



# USA Funds Countdown to College

ARIZONA

**Inside the 2009 issue:**

2-3 College Goal Sunday 4 Financial aid success story 5 Federal sources of aid 6 State grants, scholarships 8 College savings plan

Sponsored by USA Funds®, Arizona's education loan guarantor, this guide for parents and students will help you prepare for the adventure and experience of a lifetime.

# College Goal Sunday Offers Free Help to Access Money for College

Want to go to college but don't know how to pay for it? Attend College Goal Sunday to get free advice about how to complete the federal forms to qualify for grants and student loans.

For the 13th year, financial aid professionals at colleges, universities and technical schools across the state, as well as high school counselors, are donating their time to help families complete the Free Application for Federal Student Aid.

At most College Goal Sunday sites, students and their parents can complete the FAFSA online. To file the FAFSA electronically, you need a personal identification number from the federal government. This number allows you to apply for financial aid online and electronically sign your application, make changes or corrections to your FAFSA, and access your records.

If you plan to file your FAFSA online at College Goal Sunday, you should obtain a PIN before the event by accessing [www.pin.ed.gov](http://www.pin.ed.gov).

You can find step-by-step instructions to help you gather the necessary information and complete the FAFSA at [www.fafsa.ed.gov](http://www.fafsa.ed.gov).

## What is College Goal Sunday?

College Goal Sunday is an event to help students and their families complete the FAFSA. If you plan to pursue education beyond high school, completing this form is the first step toward qualifying for federal financial aid — including grants and loans — to help pay for your education. In addition, many scholarship donors require students to file a FAFSA, and many colleges and universities use the FAFSA to make decisions about institutional grant and scholarship awards.

The Arizona Commission for Postsecondary Education hosts College Goal Sunday in partnership with the Arizona Association of Student Financial Aid Administrators. USA Funds and Lumina Foundation for Education sponsor College Goal Sunday.

## Why should I attend College Goal Sunday?

Seeking education beyond high school can be expensive. According to the College Board, the 2008-2009 national average cost of tuition, fees, and room and board is \$14,333 per year for in-state students attending a four-year public university and \$25,200 for out-of-state students attending a four-year public university. Students attending a four-year private university pay \$34,132 per year. Average tuition and fees at public two-year colleges are \$2,402.

Most people who attend college receive some sort of financial aid. Each year federal programs provide more than \$90 billion in grants, loans and work-study assistance, as well as higher education tax benefits. Last year about three-fourths of all full-time undergraduates received financial aid, including federal student loans and institutional grants. To qualify for financial aid, students must complete and file the FAFSA.

## Why should I consider education beyond high school?

Going to college is your opportunity to get ahead. If you continue your education beyond high school, you are likely to have more career opportunities than if you go to work immediately after high school graduation. If you graduate from college, you are likely to earn more money — more than \$1 million in a lifetime — than someone with only a high school diploma will earn.

## When is College Goal Sunday?

College Goal Sunday is 2-4 p.m. Feb. 8 at 22 locations throughout the state, with special Saturday events from 2-4 p.m. Feb. 7 at eight locations. A list of sites is to the right in this publication and at [www.collegegoalsunday.com](http://www.collegegoalsunday.com).

## Do I need to know where I'm going to school?

No. But have some idea of your college choices, so you can indicate them on the FAFSA.

## What if I haven't done my taxes yet?

That's OK. Bring the information you have, such as W-2 Forms or other relevant 2008 income information. You can update the form later.

## How can I find out more information?

Call (602) 258-2435, Ext. 117, or visit [www.collegegoalsunday.com](http://www.collegegoalsunday.com).

## Sites Across State

COLLEGE GOAL SUNDAY WILL BE AT

**SATURDAY, FEB. 7  
2 P.M.**

### Central Region

#### 1. Avondale

##### **Estrella Mountain Community College**

Estrella Hall  
3000 N. Dysart Road  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

#### 2. Phoenix

##### **South Mountain Community College**

Technology Center — Second Floor  
7050 S. 24th St.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

##### **Phoenix College**

Library  
1202 W. Thomas  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

##### **Maricopa Workforce**

**Connections Career Center**  
1840 N. 95th Ave., Suite 160  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

#### 3. Tempe

##### **Arizona State University-Tempe**

Business Administration C-Wing  
Apache Boulevard and Normal Avenue  
*Navajo and Spanish interpreters available.*  
*FAFSA on the Web available.*

### Northern Region

#### 4. Flagstaff

##### **Coconino Community College**

Flagstaff Lone Tree Campus  
V. Philip Tullar Commons  
2800 S. Lone Tree Road  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

#### 5. Page

##### **Coconino Community College**

Page Campus  
Learning Enhancement Center  
475 S. Lake Powell Blvd.  
*Navajo interpreter available.*  
*FAFSA on the Web available.*

### Southern Region

#### 6. Tucson

##### **ITT Tech Tucson**

1455 W. River Road  
Theory Rooms 3 & 4  
*Spanish interpreter available.*  
*Limited FAFSA on the Web available.*



# to Host College Goal Sunday 2009

EIGHT SITES ON FEB. 7 AND AT 22 LOCATIONS ON FEB. 8 IN ARIZONA.

**SUNDAY, FEB. 8**  
**2 P.M.**

## Northern Region

### 7. Bullhead City

**Mohave Community College**  
Building 200  
3400 Highway 95  
*Limited FAFSA on the Web available.*

### 8. Chinle

**Chinle High School**  
Cafeteria  
U.S. Highway 191  
*Navajo interpreter available.*  
*Limited FAFSA on the Web available.*

### 9. Keams Canyon

**Hopi High School**  
Cafeteria  
Highway 264 — Hopi High Drive  
*FAFSA on the Web available.*

### 10. Kingman

**Mohave Community College**  
Building 107  
1971 Jagerson  
*Limited FAFSA on the Web available.*

### 11. Lake Havasu City

**Lake Havasu High School**  
Food Service Center  
2675 S. Palo Verde Blvd.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### 12. Prescott

**Yavapai College**  
Performance Hall — Building 19  
1100 E. Sheldon St.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### 13. Tuba City

**Tuba City High School**  
Main Library  
Warrior Drive  
*Navajo interpreter available.*  
*FAFSA on the Web available.*

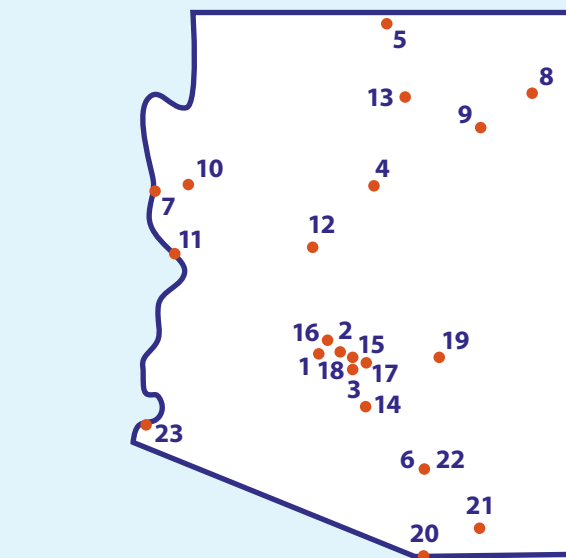
## Central Region

### 14. Casa Grande

**Central Arizona College**  
Casa Grande Center  
1015 E. Florence Blvd.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### 15. Gilbert

**Maricopa Workforce  
Connections Career Center**  
735 N. Gilbert Road, No. 134  
*Spanish interpreter available.*  
*FAFSA on the Web available.*



### 16. Glendale

**Glendale Community College**  
6000 W. Olive Ave.  
*Spanish interpreter available.*

### 17. Mesa

**Mesa Community College**  
Paul A. Elsner Library  
1833 W. Southern Ave.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### Arizona State University–Polytechnic

Agribusiness Center  
Power and Williams Field roads  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### 18. Phoenix

**ASU Downtown**  
411 N. Central Ave.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### DeVry University

2149 W. Dunlap Ave.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### Paradise Valley Community College

Studio Theatre  
18401 N. 32nd St.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

## Southern Region

### 19. Globe

**Globe High School**  
Library  
455 N. Willow St.  
*Limited FAFSA on the Web available.*

### 20. Nogales

**Santa Cruz County  
Historic Court House**  
21 E. Court St.  
*Spanish interpreter available.*  
*FAFSA on the Web available.*  
*Cochise College will staff this site.*

### 21. Sierra Vista

**Cochise College**  
901 N. Colombo  
Room 305 A & B  
*FAFSA on the Web available.*

### 22. Tucson

**Pima Community College**  
Downtown Campus  
Student Services Link Area  
1255 N. Stone Ave.  
*Spanish interpreter available.*  
*Limited FAFSA on the Web available.*

### Pima Community College

Desert Vista Campus  
Pueblo Building Cafeteria  
5901 S. Calle Santa Cruz  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### The University of Arizona

Aerospace & Mechanical  
Engineering Building  
1130 N. Mountain, Rooms 202 & 212  
(Northeast corner of  
Speedway and Mountain)  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

### 23. Yuma

**Arizona Western College**  
2020 South Avenue 8 E  
*Spanish interpreter available.*  
*FAFSA on the Web available.*

## COLLEGE GOAL SUNDAY WHAT TO BRING

Take these three simple steps to participate in College Goal Sunday and begin mapping out your education future:

1. Find a site in your area by consulting the map and list. You also can find site information and a map at [www.collegegoalsunday.com](http://www.collegegoalsunday.com).
2. If you are a dependent (claimed on your parent's tax return) who is age 23 or younger, single and have no dependents, bring a parent. Parents can attend with their students, or they can come in place of their students.

If you're age 24 or older, a veteran or currently serving in the U.S. Armed Forces, a current or former foster care youth/ward of the court, married, or have dependents, parent information is not required.

Bring your 2008 federal tax return, W-2 Forms or other relevant 2008 income information.

3. Arrive promptly at 2 p.m. so you have plenty of time to complete the form and get answers to your financial aid questions.

College Goal Sunday volunteers will provide everything else you need, including the Free Application for Federal Student Aid, worksheets, pencils and refreshments. For more information, call (602) 258-2435, Ext. 117, or visit the College Goal Sunday Web site at [www.collegegoalsunday.com](http://www.collegegoalsunday.com).





## Student Shares Financial Aid Knowledge at College Goal Sunday



*Erika Hernandez*

Erika Hernandez knows the value of financial aid.

Without it, she likely would be working full time — probably at two jobs — and not pursuing her dream of becoming a nutritionist. Instead she is working toward an associate degree at Mesa Community College, and has plans to transfer to Arizona State University to complete her studies in nutrition. A Federal Pell Grant, a Federal Work-Study position in the college’s financial aid office, and a part-time job have made it all possible.

“Growing up, my parents always told me I had to be an educated person and a humble person,” she says. As the oldest, she says, it was important for her to set a good example for her four younger brothers and one sister.

“Sometimes I feel pressure, but I’m proud to be the oldest,” she says, noting that her brother joined her at Mesa Community College this year.

When Hernandez was ready for college, she attended College Goal Sunday to get help completing the Free Application for Federal Student Aid. Last year she volunteered at the event helping to set up the site, greet attendees and answer questions in both English and Spanish. She plans to volunteer again this year.

“College Goal Sunday is important because paying for college is one of the factors that students and parents worry about most,” she says. “This event helps to prepare them and answer their questions.”

Hernandez works about 18-20 hours each week in the financial aid office doing data entry, preparing packets, performing clerical duties and helping to translate for other students when necessary. She works another 10-12 hours at a local fast food restaurant to help make ends meet.

She acknowledges that without financial aid she would simply be working full time instead of pursuing her educational and career goals. Her upbringing, Hernandez says, helps her to stay focused on her goals.

“I would like to be an example for other students who are starting college,” she says, “and to help them by volunteering at College Goal Sunday.”

# USA Funds Countdown to College

### COMMISSION WORKS TO BOLSTER ACCESS AND SUCCESS

The mission of the Arizona Commission for Postsecondary Education is to expand access and increase success in postsecondary education for Arizonans. Its strategic plan includes three goals:

- ◆ Increase available student financial assistance.
- ◆ Identify and implement strategies to help students and families plan, enter and succeed in postsecondary education.
- ◆ Provide a forum for all sectors of postsecondary education to work together on addressing and solving issues of mutual interest.

The Commission hosts College Goal Sunday in partnership with the Arizona Association of Student Financial Aid Administrators. USA Funds and Lumina Foundation for Education sponsor College Goal Sunday.



## FEDERAL PROGRAMS OFFER FINANCIAL HELP FOR COLLEGE

The U.S. government is the largest source of financial aid for college, providing about \$90 billion each year in grants, loans and work-study assistance, as well as higher education tax benefits. To qualify for most federal financial aid for college, families must complete the Free Application for Federal Student Aid. To complete the FAFSA online, you first should apply for a personal identification number at [www.pin.ed.gov](http://www.pin.ed.gov).

The major federal financial aid programs fall into three categories:

- ◆ **Federal grants**, which you do not repay.
- ◆ **Campus-based aid**, which is administered by school financial aid offices and includes grants, loans and work-study.
- ◆ **Federal student loans**, which students or parents must repay.

### FEDERAL GRANTS

In addition to the Federal Pell Grant and the Federal Supplemental Educational Opportunity Grant, the government offers two academic-based grants and created a new grant program in 2007 for teaching majors.

#### Pell Grant

- ◆ Must be a low-income undergraduate who is a U.S. citizen, U.S. national or eligible noncitizen.
- ◆ Maximum grant for the 2008-2009 academic year is \$4,731.
- ◆ Grant size depends on the amount the federal government estimates as your family's contribution to college costs, your cost of attendance, your full- or part-time status as a student, and whether you'll be in school for a full academic year.
- ◆ Funds are paid to the school, which can credit your account, pay you directly, or combine these payment methods.

#### TEACH (Teacher Education Assistance for College and Higher Education) Grant

- ◆ Must be a U.S. citizen or eligible noncitizen enrolled in an eligible institution pursuing undergraduate or graduate coursework needed for a teaching career. You also must agree to teach in a high-need field in a public or private elementary or secondary school that serves low-income students.
- ◆ High-need fields include bilingual education and English language acquisition, foreign language, mathematics, reading specialist, science and special education. The U.S. Department of Education's annual Teacher Shortage Area Nationwide Listing provides other teacher shortage areas; visit [www.ed.gov/about/offices/list/ope/pol/tsa.doc](http://www.ed.gov/about/offices/list/ope/pol/tsa.doc) in March for the new list. The Department's Annual Directory of Designated Low-Income Schools for Teacher Cancellation Benefits lists schools serving low-income students; visit [www.tcli.ed.gov](http://www.tcli.ed.gov).
- ◆ Provides grants of up to \$4,000 a year. Although you must complete the FAFSA, you do not need to show financial need.
- ◆ Must maintain a cumulative grade point average of at least 3.25 and score above the 75th percentile on college admissions tests.
- ◆ Each year you receive a TEACH grant, you must sign an agreement to serve as a teacher in the designated areas or schools. For each academic program for which you receive TEACH grant funding, you must agree to teach for four academic years within eight years of completing your academic program. If you fail to complete the required teaching service, all TEACH grant funds convert to a federal student loan.

#### Academic Competitiveness Grant

- ◆ Must be a first-year student who graduated from high school after Jan. 1, 2006, or a second-year student who graduated from high school after Jan. 1, 2005.
- ◆ Provides grants of up to \$750 for the first year of academic study and up to \$1,300 for the second year of academic study.
- ◆ Must be a U.S. citizen and a Pell Grant recipient, attend school full time, and have completed a rigorous high school curriculum as recognized by the U.S. secretary of education. For a state-by-state list of qualifying programs, go to [www.ed.gov/adms/finaid/about/ac-smart/state-programs.html](http://www.ed.gov/adms/finaid/about/ac-smart/state-programs.html).
- ◆ Must maintain at least a 3.0 cumulative GPA to qualify for the second year of the grant.

#### National SMART (Science and Mathematics Access to Retain Talent) Grant

- ◆ Must be majoring in physical, life or computer sciences; mathematics; technology; engineering; or a foreign language critical to national security. For a list of eligible majors, go to <http://ifap.ed.gov/dpccletters/attachments/GEN0809.pdf>.
- ◆ Provides grants of up to \$4,000 in each of the third and fourth years (and fifth year of a five-year program) of undergraduate study, if you are a full-time student.
- ◆ Must be a U.S. citizen and Pell Grant recipient, and maintain a cumulative GPA of at least 3.0.

### CAMPUS-BASED AID

Not all schools participate in these programs, so check with your financial aid office to determine what's available on your campus. Application deadlines vary by campus. It's important to apply early because when funds are gone, no more awards are made.

#### Federal Supplemental Educational Opportunity Grant Program

- ◆ Must be a low-income undergraduate student with exceptional financial need.
- ◆ Provides grants of \$100 to \$4,000 a year, depending on when you apply, your level of need, the funding level at your school, and your school's financial aid policies.
- ◆ The school will credit your account, pay you directly, or combine these payment methods.

#### Federal Perkins Loan Program

- ◆ Must be an undergraduate, graduate or professional student with exceptional financial need.
- ◆ Provided through a mix of federal funds, institutional contributions and loan repayments from previous borrowers.

- ◆ You may borrow up to \$5,500 per year if you're an undergraduate student and up to \$8,000 a year if you're a graduate student. The amount you receive depends on when you apply, your level of financial need, and the amount of funding at your school.
- ◆ The school pays you directly or credits your account.
- ◆ More than half of the loans go to students with family incomes of \$30,000 or less.
- ◆ As long as you are attending school at least half time, repayment begins nine months after you leave school. You are not charged fees for Perkins loans as long as you repay the school in full and on time.

#### Federal Work-Study

- ◆ Must be an undergraduate, graduate or professional student with financial need who plans to use earnings from part-time work to pay education expenses.
- ◆ Federal funds cover up to 75 percent of wages, with the remaining 25 percent or more paid by colleges and universities or businesses.
- ◆ Half the recipients come from families with incomes of less than \$30,000.
- ◆ Jobs pay at least the minimum wage, but the pay may be higher.
- ◆ The award amount depends on when you apply, your level of need and your school's funds.

### LOANS

Students may borrow low-interest loans from participating lenders under the **Federal Family Education Loan Program** or directly from the U.S. government under the **William D. Ford Direct Loan Program**. The source of your loan depends on the school you attend. Both programs offer Stafford loans for students and PLUS loans for parents of undergraduate students and for graduate and professional students.

#### Stafford loans

- ◆ Must be an undergraduate, graduate or professional student attending an eligible school on at least a half-time basis.
- ◆ If you can demonstrate financial need, the federal government pays the interest that accrues on your subsidized Stafford loan while you attend college, for up to six months after you leave school, and when you are authorized to defer loan payments.
- ◆ You are responsible for all interest payments on unsubsidized Stafford loans, which are available to all eligible students.
- ◆ Annual and aggregate loan limits apply to Stafford loans, based on your year in school and dependent or independent status.

*Continued on page 8*

# Explore Options for State Grants and Scholarships

Courtesy Arizona Commission for Postsecondary Education



Photo courtesy of Northern Arizona University.

Arizona students attending colleges and universities in the state can take advantage of a variety of financial aid programs.

## GRANTS

**Arizona College Access Aid Program (ACAAP)** — A new state grant program that is part of the College Access Challenge Grant through the Governor's Office. The program assists students with substantial financial need who are seeking an associate or baccalaureate degree at any regionally or nationally accredited institution.

**Special Leveraging Educational Assistance Program (SLEAP)** — Assists students with substantial financial need, focusing on those majoring in science, technology, engineering, mathematics or education programs at any regionally or nationally accredited institution in Arizona. Funds are limited and awarded on a first-come, first-served basis. You must be a college sophomore, junior or senior.

The maximum award for each program above is \$2,000. You may apply for both programs, but may receive funding from only one of the programs.

**Leveraging Education Assistance Partnership (LEAP)** — A federal, state and institutional matching grant program assisting students who demonstrate substantial financial need. Approximately 47 postsecondary institutions in Arizona participate in the LEAP program. Each participating institution administers the funds, based on the Free Application for Federal Student Aid.

The maximum individual award is \$2,500 annually, although the average is less than \$700.

**Postsecondary Education Grant Program (PEG)** — A non-need-based program that provides financial aid to baccalaureate-bound students attending a private postsecondary college or university in Arizona. You can receive \$2,000 per academic year for a total of four years. If you fail to obtain a baccalaureate degree within five years, you must reimburse the state for the entire amount of the grant.

**Private Postsecondary Education Student Financial Assistance (PFAP)** — A need-based grant that provides financial aid to students who graduate from an Arizona community college and enroll full time in a private postsecondary baccalaureate degree granting institution in Arizona.

You can receive \$2,000 per academic year for a total of two years. You must apply the funds toward tuition, fees and/or book expenses, and the amount of the award cannot exceed these costs. If you fail to obtain a baccalaureate degree within three years, you must reimburse the state for the entire amount of the grant.

**Arizona Financial Aid Trust Fund** — Provides grants to students with financial need who attend the University of Arizona, Arizona State University or Northern Arizona University. Funding comes from a combination of a legislative appropriation and a student surcharge on tuition that equals about 1 percent of the resident undergraduate tuition rate.

The fund awards grants through the financial aid application process at the three state universities.

To be eligible, you must qualify for admission to one of Arizona's public universities, and demonstrate financial need. To continue receiving the grant, you must meet academic requirements.

## SCHOLARSHIPS

**Early Graduation Scholarship Program (EGSG)** — A non-need-based college access program that encourages high school students to graduate early and promptly attend a regionally or nationally accredited Arizona postsecondary institution or vocational program.

If you graduate from a public high school or charter school at least one semester early and enroll full time at an eligible Arizona postsecondary institution, you may receive up to \$1,500. If you graduate at least one year early, you may receive up to \$2,000. You must



Photo courtesy of Arizona State University.

## Web Sites Offer College Planning Information

The Internet has a wealth of information about selecting colleges and obtaining student financial aid. Start your research with the following Web sites, and you can link to other helpful Internet sites and related topics.

**[www.usafunds.org](http://www.usafunds.org)** — College planning information specific to Arizona, tools for managing a student loan, repayment calculators, and forms and publications for students and parents are a few of this site's features.

**[www.going2college.org](http://www.going2college.org)** — This College Access Initiative site, developed by USA Funds in cooperation with Mapping Your Future, is designed to help Arizona residents make the most of their postsecondary education opportunities. Access this site and choose "Arizona" to find information specifically about higher education agencies and institutions in Arizona, savings plans, state financial aid programs, benefits for veterans, special programs and publications.

apply the funds toward tuition, fees or book expenses, and the amount of the award cannot exceed these costs.

For more information about these state grant and scholarship programs administered by the Arizona Commission for Postsecondary Education, visit [www.azhighered.gov](http://www.azhighered.gov).

**Arizona College Scholarship Foundation** — Provides scholarships to high-potential, low-income graduates of Arizona high schools. Scholarship recipients, who must be involved with one of the foundation's partner community groups, also receive on-campus support through foundation-sponsored mentoring, coaching and training events.

The foundation also offers internships and job-shadowing opportunities to scholarship recipients. Scholarships range from \$1,000 to \$6,000 per year and are renewable for four years.

To apply, you must be eligible for a Federal Pell Grant or have a family income level near the federal poverty level, be entering an Arizona community college or public or private university, and have participated in a required mentoring program.

For more information, visit [www.azcsf.org](http://www.azcsf.org).

**Arizona Board of Regents High Honors Endorsement Tuition Scholarship** — An award of in-state tuition at one of Arizona's state universities. To be eligible, you must graduate from an Arizona high school and meet the following criteria:

- ♦ Complete 16 core competency classes with a "B" grade or higher or have an acceptable score on the Advanced Placement test or a 4 on the International Baccalaureate test for that subject area.
- ♦ Achieve a grade point average of 3.5 on an unweighted scale of 4.0 or be in the top 5 percent of your high school graduating class.
- ♦ Meet the criteria in either of the following options:
  - Exceed standards on all three of the AIMS tests.
  - Exceed standards on two of the AIMS tests and meet standards on one of the AIMS tests. Under this option you also must receive a score of at least 3 on two AP tests or a score of at least 4 on two IB exams.

The scholarship is valid for one year following graduation and is renewable for an additional three years based on university-determined criteria.

Visit [www.ade.state.az.us/asd/tuitionwaiver/](http://www.ade.state.az.us/asd/tuitionwaiver/) for more details.

[www.azhighered.gov](http://www.azhighered.gov) — The Web site for the Arizona Commission for Postsecondary Education features information about Arizona grant programs and the Arizona 529 Plan, career planning and college tips, as well as links to local, regional and national financial aid-related organizations. Access the Arizona College and Career Guide on this site.

[www.collegegoalsunday.com](http://www.collegegoalsunday.com) — The College Goal Sunday 2009 site lists the locations throughout Arizona where families can get help with the financial aid process on Feb. 7 and 8.

[www.azcsf.org](http://www.azcsf.org) — The Arizona College Scholarship Foundation partners with a variety of organizations to offer scholarships to low-income high school graduates from Arizona. Mentoring, coaching and training events are also part of this program.

[www.az529.gov](http://www.az529.gov) — This site provides information about the Arizona 529 Plan, a 529 college savings plan that allows parents, grandparents, relatives or friends to save for a child's college education within a tax-deferred savings vehicle.

[www.collegeispossible.org](http://www.collegeispossible.org) — This site is an information resource for parents and students, developed by the American Council on Education. Learn about how to jump-start your education, prepare for college, and pay for college.

[www.knowhow2go.org](http://www.knowhow2go.org) — This site supports the multi-year, multimedia campaign launched last year by the American Council on Education, Lumina Foundation for Education and Ad Council to encourage students in grades eight through 10 to prepare for

college. The site includes four simple steps students can follow and grade-by-grade activities to pursue to get ready for college.

<http://nces.ed.gov/collegenavigator/> — The U.S. Department of Education's National Center for Education Statistics sponsors this College Navigator Web site. Students, parents, high school counselors and others interested in postsecondary education in the United States can compare profiles of nearly 7,000 colleges and universities, and search by location, program or major, or other institutional characteristics.

[www.ed.gov](http://www.ed.gov) — The home page for the Department of Education includes details about federal financial aid programs and links to related topics and sites.

## APPLY FOR \$1,500 USA FUNDS SCHOLARSHIP BY FEB. 16

Applications are available for the USA Funds Access to Education Scholarships® for the 2009-2010 academic year. To access the online application, visit [www.usafunds.org/scholarship](http://www.usafunds.org/scholarship) on the USA Funds Web site. The application deadline is Feb. 16.

USA Funds will award \$1,500 scholarships to assist eligible students nationwide in achieving their higher education goals. Qualified students must demonstrate financial need according to the following criteria:

### Eligibility

USA Funds Access to Education Scholarships are open to high school seniors, currently enrolled college students or incoming college students who have an annual adjusted gross family income of \$35,000 or less, as documented on a 2008 federal income tax return on which the applicant is claimed as a federal tax exemption.

Because Arizona is one of the eight states that USA Funds serves as the designated guarantor of federal education loans, applicants from Arizona will receive priority consideration. Additionally, up to 50 percent of the scholarship awards will be targeted to applicants who are members of ethnic minority groups or have documented physical disabilities.

### Awards

The program will award scholarships worth \$1,500 for full-time undergraduate, graduate and professional students, and half-time undergraduate students.

For 2008-2009, USA Funds awarded \$630,000 in USA Funds Access to Education Scholarships to help 425 low- to moderate-income students in Arizona pursue higher education.

During the past seven years USA Funds' scholarship program has awarded \$50 million to more than 15,000 students nationwide.





# 529 Plans Still Good Option in Tough Economic Times

COURTESY ARIZONA COMMISSION FOR POSTSECONDARY EDUCATION

Although the state of the nation's economy has raised concerns about investments and caused financial strain, parents still feel that providing the best possible education for their children is a top priority. The Arizona 529 Plan can help Arizona residents save to pay for that education.

A recent survey by the College Savings Foundation found that 53 percent of parents consider college savings their top priority, ahead of retirement or a house. Considering that in the past 10 years, the average cost for tuition and fees at four-year public institutions has increased nearly 51 percent, it is no surprise that financing college ranks high among areas of concern for parents.

The Arizona 529 Plan offers Arizona families the opportunity to save for their children's education and benefit from a significant tax savings. Arizona residents can deduct from their Arizona state income taxes annual 529 plan contributions up to \$750 for individuals and \$1,500 for married couples filing jointly.

It's never too late or too early to start saving for a college education, and even a small monthly contribution to a college savings plan can go a long way. Additionally, by saving for college with a 529 plan, students may have less reliance on student loans and less debt to pay after graduation.

In Arizona, for as little as \$15 a month or as much as \$60,000 in a single year, you can invest in your child's or grandchild's college education. You can place dollars in a diverse group of products, both conservative and aggressive — including Federal Deposit Insurance Corp.-insured products that guarantee the principal as well as offer a fixed rate of return.



The following are additional benefits that make saving for college through the plan easy and affordable:

- ◆ You may use 529 plan savings at most public and private colleges or universities as well as vocational schools nationwide.
- ◆ Distributions for qualified higher education expenses are free from federal and Arizona income taxes.
- ◆ The plan offers high contribution limits.
- ◆ Three experienced and trusted financial institutions — Fidelity Investments, College Savings Bank and Waddell & Reed — provide professional money management.
- ◆ 529 plan assets are not included in determining Arizona financial aid awards.

Adrienne Honig of Scottsdale says her family opened 529 accounts for both of their children — age 4 and 6 — when the children were born. “It is comforting to know that when the time comes to send them to college, we will have money to pay for it,” she says.

Visit [www.az529.gov](http://www.az529.gov) to learn more about college savings.

## FEDERAL PROGRAMS

*Continued from page 5*

- ◆ For loans first disbursed on or after July 1, 2008, you may be charged up to 2 percent of the total Stafford loan amount in loan fees. For loans first disbursed after July 1, 2009, you may pay up to 1.5 percent in loan fees.
- ◆ Repayment typically does not begin until six months after you leave school.
- ◆ Interest rates on Stafford loans disbursed from July 1, 1998, to June 30, 2006, are variable and are adjusted annually but may not exceed 8.25 percent. Currently the interest rate is 4.21 percent.

For loans first disbursed on or after July 1, 2006, the interest rate is fixed at 6.8 percent. Starting July 1, 2008, interest rates on subsidized Stafford loans for undergraduate students will be reduced according to this schedule:

- Disbursed after July 1, 2008, 6 percent.
- Disbursed after July 1, 2009, 5.6 percent.
- Disbursed after July 1, 2010, 4.5 percent.
- Disbursed between July 1, 2011, and June 30, 2012, 3.4 percent.

Unsubsidized Stafford loans for both undergraduate and graduate students will continue to carry a fixed interest rate of 6.8 percent.

- ◆ Some FFELP lenders offer interest-saving benefits on Stafford loans.
- ### PLUS loans
- ◆ Must be a parent of an undergraduate, dependent student, or you must be a graduate or professional student. If you are a graduate or professional student, you must complete the FAFSA and have applied for your annual loan maximum under the Federal Stafford Loan Program to be eligible to borrow under the PLUS loan program.
  - ◆ A credit check is required.
  - ◆ You may pay loan fees of up to 4 percent of the total loan amount, and these are generally taken out at disbursement.
  - ◆ The annual PLUS loan limit is equal to the cost of attendance less any financial aid.
  - ◆ If your PLUS loan was first disbursed prior to July 1, 2008, repayment begins 60 days after the final loan disbursement of the academic year. If you are a graduate or professional student who has a PLUS loan that meets this criterion, you

may defer repayment during periods when you are enrolled in school at least half time.

- ◆ If your parent PLUS loan was first disbursed on or after July 1, 2008, you are eligible to defer repayment while your undergraduate student attends school at least half time and for six months after the student graduates, leaves school or drops below half-time attendance. If you are a graduate or professional student who has a PLUS loan that meets this criterion, you also are eligible for these in-school and post-enrollment deferment periods.
- ◆ For all PLUS borrowers, interest begins accruing from the date of the loan's first disbursement.
- ◆ Interest rates on Federal PLUS loans disbursed from July 1, 1998, to June 30, 2006, are variable and are adjusted annually but may not exceed 9 percent. Currently the interest rate is 5.01 percent. For PLUS loans disbursed on or after July 1, 2006, the interest rate is fixed at 8.5 percent for FFELP PLUS loans and 7.9 percent for Direct PLUS loans.

Source: U.S. Department of Education. For more information, call the Federal Student Aid Information Center, (800) 433-3243, or visit the Web site, [www.studentaid.ed.gov](http://www.studentaid.ed.gov).