



STEPHEN F. AUSTIN STATE UNIVERSITY

FINANCIAL AID

JANUARY 2016

SHOWCASE SATURDAY

Experience Life as a Lumberjack

Prospective students and parents are invited to campus Feb. 13 or April 2 for Showcase Saturday, an introduction to Stephen F. Austin State University. Registration begins at 11 a.m. at the Baker Pattillo Student Center.

The program showcases representatives from multiple SFA departments presenting information relevant to life as a Lumberjack, such as financial aid, residence life, academic and the Student Activities Association. Parents are encouraged to attend with their student. Call (936) 468-2504 for details.

SCHOLARSHIP DEADLINE

SFA's scholarship application deadline is quickly approaching. The application will be available until Monday, Feb. 1, 2016. Apply now! Students do not need to be fully admitted to SFA to apply. However, they will need a mySFA account. To apply for SFA scholarships, students must log in via mySFA. Then, click on the Future Lumberjacks tab, and click the Apply for Scholarships link to access the application.

Students also are encouraged to apply for private scholarships such as the Smith-Hutson. Smith-Hutson's scholarship deadline is Feb. 26, 2016, and the application is available at sfasu.edu/smith-hutson-scholarship. Private scholarships can be from a local high school, church, parent-teacher organization or other community groups such as the Rotary Club or Lion's Club. Another available website for scholarship applications is fastweb.com. Avoid scholarships that charge students to apply. Legitimate scholarship applications are free to complete.

CONTACT YOUR COUNSELOR

(by first letter of student's last name)

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FEDERAL LOANS

With the nationwide rise in tuition, it's likely more students will have to borrow money to pay for higher education. There are lots of rumors and scary facts about student loans, but we would like for your students to know that we are here to help answer their questions. When discussing student loans, it might help to break them up into three categories: Federal student loans, parent loans (alternative and federal) and alternative student loans.

- 1. Federal student loans** – These are loans that students typically make. The good news is the interest rates are low and the repayment options are varied. Federal student loans can be waived if the student meets certain service-based criteria after he/she earns his/her degree. Keep in mind that there is a limit to how much you can borrow per year AND how much can be borrowed as an undergraduate.
- 2. Parent loans (alternative and federal)** – Depending on their credit-worthiness, parents can borrow to help pay educational expenses. The federal option is called the Parent PLUS loan. Parents can specify a specific amount or ask for the maximum. They must complete a new application every year. Alternative parent loans are available through banking institutions. The interest rates can be higher or lower, and the repayment options can be less flexible than the federal loan.
- 3. Alternative student loans** – It is in the student's best interest to borrow all federal student loans before considering an alternative loan. These loans are based on credit and usually require a co-signer/endorser. The interest rates are often significantly higher, and the repayment options can be stricter. All financial aid offices are prohibited from making suggestions or advising students about alternative loan lenders.

Finally, with regard to all loans, students should only borrow what they need. SFA's Office of Student Financial Assistance staff members are happy to educate students on calculating the appropriate amount to borrow.

APPLYING FOR AID

There is only one application for federal financial aid, the FAFSA, Free Application for Federal Student Aid. Students should complete a FAFSA application, which becomes available Jan. 1 every year. Completing the application can be a bit intimidating, and our goal is to guide students through the application process and make it as easy as possible. To complete the application, visit fafsa.ed.gov. Applying as early as possible always is recommended since the state priority deadline is March 15. Applications completed after March 15 will be processed for federal aid, but won't be considered for some state programs. It takes three to four business days for the FAFSA to process, so don't wait until the last minute.

A few items will be needed to complete a FAFSA: Social Security card, parents' tax return from the previous year and any income information for the student. Data retrieval can be used to collect parents' tax information. This allows the FAFSA staff members to download the tax information directly from the IRS. Data retrieval reduces errors and is encouraged. Tax information is not required if parents aren't required to file a return. The last step before submitting the FAFSA is to electronically sign the application. The student and parent(s) must create a username and password to sign the FAFSA. You also must agree to the terms and then submit the FAFSA.

There are several common errors that occur while completing the FAFSA. One error is entering a name incorrectly. This usually occurs because the name a person uses doesn't match the name on the Social Security card. Errors also occur when students do not review information on the FAFSA before submitting. Students also accidentally transpose numbers and create inaccurate applications. SFA recommends re-reading all information before submitting the application. Call the FAFSA's helpline at 1-800-433-3243 for additional guidance.