# FINANCIAL AID 101

Welcome

PHEAA
Pennsylvania Higher Education Assistance Agency

# Your Presenter


## Tiffanie DeVan

Higher Education Access Partner

PA Higher Education Assistance Agency (PHEAA)

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**Counties:** Dauphin, Juniata, Mifflin, Northumberland, Perry, Schuylkill, Snyder, & Union

# Financial Aid Basics

**Financial Aid:** funds to help students pay the cost of an education at college & career schools.

**Keep in mind:**

- **Eligibility criteria may apply in order to receive/maintain financial aid**
  - Criteria varies based on type/source of aid
  - Important to understand the terms and conditions
  - Some students many not qualify for all forms of aid
  - Must apply to be considered

- **Students should play an active role in the process**
  - Share goals & career plans
  - Take advantage of college fairs & school visits (ask about cost and available aid)
  - Ask for assistance, if necessary



# Financial Aid Basics




## Cost of Attendance(COA):

Costs that the student can expect to incur during a specific academic school year

- **Direct costs:** billed by the school
- **Indirect costs:** not included in bill but may be incurred

**School costs include:**

- **Tuition and fees**
- **Housing & Food**
- **Books, course materials, supplies & equipment**
- **Federal student loan fees**
- **Transportation**
- **Costs to obtain licensure, certification or 1st professional credential**
- **Study abroad programs**
- **Dependent care, if necessary**

## Student Aid Index (SAI)

- Used to determine eligibility for need-based aid by assessing a student's ability to pay.
- Based on information received from the Free Application From Federal Student Aid (FAFSA)

## Financial Need = COA – SAI

- Schools will determine need after reviewing financial aid applications
- Schools determine aid based on need, eligibility & available funding at their schools

# Financial Aid Basics

PA Student Aid Guide (SAG) Pg. 5



**Grants:** Free Money (based on financial need)



**Scholarships:** Free Money (based on merit/select criteria or need)



**Work Study:** Earned Income



**Student Loans:** Borrowed money that must be repaid

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**Additional funding options:** 529 plans, tuition payment plans, savings, etc.

# Sources of Aid



**Federal Government** (studentaid.gov)



**State Government** (pheaa.org)




**School or College**




**Scholarships**

# Scholarships
# There is something for everyone!

Don't miss out on FREE money!



- Start Early and Search Often
- Use free scholarship search sites
- Create an Academic Resume:
  - Academic success
  - Extra Curricular Activities
  - Community Involvement/Volunteerism
- Don't shy away from essays!
- Secure Letter of Recommendations early
- **Pay attention to deadlines and understand the terms**

- ✓ Appily.com
- ✓ BigFuture.Collegeboard.org
- ✓ CollegeAnswer.com
- ✓ CollegeNet.com
- ✓ DoSomething.org/Scholarships
- ✓ FastWeb.com
- ✓ Hbcuconnect.com
- ✓ Internationalscholarships.com
- ✓ www.iefa.org
- ✓ thepasshefoundation.com
- ✓ Raise.me
- ✓ Www.sacfoundation.com
- ✓ ScholarshipExperts.com
- ✓ Tfec.org
- ✓ Uncf.org
- ✓ Unigo.com

# Federal Student Aid Programs

MUST SUBMIT FAFSA®

Visit studentaid.gov & PA SAG pgs. 12 & 13 for details

| Federal Program | Program Details |
|---|---|
| Pell Grant | Awarded to undergraduate students who demonstrate financial need |
| Federal Supplemental Educational Opportunity Grant | Awarded to undergraduate students who demonstrate exceptional financial need |
| Federal Work-Study | Provides jobs for students with financial need, to earn money to help pay school expenses |
| TEACH | For students who are enrolled in programs designed to prepare them to teach in a high-need field at the elementary or secondary school level |
| Direct Loan | Federal student loan to help cover school expenses (must be repaid) |
| Direct PLUS Loan | Federal parent student loan to help cover school expenses (must be repaid) |

Max award amounts reviewed annually

# Federal Direct Subsidized & Unsubsidized Loans

PA Student Aid Guide (SAG) Pg. 13

- Loan is in the student's name
- Payments begin 6 months after leaving school or dropping below half time
- Standard repayment term (additional repayment options)
- Interest rates and origination fees are set every July 1 for new borrowers:
  - Interest rate: 6.39% (2025-26)
  - Origination fee: 1.057% (2025-26)
- Must complete Master Promissory Note (MPN) and Entrance Counseling
- Must complete FAFSA every year

- **Direct Subsidized Loan:**
  - Government pays the interest while the student is enrolled at least h/t, during the grace period and while on deferment
  - Based on financial need
- **Direct Unsubsidized Loan:**
  - borrower is responsible for the interest that accrues on the loan at all times
  - Students may apply regardless of financial need

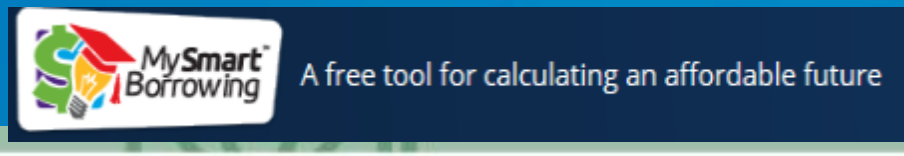
# Federal Direct Loan Borrowing Limits

PA Student Aid Guide (SAG) Pgs. 14 & 15

| 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 |
| **First Year** | **$5,500** Total<br>No more than $3,500 may be subsidized | **$9,500** Total<br>No more than $3,500 may be subsidized | **$20,500** each academic year<br>For graduate students<br><br>**$50,000** each academic year for professional students<br><br>*Graduate and professional students are no longer eligibility for subsidized loans* |
| **Second Year** | **$6,500** Total<br>No more than $4,500 may be subsidized | **$10,500** Total<br>No more than $4,500 may be subsidized | |
| **Third Year and beyond** | **$7,500** Total<br>No more than $5,500 may be subsidized | **$12,500** Total<br>No more than $5,500 may be subsidized | |
| **Aggregate Limits** | **$31,000** Total<br>No more than $23,000 may be subsidized | **$57,500** Total<br>No more than $23,000 may be subsidized | **$100,000** Graduate students<br>**$200,000** Professional students<br>No more than $65,000 may be subsidized |

# Additional Student Loans

**Visit studentaid.gov**




## Federal PLUS Loans

- Loan is in the parent's name
- Must meet credit requirements
  - May apply with a credit worthy cosigner
  - If denied, student may borrow additional unsubsidized amount
- May borrower up to $20,000/yr/dependent student with $65,000 max per student.
- Fixed interest rate: set July 1st
- Origination fee
- Payments may be deferred
- Student must complete the FAFSA®

## Private Loans

- Borrower = student or someone else who meets the requirements (cosigner is generally required for student borrowers)
- Student or Cosigner must meet income & credit requirements
- May borrower up to the COA minus any other aid
- Variable or fixed interest rate
- May have cosigner release clauses
- **Terms vary by lender**
  - Do your research
  - Read the fine print

PA FORWARD® Student Loans by PHEAA



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

## Low, Fixed Rates

**2.78–9.94% APR** [1,2]

Effective as of 6/4/26

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 $178.84 and a final payment of $170.99, a fixed periodic interest rate of 3.06%, and total payments of $10,722.77. The 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 borrower who selected an Interest Only Repayment Plan and a repayment term of 180 months, monthly payments of $83.17 for 52 months and monthly payments of $107.34 for the remainder of the repayment term, a fixed periodic interest rate of 9.98%, and total payments of $23,645.54. The borrower in this sample did not qualify for any interest rate discounts. Less than half-time students may only borrow a maximum of $5,000 per loan. 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.

**Visit pheaa.org & PA SAG p.19 for details**

# Pennsylvania State Aid

**Visit pheaa.org & PA SAG pgs. 7-8 for details**

MUST SUBMIT FAFSA & PA STATE GRANT FORMS

## **PA State Grant:** 2026-27 max award 6,000

- Awarded to eligible PA residents who demonstrate financial need
- Required: approved school/ approved program of study
- Out of State schools in DE, MA, OH, WV, VT & DC: max $600
  - Veterans: up to $800

| Cost Tier | Minimum Award | Maximum Award |
|---|---|---|
| $0-$14,000 | $500 | $3,192 |
| $14,001-$21,000 | $500 | $5,106 |
| $21,001-$31,000 | $500 | $5,488 |
| $31,001-$34,000 | $500 | $6,000 |

*Max award amounts reviewed annually

# PA State Administered Programs

- PA Active Volunteer Tuition and Loan Assistance (Active Volunteer) Program
- PA Blind or Deaf Higher Education Beneficiary Grant
- Chafee Education and Training Grant Program– co-administered with the PA Department of Human Services
- PA Fostering Independence Tuition Waiver Program (FosterEd)
- Grow PA Scholarship Grant Program
- PA Mental Health Education Learning Program in Schools (PA HELPS)
- PA National Guard Educational Assistance Grant (EAP)
- PA National Guard Military Family Education Program (MFEP)
- PA Postsecondary Educational Gratuity Program (PEGP)
- PA Partnerships for Access to Higher Education (PATH)
- PA State Work-Study - job related to major
- PA Targeted Industry Program (PA –TIP)
- PA Ready to Succeed Scholarship (RTSS)
- PA Student Teacher Support Program

**Visit pheaa.org & PA SAG pgs. 9-11 for details**

# The Application Process

# Financial Aid Forms

**Know which forms are required by each school**

## All Schools Require:

- **Free Application for Federal Student Aid (FAFSA)**
  - Required by PHEAA, and some scholarship organizations as well

- **PA State Grant Forms**
  - Required for first -year students & some returning students
  - PA State Grant application process – email from “noreply@grantus.pheaa.org”

## Some Schools Require:

- **CSS Profile** (College Scholarship Service)
  - **https://student.collegeboard.org/css-financial-aid-profile**

- **Institutional Financial Aid Forms**
  - Internal forms specific to each school
  - Required by some schools



# Free Application for Federal Student Aid (FAFSA®)

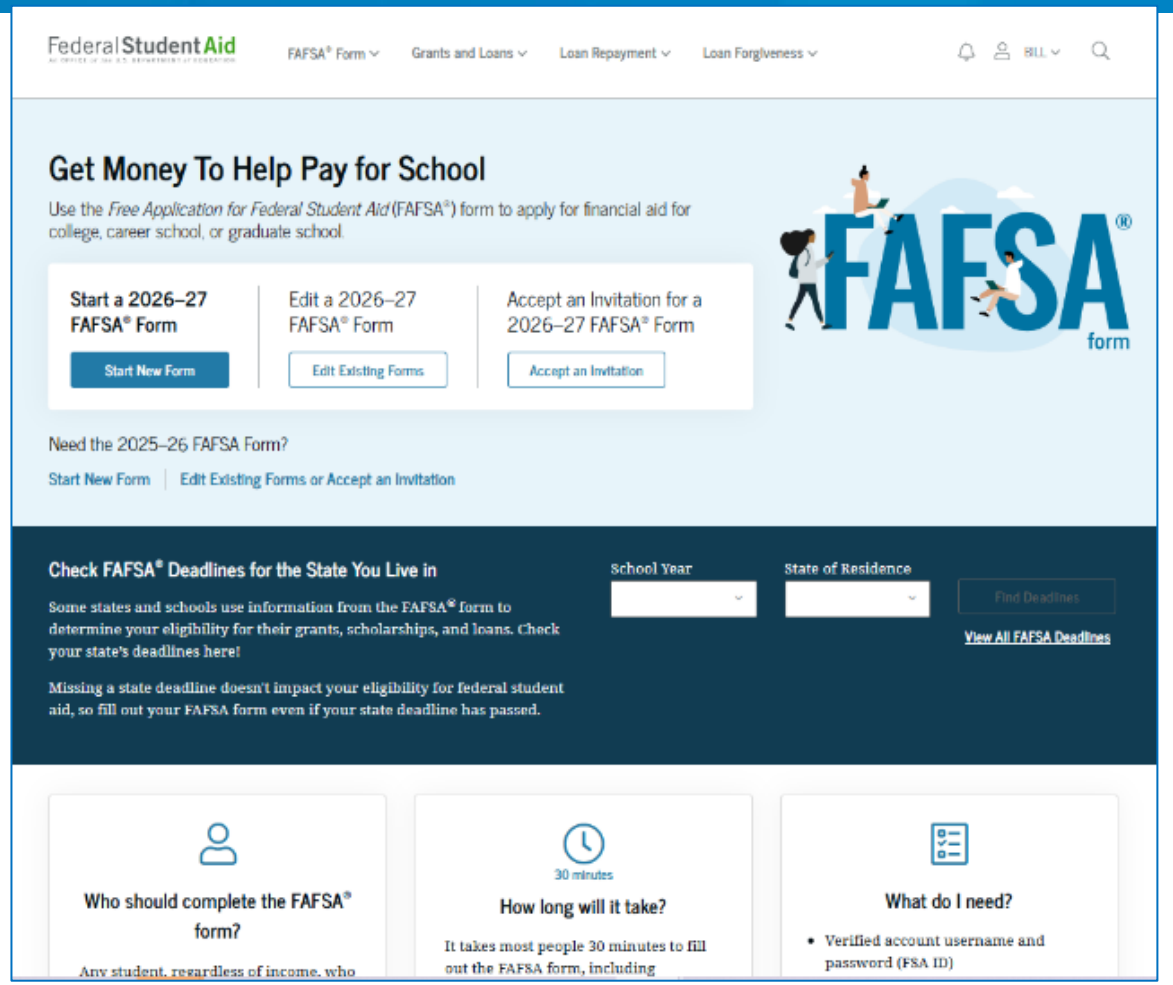
**FAFSA® - primary federal form used to determine financial aid eligibility for:**

- Federal & State Aid
- School Aid
- Some scholarship programs
- File annually
- Available by October 1 every year

- File online: fast, secure, skip logic & built-in edits
- Help center & tools to assist
- Available in English & Spanish

**2027-28 FAFSA®** - Available now

**Estimate federal aid**: **Studentaid.gov/aid-estimator**




**File online at studentaid.gov**

# Know Your Deadlines




## Deadlines for the 2027-28 academic year

- Federal Deadline for FAFSA: June 30, 2028
- PA State Grant Deadlines for FAFSA
  - **May 1, 2027** – First-time and renewal students attending colleges, universities & college transferrable programs (excluding community colleges)
  - **August 1, 2027** – 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 with each school for priority filing deadline)

**File the FAFSA by the earliest deadline**

# Free Application for Federal Student Aid: FAFSA®

Important!

- All students who wish to be considered for financial aid & plan to attend an approved post-secondary school must complete the form.
- Complete the correct FAFSA® (2027-28 AY)
- Provide answers based on the day the form is filed (except tax/income information)

| Enrollment Dates (year student will attend college or career school) | When can students submit the FAFSA® | Tax Return Information |
|---|---|---|
| July 1, 2026 - June 30, 2027 | October 1, 2025 – June 30, 2027 | 2024 |
| July 1, 2027 - June 30, 2028 | October 1, 2026 – June 30, 2028 | 2025 |
| July 1, 2028 - June 30, 2029 | October 1, 2027 – June 30, 2029 | 2026 |

Visit the PA SAG p.20 for details

# Information Needed for 2027-28 FAFSA®




Social Security Numbers



Email Addresses
(high school email address not recommended)



2025 Federal Tax Returns *



Investment records, including 529 for student for whom the FAFSA® is being completed



Checking & saving account balances
(as of the FAFSA® filing date)



Total child support received from the most recently complete calendar year



Name/School Code of schools interested in attending




* Consent and approval: required to retrieve & disclose federal tax information.

# Create Your StudentAid.gov Account

Students, parents & borrowers must have a StudentAid.gov account to:

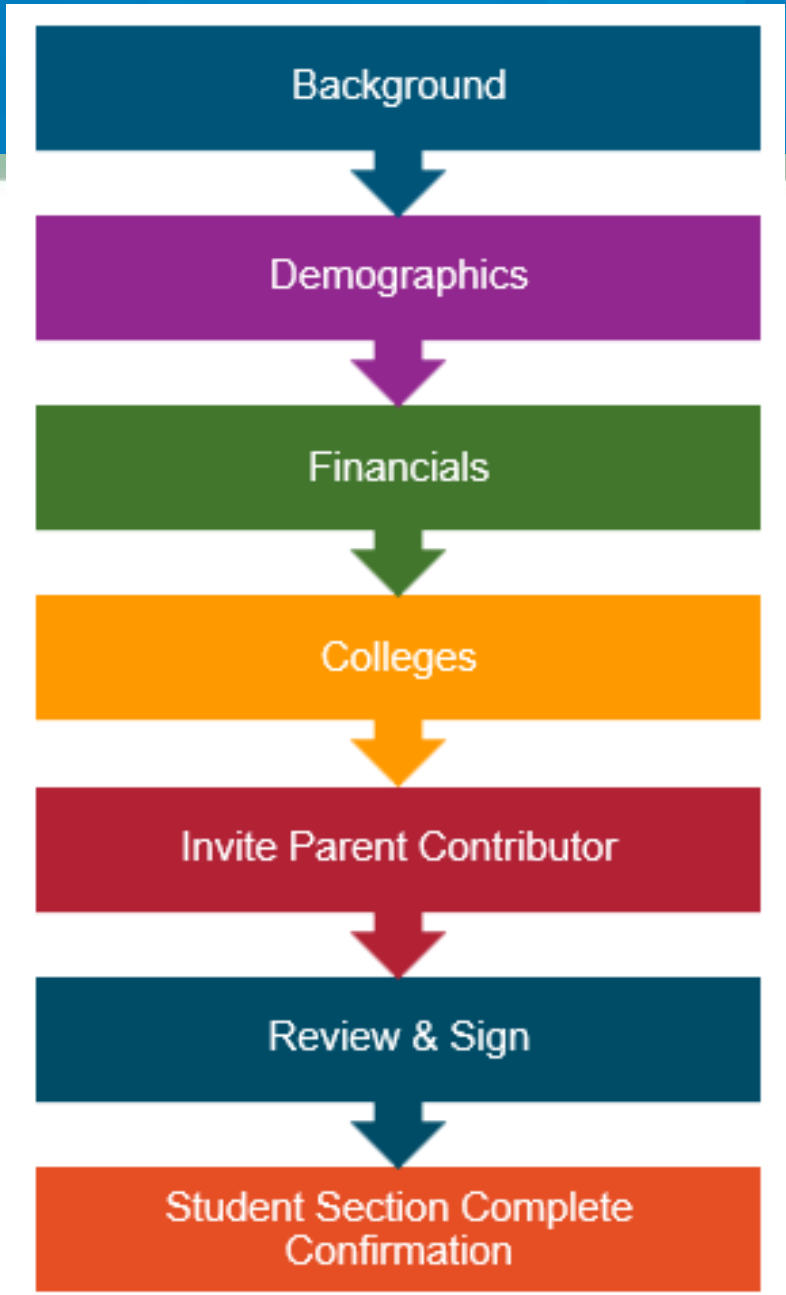
- Start the FAFSA® form online
- Electronically sign & submit the FAFSA
- Apply for a federal student loan
- Review federal student aid received
  - Parents- If married and filed a joint return, only one needs an account.
  - **https://studentaid.gov/fsa-id/create-account**
- Users without an SSN will be able to acquire a StudentAid.gov Account.



# FAFSA® Steps

## Key sections on the 27-28 FAFSA®

- Onboarding steps, wizards and help tools to guide students & contributors
- Student completes all sections
- Contributors (parents) complete three sections:
  - Demographics
  - Financials
  - Signature
- After all required data has been provided and all sections have been signed, the student or contributor can submit the FAFSA form

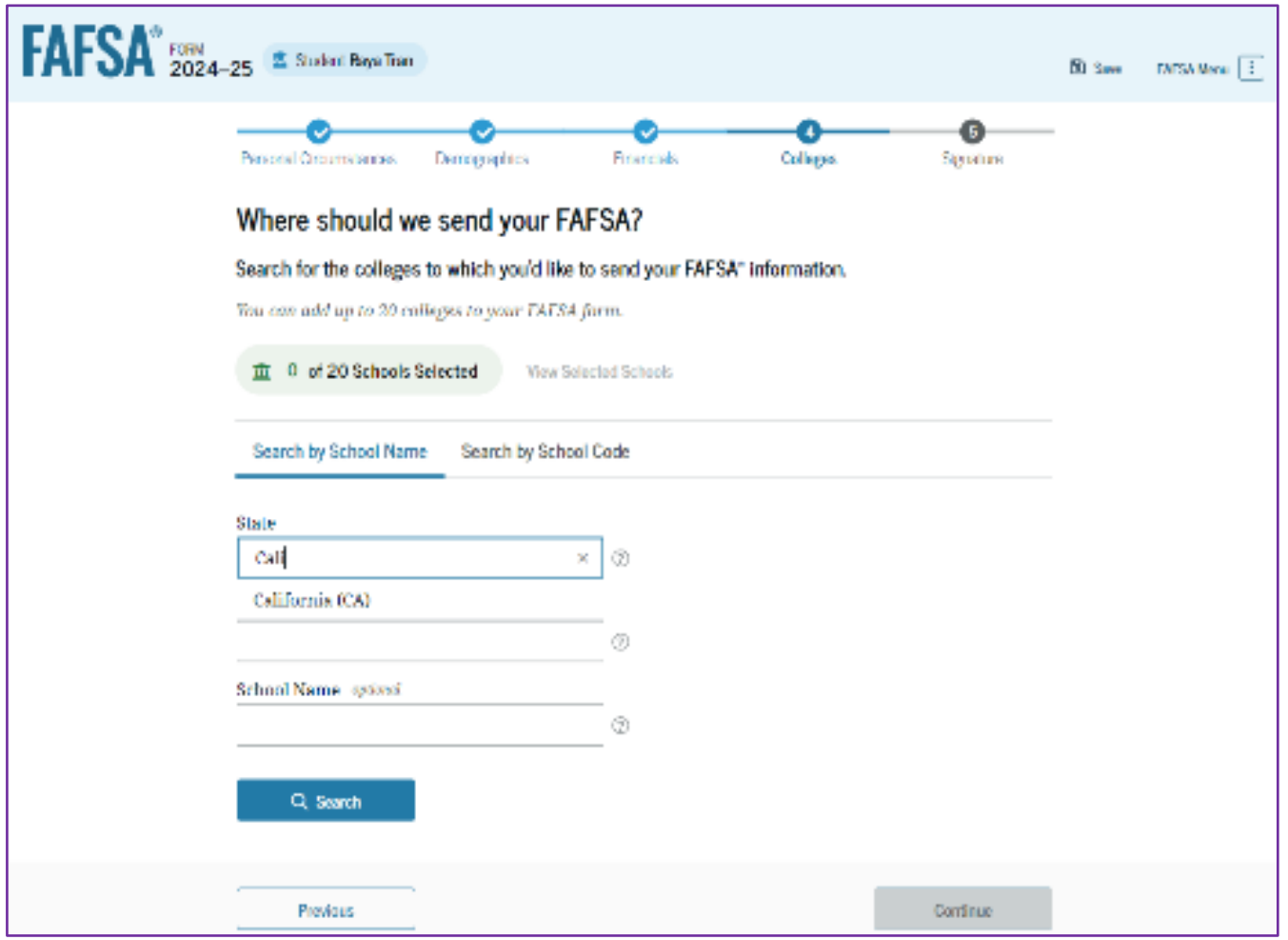


# FAFSA® – Colleges Section

## Colleges Section:

- Only schools listed will receive results of FAFSA®
- Don’t have to have applied/been accepted to list school
- Can list up to 20 schools at a time
- May go back and add schools later

**NOTE**: Once your Final Decision is made, Update your PA Grant Information with the school you WILL attend.



# Student's Dependency Status

- Born before January 1, 2004
- Married (and not separated)
- Veteran (includes active-duty personnel)
- Working on graduate level degree

**Dependent or Independent**

- **Emancipated minor**
- **Legal guardianship**
- **Anytime since the age of 13 has been either:**
  - **An orphan,**
  - **In foster care**
  - **Ward of the court**
- **Have legal dependents other than spouse**
- **Student unaccompanied and homeless or self-supporting and at risk of being homeless**

# Dependent Students- Who Reports Info on the 2027-28 FAFSA®?

## YES

- Legal Parents
  - Biological parents living together (married/unmarried)
  - Adoptive parents living together (married/unmarried)
- Divorced or separated parents:
  - The parent that provided the most financial support to student over the past 12 months
  - If equal, the parent with the higher income & assets
- Stepparent – If part of the student's household

## NO

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

Dependent students can use the *Who's my FAFSA Parent?* wizard to determine which parent(s) will be a required contributor on the FAFSA.

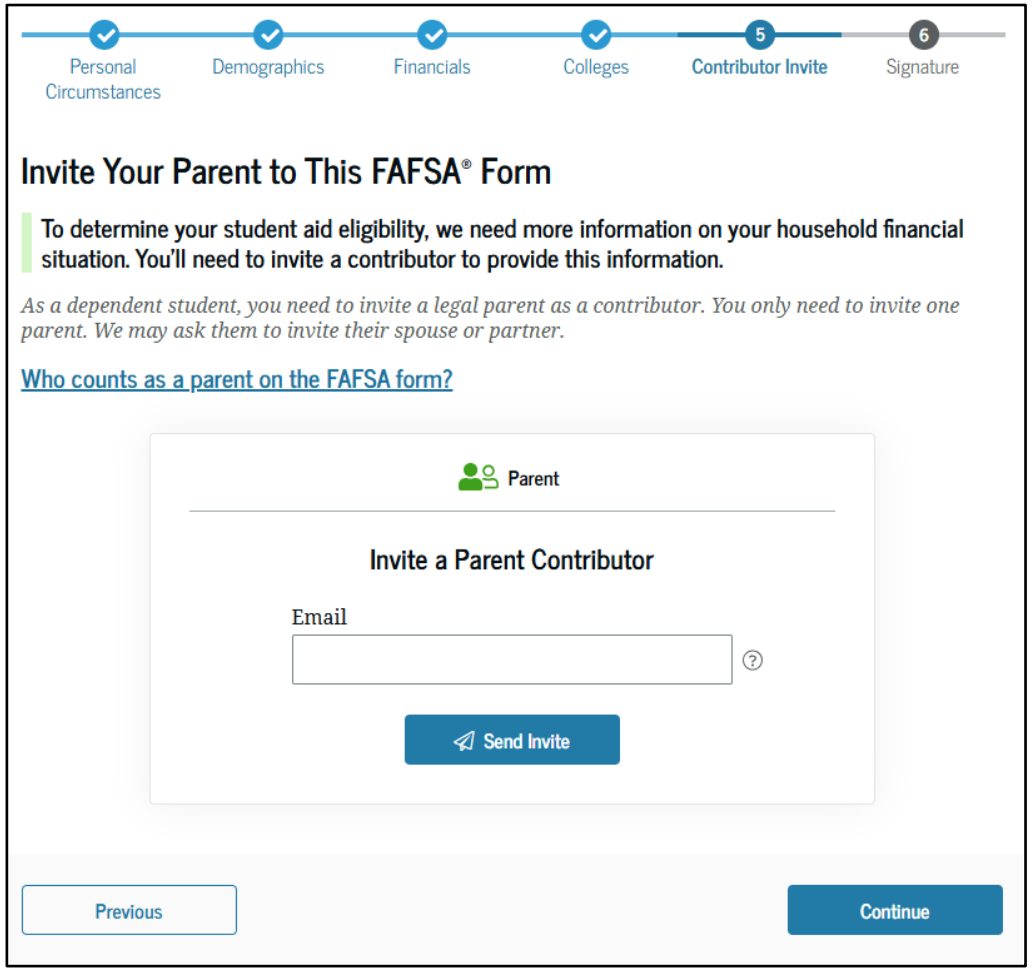
Scan QR code or visit website listed below to access the Parent Wizard

https://studentaid.gov/fafsa-apply/parents

# Dependent Student Invites Parent

Answers on FAFSA® (or Parent Wizard) determine which contributors will be required to provide information.

- The student enters parent's email address to send invite.
- The parent receives an invitation code via email and on their studentaid.gov dashboard
- The parent enters code to complete their section of FAFSA

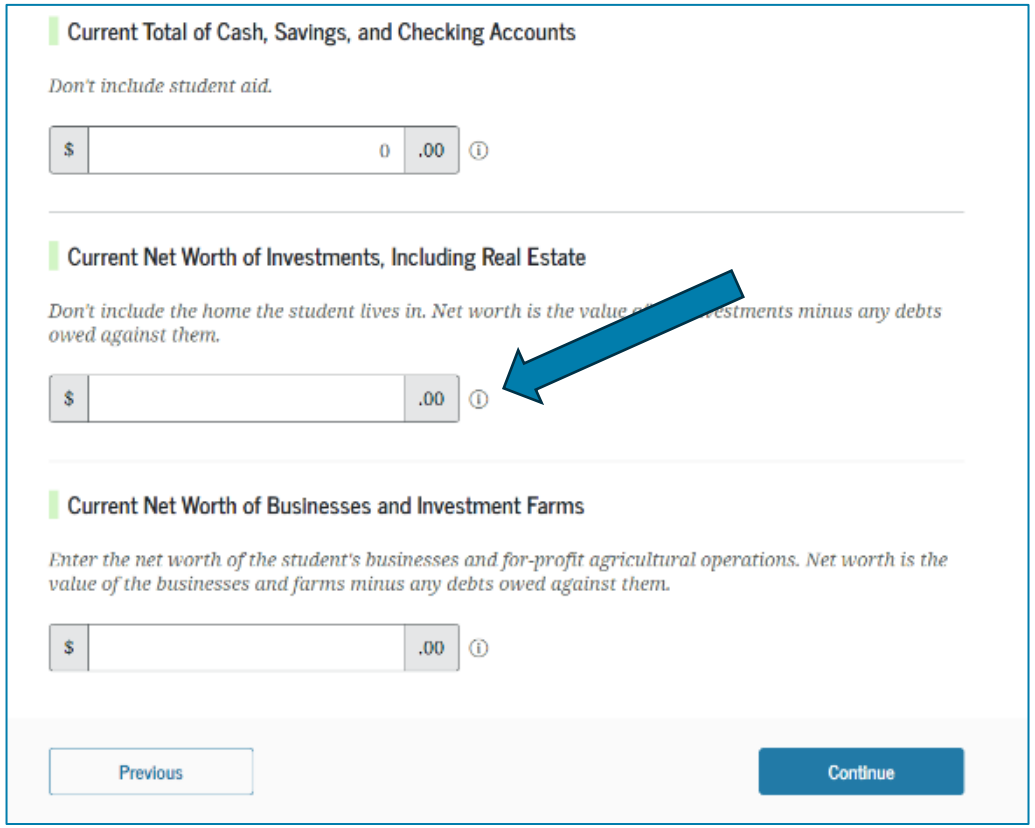


# Financial Information:



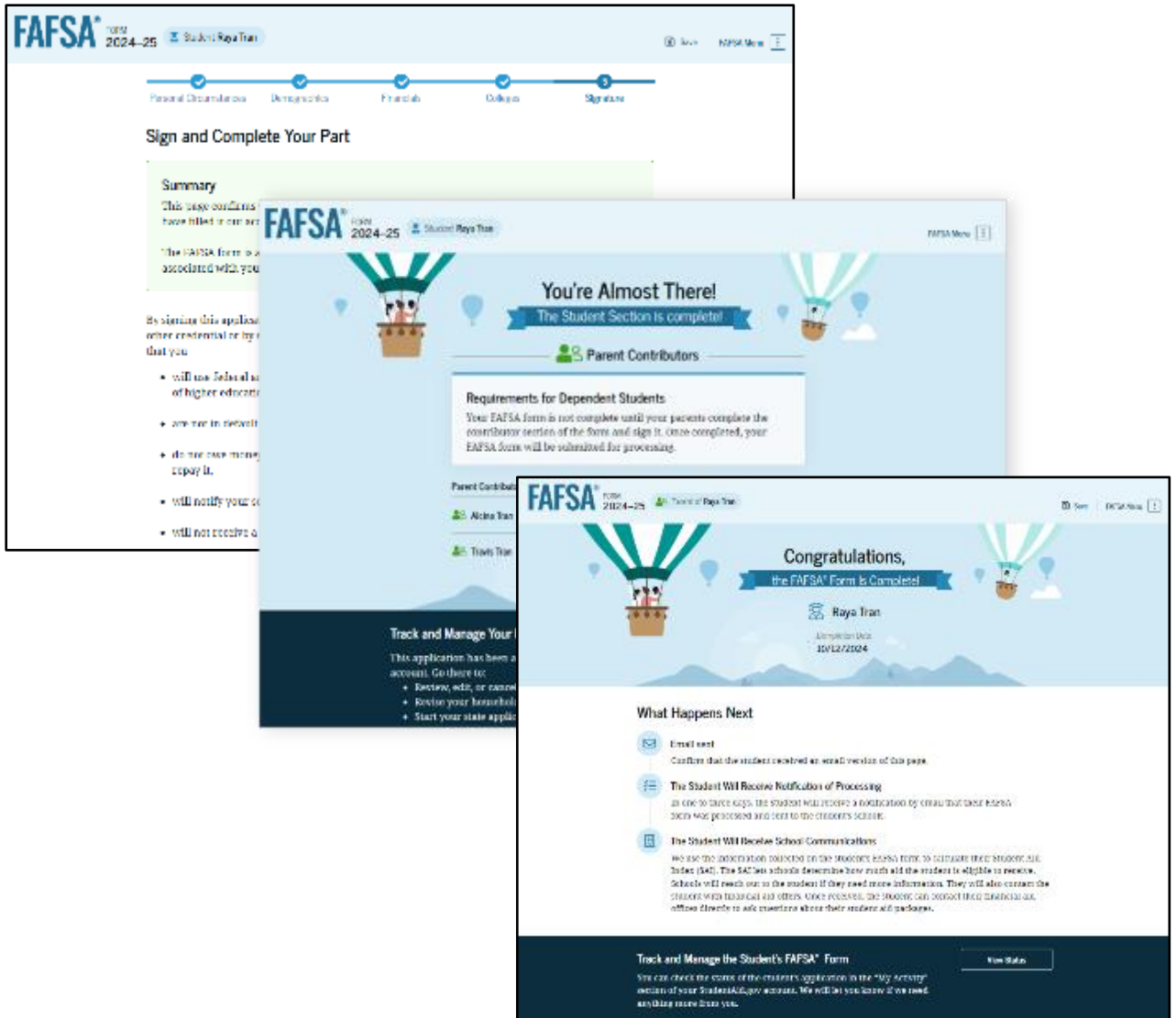

**If required to report assets:**

- Do <u>not</u> report the value of:
  - Primary home
  - Qualified retirement funds
  - Life insurance policies
  - Small business if less than 100 employees
  - Family farms where family resides
  - Commercial fishing business & related expenses




- <u>Report the net value, as of the day you are completing the FAFSA®.</u>
  - Balance of checking & savings accounts, records of stocks, bonds, bitcoins, etc.
  - 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 completed calendar year
  - Net Worth of your business (over 100 employees)

# Signing with the FSA ID




- FAFSA® must be signed by Student & all required contributors before it is considered complete.
- If parent submits the FAFSA®, then student will receive an email and can access the detailed confirmation page.
- If Student submits the FAFSA®, then they will have a different view of the confirmation page than the parent.

# Special Circumstances

*If things change…*

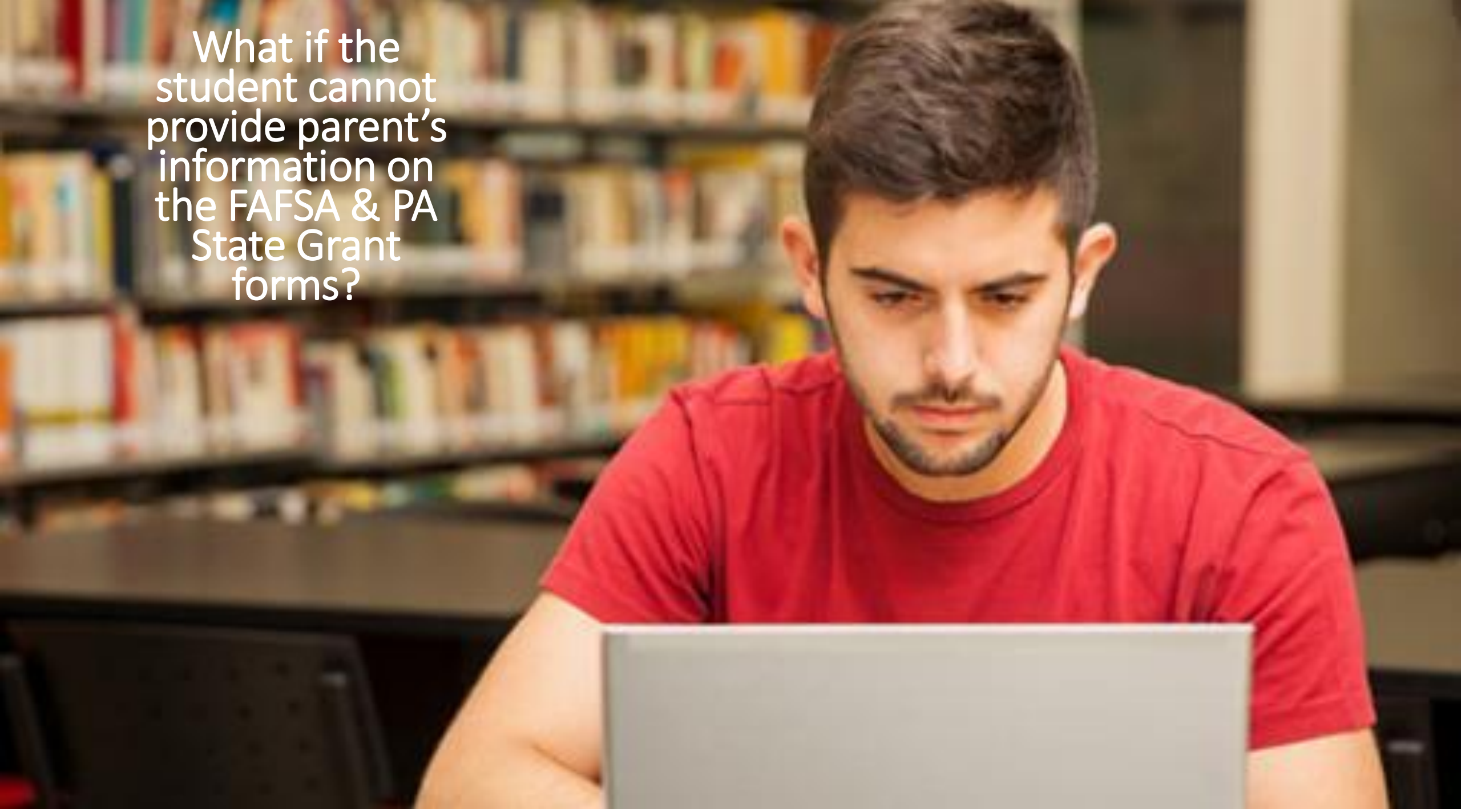
**Special Circumstances**:

- Recent death or disability
- Reduced income/Unemployment
- Tuition expenses at secondary schools
- Unusual medical or dental expenses




- **Contact schools listed on FAFSA: Only a school can change a FAFSA based on your circumstances**
- **Contact PHEAA for the PA State Grant** (800-692-7392)

PHEAA
Pennsylvania Higher Education Assistance Agency


What if the student cannot provide parent's information on the FAFSA & PA State Grant forms?

# Forms are Filed

## What's Next?

# After Filing

After completing the FAFSA, students and contributors will receive a FAFSA Submission Summary in real-time.

After the initial submission, students can make up to four corrections without waiting between transactions.

Information will be shared with PHEAA and all schools listed on FAFSA.

PHEAA will send you an email to instruct you on how to activate your GrantUs account and apply for the PA State Grant.

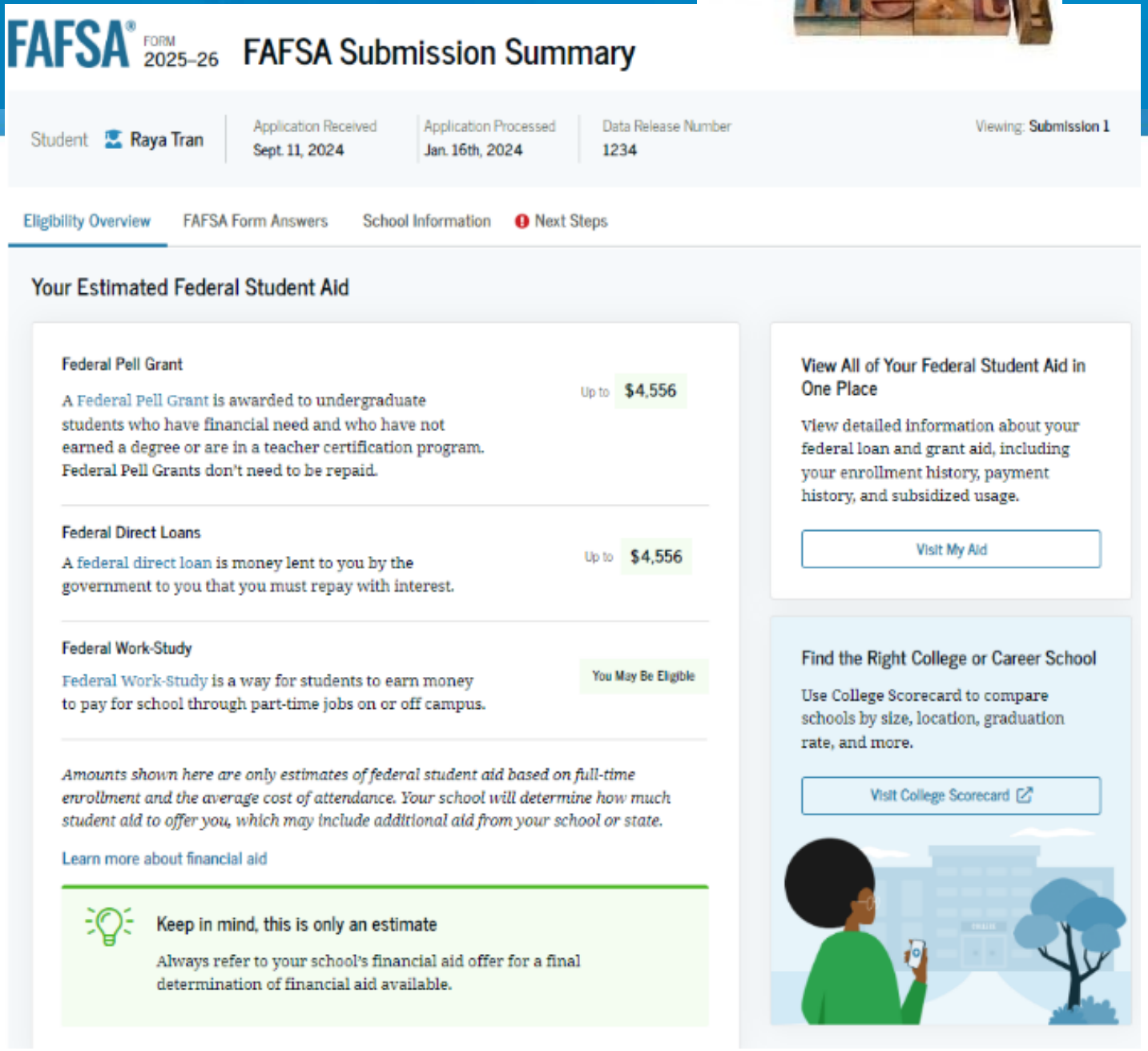
Students should monitor the email account provided on the FAFSA and respond to requests from Federal Student Aid, PHEAA and the colleges.

# FAFSA Submission Summary




## After the FAFSA® is filed:

- Student receives FAFSA® Submission Summary
  - Review for errors & make corrections if necessary
  - Share with scholarship organizations, if requested
  - Can access by logging in at StudentAid.gov



# Review Financial Aid Notices Carefully

- Notices vary amongst schools
- Presented by the school(s) and typically includes:
  - Types and amounts of aid
  - Source of aid (federal, state or school)
  - Student's rights and responsibilities & academic requirements
  - Explains what must be done to accept or reject aid
- Contact the school's financial aid office with questions

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



# Compare & Understand Financial Aid Offers

- Do you understand your actual costs?
- Do parents have other children's education costs to consider?
- Have you made an affordable choice of school?
- Students and parents should talk about what they can afford to pay.

**Ask Questions**

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?

# Net Price Calculator

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.




## Net Price Calculators

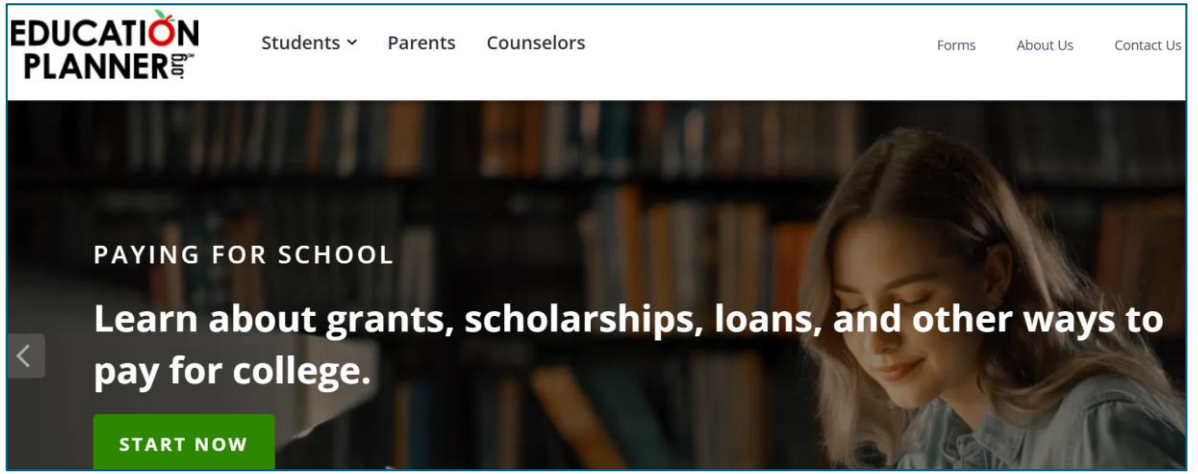
- Available at **collegecost.ed.gov/net-price**
- All schools must have a net price calculator on their school's website
- Use the Net Price Calculators to determine your bottom-line.

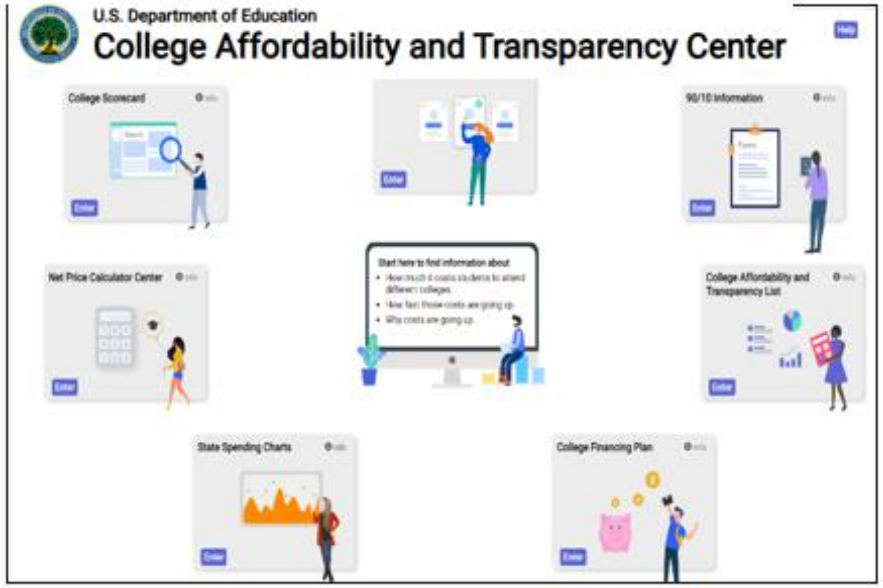
# Financial Aid Basics

Visit collegecost.ed.gov & educationplanner.org

**School Choice:**

- Location
- Courses and class size
- Job Placement
- Graduation Rate
- Student Life
- **Financial Fit**
- Major/academic program
- Safety
- Acceptance of transfer credits/AP classes



# What Can You Do Now?



# 2026 September through November
# PHEAA Statewide Webinars

PHEAA
Pennsylvania Higher Education Assistance Agency

## Ask an Access Partner

Join our Ask an Access Partner webinar, a live, interactive session where experienced higher education access partners will answer your financial aid questions on a wide range of topics including federal and state aid programs, the FAFSA, and scholarships.

**Friday, November 6**
Noon–1:00 PM (ET)

Register

**Presenters:** Diona Brown, Sonya Mann-McFarlane, Wendy Dunlap, Kurt Deutsch, Michelle Work, Evelyn Disla, Ron Felder, Tiffanie DeVan, Abby Gabner, and Ed Lane.

## Creating Your StudentAid.gov Account

In order to fill out and submit the FAFSA, you will need a StudentAid.gov account. Join us to learn more about what a StudentAid.gov account is, and who should create one and when.

**Tuesday, November 10**
6:00–7:00 PM (ET)



**Presenter:** Kurt Deutsch

Register

Register at PHEAA.org/virtual or scan the QR code

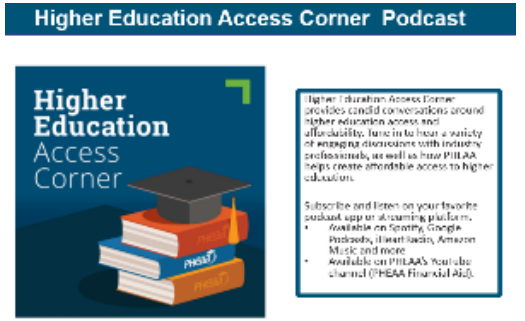
# Financial Aid Resources

- **Federal Student Aid Information Center**
  - Email, call or chat with customer service agents
  - Phone: 800-433-3242 (800-4-FED AID)
  - Websites: Studentaid.gov & collegecost.ed.gov

- **PHEAA**
  - Email: granthelp@pheaa.org
  - Phone: 800-692.7392
  - Podcast: Higher Education Access Corner
  - Website: PHEAA.org
    - MySmartBorrowing.org
    - Educationplanner.org
    - Youcandealwithit.com
  - YouTube Channel: PHEAAStudentAid

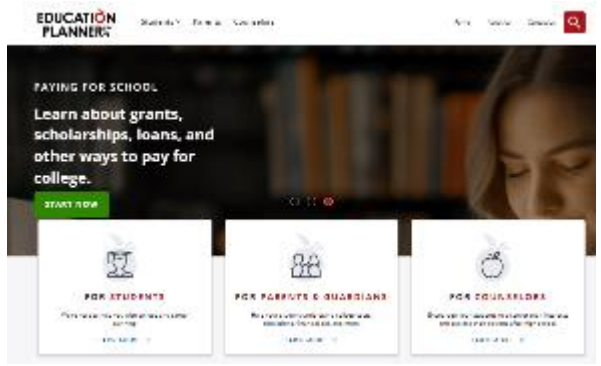
- Financial Aid Offices














# Questions




**Tiffanie DeVan**

**Pennsylvania Higher Education Assistance Agency**
Higher Education Access Partner

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**Email:** Tiffanie.DeVan@PHEAA.org
**Web:** PHEAA.org


Providing Access to Higher Education
Counties Served: Dauphin, Juniata, Mifflin, Northumberland, Perry, Schuylkill, Snyder, Union