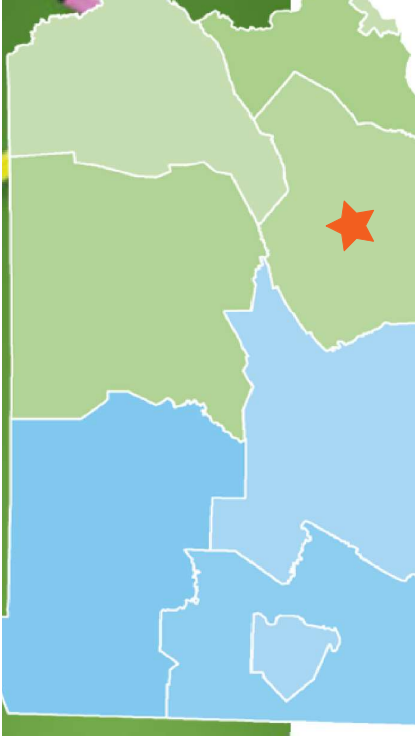


# Financial Aid 101



# Your Presenters



## **Sonya Mann-McFarlane**

Higher Education Access Partner  
PA Higher Education Assistance Agency (PHEAA)  
717-514-6043

[sonya.mann-mcfarlane@pheaa.org](mailto:sonya.mann-mcfarlane@pheaa.org)

## **Tori Nuccio**

Deputy Director, Office of Financial Aid  
West Chester University

[TNUCCIO@wcupa.edu](mailto:TNUCCIO@wcupa.edu)

# Topics

Links to  
electronic  
resources



## 5 Steps to Financial Aid



1. Look for FREE money first
2. Know your deadlines
3. Complete the FAFSA
4. Compare your financial aid notices
5. Make sure you have the money you need

## Tips & Strategies

## Resources

[PA Student Aid Guide 2021-2022](#)

# 5 STEPS TO FINANCIAL AID

Step 1

Look for  
FREE  
money  
first

Step 2

Know  
your  
specific  
deadlines

Step 3

Fill out  
the  
FAFSA

Step 4

Compare  
schools  
financial  
aid offers  
carefully

Step 5

Be sure  
you have  
the  
money  
you need

# Financial Aid 101

Step 1: Look for FREE Money First





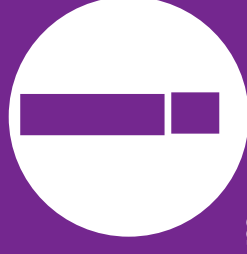
# Step 1: Look For Free Money First

# Scholarship Search

Don't miss out on **FREE** money!

## Scholarship Tipsheet

- Scholarships **are** obtainable – Effort pays off!
- **Available** beyond the first year
- Wide **variety** of criteria –
  - Community Service, Unique Achievements, Grades, Sports, Ethnicity, Religion, Heritage, Parent Occupations, High School Location, Students Major Selection
- **Will** reduce your debt and need to borrow with loans



- ✓ [FastWeb.com](http://FastWeb.com)
- ✓ [EducationPlanner.org](http://EducationPlanner.org)
- ✓ [Chegg.com](http://Chegg.com)
- ✓ [FinAid.org](http://FinAid.org)
- ✓ [ScholarshipExperts.com](http://ScholarshipExperts.com)
- ✓ [Scholarships.com](http://Scholarships.com)
- ✓ [Scholarship-Page.com](http://Scholarship-Page.com)
- ✓ [DoSomething.org/Scholarships](http://DoSomething.org/Scholarships)
- ✓ [Colleges.Niche.com](http://Colleges.Niche.com)
- ✓ [StudentScholarships.org](http://StudentScholarships.org)
- ✓ [BigFuture.Collegeboard.org](http://BigFuture.Collegeboard.org)
- ✓ [CollegeAnswer.com](http://CollegeAnswer.com)
- ✓ [CollegeNet.com](http://CollegeNet.com)
- ✓ [MeritAid.com](http://MeritAid.com)
- ✓ **MORE....**

# Financial Aid 101

## Federal and State Programs





# Federal Programs

MUST  
SUBMIT  
FAFSA

- Pell Grant - max award \$6,495
  - » As of 9/26 a Federal Student Aid Estimator will be available at: <https://studentaid.gov>
- Campus-based aid (amounts determined by Financial Aid Office at each potential school)
  - » FSEOG.....up to \$4,000
  - » Federal Work-Study...FAO determines

For most programs, student must be enrolled at least half-time.

\* **Goes to most financially needy students**

# Pennsylvania State Grant\*

MUST  
SUBMIT  
FAFSA

- In-state (PA) - Full-time: up to \$5,000
  - » 2 / 4 year degree programs
- In-state (PA) – Full-time Distance Education: up to \$5,000
- In-state (PA) – Part-time: 1/2 of the FT award
- Out-of-state - Up to \$600 in DC, DE, MA, OH, VT, WV. \$800 for veterans.
- Amount determined in part by the cost of the school.

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

# 2021-22 PA State Grant Awards

Must be at least half-time to be eligible

COST TIER	MINIMUM AWARD	MAXIMUM AWARD
\$0 - \$12,000	\$500	\$2,660
\$12,001 - \$19,000	\$500	\$4,254
\$19,001 - \$29,000	\$500	\$4,574
\$29,001 - \$32,000	\$500	\$5,000

# Other State Programs



- State Work-Study
- Blind or Deaf Beneficiary Grant
- Educational Assistance Grant (EAP) – National Guard
- PA Military Family Education Program (MFEP)
- Chafee Education and Training Grant – co-administered with the PA Department of Human Services
- Foster Ed Tuition Waiver
- Postsecondary Educational Gratuuity Program (PEGP)
- Partnerships for Access to Higher Education (PATH)
- Pennsylvania Targeted Industry Program (PA –TIP)
- Ready to Succeed Scholarship (RTSS)
- For details, see the PA Student Aid Guide, or visit **[PHEAA.org](https://www.pheaa.org)**.

# Financial Aid 101

Step 2: Know Your SPECIFIC Deadlines



# PA State Grant Deadlines

14

- **May 1** – If you plan to enroll in a degree program or a college transferable program at a junior college or other college or university (excludes community colleges)
- **August 1** – If you plan to enroll in a community college; a business, trade, or technical school; a hospital school of nursing; or a 2-year program that is not transferable to another institution

**DON'T MISS THE DEADLINE!**

# Financial Aid 101

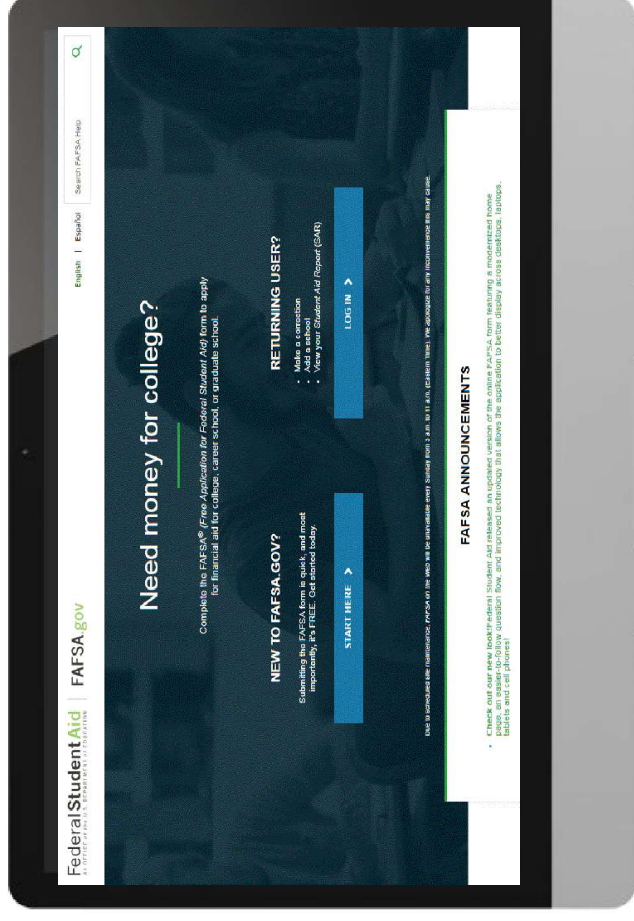
Step 3: Complete The Free Application for  
Federal Student Aid (FAFSA)



# FAFSA - Free Application for Federal Student Aid – [studentaid.gov](https://studentaid.gov)

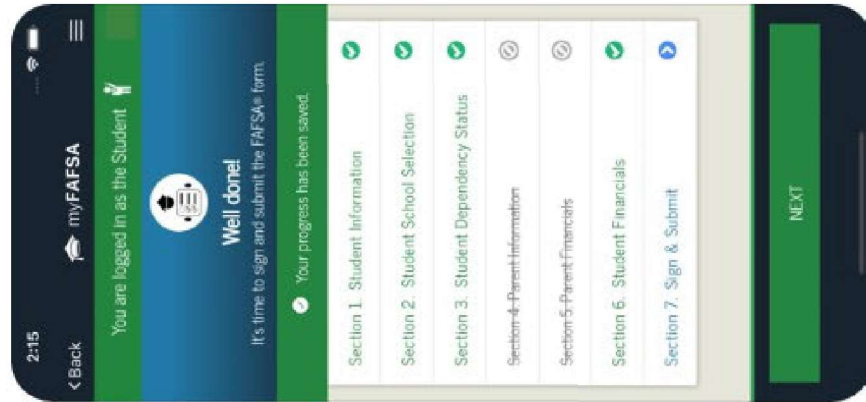
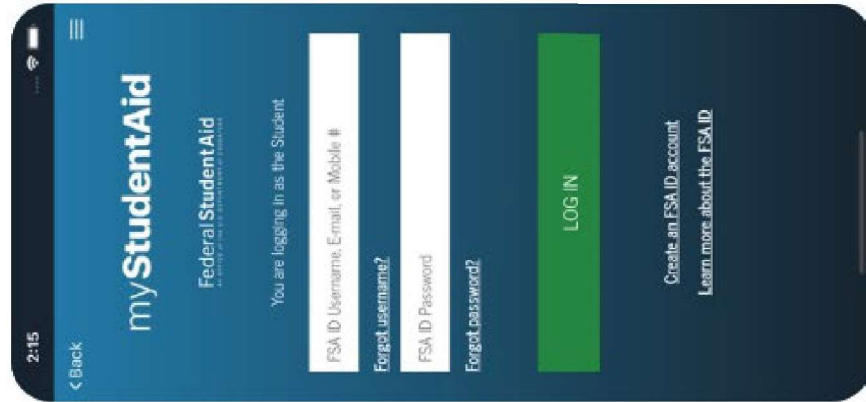
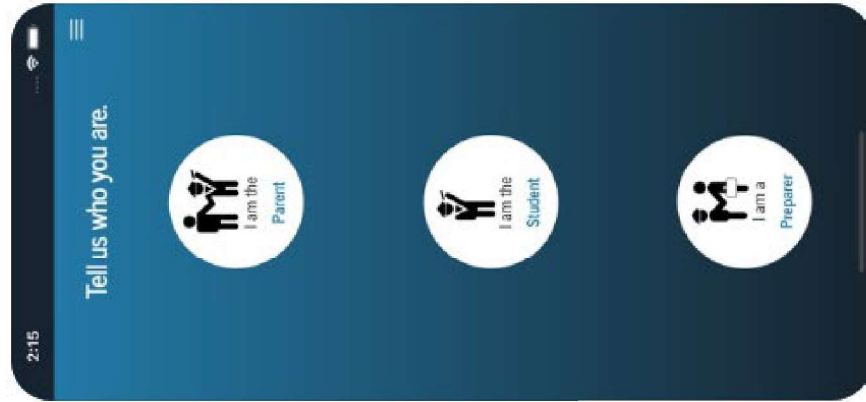
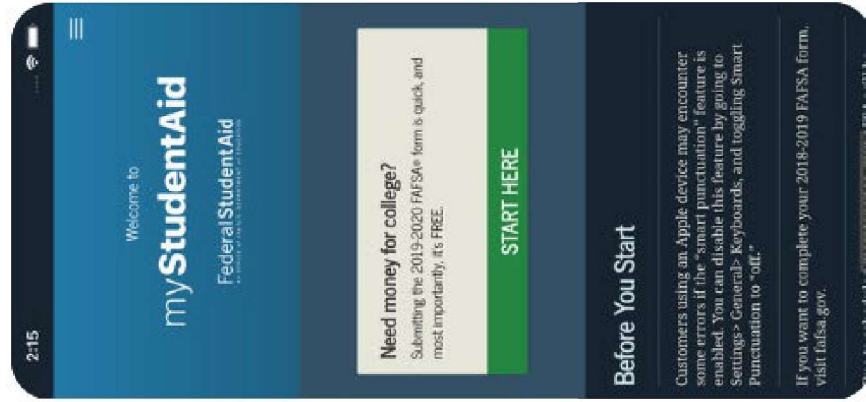
The FAFSA is the **primary federal form** for financial assistance to attend postsecondary school.

- Must file a FAFSA each year a student attends school to be eligible.
- File online – **Fast, Secure, SKIP LOGIC** and Built-in Edits.





# MyStudentAid



# Create Your FSA ID Accounts

18

- The student applying for aid and one parent providing information on the FAFSA need to create an FSA ID at [fsaid.ed.gov](https://fsaid.ed.gov).
- Create prior to completing the FAFSA.
- Legal signature for student and parent.
- Provides access to FAFSA and Federal Student Aid online systems.

**After verifying, the mobile phone number can be used as the username to login.**

**[How To Create an FSA ID Account](#)**

Username

Password

Email Address

Mobile Phone

Security Questions

Social Security  
Number



Just say  
“YES”



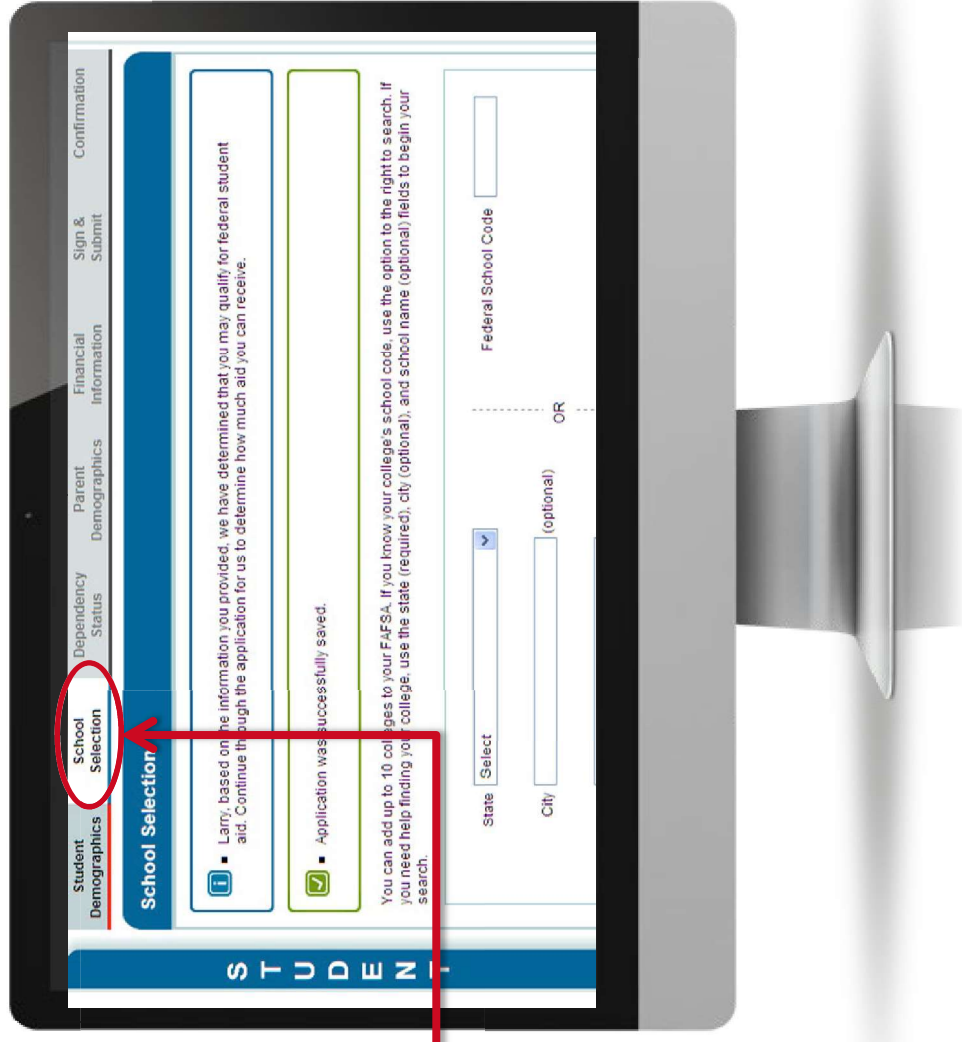
### **Inside Higher Ed reports:**

Students who participate in the **federal work-study** program are more likely to graduate and be employed 6 years after college than their similar counterparts who don't participate in the program, according to a new study.

# FAFSA – School Selection

20

- List more than one!
- Only schools that are listed will be able to see your FAFSA information.
- **Students can list up to 10 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.



# Aside from the Student, Who Reports Info on the FAFSA?

21

## YES

- Married parents living together
- Biological parents living together
- Divorced or separated parents:
  - » The parent the student lived with the most over the past 12 months
  - » If equal, then the parent who provided more than 50% of student's support
- 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

# When Is A Student Automatically Considered “Independent”?

22



- 24 or older on Jan 1st of 2022
- Married
- Veteran (includes active duty personnel)
- Working on graduate level degree
- Emancipated minor in 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
- (PA State Grant status can be different)

# IRS Data Retrieval Tool (DRT)

- Is a component of the FAFSA.
- Automatically imports IRS tax info from parents and students, if applicable, and adds it to the FAFSA.
- There are some exceptions – not everyone can use the IRS DRT.
- Not everyone is required to file taxes, filing is not required to complete the FAFSA.



U.S. Department of the Treasury | U.S. Internal Revenue Service

Return to FAFSA | Help | Log out

### Get My Federal Income Tax Information

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

All fields are required unless marked otherwise.

**First Name**

Label

**Last Name**

Austin

**Social Security Number**

No field required

\*\*\* - \*\* - 8019

**Date of Birth**

MM/DD/YYYY

01/01/1950

**Filing Status**

Married Filing Joint Return

**Street Address**

Must match your 2019 Federal Income Tax Return

P.O. Box

Required if entered on your tax return

U.S. Department of the Treasury | U.S. Internal Revenue Service

Return to FAFSA | Help | Log out

### 2018 Federal Income Tax Information

Jane Austin

Based on the information you provided, the IRS has determined that you are eligible to use the IRS DRT. The IRS will securely transfer your tax information to the U.S. Department of Education (ED) to populate any applicable FAFSA questions.

The data we use to populate your FAFSA questions is encrypted and we do not display your tax information unless you have explicitly authorized the IRS to do so. The data returned from your tax return is limited to the items listed below as you reported to the IRS:

Item	Details
Tax Year	2018
Type of Return Filed	Married Filing Joint
Adjusted Gross Income	123,456
Income Earned from Work	100,000
Income Tax	12,345
Education Credits	5,000
Unlisted Portion of IRA Distributions & Pensions/Annuities	10,000
Tax-exempt Interest Income	2,000
IRA Distributions and Payments	15,000
Status of Amended Returns Received	None

Refer to your tax records if you have a question about the values you reported.

**Transfer My Tax Information into the FAFSA Form**

The tax information provided to FAFSA.gov will populate the answers to the applicable FAFSA questions. You will be able to review and edit the information on your IRS session web site, and you will return to your FAFSA form. Check the box if you are choosing to transfer your information.

**Do Not Transfer My Tax Information and Return to the FAFSA Form**

By clicking the "Do Not Transfer" button, you are choosing not to transfer your tax information electronically. Your IRS session will end, and you will return to your FAFSA form.

TRANSFER MY TAX INFORMATION

DO NOT TRANSFER

# Signing the FAFSA Electronically

- Student and filing-Parent sign electronically with an FSA ID Account.
- Apply for an FSA ID Account **individually** at [studentaid.gov](http://studentaid.gov).
- Do not lose it. Write it down and store in a safe place.
- Can use for future FAFSA filing and parent can use for other children's FAFSAs.
- Use to sign Federal Direct Student Loan application and Parent PLUS Loan application.
- The usernames and/or passwords, can be retrieved if forgotten.

Signature Status

Student Demographics School Selection Dependence Status Parent Demographics Parent Financials Student Financials Sign & Submit

4 Both you and a parent need to sign your FAFSA. Only sign for yourself. If you and your parent are not together, one of you can sign, save the application and then ask. Give the "save key" to the other person who can log in with it and sign and submit the FAFSA. Be sure not to mix up your and your parent's FSA IDs when signing.

Student Signature Needed  
Signature Status: Unsigned  
PROVIDE STUDENT SIGNATURE

Parent Signature Needed  
Signature Status: Unsigned  
PROVIDE PARENT SIGNATURE

PROVIDE

©2010 Idaho.gov. All rights reserved.



# Financial Aid 101

Completing the PA State Grant Form



# Pennsylvania State Grant Form

Link directly to the State Grant Form  
from the **FAFSA Confirmation Page**  
of your FAFSA!



**L** **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 (DREN): 9970

**What Happens Next**

- You will receive an e-mail version of this page.
- In a few 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**

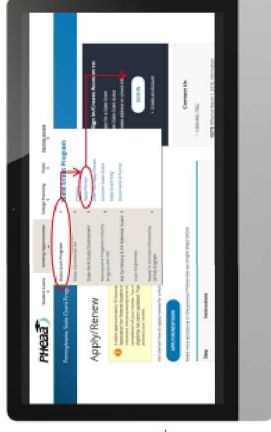
[PRINT THIS PAGE](#)

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

## Online State Grant Application

### 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 information 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



? Help screens are available for all questions

# Financial Aid 101

What Happens NEXT?



# Calculating Financial NEED

- **Student Aid Report** or Acknowledgment sent to student (review and make necessary corrections).
  - FAFSA information is sent to PHEAA. Student must complete State Grant Form (SGF). Link to this directly from the FAFSA or at PHEAA.org.
- ★ **Account Access (PHEAA) – Create an account at [PHEAA.org](https://www.pheaa.org) to view PA State Grant**
- Information is sent to schools/colleges. Sent to all schools listed on FAFSA at any time.

# Calculating Financial Need

Schools/colleges receive financial aid 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 award letter sent to student



School cost	\$26,000
EFC	-\$3,000
<hr/>	
Financial Need	\$23,000

# 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

# Financial Aid 101

**Step 4: Compare Schools' Financial Aid  
Notices Carefully**



## Step 4:

### Compare Schools' Financial Aid Notices Carefully

- There is no required standard format for Financial Aid Notices from schools.
  - » Some include Federal loans, some do not.
- » Bottom Line: What are your out-of-pocket costs?

Cost	\$20,000	\$30,000	\$50,000
EFC	\$ 3,000	\$ 3,000	\$ 3,000
Need	\$17,000	\$27,000	\$47,000
Free Money	\$ 6,000	\$ 8,000	\$18,000
Loans	\$ 5,500	\$ 7,000	\$ 8,000
Work-Study	\$ 0	\$ 2,000	\$ 3,000
TOTAL AID	\$11,500	\$17,000	\$29,000
Gap = (Cost - Aid)	\$ 8,500	\$13,000	\$21,000
Actual Cost. = (Cost - Free \$)	\$14,000	\$22,000	\$32,000

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

Step 5: Be Sure You Have The Money You  
Need



## Step 5: Be Sure You Have The Money You Need

- Have you made an affordable choice of school?
  - Do you understand your actual costs?
- Have you considered annual out of pocket costs **beyond the first year?**
- Do you have a strategy for handling out of pocket costs?
- Do you understand loan options and their limitations?



# Financial Aid 101



## Federal Loans



# Federal Direct Loan Program

- Available to **ALL** students **REGARDLESS** of need
- Additional unsubsidized funds available for Independent & Parent PLUS denials
  - » Rates set every July 1st for the life of that year's loan; fees are deducted from disbursement
- In student's name, no collateral or credit check, must sign MPN
- Available loan amounts increase in subsequent years
- No payments required while attending school & six-month grace period
- Flexible Repayment options
- 150% RULE applies – New borrowers as of 7/1/13

## **Based on FAFSA, students are offered a combination of:**

- Subsidized loans: govt pays interest in school and grace status
- Unsubsidized loans: interest accrues in school and grace

**StudentLoans.gov  
& school's website!**

# Federal Direct PLUS Loan

- For parents of dependent undergraduate or graduate level 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
- Can borrow up to the Cost of Attendance
- MUST apply each year
- No Debt-to-Income test, only lenient credit check
- Can have an endorser (co-signer)
- 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
- **Student must file a FAFSA**

# Financial Aid 101

## Private/Alternative Loans



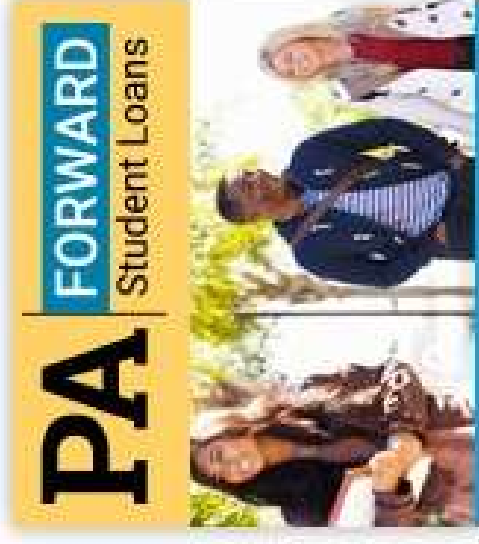
# Private/Alternative Education Loans

---

- In student's name/co-signers usually required
  - Can borrow up to the Cost of Attendance
  - Approval based on credit scores and debt-to-income
- New from PHEAA beginning April 2019
- **PA Forward Student & Parent Loan:**
  - **NO FEES**, rate discounts at graduation, and ACH payment
  - Lowest capped interest rates
  - Refinance loan
  - Multiple repayment options
  - Online application
  - Find more at [PHEAA.org/PAForward](https://www.pheaa.org/PAForward)
  - **Compare to find the right fit**



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



# Financial Aid 101



**Final Thoughts & Wrap-Up**





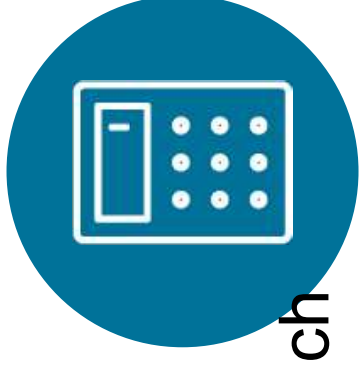
# Financial Aid 101

Be a Smart Consumer



# Net Price Calculators

- Enables current and prospective students, families and consumers to determine an estimate of an individual net price at a particular institution.
- **ESTIMATED** data must be provided by each institution:
  - » Total price of attendance
  - » Tuition, Fees, Room and Board
  - » Expenses (i.e., personal, transportation)
  - » Estimated total merit and need-based grant aid
  - » Estimated net price (attendance minus grant aid)



**[Net Price Calculator Center - Collegecost.ed.gov](http://Collegecost.ed.gov)**

# Ways to Reduce the Need for Financial Aid

- Graduate on time!
- Research the right major
- Earn college credits in high school
- 2+2 or 3+2 Strategy
- Consider cost cutting options



