

# Planning Your Future

**for Juniors**

**Your guide to  
planning and paying for  
higher education**



# Financial Aid Questions and Answers

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

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

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

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

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

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

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

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

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

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

**Q: Who provides financial aid?**

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

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

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

**Q: How do I apply?**

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

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

**Q: When do I apply?**

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

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

**A:** Many institutions of higher education are located throughout Alabama. Costs for a school year range from \$7,672 to \$35,180 for a four-year school and from \$3,660 to \$44,808 for a two-year school. Keep in mind that these estimated costs include tuition/fees and room/board.



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



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






# Major Financial Aid Programs for Alabama Students

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

	Programs	General Eligibility	Award Amounts	Program Administrator	Application
	<b>Grants</b>				
	Academic Competitiveness Grant	First or second-year undergraduate	First-year student: Up to \$750 Second-year student: Up to \$1,300	Participating colleges	FAFSA
	Alabama Student Assistance Program Grant	AL resident and undergraduate with financial need attending an eligible school at least half-time	From \$300 to \$5,000 each academic year	Alabama Commission on Higher Education	FAFSA
	Alabama Student Grant	AL resident and undergraduate enrolled at an eligible in-state private school at least half-time	Up to \$1,200 each academic year depending on program funding	Alabama Commission on Higher Education	Contact the school's financial aid office
	Federal Pell Grant	Undergraduate with financial need and no baccalaureate or higher degree	Set by federal government each year; maximum \$5,350 for the 2009–2010 academic year	Participating colleges	FAFSA
	Federal Supplemental Educational Opportunity Grant (FSEOG)	Undergraduate with no baccalaureate or higher degree with exceptional financial need	Up to \$4,000 each academic year depending on program funding and need	Participating colleges	FAFSA
	National Science and Mathematics Access to Retain Talent (SMART) Grant	Third or fourth-year undergraduate in certain fields	Up to \$4,000 per year	Participating colleges	FAFSA
	<b>Scholarships</b>				
	Robert C. Byrd Honors Scholarship	AL resident and current high school senior with a good GPA and ACT or SAT score enrolled at an eligible college	\$1,500 each year for up to four years of undergraduate work	Alabama State Department of Education	Contact your high school guidance counselor
	American Legion Auxiliary Scholarship	AL resident and child/grandchild of a WWI, WWII, Korea, Vietnam, Beirut, Grenada, Panama or Desert Storm veteran	Tuition, fees and room and board at an Alabama public four-year college with on-campus housing	American Legion Auxiliary	Send self-addressed stamped envelope to American Legion Auxiliary, 120 N. Jackson St., Montgomery, AL 36104

	Programs	General Eligibility	Award Amounts	Program Administrator	Application
 <b>Scholarships (continued)</b>	American Legion Scholarship	AL resident who is the son, daughter, grandson or granddaughter of a war veteran	\$850, renewable yearly at participating schools	The American Legion	Send self-addressed, stamped envelope to The American Legion, P.O. Box 1069, Montgomery, AL 36102
	Community College Athletic Scholarship	Full-time student with demonstrated athletic ability	Tuition and books	Participating junior and community colleges in Alabama	Contact the school's financial aid office, coach, or athletic director
	Community College Performing Arts Scholarship	Full-time student with demonstrated talent	In-state tuition	Participating junior and community colleges in Alabama	Contact the school's financial aid office
	Two-Year College Academic Scholarship	Student with demonstrated academic merit	In-state tuition and books	Participating public two-year colleges in Alabama	Contact the school's financial aid office
<b>Waivers</b>	Alabama Scholarship for Dependents of Blind Parents	Dependent of a blind AL resident who is head of household and has financial need	Instructional fees and tuition	Alabama State Department of Rehabilitation Services	Call (334) 613-2248
	Police Officer's and Firefighter's Survivor's Educational Assistance Program	Dependent or spouse of a police officer or firefighter killed or permanently and totally disabled in the line of duty in Alabama	Undergraduate tuition, fees, books and supplies at an Alabama public college	Alabama Commission on Higher Education	Call (334) 242-2273
 <b>Loans</b>	Federal Perkins Loan	Student with exceptional financial need	\$5,500 annual maximum for undergraduates	Participating colleges	FAFSA
	Federal Stafford Loan (FFELP)*	Undergraduate, graduate, or professional student enrolled at least half-time in an eligible program at an eligible school	Maximums for undergraduate: \$5,500–\$12,500; graduate or professional: \$20,500	KHEAA–Alabama	FAFSA and Master Promissory Note
	Federal PLUS Loan (FFELP)*	Graduate student or parent or stepparent of a dependent student enrolled at least half-time in an eligible program at an eligible school	Contact the school's financial aid office (maximum amount equals cost of attendance <i>minus</i> all other financial aid)	KHEAA–Alabama	FAFSA and Master Promissory Note

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

	Programs	General Eligibility	Award Amounts	Program Administrator	Application
<b>Loans (continued)</b> 	Nursing Student Loan	Nursing student with financial need enrolled at least half-time	Varies	Participating colleges	Contact the school's financial aid office
	Primary Care Loan	Medical school student with financial need	Varies	Participating colleges	Contact the school's financial aid office
<b>Work-Study</b>	Federal Work-Study Program (FWSP)	U.S. citizen or eligible noncitizen with financial need enrolled at an eligible school	At least the federal minimum wage (maximum amount equals cost of education <i>minus</i> all other financial aid)	Participating colleges	FAFSA
<b>Military Benefits</b> 	Alabama GI Dependent's Educational Benefit Program	Student at an Alabama public college who is the child/spouse of an eligible Alabama veteran	Tuition, instructional fees and book assistance	Alabama State Department of Veterans Affairs	Call (334) 242-5077 or contact any county veterans service officer
	Alabama National Guard Educational Assistance Program	Active member in good standing with a federally recognized unit of the Alabama National Guard	Tuition, educational fees, books and supplies at an Alabama public college; limited to \$500 each term/ \$1,000 each year	Alabama Commission on Higher Education	Contact any Alabama National Guard unit
	Reserve Officers Training Corps (ROTC) Scholarship	High school senior or graduate	Varies	Participating colleges	Contact the school you plan to attend
<b>National Service</b>	AmeriCorps	U.S. citizen or permanent resident alien age 17 or older who performs national community service before, during or after college	Up to \$4,725 for each year of service (maximum of two awards)	Corporation for National and Community Service	Call (800) 942-2677 or contact the Corporation for National and Community Service, 1201 New York Avenue, NW, Washington, DC 20523
<b>State Savings and Tuition Programs</b> 	Alabama Higher Education 529 Fund	Family saving for a child's college education	Requires minimum investment of \$250 or \$25 per month	Alabama State Treasurer's Office	Call (866) 529-2228 or contact the State Treasurer's Office, College Savings Programs, 600 Dexter Avenue, Suite S-106, Montgomery, AL 36104
	Alabama Prepaid Affordable College Tuition (PACT) Program (Currently closed to new applicants)	Parent or other adult who wants to prepay a child's future college tuition	Contract to prepay four years of future college tuition offered for sale	Alabama State Treasurer's Office	Call (800) 252-7228

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

# Introduction

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

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



**After reading through this brochure, see if you can find eight types of financial aid hidden in the puzzle below!**

## Types of Financial Aid

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

W V Q M T H Y A L A E S H Q S Q X S  
 Y S N A O L N O I S R E V N O C E C  
 D Z C K S Q S C Y R T N V N J O F H  
 R M I L I T A R Y B E N E F I T S O  
 S I Y K Z E T U E X E K A B W F Z L  
 K N R D Z U C B W V A X J R W N K A  
 E E P H U P T K Y Z I N S S G R J R  
 H W N O I T I U T D I A P E R P F S  
 E Z C P L Y S J F T Z P W F D P Y H  
 K G V O U L L K G V N B E K M J U I  
 P Z A H S D K L R M S A V H U O V P  
 R N A V R X P I M O M Z S X V V I S  
 S I T A K X C P P H W V E V Y O F M

# Other Services

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

## Publications

- *Getting In*—for high school seniors (online version only)
- *Affording Higher Education*—a reference book of over 4,000 financial aid programs for Alabamians (online version only)

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

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



## For More Information

### KHEAA-Alabama

100 North Union Street, Suite 390  
 Montgomery, AL 36104-3762

Toll free: (800) 721-9720 Fax: (334) 265-9750

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