

Financial Aid

The primary responsibility for financing a college education belongs to students and their families (see the “1999–2000 Typical Student Budgets” table, page 58). The Student Financial Assistance Office helps students, within the limits of available funds, meet college costs. Students must complete all applications in an accurate and timely manner and notify Student Financial Assistance of any changes in circumstances that may affect eligibility (e.g., loss of parent’s income or change in residency classification). Financial assistance is available as scholarships, grants, loans, and employment. This aid has been made available collectively by the university, alumni, private foundations, civic groups, individuals, and state and federal governments.

To be considered for financial aid, all students must complete an application separate from the admission application. The Free Application for Federal Student Aid (FAFSA) should be completed in January or early February preceding the academic year the student anticipates attending ASU. The priority date for applying is February 15. Applications completed by this date are considered for all grant funds. Applications completed after this date are processed; however, they are considered late applications. Late applications are less likely to receive federal work-study, grants, and scholarships due to funding limitations.

An Application Acknowledgement is sent to all applicants. This letter may indicate any additional items or documents needed to complete applications. These items may include copies of federal tax returns, proof of valid visa, and proof of registration with the Selective Service. Students receive a separate Financial Aid Notification. This letter informs them of the types and amounts of aid they are eligible to receive. Applicants should read carefully all correspondence received from Student Financial Assistance.

Students receiving aid from Student Financial Assistance are required to meet minimum standards of satisfactory academic progress. In addition to maintaining the minimum GPA defined for good academic standing, undergraduate students awarded on a full-time basis must complete a minimum of 24 semester hours within the academic year. Failure to meet these standards results in the suspension of aid funds for subsequent semesters until the deficiency is satisfied.

Students can access personal information regarding financial aid through the Financial Aid Services Through Technology (FASTT) phone system at 480/968-4400 or on the FASTT Web site at www.asu.edu/fa. Students can access the following information:

1. documents still needed to complete a financial aid file;
2. award information; and
3. financial aid forms for printing.

TYPES OF FINANCIAL AID AND MAJOR PROGRAMS

More than 33,000 students receive financial aid resources that total more than \$255 million. There are four categories

of financial aid: scholarships, grants, loans, and employment.

Scholarships

There are two sources of scholarships at ASU: university-funded scholarships and private donor scholarships. Many scholarships are offered on the basis of academic merit. However, financial need criteria may also be included in the selection of recipients. Other considerations are GPA, leadership qualities, and community service.

The Scholarship Office coordinates all scholarship programs. High school students should contact their high school counselors to determine the appropriate process for obtaining a variety of scholarships available to entering freshmen. Other undergraduate students may contact the Scholarship Office. In addition, many academic units provide scholarship funding and select students based on a variety of criteria, which include artistic talent, musical ability, and athletic performance.

New Scholarship Tax Credits. Students may be eligible for either the Hope Scholarship or the Lifetime Learning tax credits. Additional information about these tax credits is available on the Web at sbs.asu.edu.

Consult a personal tax advisor about qualifications for the Hope Scholarship and Lifetime Learning tax credits.

Private Donor Scholarships. More than 7,200 students at ASU receive private donor scholarships. Most of these scholarship funds are provided by employers, private individuals, organizations, and corporations. In most cases, the private donor specifies the criteria used by the Scholarship Office to identify candidates for a particular scholarship.

University Scholarships. More than 5,400 ASU students receive a scholarship from university sources that is generally in the value of tuition and/or fees. The largest source for university scholarships is the waiver program authorized by the Arizona Board of Regents. In addition, many scholarships are funded from a general endowment fund. Some of the typical areas targeted for these scholarships are top academic seniors in Arizona high schools, students who demonstrate leadership, students who demonstrate scholastic or scientific abilities, students with disabilities, and nontraditional students.

Grants

Like scholarships, grants are provided to students without repayment or service obligation. However, the criterion to receive a grant is generally a calculation of financial need. Students must complete the FAFSA. More than 14,000 ASU students receive some form of a grant.

Federal Pell Grant. The Federal Pell Grant program is funded by the federal government and is a basic financial resource to low- and moderate-income students. Eligibility is determined through the financial aid application process by the federal government. Under this program, the university converts entitlements to cash grant payments. The maximum award for 1999–2000 was \$3,125.

1999–2000 Typical Student Budgets

Item	Dependent			Independent	
	At-Home	On-Campus	Off-Campus	On-Campus	Off-Campus
Rent	\$ 980	\$ 3,010	\$ 3,785	\$ 3,010	\$ 4,950
Food	2,000	2,000	2,000	2,000	2,000
Personal	2,575	2,575	2,575	3,150	3,150
Total living ¹	\$ 5,555	\$ 7,585	\$ 8,360	\$ 8,160	\$ 10,100
Resident tuition	\$ 2,188	\$ 2,188	\$ 2,188	\$ 2,188	\$ 2,188
Special fees	73	73	73	73	73
Books/supplies	700	700	700	700	700
Resident total	\$ 8,516	\$ 10,546	\$ 11,321	\$ 11,121	\$ 13,061
Additional tuition for nonresidents ²	\$ 7,152	\$ 7,152	\$ 7,152	\$ 7,152	\$ 7,152
Nonresident total	\$ 15,668	\$ 17,698	\$ 18,473	\$ 18,273	\$ 20,213

¹ Loan fees are not included in this amount.

² Actual amounts of nonresident tuition are shown in the “1999–2000 Resident and Nonresident Tuition” table, page 48.

Federal Supplemental Educational Opportunity Grant. Funds are received from the federal government by the university, which is required to match the funds. Student Financial Assistance then determines the eligibility of a student based on a specific calculation of exceptional financial need. Generally, recipients of the Federal Pell Grant are eligible to receive a Federal Supplemental Educational Opportunity Grant. The maximum grant for 1999–2000 was \$1,000.

Leveraging Educational Assistance Partnership (LEAP). This program is a three-partner program of federal, state, and university funding. Students with a high financial need may receive this particular form of funding. It is restricted to residents of Arizona. The maximum grant for 1999–2000 was \$1,250.

Arizona Trust Fund. This grant source is provided in partnership between ASU students and the state legislature. These funds are provided primarily to resident and undergraduate students with a high financial need. The maximum grant for 1999–2000 was \$1,250.

University Grant. University Grants are generally reserved as the last financial aid program to be used to resolve a student’s need. The maximum grant for 1999–2000 was \$2,000.

Loans

More than 18,000 students borrow approximately \$136 million annually. A variety of loan programs provide assistance to students and, in some cases, parents in the financing of a university education.

William D. Ford Direct Student Loan. Through the William D. Ford Direct Student Loan program, the federal government loans money to students based on the university’s determination of the student’s financial need and cost of education. Repayment begins after the student graduates, leaves school, or drops below half-time enrollment. Under this program there are two loan types: subsidized and unsubsidized. With a subsidized Direct Student Loan, the federal government pays the interest on the loan principle

during the student’s in-school status, grace, and other authorized periods of deferment. The school bases eligibility for a subsidized loan on the student’s financial need which is determined by subtracting the expected family contribution from the cost of education. The school may determine the student to have eligibility for an unsubsidized Direct Student Loan. In this program, the federal government does not pay the interest during the student’s in-school status, grace, or other authorized periods of deferment. As the student proceeds through school, interest will accrue and will be added once the student enters repayment. Otherwise, conditions and terms for the two programs are the same.

There is a variable interest rate that is adjusted every July 1. Interest cannot exceed 8.25 percent. The federal government provides several options for repayment once the student has left school. For students who are considered dependent based on their financial aid application, the following total annual loan limits for subsidized and unsubsidized apply: freshmen may borrow up to \$2,625 per year; sophomores, up to \$3,500 per year; and juniors and seniors, up to \$5,500 per year. For students who are considered independent, the following annual loan limits apply: freshmen may borrow up to \$6,625, of which only \$2,625 can be subsidized; sophomores, up to \$7,500, of which only \$3,500 can be subsidized; and juniors and seniors, up to \$10,500, of which only \$5,500 can be subsidized.

Federal Perkins Loan. The Federal Perkins Loan program is funded by the federal government; the school is the actual lender, and repayments after graduation are made to the university at a 5 percent interest rate. Like the subsidized Student Loan, no interest accrues on the Perkins Loan during the enrollment period. If funding is available, deferment and cancellation provisions may apply to graduates working in community service, qualifying law enforcement, and teaching occupations. Maximum awards were \$4,000 for 1999–2000.

Parent Loan for Undergraduate Students. Under the Parent Loan for Undergraduate Students (PLUS), parents may borrow money from the federal government on behalf of

their dependent students. With this loan, interest is not deferred and repayment begins 60 days after disbursement of the loan to the parent. The PLUS approval is based on the parent's credit history. If parents are determined ineligible for a PLUS and students need additional funds, they should contact the Student Financial Assistance office to determine their eligibility for an unsubsidized Direct Student Loan. There is a variable interest rate adjusted every July 1. Interest cannot exceed 9 percent. The maximum loan amount is determined by subtracting all other financial aid from the student's cost of education.

Employment

Approximately 7,000 students earn \$26 million from on-campus part-time student employment programs.

Federal Work-Study. Funds for this program are provided on a matching basis by the federal government and the university. Students employed under this program receive the same pay rates as other students being employed at the university. In this program, students must demonstrate a financial need. Employers are encouraged to hire needy students.

University Hourly. The university, with its own resources, hires many students on a part-time basis. Although the jobs are similar to those under the Federal Work-Study Program, the university provides the entire amount of the student's wage.

Part-Time Off-Campus. The university receives requests for assistance from many agencies and corporations throughout the area to help them recruit and hire students on a part-time basis. The referral service at the university provides opportunities for students not only to earn funds to support their education but to gain experience in the areas of their majors or career interests.

Taxability of Financial Aid Programs

Scholarships, grants, fellowships, and stipends (but not loan funds) are taxable income to the recipient, except for the portion of these funds used for tuition, registration, and other university fees, or books, supplies, and equipment required for the courses being taken. Special tax regulations also apply to nonresident alien students and may require withholding of taxes at the time of aid disbursements to these individuals. Information on the taxability of scholarships can be obtained from the following Internal Revenue Service (IRS) publications and forms: *Publication 4—Student's Guide to Federal Income Tax*; *Publication 519—U.S. Tax Guide for Aliens*; *Publication 520—Scholarships and Fellowships*; Form 1040EZ and Instructions—Income Tax Return for Single and Joint Filers with no dependents; and Form 1040NR and Instructions—U.S. Nonresident Alien Income Tax Return.

These publications and forms can be obtained from the IRS at its toll-free number 1-800-829-FORM (3676). These publications and forms can also be accessed online at www.irs.ustreas.gov/prod/forms_pubs.



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