

February 2005

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It seems like such a long time between the time you complete your college applications and the time decisions are mailed. Some of you have already heard and have made the decision where you will be next year. Many of you are still waiting for those "big envelopes" or to find a decision posted on your online account. Your counselors are anxiously awaiting your news as well. Please share with us your news about admissions as well as scholarships.

**Are you still contemplating your college plans? Western Carolina's Instant Decision Day** may be just the opportunity you need. You can submit a completed application packet at the open house that morning and receive a decision regarding your admission status by early afternoon. In order to take advantage of the instant decision day, you must pre-register for the March 18 Open House at [www.poweryourmind.com](http://www.poweryourmind.com) (click on "open house"). You must check in by 10 a.m. on March 18 and submit the following information: a completed application and \$40 application fee; official high school transcript; SAT or ACT scores. If this sounds interesting to you, see your counselor for a transcript.

**FINANCIAL AID INFORMATION** - The FAFSA is complete and now you are waiting to hear from the colleges about your financial aid package. The information below has been reprinted from the FastWeb newsletter. If you still have questions about your award, you can always contact the financial aid office at the particular school.

## Understanding your Financial Aid Award Letter

*Cost of Attendance* – The total direct cost (tuition, fees, etc.) of one year's education. Your school may also include indirect costs (books, room and board, transportation, personal expenses, etc.).

*Family Contribution*: Amount parents and students are expected to give per year, determined by FAFSA results (e.g. EFC is \$3,612 [500 + 3,112])

*Financial Aid Award*: Notice the choice to accept or decline each award. Awards could be a Federal Pell Grant (free money), a Federal Stafford Loan (student repays), or a Federal PLUS Loan (parent repays).

*Unmet Need*: Unmet need is equal to COA less the total of EFC and total aid amount.

## Comparing Financial Aid Award Letters

You may receive award letters from different colleges. Keep the following in mind when making your final decision:

**Look carefully at your award letters:** Letters from different schools will probably have their figures and costs in different formats. Compare award letters to see how their offers measure up. Ask if outside scholarships will affect your aid.

**Compare loan offers:** Interest rates, how interest compounds, repayment terms and cancellation provisions can vary widely from loan to loan.

**Compare affordability of aid offers over time:** Ask how your financial aid package will change over time. The aid package made available to you in your senior year may look very different from the one you were offered freshman year.

**Look beyond the "sticker price":** The school with the lowest cost of attendance may not be the most affordable. The amount and type of aid offered will influence affordability.

**Don't accept an offer just because it has the lowest "unmet need":** You may save more by accepting an offer with a higher unmet need, if the aid package offers scholarships, grants and work-study instead of loans.

**Compare like terms:** How do the schools determine cost of attendance? Do they all include direct costs as well as indirect costs? How do they handle outside scholarships? What work-study options are available? What are wages like? Can you substitute work for a loan?

**FAST TIP: You can choose to accept or decline any part of your financial aid package.**

## General Aid Types

**Federal Aid:** Aid that comes from the U.S. government. This aid is usually disbursed through your college.

**Pell Grant:** Gift and given based on financial need. How much aid you will be eligible to receive is based on your FAFSA results. Current max/year is \$4,050.

**Federal Work-Study:** Provides jobs for students with financial need, allowing them to earn money to help defray college expenses. Jobs are available both on and off campus.

**Perkins Loan:** Fixed low interest (5 percent) loan through your college. You must demonstrate financial need. Current max/year for undergrads is 44,000 (max. total: \$20,000).

**Stafford Loan:** Variable interest rate loan. Stafford loans may be obtained from a private lender or your college. They can be either subsidized (no interest accrues while in school) or unsubsidized (interest accrues while in school).

**Gift Aid:** Financial aid that does not need to be paid back: *Grants:* typically based on financial need and *Scholarships:* typically based on achievement or talent.

**Loans:** Funds that must be paid back later, with interest. A loan can be from a private lender (such as a bank) or your college (federal loans are guaranteed by the government).

**Private Aid:** Financial aid that comes from non-government sources

**Work Study:** Provides students with part-time employment. More under "Federal Work-Study."

## Loan Terms

**Annual percentage rate (APR):** Amount of interest (fee for borrowing money) associated with a loan. APR can change or remain the same during the year and term of the loan. If the interest rate is variable, the rate can change; if it is fixed, the rate will not change.

**Co-signer:** A person besides the borrower who signs a credit agreement and is legally obligated to repay the loan if the borrower does not make payments.

**Default:** Failure to repay your loan. It may lead to legal action to recover the money and can affect your credit rating.

**Delinquent:** When at least one loan payment is late or missed. Serious delinquency results in default.

**Disbursement:** release of funds by a lender to the borrower.

**Grace period:** the time between when you leave school and before repayment begins.

**Principal:** the full amount borrowed. During repayment, it refers to the portion of the original amount still owed (not including interest).

**Promissory note:** A contract between the borrower and lender that reflects the terms and conditions under which the borrower promises to repay the loan.

## Financial Aid Terms

**Dependency Status:** Based on government standards, if you are considered a dependent student, colleges will consider parent financial resource when awarding financial aid.

**FAFSA:** Free Application for Federal Student Aid. The form used to determine the amount of federal and state aid for which you are eligible.

**Financial Need:** The difference between your educational costs and the EFC (Expected Family Contribution: amount your family is expected to pay). **Financial Aid Package:** the total financial aid you are offered, including scholarships, grants, work-study and loans. This information is typically summarized in an award letter. You may choose which aid you would like to accept.

**Professional Judgment:** Financial aid administrators may adjust your aid package and contribution when extenuating circumstances exist (e.g. loss of a parent, unemployment, unpaid medical expenses, etc).

**Verification;** Review process in which the financial aid office requests documentation to verify the accuracy of FAFSA data (on average, about 1/32 of all applications are selected).

## SCHOLARSHIPS

**Brentwood Extension & Community Association Scholarship** – Applicant must be a resident of Wake County and must be continuing his/her education at a North Carolina college, university, community, or technical school. The applicant should have a grade point average of 2.5 or better and special consideration will be given to applicants seeking careers in home economics or related fields and to an applicant who is currently enrolled or has been enrolled in a Home Economics program, Future Homemakers of America, Home Economic Related Occupation Association, or 4-H. The award is \$500 and applications are available in college counseling. The deadline for submission is **March 31**,

**Marine Corps Scholarship Foundation** – You can qualify for this award if you are the son or daughter of a Marine on active duty or in the Reserve, the son or daughter of a former Marine or Marine Reservist who has received an Honorable Discharge, Medical Discharge, or who was killed while in the service of our country, the son or daughter of an active duty, reserve, or former U. S. Navy Corpsman who is serving or has served, with the U.S. Marine Corps and your 2004 family income is \$61,000 or less. Application forms are available for downloading from [www.marine-scholars.org](http://www.marine-scholars.org). For further information call 800-292-7777. Deadline for submission is **April 1, 2005**.

**Bob R. McGuire Memorial Scholarship** - The North Carolina Child Support Council sponsors three \$1,000 scholarships in memory of Bob R. McGuire who was an advocate for the program in both the public and private sectors. The criteria are: at least one parent must be a member of the North Carolina Child Support Council or a client of the Child Support Program ; must be a resident of North Carolina and a graduating high school senior; must have been accepted and attend a North Carolina school of higher learning; must have maintained an overall C average or above. The application is available in college counseling and the deadline is **April 8**.

**National Federation of Independent Business (NFIB) Free Enterprise Scholars Award** - A \$1,000 award will be given to a minimum of 300 students nationwide and one student will be selected as the Youth Entrepreneur of the Year and receive a \$10,000 scholarship. To be eligible a student must be entering their freshman year at an accredited two or four year university, college, or vocational institute. Applicants must be nominated by a dues paying member of NFIB and must meet or exceed recommend academic standards, using standardized test scores, class rank and GPA as indicators provided in high school records. Award recipients are selected by an independent scholarship organization. Applications may be downloaded from [www.HFIB.com/education](http://www.HFIB.com/education). Remember to print the record request form that must be signed by your counselor. Additional information is available on [www.NFIB.com/education](http://www.NFIB.com/education) or you may contact Chantel Bartlett with the Young Entrepreneur Foundation at [Chantel.Bartlett@nfib.org](mailto:Chantel.Bartlett@nfib.org) or 1-800-552-5342. Deadline is **March 15, 2005**.

**Scholarship For Service** – Is a unique program designed to increase and strengthen the cadre of federal information assurance professionals that protect the government's critical information infrastructure. This program provides scholarships that fully fund the typical costs of books, tuition, and room and board while attending an approved institution of higher learning. While still in school, students funded for more than a year will also serve a paid internship at a Federal agency. In exchange for the scholarship students agree to work for the Federal Government for a period equivalent to the length of the scholarship or one year, whichever is longer. To inquire about entering the SFS program at a participating institution contact the Principal Investigator at the university/college you would like to attend. More information is available at [www.sps.opm.gov](http://www.sps.opm.gov).

## CONTESTS

**Holocaust Remembrance Project** – Is a national essay contest for high school students that is designed to encourage and promote the study of the Holocaust. Students responding to this year's writing contest should study the Holocaust and the, in an essay of no more the 1,200 words: (a) analyze why it is so vital that the remembrance, history and lessons of the Holocaust be passed to a new generation; and (b) suggest what they, as students, can do to combat and prevent prejudice, discrimination and violence in our world today. The 10 First –Place Winning Essays will receive scholarships ranging from \$1,000 to \$5,000. For more information visit <http://holocaust.hklaw.com>. Deadline is **April 15**.

**Students Helping Students** – Students all across the country do amazing things every day to improve their communities, help those who are less fortunate, and inspire people around them. If you are one of the, write an essay in approximately 500 words or less telling what you do or have done to make a difference in you community, your family, your school, or the world. The winner will get \$500 for college. To enter or for more details go to [www.studentshelpingstudents.com](http://www.studentshelpingstudents.com)

## OPPORTUNITIES TO LEARN MORE ABOUT COLLEGES

### Open Houses

March 18, 2005  
April 3-4, 2005  
April 30, 2005

Western Carolina University  
Stephens College, Columbia, Missouri (Spring Overnight)  
Goucher College