



Please silence your cell phones!

Thank you for being considerate to the people around you.

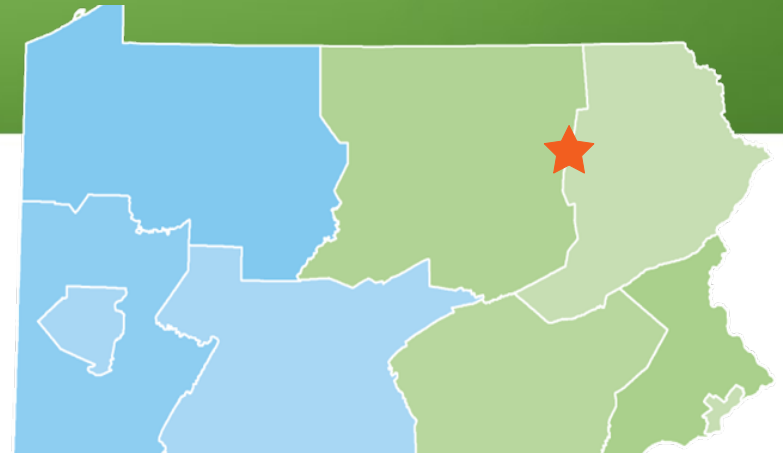


Pennsylvania Higher Education Assistance Agency

Financial Aid 101



Your Presenter



Robin Walker

Higher Education Access Partner

Northeast Region

PA Higher Education Assistance Agency (PHEAA)

717-956-8285

robin.walker@pheaa.org

Bradford, Columbia, Lackawanna, Luzerne,
Mountour, Sullivan, Susquehanna, Tioga, Wayne,
and Wyoming Counties.

Meet the Team

Eastern Pennsylvania



William Lindsey
Manager



Tiffanie DeVan
tiffanie.devan@pheaa.org
Dauphin, Juniata, Mifflin,
Northumberland, Perry,
Schuylkill, Snyder, and Union
Counties



Robin Walker
robin.walker@pheaa.org
Bradford, Columbia,
Lackawanna, Luzerne,
Lycoming, Montour, Sullivan,
Susquehanna, Tioga, Wayne,
and Wyoming Counties



Michael Burke
michael.burke@pheaa.org
Carbon, Lehigh,
Monroe, Montgomery,
Northampton, and Pike Counties



Sonya Mann-McFarlane
sonya.mann-mcfarlane@pheaa.org
Berks, Chester, Lancaster, and Lebanon
Counties



Diona Brown
diona.brown@pheaa.org
Adams, Cumberland, Franklin,
Fulton, and York Counties



Frances McKeown
frances.mckeown@pheaa.org
Bucks, Delaware and Montgomery
Counties



Ron Felder
ronald.felder@pheaa.org
Philadelphia County

Topics



- Be a Smart Consumer
- Financial Aid Made Simple – 5 Steps
 - » Free Money (scholarships, Federal & PA grants)
 - » Deadlines
 - » Filling The free Application for Federal Student Aid (FAFSA)
 - » Comparing Financial Aid Offers
 - » Be sure you have the funds
- Student and Parent Loans
- Alternative Loans
- Tips and Strategies
- Web Resources

Necessary Things to Consider

Students – Return On Investment

- Your Academic Major Choice, Academic Demands – Realistic?
- What is your Expected Salary?
 - » Versus the Cost of Your Education Choice
- What are the Employment Demands? Now/Future?
- Where are your best Employment Options?
 - » Big city? Rural location? What is the Cost of Living where you may work?



Necessary Things to Consider

Parents – **Affordability**

- College Costs – Tuition, Housing, Food, Books, Fees
- Out of pocket costs **beyond just the first year**
- Cost of Transportation – Logistics between semesters, breaks
- Are you willing to commit to loans for your student's education?
- Do you know your best parent loan options?
 - » Federal Parent (PLUS) Loans, Private Loans

Be a Smart Borrower



- Student debt is an increasing concern as more students graduate with staggering loan amounts.
- Think about how you'll repay your debt before you borrow.
- Consider every potential free financial aid option before borrowing.
- The federal government has made it very easy to borrow – this is good for access, but students need to be aware of the pitfalls of borrowing too much.
- **If you must borrow, only borrow what you need.**

Information Resource



Find Answers at [EducationPlanner.org](https://www.educationplanner.org)

- Career Exploration
- Expected Salaries by Location
- Colleges & Academic Majors
- Colleges Academic Standards
- Self Assessments
- Student & Parent Guidance

EDUCATION
PLANNER.orgSM

MySmartBorrowing.org

- An interactive, online tool created by PHEAA that helps students and families:
 - » Estimate career salaries & college tuition
 - » View the impact of savings on overall cost
 - » Calculate loan repayment
 - » Avoid over borrowing

MySmartBorrowing.org



How it Works

MySmartBorrowing guides students and families through four easy sections:



1 Select a
Career



3 Factor in
Savings



2 Select a
School



4 Get Results

View the Results

Once you input your selections, you can:

- View your potential salary in your new career
- Add & compare up to four colleges
- See if you're borrowing too much



The Rule



Don't borrow more to get your education than you can reasonably expect to make during your very first year in the workforce.

- This keeps your loan payment $<12\%$ of your gross earnings

(Recommendation from the National Endowment for Financial Education – [NEFE.org](https://www.nefe.org))

The Federal Student Aid Estimator

- On Sept. 26, 2021, we launched the [Federal Student Aid Estimator](#), a free tool that helps students quickly calculate the amount of financial aid they may be eligible to receive.
- **About the *Federal Student Aid Estimator***
- Anyone can use the *Federal Student Aid Estimator*, which is available in English and Spanish. Users don't have to be logged in to receive an estimate of their aid eligibility.
- The *Federal Student Aid Estimator* also provides students with
- information about the Expected Family Contribution (EFC) and its role in determining their federal student aid, and
- a link to the [College Scorecard](#) to help them find the college or career school that's the best fit for them.
- **Using the *Federal Student Aid Estimator***
- In the *Federal Student Aid Estimator*, users enter information in three short sections—student, household, and financial—and the tool instantly displays estimated results.
- Students will receive a nonbinding estimate of their EFC, along with estimated eligibility for Federal Pell Grants, work-study funds, and federal student loans.

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 free money**
- **Self-Help: work, savings, Tuition Account Programs – 529s, etc.**
- **Loans**

Basic Principles, Federal Aid

- Paying is the joint responsibility of the student and parent(s), to the extent possible.
- Need-based financial aid is subject to a federal formula to determine financial aid.
- Not all families qualify for need-based aid. There is no guarantee that you will get any free money to pay for higher education.

Financial Aid – Gift Aid

Based on financial need or merit (assets, income, family, ability, actions, criteria)

- Scholarships & grants – FREE MONEY
- Federal government, state government, schools/colleges
- Organizations, businesses, community, employers, FREE Internet search

Financial Aid – Self-Help Aid

- Loans
 - » Loans are borrowed money – Must be paid back
- Work-study awards: Earned money
 - » Wages earned by students working in jobs, coordinated through the campus or state
- Tuition reimbursement – employer sponsors education
- US Military benefits – requires service commitment & satisfying criteria

Borrowing for Higher Education

- Consider federal loans first:
 - » They have the best interest rates and repayment provisions.
- Borrow in the following order:
- Undergraduate Students
 - » Subsidized (3.73% interest and 1.057% fee)
 - » Unsubsidized (3.73% interest and 1.057% fee)
- Graduate Students
 - » Unsubsidized (5.28% interest and 1.057% fee)
 - » GradPLUS Loan (6.28% interest and 1.057% fee)
- Parents
 - » PLUS Loan (6.28% and 4.228% fee)
 - » Alternative Loan (variable/fixed rates) – last resort

***Interest rates as of 7/2021**

Federal Aid and Grant Programs

Grants are not repaid

Enrolled at least half time and meeting satisfactory academic process

Federal Pell Grant

Eligibility is based on EFC / FAFSA

Awarded to students with high financial need

Maximum amount is \$6,495 for AY 2021–22

Maximum EFC 5847

Federal Supplemental Educational Opportunity Grant (FSEOG)

Need based and priority given to students receiving a Pell Grant and the school's criteria

Maximum amount - \$4,000 for AY 2021-22

PA State Grant

Eligibility is based on EFC and State Grant Form

Need and School Cost considered

Maximum amount - \$5,000 for AY 2021-22

- Out-of-state - Up to \$600 in DC, DE, MA, OH, VT, WV. \$800 for veterans.
- Amount determined in part by the cost of the school.

*** Must be at least half-time to be eligible**



Other Federal & State GRANTS

Based on specific situations and criteria

Federal (ref: StudentAid.gov)

- Teach Grant
- Iraq & Afghanistan Service Grant
- Dependents Education Assistance (DEA) Grant - Veteran Affairs
- Vocational Rehabilitation Program (students with disabilities)
- Americorps - www.americorps.gov

State (ref: PHEAA.org) Administered

- Post Secondary Education Gratuity Program (PEGP)
- Partnerships for Access to Higher Education Program (PATH)
- Pennsylvania Chafee Education and Training Grant (Foster students)
- Fostering Independence Tuition Education Waiver
- Blind or Deaf Beneficiary Grant Program
- Pennsylvania Targeted Industry Program (PA-TIP)
- Pennsylvania State Work Study Program (SWSP)
- PA National Guard Education Assistance Program (EAP)



Financial Aid Made Simple

5 Steps to Financial Aid



Step 1: Look For Free Money First

- Scholarships **are** obtainable – Effort pays off!
- **Available** beyond the first year
- Wide **variety** of criteria –
 - » Community Service, Unique Achievements, Grades, Sports, Ethnicity, Religion, Heritage, Parent Occupations, High School Location, Students Major Selection
- **Will** reduce your debt and need to borrow with loans

Types of Scholarships



- Postsecondary scholarships
 - » Merit, Major, Characteristics
 - » Admissions & Financial Aid
- Local and regional scholarships
 - » School Counselor
 - » Local Foundations
- National scholarships
 - » Websites

Scholarship Search Tips

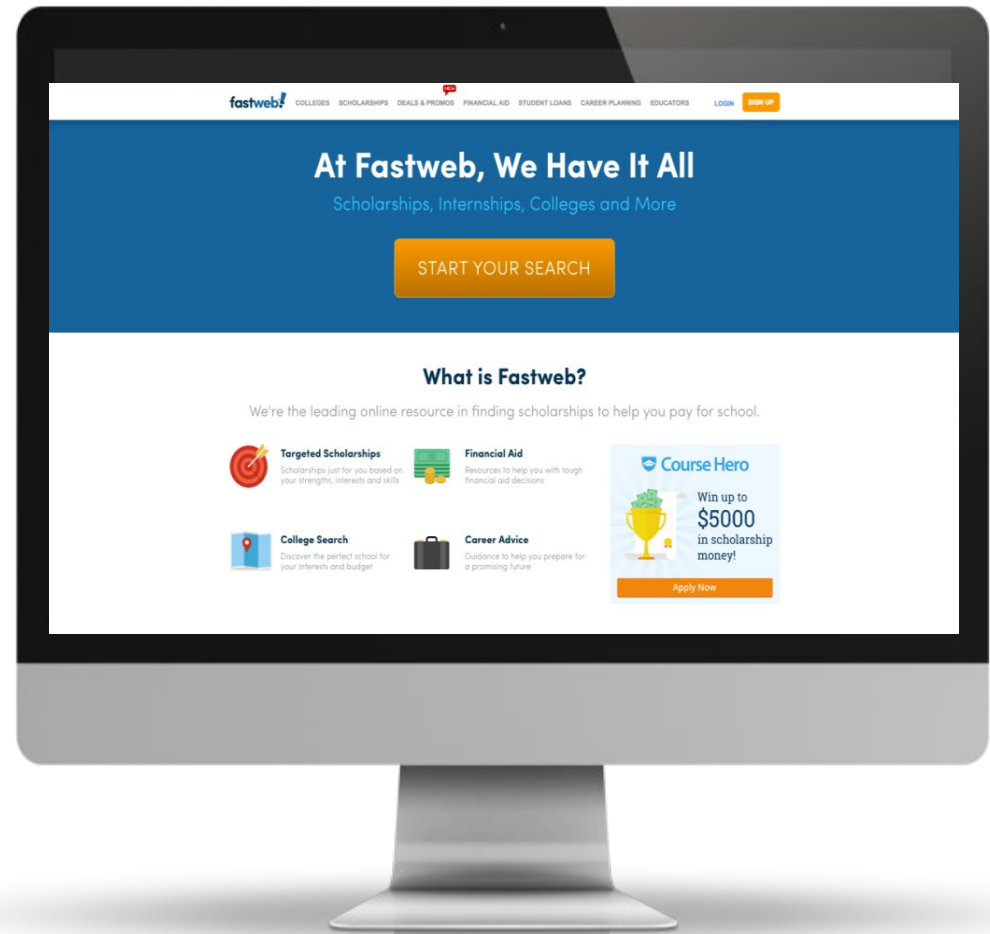
- **Start searching early**
- Use **FREE** scholarship search sites
- **Don't ignore scholarships with smaller award amounts**
- **Don't miss deadlines**
- **Search for scholarships every year**
- **Check corporate websites to see what is available.**
 - » **All have scholarship programs and you don't have to work there to be eligible**



Fastweb.com

- The largest most accurate and frequently updated scholarship database
- Matches scholarships to specific student criteria
- Sends email message when students qualify for a scholarship

Fastweb.com



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....**

Your Scholarship Resume



- Activities and Hobbies
 - » Write down the dates you participated in various activities.
- Clubs
- Sports
- Community Service
 - » Keep track of the hours spent in community service, working and doing special projects.
- Religious Affiliation
- Academic Interests & Achievement

Recognize Scholarship Scams

- Application Fees
 - » Even if the fee is minimal or “only to encourage serious students to apply”
- “Guaranteed” Scholarships
 - » No individual can honestly “guarantee” you’ll win free money
- Solicitations
 - » “You’ve been selected...”
 - » “You are a finalist...”
 - » Bona fide companies won’t ask for a check or credit card payment upfront
- Official-looking Companies
 - » The logo may look like the U.S. Dept. of Education’s logo
 - » The company may talk about “federal” or “national” awards
- Seminars
 - » Don’t get pressured into paying for services on the spot



Unique Scholarships

Jif Most Creative Sandwich Contest

Jif Peanut Butter holds the Jif Most Creative Sandwich Contest as a fun way to award students preparing to attend college. The award includes a scholarship worth \$25,000, as well as a Jif Peanut Butter Basket worth \$50.



The Wear Duck Tape to Prom Scholarship

Duck Brand products holds an annual contest to see who can make the best prom outfit from Duck[®] Tape. The winners receive a \$5,000 scholarship.

American Fire Sprinkler Association Scholarship Program

The American Fire Sprinkler Association has scholarships totaling \$20,000 that are awarded to students who submit the required documents, including an essay on automatic fire sprinklers.

Unique Scholarships

Chick and Sophie Major Memorial Duck Calling Contest

Stuttgart, Arkansas awards scholarships at the Chick and Sophie Major Memorial Duck Calling Contest. First place wins a scholarship of \$2,000, second place wins \$1,000, third receives \$750, and 4th receives \$500.



The Fountainhead Essay Contest

Ayn Rand Novels, a site specializing in the writings of author and philosopher Ayn Rand, has an annual essay contest awarding between \$50 and \$10,000 to over 200 students who write essays on chosen topics about Rand's well-known work, The Fountainhead. While not strictly a scholarship, these contests are only open to 11th and 12th grade students.

\$2,500 "Advice to Your High School Self" Scholarship

Unigo (Campus Discovery) has a scholarship for \$2,500 called the "Advice to Your High School Self" Scholarship. Students approaching graduation from college or recent college grads who finished an associate's or bachelor's degree are eligible.

Displacement vs. Stacking



Ask your college representatives:

- “If I receive an outside scholarship, will you reduce the scholarship money you gave me by that amount or will you stack my new scholarship on top of what you gave me?”
- “How will an outside scholarship affect my financial aid award?”

Step 2: Know Your Deadlines

- Applications for Admission
- Deadlines for Scholarships
 - » Institutions, Outside Sources
- Free Application for Financial Aid (FAFSA)
 - » Available October 1 of Senior Year
 - » Schools have Priority Deadlines
 - Find out what the Deadlines are

DON'T MISS THE DEADLINE!

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!

Deadlines Are Crucial



- Make sure you know the priority FAFSA filing deadlines for the schools you are researching.
- File your FAFSA prior to the earliest deadline of your school possibilities.
- Students do not have to be accepted for admission to list any schools on the FAFSA.

Step 3: The FAFSA is Your Connection to Funding

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

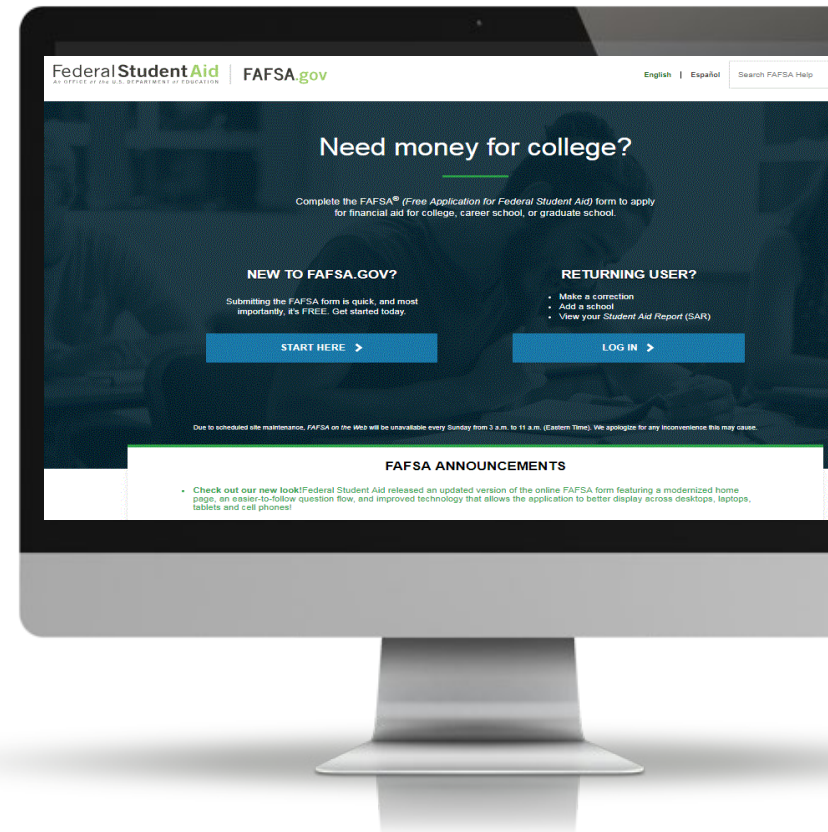
- Federal programs, such as Pell Grants, work-study, and student loans
- State programs, such as Pennsylvania State Grant, and other special programs
- School programs, such as need-based grants and scholarships



FAFSA (Free Application for Federal Student Aid) – FAFSA.gov

37

- The FAFSA is the primary federal form for financial assistance to attend postsecondary school.
- Must file a FAFSA each year a student attends school to be eligible.
- File online – Fast, Secure, SKIP LOGIC and Built-in Edits.



Step 4: Compare Schools' Financial Aid Notices Carefully

- There is no required standard format for Financial Aid Notices from schools.
- Some include Federal loans, some do not.
- If you receive a scholarship, do you know if there are conditions for maintaining it?
- Is the scholarship for the first year only or can you renew it?
- Do you understand what is offered to you as a grant, scholarship or the need for you to borrow?

Bottom Line: What are your out of pocket costs?

Financial Aid 101



Applying

Free Application for Federal Student Aid (FAFSA)

studentaid.gov

myStudentAid app

PDF at studentaid.gov
or 1-800-433-3243.

- The FAFSA determines eligibility for Federal and State aid.
- Colleges may also use the FAFSA for their own institutional aid
- FAFSA is available October 1 of student's senior year of high school



Need money for college?

Complete the FAFSA® (Free Application for Federal Student Aid) form to apply for financial aid for college, career school, or graduate school.

NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

START HERE >

RETURNING USER?

- Make a correction
- Add a school
- View your Student Aid Report (SAR)

LOG IN >

FAFSA®

FREE APPLICATION for FEDERAL STUDENT AID

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

Or apply free online at fafsa.gov.

Apply by the Deadlines

For federal aid, submit your application as early as possible, but no earlier than October 1, 2020. We must receive your application no later than June 30, 2022. Your college must have your correct, complete information by your last day of enrollment in the 2021-2022 school year.

For state or college aid, the deadline may be as early as October 2020. See the table to the right for state deadlines. You may also need to complete additional forms.

July 1, 2021 – June 30, 2022

Federal Student Aid
AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

PROUD SPONSOR of the AMERICAN MIND®

Pay attention to any symbols listed after your state deadline.

States and territories not included in the main listing below: AL*, AS**, AZ*, CO*, FM**, GA*, GU**, HI**, KY**, MH**, NC**, ND**, NE*, NH**, NM*, OK**, PR*, PW**, RI**, SD**, VA**, VI**, VT**, WA**, WI* and WY**.

State Deadline

AK	Alaska Education Grant ^ \$
	Alaska Performance Scholarship: June 30, 2021 # \$
	Academic Challenge: July 1, 2021 (date received)
AR	ArFuture Grant: Fall term, July 1, 2021 (date received); spring term, Jan. 10, 2022 (date received)
	For many state financial aid programs: March 2, 2021 (date postmarked).
	Cal Grant also requires submission of a school-certified GPA by March 2, 2021.
CA	For additional community college Cal Grants: Sept. 2, 2021 (date postmarked).
	For noncitizens without a Social Security card or with one issued through



Before You Start

myStudentAid is the official app of Federal Student Aid (FAFSA), an office of the U.S. Department of Education.

If you want to renew your 2018-19 FAFSA or use the IRS Data Retrieval Tool, you need to complete your FAFSA form on fafsa.gov.

GO TO FAFSA.GOV

Due to scheduled maintenance, myFAFSA will be unavailable every Sunday from 3am to 11am Eastern time. We apologize for any inconvenience this may

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 fsaid.ed.gov.**
- **Create prior to completing the FAFSA.**
- **Legal signature for student and parent.**
- **Provides access to FAFSA and Federal Student Aid online systems.**

After verifying, the mobile phone number can be used as the username to login.

Username

Password

Email Address

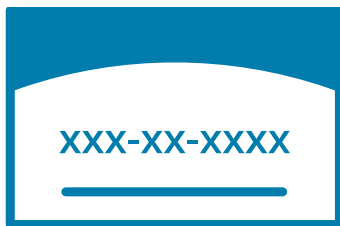
Mobile Phone

Security Questions

Social Security
Number

2022-2023 FAFSA Prep

Information Needed for FAFSA



Social Security Numbers



Federal Tax Returns and W-2's (2020)



2020 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)

Aside from the Student, Who Reports Info on the 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

When Is A Student Automatically Considered “Independent”?



- 24 or older on Jan 1st of 2022
- Married
- Veteran (includes active-duty personnel)
- Working on graduate level degree
- Emancipated minor in legal guardianship
- 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)

IRS Data Retrieval Tool (DRT)

- Is a component of the FAFSA.
- Automatically imports IRS tax info from parents and students, if applicable, and adds it to the FAFSA.
- There are some exceptions – not everyone can use the IRS DRT.
- Not everyone is required to file taxes, filing is not required to complete the FAFSA.



Get My Federal Income Tax Information

See our [Privacy Notice](#) regarding our request for your personal information.

Enter the following information from your 2020 Federal Income Tax Return. [?](#)

All fields are required unless marked otherwise.

First Name

Jane

Last Name

Austin

Social Security Number

No input required

*** - ** - 8019

Date of Birth

MM/DD/YYYY

01/01/1950



Filing Status [?](#)

Married-Filed Joint Return



Street Address [?](#)

Must match your 2020 Federal Income Tax Return

P.O. Box [?](#)

Required if entered on your tax return



2020 Federal Income Tax Information

Jane Austin

Based on the information you provided, the Internal Revenue Service (IRS) located your income tax return. With your permission below, the IRS will securely transfer your tax information to the U.S. Department of Education (ED) to populate any applicable FAFSA® questions.

For your protection, the IRS will not display your tax information and will further encrypt any tax information transferred using the IRS DRT; therefore, ED is unable to display your tax information on your FAFSA form.

The data retrieved from your tax return is limited to the items listed below as you reported to the IRS:

Tax Year	Type of Return Filed	Untaxed Portion of IRA Distributions & Pensions/Annuities
Name(s)	Adjusted Gross Income	Tax-exempt Interest Income
Social Security Number	Income Earned from Work	IRA Deductions and Payments
Filing Status	Income Tax	Status of Amended Returns Received
IRS Exemptions	Education Credits	

Refer to your tax records if you have a question about the values you reported.

Transfer My Tax Information into the FAFSA Form [?](#)

The tax information provided to [faisa.gov](#) will populate the answers to the appropriate FAFSA questions. After the FAFSA questions are populated, your IRS session will end, and you will return to your FAFSA form. Check this box if you are choosing to transfer your information.



TRANSFER NOW [?](#)

Do Not Transfer My Tax Information and Return to the FAFSA Form [?](#)

By clicking the "Do Not Transfer" button, you are choosing not to transfer your tax information electronically. Your IRS session will end, and you will return to your FAFSA form.

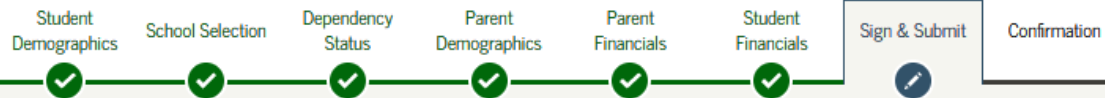



DO NOT TRANSFER [?](#)

Signing the FAFSA Electronically with the FSA ID

- **A FAFSA IS NOT COMPLETE UNTIL THE STUDENT AND PARENT (If the student is dependent) HAVE SIGNED!**
- **You'll use it again for:**
 - » **Renewal FAFSA**
 - » **FAFSA status and corrections**
 - » **Signing a Direct Loan Master Promissory Note (MPN)**
 - » **Complete required entrance and exit loan counseling**

Signature Status




 Both you and a parent need to sign your FAFSA.


Only sign for yourself. If you and your parent are not together, one of you can sign, save the application and then exit. Give the "save key" to the other person who can log in with it and sign and submit the FAFSA.

Be sure not to mix up your and your parent's FSA IDs when signing.


Student Signature Needed 

Signature Status: **Unsigned**

PROVIDE STUDENT SIGNATURE 

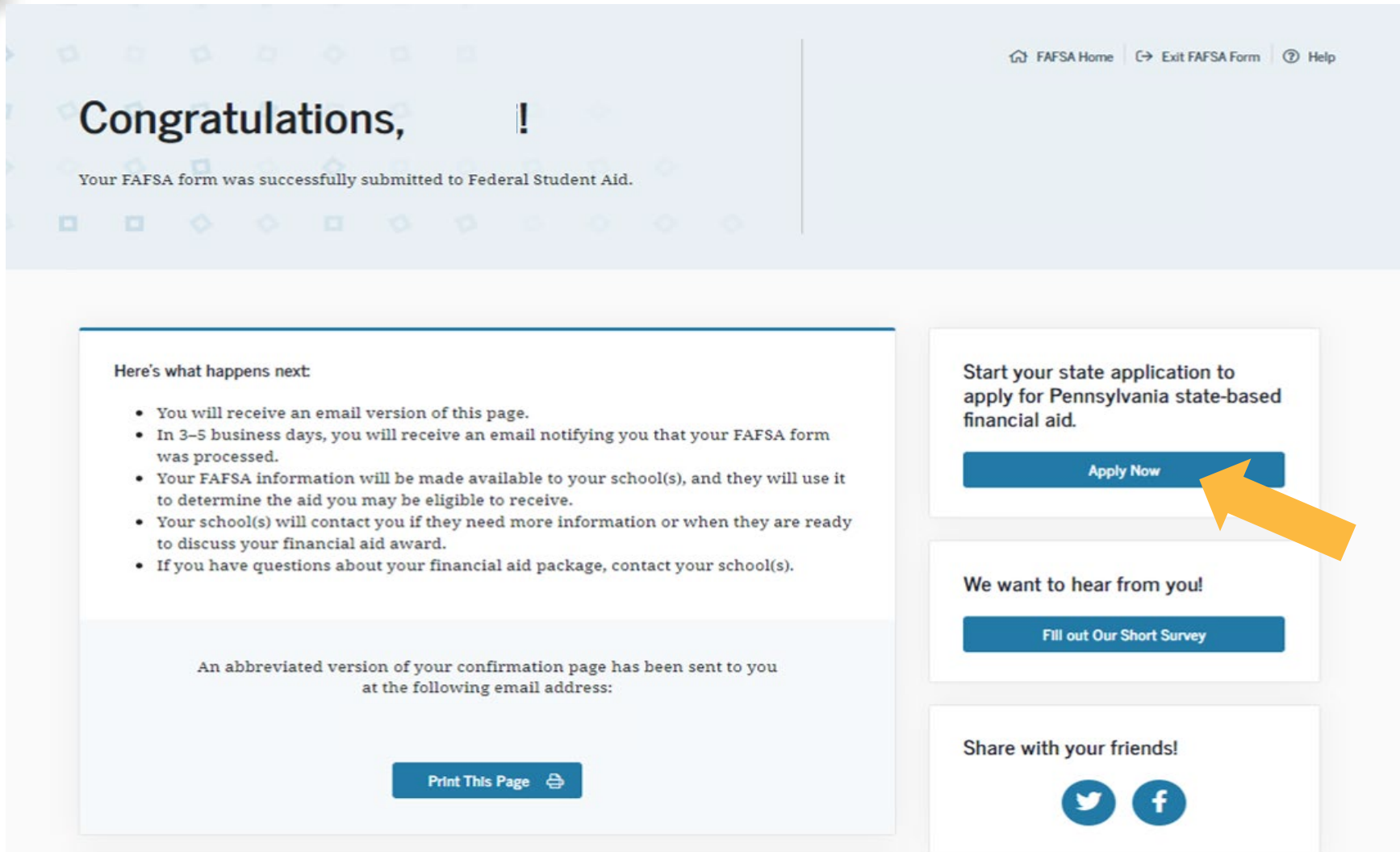
Parent Signature Needed 

Signature Status: **Unsigned**

PROVIDE PARENT SIGNATURE 

 PREVIOUS

Confirmation Page & Link to State Grant Form



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!



PA State Grant Form (SGF)

- ✓ Check Rights and Responsibilities Box to electronically sign SGF

Rights and Responsibilities

After reviewing your Rights and Responsibilities you must check the box at the bottom to confirm that you have read and agree to the Rights and Responsibilities.

[View Rights and Responsibilities](#)

[? Can't open document?](#)

By submitting this electronic Pennsylvania State Grant Form, I/we hereby affirm acceptance of the Statement of Certification and Authorization found in the Applicant's Rights, Responsibilities, Use of Social Security Number, and Certification for the Pennsylvania State Grant Program, which is incorporated herein by reference and which I/we have read, agree to, and certify. I/we further understand that if I/we provide an email address, communications regarding the State Grant Program may be sent to me/us through electronic communications methods. Additional certification and verification may be required following review of this application.

* I have read and agree to the Rights and Responsibilities of this application.

[Exit Application](#)

[Submit My Info >>](#)

Completing the PA State Grant Form

Pennsylvania State Grant Form 2021-22

Getting Started

As the Student applying for a Pennsylvania State Grant, here's some information that you'll want to have ready.

- If applicable, the **month and year** your diploma was received (for High School or GED).
- If married, your spouse's 9-digit **Social Security Number**.
- If you have a savings account through **PA 529**, you may need a recent account statement for the total savings, or visit pa529.com.
- **Adobe Reader** is required to view and print your PA State Grant Form. The plug-in is available as a [free download](#) from Adobe.

 [Print this page](#)

CONTINUE »

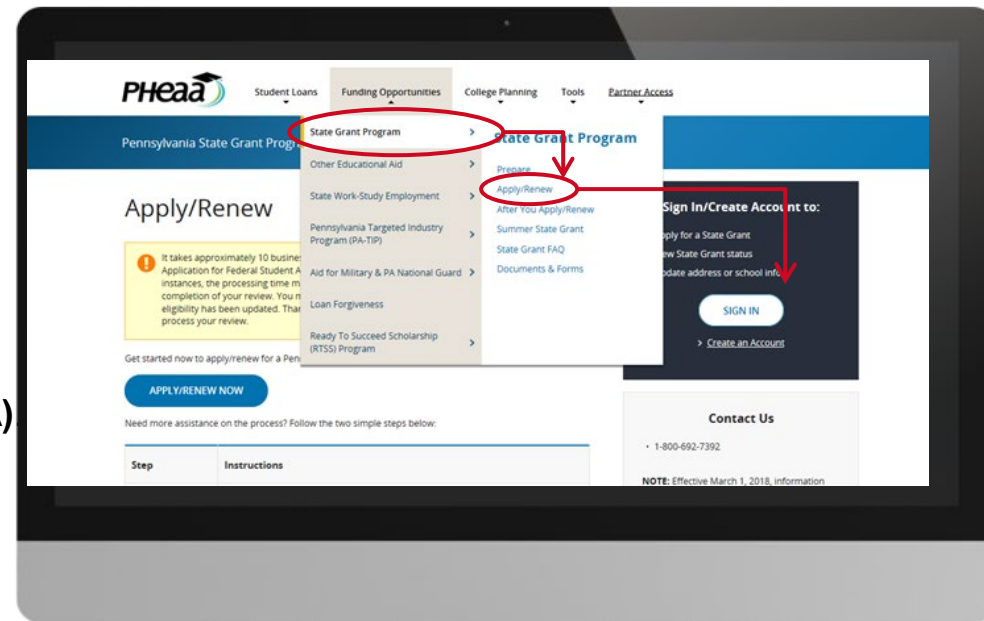
Online State Grant Application

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](https://www.pheaa.org); State Grant Program; and complete the form
- (24-48 Hrs. after completing FAFSA)

Additional information needed to determine PA State Grant eligibility:

- » Enrollment status (full-time/part-time)
- » Value of PA 529 College Savings Program
- » Program of study for students in vocational programs
- » Employment status



? Help screens are available for all questions

FAFSA Tips

Ensure SSN accuracy on FSA ID and FAFSA

Gender question is optional

Don't mix student and parent information – SSNs, Email addresses, phone numbers

Have federal tax and other related information to use as a reference – w-2's

It's OK to estimate if taxes aren't file yet – update later using IRS DRT

FAFSA Tips

Review untaxed income questions

Review asset questions

529 Plans must be reported as a parent asset

Assets do NOT include home, retirement or insurance

Do not report a business if it employs less than 100 full-time employees

Do not report farm, if you live on farm

Some can skip asset questions

What Happens Next?

- **S**tudent **Aid R**eport or Acknowledgment sent to student (review and make necessary corrections).
- FAFSA information is sent to PHEAA. Student must complete State Grant Form (SGF). Link to this directly from the FAFSA or at PHEAA.org.
- Account Access (PHEAA) – Create an account at [PHEAA.org](https://www.pheaa.org) to view PA State Grant
- Information is sent to schools/colleges. Sent to all schools listed on FAFSA at any time.

After Filing

Information will be shared with PHEAA and all college choices.

In a few days an email will be sent to the student regarding the processing of their FAFSA and their Student Aid Report.

Students should monitor the email account provided on the FAFSA and respond to requests from Federal Student Aid, PHEAA and the colleges.

Step 5: Be Sure You Have The Money You Need

- Have you made an affordable choice of school?
 - » Do you understand your actual costs?
- Have you considered annual out of pocket costs **beyond the first year?**
- Do you have a strategy for handling out of pocket costs?
- Do you understand loan options and their limitations?

What School Costs Are Considered?

School costs include:

- Tuition and fees
- Room and board
- Books and supplies
- Transportation
- Miscellaneous living expenses
- Child care, if necessary



You can receive financial aid up to the total of the school regardless of your EFC!

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

Financial Aid 101



Be a Smart Consumer

Net Price Calculators



- Enables current and prospective students, families and consumers to determine an estimate of an individual net price at a particular institution.
- **ESTIMATED** data must be provided by each institution:
 - » Total price of attendance
 - » Tuition, Fees, Room and Board
 - » Expenses (i.e., personal, transportation)
 - » Estimated total merit and need-based grant aid
 - » Estimated net price (attendance minus grant aid)
- **May not include scholarships**

Be a Smart Consumer



DO YOUR RESEARCH

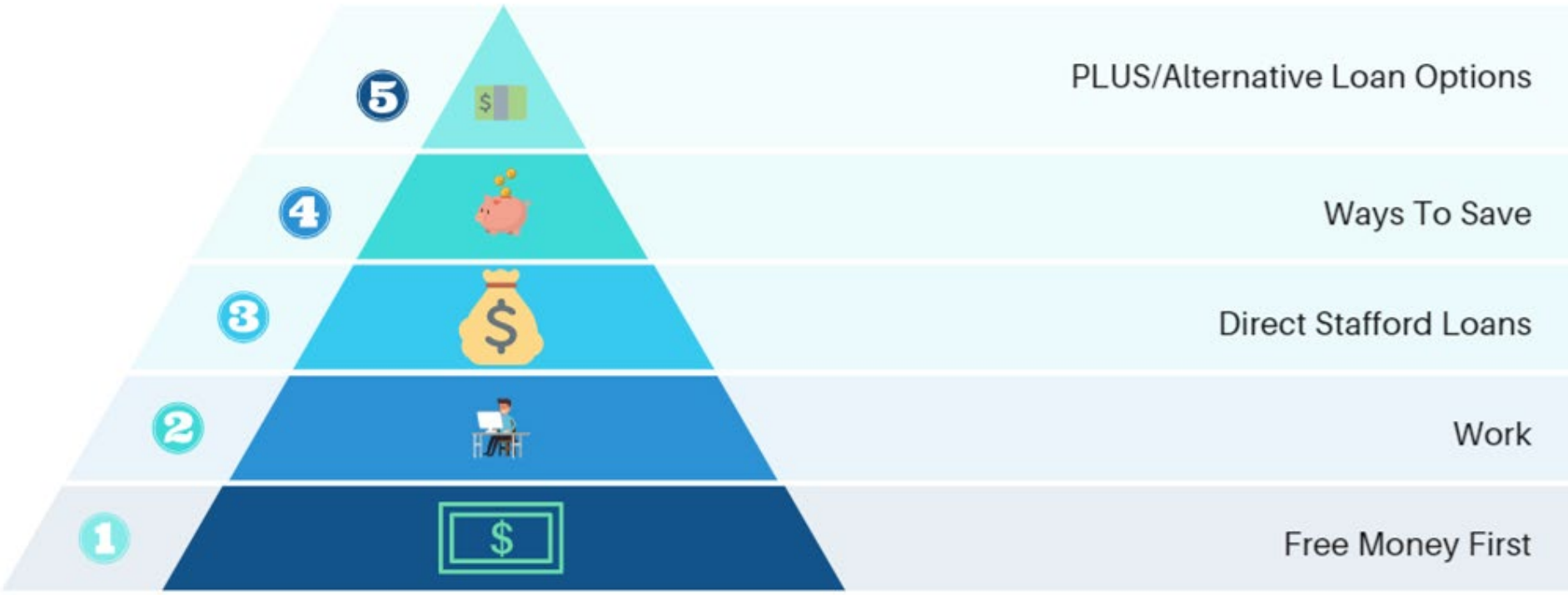
What is the net price you will pay?

What is the graduation rate?

What is the average debt of graduates?

What is the employment outcome?

Paying Your Bill



Ways to Reduce the Need for Financial Aid

- Graduate on time
- Community college
- ROTC and other clubs and organizations on campus
- Residence assistant
- PA529
- Commute
- Cheaper meal plan
- Utilize student discounts
- Consider used or digital books (Search online)

Expected Family Contribution (EFC)

The EFC is a number derived from a federal formula which considers a family's income, assets and other factors.

In theory, the EFC is the amount a family can reasonably be expected to pay toward college expenses each year.

In reality, it is not the amount a family is required to pay and it is rarely the amount a family actually pays.

How is the EFC Calculated?

- In theory, the EFC is a number calculated to measure and compare the general financial strength of all families applying for aid - it is **NOT** the amount you are expected to pay.
- EFC formula considers a family's taxed & untaxed income, assets, size, how many will be attending college, and age of oldest parent
 - » Includes allowances for taxes and focuses mainly on income
 - » Parent + student contribution = EFC
- **NOT AN ASSET:** Home, personal property, qualified retirement funds, and value of life insurance is excluded from assets
- Asset Protection Allowance is applied against parent's reported assets
 - » EFC calculation roughly uses 6% of parent asset contribution and 20% of student contribution
 - » Student income contribution used in the calculation: 50% of amounts over \$7.040
 - » Parent contribution divided by number of children in college at the same time



$$\begin{array}{r} \text{COA (Cost)} \\ - \text{EFC} \\ \hline = \text{NEED} \end{array}$$

How is the EFC Calculated?



- Remains the same no matter which school the student attends
- Primarily income-driven
- Major factors for dependent student:
- Parental & student income & assets
- Family size and number of family members in college
- Age of older parent

Parents Income and Assets

- Income is based on prior-prior year
- Tax filers report AGI from tax return and income from work from W-2
- Allowances are made for taxes, working households, and living allowances based on family size
- An asset protection allowance is applied
- Based on the age of the older parent
- Assets are reported as of the date the FAFSA is filed
- **Not an asset:** Value of primary residence, personal property, qualified retirement accounts and life insurance policies

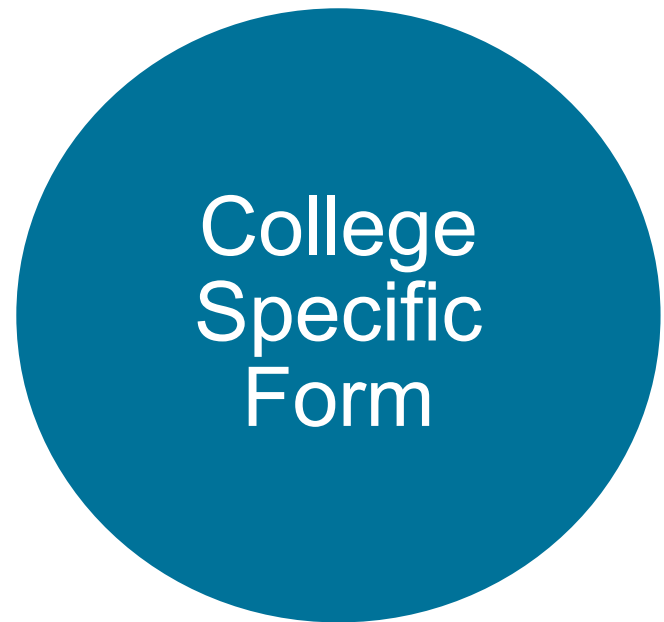
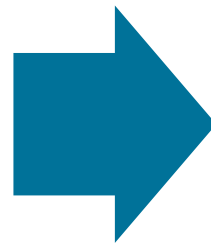
Student Income and Assets

- Allowances are made for taxes
- Earnings from work study are excluded
- Income protection allowance of up to \$7,040 and remaining income assessed at 50%
- Dependent students must report assets in their name
- Student assets are assessed at 20%
- Student has no asset protection allowance

Other Forms You May Need to Complete



✓ Check with your school





- **College Scholarship Service Profile**
- Created/Maintained by the College Board
- Required at **Some** Institutions & Scholarship Organizations – 400 Across the US
- Used in Addition to the FAFSA, not a Replacement
- Used to Award Need Based & Institutional Aid
- **Also** Complete the FAFSA for Federal Aid options
- CSS Profile Costs \$25.00 + \$16.00 for Additional Schools – A Waiver May be Available for Domestic Students
- The CSS Profile™ is now free to students with family incomes up to \$100,000, doubling the number of students who can apply at no cost. This change will make it easier for students to access generous aid and scholarships at hundreds of colleges and universities nationwide.
- College.Scorecard.ed.gov

CSS PROFILE = College Scholarship Service

CSS PROFILE Schools in Pennsylvania – Domestic Students

(As of 7/1/2018)

- Bryn Mawr College
- Bucknell University
- Carnegie Mellon University
- Dickinson College
- Drexel University
- Franklin & Marshall College
- Gettysburg College
- Haverford College
- Kutztown University
- Lafayette College
- Lehigh University
- Swarthmore College
- Univ of Penn: Law School
- Univ of Penn: Perelman Sch of Med
- Univ of Pennsylvania
- Univ of Pittsburgh: Sch of Med
- Villanova University

<https://profile.collegeboard.org/profile/ppi/participatingInstitutions.aspx>

FAFSA Renewal, CSS Profile

- Renew Every Year for Aid Opportunities
- Submit Your Renewal **Early** – It Matters!
- If Your School Requires the CSS Profile, You Need to Also Renew Every Year for Aid Options at Your School

LUCKY YOU!

You don't get to fill out the FAFSA or the CSS Profile just once! You get to go through the process **EVERY YEAR** you attend college in order to continue receiving aid.

Financial Aid Notification

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

Reviewing the Financial Aid Package

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? GPA requirement?

Will awards increase as tuition increases?

Will awards change from year to year?

Will loans be needed?

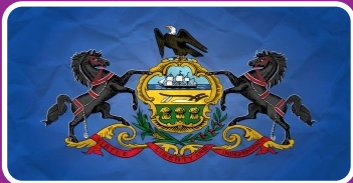
Comparing Packages

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

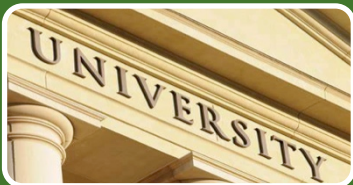
Funding Sources



Federal Government



State Government



School or College



Scholarships

Financial Aid 101



Federal Loans



Types of Federal Student Loans

- Undergraduate Students
 - » Subsidized (3.73% interest and 1.057% fee)
 - » Unsubsidized (3.73% interest and 1.057% fee)
- Graduate Students
 - » Unsubsidized (5.28% interest and 1.057% fee)
 - » GradPLUS Loan (6.28% interest and 1.057% fee)
- Parents
 - » PLUS Loan (6.28% and 4.228% fee)

Federal Direct Loan Program

- Available to **ALL** students **REGARDLESS** of need
- Additional unsubsidized funds available for Independent & Parent PLUS denial
 - » Rates set every July 1st for the life of that year's loan; fees are deducted from disbursement
- 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
- Flexible Repayment options

Based on FAFSA, students have a combination of:

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

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

Federal Direct PLUS Loan

- For parents of dependent undergraduate or graduate level 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
 - » 6.28% variable/fixed interest rate; 4.228% fees)
- Can borrow up to the Cost of Attendance
- MUST apply each year
- No Debt-to-Income test, only lenient credit check
- Can have an endorser (co-signer)
- 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
- Must file a FAFSA

Federal Direct PLUS (Parent)

Repayment begins immediately – can defer repayment until 6 months after student graduates or drops below half-time enrollment

- If defer payment – encouraged to make interest payments
- Standard repayment is 10 years

Financial Aid 101



Private/Alternative Loans



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

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
 - » Repayment may be deferred until education completed
 - » Terms vary by lender – compare before making choices
 - » Students must sign a “Self Certification Form” per DOE
- **READ THE FINE PRINT**

Private/Alternative Education Loans

- In student's name/co-signers usually required
 - » Can borrow up to the Cost of Attendance
 - » Approval based on credit scores and debt-to-income
- New from PHEAA beginning April 2019

PA Forward Student & Parent Loan:

- **NO FEES**, rate discounts at graduation, and ACH payment
- Lowest capped interest rates
- Refinance loan
- Multiple repayment options
- Online application
- Find more at [PHEAA.org/PAForward](https://www.pheaa.org/PAForward)
- **Compare to find the right fit**





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

Low, Fixed Rates
3.73-6.69%^{1,2} APR

Effective as of 5/12/21

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 120 months, monthly payments of \$100.87 and a final payment \$78.29, a fixed periodic interest rate of 4.17%, and a total amount financed of \$11,980.40. 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 \$117.93, a fixed periodic interest rate of 7.07%, and a total amount financed of \$21,227.72. 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. 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.

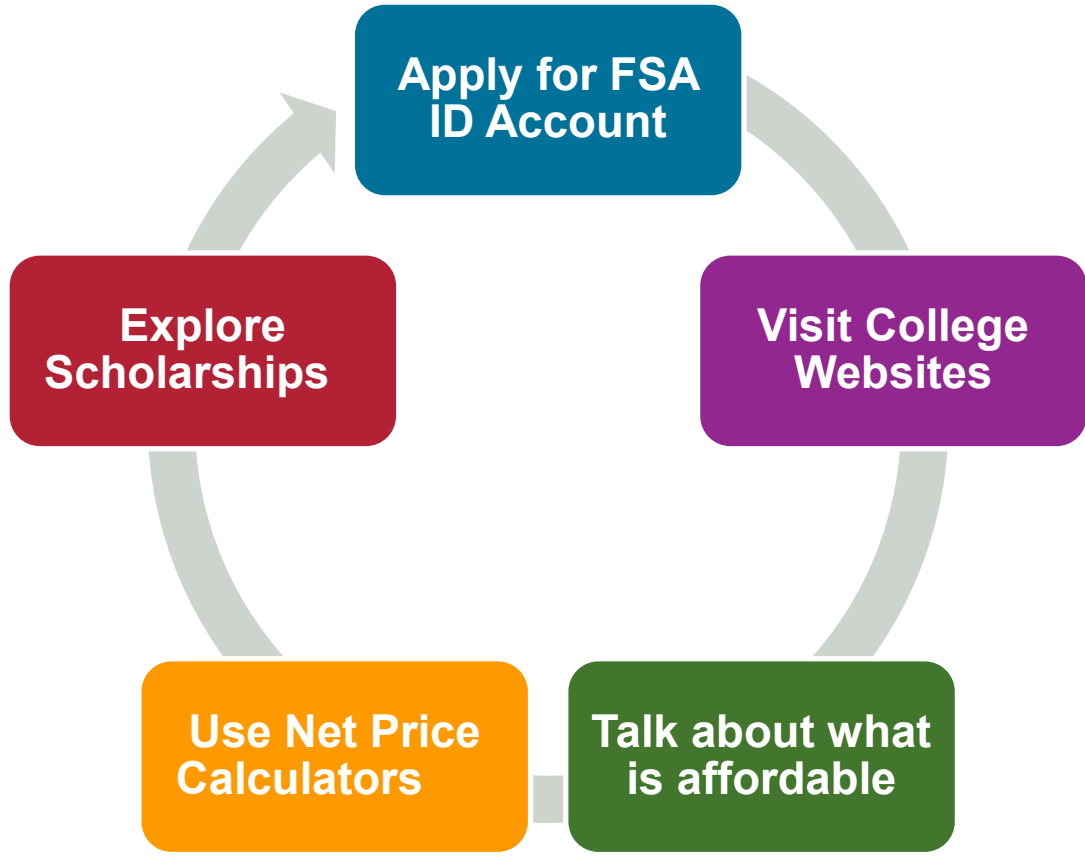
Financial Aid 101



Final Thoughts & Wrap-Up



What Can You Do Now?



Use Your Resources



- PHEAA.org
- EducationPlanner.org & MySmartBorrowing.org
- YouCanDealWithIt.com
- MyFedLoan.org
- Mynextmove.org
- PHEAA toll free: 800-692-7392
- Federal Student Aid Info Center: 800-433-3243
- StudentAid.gov – The one-stop shop site for all financial aid information.
- The New Federal Student Aid Estimator can be found on StudentAid.gov
- StudentAid.gov/FAFSA – Direct link to the FAFSA
- StudentAid.gov – information on federal loans

Social Media Outreach



PHEAA
American Education Services
FedLoan Servicing



@PHEAAaid
@FedLoan Servicing
@aesSuccessorg



PHEAA

QUESTIONS?

Robin Walker

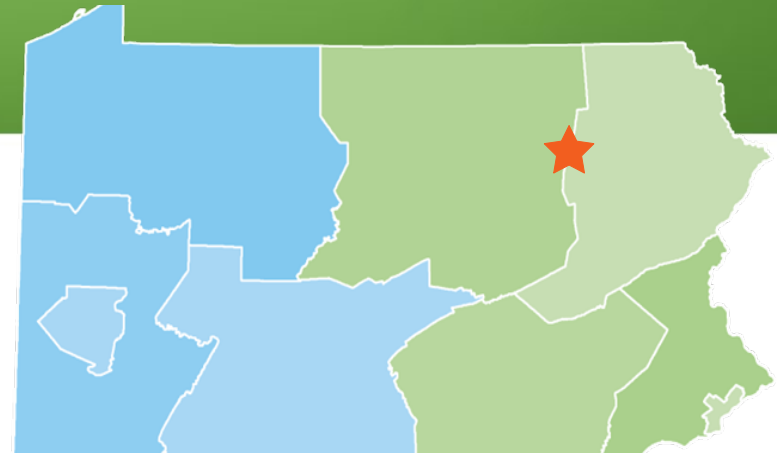
PHEAA

robin.walker@pheaa.org

717-956-8285

Best of luck 😊

Your Presenter



Robin Walker

Higher Education Access Partner

Northeast Region

PA Higher Education Assistance Agency (PHEAA)

717-956-8285

robin.walker@pheaa.org

Bradford, Columbia, Lackawanna, Luzerne,
Mountour, Sullivan, Susquehanna, Tioga, Wayne,
and Wyoming Counties.