



NEWS RELEASE

January 14, 2009

For more information, contact:

Jim Morris, DESE, 573-751-3469
Michael Waltman, DWD, 573-526-8267
David Lankford, MCC, 573-634-3511
Jeremy Kintzel, MDHE, 573-751-2361
Betty Brown, MERIC, 573-751-3635

Need Money for College? Funding Has Not Dried Up

Finding money to pay for college is always a top concern for prospective students and their families, and in this economy, a lot of people might think it's mission impossible. But the Missouri Department of Higher Education (MDHE) reports funding sources continue to be accessible to students.

"People are hearing 'credit crisis, credit crisis, credit crisis' and think there are no loans, grants or scholarships," said Jeremy Kintzel, a MDHE spokesperson. "Fortunately for Missouri students, that is not the case. The traditional, affordable helps are still there to finance college dreams."

The First Step: FAFSA

Eligibility for many need-based financial assistance programs is determined by the Free Application for Federal Student Aid, or FAFSA. In Missouri, students need to file their FAFSA by April 1, 2008.

"That deadline is so important," Kintzel said. "Each year, thousands of students eligible for help don't get it just because they do not file their FAFSA by the April 1 deadline."

Students are encouraged to submit their FAFSAs electronically at www.fafsa.ed.gov. To complete the FAFSA, students and their families must file their taxes and have their returns, so work has to begin far in advance of the April 1 deadline.

"Do not procrastinate," Kintzel said. "January is the ideal time to begin working on the FAFSA."

Go For Grants

A major source of funding dependent on the FAFSA is Access Missouri, a need-based program available to full-time students attending any Missouri college or university, whether two-year or four-year, public or private. During the 2007-08 school year, Access Missouri provided millions of dollars in grant money for nearly 39,000 Missouri students.

"Funding for the Access Missouri program has tripled in the last couple of years, from \$25 million for the 2006-07 school year to \$72 million for 2007-08, and it's looking to be around \$95 million for 2008-09," he said. "This is money students don't have to pay back. It doesn't get any better than that!"

Part-time students who are working at least 20 hours per week and demonstrate financial need have a chance at the Marguerite Ross Barnett Memorial Scholarship, which is also dependent on students' FAFSAs.

"File, file, file that FAFSA," Kintzel said. "And did I mention, file!"

Federal Loans Still Readily Available

The MDHE encourages students to exhaust all financial aid sources that don't have to be paid back before turning to student loans, but for students who need to borrow money, there are still good, low-interest loans to be had. The Federal Family Education Loan Program (FFELP), which issues Subsidized and Unsubsidized Stafford Loans, Federal PLUS Loans and Federal Consolidation Loans, continues to make it possible for borrowers with no income, credit history, cosigner or collateral to get student loans at low interest rates.

"It is true that the FFELP has lost some lenders, but it still has hundreds on its list," said Julie Meyer, director of marketing and customer assistance with the MDHE.

"Missourians still have every reason to believe they will be able to obtain a FFELP loan; access is as good as ever."

Further, access must remain open, Kintzel said. He explained that in Missouri, state statutes allow the Department of Higher Education to act as a lender of last resort if access issues were ever to occur. That means that if a Missouri school could not find a FFELP lender for its students, the Department of Higher Education could step in to provide the needed student loan.

"The money is going to be there," Kintzel said. "Some FFELP loans are need-based, but there are others that aren't, and there aren't any merit-based or academic progress qualifications for first-time students. For the most part, a first-time student can get a FFELP loan if he/she is degree-seeking and attending an eligible school. There is no reason for students to deal with predatory lenders, even in this 'credit crunch.' "

Additional Resources

In addition to Access Missouri and FFELP, Missouri students have access to such aid as Bright Flight scholarships, which are based on ACT scores, and the A+ Schools Program, which is open to students who graduate from designated A+ high schools. There are currently 254 A+ schools in Missouri. Students who attend one of these schools and meet the program requirements, including an overall 2.5 GPA, 95 percent attendance rate and community service, can have their cost of tuition and general fees covered at any of Missouri's public community colleges or career/technical schools.

MDHE also encourages students to use free scholarship search engines, such as www.fastweb.com and www.collegescholarships.com, to find funds, and to check out www.StudentAid.org for scholarship and FAFSA tips and other helpful information. Finally, Kintzel reminds students not to overlook one of the best sources of financial aid information: their target schools' financial aid offices.

"It is the job of school financial aid administrators to know the ins and outs of federal, state, local and institutional aid," he said. "Students and families should take advantage of this trustworthy help."

For more information and tips on how to pay for college, visit www.MissouriConnections.org.

###

More information is available at http://dese.mo.gov/divcareered/missouri_connections_news_room.htm.

The Missouri Connections Public Outreach Partnership workgroup represents a collaboration of state agencies concerned with education and workforce development who are helping inform and build awareness among the public, particularly students and potential students, of targeted careers, educational and industry trends, and workforce development priorities. Workgroup members represent the Department of Elementary and Secondary Education; Department of Higher Education; Department of Economic Development, Division of Workforce Development and Missouri Economic Research & Information Center; Missouri Center for Career Education; and Missouri Chamber of Commerce and Industry. Freelance writer is Anita Neal Harrison.