



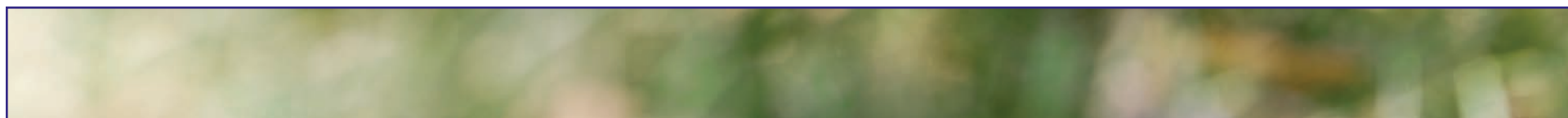
USA Funds Countdown to College

MARYLAND

Inside the 2009 issue:

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Sponsored by USA Funds®, Maryland'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.

On Feb. 8, 15 and 22, financial aid professionals from Maryland colleges and universities will staff several area locations, donating their time to help families complete the Free Application for Federal Student Aid.

"This event is an opportunity for students and parents to have financial aid experts provide free help in filling out the FAFSA, the cornerstone of the higher education financial aid application process," says Johnnae Campbell, deputy director of operations for College Goal Sunday.

College Goal Sunday is an event to help students and their families complete the FAFSA. Filling out this form is the first step toward qualifying for federal financial aid — including grants and loans — to help pay for education beyond high school. 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.

College Goal Sunday participants have a chance to win a \$500 or \$1,000 scholarship. Up to \$5,000 in scholarships will be awarded through drawings at the event's sites.

At most College Goal Sunday sites, you 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 the application, make changes or corrections to the FAFSA, and access your individual records.

If you plan to file the FAFSA online at College Goal Sunday, you should obtain a PIN before the event by accessing www.pin.ed.gov, and bring the PIN with you.

Organizers suggest that you arrive promptly at the start of the event to ensure adequate time to receive assistance. Step-by-step instructions about gathering the necessary information and completing the FAFSA are available at www.fafsa.ed.gov.

College Goal Sunday times and location details are to the right in this publication or visit www.collegegoalsundayusa.org/locations/delawaremaryland.asp.

The event's sponsors include USA Funds and Lumina Foundation for Education. Partners include Mideastern Association of Educational Opportunity Program Providers, College Advising Corps of Maryland, Southern Maryland College Access Network, Maryland Higher Education Commission, Department of Human Services, TRIO and CollegeBound.

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 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 Maryland is one of the eight states that USA Funds serves as the designated guarantor of federal education loans, applicants from Maryland 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 \$483,000 in USA Funds Access to Education Scholarships to help 323 low- to moderate-income students in Maryland pursue higher education.

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



Photo courtesy of University of Maryland by John T. Consoli.

College Goal Sunday

2009

College Goal Sunday will be Feb. 8, 15 and 22 in Maryland.



FEB. 8

1. Baltimore

Goucher College

Van Meter Hall, Lower Level
1021 Dulaney Valley Road
2-4 p.m.
FAFSA on the Web available.
Spanish interpreters available.
Snow date: Feb. 15, 2-4 p.m.
More information:
shassan@goucher.edu

Loyola College

4501 N. Charles St.
Sellinger Hall, Atrium
Noon-4 p.m.
FAFSA on the Web available.
Spanish interpreters available.
Snow date: Feb. 21, noon- 4 p.m.
More information:
tlewis@loyola.edu

2. Glen Burnie

Glen Burnie High School

Media Center
7550 Baltimore Annapolis Blvd.
2-4 p.m.
FAFSA on the Web available.
More information:
labellomo@loyola.edu

3. Takoma Park

Montgomery College

Takoma Park/Silver Spring campus
Charlene R. Nunley Student Services
Center, first floor
7625 Takoma Ave.
2-4 p.m.
FAFSA on the Web available.
Spanish interpreters available.
Snow date: Feb. 15, 2-4 p.m.
More information:
wendy.maldonado@montgomerycollege.edu

FEB. 15

4. Baltimore

Community College of Baltimore County

Dundalk campus
Cafeteria (K Building)
7200 Sollers Point Road
2-4 p.m.
FAFSA on the Web available.
Snow date: Feb. 22, 2-4 p.m.
More information:
mgay@ccbcmd.edu

FEB. 22

5. Landover

Prince George's

Sports & Learning Complex
8001 Sheriff Road
1-4 p.m.
FAFSA on the Web available.
Spanish interpreters available.
Snow date: March 1, 1-4 p.m.
More information:
qtj@umd.edu
(301) 429-5933
The University of Maryland Educational Opportunity Center is hosting this event.

WHAT TO BRING TO COLLEGE GOAL SUNDAY 2009

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

1. Find a site in your area by consulting the map and list. You also can find a list of locations at www.collegegoalsunday.usa.org/locations/delawaremaryland.asp.

2. If you are 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.

Parent information is not required if you meet any of the following criteria:

- ◆ You're age 24 or older.
- ◆ You're a veteran or currently serving in the U.S. Armed Forces.
- ◆ You're a current or former foster care youth/ward of the court
- ◆ You're married or have dependents.

Bring your 2008 federal tax return, W-2 Forms or other relevant 2008 income information such as Social Security benefits, untaxed income and child support payments.

3. Arrive promptly at the start of College Goal Sunday 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 that you need to complete the Free Application for Federal Student Aid.





USA Funds Countdown to College

Financial Aid Gives Student the Opportunity to Pursue College



Niki White

Niki White was a junior in high school before anyone ever mentioned college to her.

She had been in and out of foster homes in Maryland since she was 2 years old and had moved eight times since she was 14. Eventually, she made it to the home of Denis and Tammy Hanley in Port Republic.

“They were strong supporters of education, and they encouraged me to go to college,” she says.

College hasn’t been easy for White. She’s dyslexic, which makes it difficult for her to read and write — and sometimes speak — clearly. And she attended so many different schools growing up that she never quite acquired all the necessary skills needed to succeed in higher education.

When she first started at the College of Southern Maryland, she dropped out. The experience was too overwhelming, she says.

But she went back a year later. White had to take many classes just to get her ready for college-level work, but after three years of going to school full time and working full time with autistic children in the local school system, she graduated with associate of arts degrees in elementary education and general studies and a certificate in office technology.

Last fall she enrolled in Towson University near Baltimore to pursue a bachelor’s degree in deaf studies and human services.

Without financial aid, she says, she never “would have set foot in college.” She receives Federal Pell Grant funding and a state grant from Maryland. Until she turned 23 a little more than a year ago, she also qualified for up to \$5,000 a year through the Education Training Voucher program in Maryland that helps foster youth access college.

This academic year she took a part-time job on campus and took out her first student loan for \$10,000. She’s working hard to keep her grades up and hopes to qualify for more financial aid next year so she won’t have to take out another student loan.

White has two-and-one-half years to go to get her bachelor’s degree. After she graduates, she hopes to get a position with a social service agency as an American Sign Language interpreter and one day earn a master’s degree so she can teach at a school for the deaf.

For now she’s enjoying learning about the deaf culture and attending events where she can interact with people who are deaf. “I sign all the time — around deaf or hearing people. I love the language and the beauty of it,” she says.

She still visits the Hanleys from time to time. They currently are caring for her brother and her nephew. She doesn’t know what she would have done if they hadn’t pushed her to do well in school, apply for college and pursue financial aid.

“A lot of things can get in the way of getting your education,” she says. “It can be discouraging. But even if you have to take out loans, you have to try to see the positive side.

“When I finish my education, I will have reached a point in my life that two or three generations of my birth family never reached.”

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.

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/oep/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.
- ◆ 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/admns/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.

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Going to College — Your Monthly Planner

Preparing for college involves more than simply filling out a few forms. For most prospective college students, it's a process that begins during — or even before — their junior year of high school.

It's important to keep track of dates and deadlines, and to take advantage of the tools and information that are available to you. The Maryland Higher Education Commission's Web site, www.MDGo4it.org, has a variety of resources, including a "Preparing for College" section, guides to financial aid programs, answers about completing the Free Application for Federal Student Aid, and tips to help students prepare for college.

You also can call the MHEC Office of Student Financial Assistance toll-free at (800) 974-1024.

Review the following calendar, check out the Web sites, and get ready to mark your calendars!

JUNIOR YEAR

Spring semester

- ♦ Send away for information from the colleges and universities that interest you and that fit your college and career goals. For addresses and mailing information, check your high school library or local public library. The MHEC Web site, www.MDGo4it.org, lists all colleges and universities in Maryland. Search the Internet for schools outside Maryland; most colleges and universities have their own Web sites.
- ♦ Take the SAT or ACT exam. If your scores are good, you'll be one step ahead in the application process. If not, consider it a trial run and take the test again in the fall. Visit www.collegeboard.com and www.actstudent.org for test-taking tips and practice questions.

Summer vacation

- ♦ Review your career plans and decide which type of school is right for you. On the Maryland Department of Labor, Licensing and Regulation Web site at

www.dllr.state.md.us/county/, you can learn about researching the local job market, the best paying jobs and fastest growing careers, potential employers, wages of different positions, and education and training opportunities. The Maryland Business Roundtable for Education site at www.BeWhatIWantToBe.com is full of resources that can help you clarify your goals, explore what careers are right for your personality and skills, and help you prepare for postsecondary education.

- ♦ Review information from your prospective colleges. Highlight the admission guidelines and important dates.

SENIOR YEAR — MONTH BY MONTH

August

- ♦ Visit as many of your preferred colleges and universities as possible. Try to visit while classes are in session, make appointments in advance, and take any guided tours that schools offer.
- ♦ If you haven't taken the SAT or ACT, or plan to take the test again, ask your counselor for registration information and dates.
- ♦ Start developing a financial plan for college. Seek out scholarships, and review financial aid information. Visit the "Student Financial Assistance" section of the MHEC Web site, www.MDGo4it.org. Request applications from high school counselors or college representatives, and submit the required information.

September

- ♦ Meet with college representatives who visit your high school.
- ♦ Determine the colleges to which you want to apply, and note each school's application deadlines. Request any additional information you need — don't wait until the last minute to find out you need a different form.
- ♦ Ask teachers, employers and guidance counselors for recommendation letters to include with your application. Provide a résumé to help them compose the letters.
- ♦ Begin working on your college admission essays.

October

- ♦ Take the SAT or ACT.
- ♦ Continue working on your college admission essays.
- ♦ Visit your top school choices, and meet with students, staff and faculty.
- ♦ Contact schools' financial aid offices to determine required forms and application deadlines.
- ♦ Finalize your student portfolio.



Photo courtesy of University of Maryland by John T. Consoli.

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 — College planning information specific to Maryland, 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 — This College Access Initiative site, developed by USA Funds in cooperation with Mapping Your Future, is designed to help Maryland residents make the most of their postsecondary education opportunities. Access this site and choose "Maryland" to find information specifically about higher education agencies and institutions in Maryland, savings plans, state financial aid programs, benefits for veterans, special programs and publications.

November

- ◆ Attend college fairs and financial aid nights.
- ◆ Work on your admission applications and double-check deadlines. Some colleges have a section of paperwork that is due in November. Check housing availability and file the appropriate forms when you submit your admission application.
- ◆ Research scholarship opportunities. Go to www.going2college.org, choose “Maryland,” and search the many financial aid sources available. Also visit the USA Funds Web site, www.usafunds.org, choose “Planning for College,” and select “Scholarship Search” to find a database of more than 2.9 million scholarships totaling more than \$16 billion. The MHEC Web site, www.MDGo4it.org, offers an online scholarship search of state financial assistance programs for which you might be eligible.

December

- ◆ Finalize your admission applications, and keep copies of all materials you send.
- ◆ Prepare to file the FAFSA online at www.fafsa.ed.gov in early January. You may request a paper application at (800) 4-FED-AID — (800) 433-3243. It is better to file online, however, as you’ll be less likely to make mistakes.
- ◆ Follow up with schools to ensure that they received your application packets and other information such as recommendation letters.
- ◆ Many colleges and universities have admission deadlines in January. Send in all your applications on time.

January

- ◆ Have your parents complete their tax forms as soon as possible, because many schools need them to finalize your financial aid award packages. You will need the information from the tax forms to complete the FAFSA.
- ◆ File your FAFSA — preferably online at www.fafsa.ed.gov — as soon as possible after Jan. 1. You must file a FAFSA to apply for federally funded financial aid as well as many state programs, institutional aid and private funding sources. Many schools use this information to determine scholarship and grant awards. The FAFSA also is required for most student loans.
- ◆ Know your college and university financial aid deadlines. Some are much earlier than the FAFSA deadline.
- ◆ Make plans to attend College Goal Sunday for free help with completing the FAFSA. Check out www.collegegoalsundayusa.org/locations/delawaremaryland.asp for dates and a list of locations or find the list on page 3 of this publication.
- ◆ Contact the financial aid offices at your prospective colleges, and request any additional forms they require.

www.MDGo4it.org — The Maryland Higher Education Commission hosts a site with details about Maryland’s financial assistance programs, higher education options and careers in the state. The “Student Financial Assistance” section of the site offers a college aid calculator that estimates a student’s expected contribution for college costs, as well as the student’s eligibility for need-based financial aid. It also links to a variety of college planning publications. The site also features links to the Web sites of Maryland’s postsecondary schools.

www.collegegoalsundayusa.org/locations/delawaremaryland.asp — The College Goal Sunday 2009 site lists the locations where families can get free assistance with completing the Free Application for Federal Student Aid.

www.collegesavingsmd.org — The College Savings Plans of Maryland Web site offers information about the state’s 529 college savings plans, the Maryland Prepaid College Trust and the Maryland College Investment Plan. Families can use the college cost calculator to determine the cost of college at the time of enrollment, and apply online for both plans.

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.

February

- ◆ Plan to file your FAFSA no later than March 1 for priority consideration for Maryland state scholarships and grant programs. If your tax returns are not completed yet, make an estimate of your income and go back and make corrections later.
- ◆ Watch for your Student Aid Report detailing the results of your FAFSA. Follow the instructions listed to make changes or provide additional information.
- ◆ Prepare to take Advanced Placement exams.
- ◆ Ask your high school to send your first semester senior grades to the schools to which you have applied.

March

- ◆ You will begin receiving acceptance or rejection letters from colleges and universities. Note the deadlines for notifying schools of your attendance plans.
- ◆ Fight off spring fever — senior grades count!
- ◆ Submit tax forms to college financial aid offices, if required.
- ◆ Inquire about College-Level Examination Program credits at your prospective colleges.

April

- ◆ Decide which school you will attend. Mail any required deposits for confirmation of attendance and for student housing.
- ◆ Review the financial aid information for your school of choice. Complete student loan applications. Report to your school any private grants or scholarships you will receive.
- ◆ Let colleges know if you don’t plan to attend. This courtesy opens up space for someone else.

May

- ◆ Take Advanced Placement exams.
- ◆ Research any summer orientation programs that you must attend, and make plans to do so.
- ◆ Finalize summer job plans.
- ◆ Begin preparing a realistic student budget using your college costs and the cost of books, supplies and personal expenses.

June

- ◆ Plan for your college orientation.
- ◆ Follow up with the financial aid office to make sure all paperwork is complete.
- ◆ Enjoy your summer!

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.

Seven steps to take after filing your FAFSA

Completing a Free Application for Federal Student Aid is the first step to qualify for federal and state financial assistance and a variety of other sources of aid for college. After you complete the FAFSA — either the paper form or the online version at www.fafsa.ed.gov — there are several additional steps to determine your eligibility for financial aid.

1. A U.S. Department of Education processor analyzes the information submitted on the FAFSA. Using a formula prescribed by the U.S. Congress, the processor calculates the Expected Family Contribution — the amount your family is expected to contribute toward college expenses.
2. A Student Aid Report reports your EFC figure. Review your SAR for accuracy and retain copies with your financial aid records.
3. You can make changes to your FAFSA information electronically through Corrections on the Web, to which you may link through www.fafsa.ed.gov, using a personal identification number. Or, you can correct the information on the paper SAR.

You can check the status of your FAFSA by calling (800) 4-FED-AID — (800) 433-3243 — or by accessing www.fafsa.ed.gov and clicking on “Check status of a submitted FAFSA.” Please wait at least 24 hours after submitting a FAFSA before checking its status electronically.

4. The information from the processed FAFSA also is reported to the schools that you listed in Step Six of the FAFSA. The financial aid office of each school compares your EFC against its cost of attendance. The difference between those figures represents your financial need. The financial aid staff members attempt to meet this financial need by tailoring an aid package, which may include grants, work-study employment and loans.



Photo courtesy of University of Maryland by John T. Consoli.

5. Some financial aid applications will be selected for a federally required verification process. Your family may have to present federal tax returns and other financial documents to the financial aid office to verify that the information submitted on your FAFSA is accurate.
6. Some postsecondary institutions, particularly private colleges and universities, as well as graduate and professional schools, require students to file an additional financial aid form known as the CSS Profile. These schools use the additional information supplied on this form to determine the allocation of the school's own financial aid programs, including grants, scholarships and loans.
7. After the financial aid office completes its financial aid packaging, it sends an award letter, listing the types and amounts of aid for which you are qualified, as well as the estimated cost of attending the school. You review the award package and decide whether to accept it.

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.