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# Financial Aid

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The primary responsibility for financing a college education belongs to students and their families (see the “2005–2006 Estimated Budgets for New Full-Time Students” table, page 60). The Student Financial Assistance office helps students, within the limits of available funds, meet college costs. 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 the Free Application for Federal Student Aid (FAFSA). This application should be completed in January or early February preceding the academic year the student anticipates attending ASU. The priority date for applying is March 1. Applications completed after this date are processed; however, they are considered late applications. Late applicants are less likely to receive Federal Work-Study, grants, and scholarships due to funding limitations.

Additional documentation may be requested to verify application data. Students receive an award notification once their file is complete. Applicants should carefully read all correspondence received, and if necessary, reply in a timely manner.

Students receiving aid are required to meet minimum standards of satisfactory academic progress. In addition to maintaining the minimum GPA defined for good academic standing, students must complete their degree within the maximum allowable hours and maintain a satisfactory completion rate. Failure to meet these standards results in the suspension of aid for subsequent semesters.

Students can access personal information regarding financial aid through the SunDial phone system at 480/350-1500 or by accessing ASU Interactive at [www.asu.edu/interactive](http://www.asu.edu/interactive). Students can access the following information: (1) documents still needed to complete a financial aid file; and (2) award information.

Documents needed to complete the aid file can be printed from the Student Financial Assistance Web site at [www.asu.edu/fa/forms](http://www.asu.edu/fa/forms).

## TYPES OF FINANCIAL AID AND MAJOR PROGRAMS

In 2006–2007, ASU expects to award an estimated \$340 million in all types of financial aid to more than 37,500 students. There are four categories of financial aid: scholarships, grants, loans, and employment.

### Scholarships

Scholarships come from a variety of sources and have different awarding criteria. ASU offers numerous institutional scholarships for incoming freshmen as well as continuing students. In addition, ASU students benefit from a number of scholarships from private sources. 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 may include leadership qualities and community service.

High school students should contact their high school counselors or visit the scholarship Web site at [www.asu.edu/fa/scholarships](http://www.asu.edu/fa/scholarships) to determine the application process for scholarships available to entering freshmen. Other undergraduate students may contact the Scholarship Office or search the Web site for available scholarships. In addition, many academic units provide scholarship funding and select students based on a variety of criteria. Students seeking these scholarships should contact the department of their major for more information.

**Private Donor Scholarships.** Most of these scholarship funds are provided by employers, private individuals, organizations, and corporations. These scholarships are based on criteria established by the donor. The value of these awards varies as do the requirements for selection.

**University Scholarships.** ASU enrolls the best students from Arizona and the nation and awards scholarships to top students based on their high school performance. High school students are automatically considered for merit-based institutional recruitment scholarships upon their admission to ASU. Additionally, academic departments offer scholarships based on particular disciplines. Access [www.asu.edu/fa/scholarships](http://www.asu.edu/fa/scholarships) for a comprehensive search of scholarships for ASU students.

### Grants

Grants are gift assistance from the federal government, the state, or the university that do not have to be repaid.

**Federal Pell Grant.** Funded by the federal government, the Pell Grant is awarded to students who demonstrate significant financial need. Pell Grant eligibility is determined by the U.S. Department of Education. All students are informed of their eligibility for the grant through the Student Aid Report. The maximum award for the 2005–2006 academic year was \$4,050 per individual student.

**Federal Supplemental Educational Opportunity Grant.** The Federal Supplemental Educational Opportunity Grant (FSEOG) is a federally funded, campus-based program. A limited amount of funding is available through the program. The amount received will depend upon a student's financial need, the amount of other assistance awarded, and the availability of funds. Maximum grant awards for 2005–2006 were \$1,000 per individual student.

**Leveraging Educational Assistance Partnership (LEAP).** This is a three-partner program of federal, state, and university funding. Students with high financial need may receive this particular form of funding. It is restricted to residents of Arizona. The maximum grant for 2005–2006 was \$2,000 per individual student.

## FINANCIAL AID

### 2005–2006 Estimated Budgets for New Full-Time Students

Item	Residents			Nonresidents	
	Dependent		Independent	Dependent	Independent
	At-Home	On/Off Campus			
Tuition and mandatory fees*	\$ 4,396	\$ 4,396	\$ 4,396	\$ 15,095	\$ 15,095
Room and board	\$ 2,429	\$ 6,768	8,354	6,768	8,354
Books and supplies	948	948	948	948	948
Transportation	1,200	1,200	1,444	1,200	1,444
Personal	2,526	2,526	3,236	2,526	3,236
<b>Total</b>	<b>\$ 11,499</b>	<b>\$ 15,838</b>	<b>\$ 18,378</b>	<b>\$ 26,537</b>	<b>\$ 29,077</b>

\* Tuition and fees vary by campus. Actual amounts of tuition are shown in the “2005–2006 General University Per Semester Tuition” table, page 54. Amounts do not include continuing student tuition or additional class or program fees. Actual expenses may vary due to personal choices.

**Student Financial Aid Trust Grant.** Provided in partnership between ASU students and the state legislature, these funds are provided primarily to resident, undergraduate or underrepresented students with high financial need. The maximum grant for 2005–2006 was \$2,000 per individual student.

**University and ASU Grants.** University grants are generally reserved as the last grant programs used to resolve a student’s need. Funded by the university, these grants are available for both resident and nonresident students. The maximum grant awards for 2005–2006 were \$2,500 per individual student.

#### Loans

Loans are forms of financial assistance available from sources such as the federal government and private lenders that must be repaid and will include any accrued interest.

**Federal Direct Stafford Loans.** 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. There are two Stafford Loan types: subsidized and unsubsidized. With a subsidized Stafford, the federal government pays the interest on the loan principal during the student’s in-school status, grace, and other authorized periods of deferment.

The school may determine that the student is eligible for an unsubsidized Stafford 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 to the principal once the student enters repayment. Otherwise, conditions and terms for the two programs are the same.

The variable interest rate is adjusted every July 1. The rate cannot exceed 8.25 percent. In addition, there is a 3 percent loan origination fee deducted from each disbursement. 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 loans 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 Loans.** The Federal Perkins Loan program is funded by the federal government and is awarded based on financial need. The school is the actual lender, and repayments after graduation are made to the university at a 5 percent interest rate. Like the subsidized Stafford Loan, no interest accrues on the Perkins Loan during the student’s in-school status, grace, or other authorized periods of deferment. If funding is available, deferment and cancellation provisions may apply to graduates working in community service, qualifying law enforcement, and teaching occupations. Maximum undergraduate awards for 2005–2006 were \$3,000 per individual student.

**Parent Loan for Undergraduate Students.** Under the Parent Loan for Undergraduate Students (PLUS) Program, parents may borrow money from the federal government on behalf of their dependent students. With this loan, interest is not deferred and repayment begins within 60 days of the final disbursement for the enrollment period. The PLUS approval is based on the parents’ credit history. There is a variable interest rate adjusted every July 1 that cannot exceed 9 percent. The maximum loan amount is determined by subtracting all other financial aid from the student’s cost of education. 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 Stafford Loan.

#### Employment

The Student Employment Office provides employment opportunities to students who must work to meet educational expenses or who wish to work because they feel the experience can be a valuable part of their education. Federal Work-Study and hourly positions are available. For more information, access [www.asu.edu/fa/studemp](http://www.asu.edu/fa/studemp) on the Web.

**Federal Work-Study.** The Federal Work-Study program encourages community service work and jobs that complement and reinforce educational or career goals. Funds for this program are provided on a matching basis by the federal government and ASU. Students employed under this program receive the same pay rates as other students employed on campus. In this program, students must demonstrate a financial need as established through completion of the Free Application for Federal Student Aid.

**University Hourly.** ASU, 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 companies throughout the area to help them recruit and hire students on a part-time basis. This job listing service 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.

**Educational Tax Credits.** Students may be eligible for either the Hope Scholarship Credit or the Lifetime Learning

tax credit. Additional information about these tax credits is available on the Web at [www.asu.edu/sbs](http://www.asu.edu/sbs).

Consult a personal tax advisor about qualifications for the Hope Scholarship Credit, and Lifetime Learning tax credit.

### 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 by calling the IRS at 1-800-829-FORM (3676) or by accessing the IRS Web site at [www.irs.gov](http://www.irs.gov).



Old Main, the university's first classroom building, is now home to the ASU Alumni Association.

Tim Trumble photo