

# PREPARE FOR YOUR FUTURE

**Welcome!**

# Today's Agenda



- ✓ Financial Aid Basics
- ✓ Types & Sources of Aid
- ✓ Forms
- ✓ What happens next?
- ✓ Resources

# Financial Aid Basics



**Financial Aid:** financial assistance to help students pay the cost of an education at a post-secondary school.

## Keep in Mind:

- **Paying is the joint responsibility of the student and parent(s), to the extent possible**
- **Eligibility criteria may apply in order to receive/maintain financial aid, such as:**
  - » Males 18-25 yrs. of age, must register with Selective Service
    - Can be done using the FAFSA form
    - No federal aid, if males do not register
  - » Students must maintain satisfactory academic progress
  - » Additional criteria may be required based on the type and source of aid
- **Some students may not qualify for all forms of aid**
- **Must apply every year to be considered**

# Financial Aid Basics



## Cost of Attendance(COA):

Costs that the student can expect to incur during the school year (direct + indirect costs)

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

### School costs include:

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

## Expected Family Contribution (EFC)

A measure of how much the student & family are expected to contribute to the cost of the student's education.

The EFC is calculated from a federal formula using info collected from the FAFSA

## Financial Need = COA - EFC

- Schools will determine need after reviewing financial aid applications
- Schools will create an award package based on need and available funding at their schools

# Types of Financial Aid



## GIFT AID: (Free Money)

- **Grants:** based on financial need and generally does not have to be repaid
- **Scholarships:** aid, usually based on merit, skill or unique characteristics that generally does not have to be repaid.

## SELF HELP AID:

- **Work Study:** Student obtains job, often coordinated through the campus and/or State. Wages earned help cover the cost of attendance
- **Student Loans:** Borrowed money that must be repaid (with interest)
  - **Student's Name (federal direct loans)**
  - **Parent's Name (federal PLUS loans)**
  - **Student's Name w/ Cosigner (private/alternative loans)**

# Funding Sources

## Federal Government (Federal Department of Education)

- ★ [studentaid.ed.gov](http://studentaid.ed.gov)
- ★ [FAFSA.gov](http://FAFSA.gov)
- ★ [studentloans.gov](http://studentloans.gov)
- ★ 800-433-3243

## State Government (PHEAA)

- ★ [Pheaa.org](http://Pheaa.org)
- ★ [Educationplanner.org](http://Educationplanner.org)
- ★ [Mysmartborrowing.org](http://Mysmartborrowing.org)
- ★ [Youcandealwithit.com](http://Youcandealwithit.com)
- ★ 800-692-7392

## Schools/Colleges

## Private/Public/ Civic Organizations, etc.



# Federal & State Grants

- **Federal Pell Grant** (2018-19 max award \$6,095):
  - Awarded to undergraduate students who demonstrate financial need (based on results of FAFSA) Max eligible EFC: \$5,486
  - Maximum amount is reviewed every year

**Additional details on Federal Programs: PA Student Aid Guide page 25 and**  
**([studentaid.ed.gov](http://studentaid.ed.gov) or 800-433-3243)**

- **PA State Grant:** (18-19 max award \$4,123)
  - Awarded to eligible PA residents who demonstrate financial need
  - Must attend an approved post-secondary school
  - Out of State
    - DE, MA, OH, VT, WV & DC: max amount up to \$526
    - All other states: \$0



**Additional details on PA State Grant: PA Student Aid Guide page 17, [pheaa.org](http://pheaa.org) or 800-692-7392**





# **FINANCIAL AID 101**

## **Forms**



# Financial Aid Forms

Know which financial aid forms each school requires

## All Schools Require:

- **Free Application for Federal Student Aid (FAFSA)**
  - Required by PHEAA, and some scholarship organizations as well
  - **FAFSA.ED.GOV** or **FAFSA.GOV**
- **State Grant Form (SGF)** through PHEAA
  - Required for first -year students (may be required in subsequent years)
  - Can link to the State Grant application from FOTWs confirmation page or may access at [www.pheaa.org](http://www.pheaa.org)

## Some Schools Require:

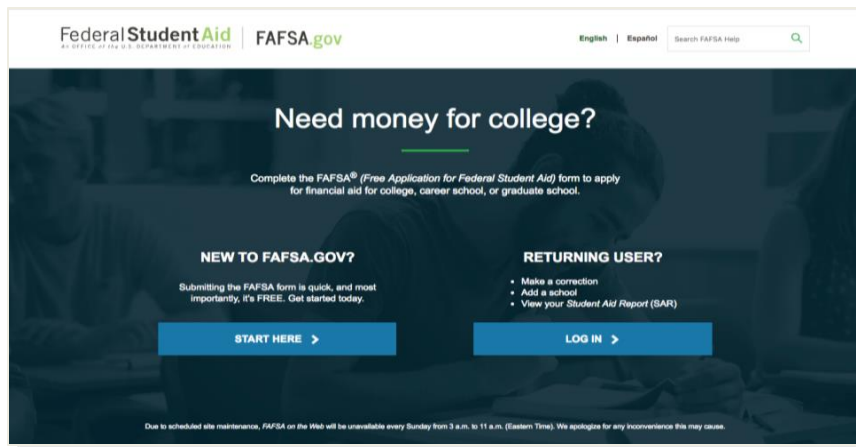
- **CSS Profile** (College Scholarship Service) required by some postsecondary schools and scholarship organizations
  - **<https://student.collegeboard.org/css-financial-aid-profile>**
- **Institutional Financial Aid Forms**
  - Internal forms specific to each school
  - Required by some schools



# What's New: Federal



- **FAFSA.gov: new look & mobile friendly**
  - “Help and Hints” display box replaced by “Tool Tips”
  - Some questions are grouped in a different order for easier navigation
- **myStudentAid FAFSA Mobile App**
  - Available for Apple and Android phones
  - 2019-20 mobile application release date was October 1, 2018



# Free Application for Federal Student Aid: FAFSA

**Important!**

- All students who wish to be considered for financial aid and plan to attend an approved post-secondary school must complete the form.
- Answer each question based on the day you are completing the form, except tax return/income.
- Complete the 2019 – 20 FAFSA (some will also complete the 2018-19 FAFSA)

Enrollment Dates (year student will attend college)	When can students submit the FAFSA	Tax Return Information
July 1, 2019-June 30, 2020 (sr.)	October 1, 2018 – June 30, 2020	2017
July 1, 2020-June 30, 2021 (jr.)	October 1, 2019 – June 30, 2021	2018
July 1, 2021-June 30, 2022 (so)	October 1, 2020 – June 30, 2022	2019

# Pay Attention to Deadlines!



- **FAFSA** - Apply as early as **October 1st** of the year prior to when you will attend college (Deadline for Seniors is June 30, 2020)
- **School Deadlines** – check out your college(s) websites to see if they list a priority filing deadline.
- **PA State Grant Deadlines**
  - » **May 1, 2019** – First-time and renewal students attending colleges, universities & college transferrable programs (excluding community colleges)
  - » **August 1, 2019** – 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.

**File the FAFSA by the earliest deadline**

# FAFSA - Free Application for Federal Student Aid

- Primary form used to apply for financial aid
- Seven sections on the form
- Collects demographic & financial information about the student & family
- Must file each year
- File online (preferred method) – Fast, Secure, Skip Logic and Built-in Edits
- Available in English & Spanish
- Want practice? Visit **FAFSA4CASTER.ed.gov**



# What Information is Required?

## ■ Student Demographics

- Name & SS#: match with Social Security Administration
- Email add: should be current & easily accessible
- High School Completion Status on or after 7/1/19
  - **High School Diploma**
  - GED or HS Equivalent Certificate
  - **Home Schooled (name of school not required)**
  - None of the Above

## ■ School Selection (may select up to 10 schools at a time)

- Must select at least 1 school
- Only schools listed will receive results
- Application/acceptance to school not required

The screenshot displays the FAFSA application interface. At the top, a navigation bar includes links for Exit, Clear All Data, View FAFSA Summary, Save, and Help. Below this, a progress bar shows the steps: Student Demographics (active, marked with a green check), School Selection (marked with a pencil), Dependency Status, Parent Demographics, Financial Information, Sign & Submit, and Confirmation. The main content area is titled 'STUDENT INFORMATION' and contains three informational boxes. The first box states that the user may qualify for federal student aid based on the provided information. The second box explains that the user can add up to 10 colleges at a time and provides a link to 'follow these instructions'. The third box prompts the user to enter the college's school code and click Search. Below these boxes, there is a question: 'Do you know the college's Federal School Code?' with radio button options for 'Yes' (selected) and 'No'. A text input field for the 'Federal School Code' contains the value '003357'. At the bottom right, there are two buttons: 'PREVIOUS' and 'SEARCH'.

Exit Clear All Data View FAFSA Summary Save Help

Search for Colleges

Student Demographics School Selection Dependency Status Parent Demographics Financial Information Sign & Submit Confirmation

**STUDENT INFORMATION**

John, based on the information you provided, we have determined that you may qualify for federal student aid. Continue through the application for us to determine how much aid you can receive.

Here's where you'll search for the colleges to which you'd like to send your FAFSA information. You can add up to 10 colleges at a time to your FAFSA. If you're applying to more than 10 colleges, [follow these instructions](#).

Make sure you add ALL colleges you're interested in, even if you haven't applied or been accepted yet.

Enter the college's school code and click Search.

Do you know the college's [Federal School Code](#)?  
☒ Yes ☐ No

Federal School Code  
003357

PREVIOUS SEARCH



# Whose information goes on the FAFSA?

Common  
Mistake!

- **Dependent Student and Legal Parent(s)**
  - Biological/legal parents who live in the same household
  - **Divorced or Separated Parents** (not living in the same household)= **Custodial Parent**:
    - the parent student lived with most during the last 12 months,
    - if equal: the parent that provided the most financial support
  - **Same Sex Parents**
  - **Stepparents (married & living with the custodial parent)**
  - **Adoptive parents**
- **Independent student** – student's information only (& spouse, if married)
- Anyone else the student is living with – **NO**



# Who Is Independent?

- 24 or older on Jan 1<sup>st</sup> of award year
  - Married
  - Veteran (includes active duty personnel)
  - Working on graduate level degree
- 
- ☐ **Emancipated minor**
  - ☐ **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**

Student Age/Marital Status/Degree Confirmation

Student Demographics ✓ School Selection ✓ **Dependency Status** Parent Demographics Financial Information Sign & Submit Confirmation

**STUDENT INFORMATION**

✓ Application was successfully saved.

**i** Because the FAFSA belongs to the student, "you" and "your" always (unless otherwise noted) refer to the student.

Were you born before January 1, 1995? ?  
☐ Yes ☒ No

As of today, are you married? ?  
☐ Yes ☒ No

At the beginning of the 2018-2019 school year, will you be working on a master's or doctorate program (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc.)? ?  
☐ Yes ☒ No

**PREVIOUS** **NEXT**

# Financial Information:

See page 13 of the PHEAA Student Aid Guide for more details



## Income:

- Students and parent(s) must answer income questions
- Students attending school during the 2019-20 academic term will use 2017 tax returns

## Assets: report the net value of certain assets

- **Some families qualify for a Simplified EFC Formula and do not need to report assets**
  - Means tested benefits, or
  - Able to file a 1040A or 1040EZ, or no income tax return, or
  - Parent(s) are a dislocated worker, and
  - Parent's combined income \$49,999 or less
- **Some families will qualify for an automatic EFC of Zero**
  - Meet same conditions above for the Simplified EFC Formula and
  - Parental annual income of \$26,000 or less

# Financial Information:

See page 13 of the PHEAA Student Aid Guide for more details



## Assets cont.:

- FAFSA will ask the following question: report assets if the answer is yes
  - **“As of today, does the total amount of your (parent’s) current assets exceed (a specific amount unique to the applicant)”**
    - Assets are reported as of the date the application is filed
    - 529 plans owned by the student or the custodial parent are reported as Parental Investments on the FAFSA
- Do not report the value of:
  - Qualified retirement funds
  - Life insurance policies
  - Primary home
  - Family business, if it employs less than 100 full-time employees
  - Family farm, if the family lives on the farm
  - Use Tool Tips (Help & Hints) section on the FAFSA as a guide

# IRS Data Retrieval Tool (DRT)

The IRS DRT allows students and parents to transfer IRS tax return income into the FAFSA.



[Return to FAFSA](#) | [Log Out](#) | [Help](#)

[Español](#)

## Get My Federal Income Tax Information

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

Enter the following information from your 2015 Federal Income Tax Return. [?](#) Required fields \*

First Name *	<input type="text" value="Dependent"/>
Last Name *	<input type="text" value="Data"/>
Social Security Number *	<input type="text" value="*** - ** - ****"/>
Date of Birth *	<input type="text" value="01 / 01 / 1994"/>
Filing Status * <a href="#">?</a>	<input type="text" value="Single"/>
Address - Must match your 2015 Federal Income Tax Return. <a href="#">?</a>	
Street Address *	<input type="text"/>
P.O. Box (Required if entered on your tax return) <a href="#">?</a>	<input type="text"/>
Apt. Number (Required if entered on your tax return)	<input type="text"/>
Country *	<input type="text" value="United States"/>
City, Town or Post Office *	<input type="text"/>
State/U.S. Territory *	<input type="text" value="Select"/>
ZIP Code *	<input type="text"/>

Select the button below to exit the IRS system and return to your FAFSA.

By submitting this information, you certify that you are the person identified. Use of this system to access another person's information may result in civil and criminal penalties.

[Return to FAFSA](#)

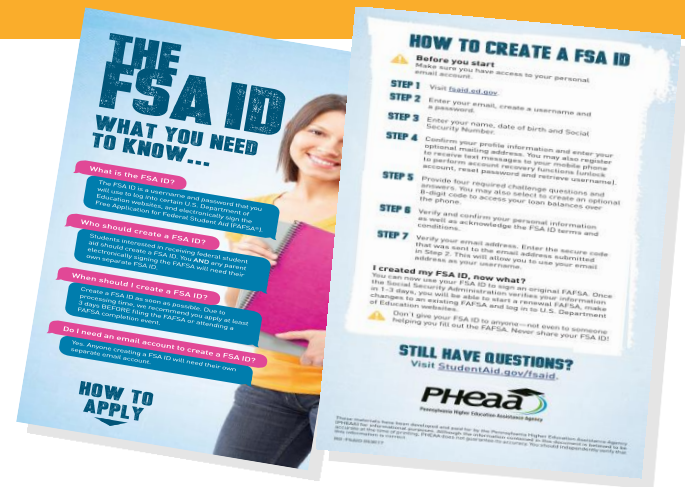
[Submit](#)

**All Info must  
match tax  
return!**

- Sensitive data will be encrypted
- Unable to use DRT if :
  - Married filing separate or Married filing Head of Household
  - Filed a Puerto Rican or foreign return
  - Marital status is different than return
  - Identity Theft flag is on account

# FSA ID: Don't forget to sign!

- ❑ The Federal Student Aid ID allows the student and parent to electronically sign the FAFSA (student & 1 parent must sign)
- ❑ Signature is accepted for PA State Grant
- ❑ FSA ID owner should create his or her own account (obtain FSA ID early)
- ❑ **Forgot ID/Password:**
  - ❑ Register a mobile phone to recover FSA ID or answer challenge questions
  - ❑ Call or chat with Federal Student Aid Center



Signature Status

Student Demographics School Selection Dependency Status Parent Demographics Financial Information Sign & Submit Confirmation

✓ ✓ ✓ ✓ ✓ ✗

**i** You have provided all necessary signatures. Click **Submit My FAFSA Now** to submit your FAFSA.

**Student Signed With FSA ID** ✓

Social Security Number: XXX-XX-3020  
Last Name: Lastname  
Date of Birth: 04/19/1994  
Signature Status: Signed Electronically

PREVIOUS SUBMIT MY FAFSA NOW



# FAFSA Confirmation Page

- Apply for the State Grant from the Confirmation Page
- Provides EFC, Pell grant & Direct Student loan eligibility
- Provides information about the schools listed on the FAFSA (graduation, transfer & retention rates)

The screenshot shows a FAFSA Confirmation Page. At the top, a dark blue header contains a clock icon, the text "Congratulations, Sample!", and "Your FAFSA was successfully submitted to Federal Student Aid." Below this, the "Confirmation Number" is displayed as "F 11200004104 03/27/2018 11:00:3/27/2018 11:31:55 AM:3/27/2018 11:31:55 AM". The "Data Release Number (DRN)" is "9970". A section titled "What Happens Next" lists five bullet points: receiving an email version of the page, receiving an email notification in 3-5 business days, FAFSA information being made available to schools, schools contacting the student for more information, and contacting the school with questions. Below this, a message states "An abbreviated version of your confirmation page has been sent to you at the e-mail address: samplestudent@sample.com". A "PRINT THIS PAGE" button with a printer icon is located below the email address. At the bottom, a dark blue banner contains the text "Start your state application to apply for Pennsylvania state-based financial aid." and a circular arrow icon. Red arrows point from the first bullet point to the Confirmation Number, from the second bullet point to the email address, and from the third bullet point to the "PRINT THIS PAGE" button. An orange oval highlights the bottom banner.

**Congratulations, Sample!**  
Your FAFSA was successfully submitted to Federal Student Aid.

**Confirmation Number:** F 11200004104 03/27/2018 11:00:3/27/2018 11:31:55 AM:3/27/2018 11:31:55 AM  
**Data Release Number (DRN):** 9970

**What Happens Next**

- You will receive an e-mail version of this page.
- In 3-5 business days, you will receive an e-mail notifying you that your FAFSA 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 e-mail address:  
**samplestudent@sample.com**

**PRINT THIS PAGE**

**Start your state application to apply for Pennsylvania state-based financial aid.**

# PA State Grant Form (SGF)

- **Link off the FAFSA Application Confirmation Page**

- » Missed the link or it wasn't available?
  - Link in an email sent to student/parent from PHEAA, OR
  - Go to [PHEAA.org](http://PHEAA.org); State Grant Program; and complete the form

- **Additional questions needed to determine PA State Grant eligibility:**

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

**PHEAA**

I want to...  
Select and go to...

Home College Planning Funding Opportunities Partner Access Tools & Resources

Your State Grant Info is Just a Click Away. It's fast and secure. Check It Out

Sign in to Account Access to view your State Grant status or make enrollment changes.

**Account Access**  
FROM AES

Login to Account Access to:

- Apply for aid
- View the status of an application
- Change your address
- and more!

Learn More OR Continue

Beginning with the 2018-19 Academic Year, distance education will be incorporated into the PA State Grant Program. Due to limited resources, students enrolled in more than 50% distance education credits may receive a reduced award. For more information, please refer to our FAQs.

College Planning Funding Opportunities Partner Access Tools & Resources

**Rights and Responsibilities**

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

View Rights and Responsibilities ? Can't open document?

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

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

Exit Application Submit My Info >>

# Special Circumstances

*If things change...*

- Divorce or separation
  - Recent death or disability
  - Reduced income/Unemployment
  - Unusual Circumstance
- 
- **Contact schools listed on FAFSA: Only a school can change a FAFSA based on your circumstances**
  - **Contact PHEAA for the PA State grant**







# FINANCIAL AID 101

Forms are Filed – Now What



# The Process Continues

## After the FAFSA is filed:

- Student receives Student Aid Report (SAR) & makes corrections, if needed
- Information goes to school & families undergo a Need Analysis

## Expected Family Contribution (EFC) for dependent students is based on:

- **Parental income & assets**
  - Asset protection allowance based on age of older parent up to approx. 9-12%
  - Contribution divided by the # of children in college at the same time
- **Student income & assets**
  - No asset protection allowance: assessed at 20%
  - Income protection allowance of \$6,660 (19/20 AY)
    - Amounts over \$6,660 assessed at 50%
- **Family size and number of family members in college**
- **Age of older parent**

- EFC Remains the same regardless of school
- Includes allowance for taxes
- Primarily income-driven

- After analysis, Financial Aid Award letters are sent to the students
- Student reviews letters & researches options



**Cost of Attendance**

**- EFC**

**= Financial Need**

# Comparing Packages



SCHOOL	A	B	C	D
COST	\$ 6,600	\$15,000	\$25,000	\$45,000
EFC <small>(stays the same for all schools)</small>	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
NEED	<u>\$ 3,600</u>	<u>\$12,000</u>	<u>\$22,000</u>	<u>\$42,000</u>
<b>Federal &amp; State Grants</b>	<b>\$2,000</b>	<b>\$ 7,000</b>	<b>\$ 10,500</b>	<b>\$23,000</b>
Institutional Grants or Scholarships			\$ 14,500	
LOANS (Direct Lending)	\$4,600	\$ 5,500	\$ 0	\$ 5,500
WORK STUDY <small>(after you work a job!)</small>	\$ 0	\$ 0	\$ 0	\$ 3,000
<u>TOTAL AID</u>	<u>\$ 6,600</u>	<u>\$12,500</u>	<u>\$25,000</u>	<u>\$31,500</u>
GAP (Cost – Aid)	\$ 0	\$ 2,500	\$ 0	\$13,500
<b>ACTUAL COST</b> <b>(Cost – FREE Money)</b>	<b>\$4,600</b>	<b>\$ 8,000</b>	<b>\$ 0</b>	<b>\$22,000</b>

What happens if there is a gap and all costs are not covered?





# **FINANCIAL AID 101**

## **Student Loans & Scholarships**

# Be a Smart Borrower



A free tool for calculating an affordable future

- Exhaust all free financial aid options before borrowing student loans
- Seek federal student loans before private student loans
- Only borrow the amount needed (loans must be repaid)
- Do your research!
- **MySmartBorrowing.org:** An interactive, online tool created by PHEAA that helps students and families:
  - » Estimate career, salaries & college tuition
  - » View the impact of savings on overall cost
  - » Calculate loan repayment
  - » Avoid borrowing too much money

1 Select a  
Career

3 Factor in  
Savings

2 Select a  
School

4 Get  
Results

# Scholarship Tips

## POPULAR SCHOLARSHIP SEARCH SITES:

- ☐ [bigfuture.collegeboard.org](http://bigfuture.collegeboard.org)
- ☐ [fastweb.com](http://fastweb.com)
- ☐ [ScholarshipAmerica.org](http://ScholarshipAmerica.org)
- ☐ [finaid.org](http://finaid.org)
- ☐ [Peerlift.org](http://Peerlift.org)



## Students should:

- **Start Early and Search Often - never too early**
- **Create an Academic Resume that highlights activities such as:**
  - **Academic success** - awards, national honors society, etc.
  - **Extra Curricular Activities** – sports, clubs, employment, etc.
  - **Community Involvement/Volunteerism** – track with whom and hours
- **Create an Essay(s)**- Write an essay, free from errors, that can be tweaked based on individual scholarships (be creative)
- **Secure Letter of Recommendations early**
- **Pay attention to deadlines and understand the terms**





# **FINANCIAL AID 101**

## **Final Thoughts & Wrap-Up**

# Resources

- **Federal Student Aid Information Center**
  - » Email, call or chat with customer service agents
  - » Phone: 800-433-3242 (800-4-FED AID)
  - » Website: FAFSA.gov
  - » Fafsa4caster: estimated EFT, PELL and Direct Loan Eligibility
- **PHEAA**
  - » Email: [granthelp@pheaa.org](mailto:granthelp@pheaa.org)
  - » Phone: 800-692.7392
  - » Website: [PHEAA.org](http://PHEAA.org)
    - [MySmartBorrowing.org](http://MySmartBorrowing.org)
    - [Educationplanner.org](http://Educationplanner.org)
- **Financial Aid Offices**



PHEAA  
American Education Services  
FedLoan Servicing

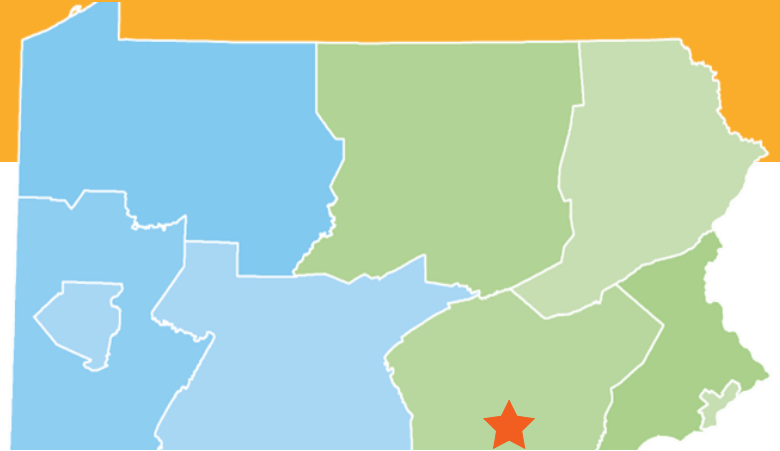


@PHEAAaid  
@FedLoan Servicing  
@aesSuccessorg



PHEAA

# Your Presenter



## Tiffanie DeVan

Higher Education Access Partner

Cumberland Valley Region

PA Higher Education Assistance Agency (PHEAA)

717-884-2200

[tdevan@pheaa.org](mailto:tdevan@pheaa.org)