



Higher Education
Services Corporation



You Can Pay for College

A GUIDE TO FINANCIAL AID

Achieve your dreams of a college education. Get financial



Don't rule out a particular college or decide not to go to college at all based on cost alone. Financial aid – money that helps you pay your college costs – can help you fund your college dream. Financial aid is available and comes from a variety of sources:

- Federal government
- State government
- Colleges
- Private organizations, clubs, and associations



Your College Costs Are More Than Just Tuition:

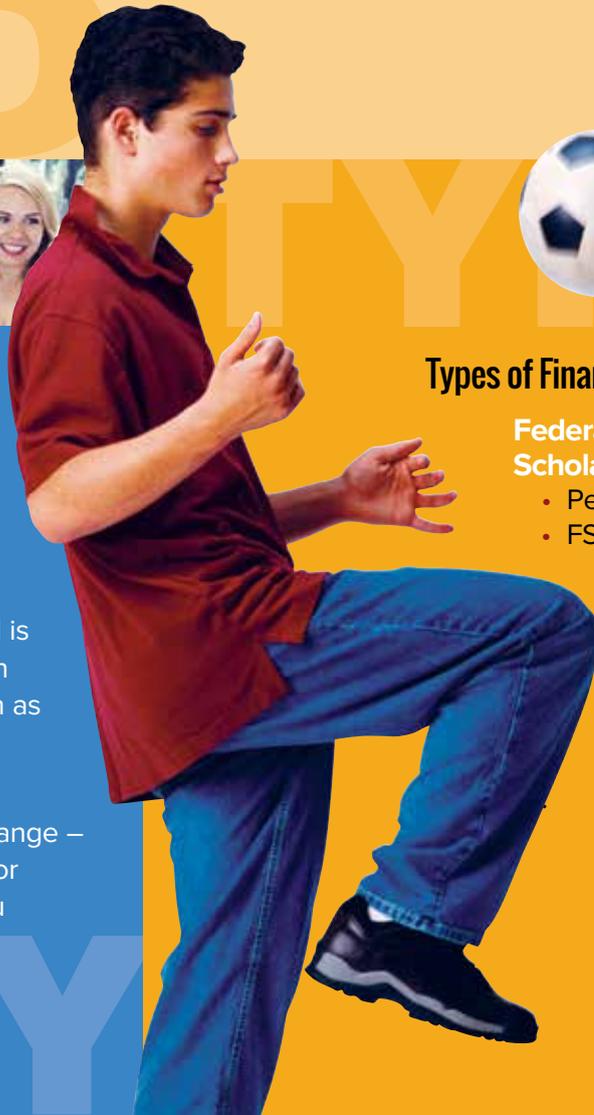
- Tuition
- Room and board
- Books
- Fees
- Supplies
- Transportation
- Personal living expenses

This is called Cost of Attendance.

Save for College: It's Never Too Late.

- New York's 529 College Savings Program lets your family and others set up college savings accounts with special tax benefits.
- Accelerate your savings with Upromise rewards. This free service gives you back a percentage of your qualified spending.

aid.



Who Gets Financial Aid?

Students who apply and are eligible get financial aid.

Don't make the mistake of not applying because you think you don't meet the requirements. Apply and find out what you are eligible to receive.

Some financial aid is based on need. Need is determined by a number of factors, including your college costs, household income

and savings, household size, and the number of family members attending college.

Some financial aid is awarded based on other criteria, such as your grades and achievements.

Circumstances change – be sure to apply for aid every year you attend college.

Types of Financial Aid

Federal Grants and Scholarships

- Pell Grant
- FSEOG

New York State Grants and Scholarships

- Tuition Assistance Program (TAP)
- Numerous other programs

Institutional (College) Grants and Scholarships

Federal Work Study

Federal Loans

- Direct Loans
- PLUS
- Perkins

APPLY

FEDERAL AND NEW YORK GRANTS AND SCHOLARSHIPS



What are the Types of Financial Aid?

Financial aid comes in the form of grants, scholarships, work study programs, and loans.

Grants and scholarships are free money – they don't have to be paid back.

Loans, however, must be paid back with interest.

Always start with free money.

Federal Grants & Scholarships

Federal grants based on your financial need include:

- **Pell Grant** – up to \$5,775
- **Federal Supplemental Educational Opportunity Grant (FSEOG)** – up to \$4,000 if you demonstrate exceptional financial need

Federal Work Study Program (FWS)

Federal Work Study provides part-time jobs, based on financial need, offered through your college to help pay education expenses.

The more free money you receive, the less debt you'll have after graduation. Use scholarship search tools at hesc.ny.gov.

NEW YORK STATE SCHOLARSHIPS

New York State Grants & Scholarships

TAP

The New York State Tuition Assistance Program (TAP) helps eligible New York residents attending approved New York State colleges pay for tuition.

If eligible, you can receive a TAP award up to \$5,165. You can estimate your TAP award at hesc.ny.gov.

TAP is a grant - it doesn't have to be paid back.

Other NYS Scholarships and Awards

New York State offers scholarships, awards and special programs based on certain criteria. Explore these opportunities at hesc.ny.gov, including:

- **NYS Science, Technology, Engineering and Mathematics (STEM) Incentive Program** which provides a full SUNY or CUNY tuition scholarship for students in the top 10 percent of their New York State high school class if they pursue a two- or four-year degree program in STEM and agree to work in a STEM field in New York State for 5 years after graduation.
- **New York State Achievement and Investment in Merit Scholarship (NY-AIMS)** which provides high school graduates who excel academically with \$500 in merit-based scholarships to support their cost of attendance at any college or university located in New York State.

Military Corner

Financial aid programs for current and past members of the military and their families:

- **Veterans Tuition Award**
- **NYS Regents Award for Children of Deceased and Disabled Veterans**
- **Military Enhanced Recognition Incentive and Tribute (MERIT) Scholarship**

At Tax Time... Tax credit programs can also help ease your burden for college funding:

Federal programs
American Opportunity Credit – up to \$2,500 in tax credit per eligible student

Lifetime Learning Tax Credit – up to \$2,000 per return

State program
NYS Tuition Tax Credit – up to \$400 per eligible student

INSTITUTIONAL AID SCHOLARSHIPS • FED



Institutional Aid

Institutional aid is funded and awarded by your college. Most colleges offer scholarships, grants, fellowships, assistantships and stipends. Some colleges even offer low-interest loans.

Institutional aid may be awarded based on need and/or merit, and can vary in amounts and availability. Contact your college's financial aid office for eligibility requirements, applications and deadlines.

Grants and Scholarships from Other Sources

Scholarships and awards are offered by many community groups, clubs and organizations. They may be awarded based on academic merit, athletic ability, field of study, ethnic background, religious affiliation, and special interests.

Learn about these opportunities through your high school and contacts in your community.

Use HESC's Financial Aid Award Letter Comparison Tool to compare your college financial aid packages.

College Scholarship Searches

There are lots of free scholarship search websites. Don't pay for them.

Go to hesc.ny.gov for links to recommended tools.

FEDERAL LOANS

Federal Loans If you still need money after maximizing your federal, state and institutional grant aid, consider federal loans first. Federal loans are available to most undergraduate students and parents and have relatively low, fixed interest rates and multiple repayment options. Check hesc.ny.gov for the latest interest rate information.

Direct Subsidized Loans

Up to \$5,500 for undergrads.

Students must demonstrate financial need.

For loans taken 7/1/15 – 6/30/16
4.29% fixed interest rate

No interest is charged while a student is in school at least half time.

Direct Unsubsidized Loans

Amounts vary depending on year in school and dependency status.

No financial need requirement.

For loans taken 7/1/15 – 6/30/16
4.29% fixed interest rate

Interest is charged while in school, and during grace and deferment periods.

Direct PLUS Loans

For parents of dependent students. The annual limit is equal to the student's cost of attendance minus any other financial aid the student receives.

No financial need requirement.

For loans taken 7/1/15 – 6/30/16
6.84% fixed interest rate

Interest is charged while in school, and during grace and deferment periods.

Federal Perkins Loans

Up to \$5,500/year for undergrads.
Up to \$8,000/year for grad students.

The amount of the loan depends on financial need, other aid, and the availability of funds at the school.

5% fixed interest rate

Loan Forgiveness Student loan forgiveness programs are available for those in certain professions who fulfill mandatory work requirements after college. New York State also offers the Get On Your Feet Loan Forgiveness Program for recent college graduates. Go to hesc.ny.gov for complete information.

PRIVATE LOANS • PRINCIPAL INTEREST



Private Loans

A private student loan – sometimes known as an alternative loan – is another option for financing college costs after traditional funding sources, such as federal and state grants, scholarships and loans, have been exhausted.

Private student loans are usually unsecured, which means approval is based on a financial institution's assessment of your ability to repay.

You will secure better terms and pricing by adding a credit worthy co-signer to your application.

Always check the interest rate, fees, interest capitalization policy, repayment period, prepayment penalties and other terms and conditions of the loan before you sign a promissory note.

These can vary – sometimes considerably – depending on the financial institution underwriting the loan.

It's important to understand all the terms associated with a loan before you choose one.

For more information about private loans and borrowing:

visit the “Smart Borrowing” section of hesc.ny.gov. Use HESC's Private Student Loan Comparison Tool to compare loans.

Unlike grants and scholarships, loans must be repaid.

FEES TOTAL COST



Principal + Interest + Fees = Total Cost

Principal: The original amount you borrow is known as the “principal” of the loan. But the amount you must repay is more than the original principal that you borrow because the lender charges you for the use of the money.

Interest: The additional charge on your loan is known as interest. Interest accrues on the principal balance of your loan.

Fees: Lenders often charge fees when you borrow money. Make sure you know what they are.

When comparing private loan products, compare them based on their total cost: principal plus interest and fees.



Be a Smart Borrower

Remember, everything you borrow must be repaid with interest. It's important to borrow only what you need.

You must repay your loans plus interest and fees — even if you don't complete college or find a job after college.

Only borrow what you need. Loans must be paid back with interest.

INTEREST

Steps to Financial Aid –

Applying for financial aid isn't difficult. Follow these simple steps.



Start by completing the Free Application for Federal Student Aid (FAFSA) to determine your eligibility for federal aid, including the Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Work Study and federal loans.

Both you and a parent need FSA IDs to complete and electronically sign your FAFSA and other federal student aid documents. Visit fsaid.ed.gov to get your FSA ID.

The easiest way to do the FAFSA is online. Complete your FAFSA at [FAFSA.ed.gov](https://fafsa.ed.gov).

Remember: the first word in FAFSA is “free!”

It's free to complete, and easy – and help is available on [FAFSA.ed.gov](https://fafsa.ed.gov) or from your financial aid counselor, if needed.

Financial Aid Starts With The FAFSA

You can only receive financial aid if you apply. • Federal, state, and some institutional aid is awarded based on the information provided on your FAFSA.



Meet All Deadlines:

Complete the FAFSA soon after Jan. 1

If you are a New York resident attending a college in New York State, apply for New York State aid – the Tuition Assistance Program (TAP) and a variety of other grants and scholarships. Simply follow the New York State resident TAP application link on the online FAFSA application. You'll be directed to establish a HESC PIN

to complete your TAP application. See hesc.ny.gov for details.

- Once your FAFSA is processed, you'll receive a Student Aid Report (SAR). The SAR shows your federal aid eligibility and expected family contribution (EFC).
- You'll also receive a TAP/state scholarship award notice from HESC.

Expected Family Contribution (EFC)

is how much money your family is expected to contribute towards Cost of Attendance. This amount is used to determine your financial need.

L A I D



Apply for grants, scholarships and other aid from the colleges where you apply.

The colleges you list on your FAFSA receive a copy of your information. If accepted for admission, each college sends you a financial aid award letter detailing all the aid you're eligible to receive at that college. Use HESC's Financial Aid Award Comparison Tool at hesc.ny.gov to analyze and compare.

When you've made your decision, follow the instructions on how to accept or decline each part of the financial aid package.

After you have maximized your federal, state and institutional aid, federal loans are next. Federal loans with low, fixed interest rates are available for most students and parents. Follow the instructions in your award package. Visit studentaid.ed.gov for more about student loans.

If you still have a funding gap after applying for and receiving all federal, state and institutional aid for which you are entitled, you may be considering a private loan.

Use HESC's Private Loan Comparison Tool on hesc.ny.gov to compare loans.

Apply for financial aid every year. You may be eligible for aid you didn't previously receive.

HESC Customer Communications Center

1-888-NYSHESC

1-888-697-4372

**Federal Student Aid Information or
FAFSA Application Status**

1-800-4-FED-AID

1-800-433-3243

Create Your Pay for College Action Plan at

hesc.ny.gov

with the



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create a Pay for College Action Plan!



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