

# START FILLING IN THE GAPS

Sometimes only applying for scholarships is not enough to help pay for college. It is important to consider other options to pay for your college education. These options may include: applying for financial aid (FAFSA), considering a part time job and potentially taking out student loans. Whatever method you chose to pay for college, it is important to remember to carefully inform yourself about each method before diving head first!

## **Part-Time Jobs**

Getting a part-time job may be one way to cover any gaps in your cost of attendance. Remember to start off slow, working only a few hours a week in a small job. Keep in mind, it will also be your first year of college and you need to make sure you set enough time aside for studying and homework. Diving into a full time job your first year is not a good idea. You still do not know how busy you will be so you need to start off slow and test the waters. As you begin to establish a routine for studying, homework and work you can start to add more hours along the way.

## **Apply for Financial Aid (FAFSA)**

The Free Application for Federal Student Aid (FAFSA) is free money from the federal government for students to attend college. It is based off your parent's income, your income, family size and number of students attending college. The application is free and instantly tells you what to expect from the FAFSA. This money goes directly to your school and is automatically subtracted from your balance. The FAFSA offers various types of aid including: grants, work-study and student loans.

Grants are financial aid that does not have to be repaid. The only way you'd repay a grant is if you withdraw from school and owe a refund. Grants are often need-based, while scholarships are usually merit-based. There are major types of grants offered by the FAFSA. These include: Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), Teacher Education Assistance for College and Higher Education (TEACH) Grants and the Iraq and Afghanistan Service Grants

A Federal Pell Grant, unlike a loan, does not have to be repaid. The amounts offered for a Pell Grant can change yearly. The maximum Federal Pell Grant award was \$5,645 for the 2013–14 award year (July 1, 2013 to June 30, 2014). For the 2014–15 award year (July 1, 2014 to June 30, 2015), the maximum award will be \$5,730. The amount you get, though, will depend on: your financial need, your cost of attendance, your status as a full-time or part-time student, and your plans to attend school for a full academic year or less.

A Federal Supplemental Educational Opportunity Grant (FSEOG) is a grant for undergraduate students with exceptional financial need. The FSEOG program is administered directly by the financial aid office at each participating school and is therefore called “campus-based” aid. Not all schools participate in this grant so it is important to check with your school's financial aid office to find out if the school offers the FSEOG. You can receive between \$100 and \$4,000 a year, depending on your financial need, when you apply, the amount of other aid you get, and the

availability of funds at your school. Each participating school receives a certain amount of FSEOG funds each year from the U.S. Department of Education's office of Federal Student Aid. Once the full amount of the school's FSEOG funds has been awarded to students, no more FSEOG awards can be made for that year. This system works differently from the Federal Pell Grant Program, which provides funds to every eligible student.

Federal Work-Study provides part-time jobs for undergraduate and graduate students with financial need, allowing them to earn money to help pay education expenses. The program encourages community service work and work related to the student's course of study, most of the time your work-study jobs will be campus. If you work on campus, you'll usually work for your school. If you work off campus, your employer will usually be a private nonprofit organization.

## **Student Loans**

If you apply for financial aid, you may be offered loans as part of your school's financial aid offer. A loan is money you borrow and must pay back with interest. If you decide to take out a loan, make sure you understand who is making the loan and the terms and conditions of the loan. Student loans can come from the federal government or from private sources such as a bank or financial institution. Loans made by the federal government, called federal student loans, usually offer lower interest rates and have more flexible repayment options than loans from banks or other private sources, so if you are considering taking out a loan try to aim for a student loan from the government first before a private bank loan. Two types of student loans are offered by the FAFSA: subsidized and unsubsidized loans.

Direct Subsidized Loans are loans made to eligible undergraduate students who demonstrate financial need to help cover the costs of higher education at a college or career school. The U.S. Department of Education pays the interest on a Direct Subsidized Loan while you're in school at least half-time, for the first six months after you leave school (referred to as a grace period\*), and during a period of deferment (a postponement of loan payments).

Direct Unsubsidized Loans are loans made to eligible undergraduate, graduate, and professional students. The student does not have to demonstrate financial need to be eligible for the loan. You are responsible for paying the interest on a Direct Unsubsidized Loan during all periods. If you choose not to pay the interest while you are in school, your interest will accumulate and be added to the principal amount (balance) of your loan.