

College Costs and Ways to Pay Them (Worksheet for Lesson 2a)

**What are some the costs you must consider when applying to and attending college?
Compare the list you made earlier with our list below:**

- 1) Application fees
- 2) Tuition
- 3) Food and Housing (varies based on if you live on campus, off campus, or with your parents)
- 4) Books/materials (such as CDs, musical instruments, technology, or other items required to participate in a particular course) and supplies (pencils, paper, printer ink, etc.)
- 5) Mandatory fees (such as health center fees)

Sticker Price vs. Actual Price

Sticker price: the price listed on a college's website and in its brochures

Actual price: the price each student ends up paying. This number will be different for each student and is lower than the listed price. For example, in 2015 the annual in-state tuition to attend a GSU full-time is \$9,472, and the total estimated annual cost to attend Ga State (for example) is \$23,533. However, after using different grants and applying for scholarships, you would not pay that price.

Use the school cost calculator to estimate what you would be responsible for paying if you were to apply today:

To estimate the amount you would pay if attending one of several private institutions, try this calculator (College Board): <https://bigfuture.collegeboard.org/pay-for-college/tools-calculators>

The next section will help you understand the aid you were estimated to receive. Keep in mind you can still receive scholarships on top of the aid listed in your estimate.

Types of Financial Aid

Types of aid include grants, loans, work-study, and scholarships. Grants, loans, and work-study are federal government programs, while scholarships are not.

Grants are financial aid you don't have to pay back.

Work-study lets you work (generally at specific on-campus jobs) and earn money to help pay for school.

Loans are borrowed money you must pay back with interest. You may have up to 10-25 years to pay back your loans, depending on a few factors.

Scholarships are another form of financial aid that you don't have to pay back. They are usually awarded by the university itself or by a private source.

Getting Started on the Financial Aid Process

The way to get started on federal financial aid (for grants, work-study, and loans) is to complete and mail a Free Application for Federal Aid (FAFSA). You can get an application from your high school college counselor, local college, or public library. You can also call 1-800-433-3243 to request an application. You may also apply online at www.fafsa.ed.gov. (Note: you should NEVER pay to file an application for financial aid. The application is FREE.)

Four weeks after you have sent in the FAFSA (or earlier), you will receive a Student Aid Report (SAR) in the mail. Verify that all the information is correct, and keep a copy for your personal use. A great place to “store” a copy is digitally. You can do this by scanning your documents into an electronic document and then attaching it to an email and saving it in your inbox. Your school might have a scanner you can use, or you can try the public library. For a few dollars, office supply stores such as FedEx Kinko’s and Staples will also scan for you. You should still keep the hard copy if possible.

After you receive the SAR, if further information is requested, or if any information reported is not correct, make any changes and send the corrected SAR back IMMEDIATELY. Financial aid is on a first-come first-serve basis. If you don't send this form back, you could lose the opportunity to receive financial aid if you miss the deadlines.

- Here is a website to help you complete the FAFSA: <http://www.fafsa.ed.gov/>
- The FAFSA form can be printed here: http://osfa.tamucc.edu/osfa_forms.html

How does financial aid work?

The U.S. Department of Education has the following major student financial assistance (SFA) programs:

- Federal Pell Grants
- Stafford Loans
- PLUS Loans
- Consolidation Loans
- Federal Supplemental Educational Opportunity Grants (FSEOGs)
- Federal Work Study
- Federal Perkins Loans

Not all schools participate in the SFA programs. Also, not all schools take part in all the programs. To find out which programs (if any) are available at a particular school, contact the financial aid office at that school.

For more information on the details of each of the SFA programs above, visit the links at the bottom of this worksheet (“additional resources”).

What is a financial aid package or award letter?

You'll usually receive an award letter in the spring containing a list of the types and amounts of financial aid and a deadline for responding to the letter. When you apply to more than one college, your financial aid offers often vary. Each college may not be able to meet 100% of your financial aid eligibility with student aid. Be sure you understand each offer before accepting it. Contact your financial aid office with any questions. Don't be shy - it's your future!

Evaluate each offer carefully. Do a side-by-side comparison to determine what it will cost you to attend the school. Your family's out-of-pocket costs will differ from college to college because both student budgets and financial aid offers vary.

Keep in mind you don't have to accept your entire student aid package. If you don't accept the loan portion, the financial aid office usually won't be able to increase any grant funds. Let your financial aid administrator know if your resources or expenses change, both before and during the school year.

What will be expected of my parents? (This only applies if your parents are your legal guardians)

The information you provide on your FAFSA is used to estimate your expected family contribution or "EFC" - the amount of money you and your parents could reasonably contribute toward your education. Keep in mind that your calculated EFC may not be what you and your family end up paying. This is because your college's student budget contains reasonable expenses, not your actual ones. Also, not all colleges will be able to meet 100% of your financial need.

Sometimes students and parents are surprised or dismayed when they are asked to furnish personal financial information to obtain financial aid. Please understand that most or all of the data is sought from you to meet requirements of the federal government and to insure that the financial aid programs are administered fairly for all students. In addition to a financial aid application, you may be required to provide federal tax returns for the student and the parents.

Have your parents attend financial aid meetings held in your school district to learn more about the basic types of financial aid and how to obtain assistance. In Georgia, college financial aid professionals expect the current financial aid system administered by the state and federal governments to stay the same in the coming years. So, it is useful to know how the financial aid system works.

Scholarships

Scholarships are usually awarded by the university itself or a private source, and not by the federal government. You do not need to pay them back. Scholarships may be awarded on the basis of academic achievement, race, athletic ability, community service, college major, or other category. Students usually have to apply separately for scholarships. Types of organizations that offer scholarships include: corporations, labor unions, professional associations, religious organizations, credit unions and non-profit organizations. You can find more information about scholarships by visiting schools' websites, by visiting the website of other organizations, or by contacting organizations directly. You should NOT apply for scholarships that require you to pay money.

Other ways to save money and earn scholarships

Advanced Placement (AP) exams:

What are AP courses and exams?

AP courses are college-level courses offered at the high school level. The exam at the end of the year is issued nationally. The highest score possible is a 5, but scores as low as 3 can earn high school students college credit. Depending on colleges' policies, credit earned through AP

tests can reduce the number of courses that must be taken in college (thereby reducing the cost and time to earn a college degree).

How much does taking an exam cost?

AP test fees may be waived for low-income or homeless students. To secure a fee waiver, students must be enrolled in or eligible to participate in the National School Lunch Program.

Test Fee Waivers for College Entrance Exams (SATs and ACTs)

SAT:

- Students who are homeless, in foster care, or wards of the state qualify for a fee waiver.
- Students must be in the 11th or 12th grades to use an SAT waiver and in 9th-12th grade to use an SAT II Subject Test fee waiver.
- Talk to your high school guidance counselor to obtain a fee waiver. You then use the waiver to register for a test.
- Fee waivers cover 100% of fees for up to two SAT exams and up to two SAT II subject exams. They also entitle you to four score reports each time you register and four additional score reports to send to colleges of your choice.
- For complete list, see: <http://sat.collegeboard.org/register/sat-fee-waivers>

ACT:

- Students who are homeless, in foster care, or wards of the state qualify for a fee waiver.
- Students must be in the 11th or 12th grades to use an ACT waiver
- Talk to your high school guidance counselor to obtain a fee waiver. You then use the waiver to register for a test.
- Fee waivers cover 100% of regular (not late or standby) registration fees and up to four college choices provided at the time of registration
- Visit <http://www.act.org/aap/pdf/FeeWaiver.pdf> for more information.

NOTE: You should have four school choices picked out when you register for these exams, but especially the ACTs

College Application Fee Waivers

- Nearly all colleges require applicants to pay a fee when they submit their applications.
- Most colleges offer fee waivers for students who apply.
- College Board will automatically send you four college application fee waivers if you registered for the SAT or SAT II using a fee waiver.
- If you apply to one or more colleges using the Common Application and you qualify for an SAT fee waiver, "you can apply to any Common App school for free" (see <https://bigfuture.collegeboard.org/get-in/applying-101/college-application-fee-waivers> for more information).

Additional Resources

- College Answer <http://www.collegeanswer.com/index.jsp>
- The College Board <http://www.collegeboard.com/>
- CollegeNET <http://www.collegenet.com/elect/app/app>
- FAFSA (Free Application for Federal Student Aid) <http://www.fafsa.ed.gov/>
- Fastweb <http://www.fastweb.com/>
- FinAid! The SmartStudent™ Guide to Financial Aid <http://www.finaid.org/>
- National Student Loan Data System http://www.nslds.ed.gov/nslds_SA/
- Student Resource Page http://scholarshipamerica.org/internet_resources_financialaid.php

- SimpleTuition <http://www.simpletuition.com/home>

- U.S. Department of Education

<http://studentaid.ed.gov/PORTALSWebApp/students/english/index.jsp>

(This is a great site to prepare you for college. It includes study skills, time management skills, and tips).