A black graduation cap is the central focus, with the words "FINANCIAL AID 101" printed in bold, yellow, sans-serif capital letters. The cap is decorated with colorful, abstract patterns in blue, purple, and red. The background is a blurred scene of a graduation ceremony, showing other graduates in caps and gowns, and a person in a white shirt and blue vest. The lighting is warm, with orange and red tones.

**FINANCIAL
AID 101**

Welcome

What Is Financial Aid?



- Financial aid consists of funds provided to students and families to help pay for postsecondary educational expenses.
- Grants/Scholarships (free money)
- Self-Help (work, savings, etc.)
- Loans

Types of Financial Aid



- Merit Scholarships (free money)
- Gift Aid (Need Based Grants/Scholarships - free money)
- Self-Help (Loans, Work-Study, Savings, etc.)

Funding Sources



- Federal Government
- State Government
- School/Colleges
- Private Scholarship Sources:
 - » HS counselors
 - » Clubs and organizations
 - » Employers
 - » Internet scholarship searches

CSS Profile & FAFSA Applications

CSS / Financial Aid PROFILE®



CSS PROFILE:

- Used to award institutional funds
- Uses Institutional Methodology (IM) formula
- Subset of schools use this application

CollegeBoard

CSS Profile™

FAFSA®

July 1, 2018 - June 30, 2019

FREE APPLICATION for FEDERAL STUDENT AID

Federal Student Aid | PROUD SPONSOR of THE AMERICAN MIND®
AN OFFICE of the U.S. DEPARTMENT of EDUCATION

Use this form to apply free for federal and state student grants, work-study, and loans.

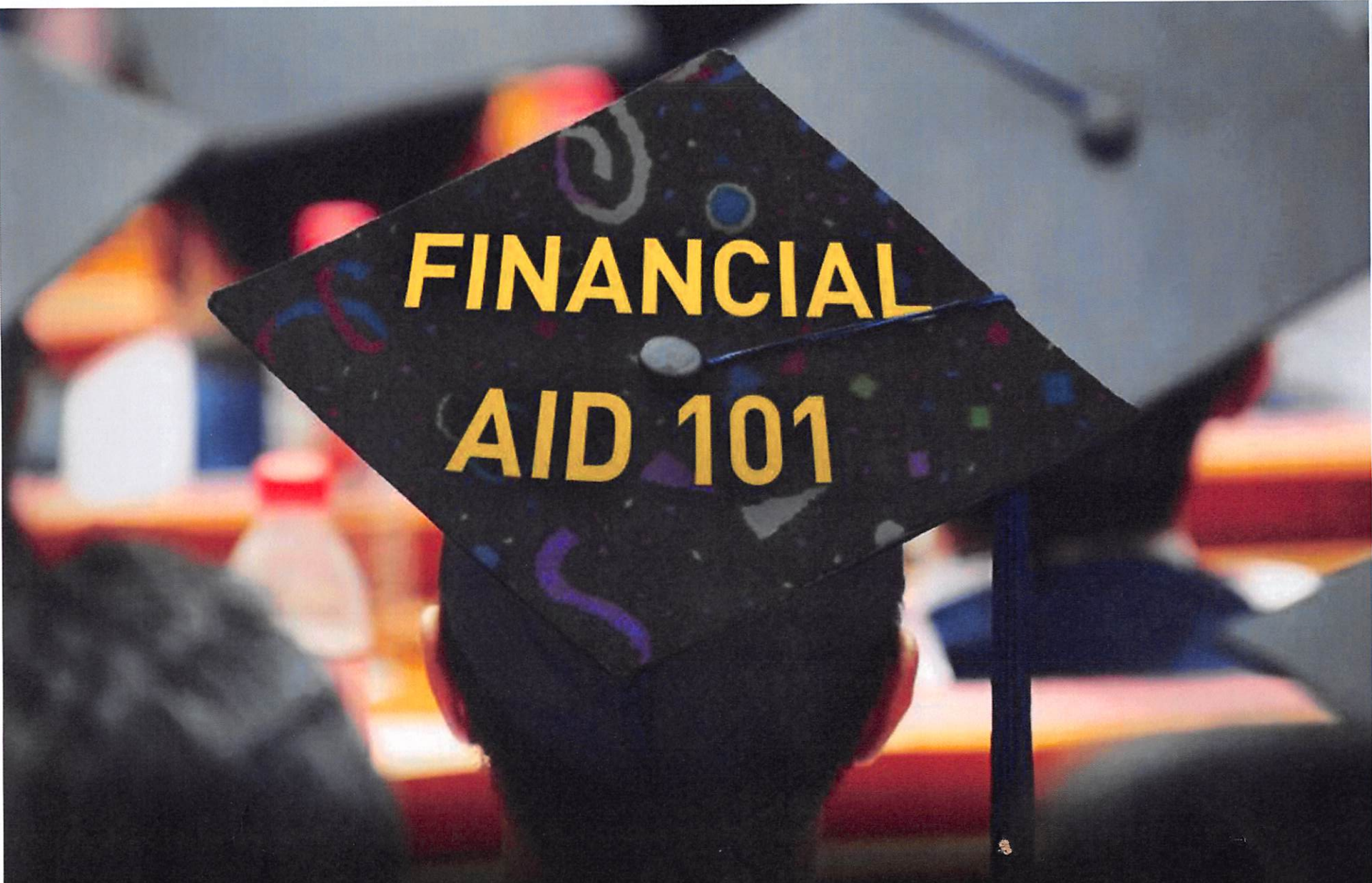
Or apply free online at fafsa.gov.

FAFSA:

- Required for Title IV federal funds
- Uses Federal Methodology (FM) formula
- Most schools use this application

Institutional Methodology (IM)

- Some schools may require CSS PROFILE
 - » Primarily private schools
 - » Collects supplemental data (i.e.-home equity, financial data of non-custodial parent, value of retirement plans, etc.)
 - » Calculates IM EFC (Institutional Family Contribution)
 - » Basis for awarding institutional need-based aid only
 - » Register to complete form at www.collegeboard.org



**FINANCIAL
AID 101**

How Do I Apply for Financial Aid?

Financial Aid Forms



Know what financial aid forms each school requires

ALL Schools Require:

- FAFSA (Free Application for Federal Student Aid)
 - » Required by all schools, PHEAA, and some scholarship organizations
- STATE GRANT FORM (SGF) through PHEAA
 - » Required for first-year students (and may be requested for subsequent years) = after FAFSA is completed

SOME Schools Require:

- CSS Profile required by some postsecondary schools and scholarship organizations
- Institutional financial aid forms
- Internal school forms

FAFSA - Free Application for Federal Student Aid

- The FAFSA is the primary federal form for financial assistance to attend postsecondary school
 - » It determines:
 - Expected family contribution, need
 - Eligibility for most aid programs
- Must file a FAFSA each year a student attends school to be eligible
- **File online** – Fast, Secure, SKIP LOGIC and Built-in Edits
- Need Help – call 800.433.3243
- Want practice? Visit FAFSA4CASTER



FAFSA



For 2018-19, the FAFSA requires:

- Income data from tax year 2016
- Asset information as of the day you file the FAFSA

Info You May Need for the FAFSA

- Social Security Numbers
- Driver's license (student only; this information is optional)
- 2016 federal income tax return (1040, 1040A or 1040EZ)
- W-2 forms from all employers
- Current bank statements (checking and savings)
- Current business and farm records (if >100 employees / if you don't live on the farm)
- Records of any stocks, bonds and other investments, including 529 accounts (Net amounts)
- Additional untaxed income, tax records may be needed such as: Veteran's non-educational benefits, child support paid/received, workers' compensation, disability payments
- Alien registration or permanent resident card (if not a U.S. citizen)

Whose Info Goes on the FAFSA?

- 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)
- Stepparents - YES
- Adoptive parents - YES
- Foster parents - NO
- Legal guardians - NO
- Anyone else the student is living with - NO

Know When to Apply!



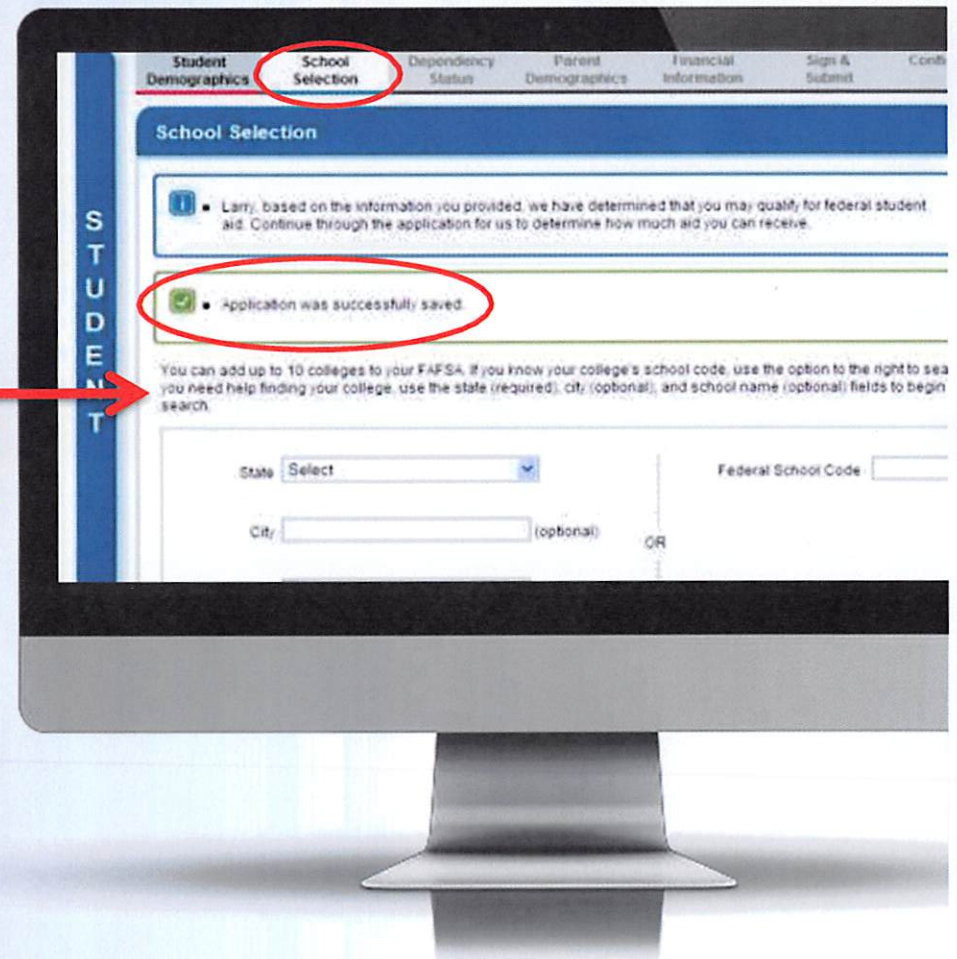
- **Federal Deadlines** - Apply anytime after October 1st of the year prior to when you will attend college.
- **School Deadlines** – check out your college(s)' websites to see if they list a priority filing deadline.
- **PA State Grant Deadlines for FAFSA**
 - » **May 1, 2018** – First-time and renewal students attending colleges, universities & college transferrable programs (excluding community colleges)
 - » **August 1, 2018** – First-time students attending community college; a business, trade or technical schools, hospital school of nursing; Open Admissions Institutions or a 2-year non-transferrable degree program at a Junior or 4-year college.

Signing the FAFSA Electronically

- Student and parent sign electronically with a FSA ID
- Apply for a FSA ID at fsaid.ed.gov
- Do not lose it. Do not share your FSA ID with anyone.
- Can use for future FAFSA filing and parent can use for other children's FAFSAs
- Use to sign Federal Direct Student Loan application and Parent PLUS Loan application
- Can retrieve your username and/or password, if you forget

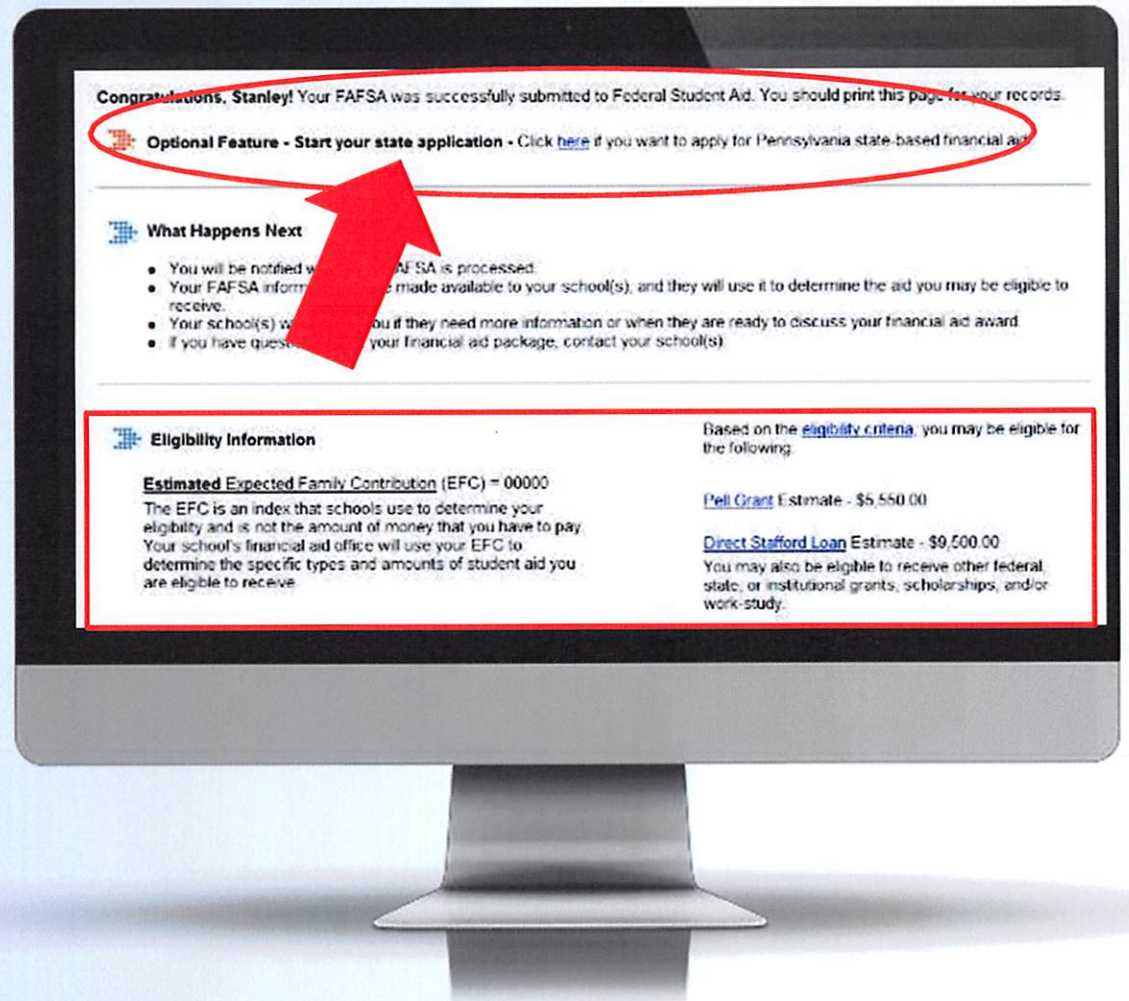
FOTW - School Selection

- Look at more than one!
- Schools will only be allowed to see your financial information when you list them on the FAFSA
- **You can add up to 10 colleges**
- NOTE: Once your final decision is made, update your PA Grant information with the school you WILL attend.



FAFSA Completion Page

- Apply for your State Grant from the FAFSA Completion/Confirmation page
- Start your state application to apply for Pennsylvania state based financial aid
- TRANSFERS FOTW data to the State Grant Application

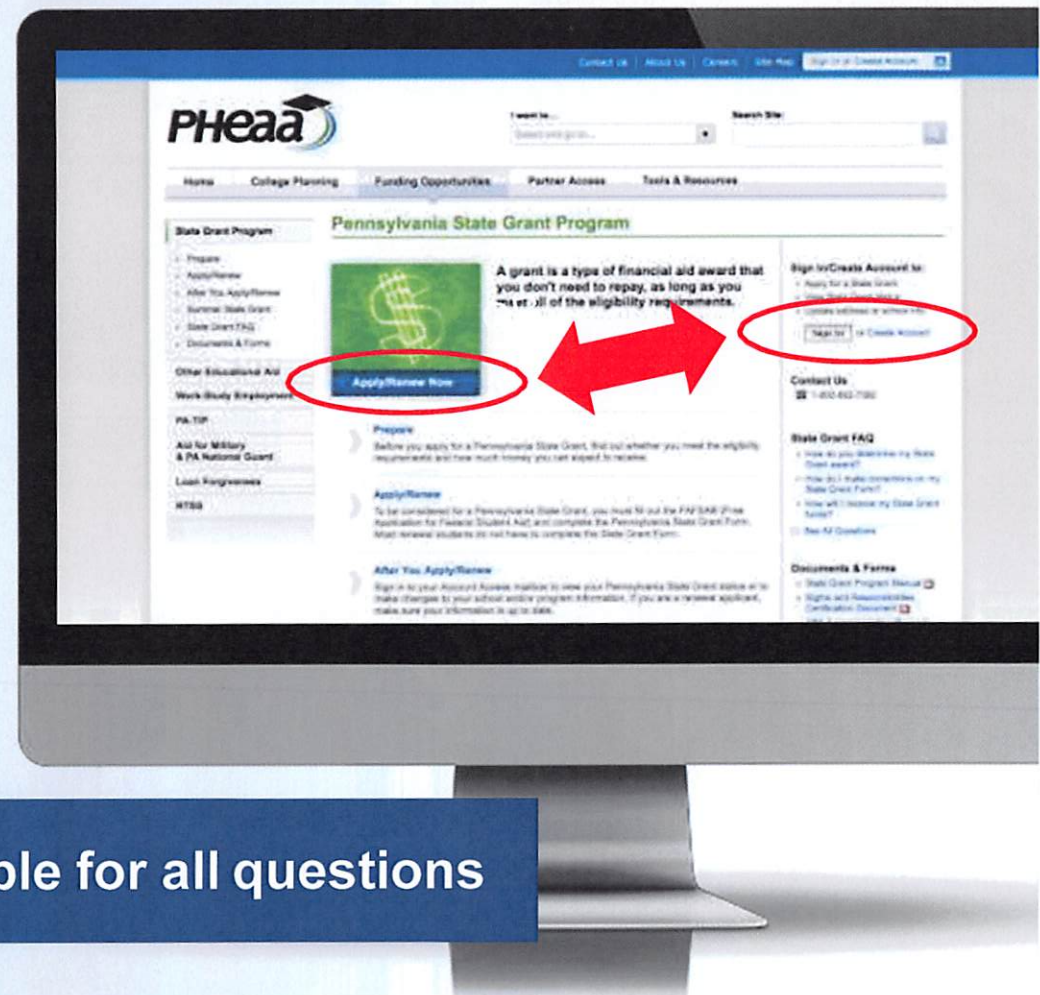


PA State Grant Form

- Students who click on the link will be automatically moved to the PA State Grant Form and will be presented with the additional questions needed to determine State Grant eligibility which includes such items as enrollment status, value of PA 529 College Savings Program, program of study, and employment status.
- Printing, signing and mailing in the State Grant confirmation page is the last step in the process. PHEAA is working on an electronic signature capability, but that is not available at this time.
- Students will be able to view their status on Account Access at PHEAA.org about 3 – 5 days after completing the FAFSA online.

Online State Grant Application

- Link off the FAFSA Application Confirmation Page
 - » Missed the link or it wasn't available?
 - Link in an email sent to student/parent from PHEAA, OR
 - Go to PHEAA.org; State Grant Program; and complete the form

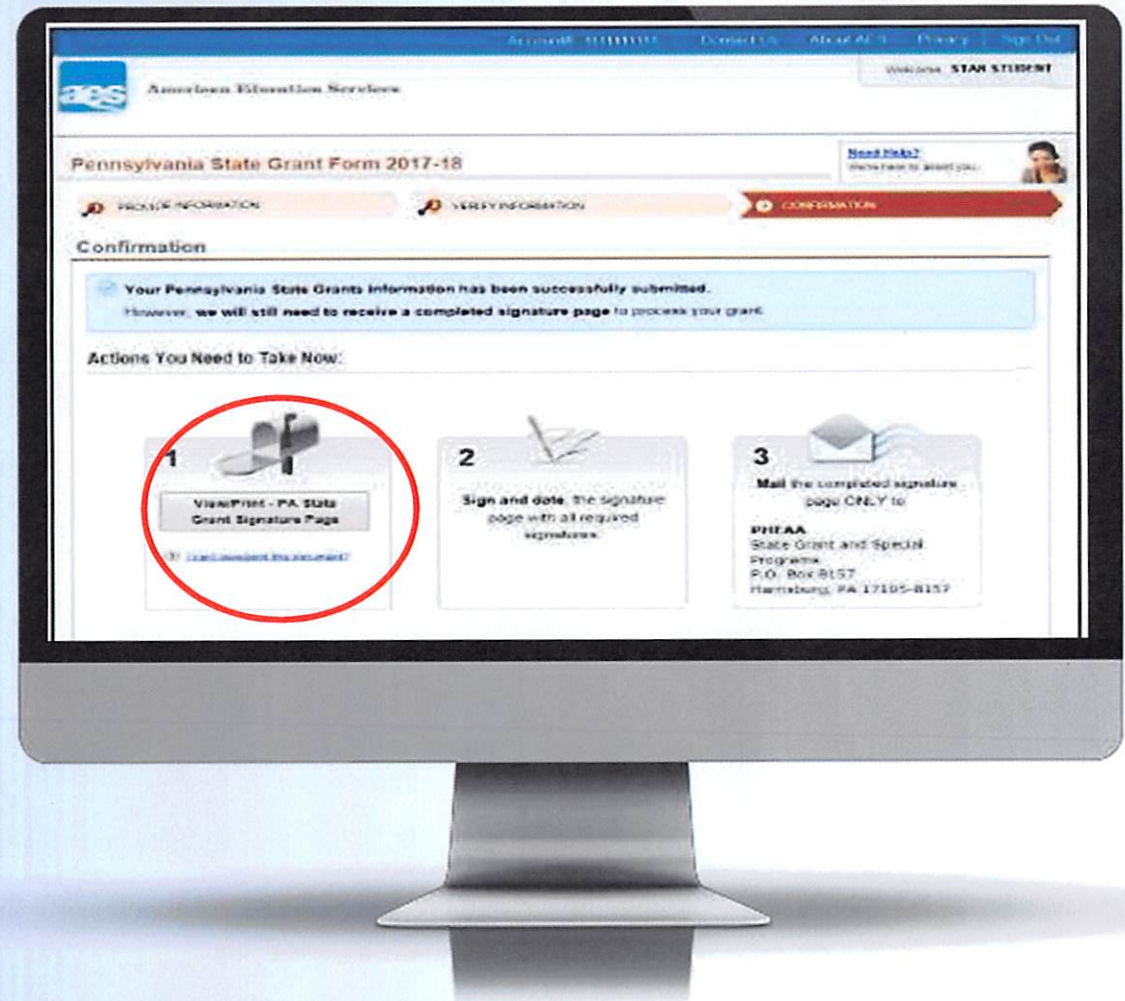


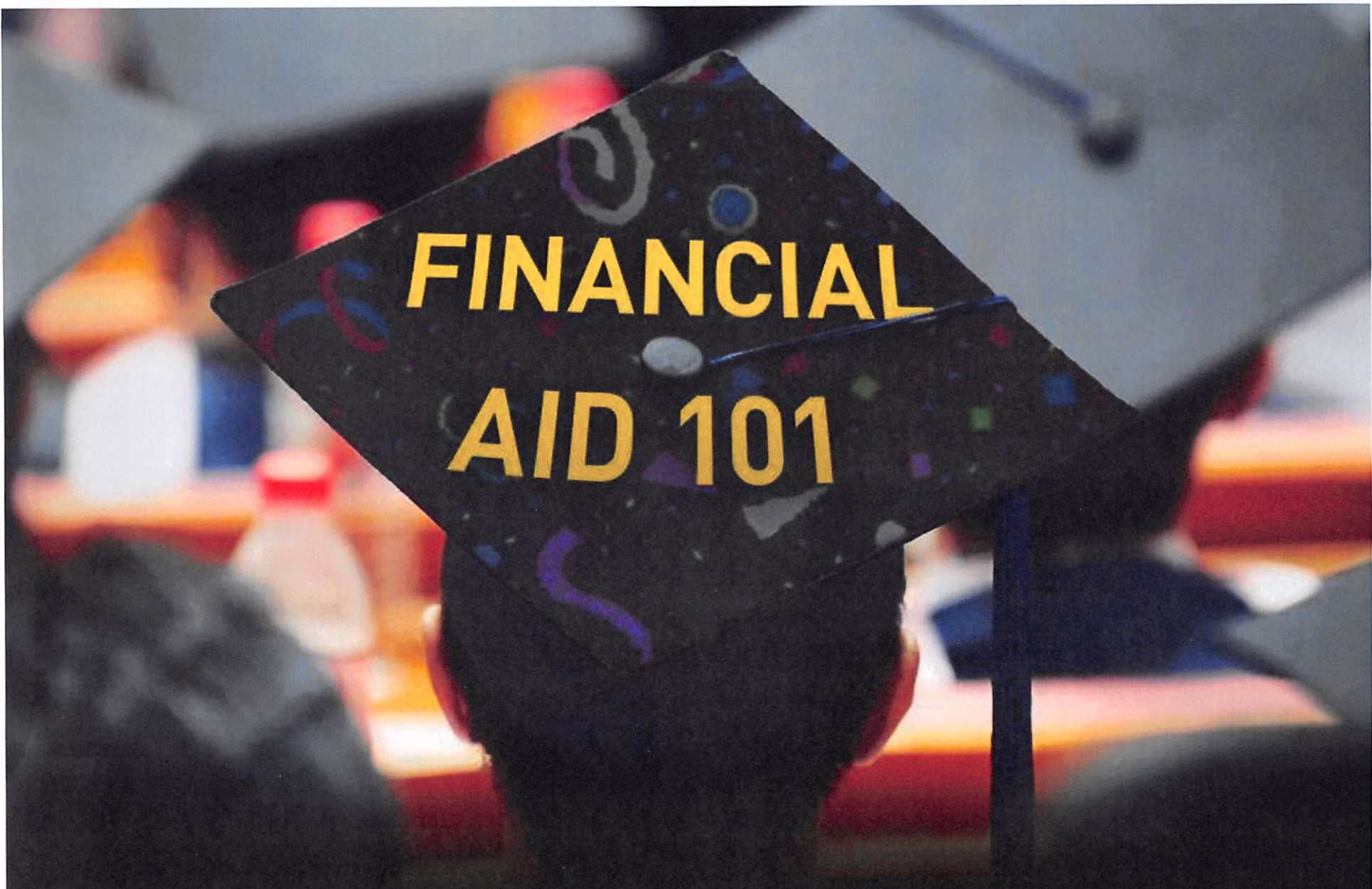
Help screens are available for all questions

All Done? Now What?



You **MUST**
print, sign &
mail in the
grant
confirmation
page





**FINANCIAL
AID 101**

FORMS ARE FILED – NOW WHAT?

The Process Continues

Department of Education's Central Processing System uses the information from the FAFSA to calculate and create your Need Analysis

- EFC is calculated
- SAR/ISIR - reports your eligibility for aid to you and your school choices
- Grant eligibility is calculated
- Verification Process- if selected
- Schools receive your results
- You apply/applied to your school choices
- Once accepted - schools produce Award Letters (aid packages)
- You compare Award Letters
- Determine true costs of school and make choices

Financial Aid Award Letter

- Official notification from school about financial aid, terms and conditions
- Lists the type and amount of each award to be received
- Describes what must be done to accept or reject any award
- Discloses students rights, responsibilities and academic requirements

Reviewing the Financial Aid Package

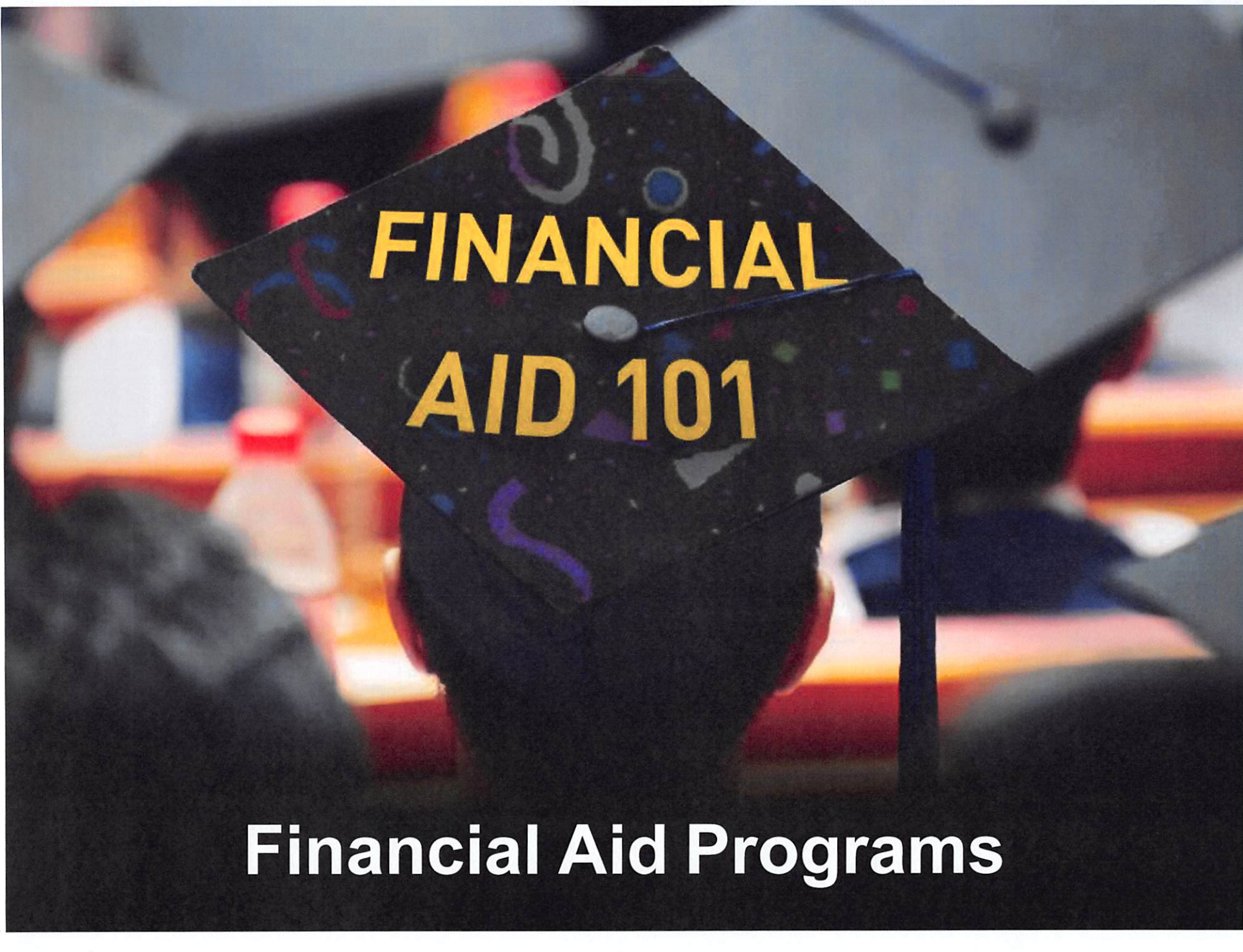
- After reviewing their packages, students should be sure they know and understand the following:
 - » How much of the financial aid is free money?
 - » Which awards are based on need, and which are based on merit?
 - » Are there any conditions on the free money; in particular, is there a GPA requirement?
 - » Will awards change from year to year?
 - » Will institutional awards increase as tuition increases?
 - » Will loans be needed? If so, how much?

Comparing Packages

Cost	\$20,000	\$30,000	\$50,000
EFC	\$ 3,000	\$ 3,000	\$ 3,000
Need	\$17,000	\$27,000	\$47,000
Free Money	\$ 6,000	\$ 8,000	\$18,000
Loans	\$ 5,500	\$ 7,000	\$ 8,000
Work-Study	\$ 0	\$ 2,000	\$ 3,000
TOTAL AID	\$11,500	\$17,000	\$29,000
Gap = (Cost – Aid)	\$ 8,500	\$13,000	\$21,000
Actual Cont. = (Cost – Free \$)	\$14,000	\$22,000	\$32,000

Federal Direct Stafford Loan Borrowing Limits

Undergraduate Students			Graduate Students
Annual Limits	Dependent Students	Independent or dependent students whose parents are unable to borrow a PLUS Loan	Graduate or Professional Studies
1st Year	\$5,500 Total No more than \$3,500 may be subsidized	\$9,500 Total No more than \$3,500 may be subsidized	\$20,500 each academic year Graduate / Professional students are no longer eligible for subsidized loans
2nd Year	\$6,500 Total No more than \$4,500 may be subsidized	\$10,500 Total No more than \$4,500 may be subsidized	
3rd Year and beyond	\$7,500 Total No more than \$5,500 may be subsidized	\$12,500 Total No more than \$5,500 may be subsidized	
Aggregate Limits	\$31,000 Total No more than \$23,000 may be subsidized	\$57,500 Total No more than \$23,000 may be subsidized	\$138,500 Total No more than \$65,000 may be subsidized



**FINANCIAL
AID 101**

Financial Aid Programs

Federal Programs

- Pell Grant (2018-19 max award \$5,920)*
- Campus-based aid – amounts determined by FAO
 - » FSEOG.....up to \$4,000
 - » Federal Work-Study...FAO determines
- For most programs, student must be enrolled at least half-time.

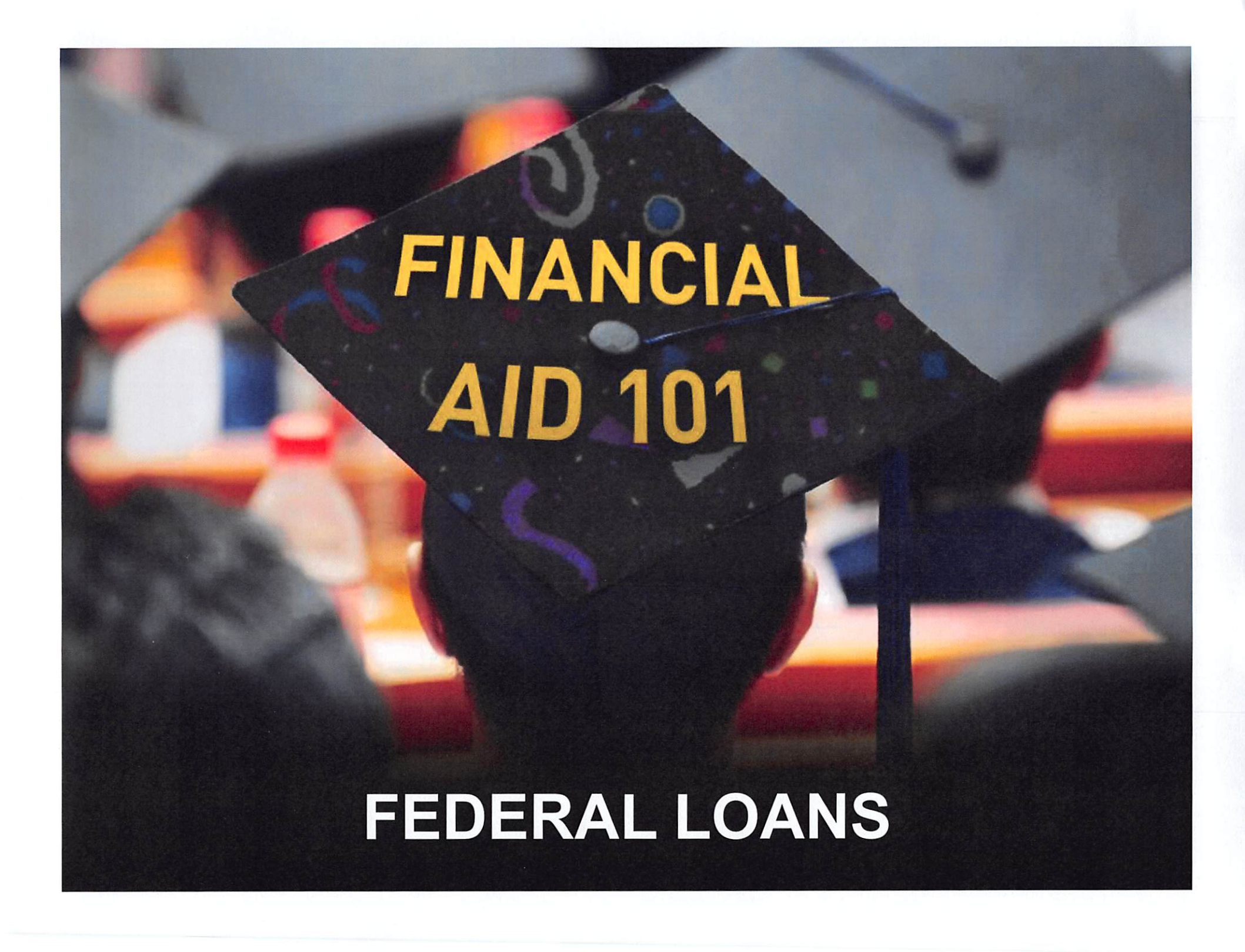
* Goes to most financially needy students

Pennsylvania State Grant*



- In-state (PA) - Full-time up to \$4,318
- In-state (PA) – Part-time 1/2 of the FT award
- Out-of-state - Up to \$600 in DC, DE, MA, OH, VT, WV
- Amount determined in part by the cost of the school

* Must be at least half-time to be eligible

A close-up photograph of a black graduation cap (mortarboard) with a tassel. The cap is decorated with colorful confetti and streamers. The words "FINANCIAL AID 101" are printed in bold, yellow, sans-serif capital letters on the front of the cap. The background is a blurred scene of a graduation ceremony, showing other graduates and bright lights.

**FINANCIAL
AID 101**

FEDERAL LOANS

Federal Direct Loan Program

- Available to ALL students REGARDLESS of need
- Additional unsubsidized funds available for Independent & Parent PLUS denials
 - » 4.45% interest rate (AY 17-18), 1.066% fee
 - » Rates set every July 1st for the life of that year's loan; fees are deducted from disbursement
- AWARDED to every eligible undergraduate student
- In student's name, no collateral or credit check, must sign MPN
- Available loan amounts increase in subsequent years
- No payments required while attending school & six-month grace period

Based on FAFSA, students have a combination of:


- **Subsidized:**
govt. pays interest in school and grace status
- **Unsubsidized:**
interest accrues in school and grace



StudentLoans.gov & school's website!

Federal Direct PLUS Loan

- For parents of dependent undergrad or graduate level students
- Direct Parent PLUS Loan - in parent's name for student costs
 - » 7.00 % variable/fixed interest rate; 4.264% fees (AY 17/18)
- Rates set every July 1st for the life of that year's loan; fees are deducted from disbursement
- Can borrow up to the Cost of Attendance
- MUST apply each year loan is taken
- No Debt-to-Income test, only lenient credit check
 - » Can have an endorser (co-signer)
- Principal payment 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
- Must complete a FAFSA to determine any additional aid

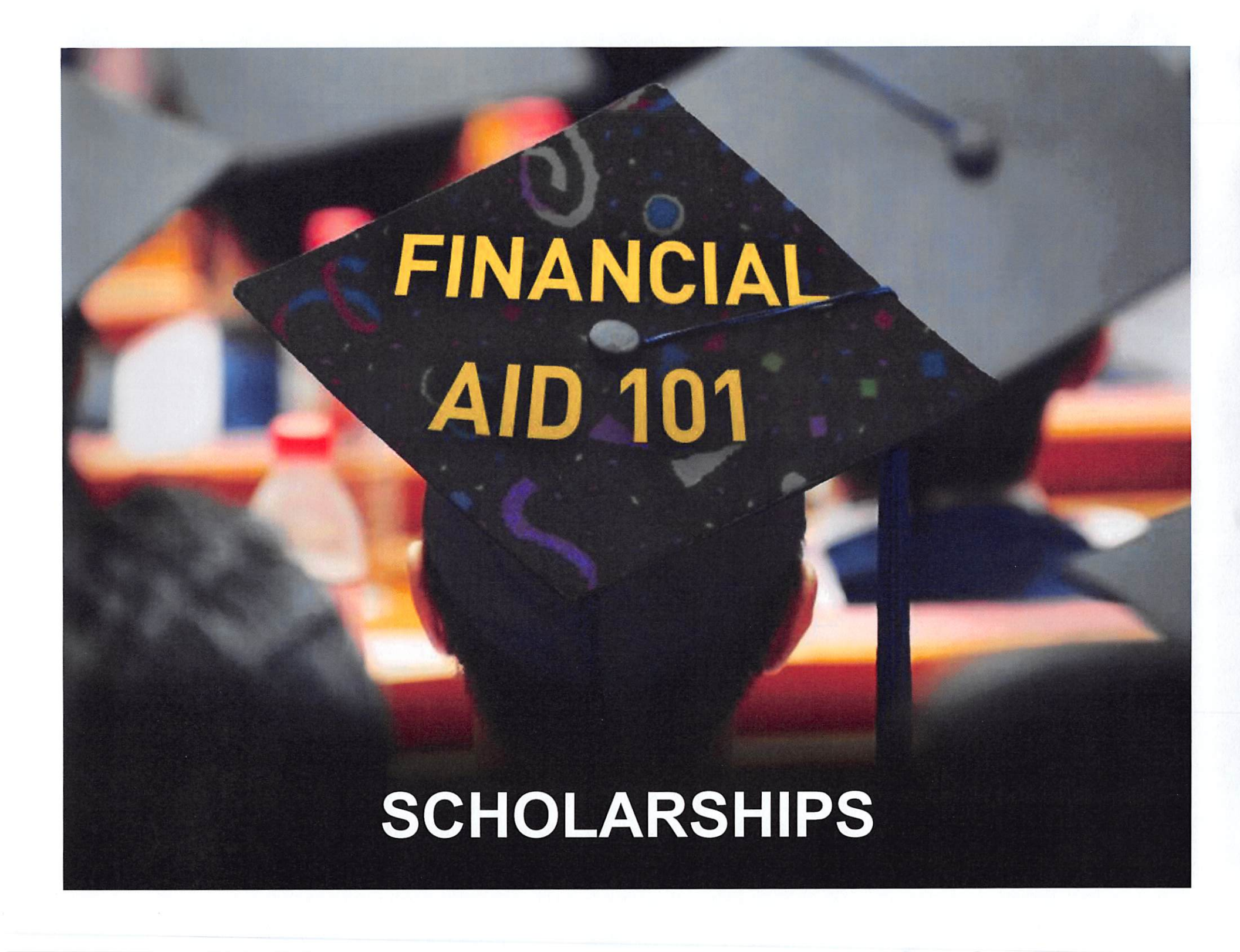


**FINANCIAL
AID 101**

PRIVATE/ALTERNATIVE LOANS



ONLY consider private or alternative loans after looking into all other sources of financial aid.

A close-up photograph of a black graduation cap (mortarboard) with a blue tassel. The cap is decorated with colorful confetti and streamers. The words "FINANCIAL" and "AID 101" are printed in bold, yellow, sans-serif capital letters on the front of the cap. The background is a blurred scene of a graduation ceremony, showing other graduates in caps and gowns, and a person in a white shirt and blue vest.

**FINANCIAL
AID 101**

SCHOLARSHIPS

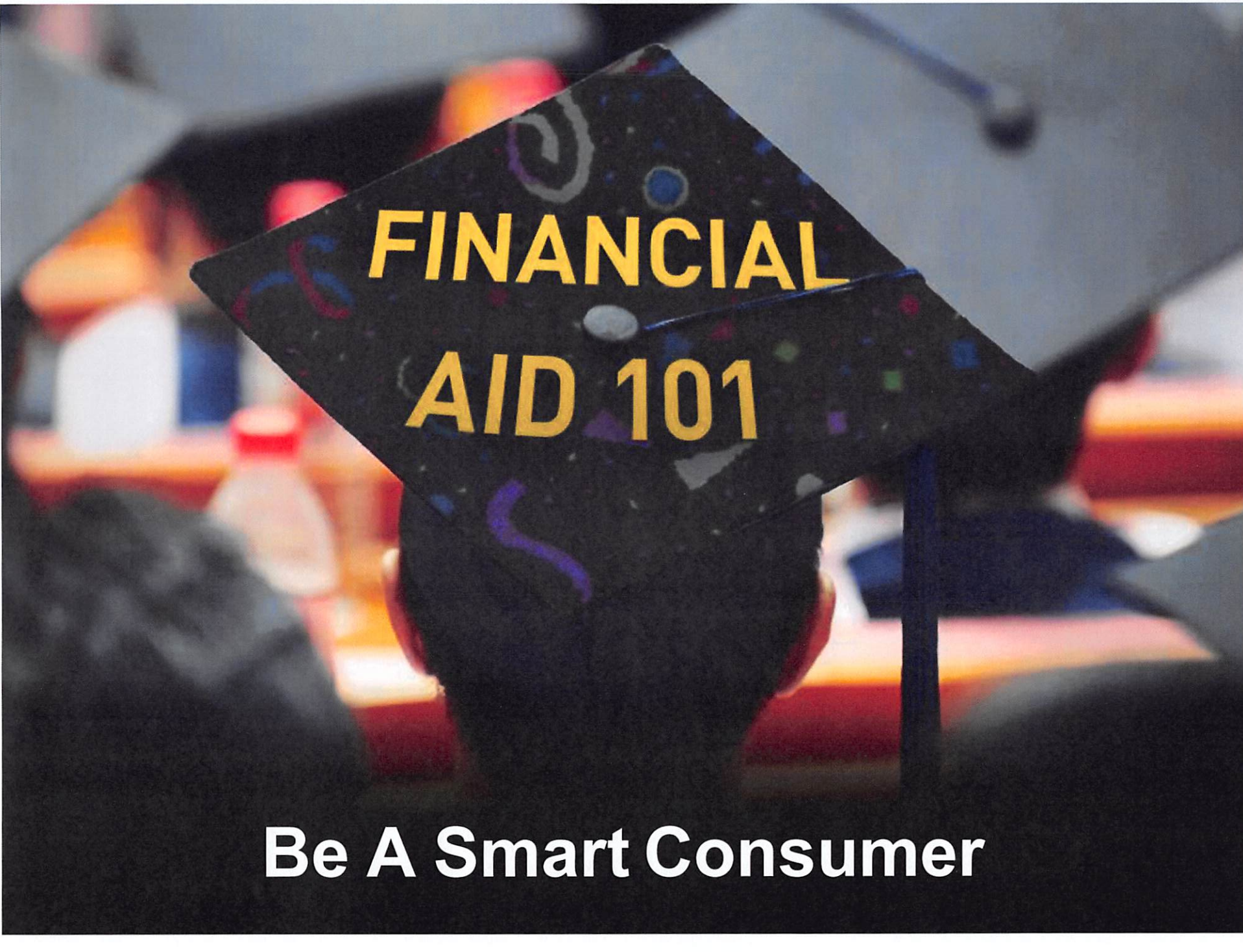
Scholarship Search

Don't miss out on FREE money!

- Start early – and KEEP LOOKING
- Don't forget to continue studies!
- GOOGLE your interests
- Don't PAY for information
- Criteria varies by school
 - » If you're asked to pay, it's not free money (SCAM)
- Don't disqualify yourself until IT disqualifies YOU
- Don't fear ESSAYS
- Provide what is asked
- Small scholarships ADD UP
- Activities, Athletics, Family, Hobbies, Participation, Attributes – DO YOUR RESEARCH
- Don't miss **DEADLINES**
- Write it down!



- ✓ [FastWeb.com](#)
- ✓ [EducationPlanner.org](#)
- ✓ [Chegg.com](#)
- ✓ [FinAid.org](#)
- ✓ [ScholarshipExperts.com](#)
- ✓ [Scholarships.com](#)
- ✓ [Scholarship-Page.com](#)
- ✓ [DoSomething.org/Scholarships](#)
- ✓ [Colleges.Niche.com](#)
- ✓ [StudentScholarships.org](#)
- ✓ [BigFuture.Collegeboard.org](#)
- ✓ [CollegeAnswer.com](#)
- ✓ [CollegeNet.com](#)
- ✓ [MeritAid.com](#)
- ✓ MORE....



**FINANCIAL
AID 101**

Be A Smart Consumer

What Can You Do Now?



- Student and parent apply for a FSA ID at:
 - » StudentAid.ed.gov/fsaid
- Visit websites with free information about college, financial aid and careers
- Explore scholarship opportunities – locally, regionally and nationally
- Use Net Price Calculator at schools interested in attending to get an estimate of your “net price” to attend
 - » Net Price Calculator available on each school’s website
- Use the free online tool, FAFSA4caster, to estimate EFC and eligibility for federal financial aid
 - » Available at fafsa4caster.ed.gov

A black graduation cap is the central focus, with the words "FINANCIAL" and "AID 101" printed in bold, yellow, sans-serif capital letters. The cap is decorated with colorful confetti. The background is a blurred scene of a graduation ceremony, showing other graduates in caps and gowns, and a person in a white shirt and blue vest. The lighting is warm, with orange and red tones.

**FINANCIAL
AID 101**

FINAL THOUGHTS/WRAP-UP

The Plan

- ✓ Narrow down career choices
- ✓ Research and apply to several schools
- ✓ Work hard on scholarship search
- ✓ Don't fear the FAFSA (do the State Grant app, too)
- ✓ Release your info to several schools
- ✓ Compare estimated financial aid award letters
- ✓ Make the tough choices
- ✓ Think of the future
- ✓ Finish on time

Use Your Resources

- PHEAA.org
- EducationPlanner.org & MySmartBorrowing.org
- YouCanDealWithIt.com
- MyFedLoan.org
- PHEAA toll free: 800.692.7392
- Federal Student Aid Info Center – 800.433.3243
- FASFA.gov
- StudentAid.gov – general financial aid info
- StudentLoans.gov – information on federal loans