

# Planning Your Future for Juniors



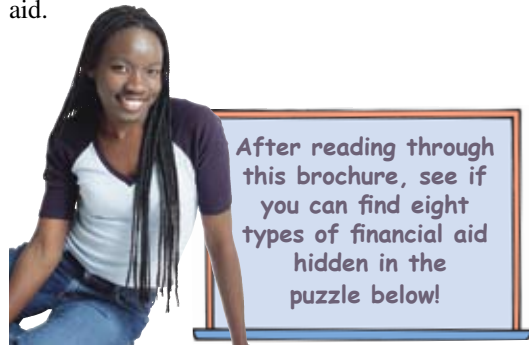
**A free guide to  
planning and paying for  
higher education**

Compiled and printed by the  
Alabama Student Loan Program–KHEAA  
in cooperation with the  
Alabama Association of Student  
Financial Aid Administrators (AASFAA)

## Introduction

If you're puzzled about how you'll pay for your higher education, you're not alone. Whether you're planning to go to college, technical college, or private trade school, you must consider what your education will cost and the sources of student aid that can help you pay your expenses. Because financial aid is available, it's important that you don't rule out a school based on cost alone.

Making the transition to higher education takes planning. The Alabama Student Loan Program–KHEAA and AASFAA hope this brochure helps make the planning easier by providing some basic information about student financial aid.



### Types of Financial Aid

- Grants
- Scholarships
- Waivers
- Conversion Loans
- Loans
- Work-Study
- Military Benefits
- Prepaid Tuition

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## Financial Aid Questions and Answers

**Q: What are the types of financial aid?**

**A:** Several types are listed below.

**Grants:** Gift assistance that normally doesn't have to be repaid (if you fail to enroll, withdraw or change your enrollment status, you may be required to return a percentage of the money). Grant awards are based on financial need.

**Scholarships:** Gift assistance based on skill, ability, talent or achievement. These are merit-based and do not have to be repaid.

**Waivers:** An arrangement offered by some schools to cancel specific costs for students who meet certain qualifications. For instance, if one of your parents was a firefighter killed or disabled in the line of duty in Alabama, some schools would grant you a waiver.

**Conversion scholarships/loans:** Scholarships which require the recipient to provide certain services for prescribed periods of time or pay back the money with interest.

**Work-study:** Part-time employment that lets students earn money toward a college education by working either on or off campus.

**Loans:** Money borrowed to cover the cost of education which must be repaid with interest.

**Military benefits:** Financial aid available to individuals (or to their dependents) who have performed military service or are preparing to enter the U.S. Armed Forces.

**Prepaid tuition:** Contract purchased to guarantee fully paid undergraduate tuition for a fixed number of credit hours at a participating college.

**Q: Who provides financial aid?**

**A:** Schools, state and federal governments, and private lenders and organizations provide financial aid. However, you and your family have the primary responsibility for meeting educational expenses to the best of your ability.

**Q: How is financial aid awarded?**

**A:** It's awarded on the basis of financial need (need-based) or on the basis of academic achievement, athletic ability, or other talents or abilities (merit-based). Most financial aid is need-based but is often awarded in combination with merit-based awards.

**Q: How do I apply?**

**A:** The standard application for most state and federal financial aid programs is the Free Application for Federal Student Aid (FAFSA). You can file your FAFSA online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). Information that you provide on the FAFSA will be used to determine how much your family is expected to pay toward the cost of your higher education.

You should check with the school you plan to attend to find out whether additional application forms are needed. For example, Federal Stafford Loans and Federal PLUS Loans require separate applications in addition to the FAFSA.

**Q: When do I apply?**

**A:** Early! File your FAFSA as soon as possible after January 1 of your senior year in high school, as soon as your family has its tax preparation data. Students who file early have the best chance of receiving financial aid for which they're eligible. Deadlines for financial aid programs vary. If you don't know the deadline, check with the financial aid office, your high school counselor or the contact for program information.

**Q: What does higher education cost?**

**A:** Many institutions of higher education are located throughout Alabama. Costs for a school year range from \$7,594 to \$44,808 for a four-year school and from \$3,660 to \$13,632 for a two-year school. Keep in mind that these estimated costs include tuition/fees, room/board, books/supplies, transportation, and personal/miscellaneous expenses.






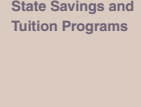
**Q: Where can I get more information about financial aid?**

**A:** A chart of the major financial aid programs for Alabama students can be found on the inside of this brochure. Your guidance counselor or the financial aid officer of a school you're interested in attending can provide more detailed information about these and other financial aid programs. Check online for financial aid information at [www.alstudentaid.com](http://www.alstudentaid.com), the website of the Alabama Student Loan Program-KHEAA, and [www.alabamamentor.org](http://www.alabamamentor.org).



# Major Financial Aid Programs for Alabama Students

The chart below provides general, at-a-glance information. For more detailed information, see your guidance counselor or the financial aid officer at the school you plan to attend.

	Programs	General Eligibility	Award Amounts	Program Administrator	Application	
	Grants	Academic Competitiveness Grant	First or second-year undergraduate	Participating colleges	FAFSA	
	Alabama Student Assistance Program Grant	AL resident and undergraduate with financial need attending an eligible school at least half-time	From \$300 to \$5,000 each academic year	Alabama Commission on Higher Education	FAFSA	
	Alabama Student Grant	AL resident and undergraduate enrolled at an eligible in-state private school at least half-time	Up to \$1,200 each academic year depending on program funding	Alabama Commission on Higher Education	Contact the school's financial aid office	
	Federal Pell Grant	Undergraduate with financial need and no baccalaureate or higher degree	Set by federal government each year; maximum \$4,310 for the 2007–2008 academic year	Participating colleges	FAFSA	
	Federal Supplemental Educational Opportunity Grant (FSEOG)	Undergraduate with no baccalaureate or higher degree with exceptional financial need	Up to \$4,000 each academic year depending on program funding and need	Participating colleges	FAFSA	
	National Science and Mathematics Access to Retain Talent (SMART) Grant	Third or fourth-year undergraduate in certain fields	Up to \$4,000 per year	Participating colleges	FAFSA	
	Scholarships	Robert C. Byrd Honors Scholarship	AL resident and current high school senior with a good GPA and ACT or SAT score enrolled at an eligible college	Alabama State Department of Education	Contact your high school guidance counselor	
	American Legion Auxiliary Scholarship	AL resident and child/grandchild of a WWI, WWII, Korea, Vietnam, Beirut, Grenada, Panama or Desert Storm veteran	Tuition, fees and room and board at an Alabama public four-year college with on-campus housing	American Legion Auxiliary	Send self-addressed stamped envelope to American Legion Auxiliary, 120 N. Jackson St., Montgomery, AL 36104	
	American Legion Scholarship	AL resident who is the son, daughter, grandson or granddaughter of a war veteran	\$850, renewable yearly at participating schools	The American Legion	Send self-addressed, stamped envelope to The American Legion, P.O. Box 1069, Montgomery, AL 36102	
	Junior and Community College Athletic Scholarship	Full-time student with demonstrated athletic ability	Tuition and books	Participating junior and community colleges in Alabama	Contact the school's financial aid office, coach, or athletic director	
	Junior and Community College Performing Arts Scholarship	Full-time student with demonstrated talent	In-state tuition	Participating junior and community colleges in Alabama	Contact the school's financial aid office	
	Two-Year College Academic Scholarship	Student with demonstrated academic merit	In-state tuition and books	Participating public two-year colleges in Alabama	Contact the school's financial aid office	
	Waivers	Alabama Scholarship for Dependents of Blind Parents	Dependent of a blind AL resident who is head of household and has financial need	Alabama State Department of Rehabilitation Services	Call (334) 613-2248	
	Police Officer's and Firefighter's Survivor's Educational Assistance Program	Dependent or spouse of a police officer or firefighter killed or permanently and totally disabled in the line of duty in Alabama	Undergraduate tuition, fees, books and supplies at an Alabama public college	Alabama Commission on Higher Education	Call (334) 242-2273	
	Loans	Federal Perkins Loan	Student with exceptional financial need	\$4,000 annual maximum for undergraduates	Participating colleges	FAFSA
	Federal Stafford Loan (FFELP)*	Undergraduate, graduate, or professional student enrolled at least half-time in an eligible program at an eligible school	Maximums for undergraduate: \$2,625–\$10,500; graduate or professional: \$8,500–\$18,500	Alabama Student Loan Program–KHEAA	FAFSA and Master Promissory Note	
	Federal PLUS Loan (FFELP)*	Graduate student or parent or stepparent of a dependent student enrolled at least half-time in an eligible program at an eligible school	Contact the school's financial aid office (maximum amount equals cost of attendance <i>minus</i> all other financial aid)	Alabama Student Loan Program–KHEAA	FAFSA and Master Promissory Note	
	Federal Consolidation Loan (FFELP)*	Student loan borrower currently in grace or repayment	Contact a participating lender	Alabama Student Loan Program–KHEAA	Consolidation Loan Application and Promissory Note	
	Nursing Student Loan	Nursing student with financial need enrolled at least half-time	Varies	Participating colleges	Contact the school's financial aid office	
	Primary Care Loan	Medical school student with financial need	Varies	Participating colleges	Contact the school's financial aid office	
	Work-Study	Federal Work-Study Program (FWSP)	U.S. citizen or eligible noncitizen with financial need enrolled at an eligible school	At least the federal minimum wage (maximum amount equals cost of education <i>minus</i> all other financial aid)	Participating colleges	FAFSA
	Military Benefits	Alabama GI Dependent's Educational Benefit Program	Student at an Alabama public college who is the child/spouse of an eligible Alabama veteran	Tuition, instructional fees and book assistance	Alabama State Department of Veterans Affairs	Call (334) 242-5077 or contact any county veterans service officer
	Alabama National Guard Educational Assistance Program	Active member in good standing with a federally recognized unit of the Alabama National Guard	Tuition, educational fees, books and supplies at an Alabama public college; limited to \$500 each term/\$1,000 each year	Alabama Commission on Higher Education	Contact any Alabama National Guard unit	
	Reserve Officers Training Corps (ROTC) Scholarship	High school senior or graduate	Varies	Participating colleges	Contact the school you plan to attend	
National Service	AmeriCorps	U.S. citizen or permanent resident alien age 17 or older who performs national community service before, during or after college	Up to \$4,725 for each year of service (maximum of two awards)	Corporation for National and Community Service	Call (800) 942-2677 or contact the Corporation for National and Community Service, 1201 New York Avenue, NW, Washington, DC 20523	
	State Savings and Tuition Programs	Alabama Higher Education 529 Fund	Family saving for a child's college education	Requires minimum investment of \$250 or \$25 per month	Alabama State Treasurer's Office	Call (866) 529-2228 or contact the State Treasurer's Office, College Savings Programs, 600 Dexter Avenue, Suite S-106, Montgomery, AL 36104
	Alabama Prepaid Affordable College Tuition (PACT) Program	Parent or other adult who wants to prepay a child's future college tuition	Contract to prepay four years of future college tuition offered for sale	Alabama State Treasurer's Office	Call (800) 252-7228	

\* Loans may also be available at some colleges under the Federal Direct Loan Program.

## Other Services

The Alabama Student Loan Program—KHEAA offers many programs and services for Alabamians. They include:

### Publications

- *Getting In*—for high school seniors
- *Affording Higher Education*—a reference book of over 4,000 financial aid programs for Alabamians
- *Top 10 Student Financial Aid Tips*—a brochure filled with suggestions to help students locate and apply for student aid
- *Surf the Net*—a brochure that lists web addresses for Alabama higher education institutions and other sites that provide free financial aid and college information

### Toll-free loan account information

- (800) 928-8926

### [www.alstudentaid.com](http://www.alstudentaid.com)

- Account information and application status for KHEAA loans
- KHEAA publications (see above list)
- Links to other financial aid sites

### Client Services Representatives

- (800) 928-8926—for anyone who is considering a loan to pay higher education expenses and needs general information

**Note:** This information is provided FREE to the public. If you paid for this publication, please write to the address below and give us the name and address of the organization that charged you.



## For More Information

**Alabama Student Loan Program—KHEAA**  
100 North Union Street, Suite 308  
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Toll free: (800) 721-9720 Fax: (334) 265-9750  
[www.alstudentaid.com](http://www.alstudentaid.com)