

The

Ultimate

Guide

to Paying for
College



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Table of Contents

3	INTRODUCTION	GO →
4	WHAT IS FINANCIAL AID?	GO →
5	FINANCIAL AID DEFINITIONS	GO →
9	ANSWERS TO YOUR FINANCIAL AID QUESTIONS	GO →
12	FINANCIAL AID TYPES AND SOURCES	GO →
18	UNDERSTANDING DIFFERENT TYPES OF AID	GO →
20	APPLYING FOR FINANCIAL AID	GO →
25	FINANCIAL AID APPLICATION CHECKLIST	GO →
26	OTHER FINANCIAL AID APPLICATIONS	GO →
27	FINANCIAL AID RESOURCES	GO →
29	REPAYING FEDERAL STUDENT LOANS	GO →
34	HELPFUL FINANCIAL AID TIPS TO REMEMBER	GO →

Introduction

Congratulations on taking the first steps toward your education and ultimately a new career! Returning to school is a big decision — one that takes a good bit of courage. Even as you consider what school to attend and what your program of study will be, one question probably weighs on your mind the most: “How will I pay for college?”

While education can seem expensive, there are a variety of options available to help finance your diploma or degree. Don’t be intimidated. Once you understand what financial aid is available, using and managing those options can open the door to your future.

Our Ultimate Guide to Paying for College is here to make the process of budgeting and planning to pay for school simple and easy.

Let’s get started!

IN THIS GUIDE, YOU WILL FIND:

- Helpful Financial Aid Glossary and Definitions
- Answers to Frequently Asked Financial Aid Questions
- Descriptions of Each Type of Financial Aid
- What You Will Need to Apply for Financial Aid
- How to Apply for Financial Aid
- A List of Financial Aid Resources
- How to Repay Your Student Aid

What is financial aid?

Financial aid is money made available through grants, loans, scholarships and work-study programs that helps students pay for college.

Whether granted to you as money that does not need to be repaid or as a temporary loan that does need to be repaid, financial aid is meant to bridge the gap between what you can already afford to pay and the actual cost of attending college.

Each type of financial aid has its own rules and guidelines. Plus, you are not limited to just one type. In fact, most financial aid packages are made up of a combination of these different financial aid options. You can receive grants, earn scholarships and take out loans all at once.

Eligibility for financial aid is determined on a case-by-case basis to better meet the needs of each student and make a diploma or degree more accessible.

ASK FOR HELP

One of the most important things to remember is that you are not alone when it comes to navigating the process of applying for financial aid and paying for college. Most schools have student finance specialists on staff to assist you. Financial aid is available for those who qualify.

At Ecotech Institute, our Student Finance team is available to answer questions, guide our students through the financial aid application process and identify payment methods that are best for each student and each situation.

Financial Aid Terms and Definitions

1 ADJUSTED GROSS INCOME (AGI)

A student or family's total income (including wages, salaries, interest, etc.), minus any deductions or exemptions, as reported on a federal income tax return.

2 AWARD AMOUNT

The total amount of funding anticipated by an educational institution on a student's behalf for his or her education, including all federal and private award and loan commitments. Award amount is set based on a student's loan and grant eligibility and the total cost to attend the school.

3 AWARD YEAR

The academic year to which financial aid may be applied in order to fund a student's education. The award year runs July 1 through June 30 of the following year.

4 CONSOLIDATION

The combination of two or more loans into a single loan, allowing for a new payment schedule and interest rate.

5 COST OF ATTENDANCE (COA)

The average cost to a student to attend school for one academic year, as determined under law by Congress. COA represents more than just tuition — it includes additional fees, books and supplies, room and board, transportation and personal expenses as well.²

6 DEFAULT

Failure to pay back a loan according to the terms agreed upon. Generally, if more than 270 days pass without making a payment, a student will go into default on his or her loan, which can cost him or her eligibility to receive federal student aid in the future in addition to other serious, legal consequences.

7 DEFERMENT

An approved, temporary suspension of loan payments allowed under special circumstances. During deferment, interest generally does not accrue on Direct Subsidized Loans, the subsidized portion of Direct Consolidation Loans, Subsidized Federal Stafford Loans, the subsidized portion of FFEL Consolidation Loans and Federal Perkins Loans. All other federal student loans that are deferred will continue to accrue interest.³

8 DELINQUENT

The status of a loan when payments are not received by their due dates.

¹<https://ope.ed.gov/accreditation/faqaccr.aspx>

²https://www.collegedata.com/cs/content/content_payarticle_tmpl.jhtml?articleId=10065

³<https://studentaid.ed.gov/sa/glossary#Deferment>

Financial Aid Terms and Definitions

9 DIRECT LOAN

A federal student loan that allows eligible students and parents to borrow directly from the U.S. Department of Education. Types of Direct Loans include Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans and Direct Consolidation Loans.

10 DISBURSEMENT

Payment of federal student aid funds to a borrower through his or her school. Generally, students receive federal student aid in two or more payments.⁴

11 EXPECTED FAMILY CONTRIBUTION (EFC)

The measure of a family's financial strength, which is determined by a formula based on information submitted through the Free Application for Federal Student Aid (FAFSA). The family's taxed and untaxed income, assets and benefits (such as unemployment or Social Security) are all considered in the formula. The formula also considers family size and number of family members attending college during the academic year. The number is used to determine a student's eligibility for federal student financial aid.⁵

12 FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)

Free application required to determine eligibility for federal student aid. Forms can be found on fafsa.gov.

13 FEDERAL PELL GRANT PROGRAM

A government program that provides need-based funds (in the form of grants) to low-income, undergraduate and certain post baccalaureate students to promote access to postsecondary education. Eligibility for the Pell Grant is determined by the FAFSA, and any funds awarded do not have to be repaid.⁶

14 FEDERAL PERKINS LOAN

A federal student loan made by a school for those who demonstrate financial need.⁷ Check with your school to see if they offer this type of loan.

15 FEDERAL SCHOOL CODE

(also called Title IV Institution Code)

A six-character code that the U.S. Department of Education assigns to each school that participates in federal student aid programs and is qualified to disperse federal financial aid. This code allows a school to access a student's FAFSA information to calculate his or her eligibility for federal financial aid.⁸ A list of Federal School Codes can be found at fafsa.gov.

⁴<https://studentaid.ed.gov/sa/glossary#disbursement>

⁵<https://fafsa.ed.gov/help/fftoc01g.htm>

⁶<https://www2.ed.gov/programs/fpg/index.html>

⁷<https://studentaid.ed.gov/sa/glossary#federalperkinsloan>

⁸<https://fafsa.gov/help/schoolfaq02.htm>

Financial Aid Terms and Definitions

16 FEDERAL STUDENT AID

Financial aid, including both grants and loans depending on eligibility, from the federal government that helps students pay education expenses. Students seeking federal aid must complete the FAFSA to apply.

17 FEDERAL WORK-STUDY

Federal student aid program that provides funds for education expenses through part-time employment while a student is enrolled in school. Work-study funds are provided by the federal government to be paid to a student as wages from a participating school. Qualification for the Federal Work-Study program is determined by filling out the FAFSA.⁹

18 FINANCIAL AID OFFER

A package offered to a student from his or her college, representing the total amount of financial aid (including all grants and loans from federal and private sources) available to help pay for school. This offer is determined based on the difference between one's expected family contribution (as determined by the FAFSA) and a school's total estimated cost of attendance.

19 FINANCIAL AID PACKAGE

A financial aid package is a collection of different types of financial aid from one source or multiple sources. It is intended to help you fill the gap between your ability to pay, your expected family contribution, and the estimated cost of attending college for the specified period.

20 FORBEARANCE

A period of time in which a student's monthly loan payments are temporarily suspended or reduced. A lender may grant a forbearance if a student is willing but unable to make loan payments because of financial hardships. During this time, principal payments are postponed, but interest continues to accrue.¹⁰

21 GRACE PERIOD

The period of time following a student's graduation or after he or she is no longer enrolled as a full-time student during which he or she is not required to make regular loan payments. The student is still responsible for paying the interest that accrues on unsubsidized loans during a grace period.

22 GRANT

Financial aid (generally awarded based on need) that does not need to be repaid.

⁹<https://www2.ed.gov/programs/fws/index.html>

¹⁰<https://studentaid.ed.gov/sa/glossary#forbearance>

Financial Aid Terms and Definitions

23 INTEREST

A charge for borrowed money, generally a percentage of the amount borrowed.

24 LOAN

Borrowed money that is to be repaid over time with interest.

25 MASTER PROMISSORY NOTE

A binding, legal document that a student must sign upon receiving a federal student loan. The document specifies the terms and conditions under which the student agrees to repay the federal Direct loan.

26 PLUS LOAN

A type of loan that is available to the parent(s) of students for which the borrower is responsible for paying interest even if in a grace period.

27 PRINCIPAL

The total sum of money that is borrowed, plus any interest that has been capitalized.

28 PRIVATE LOAN

A non-federal loan made available by a bank, credit union, state agency or school.

29 STUDENT AID REPORT (SAR)

A summary report reflecting information submitted on a student's FAFSA. Students receive this report once the application has been processed, generally three days after filing. The report indicates any necessary corrections or missing information and will contain a number used to determine a student's eligibility for federal student aid.

30 SUBSIDIZED LOAN

A loan based on financial need. The federal government pays any interest accrued on a subsidized loan while a student is in school at least half-time or during deferment periods. Subsidized loans allow students to earn a degree, diploma or certificate without incurring a greater loan balance due to accrued interest.

31 UNSUBSIDIZED LOAN

A loan on which the borrower is responsible for paying the accrued interest as soon as the loan is taken out, regardless of loan status.

Answers to Your Financial Aid Questions

Understanding your financial aid options is important when trying to figure out how to fund your education. But don't worry, there are many students asking the same questions as you! Check out the list below to find answers to some of the most common questions about financial aid.

WILL FINANCIAL AID COVER ALL OF MY EXPENSES?

→ **Typically, financial aid covers only a portion of your college expenses, except in cases of exceptional need.** The Free Application for Federal Student Aid (FAFSA) takes into account a variety of factors in order to determine your expected family contribution, which varies on a case-by-case basis. Once the government determines how much your family should be able to pay, you will be offered a package of grants, loans, and/or federal work-study options in order to make up the difference in your expected family contribution and the cost of attending a given educational institution.

Answers to Your Financial Aid Questions

HOW MUCH DOES IT COST TO APPLY FOR FINANCIAL AID?

→ **Applying for financial aid is free.** Be mindful of any scholarships or grants that require you to pay to apply, as they may be scams.

WHEN SHOULD I APPLY FOR FINANCIAL AID?

→ **The FAFSA becomes available on October 1 before the following academic year and closes the day before the start date of that academic year – June 30.** You will need to fill out the FAFSA each year that you are seeking financial aid, as federal aid made available to you may vary from year to year. There is a limited amount of financial aid available through the FAFSA each year, so it is always a good idea to apply early.

→ Application deadlines for state and private financial aid, such as grants and scholarships, will vary. Your college may have its own financial aid deadlines to consider as well.

WHAT IS THE DIFFERENCE BETWEEN A GRANT AND A LOAN?

→ **A grant does not have to be repaid.** It is free money. A loan must be repaid with interest, usually over a period of years.

I'M NOT SURE I QUALIFY FOR FINANCIAL AID. SHOULD I APPLY ANYWAY?

→ **Yes.** Many students mistakenly think they do not qualify for aid, when in fact, they are eligible to receive some aid.

DO I NEED TO BE ACCEPTED INTO THE SCHOOL BEFORE I CAN APPLY FOR FINANCIAL AID?

→ **No.** Anyone can file their FAFSA anytime after October 1. However, to receive funds you must be admitted to and enrolled in a school.

WHY CAN'T I SUBMIT MY FAFSA APPLICATION BEFORE OCTOBER 1?

→ **The process to determine your eligibility for financial aid uses your financial information from the prior tax year.** That financial information is not available for analysis until October 1.

DO I NEED TO REAPPLY FOR FINANCIAL AID EVERY YEAR?

→ **Yes.** After the first year of school, students receive a “Renewal Application” which contains information from the previous year’s FAFSA. Renewal of a financial aid package depends on if the student makes satisfactory academic achievements.

HOW DO I APPLY FOR A PELL GRANT AND OTHER TYPES OF AID?

→ **Submit a FAFSA and indicate that you are interested in student employment, student loans and/or parent loans.** You will have an opportunity to accept or decline each part of your aid package once your eligibility is determined.

WHAT IS THE DIFFERENCE BETWEEN SUBSIDIZED AND UNSUBSIDIZED LOANS?

→ **A subsidized loan is a loan in which the U.S. Department of Education pays any interest accrued while a student is in school at least half-time or during deferment periods. An unsubsidized loan is a loan in which the borrower is responsible for paying the interest, which begins accruing as soon as the loan is taken out, regardless of loan status.** In order to obtain a subsidized loan, a student must demonstrate financial need, while there is no requirement to demonstrate need for an unsubsidized loan.

Financial Aid Types and Sources

Financial aid is money made available through grants, loans, scholarships and work-study programs. This money may come from federal, state or private sources. Understanding the different types of financial aid will help as you start planning to pay for your college education.¹¹

WHERE DOES FINANCIAL AID COME FROM?

Depending on eligibility, your financial aid package could include funds from the federal government, your state government, the college you attend or a private institution.

¹¹ <https://studentaid.ed.gov/sa/>

Where does financial aid come from?

FEDERAL FINANCIAL AID

Federal financial aid comes from the federal government. This is the most common type of financial aid, often serving as a foundation for students looking to finance their college education. It is available to students across the United States, no matter your home state or the college you wish to attend and can come in the form of a grant, scholarship, loan or work-study program. Federal financial aid also typically offers the lowest interest rates and most flexible repayment options. The Free Application for Federal Student Aid, or FAFSA, is the application and process used to qualify for the most common form of financial aid — federal aid coming directly from the federal government.

STATE FINANCIAL AID

State financial aid comes from your state government and its education boards. While federal financial aid is available to students living anywhere in the United States, state financial aid options vary depending on the state in which you live. To learn about your state's specific options and application information, you can visit its government or education department [website](#).

COLLEGE FINANCIAL AID

College financial aid comes directly from the college you attend. Many colleges offer aid directly in the form of scholarships and grants. To learn more about finance options from your specific school, visit the financial aid page on the school's website or reach out to a member of the financial aid office. At Ecotech Institute, we offer a number of [scholarship opportunities](#) to help carry the burden of paying for school, and our Student Finance team works closely with students to help them find the funding they need.

PRIVATE FINANCIAL AID

Private financial aid comes from a private institution or organizations. This could be any type of organization looking to invest in students, including local companies or non-profits. When applying for financial aid from private organizations, be thorough in your research and read the fine print carefully.

Grants, scholarships, work-study, loans — you’ve heard these terms but may not fully understand what they mean. What is a grant? And what is the difference between a subsidized loan and an unsubsidized loan? There’s no need to panic, we have the answers for you below!



GRANTS

A grant is a form of financial aid that does not have to be repaid. Grants are need-based, which means they are awarded based on how much a grant provider estimates that you or your family may need to pay for school. Grants are not merit-based (meaning you don’t need to earn them), nor are you expected to pay them back. While grants typically do not cover the full cost of attending college, they are usually designed to cover a portion of the costs that you could not normally afford to pay.

Federal grants are available through the U.S. Department of Education. Two examples of federal grants are Federal Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOG).

Federal Pell Grants are usually awarded only to undergraduate students who display exceptional financial need and have not already earned a bachelor’s or a professional degree. A Federal Pell Grant typically does not have to be repaid except under certain circumstances. For example, you may have to repay your Federal Pell Grant if you withdraw from your program early, your enrollment status changes, or you receive outside scholarships or grants that reduced your need for federal aid.

The FSEOG program, where available, is administered directly by your school’s financial aid office. Check with your school to see if they offer FSEOG. Participating schools receive a certain amount of FSEOG funds from the U.S. Department of Education each year, so apply for federal student aid as early as possible, and be aware of your school’s deadlines to apply for campus-based funds.



SCHOLARSHIPS

A scholarship, like a grant, is a form of financial aid that does not have to be repaid. Most scholarships are merit-based, however some can be need-based as well. Merit-based means that eligibility is dependant on skill or other qualification rather than on need. For example, you might be awarded a scholarship for academic success or leadership ability.

There are thousands of different scholarships available, and the student finance specialists at your college of choice are a great resource when trying to identify the best opportunities for you. You can also check for more information about available scholarships online.

Because the variety of available scholarships is so broad, it is important to pay close attention to specifications and deadlines for each one.

Scholarships differ in size, requirements, qualifications, deadlines and how they are awarded. Many scholarships will send the money directly to your school to help cover fees, while others offer to pay the recipient directly, making it your responsibility to put the money toward educational costs.



FEDERAL WORK-STUDY

Federal work-study is a financial aid program that allows eligible students to work part-time jobs to earn the money used to cover education expenses. Work-study payments are financed by the federal government and are paid directly to students (unless requested otherwise) through the college they attend. Colleges are required to pay work-study students at least once per month based on the amount of hours worked.

Work-study funds differ from other types of financial aid in a few ways. First, you must apply for and work a part-time job to earn this financial aid. Students are paid hourly, typically making minimum wage. It is possible to earn more depending on your specific job and previous experience. A student is pre-approved to earn up to a certain amount (as determined by the FAFSA) and can work as many hours as are covered by the pre-approved wages. Additionally, the federal work-study program allows students to be paid directly, unlike other types of financial aid, which send funds directly to your school to help cover tuition and fees. Work-study funds must be used for educational expenses such as books, housing, meals, transportation and other education-related expenses.

Work-study jobs typically emphasize positions that pertain to a student's specific field of study, civic education opportunities or non-profit work that serves a public interest.

Maintain Academic Progress

Students are required to make satisfactory academic progress in order to continue receiving federal student aid. This means students must meet certain standards in grade point average and course completion in a time period that's acceptable to their school. Each school has a satisfactory academic progress policy for financial aid purposes; to see your school's, you can check your school's website or speak with someone working in student finance.



MILITARY BENEFITS

There are special financial aid options available to veterans and active-duty military personnel and their families. These options can come at the federal level, as well as from non-profits. Grants and scholarships are available for [Reserve Officers Training Corps \(ROTC\) members, veterans, and family members of those that have served in Iraq and Afghanistan.](#)



LOANS

Loans are a type of financial aid in which the money you receive is borrowed temporarily, meaning that it must be repaid over time with interest. While loans are available through both the federal government and private institutions, the federal government is typically the best place to start because federal student loans tend to offer lower interest rates and more flexible repayment plans.

Loans are available in three categories: subsidized, unsubsidized and PLUS. For each type, borrowers are not required to begin paying back students loans until after they've graduated, left school or dropped below part-time enrollment. In most cases, student loans also allow for a grace period, meaning that you won't have to begin making payments immediately following graduation. Depending on the terms of a loan, students may not be required to make a first payment until months after they have left school.

Subsidized loans offer students assistance in the form of covered interest payments, preventing an influx of interest while a full-time student. When taking out unsubsidized loans, borrowers can choose to make payments on the interest that accrues while they are in school, or they can wait until after graduating.

If a student chooses to wait, the interest that builds while they are in school will be capitalized, meaning it will be added on to their outstanding loan.

PLUS loans are federal loans that only graduate or professional students and parents of dependent undergraduate students can use to help pay for college or career school. PLUS loans require that the borrower's credit history be reviewed and considered when applying. Borrowers are only able to borrow up to the school's cost of attendance, minus any other aid received.

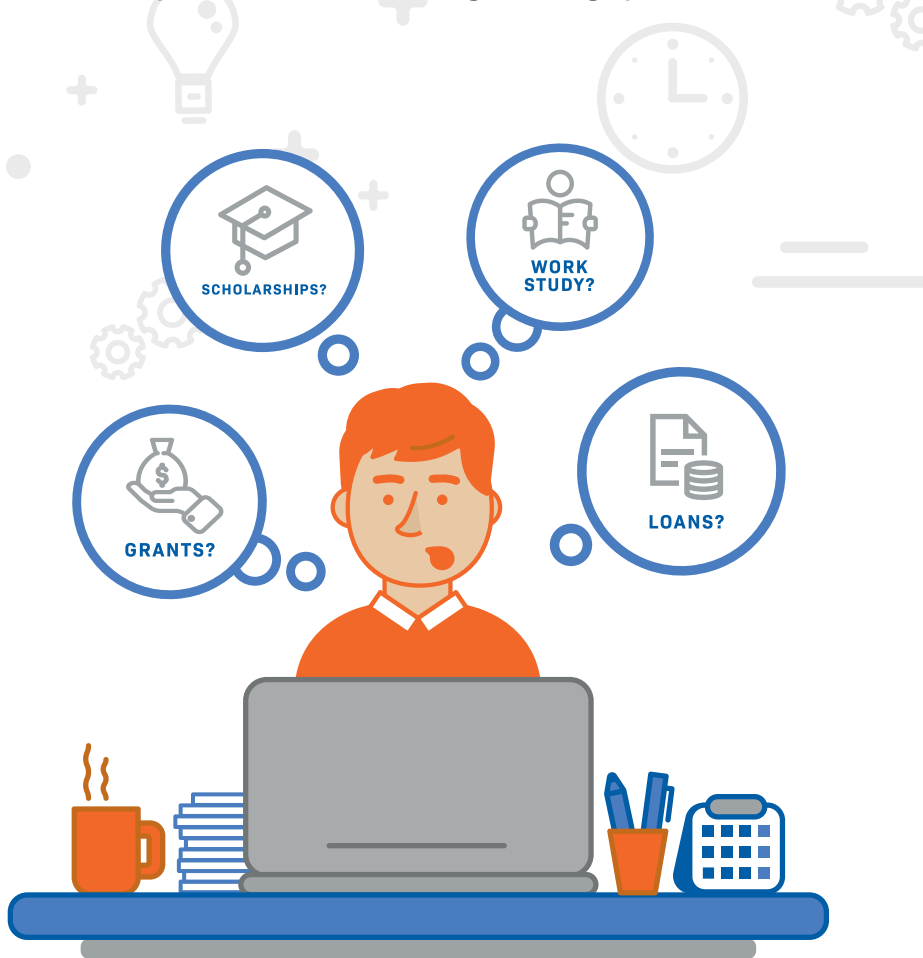
In order to be considered for a federal student loan, a student must fill out the FAFSA. Once deemed eligible, there are a number of options available to help meet your needs.

While loans are available from private organizations, it is critical to read the fine print because the terms and conditions for private loans vary greatly.

UNDERSTANDING THE

Different Types of Financial Aid

Financial aid is meant to bridge the gap between what you can afford to pay for school and the total cost of attendance. There are many different methods you can use to bridge this gap.



+ Grants, scholarships, work-study, loans — financial aid can come in many different forms. What's the difference between a grant and a loan? Do you have to pay these back? Check out this quick and easy guide for the answers to these and other questions about the different types of financial aid!



GRANTS?

AVAILABLE FROM FEDERAL GOVERNMENT, STATE GOVERNMENT OR THE COLLEGE YOU ATTEND

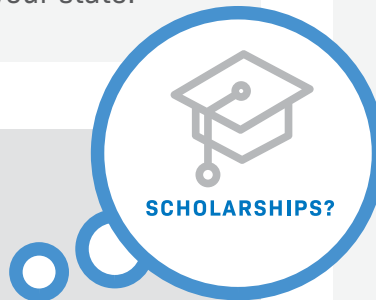
- ✗ Do not have to be repaid
- ✓ Need-based
- ✓ Federal grants are the most common type of grant and financial aid.
- ✓ Federal grants can be applied for online through the FAFSA.
- Check state government websites to find specific grant options available in your state.



WORK STUDY?

FEDERAL PROGRAM THAT ALLOWS STUDENTS TO WORK PART-TIME AS A WAY TO EARN FINANCIAL AID

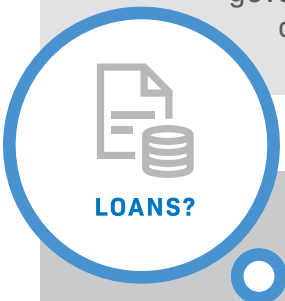
- ✗ Does not need to be repaid — you earn it as you work
- ✓ Students earn at least minimum wage, but can earn more per hour depending on the position.
- Eligibility determined through the FAFSA



SCHOLARSHIPS?

A TYPE OF FINANCIAL AID AWARDED BASED ON A STUDENT'S CIRCUMSTANCES AND QUALIFICATIONS

- ✓ Do not have to be repaid, merit-based and need-based
- ✓ Can be awarded for a variety of merits, including academic, athletic, leadership, etc.
- Available from federal government, state government, college you attend and other organizations



LOANS?

MONEY THAT YOU BORROW AND MUST PAY BACK WITH INTEREST

- ✓ Can come from the federal government or from private institutions
- ✓ Must fill out FAFSA to be eligible for a federal loan
- ✓ Federal loans tend to have lower interest rates and more flexible repayment options.
- ✓ Federal loans are available subsidized and unsubsidized.

Applying for Financial Aid

The Free Application for Federal Student Aid (FAFSA) is a form that current and prospective students are required to fill out each year to determine eligibility for federal financial aid. The application is free to submit. The FAFSA assesses an individual's financial situation in order to determine the amount of aid needed to pay for college.

THE AMOUNT THAT YOU CAN BE AWARDED CAN CHANGE FROM YEAR TO YEAR BASED ON:

- Your financial need
- Your school's cost of attendance
- Your status as a full- or part-time student
- Your plans to attend school for a full academic year or less

In most cases, your college will receive funds approved and awarded by the federal government on your behalf and will apply the funds directly toward your tuition and fees.

DO I QUALIFY FOR FEDERAL STUDENT AID?

→ Many students are eligible to receive aid from the federal government through grants, loans or work-study participation.

In order to qualify for federal student aid, you must:

- Demonstrate need (except for certain loans)
- Be a citizen or eligible noncitizen of the United States.
- Have a valid Social Security number.
- Register with [selective service](#) if you are a male between ages 18 and 25
- Have a high school diploma, a General Education Development (GED) certificate or have completed home schooling
- Be enrolled in an eligible program as a regular student seeking a degree, diploma or certificate
- Maintain satisfactory academic progress

If any of the above requirements are not met, eligibility for federal student aid may be possible if the student was enrolled in college prior to July 1, 2012.

You may be disqualified from receiving federal aid if you:

- Owe a refund on a federal student grant or have defaulted on a preexisting federal student loan (use the [National Student Loan Data System](#) (NSLDS) to view your information)
- Have a conviction for the possession or sale of illegal drugs during the time when you were receiving any form of federal student aid.

If you have such a conviction, a Student Aid Eligibility Worksheet will need to be completed to determine your eligibility or partial eligibility for aid, if any.

HOW TO APPLY

→ **Applying is as simple as completing the FAFSA form at fafsa.gov.** Filling out and submitting the application is free and gives you access to the largest source of financial aid to help finance your college education.

WHEN SHOULD I APPLY?

→ **You can file the FAFSA between October 1 of the year prior to your school year through June 30 of the year for which you need aid.**

This allows you to file your FAFSA before the year begins or apply for aid throughout the academic year.

For example, if you plan to attend school in the 2018-19 academic year (which runs from July 1, 2018 to June 30, 2019), the FAFSA will open October 1, 2017 and close on June 30, 2019. If you need additional assistance with FAFSA deadlines, be sure to speak to your financial aid advisor at your school.

Completing the FAFSA requires you to input tax information from the previous year and serves as a determining factor for aid eligibility.

REAPPLYING FOR FINANCIAL AID

→ **You will need to apply for financial aid by filling out the FAFSA every year that you are in school.** You should receive notifications from your school and student finance specialists as reminders to reapply.

HOW MUCH AID WILL I RECEIVE?

→ **Each student’s financial situation is different. This means the amount of federal financial aid awarded to each student is also different.** Because the FAFSA is need-based, the amount you receive from the government will be based on how much you need.

If you would like a rough estimate from the FAFSA of how much you can expect to receive you can check out the [FAFSA4caster](#). This tool provides a forecast and estimate of what you could end up receiving from the federal government when you apply for financial aid.

WHAT QUESTIONS WILL I HAVE TO ANSWER ON THE FAFSA?

→ **The FAFSA asks for your personal information, including your name, address, Social Security number, and previous year’s tax information in order to estimate the amount of aid you will need to pay for college.**

You will also be asked questions about your financial situation. If you are considered a “dependent” — financially dependent on your parents — your parents will need to provide their own financial information. It is helpful to have your parents sit down with you while you fill out your application.

¹²<https://www2.ed.gov/finaid/prof/resources/data/pell-data.html>

¹³<https://nces.ed.gov/ipeds/TrendGenerator/#/answer/8/38>

DO I HAVE TO REPAY MY FINANCIAL AID?

→ **It depends on the kind of financial aid that you receive and accept.** You are required to repay all loans that you accept, including interest. However, you do not need to repay grants, scholarships or funds earned through the federal work-study program.

Make sure you have a plan for repaying loans after completing your education. The amount you will repay will be greater than the initial amount borrowed due to interest. If you would like to better understand how much you may need to pay once you leave school, try this [Loan Repayment Estimator](#) that will help you predict your monthly payments.

Financial Aid Application Checklist

Use this checklist to make sure you have everything you need to complete the Free Application for Federal Student Aid (FAFSA)

TO COMPLETE THE [FAFSA](#), YOU WILL NEED:

Social Security number

Your Alien Registration number *(if you are not a U.S. citizen)*

Your federal income tax returns, W-2s and other records of money earned.
(Note: You may be able to transfer your federal tax return information into your FAFSA using the IRS Data Retrieval Tool.)

Bank statements and records of investments *(if applicable)*

Records of untaxed income *(if applicable)*

An [FSA ID](#) to sign electronically *(not required)*
Although not required, this is the fastest way to sign a FAFSA application and have it processed. Using an FSA ID is the only way to access and correct information online.

If you are a dependent student, your parents will also need to provide the above information.

For males between 18 and 25, make sure you are registered with [selective service](#)

Check with the [National Student Loan Data System](#) (NSLDS) to make sure you do not owe a refund on a federal student grant and have not defaulted on a preexisting federal student loan.

Other Financial Aid Applications

NON-FEDERAL FINANCIAL AID

If you decide to apply for aid offered from a source other than the federal government, you may need to provide information in addition to the items listed in our checklist.

You may be required to provide some or all of the following items when applying for non-federal student financial aid:

- High school diploma or GED
- Test scores (SAT/ACT)
- References and/or letters of recommendation
- Résumé
- An essay or personal statement

Be sure to carefully read the requirements, terms and conditions for any private grant, scholarship, or loan for which you apply.

Financial Aid Resources

In addition to this guide, there are a number of resources available to help answer your financial aid questions. We've compiled some of the best financial aid resources available for you to use as you plan to pay for college!

→ [Net Price Calculator](#)

The U.S. Department of Education's Net Price Calculator is a useful tool to help estimate expected financial aid amounts and college costs. You can use its database to search for the price calculators for colleges across the country. You can also use the [Ecotech Institute Net Price Calculator](#).

→ [FAFSA4caster](#)

This tool estimates your eligibility for financial aid quickly and easily online. It is a great tool for early stages of planning and budgeting. While you will still need to complete the official FAFSA form, the FAFSA4caster will give you an idea of how much aid you can expect to receive from the federal government.

→ [Federal Student Aid Video Series](#)

Federal Student Aid, an office of the U.S. Department of Education, has a helpful series of videos on YouTube that covers topics from general financial aid to FAFSA-specific instructions and tips.

→ [Scholarships.com](#) and [CareerOneStop.org](#)

These are two of the best places to begin your search for scholarships. Their search processes help you find scholarship options that best fit your needs and goals.

Other Financial Aid Resources

→ [State Grants](#)

If you've already completed the FAFSA, the next place you should look for grants and other financial aid opportunities is at the state level. This resource provides detailed breakdowns on each state's official educational grant program. It makes the process of finding your state's best financial aid options quick and simple!

→ [Repayment Estimator](#)

This online tool is similar to the Net Price Calculator and FAFSA4caster. The Repayment Estimator uses your financial aid information to help discover which repayment plan is best suited for your needs and goals and how much you can expect to pay in interest.

→ [Resources from the Office of Federal Student Aid](#)

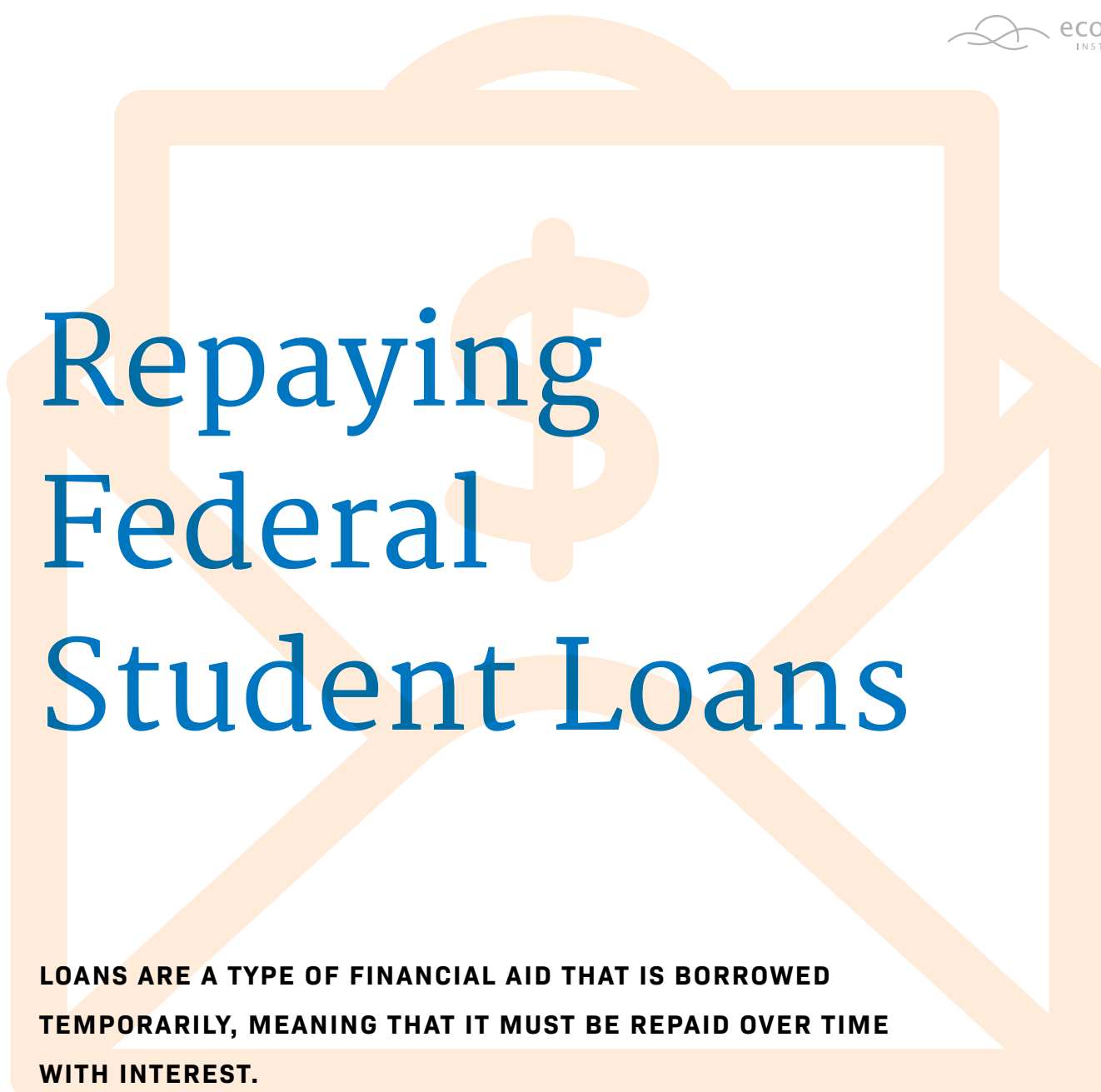
From fact sheets to graphics to videos, the Office of Federal Student Aid has a large database of resources available covering all topics pertaining to financial aid.

→ [Military Tuition Assistance](#)

This resource, recommended by the Office of Federal Student Aid, details further funding options for military personnel.

→ [ecotechinstitute.com](#)

You can access financial aid resources and [videos](#) and learn more about funding your education on Ecotech Institute's website.



Repaying Federal Student Loans

LOANS ARE A TYPE OF FINANCIAL AID THAT IS BORROWED TEMPORARILY, MEANING THAT IT MUST BE REPAID OVER TIME WITH INTEREST.

There are steps you must take to begin the repayment process and resources available to help plan to pay back your federal student loans. Keep reading to learn more about the repayment process.

BEFORE YOU GRADUATE

Before graduating, leaving school or dropping below half-time enrollment, students are required to complete exit counseling to review their student loan borrowing history with an assigned loan servicer.

1 → **COMPLETE EXIT COUNSELING**

Exit counseling is a mandatory information session that explains the responsibilities for loan repayment and specifies when repayment will begin. Your school's financial aid office will provide directions on how to complete exit counseling.

2 → **REVIEW STUDENT LOAN BORROWING HISTORY**

During exit counseling, you will receive information for each federal student loan you received, including the amount that was borrowed and the interest rate expected with repayment. Use this information to keep track of what's owed and to plan out repayment of the loan.

3 → **BE ASSIGNED A LOAN SERVICER**

You will be assigned a loan servicer by the U.S. Department of Education. This company will oversee your student loans, serve as your main student loan contact during the repayment process, help you select repayment plans and oversee payments made on the money you owe.

DURING THE GRACE PERIOD

A grace period is an amount of time before a student is expected to begin making regular loan payments. Almost all loans have a grace period that begins immediately after graduation, after dropping out or after dropping below half-time enrollment. For federal loans, the grace period is typically six months. Students are encouraged to use this timeframe to begin preparing to repay student loans by creating a budget and selecting and reviewing their repayment plans.



CREATE A BUDGET

A budget helps realistically determine how much a student can afford in student loan payments each month. Creating a realistic budget helps determine a repayment plan that best meets your individual financial needs. When creating a budget, it is crucial to consider income and all additional expenses.



SELECT A REPAYMENT PLAN

There are several [repayment plan options](#) that are designed to meet the needs of students and recent graduates, whether they are already employed or still looking for a job. Repayment plans are often based on a student's income and household size. The repayment amount and length of time to repay the loans will vary depending on the repayment plan that is chosen.

WHEN REPAYMENT STARTS

After the grace period has expired and the repayment process begins, your loan servicer will provide a repayment schedule that gives information on:

- The due date of your first payment
- The number of payments you can expect to make
- The amount of each payment
- How often you will make payments

WORKING WITH YOUR LOAN SERVICER

Your loan servicer will help you best determine the method you will use to make payments on your loans. If you are interested in making extra payments, paying a greater amount per month or even prepaying all or part of your federal student loan, you may do that at any time without penalty. If your budget allows, it is always a good idea to pay early or pay more on your payments. Any extra amount you pay is applied to outstanding interest before being applied to your loan balance.

You can choose to pay in a few ways:

- Paying online
- Paying over the phone
- Paying with a check
- Paying via a recurring, automated deduction from your bank account

STAY ON TOP OF YOUR PAYMENTS

It's important to stay on top of your loan payments! If you miss a payment or do not pay the full amount on time, your loan may begin to incur late fees. If your situation changes or if you begin to miss payments, do not waste any time in contacting your loan servicer. They are your best resource and will assist you in finding the plan that is right for you and your situation. They are also the most knowledgeable when it comes to postponement plans, loan forgiveness and other repayment options.

Repaying Federal Student Loans

STAY OUT OF DEFAULT

It is best to avoid defaulting on your loan. When someone defaults on a loan, it means that he or she did not make payments on a loan as scheduled according to the terms of agreement signed at the time the loan was taken out. For most federal student loans, a loan will be in default if a payment has not been made in more than 270 days.

- If you continue to miss loan payments, work with your loan servicer to explore other repayment plans.
- Your loan servicer will notify you of the consequences of missing payments or defaulting.
- If payments are missed, the loan may be considered delinquent and late fees can be charged.
- If you are making late or partial payments, contact your loan servicer immediately!

POSTPONE YOUR PAYMENTS

If you are having trouble keeping up with your loan payments, there are options to help. You may be eligible for either loan deferment or forbearance if you are:

- Back in school
- In the military
- Experiencing financial difficulty
- Facing other extenuating circumstances.

Going into deferment and forbearance will postpone — and in some cases, lower — your monthly loan payments temporarily. To see if you are eligible, contact your financial aid advisor or loan servicer.

Visit the [Federal Student Aid website](#) for more information about managing your federal student loans.

Helpful Financial Aid Tips to Remember

Financial aid can help your career dreams become a reality.

Keep these final tips in mind as you start planning to pay for college.

HELPFUL FINANCIAL AID TIPS TO REMEMBER

- Apply for federal aid first and then turn to state and private options.
- Don't overlook grants, scholarships and work-study options.
- Keep track of deadlines and apply early.
- Save your FSA ID and all related financial passwords in a safe place you can access.
- Keep your grades up. Many aid options are funds that don't have to be repaid — but only if you meet certain academic standards. For many federal aid options, this means keeping your GPA above 2.0.
- Most importantly, take advantage of the resources available to you. Don't be afraid to ask the student finance team at your school for help answering any questions you have.



Next Steps

Our experienced team of student finance representatives at Ecotech Institute are dedicated to making it easy to plan and budget for your education. They can help explain your options and provide support throughout the process.

If you're ready to take the first step toward training for a new career, [request more information online](#) or give us a call at (877) 326-5576.



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