

ICAN[®]

Succeed. In Education. In Career. In Life.

THE REALITIES OF COLLEGE AID

Use the Right Tools

Not a junior or senior? Now is the time to get a grasp on how you can pay for college. Start by going to the U.S. Department of Education's Web site and using the FAFSA4caster at www.fafsa4caster.ed.gov.

This tool will give you an idea of how much federal financial aid you can expect to receive. Compare this to the actual cost of attending the college of your choice. Then make a plan to cover the shortfall.

Visit www.ICANsucceed.org. You and your parents can use the information from the ICAN[®] to plan ahead.

MYTH

I won't qualify for financial aid, so it's not worth applying.

Reality: Financial aid is available for every eligible student who files a Free Application for Federal Student Aid (FAFSA). Financial aid includes grants and scholarships, which do not need to be repaid; work-study; and loans. There are many factors that determine whether you're eligible for financial assistance. You never know how much you actually qualify for until you apply.

MYTH

I know I'm only going to get loans, so I don't need to file a FAFSA.

Reality: Federal student loans are the best choice when you need to borrow money for college expenses. They offer the best interest rates and repayment plans. To qualify for federal student loans, you must file the FAFSA. Students can qualify for an unsubsidized Stafford Loan, which is not given based on financial need, regardless of family income.

MYTH

If I save money for college, the government will think I'm wealthy and I won't receive enough financial aid.

Reality: Saving money is always a good idea. Even with a financial aid package, you'll need to pay for tuition, books and supplies, housing, transportation, and food, at the minimum. You may also want cash for a social life. Save as much as you can before college.

Quick FAFSA Facts

- ▶ The FAFSA is a free form that may be completed without professional assistance via paper or electronic forms provided by the U.S. Department of Education at www.fafsa.gov.
- ▶ Use your current taxes to complete your FAFSA. Class of 2019 will use 2017 taxes. Class of 2020 will use 2018 taxes.
- ▶ At least 1 out of 3 students are asked to go through verification, so don't panic if you are asked to send additional documents.
- ▶ If you encounter an unusual situation (such as a parent losing a job) that might change your eligibility for financial aid, talk to the financial aid office at the college you plan to attend.



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Financial Aid Timeline

These general guidelines will keep you on track with your financial aid planning. While it's never too late to file your FAFSA, you should complete these steps as soon after Jan. 1 of your senior year as possible to qualify for the best package available to you.

Before You Apply (Before Oct. 1)

- ▶ Visit <https://fsaid.ed.gov> to setup your FSA ID username and password. One of your parents also needs an FSA ID username and password.
- ▶ Check the financial aid priority date at schools to which you plan to apply.
- ▶ Gather the papers listed at www.ICANSucceed.org/FAFSAchecklist.
- ▶ Complete any scholarship applications that are due.

Apply By Priority Date

- ▶ Fill out your FAFSA form at www.fafsa.gov.
- ▶ Class of 2019 use 2017 taxes. Class of 2020 use 2018 taxes.
- ▶ Visit www.ICANSucceed.org or call (877) 272-4692 if you need help.

After You Apply

- ▶ Review your Student Aid Report (SAR) when it arrives.
- ▶ Respond promptly to any requests for documentation or verification.
- ▶ If requested by a college, make corrections using the IRS data retrieval tool within the FAFSA application.
- ▶ Read and compare award letters you receive in the spring.
- ▶ If necessary, begin to research loans. Plan ahead and borrow wisely (page 24.)

Borrow Wisely

Student loans are a form of financial aid that must be repaid. Loans can be a helpful — and sometimes necessary — source to help fund your education. You should consider borrowing only after you've exhausted other financial aid.

- ▶ Before you borrow, add up all the loans you'll need throughout college. Then determine if you can afford to repay them, plus pay all other living expenses, on the starting salary for the career field you have chosen. Check out the budget calculators at www.ICANSucceed.org/calculators or visit www.studentloan.org/gameplan for a simulated estimate based on your career.
- ▶ Find out if interest will accrue while you're in school and if your payments can be deferred until after you graduate. Visit www.ICANSucceed.org/payforcollege to compare loan types
- ▶ **Understand Your Limits.** You shouldn't borrow more than the starting salary for the career you intend to pursue after college. For example, if your expected starting salary is **\$25,000**, only borrow between **\$18,543-\$27,814**.

Before You Go to Campus

- ▶ Attend summer orientation programs to register for classes.
- ▶ Look for part-time jobs to earn money for college expenses and reduce the amount you need to borrow.
- ▶ Continue to search for scholarships and grants.
- ▶ Make sure all of your financial aid is in order, and if needed, make arrangements to cover additional costs.

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