WORKING DRAFT

FEDERAL STUDENT LOANS

Learn the Basics and Manage Your Debt

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FEDERAL STUDENT AID

Your Federal Student Loans: Learn the Basics and Manage Your Debt

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Introduction

When you're considering college—or some form of education after high school—financial aid almost always comes to mind. How much aid you'll receive may be a deciding factor on whether or not to attend college or if you'll be able to attend the college of your choice.

When considering how to pay for your education, your first need to maximize scholarships and grants. If you've already done that and still need more money for college, a federal student loan (a loan from or guaranteed by the federal government) is your best option.

Every year, more than $90 billion in federal student aid is available to students. The fact is, almost everyone is eligible to receive a federal student loan because not all loans are based on financial need.

You can receive *subsidized* or *unsubsidized* loans under our largest type of loan, Stafford Loans. Those who have the most need will be eligible to receive a *subsidized* Stafford Loan (the government pays the interest while you're in school at least half-time and during grace and deferment periods). Others may be eligible to receive an *unsubsidized* Stafford Loan (you must pay all the interest that accrues while you're in school or can have it added to your loan, or capitalized).

Both types of loans have the same benefits—a low, fixed interest rate of 6.8 percent; generous repayment periods, you begin repayment if you go to school less than half-time, leave school, or after you graduate; there are deferment and forbearance options; and no credit checks.

As with any financial decision, you should understand the process to ensure you make informed decisions when it comes to paying for your education. To help you navigate through this process, this publication follows the federal student aid lifecycle. That is, from the point you're first considering federal student loans through repaying your loan.

You'll find that each section provides essential information for every stage of the process. During your entire college career you'll be in one of these stages, so this publication will always be relevant to your situation.

The four stages in the federal student aid process are

Prepare/Aware - what you need to know about federal student aid.
Apply - how to apply and what happens when you apply for federal student aid.
Receive - when and how do you receive your aid.
Repay - whom do you repay the loan to and what to do if you're having difficulty repaying your loan.

If you have questions at any point of the federal student aid process, you can always call us at 1-800-4-FED-AID, talk to your high school counselor or contact the financial aid office at the school you plan to attend.

PREPARE

Managing Your Finances

Paying for a postsecondary education (college or career school) is an investment in your future that requires planning. It's a big expense; so make sure you discuss monetary issues with your family openly and early and don't wait until you get to school. You can also talk to your guidance counselor at your school; they often have helpful information about planning for a postsecondary education. Be sure to have a plan in place to find out which college expenses (tuition, room and board, books, clothing, computer, extracurricular activities, etc.) your family will cover and which ones will be your responsibility. You'll be spending a lot of money during your college years and will need to create a budget to maintain control of your financial situation, limit spending and borrow wisely. Below is a sample of a list of some expenses you might incur.

1) **Fees:** Fees depend on the school you're attending. This list can be obtained directly from the school. Fees include activity fees, parking decal fees, etc.
2) **Books:** Books can be expensive. On average, each book for a class can cost $60, although many cost much more. If you're not certain, estimate $60 per book and multiply it times the number of classes. A good estimate is $500 per semester.
3) **Supplies:** Supplies can include book bags, notebooks, pens, pencils, paper, folders, stapler, desk organizing system (trays, pen holder, etc.), computer paper, etc.
4) **Room materials:** Materials can include such items as a computer, printer, tape recorder, reading lamps, microwave, refrigerator, linens, etc.
5) **Clothing, cell phone, entertainment.**

What is federal student aid?
Federal student aid, or financial aid, is money for students to help pay for college. Federal student aid can be one of the following: **grants** (free money that doesn't have to be repaid, unless you withdraw from school), **work-study** (you earn money to pay for your education), or **loans** (you borrow money for school, which you must repay with interest). The main provider of financial aid is the federal government. Last year, students received $92 billion in federal student aid.

You can also apply for aid from the college and your state. Many students are going to private lenders or online to look for financial aid. Remember you should always exhaust scholarships and grants and federal student loans before turning to private or alternative student loans, which often carry high and variable interest rates and may require credit checks. A variable interest rate is an interest rate that changes, usually annually. Never use a credit card to pay for your education.

Funds to pay for your education should first come from scholarships and grants

Money you do not have to repay	Available personal savings Scholarships and grants (may have special requirements to maintain eligibility) Work-study earnings
Cheapest loans	Subsidized and unsubsidized federal student loans (low interest rates and comfortable repayment plans)
Expensive loans	Private student loans (terms and conditions vary, be sure to read fine print) Credit cards (high interest rates, one of the fastest ways to increase your debt)

What types of federal student loans are there and how much can I borrow?

Types of loans:

• **Federal Perkins Loans** are:

--Made through participating schools to undergraduate, graduate and professional degree students.
--Offered by participating schools to students who demonstrate financial need.
--Made to students enrolled full-time or part-time.
--Repaid by you to your school.

• **Stafford Loans** are for undergraduate, graduate and professional degree students. You **must** be enrolled as at least a half-time student to be eligible for a Stafford Loan.

There are two types of Stafford Loans: subsidized and unsubsidized. You must have financial need to receive a subsidized Stafford Loan. Financial need is not a requirement to obtain an unsubsidized Stafford Loan. The U.S. Department of Education will pay (subsidize) the interest that accrues on subsidized Stafford Loans during certain periods. These loans are made through one of two U.S. Department of Education programs:

William D. Ford Federal Direct Loan (Direct Loan) Program. Loans made through this program are referred to as **Direct Loans**. Eligible students and parents borrow directly from the U.S. Department of Education at participating schools. Direct Loans include Direct Subsidized Loans and Direct Unsubsidized Loans, Direct PLUS Loans, and Direct Consolidation Loans. *You repay these loans directly to the federal government.*

Federal Family Education Loan (FFEL) Program. Loans made through this program are referred to as **FFEL Loans**. Banks or private lenders provide funds that are guaranteed by the federal government. FFEL Loans include subsidized and unsubsidized FFEL Stafford Loans, FFEL PLUS Loans and FFEL Consolidation Loans. *You repay these loans to the bank or private lender that made you the loan.*

• **PLUS Loans** are loans parents can obtain to help pay the cost of education for their dependent undergraduate children. In addition, graduate and professional degree students may obtain PLUS Loans to help pay for their own education. These loans are made through both the Direct Loan and FFEL programs mentioned above.

• **Consolidation Loans** (Direct or FFEL) allow student or parent borrowers to combine multiple federal education loans into one loan with one monthly payment.

NOTE: Documents for federal student loans, from private lenders or the Department of Education, will state somewhere on the form that it is a *federal student loan*. Some private student loan lenders have forms that look similar to the federal forms and that might confuse some students.

Federal student loans for you				
Loan Program	Eligibility	Award Amounts	Interest Rates	Lender/Length of Repayment
Federal Perkins Loans	Undergraduate and graduate students	Undergraduate—up to $4,000 a year (maximum of $20,000 as an undergraduate) Graduate—up to $6,000 a year (maximum of $40,000, including undergraduate loans) Amount actually received depends on financial need, amount of other aid, availability of funds at school	5 percent	Lender is your school Repay your school or its agent Up to 10 years to repay, depending on amount owed
Direct Stafford Loans Subsidized (financial need is required) Unsubsidized (financial need is NOT required)	Undergraduate and graduate students; must be enrolled at least half-time	First Year (freshman) $3,500 for dependent students $7,500 for independent students (maximum $3,500 subsidized) **Second Year (sophomore)** $4,500 for dependent students $8,500 for independent students (maximum $4,500 subsidized) **Third Year (junior) and beyond** $5,500 for dependent students $10,500 for independent students (maximum $5,500 subsidized) **Graduate and Professional** $20,500 (maximum $8,500 subsidized) Aggregate Loan Limits: Maximum Total Outstanding Loan Debt When You Graduate **Undergraduate** $23,000 for dependent students $46,000 for independent students (maximum $23,000 subsidized) **Graduate and Professional** $138,000 (maximum $65,000 subsidized)	Fixed rate of 6.8 percent The federal government pays interest on subsidized loans during school and certain other periods The borrower pays all interest on unsubsidized loans	Lender is the U.S. Department of Education; repay the Department Between 10 and 25 years to repay, depending on amount owed and type of repayment plan selected
FFEL Stafford Loans (subsidized and unsubsidized)	Same as above	Same as above	Same as above	Lender is a bank, credit union or other participating private lender Repay the loan holder or its agent Between 10 and 25 years to repay, depending on amount owed and type of repayment plan selected
Direct and FFEL PLUS Loans for Graduate and Professional Degree Students	Graduate and professional degree students enrolled at least half-time Must not have negative credit history	Student's Cost of Attendance - Other aid student receives ________________________________ = Maximum loan amount	Direct PLUS has a fixed rate at 7.9 percent FFEL PLUS has a fixed rate at 8.5 percent Borrower pays all interest	Same as for Direct and FFEL Stafford Loans above
Federal student loans for your parents				
Direct and FFEL PLUS Loans for parents	Parents of dependent undergraduate students enrolled at least half-time Must not have negative credit history	Student's Cost of Attendance - Other aid student receives ________________________________ = Maximum loan amount	Direct PLUS has a fixed rate at 7.9 percent FFEL PLUS has a fixed rate at 8.5 percent Borrower pays all interest	Same as for Direct and FFEL Stafford Loans above

Before I apply, can I find out how much aid I might be eligible for?

Yes, you can get an early estimate of your federal student aid eligibility by using *FAFSA4caster,* an online tool designed to help students and families financially plan for college. After you complete *FAFSA4caster,* your estimated aid eligibility will be displayed instantly. The information includes the types of federal student aid you might be eligible to receive and estimated award amounts. If you plan to attend school full-time at a four-year public school, it shows the types of federal student aid that might help cover that cost, listing your estimated award amount for any federal grant programs and providing examples of award packages with in-state and out-of-state costs (see Appendix F).

When you're ready to apply for aid, *FAFSA4caster* can populate your federal student aid application, *FAFSA on the Web*, and reduce the time it will take for you to complete your application. You can access *FAFSA4caster* at www.FederalStudentAid.ed.gov, click on *FAFSA4caster*.

Why get a federal student loan? What about private (non-federal) student loans?

While every student wants scholarships and grants, not everyone can cover the entire cost of college or career school through those options. Loans can make your education possible and affordable. A federal student loan is a low-cost loan and a better option than a private student loan because:

Federal Student Loan	Private student loan
You will not have to start repaying your federal student loans until you leave school, attend less than half time or graduate.	Many private student loans require payments while you are still in school.
The interest rate on a federal student loan is fixed, currently at **6.8 percent**, and almost always lower than on a private loan—and much lower than on a credit card!	Private student loans can have variable interest rates greater than **18 percent**.
Students with greater financial need might qualify to have the government pay their interest while they are in school. This is called a *subsidized loan*.	Private student loans are not subsidized. No one pays the interest on your loan but you.
You don't need a credit record to get a federal student loan (except for PLUS Loans for graduate and professional students). Federal student loans help you establish a good credit record.	Private student loans may require an established credit record. The cost of a private student loan depends on your credit score, which you may not yet have as a student.
You don't need a cosigner to get a federal student loan.	You need a cosigner to get the best possible deal.
Free help is available at 1-800-4-FED-AID.	Find out if there is free help.
Interest might be tax deductible.	Interest is not tax deductible.
Loans can be consolidated into the Direct or FFEL Loan Consolidation program that has comfortable repayment plans and other benefits. See www.loanconsolidation.ed.gov for more information.	Private student loans can't be consolidated into Federal Loan Consolidation Program.

Private loans are marketed directly to students without counseling. In short, private loans are substantially more expensive than federal student loans. They generally have higher interest rates that are variable and may substantially increase your repayment amount and might depend on your credit score. Private loans can also have prepayment penalty fees. In contrast, federal student loans have lower, fixed interest rates, generous repayment plans, no prepayment penalties and no credit checks.

Remember that private loans and credit cards are consumer loans, and are very expensive ways of financing your education.

Who can get federal student loans?
To be eligible for federal student aid, you must

• be a U.S. citizen or eligible noncitizen (for most programs) with a valid Social Security number (SSN);

• be working toward a degree or certificate;

• have a high school diploma or a General Educational Development (GED) certificate; pass an approved ability-to-benefit (ATB) test (if you don't have a diploma or GED, a school can administer a test to determine whether you can benefit from the education offered at that school); meet other standards your state establishes that we have approved; complete a high school education in a home school setting approved under state law;

• register (if you haven't already) with the Selective Service, if you're a male between the ages of 18 and 25;

• maintain satisfactory academic progress once in school.

These are general eligibility requirements. To get more detailed information, see *Funding Education Beyond High School: The Guide to Federal Student Aid* at www.FederalStudentAid.ed.gov/guide.

You MUST submit the *Free Application for Federal Student Aid* (FAFSA) at www.fafsa.ed.gov to receive federal student aid.

APPLY

How do I apply?

As with all federal student aid (grants, work-study and loans), you apply for a federal student loan by completing the *Free Application for Federal Student Aid* (FAFSA). A separate loan application isn't required.

Three-step process

Step 1

Collect the documents needed to apply. Although not all aid is need-based, you'll need to include information on your and your parents,' if applicable, income tax returns and W-2 forms (and other records of income) to help determine what type of aid you should receive. A full list of what you need is at **www.fafsa.ed.gov.** Tax return not completed at the time you apply? Estimate the tax information, apply, and correct information later.

Complete the *Free Application for Federal Student Aid* (FAFSA) at www.fafsa.ed.gov. Complete the FAFSA on or after Jan. 1 of the year you expect to start college. When you complete the application online, you will have the option of receiving you personal identification number or Federal Student Aid PIN. The PIN serves as your signature and will give you access to your student aid records. Keep it to yourself and keep it safe!

Step 2

Review the *Student Aid Report* (SAR)—the summary of your FAFSA. After you submit your FAFSA, you will receive your SAR from the U.S. Department of Education. Review your SAR, and if you make changes or corrections, submit your SAR for reprocessing. Your complete, correct SAR will contain your Expected Family Contribution (EFC)—the number used to determine your federal student aid eligibility.

Step 3

Review your school's financial aid award letter. Once you have been admitted, the school(s) will send you a financial aid award letter that lists the grants, scholarships, work-study, and loans for which you're eligible. The letters aren't standard, vary in the amount of information included, and are based on the school's cost of attendance (all direct and indirect expenses, including tuition, fees, room and board, books, transportation, and supplies) minus the EFC. Some schools might include optional private loans in your award letter. Before you accept any loans, make sure you understand the source of your loan (government or private) as well as the terms of the loan.

If your school participates in the Direct Loan Program, the U.S. Department of Education is your lender. If your school participates in the FFEL Program, the federal government guarantees loans made under the FFEL Program but you'll have to choose a lender (either your own bank or one your school suggests) to fund your loan. No additional applications are needed. Remember, you have the right to work with a lender of your choice. You're not limited to your school's preferred lender list because, either way, the federal government guarantees your loan. For more information on selecting lenders see Appendix A

NOTE: Because some school and state student aid is also based on the data you provided on your FAFSA and, because of funding limitations, provided on a first come first served basis, submit your FAFSA as soon as possible after Jan. 1 to be considered for this aid.

RECEIVE

What Your Award Letter Means

The schools you included in your application will receive the results of your FAFSA. They will use this information and the cost to attend their institution to put together an award package for you which will include federal student loan and grant money you're eligible for, state aid, institutional aid and other sources of aid to help pay your costs. Some schools might include private or commercial loans. Make sure you understand what you're receiving and what the terms are

Every loan award package is individually tailored. Contact the school, your lender or the U.S. Department of Education, if you have any questions or need clarification. Everyone is here to serve you. You're the customer and there are options out there for you.

Not all award packages are the same. You'll receive different award packages from different schools.

Should I accept all the money included the award letter?
Only borrow what you need and what you'll be able to repay. Remember that student loans have to be paid after your leave school, attend less than half time or graduate. When you receive your award letter, start by accepting scholarships and grants you're eligible for—be sure you understand any conditions/requirements to receiving these "free funds." Then accept the loans with the most comfortable terms; that is, federal student loans (subsidized and unsubsidized federal student loans from the federal government or guaranteed by the federal government), and state aid. If you see private or commercial loans in your award letter ask why this type of loan was included, find out the terms, and reject the private loan if the terms aren't favorable. Exhaust all options before looking into private loans. Private loans and credit cards should be your last resort.

Before you accept any aid, you should

• get a breakdown of the direct expenses (tuition, room, board, and fees) and estimates of indirect expenses (travel, books, etc.) for one year of college;
• know the actual net amount (cost of attendance minus financial aid) that you'll have to pay to attend one year of college;
• know what amount of awarded financial aid that doesn't have to be repaid such as scholarships and grants and the conditions under which they are renewable each year;
• know the amount of work-study and the conditions under which one has to fulfill the work-study;
• find out which loans you're eligible for;
• find out which loans your parents can get to help pay for your education;
• know the interest rates, loan terms, monthly repayment amounts, and total repayment amounts of your loans;
• know where you can get additional information or have your loan questions answered.

Always consider what you'll have to repay. Repayment of student loans should only be a small percentage of your salary. If you expect to pay more than 15 percent of your annual salary for student loans, you might have difficulty making your monthly payments. Ask your school's financial aid office for starting salaries of recent graduates in your field of study to get an idea of how much you are likely to earn after you graduate. Estimates of salaries for different careers are available in the *Occupational Outlook Handbook* at www.bls.gov/oco and research employment opportunities advertised in the area where you plan to live.

You should know the full cost of attendance for the total number of years you plan to attend school. This will give you an idea of the total cost of the federal student loans you may be taking out. Once you have an idea of the total amount you'll end up borrowing, you can see what the estimated monthly payment amount will be under different repayment plans on page 13.

I understand my award letter and chose to receive federal student loans in addition to my scholarships and grants. What happens next?
To receive a federal student loan you must first sign a promissory note. The promissory note is a legally binding agreement that contains the terms and conditions of the loan and explains how and when it should be repaid. By signing it, you are promising to repay your student loan. You should keep the promissory note and any other loan documents in a safe place for future reference. You will also be notified about entrance counseling before the loan is disbursed. This is an information session explaining your responsibilities and rights as a student borrower. A master promissory note may be available at some schools; it is valid for 10 years and can be signed electronically.

How do I receive the money?
Generally, your loan funds will be paid directly to the school in two disbursements. Your school usually credits your loan payment to school charges on your account (tuition and fees, room and board, and other authorized charges). If the loan money exceeds your school charges, the school will pay you the *credit balance* by check or other means. Your school should notify you in writing each time they disburse part of your loan money. Unless you authorize your school to hold the credit balance for you, your school must pay it to you within 14 days after the start of classes for that academic term or payment period.

What can I use my student loan money for?
You may use the loan money you receive to pay for your education expenses at the school that processed your loan. Education expenses include school charges such as tuition; room and board; fees, books, supplies, equipment; dependent childcare expenses; transportation and rental or purchase of a personal computer.

I don't need to borrow all this money. Can I return some of it?
Yes, you may cancel all or part of your loan at any time by notifying your school before your loan is disbursed, and within certain timeframes after your loan has been disbursed. These timeframes are explained in the promissory note you sign before your loan is disbursed. You can also contact your financial aid office for more details.

What if I still need more money? Where should I look?
Try these free sources of information:

- other federal agencies: **www.students.gov**
- your state education agency
- a college or career school financial aid office
- a high school or TRIO counselor
- your library's reference section
- FREE online scholarship searches
- foundations, religious or community organizations, local businesses, or civic groups
- organizations (including professional associations) related to your field of interest
- ethnicity-based organizations (for example, www.chci.org for Hispanic students)
- your employer or your parents' employers
- other federal agencies give scholarships to students in exchange for committed employment.

Some companies may offer to search for money for college for a fee. Remember, don't pay for help to find money for college and keep all your personal information safe. Don't share it with anyone! For more information on how to avoid fraud and identity theft, *Save Your Money, Save Your Identity* is available at www.FederalStudentAid.ed.gov.

Keep Track of How Much You're Borrowing

Keep good records. Repaying your student loans is a serious matter and it's important to keep accurate, accessible records. Open a file folder for each loan and file all paperwork such as copies of promissory notes and correspondence from the lender. When you enter repayment; you'll need to add to this file any coupon booklets, deferment and/or forbearance paperwork and notes of any phone calls to the lender. You should also use the U.S. Department of Education's National Student Loan Data System (NSLDS) at www.nslds.ed.gov, the central database for federal student aid. This database keeps track of all your federal student loans and, once you've received a federal student loan, you'll be able to access your information using your Federal Student Aid PIN. Every student that submits a FAFSA receives this personal identifier and will then have access their information.

Get organized—keep a file, either a paper or computer file or both (don't forget to back up your computer frequently). Your file should include

- Financial aid award letters
- Loan counseling materials (entrance and exit counseling)
- Promissory note(s)
- Amount of your student loans, including the amount that is disbursed each semester or year (you may access this information at www.nslds.ed.gov)
- Name, address, phone number, and Web site of your lender or loan servicer (the entity to whom you send your monthly payments to)
- Loan disclosure and payment schedule sent to you by your lender before you start to repay your loan
- Monthly payment stubs (if you pay by check) or a printout of proof of payment (if you pay electronically)
- Detailed information, including account numbers for each of your loans
- Notes about your questions, the answers and the person you talked to
- Your "paid in full" promissory note when you're done repaying your student loans

How can I graduate with less debt?
Debt adds up quickly, so keep an eye on it. If accumulating too much debt is your concern you can

- search for more scholarships and grants;
- work while you're attending school;
- change your spending habits; and
- consider whether to change to a less-expensive school.

You can also start at a less expensive school or community college before transferring to a four-year college. Just make sure the four-year school you're interested in accepts course credits from the community college you're attending.

Learn how to manage your money and change your spending habits. Resist the urge to get more than one credit card. A credit card can help you build a credit history, if you use it wisely. But don't spend more than you can afford to pay and try to use your credit card for emergencies only. If you do decide to get a credit card, make sure you understand how it works and read the fine print. You should also open a checking account and learn how to balance your checkbook.

A few more tips to save money:
- Buy used books instead of new ones whenever possible.
- Use you prepaid meal plan instead of eating out.
- Take advantage of free activities sponsored by your school.
- Resist impulse buying. Buy what you need, not what would be nice to have. When you do shop, use coupons and shop for sales.
- Know what calls your cell phone covers and stay within your free minutes.
- Brew your own coffee.

Other things to remember
If you're preparing to leave school, withdraw early or transfer to another school you must remember to notify your lender and the school you're currently attending. The U.S. Department of Education is your lender for Direct Loans; a different agent is your lender for FFEL Loans.

Your award letter or financial aid package doesn't transfer with you if you go to another school. You must begin the application process at your new school. Contact the financial aid office immediately.

When you withdraw early, attend school less than half-time, or graduate, you enter repayment. We discuss repayment in the next section.

REPAY

What You Need to Do

Your loans aren't going to go away and you'll want to repay them as quickly and easily as possible.

Exit counseling
You will receive a notice on exit counseling when you graduate or attend school less than half-time. At this session, you'll be given information on your loans and when repayment begins.

When you graduate or withdraw you will have six months before your first payment is due. This is called a grace period. (PLUS Loans don't have a grace period). This time can allow you to get financially settled, select your repayment plan and determine the amount of income you need to put toward your student loan each month.

Choosing a repayment plan
There are flexible repayment plans to help students manage this important financial responsibility. The repayment plans below are for Direct and FFEL Stafford Loans.

- Standard Repayment Plan: You generally pay a fixed amount each month for up to 10 years. Your payment must be at least $50 a month.
- Graduated Repayment Plan: Your payments start out low at first and then will increase, usually every two years. You must repay your loan in full within 10 years. At a minimum, your payments must cover the interest that accumulates on your loans between payments. This plan is tailored to individuals with relatively low current incomes (e.g., recent college graduates) who expect their incomes to increase in the future. However, you'll ultimately pay more for your loan than you would under the Standard Plan, because more interest accumulates in the early years of the plan when your outstanding loan balance is higher.
- Extended Repayment Plan: You will make fixed or graduated monthly payments and repay your loans in full over a period not to exceed 25 years. To be eligible for the Extend Repayment plan, you must be a new borrower on or after October 7, 1998 and you must have more than $30,000.00 in outstanding Direct Loans. (The same requirements apply to FFEL Loans but the borrower has to have $30,000.00 in outstanding FFEL Loans.) Your fixed monthly payment is lower than it would be under the Standard Plan, but again, you'll ultimately pay more for your loan because of the interest that accumulates during the longer repayment period. Can make graduated or fixed monthly payments.
- Income Sensitive Repayment Plan: For FFEL Loans only. With an income-sensitive plan, your monthly loan payment is based on your annual income. As your income increases or decreases, so do your payments. Maximum repayment 10 years
- Income Contingent Repayment Plan: For Direct Loans only. Your monthly payments will be based on your annual income (and that of your spouse, if married), your family size, and the total amount of your Direct Loans. Borrowers have 25 years to repay under this plan, the unpaid portion will be forgiven. However, you may have to pay income tax on the amount that is forgiven. This plan also for PLUS Loans.

Federal Perkins Loans also have different repayment options. Your payment depends on the amount that you borrow, but the minimum is $40 per month.

Estimated Monthly Payments for Direct and FFEL Stafford Loans and Total Amounts Repaid Under Different Repayment Plans

							For Direct Loans Only: Income Contingent[c] (Income = $25,000			
Initial Debt When You Enter Repayment	Standard (not to exceed 10 years)		Extended[a]		Graduated[b] (not to exceed 10 years)		Single		Married/HOH[d]	
	Per Month	Total Repaid	Per Month	Total Repaid	Per Month	Total Repaid	Per Month	Total Repaid	Per Month	Total Repaid
$3,500	$50	$4,471	Not available		$25	$5,157	$27	$6,092	$25	$6,405
$5,000	$58	$6,905			$40	$7,278	$38	$8,703	$36	$9,150
$7,500	$83	$10,357			$59	$10,919	$57	$13,055	$54	$13,725
$10,500	$121	$14,500			$83	$15,283	$80	$18,277	$76	$19,215
$15,000	$173	$20,714			$119	$21,834	$114	$26,110	$108	$27,451
$40,000	$460	$55,239	$277	$83,289	$316	$58,229	$253	$72,717	$197	$84,352

Payments are calculated using the fixed interest rate of 6.8 percent for student borrowers for loans made on or after July 1, 2006.

[a]*For a FFEL borrower, the requirement is that the borrower (1) must have had no outstanding balance on a FFEL Program loan as of October 7, 1998, or on the date the bo obtained a FFEL Program loan on or after that date, and (2) must have more than $30,000 in outstanding FFEL Program loans. For a Direct Loan borrower, the requiremen the borrower (1) must have had no outstanding balance on a Direct Loan Program loan as of October 7, 1998, or on the date the borrower obtained a Direct Loan Program or after that date, and (2) must have more than $30,000 in outstanding Direct Loan Program loans. The amounts were rounded to the nearest dollar and were calculated bas 25-year repayment plan.*

[b]*This is an estimated monthly repayment amount for the first two years of the term and total loan payment. The monthly repayment amount will generally increase every two years, based on this plan.*

[c]*Assumes a 5 percent annual growth (Census Bureau) and were calculated using the formula requirements in effect during 2006.*

[d]*HOH is Head of Household. Assumes a family size of two.*

You can also find a repayment calculator at www.FederalStudentAid.ed.gov.

Something else to consider:

Consolidation Loans

A federal consolidation loan isn't a repayment option; however, it may help making payments more manageable for some borrowers by combining several federal student loans into one loan with one monthly payment. You need to apply for loan consolidation and choose a standard, an extended, a graduated, an income-contingent (for Direct Consolidation Loans) or an income-sensitive (for FFEL Consolidation Loans) repayment plan. Depending on the amount of your debt, standard and graduated repayment plans have 10 to 30 year repayment periods.

Note: Private loans can't be consolidated under the Federal Loan Consolidation Program.

How can consolidation help me manage my debt?

Loan consolidation can offer you many benefits to help manage your education debt. You can:

- Pay lower monthly payments by increasing the repayment period (this will increase your total debt amount).
- Make a single monthly loan payment on one bill to one lender.

Is there a downside to consolidation?

Although consolidation can truly simplify and help many students manage their monthly payments, there are some cases when consolidation may not be right for you.

If you are close to paying off your student loans, it may not make sense to consolidate or extend your payments. Remember that by extending the years of repayment for your loans, you may be increasing the total amount you have to pay in interest. Be sure to discuss your options with the financial aid office or visit www.loanconsolidation.ed.gov or call us at 1-800-4-FED-AID to discuss loan consolidation.

Making Your Monthly Payments
When you make your payments on time, you may qualify for certain repayment benefits and you are taking steps toward building a solid credit history. Contact your lender or loan servicer to discuss setting up a monthly autopayment. Special discount information for Direct Loans is available at www.dl.ed.gov.

I can't make my payments.
Your student loan debt is a legal obligation and can be a 10 to 30 year financial commitment. Don't ignore debt, because it won't go away. There are many ways to get help such as changing your payment due date, repayment options, deferment (you must continue to make payments while your deferment is processed) or forbearance. For more information on deferment or forbearance go to http://studentaid.ed.gov/PORTALSWebApp/students/english/difficulty.jsp?tab=repaying.

Why is this a problem?
If you don't make a payment on time or if you start missing payments—even one—your loan could be in delinquent status and late fees can be assessed. If you miss a payment for more than 270 days, your loan will go into default. This will adversely affect you. If you are making late or partial payments, contact your lender or servicer immediately for help before it negatively affects your credit rating. If your credit rating is affected, you may be denied future education or consumer loans and, later in life, you may not be able to obtain a mortgage or be able to rent an apartment. If you're having difficulty making regular monthly payments, contact your lender or servicer immediately to make other arrangements to avoid further delinquency and, much worse, default.

I forgot to send my payment. Should I send partial payment?
You need contact your lender to change your repayment plan if your current one is not favorable. Although your credit history was not taken into account when you received federal student loans, your credit history will be affected if you do not repay your federal student loans under the repayment plan you agreed to when you entered repayment. Talk to your lender and keep track of all communications.

Sample Communication Log
Date:
Lender or servicer:
Phone number or e-mail:
Person you spoke to:
Reason you called:
Were your questions answer or issues resolved?

Preventing Default
Loan default is something you want to avoid at all costs because there are serious consequences:

- The entire loan balance (principal and interest) will be due in full immediately
- Holds may be placed on your college records.
- You lose your student loan deferment options
- You won't be eligible for additional federal student aid
- Your account may be turned over to a collection agency and you'll have to pay additional charges, late fees and collection costs all of which become part of your debt.
- Defaulted loans are reported to national credit bureaus and your credit rating will be damaged for several years.
- You will have difficulty qualifying for credit cards, a car loan and a mortgage.
- Your federal and state income tax refunds can be withheld and applied to student loan debt. This is also called a Tax Offset.
- A portion of your wages may be garnished (withheld).
- You may not be able to obtain a professional license, get hired by an employer that performs credit checks, or be able to rent an apartment.
- A defaulted loan may jeopardize employment by city, county, state or federal agencies or cause termination, if you are already employed.
- If you need a license to practice in your profession, it may be revoked, cancelled or not renewed.
- It could take years to clear your credit record.

Remember, you've made a commitment to yourself and your future. To prevent defaulting on a student loan, maintain copies of your student loan records and keep your mailing and e-mail address current with your lender and servicer. Ensure that your student loans are deferred while you are in school and communicate your financial situation to your lender or servicer to determine the best plan to repay your loans and to maintain a good credit record. It's vital to contact your lender if you are having difficulty with repayment before your account becomes delinquent. You can work together to make alternative arrangements. There's usually a solution to your problem, so avoid default.

Note: A loan, whether or not in default, cannot be discharged in bankruptcy in most cases.

Need to Take a Break or Can't go to School Full-Time

Many students change how and when they complete their education. You may not graduate from college in four years or you may want to take a break from school. If your enrollment status changes, there are a few things that you, as a borrower, must take care of.

If you:	Remember to:
Withdraw from school	Contact your financial aid office and complete Exit Counseling Notify your lender Begin loan repayment after your grace period
Drop your enrollment to less than half-time	Contact your financial aid office and complete Exit Counseling Notify your lender Begin loan repayment after your grace period
Return to the same school	Apply for financial aid by completing the FAFSA and request a deferment on your federal student loans that are repayment.
Transfer to another school	Apply for financial aid by completing the FAFSA. Request an in-school deferment
Graduate	Complete Exit Counseling Begin loan repayment after your grace period
Go to graduate school	Apply for financial aid by completing the FAFSA. Request an in-school deferment

Loan Discharge or Forgiveness

Some employers such as state or local governments offer loan repayment in return for working in a job that's in great demand. There are also programs offered by some schools that will assume a portion of your debt. If loan forgiveness is something you'd like to explore, begin by asking at your school or workplace.

What qualifies my loan for discharge or forgiveness?

Discharge refers to the cancellation of a loan, even one in default, due to school closure, false certification, your death or total and permanent disability. Forgiveness of a loan is based on the borrower performing certain types of service such as teaching in a low-income school. A defaulted loan can't be canceled based on qualifying service (e.g. teaching).

For a complete list of discharge and forgiveness provisions for Perkins Loans and Stafford Loans, check the following two charts: Perkins Loan Discharge and Cancellation Summary (Appendix D) and Stafford and PLUS Loan Discharge and Forgiveness Summary (Appendix E). Or visit http://studentaid.ed.gov/PORTALSWebApp/students/english/discharges.jsp?tab=repaying.

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

• **Federal Perkins Loans**—Check with the school that made you the loan or with the school's loan servicing agent.

• **Direct Loans**—Contact the Direct Loan Servicing Center at **1-800-848-0979**. TTY users can call **1-800-848-0983**. Or, go to **www.dl.ed.gov**.

• **FFEL Loans**—Contact your lender or its loan servicing agent.

Your Rights as a Borrower

Before you begin repayment, your loan holder is required to give you a repayment schedule and detailed information about interest rates, fees, the balance you owe and available repayment options.

- You have the right to defer repayment for certain defined periods, if you qualify.
- You have the right to request forbearance.
- You may prepay your loans in whole or in part at any time without penalty.

Your Responsibilities as a Borrower

Your primary responsibility is to repay your loans according to the terms and conditions of your loan agreement.

- You must also attend Entrance Counseling before receiving loan funds and Exit Counseling before leaving school.
- Make payments on time, or make other arrangements with your lender or loan holder.
- Notify your lender if you change your name, address, phone number, or enrollment status.
- Notify your lender if you're unable to make payments.

Other Tips

✓ Student loans have become a fact of life.
✓ Make a budget and stick with it. Keep a careful eye on credit card spending.
✓ Open all your mail and read everything pertaining to your student loans. If you don't understand something, call your lender or your financial aid office.
✓ Keep all student loan documents in a permanent file.
✓ Keep in contact with your lender, servicer and/or holder. Let them know if you change your name, address or phone number.
✓ Make all regularly scheduled payments.
✓ Ask your lender for help if you have difficulty making payments.

Appendix A

Glossary

Capitalization
With certain loans, such as subsidized Direct and FFEL Loans, the U.S. Department of Education pays the interest that accrues on these loans while the student is enrolled at least half-time and during periods of deferment. However, with subsidized loans in forbearance, unsubsidized loans or PLUS Loans, the student or the student's parents are responsible for paying interest as it accrues on these loans. When the interest is not paid, it is capitalized or added to the principal balance, which increases the outstanding principal amount due on this loan. Interest that is capitalized and therefore has been added to the original amount of the loan subsequently accrues interest, adding an additional expense to the loan. To save money, pay interest before it's capitalized.

Cost of Attendance (COA)
The total amount it will cost you to go to school—usually expressed as a yearly figure. It's determined using rules established by law. The COA includes tuition and fees; on-campus room and board (or a housing and food allowance for off-campus students); and allowances for books, supplies, transportation, loan fees, and, if applicable, dependent care. It also includes miscellaneous and personal expenses, including an allowance for the rental or purchase of a personal computer. Costs related to a disability are also covered. The COA includes reasonable costs for eligible study-abroad programs as well. For students attending less than half-time, the COA includes tuition and fees and an allowance for books, supplies, transportation and dependent care expenses; and can also include room and board for up to three semesters, or the equivalent, at the institution. But no more than two of those semesters, or the equivalent, may be consecutive. Talk to the financial aid administrator at the school you're planning to attend if you have any unusual expenses that might affect your cost of attendance.

Credit bureau
Institution that tracks and reports the manner in which borrowers repay their loans.

Default
Failure to repay a loan according to the terms of the promissory note. There can be serious legal consequences for student-loan defaulters.

Deferment
A postponement of payment on a loan that is allowed under certain conditions and during which interest does not accrue for subsidized loans.

Expected Family Contribution (EFC)
Your Expected Family Contribution (EFC) is the number that's used to determine your eligibility for federal student financial aid. This number results from the financial information you provided in your FAFSA application. Your EFC is reported to you on your *Student Aid Report* (SAR).

Forbearance
A postponement of payment on a loan, typically if the borrower doesn't qualify for a deferment and is unable to make payments for a reason such as poor health. Interest continues to accrue during forbearance.

Guaranty agency
The guaranty agency is an organization that administers the Federal Family Education Loan (FFEL) Program in your state. This agency is an excellent source of information on FFEL Loans. For the name, address and telephone number of the agency serving your state, you can contact the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243).

Half-time
At schools measuring progress in credit hours and semesters, trimesters, or quarters, "half-time" is at least six semester hours or quarter hours per term for an undergraduate program. At schools measuring progress by credit hours but not using semesters, trimesters or quarters, "half-time" is at least 12 semester hours or 18 quarter hours per year. At schools measuring progress by clock hours, "half-time" is at least 12 hours per week. Note that schools may choose to set higher minimums than these. You must be attending school at least half-time to be eligible for a Stafford Loan. Half-

time enrollment is not a requirement to receive aid from the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Work-Study and Federal Perkins Loan programs.

Interest
A fee charged in exchange for borrowing money. It is calculated as a percentage of the amount borrowed.

Lender
The institution that provided money for loans

Loan holder
The institution with legal title to your loans. It could be your school (for Perkins), the Department of Education (for Direct Loans and defaulted FFEL or Perkins loans that have been assigned to the Department), a lender participating in the FFEL Loan Program (for FFEL Loans), a secondary market, or in the event of default, a guaranty agency.

Loan Servicer
An organization that administers and collects education loans payments on behalf of the lender.

Principal
The amount borrowed and owed on a loan or loans at any given time. Interest is charged on this amount. The principal balance may include capitalized interest.

Promissory Note
A promissory note is a binding legal document you sign when you get a student loan. It lists the conditions under which you're borrowing and the terms under which you agree to pay back the loan. It will include information on how interest is calculated and what deferment and cancellation provisions are available to the borrower. It's very important to read and save this document because you'll need to refer to it later when you begin repaying your loan or at other times when you need information about provisions of the loan, such as deferments or forbearances.

Secondary Market
An organization that purchases education loans from lenders, which enables lenders to make new loans.

Student Aid Report (SAR)
After you apply for federal student financial aid, you'll get your FAFSA results in an e-mail report within a few days after your FAFSA has been processed or by mail in a few weeks. This report is called a *Student Aid Report* or SAR. Your SAR details all the information you provided on your FAFSA. If there are no corrections or additional information you must provide, the SAR will contain your Expected Family Contribution (EFC), which is the number that's used to determine your eligibility for federal student aid. Whether you applied online or by paper, we will automatically send your data electronically to the schools you listed on your FAFSA.

Subsidized Loan
Awarded to a student on the basis of financial need. The federal government pays the borrower's accrued interest during some significant periods, such as when the student is in school, thereby "subsidizing" the loan.

Unsubsidized Loan
Is not need based; the borrower is responsible for accrued interest throughout the life of the loan.

Variable Interest
Rate of interest on a loan that is tied to a stated index and changes annually.

Appendix B

Informed Borrowing: Selecting Loans and Selecting Lenders

Before you search for the best student loan out there, you need to take advantage of funds available through scholarships and grants offered by the government, charities, workplaces, professional organizations, etc. After you have received all you can in scholarships and grants, your next option is a student loan. Here are some things to remember:

Go with the federal student loan programs
Federal programs such as Perkins and Stafford Loans for students and PLUS Loans for parents and graduate and professional degree students have fixed interest rates ranging from 5 to 8.5 percent. Private or alternative loans typically have interest rates that rise and fall with the economy. Private loans rely on credit reports; federal student loans don't.

Fill out a *Free Application for Federal Student Aid* (FAFSA) to see which federal loans you can qualify for. Subsidized Stafford loans charge a fixed 6.8 percent rate starting six months after you leave school. If you don't qualify for a subsidized Stafford Loan, your next option is an unsubsidized Stafford Loan, which charges interest immediately but gives you the option of not paying interest until six months after you leave school. Parents and professional and graduate degree students can borrow from the PLUS program at rates capped at 8.5 percent.

Preferred-lender lists
When you get a Stafford Loan, your school will give you the option of choosing a lender from their preferred-lender list. (Only about 20 percent of schools have students borrow *directly* from the federal government through the Direct Stafford Loan Program; at all other schools, you will need to choose a lender.) The preferred lender list is only a starting place when shopping for financing.

Check the terms and fine print carefully. Not all students can take advantage of all the benefits lenders advertise. Choose the loan that offers the best upfront discounts, such as waiving both origination and default fees, or other immediate discounts. Benefits that are promised several years down the road usually won't help you if you consolidate your loans or get into financial trouble.

You can find more advice and calculators at http://studentaid.ed.gov/PORTALSWebApp/students/english/repaying.jsp.

Appendix C

Calculating Your Budget

Monthly Expenses		Susan's Budget	Your Budget
Rent/Mortgage	33%	$440	
Groceries	15%	$200	
Clothing	5%	$65	
Car payments & insurance	12%	$160	
Utility bills **(gas, electric, water, telephone, cable)**	7%	$93	
Medical **(insurance, doctor visits, etc.)**	5%	$67	
Entertainment & recreation **(dining out, movies, music, vacation trips)**	7%	$93	
Other debts **(including credit card debt)**	5%	$67	
Miscellaneous/Savings	5%	$67	
Student loan payments	6%	$81	
TOTAL	100%	$1,333	

Appendix D

Perkins Loan Discharge and Cancellation Summary Chart

Cancellation Conditions[a]	Amount Forgiven
Bankruptcy (in rare cases—cancellation is possible only if the bankruptcy court rules that repayment would cause undue hardship)	100 percent
Closed school (before student could complete program of study)—applies to loans received on or after Jan. 1, 1986	100 percent
Borrower's total and permanent disability[b] or death	100 percent
Full-time teacher in a designated elementary or secondary school serving students from low-income families[c]	Up to 100 percent
Full-time special education teacher (includes teaching children with disabilities in a public or other nonprofit elementary or secondary school)[c]	Up to 100 percent
Full-time qualified professional provider of early intervention services for the disabled	Up to 100 percent
Full-time teacher of math, science, foreign languages, bilingual education, or other fields designated as teacher shortage areas	Up to 100 percent
Full-time employee of a public or nonprofit child- or family-services agency providing services to high-risk children and their families from low-income communities	Up to 100 percent
Full-time nurse or medical technician	Up to 100 percent
Full-time law enforcement or corrections officer	Up to 100 percent
Full-time staff member in the education component of a Head Start Program	Up to 100 percent
Vista or Peace Corps volunteer	Up to 70 percent
Service in the U.S. Armed Forces	Up to 50 percent in areas of hostilities or imminent danger

[a]*As of Oct. 7, 1998, all Perkins Loan borrowers are eligible for all cancellation benefits regardless of when the loan was made or the terms of the borrower's promissory note. However, this benefit is not retroactive to services performed before Oct. 7, 1998.*

[b]*Total and permanent disability is defined as the inability to work and earn money because of an illness or injury that is expected to continue indefinitely or to result in death. If you are determined to be totally and permanently disabled based on a physician's certification, your loan will be conditionally discharged for up to three years. This conditional discharge period begins on the date you became totally and permanently disabled, as certified by your physician. During this conditional discharge period, you do not have to make payments on your loan(s). To qualify for a final discharge due to total and permanent disability, you must meet the following requirements during the conditional discharge period: (1) your earnings from employment must not exceed the poverty line amount for a family of two; and (2) you must not receive any additional loans under the FFEL, Direct Loan or Perkins Loan programs. If you do not continue to meet these requirements at any time during or at the end of the conditional discharge period, your loan(s) will be taken out of conditional discharge status and you must resume making payments on your loans. You cannot qualify for loan discharge based on a condition that existed before the loan was made, unless a doctor certifies that your condition substantially deteriorated after you obtained the loan. For more information on qualifying for this discharge, review your promissory note and Borrower's Rights and Responsibilities Statement or contact your loan holder.*

[c]*Detailed information on teaching service cancellation/deferment options can be found at* **www.FederalStudentAid.ed.gov***. At the site, click on "Students, Parents and Counselors."*

Appendix E

Stafford and PLUS Loan Discharge and Cancellation Summary Chart

Discharge/Forgiveness Condition	Amount Discharged/Forgiven	Notes
Borrower's total and permanent disability or death.[+]	100 percent	**For a PLUS Loan, includes the death, but not disability, of the student for whom the** parents borrowed.
Full-time teacher for five consecutive years in a designated elementary or secondary school serving students from low-income families. Must meet additional eligibility requirements.	Up to $5,000 (up to $17,500 for teachers in certain specialties) of the total loan amount outstanding after completion of the fifth year of teaching. Under the Direct and FFEL Consolidation Loan programs, only the portion of the consolidation loan used to repay eligible Direct Loans or FFEL Loans qualifies for loan forgiveness.	For Direct and FFEL Stafford Loan borrowers with no outstanding balance on a Direct or FFEL Loan on the date they received a loan. PLUS Loans are not eligible. At least one of the five consecutive years of teaching must occur after the 1997-98 academic year. To find out whether your school is considered a low-income school, go to **www.FederalStudentAid.ed.gov**. Click on "Students, Parents and Counselors.". Or call 1-800-4-FED-AID (1-800-433-3243).
Bankruptcy (in rare cases)	100 percent	Cancellation is possible only if the bankruptcy court rules that repayment would cause undue hardship.
Closed school (before student could complete program of study) or false loan certification. False loan certification now includes identity theft	100 percent 100 percent	For loans received on or after Jan. 1, 1986. Effective July 1, 2006
School does not make required return of loan funds to the lender	Up to the amount that the school was required to return.	For loans received on or after Jan. 1, 1986.

[+]*Total and permanent disability is defined as the inability to work and earn money because of an illness or injury that is expected to continue indefinitely or to result in death. If you are determined to be totally and permanently disabled based on a physician's certification, your loan will be conditionally discharged for up to three years. This conditional discharge period begins on the date you became totally and permanently disabled, as certified by your physician. During this conditional discharge period, you do not have to make payments on your loan(s). To qualify for a final discharge due to total and permanent disability, you must meet the following requirements during the conditional discharge period: (1) your earnings from employment must not exceed the poverty line amount for a family of two; and (2) you must not receive any additional loans under the FFEL, Direct Loan or Perkins Loan programs. If you do not continue to meet these requirements at any time during or at the end of the conditional discharge period, your loan(s) will be taken out of conditional discharge status and you must resume making payments on your loans. You cannot qualify for loan discharge based on a condition that existed before the loan was made, unless a doctor certifies that your condition substantially deteriorated after you obtained the loan. For more information on qualifying for this discharge, review your promissory note and Borrower's Rights and Responsibilities Statement or contact your loan holder.*

Appendix F

START HERE
GO FURTHER
FEDERAL STUDENT AID

FAFSA4caster

Contact Us Live Help

Filling Out a FAFSA4caster

Sara's Estimated Federal Student Aid Eligibility

This is an estimate of your federal student aid eligibility based on national averages and your estimated EFC of 2174
Only your financial aid office can officially award you aid after you complete a *Free Application for Federal Student Aid* (FAFSA).

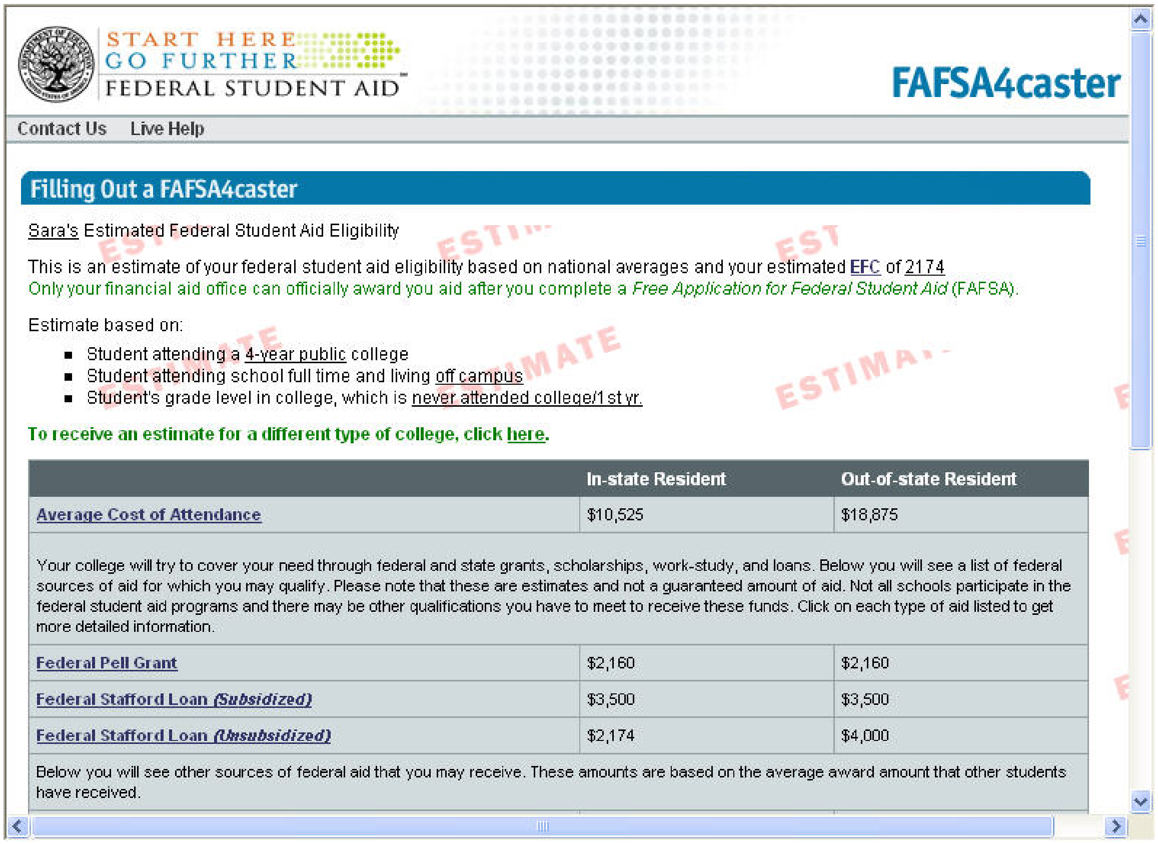
Estimate based on:

- Student attending a 4-year public college
- Student attending school full time and living on campus
- Student's grade level in college, which is never attended college/1st yr.

To receive an estimate for a different type of college, click here.

	In-state Resident	Out-of-state Resident
Average Cost of Attendance	$16,942	$25,292
Your college will try to cover your need through federal and state grants, scholarships, work-study, and loans. Below you will see a list of federal sources of aid for which you may qualify. Please note that these are estimates and not a guaranteed amount of aid. Not all schools participate in the federal student aid programs and there may be other qualifications you have to meet to receive these funds. Click on each type of aid listed to get more detailed information.		
Federal Pell Grant	$2,160	$2,160
Federal Stafford Loan *(Subsidized)*	$3,500	$3,500
Federal Stafford Loan *(Unsubsidized)*	$4,000	$4,000
Below you will see other sources of federal aid that you may receive. These amounts are based on the average award amount that other students have received.		

Appendix G



START HERE GO FURTHER FEDERAL STUDENT AID

FAFSA4caster

Contact Us Live Help

Filling Out a FAFSA4caster

Sara's Estimated Federal Student Aid Eligibility

This is an estimate of your federal student aid eligibility based on national averages and your estimated EFC of 2174

Only your financial aid office can officially award you aid after you complete a *Free Application for Federal Student Aid* (FAFSA).

Estimate based on:

- Student attending a 4-year public college
- Student attending school full time and living off campus
- Student's grade level in college, which is never attended college/1st yr.

To receive an estimate for a different type of college, click here.

	In-state Resident	Out-of-state Resident
Average Cost of Attendance	$10,525	$18,875
Your college will try to cover your need through federal and state grants, scholarships, work-study, and loans. Below you will see a list of federal sources of aid for which you may qualify. Please note that these are estimates and not a guaranteed amount of aid. Not all schools participate in the federal student aid programs and there may be other qualifications you have to meet to receive these funds. Click on each type of aid listed to get more detailed information.		
Federal Pell Grant	$2,160	$2,160
Federal Stafford Loan *(Subsidized)*	$3,500	$3,500
Federal Stafford Loan *(Unsubsidized)*	$2,174	$4,000
Below you will see other sources of federal aid that you may receive. These amounts are based on the average award amount that other students have received.		


PAYMENT
DUE