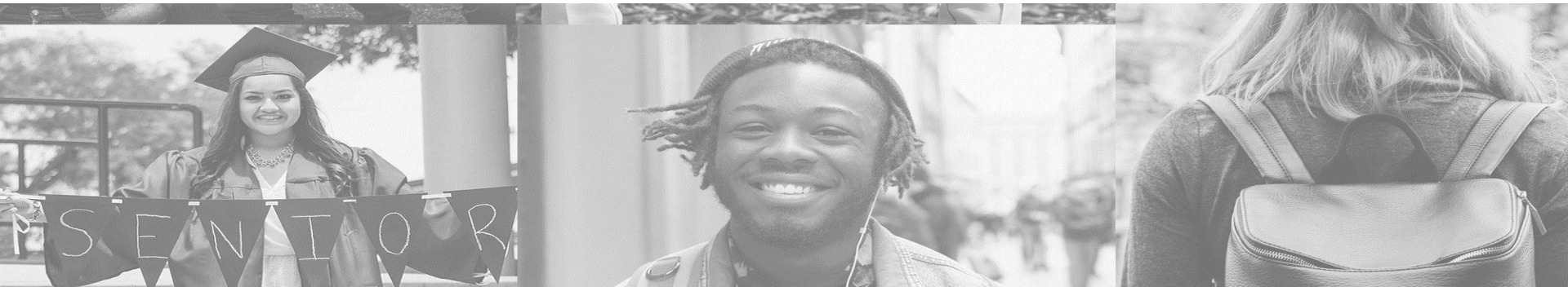




FINANCIAL AID 101

Prepare for Your Future





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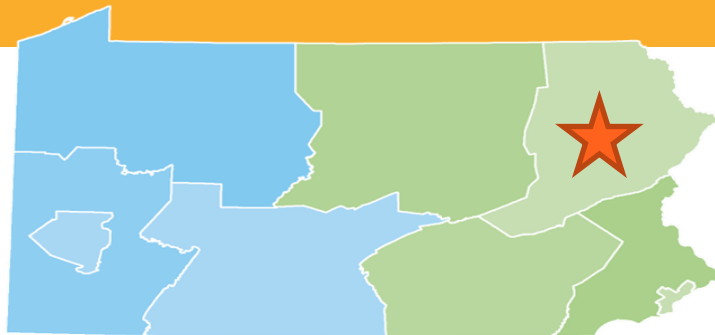


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Your presenter



Linda Pacewicz

Higher Education Access Partner
Northeast Region

**PA Higher Education Assistance Agency
(PHEAA)**

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lpacewic@pheaa.org

AGENDA

What is Financial Aid?

How do I apply?

The Aid sources available.

What happens next?

Making smart decisions!

Financial Aid Basics

Financial Aid is funding provided to students and families to help pay for **POSTSECONDARY EDUCATION** expenses

Principles:

- Paying is a joint responsibility of student and parent(s)
- A Federal Formula determines family “NEED”
- FORMS must be filed to receive ANY Aid
- Be a consumer – open minded, diverse search
- Buy and EDUCATION, NOT A SCHOOL



Types of Financial Aid



GIFT AID: Scholarships and Grants (not repaid)

Based on: **Financial Need** (income, assets, family)

Merit (ability, actions, criteria)

- Sources: Federal/State Government, Schools/Colleges, Organizations, Businesses, Community, Employers, FREE Internet Search

SELF HELP AID: Loans, Work Programs, Savings

Loans are borrowed money and must be repaid

- Sources: Federal Government, Banks, Schools/Colleges

Work Study – earned money by students

Also.... Tuition Reimbursement and Military

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 after FAFSA is completed

Some schools require additional forms::

CSS Profile – through the College Board; additional fees

Institutional Financial Aid Forms - through a specific school

KNOW WHAT FORMS EACH SCHOOL REQUIRES



FAFSA.GOV - New look and format for AY 19/20

The primary form used to determine Eligibility for Federal Financial Aid

Complete every year enrolled

New web format for online, tablet and phone use and a new “My Student Aid” App

Skip Logic built in to skip questions that don't apply

Fafsa4caster – practice site

The image displays the FAFSA.gov website interface and a mobile app. The website header includes the 'Federal Student Aid' logo, 'FAFSA.gov', and language options for 'English' and 'Español'. A search bar for 'Search FAFSA Help' is also present. The main heading asks 'Need money for college?' and provides instructions to complete the FAFSA form for financial aid. It offers two paths: 'NEW TO FAFSA.GOV?' with a 'START HERE' button, and 'RETURNING USER?' with a 'LOG IN' button. A list of tasks for returning users includes 'Make a correction', 'Add a school', and 'View your Student Aid Report (SAR)'. An orange arrow points from the 'START HERE' button to a banner at the bottom that says 'Estimate your federal aid using FAFSA4caster'. To the right, a smartphone displays the 'myStudentAid' app, which has a blue header with a dollar sign icon and a 'Welcome to myStudentAid' message. The app screen also features the 'Need money for college?' heading, a 'START HERE' button, and a 'Before You Start' section with instructions on how to use the app and the IRS Data Retrieval Tool.

Federal Student Aid | FAFSA.gov

English | Español Search FAFSA Help

Need money for college?

Complete the FAFSA® (Free Application for Federal Student Aid) form to apply for financial aid for college, career school, or graduate school.

NEW TO FAFSA.GOV?

Submitting the FAFSA form is quick, and most importantly, it's FREE. Get started today.

START HERE >

RETURNING USER?

- Make a correction
- Add a school
- View your Student Aid Report (SAR)

LOG IN >

Estimate your federal aid using FAFSA4caster →

myStudentAid

Welcome to myStudentAid

Need money for college?

Submitting the 2018-2019 FAFSA® form is quick, and most importantly, it's FREE.

START HERE

Before You Start

myStudentAid is the official app of Federal Student Aid (FSA), an office of the U.S. Department of Education.

If you want to renew your 2018-19 FAFSA or use the IRS Data Retrieval Tool, you need to complete your FAFSA form on fafsa.gov.

DEADLINES *live it, learn it, love it*

Federal Deadlines - Apply anytime after October 1 in the year prior to when you will attend school (AY 2019-20: 10/1/18 to 6/30/20)

School Deadlines - vary, check websites!

PA State Grant Deadlines for FAFSA

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

August 1 – 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



Create an FSA ID (your electronic signature)

FSAID.ed.Gov

or scroll down at FAFSA.gov & options within the FAFSA

[Create an FSA ID](#) [Manage My FSA ID](#)

Please enter your:

E-mail

Confirm E-mail

Username

Password

✓ Numbers ✓ Uppercase Letters ✓ Lowercase Letters ✓ Special Characters ✓ 8-30 Characters ☐ Show Text

Confirm Password

CONTINUE >

HOW TO CREATE A FSA ID

Before you start
Make sure you have access to your personal email account.

STEP 1 Visit fsaid.ed.gov.

STEP 2 Enter your email, create a username and a password.

STEP 3 Enter your name, date of birth and Social Security Number.

STEP 4 Confirm your profile information and enter your optional mailing address. You may also register to receive text messages to your mobile phone to perform account recovery functions (unlock account, reset password and retrieve username).

STEP 5 Provide four required challenge questions and answers. You may also select to create an optional 8-digit code to access your loan balances over the phone.

STEP 6 Verify and confirm your personal information as well as acknowledge the FSA ID terms and conditions.

STEP 7 Verify your email address. Enter the secure code that was sent to the email address submitted in Step 2. This will allow you to use your email address as your username.

I created my FSA ID, now what?
You can now use your FSA ID to sign an original FAFSA. Once the Social Security Administration verifies your information in 1-3 days, you will be able to start a renewal FAFSA, make changes to an existing FAFSA and log in to U.S. Department of Education websites.

Don't give your FSA ID to anyone—not even to someone helping you fill out the FAFSA. Never share your FSA ID!

STILL HAVE QUESTIONS?
Visit StudentAid.gov/fsaid.

PHEAA
Pennsylvania Higher Education Assistance Agency

These materials have been developed and paid for by the Pennsylvania Higher Education Assistance Agency (PHEAA) for informational purposes. Although the information contained in this document is believed to be accurate at the time of printing, PHEAA does not guarantee its accuracy. You should independently verify that this information is correct.
RG-PSAID 053017

THE FSA ID

WHAT YOU NEED TO KNOW...

What is the FSA ID?
FSA ID is a username and password that you use to log into certain U.S. Department of Education for Federal Student Aid (FAFSA®).

How do I create a FSA ID?
You can create a FSA ID by logging in to existing federal student aid information and electronically signing the FAFSA. If you are not currently logged in, you will need to create a FSA ID.

Who can create a FSA ID?
You can create a FSA ID if you are a U.S. citizen or permanent resident and at least 13 years old. Due to state laws, you may need to apply at least 30 days before you can create a FSA ID.

How do I use my FSA ID?
You can use your FSA ID to sign an original FAFSA, make changes to an existing FAFSA and log in to U.S. Department of Education websites.

Student and ONE Parent need separate ID's
- Separate emails addresses required

Documents You May Need

- Social Security Number or alien registration number if not US Citizen
- Driver's license (student only and optional)
- Prior, Prior year's Federal income tax returns (1040, 1040A or 1040EZ) & W2 forms
 - 2017 taxes for AY 2019/2020 , 2018 taxes for AY 2020/21
- Current bank statements (checking and savings) as of the FAFSA filing date
- Current business and farm records (if employ over 100 people or don't live on the farm)
- Records of any stocks, bonds & other investments, including 529 accounts
 - NET AMOUNTS
- Untaxed Income (untaxed Social Security benefits are not considered)
 - Veterans non-education benefits, child support paid/received and workers' compensation.



7 Sections / fill in the blanks

The screenshot shows the FAFSA application interface. At the top is a navigation bar with five buttons: 'Exit', 'Clear All Data', 'View FAFSA Summary', 'Save', and 'Help'. Below this is a section titled 'Student Address and E-mail'. Inside this section, a horizontal row of seven tabs is visible: 'Student Demographics', 'School Selection', 'Dependency Status', 'Parent Demographics', 'Financial Information', 'Sign & Submit', and 'Confirmation'. A large red oval highlights this entire row of tabs, and a red arrow points from the top-left towards the 'Student Demographics' tab. Below the tabs, a blue banner reads 'STUDENT INFORMATION'. Underneath, there is a text input field with the label 'Your permanent mailing address (include apt. number)'. At the bottom of the page, there is a date input field containing '11/02/1982'. To the right of the date field, there are two buttons: 'PREVIOUS' and 'NEXT'. These two buttons are circled in red. The background of the slide features a collage of images related to education, including students and a graduation cap.

Exit Clear All Data View FAFSA Summary Save Help

Student Address and E-mail

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

STUDENT INFORMATION

Your permanent mailing address (include apt. number)

11/02/1982

PREVIOUS NEXT

Use the Previous and Next buttons within the Application

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.

Complete the fields below to search for a college to add to your FAFSA.

Do you know the college's [Federal School Code](#)?

Yes

No

State

Pennsylvania

City (optional)

School Name (optional)

Pennsylvania State University

SEARCH TIPS

PREVIOUS

SEARCH

SCHOOL SELECTION

Look at more than one!

Select up to 10 colleges you are interested in attending

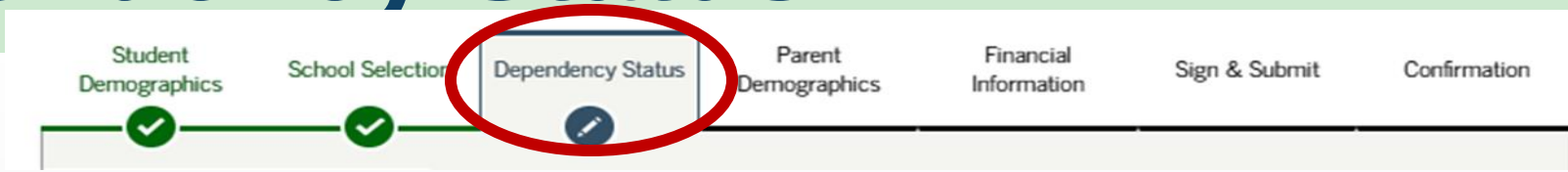
- You don't have to be currently accepted
- List the one you're most likely to attend first

Schools cannot see your Financial Info unless you list them on FAFSA

Schools cannot see the order or your other selections

Search by name or by school code

Dependency Status



Independent students are:

- 24 or older on January 1 of award year
- Veteran (includes active duty personnel)
- Married
- Working on graduate degree
- Emancipated minor or in a legal guardianship
- Orphan, in Foster Care or Ward of the Court at any time when the student was age 13 or older
- Have legal dependents other than spouse
- Student deemed homeless by proper authority



Whose information goes on the FAFSA?

- ✓ **Independent student** – only their info
- ✓ **Dependent Student and Parent(s)**
 - ✓ **Divorced or Separated Parents -> Custodial Parent:** the parent that you lived with most during the last 12 months, if equal: the parent that provided the most financial support
 - ✓ **Divorced/Separated parents who live in the same household**
 - ✓ **Same Sex Parents**
 - ✓ **Stepparents**
 - ✓ **Adoptive parents**
- ✓ **NOT a parent for FAFSA:**
 - ✓ Foster parents
 - ✓ Legal guardians
 - ✓ Anyone else the student is living with



IRS Data Retrieval Tool

Parent Tax Filing Status

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

PARENT INFORMATION

Application was successfully saved.

Attention! You must provide financial information from your parents' 2016 tax return on the following pages.

For 2016, have your parents completed their IRS income tax return or another tax return?

Already completed

IRS.gov

Return to FAFSA | Log Out | Help

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 * Dependent

Last Name * Data

Social Security Number * ***-**-****

Date of Birth * 01 / 01 / 1994

Filing Status * Single

Address - Must match your 2015 Federal Income Tax Return.

Street Address *

P.O. Box (Required if entered on your tax return)

Apt. Number (Required if entered on your tax return)

United States

Select One

All Info must match tax return!

Leaving FAFSA on the Web

You are now leaving FAFSA on the Web and will be transferred to the IRS web site. Your FAFSA information will be saved.

Your saved FAFSA will automatically open either when you transfer your information from the IRS or choose to return to FAFSA on the Web from the IRS Web site. If you do not transfer your information or choose not to return to FAFSA on the Web from the IRS Web site, you will have to log in to open your saved FAFSA.

For your protection, your tax return information will not display on the IRS Web site or on the FAFSA.

SKIP IRS DRT

PROCEED TO IRS SITE



Students and Parents can transfer IRS Tax Return Information directly into the FAFSA if applicable

- Manual entries are verified

Have W2's for earned income reporting

Parent IRS Info

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

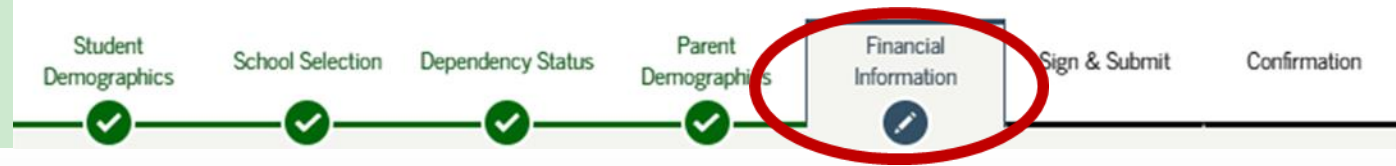
You have successfully transferred 2016 IRS tax information.

The father's IRS tax information has been successfully transferred into this FAFSA. Questions that were populated with tax information will be marked with "Transferred from the IRS." For your protection, IRS tax return information is not displayed on the FAFSA.

What type of income tax return did your father file for 2016?
Transferred from the IRS

What was your father's adjusted gross income for 2016?
Transferred from the IRS

Assets



An **ASSET PROTECTION ALLOWANCE** is applied against a Parent's assets, based on the information gathered to this point

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

PARENT INFORMATION

As of today, does the total amount of your parents' current [assets](#) exceed \$33,600.00?

☐ Yes ☒ No

Each family's number is unique to them

NOT AN ASSET: Home, Personal Property, Qualified Retirement Funds, Value of Life Insurance. Social Security Benefits are NOT considered

Report **NET ASSETS** (Value - Associated Debt/Penalty = Asset)

529 college savings accounts are reported as Parent Investments IF the total assets including the 529 are ABOVE the asset protection allowance number

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

i You have chosen to submit your FAFSA without all required signatures. If you continue, your application will not be complete.

Your FAFSA must be signed before your school can determine your eligibility for federal student aid. The fastest way to sign a FAFSA is electronically using an FSA ID. **Click choose another way to sign** below to sign with an FSA ID. [Click here for help signing with your FSA ID.](#)

To submit without signature(s), click **Submit My FAFSA Now**.

Student Selected Signature Option

Social Security Number: XXX-XX-6123

Last Name: **Dependent**

Date of Birth: 02/09/1999

Signature Status: **Submit Without Signatures**

[choose another way to sign](#)

Parent Selected Signature Option

Social Security Number: XXX-XX-4644

Last Name: **Student**

Date of Birth: 12/30/1983

Signature Status: **Submit Without Signatures**

[choose another way to sign](#)

PREVIOUS

SUBMIT MY FAFSA NOW

Sign + Submit = EFC / AID calculations

2018-2019 Confirmation Page



Congratulations, John!

Your FAFSA was successfully submitted to Federal Student Aid.

Confirmation Number: F 12004251707 07/27/2018 14:49:4

Data Release Number ([DRN](#)): 9999

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:
newuser@fafsademo.com

[PRINT THIS PAGE](#)

[Expand All](#)

> **Estimated Expected Family Contribution (EFC) = 999999**

> ~~Information~~

✓ School(s) on your FAFSA:

EFC stays the same for ALL schools

Parent contribution
divided by number
of children in
college at the same
time

Student Income protection: 50% over \$6,570 is considered

EFC: Expected Family Contribution
Family Financial Strength Number, NOT
what you're expected to pay

Driving factors: Income, Family Size and Age of oldest parent

Approx calculation on assets: 20% student,
6% of parent assets

PA State Grant FORM



Congratulations, Sample!

Your FAFSA was successfully submitted to Federal Student Aid.

Confirmation Number: F 11200004104 03/27/2018 11:00:37/2018 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

Easiest Method: Click the Link on the FAFSA confirmation Page, info is transferred

samplestudent@sample.com

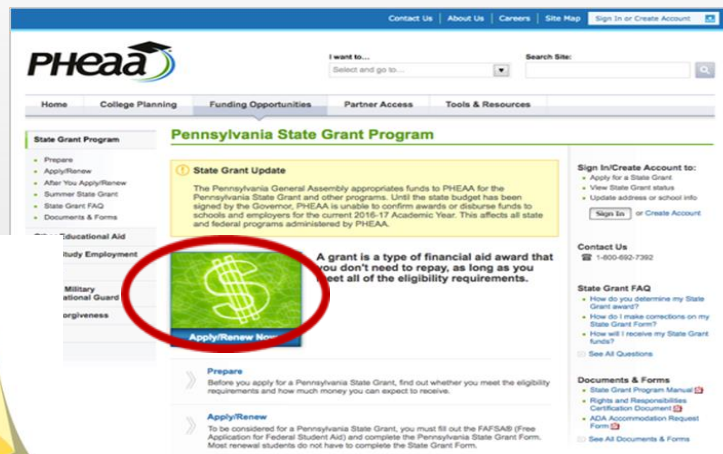
PRINT THIS PAGE

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

Completed the first year attending, uses new FAFSA in subsequent years

Missed the Link – go to PHEAA.org, 24 hours after filing or watch for PHEAA reminders

**NEW !
E-Sign
process**



Pennsylvania Higher Education Assistance Agency

The process.....

Department of Education's Central Processing System uses the FAFSA calculations to create your NEED ANALYSIS



- ☒ EFC is calculated – number used to determine aid
- ☒ SAR/ISIR – reports your eligibility for Aid to you and your school choices
- ☐ Schools and State receive your results
- ☐ Grant eligibility is calculated
- ☐ You Apply/Applied to your school choices
- ☐ Once Accepted – schools produce Award Letters
(Aid Packages) based on Need and any Internal Aid
(Cost – EFC = Need)
- ☐ You compare Award Letters
- ☐ Determine true costs of school and make affordable choices

Cost of Attendance

The Financial Aid Office will include **DIRECT COSTS** in determining the student's annual cost of attendance (Budget) at their school.

- Tuition, Fees, Room, Meals(Board), Books, Supplies

Don't forget about **INDIRECT COSTS**:

- Dorm Furnishings, Transportation, Personal Expenses, Laundry, Dependent Care, Pizza...



Net Price Calculator

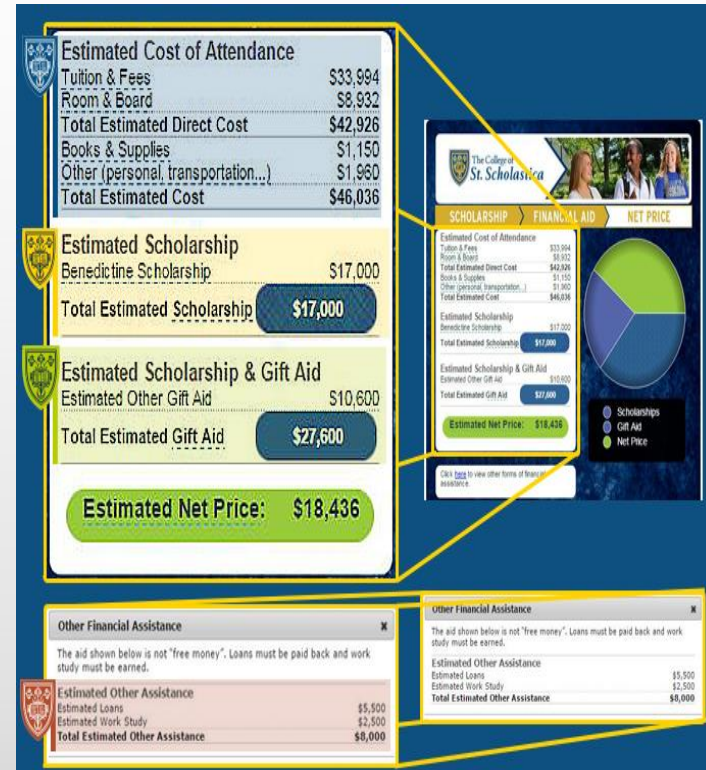


Every Institution, by law, must provide families with a Net Price Calculator on their website to estimate net costs

ESTIMATED data provided by each institution:

- Total price of attendance
- Tuition, Fees, Room and Board
- Expenses (ie personal, transportation..)
- Estimated merit and need based grant aid
- ESTIMATED NET PRICE (attendance minus grant aid)

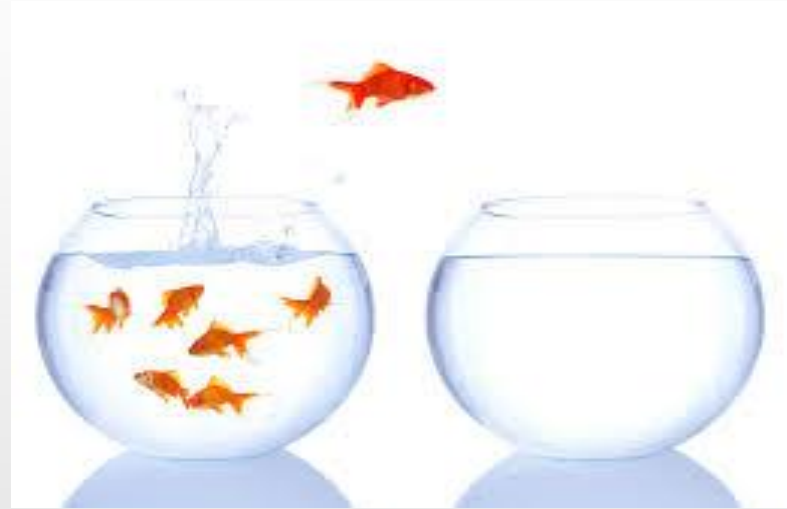
Does not always include internal Scholarships



Special Circumstances ...

If things change ...contact the Financial Aid Office

- Reduced Income or PPY Inflated Income
- Recent death or disability
- Divorced or separated parents
- Step or Adoptive parents
- Foster parents
- Legal guardians
- Living with others



Only a school can change a FAFSA related to circumstances
Contact PHEAA for PA Grant re-consideration

Funding Options Available

“Well, how much money will I get?”



Federal Grants based on Need (EFC)

Pell Grant up to \$6,095 (18/19 AY)

Campus-based aid – amounts determined by FAO

FSEOG..... up to \$4000

Federal Work Study... FAO determines



Student must be enrolled at least half-time and meet satisfactory academic progress

Eligibility determined by FAFSA (forms)

Amounts determined by Need Analysis & Cost of School

Other Federal Grant Programs

StudentAid.ed.gov/types

- TEACH Grant
- Occupational Vocational Rehabilitation Program (OVR)
- Post 9/11 GI Bill Benefits
- Iraq and Afghanistan Service Grant
- US Dept. of Health and Human Services
 - <https://www.benefits.gov/us-department-health-and-human-services-hhs-student-assistance-programs>
- Americorps
- American Opportunity Tax Credit & Lifetime Learning Credit
 - tax return credits - see IRS Publication 970



PA State Grant pheaa.org



Full time in PA* up to \$4,128 (18/19 AY)

Greater than 50% Online: half of the eligible award

Out of State – up to \$551 in DE, DC, MA, OH, WV, VT

• **All other states - \$0**

* Must be a resident of PA, attend at least half-time in a minimum 2 year program and meet satisfactory academic progress – see pheaa.org or the PA Student Aid Guide

Eligibility determined by FAFSA & PA Grant Form

Amounts determined by Need Analysis & Cost of School

State Administered Grants – pheaa.org

- **State Work-Study Program**
- **Partnerships for Access to Higher Education Program (PATH)**
- **PA Targeted Industry Program (PA-TIP)**
- **PA National Guard Educational Assistance Program (EAP)**
- **Chafee Education and Training Grant (Foster Students)**
- **Postsecondary Education Gratuities Program (PEGP)**
- **Blind or Deaf Beneficiary Grant Program**
- **Ready to Succeed Scholarship Program**
 - **2nd year and beyond**



Scholarships! Don't miss FREE Money

- **START EARLY—and KEEP LOOKING**
 - GOOGLE your Interests
- DON'T PAY for information (Scam)
- Criteria varies by school and organization
 - Follow Directions – provide what is asked
- Don't Fear Essays – recycle
- Don't disqualify yourself until IT disqualifies YOU
- Small amounts ADD UP
- Activities, Athletics, Family, Hobbies, Attributes, Participation – DO YOUR RESEARCH
- Create a Profile/Resume – everything about you
- **DON'T MISS DEADLINES**

- ✓ FastWeb.com
- ✓ EducationPlanner.org
- ✓ FinAid.org
- ✓ Unigo.com
- ✓ Scholarships.com
- ✓ Scholarship-Page.com
- ✓ DoSomething.org/Scholarships
- ✓ Colleges.Niche.com
- ✓ StudentScholarships.org
- ✓ BigFuture.Collegeboard.org
- ✓ CollegeAnswer.com
- ✓ CollegeNet.com
- ✓ MeritAid.com
- ✓ MORE....



Federal Direct Loan Program (borrowed funding)

StudentLoans.gov or the School's Website

Awarded to ALL eligible undergraduate students, regardless of NEED

2 Loan components, based on FAFSA

Subsidized – Govt pays interest while attending and during grace period

Unsubsidized – Student is responsible for interest (Accrues in school and grace)

5.045% variable/fixed interest rate, 1.062% fee (AY 18/19)

- Changes every July 1 for new loans

- **In Student's Name**
- No Collateral or Credit Check
- No Payments required while attending school and 6 month Grace Period
- Affordable repayment options
- MUST complete a FAFSA and Sign an MPN
- Additional amounts for Independent Students and if Parent PLUS Loan is denied

Federal Direct Stafford Loan Program 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

Federal Direct PARENT PLUS Loan

For Parents of Dependent Undergraduate Students

PLUS loans also available for Independent Graduate Students

- In a Parent's Name for student costs – up to the Cost of Attendance
- Payment can be deferred while student is in school (interest accrues)
- No Debt-to-Income test, Only lenient credit check
- Must apply each year and file a FAFSA
- IF DENIED – student is eligible for an additional \$4,000 unsub

7.595% Variable/Fixed Interest Rate; 4.248% fees (AY 18/19)

Changes every July 1 for new loans



Private / Alternative Education Loans

Options for Balances from private lenders or financial institutions

- **In student's name / co-signers usually required**
 - Some loan products have a co-signer release
- Can borrow up to the Cost of Attendance
- Based on credit scores and debt-to-income
- Terms vary by lender – compare before making choices
- Students must sign a “Self Certification Form” per DOE

Compare to find the right fit

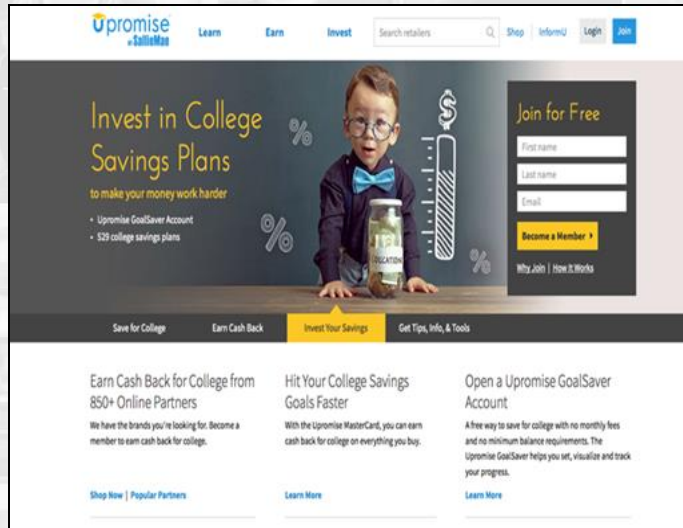
- **le: PHEAA Forward** – PHEAA education loan starting in Jan 2019

The image shows a sample of a 'Private Education Loan Applicant Self-Certification' form. The form is titled 'Private Education Loan Applicant Self-Certification' and includes a section for 'Borrower's Information' with fields for Name, Address, City, State, Zip Code, and Date of Birth. It also has a section for 'Financial Information' with fields for Annual Income, Total Debt, and a section for 'Signature' with a line for the borrower's signature and a line for the date. The form is a sample and includes a disclaimer at the bottom.

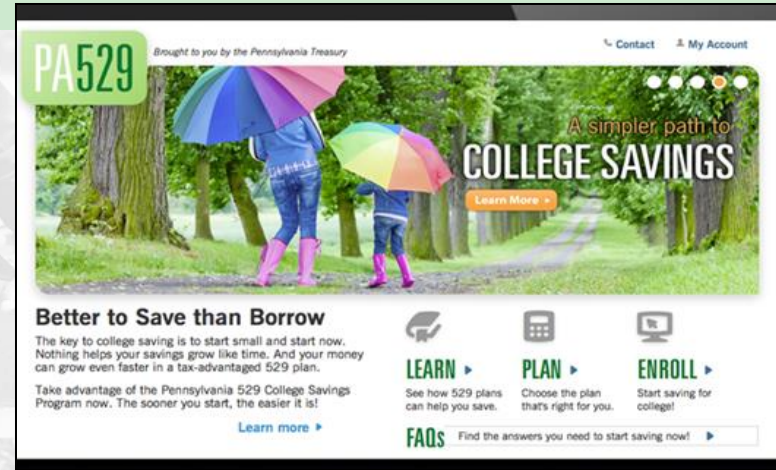
Other ways to save and pay

PA 529 College Saving Plan

A tax free savings account for post secondary education costs **PA529.com**



The screenshot shows the Upromise.com homepage. At the top, there's a navigation bar with 'Learn', 'Earn', and 'Invest' tabs, a search bar, and links for 'Shop', 'Info', 'Log In', and 'Join'. The main banner features a young boy in a suit and bow tie, holding a jar of coins, with the text 'Invest in College Savings Plans to make your money work harder'. Below this, there are three columns of content: 'Save for College' (Earn Cash Back from 850+ Online Partners), 'Hit Your College Savings Goals Faster' (With the Upromise MasterCard), and 'Open a Upromise GoalSaver Account' (A free way to save for college). Each column has a 'Learn More' link.



The screenshot shows the PA529 College Savings Plan website. At the top, it says 'PA529 Brought to you by the Pennsylvania Treasury'. The main banner features a family walking on a path with umbrellas, with the text 'A simpler path to COLLEGE SAVINGS' and a 'Learn More' button. Below the banner, there's a section titled 'Better to Save than Borrow' with a sub-header 'The key to college saving is to start small and start now.' and a 'Learn more' link. To the right, there are three icons: 'LEARN' (See how 529 plans can help you save), 'PLAN' (Choose the plan that's right for you), and 'ENROLL' (Start saving for college!). At the bottom, there's a 'FAQs' section with the text 'Find the answers you need to start saving now!' and a 'Learn More' link.

Upromise.com

Anyone can earn for your student by registering credit cards and shopping with participating companies

\$ earned can go into a 529, pay a loan or be received for expenses

Options to Cover the Cost of Education

- A school doesn't care how you come up with the balance, just that you do.
- Families can CHOOSE the methods of borrowing and funding combinations that meet their needs to cover balances - it's unique to YOUR resources.

You can mix & match = balances!

- | | | |
|---|--|--|
| ✓ Savings – Family | ✓ Tuition Payment Plans – School | ✓ Employers – Tuition reimbursement programs |
| ✓ 529 College Saving Plans - Family | ✓ Federal Student Loans – DOE | ✓ 401K – Withdrawal or loans (See a financial advisor or your HR Dept) |
| ✓ U Promise credits – Family, friends | ✓ Parent PLUS Loans – DOE | ✓ Credit Cards – Banks (be cautious) |
| ✓ Scholarships – Various sources, including schools | ✓ Private Education Loans – Banks / Finance Entities | ✓ Student part-time job – Students work-study/private jobs |
| ✓ Grants – Federal/State programs | ✓ Institutional Loans – School | |
| | ✓ Home Equity Loans – Banks | |

Next Steps



Schools determine NEED



1. Using FAFSA calculations:

School Cost (varies per school)	\$26,000
EFC (stays the same)	- \$3,000
FINANCIAL NEED	\$23,000

2. FAO “**Packages**” students based on Financial Need and available funding (varies by school)

3. Financial **Award Letter** is sent to the Student

NOTE: EFC Stays the same, Costs Vary

Financial Aid Award Letter Understand it!



An official notification from the School about financial aid, terms, and conditions

- Lists the type and amount of each award to be received and accept/reject steps
 - Sign and return
 - Complete MPN's for loans; Entrance Counseling

Verification: IF you are flagged, request official tax transcripts online at **www.irs.gov** or by calling (800) 908-9946. Please note that tax transcripts are not the same as copies of tax returns

REVIEW and ASK QUESTIONS

- Is there criteria on the Gift Aid - GPA, Participation, Membership, Major ?
- Will funds change if tuition changes; Will Gift Aid continue in subsequent years
- Is PLUS and Workstudy packaged?!
- How are Outside Scholarships Handled?
- What is the overall debt – the letter is for one year's costs.

Packaging Example

SCHOOL	A	B	C	D
COST	\$ 6,600	\$15,000	\$25,000	\$45,000
EFC (stays the same for all schools)	\$ 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>
FREE MONEY (varies)	\$2,000	\$ 7,000	\$ 9,500	\$23,000
LOANS (Federal Direct Lending)	\$4,600	\$ 5,500	\$ 5,500	\$ 5,500
WORK STUDY (after you work a job!)	\$ 0	\$ 0	\$ 2,000	\$ 3,000
<u>TOTAL AID</u>	<u>\$ 6,600</u>	<u>\$12,500</u>	<u>\$17,000</u>	<u>\$31,500</u>
GAP (Cost – Aid)	\$ 0	\$ 2,500	\$ 8,000	\$13,500
ACTUAL COST (Cost – FREE Money)	\$4,600	\$ 8,000	\$15,500	\$22,000

Begin with the End in Mind

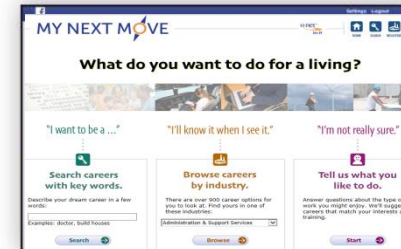
RESEARCH the EXPECTED SALARY in your FUTURE CAREER, find an affordable school, and borrow realistically

- There are many paths to the same degree
- Research every option, including community colleges and commuting
- Only attend a school you can reasonably afford
- Only borrow what you absolutely need to attend
- Approach education from a consumer standpoint
- **Is there a CAREER SERVICES Dept**
- **Much depends on You and Your Choices**



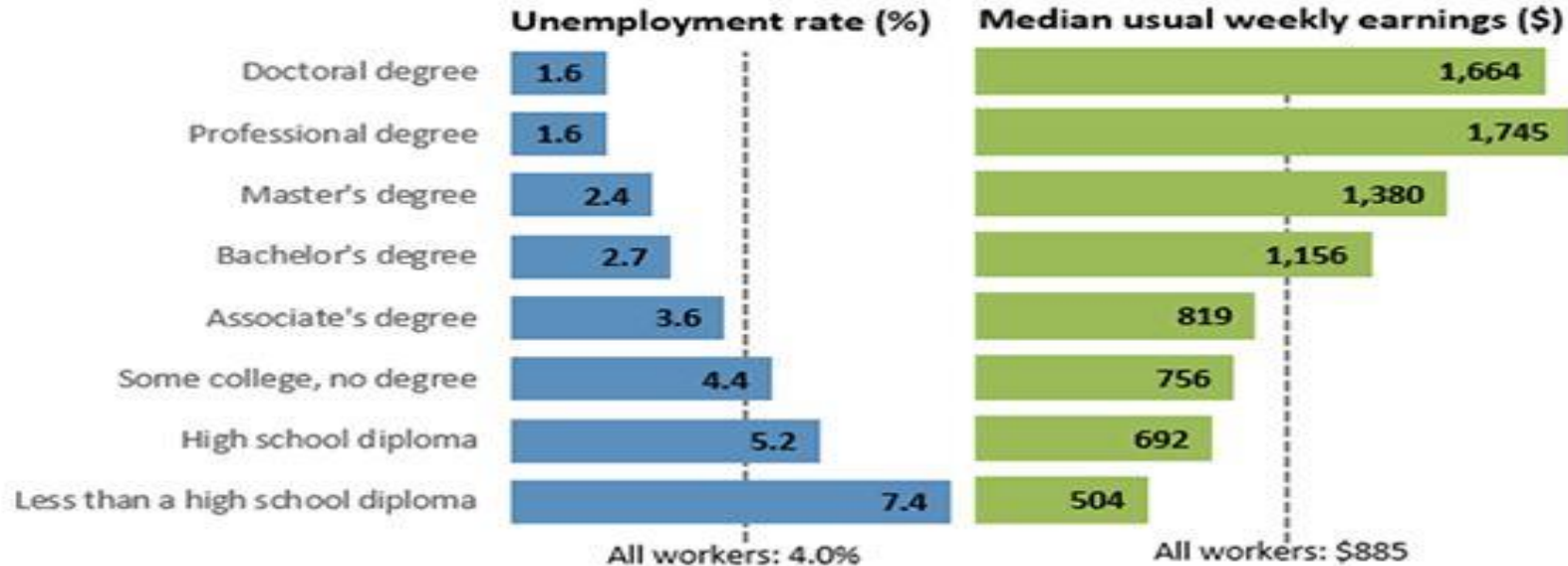
PHEAA Online Resources

- PHEAA.org
- EducationPlanner.org
 - Career planning
- MyNextMove.org
 - Research Careers
- MySmartBorrowing.org
 - Borrow smart
- YouCanDealWithIt.com
- Facebook.com/pheaa.aid
- MyFedLoan.org



It pays to have an education

Unemployment rates and earnings by educational attainment, 2016



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

Thanks and Best Wishes!

Questions?



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