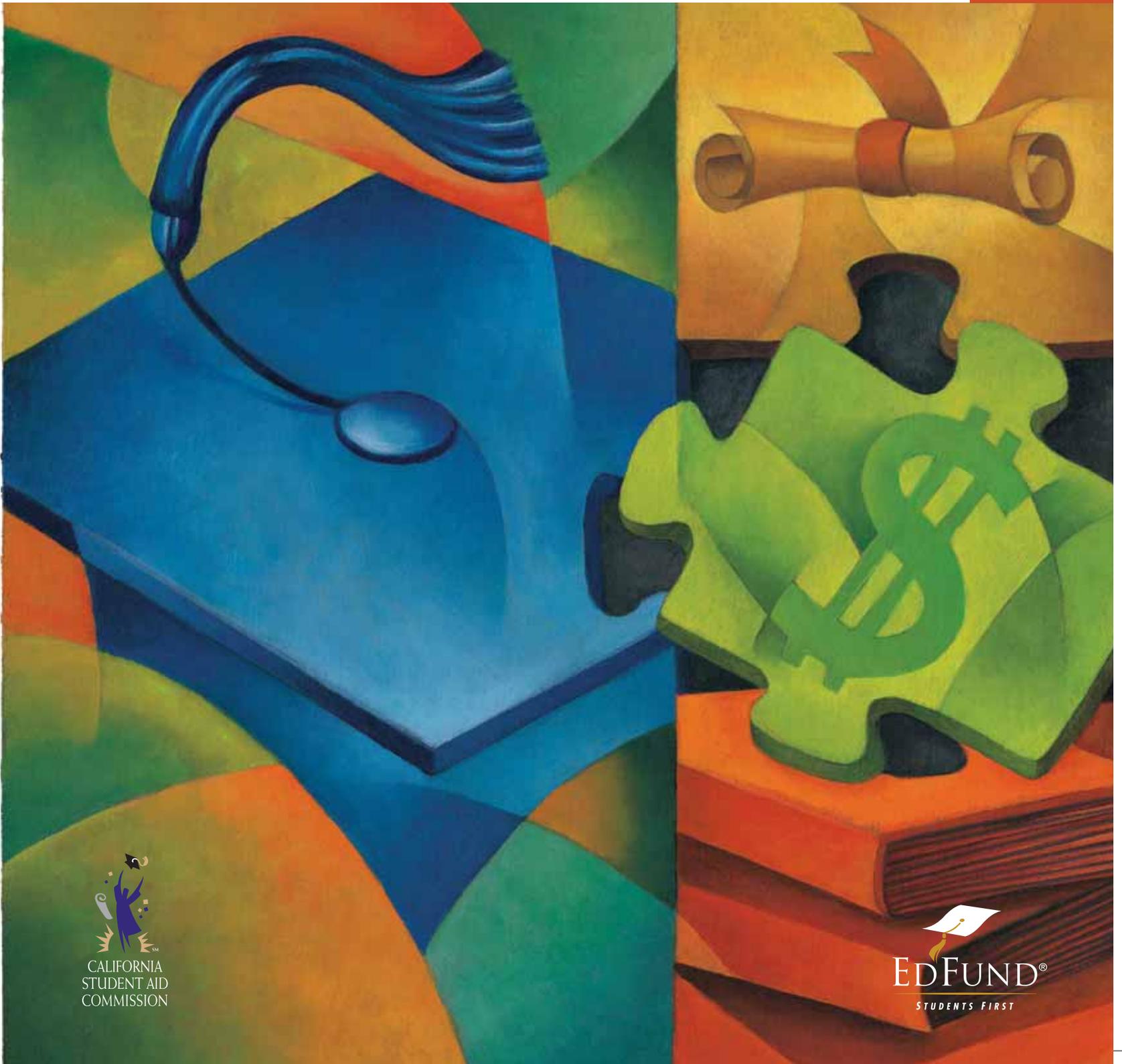


# FUND *Your* FUTURE<sup>®</sup>

GRANTS, SCHOLARSHIPS, LOANS AND OTHER MONEY FOR COLLEGE

2008  
for school year 2009



  
CALIFORNIA  
STUDENT AID  
COMMISSION

  
EdFUND<sup>®</sup>  
STUDENTS FIRST



**Whether you're planning to go to college or get  
job training, there's money to help you pay for it.**

Inside you'll learn about the major financial aid programs, their requirements and how to apply for them. You should first check out grants, scholarships and other free money that you don't have to repay.

Also, look into ways to cut your college costs. Consider starting at a community college, becoming an AmeriCorps volunteer to earn an education award, or taking AP courses in high school for college credit to help you graduate earlier and save on tuition.

If you do need to borrow, there are low-interest federal loans for students and parents that offer flexible repayment options.

The keys to finding money for college are to start your research early, explore all your options and make sure you meet all deadlines.

Applying for most financial aid is *free*—simply complete the Free Application for Federal Student Aid, known as the FAFSA, and provide any other information that may be required. To apply for a Cal Grant, for example, you'll need to submit your verified GPA as well as the FAFSA.

You can apply for financial aid every year, from your senior year of high school through your senior year in college—and even beyond, if you're headed to graduate school.

A higher education is a smart investment and an opportunity to build a brighter future. We're here to help you on the road to success.



Diana Fuentes-Michel  
Executive Director  
California Student Aid Commission



Dr. Samuel M. Kipp  
President  
EdFUND



## QUICK RESOURCES

### FAFSA on the Web

[www.fafsa.ed.gov](http://www.fafsa.ed.gov)

The easiest and fastest way to apply for financial aid, with step-by-step instructions.

### Cal Grants

[www.calgrants.org](http://www.calgrants.org)

For information on Cal Grants and how to apply.

### Other California State Financial Aid

[www.csac.ca.gov](http://www.csac.ca.gov)

The California Student Aid Commission's Web site, for details about all the California state aid programs and how to apply for them. Or call toll free 888.CA.GRANT (888.224.7268) or e-mail [studentsupport@csac.ca.gov](mailto:studentsupport@csac.ca.gov).

### Cash for College Workshops

[www.californiacashforcollege.org](http://www.californiacashforcollege.org)

For dates and locations of free Cash for College workshops where you can get help completing the FAFSA and other forms—and apply for a \$1,000 scholarship.

### Federal Student Aid

[www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov)

To learn more about federal grants, loans and more. Or call toll free at 800.4FED.AID (800.433.3243) or TTY 800.730.8913, or e-mail [studentaid@ed.gov](mailto:studentaid@ed.gov).

### Federal Loans—Borrow Smart

[www.edfund.org](http://www.edfund.org)

EDFund's Web site, for information on low-interest federal loans and strategies for smart borrowing.

[www.edwise.org](http://www.edwise.org)

EDWise®, where you can calculate how much you can afford to borrow and repay.

### College Costs and More

[www.californiacolleges.edu](http://www.californiacolleges.edu)

[www.nces.ed.gov/ipeds/cool](http://www.nces.ed.gov/ipeds/cool)

Check out college costs, the percentage of students who received financial aid and their average award and other facts for more than 7,000 schools nationwide.

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*College* in this workbook refers to any college, university, graduate or professional school, career college, technical or vocational program, or other educational institution beyond high school.



## Looking ahead to college but need



with the costs?

### Tip

You should apply for financial aid even before finding out if you've been accepted to college. Otherwise, you may miss out on scholarships, grants and other free money for education.

While most colleges expect you and your family to contribute toward your education, financial aid can help narrow the gap between your resources and your costs. Financial aid is available from the federal government, states, colleges and private sources:

**GRANTS** are money you don't have to repay and are usually based on financial need.

**SCHOLARSHIPS** are also free money for college and are usually based on your area of study or merit, such as good grades, high test scores, athletic, musical or other special talents, or community service.

**WORK-STUDY OR STUDENT EMPLOYMENT PROGRAMS**—federal and college—let you earn money in certain jobs on or off campus to help pay for your education.

**LOANS** are borrowed money that you must pay back, usually with interest.

Your first step to getting money for college is to complete the Free Application for Federal Student Aid, the FAFSA. A number of state programs, colleges and scholarship organizations require additional applications along with the FAFSA. Be sure to apply early and meet the deadlines because most financial aid funds are limited.

You should also explore private scholarships, tax credits and other options, including volunteer work with AmeriCorps in return for an education award. A summer job and smart budgeting can also help. In addition, ask if your college offers a plan that will let you spread your payments over the school year.

Your school can give you a jump-start with your search. Also, browse the Web, starting with the sites listed on page 39.

### F Y I

- **Cal Grants are free money you don't have to pay back.** If you qualify, you could get up to \$9,700 a year for college or more than \$3,000 a year for job training.
- **Financial aid can cover more than tuition and books.** Paying rent, eating and getting around also add up. Luckily, Cal Grants, federal grants and scholarships, as well as federal loans, take that into account. It's worth remembering that you have to pay rent and eat anyway—and by going to college, you can get help making ends meet while investing in your future.
- **College isn't just for the wealthy.** Financial aid is available and there are other ways to pay for college and cut your costs. See pages 24-27 to learn more.
- **You don't have to attend full time to get financial aid.** You can use your Cal Grant, federal Pell Grant and other aid if you only go half time. Even if you take one or two classes, you may still be able to use your Pell Grant.
- **Money is set aside for foster youth.** If you are or were in foster care, you may get up to \$5,000 a year for college or job training on top of any other financial aid you receive.
- **You don't need to be a U.S. citizen to receive financial aid—and your parents don't need to be citizens either.** U.S. permanent residents and other eligible noncitizens also qualify for most federal and state aid. If you're an undocumented student, you aren't eligible for state or federal aid, but you may qualify for in-state tuition rates at California's public colleges (see page 23).
- **Completing the FAFSA is not as difficult as it may first appear.** Step-by-step instructions are provided in English and Spanish and you can ask your school for help. You can also attend a free California Cash for College workshop. For dates and locations, go to [www.californiacashforcollege.org](http://www.californiacashforcollege.org).

## THE POWER OF EDUCATION

Not only can you make as much as \$1 million more during your lifetime than someone with only a high school diploma, but you'll also have a better chance of earning it in a career you enjoy. You're likely to earn more with each level of your education.

Level of Education	2005 Annual Median Earnings
Professional degree	\$82,473
Doctorate degree	\$70,853
Master's degree	\$52,390
Bachelor's degree	\$43,143
Associate degree	\$35,009
High school graduate or GED, no college	\$26,505
High school dropout	\$19,101

Note: Employment earnings are for full-time workers age 18 and over  
Source: U.S. Bureau of the Census, Current Population Survey, 2006

# [Do You Qualify?]

Your eligibility for most financial aid is based on your financial need rather than your grades, so much of the information in this chapter focuses on need-based aid. To learn more about financial aid that's not based on your family's income or assets, see "13 Other Ways to Pay for College" on pages 24-27.



## In This Chapter

- THE FAFSA
- DEPENDENT OR INDEPENDENT
- YOUR ASSETS AND FINANCIAL AID
- YOUR EXPECTED FAMILY CONTRIBUTION
- 10 IMPORTANT THINGS TO KNOW
- YOUR COLLEGE COSTS
- YOUR FINANCIAL NEED
- CRACKING THE CODES
- IDENTITY THEFT

## YOUR ASSETS & FINANCIAL AID

The FAFSA asks for information about the value of certain assets, including savings, stocks, bonds, mutual funds, money market funds, real estate investments and trusts as of the day you complete your FAFSA. You'll also need to report any education savings accounts owned by your parents (or you, if you're an independent student), including Coverdell savings accounts, 529 college savings plans and the refund value of 529 prepaid tuition plans.

The FAFSA doesn't count the value of your family home or farm, or the value of annuities, life insurance plans, or any non-education IRAs, 401(k), Keogh or other retirement plans (but you will need to report contributions to any tax-deferred pension or savings plan).

## The FAFSA

You apply for most financial aid by completing the Free Application for Federal Student Aid. The easiest and fastest way is online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). The FAFSA asks for information about you, your family, your finances and your college plans. You'll find more information on pages 6-11.

## Dependent or Independent

Whether you're a dependent or an independent student will determine whose financial information you'll need to report on the FAFSA, and in turn, the types and amounts of financial aid you may be eligible to receive.

You're considered an independent student if at least one of the following situations describes you—not whether you live on your own, or if your parents no longer list you as a dependent on their tax return or feel it's not their responsibility to help you pay for college:

- You were born before January 1, 1985.
- You'll be working on a master's or doctorate degree or graduate certificate in the fall of 2008.
- You're married as of the date you complete the FAFSA.
- You have children who receive more than half of their support from you.
- You have dependents other than your spouse or children who live with you and who receive more than half of their support from you.
- Both your parents are deceased, or you're a ward or dependent of the court or were one until age 18.
- You're a veteran of the U.S. Armed Forces (or will be a veteran as of June 30, 2009), or you attended a service academy and were released under a condition other than dishonorable.
- You're currently serving on active duty (other than training) in the U.S. Armed Forces.

## Tip

Now you can get an estimate of your eligibility for federal student aid instantly, even before your senior year, and shorten the time it takes you to complete the FAFSA by using FAFSA4caster. You'll find the new planning tool at [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) in English and Spanish. You'll need your Social Security number and about 30 minutes to answer the questions.

## Your Expected Family Contribution

Your expected family contribution, or EFC, is the amount of money the government believes you and your family could reasonably contribute toward your education for the school year. It's calculated using a federal formula to evaluate the information you provide on your FAFSA. You'll find your EFC on your Student Aid Report, which you'll receive after submitting your FAFSA.

Whether you go to an expensive college or one with lower costs, your EFC will stay the same. However, you may be eligible for different types and amounts of aid at different colleges. That's because each college has its own cost of attendance and financial aid funds.

Keep in mind that your EFC may or may not be the actual amount you end up paying for college. For example, your college's cost of attendance includes actual costs for tuition and fees, as well as average costs for housing, food, transportation and personal expenses. You may spend less or more than these average costs. In addition, if your college is unable to meet all of your financial need due to limited financial aid funds, your actual contribution may be more than your calculated EFC.

Some independent colleges calculate a second EFC using additional information about your finances to award their college student aid.

### Tip

Take a look at your e-mail address

and make sure it's appropriate for corresponding with colleges, lenders or employers. If not,

you may want to get another one that's more professional.

### Tip

Don't assume you or your family makes too much money to receive financial aid. The number of children in your household enrolled in college, the age of your older parent and other factors are also considered.

## Your EFC

Your EFC will determine the types and amounts of federal and state aid you qualify for.

If you're a dependent student, your EFC will be based on:

- your income and your parents' income
- your assets and your parents' assets
- the age of your older parent living in your household
- the number of family members living in your household
- the number of family members other than your parents in college during the coming school year
- your state of legal residence
- your parents' state of legal residence

If you're an independent student, your EFC will take into account:

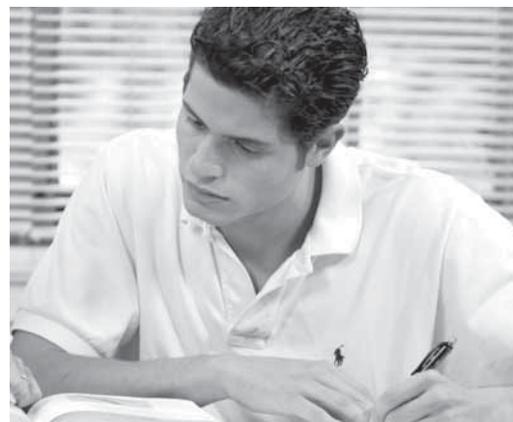
- your income and assets, and your spouse's, if married
- the number of children and other dependents in your household
- the number of family members in college during the coming school year
- your state of legal residence

# 10 IMPORTANT THINGS

To qualify for most federal and state student aid, you must:

1. Submit the FAFSA
2. Submit any other applications or information that may be required by your college or state
3. Demonstrate financial need (except for unsubsidized federal Stafford loans and federal PLUS loans)
4. Have a high school diploma or its equivalent, complete a high school education in a home-school setting approved by your state or pass an "ability to benefit" exam approved by the U.S. Department of Education (for federal aid)
5. Be a U.S. citizen or an eligible noncitizen
6. Be a California resident (for most state aid)
7. Enroll in an eligible degree or certificate program (correspondence courses must be part of an associate, bachelor's or graduate degree program)
8. Maintain satisfactory academic progress as determined by your college
9. Have a Social Security number (unless you're from the Marshall Islands, the Federated States of Micronesia or the Republic of Palau)
10. Register with the U.S. Selective Service (males ages 18-25)

To learn more, go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).



## Your College Costs

Each college has its own student budget or cost of attendance, which includes tuition, fees, books, supplies, housing, food, transportation and personal expenses for the school year. It may also include money for a computer.

Your cost of attendance will vary depending on where you live (with your parents, on or off campus) and the college you attend. If you have children or other dependents who require care while you go to class, it may also include these expenses. If you have a disability, be sure to let your college's financial aid office know about any related expenses that aren't already covered.

## Your Financial Need

Each college you list on your FAFSA and are accepted to will determine your eligibility for financial aid, also known as your financial need. The college's financial aid office will subtract your EFC from the college's cost of attendance for the school year—the difference will be your financial need. Your financial need will vary from college to college because each college has its own cost of attendance.

$$\begin{array}{r}
 \text{Your cost of attendance} \\
 - \text{Your expected family contribution} \\
 \hline
 = \text{Your financial need}
 \end{array}$$

You'll find more information on financial aid offers and how to compare them on pages 11-12.

## Cracking THE CODES

With all the financial aid acronyms out there, keeping them straight can be tough. Here's a look at the major ones:	
CAR	California Aid Report
COA	cost of attendance
EFC	expected family contribution
FAFSA	Free Application for Federal Student Aid
GED	General Educational Development (high school graduation equivalency certificate)
GPA	grade point average
MPN	master promissory note for federal loans
PIN	personal identification number
SAR	Student Aid Report
SSN	Social Security number

## Protect Yourself AGAINST IDENTITY THEFT

- Keep your Social Security number, date of birth, driver's license, passwords, PINs and banking information confidential.
- Never give out any personal or financial information over the phone unless you made the call and know who you're talking to.
- Never respond to e-mails that look like they're from your bank, lender, college or others asking for personal or financial information. Real companies will never ask you for this information by e-mail or phone.
- Don't leave your personal or financial information lying around in your dorm room or apartment.
- Be careful about sharing personal information in chat rooms, blogs or discussion groups, including MySpace and FaceBook.
- Make sure Web sites are secure before providing your credit card number or other personal information. Look for sites that begin with "https" or have a small padlock icon along the bottom edge but outside the Web-page viewing area.
- Avoid "pharming" scams where you type in an almost-correct Web address but are redirected to a fake look-alike site.
- Check your credit report at least every six months. Look for unfamiliar accounts and incorrect addresses—signs of identity theft. Get your free credit report at [www.annualcreditreport.com](http://www.annualcreditreport.com).
- Shred all documents with your Social Security number, bank account numbers and other personal information before tossing.
- Throwing out your old cell phone or computer? Be sure to destroy any stored information about yourself first.

Visit [www.idtheftcenter.org](http://www.idtheftcenter.org) and [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) to learn more.



### Tip

Interested in studying abroad? You may be able to use your Cal Grant, federal grants and federal loans to pay for it. Also, look into private scholarships, such as those available from your local Rotary International, and check out scholarships specifically for those studying abroad at [www.fastweb.com](http://www.fastweb.com) and [www.nafsa.org/students/sec/studying\\_abroad\\_from](http://www.nafsa.org/students/sec/studying_abroad_from).

# [How Do You Apply?]

## In This Chapter

### SEVEN STEPS

- COLLECT YOUR INFORMATION
- COMPLETE THE FAFSA ON THE WEB WORKSHEET
- SUBMIT THE FAFSA
- SUBMIT ANY OTHER APPLICATIONS
- REVIEW YOUR STUDENT AID REPORT
- REVIEW YOUR CALIFORNIA AID REPORT
- EVALUATE YOUR OFFERS

### ALSO:

- FREE HELP
- CAL GRANT DEADLINES
- CASH FOR COLLEGE WORKSHOPS AND SCHOLARSHIPS
- REAPPLY EACH YEAR
- FAFSA ON THE WEB CHECKLIST
- WHO IS YOUR PARENT?
- STATE AID AND DOMESTIC PARTNERSHIPS
- VERIFICATION
- GETTING YOUR FINANCIAL AID

## Tip

Don't wait until your parents have filed their tax return to submit your FAFSA. Instead, get your FAFSA in early using estimated income figures based on last year's return or payroll stubs. If your estimates are significantly higher or lower than your actual numbers, your EFC may change and your financial aid offers may be revised.



## Get started now.

### 1 Collect your information.

It's not too early to start collecting the following information:

**Your Social Security number.** You'll need a Social Security number to apply for most federal and state aid. If you don't have a number, apply for one at your local Post Office or Social Security office. You'll also need your parents' Social Security numbers, if you're a dependent student. (If your parents don't have one, enter all zeros when asked for it on the FAFSA.) To learn more, go to [www.ssa.gov](http://www.ssa.gov) or call 800.772.1213 (TTY 800.325.0778).

**Your Federal Student Aid PIN, and your parent's PIN, if you're a dependent student.** Go to [www.pin.ed.gov](http://www.pin.ed.gov) to get your personal identification number, or PIN, ahead of time. You'll need your Social Security number. If you provide an e-mail address, you'll receive an e-mail within one to three days explaining how to obtain your PIN from a secure Web site. Otherwise, you'll receive your PIN by traditional mail within seven to 10 days. You can request a PIN that's easier to remember.

If you're a dependent student, one of your parents should get a PIN to e-sign your FAFSA.

**Your financial records.** It's easier to fill out the FAFSA and other financial aid forms if you've completed your 2007 federal tax return, including all schedules (if you file a return). *But don't miss a deadline just because you or your parents haven't filed your federal tax return yet.* Submit your FAFSA on time using estimated income figures and make any corrections later.

You'll also need your W-2 forms and other records of money earned, current bank statements, business and investment records, and records of untaxed income (Social Security, Temporary Assistance for Needy Families, General Assistance or veteran benefits).

**An e-mail address.** If you provide an e-mail address, you'll receive your FAFSA results sooner.

**Your driver's license number, if you have one.**

**Your Alien Registration number, if you're not a U.S. citizen.**

## 2 Complete the FAFSA on the Web Worksheet.

That way, you'll have all the information you need in front of you when you're ready to complete the FAFSA. The FAFSA on the Web Worksheet lists all the questions in the same order as they appear on the online FAFSA. English and Spanish versions are available starting in November from your school or at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). You can also order a Braille version of the worksheet by calling 800.433.3243.

## 3 Submit the FAFSA.

The easiest and fastest way to complete the FAFSA is online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). Or call 800.433.3243 to have the paper FAFSA mailed to you. Both versions are available in English and Spanish. Try to submit your FAFSA as soon as possible starting January 1—and be sure to submit it before your earliest financial aid deadline.

- The FAFSA should take about one hour to complete if you have your completed FAFSA on the Web Worksheet in front of you.
- If you mail your paper FAFSA before January 1, it will be returned to you unprocessed and you'll need to submit it again. (Also, be sure you don't date your FAFSA before January 1.)
- Complete the 2008-2009 FAFSA to apply for aid for the 2008-2009 school year. (If your school has year-round admissions and rolling starts, contact the financial aid office to find out which FAFSA to submit.)
- Photocopies or faxes of the FAFSA are not accepted.
- Don't send any tax forms, letters of explanation or other materials with your FAFSA—they'll only be shredded. Any correspondence explaining your special circumstances should be sent directly to the financial aid office of each college you're considering.



## GET FREE HELP

There's plenty of free help—you should never have to pay for the FAFSA or to have it completed for you.

### ON THE WEB

Find help for questions at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) or click on the Live Help button during business hours. Go to [www.studentaid.ed.gov/complefafsa](http://www.studentaid.ed.gov/complefafsa) for help with the paper FAFSA.

### PHONE

Call toll free 800.433.3243 Monday through Friday up to 9 p.m. Pacific Time and extended hours on the weekend—or 319.337.5665 if you don't have access to toll-free numbers (TTY 800.730.8913).

### IN PERSON

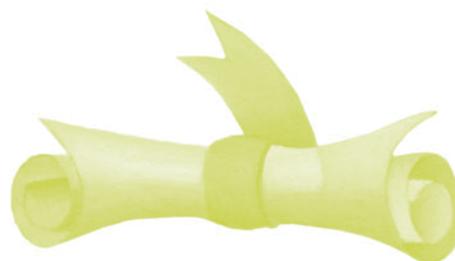
Ask your school for help, attend your school's financial aid night or plan to attend a free California Cash for College workshop in January or February. Many workshops have staff who speak Spanish or other languages. Visit [www.californiacashforcollege.org](http://www.californiacashforcollege.org) for dates and locations.

## 4 Submit any other applications.

Some colleges use the FAFSA as well as additional applications, such as the CSS/Financial Aid Profile, to award their private financial aid dollars. Unlike the FAFSA, the Profile costs money to submit and is only available at <http://profileonline.collegeboard.com>.

Be sure to ask the financial aid office of each college you're considering what forms are required to apply for financial aid. Also, ask about deadlines—some may be early in the fall—and whether a deadline is the *postmark* (or electronically transmitted) date or the *received* date.

In addition, several California state aid programs require their own application forms in addition to the FAFSA. To apply for a Cal Grant, you need to submit the FAFSA and your verified Cal Grant GPA. See page 16 to learn more.



### Tip

The federal FAFSA processor only processes your application—it does not award or deny financial aid.

### Tip

If you or your family has unusual circumstances or a hardship that you feel should be considered in determining your eligibility for aid, complete the FAFSA as best you can. Then send any additional information directly to the financial aid office of each college you're considering for a "professional judgment" review. Start with the college you're most likely to attend and ask what documentation is required and when it's needed.

# CAL GRANT Deadlines

## Tip

If you're mailing the FAFSA, the Cal Grant GPA Verification Form or any other application form, it's a good idea to get a Certificate of Mailing from the Post Office (\$1.05 in addition to postage) as proof you met the deadline.

### March 2

Apply no later than March 2 by submitting both the FAFSA and your verified Cal Grant GPA. It's your responsibility to find out if your school will submit your verified GPA for you electronically or whether you need to submit your verified GPA using the paper Cal Grant GPA Verification Form (you'll need your school to certify it first, so don't wait until the last minute). The form can be printed from [www.calgrants.org](http://www.calgrants.org) or [www.csac.ca.gov](http://www.csac.ca.gov).

### Second deadline for California Community College students

#### September 2

If you'll be attending a California Community College in the fall and you missed the March 2 deadline, you have until September 2 to apply for a Cal Grant. However, it's to your advantage to meet the earlier March 2 deadline because only a limited number of awards are available for those who apply in the fall.

### Missed the Cal Grant deadline?

Even if you missed the Cal Grant deadline or don't qualify for a Cal Grant, you should still submit your FAFSA to apply for a federal Pell Grant, federal student loan and other financial aid.

## Got a Question ABOUT YOUR APPLICATION?

Simply call the California Student Aid Commission anytime toll free at 888.224.7268, select from a menu of options and check on the status of your application. You can get an update on your FAFSA or verified Cal Grant GPA, learn whether you received an award, and if so, the amount. If you still have questions or if you want to talk to someone, you'll be transferred to a student support representative if you're calling during business hours.

## Submit Your FAFSA+GPA and You Could Get **\$1,000** for College

**High school seniors:** Attend a California Cash for College workshop in January or February and you'll not only get help completing your FAFSA and other forms, but you can also apply for a \$1,000 scholarship. One scholarship will be awarded for each workshop held across the state—more than 300 scholarships in all. Simply attend a workshop, complete an exit evaluation and submit the FAFSA and your verified Cal Grant GPA by March 2. Scholarship recipients will be randomly selected from qualifying applicants and notified in late spring. Scholarships may be used at a two-year public community college or a four-year public or independent degree-granting institution. For dates and locations of workshops, go to [www.californiacashforcollege.org](http://www.californiacashforcollege.org) or call 888.224.7268 during business hours. Workshops are held at high schools, colleges and community centers across the state and often have staff who speak Spanish and other languages.

## REAPPLY EACH YEAR

Most financial aid awards are considered "new" each school year, so you'll need to submit the FAFSA each year. You'll find your FAFSA at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) starting January 1 (there are no more Renewal FAFSAs). Simply update any information that has changed, such as your income or family size, complete any blank areas and review your list of colleges.

You should continue to get any other state or federal aid you received the year before as long as you still meet the requirements. In most cases, this includes making satisfactory academic progress, so be sure you understand your school's policy.

As you get closer to graduating from college, be sure to check in with your financial aid office to see if there is a maximum number of units you can take after which you may not qualify for financial aid.

### Changing Schools?

If you'll be changing schools, keep in mind that your financial aid may not automatically go with you. Contact your new school's financial aid office to learn more—and be sure to ask about deadlines. To find out if your Cal Grant or California Chafee Grant award will change at your new school, you can go to WebGrants for Students at [www.csac.ca.gov](http://www.csac.ca.gov).

# FAFSA ON THE WEB

Easy, fast and secure

You'll find the FAFSA for school year 2008-2009 at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) starting January 1. Don't have a computer? Look into using one at your school or library. You can save your FAFSA for up to 45 days at a time, so you don't have to complete it in one sitting.

- Read all the instructions, work through each step and review your answers carefully.** Careless errors can delay processing, which could mean missed deadlines and dollars.
- Be sure your name matches your name as it appears on your Social Security card.** Using a nickname will delay processing. If you've changed your name, update your records with the Social Security Administration ([www.ssa.gov](http://www.ssa.gov)).
- Keep a copy of your FAFSA for your records.** Also keep a copy of all worksheets as well as the financial records you used to complete the FAFSA. Your college may ask to see them.
- Avoid peak hours.** You'll find faster response times at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) before 8 a.m. and after 8 p.m. Pacific Time.
- E-sign your FAFSA using your Federal Student Aid PIN and provide an e-mail address to receive an estimate of your expected family contribution instantly.** Your application will also be processed quickly, usually within three to five days.
- If you don't already have a PIN, you can now receive one instantly when you're completing the FAFSA.** If your Social Security number and name are later found not to match, you'll need to sign your Student Aid Report.
- If you provide an e-mail address, you'll get an instant confirmation that your FAFSA was received, which you should print and save.**
- Use your PIN to check on the status of your FAFSA, correct or print your Student Aid Report, or view your federal aid records at [www.nslds.ed.gov](http://www.nslds.ed.gov).** Be sure to keep your PIN confidential. Don't give your PIN to anyone—not even to someone who may be helping you fill out the FAFSA.
- If you'd like additional colleges to receive your FAFSA information, delete and add colleges at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) (or by calling 800.433.3243).** You should wait until your first colleges have received your information.

# Who is your parent?

What if your parents are separated, divorced or remarried—or you don't live with them? Whose financial information do you provide on your FAFSA? If your parent is widowed or single, answer the questions about that parent. If your widowed parent has remarried as of the day you complete the FAFSA, answer the questions about that parent and the person your parent married (your stepparent). Divorced or separated parents? Give answers for the parent you lived with more during the past 12 months. (If you didn't live with one parent more than the other, then answer for the parent who provided more support during the past 12 months.)

If you don't know where your parents are or if you left home due to an abusive situation, let your high school counselor or college's financial aid office know.

For the FAFSA, the following people are not your parents unless they've adopted you: grandparents, foster parents, legal guardians or older brothers or sisters. (For the education-level question only, answer for your biological or adoptive parents.)

# California State Aid and Domestic Partnerships

When determining eligibility for state financial aid, California recognizes domestic partnerships. If your parents are in a registered domestic partnership, you'll be considered the same as a student with married parents, including financial and residency requirements. Likewise, if you're in a registered domestic partnership, you'll be considered the same as a married student. (Registered domestic partners are couples who have filed a Declaration of Domestic Partnership with the California Secretary of State's office and received a Certificate of Registration of Domestic Partnership. For information on the Domestic Partnership Registry, visit [www.sos.ca.gov/dpregistry](http://www.sos.ca.gov/dpregistry).)

If you're a dependent student whose parents are in a domestic partnership, you should include information on your FAFSA only for the parent who provided more than half of your support. If you're an independent student in a domestic partnership, provide only your information. After receiving your California Aid Report, you'll need to go to [www.csac.ca.gov](http://www.csac.ca.gov) to complete the Registered Domestic Partnership Reporting Form so that the California Student Aid Commission can further evaluate your eligibility for California state aid. (Eligibility for federal aid doesn't consider domestic partnerships.)

## Tip

You can still complete FAFSA on the Web even if you don't have a PIN. Just select the "Sign Without a PIN" option to print the signature page, then sign and mail it within 14 days. Or submit the FAFSA online without a signature and provide the required signatures on your Student Aid Report.

## You're Not Done Yet.

### 5 Review Your Student Aid Report.

If you submit your FAFSA online and provide all the required e-signatures and an e-mail address, you'll usually receive your Student Aid Report, or SAR, within 72 hours. Otherwise, it could take up to three weeks if you submit the paper FAFSA.

The SAR contains the information you provided on the FAFSA and lists your expected family contribution, or EFC, for the school year. Look for this number next to "EFC" at the top of your SAR—there won't be a dollar sign. If there are any numbers after the EFC, even zeros, then your EFC was calculated. An EFC of 03400, for example, means that your EFC would be \$3,400. Keep in mind that your EFC may be more or less than what you actually end up paying for college (see page 4).

If there are no numbers, your SAR is incomplete and you must provide additional information or corrections before your EFC will be calculated.

Be sure to review your SAR right away for accuracy and follow the instructions if you need to make corrections. If you don't receive your SAR within three weeks or if you need another copy, go to [www.fafsa.ed.gov](http://www.fafsa.ed.gov) or call 800.433.3243.

Each college you list on your FAFSA will receive your SAR information. The California Student Aid Commission will also receive it to evaluate your eligibility for a Cal Grant and other California state aid as long as you list at least one California college and indicate you're a California resident.

#### Your SAR—Online or Paper

How you submit the FAFSA—online or on paper—and whether or not you include an e-mail address will determine the type of SAR you receive. (If you submit the Spanish version of the FAFSA, you'll receive your SAR in Spanish.)

- Submit the FAFSA online or on paper and provide an e-mail address and you'll receive an e-mail with a link to your SAR information on the Web.
- Submit the FAFSA online but don't provide an e-mail address and you'll receive a paper SAR Acknowledgement. This SAR Acknowledgement will have all of the information you provided on the FAFSA, but it can't be used to make corrections—you'll need to make corrections to your SAR online using your PIN at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) or request a paper SAR.
- Submit the paper FAFSA and don't provide an e-mail address and you'll receive a paper SAR on which you can make any corrections—or you can use your PIN to make corrections online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov).



### 6 Review Your California Aid Report.

If you're offered a Cal Grant, you'll receive a California Aid Report, or CAR, in the mail. It's a letter from the California Student Aid Commission with an estimate of your Cal Grant award. Your CAR will also list up to three California colleges at which you can use your Cal Grant (the first three California colleges you listed on the FAFSA). Your college will verify your Cal Grant eligibility and the amount of your award. If you need to make corrections, such as a college change, use the New Recipient Change Form that came with your letter or go to WebGrants for Students at [www.csac.ca.gov](http://www.csac.ca.gov).

- If you submitted both the FAFSA and your verified Cal Grant GPA but were not awarded a Cal Grant, you'll receive a letter explaining why.
- If you submitted only the FAFSA and no GPA—and you're not pursuing a career or technical education—you won't receive a letter because you didn't meet the Cal Grant application requirements.
- If you're pursuing a career or technical education, you're not required to submit your verified GPA, but you're encouraged to do so. You'll receive a letter and a Cal Grant C Supplement form to complete.
- If you'll be attending a California Community College in the fall and submitted both your FAFSA and your verified Cal Grant GPA by the September 2 deadline, you'll receive a letter in early October with information on your eligibility for a Cal Grant.

#### Tip

To make sure you receive all e-mails regarding your FAFSA or SAR, add "FederalStudentAid.FAFSA@cpsemail.ed.gov" to your address book or safe list. Also, be sure your e-mail address is current and entered correctly on your FAFSA and SAR, and don't let your inbox get full. Remember to check your messages in your bulk or junk mail folder before logging off.

#### Tip

If you submitted both your FAFSA and your verified Cal Grant GPA by the March 2 deadline but don't receive a California Aid Report or a letter by April 30, or if you have questions, go to WebGrants for Students at [www.csac.ca.gov](http://www.csac.ca.gov), call 888.CA.GRANT or e-mail [studentsupport@csac.ca.gov](mailto:studentsupport@csac.ca.gov).

## 7 Evaluate Your Offers.

The financial aid office at each college you list on your FAFSA (that you have been or will be accepted to) will provide you with an evaluation of your eligibility for financial aid if you submitted the required financial aid applications and met the deadlines. If your college asks for additional information, be sure to respond promptly.

Your offer will usually list your college costs (cost of attendance) for the year, the amount that will be covered by a mix of grants, work-study, loans or other aid, and the amount you'll have to contribute. It may also explain the terms and conditions for receiving the student aid and the deadline for accepting or declining it.

Your offers usually will vary from college to college, so you may want to wait until you've heard from each one before making a decision—but don't wait so long that you miss deadlines. Or you may want to accept one college's offer while waiting to hear from the school of your choice. Just be sure to let the first college know if you decide later to decline its offer.

Keep in mind that you don't have to accept your entire student aid package but can pick and choose the aid you want. If you do decide to decline aid, however, there may not be a replacement award—and the aid may not be available later if you change your mind. If you're offered a loan, remember that accepting a loan means accepting the responsibility of repaying it.

### VERIFICATION

You may be asked to verify your finances. The federal government randomly selects about one in three FAFSAs each year for verification. If your FAFSA is selected (there'll be an asterisk after your expected family contribution on your SAR), your college will ask you to verify your financial information, usually by requesting a copy of your most recent federal tax return, W-2 forms or other financial documents, and a completed Verification Worksheet. Independently, your college may ask for your financial records to verify your eligibility for student aid. Some colleges choose to verify every student's eligibility.



## Questions to Ask

When comparing financial aid offers, be sure to ask:

- What is the college's cost of attendance? Make sure it includes all of your college costs and is realistic.
- How much of the aid is grants and scholarships? Are they renewable each year? Will the dollar amount increase if your tuition or other costs go up? Are there specific terms and conditions? For instance, do you need to maintain a certain GPA?
- Are merit scholarships available? If so, how do you apply?
- If you're offered work-study or student employment, how many hours will you need to work each week? What is the hourly pay rate and the availability of jobs? Are there jobs related to your major or career goal?
- How much loan aid is offered? Are the loans subsidized or unsubsidized? What are the terms and conditions of each loan?
- What fees will you have to pay on your federal student loan? Origination or federal default fees of up to 2 percent may be deducted from each student loan disbursement.
- If grants, scholarships or federal student loans don't cover your total calculated financial need, can you dip further into any savings, get a part-time job, look into other options, cut your expenses, or do you need to borrow more?
- Does the college offer a payment plan that will let you spread your payments over the school year?
- What is the average loan debt of the college's graduates overall—and of graduates in your major?
- What happens to your financial aid if you receive an outside scholarship?

## How will you get your financial aid?

At the beginning of each term, any federal or state financial aid you receive will go to your college first to pay for tuition, fees, and room and board, if provided by your school. You'll usually receive any remaining funds to cover your books, supplies, transportation expenses and other college costs. Any scholarships or grants you applied for yourself may be sent to you or your college. For work-study or student employment programs, you'll be paid after you've worked, usually every two weeks.

Remember that colleges must apply any outside scholarships or grants toward your unmet financial need or reduce other aid—these awards can't replace your expected family contribution. You can ask your school to reduce loan or student employment aid rather than grant aid, but most colleges have an established procedure for handling outside scholarships or grants.

It's your responsibility to create a spending plan to make sure your financial aid lasts the whole term.

### Tip

If your financial situation changes after you submit your FAFSA, contact your financial aid office. Ask if your college has a formal process to handle appeals and be prepared to provide supporting documentation. Don't be shy—it's your future!

### Tip

Your eligibility for a Cal Grant and other financial aid is based on your (and your family's) income and assets. If you used estimates when you submitted your FAFSA, your eligibility may change when you report your actual income or assets, or when your college's financial aid office verifies your income and assets.

**EVALUATE YOUR FINANCIAL AID OFFERS**

**Carefully**

A quick way to compare offers and determine your net costs is to subtract all your grant, scholarship and other free aid from your cost of attendance. Keep in mind that colleges have different ways of awarding financial aid as well as different costs of attendance.\*

**College**

**Cost of Attendance**

Tuition and fees	_____	_____	_____
Room and board**	_____	_____	_____
Books and supplies	_____	_____	_____
Computer allowance	_____	_____	_____
Transportation	_____	_____	_____
Other costs	_____	_____	_____
<b>Total college costs</b>	<b>A</b>	_____	_____

**Grants**

Federal Pell Grant	_____	_____	_____
Federal Academic Competitiveness Grant	_____	_____	_____
National SMART Grant	_____	_____	_____
Federal Supplemental Educational Opportunity Grant	_____	_____	_____
Cal Grant	_____	_____	_____
Other grants	_____	_____	_____
Scholarships	_____	_____	_____
<b>Total grant/scholarship aid</b>	<b>B</b>	_____	_____

**Your Net Costs**  
(A – B)

**Loans**

Federal subsidized Stafford loan	_____	_____	_____
Federal unsubsidized Stafford loan	_____	_____	_____
Federal Perkins loan	_____	_____	_____
Federal Parent PLUS loan	_____	_____	_____
Federal Graduate PLUS loan	_____	_____	_____
College loan	_____	_____	_____
Private loan	_____	_____	_____
<b>Total loan aid</b>	<b>C</b>	_____	_____

**Total Financial Aid**  
(B + C)

**Your Out-of-Pocket Costs**  
(A – D)

**Work-Study or Student Employment**

<b>E</b>	_____	_____	_____
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\* Not all colleges may participate in all of the financial aid programs listed here.

\*\* If room and board aren't part of your housing contract, check with the college's housing office or look in the local paper for rental costs.

# [Cal Grants— Free Money for College]

Cal Grants are free money—up to \$9,700 for college or up to \$3,000 for job training each year—that you don't have to pay back. You can use your Cal Grant at any University of California, California State University or California Community College and most independent colleges, as well as many career or technical schools in California.



## In This Chapter

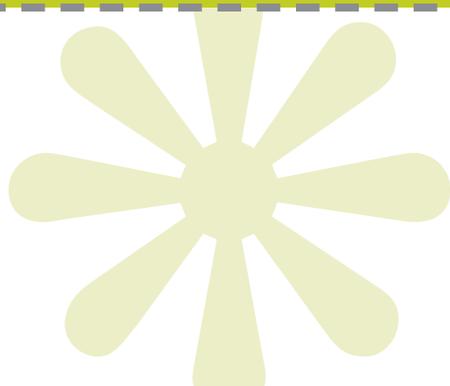
- THE CAL GRANT GUARANTEE
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## THE CAL GRANT GUARANTEE

**Don't miss out!**

If you're a high school senior, meet all the requirements, have financial need, apply by March 2, and graduate from a California high school, you're guaranteed to receive a Cal Grant award. Be sure to check out the details. You have three chances to apply:

1. As a high school senior
2. Within one year after graduating from high school or receiving your GED
3. As a California Community College transfer student, if you meet the requirements (see page 14)



## Your Cal Grant

You can receive a Cal Grant for up to four years—and up to five years if you're getting your teaching credential or are attending certain mandatory five-year programs. (For a list of eligible programs, go to [www.csac.ca.gov/pubs/forms/grnt\\_frm/G-42.pdf](http://www.csac.ca.gov/pubs/forms/grnt_frm/G-42.pdf).)

You may use your Cal Grant to study abroad if the program is officially recognized by a California campus.

Cal Grant award amounts are based on full-time attendance, so if you attend less than full time, your award may be reduced. To receive your Cal Grant, you must be enrolled at least half time—at least six semester units or the equivalent. However, an exception may be made in your final term of your four-year program if you only need a few units to graduate.

At some colleges, you can use your Cal Grant to attend summer sessions. Keep in mind that summer-session Cal Grant payments will be counted toward your total four-year Cal Grant award amount. If you take advantage of this option, you may not have enough remaining Cal Grant funds to assist you during your fourth year of college.

## Tip

There are three major kinds of Cal Grants—A, B and C—but you don't have to figure out which one to apply for. Your eligibility will be based on your FAFSA responses, your verified Cal Grant GPA, the type of California colleges you list on your FAFSA and whether you're a recent high school graduate.

# Cal Grants at a Glance

## Tip

Apply early so that you can find out early if you're eligible for a Cal Grant or have time if you need to correct or update your FAFSA information. If you wait until just before March 2, there's no time to make corrections before your eligibility is determined for the Cal Grant Competitive awards.

### HEADED TO A FOUR-YEAR COLLEGE?

#### Cal Grant A

- helps pay for tuition and fees at four-year colleges
- award amounts vary by type of college—for 2007-2008, Cal Grants were up to \$6,636 at a University of California campus, up to \$2,772 at a California State University campus and up to \$9,708 at independent colleges
- if applying using your high school GPA, you must have at least a 3.0 GPA; if applying using your college GPA, you must have at least a 2.4 GPA
- your course of study must lead directly to an associate or a bachelor's degree, or qualify you for transfer from a community college to a bachelor's degree program

#### Cal Grant B

- provides a living allowance of up to \$1,551, in addition to tuition and fee assistance after the first year, at a two- or four-year college
- most first-year students receive the living allowance only, which may be used to pay living expenses, books, supplies and transportation, as well as tuition and fees
- when renewed or awarded beyond your first year, you'll receive the living allowance as well as a tuition and fee award (up to \$6,636 at a UC campus, up to \$2,772 at a CSU campus and up to \$9,708 at independent colleges for 2007-2008)
- requires at least a 2.0 high school GPA

### INTERESTED IN A TECHNICAL OR CAREER EDUCATION?

#### Cal Grant C

- assists with the costs of a technical or career education
- provides up to \$576 a year for books, tools and equipment—and up to \$2,592 more for tuition and fees if you'll be attending a school other than a California Community College (community colleges don't charge tuition and your fees will be waived as a Cal Grant recipient)
- available for up to two years

If you qualify, you'll receive a Cal Grant C Supplement form in the mail in mid-April, which must be completed and returned by the deadline. Even though a GPA is not required to apply for a Cal Grant C, you're still encouraged to submit yours because it can only help your chances of receiving an award. A counselor's review of your completed Cal Grant C Supplement is recommended.

### GOING TO A COMMUNITY COLLEGE FIRST?

#### Reserve Cal Grants

If you receive a Cal Grant A but decide to attend a California Community College first, your award will be held in reserve for up to three years until you transfer to a four-year college (as a Cal Grant recipient, your community college fees will be waived).

If you receive a Cal Grant B, you can use your \$1,551 living allowance to help pay for books and other community college costs and save the tuition and fee award. (If you do, however, keep in mind that you'll be using up Cal Grant eligibility that you may instead want to save if you're planning to transfer to a four-year college.)

When you're ready to transfer, be sure to notify the California Student Aid Commission so that your Cal Grant eligibility can be re-evaluated. Also, let your new college know that you have a Cal Grant Reserve Grant.

#### Cal Grant Transfer Entitlement Award

If you plan to attend a California Community College after high school and before heading to a four-year college—and you didn't receive a Cal Grant within a year of high school graduation—this Cal Grant is for you:

- you're guaranteed to receive an award if you meet all the requirements (including financial need), have at least a 2.4 community college GPA and meet the admissions requirements for an eligible four-year college
- you must have graduated from a California high school after June 30, 2000, and have been a California resident at the time
- you must be under 28 as of December 31 of the year in which you first receive an award
- you must list at least one eligible four-year California college on your FAFSA
- you're encouraged to register with your college's transfer center to make sure you meet the admissions requirements for transfer and to take advantage of your financial aid options





## ARE YOU ELIGIBLE?

To qualify for a Cal Grant, you must:

- submit the FAFSA and your verified Cal Grant GPA by the deadline
- be a U.S. citizen or an eligible noncitizen (your parents don't need to be citizens or eligible noncitizens)
- be a California resident
- meet any minimum GPA requirements
- have a Social Security number
- attend a qualifying California college
- not have a bachelor's or professional degree (except for the Cal Grant extended awards for a teaching credential)
- have financial need based on your college costs and your EFC
- have family income and assets below the established maximum levels
- be in a program leading to an undergraduate degree or certificate
- be enrolled at least half time
- have registered with U.S. Selective Service (males ages 18-25)
- not owe a refund on a state or federal grant, or be in default on a student loan

## The High School Exit Exam

The California High School Exit Exam, the CAHSEE, became a graduation requirement for most California public high school students starting with the 2005-06 school year. If the CAHSEE was required for you to graduate, you must have passed the exam to qualify for a Cal Grant Entitlement award or a Cal Grant Competitive award. If you graduated before the CAHSEE requirement went into effect, you may qualify for a Cal Grant Transfer Entitlement award or a Cal Grant Competitive award without having to pass the CAHSEE.

If you're a high school senior, you have until December 31 of the award year to complete your high school graduation requirements to be considered for a Cal Grant Entitlement award. If you meet this deadline—and meet all the other Cal Grant requirements—you can start receiving your Cal Grant benefits the next school term. If you don't meet the high school graduation requirements by December 31, you'll need to apply again next year by the March 2 deadline if you can show you meet the requirements.

## Track it online with WebGrants

Get fast answers to questions about your Cal Grant application (your FAFSA and your verified Cal Grant GPA) or your award—or your California Chafee Grant application or award—by going to WebGrants for Students at [www.csac.ca.gov](http://www.csac.ca.gov). When you first log on, you'll be invited to set up your own secure account which you can then use any time during the financial aid application process, and for as long as you have a Cal Grant or a Chafee Grant. You can make sure your GPA and applications were received, print a copy of your California Aid Report, review any grant payments or report a change of address or college.

## WHAT'S THE DIFFERENCE BETWEEN "Entitlement" and "Competitive"?

**Cal Grant Entitlement** awards are guaranteed for every high school graduate who has at least a 2.0 GPA, meets the Cal Grant requirements (including financial need) and applies by March 2 of his or her senior year or the year following graduation. The guarantee extends to high school seniors who attend a California Community College and meet the requirements when they're ready to transfer to a four-year college.

Students who aren't high school seniors or recent graduates can compete for **Cal Grant Competitive** awards. These awards aren't guaranteed and only a limited number are available each year—half are set aside for students who apply by the March 2 deadline and the other half are for California Community College students who meet the September 2 application deadline. Eligibility is geared toward nontraditional students and takes into account not only GPA, but also time out of high school, family income, parents' education levels, high school performance standards and other factors, such as whether the student comes from a single-parent household or was a foster youth.

### Tip

Even if you think your family has too much money, you should still apply for financial aid. You may not receive need-based aid, but you may qualify for low-interest student loans. By submitting the FAFSA, you'll also be creating a safety net if your financial situation should change unexpectedly.

### Tip

If you're on active duty in the U.S. Armed Forces or the Coast Guard, you may have your Cal Grant deferred for up to three years. Simply fill out a G-12 Deferment Request Form, available at [www.csac.ca.gov](http://www.csac.ca.gov), or write to the California Student Aid Commission, P.O. Box 49028, Rancho Cordova, California 95741-9028.

## HOW DO YOU APPLY?

There are two steps:

1. Submit the FAFSA as soon as possible starting January 1 and no later than the postmark (or electronically transmitted) deadline of March 2.
  2. Submit your verified Cal Grant GPA (or GED, SAT or ACT score under some circumstances) by March 2.
- If you're a high school senior, you must apply for a Cal Grant Entitlement award between January 1 and March 2 of your senior year, or by March 2 of the year after you graduate or receive your GED.
  - If you plan to attend a California Community College in the fall, you have a second deadline of September 2. However, you should still try to meet the March 2 deadline because there are only a limited number of Cal Grant awards available for students who apply in the fall.
  - If you qualify for a Cal Grant Transfer Entitlement award, you must submit the FAFSA and your verified community college GPA between January 1 and March 2 of the year in which you plan to transfer to a four-year college.

### YOUR VERIFIED CAL GRANT GPA

You can submit your verified GPA before your FAFSA, beginning November 1. Some schools automatically submit GPAs electronically for their students. Be sure to ask your counselor or someone in the office. If your school doesn't electronically submit GPAs, you'll need to fill out the Cal Grant GPA Verification Form and give it to a school official for verification before mailing it to the California Student Aid Commission—the form cannot be submitted online. You'll find the form at [www.calgrants.org](http://www.calgrants.org) or [www.csac.ca.gov](http://www.csac.ca.gov). Be sure to give your school plenty of time to certify it before March 2.

If you'll be pursuing a technical or career education, you can be considered for a Cal Grant C award even if you don't submit a verified GPA. You're still encouraged to submit your GPA because it can only help your chances of receiving an award.

## Cal Grant Income and Asset Ceilings

Family income and asset ceilings, or maximum income and asset amounts, are used to determine if you meet the financial eligibility requirements for a Cal Grant. Even if you think your parents or you make too much money, you should still apply for a Cal Grant. Many things can change between the time you submit your FAFSA and the start of school. And don't forget, home equity, retirement savings and certain other assets are not reported on the FAFSA and so are not counted in Cal Grant asset ceilings. Income and asset ceilings for the 2008-2009 school year will be available beginning December 1, 2007, at [www.csac.ca.gov](http://www.csac.ca.gov).

While Cal Grant eligibility is based on financial need, not all financial aid programs are, so be sure to explore all your options.

## Will your Cal Grant be renewed next year?

Your Cal Grant will be renewed automatically if you continue to meet the requirements, maintain satisfactory academic progress (attend class regularly and keep up your grades) and have financial need. You'll need to submit the FAFSA again but not your GPA. The campus you'll be attending will evaluate your eligibility, so be sure to list that college on your Renewal FAFSA. If you'll be changing schools, you'll need to notify the Commission using WebGrants for Students at [www.calgrants.org](http://www.calgrants.org) or [www.csac.ca.gov](http://www.csac.ca.gov), or the Renewal Recipient Change Form attached to your Cal Grant renewal letter. Or ask your new college to notify the Commission directly.



### Tip

Be sure to list at least one qualifying California college on your FAFSA to be considered for a Cal Grant and other California state aid. Also, be sure to list the colleges you'd most like to attend—and the ones you're most likely to attend—first.

### Tip

Don't lose out—you're responsible for making sure both your FAFSA and your verified Cal Grant GPA are submitted by the Cal Grant application deadline.

## CALCULATING YOUR CAL GRANT GPA

### ■ High School Students

Your Cal Grant GPA will be calculated on a 4.00 scale (to two decimal places) and extra weight will not be added for honors, Advanced Placement or International Baccalaureate classes.

Your grade point average must include all grades from your sophomore year, the summer following your sophomore year, your junior year and the summer following your junior year, except those for physical education, Reserve Officers Training Corps and remedial courses. (Remedial courses are those that aren't counted toward high school graduation.) If you apply after your senior year, your GPA must include your senior-year grades.

Failing grades for classes you haven't repeated before your verified GPA is submitted also must be included. (Keep in mind that your GPA for college admission will be calculated differently.)

### ■ Recent High School Graduates

Remember to ask your high school to submit your GPA if you'll be applying for a Cal Grant by March 2 of the year after you graduated.

### ■ College Students

#### Improve Your GPA for Cal Grant B

You can improve or "re-establish" your GPA for the Cal Grant B Competitive award by taking courses at a California Community College. Your new GPA will be calculated if you have earned at least 16 but fewer than 24 degree-applicable semester units.

#### Your College GPA

If you've completed at least 24 degree-applicable semester units, 36 quarter units or the equivalent at any college or career school, your Cal Grant GPA will be calculated using the grades from college course work completed by the date your college certifies your GPA. (If you've completed fewer than 24 semester units, you'll need to submit a GPA calculated using your high school grades or your re-established GPA, which can be used only for the Cal Grant B Competitive award.)

### ■ Other Options

If you were home-schooled or attended a school that doesn't provide grades, isn't fully accredited by a regional accrediting agency or doesn't have a course list approved by the University of California, you must submit your GED, SAT or ACT score. If you have a GPA that's more than five years old, you may choose to submit a test score instead of your GPA. All test scores must be submitted using the paper Cal Grant GPA Verification Form available at [www.calgrants.org](http://www.calgrants.org) or [www.csac.ca.gov](http://www.csac.ca.gov).

## California Residency

Cal Grants and other state financial aid programs are for California residents only.

If you're under age 18 and unmarried as of the application deadline of the state aid program you're applying to, you're considered to be a California resident if one of the following applies:

- one of your parents is a legal California resident as of the program's application deadline
- you've lived for two years with a responsible non-parent adult and that adult has been a legal California resident for a least one year immediately before the program's application deadline
- one of your parents is in the U.S. Armed Forces, stationed in California and on active duty as of the first day of college classes

If your parents are living out of the country, you're considered to be a California resident if you're under age 18, unmarried and have been living under the direct care and control of a California resident for at least two years before the application deadline of the state aid program you're applying to, or if your parents have maintained their California residency during their absence from the state.

All married students, regardless of their age, and all unmarried students age 18 or older, must establish their own residency. If you'll turn 18 on or before the application deadline of the state aid program you're applying to, you must have lived in California for at least one year immediately before this date to be considered a California resident.

### Don't have a 2.0 GPA?

If your GPA for your sophomore and junior years is below 2.0—and if you're not pursuing a technical or career education—you'll need to improve your grades in your senior year. You can apply for a Cal Grant by the September 2 deadline if you'll be attending a California Community College, or by March 2 the year after you've graduated, when your GPA will include your high school senior-year grades or you've had a chance to improve your GPA by taking community college courses.





# [More Free Money From the Government]

On these pages, you'll find more federal and state grants and awards you don't have to pay back. When you submit the FAFSA, you'll be applying for all of them except for the Robert C. Byrd Honors Scholarship, which doesn't require the FAFSA. For some state programs, you'll need to complete an additional application form.

## In This Chapter

### FEDERAL GRANTS

- FEDERAL PELL GRANT
- FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT
- FEDERAL ACADEMIC COMPETITIVENESS GRANT
- NATIONAL SMART GRANT

### MORE CALIFORNIA STATE STUDENT AID

- CALIFORNIA CHAFEE GRANT FOR FOSTER YOUTH
- CHILD DEVELOPMENT GRANT
- ROBERT C. BYRD HONORS SCHOLARSHIP
- LAW ENFORCEMENT DEPENDENTS GRANT
- GEAR UP AWARDS

## Federal Pell Grant

Pell Grants are the largest source of free money from the federal government for students with financial need:

- awarded to every undergraduate who qualifies and hasn't already earned a bachelor's degree
- provides from \$400 to \$4,800 a year, depending on your expected family contribution, cost of attendance and whether you're attending full or part time
- can be used to pay for tuition, fees and living expenses at any qualifying college, including a California Community College
- you can receive only one Pell Grant a year, which can be used to attend only one college at a time

## Federal Academic Competitiveness Grant

You may qualify for a federal Academic Competitiveness Grant of up to \$750 for your freshman year of college and up to \$1,300 for your sophomore year, if you:

- receive a federal Pell Grant
- successfully complete a rigorous high school program
- have at least a 3.0 cumulative college GPA, if you're a sophomore

## Federal Supplemental Educational Opportunity Grant

If you're an undergraduate with exceptional financial need, you may be eligible for a Federal Supplemental Educational Opportunity Grant:

- provides between \$100 and \$4,000 a year, depending on your expected family contribution, cost of attendance and whether you're attending full or part time
- priority consideration if you're eligible for a Pell Grant
- unlike federal Pell Grants, funds are limited, so there's no guarantee you'll receive one
- not all colleges offer them

### Tip

You'll find more information on all of the federal grants at [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).

## National SMART Grant

The National Science and Math Access to Retain Talent Grant provides up to \$4,000 for your junior and senior years of college if you:

- receive a federal Pell Grant
- are majoring in physical, life or computer sciences, math or engineering, or in certain foreign languages
- have at least a 3.0 cumulative college GPA

## California Chafee Grant

If you are or were in foster care and have financial need, you may qualify for a California Chafee Grant:

- up to \$5,000 a year for job training or college
- the grant is in addition to any other state or federal aid you may receive
- requires the FAFSA and the Chafee Grant Application, available at [www.chafee.csac.ca.gov](http://www.chafee.csac.ca.gov) or by calling toll free 888.224.7268
- don't need a Social Security number
- contact your school, caseworker or Independent Living Program coordinator if you need help completing the FAFSA and Chafee application form
- must stay in school to keep your Chafee Grant—if you enroll less than half time or get bad grades, you could lose your grant
- remember to establish your independent status on the FAFSA

Also, be sure to apply for a Cal Grant by submitting your verified Cal Grant GPA by the deadline.

## Child Development Grant

If you're pursuing a child development permit, plan to work at a licensed children's center in California and have financial need, you may be eligible for a Child Development Grant:

- provides \$1,000 (at a California Community College) or \$2,000 (at a four-year college) a year, up to \$6,000
- grants will be automatically renewed for one year, but you'll need to reapply after that to continue receiving your award
- in return, you must be employed full time at a licensed children's center in California for one year for each year of grant assistance
- requires the FAFSA and the Child Development Grant application form, available at [www.csac.ca.gov](http://www.csac.ca.gov) or by calling toll free 888.224.7268
- applications due by June 1; those received after that will be evaluated on a first-come, first-served basis

## Robert C. Byrd Honors Scholarship

This scholarship recognizes academically outstanding high school seniors who show promise of continued achievement in college:

- awards are based on grades and SAT or ACT score
- can be used at any accredited college in the country
- provides \$1,500 a year for up to four years
- applications are available at high schools beginning February 1
- each high school can nominate two graduating seniors
- individual school deadlines may vary, but all high schools must submit their nominations to the California Student Aid Commission by April 15

## Law Enforcement Personnel Dependents Grant

If you're a dependent or spouse of a California peace officer, firefighter or certain other law enforcement employees who were killed or totally disabled in the line of duty, you may qualify for this grant:

- provides up to \$11,259 a year
- need-based
- requires the FAFSA and the Law Enforcement Personnel Dependents Grant application, available online at [www.csac.ca.gov](http://www.csac.ca.gov) or by calling toll free 888.224.7268
- applications accepted throughout the year



**If you received a federal GEAR UP award for college while in middle school, you may use the funds to pay for college if you complete your high school education on time and enroll in an eligible postsecondary school within a year. Your annual fall letter from the California Student Aid Commission will explain how to access your award. For questions, call toll free 888.224.7268 or e-mail [Gear-Up@csac.ca.gov](mailto:Gear-Up@csac.ca.gov). You'll find general information on the GEAR UP program at [www.castategearup.org](http://www.castategearup.org).**



# [Financial Aid From Colleges]



Your college's financial aid office is a great resource and can provide:

- information on the major financial aid programs offered by the federal government, the state and your college, as well as the forms and deadlines for applying
- help completing the FAFSA and any other applications the college may require
- an explanation of how your expected family contribution was calculated
- an explanation of the types and amounts of aid you qualify to receive
- advice on how to manage your money for college
- directories and Web sites that list scholarships
- advice on campus and community job opportunities
- information on federal loans, including interest rates and repayment plans
- details on your college's payment plan, if it offers one

## In This Chapter

- WORK-STUDY
- FINANCIAL AID FROM:
  - CALIFORNIA COMMUNITY COLLEGES
  - CALIFORNIA STATE UNIVERSITY
  - UNIVERSITY OF CALIFORNIA
  - INDEPENDENT COLLEGES
  - CAREER COLLEGES AND VOCATIONAL SCHOOLS
- AVERAGE COLLEGE COSTS IN CALIFORNIA

## WORK-STUDY or Student Employment

Through work-study or student employment programs, you can earn money to pay for college. Whether you're offered Federal Work-Study, which is administered through selected colleges, or your college's own work-study or student employment program, you'll receive help lining up a part-time job on campus or with a local nonprofit agency. You may be able to find employment related to your studies. You'll earn at least the federal minimum wage, and many colleges pay the state's minimum wage, which is higher—and you don't have to report your earnings on the FAFSA. The amount of your award will depend on how early you apply, your level of financial need and your college's work-study or student employment funds.

## California Community Colleges Fee Waiver

You won't pay any enrollment fees at a California Community College if: you're a California resident and are eligible for a Cal Grant or other need-based financial aid; you receive CalWORKs/TANF, SSI or General Assistance (or if you're a dependent student and one of your parents receives this assistance); or your total family income is within the income standards.

For more information on the Board of Governors Enrollment Fee Waiver, current income standards or an application form, go to [www.cccco.edu/divisions/ss/financial\\_assist/forms.htm](http://www.cccco.edu/divisions/ss/financial_assist/forms.htm) or contact your college's financial aid office.

## Other Programs

- **Extended Opportunity Programs and Services** provides grants, counseling and tutorial services to low-income, educationally disadvantaged students who are accepted to the program.
- **Cooperative Agencies Resources for Education** provides counseling, transportation, textbooks and supplies, as well as grants and services for child care, for students who are single parents of children under 14 years old and receiving welfare benefits, and for EOPS students.
- **CalWORKs campus programs** coordinate financial aid and work-study, counseling, assistance with books, supplies and transportation, job placement and child care for students receiving CalWORKs who are in good standing with the county social services office. Assistance may also be available for former CalWORKs recipients in job-skill upgrade activities.

To learn more about financial aid for community college students, go to [www.icanaffordcollege.com](http://www.icanaffordcollege.com) or visit your college's financial aid office or Web site.

## California State University

### State University Grant

All 23 California State University campuses offer the State University Grant to California residents with financial need. The amount of the award varies according to the priorities of each campus, but it generally covers at least a portion of the State University Fee. For the neediest students who don't have a Cal Grant, the State University Grant covers at least the full State University Fee.

### Educational Opportunity Program

The Educational Opportunity Program at CSU campuses provides grants of up to \$2,000 a year, as well as counseling and tutorial services to low-income and educationally disadvantaged undergraduates. There's even a summer program to strengthen your math, reading or other academic skills. For more information about financial aid at CSU campuses, visit [www.csumentor.edu](http://www.csumentor.edu) or [www.calstate.edu](http://www.calstate.edu).

## YOU CAN GO TO COLLEGE!

College is more affordable than you may think. At all of the 109 California Community Colleges, fees for full-time students are less than \$600 a year. If you qualify for a Cal Grant or have financial need, you may receive a fee waiver. You can use your federal Pell Grant, some Cal Grants, work-study, federal loans and other financial aid to pay for books, supplies, transportation, housing, food and other living expenses. (Not all community colleges offer federal loans, so if you think you'll need to borrow, contact your college's financial aid office.)

What can two years and 60 semester units of transferable community college credit do for you? Not only will you be saving thousands of dollars in tuition, but you can also transfer to a four-year college if you meet the GPA and admissions requirements. Every California Community College has an agreement with at least one UC or CSU campus, making transferring easier if you meet the requirements. Some also have transfer agreements with independent or out-of-state colleges. Be sure to register with your community college's transfer center—it's important to know the courses you need so you can meet the admissions requirements and take full advantage of your financial aid options. You can also visit [www.assist.org](http://www.assist.org) to learn more about transfer opportunities.

## AVERAGE COLLEGE COSTS IN CALIFORNIA FOR 2007-2008

	living at home and commuting	living off campus	living on campus
California Community Colleges	\$ 9,228	\$14,772	\$12,268
California State University	\$11,776	\$17,871	\$17,194
University of California	\$17,378	\$22,087	\$23,976
Independent Colleges	\$31,142	\$36,686	\$35,740
Private Career Colleges	\$29,274	\$36,545	—

Costs include tuition, fees, room and board, books, supplies, transportation and personal expenses such as clothing, laundry and entertainment.  
Source: California Student Aid Commission

## University of California

All 10 University of California campuses offer grants. In fact, more UC students receive grant funding through the University Student Aid Program than through any other state or federal program. Undergraduate awards are given to financially eligible students who are unable to cover the full costs of attending a UC campus through a combination of a parent contribution (if applicable), grants from federal or state sources, and a reasonable level of student earnings and borrowing. Recently, more than 56,600 students received UC grant support, with an average award of about \$4,500. In addition, nearly 17,000 students received fellowships or scholarships, with an average award of \$4,400.

To find out more about financial aid for UC students, go to [www.universityofcalifornia.edu](http://www.universityofcalifornia.edu) (select "Students and Parents," then "Paying for UC: Financial Aid" under "Applying to UC").

## Independent Colleges/Career Colleges and Vocational Schools

To learn more about student aid offered by one of the state's independent colleges or universities, go to [www.aicumentor.org](http://www.aicumentor.org), where you'll find links to the individual colleges and an online guidebook.

Whether you'd like to train for a career or pursue a college degree, federal and state aid can help you pay your costs at a vocational school or private career college. There are many career colleges in California and most have year-round admissions and rolling start dates. You'll find more information at [www.accjc.org](http://www.accjc.org), [www.cappsonline.org](http://www.cappsonline.org) and [www.bppve.ca.gov](http://www.bppve.ca.gov). To learn more, contact each college's financial aid office.

## Tip

If you're the child of a California city, county or state law enforcement or fire prevention worker who died as a result of active duty, you may qualify for a fee waiver at a University of California, California State University or California Community College campus. Contact your college's financial aid office or its bursar's or registrar's office for more information.



# [Financial Aid for Specific Populations]



## In This Chapter

- VETERANS AND THEIR DEPENDENTS
- FOSTER YOUTH
- ATHLETES
- STUDENTS WITH DISABILITIES
- FAMILIES WITH DEPENDENTS
- UNDOCUMENTED STUDENTS
- FUTURE TEACHERS

### Tip

Browse the Web for scholarships and grants designated for Latinos, African Americans, Native Americans, Asian Americans, veterans, disabled students and other specific populations. Start with the sites listed on page 39.

## Veterans and Their Dependents

At the federal level, the Montgomery G.I. Bill provides education benefits for participating individuals who served on active or reserve duty, or in the Selective Reserves. Benefits are available through the U.S. Department of Veterans Affairs' Veterans Educational Assistance, Work-Study and Tutorial Assistance programs. If you're a veteran, you could get up to \$36,000 to pay for tuition, books, living expenses and other college-related costs within 10 years of your service.

Education benefits are also available for disabled veterans, and survivors and dependents of veterans.

In addition, you may be eligible for a fee waiver at a California public college if you have financial need and are the child or dependent of a service-connected disabled or deceased veteran, or the recipient or the child of a recipient of a Congressional Medal of Honor.

You may also be eligible to have your enrollment fees waived at a California Community College, California State University or University of California if you're a dependent or spouse of a California National Guard member who was killed or permanently disabled in the line of duty.

For more information, contact your college's veteran affairs office or the local office of the U.S. Department of Veterans Affairs (in the phone book under U.S. Government Offices), call toll free 888.442.4551 or go to [www.gibill.va.gov](http://www.gibill.va.gov). You may also contact your county's veteran services office at [www.cacvso.org](http://www.cacvso.org) or 800.827.1000.

## Foster Youth

If you are or were in foster care, you may qualify for up to \$5,000 a year for job training or college. See page 19 for more information about the California Chafee Grant.

In addition, some colleges offer their own tuition waivers and scholarships for foster youth. Also, look into the Guardian Scholars programs at a growing number of colleges that provide scholarships and other support to former foster youth. Learn more at [www.calyouthconn.org](http://www.calyouthconn.org) (select "Legislation," then "Resources" on the left, then "Guardian Scholars").

The Casey Family Scholars Program provides scholarships for former foster youth, which are administered by the Orphan Foundation of America. For more information, go to [www.orphan.org](http://www.orphan.org).

Your school or your Independent Living Coordinator is also a good resource. You may also contact California's Foster Care Ombudsman toll free at 877.846.1602 or go to [www.fosteryouthhelp.ca.gov](http://www.fosteryouthhelp.ca.gov).

## Athletes

If you plan to play a sport in college, you may need to register with the National Collegiate Athletic Association, depending on your sport, division or college. To learn more, check out the free brochure, *The Guide for College-Bound Student Athletes*, available at [www.ncaa.org](http://www.ncaa.org) or [www.ncaaclearinghouse.net](http://www.ncaaclearinghouse.net), or by calling 800.638.3731. Even if you're looking for a sports scholarship, you should still submit the FAFSA so that you can take advantage of other financial aid options.

## Students With Disabilities

All public and many independent colleges provide services to disabled students, including counseling, tutoring, readers, interpreters, note takers, special parking zones or the loan of special equipment. Your cost of attendance should include all expenses necessary to accommodate your disability that aren't already covered by insurance or other sources. Be sure to work with each college's financial aid office when you're applying for admission.

In addition, you may be eligible for services from the California Department of Rehabilitation. Your benefits will be coordinated with your college's financial aid package.

For more information, contact your college's disabled student office or the national or local organization serving your particular disability. You may also contact the local office of the California Department of Rehabilitation or go to [www.dor.ca.gov](http://www.dor.ca.gov) and select "Services to People with Disabilities."

## Families With Dependents

If you're both a parent and a student, you may be eligible for cash aid and help with child care, transportation and job or training expenses through the CalWORKs program at California Community Colleges. Contact your county social services office for more information if your child's other parent is deceased or absent from the home, or if you or your spouse is physically or mentally disabled, unemployed or working less than 100 hours a month.

## AB 540 In-State Tuition for Undocumented Students

If you're an undocumented or under-documented immigrant, you may qualify for lower in-state tuition rates at University of California, California State University and California Community College campuses. To qualify, you must have completed at least three years of high school in California, graduated from a California high school or received your GED in California, and sign an affidavit promising to start the process to legalize your residency as soon as you're eligible to do so (the affidavit will be kept by your college and remain confidential). For more information, ask your college's admissions office about in-state tuition rates for "AB 540" students.

If you filed an application for permanent residency at least one year before enrolling in college, you may already be eligible for in-state tuition rates and California state aid. To find out, contact your college's admissions office.

If you have a valid student visa (V or K visa), you may qualify for in-state tuition if you've lived in California for more than one year and meet the residency requirements. If you're a citizen of Micronesia or the Marshall Islands, you may qualify for in-state rates if you've lived in California for more than one year.

Also, be sure to look into private scholarships. Contact your college's financial aid or scholarship office, or go to one of the free scholarship Web sites listed on page 39.

## \$\$\$ for Future Teachers

Considering a teaching career? Take a look at these financial aid programs:

- **Cal Grant A and B extended benefits** provide an additional year of your Cal Grant award if you enroll in an approved teacher credential program.
- **new federal TEACH Grants** of \$4,000 a year can help you pay for tuition if you qualify and plan to teach a high-need subject at a high-need school.
- **APLE, California's Assumption Program of Loans for Education**, assumes up to \$11,000 of your student loan debt in return for four years of paid teaching service in either a designated subject area or at a designated school—and up to \$8,000 more if you teach math, science or special education at the lowest-performing schools.
- **Federal Loan Forgiveness for Teachers** forgives up to \$5,000 of your federal Stafford loan debt in return for five years of paid teaching service at a low-income school, and up to \$17,500 if you're a highly qualified math, science or special education teacher.
- **Federal Perkins Loan Forgiveness** forgives a portion or all of your federal Perkins loan debt if you teach at a designated low-income public school, in a designated subject area or to children with disabilities.
- **Federal Pell Grants** may be used to attend a teacher credential program at a college that doesn't offer a bachelor's degree in education, even if you already have a bachelor's degree. Ask your college's financial aid office if you qualify.
- **Teach for America**, a national service program, offers forbearance and interest payment benefits on qualified student loans—and up to \$4,725 a year to help repay your loans—if you teach for two years at a disadvantaged school. To learn more, go to [www.teachforamerica.org](http://www.teachforamerica.org).
- **SNAPLE, the State Nursing Assumption Program of Loans for Education**, assumes student loan debt for nursing students who agree to teach at a California college or a state facility.

To learn more, go to [www.teachcalifornia.org](http://www.teachcalifornia.org).

### Tip

Click on [www.heath.gwu.edu](http://www.heath.gwu.edu) to find the Heath Resource Center's online publication, *Creating Options: Financial Aid for Students With Disabilities*.

### Tip

If you're hearing impaired, call TTY 800.730.8913 to learn more about federal student aid. You can also request a 60-minute audio guide on CD or on the Web at [www.studentaid.ed.gov/audioguide](http://www.studentaid.ed.gov/audioguide). The FAFSA and other publications are available online through the use of a screen reader and in Braille by calling toll-free 800.433.3243 (the Braille FAFSA is for reference only and cannot be submitted).

# [13 Other Ways to Pay for College]

This chapter provides information on private scholarships and other ways to cut your college costs. You'll also find a list of jobs that will give you a paycheck and help you repay your student loans.



## In This Chapter

- PRIVATE SCHOLARSHIPS
- NATIONAL MERIT SCHOLARSHIPS
- COMMUNITY SERVICE
- THE MILITARY
- EARN CREDIT IN HIGH SCHOOL
- COOPERATIVE EDUCATION
- START AT A COMMUNITY COLLEGE
- CREDIT FOR EXPERIENCE
- COLLEGE SAVINGS PLANS
- PART-TIME WORK
- COMPANY-PAID EDUCATION
- TAX BENEFITS
- JOBS THAT HELP REPAY LOANS

## Private Scholarships

Thousands of scholarships are available through community organizations, foundations, religious organizations and businesses, as well as professional and trade organizations. Your school will have a list of scholarships offered by your local community organizations, such as Rotary International, 4-H and others, as well as those provided by neighborhood banks and businesses.

Next, use the free scholarship directories and search engines on the Web. Ask your teachers, counselors or coaches about scholarships for students with your talents. Leads may also be listed in magazines or on Web sites devoted to your interests or skills. Also, contact your parents' employers or labor unions, as well as the personnel offices of large companies in your area.

You can apply for scholarships throughout your college years. Be prepared: You may need to write letters and essays or be interviewed as part of the application process.

## Tip

Check out these free scholarship

Web sites:

[www.fastweb.com](http://www.fastweb.com),

[www.collegenet.com/mach25](http://www.collegenet.com/mach25),

[www.srnexpress.com](http://www.srnexpress.com) and

[www.collegeboard.com/pay](http://www.collegeboard.com/pay).

## FREE SCHOLARSHIP OR A SCAM?

A scholarship or grant is *free* money—you should never have to pay to find, apply for or receive one. Watch out for companies that make scholarship promises, charge you money to apply for or receive a scholarship, try to get you to send money by claiming you're a finalist in a scholarship contest, or request your credit card or bank account number to hold a scholarship or grant for you. Also, be wary of free seminars that turn into high-pressure sales pitches for financial aid information that's readily available for free. Reputable companies neither guarantee scholarships nor use aggressive tactics.

### Here are more tips:

- Do your own research before spending your money. Most scholarship information is available for free, whether from your school, on the Internet or in the library. If you choose to pay a scholarship search service, be sure you understand what you're paying for.
- Don't fall for claims that "guarantee" a scholarship. Any claim should include qualifications or disclaimers.
- Never give your credit card information, bank account information, Social Security number or student identification number over the telephone or Internet unless you made the call and know who you're talking to. And never provide any personal or financial information to hold a scholarship or grant. Scholarships and grants are free money.

To learn more, visit [www.ftc.gov/scholarshipscams](http://www.ftc.gov/scholarshipscams) and [www.fraud.org](http://www.fraud.org), or read the fact sheet, *Looking for Student Aid*, available at [www.federalstudentaid.ed.gov/lsa](http://www.federalstudentaid.ed.gov/lsa) or by calling 800.433.3243. If you believe you've been a victim of scholarship fraud, you can contact the California Attorney General's office toll free at 800.952.5225 or by fax at 916.323.5341.

## National Merit Scholarships

The National Merit Scholarship Corporation awards more than 10,500 scholarships each year. Scholarships range from \$500 to \$10,000. Taking the Preliminary SAT/National Merit Scholarship Qualifying Test in the fall of your junior year in high school will enter you in the competition. Plus, you'll get a chance to practice for the SAT. See your high school counselor or go to [www.nationalmerit.org](http://www.nationalmerit.org) to learn more.

## Community Service

### AmeriCorps

By becoming a volunteer with AmeriCorps, you'll earn up to \$4,725 each year for up to two years to pay for college or repay your federal student loans. In addition, you may be able to postpone your student loan payments while you're a volunteer. To learn more about AmeriCorps, go to [www.americorps.org](http://www.americorps.org) or <https://recruit.cns.gov>, call 800.942.2677 or e-mail [questions@americorps.org](mailto:questions@americorps.org).

Look into the CaliforniaVolunteers program at [www.californiavolunteers.org](http://www.californiavolunteers.org) for more community service opportunities.

### Teach for America

Teach for America, an AmeriCorps program, pays recent college graduates to teach for two years at disadvantaged schools. You'll participate under an alternative teaching certification program. To learn more, go to [www.teachforamerica.org](http://www.teachforamerica.org).

### Peace Corps

At some colleges, you can incorporate your Peace Corps service into a master's degree program and you may receive financial assistance. In addition, up to 70 percent of your federal Perkins loan debt may be forgiven if you serve as a Peace Corps volunteer. Contact your college or go to [www.peacecorps.gov](http://www.peacecorps.gov) to learn more.

### California Conservation Corps

Get paid \$8 an hour to work in the outdoors serving your state and take community college, adult education or GED classes at night as a member of the California Conservation Corps. After a year, if you successfully complete classes in career development and conservation awareness, as well as 48 hours of volunteer service, you could get up to \$2,000 for college or vocational training. For more information, visit [www.ccc.ca.gov](http://www.ccc.ca.gov).



## The Military

The U.S. Armed Forces offer educational benefits, including up to \$70,000 for college tuition. All branches provide tuition assistance for college courses and some will even help you repay your federal student loans. In some cases, you may receive an education first in exchange for a service commitment later.

Scholarships are available from the Army, Navy, Marine Corps and Air Force through the Reserve Officers Training Corps programs at hundreds of colleges in return for serving at least four years of active duty after graduation. In the Reserves or National Guard, you can earn money for college or to repay your student loans in exchange for a service commitment.

You may also want to consider one of the four U.S. service academies. Your college costs will be paid in return for a five-year service commitment. Also, look into military colleges.

To learn more, go to [www.todaysmilitary.com](http://www.todaysmilitary.com).

## Earn Credit in High School

Look into taking Advanced Placement or International Baccalaureate courses in high school and then take the exams to earn college credit. AP and IB exams are offered in a number of subjects, but some colleges limit the number of units you can earn this way. For details, see your high school counselor, or go to [www.apcentral.collegeboard.com](http://www.apcentral.collegeboard.com) or [www.ibo.org](http://www.ibo.org).

In addition, you may be able to take community college courses while in high school through a dual enrollment program. If your school doesn't offer one, try enrolling directly on your own.



### Tip

Shop around for new and used textbooks online. Compare ISBNs (every book has its own International Standard Book Number, located on the copyright page) to make sure you get the right edition. Also, ask if your college has a book rental or buyback program.

### Tip

Look into loyalty rewards programs such as Babymint, Futuretrust and Littlegrad, which let you earn rebates when you shop with certain retailers or buy certain products. The rebates can be deposited directly into your college savings plan or go toward paying down your student loans.

## Cooperative Education

Cooperative education is a work-learn program that incorporates paid work experience with classroom studies. You may alternate full-time work with full-time school, or work part time while attending classes. Cooperative education programs don't provide financial aid, but you'll often be able to earn enough to help pay for college. Contact your high school counselor or your college's cooperative education or career office for more information.

### Tip

Check out work colleges that allow you to work to pay your expenses as part of the curriculum. Learn more at [www.workcolleges.org](http://www.workcolleges.org).

### Tip

You'll find information on all of the state 529 plans at [www.collegesavings.org](http://www.collegesavings.org). In addition, check out the 529 savings plan for more than 200 independent colleges at [www.independent529plan.org](http://www.independent529plan.org).

## Start at a Community College

You'll save thousands of dollars in tuition and have your general education requirements behind you by starting at a California Community College. You can use financial aid to pay for fees, books and living expenses. Check with your community college to make sure your credits will transfer if that's your goal. Learn more at [www.icanaffordcollege.com](http://www.icanaffordcollege.com).

## Credit for Experience

If you're a nontraditional student—you didn't go to college right after high school, don't depend on your family for financial support or you're returning to college for career training—you may receive academic credit for your job, volunteer or travel experience through the College-Level Examination Program. For more information, visit [www.collegeboard.com/clep](http://www.collegeboard.com/clep). Your college may offer other ways to earn credit for your experience.

## ScholarShare College Savings Plan

If you have future students at home, you may want to look into California's ScholarShare program that helps families save for college. With ScholarShare, a 529 college savings plan, your money grows federal and state tax-free as long as it's used later for qualified college expenses. You can open an account with as little as \$15 when setting up automatic investments. With ScholarShare, you can choose from a number of low-cost investment options. You can use your money at any accredited college nationwide as well as many international schools. Learn more by visiting [www.scholarshare.com](http://www.scholarshare.com) or calling toll free 800.544.5248.

## Part-Time Work

A part-time, summer or holiday job can also help. Check with your college's employment office to start. If you find you're working too many hours and it's affecting your school work, or if you're concerned that a summer job might negatively impact your financial aid awards, see your financial aid office.

## Company-Paid Education

Many employers, large and small, will pay or reimburse you for some or all of your education and training. A number of companies and labor unions also provide scholarships for children, and even grandchildren, of employees, so be sure to have your family ask about scholarships available through work.

## Tax Benefits

You may be able to take advantage of federal tax benefits for education. There's a tax credit that lets you or your parents subtract a portion of your college costs from the taxes you owe each year when you file your tax return. There are deductions that allow you to subtract a portion of your tuition and fees from your taxable income and to deduct up to \$2,500 of the interest you pay on your student loan each year (or on any student loans you receive for your spouse's or child's education). Most tax benefits have income limits.

In addition, funds from your IRA, 529 college savings plan or Coverdell Education Savings Account may be withdrawn without a tax penalty to pay for qualified education expenses. There's also a tax break if you use certain U.S. savings bonds to pay for college.

To learn more, see IRS publication 970, *Tax Benefits for Education*, available at [www.irs.gov/publications/p970/index.html](http://www.irs.gov/publications/p970/index.html) or by calling 800.829.3676. Also, be sure to consult a professional tax advisor.



## JOB S THAT HELP YOU **REPAY YOUR LOANS**

Some jobs give you both a paycheck and help you pay down your student loans. Take a look:

### Teachers

- Under California's APLE (Assumption Programs of Loans for Education), up to \$11,000 of your student loan debt will be repaid in return for up to four years of teaching at a designated California public elementary or high school or in math, science, English or other designated subjects. If you teach math, science or special education, an additional \$1,000 will be assumed each year. If you teach one of these three subjects at a lowest-performing school, another \$1,000 a year will be paid off, for a total of \$19,000. Applications are available starting in January, with a priority deadline of June 30. For more information, visit [www.csac.ca.gov](http://www.csac.ca.gov).
- Under the Federal Teacher Loan Forgiveness Program, up to \$5,000 of your federal Stafford loan debt will be paid off if you teach for five years at a low-income elementary or high school. Up to \$17,500 will be paid off if you teach math, science or special education at the high school level or special education at the elementary level. For details, go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) (click on "Locate/Repay Your Federal Student Loans").
- Teach for America may pay you to teach for two years at disadvantaged schools, and provide forbearance and interest payment benefits and up to \$4,725 a year to repay your loans. To learn more, go to [www.teachforamerica.org](http://www.teachforamerica.org).
- Your federal Perkins loan debt may be canceled if you teach full time at a qualifying school, in a designated subject or to children with disabilities. Contact your college or go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) (click on "Locate/Repay Your Federal Student Loans") for more information.

### Health Care Professionals

- Through SNAPLE, the State Nursing Assumption Program of Loans for Education, up to \$25,000 of your student loan debt may be assumed if you're a nursing student and teach nursing at a California college for up to three years after becoming a nurse. A portion of your debt may also be assumed if you work as a nurse in a state facility. For details, go to [www.csac.ca.gov](http://www.csac.ca.gov).
- Your federal Perkins loan debt may be canceled if you work full time as a nurse or medical technician. Contact your college to learn more or go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).
- The federal government may assume your student loan debt if you work as a health professional in an underserved area. Learn more at [www.bhpr.hrsa.gov](http://www.bhpr.hrsa.gov) and [www.hhs.gov](http://www.hhs.gov).

### Child Care Providers

- If you work in a designated child care site or for a Head Start program, your federal Perkins loan debt may be canceled. For more information, contact your college or go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).

### National Service Volunteers

- AmeriCorps awards may be used to pay off your federal student loan. Visit [www.americorps.org](http://www.americorps.org) to learn more. If you serve as a VISTA or Peace Corps volunteer, a portion of your federal Perkins loan debt may be canceled. To learn more, contact your college or go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).

### Military Personnel/Law Enforcement Officers

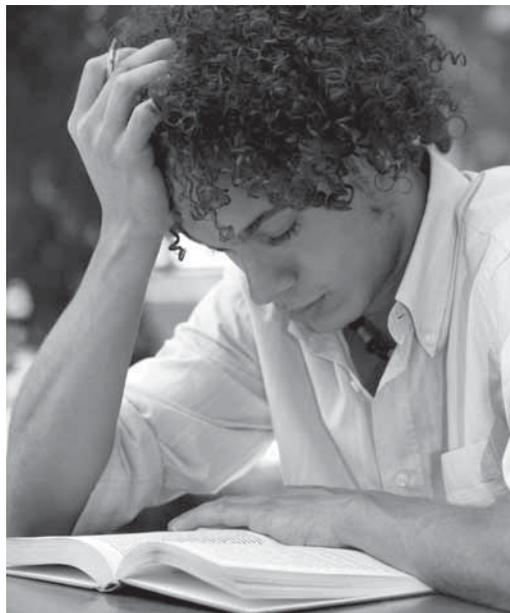
- Certain branches of the U.S. Armed Forces offer loan assumption benefits. For more information, visit [www.todaysmilitary.com](http://www.todaysmilitary.com). If you serve in the U.S. Armed Forces in an area of hostility or imminent danger, up to half of your federal Perkins loan debt may be canceled. Contact your college for details.
- California's National Guard Assumption Program of Loans for Education provides up to \$11,000 in loan assumption benefits for Californians who enlist or re-enlist in the National Guard, the state Military Reserve or the Naval Militia for up to four years of service. For details, go to [www.csac.ca.gov](http://www.csac.ca.gov).
- If you're a law enforcement officer, you may be eligible to have a portion of your federal Perkins loan debt canceled. For more information, go to [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) or contact your college.

### Lawyers

- Some law schools offer loan repayment benefits for graduates who work in public service. Contact your college or visit [www.equaljusticeworks.org](http://www.equaljusticeworks.org) to learn more.

### Federal Employees

- Some U.S. government departments offer loan assumption benefits for employees. Visit [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) for more information.



## Tip

Ask about student discounts. For example, some banks offer free checking accounts—be sure to read all the disclosures first.

## Tip

Be thrifty. Pack a lunch, get a roommate, shop garage sales and thrift stores, take the bus, clip coupons, and shop around for the best cell phone, Internet access and car insurance rates.

# [Federal Loans: The Smart Way to Borrow]

If you don't receive enough free money to pay for college and you aren't able to cover your costs with savings or other resources, there are federal student loans. Your interest rate will be low and you'll usually have up to 10 years to repay, along with other benefits. You can get a federal loan even if you don't have financial need and there's no credit check. There are also federal loans for parents.

Many lenders offer private loans if you have reached the federal loan borrowing limits, but keep in mind private loans usually have higher interest rates and fewer benefits.

## In This Chapter

- FEDERAL STAFFORD LOANS
- FEDERAL PERKINS LOAN
- FEDERAL PLUS LOAN FOR PARENTS
- FEDERAL PLUS LOAN FOR GRAD STUDENTS
- PRIVATE LOANS

### ALSO:

- HOW MUCH CAN YOU BORROW?
- WHAT'S ACCRUED INTEREST?
- SAVE YOUR CREDIT CARD FOR EMERGENCIES
- WHAT IT MEANS TO ACCEPT A LOAN
- LOAN CANCELLATION
- REPAYING YOUR LOAN
- YOUR MONTHLY PAYMENT CHART
- MAKING REPAYMENT EASIER

## Federal Stafford Loans

Federal Stafford loans are the most common loans and are for students with or without financial need at all types of colleges.

There are two kinds of Stafford loans: *subsidized* loans, for which the government pays the interest while you're in college, and *unsubsidized* loans, for which you're responsible for paying all the interest on the loans, during college and after.

To receive your federal Stafford loan, you must be enrolled at least half time.

## Subsidized Stafford Loans

Subsidized Stafford loans are based solely on financial need. The federal government pays the interest while you're in college and during the six-month grace period after you graduate, leave school or enroll less than half time—you'll make no loan payments until your grace period ends. To qualify, you must meet all the requirements for federal aid (see page 4).

## Unsubsidized Stafford Loans

Unsubsidized Stafford loans are for all eligible students, regardless of income or assets. You must meet the same requirements as those for the subsidized Stafford loan, except for demonstrating financial need. You're responsible for paying all the interest on your loan, but you can defer interest payments while you're in school at least half time. If you do, the interest will be added to the amount you borrowed when repayment begins and future interest costs will be based on the higher loan amount.

If you're an independent student, you may be eligible to receive additional unsubsidized Stafford loans to help cover unmet financial need or replace some of your expected family contribution.

## Tip

Not all colleges offer all the federal loans, so be sure to check with your college's financial aid office first.



## A Closer Look at Stafford Loans

### How do you apply?

Before you can apply for a Stafford loan, you must submit the FAFSA. Your school will tell you what type of loan you qualify for—subsidized or unsubsidized, or both. If you're interested in taking out a loan, you'll need to complete a loan application, sign a master promissory note the first time you borrow and complete loan counseling, either in person or on the Web. Contact your college's financial aid office for more information.

### What's the interest rate?

The interest rate is fixed at 6.8 percent. Starting July 1, 2008, for new subsidized loans taken out for undergraduate study, the rate will gradually drop for new loans each year until 2012 when the rate returns to 6.8 percent. Origination or default fees of up to 2 percent may be deducted from each disbursement.

### When do you begin repaying your loan?

Six months after you graduate, leave school or enroll less than half time, you'll start making payments. Typically, you'll have up to 10 years to repay your loan, but you can choose a longer repayment term, depending on the amount you borrowed. If you'll be going on to graduate school, you may request to postpone (defer) repayment until you finish grad school.

### How do you get your loan funds?

Your loan funds will be sent directly to your college to pay for tuition, fees, and room and board. You can ask your college to hold any remaining funds for future expenses or receive the money to pay for living costs.

### What's accrued interest?

Let's say you borrow \$10,000 in an unsubsidized Stafford loan and the interest costs on the loan are about \$57 a month (that's at a fixed interest rate of 6.8 percent). You choose to defer paying the interest while you're in school for four years. The interest that accumulates is known as accrued interest. After four years, about \$2,720 in interest will have accrued. When you begin repayment, you'll owe \$12,720—the original \$10,000 plus the \$2,720 in accrued interest. The interest you'll pay during repayment will be based on this new higher amount. When interest is added to the amount borrowed rather than being repaid as it accrues, this process is called capitalization.

## Federal Perkins Loans

Federal Perkins loans are low-interest loans for students with exceptional financial need. These loans are made by colleges, have 0 percent interest during school and there are no fees. You'll have up to nine months after leaving school before you must start repaying your loan at 5 percent interest.

Depending on when you apply, your financial need and available funds, you can borrow up to \$4,000 for each year of undergraduate study and up to \$6,000 a year if you're a graduate or professional student—and you can be enrolled less than half time. Funding is limited, however, and not all colleges offer these loans.

## Tip

Whether you receive your federal loan through a private lender under the Federal Family Education Loan Program or directly through the federal government under the William D. Ford Federal Direct Loan Program will depend on which program your school participates in. The information here applies to loans under both programs.

## Tip

If you need to borrow, you should always take out federal loans first. The low interest rate is fixed for the life of the loans and you'll have at least 10 years to repay, along with other benefits. If you still need to borrow money after you've reached the borrowing limits, be sure to consider all your options.

### FEDERAL STAFFORD LOAN LIMITS

Year	Dependent Undergraduates*	Independent Undergraduates	Graduate and Professional Students
First Year	\$3,500	\$7,500—no more than \$3,500 may be in subsidized loans	\$20,500—no more than \$8,500 may be in subsidized loans
Second Year	\$4,500	\$8,500—no more than \$4,500 may be in subsidized loans	
Third and Beyond (each year)	\$5,500	\$10,500—no more than \$5,500 may be in subsidized loans	
Teacher Certification	\$5,500	\$12,500—no more than \$7,000 may be in subsidized loans	
Total Amount You Can Borrow	\$23,000	\$46,000—no more than \$23,000 may be in subsidized loans	\$138,500—no more than \$65,500 may be in subsidized loans (includes any Stafford loans you received for undergraduate study)

#### HOW MUCH CAN YOU BORROW?

The amount you can borrow depends on your college's cost of attendance, your expected family contribution, your year in school, whether you attend full time or half time, whether you're a dependent or an independent student, and how much other financial aid you receive. Your loan and any other financial aid you receive, including private aid, cannot be more than your college expenses. Visit [www.edwise.org](http://www.edwise.org) to help calculate how much you can afford to borrow and repay.

\*If you're a dependent student whose parents are unable to obtain a federal PLUS loan, you may be eligible to borrow the same amount in unsubsidized loans as independent students.

## Federal PLUS Loans for Parents

Federal Parent PLUS loans enable your parents or stepparents (but not your legal guardians) to borrow up to the total cost of your undergraduate study, minus any other aid you may receive. These loans aren't based on your family's income or assets and require a credit check. You must be enrolled at least half time. In addition, some colleges may require you to submit the FAFSA first.

### Tip

If you receive a federal subsidized Stafford loan or a federal Perkins loan and pay off your loan in full before your grace period ends, you'll pay no interest because none would have accrued. By doing so, you'll save hundreds—even thousands—of dollars in interest costs.

## Federal PLUS Loans for Graduate Students

Graduate or professional students can apply for a federal Graduate PLUS loan and borrow up to the total cost of their education, less any other aid they may receive, including any federal Stafford loans.



## SAVE YOUR CREDIT CARD FOR EMERGENCIES

Thinking about using your credit card to pay for college? Think again. Let's say you use your credit card to pay tuition one semester, giving you a balance of \$1,400. If you make only the minimum payment of \$56 each month (and continue to pay 4 percent of your outstanding balance with a \$10 minimum payment as now required) at an interest rate of 18 percent, you'll end up paying \$756 in interest—that's more than half the original amount you charged! The same \$1,400 in a federal student loan would cost you at the most about \$129 in interest, paying \$50 a month at 6.8 percent. That's a savings of \$627!

## A CLOSER LOOK AT PLUS LOANS

### How do you apply?

Your parents will need to complete a federal PLUS loan application and should contact your college for more information. You should also submit the FAFSA to see if you're eligible for other types of financial aid.

### What's the interest rate?

The interest rate is fixed at 7.9 percent or 8.5 percent, depending on the loan program and college. Interest accrues from the date loan funds are first disbursed until the loan is repaid in full. Origination or federal default fees of up to 3 percent may be deducted from each loan disbursement.

### When does repayment begin?

Your first payment is due within 60 days of the loan's last disbursement. If you're a graduate or professional student, you may request a deferment to postpone repaying your PLUS loan (and any Stafford loan) while in school.

### What are the requirements?

For federal Parent PLUS loans, you must be a dependent student and both you and your parents must meet the requirements for federal financial aid (see page 4). Your parents must also meet the credit eligibility requirements.

If you're a graduate or professional student, you must meet the general federal requirements and the credit eligibility requirements to qualify for a federal Graduate PLUS loan. In addition, your eligibility for a federal subsidized and an unsubsidized Stafford loan must be determined before you can apply.

### What are the credit eligibility requirements?

You cannot have any debts that are delinquent 90 days or more. In addition, you cannot have any defaulted loans, outstanding tax liens, unpaid judgments, or any bankruptcy, foreclosure or wage garnishment within the past five years. If you cannot meet the credit check, you may still receive a PLUS loan if you know someone who can and is willing to co-sign your loan.



## Private Loans

If you still need money for college after reaching the borrowing limits for federal loans, look into other options, starting with those listed on pages 24-27.

In addition, if your parents own a home, they may want to consider a home equity loan or line of credit. Your parents may be able to deduct the interest they pay on their tax return—and the interest rate may be lower than what they or you would pay for a private loan.

Private loans often carry higher interest rates and fees than federal loans or home equity loans, and may have less attractive repayment terms. Typically, the interest rates on private loans are variable and could change from month to month. Generally, private loans are based on your credit rating and income-to-debt ratio—not financial need—and may require a co-signer. The information in your credit report will determine the interest rates you qualify for.

A number of lenders offer private loans. Ask questions and compare lenders to make the best choice for you.

## Looking for a Private Loan?

### Questions to Ask

- What's the interest rate? Fixed or variable? If variable, how often will it be adjusted? When does interest capitalize and how often?
- Is there a maximum amount you can borrow? Can you borrow more than the cost of your education?
- Is a co-signer required? Will having a co-signer lower the interest rate?
- Is there an application fee? Are there any disbursement fees? Any repayment fees?
- Is the loan check payable to you or your college? How long does it take to receive funds?
- Are there reduced interest rates for on-time payments?
- What will your minimum payment be? When does repayment begin? How long do you have to repay? Is there a prepayment penalty?
- Will you get one bill for all your private loans? Can your private loan bills be combined with your federal loan bills?
- Will your payments be deferred while you're in school? If so, will interest continue to accrue?
- What happens if you can't make your payments due to a job loss or other economic hardship? Do you have any deferment or forbearance options?

## Loan Cancellation

In rare cases, your loan, or a portion of it, may be canceled—in other words, you won't have to pay it back. Your lender can cancel your loan if your college closes and you're unable to complete your studies; if your college falsely certified your eligibility for a loan; if your identity was stolen and used illegally to take out student loans; if your college failed to make a refund to your lender when one was due (you don't need to repay the amount kept by the college); or if you become totally and permanently disabled or die. To learn more, contact your lender.

## WHAT DOES IT MEAN TO ACCEPT A LOAN?

Accepting a loan means accepting the responsibility for repaying the money you borrow. Before you borrow, ask:

**Is the college or program a good investment?** You have the right to be fully informed about the college's tuition and refund policies, academic and training programs, financial aid programs, faculty and facilities, and its graduates' success rate in finding jobs. You also have the right to ask how many students complete their degrees at the college and how many of them transfer out. Choose the college that's best for you.

**Does your loan make good financial sense?** Are there jobs in your chosen field and how well do they pay? Some jobs and careers are more stable or higher paying than others. Learn more about hundreds of jobs, including required training, prospects and earnings, in the federal *Occupational Outlook Handbook* available in libraries or online at [www.bls.gov/oco](http://www.bls.gov/oco). In addition, you'll find starting salaries for hundreds of jobs at [www.edwise.org](http://www.edwise.org).

**Are there other options?** Check out other ways to pay for college or cut costs, starting with the ones listed on pages 24-27.

**What are the true costs of your loan?** It usually costs money to borrow money. Make sure you know the true costs of your loan by keeping track of how much you borrow and how much you owe, including interest costs and fees. If you don't make your payments on time, you may have to pay late fees and collection costs.

**Can you repay it?** Before applying for a loan, determine how much you'll be able to afford to repay. Estimate how much money you'll need, what your monthly payments and other expenses will be, and what you can expect to earn after graduation. Borrow only what you need and can pay back. Also, keep in mind that the longer you take to pay off your loan, the more interest you'll pay over the life of your loan. To find out more, go to [www.edwise.org](http://www.edwise.org).

**What are your rights and responsibilities?** When you accept a loan, you accept legal and financial responsibilities that last until the loan is repaid. You'll sign a promissory note, a legal contract between you and your lender in which you promise to repay the amount you borrow and agree to the loan's terms and conditions. Before signing, be sure you understand all of your responsibilities and rights.

### Tip

Remember, even if you don't graduate, can't find a job or aren't happy with your education, you still must repay your loan.

### Tip

If you don't stay in college, you'll no longer be eligible for federal aid. If you withdraw from school, you may have to pay back some or all of the federal aid you received for the term, depending on how much of the aid you earned based on a federal formula. Contact your college's financial aid office and your academic advisor before you decide to leave school to understand the possible consequences.

## Repaying Your Loan

When it comes time to pay back your federal student loans, there are four repayment options, including payments that stay the same each month (standard), payments that rise gradually (graduated), payments that are linked to your income and payments that stretch over a longer period of time (extended).

You'll usually have up to 10 years to repay your loan, but you could have as long as 25 years, depending on your repayment plan. The most common choice is the standard plan with up to 10 years to repay.

To learn more, click on [www.edwise.org](http://www.edwise.org), [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov) or [www.edfund.org](http://www.edfund.org), or talk to your lender.



## What's Ahead?

MAKING

REPAYMENT EASIER

**Simplify by staying with one lender.** Many lenders offer loans and their lending policies may differ. Remaining with the same lender for any additional loans will usually mean less paperwork. When it comes time to repay, your loans will be combined, so you'll have only one bill and one payment.

**Pay as you go.** Deferring interest payments on your loan may be attractive in the short run, but you'll pay a lot more in the long run. By paying as little as \$20 each month, you can save hundreds of dollars over the life of your loan.

**Sign up to have your loan payments taken directly from your bank account.** Many lenders will lower your interest rate if you make automatic payments and always pay on time.

**See if loan consolidation makes sense.** If you have several federal loans, you may want to ask your lender about consolidating them into a single new loan with a new interest rate and an extended repayment term of up to 30 years. Keep in mind that loan consolidation isn't right for everyone.

## YOUR MONTHLY PAYMENT

Borrow conservatively, budget wisely and plan ahead. Knowing the monthly payments for the amount you borrow is a great start.

INTEREST RATE		6.80%		8.50%	
TOTAL AMOUNT BORROWED	NO. OF PAYMENTS	PAYMENT	TOTAL INTEREST	PAYMENT	TOTAL INTEREST
\$3,000	70	\$52	\$643	\$55	\$816
\$5,000	120	\$58	\$1,905	\$62	\$2,439
\$8,000	120	\$92	\$3,407	\$99	\$3,903
\$10,000	120	\$115	\$3,810	\$124	\$4,879
\$16,000	120	\$184	\$6,096	\$198	\$7,806
\$20,000	120	\$230	\$7,619	\$248	\$9,756
\$25,000	120	\$288	\$9,524	\$310	\$12,195
\$35,000	120	\$403	\$13,334	\$434	\$17,074
\$45,000	120	\$518	\$17,143	\$558	\$21,953
\$60,000	120	\$690	\$22,858	\$744	\$29,269



# YOUR RIGHTS AND Responsibilities

## YOUR RIGHTS

You have the right to ask the college:

- What it costs to attend and what its refund policies are if you withdraw from school.
- How the college determines whether you're making satisfactory academic progress and what happens if you're not.
- To disclose the percentage of its students who complete the college's programs and the percentage who transfer out.
- About its accreditation and licensing.
- What financial help is available, including information on all federal, state and college financial aid programs, not just loans.
- About the deadlines for submitting applications for each financial aid program and how recipients are selected.
- How your financial need is determined, including how costs for tuition, fees, housing, food, transportation, books, supplies, personal and miscellaneous expenses are considered in your cost of attendance.
- What income, assets and other factors are considered in your expected family contribution calculation, and how much of your financial need, as determined by the college, is met.
- To explain the various elements in your financial aid package, and how and when you'll receive your aid.
- To explain how your financial aid offer was determined.
- How much of your financial aid must be paid back, and what portion is grant or gift aid. If you're offered a loan, you have the right to know the interest rate, the total amount that must be repaid, payback procedures, when repayment begins and how long you have to repay.
- How to be considered for additional aid, if your financial circumstances change.
- About the effect outside scholarships may have on your financial aid award.
- How to reapply for financial aid for subsequent years.
- For its job placement rates—the percentage of students who are placed in jobs related to their course of study.
- For its statistics on crimes committed on and off campus, and for its campus safety policies and procedures.

## YOUR RESPONSIBILITIES

You have a responsibility to:

- Review and consider all information about the college's programs before enrolling.
- Research the colleges you're considering. Talk to your high school counselor, as well as current and former students and local employers, if appropriate.
- Complete the financial aid application accurately and submit it on time to the right place. Intentional misrepresentation on an application for federal financial aid is a violation of law and a crime that may result in penalties, including prison and fines.
- Respond promptly and provide all requested verification documentation, corrections to your financial aid application or additional information to the appropriate place.
- Read and keep copies of all forms and agreements you sign.
- Report in writing to your college financial aid office all additional financial aid resources you receive.
- Know and comply with the deadlines for applications or reapplications for aid, and understand the school's refund procedures.
- Ask your college's financial aid office about jobs if you were awarded work-study or student employment, including the hours you must work, your duties, the pay and how you'll be paid.
- Complete loan entrance counseling before you receive your first loan disbursement—and exit counseling before you leave school.
- Compare your anticipated monthly student loan payments and other expenses to your expected take-home pay after college.
- Understand your school's return-of-aid policy if you receive federal or state financial aid and withdraw from school. You or your school may have to return some of your financial aid money.
- Repay your student loans, even if you don't complete your education, can't get a job or aren't happy with your education.
- Notify your college and lender promptly of changes in your name, permanent mailing address, telephone number, enrollment or marital status, or financial resources.
- Request a deferment or forbearance, or change repayment plans if you're having trouble making your monthly payments.

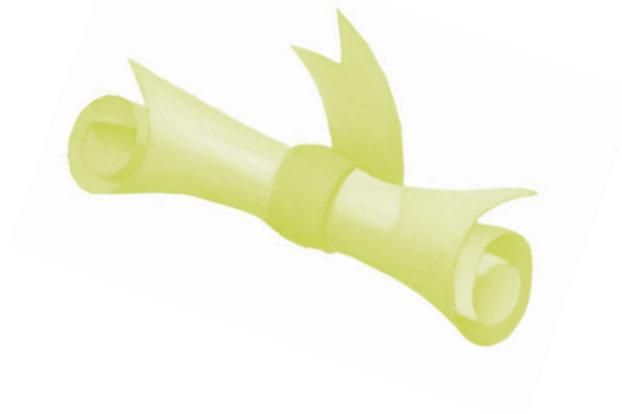
# MAJOR FINANCIAL AID PROGRAMS

## AT A GLANCE

	program	who can apply	annual awards up to...	filing deadline	forms required
<b>GRANTS</b> Need-based financial aid that doesn't have to be repaid	Cal Grant A	undergraduates	\$9,708	March 2 ■	FAFSA, verified GPA
	Cal Grant B	undergraduates	\$1,551 (first year) \$9,708 + \$1,551	March 2 ■	FAFSA, verified GPA
	Cal Grant A and B Transfer Entitlement Awards	California Community College students	\$9,708	March 2	FAFSA, verified GPA
	Cal Grant C	technical and career students	\$3,168	March 2	FAFSA
	Federal Pell Grant	undergraduates	\$4,800	contact your financial aid office	FAFSA
	Federal Supplemental Educational Opportunity Grant	undergraduates	\$4,000	contact your financial aid office	FAFSA
	Federal Academic Competitiveness Grant	Pell Grant-eligible 1st & 2nd-year full-time students	up to \$750 first year up to \$1,300 second year	contact your financial aid office	FAFSA
	National SMART Grant	Pell Grant-eligible 3rd & 4th-year students	up to \$4,000 each year	contact your financial aid office	FAFSA
	University of California Student Aid	UC undergraduate/ graduate students	average grant award of \$4,500	contact your financial aid office	FAFSA
	State University Grant	CSU undergraduate/ graduate students	full systemwide fees	contact your financial aid office	FAFSA
<b>LOANS</b> Money you borrow that must be repaid, with interest	Federal Stafford Loan (subsidized and unsubsidized)	undergraduate/ graduate students	U - \$3,500-\$5,500 G - \$8,500	contact your financial aid office	FAFSA and Master Promissory Note
	Additional Unsubsidized Federal Stafford Loan	undergraduate/ graduate students	U - \$5,000 G - \$12,000	contact your financial aid office	FAFSA and Master Promissory Note
	Federal PLUS Loan	parents of dependent students and graduate or professional students	total college costs minus any financial aid	contact your financial aid office	FAFSA and Plus Loan Application and Promissory Note
	Federal Perkins Loan	undergraduate/ graduate students	U - \$4,000 G - \$6,000	contact your financial aid office	FAFSA and Master Promissory Note
	Private Loans	students and parents (be sure to take out all you can in federal loans first)	varies	contact your lender or college	Loan Application and Promissory Note

- Community college students have a second deadline of September 2 for Cal Grant A & B Competitive awards
- Contact your financial aid office or the California Student Aid Commission
- \* Applications available February 1 from high schools
- \*\* Applications available from schools with approved teacher credentialing programs

	program	who can apply	annual awards up to...	filing deadline	forms required
<b>WORK-STUDY</b> Money for college that you earn	Federal Work-Study	undergraduate/ graduate students	contact your financial aid office	contact your financial aid office	FAFSA
	College Work-Study/Student Employment Programs	undergraduate/ graduate students	contact your financial aid office	contact your financial aid office	FAFSA
<b>SPECIAL PROGRAMS</b>	Robert C. Byrd Honors Scholarship	graduating high school seniors	\$1,500	nominations by April 15	Application Form*
	Child Development Grant	undergraduates	\$1,000-\$2,000	June 1	FAFSA and Application Form ■■
	Law Enforcement Personnel Dependents Grant	surviving spouses and dependents of firefighters and law enforcement	same as Cal Grant awards for each segment	applications accepted throughout the year	FAFSA and Application Form ■■
	California Chafee Grant	current and former foster youth	\$5,000	go to <a href="http://www.chafee.csac.ca.gov">www.chafee.csac.ca.gov</a>	FAFSA and Application Form
	California Community College Board of Governors Fee Waiver	California Community College students	waives registration fees	applications accepted throughout the year	FAFSA or Fee Waiver Application
	Educational Opportunity Program	CSU undergraduates	\$1,000	contact your financial aid office	contact your financial aid office
	Extended Opportunity Programs and Services	California Community College students	\$900	contact your financial aid or EOPS office	contact your financial aid or EOPS office
	Cooperative Agencies Resources for Education	California Community College students	contact your financial aid or EOPS office	contact your financial aid or EOPS office	contact your financial aid or EOPS office
	Assumption Program of Loans for Education	K-12 teacher candidates, out-of-state teachers	\$19,000 (for four years of service)	nominations by June 30	Application Form**
	Special Fee Waivers	surviving dependents of law enforcement or firefighters	waives registration fees at UC, CSU and CCC	contact your bursar's or registrar's office	contact your bursar's or registrar's office
Institution-Based Scholarships, Grants, Work-Study, Loans	undergraduate/ graduate students	contact your financial aid office	contact your financial aid office	contact your financial aid office	



# Be Smart About Your Money

## TIPS

- **Get organized.** Set up separate files for your bank statements, household bills, insurance payments, college applications, financial aid papers, loan documents and correspondence with your college and lender. Be sure to keep them in a safe place.
- **Create a monthly spending plan and stick to it.** First, you'll need to know your income and expenses. To figure out your expenses, write down all your purchases every day for at least two weeks to understand your spending habits and where your money is going. Also, look at your bank or credit card statements at the end of the month. You'll get a good idea of the number of coffees you bought, how many times you ate out, any clothes, shoes, books or other items you bought, and your regular household expenses, such as rent, utilities and food.
- **Avoid using credit cards.** It's easy to get a credit card and even easier to get into trouble. Shop around and be wary of low introductory rates that quickly jump higher. Look out for hidden fees. Consider a debit card instead, but you'll still need to read the fine print. If you have a credit card, pay your balance in full each month. But if you can't, try to pay more than just the minimum payment.
- **Start saving.** No matter how little, set aside something every month. Even \$20 a month will get you in the habit of saving and help build a cushion for a financial emergency.

## CHECK YOUR MONEY IQ

You know the price of a movie, CD and cup of coffee, but how about the cost of items you'll need to buy as a college student or to set up an apartment?

- The average cost of a college textbook is about \$100 and you can expect to spend about \$300 to more than \$500 each semester on books, depending on your school. By the time you graduate, your total book bill could be as high as \$3,500.
- You can expect to pay about \$115 per month for utilities (gas and electricity).
- You'll probably spend up to \$400 a month on food, including snacks and eating out at fast food places.
- The average washer takes about \$2 in quarters for a single load and drying can cost another \$2. The \$4 adds up over time. Even if you only do one load a week, that's more than \$200 a year, without counting laundry detergent.
- You could spend as much as \$2,400 a year on gas, oil, insurance and other costs if you own a car.
- Don't be surprised if you end up spending \$225 a year on household cleaning supplies. Even the most frugal person still needs to buy soap, dishwashing detergent, paper towels and other essentials.



### NINE-MONTH STUDENT EXPENSE BUDGET

2007-2008

Allowance		with parents	on-campus housing	off-campus housing
Tuition and fees <sup>1</sup>		Actual college costs		
Books and supplies <sup>2</sup>		\$1,386 per academic year		
Food <sup>3</sup>	per month per year	\$ 386 \$3,474	Actual costs	\$ 316 \$2,844
Housing <sup>4</sup>	per month per year	—		\$ 716 \$6,444
Transportation <sup>5</sup>	per month per year	\$ 110 \$ 990	\$ 86 \$ 792	\$ 122 \$1,098
Personal <sup>6</sup>	per month per year	\$ 322 \$2,898	\$ 238 \$2,142	\$ 280 \$2,520
Child or dependent care		Reasonable expenses with adequate documentation, depending upon age and number of dependents		
Loan fees		For federal loans, you may pay origination and default fees		
Total, excluding allowances based on actual college costs	per month per year	\$ 972 \$8,748	\$ 480 \$4,320	\$ 1,588 \$14,292

1 Includes all mandatory fees.

2 Includes books (\$810), educational supplies (\$198), course material fees (\$180) and computer-related expenses (\$198), not including the cost of buying a computer.

3 Includes food, snacks, meals on campus, household supplies.

4 Includes dorm charges, rent and utilities.

5 Includes travel to and from parents' home and transportation costs to and from classes and work—bus fare, gas, tolls, parking.

6 Includes clothing, laundry, dry cleaning, personal care, gifts, recreation, medical costs.

Source: California Student Aid Commission



# [SPENDING PLAN] WORKSHEET

Use this worksheet to help you get a clear picture of your income and expenses.

INCOME SOURCE		Estimated Monthly Total	Estimated Yearly Total
Earnings			
Money from savings			
Money from parents			
Work-study/student employment			
Scholarships			
Grants			
Loans			
Spouse's wages			
Other			
<b>total income</b>		\$	\$
EXPENSES		Estimated Monthly Total	Estimated Yearly Total
Tuition			
Fees			
Loan payments			
Books/supplies			
Rent/housing			
Gas/electricity			
Telephone			
Cell phone			
Internet service /cable TV			
Other			
Child care			
Transportation	Auto gas/maintenance		
	Auto insurance/registration		
	Auto payment		
	Public transportation		
	Parking		
Food	Groceries		
	Restaurants		
	Coffees, Snacks		
Clothing	Clothes		
	Laundry/dry cleaning		
Entertainment			
Credit card payments			
Health insurance			
Medical/dental			
Miscellaneous			
<b>total expenses</b>		\$	\$
<b>TOTAL INCOME minus TOTAL EXPENSES</b>		= \$	= \$
		(available funds)	(available funds)

If your expenses are greater than your income, you'll need to look at options for reducing your expenses and/or supplementing your income.

# FINANCIAL AID CHECKLIST

TO HELP YOU STAY ON TRACK THE YEAR BEFORE STARTING COLLEGE

## FALL

- Talk to your high school counselor about your college plans and money needs. Ask about scholarships offered by local organizations and businesses.
- Check out ways to pay for college, starting at [www.going2college.org](http://www.going2college.org), [www.calgrants.org](http://www.calgrants.org) and [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).
- Look into AmeriCorps at [www.americorps.org](http://www.americorps.org) to learn how to earn money for college in return for volunteer service.
- Sign up to take the SAT or ACT, if you haven't done so already.
- Make sure you have a Social Security number.
- Check out colleges on the Web, starting at [www.californiacolleges.edu](http://www.californiacolleges.edu), [www.nces.ed.gov/ipeds/cool](http://www.nces.ed.gov/ipeds/cool) and [www.federalstudentaid.ed.gov/choosing](http://www.federalstudentaid.ed.gov/choosing). Also, meet with college representatives who may visit your school.
- Keep a calendar of important deadlines for college admission and financial aid.
- Get started filling out forms and writing essays for college and scholarship applications.
- Ask your teachers, counselors, employers, friends and family for letters of recommendation.
- Make sure you have an e-mail address that's appropriate for corresponding with colleges, lenders and employers.
- Apply for a federal PIN at [www.pin.ed.gov](http://www.pin.ed.gov) ahead of time so you can e-sign the FAFSA for faster processing.
- Visit your top college choices or take a virtual tour online.
- Keep up your grades.
- Complete the FAFSA on the Web Worksheet, which you'll find at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) or your school.
- Check to see if your school will submit your verified Cal Grant GPA electronically or if you need to submit it using the paper Cal Grant GPA Verification Form.
- Request any additional financial aid applications your college or financial aid program may require.
- Start applying for private scholarships. Some may have very early deadlines.

## WINTER

- Attend your school's financial aid workshop.
- Complete the FAFSA at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) as soon as possible, starting January 1. Use estimates if you or your parents haven't completed your federal tax return. Provide the required e-signatures and an e-mail address for faster processing.
- Attend a California Cash for College workshop in January or February for free help completing the FAFSA and other forms—and to apply for a \$1,000 scholarship. Visit [www.californiacashforcollege.org](http://www.californiacashforcollege.org) for dates and locations.
- Be sure to meet all financial aid deadlines. Some may be earlier than the March 2 Cal Grant deadline.
- Keep a copy of everything you submit.

## SPRING

- Apply for a Cal Grant by submitting the FAFSA and your verified Cal Grant GPA no later than March 2.
- After you apply, track your application online using WebGrants for Students at [www.calgrants.org](http://www.calgrants.org).
- Review your Student Aid Report and make corrections, if necessary.
- Be sure you or your parents complete your tax returns so you can update your Student Aid Report, if necessary.
- If you receive a California Aid Report or a corrections letter regarding your eligibility for a Cal Grant, review it carefully and respond, if necessary.
- Watch for college acceptance letters and financial aid offers.
- Evaluate all financial aid offers carefully. Ask questions!
- Consider grants, work-study and other aid you don't have to repay before accepting a student loan.
- Decide on a college and send in all forms or deposits by the deadline (May 1 for most colleges).
- Let your college know the financial aid awards you're accepting and the ones you're declining.
- Look for a summer job, or consider summer school or an internship.
- Arrange for housing plans.
- Apply for a Cal Grant by September 2 if you're going to a community college and missed the March 2 deadline.

You'll find more  
checklists at  
[www.edfund.org](http://www.edfund.org) and  
[www.csac.ca.gov](http://www.csac.ca.gov).

## WEB SITES THAT **Click**

Here is a sampling of free Web sites that provide information on planning and paying for college. Be sure to read each site's privacy policy to be aware of the current practices regarding privacy and information sharing. (This listing is not an endorsement of any of these sites.)

### ACT

[www.actstudent.org](http://www.actstudent.org)

**African American Scholarships**  
[www.uncf.org](http://www.uncf.org)

**AmeriCorps**  
[www.americorps.org](http://www.americorps.org)  
[www.californiavolunteers.org](http://www.californiavolunteers.org)

**Asian American Scholarships**  
[www.apiasf.org](http://www.apiasf.org)

**Association of Independent California Colleges and Universities**  
[www.aiccumentor.org](http://www.aiccumentor.org)

**Athletic Scholarships**  
[www.ncaa.org](http://www.ncaa.org)

**Borrow Smart**  
\* [www.edfund.org](http://www.edfund.org)  
[www.edwise.org](http://www.edwise.org)  
[www.studentdebthelp.org](http://www.studentdebthelp.org)

**Cal Grants**  
\* [www.calgrants.org](http://www.calgrants.org)

**California Career Colleges**  
[www.accjc.org](http://www.accjc.org)  
[www.cappsonline.org](http://www.cappsonline.org)  
[www.bppve.ca.gov](http://www.bppve.ca.gov)

**Cash for College Workshops**  
[www.californiacashforcollege.org](http://www.californiacashforcollege.org)

**California Colleges**  
[www.californiacolleges.edu](http://www.californiacolleges.edu)

**California Community Colleges**  
\* [www.icanaffordcollege.com](http://www.icanaffordcollege.com)

**California State University**  
[www.calstate.edu](http://www.calstate.edu)  
[www.csumentor.edu](http://www.csumentor.edu)

**California State Aid**  
[www.csac.ca.gov](http://www.csac.ca.gov)

**Citizenship Information**  
\* [www.uscis.gov](http://www.uscis.gov)

**College Board and SAT**  
\* [www.collegeboard.com](http://www.collegeboard.com)

**College Costs and More**  
[www.nces.ed.gov/ipeds/cool](http://www.nces.ed.gov/ipeds/cool)

**College Planning**  
[www.going2college.org](http://www.going2college.org)  
[www.mapping-your-future.org](http://www.mapping-your-future.org)  
[www.collegeispossible.org](http://www.collegeispossible.org)

**College Savings Plans**  
[www.scholarshare.com](http://www.scholarshare.com)  
[www.collegesavings.org](http://www.collegesavings.org)  
[www.independent529plan.org](http://www.independent529plan.org)

**FAFSA on the Web**  
\* [www.fafsa.ed.gov](http://www.fafsa.ed.gov)

**Federal Financial Aid**  
\* [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov)

**Foster Youth Grants**  
[www.chafee.csac.ca.gov](http://www.chafee.csac.ca.gov)  
[www.fosteryouthhelp.ca.gov](http://www.fosteryouthhelp.ca.gov)  
[www.calyouthconn.org](http://www.calyouthconn.org)  
[www.orphan.org](http://www.orphan.org)

**Gates Millennium Scholarships**  
[www.gmsp.org](http://www.gmsp.org)

**Health Careers**  
\* [www.makeitinscrubs.com](http://www.makeitinscrubs.com)  
[www.bhpr.hrsa.gov](http://www.bhpr.hrsa.gov)  
[www.hhs.gov](http://www.hhs.gov)

**Job Search/Careers**  
[www.collegegrad.com](http://www.collegegrad.com)  
[www.studentjobs.gov](http://www.studentjobs.gov)  
[www.coolworks.com](http://www.coolworks.com)  
[www.careervoyages.gov](http://www.careervoyages.gov)

**Job Trends**  
[www.bls.gov/emp](http://www.bls.gov/emp)  
[www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

**Latino Scholarships**  
\* [www.latinocollegedollars.org](http://www.latinocollegedollars.org)  
[www.hsf.net](http://www.hsf.net)  
[www.hispanicfund.org](http://www.hispanicfund.org)  
\* [www.maldef.org](http://www.maldef.org)  
[www.scholarshipsforhispanics.org](http://www.scholarshipsforhispanics.org)

**Military Scholarships**  
\* [www.todaysmilitary.com](http://www.todaysmilitary.com)

**National Student Loan Data System**  
[www.nsls.ed.gov](http://www.nsls.ed.gov)

**Native American Scholarships**  
[www.oiep.bia.edu](http://www.oiep.bia.edu)  
[www.collegefund.org](http://www.collegefund.org)  
[www.aises.org/highered/scholarships](http://www.aises.org/highered/scholarships)

**Salaries**  
[www.bls.gov/oco](http://www.bls.gov/oco)

**Scholarship Directories**  
[www.fastweb.com](http://www.fastweb.com)  
[www.collegenet.com/mach25](http://www.collegenet.com/mach25)  
[www.srnexpress.com](http://www.srnexpress.com)  
[www.collegeboard.com/pay](http://www.collegeboard.com/pay)

**Scholarship Scams**  
\* [www.ftc.gov/scholarshipscams](http://www.ftc.gov/scholarshipscams)  
[www.studentaid.ed.gov/lsa](http://www.studentaid.ed.gov/lsa)

**Social Security Number**  
\* [www.ssa.gov](http://www.ssa.gov)

**Student Debt Help**  
[www.studentdebthelp.org](http://www.studentdebthelp.org)

**Students.gov**  
[www.students.gov](http://www.students.gov)

**Students With Disabilities**  
[www.heath.gwu.edu](http://www.heath.gwu.edu)  
[www.rspfunding.com](http://www.rspfunding.com)

**Tax Benefits for Education**  
[www.irs.gov/publications/p970/index.html](http://www.irs.gov/publications/p970/index.html)

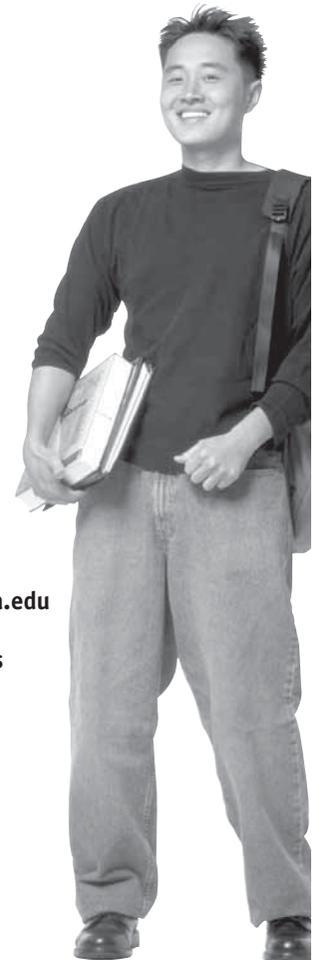
**Teach for America**  
\* [www.teachforamerica.org](http://www.teachforamerica.org)

**University of California**  
\* [www.universityofcalifornia.edu](http://www.universityofcalifornia.edu)

**Veteran Education Benefits**  
\* [www.gibill.va.gov](http://www.gibill.va.gov)

**Yes I Can**  
[www.yesican.gov](http://www.yesican.gov)  
\* [www.yosipuedo.gov](http://www.yosipuedo.gov)

\*Provides information in Spanish.



## GLOSSARY

**Ability-to-benefit test:** one of the ways to determine eligibility for federal aid for students who aren't high school graduates or don't have a GED certificate.

**Assets:** an item of value, such as home equity, other real estate, stocks, bonds, cash savings, trust funds, money market funds, college savings plans, retirement plans and prepaid tuition plans (the FAFSA does not ask you to report home equity or retirement plan assets).

**Cal Grant extended awards:** your Cal Grant may be extended an additional year if you're getting a teaching credential or are attending a mandatory five-year program; see [www.csac.ca.gov/pubs/forms/grnt\\_frm/G-42.pdf](http://www.csac.ca.gov/pubs/forms/grnt_frm/G-42.pdf).

**California residency:** you're considered a California resident if you're an unmarried student, under 18, and your parents have been legal California residents for one year prior to the deadline for state financial aid; if you've lived for two years with a legal California resident, other than a parent; or if a parent is in the U.S. Armed Forces, stationed in California and on active duty when you enroll. All married students, regardless of age, and unmarried students 18 or older, must establish their own residency (see page 17).

**Campus-based aid:** the three federal programs administered by colleges: Federal Perkins Loan, Federal Supplemental Educational Opportunity Grant and Federal Work-Study.

**Capitalization:** when interest is added to the principal balance of a loan rather than being paid as it accrues; any future interest is based on the higher loan amount.

**Citizen/national:** U.S. citizens—those born in one of the 50 states, the District of Columbia, or abroad to a U.S. citizen—and nationals—citizens of Puerto Rico, the U.S. Virgin Islands, Guam and the Northern Mariana Islands and natives of American Samoa and Swain's Island—are eligible for most federal aid; citizens of the Federated States of Micronesia and the republics of Palau and the Marshall Islands are eligible only for Pell Grants, Federal Supplemental Educational Opportunity Grants and Federal Work-Study.

**Cost of attendance:** the total cost of college for the school year as calculated by colleges, including tuition, fees, books, supplies, transportation, food, housing, personal expenses, and sometimes the rental or purchase of a computer; also known as the student budget.

**CSS/Financial Aid Profile:** the financial aid application administered by the College Board required by some independent colleges and scholarship organizations to award private aid; only available online at <http://profileonline.collegeboard.com>.

**Deadline:** the date or time before something must be done or is due; the due date.

**Default:** failure to make loan payments or otherwise honor a loan's terms.

**Eligible noncitizen:** a U.S. permanent resident who has a Permanent Resident Card (I-551 or I-151); a conditional permanent resident (I-551C); or a noncitizen who has an Arrival-Departure Record (I-94) from the Department of Homeland Security's U.S. Citizenship and Immigration Services with one of the following designations: Refugee, Asylum Granted, Parolee (the I-94 confirms paroled for a minimum of one year and status has not expired), or Cuban-Haitian Entrant. Those in the U.S. on an F1 or F2 student visa, a J1 or J2 exchange visitor visa, or a G series visa (pertaining to international organizations) are not U.S. citizens or eligible noncitizens and so are ineligible for federal aid.

**Expected family contribution (EFC):** the portion of your own and your family's financial resources that should be available to pay for college, based on a federal formula using the information on your FAFSA.

**Federal methodology:** the formula the federal government uses to determine a family's ability to contribute toward a college education using the information submitted on the FAFSA to calculate the expected family contribution (doesn't count home equity and certain other assets); also used by states and some colleges.

**Federal processor:** the federal government's computer system that analyzes the information on your FAFSA, calculates your expected family contribution and sends out the Student Aid Report; also called the central processing system.

**Financial aid eligibility:** the difference between your expected family contribution and the college's cost of attendance; also known as your financial need.

**Financial aid package:** the total amount of financial aid offered, usually a combination of grants, scholarships, loans and work-study.

**GED:** General Education Development test/certificate used to measure academic achievement at the high school graduate level.

**GPA:** grade point average.

**Grant:** financial aid that doesn't need to be repaid; usually based on financial need.

**Home equity:** current home value minus the amount still owed.

**Independent college:** a nonprofit, private college that is not run by a government organization.

**Institution-based aid:** financial assistance offered and controlled by the individual colleges, such as alumni scholarships and endowments from private donors; also called university or college-based aid.

**Institutional methodology:** the formula used by some colleges to determine your eligibility for institutional aid; may count home equity and other assets the FAFSA does not.

**Interest:** the money lenders charge you for using their money.

**Merit-based aid:** financial aid that is based on merit—grades, test scores, athletic ability, talents or other criteria—and not income or assets.

**Need-based aid:** financial aid that is based on your own or your family's income and assets; most financial aid offered by states and the federal government is need-based.

**PIN:** personal identification number from the U.S. Department of Education that serves as your e-signature on the electronic FAFSA; also can be used to check on the status of your FAFSA, correct or print your SAR, and view your federal financial aid records at [www.nslds.ed.gov](http://www.nslds.ed.gov).

**Private career college:** a for-profit institution offering a course of study or job skills beyond high school.

**Promissory note:** a legally binding contract between a borrower and lender listing all terms and conditions of a loan; federal loans have a master promissory note.

**Satisfactory academic progress:** the progress you must maintain toward obtaining a degree or certificate that's required to receive financial aid as established by your college.

**Scholarship:** money for college you don't have to repay, awarded based on grades, test scores, major, heritage or other criteria, but usually not financial need.

**Selective Service registration:** if required, you must register, or arrange to register, with the Selective Service for military draft to receive federal student aid (most males age 18-25, citizens or eligible noncitizens, and not currently on active duty in the Armed Forces).

**Student Aid Report (SAR):** the report summarizing the information you provide on the FAFSA.

**Student budget:** the total costs of attending a college; also known as the cost of attendance.

**Undocumented students:** students who live in the United States and are not U.S. citizens or legal permanent residents and who don't have an Alien Registration Card, visa or other legal documentation; includes students or their families who entered the country legally on tourist or work visas and chose to stay after their visas expired.

**Untaxed income:** all income you receive that's not taxed or may not be reported to the IRS, including the untaxed portion of Social Security benefits, Earned Income Credit, welfare payments, interest on tax-free bonds, clergy and military allowances, and others (see FAFSA Worksheets A and B).

**Verification:** the procedure by which a college checks the information reported on the FAFSA, usually by requesting a copy of your (or your parents') signed tax return and other documentation.

**Veteran:** a person who has engaged in active duty in the U.S. Armed Forces or is a National Guard or Reserve enlistee called to active duty for purposes other than training, or who was a cadet or midshipman at one of the service academies, and who was released under a condition other than dishonorable; or who'll be a veteran by June 30, 2009.

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*The California Student Aid Commission is one of the nation's leading guaranty agencies under the Federal Family Education Loan Program. Loans guaranteed by the Commission are managed in partnership with EdFUND, its nonprofit student loan services provider. The Commission and EdFUND are headquartered in Rancho Cordova, California, with regional office coverage throughout the country.*

## Disclaimer

This publication includes information on federal student aid programs. While the California Student Aid Commission and EdFUND have made every effort to ensure the information is accurate, the U.S. Department of Education has not reviewed this publication. For legal descriptions of state aid programs, see California's Education Code.

## Credits

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## To-Do Checklist

- Make sure you have a Social Security number.**
- Make a list of forms and deadlines required to apply for financial aid.**
- Apply for your Federal Student Aid PIN so you can e-sign your FAFSA.**
- Complete the FAFSA on the Web Worksheet.**
- Attend a free Cash for College Workshop for help completing the FAFSA and other forms.**
- Submit your FAFSA as soon as possible starting January 1—and definitely by the March 2 Cal Grant deadline.**
- Make sure you or your school submits your verified Cal Grant GPA by March 2.**
- Complete and submit any other applications or documents your college may request.**
- Review your Student Aid Report and your California Aid Report, if you receive one, and make corrections if needed.**
- Review your financial aid offers carefully.**
- Decide on a college.**
- Accept or decline your financial aid award offers.**
- Return your Cal Grant C Supplement form by the deadline, if you're pursuing a technical or career education.**
- Notify your college over the summer if you or your family has any change in your financial resources, or any change in name, enrollment status, residency or marital status.**
- Meet the second Cal Grant deadline of September 2 if you'll be attending a community college in the fall and you missed the March 2 deadline.**

