

Your KHEAA College Connection

April 2010

Be smart: avoid student aid scams

Don't be taken in by something that sounds too good to be true. KHEAA can help students and parents avoid the pitfalls of scholarship scams.

KHEAA publishes free books to help students find financial aid. Early in the school year, all seniors should receive a copy of *Getting In* from their guidance counselor. *Affording Higher Education*, another excellent source, can be found at www.kheaa.com or the public or school library. School counselors also receive copies. These publications contain valuable information that will help you and your child find legitimate sources of financial aid.

School counselors and college financial aid staff are excellent sources of financial aid information.

Watch for these deceptive claims:

“You’ve been selected by a national foundation to receive a scholarship.”

Check with a counselor or The Foundation Center at www.fdncenter.org to find out if the foundation is legitimate. Students who are notified that they are finalists in a scholarship contest they didn't enter should check with their counselor

“We’ll do all the work.”

The company may send a long list of scholarships that students can apply for, but parents and students usually have to fill out all the applications.

“The scholarship is guaranteed or your money back.”

Read the fine print. To get a refund, students may have to receive a letter of rejection from every source on their list. That may be impossible to do if a scholarship on the list is no longer offered. The fine print may state that all types of student financial aid are included, so students who get loans and no scholarships may not get their money back.



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For help with your higher education and financial aid questions, visit www.kheaa.com

KHEAA is an EEOC employer.



“I just need your credit card or bank account number to hold this scholarship.”

NEVER give these numbers to a person or company you’re not sure about. Someone with your credit card number can charge something to your card, and someone with your bank account number can make withdrawals.

“This scholarship will cost some money.”

Be wary of any scholarship which requests an application fee, even as low as \$2 or \$3. Many scholarship scams charge a fee, then use the money from the fees people pay to award a token scholarship to one or two “winners.”

“You can’t get this information anywhere else.”

Nearly all the information can be found for free by working with the guidance counselor and college financial aid officer, visiting the high school or public library or doing a free online scholarship search. You can do a free scholarship search at kheaa.com If you do an online scholarship search on another site, read things carefully. Some sites will ask if you want to receive information from advertisers, subscribe to magazines or apply for a credit card as part of the search process. You can answer “no” to all those questions and still complete the scholarship search.

GED tests cannot be taken online

The GED Testing Service® (GEDTS) reminds adults that GED exams cannot be taken online or through correspondence programs.

GED Tests are administered only by official GED Testing Centers. You can find testing centers in Kentucky at <http://www.kheaa.com/pdf/pubs/ky/arts/PartIWhereStart.pdf>.

Any services that purport to offer a GED credential through any other means are not affiliated with GEDTS and may not be accepted by employers, colleges and universities or the military.



Use credit cards wisely

After you turn 18, you may be eligible for a credit card. But remember — it's important to compare credit card offers. Some charge an annual fee, while others require a deposit equal to the amount of credit you have available — not a bad idea, since you can't charge over this limit.

You may get in over your head with bills you can't pay by charging too much on your credit card. Administrators say more students drop out of college because they are forced to work to pay their credit card bills than from failing grades.

Not paying more than the minimum balance each month or missing a payment can severely damage your credit score. If you find yourself unable to pay, that's a black eye on your credit report for up to seven years.

Paying more than the minimum payment is a must. If you charge \$1,500 on your credit card and make a minimum monthly payment of \$25, it will take you 11 years to pay off your charges if your interest rate is 16.8 percent. According to credit experts, you should make at least twice the minimum payment due each month if you are unable to pay the entire balance.



Osteopathy scholarships available to Kentucky Students

Kentucky students planning to study osteopathy at Pikeville College may be eligible for an Osteopathic Medicine Scholarship, administered by KHEAA.

The amount of the scholarship is equal to the difference between the average in-state tuition charged at the state medical schools and the tuition charged at the Pikeville College School of Osteopathic Medicine.

Dr. Anthony Yonts, a Floyd County native who went to June Buchanan School, took advantage of the scholarship while at Pikeville College.

“It's fantastic,” said Yonts, who practices in Hazard. “The scholarship absolutely relieved a lot of the financial burden of paying for school. It's really worked out well for me.”

Recipients of the scholarship are required to practice 2,000 hours of osteopathic medicine in Kentucky for each year they receive the scholarship. If they do not fulfill the practice requirements, they must repay the scholarship with 6 percent interest. Approved

fields of service are family practice, general practice, general internal medicine, general pediatrics, general obstetrics and gynecology.

The application deadline is July 1. For application information, contact Teresa Jones at 606.218.5400 or tjones@pc.edu.



Scholarship available to those providing early childhood education

Kentucky's child care providers and those who train child care providers may be eligible for the Early Childhood Development Scholarship, administered by KHEAA, to further their college education.

The scholarships are available to those who work at least 20 hours per week or provide training in early childhood development at least 12 times annually for an approved organization. Kentuckians employed as a preschool associate teacher in a state-funded preschool program are also eligible.

“KHEAA has made it possible for me to fulfill a lifelong dream of obtaining a college degree,” said Vickie Tucker of Paducah. “The cost of college made it impossible for me to return to school, but with the help of the Early Childhood Scholarship program from KHEAA, I was given back my dream.” Tucker, who is working on a bachelor's degree at Murray State University, encourages “anyone interested in working in the teaching or child care field to take advantage of this gift from KHEAA.”

Recipients must be working toward an associate's degree or a bachelor's degree in early childhood education or other approved credential. The scholarship will pay up to \$1,800 for tuition



annually. Students may not take more than nine hours per semester.

To apply, students must submit the Free Application for Federal Student Aid (FAFSA) and an Early Childhood Development Scholarship application. The FAFSA is available at www.fafsa.ed.gov. The scholarship application is available at www.kheaa.com.

To complete the scholarship application, students must register for a Zip Access account. After registering, sign in to Zip Access, select Account Access and then select Apply Online.

College grants available for adult students

Adult Kentuckians who are interested in taking college classes may be eligible for a Go Higher Grant administered by KHEAA.

Go Higher Grants are available to adults age 24 or older who are enrolled in fewer than six credit hours at a participating Kentucky college or university. Applicants must show financial need. The maximum award amount is \$1,000 and covers tuition plus a book allowance of \$50 per credit hour.

To be considered for a grant, students must complete a Go Higher Grant application and the FAFSA. Grant applications are available at www.kheaa.com. The FAFSA may be submitted online at www.fafsa.ed.gov. Although there is no deadline for applying, students are encouraged to apply as early as possible because funding is limited.



Senior year planner

Below is a timeline that will help keep students on track. Print it out and put it on your refrigerator or bulletin board as a reminder of what to do and when to do it.

April/May

- ❑ Follow up on your financial aid package.
- ❑ If you're going to need student loans, compare the benefits offered by the various lenders your college uses.
- ❑ Take AP tests if you're enrolled in AP courses.
- ❑ If you're on a waiting list at a school you really want to attend, ask the director of admissions how to strengthen your application.

June

- ❑ Let your counselor know which school you're going to so the school can send in final grades, class rank and proof of graduation.
- ❑ Send thank-you notes to counselors, teachers and others who helped you through the process.
- ❑ Prepare a budget for the coming school year.

Federal student aid programs may help pay college costs

The federal government sponsors numerous financial aid programs that may help students and their parents pay for college expenses. Below are brief summaries of the more common federal grant and loan programs. Grants do not have to be repaid, but loans do.

- **Academic Competitiveness Grant:** These grants provide up to \$750 for college freshmen and \$1,300 for college sophomores. Sophomores must have at least a 3.0 GPA to qualify.
- **Federal Pell Grant:** Pell Grants provide up to \$5,350 for undergraduates.
- **Federal Supplemental Educational Opportunity Grant:** These grants provide up to \$4,000 per year for undergraduate students who have exceptional financial need.
- **SMART Grant:** These grants are available to college juniors and seniors in certain areas of science, math and foreign language. SMART grants provide up to \$4,000 a year.
- **TEACH Grant:** These grants are available to students who intend to teach at least four years in a public or private elementary or secondary school that serves students from low-income families. TEACH grants provide up to \$4,000 a year.
- **Federal Perkins Loan:** These loans are for students with exceptional financial need. Undergraduates may qualify for up to \$4,000 per year, while qualifying graduate students are eligible for up to \$6,000 per year.

- **Federal Stafford Loan:** Stafford Loans are available to undergraduate and graduate students. The amount students may borrow depends on their year in school.
- **Federal PLUS Loan:** Parents of dependent undergraduate students may qualify for PLUS Loans, depending on the parents' credit ratings. The loan amount depends on how much other financial aid the student receives. Graduate students may receive PLUS Loans after all of their Stafford Loan eligibility is exhausted.

The FAFSA is used to apply for all of these programs. Parents or students seeking a PLUS Loan must also submit a separate application.

Students interested in Stafford and PLUS Loans and parents interested in PLUS Loans should be smart consumers. Lenders may charge different fees and have different repayment incentives. Picking the right lender may save students and parents thousands of dollars in fees and interest payments.

