

## COLLEGE FINANCING

There are several ways of paying for college expenses. Students may take advantage of one or all of the following:

**Merit-based scholarships/grants:** These scholarships or grants are given to students with outstanding achievements or talents in arts, athletics, etc. and high scores in standardized test such as ACT or SAT. The source for these scholarships and grants are the colleges, universities and private foundations.

**Need-based scholarships/grants:** These scholarships or grants are given to students, who are in need of financial aid. The bulk of these scholarships/grants are provided through government money and to a certain degree by the colleges and universities.

**Work-study scholarships:** These work-study scholarships or grants are given by the colleges and universities to students who are qualified to perform teaching or research tasks at their institution of learning.

**Loans for students and parents:** The federal government gives Loans such as Perkins and Stafford to all students regardless of their academic performance or financial need. Loans (Plus) are also given to parents.

To apply for all kinds of grants, scholarships, financial aid and loans a student must provide his/her family's financial profile to the authorities in charge of distributing these funds. Most of the governmental agencies and educational institutions base their decision on the information provided in the **Free Application For Federal Student Aid - FAFSA**. However, many private educational institutions ask for **CSS Financial Aid Profile**, which is administered by the College Board. Students seeking college-based financial aid should contact the financial aid office at the college before being offered admission.

### FAFSA

Free Application for Federal Student Aid (FAFSA) is a federal form that must be filed by a student who wants to be considered for college financial aid. The filing period for FAFSA for each year starts on January 1st.

Students can apply for FAFSA online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). To do so a PIN is required which can be obtained from [www.pin.ed.gov](http://www.pin.ed.gov).

The FAFSA is used to determine eligibility for grants by the state and federal governments. The state of California awards Cal Grants and the federal government awards Pell Grants. To qualify for financial aid you must demonstrate "need" which is the difference between a student's Cost of Attendance (COA) at a college and the Expected Family Contribution (EFC). [  $COA - EFC = \text{Financial Aid}$  ]

This amount is calculated based on the financial information provided in FAFSA. The family contribution is the same amount whether you choose a college with high or low cost; however, the aid amount differs from school to school.

FAFSA must be filled accurately. Any mistakes will cause a delay in processing and analysis. The information on the FAFSA is inputted into a computer, which analyzes and gives a printout called Student Aid Report (SAR). Within four weeks of the application, the student will receive the SAR, which will contain information about EFC and comments about student's data provided in the application form. Wrong information may be corrected and returned to the processor.

The student then sends duplicates of the corrected SAR to the colleges where he/she applied. While mailing the application forms, proofs of the mailing must be obtained from the Post Office.

For more information about FAFSA please call 1-800-4-FED-AID.

### CSS Financial Aid Profile

Many colleges, universities and professional schools use the CSS Financial Aid Profile to help them award non-federal student-aid and funds to students. By completing this application students will be able to give a complete picture of their family's financial situation, including explanations about special circumstances.

CSS Financial Profile is a program of the College Board. The College Board does not award scholarships or other financial aid.

### Cal Grant

Cal Grant awards are state funded monetary grants available to students to help pay for college expenses. Students are not required to pay back these awards.

Cal Grant is guaranteed if the student:

- Is a California resident
- Will attend a California College
- Meets financial need requirements
- Maintains 2.0 GPA or better
- Files a completed Free Application for Federal Student Aid (FAFSA) form with the federal processor during the month of January while still in senior year.
- Files a Cal Grant GPA verification form with California Student Aid Commission no later than March 2.