

Financial Aid Reference Sheet

Types of Aid

Gift Aid

Grants
Scholarships

Federal Student Loans

Perkins Loan
Stafford Loan
Plus Loan

Federal Work-Study

Federal Student Loan Details

Perkins Loan

Borrower: Student
Apply: FAFSA
Need-Based: Yes
Interest Rate: 5%
Grace Period: 9 months
Maximum Amount Per Year: \$5,500

Stafford Loan

Borrower: Student
Apply: FAFSA and Stafford Loan Application
Need-Based: Subsidized = yes, Unsubsidized = no
Interest Rate on Subsidized:
Loans disbursed 7/1/08–6/30/09 = 6.0%
Loans disbursed 7/1/09–6/30/10 = 5.6%
Loans disbursed 7/1/10–6/30/11 = 4.5%
Loans disbursed 7/1/11–6/30/12 = 3.4%
Interest Rate on Unsubsidized: 6.8%
Grace Period: 6 months
Maximum Amount Per Year
(total Stafford loans for freshman): \$5,500

PLUS Loan

Borrower: Parents
Apply: PLUS Loan Application
Need-Based: No (credit check required)
Interest Rate: Fixed rate of 8.5%
Repayment: Payments begin within 60 days after the money is fully disbursed or six months after your child ceases to be enrolled at least half-time, depending on the option you select when you first take out a PLUS loan.
Maximum Amount Per Year:
Difference between cost of attendance and financial aid offered to student

Financial Aid Process

1. Apply for admission to colleges.
2. Apply for a U.S. Department of Education (ED) PIN at pin.ed.gov.
3. Complete and submit the Free Application for Federal Student Aid (FAFSA) at fafsa.ed.gov.
4. Check with colleges to see if other forms are required.
5. Apply for scholarships.
6. Review your Student Aid Report (SAR) and submit changes as needed.
7. Compare award letters.
8. Accept an award letter.
9. Select lenders and sign Master Promissory Notes (MPN) for federal loans you've accepted.
10. Look into PLUS or private loans if necessary.

Financial Need Calculation

Cost of Attendance	Expected Family Contribution (EFC)
Tuition	Calculated by the U.S. Department of Education
Room and Board	Based on information you provide on the FAFSA
Books	Amount you may be expected to contribute towards cost of attendance
Transportation	Not an amount you pay up front
Personal Expenses	Everyday necessities and general expenses that should be included in your budget

Overview of Terms

EFC (Expected Family Contribution): The U.S. Department of Education's estimate of the amount you and your family may be expected to contribute towards your education.

FAFSA (Free Application for Federal Student Aid): You must complete the FAFSA to be considered for federal student aid.

Financial Need: The difference between the cost of attending college and the amount you and your family may be expected to contribute.

MPN (Master Promissory Note): A contract you sign when you accept a student loan, agreeing to the terms and conditions and to pay the money back.

SAR (Student Aid Report): Sent to you by the U.S. Department of Education after you submit the FAFSA, it includes all of the information you provided on the FAFSA, as well as your Expected Family Contribution (EFC). It is used by colleges to determine how much financial aid you are eligible to receive.