can take a longer time to repay (up to 30 years). Also, you might pay a lower interest rate than you would on one or more of your existing loans.

Your parents can also get a Direct or FFEL PLUS Consolidation Loan if they have a PLUS Loan for you. If you're in default on a federal student loan, you still might be able to consolidate, provided the defaulted loan is not subject to a judgment or wage garnishment.

What kinds of loans can be consolidated?

All the loans discussed in this publication are eligible for consolidation, and others can be included.

For a list of your loans eligible for consolidation, contact your lender if you're applying for a FFEL Consolidation Loan.

If you're applying for Direct Consolidation Loan, contact the Student Loan Support Center at **(800) 557-7394**. TTY users may call **(800) 557-7395**. Or, you can go to

studentloans.gov/myDirectLoan/launchConsolidation.action.

When can you consolidate your loans?

You can consolidate during your grace period, once you've entered repayment, or during periods of deferment or forbearance. If you want to apply for a Direct Consolidation Loan, you can get one while you're in school. Certain conditions apply, so check with the Loan Origination Center's Consolidation Department. Note that you can't get a FFEL Consolidation Loan while you're in school.

How do you get a consolidation loan?

- **FFEL Consolidation Loan**—you (or your parents, for a FFEL PLUS Consolidation Loan) can contact the consolidation department of a participating lender for an application and more information. If the same FFEL loan holder holds all the loans you (or your parents) want to consolidate, usually you must obtain your consolidation loan from that holder.
- **Direct Consolidation Loan**—you (or your parents, for a Direct PLUS Consolidation Loan) can contact the Direct Loan Origination Center's Consolidation Department (see above).

What's the interest rate on a consolidation loan?

Currently, the interest rate for both Direct and FFEL Consolidation Loans is a fixed rate for the life of the loan (unlike Direct and FFEL Stafford Loans, which have variable interest rates).

The fixed rate is based on the weighted average of the interest rates on the loans you consolidate, rounded up to the nearest one-eighth of a percent. There is no cap on the interest rate of a Direct Consolidation Loan. studentaid.ed.gov/sa/repay-loans/consolidation.

Are there any disadvantages to getting a consolidation loan?

Yes, there could be. For example, consolidation significantly increases the total cost of repaying your loans. Because you can have a longer period of time to repay, you'll pay more interest. In fact, consolidation can double total interest expense. So, compare the cost of repaying your unconsolidated loans with the cost of repaying a consolidation loan.

Where can you get more information on consolidation loans?

You'll be given more information about loan consolidation during entrance and exit counseling sessions you'll receive from your school. You can contact the holder of your loans.

State Higher Education Agencies

State specific resources on education programs, colleges and universities, financial aid assistance programs, grants, scholarships, continuing education programs, and career opportunities can be accessed through the U.S. Department of Education website. The following link provides a listing of Higher Education Agencies by state, www2.ed.gov/about/contact/state/index.html.

State Telephone No.

Alabama 1-800-960-7773

New Mexico 1-800-279-9777

Alaska 1-800-441-2962

New York 1-888-697-4372

Arizona 1-602-258-2435

North Carolina 1-866-866-2362

Arkansas 1-501-371-2000

North Dakota 1-701-328-2960

California 1-888-224-7268

Ohio 1-614-466-6000

Colorado 1-303-862-3001

Oklahoma 1-800-858-1840

Connecticut 1-800-842-0229

Oregon 1-800-452-8807

Delaware 1-800-292-7935

Pennsylvania 1-800-692-7392

District of Columbia 1-877-485-6751

Rhode Island 1-800-922-9855

Florida 1-888-827-2004

South Carolina 1-803-737-2260

Georgia 1-800-505-4732

South Dakota 1-605-773-3455

Hawaii 1-808-956-8213

Tennessee 1-615-741-3605

Idaho 1-208-334-2270

Texas 1-800-242-3062

Illinois 1-800-899-4722

Utah 1-801-321-7200

Indiana 1-888-528-4719

Vermont 1-800-642-3177

Iowa 1-877-272-4456

Virginia 1-804-225-2600

Kansas 1-785-430-4240

Washington 1-360-753-7800

Kentucky 1-800-928-8926

West Virginia 1-304-558-0699

Louisiana 1-800-259-5626

Wisconsin 1-608-267-2206

Maine 1-800-228-3734

Wyoming 1-307-777-7763

Maryland 1-800-974-0203

Massachusetts 1-617-994-6950

Puerto Rico 1-787-641-7100

Michigan 1-888-447-2687

Virgin Islands 1-340-774-2810

Minnesota 1-800-657-3866

Mississippi 1-800-327-2980

NOTE: The following numbers link to colleges, as there are no state higher education agencies in these areas.

Missouri 1-800-473-6757

Montana 1-406-449-9124

American Samoa 011-684-699-9155

Nebraska 1-402-471-2847

Guam 011-671-735-2201

Nevada 1-775-687-9101

Northern Mariana Islands 011-670-237-3027

New Hampshire 1-603-271-3494

Republic of the Marshall Islands 011-692-625-5770

New Jersey 1-800-792-8670

Republic of Palau 011-680-488-2470

State Higher Education Agency Numbers

Provide information on the state's education programs, colleges and universities, financial aid assistance programs, grants, scholarships, continuing education programs, and career opportunities.

States

Alabama

Alabama Commission on Higher Education
P.O. Box 302000
Montgomery, AL 36130-2000
Phone: **(334) 242-1998**
Toll-Free: **(800) 960-7773**
Toll-Free Restrictions:
AL residents only
Fax: **(334) 242-2269**
Website: ache.edu

Alaska

Alaska Commission on Postsecondary Education
P.O. Box 110505
Juneau, AK 99811-0505
Phone: **(907) 465-2962**
Toll-Free: **(800) 441-2962**
Fax: **(907) 465-5316**
TTY: **(800) 770-8973**
Website: acpe.alaska.gov

Arizona

Arizona Commission for Postsecondary Education
Suite 650
2020 North Central Avenue
Phoenix, AZ 85004-4503
Phone: **(602) 258-2435**
Fax: **(602) 258-2483**
Website: www.highered.az.gov

Arkansas

Arkansas Division of Higher Education
423 Main Street, Suite 400
Little Rock, AR 72201-3818
Phone: **(501) 371-2000**
Fax: **(501) 371-2001**
Website: www.adhe.edu

State Higher Education Agencies

Continued

California

California Student Aid Commission
P.O. Box 419027
Rancho Cordova, CA 95741-9027
Toll-Free: **(888) 224-7268**
Fax: **(916) 464-8002**
Website: www.csac.ca.gov/

Colorado

Colorado Department of
Higher Education
Suite 2200
1600 Broadway
Denver, CO 80202
Phone: **(303) 862-3001**
Fax: **(303) 996-1329**
Website: highered.colorado.gov

Connecticut

Office of Higher Education
450 Columbus Boulevard,
Suite 707
Hartford, CT 06103-1841
Phone: **(860) 947-1800**
Toll-Free: **(800) 842-0229**
Fax: **(860) 947-1310**
Website: www.ctohc.org

Delaware

Delaware Higher
Education Office
The Townsend Building
401 Federal Street, Suite 2
Dover, DE 19901
Phone: **(302) 735-4120**
Toll-Free: **(800) 292-7935**
Fax: **(302) 739-5894**
Website: www.doe.K12.de.us

District of Columbia

Office of the State Superintendant
of Education (District of Columbia)
1050 First Street, NE
Washington, DC 20002
Phone: **(202) 727-6436**
Toll-Free: **(877) 485-6751**
Website: osse.dc.gov/

Florida

Office of Student Financial
Assistance (Florida)
State Department of Education
325 West Gaines Street
Tallahassee, Florida 32399
Phone: **(850) 410-5180**
Toll-Free: **(888) 827-2004**

Website: www.floridastudentfinancialaid.org/osfahomepg.htm

Georgia

Georgia Student Finance
Commission
Loans Services
2082 East Exchange Place
Tucker, GA 30084
Toll-Free: **(800) 505-4732**
Website: www.gsfc.org/

Hawaii

State Postsecondary Education
Commission (Hawaii)
Office of the Board of Regents
2444 Dole Street
Honolulu, HI 96822-2399
Phone: **(808) 956-8213**
Website: www.cca.hawaii.gov/hheap

Idaho

Idaho State Board of Education
Third Floor
650 West State Street
Boise, ID 83702
Phone: **(208) 334-2270**
Fax: **(208) 334-2632**
Website: www.boardofed.idaho.gov/

Illinois

Illinois Student Assistance
Commission
1755 Lake Cook Road
Deerfield, IL 60015-5209
Toll-Free: **(800) 899-4722**
Fax: **(847) 831-8549**
Website: www.isac.org/

Indiana

Indiana Commission
for Higher Education
Suite 300
101 West Ohio Street
Indianapolis, IN 46204-4206

Phone: **(317) 464-4400**
Toll-Free: **(888) 528-4719**
Website: www.ssaci.in.gov/

Iowa

Iowa College Student Aid
Commission

Suite D

475 SW Fifth Street
Des Moines, IA 50309
Phone: **(515) 725-3400**
Toll-Free: **(877) 272-4456**
Website: www.iowacollegeaid.gov

Kansas

Kansas Board of Regents
Curtis State Office Building
Suite 520
1000 SW Jackson Street
Topeka, KS 66612-1368
Phone: **(785) 430-4240**
Website: www.kansasregents.org/

Kentucky

Kentucky Higher Education
Assistance Authority
P.O. Box 798
Frankfort, KY 40602-0798
Phone: **(502) 696-7200**
Toll-Free: **(800) 928-8926**
TTY: **(800) 855-2880**
Website: www.kheaa.com/

Louisiana

Louisiana Office of Student
Financial Assistance
P.O. Box 91202
Baton Rouge, LA 70821-9202
Toll-Free: **(800) 259-5626**
Fax: **(225) 208-1496**
Website: www.osfa.la.gov

Maine

Finance Authority of Maine
P.O. Box 949
Augusta, ME 04332-0949
Phone: **(207) 623-3263**
Toll-Free: **(800) 228-3734**
Fax: **(207) 623-0095**
TTY: **(207) 626-2717**
Website: www.famemaine.com/

Maryland

Maryland Higher Education
Commission
6 North Liberty Street
Baltimore, MD 21201
Phone: **(410) 767-3300**
Toll-Free: **(800) 974-0203**

State Higher Education Agencies

Continued

Fax: **(410) 332-0250**

TTY: **(800) 735-2258**

Website: [www.mhec.state.
md.us/](http://www.mhec.state.md.us/)

Massachusetts

Massachusetts Department of Higher Education
Room 1401
One Ashburton Place
Boston, MA 02108-1696
Phone: **(617) 994-6950**
Fax: **(617) 727-0955**
Website: www.mass.edu/

Michigan

Michigan Student Aid
P.O. Box 30462
Lansing, MI 48909
Toll-Free: **(888) 447-2687**
Website: [www.michigan.gov/
mstudentaid](http://www.michigan.gov/mstudentaid)

Minnesota

Minnesota Office of Higher Education
Suite 350
1450 Energy Park Drive
Saint Paul, MN 55108-5227
Phone: **(651) 642-0567**
Toll-Free: **(800) 657-3866**
Fax: **(651) 642-0675**
Website: www.ohe.state.mn.us/

Mississippi

Mississippi Institutions of Higher Learning
3825 Ridgewood Road
Jackson, MS 39211-6453
Phone: **(601) 432-6997**
Toll-Free: **(800) 327-2980**
Toll-Free Restrictions: MS residents only
Website: www.ihl.state.ms.us

Missouri

Missouri Department of Higher Education
205 Jefferson Street,
P.O. Box 1469
Jefferson City, MO 65102
Phone: **(573) 751-2361**
Toll-Free: **(800) 473-6757**
Fax: **(573) 751-6635**
Website: dhe.mo.gov/

Montana

Montana University System
P.O. Box 203201
Helena, MT 59620-3201
Phone: **(406) 449-9124**
Fax: **(406) 449-9171**
Website: www.mus.edu

Nebraska

Coordinating Commission for Postsecondary Education (Nebraska)
Suite 300
140 North Eighth Street
P.O. Box 95005
Lincoln, NE 68509-5005
Phone: **(402) 471-2847**
Website: [www.ccpe.nebraska.
gov](http://www.ccpe.nebraska.gov)

Nevada

Nevada Department of Education
700 E. Fifth Street
Carson City, Nevada 89701
Phone: **(775) 687-9115**
Website: www.doe.nv.gov

New Hampshire

New Hampshire Postsecondary Education Commission
Suite 300 • 3 Barrell Court
Concord, NH 03301-8543
Phone: **(603) 271-2555**
Website: [www.education.
nh.gov/highered](http://www.education.nh.gov/highered)

New Jersey

Higher Education Student Assistance Authority (New Jersey)
P.O. Box 545
4 Quakerbridge Plaza
Trenton, NJ 08625-0545
Phone: **(609) 584-4480**
Toll-Free: **(800) 792-8670**
Website: www.hesaa.org/

New Mexico

New Mexico Higher Education Department
Suite 4
2044 Galisteo Street
Santa Fe, NM 87505-2100
Phone: **(505) 476-8400**
Toll-Free: **(800) 279-9777**
Website: hed.state.nm.us/

New York

New York State Higher Education Services Corporation
99 Washington Avenue
Albany, NY 12255
Phone: **(518) 473-1574**
Toll-Free: **(888) 697-4372**
Website: www.hesc.ny.gov

North Carolina

College Foundation of North Carolina
P.O. Box 41966
Raleigh, NC 27629-1966
Toll-Free: **(866) 866-2362**
Fax: **(919) 821-3139**
Website: www.cfnc.org/

North Dakota

North Dakota University System State Student Financial Assistance Program
Department 215
600 East Boulevard Avenue
Bismarck, ND 58505-0230
Phone: **(701) 328-2960**
Fax: **(701) 328-2961**
Website: www.ndus.edu/

Ohio

Ohio Department of Higher Education
25 South Front Street
Columbus, OH 43215
Phone: **(614) 466-6000**
Fax: **(614) 466-5866**
Website: [www.ohiohighered.
org/board](http://www.ohiohighered.org/board)

Oklahoma

Oklahoma State Regents for Higher Education
Suite 200
655 Research Parkway
Oklahoma City, OK 73104
Phone: **(405) 225-9100**
Toll-Free: **(800) 858-1840**
Website: www.okhighered.org/

Oregon

Office of Student Access & Completion
1500 Valley River Drive – Suite 100
Eugene, OR 97401
Phone: **(541) 687-7400**

State Higher Education Agencies

Continued

Toll-Free: **(800) 452-8807**

Fax: **(541) 687-7414**

Website: www.oregonstudentaid.gov/default.aspx

Pennsylvania

Pennsylvania Higher Education Assistance Agency
PO Box 8157
Harrisburg, PA 17105-8157
Phone: **(800) 692-7392**
Website: www.pheaa.org

Rhode Island

RI Office of the Postsecondary Commissioner
560 Jefferson Boulevard,
Suite 100
Warwick, RI 02886
Phone: **(401) 736-1100**
Toll-Free: **(800) 922-9855**
Fax: **(401) 732-3541**
TTY: **(401) 734-9481**
Website: www.riopc.edu

South Carolina

South Carolina Commission on Higher Education
Suite 300
1122 Lady Street
Columbia, SC 29201
Phone: **(803) 737-2260**
Fax: **(803) 737-2297**
Website: www.che.sc.gov/

South Dakota

South Dakota Board of Regents
306 East Capitol Avenue, Suite 200
Pierre, SD 57501-2545
Phone: **(605) 773-3455**
Fax: **(605) 773-5320**
Website: www.sdbor.edu/

Tennessee

Tennessee Higher Education Commission
404 James Robertson Parkway – Suite 1900
Nashville, TN 37243
Phone: **(615) 741-3605**
Website: www.tn.gov/theec/

Texas

Texas Higher Education Coordinating Board
1200 E. Anderson Lane
Austin, TX 78711-2788
Phone: **(512) 427-6101**
Toll-Free: **(800) 242-3062**
Fax: **(512) 427-6127**
Website: www.thecb.state.tx.us/

Utah

Utah System of Higher Education
Board of Regents Building
60 South 400 West
Salt Lake City, UT 84101
Toll-Free: **(800) 418-8757**
Phone: **(801) 321-7200**
Website: ushe.edu/

Vermont

Vermont Student Assistance Corporation
10 East Allen Street
Winooski, VT 05404
Phone: **(802) 655-9602**
Toll-Free: **(800) 642-3177**
TTY: **(800) 281-3341**
Website: www.vsac.org

Virginia

State Council of Higher Education for Virginia
James Monroe Building
Tenth Floor
101 North 14th Street
Richmond, VA 23219
Phone: **(804) 225-2600**
Fax: **(804) 225-2604**
Website: www.schev.edu/

Washington

Washington Student Achievement Council
917 Lakeridge Way SW
Olympia, WA 98502
Phone: **(360) 753-7800**
Website: www.wsac.wa.gov/

West Virginia

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard East,

Suite 700

Charleston, WV 25301
Phone: **(304) 558-2101**
Fax: **(304) 558-1011**
Website: www.wvhepc.edu

Wisconsin

State of Wisconsin Higher Educational Aids Board
Seventh Floor
4822 Madison Yards Way
Madison, WI 53705
Phone: **(608) 267-2206**
Fax: **(608) 267-2808**
Website: heab.state.wi.us/

Wyoming

Wyoming Community College Commission
5th Floor, Suite B
2300 Capital Avenue
Cheyenne, WY 82002
Phone: **(307) 777-7763**
Website: communitycolleges.wy.edu/

Territories

American Samoa

Board of Higher Education (American Samoa)
American Samoa Community College
P.O. Box 2609
Pago Pago, AS 96799
Phone: **(684) 699-9155**
Website: www.amsamoa.edu/

Northern Mariana Islands

Northern Marianas College
CNMI Public School System
P.O. Box 501370
Saipan, MP 96950-1250
Phone: **(670) 237-3027**
Website: www.cnmipss.org/

State Higher Education Agencies

Continued

Federated States of Micronesia
College of Micronesia-FSM
P.O. Box 159
Kolonia Pohnpei, FM 96941
Phone: **(691) 320-2480**
Fax: **(691) 320-2479**

Guam
University of Guam
UOG Station Mangilao, Guam
96923
Phone: **(671) 735-2201/08/14**
Website: www.uog.edu

Puerto Rico
Council on Higher Education
(Puerto Rico)
P.O. Box 19900
Ave. Ponce de Leon 268
Edificio Hato Rey center Piso 15
Hato Rey, PR 00918
Phone: **(787) 641-7100**
Fax: **(787) 641-2573**
Website: www.ce.pr.gov

Republic of Palau
Palau Community College
PO Box 9
Koror, Republic of Palau 96940
Phone: **(680) 488-2470**
Fax: **(680) 488-2447**
Website: www.pcc.palau.edu

Republic of the Marshall Islands
Scholarship Grant and Loan Board
(Republic of the Marshall Islands)
P.O. Box 1436
Majuro, MH 96960
Phone: **(692) 625-5770**
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Virgin Islands
Virgin Islands Department of
Education
1834 Kongens Gade
St Thomas, VI 00802
Phone: **(340) 774-2810**
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Important Terms

Academic Year

A period of time schools use to measure a quantity of study. For example, a school's academic year may consist of a fall and spring semester during which a student must complete 24 semester hours. Academic years vary from school to school and even from educational program to educational program at the same school.

Cost of Attendance (COA)

The total amount it will cost you to go to school—usually expressed as a yearly figure. It's determined using rules established by law. The COA includes tuition and fees; on-campus room and board (or a housing and food allowance for off-campus students); and allowances for books, supplies, transportation, loan fees, and, if applicable, dependent care. It also includes miscellaneous expenses, including an allowance for the rental or purchase of a personal computer. Costs related to a disability are also covered. The COA includes reasonable costs for eligible study-abroad programs as well. For students attending less than half time, the COA includes only tuition and fees and an allowance for books, supplies, transportation, and dependent-care expenses. Talk to the financial aid administrator at the school you're planning to attend if you have any unusual expenses that might affect your cost of attendance.

Default

Failure to repay a loan according to the terms agreed to when you signed a promissory note. For the FFEL and Direct Loan programs, default is more specific—it occurs if you fail to make a payment for 270 days if you repay monthly (or 330 days if your payments are due less frequently). The consequences of default are severe. Your school, the lender or agency that holds your loan, the state, and the federal government may all take action to recover the money, including notifying national credit bureaus of your default. This affects your credit rating for a long time. For example, you might find it very difficult to borrow money from a bank to buy a car or a house. In addition, the Internal Revenue Service can withhold your U.S. individual income tax refund and apply it to the amount you owe, or the agency holding your loan might ask your employer to deduct payments from your paycheck. Also, you're liable for loan collection expenses. If you return to school, you're not entitled to receive additional federal student aid. Legal action also might be taken against you. In many cases, default can be avoided by submitting a request for a deferment, forbearance, or discharge (cancellation) and by providing the required documentation.

Eligible Noncitizen

You must be one of the following to receive federal student aid:

- U.S. citizen
- U.S. national (includes natives of American Samoa or Swain's Island)
- U.S. permanent resident who has an I-151, I-551, or I-551C (Alien Registration Receipt Card)

If you're not in one of these categories, you must be an eligible noncitizen, and you must have an Arrival-Departure Record (I-94) from U.S. Citizenship and Immigration Services (USCIS) showing one of the following designations:

- "Refugee"
- "Asylum Granted"
- "Cuban-Haitian Entrant, Status Pending"
- "Conditional Entrant" (valid only if issued before April 1, 1980)
- "Parolee" (You must be paroled into the United States for at least one year, and you must be able to provide evidence from the USCIS that you are in the United States for other than a temporary purpose and intend to become a citizen or permanent resident.)

If you have only a Notice of Approval to Apply for Permanent Residence (I-171 or I-464), you aren't eligible for federal student aid.

If you're in the United States on certain visas, including an F1 or F2 student visa, or a J1 or J2 exchange visitor visa, you're not eligible for federal student aid.

Important Terms

Continued

Also, persons with G series visas (pertaining to international organizations) are not eligible. For more information about other types of visas that are not acceptable, check with your school's financial aid office.

Citizens and eligible noncitizens may receive loans from the FFEL Program at participating foreign schools. Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau are eligible only for Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, or Federal Work-Study. These applicants should check with their schools' financial aid offices for more information.

Eligible Program

A program of organized instruction or study that leads to an academic, professional, or vocational degree or certificate, or other recognized educational credential. To receive federal student aid, you must be enrolled in an eligible program, with two exceptions:

- If a school has told you that you must take certain course work to qualify for admission into one of its eligible programs, you can get a Stafford Loan for up to 12 consecutive months while you're completing that preparatory course work. You must be enrolled at least half time, and you must meet the usual student aid eligibility requirements.
- If you're enrolled at least half time in a program to obtain a professional credential or certification required by a state for employment as an elementary or secondary school teacher, you can get a Federal Work-Study, Federal Perkins Loan, a Stafford Loan, or your parents can get a PLUS Loan, while you're enrolled in that program.

Financial Aid Package

The total amount of financial aid (federal and nonfederal) a student receives. The financial aid administrator at a postsecondary institution combines various forms of aid into a "package" to help meet a student's need. Using available resources to give each student the best possible package of aid is one of the aid administrator's major responsibilities. Because funds are often limited, an aid package might fall short of the amount a student is eligible for. Also, the amount of federal student aid in a package is affected by other sources of aid received (scholarships, state aid, etc.).

General Education Development (GED) Certificate

A certificate students receive if they've passed a specific, approved high school equivalency test. Students who have a GED can still qualify for federal student aid. A school that admits students without a high school diploma must make available a GED program in the vicinity of the school and must inform students about the program.

Guaranty Agency

The organization that administers the Federal Family Education Loan (FFEL) Program in your state. This agency is the best source of information on FFELs. For the name, address, and telephone number of the agency serving your state, contact the Federal Student Aid Information Center.

Half time

At schools measuring progress in credit hours and semesters, trimesters, or quarters, "half time" is at least six semester hours or quarter hours per term for an undergraduate program. At schools measuring progress in credit hours but not using semesters, trimesters, or quarters, "half time" is at least 12 semester hours or 18 quarter hours per year. At schools measuring progress in clock hours, "half time" is at least 12 hours per week. Note that schools may choose to set higher minimums than these. You must be attending school at least half time to be eligible for a Stafford Loan. Half-time enrollment is not a requirement to receive aid from the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study, and Federal Perkins Loan programs.

Important Terms

Continued

National Student Loan

Data System (NSLDS)

A national database for federal student aid—you can find out about the aid you've already received. (If you've only just applied for aid, you won't find any information on NSLDS yet.) NSLDS receives data from schools, agencies that guarantee loans, and U.S. Department of Education programs. The NSLDS Web site is generally available 24 hours a day, seven days a week. By using your FSA ID, you can get information on federal loan or grant amounts, outstanding balances, the status of your loans, and disbursements made. You can access NSLDS at nslds.ed.gov.

Promissory Note

The binding legal document you sign when you get a student loan. It lists the conditions under which you're borrowing and the terms under which you agree to pay back the loan. It will include information on how interest is calculated and what the deferment and cancellation provisions are. It's very important to read and save this document because you'll need to refer to it later when you begin repaying your loan.

Regular Student

One who is enrolled or accepted for enrollment at an institution for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by that institution. Generally, to receive aid from the programs discussed in this Web site, you must be a regular student. (For some programs, there are exceptions to this requirement. See the definition of eligible program above.)

Satisfactory Academic Progress

To be eligible to receive federal student aid, you must meet and maintain your school's standards of satisfactory academic progress toward a degree or certificate offered by that institution. Check with your school to find out its standards.

Selective Service Registration

To receive federal student aid, if you are a male born on or after January 1, 1960, are at least 18 years old, and are not currently on active duty in the U.S. Armed Forces, you must register, or arrange to register, with the Selective Service. (Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau are exempt from registering.)

WAEPA Scholarship Program

THE PROGRAM

The Worldwide Assurance for Employees of Public Agencies (WAEPA) has established a scholarship program to assist policy holders' children who plan to continue education in college or vocational school programs. Scholarships are offered each year for full-time study at an accredited institution of the student's choice.

This scholarship program is administered by Scholarship Management Services®, a division of Scholarship America®. Scholarship Management Services is the nation's largest designer and manager of scholarship and tuition reimbursement programs for corporations, foundations, associations and individuals. Awards are granted without regard to race, color, creed, religion, sexual orientation, gender, disability or national origin.

ELIGIBILITY

Applicants to the WAEPA Scholarship Program must be:

- Children of WAEPA life insurance policy holders who are under the age of 23.
- High school seniors or graduates who plan to enroll or students who are already enrolled in full-time undergraduate study at an accredited two-year or four-year college, university, or vocational-technical school for the entire upcoming academic year.

- Maintaining a minimum grade point average of 3.0 on a 4.0 scale (or its equivalent).

WAEPA Members and Associate Members themselves are not eligible to apply for this program.

AWARDS

If selected as a recipient, the student will receive an award of \$2,500 or \$1,250. Awards will be granted as follows:

- Every year, 70 scholarships of \$2,500 will be granted to students attending four-year colleges or universities.
- Every year, 5 scholarships of \$1,250 will be granted to students attending two-year colleges or vocational-technical schools.

Awards are for undergraduate study only.

Awards are not renewable; however, students may reapply to the program each year they meet eligibility requirements. Students may receive the award up to a maximum of four years.

Recipients are eligible to re-apply after receiving the award.

APPLICATION PROCESS

Interested students must complete the application and mail it along with a current, complete transcript of grades to Scholarship Management Services postmarked no later than February 4, 2020. Grade reports are not acceptable.

Online transcripts must display student name, school name, grade and credit hours earned for each course, and term in which each course was taken.

Applicants will receive acknowledgment of receipt of their application. If an acknowledgment card is not received within three weeks, applicants may call Scholarship Management Services to verify that the application has been received.

Applicants are responsible for gathering and submitting all necessary information. Applications are evaluated on the information supplied; therefore, answer all questions as completely as possible. Incomplete applications will not be evaluated. All information received is considered confidential and is reviewed only by Scholarship Management Services.

SELECTION OF RECIPIENTS

Scholarship recipients are selected on the basis of academic record, demonstrated leadership and participation in school, community, and volunteer activities, honors, work experience, statement of goals and aspirations, unusual personal or family circumstances, and an outside appraisal. Financial need is not considered.

Selection of recipients is made by Scholarship Management Services. In no instance does any officer, employee, or policy holder of WAEPA play a part in the selection. All applicants agree to accept the decision as final.

WAEPA Scholarship Program

Continued

NOTIFICATION

Applicants will be notified in late March 2020. Not all applicants to the program will be selected as recipients. Students may reapply to the program each year they meet eligibility requirements.

PAYMENT OF SCHOLARSHIPS

Scholarship Management Services processes scholarship payments on behalf of WAEPA. Award payments are made in equal installments on August 15 and December 30. Checks are mailed to each recipient's home address and are made payable to the school for the student.

OBLIGATIONS

Recipients have no obligation to WAEPA. They are, however, required to notify Scholarship Management Services of any changes in address, school enrollment, or other relevant information and to send a complete transcript when requested.

REVISIONS

WAEPA reserves the right to review the conditions and procedures of this scholarship program and to make changes at any time including termination of the program.

Questions regarding the scholarship program should be addressed to:

WAEPA Scholarship Program
Scholarship Management Services
One Scholarship Way
Saint Peter, MN 56082
Telephone: **(507) 931-1682**
Email: waepa@scholarshipamerica.org

Please make sure to ask for the WAEPA Scholarship Program.