

Financial Aid 101



Your Presenter



Kurt Deutsch

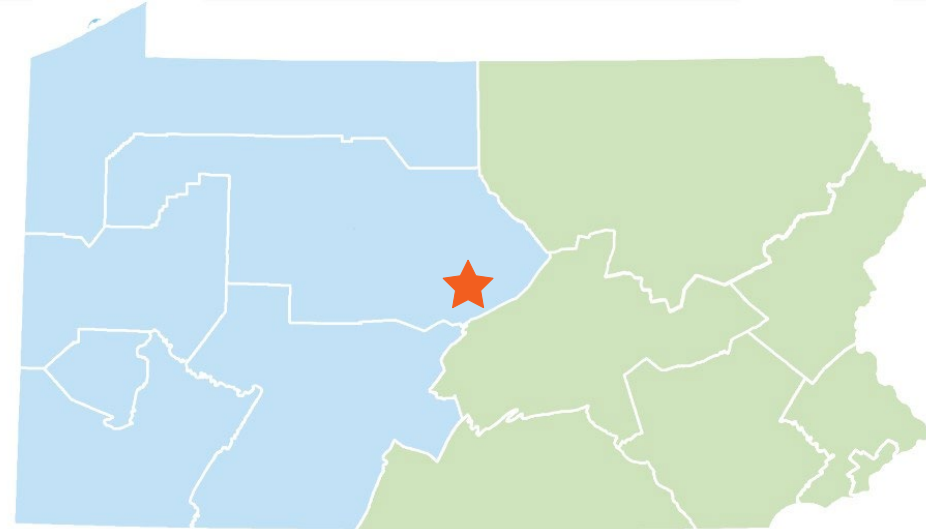
Higher Education Access Partner

West Region

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Topics

- Five steps to financial aid
- Basic principles
- What is financial aid
- Funding sources available
- How do I apply
- What happens next
- Federal and State aid
- Loans
- Options to fund the gap



Ways to Reduce the Need for Financial Aid

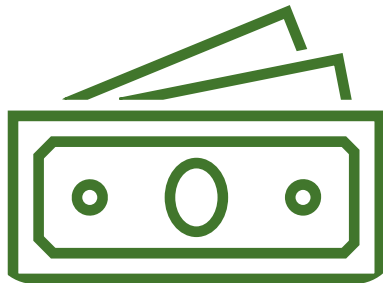


- Graduate on time!
- Earn college credits in high school
- 15 credits per semester
- Buy/rent textbooks
- Consider commuting
- Find cheaper meal plan



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



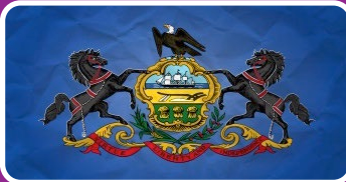
Loans

Federal Student Loans,
PLUS, Private Loans

Funding Sources



Federal Government



State Government



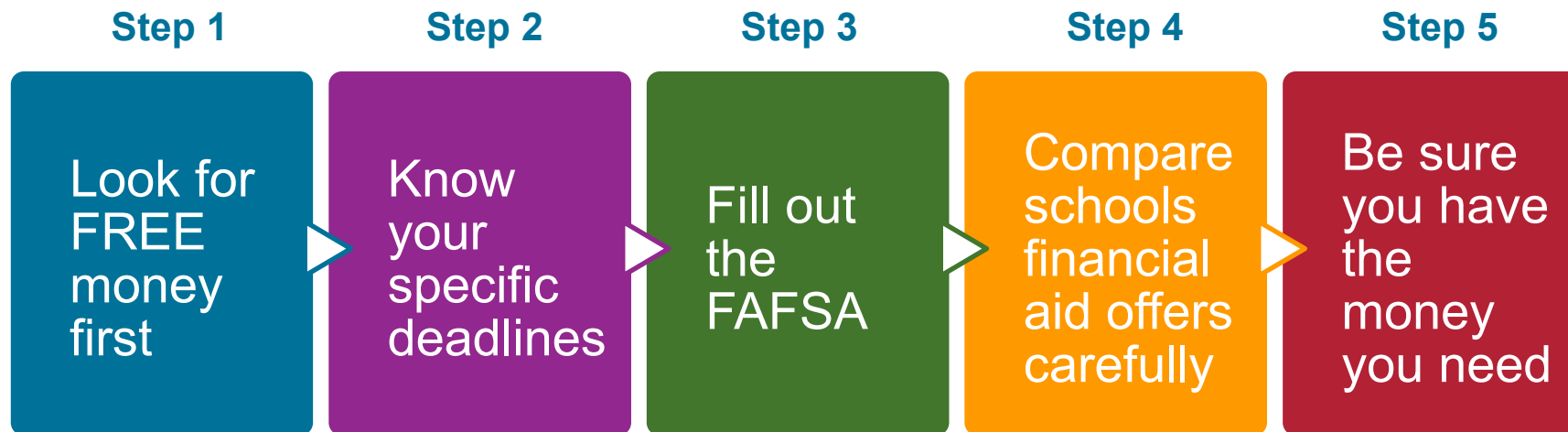
School or College



Scholarships

Financial Aid Made Simple

5 Steps to Financial Aid



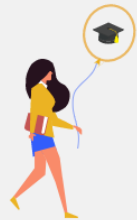
Net Price Calculator

- What is the Net Price that you will pay?
 - Net Price Calculator



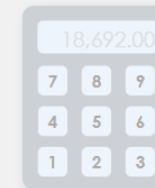
U.S. Department of Education

Net Price Calculator Center



Search for Schools' Calculator

Begin typing to search for schools



What does Net Price mean?

Net Price is the amount that a student pays to attend an institution in a single academic year AFTER subtracting scholarships and grants the student receives. Scholarships and grants are forms of financial aid that a student does not have to pay back.

What is a Net Price Calculator?

Net price calculators are available on a college's or university's website and allow prospective students to enter information about themselves to find out what students like them paid to attend the institution in the previous year, after taking grants and scholarship aid into account.

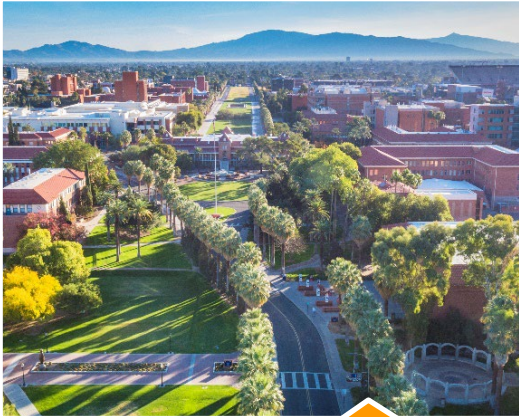
collegecost.ed.gov/net-price

Financial Aid 101



Applying

Types of Scholarships



Postsecondary
Scholarships

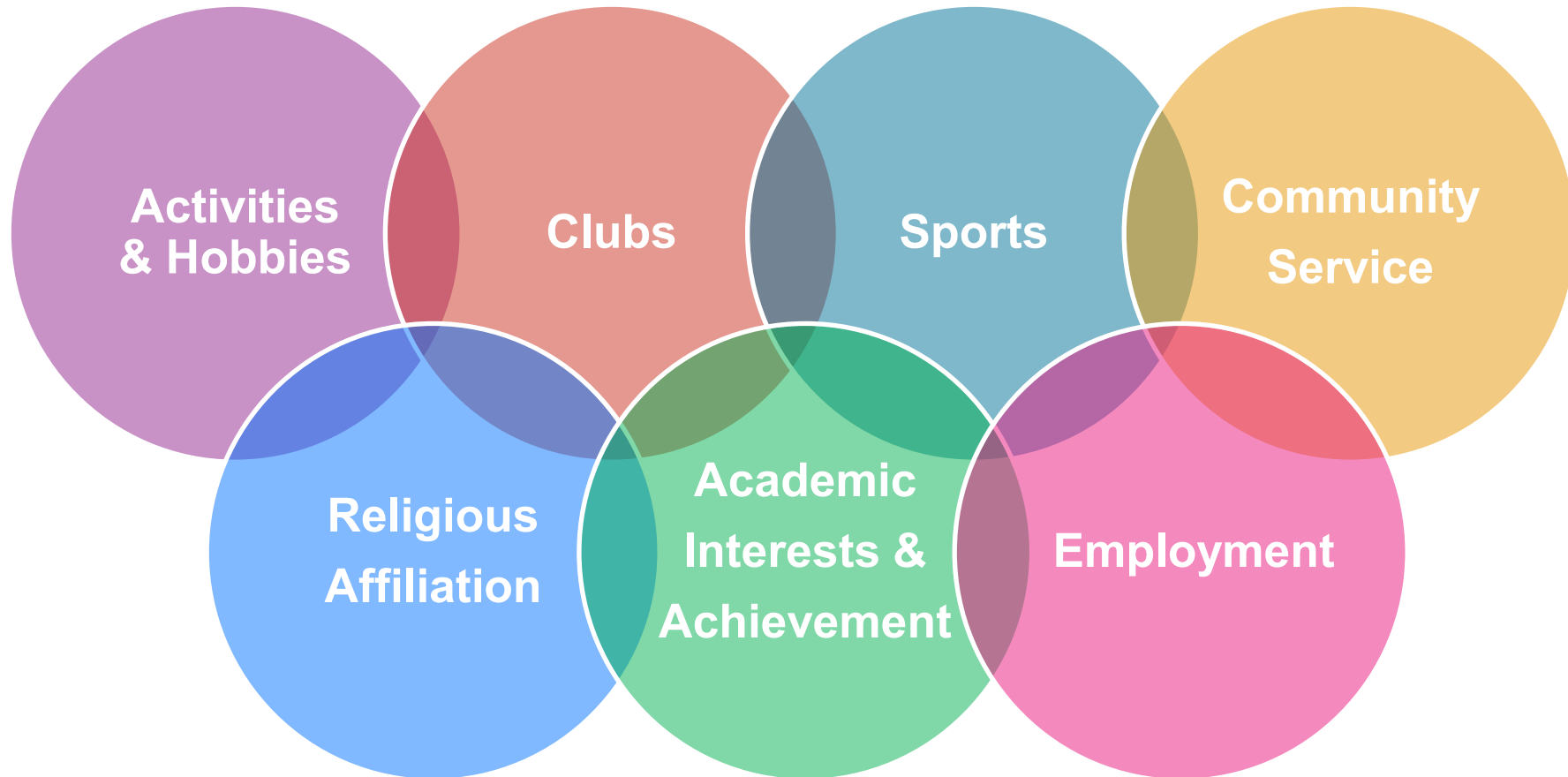


Local and
Regional
Scholarships

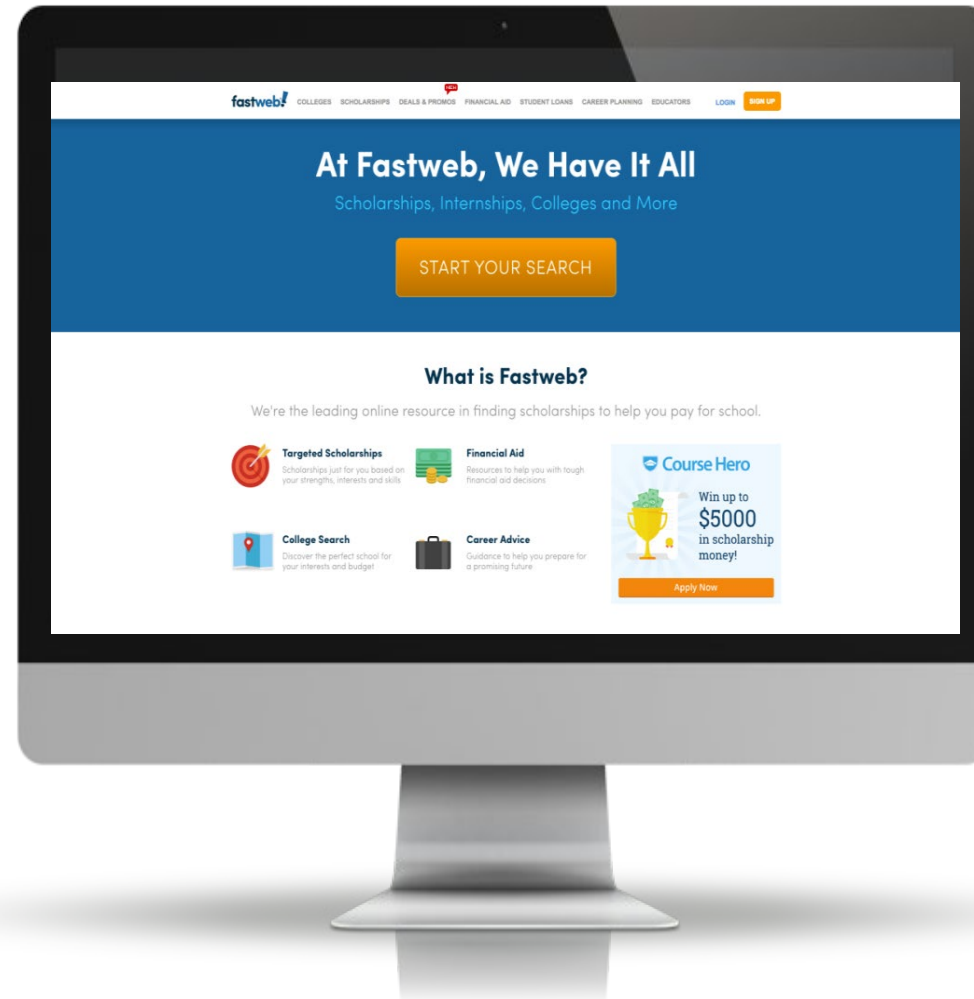


National
Scholarships

Your Scholarship Resume



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



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



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





Start with the FORMS



- **FAFSA** – Free Application for Federal Student Aid
 - Required by **ALL Schools, PHEAA** and some scholarship organizations
 - Required every year attending
- **STATE GRANT FORM** through PHEAA
 - Required first year for all students
- **Some schools require additional forms:**
- **CSS Profile** – through the College Board; additional fees
<https://cssprofile.collegeboard.org>
- **Institutional Financial Aid Forms** - through a specific school
- **KNOW WHAT FORMS EACH SCHOOL *REQUIRES***

Know Your Deadlines



Federal Deadlines - Apply on or after

October 1 in the year prior to when you will attend school (AY 2024-25: 12/31/23 to 6/30/25). However, this year it will be **December 2023**

PA State Grant Deadlines for FAFSA

May 1, 2024 - First-time and renewal students attending colleges, universities & college transferrable programs (excluding community colleges)

August 1, 2024 – 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 Jr or 4-year college

School Deadlines - vary, check websites!

For Dependent Students, Who Reports Info on the 2024-25 FAFSA?

YES

- Married parents living together
- Biological parents living together
- Divorced or separated parents:
 - The parent that provided the most financial support to student over the past 12 months
 - If equal, then student would invite the parent with the higher income and assets
- Stepparent – If part of the student's household
- Adoptive parents

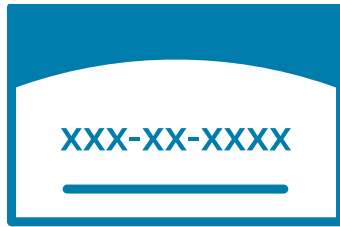
NO

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



2024-2025 FAFSA Prep

Information Needed for FAFSA



Social Security Numbers



Email Addresses (Not high school email address)



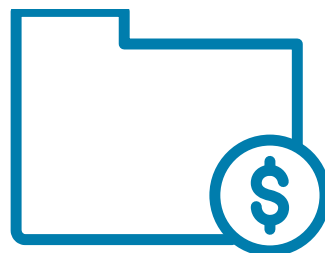
2022 Federal Tax Returns and W-2's



Current bank statements and records of other investment accounts (as of the FAFSA filing date including farm value and value of small business)



Student & Contributor(s) Federal Student Aid Account FSA ID



Current Records of any stocks, bonds and other investments, including 529 for student for whom the FAFSA is being completed



Total child support from the most recently complete calendar year

When Is A Student Automatically Considered “Independent”?



- 24 or older on Jan 1st of 2024
- Married
- Veteran (includes active-duty personnel)
- Working on graduate level degree
- Legally emancipated minor or in a legal guardianship with someone other than their parent or stepparent, as determined by a court in state of residence
- Orphan, in foster care or ward of the court at anytime since the student turned 13
- Have legal dependents other than spouse
- Student deemed homeless by proper authority
- (PA State Grant status can be different)

Create Your FSA ID Accounts

- The student applying for aid and all contributors providing information on the FAFSA need to create an FSA ID at studentaid.gov/fsa-id.
- **Create 4 days prior to completing the FAFSA.**
- Legal signature for student and contributors.
- Users without an SSN will be able to acquire an FSA ID.

Social Security Number

Username

Email Address

Password

Mobile Phone

Security Questions

Enable Two-Step Verification

Two-Step Verification to Access FSA Account


Users creating an account for the first time are required to set up one or more two-step verification methods (text, email, or authenticator app) as part of the “Create an Account” process.


Once one or more two-step verification methods are set up, the customer will receive a secure code each time he or she logs in to studentaid.gov.


Protect Your Account with Two-Step Verification


Two-step verification helps to protect your account. Your verified methods can be used to log in and to recover your account.

To update or verify your email address or mobile phone number, visit the [contact information page](#).

 Your verified method(s) can now be used to log in.

 SMS Verification Verified [Update Contact Information](#)

 Email Verification Verified [Update Contact Information](#)

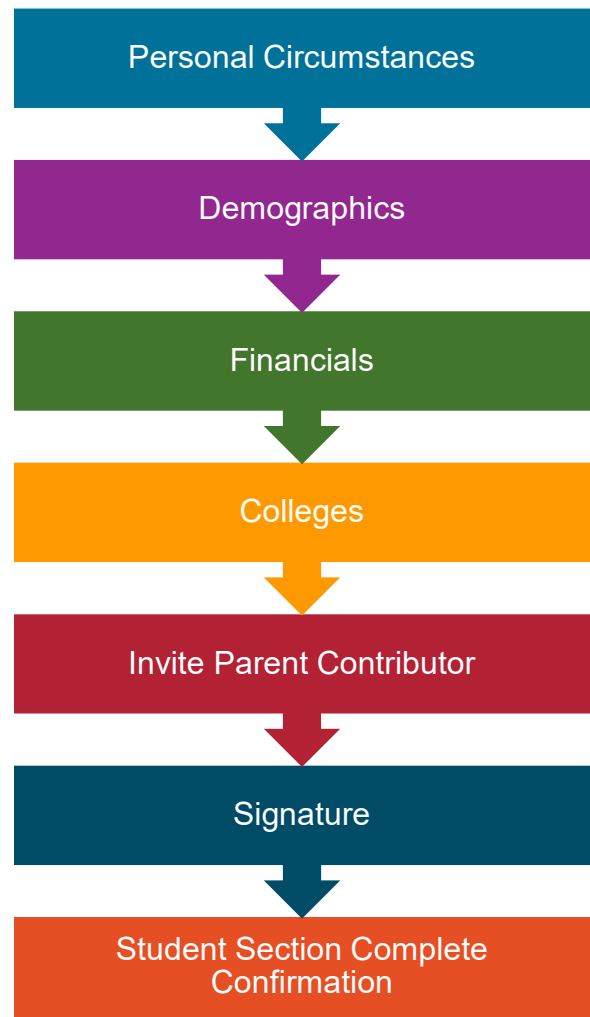
 Use an Authenticator App (Most Secure Option)

Use an authenticator app that you've downloaded from a mobile app store to view in-app secure codes—visible only to you—that can confirm your identity when you log in. [Learn more](#)

[Set Up an Authenticator App](#)

FAFSA Steps – Dependent Student

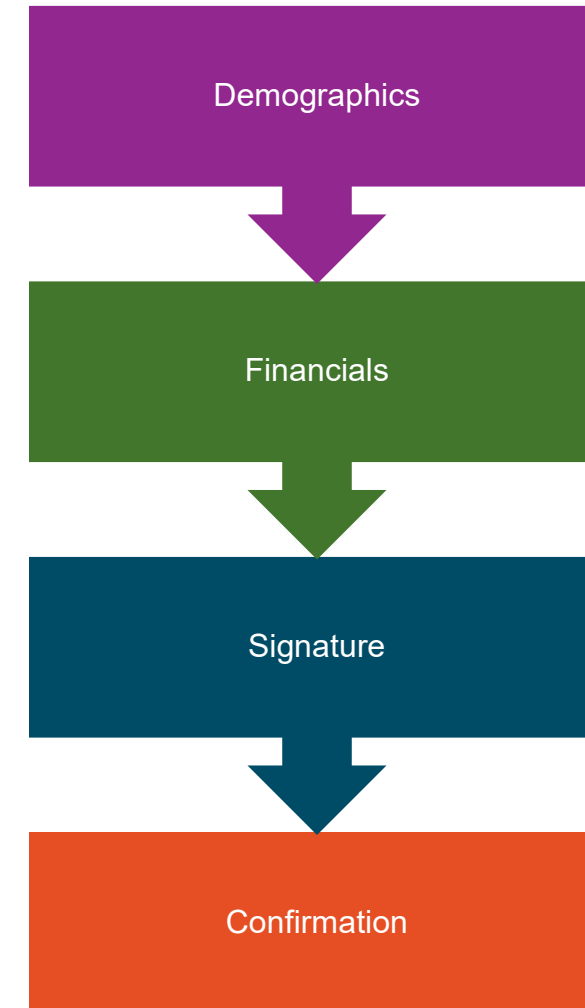
- 1. Login – dependent student
- 2. Dependent Onboarding Steps
- 3. Verify Student Identity Information
- 4. Student Provides Consent



FAFSA Steps – Parent Contributor

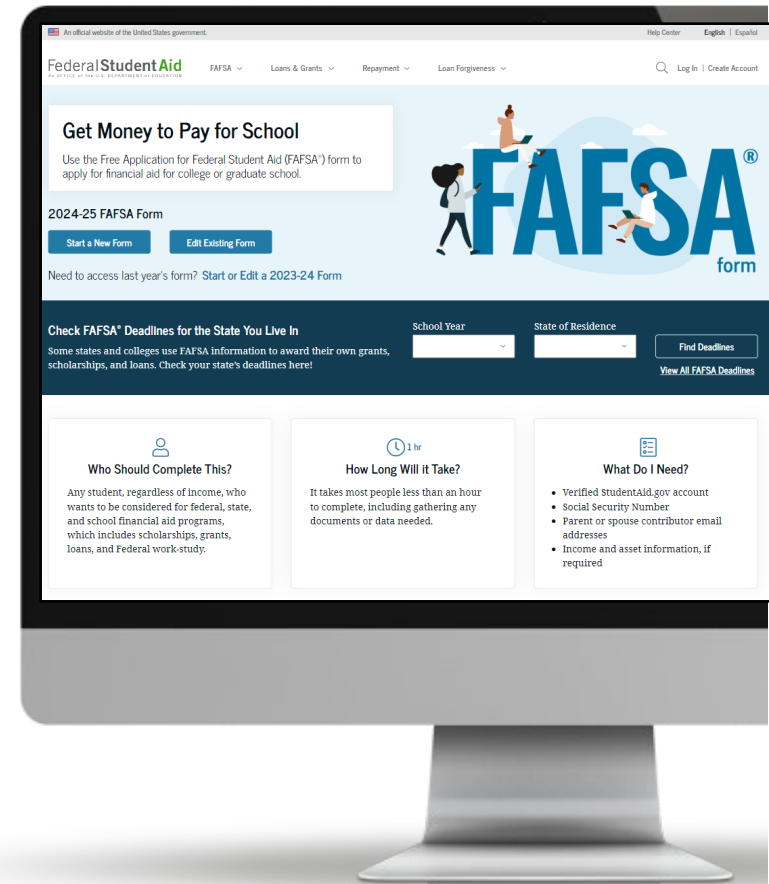
1. Following link in email invite – Parent Log In
2. Parent Onboarding Steps
3. Verify Parent Identity Information
4. Parent Provides Consent

Once all required data has been provided and all sections have been signed, any role can submit the FAFSA form



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

- 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.
- While filing the FAFSA online is preferred, a printable PDF version is available at StudentAid.gov.
- Students do not have to be accepted for admission to list a school on the FAFSA.



Certified Browsers



Complete the online *Free Application for Federal Student Aid (FAFSA®)* form using the latest release of one of the following browsers:



Mozilla Firefox
(Version 68+)



Google Chrome
(Version 76+)



Apple Safari
(Version 9+)

Visit studentaid.gov/help/browser-requirements for the most up-to-date information on browsers.



Ensure SSN accuracy on FSA ID and FAFSA

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



FAFSA Tips



Review untaxed income questions

Review asset questions

529 Plans for applicant must be reported as a parent asset

Assets do NOT include home, retirement or insurance

Some can skip asset questions

Federal Student Aid Estimator

The Federal Student Aid Estimator provides an estimate of the federal student aid a student may be eligible to receive.

Visit
StudentAid.gov/aid-estimator

Estimate Your Federal Student Aid

Our *Federal Student Aid Estimator* provides an estimate of what federal student aid you may be eligible to receive. To apply for financial aid, complete the *Free Application for Federal Student Aid* (FAFSA®) form.

Begin Your Estimate for Federal Student Aid

Before you complete the FAFSA form, the *Federal Student Aid Estimator* can help you understand your options to pay for college or career school by providing an early estimate of your Expected Family Contribution (EFC) and eligibility for federal student aid.

Start



Who Should Complete This?

Students, parents, and college access professionals who want to get an early estimate of what aid may be available to a student considering college or career school.

Federal student aid is only available to U.S. citizens or eligible noncitizens.



10 minutes

How Long Will It Take?

Most people complete the *Federal Student Aid Estimator* in 5–10 minutes.



What Do I Need?

- Federal tax information or tax returns for the student (and spouse if married) and parents for a dependent student.
- Information on savings, investments, and assets for the student and parents, if applicable.

FAFSA – School Selection

- List more than one!
- Only schools that are listed will be able to see your FAFSA information.
- Students can list up to 20 colleges at a time
- Schools can be added or deleted at any time
- Once the final school choice is made, students should update their PA State Grant record.

The image displays two screenshots of the FAFSA 2024-25 web interface for a student named Raya Tran.

Top Screenshot: Your Colleges

The header shows "FAFSA FORM 2024-25" and "Student Raya Tran". There are "Save" and "FAFSA Menu" options in the top right. The main heading is "Your Colleges". Below it, a text box explains: "In this section, you'll search for and select schools you're considering so they will automatically receive an electronic copy of your FAFSA form. You don't need to worry if you don't end up applying to them - there is nothing else you need to do." An illustration of a student with a laptop and books is shown. At the bottom, there are "Previous" and "Continue" buttons.

Bottom Screenshot: Where should we send your FAFSA?

The header is the same as the top screenshot. A progress bar at the top indicates the current step: "Personal Circumstances" (1), "Demographics" (2), "Financials" (3), "Colleges" (4, active), and "Signature" (5). The main heading is "Where should we send your FAFSA?". Below it, text says: "Search for the colleges to which you'd like to send your FAFSA* information. You can add up to 20 colleges to your FAFSA form." There is a "0 of 20 Schools Selected" indicator and a "View Selected Schools" link. Below this are two search options: "Search by School Name" (selected) and "Search by School Code". The "State" dropdown menu is open, showing "Calif" selected, with "California (CA)" as a suggestion. Below the state dropdown is a "School Name - optional" input field. At the bottom, there is a "Search" button and "Previous" and "Continue" buttons.

IRS Direct Data Exchange

- System integration allows users' federal tax information to be retrieved and transferred directly into the FAFSA form via IRS direct data exchange, replacing the IRS Data Retrieval Tool
- Students and contributors must provide consent to retrieve and disclose federal tax information from the IRS for the student to be eligible for federal student aid.
- **The data exchange with the IRS may not work if the student or parent:**
 - has had a change in marital status after the end of the tax year.
 - filed a Puerto Rican or foreign tax return.
 - was victim of identity theft, involving their federal tax return.

What is considered an asset?

Report the current value at time of filing the FAFSA:

- ✓ Cash
- ✓ Checking
- ✓ Savings
- ✓ Stocks
- ✓ Bonds
- ✓ Certificates of deposit (CD)
- ✓ Bitcoin
- ✓ Mutual funds
- ✓ Net value of real estate

- Value of 529 accounts for the student owned by the parent(s) of a dependent applicant or owned by the student applicant
- Child support received for the most recently complete calendar year
- Net Worth of your businesses or for-profit agricultural operations.

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
- Value of 529 for any other family members (excluding applicant)

Roles Within the 2024-25 FAFSA



Student



Parent and
Parent Spouse



Student
Spouse

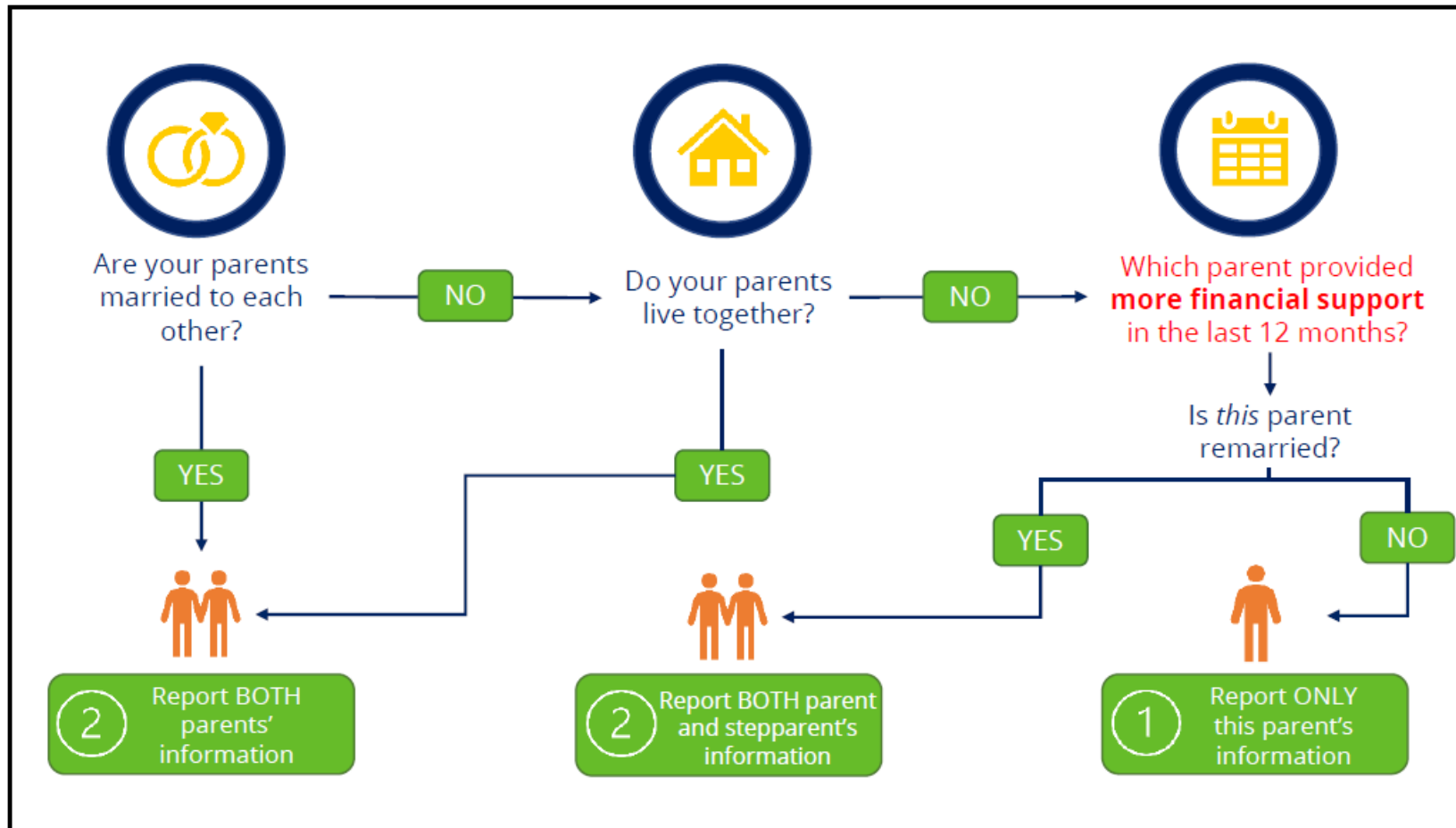
- Contributors will need an FSA ID to access the FAFSA application.
- No more ability to start a FAFSA form with just student identifiers.
- Parent and student contributors must log in separately to complete their respective sections.

Who is a Contributor?



- The student's dependency, marital, and tax filing statuses will determine if additional contributors are required on the FAFSA form.
- If married and filed jointly with current spouse, then minimal information about current spouse is required and the spouse doesn't have to log in.
- If married or unmarried/living together but did not file taxes jointly, then both will need to log in and sign the FAFSA form.
- Beginning in 2024-2025, independent students will no longer be able to provide parental data on their FAFSA.

Who is required to be contributor?



Consent

- Applicant and any required contributor on the FAFSA must provide consent. They are consenting to:
- Direct Data Exchange to import applicant, parent, parent spouse, and/or student spouse Federal Tax Information (FTI).
- Redisclose FTI to state entities, institutions, and scholarship organizations.



Dependent Student Invites Parent

- The student is asked to enter personal information about their parents in order to send them an invite to their FAFSA® form. In this scenario, the student invites one parent.

FAFSA® FORM 2024-25 Student Raya Tran Save FAFSA Menu

1 Personal Circumstances 2 Demographics 3 Financials 4 Colleges 5 Signature

Invite Parents to your FAFSA® Form

You will need to provide information for your parents
Based on your answers in the previous section, you'll need to provide information about both of your parents on your FAFSA form. You can invite your family members to your form to help you complete all required sections.

Enter names of parents, identified on the prior page, and we'll send electronic requests on your behalf.
Please make sure to provide information that your parents would use to login to StudentAid.gov.

Parent

First Name: Alcina
Last Name: Tran
Date of Birth: 05 / 05 / 1973

Parent Spouse (optional)

First Name: _____
Last Name: _____
Date of Birth: _____ / _____ / _____

Social Security Number (SSN)

My parent doesn't have a SSN

Email Address: alcinatran@school.edu
Confirm Email Address: alcinatran@school.edu
Invite Parent

Social Security Number (SSN)

My parent doesn't have a SSN

Email Address: _____
Confirm Email Address: _____
Invite Parent

Previous Continue

Student Unusual Circumstances

Prevents student from contacting parents or contacting parents would pose a risk to student.

A student may be experiencing **unusual circumstances** if they:

- Left home due to an abusive or threatening environment;
- Are abandoned by or estranged from their parents, and have not been adopted;
- Have refugee or asylee status and are separated from their parents, or their parents are displaced in a foreign country;
- Are a victim of human trafficking;
- Are incarcerated, or their parents are incarcerated, and contact with the parents would pose a risk to the student; or
- Are otherwise unable to contact or locate their parents, and have not been adopted.

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

Student Income and Assets

Income

- Allowances are made for taxes
- Earnings from work-study are excluded
- Income protection allowance of up to \$9,410 and remaining income assessed at 50%

Assets

- Dependent students must report assets in their name
- 20% of the value of the assets is used in the calculation of the SAI

Parents Income and Assets

Income

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

Assets

- 12% of the value of the assets is used in the calculation of the SAI

Signing with the FSA ID

FAFSA FORM 2024-25 Student: Raya Tran Save FAFSA Menu

Personal Circumstances Demographics Financials Colleges **Signature**

Sign and Complete Your Part

Summary
 This page confirms you understand the terms and conditions of the FAFSA form, and that you have filled it out accurately to the best of your ability.
 The FAFSA form is a legal document you will electronically sign with your FSA ID. Because this is associated with your personal information, do not share it with anyone.

By signing this application electronically using your FSA ID (username and password) and/or any other credential or by signing a signature page and mailing it to us, YOU, THE STUDENT, certify that you

- will use f of higher
- are not in
- do not ov repay it,
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- will not r

By signing this application electronically using your username and password, and/or any other credential or by signing a signature page and mailing it to us, you certify that all of the information you provided is true and complete to the best of your knowledge and you agree, if asked to provide

- information that will verify the accuracy of your completed form, and
- U.S. or state income tax forms that you filed or are required to file.

You also certify that you understand that the secretary of education has the authority to verify information reported on your application with the Internal Revenue Service and other federal agencies.

If you sign this application or any document related to the federal student aid programs electronically using a username and password, and/or any other credential, you certify that you are the person identified by the username and password, and/or any other credential and have not disclosed that username and password, and/or any other credential to anyone else. If you purposely give false or misleading information, you may be fined up to \$20,000, sent to prison, or both.

Sign Your FAFSA Form

I, Raya Tran, agree to the terms outlined above

Cancel Submit

- On this page, the student acknowledges the terms and conditions of the FAFSA[®] form and signs their section. After agreeing and signing, the student is able to submit their section of the FAFSA form.
- Since parent information has not been provided, the FAFSA form is not considered complete and can't be processed yet.

Dependent Student Section Complete

FAFSA® FORM 2024-25 Student Raya Tran FAFSA Menu

You're Almost There!

The Student Section is complete!

Parent Contributors

Requirements for Dependent Students
 Your FAFSA form is not complete until your parents complete the contributor section of the form and sign it. Once completed, your FAFSA form will be submitted for processing.

Parent Contributors	Date Request Sent	Status
Alcina Tran	07/13/2024	<input checked="" type="checkbox"/> Invite Sent Edit
Travis Tran	07/13/2024	<input checked="" type="checkbox"/> Invite Sent Edit

Track and Manage Your FAFSA Application and Your Contributors [View Status](#)


This application has been added to My Activity in your StudentAid.gov account. Go there to:

- Review, edit, or cancel any FAFSA application information.
- Revise your household size, contact your schools.
- Start your state application to apply for state-based financial aid

Parent's Invitation Email

Federal Student Aid

Help Complete [StudentFirstName]'s Form



[Contributor First Name],

[StudentFirstName] [StudentLastInitial] can't be eligible for federal student aid without your input. Help them complete the *Free Application for Federal Student Aid (FAFSA®)* form.

Providing information as a contributor does not make you financially responsible for [StudentFirstName]'s education costs. Completing the FAFSA form is how they qualify for student aid including

- Federal Pell Grants,
- federal student loans,
- state financial aid, and
- school financial aid.

[Log in with your FSA ID (account username and password) to complete your section.]

Note: Forms are deleted after 45 days of inactivity.

Don't recognize [StudentFirstname]? Read [\[Help topic title\]](#).



[Log In](#)

Why You Were Invited

Without your input, [StudentFirstName] won't be eligible for federal student aid.


Reasons To Finish Early


Here's why it's a good idea to finish as soon as possible:

-  States and schools have different deadlines for student aid. Check the ["FAFSA® Deadlines"](#) page for more information.
-  You may need extra time to make corrections after you submit.

Can't find [StudentFirstname]'s Form?

Read [\[help topic title\]](#).

 [Sign up for text alerts](#) to stay updated on our grant programs, loan forgiveness programs, repayment plans, and information about your loans.



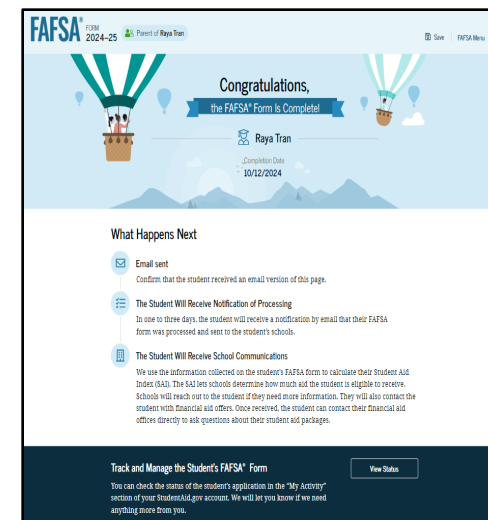
This email was sent by: Office of Federal Student Aid
U.S. Department of Education
400 Maryland Ave. SW
Washington, DC 20002, US

Please do not reply to this email. Messages sent to this email address are not monitored. If you wish to contact us, please use the [StudentAid.gov contact page](#). For more information about financial aid, visit [StudentAid.gov](#)

FAFSA Confirmation & PA Grant Link

Upon submitting the student's FAFSA® form, the parent is presented an abbreviated confirmation page. This page displays information about tracking the student's FAFSA form and next steps. The student will receive an email with the full, detailed confirmation. With the student and parent sections completed and signed, the FAFSA form is now considered complete and submitted for processing.

If the student misses the link or the completed FAFSA is submitted by a contributor, the student can log into the Studentaid.gov account and access the link to complete the state grant from. If the student's FAFSA is processed, they will click on "Apply for State Aid" on their My Activity page on StudentAid.gov.



Confirmation page will be emailed and is available if the student logs into [StudentAid.gov](https://studentaid.gov)

PA State Grant Form (SGF)



American Education Services

Pennsylvania State Grant Form 2023-24

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.

CONTINUE »

Pennsylvania State Grant Form 2023-24

1 PROVIDE INFORMATION

2

3

All fields marked with * are required.

Student Information

This information is associated with your grant profile.

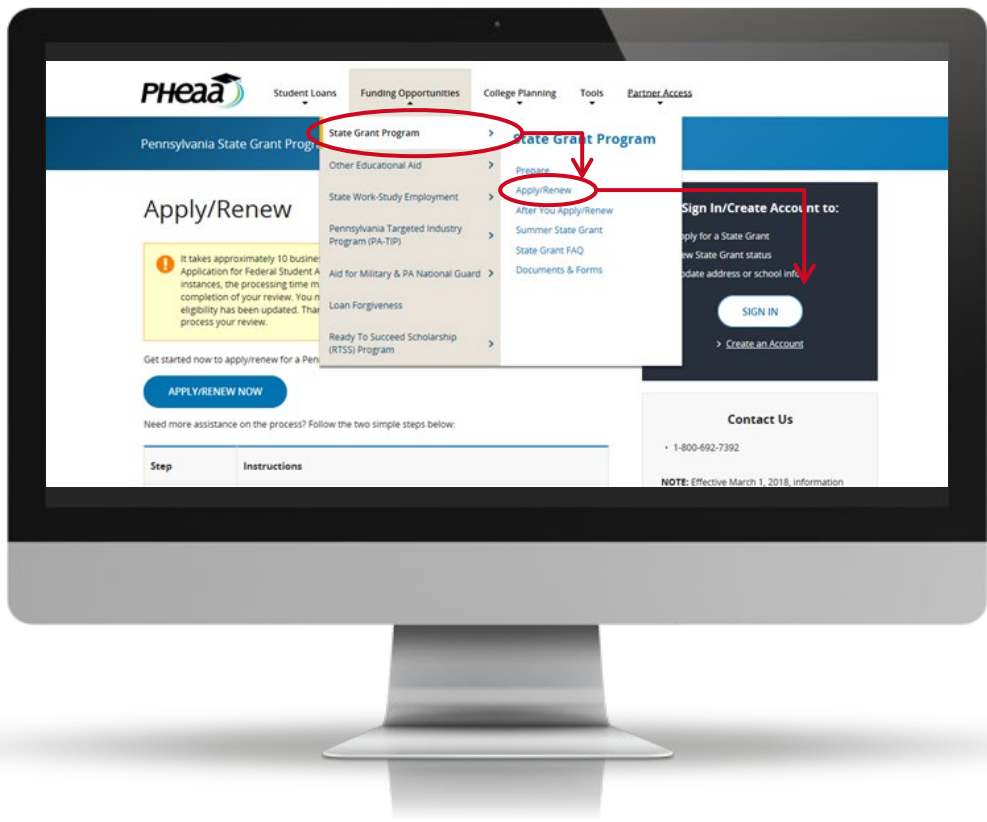
Legal Name Some of my information is incorrect [?](#)

Your Legal Name: **Nikki smith**

PHEAA Account Access (pheaa.org)

Student - Create an account at pheaa.org to:

- Check your PA State Grant eligibility
- Update your school of choice listed on the PA State Grant Form
- Complete State Grant Form, if you missed the link at the end of the FAFSA



After Filing the FAFSA

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 FAFSA Submission Summary.

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

What School Costs Are Considered?



Schools cost of attendance (COA) includes:

- Tuition and fees
- Housing and food
- Books, course materials, supplies, and equipment
- Transportation
- Personal expenses



How is the Student Aid Index (SAI) Calculated?

- Primarily income-driven
- Major factors for dependent student:
 - Parental & student - income and assets
 - Family size

A student's SAI remains the same no matter which school the student attends.





Student Aid Index (SAI)

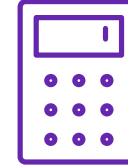
The SAI can be a negative number down to negative 1500 (-1500).

SAI values can be capped on the upper end at 999,999.

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

Calculating Financial Need

- Schools/colleges receive FAFSA information and calculate financial need
- Financial Aid Office (FAO) “packages” student based on financial need and available funding (varies from school to school)
- Financial aid notification sent to student



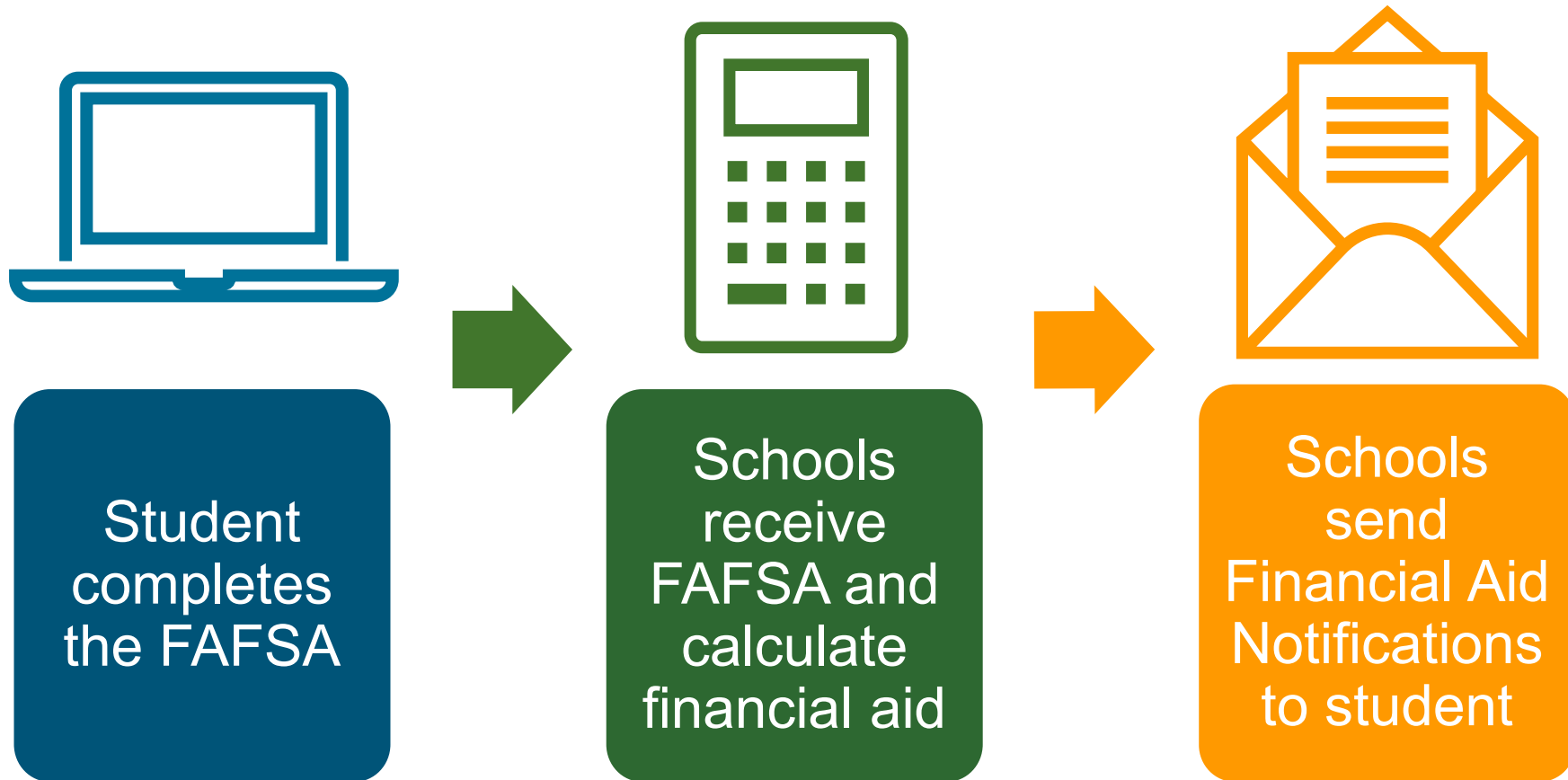
A photograph of a green notepad with three pencils (two blue, one brown) lying on the right side. The text is handwritten in a light purple or grey color. The equation is: COA - SAI - OFA = NEED.
$$\begin{array}{r} \text{COA} \\ - \text{SAI} \\ - \text{OFA} \\ \hline = \text{NEED} \end{array}$$

*Cost of Attendance (COA)

*Student Aid Index (SAI)

*Other Financial Aid (OFA)


FAFSA is Filed... Now What?





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?

Financial Aid 101



Federal & State

Federal Grant Programs

- Pell Grant - max award \$7,395
 - 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**

Pell Grant Eligibility

FAFSA data will be used to determine a Scheduled Pell Grant award in one of three ways:

1

Maximum Pell Grant

Non-tax filers; **or**
Tax filers, based on:

- AGI
- Poverty guidelines
- Family size

2

Calculated Scheduled Pell Grant

- Maximum Published Scheduled Pell Grant *minus* Calculated SAI

3

Minimum Pell Grant

Based on:

- AGI
- Poverty guidelines
- Family size



Other Federal Programs

(Based on specific situations & criteria)



- Teach Grant -Teacher Education Assistance for College & Higher Education
- Iraq & Afghanistan Service Grant
- Dependents Education Assistance (DEA) Grant - Veteran Affairs
- Post 9/11 GI Bill Benefits
- Vocational Rehabilitation Program (students with disabilities)
- Americorps - www.americorps.gov

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 removed from FAFSA eligibility calculation



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



2023-24 Award Amounts



The maximum award for student attending an approved school in a reciprocal state is \$600 and \$800 (veterans)

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

Cost Tier	Maximum Award	Minimum Award
\$0 - \$12,000	\$3,058	\$500
\$12,001 - \$19,000	\$4,894	\$500
\$19,001 - \$29,000	\$5,260	\$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)

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



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))

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

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

Types of Federal Loans

- Undergraduate Students
 - Subsidized (5.50% interest and 1.057% fee)
 - Unsubsidized (5.50% interest and 1.057% fee)
- Graduate Students
 - Unsubsidized (7.05% interest and 1.057% fee)
 - GradPLUS Loan (8.05% interest and 4.228% fee)
- Parents
 - PLUS Loan (8.05% and 4.228% fee)

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



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

Federal Direct PLUS (Parent)

- 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
 - 8.05% 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



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

Low, Fixed Rates

3.82-7.69%^{1,2}
APR

Effective as of 5/11/23

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 borrower who selected an Immediate Repayment Plan and a repayment term of 60 months, monthly payments of \$183.49 a fixed periodic interest rate of 4.10%, and a total amount repaid of \$11,009.34. The borrower in this sample qualified for a 0.25% Direct Debit benefit for the entirety of the repayment period. The highest APR is based on the following assumptions: a loan of \$10,000 made in a single disbursement, a borrower who selected an Interest Only Repayment Plan and a repayment term of 180 months, monthly payments of \$64.17 for 46 months and \$93.84 for 180 months, a fixed periodic interest rate of 7.70%, and a total amount repaid of \$19,843.12. The borrower in this sample did not qualify for any interest rate discounts. These APRs are estimates and may differ from the actual rates received.

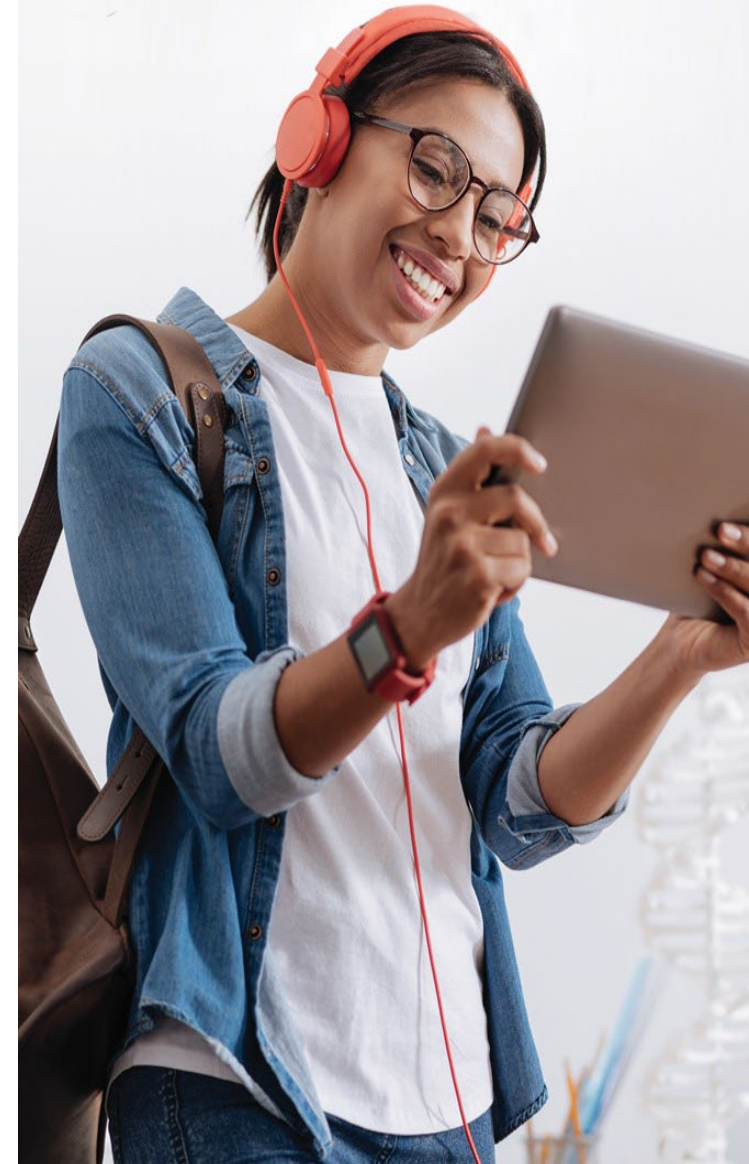
2) The provided rate range applies to Parent loans and may change based on loan type, loan term, repayment plan, and applicable discounts (not all discounts apply to all loan products). See individual loan programs for more specific information. PHEAA uses applicant credit scores to determine eligibility and interest rates. Higher credit scores may mean an applicant is offered a lower interest rate. Applicants 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.

Undergraduate & Graduate

- Low-cost, fixed interest rates
- Zero fees
- Borrow up to 100% certified cost of attendance including tuition, fees, room, board, books, etc. (Subject to aggregate loan limits)
 - Loans taken for a less than half-time academic period may borrow up to \$5,000
- Low minimum loan amount: \$1,500
- 0.50% interest rate reduction for graduating
- 0.25% interest rate reduction for enrolling in Direct Debit
- No pre-payment penalty
- Multiple repayment plans
- Co-signer release option

Visit PHEAA.org/PAForward today!

Pennsylvania's Student Loan Program



Parent Loan Information

- Low-cost, fixed interest rates
- Zero fees
- Borrow up to 100% certified cost of attendance including tuition, fees, room, board, books, etc. (Subject to aggregate loan limits)
- Low minimum loan amount: \$1,500
- 0.25% interest rate reduction for enrolling in Direct Debit
- No pre-payment penalty
- Multiple repayment plans

Visit PHEAA.org/PAForward today!

Pennsylvania's Student Loan Program



Refinance Loan Information

- Low-cost, fixed interest rates
- Zero origination and application fees
- Borrow up to \$300,000
- Minimum loan amount: \$5,000
- 0.25% interest rate reduction for enrolling in Direct Debit
- No pre-payment penalty
- Multiple repayment terms
- Co-signer release options

Visit pheaa.org/PAForward today!

Pennsylvania's Student Loan Program

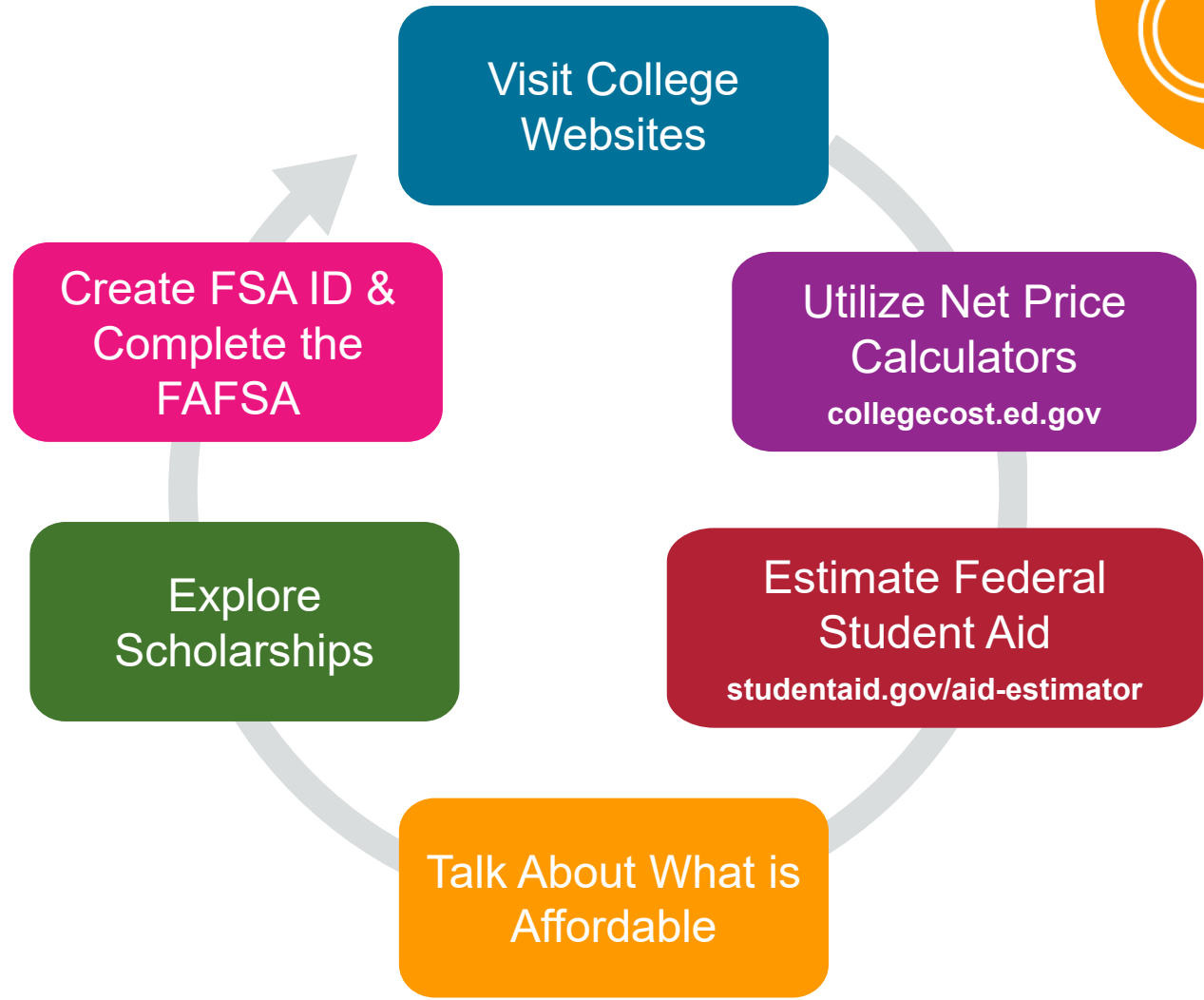


Use Your Resources



- [PHEAA.org](https://www.pheaa.org)
- [PHEAA.org/virtual](https://www.pheaa.org/virtual) – Webinars
- [EducationPlanner.org](https://www.educationplanner.org)
- [MySmartBorrowing.org](https://www.mysmartborrowing.org)
- [YouCanDealWithIt.com](https://www.youcandealwithit.com)
- PHEAA toll free: 800-692-7392
- Federal Student Aid Info Center: 800-433-3243
- [StudentAid.gov](https://studentaid.gov) – The one-stop shop site for all financial aid information
- [StudentAid.gov/FAFSA](https://studentaid.gov/FAFSA) – Direct link to the FAFSA
- [PA529.com](https://www.pa529.com) - A tax-free savings account for postsecondary education costs

What Can You Do Now?



Social Media Outreach



PHEAA
American Education Services

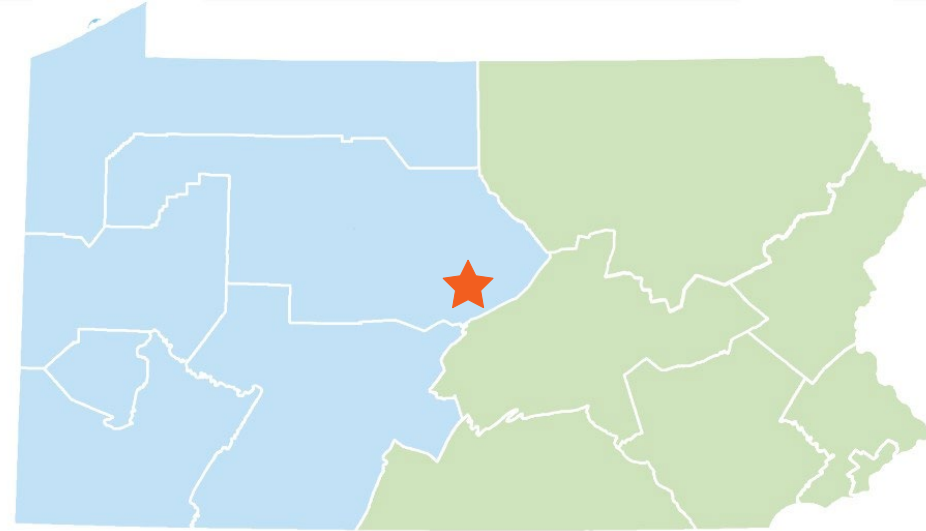


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PHEAA

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