

Financial Aid 101



Your Presenter

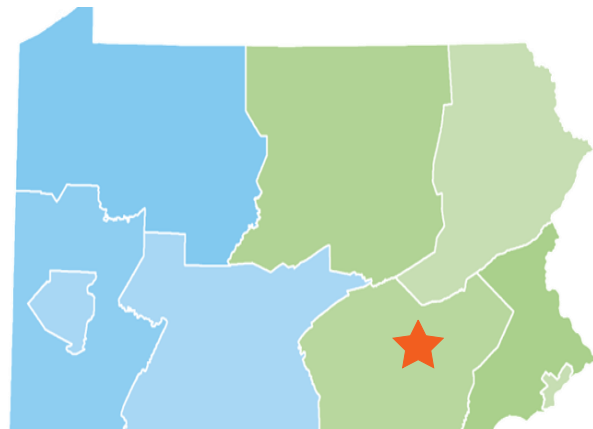
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Meet the Team

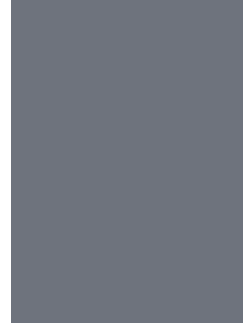
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Meet the Team

Eastern Pennsylvania

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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 a
Smart
Consumer
d

Funding Sources



Federal Government



State Government



School or College



Scholarships

Step 1: Look For Free Money First

- Scholarships are obtainable – Effort pays off!
- Available beyond the first year
- Wide variety of criteria



Postsecondary
Scholarships



Local and
Regional
Scholarships



National
Scholarships

At Fastweb, We Have It All

Scholarships, Internships, Colleges and More

START YOUR SEARCH

Fastweb.com

- Matches scholarships to specific student criteria
- Sends email message when students qualify for a scholarship

What is Fastweb?

We're the leading online resource in finding scholarships to help you pay for school.



Targeted Scholarships

Scholarships just for you based on your strengths, interests and skills



Financial Aid

Resources to help you with tough financial aid decisions



College Search

Discover the perfect school for your interests and budget



Career Advice

Guidance to help you prepare for a promising future

Course Hero



Win up to
\$5000
in scholarship
money!

Apply Now



Financial Aid 101



Federal & State Aid Programs



Federal Grant Programs

NEED-BASED AID

- 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
- Campus-based Aid Programs
 - **Federal Supplemental Educational Opportunity Grant (FSEOG)** – max award \$4,000
 - Eligibility determined by Financial Aid Office at each potential school
 - **Federal Work Study**
 - “Students who participate in the federal work-study program are more likely to graduate and be employed 6 years after college than their similar counterparts who don’t participate in the program, according to a new study”.

PA State Grant Program

NEED-BASED AID

- 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 - PA State Grant 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

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

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

Other State Programs

Step 2: Know Your Deadlines

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



WARNING
DUE DATES ARE CLOSER
THAN THEY APPEAR

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:

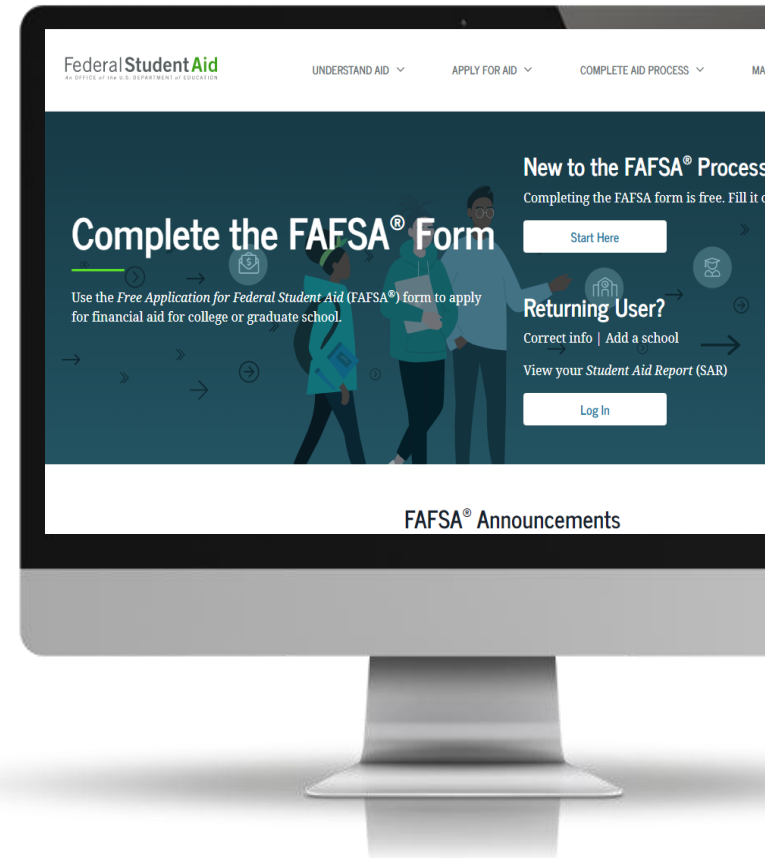
- Federal programs
- State programs
- School programs



WARNING
DUE DATES ARE CLOSER
THAN THEY APPEAR

FAFSA

- 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.



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)**



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



Parents Income and Assets

Income

- Allowances are made for taxes, working households, and living allowances based on family size

Assets

- An asset protection allowance is applied based on the age of the older parent

Student Income and Assets

Income

- 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%

Assets

- Dependent students must report assets in their name
- Student assets are assessed at 20%
- Student has no asset protection allowance

When is a Student Considered Independent?



- ✓ 24 or older on Jan 1st of 2023
- ✓ 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)



2021 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 fafsa.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.

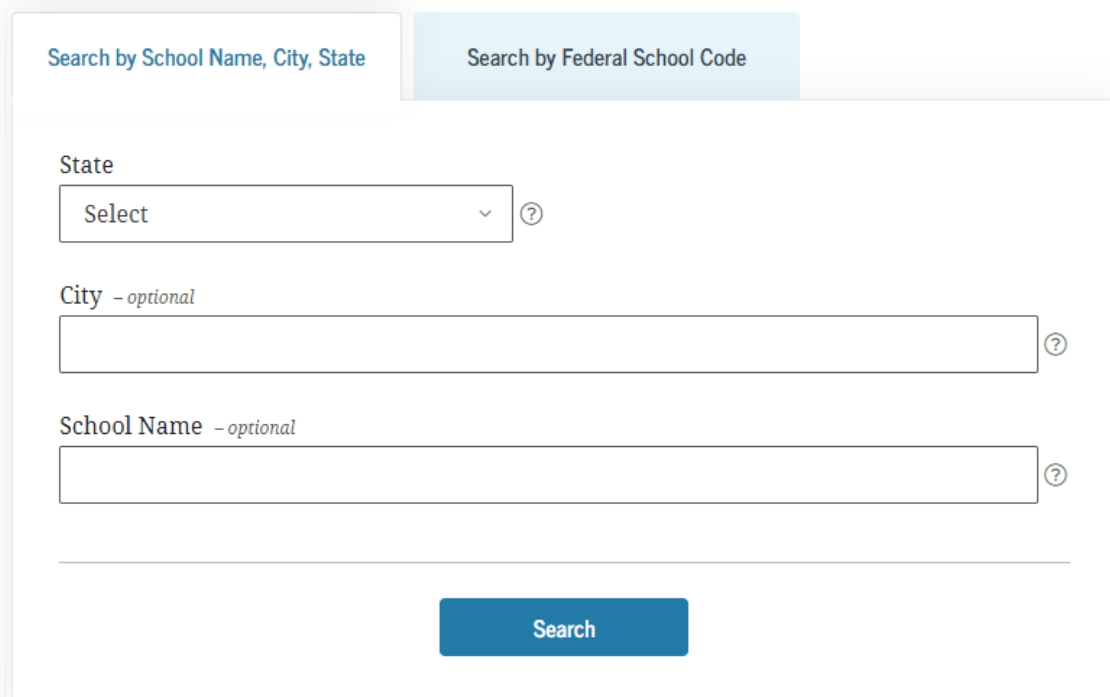
☐

DO NOT TRANSFER



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 web form for searching schools. At the top, there are two tabs: "Search by School Name, City, State" (which is active) and "Search by Federal School Code". Below the tabs, there are three input fields, each with a help icon (a question mark in a circle) to its right:

- State:** A dropdown menu with the word "Select" and a downward arrow.
- City - optional:** A text input field.
- School Name - optional:** A text input field.

At the bottom of the form is a blue button labeled "Search".

What is considered an asset?

Report the current value at time of filing the FAFSA:

- ✓ Cash
 - ✓ Checking
 - ✓ Savings
 - ✓ Investments
 - ✓ Stocks
 - ✓ Bonds
 - ✓ Certificates of deposit (CD)
 - ✓ Bitcoin
 - ✓ Mutual funds
 - ✓ 529 Plans – for all children
 - ✓ Net value of real estate
- Farm Value – unless primary place of residence
 - Business Value – unless family owned and employs 100 employees or less

Not reported on FAFSA as an asset:

- Value of primary home
- Value of qualified retirement accounts
- Value of life insurance policies
- Value of personal property

Signing with the FSA ID

Signature Status

Student Demographics School Selection Dependency Status Parent Demographics Parent Financials Student Financials Sign & Submit Confirmation

i 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

Site Last Updated: Sunday, September 23, 2019 [Download Adobe Reader](#)

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- Student and one parent will sign the FAFSA using their **SEPARATE** FSA ID & password.
- A FAFSA is not complete until it is signed!

Confirmation Page & Link to the PA State Grant Form

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[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

Other Forms You May Need to Complete

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✓ Check with your school



College
Scholarship
Service
(CSS)
Profile



College
Specific
Form



CollegeBoard

CSS Profile™

FAFSA is Filed... Now What?



Schools
receive FAFSA
and calculate
financial aid

School cost	\$26,000
EFC	-\$3,000

Financial Need	\$23,000
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Schools send
Financial Aid
Notifications to
student

Calculating Financial Need

Financial Aid Office (FAO)
“packages” student based
on financial need and
available funding

- Financial need varies
from school to school
- Your financial aid
package **may not** meet
all of your calculated
financial need.



School cost	\$26,000
----------------	----------

EFC	-\$3,000
-----	----------

Financial Need	\$23,000
-------------------	----------


Financial Aid 101



**Step 4 - Compare Schools' Offers
Carefully**



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

Financial Aid 101



Step 5 – Be a Smart Consumer



Be a Smart Consumer



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USE NET PRICE CALCULATORS

**Check out
MySmartBorrowing.org**
A free tool to calculate an affordable future.

> Let's GO!

Estimate Federal
Student Aid
studentaid.gov/aid-estimator



DO NOT BORROW MORE THAN
EXPCECTED FIRST YEAR'S **SALARY**

Financial Aid 101



Federal Student Loans

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



Subsidized

Unsubsidized

No interest charged to student while enrolled or in grace

- Based on financial need
- There is a 1.057% fee deducted from loan amount at disbursement
- Interest will not be charged during the grace period, if the loan was first disbursed after June 30, 2014

Interest accrues in school and grace

- Any interest not paid during grace will be capitalized at repayment
- There is a 1.057% fee deducted from loan amount at disbursement

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

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



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



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

Low, Fixed Rates

3.82-7.69% ^{1,2} APR

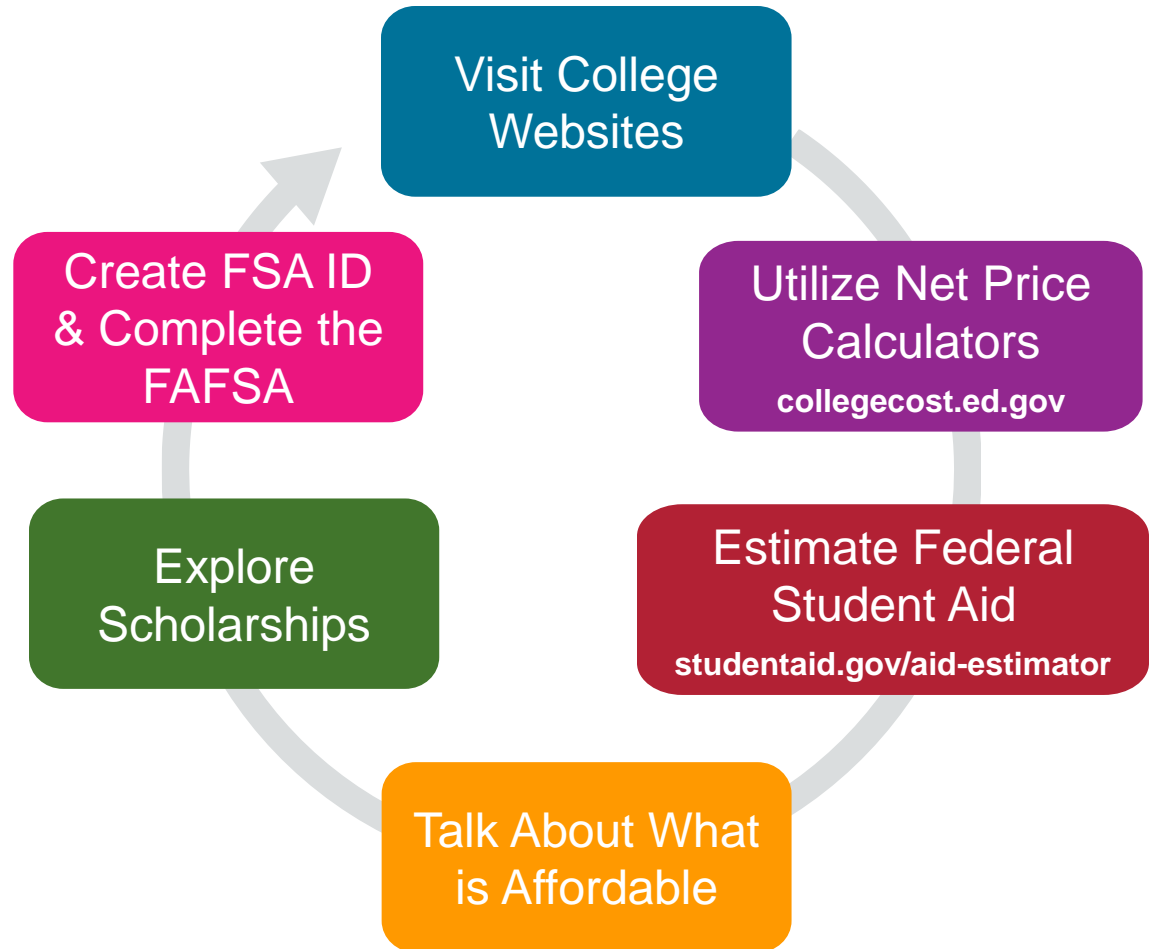
Effective as of 6/8/22

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.

What Can You Do Now?



Ways to Reduce the Need for Financial Aid

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- Graduate on time!
- Earn college credits in high school
- 2+2 or 3+2 Strategy
- Buy/rent textbooks
- Consider commuting
- Find cheaper meal plan



Use Your Resources



- **PHEAA.org**
- **EducationPlanner.org**
- **MySmartBorrowing.org**
- **YouCanDealWithIt.com**
- 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.
- **studentaid.gov/FAFSA** – Direct link to the FAFSA

Social Media Outreach



PHEAA
American Education Services



@PHEAAaid
@aesSuccessorg



PHEAA

