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Attention, Guidance Professionals

CollegeAnswer.com includes a special section designed just for you. You'll find up-to-date cost and admission data for hundreds of schools, planning tips for parents, counseling timelines and calendars, downloadable checklists and scores of tools. Visit www.CollegeAnswer.com/counselors.

Congratulations! You've made the decision to enroll, accepted the offer of admission, and signed the award letter. One problem . . . you're concerned that your savings and the award are not enough to cover your education expenses. You're not alone—the average award letter covers only 76.5% of a student's financial need.

Borrowing for College

After you've taken advantage of other available forms of financial aid, such as grants and scholarships, you may need to consider a student loan to cover remaining college costs. No need to panic; low-cost loans have made a college education possible for millions of students.

Remember this basic rule . . . Borrow conservatively and only what is absolutely needed.

If you plan to borrow, accept only what's necessary to cover your education costs (tuition, room and board, books and supplies, transportation and living allowances). Because when it's time to repay, you'll have other financial obligations, such as rent, a car loan and living expenses. Remember, even if you don't finish college or can't find a job, you'll still have to repay your loans—with interest. To learn more about borrowing responsibly, visit www.CollegeAnswer.com/tips.

Applying for Loans

1. **Apply for loans you accepted in your award letter.** If student loans are part of your award letter, you won't automatically receive the funding. It's your responsibility to apply for them. Follow the instructions provided with the award letter.
2. **Your parents could apply for a PLUS Loan.** With a PLUS Loan, parents can fund the entire cost of the student's education (less student financial aid). PLUS Loans are not based on income or assets (see page 4 for more information).
3. **Fill the gap with private education loans.** Use this option to supplement funding only after all sources of federal and state financial aid have been exhausted. Private loan eligibility requirements are defined by the lender (continued on page 2).

What to Look for in a Lender

When selecting a lender, it's a good idea to choose one that is customer-service oriented.

Select a lender that offers Sallie Mae servicing and borrower benefits. Lenders that work with Sallie Mae offer interest-rate reductions to borrowers who pay electronically through automatic debit or who have paid their loans on time for a specific period.

Sallie Mae lenders also offer superior service, such as:

- ▶ Responsive, customer-oriented service
- ▶ Toll-free customer service lines
- ▶ Online access to account information

Lenders that work with Sallie Mae:

- ▶ Sallie Mae Education TrustSM
- ▶ Academic Management Services[®]
- ▶ Nellie Mae[®]
- ▶ Southwest Student Services Corporation[®]
- ▶ Student Loan Finance Association
- ▶ Student Loan FundingSM Resources



Timeline

Your college planning and preparation will pay off. High school graduation is just around the corner, and your next step is college. Use this timeline to help you stay on track and still have time to enjoy your summer vacation. *Keep in mind, your timeline may differ depending on the level and type of education you pursue.*



Applying for Loans (continued from cover)

Sallie Mae® offers several private education loans to help supplement funding received from federally sponsored loan programs.

The **Signature Student Loan**® is America's most popular "after-Stafford loan" because it's widely available, has high approval rates, and lets you borrow all you need to cover the full cost of your education.

The **Tuition Answer**™ Loan is a practical, affordable education loan for creditworthy parents and working adult students who need additional education funding. The Tuition Answer Loan does not require any federal forms and there are no application deadlines.

The **Career Training Loan**™ is designed for students enrolled in continuing education, distance learning, information technology training, and for career training in a variety of technical and non-technical fields. This loan may be used as an alternative source of financing if federal funds are not available due to enrollment status or when a school is not eligible to participate in federal loan programs.

To learn more about private loan options, visit www.CollegeAnswer.com/privateloans.

High School Seniors

- May**
 - Verify that your final transcripts have been mailed.
 - Notify other colleges of your decision not to attend.
 - Continue to search for scholarships.
 - Look for a summer job and save money for school.
 - Evaluate student loan lenders.
- June**
 - Save some of your graduation money for school.
 - Respond to requests from the college you will be attending. Keep copies of everything you send.
 - Read and be familiar with your college catalog and semester class schedule.
 - Talk with friends who are home from college for the summer.
 - Make travel arrangements, if necessary.
- July – August**
 - Register and attend a college orientation session.
 - Confirm housing arrangements and meal plans.
 - Consider a student loan to cover financial need.
 - Finalize your college budget.
 - Notify the financial aid office of scholarships and loans you will receive.
 - Contact your roommate and coordinate what to pack.
 - Consider taking out a renter's insurance policy.
 - Return borrowed items, such as library books, rental videos and things borrowed from friends.
 - Make note of tracking numbers of boxes you are shipping to school.
 - Open a bank account near campus.
 - Review your cell phone calling plan to limit roaming charges.
 - Pack for college. Use College Answer's Packing for College Checklist (www.CollegeAnswer.com/checklist).
 - Send thank-you notes or postcards to those who helped you get into college.

High School Juniors

- May**
 - Take the SAT, ACT and/or AP test.
 - Ask about college prep programs and workshops offered during the summer.
 - Search for scholarships and ways to pay for college.
 - Get a summer job to save money for college.
 - Talk with friends who are home from college for the summer.
- June – July**
 - Create a list of schools you would like to attend.
 - Schedule college visits and interviews.
 - Register and prepare for the college entrance exams offered in the fall.
 - Talk to people in career fields you find interesting.
 - Search for scholarships.
- August**
 - Request college applications.
 - Give thought to essay topics.
 - Consider whom to ask for letters of recommendation.
 - Schedule a family meeting to discuss your college plans.

Finding Free Money for College

Every year, millions of dollars in free money are awarded to college-bound students with various qualifications—not just to the class valedictorian or the star quarterback. With a little time and effort, scholarships can make paying for your dream college easier. Remember to apply for scholarships every year you plan to attend college.

College Answer's Free Online Scholarship Search

CollegeAnswer.com is an excellent—and free—place to start your scholarship search. The site has one of the most comprehensive databases of scholarships on the Internet, containing more than 2.4 million scholarships worth \$15 billion. In just a few clicks, you'll have a wealth of scholarship information—and free money—at your fingertips.

Scholarship Tips

Follow these guidelines to help make your scholarship search a successful one.

Apply early: Strictly observe deadlines and strive to submit applications early.

Be honest: It's important to be truthful about grades, experiences, memberships, qualifications, family finances and other information.

Be selective: Only apply if you meet the scholarship's minimum requirements.

Seek advice: Talk to other students who have already won scholarships.

Carefully follow instructions: If the application asks for a 500-word essay, do not exceed this limit. When submitting the application, only include items requested.

Proofread your application: Review everything. Typos are a sure way not to be considered for a scholarship. Consider asking a parent, teacher or friend to read your application. Keep in mind that spell checkers are great; however, they only verify that words are spelled correctly. So, don't let this happen to you: *I ran the spell checker on my essay, so I no everything is find.*

Keep copies of everything you send: If your application is misplaced, having copies will make it easier to resend your information quickly.

Send your application packet by registered mail: Many sources offering scholarships will not confirm receipt of your application. Consider sending your application via USPS registered mail so you know your materials arrived safely.

Who Offers Scholarships?

Scholarships can be based on academic performance, financial need, religious affiliation, minority status, heritage, or a unique set of criteria that's important to the organization offering funds.

Here are a few examples:

- ▶ **High schools** and prospective colleges may award scholarships based on academic performance.
- ▶ **Companies** may offer scholarships to children of their employees.
- ▶ **Ethnic organizations** often provide scholarships to outstanding students sharing their respective ethnic backgrounds.
- ▶ Some **religious denominations** offer scholarships for students planning a career in the clergy.
- ▶ **Organizations** may sponsor scholarships to attract students to a field of study facing a worker shortage, or to encourage non-traditional or minority students to work toward a specific degree.

Protect Yourself: Learn How to Spot Possible Scholarship Scams

Over the past several years, the Federal Trade Commission (FTC) has warned consumers about the potential for scholarship scams. Here are some traps to avoid:

- ▶ "The scholarship is guaranteed or your money back."
- ▶ "I just need your credit card or bank account number to hold this scholarship."
- ▶ "We'll do all the work."
- ▶ "The scholarship will cost some money."
- ▶ "You're a finalist" in a contest you never entered.

For more examples of scholarship myths and scams, and to run a free scholarship search, visit www.CollegeAnswer.com/scholarship.



Featured Scholarship

The Sallie Mae Fund®
Unmet Need Scholarship™

For many students, the unmet need—the gap between the college cost and the financial aid package—is too large to manage. The Sallie Mae Fund will provide \$1 million in 2005 to help meet last-dollar needs of low-income students through the Unmet Need Scholarship Program.

To view details about this program and other featured scholarships, visit www.CollegeAnswer.com/featured.

Just for Parents

You have questions about paying for college. Sallie Mae's Parent Answer® Service can help. This valuable resource has helped many parents plan and pay for their child's college education, including features such as:

- ▶ Detailed information on saving for college, available scholarships and financing strategies
- ▶ Funding alternatives to reduce the financial burden of education
- ▶ Easy-to-understand loan information and quick online credit pre-approval
- ▶ Newsletters to help you navigate the college selection, application and financing process, including identifying key deadlines, trends in tuition and various forms of financial aid available to families

BONUS: For a limited time, when you register online, you'll receive a complimentary copy of Sallie Mae's Financing College Guide.

Registration is free and easy. Visit www.ParentAnswerService.com/KFC.

Attention, Parents

Cover Education Costs with an Affordable PLUS Loan

College. The very word probably conjures up a mix of emotions for you. On one hand, you are thrilled. Your child stands at the doorstep to adulthood, the exciting world of higher education is at his or her feet.

On the other hand, someone's got to pay for it.

As you and your child review the financial aid award package from his or her college, you will see that the situation is not as bad as you feared. Federal Stafford Loans and other forms of financial aid will go a long way to footing the bill. But what if it doesn't cover it all?

The solution is easy: PLUS.

The Parent Loan for Undergraduate Students, or PLUS Loan, is a low-interest-rate education loan that allows parents to borrow up to the full cost of education (tuition, room and board), less other student financial aid received. In addition to enabling you to cover *all* remaining expenses, a PLUS Loan makes sense for other reasons, as well:

- ▶ Available to any parent with good credit, regardless of income or assets
- ▶ Low interest rate, currently just 4.17% for funds disbursed by June 30, 2005
- ▶ Interest charges may be tax deductible*
- ▶ No collateral required
- ▶ Allows parents to take up to 10 years to repay
- ▶ No pre-payment penalty

Learn more—and even apply online—at Sallie Mae's Parent Answer Web site, www.ParentAnswerService.com, and select "I will borrow".

**Contact your tax advisor for details as they pertain to your specific situation.*



Community College... Could Be Your Alternative to a Four-Year School

More than 11 million students attend community colleges throughout the United States. Community colleges are appealing to students because they offer low tuition, convenient locations, flexible class schedules, smaller class sizes, open admissions and comprehensive course offerings. Community colleges provide a bridge from high school to college, offering courses that can be transferred toward a bachelor's degree at a four-year school.

If you are considering community college, the following topics will be of interest:

- ▶ Top reasons and benefits for attending community college
- ▶ Questions to consider when selecting a school
- ▶ Step-by-step instructions through the admissions process
- ▶ Information on how to successfully transfer from a community college to a four-year college or university
- ▶ Special programs and guidance for adults who are returning to school or furthering their education
- ▶ Ideas for funding your education, including scholarships, grants, employer tuition assistance and student loans
- ▶ An online application for Sallie Mae's Community College LoanSM

Visit Community.CollegeAnswer.com, your online community college resource!

Coming soon!

Need help paying for college?

Sallie Mae is proud to announce a new book specifically aimed at families like yours who need help paying for college.

This book explores every conceivable way to pay for college, from federal financial aid to scholarships to student loans. Inside, you will meet an elite group of financial aid officers who provide a behind-the-scenes look at how financial aid works, and learn what your family can do to ensure you receive the maximum amount you deserve. This is the only book you need to create a plan for paying for college.

Sallie Mae
How to Pay for College
will be in bookstores nationwide in August 2005.



¿Habla Español?

Información sobre la Preparación, el Financiamiento y como Pagar para el colegio ahora está disponible en español. ¡Revisalo ahora! www.CollegeAnswer.com/espanol

Free Copies of Knowledge for College

Want extra copies of *Knowledge for College*SM to share with students, parents and others interested in planning and paying for college? Send an e-mail to knowledge-for-college@salliemae.com.

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