

Going to college?

Financial Aid: How It Works

(Includes Financial Aid Calendar)

Helping You Afford College: Financial aid is intended to make up the difference between what your family can afford to pay and what college costs. The majority of full-time students currently enrolled in college receive some type of financial aid to help pay college costs.

Overview of Financial Aid: The financial aid system is based on the idea that all students should have equal access — that you should be able to attend college, regardless of your financial circumstances. Here's an overview on how the system works: You and your family are expected to contribute to the cost of college to the extent that you're able. If your family is unable to afford the entire cost (and most families are not), financial aid is available to help you pay for college.

Who Decides How Much My Family Is Able to Contribute? The amount your family is able to contribute is often referred to as the expected family contribution (EFC). This figure is determined by the organization that is awarding the aid — usually the federal government or individual colleges and universities.

These groups use formulas that analyze your family's financial circumstances and compare them with other families' financial circumstances. The formulas use your income, assets and family size to calculate your EFC, and expect that your family can meet the EFC through a combination of savings, current income and borrowing.

Three Main Types of Financial Aid: Financial aid is any type of assistance used to pay college costs.

Grants and Scholarships: Grants and scholarships, which are also called gift aid, don't have to be repaid and you don't need to work to earn them. Grant aid comes from federal and state governments and from individual colleges. You can also locate and apply for scholarships which are usually awarded based on merit.

Loans: Some financial aid comes in the form of loans, aid that must be repaid. Most loans that are awarded based on financial need are low-interest loans sponsored by the federal government. The government subsidizes these loans, so no interest accrues until you begin repayment after you graduate. There are other loan options available that are not need-based.

If you need to borrow money to attend college, be sure your federal loan options are exhausted before considering private loans. And don't borrow more than you need or can afford to pay back. Our Student Loan Calculator tool can help you figure it out.

Work: Student employment and work-study aid also help you pay for education costs such as books, supplies and personal expenses. Work-study is a federal program that provides you with part-time employment to help meet your financial needs and gives you work experience while you serve your campus and the surrounding community.

Colleges with Higher Costs Can Be Affordable: You might think that colleges with higher published prices will cost you more, but that's not necessarily the case. Imagine that your EFC is determined to be \$5,000. At a college with a total cost of \$8,000, you'd be eligible for up to \$3,000 in financial aid. At a college with a total cost of \$25,000, you'd be eligible for up to \$20,000 in aid. Your family would be asked to contribute the same amount at both colleges. In this situation you should review and compare your aid awards carefully to determine which is the best option for you.

Apply Early and Follow All the Rules

Millions of families apply for financial aid successfully each year — approximately two-thirds of full-time college students receive some type of aid. What's the best way to get financial aid? First, research available programs, policies and deadlines. Next, follow the procedures rigorously and make sure all deadlines are met. Use this calendar to help you stay on schedule.

This calendar is only a general guide and does not apply to all colleges. Consult financial aid materials, financial aid offices and individual websites for the specific requirements and deadlines for each of your colleges.

The summer before Senior Year

1. Request college applications and financial aid information. Organize everything into separate files by college. Use My College List to keep track of deadlines and materials.

Learn more: <http://www.collegeboard.com/student/apply/the-application/568.html>

2. Keep a college calendar of all admission and financial aid deadlines.
3. Continue to research scholarships online; one good place to start is our [Scholarship Search](#). Find out if employers offer scholarships or tuition reimbursement. Check with all the organizations and associations to which your family belongs.

Learn more: <http://www.collegeboard.com/student/pay/scholarships-and-aid/8936.html>

4. Learn more about how financial aid eligibility is determined; a good source of information is *Meeting College Costs*, available from the College Board store. CSS/Financial Aid PROFILE® filers can order this publication at a discount directly from the PROFILE site.

Learn more: <http://store.collegeboard.com/sto/productdetail.do?Itemkey=009096>

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During your Senior Year

September

1. Find your college! See your teacher NOW if you don't have colleges picked out. Create an account on the College Board website

Learn more: <http://collegesearch.collegeboard.com/search/index.jsp>

2. Use the College Matchmaker to find a college that is right for you. Use My College List to keep track of deadlines and materials.

Learn more: <http://collegesearch.collegeboard.com/search/index.jsp>

3. Learn if your family qualifies for financial aid; you can use the Expected Family Contribution (EFC) Calculator to help you. By subtracting your EFC from the cost of the colleges where you are applying, you can get a rough idea of your maximum eligibility for financial aid.

Learn more: http://apps.collegeboard.com/fincalc/efc_welcome.jsp

4. Make sure you have the forms you need for financial aid; review what you need for the Free Application for Federal Student Aid (FAFSA) so you are ready to submit it beginning January
5. Check your library for books and pamphlets about financial aid; you can also search online for information. Look for special state, federal and local programs from which you may be able to get aid.

October

1. If you are applying early decision or early action, fill out a supplemental aid application (if required) using estimated income figures.
2. Check website and print materials to see if the colleges you are considering require you to submit your aid applications earlier than the typical deadline so that you can receive priority consideration for merit- or need-based scholarships. Your admission and financial aid applications might be due in the winter to qualify for some types of scholarships.

Learn more: <http://www.collegeboard.com/student/pay/scholarships-and-aid/8936.html>

3. Get information on state and local scholarships from your counselor. Many of these programs require the FAFSA, the PROFILE, or both.

Learn more: <https://profileonline.collegeboard.com/prf/index.jsp>

4. Search the PROFILE website to see which institutions require the PROFILE and to research their priority filing dates. PROFILE Online is available beginning October 1 for early decision and early action applicants who are applying for financial aid.

Learn more: <https://profileonline.collegeboard.com/prf/index.jsp>

5. Register with Selective Service if you are a male who will be 18 at the time you complete the FAFSA. You won't be eligible for federal and state aid unless you do. Register at the post office or through the FAFSA form. Call Selective Service at 888-655-1825 for more information.

Learn more: <http://www.sss.gov/>

November

1. Apply for scholarships in time to meet application deadlines.

Learn more: <http://www.collegeboard.com/student/pay/scholarships-and-aid/8936.html>

2. Request a Department of Education PIN. The PIN serves as an electronic signature for FAFSA on the Web and significantly reduces processing time.

Learn more: <http://www.pin.ed.gov/PINWebApp/pinindex.jsp>

3. Visit PROFILE Online if you're applying for regular decision admission and for financial aid; it is not too early to submit the PROFILE application.

Learn more: <https://profileonline.collegeboard.com/prf/index.jsp>

December

1. Apply for scholarships in time to meet application deadlines.

2. Go online to visit FAFSA on the Web.

Learn more: <http://www.fafsa.ed.gov/>

3. Start gathering the documents you'll need to fill out the FAFSA. They're listed on the FAFSA website.

Learn more: <http://www.fafsa.ed.gov/before003.htm>

4. Review any early decision and early action responses. If you are admitted to your early decision school and you have applied for financial aid you should also receive a financial aid award. Some early action programs may admit you but not send a financial aid award notice until later in the spring. Check the college's literature for more information.

5. Read the award letter carefully. Some require you to submit a written acceptance. Make sure you understand the terms and conditions of the award before making a final decision. Contact the college's financial aid office if you have questions.

January

1. Prepare your tax return, and make sure your parents prepare theirs, as early as possible, since you need income and asset figures from the returns to complete the FAFSA. It is not necessary to submit your tax return to the IRS before submitting the FAFSA.

2. Start filling out the PROFILE application for colleges that require it as soon as possible to meet February priority deadlines. If you complete the application after January 5, you can print out a FAFSA worksheet, which provides answers to most of the FAFSA questions.

Learn more: <https://profileonline.collegeboard.com/prf/index.jsp>

3. Sign and submit the FAFSA as soon as possible after January 1. Applying early improves the chances of receiving aid from as many sources as possible.

Learn more: <http://www.fafsa.ed.gov/>

Learn more: <http://www.collegeboard.com/student/pay/scholarships-and-aid/8341.html>

4. Complete the preapplication worksheet if you are submitting the FAFSA online. It is designed to help your family organize your financial information for FAFSA, and **should not be submitted** to federal processors.
5. Complete the institutional financial aid application for each college if one is required.
6. Send tax returns and other documents to the Institutional Documentation Service (IDOC) customer service center if you're applying to any participating colleges or scholarship programs.

Learn more: <https://idoc.collegeboard.com/idoc/index.jsp>

February

1. Participate in activities, such as financial aid information nights, scheduled by your high school or local colleges to celebrate Financial Aid Awareness Month. These activities help you learn more about how financial aid eligibility is determined.
2. Make sure to submit your applications and meet the priority deadlines for PROFILE in early to mid-February. Applications received by the priority deadline are given the highest consideration.
3. Review your Student Aid Report (SAR); it should arrive two to four weeks after you submit the FAFSA. If you have not received it after four weeks call 800-4-FED-AID or 800-433-3243 / TTY 800-730-8913. The EFC figure is printed on the front page at the upper right-hand corner. If there are any errors on the SAR, make corrections and mail it back immediately.

Learn more: <http://www.collegeboard.com/student/pay/scholarships-and-aid/409.html>

4. If you provided your e-mail address on the FAFSA, you will be sent a link to an electronic version of your SAR. Make corrections to the SAR online at FAFSA on the Web.

Learn more: <http://www.fafsa.ed.gov/>

March

1. See if there is an asterisk next to the EFC figure on your SAR. If there is, your FAFSA was chosen for a routine process known as "verification." During verification, the information you submitted is checked against copies of signed tax returns. Be sure to submit all requested documentation to the financial aid office in a timely fashion.
2. Start looking for summer jobs or paid internships.

Learn more: <http://www.fafsa.ed.gov/>

April

1. Read aid award letters carefully and be sure to meet deadlines for accepting awards. Most admission decisions and financial aid award letters arrive this month.

Learn More: <http://www.collegeboard.com/student/pay/ways-to-pay/412.html>

2. Use the Compare Your Aid Awards tool to see a side-by-side comparison of aid awards.

Learn More: http://apps.collegeboard.com/fincalc/compare_aid.jsp

3. Consider meeting with financial aid staff members to discuss your situation if your full need has not been met, or if your family's financial circumstances have changed.

Learn More: <http://www.collegeboard.com/student/apply/letters-are-in/413.html>

4. Make your final decision.
5. Mail the enrollment form and deposit check to the college you chose before May 1, the reply deadline for most colleges.
6. Hit the books for next month's AP® Exams. Your AP scores determine how much college credit is granted — college credit for AP Exams can mean big savings.
7. Keep working hard; the college you plan to attend wants your senior-year grades.

May

1. Take AP Exams if (applicable). Make sure scores are sent to your college.
2. If it is difficult for your family to pay the EFC, start pursuing alternatives, such as parent loans, to close the financial aid gap.

Learn More: <http://www.collegeboard.com/student/pay/loan-center/433.html>

3. Review your financial aid package. If it includes student loans, your college will send you instructions about the loan application process. You need to complete and sign the Master Promissory Note (MPN) to receive your Stafford Loan.

The Summer Before College

1. Return the fall semester bill with proper payment as quickly as possible.
2. Check to make sure you have completed all forms correctly and met all deadlines so that financial aid funds will be credited to your student account before the beginning of the semester.
3. Work to help cover your first-year college expenses.

Learn More: <http://www.collegeboard.com/student/pay/ways-to-pay/451.html>

4. Make plans to get to college. Book early for the best prices and ask if student discounts are available.
5. Finalize your housing plans.
6. Set up a bank account near campus if you visit during the summer.

First Year of College

September

1. If you have a Stafford, complete loan counseling (or an "entrance interview") so it can be disbursed. This is a federal requirement to ensure that you understand all loan obligations. The college's financial aid office provides you with information about the counseling process — in most cases, you complete a brief online questionnaire.
2. Sign a promissory note if you have been awarded a Perkins Loan.
3. If you have a work-study job, approach it with a professional attitude, even if it isn't something you love.

Learn More:

Borrowing Tips: Ten Essentials:

<http://www.collegeboard.com/student/pay/loan-center/428.html>

Loan Repayment and Debt:

<http://www.collegeboard.com/student/pay/loan-center/432.html>