



# Federal Student Aid At a Glance



## WHAT is federal student aid?

Federal student aid is financial help for students enrolled in eligible programs at participating schools to cover school expenses, including tuition and fees, room and board, books and supplies, and transportation. A "school" could be a two-year or four-year public or private educational institution, a career school, or a trade school. Most federal aid is need-based. The three most common types of aid are grants, loans, and work-study.

**GRANTS**...financial aid that does not have to be repaid. Generally, grants are for undergraduate students, and the grant amount is based on need, cost of attendance, and enrollment status.

Federal Pell Grants for the 2002-2003 school year range from \$400 to \$4,000.

Federal Supplemental Educational Opportunity Grants (FSEOG) range from \$100 to \$4,000.

**LOANS**...borrowed money that must be repaid with interest. Both undergraduate and graduate students may borrow money. Parents may also borrow to pay education expenses for dependent undergraduate students. Maximum loan amounts depend on the student's year in school.

**Federal Stafford Loans** are made to students, and Federal PLUS Loans are made to parents. There are two loan programs:

- William D. Ford Federal Direct Loan (Direct Loan) Program: eligible students and parents borrow directly from the federal government at participating schools. Direct Loans include Direct Stafford Loans, Direct PLUS Loans, and Direct Consolidation Loans.
- Federal Family Education Loan (FFEL) Program: private lenders provide federally guaranteed funds. FFELs include FFEL Stafford Loans, FFEL PLUS Loans, and FFEL Consolidation Loans.

**Federal Perkins Loans** are offered by participating schools to provide low-interest loans to students that demonstrate the most need.

**WORK-STUDY**...lets you earn money for education expenses while enrolled in school.

**NOTE:** *Not all schools participate in all of the Federal Student Aid (FSA) programs. Ask your school's financial aid administrator which programs are available.*

## WHO gets federal student aid?

Some of the requirements to receive aid from the U.S. Department of Education's FSA programs are that you must

- Be a U.S. citizen or eligible noncitizen with a valid Social Security Number;
- Have a high school diploma or a General Education Development (GED) certificate, pass an approved ability-to-benefit (ATB) test, or be a homeschooled student who meets certain criteria (call our toll-free number below for details);
- Enroll in an eligible program as a regular student seeking a degree or certificate; and
- Register (or have registered) with the Selective Service if required.

## HOW do you apply for federal student aid?

1. Complete the *Free Application for Federal Student Aid* (FAFSA).

The FAFSA lists deadlines for federal and state aid. Check deadlines! Schools and states may have different deadlines for aid.

You may apply online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). If you don't have Internet access, you can get a paper FAFSA from

- a high school guidance office;
- a college financial aid office;
- a local public library; or
- the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243)

2. Review your *Student Aid Report* (SAR).

One to four weeks after you submit your FAFSA, we will send you a SAR, either by an e-mailed link or on paper. The SAR confirms the information reported on your FAFSA and will tell you your Expected Family Contribution (EFC). Your financial aid administrator will use the EFC to determine the amount of federal student aid for which you qualify.

3. Contact the school(s) you might attend.

Talk with the financial aid administrator(s) at the school(s) you're interested in attending. They will review your SAR and prepare a letter outlining the amount of aid (from all sources) that their school will offer you.



## Federal Student Aid At a Glance, continued

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<b>Federal Student Aid Program</b>	<b>Type of Aid</b>	<b>Other Information</b>	<b>2002-03 Annual Award Limits</b>	<b>Disbursement</b>
<b>Federal Pell Grant</b>	Grant: does not have to be repaid	Available almost exclusively to undergraduates	\$4,000	School acts as the U.S. Department of Education's agent
<b>Campus-Based Programs</b>				
<b>FSEOG</b>	Grant: does not have to be repaid	Not all schools participate in all Campus-Based Programs. For undergraduates only	\$4,000	School disburses funds to students
<b>Federal Work-Study</b>	Money is earned; does not have to be repaid	Not all schools participate in all Campus-Based Programs	No annual maximum	School disburses earned funds to students
<b>Federal Perkins Loan</b>	Loan: must be repaid	Not all schools participate in all Campus-Based Programs	\$4,000 for undergraduate students \$6,000 for graduate students	School disburses funds to students
<b>Direct Loan and FFEL Programs</b>				
<b>Subsidized Stafford Loan</b>	Loan: must be repaid	<b>Subsidized:</b> U.S. Department of Education pays interest while student is in school and during grace and deferment periods	\$2,625 to \$18,500, depending on grade level	Direct Loans: federal government provides funds to schools to disburse to students FFEL: private lenders provide funds to schools to disburse to students
<b>Unsubsidized Stafford Loans</b>	Loan: must be repaid	<b>Unsubsidized:</b> borrower is responsible for interest during life of the loan	\$2,625 to \$18,500, depending on grade level	Same as above
<b>PLUS Loan</b>	Loan: must be repaid	Available to parents of dependent undergraduate students	Cost of attendance minus any other financial aid received	Same as above