

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.



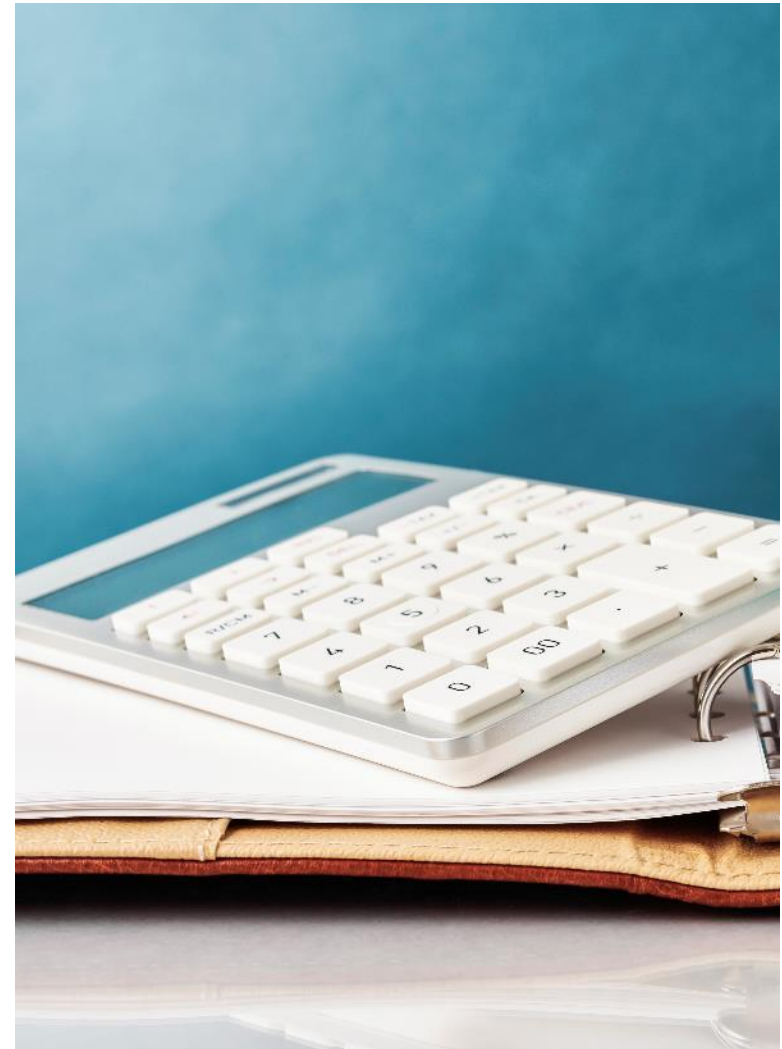
Free Money – Grants/Scholarships



Self-Help - Work, Savings, Tuition Account Programs, etc.



Borrowed Money - Loans



Funding Sources



Federal Government



State Government



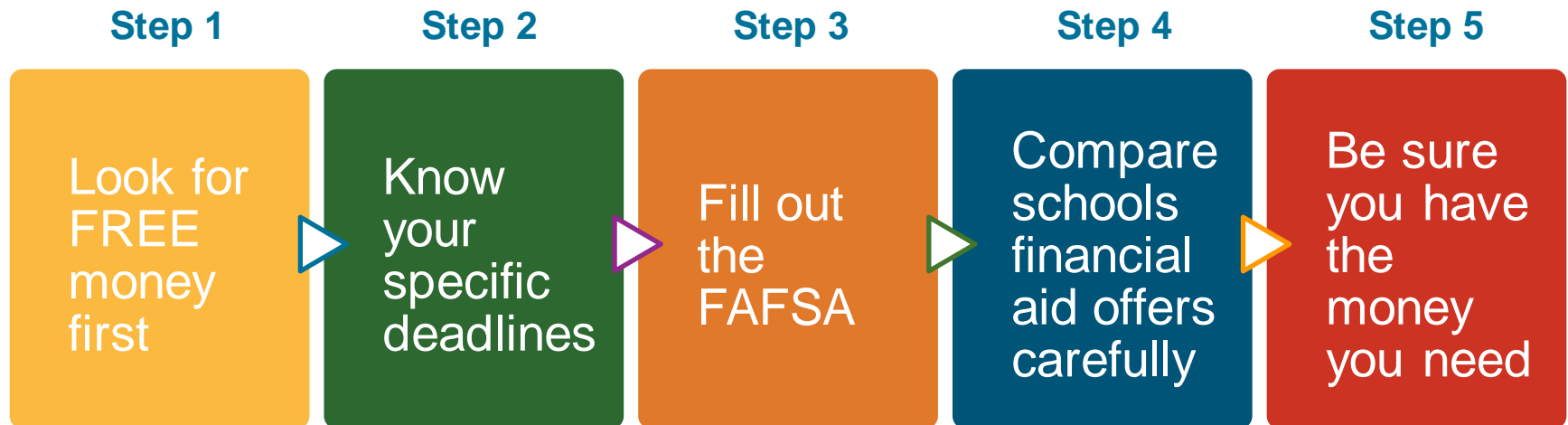
School or College



Scholarships

Financial Aid Made Simple

5 Steps to Financial Aid



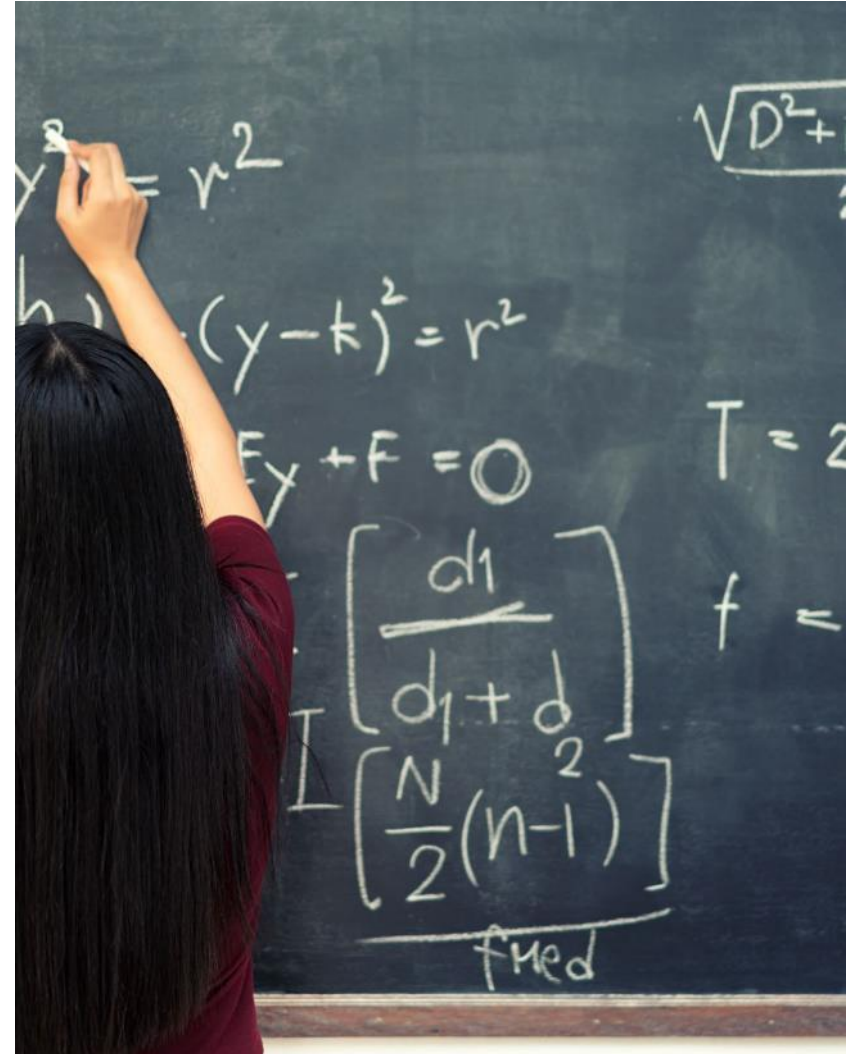
Look for Free Money First



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

Types of Scholarships

- College/University Scholarships
- Local and Regional Scholarships
- National Scholarships
 - ❖ collegeboard.org
 - ❖ fastweb.com
 - ❖ finaid.org
 - ❖ scholarshipamerica.org



Increase Your Chances



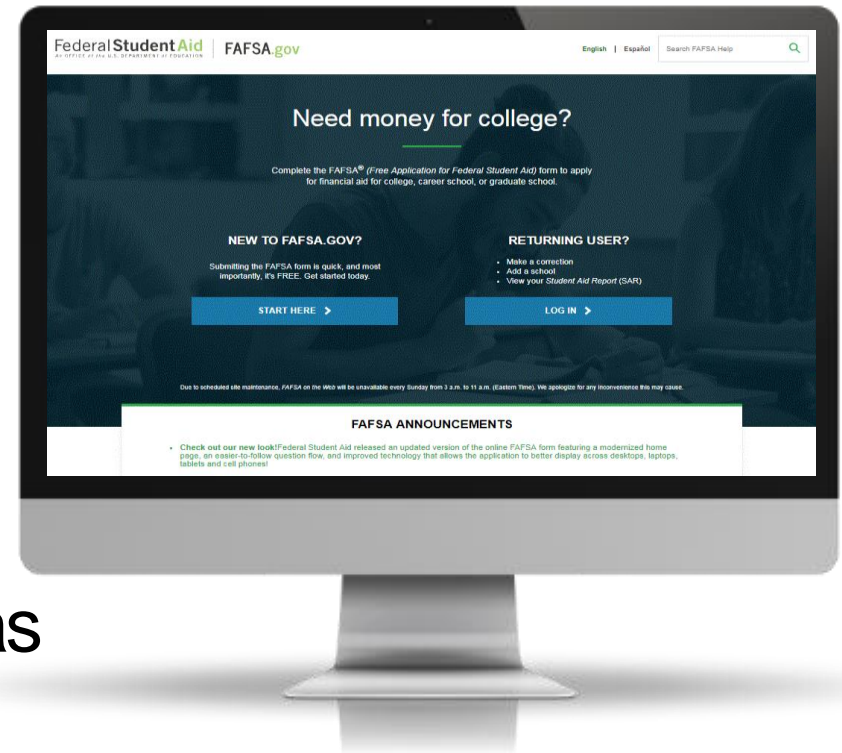
- Organize important information that can increase your chances of obtaining scholarships!
- Create a Resume
- What makes you stand out?
 - ❖ Besides grades, class rank, test scores
- Document your information!
 - ❖ Academics - courses, grades, GPA, class rank, test scores
 - ❖ Personal/Performance – sports, music, art, achievements
 - ❖ Extra Curricular Activities – jobs, hobbies
 - ❖ Other - Volunteerism, Community Activities, Employment
- Recommendations
 - ❖ Faculty, Coaches, Employers, Community leaders...

Know Your Deadlines

- Applications for Admission
- Deadlines for Scholarships
 - ❖ Institutions, Outside Sources
- FAFSA
 - ❖ Schools may have priority deadlines
- PA State Grant Deadline
 - ❖ **May 1** - If you plan to enroll in a degree program or a college transferable program at a junior college or other college/university
 - ❖ **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

Free Application for Federal Student Aid

- 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.
- The FAFSA is available as early as October 1 of student's senior year of high school



<https://studentaid.gov/fafsa>

Create Your FSA ID

- 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.

Username

Password

Email Address

Mobile Phone

Security Questions

Social Security
Number

Information Needed for the FAFSA

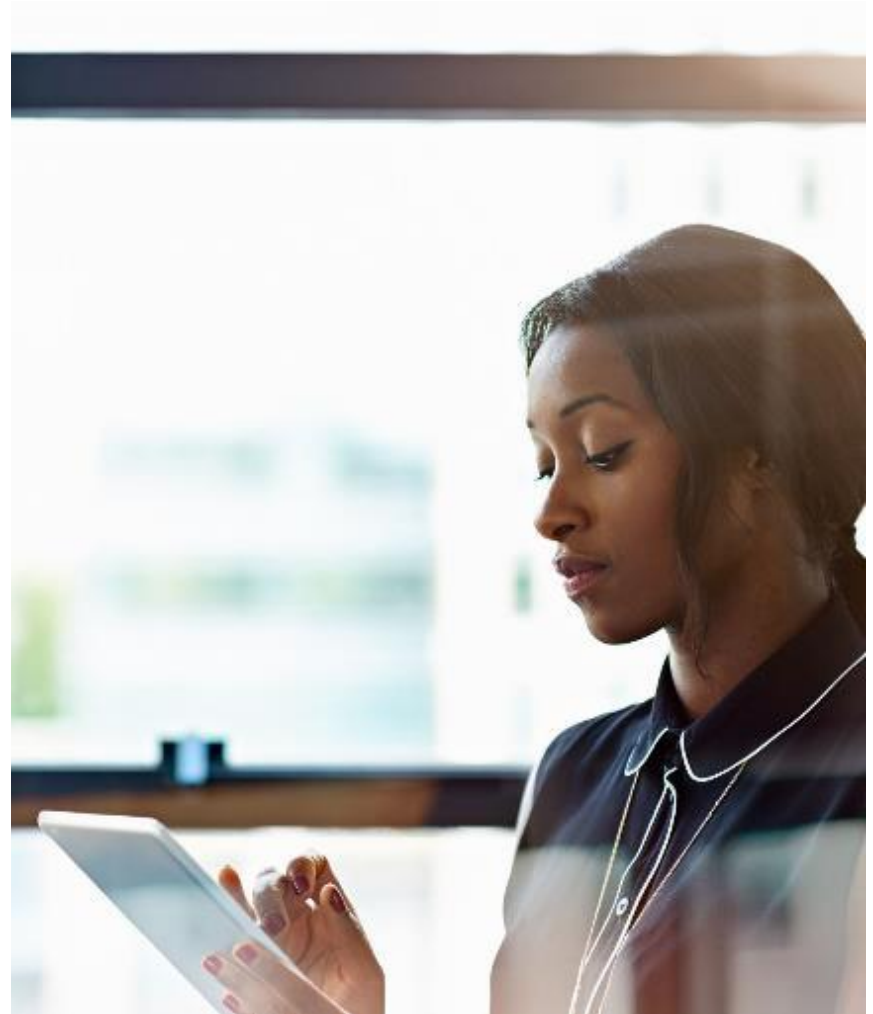
| School Year | Application Becomes Available | Tax Information Required |
|-------------------------|-------------------------------|--------------------------|
| Fall 2023 – Spring 2024 | October 1, 2022 | 2021 |
| Fall 2024 – Spring 2025 | October 1, 2023 | 2022 |
| Fall 2025 – Spring 2026 | October 1, 2024 | 2023 |

- ✓ Social Security Numbers, Federal Tax Returns and W-2s, Untaxed Income, Checking/Savings Account Statement Balances and Investment Records as of filing date

College Scholarship Service (CSS) Profile

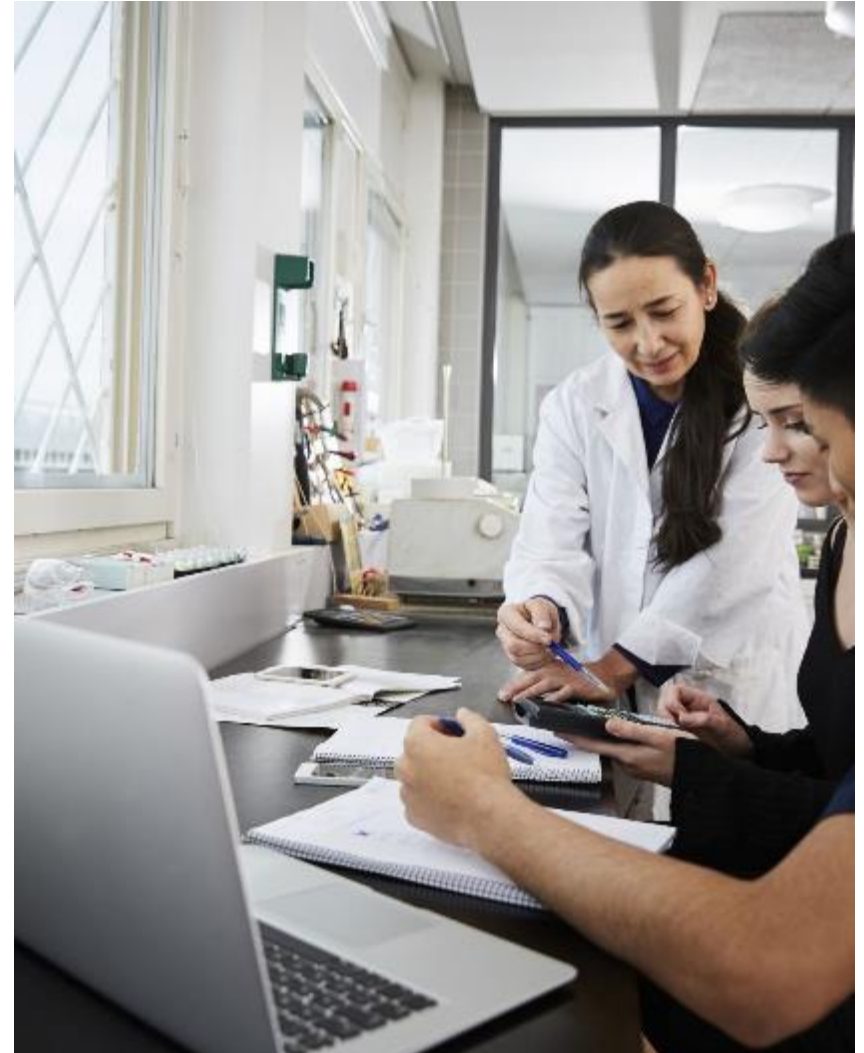
- Used by some schools to award need based & institutional aid
- Does NOT replace the FAFSA
- There is a cost to complete

<https://www.collegeboard.org/>



Federal Work-Study

- A part-time job offered to a student based on their financial need.
- You must work to receive a paycheck for work study. This funding typically doesn't get deducted from your school bill.
- Ask about how you find a work-study job on campus.



PA State Grant Program

- In-state (PA) - Full-time: up to \$5,000
- **Reciprocal states:** Delaware, DC, Massachusetts, Ohio, Vermont, West Virginia
 - ❖ Up to \$600 for full-time students and up to \$800 for veterans
- Award amount determined in part by the cost of the school

Must be at least half-time to be eligible



Other State Programs

- State Work-Study
- Blind or Deaf Beneficiary Grant
- Foster Ed Tuition Waiver
- Educational Assistance Grant (EAP) – National Guard
- PA Military Family Education Program (MFEP)
- Chafee Education and Training Grant – co-administered with the PA Department of Human Services
- Postsecondary Educational Gratuity Program (PEGP)
- Partnerships for Access to Higher Education (PATH)
- Pennsylvania Targeted Industry Program (PA –TIP)
- Ready to Succeed Scholarship (RTSS)



For more details visit [PHEAA.org](https://www.pheaa.org)

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

Federal Student Loan Borrowing Limits

Undergraduate Students

| Annual Limits | Dependent Students | Independent OR dependent students whose parents are unable to borrow a PLUS Loan |
|---------------------------------------|--|--|
| 1st Year | \$5,500 Total No more than \$3,500 may be subsidized | \$9,500 Total No more than \$3,500 may be subsidized |
| 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 |

Compare Financial Aid Notices Carefully

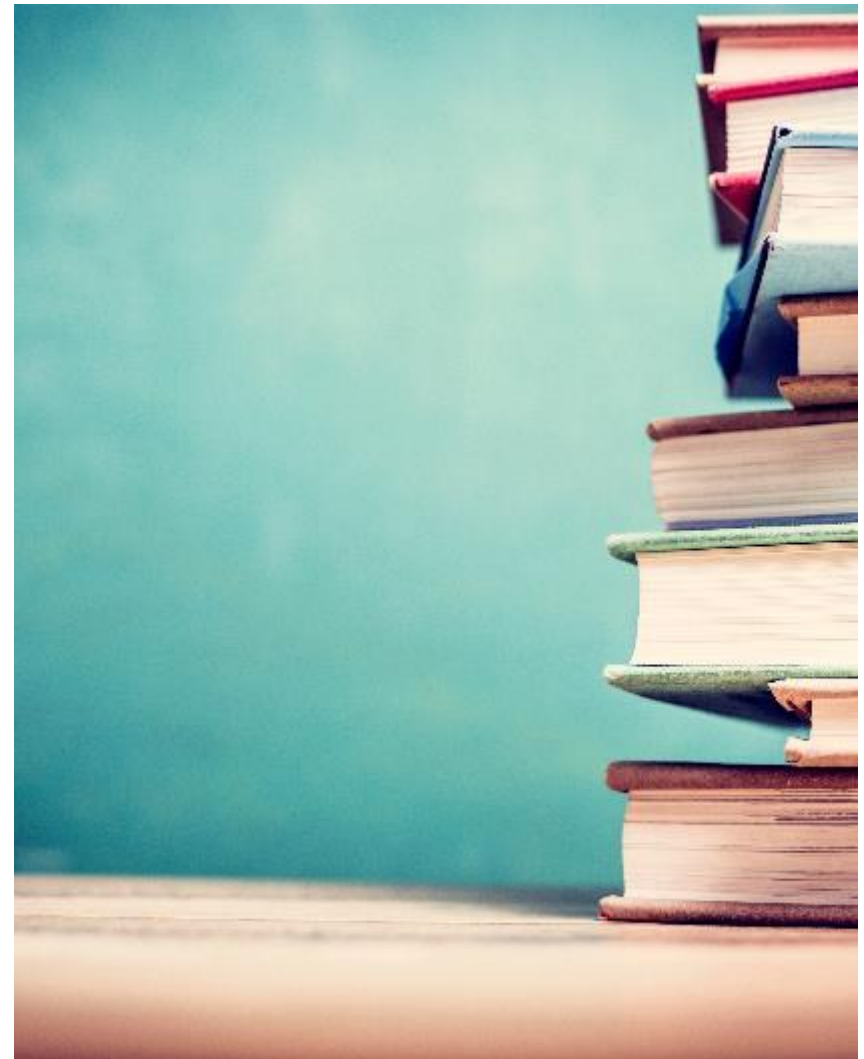
- There is no required standard format for Financial Aid Notices from schools.
- Do you understand what is offered to you as a grant, scholarship or loan?
- If you receive a scholarship, do you know if there are conditions for maintaining it?
- Is the scholarship for the first year only or can you renew it?

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

What School Costs Are Considered?

School costs include:

- Tuition and fees
- Room and board
- Books and supplies
- Transportation
- Miscellaneous expenses

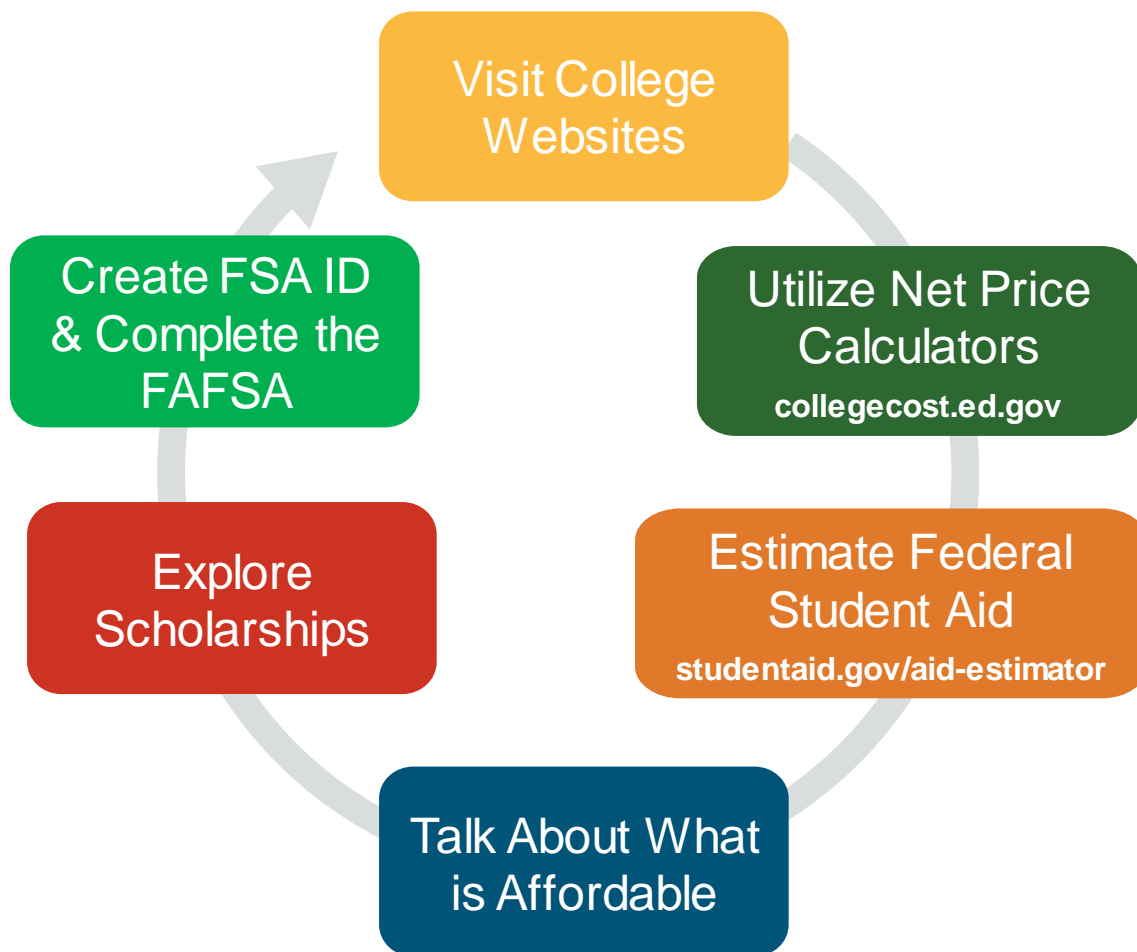


Be Sure You Have The Money You Need

- 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 Can You Do Now?



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)



Social Media Outreach



PHEAA
American Education Services
FedLoan Servicing



@PHEAAaid
@FedLoan Servicing
@aesSuccessorg



PHEAA

Questions?



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