

Facts for United States Citizens and Permanent Residents

United States

Procedures for US citizens and permanent residents are the same in most ways to those for international applicants. Differences do arise regarding issues of costs and financial aid, application forms, and proof of English proficiency. Please note that **the US will not usually grant student visas to people who have applied for citizenship (a student visa is, by definition, a NON-immigrant visa).**

COSTS

The total cost of study in the United States is significantly more than just tuition expenses. Students must pay for housing and food, books and supplies, health insurance, incidental expenses, and travel, both local and international. Both tuition and fees and cost of living can vary widely depending on the school and its location, and are likely to increase each year, so you will need to budget accordingly.

Private vs. Public Universities: At private colleges and universities US citizens/permanent residents (p.r.) pay the same tuition fees as foreign students. At public (state) institutions there are two categories of tuition fees for US citizens/p.r. Out-of-State fees are higher fee for all residents of other states and other countries, including all international students).

- In-State: Lower fees for students who are living in that state. Student must first be a US citizen/p.r.

State Residency

Each state school has its own way of determining who is a state resident for tuition purposes, but generally it is linked to paying taxes in that state. Students who wish to pay in-state tuition fees must research the requirements of the desired school. It may be necessary to call and speak to a financial aid officer. Possible way to establish state residency are:

- Through Parents: A Lyceum student might be considered a state resident if one of his/her parents is living and working in that state, or if the parents own significant property or a business in that state, and are paying state tax. The student should be listed as a dependent on the parents' US federal and state tax returns filed in that state.
- Independently: If a student does not qualify for state residency through his/her parents, then he/she or she may try to establish it independently. Usually, the student must go to the desired state and live independently for the amount of time stipulated by that state's rules, often at least a year, and provide evidence of intent to live long term in the state, of financial independence and of contribution to the tax base of the state, such as tax returns showing income earned in a job. Also, the student may not be listed as a dependent on any of his/her parents' tax returns. It is not usually possible to use time enrolled in a university to establish state residency (even if paying out-of-state tuition rates), so state residency will have to be established before the student can start attending university.

Reducing Costs: Students can reduce costs by selecting schools with lower tuition and living costs. State university tuition, even at out-of-state rates, can be as much as 50% lower than tuition at some private schools. It is also possible to economize by living with a relative, but only if that person lives very close to the university to be attended. In this case housing cost can be eliminated, and possibly some food expense, but the savings may be reduced by an increase in local transportation expenses. Socially, it is better to live in a dormitory, at least for the first year. Living off campus may look less expensive than living in a dorm, but remember that landlords may need a large up-front deposit. Although major appliances (refrigerator and stove) are usually provided, students will often have to provide their own furniture and cooking equipment, and pay for utility costs (electricity, gas, water, internet) in addition to rent.

Working: As a citizen or permanent resident, you have legal permission to work wherever and as much as you want.

- The amount of work you do should not interfere with your ability to get a good education, which is why you want to be in the US to begin with. Being short of money and/or time is a huge stress for a student; it is not advisable to be too heavily dependent on working to meet your basic expenses.
- For comparison, international students are allowed to work up to 20 hours a week before they are no longer considered full time students. 20 hours a week is a LOT. Imagine adding three hours of work every day (and 2 on Sunday) to your current academic and activities load, and then imagine that that load will be heavier in college. Most students do not work the maximum number of hours, and may not work at all during exams.
- Do not depend on covering your major tuition or living expenses with your income from term-time work.

FINANCIAL AID

It is important to understand the facts about financial aid at US colleges and universities. Knowledge of the financial aid process will help you know if you will be eligible for aid and what to expect during application and after admission.

Schools expect the family to contribute as much as it can, as it shows a real desire for the education offered and indicates that the student will take full advantage of the opportunity.

Although there are more funding sources for US citizens and p.r. than for foreign nationals, money is tight for everyone. A US citizen must also compete for acceptance into universities and for financial aid, and citizenship does not guarantee that students will be offered as much aid as they want. American families must also scrimp and save, borrow, sell assets, and deny themselves in order to send their children to college. In addition, US citizenship does not guarantee that a school will offer financial aid to meet a student's full need. Some schools meet the full demonstrated need of any student they admit, some don't.

Determining Need for Financial Aid

Eligibility When you select each university, you will need to decide if you should apply for financial aid. Do the math. Remember that your estimates for family contribution should be roughly equal for all four years of study and should anticipate yearly inflation.

- No family can choose to pay for one school but not for another, based on the perceived value of its education. If a family can afford to pay, they must pay equally for a less well-known school as for a big name institution. If a family does not want to pay what a particular school is asking, then the student should not apply.
- Students: You may not ask for aid if you don't need it (or a larger aid package than you need), because you "don't want to burden your parents." The US presumes that you ARE a burden to your parents, and that they are responsible for contributing as much as they can to whatever kind of education you seek. **If you do not want your family to be asked to pay as much as they can, and to possibly take on a loan burden, then do not apply to the US as a student who requires need-based aid.**

If the amount your family can contribute will cover your estimated expenses, be thankful that you do not have to compete for aid; you may apply for any scholarships that do not require financial need. If your family cannot meet the expenses at an institution, then you will need to determine its financial aid policies. Depending on the amount your family can pay on a yearly basis, you may need to ask for aid at some schools but not at others.

Overview

Sources: Financial aid funding can come from either public (tax dollars) or private (a school's funds or endowments, donated money, etc.) sources. Both sources of funding are available to United States citizens and permanent residents, who may apply for aid at any college or university to which they apply.

Need Based Aid vs. Non-need Based Aid (Scholarship): **All financial assistance is awarded based on merit**, but it falls into two broad categories, need-based aid and scholarships. Some schools offer both need-based aid and scholarship; some offer only one or the other.

- Need-based aid exists to fill the gap between what an institution costs and what a family can afford to pay, and is usually awarded on the overall strength of a student's application.
 - Students who can pay full will get no money from schools that only offer need-based aid.
- Non-need based scholarship is awarded to encourage the student to attend the awarding institution, and is given to the most qualified applicant who meets certain eligibility criteria.
 - A scholarship award is usually a fixed amount of money, occasionally the amount will be determined by need
 - sometimes it is a one-time award and is sometimes it is renewable each year for the length of the degree program.
 - sometimes the eligibility criteria require that a student show financial need, but many scholarships can be won by anyone, even those who can pay full.

Students who need high levels of financial assistance will need to look primarily at schools that can offer need-based aid, alone or in addition to scholarship.

College and University Aid Disbursement

Policies for the disbursement of financial aid vary widely and often have different policies for US citizens and international students. Some schools admit students on a need-blind basis, that is, without reference to their ability to pay. Some schools pledge to meet the full demonstrated need (using their institutional methodology) of the accepted students. Some schools follow both policies, some one or the other, and some neither. For example, if the school is need-blind school and meets full demonstrated need, then if you are admitted you will get a financial aid package that allows you to attend. If the school is need-blind school but does not meet full demonstrated need, then even if you are admitted, your aid package may not be enough for you to attend. In order to receive the aid you need, it will be important to select schools based both on their financial aid policies and on your strength as a candidate. A good explanation of this, along with lists of schools in various categories for domestic and international students, is available at http://en.wikipedia.org/wiki/Need-blind_admission. Schools sometimes change categories, so double check your schools of interest.

Allocation The college or university will offer a financial aid package based on its total estimated costs and on how much money it calculates your family can contribute. You will be asked to pay as much as you can, and possibly to stretch, before the school awards aid for the remaining amount. If a school is need aware, then as the school examines each applicant, it will decide how much it wants the student while considering how much of its aid budget that student will consume. Each school will have different admissions criteria and financial aid policies.

Aid Package Components

Grant, Loan and Work A need based financial aid package from a US institution normally consists of three components; loan, grant and work. A loan is money that needs to be repaid to the institution following graduation, but usually carries lower interest rates than a commercial loan. A grant is gift money that does not need to be repaid, and a work award is money that must be earned by the student during the course of his/her studies though a part time job, often a work study position. The Federal Work Study program allows students to earn money through on-campus jobs, and the salary for this work is paid to the student by the federal government through the hiring office. Sometimes the financial aid package will include scholarship funding as well, which does not have to be repaid. When a scholarship is won, it usually first replaces any awarded grant money; if the scholarship amount is larger than the grant amount, then the remainder may be applied towards reducing the loan or work components of an aid package, or finally the family contribution.

Expect to take, and pay back, educational loans. Universities expect students and families to value education enough to make some sacrifices. However, do not seek or accept any loans you cannot repay. Repayment of dollar loans is especially slow and difficult if the primary family earnings are in rupees at local salary rates. Large loans may be given to US citizen students, as they have the ability to stay and work in the US where salaries are adequate to pay off student loans. Decide whether you can stay and work in the US long enough to pay off your loans.

Applying for Financial Aid – FAFSA and the CSS Profile

Students must check each school's website to determine which forms to fill and what the deadlines are. Students apply for Federal Aid using the FAFSA (Free Application for Federal Student Aid) which becomes available online on January 1 each year for students who will start university the same fall. Schools that award institutional aid often ask for the Profile form, which is also filled out online. Schools may ask the student to send supporting documents in hard copy.

Financial aid applications are not used to ask how much your family would like to contribute to your education, but to determine how much your family is able to contribute. All financial aid forms are very detailed and labor intensive, so leave lots of time to fill them out. You will be asked to provide specific information regarding income, assets, and expenses, and you will be asked to project these figures for the four years it normally takes to earn an undergraduate degree. You will be asked to provide official documents, including tax returns, to verify your figures.

Comparing Financial Aid Packages

First, look at the amount of aid offered by each school and the total cost of attendance, and calculate the family contribution for each. As important as the total amount are the subtotals of the award components. A package that gives \$10,000 in grant and \$5000 in loan is better than one that offers \$8000 grant and \$7000 loan. It could even be better than one that offers \$8000 grant and \$9000 loan (if that additional \$2000 isn't critical, why commit to paying it back?). Multiply the amount of loan in your package by 4 years, and see if the total figure is one that your family can handle. Do not accept loans you cannot repay. Confirm the school's policy regarding increasing tuition costs – will

A school may consider revising an aid package if there is new information that it needs to consider. If your financial situation has not changed you can still request more aid, but you may not get it. You can try telling one school how much aid another school has offered, but they may not alter their original offer. If you feel the original offer is not

consistent with the information you provided, you can write to express your feelings and to offer to provide more information to help them understand your family's circumstances.

Remember that your family will need to be able to pay the family contribution for all four years of your degree, so do not accept an offer with an aid package where the family contribution is unsustainably high. You do not want to bleed your family dry for the first two years only to have to drop out in the third year because the money to pay just is not there. Better to pay less for the full degree rather than pauper yourself for half a degree.

APPLYING FOR ADMISSION

Which Application?

Which application to fill out, the one for Americans or the one for international students? You must follow each school's instructions; sometimes you will be an international (based on your schooling), sometimes a domestic (based on your funding). For financial aid, you will follow the procedures for US citizens.

Early Decision

Because of the differences in financial aid packages that are offered to a single student, it is often not advisable for students who need significant aid to apply "early decision." If accepted to your ED school, you are committed to attending regardless of the composition of the aid package awarded to you, and you must withdraw all other applications. You will never know if another school might have offered you a package that would have caused you to change your mind.

Proof of English Language Proficiency (TOEFL)

United States citizens and permanent residents are usually exempted from taking the TOEFL exam. However, it is advisable for a student who is weak in English to sit for the TOEFL test. It is recognized that the SAT I is somewhat culturally biased, so a student who has resided for many years outside the US could be at a disadvantage on the SAT I. In this case a strong TOEFL score can bolster a student's profile in English language.

FRAUD

A word to the wise. Do not falsify financial aid applications or financial statements that you send with your applications. The consequences for such actions are very serious, and include expulsion.