

# It takes **COURAGE** to plan for college.

Use this helpful  
guide to start  
financial aid  
planning today.



**P**aying for college  
doesn't have to be a  
headache.

**L**ook inside for some  
helpful ways to pay for  
college.

C O U R T E S Y O F  
**CHAD Lupinacci**  
*State Assembly*

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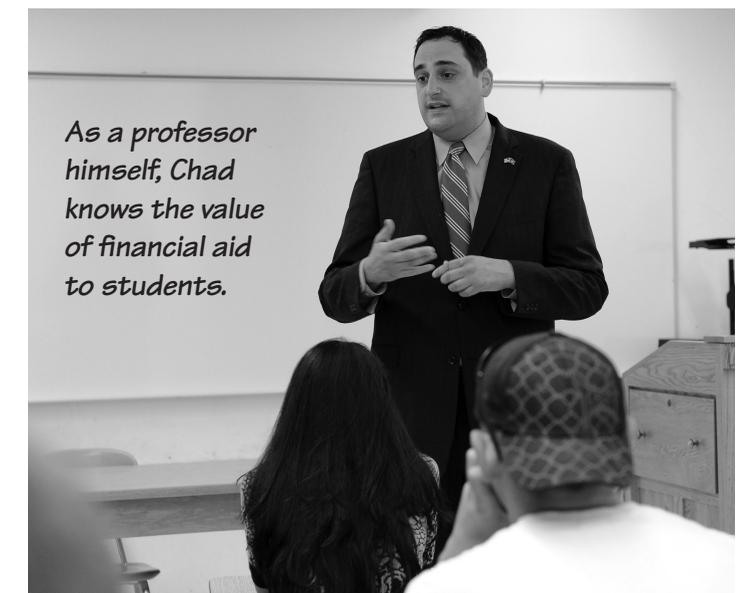
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## Financial Aid Planning Starts Here!

In this guide, find out about:

- The financial aid 'jargon' and understand what it all means;
- Important student aid deadlines;
- The three major sources of financial aid: *the state, the federal government*, and *colleges*. Also, how to apply to them for aid;
- New York State's 529 College Savings Program;
- Applying for financial aid; and
- Sources for scholarships, colleges, and campus-based aid.

*Information in this guide has been provided by the New York State Higher Education Services Corporation (HESC) and the Free Application for Federal Student Aid (FAFSA).*



*As a professor himself, Chad knows the value of financial aid to students.*

# The Three Major Sources of Financial Aid

## 1 New York State

HESC is the New York State Higher Education Services Corporation, a state-run institution that will assist you in paying for college.

The HESC website is [www.hesc.com](http://www.hesc.com)

## 2 Federal Government

FAFSA is the Free Application for Federal Student Aid, a federal-run institution that offers applications for federal student aid, such as federal grants, loans and work-study. Completing and submitting the FAFSA is **free** and easier than ever, and it gives you access to the largest source of financial aid to pay for college or career school.

The FAFSA website is <http://www.fafsa.ed.gov>

## 3 The College

Check with the college's financial aid office you are applying to for more information on tuition assistance programs specific to that school.



# New York State's 529 College Savings Program

New York's 529 College Savings Program offers a tax deductible option for saving for college. New York taxpayers can deduct up to \$5,000 (\$10,000 for married couples filing jointly) in contributions on their state tax return each year.

You can use this investment to pay for tuition, certain room-and-board expenses, fees, books, supplies and equipment, and other qualified higher education expenses.\*

The 529 savings website is <http://www.nysaves.org>

\*Earnings on nonqualified withdrawals may be subject to federal income tax and a 10% federal penalty tax, as well as state and local income taxes. Tax and other benefits are contingent on meeting other requirements and certain withdrawals are subject to federal, state and local taxes.

## What are the benefits?

- Save for a child, grandchild, friend or even yourself.
- Use at an eligible two- or four-year college, vocational/technical school or graduate school anywhere in the U.S. or abroad.
- Use for tuition, certain room-and-board expenses, books, supplies, etc.
- Tax benefits.
- Low Costs.
- Convenient ways to contribute.
- Choose investment options.

# Applying for Financial Aid



## 1 Knowledge is Power

Before applying, learn all you can about the colleges you're interested in.

- Find out about colleges in New York State and around the country with the U.S. Department of Education's College Navigator at <http://nces.ed.gov/collegenavigator/> and College Board at <https://bigfuture.collegeboard.org/find-colleges>.
- Talk to college representatives at a college fair.

## 2 Do the Math

Get information on college costs and estimate your college expenses.

- Discuss paying for college with your family. New York State offers an excellent 529 College Savings Program.
- Ask your school counselor about scholarships and grants.
- Review Paying for College for all the aid opportunities available to you.

## 3 You Will Need This Information To Complete Your Financial Aid Application

- W-2 forms or end-of-year pay stubs;
- Records of last year's untaxed income, such as child support, and untaxed income from agencies such as Social Services, Social Security and the Veteran's Administration;
- Federal and state income tax forms for you, your parents or your spouse, if married;
- Bank account balances; lists of stocks, bonds and other assets; and both the estimated value and mortgage balance of other real estate (not including your home).

## GRANTS, SCHOLARSHIPS, AWARDS.

*Grants, scholarships and awards come from several sources, including colleges, New York State and the federal government. Other sources include funding from corporations, unions, trust funds, religious and fraternal organizations, and other associations.*

*Grants, scholarships and awards do not have to be paid back. You should always explore the "free money" opportunities available to you before taking out a student loan.*

*New York State students may be eligible for a variety of state grants, scholarship and award programs to help pay for college. Ask your high school guidance counselor for scholarships that are available.*

*Please visit*

*[http://www.hesc.ny.gov/content.nsf/SFC/Grants\\_Scholarships\\_and\\_Awards](http://www.hesc.ny.gov/content.nsf/SFC/Grants_Scholarships_and_Awards)*

*for a chart to learn about each resource.*

# Useful Terms to Know When Applying for Financial Aid

**HESC** is the New York State Higher Education Services Corporation, a state-run institution that will assist you in paying for college.

**FAFSA** is the Free Application for Federal Student Aid, a federally-run institution that offers applications for federal student aid, such as federal grants, loans, and work-study.

**TAP** is New York State's Tuition Assistance Program. Apply on the HESC website; it's quick and easy! **With passage of the 2014 state budget, the maximum TAP award is now \$5,165.**

**Grants** are typically awarded on the basis of need and generally do not have to be repaid. *There are four types: Federal Pell Grants; Federal Supplemental Educational Opportunity Grants (FSEOG); Teacher Education Assistance for College and Higher Education (TEACH) Grants; and Iraq and Afghanistan Service Grants.* **Please visit <http://www.fafsa.ed.gov/help.htm> for more information on these grants.**

**Loans** are money that the student or parent borrows to help pay for college, and they must be repaid (plus interest). *There are two federal student loan programs: the Federal Perkins Loan Program and the William D. Ford Federal Direct Loan Program.* **Please visit <http://www.fafsa.ed.gov/help.htm> for more information on these loan programs.**

**Loan Consolidation** combines several student or parent loans into one bigger loan from a single lender, which is then used to pay off the balances on the other loans. It is similar to refinancing a mortgage.

**Part-Time Student** refers to a student enrolled in a higher education institution and taking classes that are less than 12 credit hours.

**Full-Time Student** refers to a student enrolled in a higher education institution and taking greater than or equal to 12 credit hours.

**Automatic Withdrawal or Deduction** occurs when borrowers agree to have their student loan payments automatically withdrawn from their bank accounts on a monthly basis. With this option, borrowers are eligible for an interest rate reduction.

**PIN**, or Personal Identification Number, is a shared secret between you and *each* of your financial aid institutions (state, federal, or college). Much like a PIN you would get from a bank, a PIN gives you access to various online financial aid systems and also serves as your electronic signature. A PIN will be assigned to each applicant during the financial aid application acceptance process. **You should not give it to anyone!**

*For an additional list of terms, please visit [http://www.hesc.ny.gov/content.nsf/SFC/Terms\\_to\\_Know](http://www.hesc.ny.gov/content.nsf/SFC/Terms_to_Know).*

## Important Deadlines for Student Aid Applications

### Federal Deadline

Online applications for the 2014-2015 award year can be submitted between January 1, 2014 and June 30, 2015.

Any corrections or updates must be submitted by midnight Central Time, September 19, 2015.

### State Deadline

For New York, online applications for the 2014-2015 award year can be submitted now through June 30, 2015. Additional forms may be required.

### College Deadline

Check with the college(s) you are interested in attending. You may also want to ask your college about its definition of an application deadline - whether it is the date the college receives your FAFSA or the date your FAFSA is processed.