

## **Presenter Notes**

### **The Sallie Mae Fund Paying For College Workshop Presentation**

#### Page 1

- Introduce yourself and say something about yourself, such as who you work for and what you do.
- Tell the audience what you intend to do (present The Sallie Mae Fund's workshop on planning and paying for college).
- The mission of The Sallie Mae Fund is to increase access to higher education for America's students. The Sallie Mae Fund is a charitable organization sponsored by Sallie Mae.
- Introduce other invited guests as part of your introduction—names and schools of financial aid advisors (FAAs) or admission counselors.
- SMILE!
- Learn about your audience. Ask one or more of the following questions so you will know how to direct the information:
  1. Expectations
  2. Experience with planning and paying for college
  3. Where they are in the process
    - What brought you here today?
    - How many seniors, juniors, etc.?
    - Of those seniors, how many have applied to college?
- Be positive and encouraging!
- Remind students they must keep themselves organized in their planning and paying for college efforts and ask their high school counselors for assistance.

#### Page 2

- Goals of presentation:  
To discuss the processes of applying to college and acquiring the money to pay for an education.
- This presentation will provide guidance on:
  1. How to prepare your "resume" for college acceptance.
  2. What to consider when looking at schools.
  3. How and when to apply to college.
  4. What financial aid is and where it comes from.
  5. What types of financial assistance are available.
  6. Who is eligible.
  7. How to apply.

#### Page 3

*Mission: Possible reference: page 3 (Types of institutions)*

- There are many different types of institutions and they are looking for all kinds of students.

- Emphasize:  
You have many options.  
It is possible to attend the college of your choice.
- Here are the factors to consider (go to next slide).

#### Page 4

- Engage the audience:  
Find out what schools they are considering and why?

*Mission: Possible reference: page 6 (Know Yourself / Know Your School)*

- Discuss how to best investigate schools.  
For example: Talk to the Admission's office, college guidebooks, do internet research, visit colleges, attend college fairs to find out all the requirements for that school.

*Mission: Possible reference: page 7 (Researching Colleges 101) \*Note website list.*

*Mission: Possible reference: page 8 (Campus Visits 101)*

- Apply to at least 5 schools.
- Point out the consequences of focusing on the cost of the college without considering other factors.
- Note that later in this presentation, the audience will learn about the options for paying for college.
- Cost should not be the only reason to take a school off your target list.
- Point out the value of two-year schools. Emphasize the importance of going to some school after high school. Don't wait.

#### Page 5

*Mission: Possible reference: page 4-5 (Standardized Testing)*

- It is better for a student take more rigorous coursework and get a B or C grade, than to take easy classes, that are not challenging just to get an A.
- Colleges look at course work beginning in ninth grade. Start taking college prep courses as soon as possible.

#### Page 6

- Where are you on this list? It's never too late to make self-improvements!
- Don't forget that these factors are important: your personal character, your passion, your interest in pursuing your dreams, how well you handle and overcome obstacles, having initiative in improving yourself, volunteering in your community.
- Point out that references and scholarships can come from school and community activities.

#### Page 7

*Mission: Possible reference: page 1 (College Prep Timeline for High School Students)*

- Timing:  
Point out the importance of meeting deadlines.
- Discuss the importance of writing a strong essay.
- Recommendations can be provided from coaches, club leaders and leaders of volunteer activities in which the student was involved.
- Don't hesitate to ask questions.

*If an Admission's Counselor is present, ask them to interject any other tips.*

### Page 8

*Mission: Possible reference: page 9 (The College Application Flowchart)*

- Preparing and applying to college is a PROCESS that takes planning and organization.
- Note the student is the center of the process
- Emphasize the importance of communication--Ask for help!

### Page 9

*Mission: Possible reference: page 14 (The Way to Save)*

#### **Answer: Financial aid**

- Start saving money early, if possible.
- Financial aid is available from many sources to help fill the gap.

### Page 10

*Mission: Possible reference: page 12 (Getting Financial Aid)*

- There are two types of aid that assist students in paying for a college education:
  1. gift aid (free money) and
  2. self-help aid (borrowed money).
- Gift aid does not need to be repaid or does not require a work commitment.  
Examples: private, state, federal, institutional grants or scholarships.
- Self-help aid is aid that must be repaid or is earned through a work commitment.  
Examples: federal or state loans, private loans, federal or state work-study programs
- Most financial aid resources are based on the student's documented financial need, which is derived from the family's household income.
- Financial aid is intended to supplement the family's existing financial resources.
- Point out what the outside sources of aid are (federal, state, private, institutional).

*Mission: Possible reference: page 11 (Who's Eligible for Financial Aid? You Are!)*

- See the top 5 "I'm not eligible" myths.
- Emphasize: "YOU ARE eligible for financial aid!"
- In fiscal year 2004, the federal student aid programs (grants, loans, work-study) provided approximately \$70 billion in aid to about 10 million people. (*Source: The College Board, Trends in Student Aid, 2004*)

## Page 11

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## Page 12

*Mission: Possible reference: page 23-30 (Sample FAFSA)*

- The FAFSA is available in English and Spanish.
- You may file for the FAFSA electronically or by completing and submitting a paper FAFSA.
  
- There are many more benefits to filing electronically using FAFSA on the Web. These include:
  - Detailed online help screen for immediate assistance
  - Real-time communication with a customer service representative to answer questions
  - Built-in edits to detect errors and reduce the chance the application is rejected
  - Applicants have instant access to the estimated Expected Family Contribution (EFC)
  - The ability to check the processing status of your application
  - A simplified renewal application process for filing the FAFSA in subsequent years

## Page 13

- Your U.S. Department of Education PIN is the personal identification number you use when you visit certain Department websites.

- Get two PINs--one for the student and one for the parent. ([www.pin.ed.gov](http://www.pin.ed.gov))
- Get a PIN *before* applying for aid. (You cannot complete the FAFSA before you receive your PIN.)
- A pin is used for:
  - The applicant's and parent's electronic signature
  - Making corrections to the web FAFSA
  - Accessing FAFSA processing results on the web
  - Renewing the FAFSA on the web
- Information needed when filling out the FAFSA:
  - Social security numbers
  - Driver's license
  - Alien registration number if not a U.S. citizen
  - Federal tax information or tax returns (use income records for the year prior to the academic year for which you are applying)
  - Records of untaxed income
  - Information on savings, investments and business assets
- Apply early in January. Some schools have limited institutional funds that are awarded on a "first-come, first-served" basis to eligible students.

#### Page 14

- The SAR is the summary that recaps the FAFSA information.
- When the student submits his information at FAFSA on the Web, a confirmation page appears and shows an estimated EFC. (*Restate what the EFC is--the amount the family is expected to pay based on the discretionary dollars **currently** in the family's "pocket" and accounts.*)
- This is only an estimate. The official EFC will be e-mailed or mailed to the student on the SAR.
- **TIP: File the FAFSA electronically.**

If the FAFSA is completed on the web, the SAR will arrive within 3-5 days. With a mailed FAFSA, it takes 2-3 weeks to receive the SAR.

- In addition to the Federal Student Aid Information Center, more information about student aid can be found at these websites:

[www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov)

[www.studentaid.ed.gov](http://www.studentaid.ed.gov)

[www.students.gov](http://www.students.gov)

#### Page 15

- The EFC is calculated using a formula established by Congress.
- It is printed on the Student Aid Report (SAR).
- The EFC, along with the rest of the information on your FAFSA, is made available to all the schools you list on the FAFSA.

- Schools use the EFC to prepare a financial aid package to help meet your financial need.
- EFC estimators are included in FAFSA on the Web and at [www.federalstudentaid.ed.gov](http://www.federalstudentaid.ed.gov).

#### Page 16

- In addition to the FAFSA, school(s) may require other forms to determine other state or institutional aid, like grants and scholarships that students may be eligible for.
- Contact all the financial aid offices of the schools you wish to attend and ask the SCHOOL what specific forms are required.
- Point out that the College Scholarship Service financial aid profile (CSS) profile looks at information that the FAFSA does not. The CSS can be completed online.
- The CSS may be required to apply for nonfederal student aid.
- Emphasize the FAFSA must be filed first—or before these other forms can be completed.

*Mission: Possible reference: page 21*

- Discuss first part of financial aid application flow chart (page 21).

#### Page 17

*Mission: Possible reference: page 13 (The Cost of College)*

- Discuss role of the Financial Aid Office after it receives the FAFSA information.
- Discuss how schools determine with the COA (Cost of Attendance).  
Direct costs (tuition, room and board) plus indirect costs (personals, books, supplies)
- Discuss how schools determine financial need.  
The difference between the COA (Cost of Attendance) and the Expected Family Contribution (EFC)

#### Page 18

*Mission: Possible reference: page 20 (Evaluating Financial Aid Packages)*

- When students receive their award package and acceptance letters, they should compare how and which schools meet three needs: academic, social and financial.
- Students may contact a school if the award package does not meet their total financial need.
- Review the award package examples (*Mission: Possible, page 20*).

#### Page 19

*Mission: Possible reference: page 21-22 (The Financial Aid Flowchart)*

- Discuss the financial aid application flow chart (page 22).

*Mission: Possible reference: page 12 (Getting Financial Aid)*

- FREE MONEY is money you don't have to pay back.
- Grants and scholarships can come from federal, state, institutional and private sources. Grants usually are awarded on the basis of need. Scholarships are usually awarded based on the student's academic performance or talent in a particular area.

#### Page 20

- A variety of scholarships are offered and are based on the student's merit, artistic talent, economic need, community activities and/or club involvement.
- A example of a scam would be a company who sends a letter stating if you pay them an "x" amount of money they will "guarantee a scholarship."
- Don't pay for services that you can do FREE for yourself.

*Mission: Possible reference: page 15-16 (Searching for Scholarships)*

(This toolkit page lists great web resources to start a scholarship search)

#### Page 21

*Mission: Possible reference: page 18 (Loan Programs)*

*Mission: Possible reference: page 19 (Educational Loan Characteristics)*

- Most loans for higher education are from and/or subsidized by the federal government.
- Federal educational loan assistance is available to both students and parents. In addition, some states and schools have their own educational loan programs.
- The Federal Perkins Loan program is a source of low-interest loans for undergraduates as well as graduate and professional degree students. These loans are awarded first to students who show "exceptional need" as that term is defined by the school. Loan amounts vary from school to school (Look at the Loan chart on page 19.)
- Stafford loans are the largest source of low-interest loans administered by the Department of Education. Stafford loans can be subsidized or unsubsidized.
- Subsidized means that the federal government pays the interest while the student is enrolled at least half-time. The student must demonstrate financial need.
- Unsubsidized means that the borrower pays all interest on the loan. The borrower can pay the interest as it accrues or have the interest capitalize, or added to the loan principal. All capitalized interest must be repaid. These loans are not need-based, but are low interest. The family's EFC is not considered when determining eligibility for an unsubsidized loan.
- Discuss loan limit. Ask the question: Look at the award letter on page 20 and tell me the loan limit?

#### Page 22

- Wages earned under the Federal Work-Study Program, state work-study programs, and institutional need-based employment are examples of self-help aid.

- Check with financial aid offices to see if this program is available. If so, this is a great way to learn valuable skills and receive money toward tuition.
- An example may include working in a biology lab or library or a job that may provide experience to supplement a student's career and/or academic path.

### Page 23

Recap the discussion:

- So far we have completed the ?(FAFSA)
  - And it was sent to ? (FAA)
  - And they calculated the ? (EFC)
  - And the school sent an ? (Award letter)
  - Which tells? (the EFC, COA, financial need and financial aid)
  - Financial aid would consist of? (Free money such as grants and scholarships and borrowed money such as loans and work study)
- After receiving the award letter from several of the schools, compare college costs. Here is an example of what financial aid packages might look like.

*Mission: Possible reference: page 20 (Evaluating financial aid packages)*

### Page 24

Here is an example of the cost vs. price issue.

- The actual cost of college is different than just the price of attendance alone.
- What is the COA? (direct and indirect costs)
- Which school is more expensive to the family?
- Bottom line: financial aid can help make a higher-priced school more of a reality than initially thought.

### Page 25

- What happens when the financial award package does not meet a family's total demonstrated need ("unmet need")?
- Options may include a PLUS loan—which is a source of long-term loans for the parents of dependent undergraduate students. Depending on the school you choose to attend, PLUS loans may be available to parents.
- The maximum amount a parent may borrow each year for each dependent child is limited to the difference between the student's COA and the student's other estimated financial aid.
- Parents do not need to complete a FAFSA prior to applying for a PLUS. However, schools have the discretion to require PLUS applicants to submit a FAFSA before they determine PLUS eligibility. Check with the school to determine its policy. The repayment of PLUS cannot be deferred while the student is enrolled. The repayment period begins on the day the loan is fully disbursed, and the first payment of interest and principal is due 60 days after disbursement.
- A financial aid advisor can provide other recommendations when there is a financial aid gap that the family cannot cover.

Page 26

- What is the return on a higher education investment?
- A college education is an investment. You spend money now so you can earn more later.

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