

Financial Aid 101

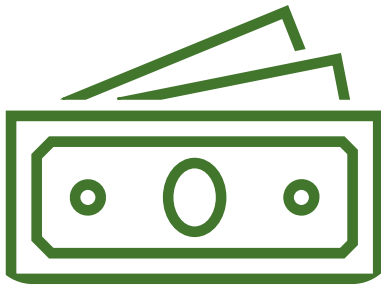


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Higher Education Access Partner



What Is Financial Aid?

Financial aid consists of funds provided to students and families to **help** pay for postsecondary educational expenses.



Gift Aid

Grants/Scholarships



Self-Help

Work-Study



Loans

Federal Student Loans,
PLUS, Private Loans

Funding Sources



Federal Government



State Government



School or College



Scholarships

Financial Aid Made Simple

5 Steps to Financial Aid

Step 1

Look for
FREE
money
first

Step 2

Know
your
specific
deadlines

Step 3

Fill out
the
FAFSA

Step 4

Compare
schools
financial
aid offers
carefully

Step 5

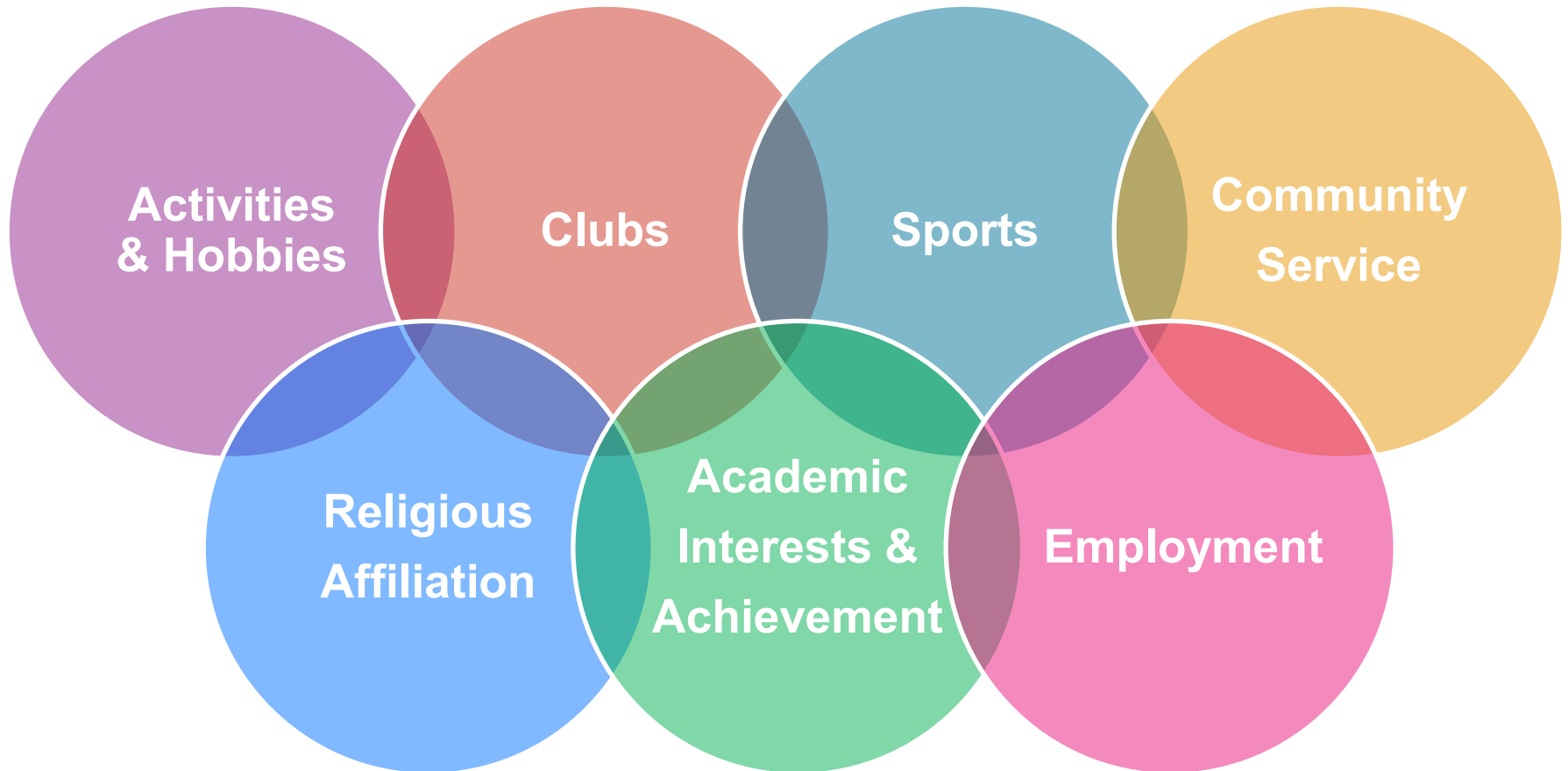
Be sure
you have
the
money
you need

Step 1: Look For Free Money First

- Start searching early
- Use **FREE** scholarship search sites
- Don't ignore scholarships with smaller award amounts
- Search for scholarships every year
- Don't miss deadlines



Your Scholarship Resume



Step 2: Know Your Deadlines

- Applications for admission
- Deadlines for scholarships
 - Institutions, Outside Sources
- Free Application for Financial Aid (FAFSA)
 - Schools have priority deadlines



PA State Grant Deadlines

- **May 1** – If you plan to enroll in a degree program or a college transferable program at a junior college or other college or university (excludes community colleges)
- **August 1** – If you plan to enroll in a community college; a business, trade, or technical school; a hospital school of nursing; or a 2-year program that is not transferable to another institution

DON'T MISS THE DEADLINE!

Step 3: The FAFSA is Your Connection to Funding

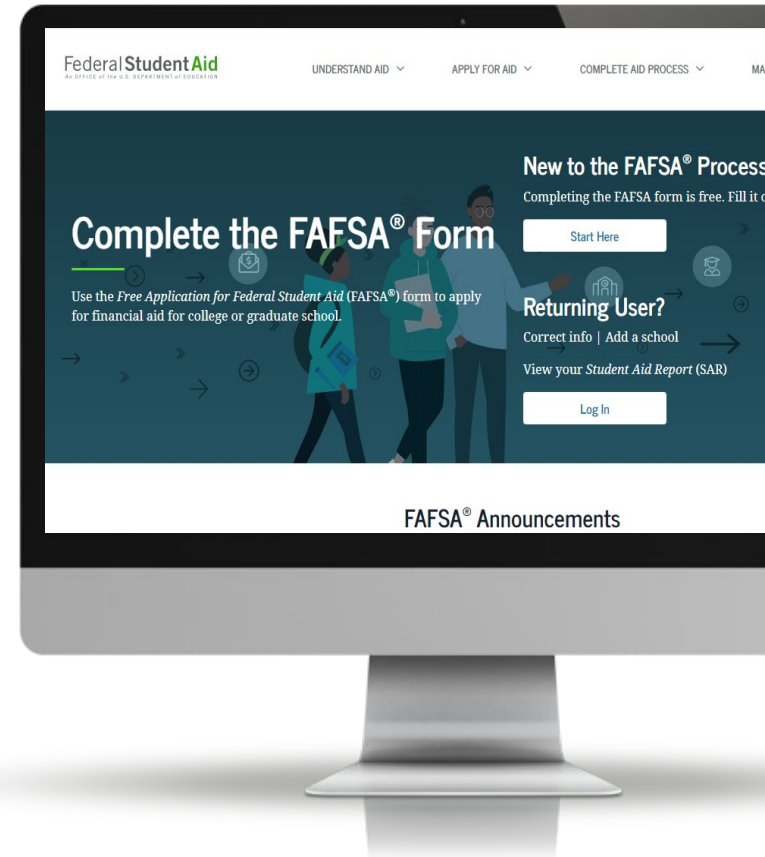
The FAFSA is a federal form used to determine student eligibility for the following:

- Federal programs
- State programs
- School programs



Free Application for Federal Student Aid

- File a FAFSA each year
- File online at studentaid.gov/fafsa
- Students do not have to be accepted for admission to list a school on the FAFSA.
- The FAFSA is available as early as October 1 of student's senior year of high school



Create Your FSA ID Accounts

- The student applying for aid and one parent providing information on the FAFSA need to create an FSA ID at studentaid.gov/fsa-id.
- Create prior to completing the FAFSA.
- Legal signature for student and parent.

Social Security Number

Username

Email Address

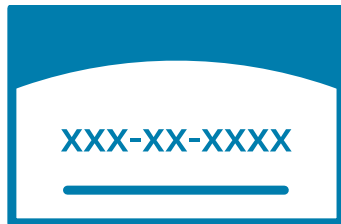
Password

Mobile Phone

Security Questions

Enable Two-Step Verification

Information Needed for FAFSA



Social Security Numbers



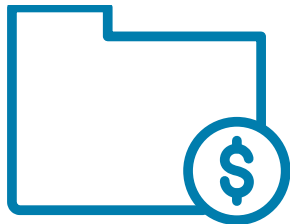
Federal Tax Returns and W-2's (2021)



2021 Untaxed Income



Checking and Savings Account Statement Balances as of FAFSA Filing Date



Investment Records



Email Addresses



Student & Parent Federal Student Aid Account (FSA ID)

School Selection

- Only schools that are listed will be able to see your FAFSA information.
- Students can list up to 10 colleges at a time
- Schools can be added or deleted at any time

The screenshot shows a search interface with two tabs: "Search by School Name, City, State" (active) and "Search by Federal School Code". Below the tabs are three input fields: "State" with a dropdown menu showing "Select" and a help icon; "City - optional" with a text input field and a help icon; and "School Name - optional" with a text input field and a help icon. A blue "Search" button is located at the bottom center of the form.

When is a Student Considered Independent?



- ✓ Were you born before Jan. 1, 2000
 - ✓ Married
 - ✓ Veteran (includes active-duty personnel)
 - ✓ Have children/legal dependents
 - ✓ Emancipated minor
 - ✓ Someone other than your parent has legal guardianship of you
 - ✓ Orphan, in foster care, or ward of the court at anytime when student was age 13 or older
 - ✓ Have legal dependents other than spouse
 - ✓ Student deemed homeless by proper authority
- (PA State Grant status can be different)

For Dependent Students, Who Reports Info on the 2023-24 FAFSA?

YES

- Married parents living together
- Biological parents living together
- Divorced or separated parents:
 - The parent the student lived with the most over the past 12 months
 - If equal, then the parent who provided more than 50% of student's support
- Stepparent – If part of the student's household
- Adoptive parents

NO

- Foster Parents
- Legal Guardians
 - By court order
- Anyone else the student is living with



Confirmation Page & Link to the PA State Grant Form

The screenshot shows the FAFSA confirmation page. At the top right, there are navigation links: 'FAFSA Home', 'Exit FAFSA Form', and 'Help'. The main heading is 'Congratulations, !!' followed by the text 'Your FAFSA form was successfully submitted to Federal Student Aid.' Below this, a section titled 'Here's what happens next:' contains a bulleted list of instructions. To the right, there are three boxes: 'Start your state application to apply for Pennsylvania state-based financial aid.' with an 'Apply Now' button (highlighted by a yellow arrow), 'We want to hear from you!' with a 'Fill out Our Short Survey' button, and 'Share with your friends!' with social media icons for Twitter and Facebook. At the bottom left, there is a 'Print This Page' button.

FAFSA Home | Exit FAFSA Form | Help

Congratulations, !!

Your FAFSA form was successfully submitted to Federal Student Aid.

Here's what happens next:

- You will receive an email version of this page.
- In 3-5 business days, you will receive an email notifying you that your FAFSA form was processed.
- Your FAFSA information will be made available to your school(s), and they will use it to determine the aid you may be eligible to receive.
- Your school(s) will contact you if they need more information or when they are ready to discuss your financial aid award.
- If you have questions about your financial aid package, contact your school(s).

An abbreviated version of your confirmation page has been sent to you at the following email address:

Print This Page

Start your state application to apply for Pennsylvania state-based financial aid.

Apply Now

We want to hear from you!

Fill out Our Short Survey

Share with your friends!

Twitter | Facebook

Special Circumstances

If things change....

- Divorced or separated parents
- Stepparents
- Adoptive parents
- Foster parents
- Legal guardians
- Living with others
- Recent death or disability
- Reduced income

CSSProfile.CollegeBoard.org

- Required at **Some** Institutions to Award Need Based & Institutional Aid
- Used in Addition to the FAFSA, not a Replacement
- CSS Profile Costs \$25.00 + \$16.00 for Additional Schools

Domestic undergraduate students may submit CSS Profile for free if:



The student is eligible for an SAT fee waiver

OR



Family adjusted gross income is \$100,000 or less

OR



Student is an orphan or ward of the court under the age of 24

FAFSA is Filed... Now What?



Student completes the FAFSA



Schools receive FAFSA and calculate financial aid



Schools send Financial Aid Notifications to student

Federal Grant Programs

- Pell Grant - max award \$6,895
 - Max EFC to be eligible for the Pell Grant is 6206
 - Eligibility is the same for every postsecondary institution
- Federal Supplemental Educational Opportunity Grant (FSEOG) – max award \$4,000
 - Eligibility determined by Financial Aid Office at each potential school
 - Student must be enrolled at least half-time
 - **Awarded to most financially needy students**

PA State Grant Program

- In-state – max award \$5,750 (full-time)
- **Reciprocal states:** Delaware, DC, Massachusetts, Ohio, Vermont, West Virginia
 - Up to \$600 for full-time students (\$800 for veterans)
- Award amount determined in part by the cost of the school

Must be at least half-time to be eligible



2022-23 Award Amounts

Cost Tier	Maximum Award	Minimum Award
\$0 - \$12,000	\$3,059	\$500
\$12,001 - \$19,000	\$4,894	\$500
\$19,001 - \$29,000	\$5,261	\$500
\$29,001 - \$32,000	\$5,750	\$500

Other State Programs

- PA State Work-Study Program
- PA National Guard Educational Assistance Program
- PA National Guard Military Family Education Program
- Chafee Education and Training Grant Program
- PA Fostering Independence Tuition Waiver Program

For details, see the PA Student Aid Guide, or visit [PHEAA.org](https://www.pheaa.org)

Other State Programs

- PA Blind or Deaf Higher Education Beneficiary Grant Program
- PA Postsecondary Educational Gratuity Program
- PA Partnerships for Access to Higher Education Program
- PA Targeted Industry Program
- PA Ready to Succeed Scholarship Program

For details, see the PA Student Aid Guide, or visit [PHEAA.org](https://www.pheaa.org)

Work-Study

- You must have financial need in order to qualify for work-study
- A work-study position is not guaranteed and may even require an interview
- Work-Study income is not reported on the FAFSA



Federal Student Loans

- Available to **ALL** students (US citizens and eligible non-citizens) **REGARDLESS** of need
- In student's name, no collateral or credit check, must sign MPN
- No payments required while attending school & six-month grace period
- Flexible Repayment options



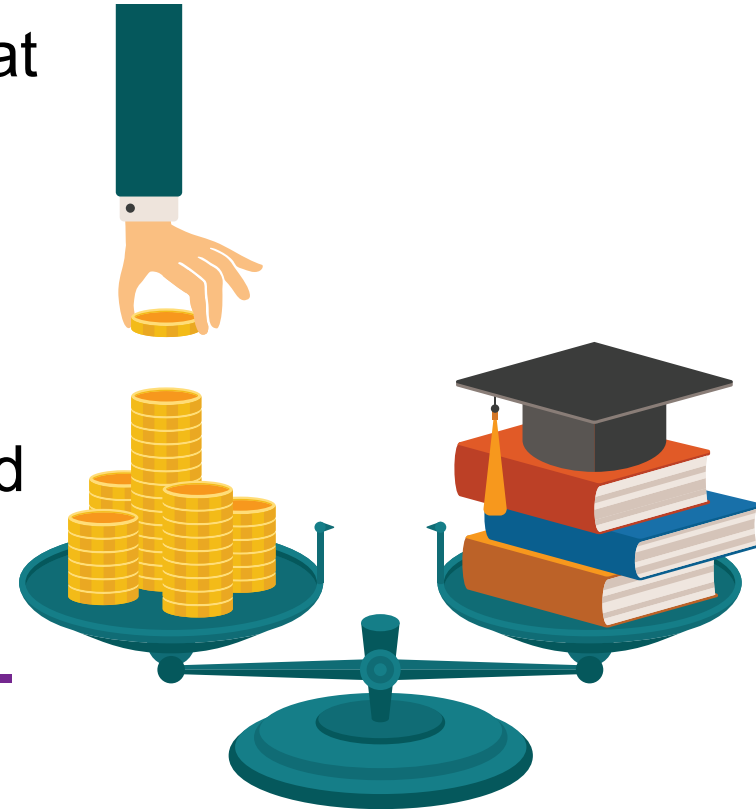
Student Loan Borrowing Limits

Dependent Students (excluding students whose parents cannot borrow PLUS)	Base Stafford Loan Amount Subsidized/Unsubsidized	Additional Unsubsidized Stafford Loan Amount
Freshmen	\$3,500	\$2,000
Sophomores	\$4,500	\$2,000
Juniors, Seniors	\$5,500	\$2,000
Graduate or Professional	\$8,500	\$12,000

Step 4: Compare Schools' Financial Aid Notices Carefully

- There is no required standard format
- If you receive a scholarship, do you know if there are conditions for maintaining it?
- Do you understand what is free money vs money that has to be paid back?

Bottom Line: What are your out-of-pocket costs?



Step 5: Be Sure You Have The Money You Need

- Have you considered annual out of pocket costs **beyond the first year?**
- Do you understand your actual costs?
- Do you have a strategy for handling out of pocket costs?



Federal Direct PLUS Loan

- For parents of dependent undergraduate students
- In parent's name for student costs
- Rates set every July 1st for the life of that year's loan; fees are deducted from disbursement
 - 7.54% variable/fixed interest rate; 4.228% fees
- MUST apply each year
- Principal can be deferred while student is in school; Interest will continue to accrue

If denied - student is eligible for an additional \$4,000 unsubsidized loan

Private/Alternative Loans

- From private lenders or financial institutions
- In student's name/co-signers usually required
- Can borrow up to the Cost of Attendance
- Based on credit scores and debt-to-income
- Principal can be deferred while student is in school; Interest will continue to accrue
- Terms vary by lender – compare before making choices

READ THE FINE PRINT



PA's Low-Cost Way to Pay for College!

Low, Fixed Rates

3.82-7.69%^{1,2}
APR

Effective as of 6/8/22

Learn more at PHEAA.org/PAForward

1) **Annual Percentage Rate (APR) Calculations** – The lowest APR is based on the following assumptions: a loan of \$10,000 made in a single disbursement, a student borrower who selected an Immediate Repayment Plan and a repayment term of 60 months, monthly payments of \$183.49 and a final payment \$175.40, a fixed periodic interest rate of 4.10%, and a total amount repaid of \$11,001.26. The student borrower in this sample qualified for a 0.25% Direct Debit benefit for the entirety of the repayment period and a 0.50% graduation benefit was applied 47 months into repayment. The highest APR is based on the following assumptions: a loan of \$10,000 made in a single disbursement, a student borrower who selected a Fully Deferred Repayment Plan and a repayment term of 180 months, monthly payments of \$131.09, a fixed periodic interest rate of 8.20%, and a total amount repaid of \$23,596.64. The student borrower received an in-school deferment of 46 months and a grace period of 6 months. The student borrower in this sample did not qualify for any interest rate discounts. These APRs are estimates and may differ from the actual rates received.

2) The provided rate range includes Undergraduate, Graduate, and Parent loans and may change based on loan type, loan term, repayment plan, and applicable discounts (not all discounts apply to all loan products). See individual loan programs for more specific information. PHEAA uses applicant credit scores to determine eligibility and interest rates. Higher credit scores may mean an applicant is offered a lower interest rate. Applicants, including co-signers, are subject to credit qualifications, completion of an application and credit agreement, and verification of application information. PHEAA reserves the right to discontinue all programs or benefits without prior notice.

Important Resources

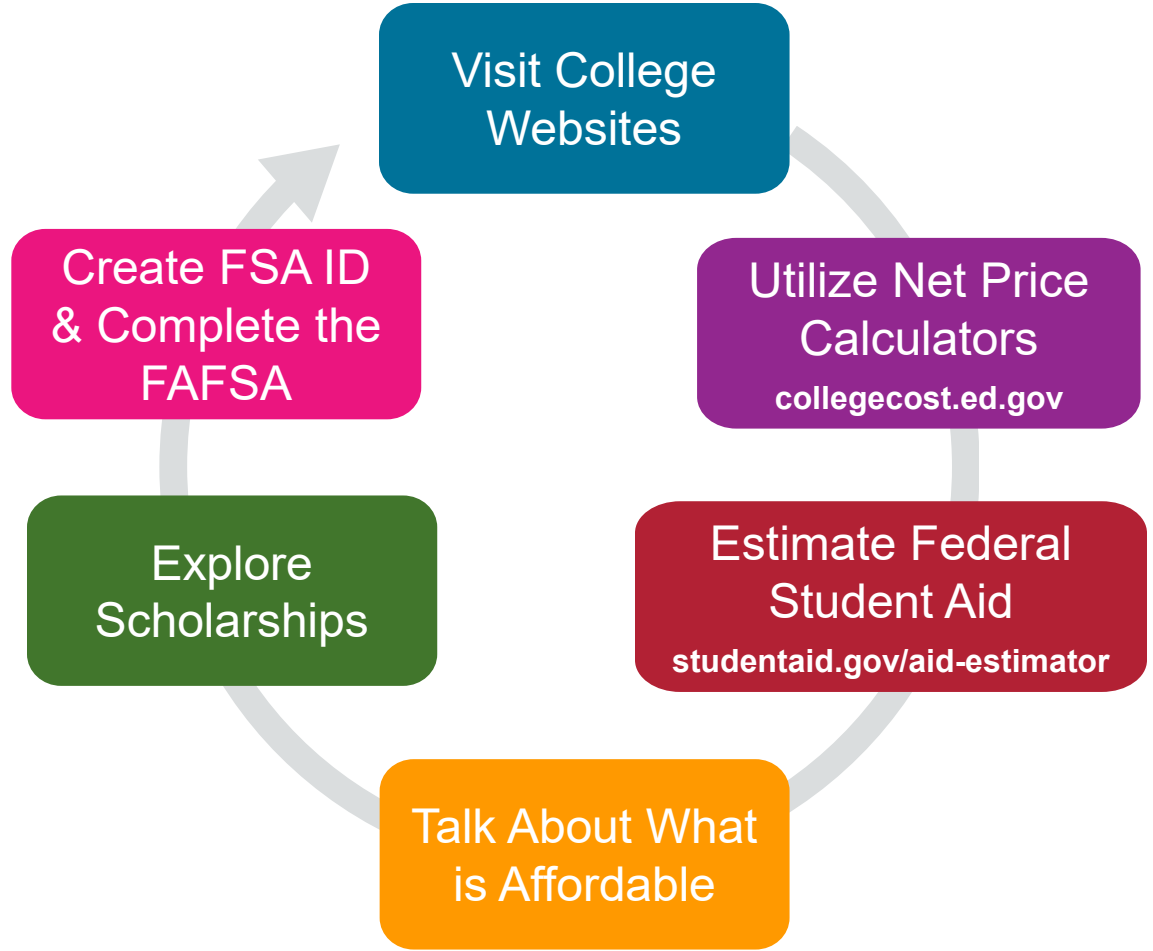
- [PHEAA.org](https://www.pheaa.org)
- [StudentAid.gov](https://studentaid.gov)
- [CollegeCost.ed.gov](https://collegecost.ed.gov)
- [EducationPlanner.org](https://educationplanner.org)
- [MySmartBorrowing.org](https://mysmartborrowing.org)

Scholarship Sites

- [Collegeboard.org](https://collegeboard.org)
- [Fastweb.com](https://fastweb.com)
- [Findaid.org](https://findaid.org)
- [Scholarshipamerica.org](https://scholarshipamerica.org)



What Can You Do Now?



Social Media Outreach



PHEAA

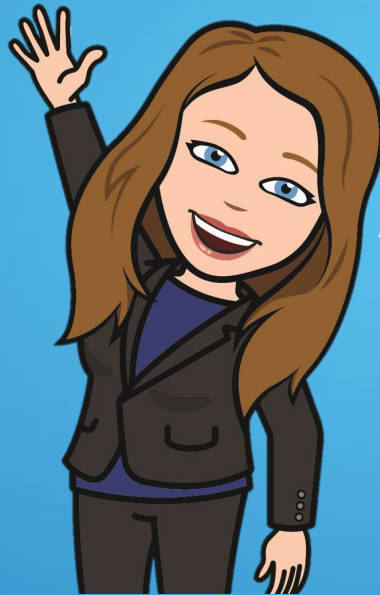


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Questions?



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