



**Australian
Education
Connection**

Navigating US Financial Aid

A GUIDE FOR AMERICAN STUDENTS

(For more information call 1-800-565-9553)

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Document produced by the AEC for students that are applying for entry to degree programs at Australian/New Zealand universities through the AEC Program. Content in this document is copyright to the AEC.

USA:

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Basic Information that you need to know and/or understand:

- ***This Guide has been prepared for students who intend going abroad to undertake full degrees (such as Bachelors, Masters and Doctoral/PhDs). The procedure for financial aid for semester/year abroad is very different to these procedures. Contact AEC.***
- **The AEC program (toll free 1-800-565-9553 or 1-954-680-0453) will assist you through your financial aid process, after you have lodged your applications to Australian and New Zealand partner universities through the AEC office in Ft Lauderdale, Florida. There is no additional charge for the AEC administering your application as AEC works as an outpost of partner universities; therefore, it is the partner universities that pay the AEC to provide this service. You pay exactly the same fees as you would normally have paid had you applied direct to the university.**
- **If you would normally qualify for US financial aid to go to a US college, then the same aid is available to you to go to a university in Australia or New Zealand. (For the purpose of managing full degree applications, note that the AEC partners only with universities that are accredited by the US Department of Education for the purpose of US financial aid.)**
- **Before applying for your US financial aid, you need to first secure admission into an Australian/New Zealand university. Only then can you apply for your US financial aid because you will need to list the NAME of the overseas school (university) as well as the University's School Code in your application for US financial aid. It is therefore, important that whilst you read the information about the process of US financial aid, you also understand that you must have an offer of admission before you can have your financial aid processed. Applying for admission to an Australian or New Zealand university is simple – go to www.mystudyaustralia.com/StudyinAustralia/degree.htm and follow the instructions about downloading application forms from the university specific web site, complete forms and mail in with all required documents to the AEC in Ft Lauderdale. If in doubt, phone 1-800-565-9553 or 1-954-680-0453.**
- **If you qualify for US financial aid, no one can ensure that you get more or less aid! You will receive the aid that you are entitled to. The decision about how much aid you are entitled to is already factored in by the criteria set down by the US Government for administering financial aid. Therefore, whether you apply direct or through a program or a manager, you will be entitled to the same aid. All overseas accredited schools (universities) are aware that they need to include an approximate 'living costs' amount in the certification process (which happens after you apply for your admission to the university and then for your financial aid and later the school certification of your financial aid – these processes are explained to you by the AEC as you go through the process of applying for admission).**

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Types of Loans Available

American nationals (and permanent residents of the US) are able to apply for US financial aid to study abroad at an accredited university. The most common aid used by US nationals and residents to study their degree programs abroad are the following loans which the US Government insures:

- **Subsidized Stafford Loan:** This loan is based on financial need and allows students enrolled at an accredited overseas university (the AEC works only with accredited universities) to take out loans with the federal government paying interest during the term of your study.
- **Unsubsidized Stafford Loan:** This loan is made on the basis that interest accumulates from the time you take the loan but repayments do not commence until 6 months after you have completed your program of study. You may choose to make payments whilst you are studying. Unsubsidized loans are not needs based.

To increase your financial aid, it may also be possible for you to have a

- **PLUS Loan** – if you are a dependent, parents may be able to borrow to provide additional funds for you to study. Refer <http://studentaid.ed.gov/PORTALSWebApp/students/english/parentloans.jsp?tab=funding>
- **PLUS Loans for Graduate and Professional Degree Students.** There is much information about this program of funding at <http://studentaid.ed.gov/PORTALSWebApp/students/english/PlusLoansGradProfstudents.jsp>

There are many other loans that are available such as the International Student Loan Program (ISLP). However, you need to research online for other loan programs that may be available to you. Please be aware that the Stafford Loans and the PLUS loans are insured by the US Government.

There is much information about US financial aid and eligibility criteria on the US Department of Education web site at www.doe.gov.us

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How do I get started? When do I apply for Financial Aid?

It is important you understand the STEPS you need to follow in order to get to the point of admission to an overseas university and obtaining US financial aid.

STEP ONE: *Check ALL YOUR Study and Loan Options*

- Talk to the US Dept of Education (DOE) or look up their web site at www.doe.gov.us and try to establish whether you would normally qualify for US financial aid to go to a school (university) in the US itself. If the answer is yes, then yes you would normally be able to qualify for the same aid to study abroad at a US accredited foreign school. (Note: for the purpose of degree programs, the AEC works only with accredited foreign schools in Australia and New Zealand.)
- You may also look up the FAFSA forecaster site at <http://www.fafsa4caster.ed.gov/>
- Prepare a budget. All foreign schools have differing tuition rates and living costs based on the city they are located in. For example, major capital cities will possibly be more expensive than a smaller city in terms of living costs. Nevertheless, of vital importance is that you choose a university that truly meets your needs. Whilst prices on university web sites for tuition and approximate living costs are in local currencies, it is easy enough to check current rates of exchange and figure out the approximate cost of your study overseas. You may be surprised that often the overall cost of studying at a university in Australia or New Zealand (when you add tuition, medical and living costs together) is cheaper than the cost of studying at comparable universities in the US. You need to also include the cost of your international airfare to your budget and any incidentals. (If you are intending to work part time whilst abroad then you need to consider this in the context of your budget. Australia and New Zealand do allow options for international students to work up to 20 hrs per week whilst studying and full time during the term breaks and holidays. Employment is not restricted to campus.)
- Consider which university in Australia meets your needs in terms of:
 - Degree on offer
 - Location
 - Cost of study
 - Overall living costs

Information about universities is at:

www.mystudyaustralia.com/StudyinAustralia/degree.htm

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STEP TWO: *APPLY for entry to your study program*

You cannot proceed to apply for your financial aid without knowing which Australian/New Zealand university will admit you. Your financial aid paperwork will require the 'foreign school code' and this is not possible unless you have your confirmed offer of admission.

The process of admission to an Australian/New Zealand university is quite simple.

- Read the 'university' information at:
www.mystudyaustralia.com/StudyinAustralia/degree.htm
- Download the university specific application(s) for the universities that interest you.
- Complete the application forms and return to the AEC with the information requested in the application(s). Applications and supporting documentation must be sent to:

Australian Education Connection (AEC)
5722 S. Flamingo Road #303
Ft Lauderdale, FL 33330

(There is no fee payable to the AEC for your admission as the AEC acts as the university's outpost in the US to assist North American students. You must however, pay the university's application fees which are non-refundable and a \$100 tuition deposit to the AEC which is essentially a tuition deposit which will be sent to the university after you accept your offer. It is however, non-refundable if the AEC gets you your admission and you don't go. This safeguards the integrity of our program and ensures that our time is not taken up processing applications that are not genuine. *If you are not offered admission, the \$100 tuition deposit is fully refunded to you.*)

STEP THREE: *You are offered admission and now need to apply for US financial aid*

So you have an offer of admission from an Australian/New Zealand university through the AEC Program.

First

- If you have multiple offers, decide WHICH offer you want to accept.

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- Return the signed acceptance letter for the university to the AEC along with a cover letter stating that you are intending to apply for US financial aid to cover the cost of your study. (Note: most universities require one semester's tuition fees upfront in order to release visa documentation. However, universities that are aware that the student is going through the US financial aid process, will work out special arrangements so that you need to pay a small amount (usually about \$1000) in order to proceed through to visa, housing, etc. whilst your financial aid arrangements are being worked out. *The AEC will assist through all these arrangements.*
- The AEC will automatically provide you with the foreign school's 'school code' which you will need when applying for US financial aid. If the AEC has not done this, request the AEC for the school code before you apply for your financial aid.

Second

- You check out your eligibility for US financial aid by going to the Free Application for Federal Student Aid (FAFSA) web site at <http://www.fafsa.ed.gov/> (Hopefully you have already done this before reaching this stage but if you haven't, now is a good time to do so!).
- Apply for your FAFSA online at <http://www.fafsa.ed.gov/> Remember to list the 'school code' for your foreign school where you are planning to study. If in doubt, phone the AEC at 1-800-565-9553 or 1-954-680-0453 or email: enquiries@mystudyaustralia.com – remember to list your full name and the university you have been admitted to. You can only contact the AEC for this information if you have actually applied for your admission to the Australian/New Zealand university through the AEC.

STEP FOUR: *You receive your Student Aid Report (SAR) from FAFSA – what do you do now?*

- Within 2-3 weeks from the date of your online application on the FAFSA web site at <http://www.fafsa.ed.gov/> you will receive your Student Aid Report (SAR) confirming your eligibility for US financial aid. Your SAR report is a very important document – for example, it contains your 'family contribution' towards the cost of your education – it will also confirm the details that you completed online about yourself including sensitive financial information. Take the time to read this information because if there are mistakes you are able to correct it by simply going back to the FAFSA web site and clicking on <http://www.fafsa.ed.gov/FOTWWebApp/complete014.jsp> - this allows you to make changes to an already processed FAFSA and you will then receive an amended or revised SAR report.

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- You provide a copy of your SAR report to your Australian/New Zealand university through the AEC program.
- You now use the SAR report to find a lender who will do the paperwork to establish your financial aid arrangements.

STEP FIVE: Finding a Lender to administer your US financial aid

There are many lenders that administer US financial aid – as long as you are eligible and apply for your US financial aid and have the SAR report, there are many lenders that will administer the aid i.e. disburse it to you. Suggestions about lenders:

- Once you apply for admission to an Australian/New Zealand university through the AEC program (i.e. mail your university applications to the AEC), the AEC will automatically provide you with an up-to-date list of lenders so you can phone and choose one that is nearest to you or the most convenient in terms of the application process. The AEC will not direct you to any particular lender! All the AEC will want to do for you is to facilitate the process.
- You can also identify lenders by doing internet searches.
- You can look up the US Dept of Education web site at www.doe.gov.us
- You can consider using a State Guarantee Agency – listings are at http://wdcrobcolp01.ed.gov/Programs/EROD/org_list.cfm?category_cd=SGA

STEP SIX: Now I have a lender – what next?!

You now need your lender to have your SAR report and administer your aid. As a part of this process, your lender will require your Australian or New Zealand accredited school to sign a School Certification Form. To do this, the foreign school will usually require your SAR Report, a copy of the loan documentation signed with your lender, commonly referred to as the 'Master Promissory Note'. This process is somewhat complex, however, the AEC Program will coordinate with you, the foreign school and through you the lender (as the issue of financial information is confidential, it is only fair that lenders require you to undertake a few additional steps so you provide due authorization for the AEC to receive information and forward to the foreign school).

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Every foreign school has a nominated person that handles US financial aid forms – the AEC will ensure that these people receive the forms your lender sends so appropriate signatures are sought and paperwork returned to your lender.

Once the foreign School completes the School Certification Form, this is usually sent back to the AEC and we will forward it to the lender; or we request the foreign school to send it directly to the lender with notification to us so that we are able to give you updates on the processing of your financial aid.

Due to the complex nature of communications between lender, the university and you, it is likely that you will be required to complete additional forms giving the university and/or the AEC authority to deal with certain matters on your behalf. The AEC will discuss these requirements with you.

Usually at this point, the AEC is assisting you with the balance of your study arrangements which are: housing, student visa, medical insurance, arrival arrangements, etc. All these arrangements take place as the AEC assists you through your US financial aid matters.

STEP SEVEN: Money comes from Lender – what next?!

It is customary for lenders to deposit financial aid directly into the student's US bank account. It is then your responsibility to pay the Australian/New Zealand university direct the balance of your fees. Should you not do this when your funds are released, the university can withdraw you from the university program and advise immigration to suspend your student visa status.

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Things to remember about financial aid once you are abroad

US financial aid guidelines will require you to:

- **Maintain your full time status at your foreign school – in other words, make sure you maintain your enrolment.**
- **Ensure that you do not breach any aspect of your international student visa status because if you jeopardize your studies and have to return back to the US, you will still have your loan burden to pay. (Tuition fees are not refundable for the semester once you begin your classes for that semester, except for exceptional circumstances – these are listed on individual university web sites.) So, it is your responsibility to ensure you meet all requirements to maintain your international student status at the foreign school.**
- **Maintain your grades at the foreign school so you do not jeopardize your financial aid.**
- **Ensure that you complete any documentation required of you to continue receiving financial aid for the duration of your degree program whilst overseas.**

Now that you have made the decision to go abroad, we at the AEC look forward to assisting you with your application for admission to an Australian/New Zealand university! We also look forward to assisting you with financial aid, housing, visa and travel arrangements!

www.mystudyaustralia.com