



## WHAT OCAP WANTS EVERY STUDENT TO KNOW

**You're a solid investment.** A college education is an investment in your future. Fortunately, financial aid is available to help almost everyone manage the cost. Students and parents should work with the school's financial aid office early and often to learn about available scholarships, grants, work-study opportunities and federal student loans.

**Money is available to help you pay for college.** Although current economic conditions remain a concern for colleges and universities across the country, loan funds continue to be available for students and families through the William D. Ford Direct Loan (DL) Program. To our knowledge, not a single student in the nation has been unable to secure a federal student loan due to the credit crisis.

**FAFSA first.** The first step to apply for federal grants, work-study and student loans is to complete the **Free Application for Federal Student Aid (FAFSA)** as soon as possible after Jan. 1 of each year aid is needed, including the senior year of high school. Fill out the FAFSA every year, even if you think you won't qualify for financial aid. You may qualify for federal work-study or other programs to help you pay for school, and many state financial aid programs, such as the Oklahoma Tuition Aid Grant Program (OTAG), use information from the FAFSA to award non-federal aid. Students can complete the FAFSA online at [FAFSA.gov](http://FAFSA.gov) or obtain a paper copy by calling 800.4.FED.AID or 800.442.8642. Remember, the FAFSA is free – be wary of any individual or organization that charges a fee to complete the FAFSA.

**Focus on federal aid.** While it's best to use savings and free financial aid to cover college costs, many students still need to borrow money to pay for their education. It's critically important for students to understand the differences between federal student loans and "private" or "alternative" student loans. Terms and conditions and eligibility requirements for non-federal education loans vary by lender. Since "private" or "alternative" student loans can have higher interest rates and offer fewer flexible repayment options, students should consider them only after exhausting all federal loan programs.

**Borrow only what you need.** Students don't have to accept all loan funds available to them. It's important for students to borrow only what they need to cover school expenses, as all loans have to be repaid with interest. Your school's financial aid counselor can help you estimate your cost of attendance.

**Keep your career in mind.** Do your homework to learn the starting salary in the field you plan to pursue. A good rule of thumb is to make sure your student loan payment won't exceed 8 percent of your first-year expected monthly income after graduation. The [interactive debt/salary wizard](#) on [OCAP.org](http://OCAP.org) can help you figure out how much you can afford to borrow based on your expected earnings or help you determine the salary you'll need to comfortably repay your student loan debt.

**Monitor your needs.** Once you're enrolled in school, examine your financial aid needs each semester. If you find yourself struggling to make ends meet or if you find that you have more student loan money than you need, adjust your borrowing accordingly. Decide each time to borrow only what you need for school.

**Pay attention to interest.** If given the option to pay interest accrued on unsubsidized loans while in school, do it! Quarterly interest payments are usually affordable, even on a tight budget, and can save you hundreds of dollars over the life of your loan.

For more information about OCAP programs and services, financial aid and the federal student loan process, including FAQs and a glossary of key terms, visit [OCAP.org](http://OCAP.org).