

HIFE CPP REQUIREMENTS:

- ◆ Must have a minimum GPA of 2.5
- ◆ Must seek to attend an accredited institution
- ◆ Must be willing to complete the assigned homework provided by the HIFE Coach

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SPECIAL EDITION: Understanding Financial Aid



What is financial aid?

Financial aid is the money given or lent to you to help pay for college. It is intended for students to pay for educational expenses including tuition, fees, books, room & board and supplies for education at a college, university, or private school.

Many high school seniors often miss out on the opportunity to receive the most financial aid

needed for them to attend their desired college or university.

Why? Because they either wait too long to apply or they do not understand the financial aid process in order to maximize and take advantage of what is available to them. To ensure that you get the most financial aid possible, here are various rules you need to learn quickly.

Rule #1: Apply Early. One of the biggest challenges many

students have is

“procrastination” - waiting until the last minute.

Unfortunately, when it comes to financial aid, “the early bird catches the worm.” Consider financial aid as a bucket of money waiting to be given away each year. Over \$185 billion dollars of financial aid is available for students. A lot of financial aid is awarded on a first come, first served basis. Aid is available from several sources:

- ◆ 73% (federal government grants, loans and other aid)
- ◆ 18% (college grants & scholarships)
- ◆ 5% (state government grants & scholarships)

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Message From The Dean - Bob Fulcomer

SENIORS:

With the holiday season behind us and as we start the New Year, it is critical that seniors complete the Free Application for Federal Student Aid (FAFSA). Nearly every college has a limited aid budget, and when the dollars run out, they stop giving aid. Think of this as similar to the “first come, first served” principle. Therefore,

completing the FAFSA as close to January 1st, positions students to potentially receive more aid.

JUNIORS:

During this time of year and if they haven't already taken them, juniors should be studying and registering for the SAT and ACT. They also need to be looking at their list of

potential colleges and start scheduling their college visits.

ALL HIGH SCHOOL STUDENTS:

This is a good time for all students to be researching and applying for scholarships as well as making sure they have a well-rounded resume, including extracurricular activities such as community service and volunteer work.



SPECIAL EDITION: Understanding Financial Aid (cont.)

- ◆ 4% (private and employer grants & scholarships)

Although there is a lot of money available, those sources are limited and given to the ones that apply first. It is critical to apply early if you want to have a better chance of getting the most aid. We recommend that you apply for the Free Application for Federal Student Aid (FAFSA) as soon as after January 1st as possible.

You must complete the FAFSA to be considered for financial aid from the federal government, state governments and many colleges. You can also apply for financial aid directly from the colleges you're applying to and from private organizations. Some of these schools may require you to submit the CSS/Financial Aid PROFILE or other forms. Be sure to check with the school.

Remember that meeting deadlines is your responsibility, and you have to submit your applications on time to qualify for financial aid. Be aware that each college, state, and private financial aid deadlines vary.

Rule #2: Know What Types Of Aid Is Available. There are 4 types of financial aid: scholarships, grants, student loans and work study.

Scholarships and grants are the type of financial aid that you don't have to pay back and is often referred to as "gift

aid." According to the College Board, scholarships and grants represent 53% of financial aid. Although scholarships and grants are available for you to apply, it is rarely enough to cover your total college expenses.

Scholarships - Most scholarships are "merit based" which means that they are awarded to students who qualify based on proven academic or athletic abilities. Many scholarships have a minimum standard GPA (grade point average) or SAT/ACT scores that you must attain before applying.

There are many scholarships available for nearly every characteristic you can imagine. There is a great chance you may be eligible for a number of them. Scholarships may be available based on your ethnic background, clubs or organizations you belong to, corporations you work for, region where you reside, field of study you are pursuing, advocacy groups and many more.

The two most important things to know when applying for these scholarships are: the qualification requirements and the deadline dates. Be sure to pay close attention and submit your scholarship application on time and to follow the guidelines.

Grants - Grants are free money to help pay for college. Grants are "need based," which

means they are awarded to students based on their financial situation.

The U.S. Department of Education offers a variety of federal grants to students attending a 4-year college, university or career school. The 4 major federal grants available are:

1. Federal Pell Grant - Awarded to undergraduate students who have exceptional financial need and who have not earned a bachelor's or graduate degree. Lifetime eligibility is limited to 12 semesters. A student may be awarded up to \$5,730 annually.
2. Federal Supplemental Educational Opportunity Grant (FSEOG) - Award criteria is similar to the Federal Pell Grant except only available at participating schools and the maximum amount awarded is \$4,000.
3. Teacher Education Assistance for College and Higher Education (TEACH) Grant - TEACH Grant is only available for undergraduate,

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SPECIAL EDITION: Understanding Financial Aid (cont.)



post-baccalaureate, or graduate students who are or will be taking coursework necessary to become elementary or secondary teachers. Students must agree to serve, for a minimum of four years (within eight years of completing academic program), as a full-time teacher in a high-need field in a school or educational service agency that serves low-income students. In addition, students must attend a participating college and meet certain academic achievement requirements.

Failure to complete the teaching service commitment will result in the grant being converted to a Direct Unsubsidized Loan that must be repaid up to \$4,000.

4. Iraq & Afghanistan Service Grant - Available for students whose parent or guardian was a member of the U.S. armed forces and died as a result of performing military service in Iraq or Afghanistan after the events of 9/11. Students must be ineligible for a Federal Pell Grant due only to having less financial need than is required to receive Pell funds. Students must have

been less than 24 years old or enrolled at least part-time at an institution of higher education at the time of the parent's or guardian's death. May receive up to \$5,321.71.

Student loans comprise 38% of financial aid. There are 4 basic types of student loans available: Perkins loans, Stafford loans, PLUS loans and private loans.

1. Stafford loans are federal loans given to students directly and are funded with government money. They come with low interest rates and have favorable repayment options. Most importantly, these loans do not require any credit check or collateral for qualification.

There are 2 types of Stafford loans: a) Subsidized loans - Do not have to pay any interest until you graduated and reserved for students who can prove hardship (maximum of \$23,000 for undergraduate and \$65,500 for graduate/medical school); and b) Unsubsidized - You are responsible to pay for all interests accrued. Annual limits ranges from \$5,500 to \$12,500 for undergraduate, \$20,500 for graduate

students (\$138,500 total) and \$40,500 for medical students (\$224,000 total).

2. Perkins loans are subsidized loans and have more stringent eligibility rules, but have more favorable terms compared to Stafford loans. Undergraduates may borrow up to \$5,500 annually and \$27,500 total compared to \$8,000 annually and \$60,000 cap for graduate students. These loans are funded by the federal government but are disbursed by the individual college or university.

3. The primary benefit of the PLUS Loan is that a parent can borrow a federally guaranteed low interest loan to help pay for their child's education. PLUS Loans are non-need based student loans, which means you do not have to demonstrate financial need to qualify.

Private education loans are other loans that banks and other lenders make available to families to help pay for college. They are not government-funded or government-guaranteed and typically carry higher interest rates than federal or state loan programs, although your credit history and income will significantly influence loan terms.

Work Study - Federal Work-Study Program provides funds for part-time



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HIFE



COLLEGE PLANNING PROGRAM

SPECIAL EDITION: Understanding Financial Aid (cont.)

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employment to help students finance the costs of postsecondary education. Over 3,400 participating postsecondary institutions provide students with the work study program. Hourly wages are paid to students depending on the work required and availability from the participating school but it cannot be below minimum wage. Students must complete the FAFSA in order to qualify for the work study program.

Rule #3: Be Realistic With Your Expectations -

Although there are billions of dollars available for financial aid, your expectation of receiving a part of that to fund your college education is based

on many factors such as GPA, talents, SAT/ACT scores, etc., - and how you rank among all applicants. It also depends on the number of scholarships and grants you apply for as well as the school you would like to attend. Getting the most financial aid is a numbers game. The more scholarships and grants that you apply for, the better chance you will have in getting the award. If you don't apply, you won't get any.

The HIFE College Planning Program (CPP) provides families with college planning solutions. Our experienced HIFE CPP Coaches guides you from the admissions, to the

financial aid, to the college selection, to the award acceptance & appeals process all the way until you get into college.

HIFE CPP Coaches work with students from their freshmen year in high school all the way through their senior year. We have developed a Coaching program that helps students step-by-step in planning for college.

To learn more about the HIFE CPP, please contact your local CPP College Consultant or call us at (303) 597-0197 or simply visit our website at: www.hife-usa.org.

HIFE CPP Successfully Launched College Planning Awareness Campaign In December

On behalf of the HIFE CPP Team, we would like to thank all the students, parents, Coaches, College Consultants, Corporations, Clubs & Organizations as

well as other Non-profit organizations in helping us launch a successful national campaign last month on "College Planning Awareness." We look

forward to continuing the tradition in 2015 to ensure that "No Student Is Left Behind." Have a great prosperous new year!

Coach's Corner

This is the time of year that many juniors are preparing for their SAT and ACT exams. There are a number of things the student can do to prepare for the exams. Every student should take at least

one practice exam which will help provide them with first-hand knowledge regarding the types of questions asked. In addition, after receiving the results, students will now know what subjects toward

which they need to focus their studies. The more prepared students are for the exam, the more relaxed they will be and the better chance they will have at increasing the score.