

A parent's guide to financial aid



Extensive financial aid is available to help with the cost of your child's college education, but the process of applying for aid can be daunting. Financial aid forms, obtained from your child's prospective school, will walk you through the application process. The most important forms are the Free Application for Federal Student Aid (the FAFSA) and the Financial Aid Form (FAF), which have very strict deadlines. Some colleges and lenders require that you, rather than your child, fill out the forms. Start your search with your child's high school guidance counselor or the college(s) your child is thinking of attending.

Grants - You may want to begin your search with grants, which do not have to be repaid. Keep in mind that if your child is awarded a grant or scholarship, the college will deduct that amount from the financial aid it would otherwise award.

Pell Grants - These grants constitute the largest of the government programs and range from \$400-\$3,125. Generally families showing financial need are eligible for grants, but families with higher incomes may be eligible under special circumstances.

Supplemental Education Opportunity Grants (SEOG) - For families exhibiting the greatest need, the SEOG offers grants ranging from \$100-\$4,000 a year. SEOG funds are limited, so it is important to submit an application as early as possible.

State programs - Most states provide grants based on merit and financial need. Contact your child's high school guidance counselor or state office of grants for information on the types of aid available and how to apply.

College grants - Most institutions offer grants based on need, scholastic achievement and/or talent in a special area. Some colleges give cash grants, while others offer tuition discounts.

Private grants - Thousands of grants and scholarship programs are available to students with superior academic records, special interests and other qualifying characteristics. Check with employers and local, state and national organizations you or your family are affiliated with; the local library is also an excellent reference.

Loans - The federal government is the largest source of financial aid to college students, but there are also state government loans, college sponsored loans, and commercial lending institutions that offer student loans.

Government loans - Perkins Loans are designed for undergraduate and graduate students with exceptional economic need. The interest rate is set at 5 percent and repayment isn't required until nine months after the student graduates, leaves school or drops below halftime status. Repayments can be stretched out over ten years, with payments of as little as \$30 a month. Loan amounts range from \$3000 per year for undergraduates to \$5000 per year for graduate students.

Stafford Student Loans are available to virtually all students. Students demonstrating financial need may qualify for subsidized loans, meaning the government will pay the interest while the student attends school and for 6 months after graduation. If the loan is unsubsidized (not need-based),

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Can't pay your bills?

You are not alone. Today millions of Americans are having trouble paying their debts. Most of those in financial distress are middle income families who want to pay back what they owe. Getting control of your financial life is one of the most rewarding personal commitments you can make. The financial decisions you make today will affect your future for many years.



As a benefit of your WECU membership you have access to resources to get you back on track and help you design a successful spending plan at no cost. The BALANCE Financial Fitness Program is just a toll-free phone call away. Professional counselors are available Monday through Saturday by calling 1-888-456-2227.

Don't ignore the situation

Contact your creditors now and explain your situation. Creditors are more willing to work with you before your account becomes delinquent. They may be able to reduce your interest rates, adjust your payments, or eliminate late fees. Contacting them early can help minimize potential damage to your credit rating.

Don't ignore the situation

After your account has been sent to a collection agency, it may be too late to negotiate with creditors. If you contact them by phone, follow up with a letter so you both have a written record of your agreement. Don't make promises you won't be able to keep.

Track your spending habits

Where does your money go? The first step toward creating a realistic spending plan is to track all of your household spending for at least two weeks. Keep a notebook with you and write down everything you spend. Look through your checkbook registers and billing statements. If you use a cash machine, track where you spend the money.

Track your spending habits

Getting ahead

Add to the monthly payment on your credit card with the highest interest rate. If you owe \$2,000 on a credit

Getting ahead

card at 18%, paying an extra \$10 toward the principal each month will save you \$1,254 and pay off your card five years earlier. Whichever option you choose, you will be glad you did. The sooner you start reducing your debt the quicker your savings will grow and the more peace of mind you will enjoy.

Tired of finding all of those credit card offers in the mail?

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The Federal Trade Commission (FTC) has required that all credit reporting agencies provide for the protection and security of consumers' privacy and identity. As outlined in the Federal Trade Commission's Summary of Rights, this includes the right to opt out of "prescreened credit offers." To comply with this regulation the three major credit bureaus (Equifax, Experian, and Trans Union) have designated a phone number and a website solely for the purpose of opting out. To remove your name and information from prescreened credit offer lists, opt out using one of these two methods: www.optoutprescreen.com or 1-888-567-8688.



Tired of receiving all of those unwanted solicitations by phone? Join the national Do Not Call registry to avoid pesky phone solicitations. You can add your phone number today using one of the following two methods: www.ftc.gov/donotcall or 1-888-382-1222.

Important Debit and Visa card info

The Office of Foreign Assets Control (OFAC) is a branch of the U.S. Treasury Department that administers and enforces sanctions in accordance with U.S. foreign policy. Some of these sanctions prohibit U.S. Visa members from engaging in financial transactions with certain countries. Visa International places blocks in their system which prevent U.S. members from engaging in transactions with countries subject to these sanctions. At present, the countries with Visa blocks for U.S. member-related transactions are **Cuba, Iran, Sudan, and Myanmar (Burma)**.

WECU makes an impact in Africa

Having lost his father at age three during Uganda's civil war, Godfrey Senoga dropped out of high school before completing building skills training at a college whose motto is 'Be a Job Maker, Not a Job Seeker.' Godfrey began making garden tools for farmers and traders. With help from his credit union (SACCO) Godfrey was then able to start a household tools shop. The credit union helped him expand the shop later. Many credit union members around the world are working to lift themselves out of poverty. WECU is working to support their efforts through World Council of Credit Unions, Inc. (WOCCU). WECU is a 2009 WOCCU Supporter.

WOCCU has credit union development projects in 15 countries ranging from Afghanistan and Bolivia to Rwanda and Uzbekistan. With support from WECU, credit unions help activate social change by offering entrepreneurial opportunities, jumpstarting rural economies and helping economies recover after conflicts. With his personal growth and successful business, Godfrey has been elected youth leader of the village committee called Local Council and continues to grow his business. He continues his regular savings in his credit union.

Hooray for the 20th National Kids' Day Festival!

Looking for something fun to do with the kids this summer? Bellingham Parks and Recreation Department's Annual Kids' Fest takes place Saturday, August 1st from 11:00 am-3:00 pm at Bloedel Donovan. Take the shuttle from Civic Field to Bloedel and enjoy a day full of great, family friendly activities, games, races and information on community organizations. Make sure to stop by and visit the WECU sponsored food booth at this FREE celebration!



WECU on Campus

Representatives from WECU will be on campus meeting and greeting incoming freshmen and transfer students at Western Washington University this summer. Over the course of the year WECU visits various school and benefit fairs, but the WWU summer fairs give us a chance to work on our tans out on the lawn in front of Old Main! With three ATMs on campus and two branches within walking distance, we're excited to be a part of the Western community and thrilled to meet students who are new to the area or who simply haven't heard of us before.

NON-PROFIT OF THE MONTH

The Arc of Whatcom County

For 71 years, The Arc of Whatcom County, meaning Advocating for the Rights of Citizens with developmental disabilities in Whatcom, Skagit and Is-



land Counties, has provided information and referrals, educational programs and direct services, and advocacy for people with developmental disabilities, their families and the organizations that serve them. The Arc of Whatcom County is pleased to invite you to visit their new location, the Dan Godwin Community Center. Through the support of your donations, The Arc's Dan Godwin Community Center improves the quality of life, increases the independence and assures the full inclusion in the community of any person with a developmental disability. The Arc has special projects year round and believes the people who volunteer their time and talents make them a successful organization and great resource for the community. To find out more, you can contact them at (360) 715-0170 or www.arcwhatcom.org. They are located at 2602 McLeod Rd. in Bellingham, WA.

Parade time!



It's that time of year again! Make sure to keep an eye out for WECU's group at the parades. Look out; you never know if we'll be walking, scooting, riding or strolling! Look for us at the Farmer's Day Parade in Lynden on June 6th, the Old

Fashioned Fourth Parade in Blaine on July 4th, the Everson-Nooksack Summer Festival Parade July 11th, and Old Settler's Parade in Ferndale on July 25th.

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interest accrues while your child attends school; repayment must begin immediately after graduation. The typical repayment term is five to ten years. Students can borrow up to \$2,625 per year as freshmen, \$3,500 as sophomores, and \$5,500 a year as juniors and seniors. For graduate students the maximum is \$8,500 per year. (NOTE: With both Perkins and Stafford loans students, not parents, are the borrowers and therefore responsible for paying the money back.)

Parent Loans to Undergraduate Students (PLUS) loans are made to parents. Supplemental Loans for Students (SLS) loans are made to undergraduate and graduate students, allowing them to borrow up to \$4,000 per year as freshmen and sophomores, \$5,000 per year as juniors and seniors, and \$10,000 per year as graduate students.

Combined, PLUS loans, SLS loans and other financial aid cannot exceed the student's cost of attending school. Repayment must begin within 60 days of receiving the loan proceeds, and the loans must be repaid in five to ten years. Although repayment of SLS loans can be deferred while a student attends school, interest continues to accrue. (NOTE: Recent legislation will affect student loan programs in several ways. For the latest information on federal loan programs call 800-4-FED-AID.)



State loan programs – Most states offer their own loan programs. For a list of each state's offerings, consult the book *Don't Miss Out: The Ambitious Student's Guide to Financial Aid*, by Robert and Anna Leider.

College loans – Most colleges offer loan programs. Ask a school's financial aid officer about specific programs.

Work-study programs - These programs permit eligible students to work on campus to offset educational expenses and reduce loan obligations.

Federal and private lenders – Several lenders specialize in college lending including College Board, The

Education Resource Institute (TERI), Nellie Mae, and Sallie Mae College Work-Study Program (CWS).

Printed courtesy of BALANCE. As a member of WECU, you have access to BALANCE Financial Fitness Program. Visit their website www.balancepro.net or call toll-free at (888) 456-2227 for more information.

seminars

Details: These free seminars will be presented in the WECU Education Center at 511 East Holly St. in Bellingham, and are open to the public. **Reservations are required.** RSVP online at www.wecu.com [Your CU/ Seminars] or call our reservation line at 676.1168, ext. 7000.

Care Options

Wednesday, June 3rd, 7:00 to 8:30 pm

Many of us will one day find ourselves in the position of needing care for ourselves or a loved one. Luckily there are more resources than ever before. Learn about the services available to seniors in our community, how to access them and how they are paid for as well as what to expect from each type of service. Instructor Debbie Gann has worked in the home health care field for the past 20 years. She is the director of Home Attendant Care, a licensed home care agency; Vice Chair of the Alzheimer Society of Washington; past Secretary of the Washington Private Duty Association; and has served as president of Elder Service Providers for three years.

Seminars on hold until fall

Our June 3rd seminar is the last Wednesday night seminar before our summer break. We hope you enjoy the beautiful weather and all of the great outdoor evening activities Whatcom County has to offer. Stay tuned to our website www.wecu.com and check our newsletters for our fall seminar lineup. Have a wonderful summer!

Get moving!



Now is a great time to buy your dream home or refinance your current loan from another financial institution. WECU offers legendary, face-to-face, local service from start to finish. Call our Real Estate team today!

Our vision: Provide the means for members to achieve their dreams.

This credit union is federally insured by the National Credit Union Administration.