FUNDING SOURCES

Federal Pell Grant

Grants are free money, that is, they do not need to be paid back. The Pell grant program is designed to assist needy undergraduate students who desire to continue their education beyond high school. All students are encouraged to apply through the FAFSA. Eligibility is determined by a standard federal formula which includes family size, income and resources to determine need.

How much can I get?

The maximum amount of Pell Grant (for those who qualify) depends on program funding and may change each award year (July 1st - June 30th). The amount a student may receive depends on financial need, cost to attend school, enrollment status and the number of terms/payment periods attended.

2011-12 Federal Pell Grant Maximum

Range	$555 - $5,550

Federal Supplemental Educational Opportunity Grant (FSEOG)

The FSEOG is a grant program for undergraduate students with exceptional need. Priority is given first to students with Federal Pell Grant eligibility. The federal government allocates FSEOG funds to participating schools. This is a limited pool of funds and the school will determine the awarding criteria based on federal guidelines. Often, due to limited funding, FSEOG award resources are exhausted early in the award year.

How much can I get?

Amounts vary each award year based on the funding levels allocated to the school. For those who qualify, awards may vary based on financial need and the policies of the financial aid office.

2011-12 FSEOG Maximum

Range	$100 - $4,000

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Federal Work Study (FWS)

FWS is a financial aid program designed to assist students in meeting some of the costs of their education by working part-time while attending school. Positions may be on-campus, off-campus, or community service related. A candidate must demonstrate financial need (as determined by the Department of Education) to be eligible for a FWS award. The number of positions available may be limited depending upon the institution's annual funding allocation from the federal government.

How much can I earn?

Federal Work Study students are paid an hourly wage. Wages for the program must equal at least the current federal minimum wage, but may be higher, depending on the type of work performed and the skills required. The maximum amount a student may earn in an award year cannot exceed the total FWS award. When assigning work hours, the employer or financial aid administrator will consider the award amount, class schedule, and satisfactory academic progress. For a listing of available positions please contact the Financial Aid Office.

Federal Perkins Loan

A Federal Perkins Loan is a low-interest loan for both undergraduate and graduate students with exceptional financial need. This is a limited pool of funds and the school will determine the awarding criteria based on federal guidelines. Often, due to limited funding, Federal Perkins funds are exhausted early in the award year. Federal Perkins Loans are made through the school's financial aid office.

Note: Not all schools participate in the Federal Perkins Loan program. Please contact your Financial Aid Office to discuss funding options. Terms and Conditions (link to PDF doc)

How much can I borrow?

The amount available to those who qualify is dependent upon the timing of the application, financial need, and the funding levels available at the school.

2011-12 Federal Perkins Loan Maximums

Academic Level	Annual Maximum	Aggregate Max
Undergraduate	$5,500	$27,500
Graduate	$8,000	$60,000

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Federal Stafford Loans (Direct Loans)

Loans are money that must be paid back. Federal Stafford loans are low-interest loans that are made to the student. These loans do not require a credit check and are available to pay for direct costs (tuition and fees, books and supplies) and indirect education related expenses (room, board, transportation and personal expenses). As of July 1st, 2010 all schools participate in The William D. Ford Federal Direct Loan program (DL). There are two types of Stafford loans; subsidized and unsubsidized.

A **Subsidized** loan is need-based and the government pays (subsidizes) the interest while the student is in school at least half-time and for six months after the student ceases attending at least half-time (called a grace period).

If students don't qualify for a subsidized loan, they may qualify for an **Unsubsidized** loan. (Independent students may also qualify for additional unsubsidized loan beyond the base amount.) Unlike a subsidized loan, the student is responsible for paying the interest that accrues from the time the loan is disbursed until it is paid in full. Students may choose to pay the interest while in school or allow it to accrue and be capitalized (that is, added to the principal amount of the loan). Capitalizing the interest will increase the amount to repay.

Federal Stafford Loans: How much can I borrow?

Whether subsidized or unsubsidized, eligibility is determined based on dependency status, financial need, cost to attend school and the number of terms/payment periods attended. Repayment obligations begin six months after the student graduates, withdraws, or falls below a half-time enrollment status.

Loan limits depend on the student's grade level and loan type (subsidized or unsubsidized).

Federal Stafford Loan Annual Maximums
(Subsidized & Unsubsidized Combined)

	Dependent Student	Independent Student
Year 1	$ 5,500	$ 9,500
Year 2	$ 6,500	$ 10,500
Year 3 and 4	$ 7,500	$ 12,500
Graduate	n/a	$ 20,500

Life Time Limits	Dependent Students	Independent Students
Undergraduate	$31,000 with no more than $23,000 subsidized	$57,500 with no more than $23,000 subsidized
Graduate	n/a	$138,500 with no more than $65,500 subsidized

Terms and Conditions (link to PDF doc)

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PLUS (Parent and Graduate) Loans

All loans are money that must be paid back. As of July 1st, 2010 all schools participate in The William D. Ford Federal Direct loan (DL) program.

Parent PLUS Loan is available to a parent of dependent, undergraduate students. Either or both parents may borrow through this program. The Parent PLUS is not based on need, but when combined with other resources cannot exceed the student's cost of attendance. A credit check on the parent borrower is required. Repayment begins within 60 days of final disbursement of the loan. However, parents may request deferment of payments while the student is attending at least half time.

Graduate PLUS Loan is available to a student seeking a Graduate and/or Professional degrees and are not based on need. A credit check is required and the student must complete the FAFSA. Repayment begins within 60 days of final disbursement of the loan. However, students may request deferment of payments while attending at least half time.

How does the borrower get a loan?

Parents (Parent PLUS) and Graduate students (Graduate PLUS) must complete a Direct PLUS Loan application and promissory note, contained in a single form that students may request from the financial aid office. Terms and Conditions (link to PDF doc)

How much can I borrow?

The yearly limit on a PLUS Loan (Parent and Graduate) is equal to the cost of attendance minus any other financial aid received. For example: If the cost of attendance is $20,000 and the student receives $8,000 in other financial aid, the PLUS loan may not exceed $12,000.

Private Loans

Various lending institutions offer private education loans to help cover the gap between the cost of education and the amount of federal and state aid available to those who qualify. A cosigner may be required to meet the program's credit criteria.

A private loan is made by a lender and may have terms and conditions that are less favorable than the Federal Stafford or Federal PLUS loans.

Interest rates vary and are typically based on the prime rate or the Treasury-Bill rate. Interest rates are often determined by the borrowers and/or cosigner's credit rating and credit history. Terms and conditions will vary by lender, be sure to read all of the details on the loan before you borrow.

Frequently Asked Questions

Q. What is financial aid?

A. Financial aid is the name used for federal, state and private resources that may help pay for college costs. Typically financial aid consists of grants, scholarships, loans and student employment. Grants and scholarships do not have to be repaid. Loans must be repaid with payments usually beginning after the student is no longer enrolled at least half time. Student employment consists of opportunities for students to earn money to pay for educational expenses. Financial Aid is available for those who qualify.

Q. How do I apply for financial aid?

A. The Free Application for Federal Student Aid, more commonly known as the FAFSA, is the single application needed to apply for all sources of federal aid. The FAFSA can be completed online at www.fafsa.ed.gov. It helps to complete the FAFSA with a PIN (electronic signature) to expedite the process. A PIN can be obtained by visiting www.pin.ed.gov. If you are a dependent student for aid purposes, both you and your parent will require a PIN to sign the application electronically.

Q. Why do I have to provide parent information on my FAFSA?

A. Students are considered dependent or independent for financial aid purposes based on criteria established by Congress. For example, students who are under the age of 24, single, have no dependents and are not veterans are typically considered dependent for financial aid purposes. Dependent students are required to have parents provide financial information in order to determine eligibility for the various federal aid programs. Check with the financial aid office to determine your dependency status if you are unsure.

Q. How often do I have to reapply for aid?

A. Students must reapply for federal and state aid each year. Typically, students should reapply for aid as soon as possible after January 1st; however, check with your financial aid office to determine when you should reapply.

Q. What's the difference between a grant and a loan?

A. A grant is money and does not have to be repaid. Loans must always be repaid regardless of whether you complete the program or are unsatisfied with your educational experience. Failure to repay your loans can result in serious consequences and negatively impact your ability to obtain credit in the future.

Q. When do I have to repay my loans?

A. Repayment on most loans will begin after the student is no longer enrolled at least half time. Some loans are interest free while the student is enrolled. Interest may accrue on other loans even while the student is enrolled. Check with the financial aid office, they can help explain the differences in the types of loans you have. In all cases, loans must be repaid regardless of whether you complete the program or are satisfied with your educational experience. Failure to repay your loans can result in serious consequences and negatively impact your ability to obtain credit in the future.