High School Counselor's HANDBOOK

2004-05

FEDERAL STUDENT AID
U.S. DEPARTMENT OF EDUCATION

Important Web Sites

For you:

FSA for Counselors—resources to help you
help your students www.fsa4schools.ed.gov/counselors

- Online training
- Information on planning a financial aid presentation
- Information about videoconferences

Bulk Publication Ordering System ..... www.edpubs.org/ml

For your students:

Student Aid on the Web—planning for college,
paying for college, and repaying student loans ..... www.studentaid.ed.gov

Funding Your Education ..... www.studentaid.ed.gov/fye
The Student Guide ..... www.studentaid.ed.gov/guide
Looking for Student Aid ..... www.studentaid.ed.gov/LSA

FAFSA on the Web and Federal School Codes ..... www.fafsa.ed.gov
PIN information and registration ..... www.pin.ed.gov

Important Telephone Numbers

Federal Student Aid Information Center (FSAIC)

Toll-free number for questions
about federal student aid 1-800-4-FED-AID (1-800-433-3243)
TTY (for the hearing impaired) 1-800-730-8913
Toll number for inquirers calling
from foreign countries ..... +1-319-337-5665

Inspector General Hotline

Reporting student aid fraud
(including identity theft), waste, or abuse
of U.S. Department of Education funds 1-800-MIS-USED
(1-800-647-8733)
e-mail: ..... oig.hotline@ed.gov
web site: ..... www.ed.gov/misused

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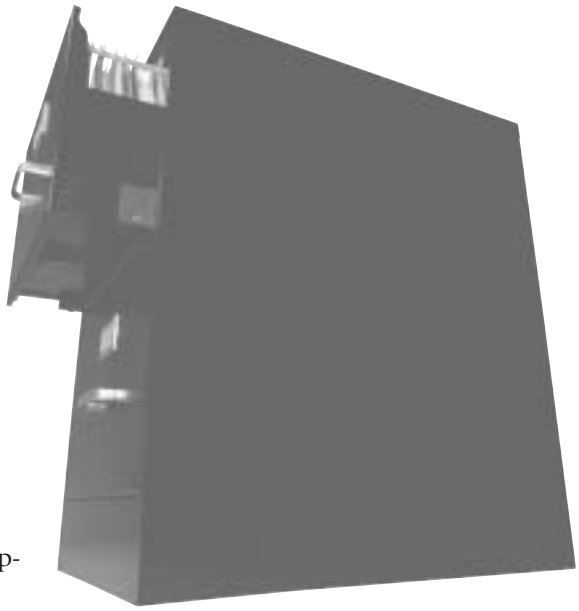
INTRODUCTION

The *High School Counselor's Handbook* 2004-05 provides useful information to help high school and TRIO counselors advise students about financial aid for postsecondary education. This book focuses on the federal student aid programs administered by the U.S. Department of Education. We also have included handouts on a variety of topics, from financial aid scams to military scholarships to choosing a postsecondary school. (See Appendix C.)

Another resource that might interest you is a two-item set of materials to help you plan and present a financial aid information session. The presentation, called *How to Apply for Federal Student Aid,* is available in PowerPoint; if you use an overhead projector, you can download the PDF version and print it out onto overhead flimsies. The accompanying PDF booklet, *Planning A Financial Aid Awareness Program,* has a script and hints about hosting a financial aid night. You can download the materials at www.fsa4schools.ed.gov/counselors (click on "Financial Aid Night" on the lefthand side of the screen) or order hard copies from 1-877-4-ED-PUBS.

Finally, we wanted to invite you to visit our FSA for Counselors web site, which offers information and suggestions for addressing the critical problem of students' lack of information about postsecondary education options. At the site, follow the Preparing, Funding, and Resources tabs and the hotlinks within the text to reach the online *High School Counselor's Handbook,* other federal student aid guides, *FAFSA on the Web,* and the financial aid presentation mentioned above. Additionally, you can use our database to locate college access programs in your area in order to counsel your students more effectively.



We welcome any comments or suggestions on ways to make this handbook more useful in future editions. Please send your comments to

U.S. Department of Education
Student Aid Awareness
3rd Floor
830 First Street, NE
Washington, DC 20202

If you prefer, you may e-mail comments to cindy.cameron@ed.gov

We hope you find this publication informative and helpful. To order up to three additional free copies for your staff, call 1-800-4-FED-AID (1-800-433-3243; TTY: 1-800-730-8913). To receive more than three additional copies, call 1-877-4-ED-PUBS (1-877-433-7827).

PART ONE
General Information About Postsecondary Opportunities

Many high school students are unaware that they might be eligible for financial aid to attend college. Unfortunately, many of the neediest students assume they can't afford to go to college to continue their education. High school counselors are an important source of information about financial aid from private, school, state, and federal student aid programs.

To help students find out more about the U.S. Department of Education's (ED's) federal student aid programs, you can give them copies of *Funding Your Education*, a free ED publication especially for high school juniors and younger students. Seniors and parents will benefit more from *The Student Guide*, a comprehensive description of the federal student aid programs. Each fall ED sends a letter with instructions on ordering *The Student Guide, Funding Your Education*, and the *Free Application for Federal Student Aid* (FAFSA) to every high school on our mailing list. (Usually, ED will automatically send the quantity requested in the previous year's initial order, but you can change the quantity by following the instructions in the letter.)

High schools may order additional bulk quantities (in English or Spanish) of *The Student Guide, Funding Your Education*, the FAFSA, and other selected items via ED's Bulk Publication Ordering System (BPOS) on the Internet:

www.edpubs.org/ml

BPOS will ask for your "ML [mailing list] number," which you can find on the second line of the mailing label on items sent to you by our office, Federal Student Aid. BPOS allows you to order publications or check the date and quantity of previous orders. Counselors without access to the Internet may order publications from a customer service representative at 1-800-394-7084.

Students can apply or learn about student aid on the Internet. Our web site at www.studentaid.ed.gov describes the federal student aid programs as well as providing self-service tools for researching careers and campuses. Our student publications can be read or downloaded at the site; and it links to the online FAFSA at www.fafsa.ed.gov.

Students without access to the Internet can receive free copies of our publications, including the paper FAFSA, from ED's Federal Student Aid Information Center (FSAIC):

Federal Student Aid Information Center
P.O. Box 84
Washington, DC 20044
Telephone: 1-800-4-FED-AID (1-800-433-3243)
TTY: 1-800-730-8913

Inquirers calling from foreign countries might not have access to the toll-free number; they can call +1-319-337-5665.

Sources of aid

ED's federal student aid programs are authorized by the Higher Education Act of 1965. The programs deliver billions of dollars to students each year, as the following pie chart for 2001-02 shows, representing a substantial federal commitment to provide financial assistance for postsecondary students. For 2002-03, these programs provided approximately $83.6 billion in aid to about 8.9 million people.

Other important sources of aid, some of which are nonfederal, may also be available to your students. Encourage your students to search on the Internet and check the reference section of the school library or public library. Appendix A of this book has some helpful references. Many scholarship search services are free or low cost. Students are strongly encouraged to check out the reputation of a search service before paying for the service. (See page 9 for details.)

The major federal student aid programs

ED offers three major types of aid. Grants are gift aid and do not have to be repaid. Loans must be repaid. Federal Work-Study provides income (which does not have to be repaid) from a part-time job.

- Federal Pell Grant Program—Federal Pell Grants are awarded according to rules set by Congress. If a student is eligible on the basis of these rules, an eligible school will pay the student his or her Federal Pell Grant.

- Campus-Based Programs—Campus-based programs are administered by the financial aid office at eligible schools that choose to participate. ED funds the campus-based programs at participating schools based upon the amount the school has applied to receive, the amount available nationally, and the amount the school utilized in the previous year. The school then awards these funds to students following federal guidelines. Because funds are limited, the earlier an eligible student applies, the more likely he or she is to receive available campus-based aid. The campus-based programs are

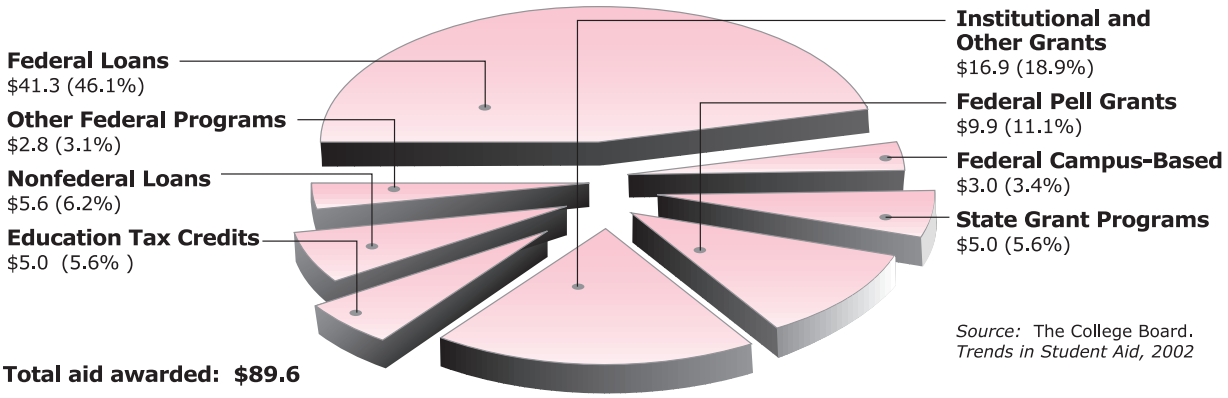
  - Federal Supplemental Educational Opportunity Grant (FSEOG) Program

  - Federal Work-Study (FWS) Program

  - Federal Perkins Loan Program

- William D. Ford Federal Direct Loan Program—The William D. Ford Federal Direct Loan (Direct Loan) Program enables eligible students and parents

Estimated Student Aid by Source for Academic Year 2001-02
(Current Dollars in Billions)



Source: The College Board. *Trends in Student Aid, 2002*

to borrow from ED instead of from a bank or other lending institution. This allows borrowers to work with a single entity, ED, through its servicing centers when repaying loans or dealing with loan-related issues. The Direct Loan Program offers a range of flexible repayment options to meet borrowers' varied financial circumstances. There are four types of Direct Loans:

- Federal Direct Stafford Loans (subsidized)
- Federal Direct Stafford Loans (unsubsidized)
- Federal Direct PLUS Loans (for parents)
- Federal Direct Consolidation Loans (to combine federal education loan debts)

- Federal Family Education Loan (FFEL) Program—The funds lent under the FFEL Program are provided by banks and other lenders, guaranteed by state agencies, and reinsured by the federal government. The FFEL Program also offers a variety of loan repayment options. There are four types of FFELs:

  - Federal Stafford Loans (subsidized)
  - Federal Stafford Loans (unsubsidized)
  - Federal PLUS Loans (for parents)
  - Federal Consolidation Loans (to combine federal education loan debts)

As noted above, the Direct Loan Program and the FFEL Program have subsidized and unsubsidized loans.

- Subsidized loans are awarded to students on the basis of financial need. The federal government pays the borrower's accrued interest during some significant periods, such as when the student is in school, thereby "subsidizing" these loans.

- Unsubsidized loans are not need based; the borrower is responsible for accrued interest throughout the life of the loan.

REMEMBER:

- **Grants (Pell and FSEOG) are free aid and do not have to be repaid.**
- **Loans (Perkins, Direct, and FFEL) must be repaid.**
- **FWS provides income (which does not have to be repaid) from a part-time job.**

Both subsidized and unsubsidized loans are available to students. PLUS Loans are available to parents and are always unsubsidized.

A student cannot borrow from both the FFEL Program and the Direct Loan Program at the same school for the same enrollment period. Similarly, a parent cannot borrow a FFEL PLUS Loan and a Direct PLUS Loan at the same time for the same student. The school the student plans to attend will inform the student which program is available at that school.

See *Funding Your Education* and *The Student Guide* for more information on ED's federal student aid programs. (Ordering information is on page 3.)

Other ED programs

Leveraging Educational Assistance Partnership (LEAP) Program

The LEAP Program, formerly known as the State Student Incentive Grant (SSIG) Program, assists states in providing grants to eligible students for postsecondary school. Each state has its own name for this grant program, as well as its own award amounts and application procedures. States may use a percentage of their LEAP funding to provide work-study assistance through community-service job programs. Many of the eligibility criteria are established by the state agency administering the program, although LEAP recipients must also meet the same basic eligibility criteria that apply to other federal student aid recipients. Student and school inquiries about LEAP

and other state grant, scholarship, and work-study assistance should be directed to the appropriate state agencies. State agencies are listed in Appendix B of this book.

NOTE: ***It is a common requirement that a recipient of LEAP funds be a resident of the state awarding the funds. The definition of residency varies from state to state. Please ensure that your students contact the agency of the state in which they live, not of the state in which they plan to attend college.***

Robert C. Byrd Honors Scholarship Program

Under the Robert C. Byrd Honors Scholarship Program (Byrd Program), which recognizes and promotes student excellence and achievement, ED makes grants to the states to provide scholarships to exceptionally able postsecondary students. Applicants must follow the application procedures established by the sponsoring state education agency. The state education agency establishes procedures for selecting the scholars after consulting with school administrators, school boards, teachers, counselors, and parents. In all cases, applicants must be graduating from high school in the year they apply and must be residents of the awarding state. Scholarship recipients may be awarded an amount each year (not to exceed the cost of attendance) for each of their first four years of study at any institution of higher education. State agencies are listed in Appendix B.

Vocational rehabilitation programs

ED's Rehabilitation Services Administration provides grants to state vocational rehabilitation agencies to help individuals with disabilities to obtain employment and live more independently. Students must meet state eligibility criteria for these programs, and this aid must be coordinated with student aid from other sources to prevent duplicating benefits. A student is most likely to receive the maximum assistance by contacting, as early as possible, the state agency administering the program(s) for his or her home state and the financial aid office at the school he or she plans to attend. State vocational rehabilitation agencies are listed in the state government section of the telephone book. (See the blue pages.) Many are listed as the Division of Vocational Rehabilitation. There is also a list at

www.ed.gov/offices/OSERS/RSA/Resources/State

Other federal programs

Federal income tax credits

Two federal income tax credits are available for higher education expenses.

- The Hope Credit, a tax credit worth up to $1,500 per student per year, can be claimed for qualified first-year and second-year students enrolled at least half time.
- The Lifetime Learning Credit is a tax credit up to $2,000 (equal to 20 percent of a family's total annual tuition and related expenses up to $10,000) for virtually any postsecondary education and training, including undergraduate years, graduate and professional schools, and even less-than-half-time study.

The Hope and Lifetime Learning Credits may not be claimed at the same time for the same student.

For further information on these income tax credits, read *Publication 970 – Tax Benefits for Higher Education* at the IRS web site:

www.irs.gov

National and community service

AmeriCorps, a program of national and community service, provides funding for education. Individuals may work before, during, or after their postsecondary education and can use the funds either to pay current or future education expenses or to repay federal student loans. Participants must be at least 17 and be U.S. citizens, nationals, or lawful permanent residents. For more information, students may call 1-800-942-2677 or write to

Corporation for National & Community Service
1201 New York Avenue, NW
Washington, DC 20525
E-mail: questions@americorps.org

Or students may access the corporation's web site at

www.americorps.org

Job training

The U.S. Department of Labor administers the Workforce Investment Act (WIA)—which replaced the Job Training and Partnership Act—through the states. Participants have access to job training and/or preparation for postsecondary education. For a list of state WIA contacts or for general information, visit

www.doleta.gov/usworkforce

Health professions

The U.S. Department of Health and Human Services (HHS) administers several programs for undergraduate students. Students interested in these programs should contact the financial aid office of the school they plan to attend. HHS also administers a number of programs for graduate students in health profession disciplines. For more information on financial aid programs administered by HHS, students may call 1-888-ASK-HRSA (1-888-275-4772), e-mail jjohns@hrsa.gov, or access

www.bhpr.hrsa.gov/dsa

Veterans benefits

The Montgomery GI Bill–Active Duty Educational Assistance Program offers education benefits for students who entered active duty for the first time after June 30, 1985 and served continuously on active duty for three years. (Students with only two years of active duty also may be eligible under certain conditions.) Students also must obtain a high school diploma or equivalency certificate before the period of active duty ends or must complete 12 hours toward a college degree before applying for benefits. Other veterans may be eligible, but those who meet the alternative eligibility criteria are highly unlikely to be high school students. Therefore, we won't detail those criteria here. More information about this program is in the pamphlet *Summary of Educational Benefits Under the Montgomery GI Bill–Active Duty Educational Assistance Program*. This pamphlet is available from the U.S. Department of Veterans Affairs (VA) by calling 1-888-442-4551 or at

www.gibill.va.gov/education/c30pam.htm

The Montgomery GI Bill–Selected Reserve is a program of education benefits for reservists of the armed forces as well as the Army National Guard and the Air National Guard. To be eligible for this program, a reservist must have a six-year obligation to serve in the Selected Reserve, complete Initial Active Duty for Training (IADT), receive a high school diploma or its equivalent before applying for benefits, and remain in good standing in a drilling unit of the Selected Reserve. For further information, visit

www.gibill.va.gov/education/c1606.htm

Students may qualify for benefits from the Survivors' and Dependents' Educational Assistance Program (DEA) if they are spouses or children of

- veterans who died or are permanently and totally disabled as the result of a service-connected disability arising from active service in the armed forces;
- veterans who died from any cause while rated permanently and totally disabled from the service-connected disability;
- service persons missing in action or captured in the line of duty by a hostile force; or
- service persons forcibly detained or interned in the line of duty by a foreign government or power.

DEA benefits may be awarded to pursue associate, bachelor's, or graduate degrees in VA-approved programs. Courses leading to a certificate or diploma from a business, technical, or vocational school may also be taken (again, the student should make sure the program is approved).

For further information on the Montgomery GI Bill and other veterans benefits, students should call 1-888-442-4551 or access the VA web site at

www.gibill.va.gov

Other assistance from the military

Reserve officer training scholarships are available through the Army, Air Force, and Navy. Military scholarship recipients will have a service obligation in either the reserves or active duty after graduating from college. Appendix C provides information for high school students about the Army Reserve Officer Training Corps (ROTC), Air Force Reserve Officer Training Corps (AFROTC), and the Naval Reserve Officers Training Corps (NROTC). Feel free to photocopy and distribute this information.

Active duty military service also offers numerous programs to help students earn or pay for a college degree. For further information about these programs, students should contact a local U.S. Armed Forces recruiter.

Students who borrow federal student loans may be interested in repayment assistance from the U.S. Army's loan repayment program. Enlistment in either the Army or Army Reserve can lead to assistance; repayment amounts vary depending on several factors. For more information, students should contact a recruiting officer or visit

www.goarmy.com/army101/benefits.htm

Another option available to students is admission to one of the service academies: the U.S. Military Academy, the U.S. Naval Academy, the U.S. Air Force Academy, and the U.S. Coast Guard Academy. To apply to a service academy, a student must meet the academic, physical, and medical requirements specified by each academy's admission standards. Additionally, the applicant must obtain a written nomination from a member of Congress. In some cases, a nomination from the President or Vice President can be obtained. (Only the Coast Guard Academy does not require such nominations.) Web sites for the service academies are listed below:

U.S. Military Academy (West Point)
www.usma.army.mil

U.S. Naval Academy
www.nadn.navy.mil

U.S. Air Force Academy
www.usafa.af.mil

U.S. Coast Guard Academy
www.cga.edu

Nonfederal sources: state, private, school

Many states offer prepaid tuition programs. The typical program allows families to set aside a predetermined amount each month; the savings cover full tuition at a public state school or a specified amount toward tuition at a private or out-of-state school. Students can contact their state education agency for more information; telephone numbers are listed in *Funding Your Education* and in *The Student Guide*. Some agencies have web sites describing their prepaid tuition plans and other state aid. You can link to state agencies' sites from

www.ed.gov/Programs/bastmp/SHEA.htm

A student might also qualify for a private grant or scholarship for academic achievement, religious affiliation, ethnic or racial heritage, community activities, artistic talents, leadership potential, athletic ability, proposed field of study, or hobbies and special interests.

The American Legion offers an inexpensive guide to sources of aid called *Need a Lift?* (see Appendix A for ordering information). Other books about financial aid usually are available through a school library or public library. In addition, many postsecondary schools can tell you about institutional and local sources of student financial aid.

Computerized scholarship search services match a prospective student with sources of financial aid. Some postsecondary schools provide these services free or at low cost. A free search is also available on our web site at www.studentaid.ed.gov. There are also many privately operated scholarship search services; these services tend to be relatively expensive, so a student or parent should consider the extent of the search being offered before committing to such a service. About 75 percent of all aid awarded comes from federal and state programs that students can easily find out about through *Funding Your Education,* other free publications, and web sites.

Each year, ED and the Federal Trade Commission (FTC) receive numerous complaints from students and parents who did not receive the information they expected from a financial aid advice service. In fact, the problem became so widespread that, in 2000, Congress passed the College Scholarship Fraud Prevention Act. For links to the text of the Act, the FTC's and ED's annual reports to Congress on scholarship scams, and other related information, visit the counselors' page of "Looking for Student Aid" at

www.studentaid.ed.gov/students/publications/lsa/note.html

You can help raise awareness of financial aid scams and the availability of free advice in several ways:

- Mention the issue at financial aid information sessions.
- Display the "Don't Get Stung" poster (see Appendix A of this handbook) in a highly visible place in your school.
- Tell students and parents about the "Looking for Student Aid" web site.
- Distribute the "Looking for Student Aid" brochure (see below).

Although ED does not evaluate private search services, the "Looking for Student Aid" web site and brochure provide some helpful guidelines for students considering using a search service. Additionally, a sample handout in Appendix C of this book lists some questionable tactics students should be aware of. "Looking for Student Aid" is at

www.studentaid.ed.gov/LSA

Alternatively, students can receive a free copy of the brochure from the FSAIC. You can order the brochure in bulk via BPOS (see page 3).

A student considering using a for-fee service can find information about it by contacting several sources. Most of these sources will be able to tell the student whether complaints have been lodged against the service. However, keep in mind that a few complaints do not necessarily mean a company is not reliable or legitimate. Rather, the student should use careful judgment, weighing all available information about the number and nature of complaints before making a decision.

The student might obtain information from

- a local Better Business Bureau. Local offices are listed in the phone book; alternatively, students can search for offices at

  www.bbb.com

- the FTC's Freedom of Information Branch (ask for "any documents in the FTC's records that pertain to the service") at

  Freedom of Information Act Request
  FOIA Branch, Office of General Counsel
  Federal Trade Commission
  600 Pennsylvania Avenue, NW
  Washington, DC 20580
  Fax: (202) 326-2477
  E-mail: foia@ftc.gov

  (Telephone inquiries are not accepted.)

  NOTE: ***There may be a charge for this service if the processing costs exceed $14. The student should indicate the maximum amount he or she is willing to pay. If the charge is going to be higher, the FOIA Branch will call the student to ask whether he or she would like the information search to be modified or canceled.***

- the U.S. Postal Inspection Service Fraud Complaint Unit's toll-free number, 1-800-372-8347 (9:00 a.m. to 7:30 p.m. Eastern Time, weekdays). Alternatively, the student may access an online complaint form at

  www.usps.com/postalinspectors

- a state attorney general's office (which will be listed in the State Government section of the phone book). A full list of attorneys general is at

  www.naag.org/ag/full_ag_table.php

General eligibility requirements

Eligibility for federal student aid programs is based on financial need rather than on academic achievement. To have his or her financial need determined, a student must complete and file a *Free Application for Federal Student Aid* (FAFSA). Part 3 of this handbook discusses the correct completion of the FAFSA.

Additionally, to be eligible for federal student aid, a student must

- have a high school diploma or its equivalent, receive a passing score on an independently administered examination approved by ED, or have been homeschooled and either (1) have a secondary school completion credential for home schools as provided for under state law, or (2) if the state does not require the credential described above, have completed a secondary school education in a homeschool setting that qualifies as an exemption from the compulsory attendance requirements under state law;
- enroll as a regular student in an eligible degree or certificate program;
- be a U.S. citizen or eligible noncitizen;
- have a valid Social Security Number (with the exception of students from the Republic of the Marshall Islands, Federated States of Micronesia, or the Republic of Palau);
- make satisfactory academic progress;
- sign certifying statements on the FAFSA such as agreeing to use federal student aid funds only for educational expenses; and

- be enrolled at least half time to be eligible for Direct Loan or FFEL Program funds.

NOTE: ***This is not a comprehensive list of eligibility requirements.***

Most male students must be registered with Selective Service to receive federal aid. Students who must register for the Selective Service may use the FAFSA to do so. One of the questions on the FAFSA asks a male applicant if he wants the Selective Service to register him. Students can call the Selective Service toll free at 1-888-655-1825 for general information about registering or access

www.sss.gov

NOTE: ***Male students can register with the Selective Service online at the above web site.***

Section 484(r) of the Higher Education Act suspends aid eligibility for students convicted of the sale or possession of drugs. If a student has a conviction or convictions for these offenses, he or she should call the FSAIC to find out how the law applies to the student.

An affected student can regain eligibility early by successfully completing an approved drug rehabilitation program.

Demonstrating need

As we've said, a student must demonstrate financial need to be eligible for most federal student aid. At its simplest level, a student's financial need is the difference between the student's cost of attendance at the school and the amount the family is expected to contribute to the student's education.

Cost of attendance

The financial aid administrator at a school usually develops an average cost of attendance for different categories of students. For instance, some programs of study might have lab fees or higher charges for books and supplies than other programs. Students living off campus might have slightly higher allowable costs for room and board and transportation expenses than students living on campus.

For the federal student aid programs, the financial aid administrator must use the definition of "cost of attendance" given in the law to determine what education-related expenses may be considered. The law specifies that the cost of attendance includes tuition and fees and an allowance for living expenses, such as room and board, books and supplies, miscellaneous personal expenses (including a reasonable allowance for renting or purchasing a personal computer), and transportation costs. The law also provides limited allowances for loan fees, dependent-care costs, and expenses for disabled students.

NOTE: ***Many high school students (and their parents) don't immediately understand that the definition of "cost of attendance" includes more than just tuition.*** **Funding Your Education** ***explains the concept in the section titled "Eligibility Criteria."***

Need analysis

The process of analyzing a student's financial need, known as need analysis, focuses on determining how much the family reasonably can be expected to contribute toward the student's education. Traditionally, this is done by collecting information about the family's income, assets, and living expenses. For the federal student aid programs, the law specifies a need analysis formula that produces the Expected Family Contribution (EFC). The EFC and cost of attendance are used by the postsecondary school to establish the student's need as well as to award Federal Pell Grants, campus-based aid, and subsidized loans. (The school might ask the student to complete other paperwork to determine the student's need for nonfederal aid.)

Calculating the EFC

For an EFC calculation, a student must complete and file the FAFSA. The fastest and easiest way to do so is to apply online at www.fafsa.ed.gov. Unlike college admissions applications, the FAFSA is sent to an ED processing center, rather than directly to a college. The student's information is entered into ED's computer system, which then calculates the student's official EFC. The application process for financial aid is described in Part 2 of this handbook, and completing the FAFSA is discussed in Part 3.

For a detailed breakdown of the EFC formula, go to www.ifap.ed.gov and click on "Current Publications by Title." From there, you can download the EFC formula worksheets. Alternatively, call the FSAIC and request that a copy of the worksheets be mailed to you.

Determining the Federal Pell Grant amount

To determine the amount of a student's Federal Pell Grant, the financial aid administrator considers the cost of attendance, the EFC, and other factors.

- The lower the EFC is (the less money the family is assumed able to pay for school), the higher the grant award is; a student with a zero EFC—no family contribution is expected—has the most need and may be eligible to receive the largest possible Federal Pell Grant award.

- The maximum Pell-eligible EFC for 2003-04 was 3850. At the time this book was published, the maximum for 2004-05 had not been determined. For information, contact the FSAIC.

How aid is awarded

The Federal Pell Grant Program is considered the first source of aid to a student, so the award amount is not affected by other aid the student receives. For 2003-04, the maximum yearly grant was $4,050. At the time this book was published, the maximum grant for 2004-05 had not been determined. For more information, contact the FSAIC.

A student who is attending two different postsecondary schools during the same enrollment period must notify the financial aid administrators at both schools. The student may not receive Pell Grants at both schools during the same enrollment period.

When awarding campus-based aid or subsidized loans, the financial aid administrator must consider other aid available to the student in addition to the EFC.

- For example, using 2003-04 figures, consider a full-time student with an EFC of 500 who enrolled in a program that cost $6,000.

  - The student then needed $5,500 in financial aid to go to school ($6,000 - $500 = $5,500).

  - However, when the student received a $3,600 2003-04 Federal Pell Grant and a $1,000 outside scholarship, the student's need was reduced by $4,600.

  - Therefore, the aid administrator could award up to $900 (the remaining need) in the form of campus-based aid and a subsidized Federal or Direct Stafford Loan ($5,500 - $4,600 = $900).

Because unsubsidized Federal or Direct Stafford Loans or PLUS Loans are not need based, the aid administrator applies the following principles to determine eligibility for unsubsidized loans:

- The amount of the loan may not exceed the difference between the student's cost of attendance and all other aid the student is receiving, including aid from private and other nonfederal sources.

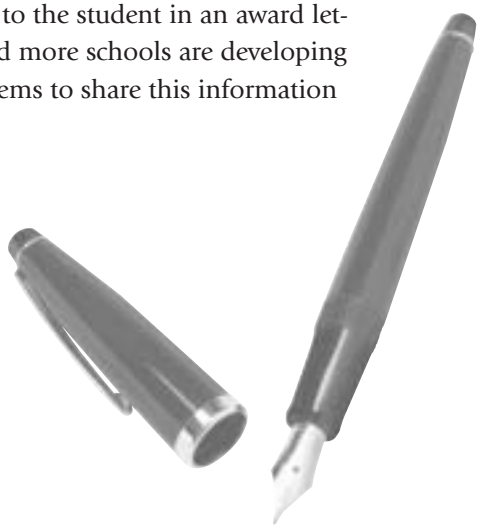
- The school must consider the student's eligibility for other aid before determining a loan amount.

  - For instance, if a full-time independent student in his or her first year of study in 2003-04 had a cost of attendance of $8,000 and was eligible for a maximum Federal Pell Grant of $4,050 and a maximum subsidized Stafford Loan of $2,625, the aid administrator could approve the student for an unsubsidized Stafford Loan of up to $1,325 ($8,000 - $4,050 - $2,625 = $1,325).

As we have seen, federal student aid awards ultimately are made on the basis of the student's EFC. It is important to note that even though eligibility for unsubsidized loans is not based on the student's EFC, the student's eligibility for financial aid awarded on the basis of the EFC is considered when awarding these loans.

Financial aid package

Using all available federal and nonfederal aid, the financial aid administrator constructs a financial aid package that comes as close as possible to meeting the student's demonstrated need; because funds for all programs are limited, however, the amount awarded can sometimes be less than the amount for which the student is eligible. The financial aid package often is presented to the student in an award letter, although more and more schools are developing secure Web-based systems to share this information with students.



NOTE: ***The student may accept or decline any of the financial aid offered. Students often have questions about the financial aid package; these questions are best handled by the financial aid office at the postsecondary school. While ED does not regulate how a postsecondary school packages aid, we do require that the institution inform all students about available assistance programs, application procedures, student eligibility requirements, and the criteria for determining award amounts.***

Did you know...

The Federal Student Aid Information Center (1-800-4-FED-AID) frequently gets calls from students or parents who have paid for student aid applications or advice and then learned they could have gotten the same services for free elsewhere. If you want to remind your students that the FAFSA and federal student aid advice are free, you need our "Don't Get Stung!" poster. You can download a PDF from www.studentaid.ed.gov/stung and print it out on 8.5"x11" paper, or you can order a full-size poster from ED Pubs at 1-877-4-ED-PUBS.

Loan default and choice of school

Studies show that many borrowers are unable to repay their student loans because they withdrew from their educational programs or were unable to find good jobs after they graduated. The choices of an educational program and a school are critical in helping students prepare for gainful employment.

Students who are seeking career training should be advised to consider the following questions before enrolling at any school.

Are opportunities in the career field stable or expanding?

Some careers are relatively stable. Others fluctuate with the economy and changes in technology. For information on career fields, students might want to consult several publications published by the U.S. Department of Labor.

- *Occupational Outlook Handbook* is an encyclopedia of careers describing in detail a wide range of occupations. Each description includes information on the nature of the work, working conditions, training needed, job outlook, earnings, related occupations, and sources of additional information. A free online search (for information either on specific careers or on multiple careers) is available at

  www.bls.gov/oco

  2002-03 edition: Soft cover $53; hard cover $57; CD-ROM $21.

- *Occupational Projections and Training Data* is an annual supplement to the *Occupational Outlook Handbook*, providing statistical data that support the information in the handbook. It includes rankings of hundreds of occupations by factors such as training requirements, earnings, and susceptibility to unemployment. 2002-03 edition: $22.

- *Occupational Outlook Quarterly* is a quarterly publication containing articles on specific occupations, general trends in the labor market, and other topics. The publication is designed to give practical information about choosing and getting jobs. Occupational Outlook Quarterly is online at

  www.bls.gov/opub/ooq/ooqhome.htm

  Single copies available (limited supplies); call 1-866-512-1800—or (202) 512-1800 in the Washington, DC area—for pricing. Annual subscription $14.

If your school library doesn't already have these publications, it can order the *Occupational Outlook Handbook* or *Occupational Projections and Training Data* by calling (312) 353-1880 or by writing to

Bureau of Labor Statistics
Publication Sales Center
P.O. Box 2145
Chicago, IL 60690
Fax: (312) 353-1886

Your library can order the *Occupational Outlook Quarterly* by calling 1-866-512-1800—or (202) 512-1800 in the Washington, DC area—or by writing to

New Orders
Superintendent of Documents
P.O. Box 371954
Pittsburgh, PA 15250-7954
Fax: (202) 512-2250

Checks for any of the above items should be made out to Superintendent of Documents. Prepayment is required.

All three publications can be ordered online at

http://bookstore.gpo.gov

Students might also want to check the magazine section of the school library or public library for trade

and professional magazines and journals that have articles about jobs and training in specific career areas.

Is the career compatible with the student's aptitude and interests?

A school can be very good but not meet a particular student's specific needs. The type of career a student wants will directly influence the type of postsecondary education he or she will need to pursue (a two-year program, four-year program, or a career/vocational program). Many colleges use admissions tests to measure a student's aptitude. The most familiar college admissions tests are the Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT), the SAT, and the ACT Assessment. Students generally take these tests during their junior or senior years of high school.

Does a school have a good reputation for educating and placing its students?

Students should check with the local Better Business Bureau, state higher education agency, or consumer-protection division of their state attorney general's office to find out if problems have been reported at the schools they are considering. (The Better Business Bureau will have information primarily on vocational schools.) ED's web site and the FSAIC have default rates for schools. These rates can indicate the success of the schools' students; a high default rate may be a sign that a school's graduates are having difficulty finding jobs that pay well. In addition, a default rate greater than 25 percent will eventually jeopardize a school's eligibility to award federal loans and grants. To find a school's default rate, go to

www.ed.gov/offices/OSFAP/defaultmanagement/cdr.html

A student can also ask a school representative for the names of the school's accrediting and licensing organizations, which are able to provide information about the school. Prospective students have the right to ask for a copy of the documents describing a school's accreditation and licensing. If a school is accredited, an approved private educational agency or association has evaluated it and found it meets certain minimum requirements that the agency set. A student can also ask employers who hire in the student's intended field for their opinion of the school's program.

How many of a school's students graduate and find employment in the career for which they trained?

Students should also ask about a school's graduation rate. If a high number of students drop out, it could mean they weren't satisfied with the education they received. It's also a good idea for interested students to talk to recent graduates about a school's courses, average class size, instructors, the quality of facilities and equipment, and the earning potential for graduates.

Students should comparison-shop before signing an enrollment contract. If there are several schools offering a particular educational program in the area, a student should visit at least two of the schools before making a decision. One of the advantages to visiting a school is that the student can talk to currently enrolled students about what they like and do not like about the school and the education they are receiving.

If a school advertises or tells prospective students that it has a successful job-placement program, it must be able to provide statistics, on request, supporting that claim. Even if a school doesn't make job-placement claims, it doesn't hurt to ask the school about its graduation rate and job-placement rate. Students should find out if the program the school offers is necessary to get the type of job they want or if employers in that field provide on-the-job training.

In addition, if a school advertises its job-placement rates, it must also advise students of any applicable state licensing requirements for the specific jobs for which students are trained. Students should determine whether the course topics for their programs relate to state requirements or other professional certification requirements.

What are a school's administrative and academic policies?

For example, what is the school's refund policy? A school must make this policy available upon request to current and prospective students. The policy should explain what happens if a student registers for classes but never attends any or drops out of school after he or she starts. If the student receives any student aid from ED (except Federal Work-Study), some or all of the money may have to be returned—by the student and/or the school—to the aid programs or to the lender for the loans. Even if students don't finish their educational programs, they must repay whatever loans they received, minus any amount the school returned to the lender.

Students should find out about a school's academic policies, such as the requirements for graduation and maintaining eligibility for financial aid. These policies are often grouped together as a "satisfactory academic progress (SAP) policy." A student must maintain SAP in order to continue to be eligible for federal student aid.

What types of financial aid does a school offer?

Students should find out what types of financial aid are available at schools where they are interested in applying; they should ask for information on all federal, state, local, private, and school financial aid programs. A student should also ask which financial aid programs are available for the educational programs he or she is interested in. Not all educational programs at a school may be eligible for all aid programs.

- ED uses specific legislative and regulatory criteria to determine whether a school and all of its educational programs are eligible for federal student aid programs.
- A school's eligibility to participate in ED's student aid programs is not an indication that ED has endorsed the quality of the education the school offers. ED does not approve a school's curriculum, policies, or administrative practices, except those relating to federal student aid programs.

Students should ask

- What federal student aid programs does the school participate in?
- How does the school select financial aid recipients?
- What are the school's application procedures and deadlines?

- How and when does the school deliver financial aid to its students?
- What are the interest rates and other terms of any student loans?
- What are the operating hours of the school's financial aid office?

What can be learned from a visit to a school?

A good test of any school is how a student feels about it after a visit. Students should consider making an appointment to visit a school while classes are in session. This will give students a chance to attend classes and talk with other students in the program they are interested in. Also, if a school provides residence facilities, students should find out whether it's possible to inspect them.

Do the people at the school seem to want to help students learn and plan for their futures?

A student should decide whether the school is a place he or she wants to be at least five days a week for the next six months to several years.

Schools' responsibilities

To remain eligible to participate in ED's student aid programs, a school must publish and distribute its annual campus security report to all current students and provide it upon request to all prospective students.

Schools also must disclose information about graduation rates to current and prospective students. Furthermore, schools that offer athletically related student aid are also required to provide information on completion rates to potential student-athletes, their parents, high school coaches, and guidance counselors. (In some cases, schools satisfy this requirement by their membership in national associations that distribute such information to high schools.)

For further information about schools' responsibilities, consult the "Institutional and Program Eligibility" volume of the *Federal Student Aid Handbook* at

www.ifap.ed.gov

Did you know...

At the back of this handbook, we've provided a series of handouts on perforated pages for you to tear out, photocopy, and distribute. The handouts cover topics from reasons to go to college, to myths about student aid, to identity theft. Check out Appendix C for the full selection.

Opportunities for disadvantaged students

Despite the significant amount of need-based aid available for high school students to continue their education, recent studies show that students and parents from low-income families are less likely to be informed about student financial aid than those from relatively well-off families. Clearly, the problem of access cannot be solved solely by making financial aid available to disadvantaged students. Rather, the solution depends on establishing goals and making choices long before the last year of high school.

An important school responsibility is to help students make the transition from secondary school to college or work. This handbook offers suggestions for addressing a critical problem—misinformation and lack of information about postsecondary options and financial aid.

Myths about financial aid

Many students make incorrect assumptions about their eligibility for federal student aid. As a result, they sometimes simply refuse to submit a FAFSA, believing there is no point in doing so. A sample handout about these myths is available in Appendix C to give to students. We encourage you to correct students' and parents' false assumptions and remind them that filling out the FAFSA opens the door to a majority of the student aid awarded in the United States.

Realities about postsecondary education and financial aid

The truth about postsecondary education and federal student aid is that both are possible for most students. School counselors can help get this message across by emphasizing the following points to students:

1. **Stay in school.**
   Studies show that a person with an education beyond high school earns more money in his or her lifetime than someone with only a high school diploma. The job market for noncollege graduates or those with no technical training is much more limited. An important point to consider is that someone with fewer career choices is less likely to find a job that fulfills him or her.

   Information about school dropout rates and dropout prevention programs is presented in the U.S. General Accounting Office (GAO) report "School Dropouts: Education Could Play a Stronger Role in Identifying and Disseminating Promising Prevention Strategies." To access the report online, go to

   www.gao.gov

Unemployment and earnings for full-time workers age 16 and over, by educational attainment

Unemployment rate in 2001 (percent)	Education attained	Mean average earnings in 2001 (dollars)
1.3	Professional degree	84,032
1.1	Doctorate	78,728
2.2	Master's degree	64,532
2.7	Bachelor's degree	54,704
3.0	Associate degree	38,012
4.2	Some college, no degree	35,204
5.2	High school graduate, no college	30,056
10.6	Less than a high school diploma	22,100

Source: Bureau of Labor Statistics, unpublished data from Current Population Survey.

Click on "GAO Reports" and then "Find GAO Reports." Enter the document number, GAO-02-240, in the search box.

2. **Aid is available.**
   Encourage students to apply for aid—counselors can help to demystify the process by involving parents whenever possible. Although poor academic performance in high school and on standardized tests is generally the most serious obstacle to expanding access to college, financial aid can effectively reduce any economic barriers that exist. Federal, state, private, and school aid should all be explored.

3. **Not everyone goes to postsecondary school the same way.**
   Sometimes high school students assume that further schooling means four years of full-time study at a residential college. Not so. Today students can choose from a wide range of postsecondary options, including six-month programs at career schools and two-year degree programs at community and junior colleges within commuting distance, as well as the traditional four-year programs at colleges and universities. Part-time, full-time, evening, Internet, and day classes—the choices are many and varied.

Reaching "at-risk" students

Certain students have the aptitude for postsecondary education but tend not to continue their studies beyond high school or to drop out before completing high school. These students are frequently referred to as "at-risk" students.

Many high schools, postsecondary schools, private organizations, and government agencies have cooperated in developing early-intervention programs for students who otherwise might not go to college. The following list of suggestions is drawn from some of these programs. You can find out more about these early-intervention programs from the sources listed beginning on page 22.

Establish a timetable of age-sequenced activities

Studies show that the earlier and more often at-risk students are reached, the better they understand the choices they can make. Many fifth, sixth, seventh, eighth, and ninth graders are already forming career aspirations and need guidance in making decisions about high school courses. Tenth, eleventh, and twelfth graders should be

- looking at the choices for postsecondary education,
- discussing their financial situation with parents and counselors,
- participating in pre-college summer programs, if available,
- taking the SAT or ACT Assessment,
- applying for aid by the appropriate deadlines, and
- selecting a school.

NOTE: ***Encourage all students to take the SAT or ACT Assessment and apply for federal student aid, even if they do not plan to enroll in a college or vocational program immediately after high school.***

Involve parents as well as students

Parents need to understand not only college admissions requirements and the rudiments of student financial aid, but also the high school courses needed to pursue postsecondary options. Information on financial planning and how to gather and use information about postsecondary options is necessary for all parents, but it is most important for parents who have no postsecondary experience themselves. To reach working parents of at-risk students, arrange for evening or weekend information sessions at convenient locations, such as neighborhood centers and places of worship.

Research has shown that fathers, no matter what their income or cultural background, can play a critical role in their children's education. When fathers are involved, their children learn more, perform better in school, and exhibit healthier behavior. Even when fathers do not share a home with their children, their active involvement can have a lasting and positive impact. *Call to Commitment: Fathers' Involvement in Children's Learning* describes research findings, discusses strategies for improving and extending fathers' involvement in their children's education, and provides examples of programs that involve fathers in children's learning. This document is available for downloading at

www.ed.gov/pubs/parents/fathers

Establish a tutoring and/or mentoring program

Setting up a tutoring and/or mentoring program in your school using local college students can be very valuable. These projects have shown positive effects not only on the test scores, grades, and overall academic performance of the tutored students, but also on the students' self-esteem and self-confidence. The college or university participating in the tutoring/mentoring program may be able to pay its student tutors and mentors through the FWS Program.

Provide firsthand information

There are many approaches to helping students visualize the idea of postsecondary education. Visiting an actual campus is probably the most effective way for students to get a feel for the college experience. However, there are numerous other methods of providing informative and motivational experiences, such as arranging attendance at college fairs or meetings with college admissions representatives, organizing parents for tours of campuses, and inviting recent college graduates to talk to students. Many schools now provide Internet, CD-ROM, and/or video tours that can be used by students who can't visit the campus. Students need to discuss the things that are keys to success in postsecondary education, such as planning to meet off-campus expenses and allowing enough time for studying. Students' fears and unrealistic expectations can be overwhelming, especially for those who are first-generation college students. So, it's also good for high school students to meet with first-generation college students who are making it or have made it through school.

Provide academic counseling

As high school counselors are well aware, the heart of early intervention is academic preparation and proper course selection. Many counselors encourage students, regardless of their postsecondary plans, to pursue a challenging program of study in high school. Even those students who don't go on to college or career training immediately after high school might change their minds later on. Some high school counselors work with middle school counselors to ensure that students have the opportunity to take courses that will prepare them for postsecondary education.

For more information about choosing the right courses in high school, download a PDF version of *Think College? Me? Now?* from

www.ed.gov/pubs/CollegeMeNow/index.html

Develop cooperative programs with local postsecondary schools

In some areas, secondary schools and neighboring colleges encourage students to stay in school and plan ahead by offering them financial incentives. For instance, high school students in one locality are encouraged to sign a contract in which they promise to take certain preparatory courses, attend school regularly, and make good grades. A student who fulfills the contract doesn't have to pay tuition and fees at the local community college.

Early-intervention programs

If your school does not already participate in one of ED's TRIO programs, you might want to research whether it would be possible to do so. The primary purpose of the TRIO programs is to prepare disadvantaged students for successful entry into, retention in, and completion of postsecondary education. Among the TRIO programs are

- Upward Bound—aims to increase the rates at which participants enroll in and graduate from institutions of postsecondary education. Projects provide instruction in math, laboratory science, composition, literature, and foreign languages. Other services include academic, financial, or personal counseling; mentoring programs; and assistance in preparing for college entrance exams. Upward Bound serves high school students from low-income families and high school students from families in which neither parent holds a bachelor's degree (i.e., potential "first-generation" college students).

- Talent Search—aims to increase the number of youth from disadvantaged backgrounds who complete high school and enroll in the postsecondary education institution of their choice. The program provides academic, career, and financial counseling to its participants; its services include tutorial services, assistance in completing college admissions and financial aid applications, and workshops for participants' families. Students must be between the ages of 11 and 27 and have completed the fifth grade. In any given project, two-thirds of the participants must be students who are low-income and potential first-generation college students.

- Student Support Services (SSS)—aims to increase the college retention and graduation rates of its participants. SSS provides services such as instruction in basic study skills; tutorial services; assistance in securing admission and financial aid for enrollment in graduate and professional programs; and special services for students with limited English proficiency. SSS participants must be enrolled or accepted for enrollment in a program of postsecondary education at a grantee institution. Only first-generation college students, low-income students, and students with disabilities evidencing academic need are eligible to participate.

- Educational Opportunity Centers (EOCs)—Although EOCs are designed for people at least 19 years old, younger students may use them if the services of a Talent Search program are not available in the target area. EOCs aim to increase the number of adult participants who enroll in postsecondary education institutions. EOCs provide academic advice, career workshops, information on student financial assistance, and assistance in completing college admissions and financial aid applications, among other services. As mentioned, students generally must be at least 19 years old, and two-thirds of them must be low-income and potential first-generation college students.

For additional information on the TRIO programs, contact

TRIO Programs
Higher Education Programs
U.S. Department of Education
7th Floor
1990 K Street, NW
Washington, DC 20006-8510
E-mail: OPE_TRIO@ed.gov
Web site: www.ed.gov/offices/OPE/HEP/trio

The Council for Opportunity in Education sponsors another web site for the TRIO programs at

www.trioprograms.org

Another early-intervention initiative administered by ED is called Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP). GEAR UP is designed to encourage low-income students to have high expectations, stay in school, study hard, and take the right courses to prepare for college. Usually an entire class of students—who must not be beyond seventh grade when they enter the project—will be targeted. The program awards grants on a competitive basis to states and to partnerships. The partnerships must consist of colleges, schools (usually middle or junior high schools), and at least two other partners such as community organizations, businesses, or philanthropic organizations.

GEAR UP has two major components: (1) the Early Intervention Component, under which a GEAR UP project provides early college preparation and awareness activities to participating students through comprehensive mentoring, counseling, outreach, and other supportive services; and (2) the Scholarship Component, under which a GEAR UP project establishes or maintains a financial assistance program that awards scholarships to participating students. Partnership projects must provide early college preparation and awareness activities, and they are encouraged to provide college scholarships, although they are not required to do so. State projects must provide both early college preparation and awareness activities and scholarships for participating students. For further information about GEAR UP, see www.ed.gov/gearup or call (202) 502-7676.

There is a wide range of private programs that guarantee college tuition. The GAO identified four main types of programs in its 1990 report "Promising Practice: Private Programs Guaranteeing Student Aid for Higher Education":

- Sponsorship programs, begun either by individuals or organizations, promise tuition for postsecondary education to students who are successful during their kindergarten through high school years. The programs often target elementary school students and provide extensive support services throughout their school years.

- "Last-dollar" programs help high school students apply for student aid and promise to make up the difference between the aid received and the cost of attendance.

- University-based programs may guarantee students admission and tuition at a particular institution and also offer mentoring and other services while selected or volunteer students complete high school. (A few universities are required by the donor to guarantee tuition at other schools besides the host school.)

- "Pay-for-grades" programs typically offer tuition reduction in exchange for high grades. Because they offer few support services to students, GAO concluded that these programs appeared least likely to affect disadvantaged youths' college attendance rates.

The GAO report is available at

www.gao.gov

To access the report, click on "GAO Reports" and then "Find GAO Reports." Enter the document number, PEMD-90-16, in the search box.

If you would like to order a free photocopy of the report, call (202) 512-6000. The GAO order fax number is (202) 512-6061.

Did you know...

Our web site at www.studentaid.ed.gov is better than ever!

The improved site, now called *Student Aid on the Web,* allows students to find information on federal student aid, access *FAFSA on the Web*, obtain a PIN, or look up the status of their federal student loan. They can examine their interests and decide on a career, locate schools that offer majors in that field, "tour" those schools, and then apply online.

With the feature "MyFSA," a student can create a personalized folder to record interests, career and college searches, and any relevant personal information. The student can then track his or progress in the college planning and application process, prepopulate fields on the FAFSA, and compare award letters from schools.

PART TWO
APPLICATION PROCESS FOR FINANCIAL AID

Federal law requires the U.S. Department of Education (ED) to ensure that students can apply for federal aid without paying a fee. To be considered for most of the federal student aid programs (such as Federal Pell Grants, Federal Direct Stafford Loans, and Federal Stafford Loans), a student must complete and submit the *Free Application for Federal Student Aid* (FAFSA). This application (available in English and Spanish, in paper or electronic form) collects financial and other information used to calculate the Expected Family Contribution (EFC), which postsecondary schools use to determine the student's eligibility for aid. (See page 12 for a discussion of the EFC.) The FAFSA information is also used by states and many schools in awarding funds from their own financial aid programs.

Students may apply for aid electronically through *FAFSA on the Web,* or they may submit a paper FAFSA. Additionally, some schools will submit application data for the student using software that allows school access to ED's processing system. Note that all of these application methods are free.

A student needs to complete the FAFSA only once each year, in whichever form is most convenient. (*FAFSA on the Web* is the easiest and is processed the fastest.) After the first year, a student may complete the Renewal FAFSA on paper or on the Web.

To be considered for state or institutional aid, a student might be required to complete additional questions on a separate nonfederal form, and a fee might be charged for processing this additional information. Students should check with the schools to which they plan to apply and their state agencies to find out whether aid applicants are required to submit additional data on nonfederal forms.

Before Applying

Getting a PIN

We recommend that students and parents save time by requesting identification numbers called PINs before the student applies for aid. The PIN can be used as an electronic signature for *FAFSA on the Web,* drastically decreasing the processing time. The parent's PIN can be used to sign FAFSAs for all of that parent's children and/or for the parent's own FAFSA. An ideal time to get a PIN would be November or December of the student's senior year in high school. The PIN must be requested online at

www.pin.ed.gov

Before a PIN is issued, the student's or parent's identification will be verified by checking the name, date of birth, and Social Security Number (SSN) with the Social Security Administration (SSA). Students (and parents if applicable) who supply an e-mail address will get an e-mail containing a link to a web page that displays the PIN. The page will be available for 14 days. The applicant can link to this page only one time and therefore should make a note of the PIN for future reference. If no e-mail address is provided, or if the link to the online PIN is not accessed within 14 days, a paper PIN mailer will be sent to the student (or parent); the mailer should arrive within seven to 10 days.

As with a PIN issued to conduct electronic banking, the student should keep his or her PIN in a safe place and never share it with anyone. The PIN remains valid

indefinitely and can be used at *Corrections on the Web* (see page 35) and in the future when the student applies again or wants online information about his or her financial aid history.

The student (or parent) can change the PIN to something more easily remembered by accessing the PIN site and selecting the option to choose a new PIN. The student or parent must use the current PIN to verify his or her identity.

It is a good idea for the student to create a financial aid folder in which to keep copies of FAFSAs, award letters from schools, loan promissory notes, etc. For instance, the student should keep all records used in completing the FAFSA in case he or she is selected (either by ED or by the school) for a process called "verification" (see pages 34-35).

The PIN can be used in the following ways (among others):

- applicant's (and parent's, if parent obtains his/her own PIN) electronic signature
- access to *Corrections on the Web* to add schools or correct or update information
- access to SAR information on the Web
- access to Renewal FAFSA on the Web

IMPORTANT NOTE: ***Please stress to students that they should not reveal the PIN to anyone—not even if that person is helping them complete the FAFSA.***

Learning about the application

A demonstration site is available so you can increase your own understanding of *FAFSA on the Web* and/or show it to students and parents before they apply. At the site, you can complete a sample FAFSA, make corrections, check the status of the application, and sign it electronically. However, when you choose "submit," the information is not actually submitted. The site is purely a learning tool. To access the demo site, go to

http://fafsademo.test.ed.gov

The user name is **eddemo**, and the password is **fafsatest**. The site displays both the English and Spanish versions of *FAFSA on the Web*. The 2004-05 demo site will be available by mid-December 2003.

If you're preparing a presentation about financial aid, you can download PowerPoint slides with images of *FAFSA on the Web* screens at our FSA [Federal Student Aid] for Counselors site:

www.fsa4schools.ed.gov/counselors

Also at the counselors' site is a general presentation about federal student aid, along with a script and information about planning a financial aid night at your school.

Gathering materials

To complete the FAFSA, students need copies of their Social Security cards (and their parents', if applicable), driver's licenses (optional), federal income tax returns (and their parents' returns, if appropriate), Form(s) W-2, current bank statements, records of untaxed income (such as welfare benefits, Social Security, Temporary Assistance for Needy Families [TANF], etc.), and records of any stocks, bonds, and other investments and assets.

A list of items needed for the FAFSA can be viewed or printed out at

www.fafsa.ed.gov

A useful tool in preparing to complete the online application is the Pre-Application Worksheet (available in English or Spanish). The Worksheet, designed for applicants who prefer to fill something out in writing before applying online, lists the FAFSA questions and provides boxes for students' (and parents') answers. The order of questions on the Worksheet follows that of *FAFSA on the Web,* which differs from the paper FAFSA. Therefore, to avoid confusion, we recommend that students not use paper FAFSAs to prepare for *FAFSA on the Web*.

Beginning on January 1, 2004, you can find the Pre-Application Worksheet at the *FAFSA on the Web* site, download it, and photocopy it for distribution to students.

Did you know...

Identity theft is a growing problem. Typical ways a student becomes a victim include leaving personal information lying around the dorm room or failing to shred credit card offers before throwing them away.

We at ED have worked hard to ensure that information sent over our web sites is secure. However, students should do their part as well. Make your students aware of the problem and how to keep their information safe: Turn to Appendix C of this handbook and photocopy and distribute the handout titled "Identity Theft and Student Aid: Safeguard Your Student Aid Information."

How to apply

ED's FAFSA processing cycle lasts 18 months. For the 2004-05 award year, applications may be completed on or after January 1, 2004. Processing begins January 2, 2004. FAFSAs for that year will be accepted until June 30, 2005. However, most states have much earlier deadlines for students who want to be considered for state aid. Additionally, some schools have limited institutional funds that are awarded on a "first-come, first-served" basis to eligible students. Students and parents should fill out their tax forms and then the FAFSA as early as possible in 2004. Those who are unable to complete tax forms early should estimate amounts as accurately as possible and fill out the FAFSA accordingly, correcting the information once the tax forms are complete. At financial aid nights or other information sessions, you might wish to encourage families who are eligible for the Earned Income Credit to file a tax return in order to benefit from the credit.

A student should not submit a paper 2004-05 FAFSA for processing before January 1, 2004. Paper applications received before that date will be returned to the student unprocessed. Applications signed before January 1 but received by the Central Processing System (CPS) after the first will be processed, but the student will be sent a rejected SAR with a request to sign the SAR after January 1 and then return it to the CPS. (Electronic applications will not be available before January 1, 2004 or after June 30, 2005.)

Electronic application methods

FAFSA on the Web

FAFSA on the Web—available in both English and Spanish—allows students to complete their FAFSA applications faster and more easily than any other application method. This Internet application allows students to submit their FAFSA information directly to the CPS. *FAFSA on the Web* offers detailed online help for each question as well as live online one-on-one "chat" with a customer service representative. Due to the ease of applying this way, nearly 70% of all FAFSA applicants complete the form on the Web—and the numbers are growing all the time.

The address for *FAFSA on the Web* is

www.fafsa.ed.gov

NOTE: ***There are web sites at which students can get help filing the FAFSA for a fee. These sites are not affiliated with or endorsed by ED. We urge you to advise your students not to pay these sites for assistance that is provided for free at ED's web site.***

FAFSA on the Web contains informational text at the beginning of each section to assist the student in completing the form. "Skip logic" automatically omits questions that do not apply to the student, based on how the student answered previous questions. (For example, if an applicant indicates that she is not male, she will not be asked whether she wants to register with Selective Service.) Built-in edits help students detect and correct any errors before submitting the data to the CPS. This feature significantly reduces the number of applications rejected by the CPS.

Certain questions determine whether the student is eligible for the automatic assignment of an EFC of zero; those questions will be asked at the beginning of the process. Based on their answers to those questions, applicants might be able to skip certain questions about income and assets.

Additionally, some students, based on income and tax filing status, are eligible to have assets excluded from consideration in calculating the EFC. The questions determining eligibility for the simplified EFC formula are also at the beginning of the *FAFSA on the Web* process. Based on their answers to those questions, applicants might be able to skip the questions about assets.

However, for purposes of determining eligibility for state financial aid, some states require asset and income information. Students who are residents of such states will be asked those questions regardless of their eligibility for the federal simplified formula or for an automatic zero EFC. Students who are not residents of such states will be asked whether they want to skip the optional questions. Some schools, too, require the student to complete those questions to determine eligibility for institutional aid, so the student should check with the schools to which he or she is applying before deciding to skip those questions. (Providing all income and asset information will not negate the student's eligibility for the simplified formula or for the auto-zero EFC.)

Students do not have to complete *FAFSA on the Web* in one sitting. At the beginning of the process, the student is asked to supply a password. If the student is interrupted or needs to leave the application before completing it, the information will be saved and will remain available via the password for 45 days. Also at the beginning of the process, the applicant is asked for his or her PIN. Providing the PIN is optional but speeds up the application process because the PIN serves as the student's signature, eliminating the need for the student to mail a signature page to the processor. For more information about *FAFSA on the Web*, or for technical assistance, students may access live online customer service at the site or may call 1-800-4-FED-AID (1-800-433-3243; TTY: 1-800-730-8913).

At the end of the application, a dependent student's parent signs electronically using his or her own PIN. A student without a PIN (and/or a dependent student whose parent does not have a PIN) prints, signs, and mails a signature page to the CPS. The student should be sure to remember to transmit the FAFSA after printing the signature page. If the student does not sign (either electronically or with a signature page) within 14 days of submitting the FAFSA, or if the student indicates at *FAFSA on the Web* that he or she will not sign via PIN or signature page, he or she will receive a rejected SAR in the mail. The student (and parent, if appropriate) must sign this rejected SAR and return it to the FAFSA processor before the application can be processed and an EFC calculated.

When the student submits the information, a confirmation page appears, indicating that the application was submitted successfully and showing an estimated EFC for the student. It is important to note that *FAFSA on the Web* provides only an estimate; the official EFC will be sent to the student by e-mail or in the mail. However, once the student's FAFSA has been processed, the student may view the official EFC results at the *FAFSA on the Web* site. (The PIN is required for this.)

NOTE: ***Please encourage your students to print and save the confirmation page.***

Applying through the school

Students also may file the FAFSA at some postsecondary schools. The student provides the necessary information, and the school enters the information electronically and sends it electronically to the CPS. The student should contact the financial aid administrator at the school he or she plans to attend to ask whether this option is available at that school.

Paper application method

Students may complete a paper FAFSA (available in English and Spanish) and submit it for processing using the accompanying envelope. Photocopies or faxes of the FAFSA will not be accepted. Students should keep a photocopy of the completed form for their own records.

A return receipt postcard is included with the FAFSA. The applicant can affix a stamp to the postcard and mail it to the processor with the FAFSA. The processor will stamp the date the FAFSA is received and mail the postcard back to the applicant.

NOTE: ***Applicants should send only the FAFSA itself (pages 3-6) and the enclosed postcard (if appropriate) to the processor. They should not send copies of their tax returns, the worksheets on page 8 of the FAFSA, or any other documentation.***

Did you know...

Our office, Federal Student Aid (FSA), has created a web site just for you. The site, called FSA for Counselors, provides federal student aid information especially for middle school, high school, and TRIO counselors. The site offers access to U.S. Department of Education (ED) publications, links related to ED offices and services, information about videoconferences, important announcements, and aids for promoting federal student aid and college access. Visit the site at

www.fsa4schools.ed.gov/counselors

ADVANTAGES of *FAFSA on the Web*

***FAFSA on the Web* is the quickest and easiest method of applying, offering the following advantages:**

- **detailed online help screens**
- **real-time online chat with a customer service representative provides immediate answers**
- **built-in edits detect errors and reduce number of rejected applications**
- **applicants have instant access to EFC estimate**
- **information is sent directly to CPS**
- **applicants can verify that information was transmitted successfully**
- **SAR arrives within a week or two at most, compared to three or four weeks with paper FAFSA**

How the application is processed

FAFSA data are transmitted to the CPS. The CPS uses this information to calculate the EFC and produce an output document reporting that EFC. The student will receive an e-mail or an output document (either a *Student Aid Report* [SAR] or a *SAR Acknowledgement*) from the CPS within a few days to four weeks of submitting the FAFSA, depending on the type of FAFSA submitted. (See page 34 for descriptions of the SAR and *SAR Acknowledgement*.)

Within 72 hours after the CPS receives a completed application and signature, schools listed in Step 6 of the student's FAFSA have access to the student's information. The schools download the processed FAFSA data in electronic form. Any school not listed on the FAFSA must be added by the student (see page 36), receive a SAR directly from the student, or be given permission by the student to request the student's information from the central processor.

When processing the application, the CPS uses a series of edits to check the consistency of FAFSA information. For instance, it would be inconsistent for the dependent student of a single parent to report income earned from work for two parents. If the FAFSA data are inconsistent, the CPS may be unable to calculate the EFC or may calculate an EFC based on assumptions. If assumptions have been used, they are indicated on the student's SAR or *SAR Acknowledgement;* the student must make sure the assumptions are correct. The SAR and *SAR Acknowledgement* include instructions for making corrections.

NOTE: **FAFSA on the Web *has built-in edits to spot inconsistencies and point them out to the applicant so they can be corrected (if necessary) before the information is transmitted. This process saves the applicant time and trouble later.***

Data matches

In addition to checking the FAFSA data against predetermined edits, the CPS also performs several database matches. If discrepancies arise, the student's records are flagged and the student may not be eligible to receive federal aid unless the discrepancy is resolved. Resolving such a discrepancy usually requires the student to submit additional documentation to the school where he or she is applying. The SAR and *SAR Acknowledgement* include the appropriate instructions for the student.

Social Security Administration matches

The CPS matches FAFSA data against SSA records to check the validity of a student's SSN. If the SSN is invalid or is not in the database, the student will receive a rejected SAR, and a comment will appear instructing him or her to review the SSN and explaining how to resolve the discrepancy. The student also will receive a rejected SAR if the SSN is a valid number but the date of birth reported on the FAFSA doesn't match the SSA's records. The student must resolve the discrepancy before he or she can receive federal aid. This may be done by correcting the date of birth if it is incorrect, or reentering the information if it is correct. The student also might receive a rejected SAR if some or all of the parent's information does not match the SSA's database. For advice about the best course of action in their circumstances, students should follow the guidance on the SAR or contact the financial aid administrator at the school they plan to attend.

If the student indicates on the FAFSA that he or she is a U.S. citizen, ED also conducts a match with the SSA to verify U.S. citizenship status. The results of the citizenship match appear on the student's SAR or *SAR Acknowledgement*. When a student's reported data conflict with the SSA's database—or when no citizenship

match can be performed—the SAR or *SAR Acknowledgement* will indicate that there is a conflict. The student must then provide the school with documentation substantiating his or her citizenship claim.

The SSA database match also checks whether the SSA has a date of death listed for the person with that SSN. The match is intended to detect when someone might be fraudulently attempting to receive federal student aid.

Department of Homeland Security (formerly Immigration and Naturalization Service) match

The CPS also matches FAFSA records against citizenship records maintained by the U.S. Department of Homeland Security (DHS). If the student reports on the FAFSA that he or she is an eligible noncitizen (and, therefore, could be eligible for federal student aid) and reports an Alien Registration Number, that information will be checked against the database maintained by the DHS. If the match does not confirm the student is an eligible noncitizen, he or she will receive a comment on the SAR or *SAR Acknowledgement*. A student is not eligible for aid until his or her status as an eligible noncitizen is resolved.

National Student Loan Data System (NSLDS) match

The CPS also matches FAFSA data with the NSLDS, which identifies students who have defaulted on any Federal Perkins Loans, Direct Loans, or FFEL Program loans. If a student is found to be in default and has not made satisfactory arrangements to repay, he or she will receive a comment on the SAR or *SAR Acknowledgement*. A student is not eligible for aid until the default status is resolved. The NSLDS match also reveals whether a student owes a refund of a student aid overpayment, as well as simply reporting a history of any federal student aid received by the student in the past.

Other matches

The CPS also performs matches against registration status information maintained by the Selective Service System and against veteran status information maintained by the U.S. Department of Veterans Affairs (for students who say they are veterans).

Did you know...

At the back of this handbook, we've provided a series of handouts on perforated pages for you to tear out, photocopy, and distribute. The handouts cover topics from reasons to go to college, to myths about student aid, to identity theft. Check out Appendix C for the full selection.

What to expect after applying

After filing (either on paper or electronically), students can check on the processing status of their FAFSAs or any corrections they've made at www.fafsa.ed.gov. A student without access to the Internet can check the status of the FAFSA by calling 1-800-4-FED-AID (1-800-433-3243) and answering questions asked by an automated system. TTY users (who call 1-800-730-8913) will be connected to an operator rather than to an automated system. Students calling from a foreign country might not have access to the toll-free number; they can call +1-319-337-5665.

A student who completes the FAFSA and whose SSN, name, and date of birth are confirmed by the SSA at the CPS's request will automatically receive a PIN if he or she does not already have one. As with the PIN web site, the student receives the PIN either by e-mail (if a valid address is provided) or by a hard-copy mailer. Each applicant also receives an output document—either a SAR (paper or electronic) or *SAR Acknowledgement*. To determine what a student will receive, consult the table below.

Reviewing the SAR and *SAR Acknowledgement*

The student does not need to take or send the SAR or *SAR Acknowledgement* to a school that already received the student's EFC and FAFSA information electronically. If a student is interested in having a school that he or she did not list on the FAFSA receive the information, the student can add that school to the list (see page 36) or give the school permission to add itself. Note that the school must receive the student's information in one of the above forms in order for the student to receive federal aid at that school.

Students can request duplicate copies of their SARs by calling the FSAIC (see inside front cover of this handbook). An automated system will ask the student to

Type of FAFSA	e-mail supplied?	Type of SAR	When SAR arrives (at the latest)
FAFSA on the Web	Yes	e-mail link to Student Access (for access to electronic SAR information)	If FAFSA signed with PIN(s): 3-5 days; if signature page used: 2 weeks
	No	Paper *SAR Acknowledgement*	If FAFSA signed with PIN(s): 1 week; if signature page used: 2 weeks
FAFSA submitted by school	Yes	e-mail link to Student Access	5 days
	No	Paper *SAR Acknowledgement*	7-10 days
Paper FAFSA	Yes	e-mail link to Student Access	2 weeks
	No	Paper SAR	4 weeks
Corrections on the Web	Yes	e-mail link to Student Access	3 days
	No	Paper *SAR Acknowledgement*	2 weeks

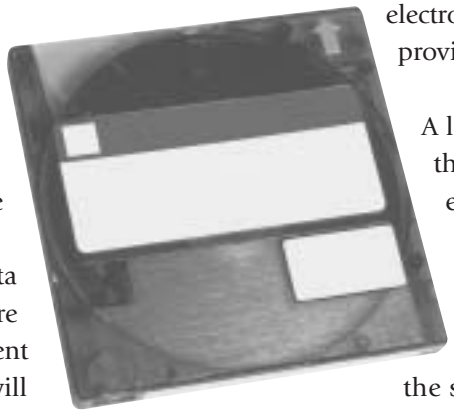
enter his or her SSN and the first two letters of his or her last name. The duplicate SAR is then sent automatically. TTY users (and those without a touch-tone phone) will be connected to an operator rather than to an automated system.

NOTE: ***The SAR and* SAR Acknowledgement *are currently produced only in English.***

SAR

Unless the student's SAR has been rejected, the EFC is printed on the front page at the upper right. The SAR also includes instructions such as how to make corrections to the data the student supplied on the FAFSA.

In addition, there is a section for the financial aid administrator's use and a section of summary data from the NSLDS. If the student has not had any previous federal student aid, this section will be blank.



Finally, there is a summary detailing the information the student supplied on the FAFSA. There is space for the student to correct the information (if necessary). Data elements questioned by the CPS are highlighted in bold type. If a student receives a rejected SAR, the form will highlight specific information for the applicant to provide so the CPS can determine his or her eligibility. A rejected SAR does not include an EFC. A rejected SAR is sent when an application (a) has inconsistent or insufficient data to calculate an EFC, (b) lacks required signatures, or (c) has an invalid student SSN or—in the case of a dependent student—lacks a valid SSN for at least one parent.

If the student makes any changes to the data on the SAR, he or she may either return the form for reprocessing or make the changes through *Corrections on the Web* (see page 35). At some schools, financial aid administrators can make the changes electronically.

The student's data release number (DRN) appears at the bottom left corner of the first page of the SAR. The student will need the DRN if he or she wants to add a school to his or her record, either by having a school add itself electronically or by calling the FSAIC. As noted on page 36, the student can use his or her PIN to add schools through *Corrections on the Web*. The DRN is not the same as the PIN: when the student provides the DRN to the financial aid administrator or the FSAIC, the student is providing permission for the financial aid administrator or the FSAIC to access his or her application record, while the PIN gives the student direct access to his or her file and acts as an electronic signature.

Viewing SAR information online

Once the FAFSA is processed, applicants with PINs can go to the *FAFSA on the Web* site and click on "Student Access" to view SAR information. Student Access is available whether the student applied electronically or not *and* whether he or she provided an e-mail address or not.

A link to Student Access is sent instead of the SAR when a student supplies a valid e-mail address on the FAFSA. Unlike the link to the PIN, which is accessible only once, the link to the electronic SAR remains active for repeated access. The electronic SAR shows the same information the paper SAR does. The student will be able to print a copy of the SAR for reference.

SAR Acknowledgement

This acknowledgement allows the student to review the processed FAFSA information and results. If changes or corrections are needed, they must be made through the school or through *Corrections on the Web*, or the student may request a duplicate paper SAR to make a correction.

Verification

The effectiveness of the federal student aid programs depends on the accuracy of the data reported by

students. It directly affects the eligibility of millions of applicants for these programs. Because of this, schools must verify information provided by students selected by the CPS, following procedures established by federal regulations. The CPS prints an asterisk next to the EFC on the SAR or *SAR Acknowledgement* to identify students who have been selected for verification. A code is also provided on the information sent to schools. If the student is selected for verification, a school's financial aid administrator must check the information the student reported on the FAFSA, usually by requesting a copy of signed tax returns filed by the student and, if applicable, the student's parent(s) or spouse. Many schools also select applications to be verified in addition to those selected by the CPS.

Making changes

There are situations in which the student will have to change information that was reported on the application. This consists of correcting errors or updating certain information.

Corrections and updating

When a student files a FAFSA, it creates a "snapshot" of the financial situation of the student's family as of the date the application was completed. Errors may occur, however, because the student filled in the wrong information on the FAFSA. The student must correct this information so it is accurate as of the day the FAFSA was originally filed.

The student is not allowed to update income or asset information to reflect changes to the family's financial situation that took place after the FAFSA was filed. For example, if the student's family spent some of their savings after filing the FAFSA, the student may not update his or her information to show a change in the family's assets. However, there are three items that the student must update:

- a change in dependency status,
- a change in the number of family members in the household (must be updated *only if* the student is selected for verification), and
- a change in the number of family members enrolled in postsecondary schools (must be updated *only if* the student is selected for verification).

NOTE: ***If any of these changes occurs as a result of a change in the student's marital status, the student is not permitted to update accordingly.***

As previously stated, students can make corrections using the SAR or can have the school transmit corrections electronically using its access to the CPS. Even if the student did not originally apply through the school, a school may still be able to make the corrections electronically if the student takes the corrected information to the school.

The student can quickly and easily correct or update information using *Corrections on the Web. Corrections on the Web* is available to any student with a PIN, whether the student applied electronically or on paper. It can be found at the *FAFSA on the Web* site at www.fafsa.ed.gov.

Corrections on the Web allows the student to change all data elements. The PIN the student uses to access *Corrections on the Web* acts as an electronic signature, so there is no need for the student to send a signature page to the CPS. If a dependent student changes information about his or her parent(s), one of those parents must sign electronically using his or her own PIN or must sign a signature page.

A student who did not provide an e-mail address on the FAFSA will be able to add it at *Corrections on the Web* and will then receive an e-mail with a link to the online SAR information rather than a paper *SAR Acknowledgement*. The e-mailed link arrives within as little as one day; the paper *SAR Acknowledgement* takes up to two weeks. The student's corrections will also be sent to the school on an ISIR.

If a student makes changes that don't require the CPS to perform a data match, the changes will be made immediately, and the student's confirmation page will include an official EFC. The student can view the online SAR information immediately.

The student should speak to the school's financial aid office directly if there will be a significant change in the family's income for the present year or other special circumstances that cannot be reported on the FAFSA or SAR.

Dependency status and overrides

Most students entering a postsecondary school straight from high school are considered financially dependent on their parents. This means their parents must provide information on the FAFSA (see Part 3 of this handbook). In unusual circumstances, a student who would normally be considered dependent can be considered independent. The financial aid administrator at a school can make a special determination of independence and override the student's dependency status on the FAFSA. Students who believe that they have compelling and unique reasons to be considered independent should contact the financial aid office at the school they are planning to attend.

NOTE: ***Students should be aware that the school is not required to perform dependency overrides, and if the financial aid administrator determines that an override is not appropriate, the decision cannot be appealed to the U.S. Department of Education.***

Adding a school

If a student wants to have his or her FAFSA information be available to an additional school after filing the FAFSA, the student may use the SAR or *Corrections on the Web* to add the new school.

Alternatively, the student may call the FSAIC to add the school or may give the school permission to add itself. In these cases, the student will need to provide his or her DRN from the SAR or *SAR Acknowledgement*.

NOTE: ***No more than six schools may be listed on the student's FAFSA at one time. When new schools are added, a corresponding number of schools will be removed from the list and will not have automatic access to the student's information.***

2004-05 deadlines

Here are some important deadlines for the 2004-05 application cycle for students and schools. At the time this book was published, most of these dates were not official and were scheduled to be announced in July 2004. For further information after July 2004, contact the FSAIC or consult our Information for Financial Aid Professionals site at

www.ifap.ed.gov

A 2004-05 FAFSA or a Renewal FAFSA must be submitted to the application processor

- no earlier than
  January 1, 2004
- and received no later than
  June 30, 2005

NOTE: ***State-imposed deadlines for state aid appear on* FAFSA on the Web *and on the front page of the paper FAFSA. Schools may have their own deadlines for federal campus-based and school financial aid.***

If a student needs to make corrections, the corrections must be received by the application processor no later than

- September 6, 2005 (paper SAR submission)
- September 6, 2005 (12:00 midnight Eastern Time) (electronic submission via *Corrections on the Web*)
- September 16, 2005 (electronic submission via school)

A student and/or parent submitting a signature page must send it so it reaches the processor no later than

- September 9, 2005

A student may request a duplicate SAR through

- September 16, 2005

To establish a student's eligibility for a Federal Pell Grant, a school must receive a SAR, *SAR Acknowledgement*, or electronic information for the student while the student is still enrolled for that award year, but no later than

- September 16, 2005

A student whose application information is being verified may be given up to 120 days after his or her last day of enrollment in which to complete verification. (However, the disbursement of funds from certain programs may be restricted to shorter periods, which may end prior to the overall 120-day allowance referred to above.) Verification is considered complete when the school receives a valid output document (i.e., a SAR, *SAR Acknowledgement*, or electronic file) based on the verified information. However, the verification extension cannot continue beyond

- September 16, 2005

The student should also keep in mind that eligibility does not automatically continue from year to year, and a FAFSA or Renewal FAFSA needs to be filed each year.

PART THREE
COMPLETING THE FREE APPLICATION FOR FEDERAL STUDENT AID

As mentioned in Part 2 of this handbook, if a student wishes to receive federally funded student aid to attend a postsecondary school, he or she must complete the *Free Application for Federal Student Aid* (FAFSA). Many states and schools also rely on the FAFSA to award their state and institutional student aid funds.

NOTE: ***Please be sure your students understand that a student does not have to pay to have the FAFSA processed. If the student is asked to pay a fee, he or she should consider what other services are being offered and remember that free advice on student aid is available. Encourage students to consult a high school or TRIO counselor, a college financial aid administrator (FAA), or the Federal Student Aid Information Center (FSAIC) (see inside front cover of this handbook) before considering paying for advice or an application service.***

A student can complete and submit the FAFSA electronically through *FAFSA on the Web* (see Part 2 of this handbook) at

www.fafsa.ed.gov

A student also can submit the FAFSA electronically by asking the FAA at the school to transmit the information through U.S. Department of Education (ED) software. Not all schools have this capability.

If neither of these options is available, a student can complete a paper FAFSA and mail it to ED's processor:

Federal Student Aid Programs
P.O. Box 4691
Mt. Vernon, IL 62864-0059

Spanish FAFSAs should be sent to

Federal Student Aid Programs
P.O. Box 4693
Mt. Vernon, IL 62864-0063

A draft copy of the 2004-05 paper FAFSA appears at the end of this section. This copy is for information purposes only and not for submission. Comments to improve the FAFSA may be sent to

U.S. Department of Education
Washington, DC 20202-4651

Pointers for completing the FAFSA

The paper FAFSA for 2004-05 is white, pink, and purple. Pink sections are for students to complete; purple sections are for parents to complete.

The following description of the FAFSA follows the order of questions on the paper version of the application. This information should help counselors answer questions that students and parents might have about the FAFSA.

Note that not every question is discussed here because several are self-explanatory. For a full discussion of each question on the FAFSA, see *Completing the FAFSA* at

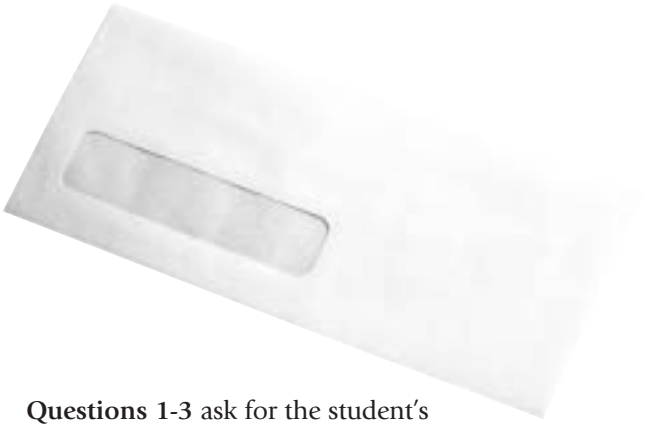
www.studentaid.ed.gov/completefafsa

This section focuses on information that is not contained in the FAFSA: discussion of questions that might be interpreted in different ways and/or those for which additional clarification might be of use.

NOTE: ***To avoid mistakes and delays in processing, it is crucial that students and parents carefully read and follow all directions on the FAFSA. Help with the application is available via live chat as the student completes* FAFSA on the Web *at www.fafsa.ed.gov. Students who fill out the paper form may call the FSAIC.***

STEP ONE (Questions 1-31)

Purpose: Step One collects information used to track and identify a student (name, telephone number, address, Social Security Number, and so on) as well as other information that affects a student's basic eligibility for federal (and/or state or institutional) student aid. For instance, there is a question about citizenship because a student must be a U.S. citizen (or eligible noncitizen) to receive federal student aid.



Questions 1-3 ask for the student's name. Because ED matches the student's name and Social Security Number (SSN) with the Social Security Administration (SSA), the name here should match the name on the student's Social Security card. Otherwise, the student will be told there was an inconsistency during processing, and other data matches could be affected, resulting in the student being asked for additional documentation, thereby slowing the application and aid awarding process for the student.

Questions 4-7 ask for the student's permanent mailing address. The student generally must give a permanent home mailing address (not a school or office address).

Exception: An incarcerated student must use his or her college's administrative address and include with the FAFSA a letter from the school indicating that he or she is incarcerated and, because of this, is using the school's address.

Question 8 asks for the student's SSN. A student must have an SSN to apply for federal student aid. If the student submits a FAFSA without an SSN, the FAFSA will be returned to the student unprocessed. To get an SSN, or to determine a student's SSN if the card has been lost, the student must contact the local Social Security office. For additional information (in English and Spanish), call the SSA at 1-800-772-1213 (TTY: 1-800-325-0778).

Exception: A student from the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau is not required to have an SSN. The CPS will assign an identification number to these students after they apply. We recommend the student continue to use the same number throughout his or her dealings with the federal student aid programs.

The student should be very careful when entering his or her SSN. Although the SSN can be corrected after the *Student Aid Report* (SAR) is produced, the number originally entered will always be used as the student's ID and is likely to cause confusion and extra work for the FAA if it doesn't match the student's SSN. (If a student submits an erroneous SSN, he or she should check with the FAA to determine whether to file a new original FAFSA using the correct SSN.)

Question 13 asks for the student's e-mail address. Although the space provided allows for a 40-character address, ED's system has room for 50 characters. If the student runs out of space, he or she should write the rest of the e-mail address next to or under Question 13. As long as the address is legible, the data entry staff will enter it in our system. If the student completes Question 13 with illegible or otherwise questionable characters, the CPS will treat the application as if there were no e-mail address at all.

Question 14 asks about U.S. citizenship and eligible noncitizenship. This is the first question on the FAFSA to refer to a reference note on page 2 of the application. The note defines who is an "eligible noncitizen." (Refer to the copy of the FAFSA at the end of Part 3 of this handbook.)

An eligible noncitizen should provide his or her Alien Registration Number in Question 15.

Questions 18-20 ask for the student's state and date of legal residence. This information is used in the EFC calculation to determine the appropriate allowance for state and other taxes paid by that state's residents. It also indicates which state agency should receive the student's FAFSA information. (Many state agencies use the FAFSA to award state-based student aid.) Different states have different definitions of legal residence; if the student is unsure, he or she should contact the FAA at a school in his or her state.

Question 24 asks for the student's grade level at the beginning of the 2004-05 school year. This question helps establish how much money the student may borrow under federal loan limits.

Question 25 asks whether the student will have a high school diploma or GED before enrolling. A homeschooled student should answer "Yes" if: (a) he or she will have completed a home-study program recognized by his or her home state, or (b) state law does not require a homeschooled student to obtain the appropriate credential, and the student has completed in the home a secondary school education that qualifies as an exemption from the compulsory attendance requirements under state law.

Question 26 asks whether the student will have a first bachelor's degree before July 1, 2004. Eligibility for Federal Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOGs) is almost exclusively restricted to students who have not yet received bachelor's degrees.

Questions 27 and 28 ask the student to indicate what types of aid, in addition to grants, he or she is interested in receiving. If a student isn't sure about wanting loans or work-study, he or she should answer "Yes." Here's why: Most institutions have limited Federal Perkins and Federal Work-Study funds. If a student answers "No" to those questions early in the application process, there might not be any remaining unawarded funds later if the student changes his or her mind. By answering "Yes" on the initial application, the student will be considered for all types of aid that are available. Also, answering "Yes" to loans and work-study will not adversely affect the student's eligibility for ED grants. At a later date, the student can decline any awarded aid he or she does not want.

Questions 29 and 30 ask for the highest level of school completed by the student's father and mother.

Some state agencies use this information to award grants and scholarships. "Father" and "mother" in these questions mean the student's birth parents or adoptive parents, but not stepparents or foster parents. Note that this definition of parents is unique to this question. All other questions use the definition given on page 7 of the FAFSA.

Question 31 asks whether the student has been convicted of possessing or selling illegal drugs. **If the student has been convicted, he or she is not necessarily ineligible for aid.** Students with convictions will complete an electronic worksheet online or will receive worksheets through the mail to determine whether the conviction affects the student's eligibility for federal student aid in the upcoming award year. Students with convictions should still complete and submit the FAFSA because even if they are ineligible for federal student aid, they may still be eligible for state or institutional aid. Many states and schools use the data supplied by the FAFSA to determine students' eligibility for aid from those entities.

If a student leaves question 31 blank, he or she will not be able to receive aid from ED's federal student aid programs.

STEP TWO (Questions 32-47)

Purpose: **Questions 32-47** collect the student's (and spouse's) income and asset information. (The FAFSA collects parents' income and asset information in Step Four.) The questions about income collect information on the "base year." The base year for applicants for 2004-05 is the 2003 tax year. Questions give line references to the 2003 federal tax forms from the Internal Revenue Service (IRS).

Question 34 asks the student whether he or she was eligible to file a 1040A or 1040EZ. ED's Central Processing System (CPS) uses this information to identify who is eligible for the "simplified needs test" (see below, under Questions 43-45).

Questions 35-39 ask the student (and spouse) for income and tax information reported on his or her tax returns. Each question gives the line reference to the 2003 IRS tax forms. ED recommends, but does not require, that a student file the IRS tax forms before completing the FAFSA (see page 28.) If the student files a foreign tax return, the student should convert the value of the foreign income and taxes paid into U.S. dollars, using the exchange rate in effect at the time he or she completes the FAFSA. The daily exchange rate can be found at

www.federalreserve.gov/releases/h10/update

Questions 40-42 collect information about the student's (and spouse's) untaxed income and benefits and income exclusions. To provide this information, the student completes the columns on the left side of Worksheets A, B, and C. (Copies of the worksheets are included with the copy of the FAFSA in this handbook.) It is important to review the items on these worksheets carefully, even if the student may have just a few of these items to report. These worksheets are not submitted to ED. Instead, the student enters the totals for the worksheets in Questions 40-42 and retains the worksheets in case the FAA has a question about the data submitted.

Worksheet A asks for (among other things) "Social Security benefits received...that were not taxed." Tax filers can determine this amount from the IRS Form 1040 by subtracting the taxable portion of Social Security benefits from total Social Security benefits.

Questions 43-45 ask the student for information about assets.

The CPS will automatically calculate a simplified EFC for a student who meets certain income and tax-filing requirements. (See page 28.) Family assets are not used in the simplified EFC calculation. However, even if the asset information isn't taken into account in calculating the EFC, some states and schools require this information for their own programs. A note on page 2 of the FAFSA states that students who use *FAFSA on the Web* might be able to skip certain questions on the application. A student without access to *FAFSA on the Web* should complete the entire paper application. The CPS will make the adjustment (omitting certain items from

the EFC calculation) for the applicant if appropriate.

It is important for students to read the notes for the investment questions (44 and 45); the notes specify certain items to include and not to include.

A Coverdell Education Savings Account (formerly Education IRA) in the student's name should be included in the student's assets, even if the parents opened the account and have made every contribution to it.

Questions 46 and 47 ask about the student's veterans education benefits and for how many months they will be received. Benefits reported here should include those paid under the following programs: Montgomery GI Bill—active duty; vocational rehabilitation; Post-Vietnam Era Veterans' Educational Assistance Program; Dependents Educational Assistance Program; Reserve Officer Training Corps (ROTC) scholarship; Selective Reserve; Selective Reserve Educational Assistance Program; ROTC program; Restored Entitlement Program for Survivors (or Quayle benefits); and Educational Assistance Pilot Program. (These programs are described in chapters 30, 31, 32, and 35 of title 38 of the United States Code; chapters 2, 106, and 107 of title 10 of the United States Code; chapter 2 of title 37 of the United States Code; section 156 of Public Law 97-376; and section 903 of Public Law 96-342.)

Veterans education benefits are not used in the EFC calculation. Instead, the law requires that education benefits offered by the U.S. Department of Veterans Affairs be treated

- as a resource when determining the student's eligibility for campus-based financial aid programs, and

- as estimated financial assistance (EFA) when determining the student's eligibility for Direct Loan or Federal Family Education Loan (FFEL) Program loans. (However, note that chapter 30 Montgomery veterans benefits are excluded from EFA when determining eligibility for subsidized FFEL and subsidized Direct Stafford Loans.)

This means that schools take veterans benefits into account when packaging aid.

STEP THREE (Questions 48-54)

Purpose: The questions in this step determine whether a student is a dependent student or an independent student for purposes of calculating the EFC. If the student answers "Yes" to any one of these questions, he or she is classified as an independent student, even if the student is still living with his or her parents. If the student is not living with his or her parents but cannot answer "Yes" to any of these questions, the student is dependent and must include his or her parents' information in Step Four.

Even if the student has unusual circumstances, this section must be answered. A school's FAA has the authority to override a student's dependency status on the initial application or by correcting the SAR if the FAA decides that a dependent student should be considered an independent student. The FAA's decision is final and cannot be appealed to ED.

Question 51 asks the student whether he or she has children who receive more than half of their support from the student. A student whose unborn child will be born before the end of the award year and will be provided more than 50 percent support by the student can answer "Yes" to this question. This guidance applies to male students as well as females.

Question 54 asks whether the student is a veteran of the U.S. Armed Forces. If the student answers "Yes" to being a veteran, the name is submitted for a database match with the U.S. Department of Veterans Affairs.

A student answering "Yes" to any question in Step Three skips Step Four and goes to Step Five. A student answering "No" to every question here goes to Step Four.

STEP FOUR (Questions 55-83)

Questions 55-69

Purpose: **Questions 55-69** collect information about the student's parents and their household.

Before completing these questions, the student should read the notes on page 7 of the FAFSA; these notes explain who is considered a parent. The student should also note that, for the purpose of completing the FAFSA,

- Legal guardians: Legal guardians are not considered to be a student's parents.

- Foster parents: Foster parents are not considered to be a student's parents.

- Grandparents (or aunts or uncles): Nonparent relatives (or nonrelatives) are NOT considered to be the student's parents—even if the student is living with them—unless they have adopted the student.

- Common-law marriage: If a student's parents are living together and are not married but meet the criteria in their state for a common-law marriage, the parents should be reported as married. If the state does not consider the situation to be a common-law marriage, then the parent information should be filled out as if they are divorced.

NOTE: ***If the student's last surviving parent dies after the FAFSA has been filed, the student must update question 53 using the methods described on page 35 of this handbook for updating information.***

Many students have questions about Step Four of the FAFSA because they do not consider their parent(s) to be their primary source of support. Perhaps the student lives with another relative and is no longer in touch with his or her parents, or perhaps he or she left home and has been self-supporting for years. In cases

such as these, the student should contact the financial aid administrator at the school he or she plans to attend. If the student reports the (nonparent) relative's information or simply leaves Step Four blank, processing of his or her student aid could be delayed. Please remind the student that any decision made by the financial aid administrator regarding special circumstances is final and cannot be appealed to ED.

Questions 57 and 61 ask for parents' SSNs. A dependent student's application will be rejected if there is not at least one parent's SSN, last name, first initial, and date of birth.

Question 65 collects information on how many people are in the parents' household. The applicant should include the people listed in the notes on page 7 of the FAFSA. Additionally, the parents' unborn child may be included if that child will be born on or before June 30, 2005.

Question 66 asks who in the parents' household will be college students in 2004-05 in a program that leads to a college degree or certificate. The FAFSA notes say to count the student, even if he or she is attending college less than half time in 2004-05. However, others in the parents' household may be included only if they will attend at least half time in 2004-05. Furthermore, they must be attending a postsecondary institution that is eligible to participate in ED's federal student aid programs. Parents may not be included in the number in college.

Question 67 asks for the parents' state of legal residence. Students whose parents do not live in the U.S. should enter "FC" (foreign country) for this question.

Questions 70-83: Income and Asset Information

Purpose: **Questions 70-83** collect the student's parents' income and asset information to calculate the parents' portion of the EFC.

NOTE: ***A portion—and only a portion—of the parents' income and assets is included in the EFC as being available for the student's educational costs.***

The questions about income collect information on the "base year." The base year for applicants for 2004-05 is the 2003 tax year. Questions give line references to the 2003 federal tax forms from the IRS.

Question 72 asks whether the student's parents were eligible to file a 1040A or 1040EZ. The CPS uses this information to identify who is eligible for the simplified needs test (see below, under Questions 81-83).

Questions 73-77 ask for income information that the parents reported on their tax return(s). Each question gives the line reference to the 2003 IRS tax forms. ED recommends, but does not require, that parents file IRS tax forms before completing the FAFSA (see page 28.) If the parents file a foreign tax return, the student should convert the income and tax amounts into U.S. dollars, using the exchange rate in effect at the time the student completes the FAFSA. The daily exchange rate can be found at

www.federalreserve.gov/releases/h10/update

Questions 78-80 collect information about the parents' untaxed income and benefits and income exclusions. The parents' information goes into the columns on the right side of Worksheets A, B, and C. (Copies of the worksheets are included with the copy of the FAFSA in this handbook.) It is important to review the items on these worksheets carefully, even if the parents have just a few of these items to report. These worksheets are not submitted to ED. Instead, the totals from the worksheets are entered into questions 78-80, and the worksheets should be retained for future reference.

Worksheet A asks for (among other things) "Social Security benefits received...that were not taxed." Tax filers can determine this amount from the IRS Form 1040 by subtracting the taxable portion of Social Security benefits from total Social Security benefits.

Questions 81-83 collect information to determine whether a family's assets are substantial enough to support a contribution toward a student's postsecondary education costs.

The CPS will automatically calculate a simplified EFC for a student who meets certain income and tax-filing requirements. (See page 28.) Family assets are not used in the simplified EFC calculation. However, even if the asset information isn't taken into account in calculating the EFC, some states and schools require this information for their own programs. A note on page 2 of the FAFSA states that students who use *FAFSA on the Web* might be able to skip certain questions on the application. A student without access to *FAFSA on the Web* should complete the entire application. The CPS will make the adjustment (omitting certain items from the EFC calculation) for the applicant if appropriate.

It is important for parents to read the notes on page 2 of the FAFSA for the investment questions (82 and 83), because the notes specify certain items to include and not to include.

A Coverdell Education Savings Account (formerly Education IRA) in the student's name should be included in the student's assets, even if the parents opened the account and have made every contribution to it.

Note that the family's principal place of residence (home) is not reported as an asset.

STEP FIVE (Questions 84 and 85)

Purpose: **Questions 84 and 85** collect information about independent students. Only students who answered "Yes" to one or more questions in Step Three complete this step.

Question 84 collects information on how many people are in the student's household. The applicant should include the people listed in the note on page 7 of the FAFSA. Additionally, the student's unborn child may be counted if that child will be born on or before June 30, 2005 and the student will provide more than half of the child's support.

Question 85 asks how many of the student's household will be students in 2004-05 in a program that leads to a college degree or certificate. The FAFSA tells the student to count himself or herself. The student may include others in the household only if they will attend at least half time in 2004-05. Furthermore, they must be attending a postsecondary institution that is eligible to participate in ED's federal student aid programs. The student's parents may not be counted.

STEP SIX (Questions 86-98)

Purpose: These questions collect information about which postsecondary schools the student is interested in attending.

Questions 86-97 ask the student to list up to six schools. ED will send the student's information to each school listed. For each school, the student indicates whether he or she expects to live on campus, off campus, or with his or her parent(s), because housing costs are part of the cost of attendance to be determined by the school and, therefore, affect the amount of financial aid that the student can receive at that school.

To find out whether a school participates in ED's federal student aid programs, a student can call the Federal Student Aid Information Center (FSAIC) at 1-800-4-FED-AID (1-800-433-3243; TTY: 1-800-730-8913; number for inquirers calling from foreign countries: +1-319-337-5665) or search for the school on the federal school codes list at

www.fafsa.ed.gov

If the student wants information sent to more than six schools, he or she will have to wait until the FAFSA is processed before changing the schools listed. Part 2 of this handbook describes how a student can add or change schools on the list.

NOTE: ***ED's central processor will send data to no more than six schools at a time for one student. For example, if a student originally listed six schools on the application, then replaced some or all six schools with new schools, then updated or corrected information on the SAR or*** **Corrections on the Web,** ***only the remaining set of schools would get the updated or corrected data.***

Question 98 asks about the student's enrollment status (full time, half time, etc.) at the beginning of the 2004-05 academic year. The student should answer based on the school he or she is most likely to attend. The notes on page 7 of the FAFSA define "full time," "half time," and the other terms used in this question.

STEP SEVEN (Questions 99-103)

Purpose: These questions collect the date the FAFSA was completed and student (and parent) signatures (and, if applicable, the FAFSA preparer's information and signature).

Before signing, the student (and parent) should read the text to the left of Questions 99 and 100.

NOTE: ***If students and/or parents purposely give false or misleading information, they may be fined $20,000, sent to prison, or both.***

Question 100 is where the student signs the FAFSA. If parents' information was provided in Step Four, a parent must also sign the FAFSA here. Only one parent who provided information must sign. (For information about signing *FAFSA on the Web,* see page 29.)

There are some circumstances when a high school counselor or a postsecondary school's financial aid administrator may sign the application in place of parents:

- the parent(s) are not currently in the United States and cannot be contacted by normal means,
- the current address of the parent(s) is not known, or
- the parent(s) have been determined physically or mentally incapable of providing a signature.

Substituting the signature of a counselor or financial aid administrator is a way to move the FAFSA through the processing system. The counselor or financial aid administrator must provide his or her title in parentheses next to his or her signature and briefly state the reason why he or she is signing for the parent(s).

By signing in place of a parent, the counselor or financial aid administrator is assuring a minimum level of credibility for the data submitted. However, the counselor or financial aid administrator does not assume any responsibility or liability in this process. If a financial aid office finds any inaccuracies in the information reported, the student must correct the information through the correction process described in Part 2 of this handbook.

Questions 101-103 should be completed if someone other than the student, the student's spouse, or the student's parent(s) filled out the FAFSA. High school counselors, financial aid administrators, and others who help students with their FAFSAs by actually completing line items or dictating responses are considered preparers. Preparers must complete the appropriate section of this step even if they are not paid for their services.

NOTE: ***The "school use only" box at the end of the FAFSA is for postsecondary school use, not for high school use.***

Where ED sends the FAFSA information

After ED receives and processes the FAFSA, it sends the processed information to

- the student,
- each school the student lists in Step Six,
- the state agency (or agencies) in the student's state of legal residence, and
- the state agencies of the states in which the schools listed in Step Six are located.

This maximizes the student's chances for receiving state-based and school-based financial aid.

FAFSA

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July 1, 2004 — June 30, 2005

FREE APPLICATION FOR FEDERAL STUDENT AID

OMB # 1845-0001

Apply free for federal and state student grants, work-study, and loans using this form!

Or apply free over the internet at www.fafsa.ed.gov

Applying by the Deadlines

For federal aid, submit your application as early as possible, but no earlier than January 1, 2004. We must receive your application no later than June 30, 2005. Your college must have your correct, complete information by your last day of enrollment in the 2004-2005 school year.

For state or college aid, the deadline may be as early as January 2004. See the table to the right for state deadlines. You may also need to complete additional forms. Check with your high school guidance counselor or a financial aid administrator at your college about state and college sources of student aid and deadlines.

If you are filing close to one of these deadlines, we recommend you file over the internet at **www.fafsa.ed.gov**. This is the fastest way to apply for aid.

Using Your Tax Return

If you are filing a 2003 federal income tax return, we recommend that you complete it before filling out this form. If you have not filed your return, you can still submit your FAFSA. Once you file your tax return, you must correct any income or tax data that changed on your FAFSA.

Filling Out the FAFSA

Your answers on this form will be read electronically. Therefore:

- use black ink and fill in ovals completely:
- print clearly in CAPITAL letters and skip a box between words:
- report dollar amounts (such as $12,356.41) like this:

Correct ● Incorrect ⊗ ✓

1	5		E	L	M		S	T

$ | | 1 | 2 | , | 3 | 5 | 6 | no cents

Pink is for student information and purple is for parent information.

If you or your family has unusual circumstances not shown on this form (such as loss of employment) that might affect your need for student financial aid, submit this form and then consult with the financial aid office at the college you plan to attend.

If you have questions about this application, or for more information on eligibility requirements and the U.S. Department of Education's student aid programs, look on the internet at **www.studentaid.ed.gov**. You can also call 1-800-4-FED-AID (1-800-433-3243). TTY users may call 1-800-730-8913.

Mailing Your FAFSA

After you complete this application, make a copy of pages 3 through 6 for your records. Then mail the original of only pages 3 through 6 in the attached envelope or send it to: Federal Student Aid Programs, P.O. Box 4691, Mt. Vernon, IL 62864-0059. Be sure to keep the worksheets on page 8.

You should hear from us within four weeks. If you do not, please check online at **www.fafsa.ed.gov** or call 1-800-433-3243. If you provided your e-mail address in question 13, you will receive information about your application within a few days after we process it.

Let's Get Started!

Now go to page 3, detach the application form, and begin filling it out. Refer to the notes as instructed.

STATE AID DEADLINES

File On-Line and File On-Time
www.fafsa.ed.gov

	AR	For State Grant - April 1, 2004 For Workforce Grant - July 1, 2004 *(date received)*
	AZ	June 30, 2005 *(date received)*
*^	CA	For initial awards - March 2, 2004 For additional community college awards - September 2, 2004 *(date postmarked)*
*	DC	June 28, 2004 *(date received by state)*
	DE	April 15, 2004 *(date received)*
	FL	May 15, 2004 *(date processed)*
^	IA	July 1, 2004 *(date received)*
#	IL	First-time applicants - September 30, 2004 Continuing applicants - August 15, 2004 *(date received)*
	IN	March 10, 2004 *(date received)*
#*	KS	April 1, 2004 *(date received)*
#	KY	March 15, 2004 *(date received)*
#^	LA	May 1, 2004 Final deadline - July 1, 2004 *(date received)*
#^	MA	May 1, 2004 *(date received)*
	MD	March 1, 2004 *(date postmarked)*
	ME	May 1, 2004 *(date received)*
	MI	March 1, 2004 *(date received)*
	MN	14 days after term starts *(date received)*
	MO	April 1, 2004 *(date received)*
#	MT	March 1, 2004 *(date processed)*
	NC	March 15, 2004 *(date received)*
	ND	March 15, 2004 *(date received)*
	NH	May 1, 2004 *(date received)*
^	NJ	June 1, 2004 if you received a Tuition Aid Grant in 2003-2004 All other applicants - October 1, 2004, fall & spring term - March 1, 2005, spring term only *(date received)*
*^	NY	May 1, 2005 *(date postmarked)*
	OH	October 1, 2004 *(date received)*
#	OK	April 30, 2004 Final deadline - June 30, 2004 *(date received)*
*	PA	All 2003-2004 State Grant recipients & all non-2003-2004 State Grant recipients in degree programs - May 1, 2004 All other applicants - August 1, 2004 *(date received)*
	PR	May 2, 2005 *(date application signed)*
#	RI	March 1, 2004 *(date received)*
	SC	June 30, 2004 *(date received)*
	TN	May 1, 2004 *(date processed)*
*^	WV	March 1, 2004 *(date received)*

Check with your financial aid administrator for these states: AK, AL, *AS, *CT, CO, *FM, GA, *GU, *HI, ID, *MH, *MP, MS, *NE, *NM, *NV, OR, *PW, *SD, *TX, UT, *VA, *VI, *VT, WA, WI, and *WY.

 # For priority consideration, submit application by date specified.

^ Applicants encouraged to obtain proof of mailing.

** Additional form may be required.*

STATE AID DEADLINES

Notes for questions **14 – 15** (page 3)

If you are an eligible noncitizen, write in your eight- or nine-digit Alien Registration Number. Generally, you are an eligible noncitizen if you are: (1) a U.S. permanent resident and you have an Alien Registration Receipt Card (I-551); (2) a conditional permanent resident (I-551C); or (3) an other eligible noncitizen with an Arrival-Departure Record (I-94) from the U.S. Department of Homeland Security showing any one of the following designations: "Refugee," "Asylum Granted," "Parolee" (I-94 confirms paroled for a minimum of one year and status has not expired), or "Cuban-Haitian Entrant." If you are in the U.S. on an F1 or F2 student visa, or a J1 or J2 exchange visitor visa, or a G series visa (pertaining to international organizations), you must fill in oval **c**. If you are neither a citizen nor an eligible noncitizen, you are not eligible for federal student aid. However, you may be eligible for state or college aid.

Notes for question **23** (page 3) — Enter the correct number in the box in question 23.

Enter **1** for 1st bachelor's degree
Enter **2** for 2nd bachelor's degree
Enter **3** for associate degree (occupational or technical program)
Enter **4** for associate degree (general education or transfer program)
Enter **5** for certificate or diploma for completing an occupational, technical, or educational program of less than two years
Enter **6** for certificate or diploma for completing an occupational, technical, or educational program of at least two years
Enter **7** for teaching credential program (nondegree program)
Enter **8** for graduate or professional degree
Enter **9** for other/undecided

Notes for question **24** (page 3) — Enter the correct number in the box in question 24.

Enter **0** for never attended college & 1st year undergraduate
Enter **1** for attended college before & 1st year undergraduate
Enter **2** for 2nd year undergraduate/sophomore
Enter **3** for 3rd year undergraduate/junior
Enter **4** for 4th year undergraduate/senior
Enter **5** for 5th year/other undergraduate
Enter **6** for 1st year graduate/professional
Enter **7** for continuing graduate/professional or beyond

Notes for questions **29 – 30** (page 3)

Some states and colleges offer aid based on the level of schooling your parents completed.

Notes for questions **33 c. and d.** (page 4) and **71 c. and d.** (page 5)

If you filed or will file a foreign tax return, or a tax return with Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federated States of Micronesia, or Palau, use the information from that return to fill out this form. If you filed a foreign return, convert all figures to U.S. dollars, using the exchange rate that is in effect today. Go to **www.federalreserve.gov/releases/h10/update** to view the daily exchange rate.

Notes for questions **34** (page 4) and **72** (page 5)

In general, a person is eligible to file a 1040A or 1040EZ if he or she makes less than $50,000, does not itemize deductions, does not receive income from his or her own business or farm, and does not receive alimony. A person is not eligible if he or she itemizes deductions, receives self-employment income or alimony, or is required to file Schedule D for capital gains. If you filed a 1040 only to claim Hope or Lifetime Learning credits, and you would have otherwise been eligible for a 1040A or 1040EZ, you should answer "Yes" to this question.

Notes for questions **37** (page 4) and **75** (page 5) — only for people who filed a 1040EZ or Telefile

On the 1040EZ, if a person answered "Yes" on line 5, use EZ worksheet line F to determine the number of exemptions ($3,050 equals one exemption). If a person answered "No" on line 5, enter 01 if he or she is single, or 02 if he or she is married.

On the Telefile, use line J(2) to determine the number of exemptions ($3,050 equals one exemption).

Notes for questions **43 – 45** (page 4) and **81 – 83** (page 5)

By applying over the internet at **www.fafsa.ed.gov**, you may be eligible to skip some questions. If you do not have internet access, completing questions 43–45 will not penalize you.

Net worth means current value minus debt. If net worth is one million or more, enter $999,999. If net worth is negative, enter 0.

Investments include real estate (do not include the home you live in), trust funds, money market funds, mutual funds, certificates of deposit, stocks, stock options, bonds, other securities, Coverdell savings accounts, college savings plans, installment and land sale contracts (including mortgages held), commodities, etc. Investment value includes the market value of these investments as of today. Investment debt means only those debts that are related to the investments.

Investments do not include the home you live in, the value of life insurance, retirement plans (pension funds, annuities, noneducation IRAs, Keogh plans, etc.), and prepaid tuition plans, or cash, savings, and checking accounts already reported in 43 and 81.

Business and/or investment farm value includes the market value of land, buildings, machinery, equipment, inventory, etc. Business and/or investment farm debt means only those debts for which the business or investment farm was used as collateral.

Notes for question **54** (page 4)

Answer **"No"** (you are not a veteran) if you (1) have never engaged in active duty in the U.S. Armed Forces, (2) are currently an ROTC student or a cadet or midshipman at a service academy, or (3) are a National Guard or Reserves enlistee activated only for training. Also answer "No" if you are currently serving in the U.S. Armed Forces and will continue to serve through June 30, 2005.

Answer **"Yes"** (you are a veteran) if you (1) have engaged in active duty in the U.S. Armed Forces (Army, Navy, Air Force, Marines, or Coast Guard) or are a National Guard or Reserve enlistee, who was called to active duty for purposes other than training, or were a cadet or midshipman at one of the service academies, **and** (2) were released under a condition other than dishonorable. Also answer "Yes" if you are not a veteran now but will be one by June 30, 2005.

Notes Continued on Page 7

FAFSA

JULY 1, 2004 — JUNE 30, 2005

FREE APPLICATION FOR FEDERAL STUDENT AID

We Help Put America Through School

OMB # 1845-0001

Step One: For questions 1–30, leave blank any questions that do not apply to you (the student).

1-3. Your full name (as it appears on your Social Security card)

1. LAST NAME: FOR INFORMATION ONLY
2. FIRST NAME: DO NOT SUBMIT
3. MIDDLE INITIAL

4-7. Your permanent mailing address

4. NUMBER AND STREET (INCLUDE APT. NUMBER)
5. CITY (AND COUNTRY IF NOT U.S.)
6. STATE
7. ZIP CODE

8. Your Social Security Number: XXX – XX – XXXX

9. Your date of birth: ___ / ___ / 19__

10. Your permanent telephone number: (___) ___ – ____

11-12. Your driver's license number and state (if any)

11. LICENSE NUMBER
12. STATE

13. Your e-mail address

WE WILL USE THIS E-MAIL ADDRESS TO CORRESPOND WITH YOU. YOU WILL RECEIVE YOUR FAFSA INFORMATION THROUGH A SECURE LINK ON THE INTERNET, SENT TO THE E-MAIL ADDRESS YOU PROVIDE. LEAVE BLANK TO RECEIVE INFORMATION THROUGH REGULAR MAIL. WE WILL ONLY SHARE THIS ADDRESS WITH THE SCHOOLS YOU LIST ON THE FORM AND YOUR STATE. THEY MAY USE THE E-MAIL ADDRESS TO COMMUNICATE WITH YOU.

@

14. Are you a U.S. Citizen? Pick one. **See page 2.**

- **a.** Yes, I am a U.S. citizen. **Skip to question 16.** ..... ◯ 1
- **b.** No, but I am an eligible noncitizen. **Fill in question 15.** ..... ◯ 2
- **c.** No, I am not a citizen or eligible noncitizen. ..... ◯ 3

15. ALIEN REGISTRATION NUMBER: A

16. What is your marital status as of today?

- I am single, divorced, or widowed ..... ◯ 1
- I am married/remarried ..... ◯ 2
- I am separated ..... ◯ 3

17. Month and year you were married, separated, divorced, or widowed: MONTH ___ / YEAR ____

18. What is your state of legal residence? STATE

19. Did you become a legal resident of this state before January 1, 1999? Yes ◯ 1 No ◯ 2

20. If the answer to question 19 is "**No**," give month and year you became a legal resident. MONTH ___ / YEAR ____

21. Are you male? (Most male students must register with Selective Service to get federal aid.) Yes ◯ 1 No ◯ 2

22. If you are male (age 18–25) and not registered, answer "Yes" and Selective Service will register you. Yes ◯ 1 No ◯ 2

23. What degree or certificate will you be working on during 2004–2005? See page 2 and enter the correct number in the box.

24. What will be your grade level when you begin the 2004–2005 school year? See page 2 and enter the correct number in the box.

25. Will you have a high school diploma or GED before you begin the 2004–2005 school year? Yes ◯ 1 No ◯ 2

26. Will you have your first bachelor's degree before July 1, 2004? Yes ◯ 1 No ◯ 2

27. In addition to grants, are you interested in student loans (which you must pay back)? Yes ◯ 1 No ◯ 2

28. In addition to grants, are you interested in "work-study" (which you earn through work)? Yes ◯ 1 No ◯ 2

29. Highest school your father completed: Middle school/Jr. High ◯ 1 High School ◯ 2 College or beyond ◯ 3 Other/unknown ◯ 4

30. Highest school your mother completed: Middle school/Jr. High ◯ 1 High School ◯ 2 College or beyond ◯ 3 Other/unknown ◯ 4

31. Do not leave this question blank. Have you ever been convicted of possessing or selling illegal drugs? If you have, answer "Yes," complete and submit this application, and we will send you a worksheet in the mail for you to determine if your conviction affects your eligibility for aid.

No ◯ 1
Yes ◯ 3

DO NOT LEAVE QUESTION 31 BLANK

For Help -- www.studentaid.ed.gov/completefafsa

Step Two: For questions 32–45, report your (the student's) income and assets. If you are married as of today, report your and your spouse's income and assets, even if you were not married in 2003. Ignore references to "spouse" if you are currently single, separated, divorced, or widowed.

32. For 2003, have you (the student) completed your IRS income tax return or another tax return listed in question 33?

- **a.** I have already completed my return. ◯ 1
- **b.** I will file, but I have not yet completed my return. ◯ 2
- **c.** I'm not going to file. **(Skip to question 38.)** ◯ 3

33. What income tax return did you file or will you file for 2003?

- **a.** IRS 1040 ..... ◯ 1
- **b.** IRS 1040A, 1040 EZ, 1040 Telefile ..... ◯ 2
- **c.** A foreign tax return. **See page 2.** ..... ◯ 3
- **d.** A tax return for Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federated States of Micronesia, or Palau. **See page 2.** ..... ◯ 4

34. If you have filed or will file a 1040, were you eligible to file a 1040A or 1040 EZ? **See page 2.** Yes ◯ 1 No ◯ 2 Don't Know ◯ 3

For questions 35–47, if the answer is zero or the question does not apply to you, enter 0.

35. What was your (and spouse's) adjusted gross income for 2003? Adjusted gross income is on IRS Form 1040—line 34; 1040A—line 21; 1040EZ—line 4; or Telefile—line I. $ ___ , ___

36. Enter the total amount of your (and spouse's) income tax for 2003. Income tax amount is on IRS Form 1040—line 54; 1040A—line 36; 1040EZ—line 10; or Telefile—line K(2). $ ___ , ___

37. Enter your (and spouse's) exemptions for 2003. Exemptions are on IRS Form 1040—line 6d or on Form 1040A—line 6d. For Form 1040EZ or Telefile, **see page 2.** ___

38-39. How much did you (and spouse) earn from working (wages, salaries, tips, etc.) in 2003? Answer this question whether or not you filed a tax return. This information may be on your W-2 forms, or on IRS Form 1040—lines 7 + 12 + 18; 1040A—line 7; or 1040EZ—line 1. Telefilers should use their W-2 forms.

You (38) $ ___ , ___

Your Spouse (39) $ ___ , ___

Student (and Spouse) Worksheets (40–42)

40–42. Go to page 8 and complete the columns on the left of Worksheets A, B, and C. Enter the student (and spouse) totals in questions 40, 41, and 42, respectively. Even though you may have few of the Worksheet items, check each line carefully.

Worksheet A (40) $ ___ , ___

Worksheet B (41) $ ___ , ___

Worksheet C (42) $ ___ , ___

43. As of today, what is your (and spouse's) total current balance of **cash, savings, and checking accounts**? Do not include student financial aid. $ ___ , ___

44. As of today, what is the net worth of your (and spouse's) **investments**, including real estate (not your home)? **See page 2.** $ ___ , ___

45. As of today, what is the net worth of your (and spouse's) current **businesses and/or investment farms**? Do not include a farm that you live on and operate. **See page 2.** $ ___ , ___

46-47. If you receive veterans' education benefits, for how many months from July 1, 2004, through June 30, 2005, will you receive these benefits, and what amount will you receive per month? Do not include your spouse's veterans' education benefits.

Months (46) ___

Amount (47) ___ , ___

Step Three: Answer all seven questions in this step.

48. Were you born before January 1, 1981? ..... Yes ◯ 1 No ◯ 2

49. At the beginning of the 2004–2005 school year, will you be working on a master's or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.)? ..... Yes ◯ 1 No ◯ 2

50. As of today, are you married? (Answer "Yes" if you are separated but not divorced.) ..... Yes ◯ 1 No ◯ 2

51. Do you have children who receive more than half of their support from you? ..... Yes ◯ 1 No ◯ 2

52. Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through June 30, 2005? ..... Yes ◯ 1 No ◯ 2

53. Are both of your parents deceased, or are you or were you (until age 18) a ward/dependent of the court? ..... Yes ◯ 1 No ◯ 2

54. Are you a veteran of the U.S. Armed Forces? **See page 2.** ..... Yes ◯ 1 No ◯ 2

If you (the student) answer "No" to every question in Step Three, go to Step Four.
If you answer "Yes" to any question in Step Three, skip Step Four and go to Step Five on page 6.

(**Health Profession Students**: Your school may require you to complete Step Four even if you answered "Yes" to any Step Three question.)

Step Four: Complete this step if you (the student) answered "No" to all questions in Step Three.

Go to page 7 to determine who is a parent for this step.

55. What is your parents' marital status as of today?

Married/Remarried ..... ◯ 1 Divorced/Separated ..... ◯ 3

Single ..... ◯ 2 Widowed ..... ◯ 4

56. Month and year they were married, separated, divorced, or widowed — MONTH ☐☐ / YEAR ☐☐☐☐

57–64. What are the Social Security Numbers, names, and dates of birth of the parents reporting information on this form? If your parent does not have a Social Security Number, you must enter 000-00-0000.

57. FATHER'S/STEPFATHER'S SOCIAL SECURITY NUMBER ☐☐☐ – ☐☐ – ☐☐☐☐

58. FATHER'S/STEPFATHER'S LAST NAME, AND **59.** FIRST INITIAL ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐ , ☐

60. FATHER'S/STEPFATHER'S DATE OF BIRTH ☐☐ / ☐☐ / ☐☐

61. MOTHER'S/STEPMOTHER'S SOCIAL SECURITY NUMBER ☐☐☐ – ☐☐ – ☐☐☐☐

62. MOTHER'S/STEPMOTHER'S LAST NAME, AND **63.** FIRST INITIAL ☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐☐ , ☐

64. MOTHER'S/STEPMOTHER'S DATE OF BIRTH ☐☐ / ☐☐ / ☐☐

65. **Go to page 7** to determine how many people are in your parents' household. ☐☐

66. Go to page 7 to determine how many in question 65 (exclude your parents) will be college students between July 1, 2004, and June 30, 2005. ☐

67. What is your parents' state of legal residence? STATE ☐☐

68. Did your parents become legal residents of this state before January 1, 1999? Yes ◯ 1 No ◯ 2

69. If the answer to question 68 is "**No**," give month and year legal residency began for the parent who has lived in the state the longest. MONTH ☐☐ / YEAR ☐☐☐☐

70. For 2003, have your parents completed their IRS income tax return or another tax return listed in question 71?

a. My parents have already completed their return. ◯ 1

b. My parents will file, but they have not yet completed their return. ◯ 2

c. My parents are not going to file. **(Skip to question 76.)** ◯ 3

71. What income tax return did your parents file or will they file for 2003?

a. IRS 1040 ..... ◯ 1

b. IRS 1040A, 1040 EZ, 1040 Telefile ..... ◯ 2

c. A foreign tax return. **See page 2.** ..... ◯ 3

d. A tax return for Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Marshall Islands, the Federated States of Micronesia, or Palau. **See page 2.** ..... ◯ 4

72. If your parents have filed or will file a 1040, were they eligible to file a 1040A or 1040EZ? **See page 2.** Yes ◯ 1 No ◯ 2 Don't Know ◯ 3

For questions 73–83, if the answer is zero or the question does not apply, enter 0.

73. What was your parents' adjusted gross income for 2003? Adjusted gross income is on IRS Form 1040—line 34; 1040A—line 21; 1040EZ—line 4; or Telefile—line I. $ ☐☐☐ , ☐☐☐

74. Enter the total amount of your parents' income tax for 2003. Income tax amount is on IRS Form 1040—line 54; 1040A—line 36; 1040EZ—line 10; or Telefile—line K(2). $ ☐☐☐ , ☐☐☐

75. Enter your parents' exemptions for 2003. Exemptions are on IRS Form 1040—line 6d or on Form 1040A—line 6d. For Form 1040EZ or Telefile, **see page 2**. ☐☐

76-77. How much did your parents earn from working (wages, salaries, tips, etc.) in 2003? Answer this question whether or not your parents filed a tax return. This information may be on their W-2 forms, or on IRS Form 1040—lines 7 + 12 + 18; 1040A—line 7; or 1040EZ—line 1. Telefilers should use their W-2 forms.

Father/ Stepfather (76) $ ☐☐☐ , ☐☐☐

Mother/ Stepmother (77) $ ☐☐☐ , ☐☐☐

Parent Worksheets (78–80)

78–80. Go to page 8 and complete the columns on the right of Worksheets A, B, and C. Enter the parents totals in questions 78, 79, and 80, respectively. Even though your parents may have few of the Worksheet items, check each line carefully.

Worksheet A (78) $ ☐☐ , ☐☐☐

Worksheet B (79) $ ☐☐ , ☐☐☐

Worksheet C (80) $ ☐☐ , ☐☐☐

81. As of today, what is your parents' total current balance of **cash, savings, and checking accounts**? $ ☐☐☐ , ☐☐☐

82. As of today, what is the net worth of your parents' **investments**, including real estate (not your home)? **See page 2.** $ ☐☐☐ , ☐☐☐

83. As of today, what is the net worth of your parents' current **businesses and/or investment farms**? Do not include a farm that your parents live on and operate. **See page 2.** $ ☐☐☐ , ☐☐☐

Now go to Step Six.

Step Five: Complete this step only if you (the student) answered "Yes" to any Step Three question.

84. Go to page 7 to determine how many people are in your (and your spouse's) household.

85. Go to page 7 to determine how many in question 84 will be college students, attending at least half time between July 1, 2004, and June 30, 2005.

Step Six: Please tell us which schools may request your information, and your enrollment level.

Enter the 6-digit federal school code and your housing plans. Look for the federal school codes at **www.fafsa.ed.gov**, at your college financial aid office, at your public library, or by asking your high school guidance counselor. If you cannot get the federal school code, write in the complete name, address, city, and state of the college. For state aid, you may wish to list your preferred school first.

	1st FEDERAL SCHOOL CODE	OR	NAME OF COLLEGE / ADDRESS AND CITY	STATE		HOUSING PLANS
86.					87.	on campus 1 / off campus 2 / with parent 3
	2nd FEDERAL SCHOOL CODE					
88.					89.	on campus 1 / off campus 2 / with parent 3
	3rd FEDERAL SCHOOL CODE					
90.					91.	on campus 1 / off campus 2 / with parent 3
	4th FEDERAL SCHOOL CODE					
92.					93.	on campus 1 / off campus 2 / with parent 3
	5th FEDERAL SCHOOL CODE					
94.					95.	on campus 1 / off campus 2 / with parent 3
	6th FEDERAL SCHOOL CODE					
96.					97.	on campus 1 / off campus 2 / with parent 3

98. See page 7. At the start of the 2004–2005 academic year, please mark if you will be: Full time 1 / 3/4 time 2 / Half time 3 / Less than half time 4 / Not sure 5

Step Seven: Read, sign, and date.

If you are the student, by signing this application you certify that you (1) will use federal and/or state student financial aid only to pay the cost of attending an institution of higher education, (2) are not in default on a federal student loan or have made satisfactory arrangements to repay it, (3) do not owe money back on a federal student grant or have made satisfactory arrangements to repay it, (4) will notify your school if you default on a federal student loan, and (5) will not receive a Federal Pell Grant for more than one school for the same period of time.

If you are the parent or the student, by signing this application you agree, if asked, to provide information that will verify the accuracy of your completed form. This information may include your U.S. or state income tax forms. Also, you certify that you understand that **the Secretary of Education has the authority to verify information reported on this application with the Internal Revenue Service and other federal agencies.** If you purposely give false or misleading information, you may be fined $20,000, sent to prison, or both.

99. Date this form was completed.

MONTH / DAY / 2004 or 2005

100. Student (Sign below)

1 **FOR INFORMATION ONLY.**

Parent (A parent from Step Four sign below)

2 **DO NOT SUBMIT.**

If this form was filled out by someone other than you, your spouse, or your parent(s), that person must complete this part.

Preparer's name, firm, and address

101. Preparer's Social Security Number (or 102)

102. Employer ID number (or 101)

103. Preparer's signature and date

1

SCHOOL USE ONLY:

D/O 1

Federal School Code

FAA SIGNATURE

1

DATA ENTRY USE ONLY: P / * / L / E

For Help —1-800-433-3243

Notes for questions **55–83** (page 5) **Step Four:** Who is considered a parent in this step?

Read these notes to determine who is considered a parent on this form. **Answer all questions in Step Four about them**, even if you do not live with them. (Note that grandparents and legal guardians are not parents.)

If your parents are both living and married to each other, answer the questions about them.

If your parent is widowed or single, answer the questions about that parent. If your widowed parent is remarried as of today, answer the questions about that parent and the person whom your parent married (your stepparent).

If your parents are divorced or separated, answer the questions about the parent you lived with more during the past 12 months. (If you did not live with one parent more than the other, give answers about the parent who provided more financial support during the past 12 months, or during the most recent year that you actually received support from a parent.) If this parent is remarried as of today, answer the questions on the rest of this form about that parent and the person whom your parent married (your stepparent).

Notes for question **65** (page 5)

Include in your parents' household (see notes, above, for who is considered a parent):

- your parents and yourself, even if you don't live with your parents, and
- your parents' other children if (a) your parents will provide more than half of their support from July 1, 2004 through June 30, 2005 or (b) the children could answer "no" to every question in Step Three on page 4 of this form, and
- other people if they now live with your parents, your parents provide more than half of their support, and your parents will continue to provide more than half of their support from July 1, 2004, through June 30, 2005.

Notes for questions **66** (page 5) and **85** (page 6)

Always count yourself as a college student. Do not include your parents. Include others only if they will attend, at least half time in 2004-2005, a program that leads to a college degree or certificate.

Notes for question **84** (page 6)

Include in your (and your spouse's) household:

- yourself (and your spouse, if you have one), and
- your children, if you will provide more than half of their support from July 1, 2004, through June 30, 2005, and
- other people if they now live with you, and you provide more than half of their support, and you will continue to provide more than half of their support from July 1, 2004, through June 30, 2005.

Notes for question **98** (page 6)

For undergraduates, full time generally means taking at least 12 credit hours in a term or 24 clock hours per week. 3/4 time generally means taking at least 9 credit hours in a term or 18 clock hours per week. Half time generally means taking at least 6 credit hours in a term or 12 clock hours per week. Provide this information about the college you are most likely to attend.

Information on the Privacy Act and use of your Social Security Number

We use the information that you provide on this form to determine if you are eligible to receive federal student financial aid and the amount that you are eligible to receive. Sections 483 and 484 of the Higher Education Act of 1965, as amended, give us the authority to ask you and your parents these questions, and to collect the Social Security Numbers of you and your parents. We use your Social Security Number to verify your identity and retrieve your records, and we may request your Social Security Number again for those purposes.

State and institutional student financial aid programs may also use the information that you provide on this form to determine if you are eligible to receive state and institutional aid and the need that you have for such aid. Therefore, we will disclose the information that you provide on this form to each institution you list in questions 86–96, state agencies in your state of legal residence, and the state agencies of the states in which the colleges that you list in questions 86–96 are located.

If you are applying solely for federal aid, you must answer all of the following questions that apply to you: 1–9, 14–16, 18, 21–22, 25–26, 31–36, 38–45, 48–67, 70–74, 76–85, and 99–100. If you do not answer these questions, you will not receive federal aid.

Without your consent, we may disclose information that you provide to entities under a published "routine use." Under such a routine use, we may disclose information to third parties that we have authorized to assist us in administering the above programs; to other federal agencies under computer matching programs, such as those with the Internal Revenue Service, Social Security Administration, Selective Service System, Department of Homeland Security, and Veterans Affairs; to your parents or spouse; and to members of Congress if you ask them to help you with student aid questions.

If the federal government, the U.S. Department of Education, or an employee of the U.S. Department of Education is involved in litigation, we may send information to the Department of Justice, or a court or adjudicative body, if the disclosure is related to financial aid and certain conditions are met. In addition, we may send your information to a foreign, federal, state, or local enforcement agency if the information that you submitted indicates a violation or potential violation of law, for which that agency has jurisdiction for investigation or prosecution. Finally, we may send information regarding a claim that is determined to be valid and overdue to a consumer reporting agency. This information includes identifiers from the record; the amount, status, and history of the claim; and the program under which the claim arose.

State Certification

By submitting this application, you are giving your state financial aid agency permission to verify any statement on this form and to obtain income tax information for all persons required to report income on this form.

The Paperwork Reduction Act of 1995

The Paperwork Reduction Act of 1995 says that no one is required to respond to a collection of information unless it displays a valid OMB control number, which for this form is 1845-0001. The time required to complete this form is estimated to be one hour, including time to review instructions, search data resources, gather the data needed, and complete and review the information collection. If you have comments about this estimate or suggestions for improving this form, please write to: U.S. Department of Education, Washington DC 20202-4651.

We may request additional information from you to process your application more efficiently. We will collect this additional information only as needed and on a voluntary basis.

Worksheets

Calendar Year 2003

Do not mail these worksheets in with your application.

Keep these worksheets; your school may ask to see them.

Worksheet A

Report Annual Amounts

Student/Spouse: For question 40		Parent(s): For question 78
$	Earned income credit from IRS Form 1040—line 63; 1040A—line 41, 1040EZ—line 8, or Telefile—line L	$
$	Additional child tax credit from IRS Form 1040—line 65 or 1040A—line 42	$
$	Welfare benefits, including Temporary Assistance for Needy Families (TANF). Don't include food stamps or subsidized housing.	$
$	Social Security benefits received, for all household members as reported in question 84 (or 65 for your parents), that were not taxed (such as SSI)	$
$	**Enter in question 40.** **Enter in question 78.**	$

Worksheet B

Report Annual Amounts

For question 41		For question 79
$	Payments to tax-deferred pension and savings plans (paid directly or withheld from earnings), including, but not limited to, amounts reported on the W-2 Form in Boxes 12a through 12d, codes D, E, F, G, H, and S	$
$	IRA deductions and payments to self-employed SEP, SIMPLE, and Keogh and other qualified plans from IRS Form 1040—total of lines 24 + 30 or 1040A—line 17	$
$	Child support you received for all children. Don't include foster care or adoption payments.	$
$	Tax exempt interest income from IRS Form 1040—line 8b or 1040A—line 8b	$
$	Foreign income exclusion from IRS Form 2555—line 43 or 2555EZ —line 18	$
$	Untaxed portions of IRA distributions from IRS Form 1040—lines (15a minus 15b) or 1040A—lines (11a minus 11b). Exclude rollovers. If negative, enter a zero here.	$
$	Untaxed portions of pensions from IRS Form 1040—lines (16a minus 16b) or 1040A—lines (12a minus 12b). Exclude rollovers. If negative, enter a zero here.	$
$	Credit for federal tax on special fuels from IRS Form 4136—line 10 — nonfarmers only	$
$	Housing, food, and other living allowances paid to members of the military, clergy, and others (including cash payments and cash value of benefits)	$
$	Veterans' noneducation benefits such as Disability, Death Pension, or Dependency & Indemnity Compensation (DIC), and/or VA Educational Work-Study allowances	$
$	Any other untaxed income or benefits not reported elsewhere on Worksheets A and B, such as workers' compensation, untaxed portions of railroad retirement benefits, Black Lung Benefits, disability, etc. Don't include student aid, Workforce Investment Act educational benefits, or benefits from flexible spending arrangements, e.g., cafeteria plans.	$
$	Money received, or paid on your behalf (e.g., bills), not reported elsewhere on this form	XXXXXXXXX
$	**Enter in question 41.** **Enter in question 79.**	$

Worksheet C

Report Annual Amounts

For question 42		For question 80
$	Education credits (Hope and Lifetime Learning tax credits) from IRS Form 1040—line 47 or 1040A—line 31	$
$	Child support you paid because of divorce or separation or as a result of a legal requirement. Don't include support for children in your (or your parents') household, as reported in question 84 (or question 65 for your parents).	$
$	Taxable earnings from need-based employment programs, such as Federal Work-Study and need-based employment portions of fellowships and assistantships	$
$	Student grant and scholarship aid reported to the IRS in your (or your parents') adjusted gross income. Includes AmeriCorps benefits (awards, living allowances, and interest accrual payments), as well as grant or scholarship portions of fellowships and assistantships.	$
$	**Enter in question 42.** **Enter in question 80.**	$

Tips to Getting Aid Without Delay!

We asked financial aid advisors from around the country what they would tell students filling out their FAFSAs. Here's what they said:

Important: Read the form!

Many questions on the FAFSA are straightforward, like your Social Security Number or your date of birth. But many require you to read the instructions to make sure you answer the question correctly. Words like "household," "investments," and even "parent" all have common meanings, but are specifically defined for purposes of federal student aid. So be sure to read the instructions.

You may have unique family situations that cause you to have additional questions. You should then contact a financial aid administrator at the school you wish to attend for clarification.

Apply early.

Deadlines for aid from your state, from your school, and from private sources tend to be much earlier than deadlines for federal aid. To make sure that any financial aid package your school offers you will contain aid from as many sources as possible, apply as soon as you can after January 1, 2004.

The U.S. Department of Education will process your 2004-2005 FAFSA if received on or before June 30, 2005. However, to actually receive aid, your school must have your correct, complete information before your last day of enrollment in the 2004-2005 school year. So it is important to apply early to make sure you leave enough time for your school to receive your information and to make any necessary corrections.

Complete your tax return.

Filling out your tax return first will make completing the FAFSA easier. However, you do not need to submit your tax return to the IRS before you submit your FAFSA. But, once you (and your parents if you are a dependent student) file your tax return, you must correct any income or tax information that changed since you filed your FAFSA. Inaccurate information on your FAFSA may delay your receipt of federal student aid. Also, you will be required to return federal aid you improperly received based upon incorrect information.

Save time: File Electronically!

You can fill out and submit a FAFSA over the internet. This is the fastest way to apply for financial aid. Also, your information is edited before you submit it. So if you made any errors or left out any information, we can call this to your attention before you submit your application. This reduces the chance that your data will be rejected for some reason and makes it less likely that you will have to correct your information later. To submit your application using FAFSA on the Web, go to **www.fafsa.ed.gov**.

Ask: Do I need additional forms?

The FAFSA is the one application for federal student aid. Many schools and states rely solely upon this information. However, your school or state may require you to fill out additional forms. These additional forms may have deadlines that are earlier than the federal student aid deadlines, so be sure to check with the financial aid office at the school you plan to attend.

FAFSA

FREE APPLICATION FOR FEDERAL STUDENT AID

We Help Put America Through School

What is the FAFSA?

Why fill out a FAFSA?

The FAFSA (the *Free Application for Federal Student Aid*) is the first step in the financial aid process. You use it to apply for federal student financial aid, such as grants, loans, and work-study. In addition, most states and schools use information from the FAFSA to award non-federal aid.

Why all the questions?

EFC

We enter your responses to the FAFSA questions into a formula from the Higher Education Act of 1965, as amended. The result is your Expected Family Contribution, or EFC. The EFC measures your family's financial strength. It is used to determine your eligibility for federal student aid.

Your state, and the schools you list, may also use some of your responses. They will determine if you may be eligible for school or state aid, in addition to federal aid.

How do I find out what my EFC is?

We will send you a report, called a *Student Aid Report*, or SAR, through the mail or the internet. The SAR lists the information you reported on your FAFSA, and will tell you your EFC.

It is important to review your SAR when you receive it. Make sure all of your information is correct. Make any necessary changes or provide additional information.

How much aid do I get?

Your EFC, along with the rest of your FAFSA information, is made available to all the schools you list in Step Six of the FAFSA. The schools use your EFC to prepare a financial aid package to help you meet your financial need. Financial need is the difference between your EFC and your school's cost of attendance (which can include living expenses), as determined by the school.

If you or your family have special circumstances that should be taken into account, contact your school's financial aid office. Some examples of special circumstances are: unusual medical or dental expenses, or a large change in income from last year to this year.

When do I get the aid?

Any financial aid you are eligible to receive will be paid to you through your school. Typically, your school will first use the aid to pay tuition, fees, and room and board (if provided by the school). Any remaining aid is paid to you for your other expenses.

If you are eligible for a Federal Pell Grant, you may receive it for only one school for the same period of enrollment.

Where can I get more information on student aid?

The best place for information about student financial aid is the financial aid office at the school you plan to attend. The financial aid administrator can tell you about student aid available from your state, the school itself, and other sources.

You can also check out these resources:

- www.studentaid.ed.gov
- www.students.gov
- The Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243). TTY users may call 1-800-730-8913.
- Your high school counselor's office
- Your local library's reference section

There may be information available from foundations, religious organizations, community organizations, and civic groups, as well as organizations related to your field of interest, such as the American Medical Association or American Bar Association. Check with your parents' employers or unions to see if they award scholarships or have tuition payment plans.

Warning!

Be wary of organizations that charge a fee to submit your application, or find you money for school. Some are legitimate and some are scams. Generally, any help you pay for you can get for free from your school or the U.S. Department of Education.

DEPARTMENT OF EDUCATION · UNITED STATES OF AMERICA

FAFSA

FREE APPLICATION FOR FEDERAL STUDENT AID

We Help Put America Through School

APPENDIX A
SOURCES OF ADDITIONAL INFORMATION

Federal Student Aid Information Center

For information on any federal student aid program discussed in this handbook, you or your students may call the Federal Student Aid Information Center (FSAIC):

1-800-4-FED-AID (1-800-433-3243)—a toll-free number

TTY: 1-800-730-8913—a toll-free number for the hearing impaired

The FSAIC provides the following services:

- helping complete the *Free Application for Federal Student Aid* (FAFSA),
- explaining the *Student Aid Report* (SAR) produced from the FAFSA and how to make corrections,
- checking on the processing status of the FAFSA,
- requesting a duplicate SAR,
- changing the student's address or the schools that receive the student's information (the student will need the Data Release Number [DRN] from his or her SAR or *SAR Acknowledgement*),
- checking on whether a school participates in federal student aid programs,
- explaining who is eligible for federal student aid,
- explaining how federal student aid is awarded and paid,
- explaining the "verification" process, and
- mailing requested publications.

The FSAIC is NOT able to

- make policy,
- expedite the federal student aid application process,
- discuss a student's federal student aid file with an unauthorized person, or
- influence an individual school's financial aid policies.

A high school student's best initial sources of information on federal student aid are *Funding Your Education* (see the annotated listing that follows), www.studentaid.ed.gov, high school counselors, and postsecondary school financial aid administrators.

Student Aid on the Web

If you or your students have access to the Internet, you can consult our web site, *Student Aid on the Web.* The site offers college-bound students and their families a single source of free information on choosing a career, selecting a school, and identifying resources to pay for school. Comprehensive career and college search tools allow the user to input interests, hobbies, and educational experience. In return, the site provides related

career choices and a list of postsecondary schools that offer corresponding majors. The user can take an online tour of his or her chosen school and apply online without ever leaving the site. With the feature "My FSA," the user can create a personalized folder to record interests, career and college searches, and any relevant personal information. The user can then track his or her progress in the college planning and application process, prepopulate fields on the FAFSA, and compare award letters from schools. *Student Aid on the Web* is at

www.studentaid.ed.gov

Other web sites

- FSA for Counselors – Provides federal student aid information especially for middle school, high school, and TRIO counselors. Includes access to publications, videoconference information, announcements, and ways to promote federal student aid and college access. Visit the site at

www.fsa4schools.ed.gov/counselors

- FSA COACH is a comprehensive introductory web-based course that teaches the concepts and procedures involved in managing ED's federal student aid programs. To access FSA COACH, go to

www.fsacoach.ed.gov

- Federal school codes (to be entered on the FAFSA) can be found at

www.fafsa.ed.gov

- The current version of *Funding Your Education* is available at

www.studentaid.ed.gov/fye

- The current version of the *Student Guide* is available at

www.studentaid.ed.gov/guide

- The *Don't Get Stung!* poster reminds students that federal student aid applications and advice are free. Full-size hard copy is available from ED Pubs at 1-800-394-7084. Download a PDF to print out on 8.5x11 paper at

www.studentaid.ed.gov/stung

- The Think College web site—A web site designed to provide information on postsecondary opportunities for people of all ages. It contains links to *Think College Early* (middle school students), *High School and Beyond* (high school students), and *Returning to School* (adults). It can be accessed at

www.ed.gov/students/prep/college/thinkcollege/edlite-index.html

- *Think College? Me? Now?*—A popular resource for students in middle school and junior high. It explains why students should consider college, how to prepare academically, and how to pay for college. The text is available (either to view online or to download) at

www.ed.gov/pubs/CollegeMeNow/index.html

- College Opportunities On-Line (COOL), a site linking to over 9,000 colleges and universities, allows the student to search for a school by name, location, program, degree offerings, or a combination of criteria. It is at

www.nces.ed.gov/ipeds/cool

- students.gov—Bills itself as the "student gateway to the U.S. government, delivering government information and services across your campus and around the world." The site has a multitude of links to help students plan for their education and find financial aid. Included are links to federal government agencies that provide funds for college and to state financial aid sources.

www.students.gov

- Managing the Price of College shows how families in various income groups manage to pay for college. This online resource is at

  www.ed.gov/pubs/collegecosts

- The White House Initiative on Educational Excellence for Hispanic Americans has a bilingual site with information for parents on college preparation. Send your students' parents to

  www.yesican.gov
  or
  www.yosipuedo.gov

- Fathers Matter! offers a kit for educators and other professionals working to increase family involvement in education. The kit suggests strategies for involving fathers in children's learning at home, at school, and in the community. Download the kit at

  www.ed.gov/pubs/parents/fathers

- e-Scholar was created by the U.S. Office of Personnel Management to provide students and parents information about educational opportunities offered by federal agencies and partner organizations. The site, which includes sections on grants, internships, and scholarships, is at

  www.studentjobs.gov/e-scholar.asp

Free publications from the FSAIC

Individual copies of the following publications are available from

Federal Student Aid Information Center
P.O. Box 84
Washington, DC 20044
1-800-4-FED-AID (1-800-433-3243)
TTY: 1-800-730-8913
Toll number for inquirers calling from foreign countries: +1-319-337-5665

- *Funding Your Education*—A free booklet, geared toward high school students, giving federal student aid application information and describing ED's major financial aid programs. Copies are available in English or Spanish.

- *Looking for Student Aid*—A free guide about using scholarship search services and looking for information about financial aid.

- *The Student Guide*—A free guide, available in English or Spanish, providing a comprehensive description of the federal student aid programs and how to apply for them.

- *Need Money for College?*—A free brochure publicizing *Student Aid on the Web* (www.studentaid.ed.gov).

Low-cost publications

- *Need a Lift?*—This publication contains a survey of educational opportunities, scholarships, and careers. The cost, including shipping, is $3.95. For credit card orders only, call 1-888-453-4466. If paying by check, make the check out to National Emblem Sales and send it to

  Need A Lift?
  National Emblem Sales
  P.O. Box 1050
  Indianapolis, IN 46206

- *Get Ready for College*—A step-by-step guide and college-prep workbook for students in grades 9 through 12. It can be downloaded for free at www.edinfo.org (click on "HEIC Publications"). Hard copies $3.50 plus shipping; five or more copies $2.50 plus shipping. To order, contact

  Cecilia Bell
  Higher Education Information Center
  700 Boylston Street
  Boston, MA 02116
  Fax: (617) 536-4737

- The National Association for College Admission Counseling (NACAC) has a number of useful publications. Some of the publications are:

  - *Guide for Parents/Guía para los Padres,* a brochure for parents of middle school students that addresses college-prep courses and financial aid. Available in English or Spanish. Single copies are free. Contact NACAC for other pricing.

  - *Guide to the College Admission Process,* a booklet that details every step of the admission process for high school students. $5 for a single copy. Contact NACAC for other pricing.

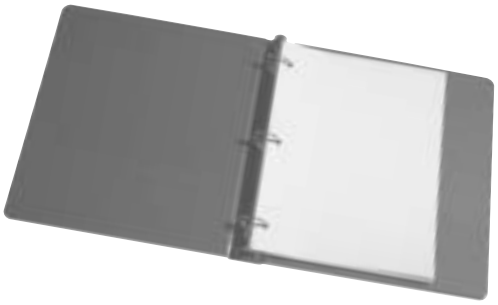
  - *Parents and Counselors Together* (PACT) is designed especially for first-generation college students and to be used in parent workshops. A free copy can be downloaded from NACAC's web site (see below). Hard copies: $12 members; $15 non-members.

Quantity discounts are available.

To order any of NACAC's publications, call (703) 836-2222 or write to

NACAC Publications/Media
1631 Prince Street
Alexandria, VA 22314
Fax: (703) 836-8015
Web site: www.nacac.com

APPENDIX B
DIRECTORY OF STATE AGENCIES



Listed below for each state are the agencies responsible for administering the Leveraging Educational Assistance Partnership (LEAP) Program, formerly the State Student Incentive Grant (SSIG) Program, and the Robert C. Byrd Honors Scholarship Program in that state.

There are links to state education agencies' web sites from

www.ed.gov/Programs/bastmp/SHEA.htm
(case-sensitive)

ALABAMA

LEAP Program:

Alabama Commission on Higher Education
Grants and Scholarships Department
P.O. Box 302000
Montgomery, Alabama 36130-2000

TEL: (334) 242-2273

Byrd Program:

State Department of Education
Classroom Improvement Division
Gordon Persons Office Building
P.O. Box 302101
Montgomery, Alabama 36130-2101

TEL: (334) 242-8059

ALASKA

LEAP Program:

Alaska Commission on Postsecondary Education
3030 Vintage Boulevard
Juneau, Alaska 99801-7109

TEL: (907) 465-6743

Byrd Program:

Alaska Department of Education and Early Development
801 West 10th Street, Suite 200
Juneau, Alaska 99801-1894

TEL: (907) 465-8728

Note: *Contact information for Alaska residents only.*

ARIZONA

LEAP Program:

Arizona Commission for Postsecondary Education
2020 North Central Avenue, Suite 550
Phoenix, Arizona 85004-4503

TEL: (602) 258-2435

Byrd Program:

State Department of Education
Robert C. Byrd Scholarship Office
1535 West Jefferson, Bin 14
Phoenix, Arizona 85007

TEL: (602) 542-2028

ARKANSAS

LEAP Program:

Arkansas Department of Higher Education
114 East Capitol
Little Rock, Arkansas 72201-3818

TEL: (501) 371-2000

Byrd Program:

Arkansas Department of Education
Room 107A
4 State Capitol Mall
Little Rock, Arkansas 72201-1071

TEL: (501) 682-4396

CALIFORNIA

LEAP Program:

California Student Aid Commission
P.O. Box 419027
Rancho Cordova, California 95741-9027

TEL: 1-888-224-7268 (toll free)

Note: *Inquirers should specify that they want information about the Cal Grant.*

Byrd Program:

California Student Aid Commission
Attn: Specialized Programs
P.O. Box 419029
Rancho Cordova, California 95741-9029

TEL: 1-888-224-7268 (toll free)

COLORADO

LEAP Program:

Colorado Commission on Higher Education
1380 Lawrence Street, Suite 1200
Denver, Colorado 80204

TEL: (303) 866-2723

Byrd Program:

Colorado Department of Education
Robert Byrd Scholarships, Rm 501
201 East Colfax Avenue
Denver, Colorado 80203-1705

TEL: (303) 866-6974

CONNECTICUT

LEAP and Byrd Programs:

Connecticut Department of Higher Education
61 Woodland Street
Hartford, Connecticut 06105-2326

TEL: (860) 947-1855

DELAWARE

LEAP and Byrd Programs:

Delaware Higher Education Commission
5th Floor, Carvel State Office Building
820 North French Street
Wilmington, Delaware 19801

TEL: (302) 577-3240

DISTRICT OF COLUMBIA

LEAP Program:

D.C. State Education Office
441 4th Street, NW
Suite 350 North
Washington, DC 20001

TEL: (202) 727-6436

Byrd Program:

District of Columbia Public Schools
Student Affairs Branch
6th Floor
825 N. Capitol Street, NE
Washington, DC 20002

TEL: (202) 442-5110

FLORIDA

LEAP and Byrd Programs:

Florida Department of Education
Office of Student Financial Assistance
State Programs Office
1940 N. Monroe Street, Suite 70
Tallahassee, Florida 32303-4759

TEL: 1-888-827-2004 (toll free)

Note: *Inquirers should specify that they want information about the Florida Student Assistance Grant Program.*

GEORGIA

LEAP Program:

Georgia Student Finance Commission
2082 E. Exchange Place, Suite 200
Tucker, Georgia 30084

TEL: (770) 724-9000
TEL: 1-800-505-GSFC (toll free)

Byrd Program:

Georgia Department of Education
1862 Twin Towers East
205 Jesse Hill Jr. Drive, SE
Atlanta, Georgia 30334

TEL: (404) 657-0183

HAWAII

LEAP Program:

Hawaii State Postsecondary Education Commission
2444 Dole Street, Room 209
Honolulu, Hawaii 96822-2394

TEL: (808) 956-8213

Byrd Program:

Hawaii Department of Education
OCISS-Student Support Section
Attention: Deanna Helber
641 18th Avenue
Bldg. V, Room 201
Honolulu, Hawaii 96816-4444

TEL: (808) 735-6222

IDAHO

LEAP Program:

Idaho Board of Education
P.O. Box 83720
Boise, Idaho 83720-0037

TEL: (208) 334-2270

Byrd Program:

Idaho Board of Education
P.O. Box 83720
Boise, Idaho 83720-0027

TEL: (208) 332-1574

ILLINOIS

LEAP and Byrd Programs:

Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, Illinois 60015

TEL: 1-800-899-4722 (toll free)
TEL: 1-866-247-2172 (toll-free number for counselors)

Note: *Applications available in November; application deadline is January 15th. Inquirers phoning about the LEAP Program should specify that they want information about the Monetary Award Program.*

INDIANA

LEAP and Byrd Programs:

State Student Assistance Commission of Indiana
150 West Market Street, Suite 500
Indianapolis, Indiana 46204-2811

TEL: (317) 232-2350
TEL: 1-888-528-4719 (toll free in Indiana)

IOWA

LEAP and Byrd Programs:

Iowa College Student Aid Commission
200 10th Street, 4th Floor
Des Moines, Iowa 50309-3609

TEL: (515) 242-3344 (local)

KANSAS

LEAP Program:

Kansas Board of Regents
1000 S.W. Jackson Street, Suite 520
Topeka, Kansas 66612-1368

TEL: (785) 296-3517

Byrd Program:

Kansas Department of Education
120 Southeast Tenth Avenue
Topeka, Kansas 66612-1182

TEL: (785) 296-4950

KENTUCKY

LEAP Program:

Kentucky Higher Education Assistance Authority
P.O. Box 798
Frankfort, Kentucky 40602-0798

TEL: 1-800-928-8926 (toll free)

Byrd Program:

Kentucky Department of Education
500 Mero Street, 17th Floor
Capitol Plaza Tower
Frankfort, Kentucky 40601

TEL: (502) 564-1479

LOUISIANA

LEAP Program:

Louisiana Student Financial Assistance Commission
P.O. Box 91202
Baton Rouge, Louisiana 70821-9202

TEL: 1-800-259-5626, ext. 1012 (toll free)

Byrd Program:

Louisiana Department of Education
P.O. Box 94064
1201 North Third Street
Baton Rouge, Louisiana 70804-9064

TEL: (225) 342-2098

MAINE

LEAP and Byrd Programs:

Finance Authority of Maine
P.O. Box 949
Augusta, Maine 04332-0949

TEL: 1-800-228-3734 (toll free)

MARYLAND

LEAP Program:

Maryland Higher Education Commission
Office of Student Financial Assistance
839 Bestgate Rd, Suite 400
Annapolis, Maryland 21401-3013

TEL: (410) 260-4565 (local)
TEL: 1-800-974-1024 (toll free)

Note: *Inquirers should specify that they want information about the Educational Assistance Grant.*

Byrd Program:

Maryland State Department of Education
200 West Baltimore Street
Baltimore, Maryland 21201-2595

TEL: (410) 767-0484

MASSACHUSETTS

LEAP Program:

Massachusetts Board of Higher Education
454 Broadway Street, Suite 200
Revere, Massachusetts 02151

TEL: (617) 727-9420

Byrd Program:

Massachusetts Department of Education
350 Main Street
Malden, Massachusetts 02148-5023

TEL: (781) 338-6304

MICHIGAN

LEAP and Byrd Programs:

Michigan Higher Education Assistance Authority
Office of Scholarships and Grants
P.O. Box 30462
Lansing, Michigan 48909-7962

TEL: 1-888-447-2687 (toll free)

MINNESOTA

LEAP Program:

Minnesota Higher Education Services Office
1450 Energy Park Drive, Suite 350
St. Paul, Minnesota 55108-5227

TEL: 1-800-657-3866 (toll free)

Note: *Inquirers should specify that they want information about the State Grant Fund.*

Byrd Program:

Minnesota Department of Education
Division of Learner Options
1500 Highway 36 West
Roseville, Minnesota 55113

TEL: (651) 582-8629

MISSISSIPPI

LEAP Program:

Mississippi Institutions of Higher Learning
3825 Ridgewood Road
Jackson, Mississippi 39211-6453

TEL: 1-800-327-2980 (toll free within Mississippi)
TEL: (601) 432-6997

Byrd Program:

Mississippi Department of Education
Office of Scholastic Development
359 North West Street
P.O. Box 771
Jackson, Mississippi 39205-0771

TEL: (601) 359-4305

MISSOURI

LEAP Program:

Missouri Coordinating Board for Higher Education
3515 Amazonas Drive
Jefferson City, Missouri 65109-5717

TEL: 1-800-473-6757 (toll free)

Note: *Inquirers should specify that they want information about the Charles Gallagher Student Financial Assistance Program.*

Byrd Program:

Missouri Department of Elementary and Secondary Education
P.O. Box 480
Jefferson City, Missouri 65102

TEL: (573) 751-1668

MONTANA

LEAP Program:

Montana Guaranteed Student Loan Program
P.O. Box 203101
Helena, Montana 59620-3101

TEL: 1-800-537-7508 (toll free)

Note: *Inquirers should specify that they want information about the Montana Higher Education Grant.*

Byrd Program:

Montana Office of Public Instruction
Attention: Byrd Program
P.O. Box 202501
Helena, Montana 59620-2501

TEL: 1-888-231-9393 (toll free within Montana)
TEL: (406) 444-5663

NEBRASKA

LEAP Program:

Nebraska Coordinating Commission for Postsecondary Education
P.O. Box 95005
Lincoln, Nebraska 68509-5005

TEL: (402) 471-0030

Byrd Program:

Nebraska Department of Education
301 Centennial Mall South
P.O. Box 94987
Lincoln, Nebraska 68509-4987

TEL: (402) 471-3962

NEVADA

LEAP and Byrd Programs:

Nevada Department of Education
700 East Fifth Street
Carson City, Nevada 89701-5096

TEL: (775) 687-9228

NEW HAMPSHIRE

LEAP Program:

New Hampshire Postsecondary Education Commission
3 Barrell Court, Suite 300
Concord, New Hampshire 03301-8543

TEL: (603) 271-2555, ext. 355

Byrd Program:

New Hampshire Department of Education
State Office Park South
101 Pleasant Street
Concord, New Hampshire 03301

TEL: (603) 271-6051

NEW JERSEY

LEAP Program:

State of New Jersey
Higher Education Student Assistance Authority
4 Quakerbridge Plaza
P.O. Box 540
Trenton, New Jersey 08625

TEL: 1-800-792-8670 (toll free)

Byrd Program:

New Jersey Department of Education
100 Riverview Plaza, P.O. Box 500
Trenton, New Jersey 08625-0500

TEL: (609) 777-0800

NEW MEXICO

LEAP Program:

New Mexico Commission on Higher Education
1068 Cerrillos Road
Santa Fe, New Mexico 87501

TEL: 1-800-279-9777 (toll free)

Note: *Applications can be obtained by contacting individual postsecondary institutions*

Byrd Program:

New Mexico Department of Education
Grants Management Office
300 Don Gaspar
Santa Fe, New Mexico 87501-2786

TEL: (505) 827-6648

NEW YORK

LEAP Program:

New York State Higher Education Services Corporation
99 Washington Avenue
Albany, New York 12255

TEL: 1-888-697-4372 (toll free)

Note: *Inquirers should specify that they want information about the Tuition Assistance Program (TAP)*

Byrd Program:

New York State Education Department
Office of K-16 Initiative in Access Programs
Scholarship Unit
Rm 1078, EBA
Albany, New York 12234

TEL: (518) 486-1319

NORTH CAROLINA

LEAP Program:

North Carolina State Education Assistance Authority
P.O. Box 13663
Research Triangle Park, North Carolina 27709-3663

TEL: 1-800-700-1775 (toll free)

Note: *Inquirers should specify that they want information about the North Carolina Student Incentive Grant.*

Byrd Program:

North Carolina Department of Public Instruction
6330 Mail Service
Attention: Scholarship Office (Janis Dellinger-Holton)
Raleigh, North Carolina 27699-6330

TEL: (919) 807-3369

NORTH DAKOTA

LEAP Program:

North Dakota University System
North Dakota Student Financial Assistance Program
600 East Boulevard Avenue, Department 215
Bismarck, North Dakota 58505-0230

TEL: (701) 328-4114

Byrd Program:

North Dakota Department of Public Instruction
600 East Boulevard Avenue, Department 201
Bismarck, North Dakota 58505-0440

TEL: (701) 328-2317

OHIO

LEAP Program:

Ohio Board of Regents
State Grants and Scholarships
88 E. Broad Street, Suite 350
Columbus, Ohio 43215

TEL: 1-888-833-1133 (toll free)

Byrd Program:

Ohio Department of Education
25 South Front Street, Mailstop 207
Columbus, Ohio 43215

TEL: (614) 466-4590

OKLAHOMA

LEAP Program:

Oklahoma State Regents for Higher Education
Oklahoma Tuition Aid Grant Program
P.O. Box 108850
Oklahoma City, Oklahoma 73101-8850

TEL: 1-877-662-6231

Byrd Program:

State Department of Education
Robert C. Byrd Honors Scholarship
2500 North Lincoln Boulevard
Oklahoma City, Oklahoma 73105-4599

TEL: (405) 521-2808

OREGON

LEAP and Byrd Programs:

Oregon Student Assistance Commission
1500 Valley River Drive, Suite 100
Attn: Grants and Scholarships Division
Eugene, Oregon 97401

TEL: 1-800-452-8807, ext. 7395

PENNSYLVANIA

LEAP and Byrd Programs:

Pennsylvania Higher Education Assistance Agency
1200 North 7th Street
Harrisburg, Pennsylvania 17102-1444

TEL: (717) 720-2800 (local)
TEL: 1-800-692-7392 (toll free only within PA)

RHODE ISLAND

LEAP Program:

Rhode Island Higher Education Assistance Authority
560 Jefferson Boulevard
Warwick, Rhode Island 02886

TEL: 1-800-922-9855 (toll free)

Byrd Program:

Rhode Island Department of Education
255 Westminster Street
Providence, Rhode Island 02903

TEL: (401) 222-4600, ext. 2194

SOUTH CAROLINA

LEAP Program:

South Carolina Higher Education Tuition Grants Commission
101 Business Park Blvd, Suite 2100
Columbia, South Carolina 29203

TEL: (803) 896-1120

Byrd Program:

South Carolina Department of Education
1104-D Rutledge Building
1429 Senate Street
Columbia, South Carolina 29201

TEL: (803) 734-8116

Note: *Staff will refer students to their high school counselor for applications.*

SOUTH DAKOTA

LEAP and Byrd Programs:

Department of Education
Office of the Secretary
700 Governors Drive
Pierre, South Dakota 57501-2291

TEL: (605) 773-5669

TENNESSEE

LEAP and Byrd Programs:

Tennessee Student Assistance Corporation
404 James Robertson Parkway
Parkway Towers, Suite 1950
Nashville, Tennessee 37243-0820

TEL: 1-800-342-1663 (toll free)

TEXAS

LEAP and Byrd Programs:

Texas Higher Education Coordinating Board
P.O. Box 12788
Austin, Texas 78711-2788

TEL: 1-800-242-3062 (toll free), ext. 6340 (LEAP); ext. 6333 (Byrd)

Note: *Staff will refer students to their high school counselor for applications.*

UTAH

LEAP Program:

Utah Higher Education Assistance Authority
State Board of Regents Building
The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

TEL: 1-800-418-8757
TEL: (801) 321-7200

Byrd Program:

Utah State Office of Education
250 East 500 South
P.O. Box 144200
Salt Lake City, Utah 84114

TEL: (801) 538-7741

VERMONT

LEAP and Byrd Programs:

Vermont Student Assistance Corporation
P.O. Box 2000
Winooski, Vermont 05404

TEL: (802) 655-9602 (local)
TEL: 1-800-642-3177 (toll free)

Note: I*nquirers phoning about the LEAP program should specify that they want information about the Vermont Incentive Grant.*

VIRGINIA

LEAP Program:

State Council of Higher Education for Virginia
James Monroe Building
101 North 14th Street
Richmond, Virginia 23219-3684

TEL: (804) 225-2614

Note: *For application information, contact the school the student plans to attend. Ask about the College Scholarship Assistance Program.*

Byrd Program:

Virginia Department of Education
P.O. Box 2120
James Monroe Building
101 North 14th Street
Richmond, Virginia 23218-2120

TEL: (804) 225-2847

WASHINGTON

LEAP Program:

Washington State Higher Education Coordinating Board
917 Lakeridge Way, SW
P.O. Box 43430
Olympia, Washington 98504-3430

TEL: (360) 753-7850

Byrd Program:

Superintendent of Public Instruction
P.O. Box 47200
Olympia, Washington 98504-7200

TEL: (360) 725-6100

WEST VIRGINIA

LEAP and Byrd Programs:

West Virginia Higher Education Policy Commission
1018 Kanawha Boulevard East, Suite 700
Charleston, West Virginia 25301-2827

TEL: 1-888-825-5707 (toll free)
TEL: (304) 558-4618 (Byrd)

WISCONSIN

LEAP Program:

Wisconsin Higher Educational Aids Board
P.O. Box 7885
Madison, Wisconsin 53707-7885

TEL: (608) 266-1665

Byrd Program:

State of Wisconsin Department of Public Instruction
Attn: Mary Parks
P.O. Box 7841
Madison, Wisconsin 53707-7841

TEL: (608) 266-3706

WYOMING

LEAP Program:

Wyoming Community College Commission
2020 Carey Avenue, 8th Floor
Cheyenne, Wyoming 82002

TEL: (307) 777-5859

Byrd Program:

Wyoming State Department of Education
2300 Capitol Avenue
Hathaway Building, 2nd Floor
Cheyenne, Wyoming 82002-0050

TEL: (307) 777-6265

AMERICAN SAMOA

LEAP and Byrd Programs:

American Samoa Community College
Board of Higher Education
P.O. Box 2609
Pago Pago, American Samoa 96799-2609

TEL: (684) 699-7832*

GUAM

LEAP Program:

University of Guam
UOG Station
Mangilao, Guam 96923

TEL: (671) 735-2293*

Byrd Program:

Guam Department of Education
Federal Programs Division
P.O. Box DE
Hagatna, Guam 96932

TEL: (671) 475-0470*

NORTHERN MARIANA ISLANDS

LEAP Program:

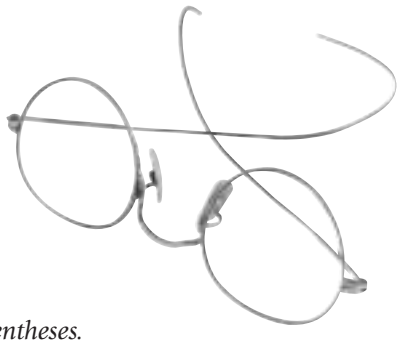
Northern Marianas College
P.O. Box 501250
Saipan, MP 96950

TEL: (670) 234-5498, ext. 1525*

Byrd Program:

Commonwealth of the Northern Mariana Islands
Scholarship Office
P.O. Box 10007
Saipan, MP 96950

TEL: (670) 664-3790*



** To call from the U.S., dial 011 before the country code shown in parentheses.*

PUERTO RICO

LEAP Program:

Puerto Rico Council on Higher Education
P.O. Box 19900
San Juan, Puerto Rico 00910-1900

TEL: (787) 724-7100

Byrd Program:

Puerto Rico Department of Education
P.O. Box 190759
Hato Rey, Puerto Rico 00919-0759

TEL: (787) 759-2000

VIRGIN ISLANDS

LEAP and Byrd Programs:

Virgin Islands Board of Education
P.O. Box 11900
Charlotte Amalie
St. Thomas, Virgin Islands 00801

TEL: (340) 774-4546

REPUBLIC OF THE MARSHALL ISLANDS

LEAP Program:

Does not participate

Byrd Program:

RMI Scholarship Grant and Loan Board
P.O. Box 1436
Majuro, Marshall Islands 96960

TEL: (692) 625-3108*

FEDERATED STATES OF MICRONESIA

LEAP Program:

Does not participate

Byrd Program:

Department of Education
FSM National Government
P.O. Box PS 87
Palikir, Pohnpei, FM 96941

TEL: (691) 320-2609*

REPUBLIC OF PALAU

LEAP Program:

Does not participate

Byrd Program:

Ministry of Education
Bureau of Curriculum & Program Development
P.O. Box 7080
Koror, Republic of Palau 96940

TEL: (680) 488-2952*

** To call from the U.S., dial 011 before the country code shown in parentheses.*

APPENDIX C
Sample Handouts

You'll find several handouts on the following pages. These handouts may be photocopied and used to provide basic information about student aid and post-secondary education opportunities.

Federal Student Aid At a Glance

WHAT is federal student aid?

- It's financial help if you're enrolled in an eligible program at a school participating in our federal student aid programs. (By "school," we mean a four-year or two-year public or private educational institution, a career school, or a trade school.)
- Aid covers school expenses, including tuition and fees, room and board, books and supplies, and transportation.
- Our aid is based on a student's demonstrated financial need, rather than on grades.

There are three categories of federal student aid:

GRANTS…financial aid you don't have to repay. Generally, you must be an undergraduate student, and the amount you receive depends on your need, cost of attendance, and enrollment status (full time or part time).

Federal Pell Grants for the 2003-2004 award year (July 1, 2003 to June 30, 2004) ranged from $400 to $4,050.

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

WORK-STUDY… money you earn while enrolled in school that will help pay your educational expenses. The Federal Work-Study Program encourages community service work and work related to your course of study, whenever possible. You can be an undergraduate or graduate student.

LOANS…borrowed money you must repay with interest. You can be an undergraduate or graduate student. Parents may also borrow to pay the education expenses of their dependent undergraduate students. Maximum loan amounts depend on your grade level in school.

Federal Perkins Loans are offered by participating schools to students who demonstrate the greatest financial need (Federal Pell Grant recipients get top priority). You repay the loan to your school.

Stafford Loans are made to students and PLUS loans are made to parents through 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 consist of Direct Stafford Loans, Direct PLUS Loans, and Direct Consolidation Loans. You repay these loans to us (the U.S. Department of Education).
- Federal Family Education Loan (FFEL) Program: Private lenders provide federally guaranteed funds. FFELs consist of Federal Stafford Loans, Federal PLUS Loans, and Federal Consolidation Loans. You repay these loans to the bank or other private lender that made you the loan.

WHO gets federal student aid?

Some of our eligibility requirements are that you must

- be a U.S. citizen or eligible noncitizen with a valid Social Security Number.
- demonstrate by one of the following means that you are qualified to obtain a postsecondary education:
  - Have a high school diploma or a General Education Development (GED) Certificate.
  - Pass an approved ability-to-benefit (ATB) test.
  - Meet other standards your state establishes that we have approved.
  - Complete a high school education in a home school setting approved under state law.
- enroll in an eligible program as a regular student seeking a degree or certificate.
- register (or have registered) with the Selective Service if you're a male between 18 and 25.

HOW do you apply for federal student aid?

1. Complete the *Free Application for Federal Student Aid* (FAFSA)--the online version (*FAFSA on the Web)* or the paper FAFSA.

- For *FAFSA on the Web*, you can go to www.fafsa.ed.gov (or to www.studentaid.ed.gov and get general student aid information as well).
- You can get a paper FAFSA from
  - a high school guidance office,
  - a college financial aid office,
  - a local public library, or
  - our Federal Student Aid Information Center by calling 1-800-4-FED-AID (1-800-433-3243).

You can apply beginning January 1, 2004, and you have until June 30, 2005 to submit your complete, correct FAFSA. But, be sure to check the FAFSA for the list of deadlines for state aid. Schools and states often set deadlines early in the calendar year that you must meet to receive certain types of funds. Apply as early as you can; you don't want to miss out on any source of aid!

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

Based on whether you provide an email address on your FAFSA, we'll send you either a paper SAR or an electronic SAR, via the Internet. The SAR confirms the information reported on your FAFSA and will contain your Expected Family Contribution (EFC). The EFC is a measure of your family's financial strength and is used to determine your eligibility for federal student aid. To receive your aid, you must have a complete and correct SAR.

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

Talk with the financial aid office staff at the school(s) you're interested in attending. Make sure they have all the information they need to determine your eligibility. The financial aid administrator will review your SAR, and if you're eligible, will prepare a letter outlining the amount of aid (from all sources) the school will offer you.

Visit our web site at www.studentaid.ed.gov

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Federal Student Aid At a Glance, continued

The following is a summary of the U.S. Department of Education's Federal Student Aid (FSA) programs that will help you pay for school. Check with your school to find out which programs your school participates in.

Federal Student Aid Program	Type of Aid	Program Details	Annual Maximum Award Limits
Federal Pell Grant	Grant: does not have to be repaid	Available almost exclusively to undergraduates; all eligible students will receive the Federal Pell Grant amounts they qualify for	$4,050 for 2003-04; 2004-05 amount will depend on program funding
Federal Supplemental Educational Opportunity Grant (FSEOG)	Grant: does not have to be repaid	For undergraduates with exceptional financial need; priority is given to Federal Pell Grant recipients; funds depend on availability at school	$4,000
Federal Work-Study	Money is earned while attending school; does not have to be repaid	For undergraduate and graduate students; jobs can be on campus or off campus; students are paid at least minimum wage	No annual maximum
Federal Perkins Loan	Loan: must be repaid	Five percent loans for both undergraduate and graduate students; payment is owed to the school that made the loan	$4,000 for undergraduate students; $6,000 for graduate students
Subsidized FFEL or Direct Stafford Loan	Loan: must be repaid	Subsidized: U.S. Department of Education pays interest while borrower is in school and during grace and deferment periods	$2,625 to $8,500, depending on grade level
Unsubsidized FFEL or Direct Stafford Loan	Loan: must be repaid	Unsubsidized: Borrower is responsible for interest during life of the loan	$2,625 to $18,500, depending on grade level (includes any subsidized amounts received for the same period)
Federal PLUS Loan	Loan: must be repaid	Available to parents of dependent undergraduate students	Cost of attendance minus any other financial aid the student receives

Federal Student Aid Web Sites

What are you going to do with your life? And how are you going to get there? Our Web sites can help you decide on a career, find a school to prepare you for that career, and get funding to pay for that school.

Student Aid on the Web:
www.studentaid.ed.gov

Information about **federal student aid** and **preparing for college:**

- Fill out a questionnaire to find out what careers might be right for you
- Input your preferences (size of school, location, etc.) to search for the **college or career school that fits your needs**
- **Look for scholarships** using a free search service
- Learn about the **SAT** and the **ACT Assessment**
- **Calculate** student loan repayments
- Find out about the Hope and Lifetime Learning **education tax credits**

FAFSA on the Web:
www.fafsa.ed.gov

Free Application for Federal Student Aid (FAFSA)—apply on the Web and/or look up **federal school codes**

Free information!
Free application!

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Myths about Financial Aid

"I'm not going to bother filling out the *Free Application for Federal Student Aid* because..."

"…my parents make too much money, so I won't qualify for aid."

Reality: There is no income cut-off to qualify for federal student aid. Many factors besides income—from the size of your family to the age of your older parent—are taken into account. Your eligibility is determined by a complicated mathematical formula, not by your parents' income alone. And remember: when you fill out the *Free Application for Federal Student Aid* (FAFSA), you're also automatically applying for funds from your state, and possibly from your school as well. Don't make assumptions about what you'll get—fill out the application and find out.

"…only students with good grades get financial aid."

Reality: While a high grade point average will help a student get into a good school and may help with academic scholarships, most of the federal student aid programs do not take a student's grades into consideration. Provided a student maintains satisfactory academic progress in his or her program of study, federal student aid will help a student with an average academic record complete his or her education.

"…you have to be a minority to get financial aid."

Reality: Funds from federal student aid programs are awarded on the basis of financial need, **not** on the basis of race. The FAFSA doesn't even collect this kind of information about an applicant.

"...the form is too hard to fill out."

Reality: The FAFSA is easier than ever, especially if you fill it out online at **www.fafsa.ed.gov**. There are detailed instructions for every question, and the form walks you through step by step, asking only the questions that apply to you. If you need help, you can access real-time online chat with a customer service representative. If you're filling out the paper FAFSA, you can get help from a high school counselor, from the financial aid office at the school you plan to attend, or from our toll-free number: 1-800-4-FED-AID. And remember, the FAFSA and all these sources of advice are FREE.

For more information about federal student aid, see **www.studentaid.ed.gov** or call the Federal Student Aid Information Center at

1-800-4-FED-AID (1-800-433-3243)

TTY: **1-800-730-8913**

Toll number for inquirers calling from foreign countries: **+1-319-337-5665**

Web Site: www.studentaid.ed.gov

Federal Student Aid Information Center:

1-800-4-FED-AID

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Why Go To College?

Answer: How about... a good job!

Can't I get a good job now?

Yes, maybe you could, but statistics are against you. Consider these average 2001 earnings:

High school dropout—$22,100 a year
High school graduate—$30,056 a year
College graduate—$54,704 a year
(Bachelor's Degree)

Sometimes it's hard to stay in school if you think you need to be working to earn money. But if you finish high school and go on to college, you'll have a wider variety of jobs to choose from, and you'll earn more—especially in the long run.

But I don't know what career to go into!

If you're having trouble deciding what to do, talk to your school counselor or visit www.studentaid.ed.gov to fill out an interest inventory. Based on your answers, the questionnaire will provide a list of careers that fit your interests. You can then use the college search tool on our site to find schools offering courses of study appropriate to your career choice.

Doesn't college cost a lot of money?

Think of college as an investment: you spend money now so you can earn more later. Take a look at **www.studentaid.ed.gov** for information about the federal student aid programs administered by the U.S. Department of Education.You can also call the Federal Student Aid Information Center at
1-800-4-FED-AID (1-800-433-3243).

It pays to stay in school!

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Choosing A Career

Making the choices that are right for you

A first step in deciding what to do after high school is to talk with your school counselor or a teacher for advice. Ask your counselor about taking an aptitude test or interest inventory to find your strengths, weaknesses, and interests to discover potential career choices that are right for you. You can access a free self-assessment at **www.studentaid.ed.gov** (click on "Preparing").

1. **Learn about yourself.**
   - **Values—**What is important to you?
   - **Interests—**What appeals to you?
   - **Aptitude—**What are you good at?
2. **Talk to people**.

   Once you've narrowed your career choices, talk to people who are working in that field or, if possible, find a part-time job in that field.

   It's helpful to ask questions such as, "What's good and bad about this job?" "How did you learn your trade?" There are many sources of career and job outlook information available—go to your school library, public library, or school counselor.
3. **Consider how much training you will need for the career you're interested in.**
   - **High school diploma:** cashier, receptionist, salesperson, security guard, telephone operator, waiter/waitress
   - **Special career training:** auto technician, beautician, machinist, medical technician, police officer, computer operator, commercial artist
   - **College degree:** accountant, counselor, engineer, nurse, pilot, teacher, public relations specialist
   - **Graduate degree:** college professor, doctor, dentist, lawyer, veterinarian, research scientist, architect

For information about specific careers, see the *Occupational Outlook Handbook* at **www.bls.gov/oco** or in a library.

For information about financial aid for college or career school, see **www.studentaid.ed.gov**

Occupational Outlook Handbook:
www.bls.gov/oco
Financial Aid: www.studentaid.ed.gov

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Choose A School Carefully

Going to school is a lifetime investment

Statistics show that getting training after high school will help you get a better-paying job doing work you like. But going to school is a big investment. You're investing your time. Chances are you'll also have to invest your own money or take out a student loan to go to school. So you need to be sure that you're choosing the right school.

1. **Visit our Web site**. Go to **www.studentaid.ed.gov** and click on "Choosing." You'll find a tool that lets you search for a school based on its location, size, degree offerings, and other factors. Just enter your choices, and the search tool will tell you which schools fit your preferences.

2. **Talk to your counselor**. Counselors can help you focus on your needs and goals, and they have information about different types of schools. Your counselor also can help you collect or prepare application materials.

3. **Shop around.** Contact more than one school. If you're looking for vocational training, check the Yellow Pages under "Schools" for phone numbers. If your area has a community college, call the admissions office or check the school's Web site to find out what kinds of training the college offers.

4. **Visit the school**. Call the school and schedule a visit, preferably while classes are being taught. Get a feel for the school; make sure you're comfortable with the facilities, the equipment, the teachers, and the students.

5. **Don't be afraid to ask!** A good school will be happy to answer your questions about its programs. Ask the school about its students: How many graduate? How many get jobs because of the training they received? What kind of job placement services does the school offer?

6. **Check the cost.** Make sure the school gives you a clear statement of its tuition and fees. Remember that any financial aid you get will be applied first to paying the school's tuition and fees. If there's any money left over, the school will give it to you to help you pay for things such as food and rent.

7. **Call.** Call your local Better Business Bureau, state higher education agency, or consumer-protection division of your state attorney general's office to find out whether there have been any complaints about the school. Call the U.S. Department of Education's Federal Student Aid Information Center's toll-free number **(1-800-4-FED-AID)** if you have any questions about your financial aid at the school. You also can access our Web site at **www.studentaid.ed.gov**

Visit our Web site at www.studentaid.ed.gov

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Need training for a job?

Before you sign up for a vocational school or correspondence course:

1. **Define your goals.** Do you want to learn a skill, prepare for a test, get a job, or get a license or certification?

2. **Comparison shop.** Look at the choices. Which schools offer the best combination of affordable fees and a solid education? Does on-the-job training, a community college program, a correspondence course, or a vocational school make the most sense? Your high school counselor can help you find answers to those questions.

3. **Do a background check**. Ask employers you might want to work for what they think about the school. Call recent graduates to ask about their experience at the school. Visit the school when class is in session. Stick around to talk to current students. Call the agency that licenses or accredits the school to see whether it meets required standards. Call your local Better Business Bureau to find out whether there have been any complaints about the school.

Important Points:

Take your time. *Don't sign a contract until you've read it...and understood it. Ask questions about repayment terms, refunds and cancellation policies, and finding a job after you finish the course. What happens if you have to quit before you finish? It's a good idea to ask someone you trust to read and evaluate the forms, too.*

If you're unhappy *with the school or program you chose—or if you think you were misled—complain. To whom? The agency that licenses or accredits the school, the Federal Trade Commission, or the Better Business Bureau.*

For further information about choosing a vocational school, access the Consumer Protection area of the Federal Trade Commission's Web site at

www.ftc.gov/bcp/menu-jobs.htm

Federal Trade Commission Web site:

www.ftc.gov/bcp/menu-jobs.htm

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Don't get scammed on your way to college!

" This scholarship is guaranteed or your money back."

Wrong. No one can guarantee to get you a grant or scholarship. Remember, too, that refund guarantees often have conditions or strings attached. Get refund policies in writing.

" You can't get this information anywhere else."

Unlikely. Many free lists of scholarships are available. Check with your school counselor or librarian for free information about current scholarships before you pay someone for the same or similar information. For more information about paying for college, visit the U.S. Department of Education's Web site for students at www.studentaid.ed.gov

" May I have your credit card or bank account number to hold this scholarship?"

No way. It may be a setup for an unauthorized withdrawal from your account. Don't give out your or your parents' credit card or bank account number on the phone without first getting all the information in writing.

" We'll do all the work."

Don't be fooled. There's no way around it. You must apply for scholarships or grants yourself.

" The scholarship will cost you some money."

That doesn't make sense. Free money should not cost a thing. Don't pay anyone who claims to be "holding" a scholarship for you.

" You've been selected by a 'national foundation' to receive a scholarship" or "You're a finalist in a contest" (that you didn't enter).

Be careful. Before you send money to apply for a scholarship, check it out. Make sure the foundation or program is legitimate. Some places imitate legitimate foundations, federal agencies, and corporations. They might even have official-sounding names, using such words as "National," "Federal," "Division," and "Foundation" to fool students and parents into thinking they are legitimate enterprises.

To find out how to spot, stop, and report a scholarship scam, contact the Federal Trade Commission at FTC Consumer Response Center, H-240, 600 Pennsylvania Ave., NW, Washington, DC 20580.

Web site: **www.ftc.gov/scholarshipscams**
Telephone (National Fraud Information Center): **1-877-FTC-HELP** (1-877-382-4357)
(TTY:**1-866-653-4261**)

Federal Trade Commission:
www.ftc.gov/scholarshipscams

National Fraud Information Center:
1–877–FTC–HELP

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2004-05 v.1

Be an informed consumer...

...when it comes to federal student aid

Enrollment contracts

Read any school enrollment contract carefully before you sign it. The contract explains what the school will give you for your money.

If a representative of the school promises you things that are not in the contract, such as help finding a job, ask that the promise be written into the contract and that it be signed and dated. A promise is usually not enforceable unless it is in writing.

Tuition and fees

If you're enrolling in a **community college** or **four-year college**, you will probably get a tuition and fee bill before each term (semester or quarter) begins; a portion of your federal student aid will be paid each term.

If you're enrolling at a **vocational school,** you usually will be charged tuition and fees for the entire educational program at the beginning. However, your federal student aid will usually be divided into at least two payments each year.

Most schools use your financial aid to pay your tuition and fees. If there's any left over, the school must give it to you to help pay your living expenses.

Loans

Even if you qualify for a full Federal Pell Grant (free aid), your cost of attendance might not be entirely covered.

If other grant aid and work-study aren't available, check with your school about the types of loans you can get. Before you borrow, think about how you will afford to pay the money back. Either the school or the lender must give you a repayment schedule that explains how much your loan payments will be and when you have to start making the payments.

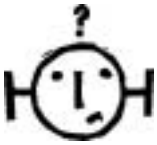
Remember that you must pay back a loan, even if you drop out of school or don't find a job after you graduate.

Refund policy

It's important to find out whether you can get a refund from the school if you drop out before you get your degree or certificate. Every school that uses federal student aid must give you a copy of its refund policy if you request it.

If you received financial aid and you withdraw, some or all of the money might have to be returned (by you or the school) to the source of the aid.

Be sure to let the school know exactly when you plan to withdraw—it may reduce your debt.



For further information, call the Federal Student Aid Information Center:

1-800-433-3243 (TTY: 1-800-730-8913)

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Military Scholarships

These scholarships are awarded on the basis of merit rather than financial need.

Army Reserve Officer Training Corps

Army Reserve Officer Training Corps (ROTC) scholarships are offered at hundreds of colleges. Application packets, information about eligibility, and the telephone number of an ROTC advisor in your area are available from

College Army ROTC, Gold QUEST Center,
P.O. Box 3279, Warminster, PA 18974-9872
Telephone: **1-800-USA-ROTC** (1-800-872-7682)
Web site: **www.armyrotc.com**
E-mail: **atccps@monroe.army.mil**

Air Force Reserve Officer Training Corps

The Air Force Reserve Officer Training Corps (AFROTC) college scholarship program targets students pursuing technical degrees, such as certain engineering and science programs, although students entering a wide variety of majors may be accepted. Information about AFROTC scholarships is available from

HQ AFROTC, 551 East Maxwell Blvd.,
Maxwell AFB, AL 36112-6106
Telephone: **1-866-423-7682**
Web site: w**ww.afrotc.com**

Naval Reserve Officers Training Corps

The Naval Reserve Officers Training Corps (NROTC) offers both two-year and four-year scholarships. For information about the program, contact

Chief of Naval Education and Training (CNET),
250 Dallas Street, OTE6/081, Pensacola, FL
32508-5220
Telephone: 1-800-NAV-ROTC (1-800-628-7682)
Web site: **https://www.nrotc.navy.mil**
E-mail: **nrotc.scholarship@cnet.navy.milnet.navy.mil**

Note: Military scholarships require recipients to serve in one of the U.S. Armed Forces after graduating.

U.S. Department of Education
2004-05 v.1

Student Aid and Identity Theft:

Safeguard Your Student Aid Information

Identity Theft

How does identity theft happen? Criminals use their access to personal data such as names, telephone numbers, Social Security Numbers, and bank and credit card information. Using the stolen data, the criminal can fraudulently obtain credit cards, buy items over the Internet, and even establish cellular phone accounts. Complaints to the Federal Trade Commission about identity theft have doubled each year since the Commission began compiling its complaint database.

Reduce Your Risk

- Apply for federal student aid by filling out the *Free Application for Federal Student Aid* (FAFSA) at www.fafsa.ed.gov.
- When completing the FAFSA electronically, remember to exit the application and close the browser.
- Keep your U.S. Department of Education (ED) PIN in a secure place. (Get your PIN at www.pin.ed.gov)
- Don't reveal your PIN to anyone, even if that person is helping you fill out the FAFSA. The only time you should be using your PIN is when you are on ED Web sites, which are secure.
- Review your financial aid award documents and keep track of the amount of aid applied for and awarded.
- Shred receipts and copies of documents with personal information if they are no longer needed.
- Immediately report all lost or stolen identification to the issuer.

How We Keep Your Information Safe

ED cares about the privacy of your personal information. The information you share with us via our secure Web sites (e.g., www.fafsa.ed.gov and www.pin.ed.gov) goes through a process called encryption. Encryption uses a mathematical formula to scramble your data into a format that is unreadable by anyone who might intercept it. This is how we do our part to keep your information safe—but you need to do yours as well.

Report Identity Theft

If you become a victim of identity theft or suspect that your student information has been stolen, contact:

U.S. Department of Education
Office of Inspector General Hotline
1-800-MIS-USED (1-800-647-8733)
complain online: www.ed.gov/misused

Federal Trade Commission
1-877-IDTHEFT (1-877-438-4338)
complain online: www.consumer.gov/idtheft

Social Security Administration
1-800-269-0271
www.ssa.gov

Equifax Credit Bureau
1-800-525-6285
www.equifax.com

Experian Information Solutions (Formerly TRW)
1-888-397-3742
www.experian.com

TransUnion Credit Bureau
1-800-680-7289
www.transunion.com

More information:
www.ed.gov/misused

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GLOSSARY

Academic Year—A measure of academic work to be accomplished by a student. A school defines its own academic year, but federal regulations set minimum standards schools must adhere to if they wish to award federal student aid funds. For instance, the academic year must be at least 30 weeks of instructional time in which a full-time student is expected to complete at least 24 semester or trimester hours, 36 quarter hours, or 900 clock hours.

Award Year—The time beginning on July 1 of one year and extending to June 30 of the next year. Funding for Federal Pell Grants and campus-based programs is provided on the basis of the award year—for example, a student is paid out of funds designated for a particular award year, such as the 2004-05 award year.

Base Year—For analyzing student financial need, the base year is the calendar year preceding the award year. For instance, 2003 is the base year used for the 2004-05 award year. The *Free Application for Federal Student Aid* (FAFSA) uses family income from the base year because it is more accurate and easier to verify than projected-year income.

Campus-Based Programs—The term that applies to three federal student aid programs administered on campus by eligible institutions of postsecondary education. These programs are

- Federal Supplemental Educational Opportunity Grant (FSEOG) Program,
- Federal Perkins Loan Program, and
- Federal Work-Study (FWS) Program.

Central Processing System (CPS)—ED's processing facility for the *Free Application for Federal Student Aid* (FAFSA). The CPS

- receives student information from application processors,
- calculates a student's official Expected Family Contribution (EFC),
- performs several eligibility database matches,
- prints *Student Aid Report*s (SARs) or *SAR Acknowledgement*s, and
- produces *Institutional Student Information Record*s (ISIRs).

Citizen/Eligible Noncitizen—A student must be one of the following to receive federal student aid:

- U.S. citizen,
- U.S. national (includes natives of American Samoa or Swain's Island), or
- U.S. permanent resident who has an I-151, I-551, or I-551C (Alien Registration Receipt Card).

If a student is not in one of these categories, he or she must have an Arrival-Departure Record (I-94) from the U.S. Immigration and Naturalization Service (INS) showing one of the following designations:

- "Refugee,"
- "Asylum Granted,"
- "Cuban-Haitian Entrant (Status Pending)," or
- "Conditional Entrant" (valid only if issued before April 1, 1980).

If a student has only a "Notice of Approval to Apply for Permanent Residence" (I-171 or I-464), he or she is not eligible for federal student aid.

If a student is in the U.S. on an F-1 or F-2 student visa, or on a J-1 or J-2 exchange-visitor visa only, he or she can't get federal student aid. Also, persons with G series visas (pertaining to international organizations) are not eligible for federal student aid.

Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau are eligible only for Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Federal Work-Study, and Byrd Scholarships. These applicants should check with their schools' financial aid administrators for more information.

Consolidation Loan—A loan that combines multiple federal student loans into a single loan with one monthly payment. Consolidation loans are available through the Federal Family Education Loan (FFEL) Program and the Direct Loan Program. Both allow the borrower to combine different types and amounts of federal student loans to simplify repayment. **Note: A consolidation loan pays off the existing loans; the borrower then repays the consolidation loan.**

Cost of Attendance (COA)—A student's cost of attendance at a postsecondary institution includes

- tuition and fees,
- room and board expenses while attending school,
- allowances for books and supplies (including a reasonable allowance [as determined by the school] for renting or purchasing a personal computer),
- transportation,
- loan fees for federal student loans (if applicable),
- dependent-care costs,
- costs related to a disability, and
- other miscellaneous expenses.

In addition, reasonable costs for a study-abroad program and costs associated with a student's employment as part of a cooperative education program may be included. The COA is determined by the school, within guidelines established by federal law. The COA is compared to a student's Expected Family Contribution (EFC) to determine the student's need for aid (COA - EFC = student's financial need).

Default—Failure to repay a loan according to the terms of the promissory note. There can be serious legal consequences for student-loan defaulters.

Default Rate—A percentage calculated each year for a postsecondary school on the basis of the number of former students who have defaulted on the Federal Family Education Loan (FFEL) Program and/or Direct Loan Program loans received while attending that school.

Eligible Program—A course of study that requires a certain minimum number of hours of instruction and period of time and that leads to a degree or certificate at a school participating in one or more of the federal student aid programs described in this handbook. Generally, to get student aid, a student must be enrolled in an eligible program.

Estimated Financial Assistance—Student financial aid that must be taken into account to determine eligibility for federal student loans. Estimated financial assistance is called "resources" in determining eligibility (and preventing overawards) in the campus-based programs.

Expected Family Contribution (EFC)—Calculated using a formula established by Congress; the amount that a student's family is expected to contribute toward the student's cost of attendance. The EFC is used to determine whether a student is eligible for federal student aid. It is reported on a *Student Aid Report* (SAR), *SAR Acknowledgement,* and *Institutional Student Information Record* (ISIR). An EFC Estimator is included in *FAFSA on the Web* and *Renewal FAFSA on the Web*.

Federal Family Education Loan (FFEL) Program—The Federal Stafford Loan (subsidized and unsubsidized), Federal PLUS Loan (for parents), and Federal Consolidation loan programs. Funds for these programs are provided by private lenders; the loans are guaranteed by the federal government.

Federal student aid programs—Programs administered by the U.S. Department of Education:

- Federal Pell Grants,
- Federal Supplemental Educational Opportunity Grants (FSEOG),

- Federal Work-Study (FWS),
- Federal Perkins Loans,
- Federal Direct Stafford/Ford Loans (both subsidized and unsubsidized),
- Federal Direct PLUS Loans (for parents),
- Federal Direct Consolidation Loans,
- Federal Stafford Loans (both subsidized and unsubsidized),
- Federal PLUS Loans (for parents),
- Federal Family Education Loan (FFEL) Consolidation Loans,
- Leveraging Educational Assistance Partnership (LEAP) Program grants, formerly State Student Incentive Grants (SSIG), and
- Robert C. Byrd Honors Scholarship Program (Byrd Program).

Financial Need—The difference between a student's cost of attendance (COA) at a school and the Expected Family Contribution (EFC). (COA - EFC = student's financial need)

***Free Application for Federal Student Aid* (FAFSA)**—An application completed and filed by a student who wishes to receive federal student aid. The application collects household and financial information used by the federal government to calculate the Expected Family Contribution (EFC) to postsecondary education costs. See also Renewal FAFSA.

***Institutional Student Information Record* (ISIR)**—An electronic record for schools that contains a student's Expected Family Contribution (EFC) as calculated by ED's Central Processing System (CPS) and all the financial and other data submitted by the student on the *Free Application for Federal Student Aid* (FAFSA). See also *Student Aid Report* (SAR).

Need—See Financial Need.

Need Analysis—The process of analyzing household and financial information on a student's financial aid application and calculating an Expected Family Contribution (EFC) to determine the student's need for financial aid for postsecondary education costs.

Overaward—Generally, any amount of federal student aid that exceeds a student's financial need.

Overpayment—Any payment of a Federal Pell Grant, FSEOG, Federal Perkins Loan, or LEAP grant (formerly SSIG) that exceeds the amount for which a student was eligible. An overpayment may be the result of an overaward, an error in the cost of attendance (COA) or Expected Family Contribution (EFC), or a student not meeting other eligibility criteria, such as citizenship or enrollment in an eligible program.

Promissory Note—A binding legal document that a borrower signs to get a loan. By signing this note, a borrower promises to repay the loan, with interest, in specified installments. The promissory note also includes any information about

- grace periods,
- deferment or cancellation provisions, and
- a borrower's rights and responsibilities with respect to that loan.

Renewal FAFSA—A partially pre-formatted version of the FAFSA that students may use if they applied for federal student aid the previous award year. See also *Free Application for Federal Student Aid* (FAFSA).

Resources—Student financial aid that must be taken into account to prevent overawarding aid in the campus-based programs. Resources are called "estimated financial assistance" in determining a student's eligibility for federal student loans.

SAR Acknowledgement—A federal "output" document, similar to the SAR, that ED's central processor sends to a student who does not provide a valid e-mail address when he or she files the FAFSA through *FAFSA on the Web,* files through a postsecondary school, or makes changes through *Corrections on the Web*. See also *Student Aid Report* (SAR).

School—A postsecondary educational institution, such as a college, university, or career school. In this handbook, the term "school" refers to such an institution, not to a high school.

Simplified Needs Test—The Simplified Needs Test excludes assets from the Expected Family Contribution (EFC) calculation for low- to moderate-income families who file simplified tax returns (1040A, 1040EZ).

***Student Aid Report* (SAR)**—A federal "output" document sent to a student by ED's central processor. The SAR contains financial and other information reported by the student on the FAFSA. A student receives a paper SAR if he or she files a paper *Free Application for Federal Student Aid* (FAFSA) and does not provide a valid e-mail address. The student receives a link to online SAR information if he or she provides a valid e-mail address on the FAFSA. The student's Expected Family Contribution (EFC) is included on the SAR. All information reported on the SAR is also sent to schools the student listed on the FAFSA. (See also *Institutional Student Information Record* and *SAR Acknowledgement*.)

Subsidized loan—Awarded to a student on the basis of financial need. The federal government pays the borrower's accrued interest during some significant periods, such as when the student is in school, thereby "subsidizing" the loan.

Unsubsidized loan—Is not need based; the borrower is responsible for accrued interest throughout the life of the loan.

Verification—A procedure through which a school checks the information a student reported on the *Free Application for Federal Student Aid* (FAFSA), usually by requesting a copy of signed tax returns filed by the student and, if applicable, the student's parent(s) and spouse. Schools must verify information about students selected for verification by ED's central processor, following procedures established by federal regulations. The processor places an asterisk next to the Expected Family Contribution (EFC) on SARs and *SAR Acknowledgement*s and flags ISIRs to identify students selected for verification. Many schools also select certain other students for verification in addition to those selected by the central processor.

William D. Ford Federal Direct Loan Program (Direct Loan Program)—Federal Direct Stafford/Ford Loans (Direct Subsidized Loans), Federal Direct Unsubsidized Stafford/Ford Loans (Direct Unsubsidized Loans), Federal Direct PLUS Loans (for parents), and Federal Direct Consolidation Loans. Funds for these programs are lent to student and parent borrowers by the federal government through schools that participate in the program.

Abbreviations

AFROTC	Air Force Reserve Officer Training Corps
BPOS	Bulk Publication Ordering System
CPS	Central Processing System
DHS	U.S. Department of Homeland Security
DRN	Data Release Number
ED	U.S. Department of Education
EFC	Expected Family Contribution
EOC	Educational Opportunity Center
FAA	financial aid administrator
FAFSA	*Free Application for Federal Student Aid*
FFEL	Federal Family Education Loan
FSAIC	Federal Student Aid Information Center
FSEOG	Federal Supplemental Educational Opportunity Grant
FTC	Federal Trade Commission
FWS	Federal Work-Study
GAO	U.S. General Accounting Office
GEAR UP	Gaining Early Awareness and Readiness for Undergraduate Programs
GED	General Education Development [certificate]
HHS	U.S. Department of Health and Human Services
IADT	Initial Active Duty for Training
IRS	Internal Revenue Service
ISIR	*Institutional Student Information Record*
LEAP	Leveraging Educational Assistance Partnership
NROTC	Naval Reserve Officers Training Corps
NSLDS	National Student Loan Data System
PIN	Personal Identification Number
PSAT/NMSQT	Preliminary SAT/National Merit Scholarship Qualifying Test
ROTC	Army Reserve Officer Training Corps
SAP	satisfactory academic progress
SAR	*Student Aid Report*
SSA	Social Security Administration
SSIG	State Student Incentive Grant (obsolete; now LEAP)
SSN	Social Security Number
TTY	teletype
VA	U.S. Department of Veterans Affairs
WIA	Workforce Investment Act

FOR YOU:

WWW.FSA4SCHOOLS.ED.GOV/COUNSELORS

FOR YOUR STUDENTS:

WWW.STUDENTAID.ED.GOV