The Guide to Federal Student Aid

FUNDING YOUR EDUCATION

This publication provides basic information on federal student aid to help you pay for college or career school.

STUDENTAID.GOV

Federal **Student** **Aid**

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What is federal student aid?

It's money from the federal government—specifically, the U.S. Department of Education—that helps you pay for college or career school, or graduate school expenses. More than $150 billion in federal student aid is available through grants, work-study, and loans every year.

Who gets federal student aid?

Every student who meets certain eligibility requirements can get some type of federal student aid, regardless of age or family income. The most basic eligibility requirements are that you must

- demonstrate financial need (for most programs);
- be a U.S. citizen or an eligible noncitizen;
- have a valid Social Security number;
- register (if you haven't already) with Selective Service if you're a male between the ages of 18 and 25;
- maintain satisfactory academic progress in college or career school; and
- show you're qualified to obtain a college or career school education by
  - having a high school diploma or General Educational Development (GED) certificate or
  - completing a high school education in a homeschool setting approved under state law.

Find more details about eligibility requirements at **StudentAid.gov/eligibility.**

How do I apply for federal student aid?

To apply for federal student aid, you need to complete the *Free Application for Federal Student Aid* (FAFSA®) at **www.fafsa.gov**. Completing and submitting the FAFSA is free and quick, and it gives you access to the largest source of financial aid to pay for college or career school.

When do I complete the FAFSA?

If you plan to attend school in the fall, you should apply for aid by completing the FAFSA as soon as possible after Jan. 1 of the year you plan on attending.

A few things to remember:

- To receive federal student aid for the 2015–16 award year, the deadline for submitting the FAFSA is June 30, 2016.
- You need to apply as soon as you can! Schools and states often use FAFSA information to award nonfederal aid. Their deadlines are usually early in the year. Check with the schools you're interested in to find out about their deadlines. Find state deadlines at **www.fafsa.gov**.
- You must reapply for federal student aid every year.
- If you change schools, your aid doesn't automatically transfer with you. Check with your new school to find out what you need to do to continue receiving financial aid.

Your FAFSA helps you apply for federal, state, and school financial aid!

If you're not ready to apply for federal student aid, but you'd like to estimate your aid, visit **StudentAid.gov/fafsa/estimate** to try *FAFSA4caster*, an early eligibility estimator.

What information do I report on the FAFSA?

The FAFSA asks for information about you (your name, Social Security number, date of birth, address, etc.) and about your financial situation. A series of questions will also determine whether you must provide information about your parents. Whether you must report that information or not depends on whether you're a "dependent" or an "independent" student.

Learn more about dependency status at **StudentAid.gov/dependency**.

Where does my FAFSA information go once I submit it?

Your information is shared with the schools you list on the FAFSA.

- The financial aid office at a school to which you applied uses your FAFSA information to determine how much federal student aid you may receive at that school.
- If the school has its own funds to use for financial aid, it might use your FAFSA information to determine your eligibility for that aid. (The school might also have other forms it wants you to fill out to apply for aid there, so check with the school's financial aid office to be sure.)

Your FAFSA information also goes to state higher education agencies where your chosen schools are located. Many states have financial aid funds that they give out based on FAFSA information.

I completed the FAFSA... now what?

After you apply, you'll receive a *Student Aid Report* (SAR), which is a summary of the FAFSA data you submitted. You'll get your SAR within three days to three weeks after you submit your FAFSA, depending on the method of delivery you selected. Be sure to look over your SAR to make sure you didn't make any mistakes on your FAFSA. The SAR won't tell you how much financial aid you'll get; it's a summary of the information being sent to the schools you listed on your FAFSA.

If you don't need to make any changes to the information listed on your SAR, just keep it for your records. To find out how to correct mistakes, or update your FAFSA, visit **StudentAid.gov/fafsa/next-steps/accept-aid**. Next, expect to receive an award letter from the schools at which you were accepted.

What's an award letter?

If you applied for admission to a school and have been accepted (although not all schools require students to be accepted before telling them of their eligibility for aid), and you listed that school on your FAFSA, the school will calculate your aid and send you an electronic or paper "award letter" telling you how much aid you're eligible to receive at that school. The timing of the award letter varies from school to school and could be as early as springtime (awarding for the fall) or as late as immediately before you start school. It depends on when you apply and how the school prefers to schedule awarding of aid.

How much will I get?

When a school's financial aid office sends you an award letter, the letter will list the types of aid and amounts (from all sources) the school will offer you.

How much aid you receive depends on

- cost of attendance (for each school);
- Expected Family Contribution (number used to calculate how much financial aid you're eligible to receive based on the information in your FAFSA);
- year in school; and
- enrollment status (that is, full-time, half-time, etc.).

You can compare aid offers from the schools to which you applied and see which school is the most affordable once financial aid is taken into account. Keep in mind that the financial aid office at the school will determine how much financial aid you're eligible to receive. Contact the school's financial aid office if you have any questions about your award letter or the aid being offered to you.

For more information on how aid is calculated, visit **StudentAid.gov/how-calculated**.

Should I accept all the aid I'm offered?

You don't have to. When your school financial aid office sends you an award letter, they'll tell you how to indicate which financial aid you want to accept. A good approach is to start by accepting the financial aid funds you don't have to pay back, such as grants.

Look carefully at your options and make sure you accept only what you need, especially when it comes to loans, which you'll have to pay back.

For more information on accepting aid, visit **StudentAid.gov/fafsa/next-steps/accept-aid**.

How will I receive my aid?

In most cases, your federal student aid will be applied directly to your school account. The financial aid staff at your school will explain exactly how and when your aid will be paid out. They will also let you know whether you need to meet any other requirements. If you're getting federal student loans for the first time, you must complete entrance counseling and sign a master promissory note before you receive your loan money.

TYPES OF FEDERAL STUDENT AID

There are three categories of federal student aid: grants, work-study, and loans.

Grants: Money that doesn't have to be repaid. For more information on grants, visit StudentAid.gov/grants.

Program	Eligibility and Program Details	Award Amounts (subject to change)
Federal Pell Grant	For undergraduates with financial need who have not earned bachelor's or professional degrees; in some cases, however, a student enrolled in a postbaccalaureate teacher certification program might receive a Federal Pell Grant. A student can receive a Federal Pell Grant for no more than 12 semesters or the equivalent (roughly six years).	Up to $5,730 For details and updates, visit **StudentAid.gov/pell-grant**
Federal Supplemental Educational Opportunity Grant (FSEOG)	For undergraduates with exceptional financial need; Federal Pell Grant recipients take priority; funds depend on availability at school.	Up to $4,000 For details and updates, visit **StudentAid.gov/fseog**
Teacher Education Assistance for College and Higher Education (TEACH) Grant	For undergraduate, postbaccalaureate, and graduate students who plan to become teachers; recipient must sign Agreement to Serve saying he or she will teach full-time in a high-need field for four complete academic years (within eight years of completing the academic program) at an elementary school, secondary school, or educational service agency serving children from low-income families. If recipient does not satisfy this requirement, all TEACH Grants must be repaid as Direct Unsubsidized Loans with interest accrued (accumulated) from date the grant was first disbursed (paid to student).	Up to $4,000 For details and updates, visit **StudentAid.gov/teach**
Iraq and Afghanistan Service Grant	For students who are not Pell-eligible due only to having less financial need than is required to receive Pell funds; whose parent or guardian died as a result of military service in Iraq or Afghanistan after the events of 9/11; and who, at the time of the parent's or guardian's death, were less than 24 years old or were enrolled at least part-time at an institution of higher education. A student can receive an Iraq and Afghanistan Service Grant for no more than 12 semesters or the equivalent (roughly six years).	Up to $5,311.71 for grants first disbursed on or after Oct. 1, 2014, and before Oct. 1, 2015 For details and updates, visit **StudentAid.gov/Iraq-Afghanistan**

Work-Study: Money that's earned while attending school and that doesn't have to be repaid. For more information on work-study, visit StudentAid.gov/workstudy.

Federal Work-Study	For undergraduate and graduate students; jobs can be on campus or off campus; students are paid at least federal minimum wage; funds depend on availability at school.	No annual minimum or maximum amounts For details and updates, visit **StudentAid.gov/workstudy**

Loans: Borrowed money for college or career school. You must repay your loans, with interest. For more information on loans, visit StudentAid.gov/loans.

Federal Perkins Loans	For undergraduate and graduate students with exceptional financial need; must be repaid to school that made the loan; 5% interest rate.	Undergraduate students: up to $5,500; graduate and professional students: up to $8,000 For details and updates, visit **StudentAid.gov/perkins**
Direct Subsidized Loans	For undergraduate students who have financial need; U.S. Department of Education pays interest while borrower is in school and during grace and deferment periods; student must be at least half-time; 4.66% interest rate for loans first disbursed on or after July 1, 2014, and before July 1, 2015; visit **StudentAid.gov/interest** for latest information on interest rates. First-time borrowers may not receive this type of loan for more than 150 percent of the length of their program of study; U.S. Department of Education may stop paying interest if student who received Direct Subsidized Loans for maximum period continues enrollment.	Up to $5,500, depending on grade level For details and updates, visit **StudentAid.gov/sub-unsub**
Direct Unsubsidized Loans	For undergraduate and graduate students; borrower is responsible for all interest; student must be at least half-time; financial need is not required; 4.66% (undergraduate) and 6.21% (graduate or professional) interest rates for loans first disbursed on or after July 1, 2014, and before July 1, 2015; visit **StudentAid.gov/interest** for latest information on interest rates.	Up to $20,500 (less any subsidized amount received for the same period), depending on grade level and dependency status For details and updates, visit **StudentAid.gov/sub-unsub**
Direct PLUS Loans	For parents of dependent undergraduate students and for graduate or professional students; borrower is responsible for all interest; student must be enrolled at least half-time; financial need is not required; 7.21% interest rate for loans first disbursed on or after July 1, 2014, and before July 1, 2015.	Maximum amount is cost of attendance minus any other financial aid student receives For details and updates, visit **StudentAid.gov/plus**

For current interest rates, visit **StudentAid.gov/interest**. For more information on types of federal student aid, visit **StudentAid.gov/types**.

Do I have to repay my loans?

Student loans, unlike grants and work-study, are borrowed money that must be repaid, with interest, just like car loans and home mortgages. You cannot have these loans canceled because you didn't like the education you received, didn't get a job in your field of study, or are having financial difficulty. So think about the amount you'll have to repay before you take out a loan. Student loans aren't easily written off in bankruptcy.

You don't have to wait until you graduate to start repaying your loans.

For detailed information on repayment, visit **StudentAid.gov/repay**.

You can use our repayment estimator to estimate your federal student loan payments under each repayment plan. Visit **StudentAid.gov/repayment-estimator** to use the tool.

Contact Us

U.S. Department of Education
Federal Student Aid Information Center (FSAIC)
P.O. Box 84
Washington, DC 20044-0084
1-800-4-FED-AID (1-800-433-3243)
TTY users can call 1-800-730-8913.
Callers in locations without access to 1-800 numbers may call 319-337-5665 (this is not a toll-free number).

Stay Connected
Access your federal loan information at **StudentAid.gov/login**

Information for U.S. armed forces
StudentAid.gov/military

/FederalStudentAid

/FAFSA

/FederalStudentAid

The information in this guide was compiled in summer 2014. For changes to federal student aid programs since then, visit **StudentAid.gov.**

Printed: November 2014
Photos: U.S. Department of Education

Steps to remember when applying for financial aid

Keep track of what you need to do when applying for federal student aid. Remember that free help is available any time during the application process.

1. Get free information and help from your school counselor, the financial aid office at the school you plan to attend, or the U.S. Department of Education at **StudentAid.gov** or 1-800-4-FED-AID (1-800-433-3243). You should never have to pay for help!
2. Apply online at **www.fafsa.gov**. For the 2015–16 school year, you must complete the FAFSA between Jan. 1, 2015, and June 30, 2016 (no exceptions to either date!). Apply as soon as possible after Jan. 1 to meet school and state aid deadlines.
3. Within a few days of receiving your FAFSA, the U.S. Department of Education will send you your *Student Aid Report* (SAR)—based on the information in your FAFSA—by e-mail with a link to your electronic SAR. Whether you receive your SAR online or on paper depends on whether you provide an e-mail address on your FAFSA. Review your SAR and, if necessary, make changes or corrections following the instructions in it. Your SAR has to be correct to ensure that you receive your aid.
4. Be sure to respond to any correspondence your school sends you.
5. Review award letters from schools to compare types and amounts of aid being offered. Each school will tell you how much aid you can get there. Contact the school's financial aid office if you have any questions about the aid being offered.