

# State Government

Many student financial aid programs in Alabama are administered by state agencies. This chapter provides information on state-administered programs, including mailing addresses, phone numbers, e-mail addresses and websites.

KHEAA–Alabama was created in 1995 after the U. S. Department of Education designated KHEAA as the official loan guarantor for Alabama colleges participating in the Federal Family Education Loan Program. A KHEAA–Alabama branch office opened in Montgomery soon thereafter to better serve the needs of schools, lenders and students. For more information about KHEAA–Alabama, call toll free 800.721.9720 or visit [www.alstudentaid.com](http://www.alstudentaid.com).

## State Government

### Federal Government

### Public Universities

### Private Colleges, Universities, and Seminaries

### Two-Year Public Colleges

### Trade Schools

### Companies and Organizations

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## Alabama Commission on Higher Education



*Contact:* Unless otherwise noted, Alabama Commission on Higher Education, P.O. Box 302000, Montgomery, AL 36130-2000, phone 334.242.2273, website [www.ache.alabama.gov](http://www.ache.alabama.gov)

### Grants

#### Alabama Student Assistance Program Grant

*Eligibility:* Must be a financially needy Alabama resident enrolled at least half-time as an undergraduate at an eligible school.

*Award:* \$300–\$5,000 each academic year

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#### Alabama Student Grant

*Eligibility:* Must be an undergraduate Alabama resident enrolled at least half-time at an eligible independent Alabama college or university, which includes Amridge University, Birmingham-Southern College, Concordia College, Faulkner University, Huntingdon College, Judson College, Miles College, Oakwood College, Samford University, Spring Hill College, Stillman College, the U.S. Sports Academy and the University of Mobile. Not based on financial need.

*Award:* Up to \$1,200 per year

*Contact:* Financial aid office

### Other

#### Police Officer's and Firefighter's Survivor's Educational Assistance Program

*Eligibility:* Must be the dependent or spouse of an Alabama police officer or firefighter killed in the line of duty and be enrolled in an undergraduate program at an Alabama public college or university. Other special eligibility requirements may apply.

*Award:* Tuition, fees, books and supplies

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## Alabama Community College System



*Contact:* Unless otherwise noted, the Alabama Community College System, 135 South Union Street, Montgomery, AL 36104-4340; phone 334.293.4500; website [www.accs.cc/](http://www.accs.cc/)

### Scholarships

#### Junior and Community College Athletic Scholarship

*Eligibility:* Must demonstrate satisfactory athletic ability during tryouts; enroll full-time in an Alabama public junior or community college; and participate in a designated sport or activity. Not based on financial need.

*Award:* Tuition and books (limits on various sports may apply); renewable on the basis of continued participation

*Number:* Varies by sport

*Contact:* Coach, athletic director or financial aid office

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#### Junior and Community College Performing Arts Scholarship

*Eligibility:* Must compete in talent audition process, qualify in same and enroll full-time in an Alabama public junior or community college. Not based on financial need.

*Award:* In-state tuition

*Number:* Varies

*Contact:* Financial aid office

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#### Senior Adult Scholarship

*Eligibility:* Must be at least 60 years old, meet admissions requirements, and attend a 2-year public college in Alabama.

*Award:* Tuition

*Number:* Varies

*Contact:* Financial aid office

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#### Two-Year College Academic Scholarship

*Eligibility:* Must demonstrate academic merit (as determined by the school's scholarship committee) and be accepted

for enrollment at a 2-year public college in Alabama. Not based on financial need. Priority given to in-state residents.

*Award:* Tuition and mandatory fees only

*Number:* Varies

*Contact:* Financial aid office

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## Alabama Department of Education



*Contact:* Alabama Department of Education, P.O. Box 302101, Montgomery, AL 36130-2101, phone 334.242.8082, website [www.alsde.edu](http://www.alsde.edu)

### Scholarships

#### Robert C. Byrd Honors Scholarship

*Eligibility:* Must be an Alabama resident with a high school diploma or its recognized GED/home school equivalent, be admitted to a college and demonstrate outstanding academic achievement and promise of continued achievement. Based on GPA and ACT/SAT scores; National Merit Scholarship; honor, Advanced Placement and concurrent college courses; leadership ability; involvement in school/community activities, including acquired skills and achievement outside the realms of the usual high school academic achievement; and goals and aspirations.

*Award:* \$1,500; renewable for up to 4 years of undergraduate work

*Contact:* Alabama Department of Education, high school guidance counselor or adult education provider

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## Alabama Department of Industrial Relations



**Contact:** Jackie Atkins, Alabama Department of Industrial Relations, 649 Monroe Street, Montgomery, AL 36131, phone 334.242.8635, website <http://dir.alabama.gov>

### Other

#### Trade Adjustment Assistance

**Eligibility:** Must be a worker who has lost employment, wages or hours of work with an affected employer, who has been certified by the U.S. Department of Labor, due to increased imports or shifts in production to foreign countries; must file a claim for unemployment compensation and a claim for Trade Adjustment Assistance; upon approval of claim, must report to One-Stop Career Center to apply for reemployment benefits and services.

**Award:** Additional unemployment compensation, tuition, fees, supplies and tools for training worker to achieve reemployment.

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## Alabama Department of Rehabilitation Services



**Contact:** See contact information under each program.

### Scholarships

#### Alabama Scholarship for Dependents of Blind Parents/Textbook Benefits for Dependents of Blind Parents

**Eligibility:** Must be an Alabama resident for at least five years; be from a family in which the head of household is blind and whose family income is at or below 1.3 times the current poverty income level, as determined by federal poverty guidelines

based on family size; and begin attending an Alabama public college, university or trade school within 2 years after high school graduation but before the age of 23.

**Award:** Tuition and instructional fees; renewable up to 4 years. The number of free textbooks provided is contingent upon the number of participants in the program.

**Contact:** Debra Culver, Alabama State Department of Rehabilitation Services, Blind and Deaf Services, 7 Bemiston Avenue, Talladega, AL 35160; call 334.293.7315 (Montgomery office) or 256.362.0638 (Talladega office); or e-mail [debbie.culver@rehab.alabama.gov](mailto:debbie.culver@rehab.alabama.gov)

### Other

#### Vocational Rehabilitation

**Eligibility:** Must be an Alabama resident, have applied for a Federal Pell Grant and have exhausted other sources of aid. Based on disability creating an impediment to employment.

**Award:** Varies

**Number:** Varies

**Deadline:** Early spring

**Contact:** Local Vocational Rehabilitation office or Alabama Department of Rehabilitation Services, 602 S. Lawrence Street, Montgomery, AL 36104; phone 334.293.7500 or 800.441.7607; fax 334.293.7371; website [www.rehab.state.al.us](http://www.rehab.state.al.us)

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## Alabama Department of Veterans Affairs



**Contact:** County veterans service officer or Alabama Department of Veterans Affairs, P.O. Box 1509, Montgomery, AL 36102-1509, phone 334.242.5077, website [www.va.state.al.us](http://www.va.state.al.us)

### Scholarships

#### Alabama GI Dependents' Educational Benefit Program

**Eligibility:** Must be the child, stepchild, spouse or unremarried widow/widower of an eligible disabled Alabama veteran and attend an Alabama public college or

technical school. Children and stepchildren of the disabled veteran must begin college before they are 26 years old, in some cases 30 years old. Spouses and widows/widowers have no age deadline.

**Award:** Tuition, instructional fees and book assistance

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## Alabama Indian Affairs Commission



**Contact:** Alabama Indian Affairs Commission, 771 South Lawrence Street, Suite 106, Montgomery, AL 36130; phone 334.242.2831 or 800.436.8261 (Alabama only); fax 334.240.3408; website [www.aiac.alabama.gov](http://www.aiac.alabama.gov); e-mail [aiac@att.net](mailto:aiac@att.net)

### Scholarships

#### Alabama Indian Scholarship Fund

**Eligibility:** Must have a tribal roll card in a state or federally recognized tribe; be a resident of Alabama; attend a school in Alabama unless the program is not offered in Alabama; and have a letter of acceptance from the school of choice.

**Award:** Varies

**Number:** Varies

**Deadline:** First Friday in March

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## Alabama National Guard



**Contact:** State Military Department, ALJ1-MPO-ESO, P.O. Box 3711, Montgomery, AL 36109-0711; phone 334-213-7580; website <http://alguard.state.al.us>

### Other

#### Alabama National Guard Educational Assistance Program

**Eligibility:** Must be an Alabama resident and active member in good standing with a federally recognized unit of the Alabama National Guard; be enrolled in a degree program and making satisfactory ac-

ademic progress at an accredited Alabama college, university, community college or junior college; and have completed basic training and advanced individual training. Based on need, as defined by tuition and fees that exceed the allowable payment from federal veterans' educational benefits (tuition/fees minus veterans' benefits must equal at least \$25).

**Award:** Tuition, educational fees, books and supplies up to \$1,000 per year (\$500 per term)

**Number:** Limited

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## Alabama State Treasury



**Contact:** Alabama State Treasurer's Office, College Savings Programs, 600 Dexter Avenue, Suite S-106, Montgomery, AL 36104; phone 334.242.7514 or toll free 866.529.2228; website [www.treasury.alabama.gov](http://www.treasury.alabama.gov).

### Other

#### CollegeCounts 529 Fund

**Description:** Helps families save for a child's college education. Three investment options are offered with a minimum investment of \$250 or \$25 per month. Qualified withdrawals are exempt from state and federal taxes. Account savings can be used at any qualified college in the nation to pay for tuition, fees, books, supplies and certain room and board costs.

**Deadline:** Open enrollment year-round

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## Governor's Office of Workforce Development



**Contact:** Alabama Career Center System. Visit <https://joblink.alabama.gov> to find the location and phone number of your local Career Center.

### Other

#### Training/Employment Services Workforce Investment Act (WIA)

**Eligibility:** Must be 18 years or older to access services from a number of different programs through 1 of 3 local workforce areas: the Jefferson County Commission, the Mobile County Commission and the Alabama Workforce Investment Area, all of which administer these federal programs. Programs are offered locally through the Alabama Career Center System. Youths 14–21 can access a variety of education and employment services as they prepare for the workforce. To receive services, youth must be low-income and have at least 1 barrier to employment. Dislocated workers can access training and other re-employment service, including scholarships, through local Career Centers.

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## KHEAA— Alabama



**Contact:** KHEAA—Alabama, 100 North Union Street, Suite 390, Montgomery, AL 36104, toll-free phone 800.928.8926, fax 334.265.9750, or website [www.alstudentaid.com](http://www.alstudentaid.com); college financial aid office; or high school guidance counselor

**Note:** KHEAA—Alabama is the federally designated FFELP guarantor in Alabama. KHEAA—Alabama guarantees FFELP loans made by participating FFELP lenders.

## Loans

### Federal PLUS Loan (Federal Family Education Loan Program [FFELP])

**Eligibility:** Must be the parent or step-parent of a dependent undergraduate student as determined by the school or be a graduate or professional student; be a citizen, permanent resident or eligible noncitizen of the United States and verify Social Security number and immigration status; not be in default or owe a refund on any educational grant or loan unless satisfactory arrangements have been made toward repayment; and not have an adverse credit history under federal regulations. Student must be enrolled or accepted for enrollment at least half-time in an eligible degree or certificate program at an eligible school; be in good standing and making satisfactory academic progress if currently enrolled; and not be attending elementary or secondary school.

**Repayment:** Repayment begins within 60 days after the loan is fully disbursed. Payments on principal may be deferred under certain circumstances. Interest begins to accrue upon disbursement and must be paid monthly or quarterly or be added to the principal. PLUS Loans have a fixed interest rate of 8.5%.

**Award:** The annual loan amount may not exceed the student's estimated cost of attendance minus any other financial aid the student receives. There is no limit on the total amount a parent can borrow during a student's college years.

**Number:** Unlimited

**Deadline:** The financial aid office at the school the student plans to attend must certify the loan application on behalf of the student at the earliest opportunity before or during the student's enrollment period.

**Application:** FAFSA and PLUS Loan application. For a PLUS Loan application, contact a participating lender, a college financial aid office, or KHEAA—Alabama.

### Federal Stafford Loan (FFELP)

**Eligibility:** Must be an undergraduate, graduate or professional student; be a citizen, permanent resident or eligible noncitizen of the United States; be enrolled or accepted for enrollment at least half-time in an eligible degree or certificate program at an eligible school; have a high school di-

ploma or its equivalent; be in good standing and making satisfactory academic progress if currently enrolled; and not be in default or owe a refund on any federal education grant or loan unless arrangements have been made to repay the debt.

Student must demonstrate financial need to qualify for a *subsidized* loan. The federal government pays the interest while the student is in school, during authorized deferment periods, and for six months after the student ceases to be enrolled at least half-time. The borrower begins paying the interest and principal when the loan enters repayment.

Student does not have to demonstrate financial need to qualify for an *unsubsidized* loan. Unlike a subsidized loan, the borrower must begin paying the interest immediately. Interest on an unsubsidized loan may be paid monthly or quarterly or added to the principal balance.

Financial need is determined for the subsidized loan before eligibility is determined for the unsubsidized loan.

The Stafford Loan amount for an academic period cannot exceed the student's

cost of attendance (as determined by the school) minus the student's estimated financial assistance and, if the loan is subsidized, expected family contribution. Schools will determine the student's eligibility.

**Repayment:** Several repayment plans are available. Six months after the borrower leaves school or drops below half-time status, repayment begins on a subsidized loan. Repayment on an unsubsidized loan begins immediately upon disbursement but may be delayed until 6 months after the borrower leaves school or drops below half-time status; however, interest begins to accrue upon disbursement. The fixed interest rate on newly originated subsidized Stafford Loans for undergraduate students is 5.6%. The interest rate for subsidized Stafford Loans for graduate students is 6.8%. The unsubsidized Stafford Loan interest rate is 6.8%.

**Award:** A borrower may receive a subsidized loan, an unsubsidized loan or both for an academic period. However, the total amount received may not exceed the loan limits for each academic year based on the

borrower's dependency status and grade level and the length of the program of study in which the borrower is enrolled. **See table below for current loan limits.**

**Number:** Unlimited

**Deadline:** The financial aid office at the school the student plans to attend must certify the loan application on behalf of the student at the earliest opportunity before or during the student's enrollment period.

**Application:** FAFSA and the Federal Stafford Loan Master Promissory Note (MPN). The MPN can be submitted and signed electronically through KHEAA–Alabama's eSign process at [www.alstudentaid.com](http://www.alstudentaid.com). A paper MPN can be obtained from a lender or financial aid office. Students should contact the school to which they are applying to see if they prefer an electronic or paper MPN.

**Federal Consolidation Loan (FFELP)**

**Eligibility:** Must be in grace period or repayment status on all loans being consolidated; have made satisfactory repayment arrangements with the holder of each loan (if a delinquent or defaulted borrower) or

<b>Annual Stafford Loan Limits</b>			
for loans first disbursed on or after July 1, 2008			
<b>Grade Level</b>	<b>Dependent Students</b>	<b>Independent Students*</b>	<b>Portion That May Be Subsidized</b>
First Year	\$5,500	\$9,500	\$3,500
Second Year	\$6,500	\$10,500	\$4,500
Each Remaining Year of Undergraduate Study	\$7,500	\$12,500	\$5,500
Each Year of Graduate/ Professional Study		\$20,500	\$8,500
<b>Lifetime Stafford Loan Limits</b>			
for loans first disbursed on or after July 1, 2008			
<b>Status</b>	<b>Limit</b>	<b>Portion That May Be Subsidized</b>	
Undergraduate Dependent	\$31,000	\$23,000	
Undergraduate Independent*	\$57,500		
Graduate/Professional Student	\$138,500 (or \$224,000 for Health Professionals)	\$65,000	
*Includes dependent undergraduates whose parents aren't eligible for PLUS Loans.			

agree to repay the consolidating lender under an income-sensitive repayment plan; not be subject to a judgment secured through litigation or wage garnishment unless judgment has been vacated or wage garnishment lifted; and not have a Consolidation Loan application pending with another lender.

The following loans can be consolidated: Federal Family Education Loans (subsidized and unsubsidized Stafford; PLUS; Supplemental Loans for Students [SLS]; and Consolidation); Federal Insured Student Loans (FISL); Federal Perkins Loans, formerly National Direct/Defense Student Loans; Health Education Assistance Loans (HEAL); Health Professions Student Loans (HPSL), including Loans for Disadvantaged Students (LDS); Federal Nursing Student Loans; and Federal Direct Loans (subsidized and unsubsidized Stafford, PLUS and Consolidation). New loans may be added if the request is received by the consolidation lender within 180 days of the date the Consolidation Loan is made.

**Repayment:** The repayment period depends on the amount of the Consolidation Loan. Other student loans are considered when calculating the repayment period. The consolidation lender must offer the choice of a graduated or income-sensitive repayment schedule. Except for the portion of the Consolidation Loan attributable to HEAL, the interest rate is a fixed rate of 8.25% or the weighted average of the interest rates on the loans being consolidated, rounded to the next higher 1/8 of 1%, whichever is less.

The interest rate on the HEAL part of the loan (if applicable) varies and is set each July 1. The variable rate for each 12-month period is equal to the average of the bond equivalent rate of the 91-day Treasury bills auctioned for the quarter ending June 30, plus 3%. The 8.25% interest rate cap does not apply.

**Contact:** Your lender