

## Finding Money for College

Basics of Financial Aid and the FAFSA

### What is financial aid?

- Money to pay for college or career school
- Student financial aid will help you bridge the gap between college costs and what you and your family can afford to pay.
- Student aid includes money from the federal and state government, money from the colleges themselves, and scholarships from foundations, private organizations and companies.
  - Grants
  - Work-study
  - Loans
  - Scholarships
  - Education Tax Benefits
  - Military Student Aid

### 5 Types of Student Financial Aid

- Gift aid, such as grants and scholarships, which is free money that does not need to be repaid.
- Student employment, such as part-time work-study jobs, which lets you earn as you learn.
- Student loans, which is money that is repaid over several years, usually with interest.
- Education tax benefits, such as the Hope Scholarship tax credit, which is money you get by filing a federal income tax return, even if you don't owe any taxes.
- Military student aid, such as ROTC and the GI Bill, where you earn money for your education in exchange for service in the United States Armed Forces.

### Who can get federal student aid?

- U.S. citizen or permanent resident
- High school graduate/GED holder
- Eligible degree/certificate program –
  - Make sure your program accepts Financial Aid
- Valid Social Security number
- Males 18-25 years old must be registered for Selective Service - [www.sss.gov/Home/Registration](http://www.sss.gov/Home/Registration)
- Satisfactory academic progress in college/career school

### How do you apply for need-based aid?

- Federal Student Aid:
  - Submit the Free Application for Federal Student Aid (FAFSA) online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) to apply for
    - need-based grants
    - Federal loans
    - work-study – on campus work – library, campus offices, dining halls

### How do I apply for federal student aid?

1. Get a PIN at [www.pin.ed.gov](http://www.pin.ed.gov).
  - Your parent will need a PIN too.
    - You will need
      - Your Social Security number
      - Your parents' Social Security numbers if you are a dependent student
  - Choose your own PIN or let the site choose one for you.
  - Don't tell anyone your PIN!

## How do I apply for federal student aid?

### 2. Gather the documents you need to apply.

- Find checklist of what's needed StudentAid.ed.gov
- Your driver's license number if you have one
- Your Alien Registration number if you are not a U.S. citizen
- Federal tax information\* or tax returns including IRS W-2 information, for you and for your parents if you are a dependent student:
  - IRS 1040, 1040A, 1040EZ – Can do IRS Data retrieval if filed taxes
- Records of untaxed income, such as child support received, interest income, and veterans non-education benefits, for you, and for your parents if you are a dependent student
- Information on cash; savings and checking account balances; investments, including stocks and bonds and real estate but not including the home in which you live; and business and farm assets for you, and for your parents if you are a dependent student
- Optional: Use the *FAFSA on the Web Worksheet* to prepare your answers. Get worksheet at StudentAid.ed.gov

## How do I apply for federal student aid?

### 3. Fill out your FAFSA at [fafsa.ed.gov](http://fafsa.ed.gov).

- Apply on or after October 1 but as early as possible to meet all deadlines.
  - State deadlines- May 1
  - School deadlines are listed on schools' websites. – **Priority deadlines**
- Need help? Use the help functions within the FAFSA (including live chat) or call 1-800-4-FED-AID.
- Don't forget: watch for the confirmation page that says your FAFSA has been submitted. THEN log out.

Bonus tip: Use the IRS Data Retrieval Tool to import info from your federal return into your FAFSA. More: [StudentAid.gov/irsdr](http://StudentAid.gov/irsdr)

## How do I apply for federal student aid?

### 4. Watch for response by e-mail or by mail, confirming that your FAFSA was processed.

- Double-check that your info is correct by logging on at the FAFSA site and reviewing your data.
- Correct any mistakes and submit the corrected info.

## How do I apply for federal student aid?

### 5. Watch for e-mails or letters from the schools you are considering.

- Give the schools any additional paperwork they ask for.
- Meet all deadlines or you could miss out on aid!

## How much federal student aid can I get?

In general, depends on your financial need.

- Financial need determined by Expected Family Contribution (EFC) and cost of attendance (COA)
- The FAFSA is used to calculate your EFC, a measure of your family's annual ability to pay for college.
- COA is tuition, fees, room and board, transportation, etc.
  - A lower EFC makes you eligible to receive more need-based financial aid, such as the Federal Pell Grant.
  - Students with a lower EFC qualify for more financial aid.
  - Students with a zero EFC (mostly students with family income less than \$30,000) have full financial need and qualify for even more financial aid to help pay for school.
- $COA - EFC = \text{financial need}$

## How much federal student aid can I get?

Maximum amounts for the major programs for a dependent freshman in 2016-17:

- Federal Pell Grant: \$5,815
- Federal Work-Study: depends on funds available at school
- Direct Subsidized and Unsubsidized Loans: \$5,500 total
- Direct PLUS Loan (for parents): COA minus other aid received

Funds from other programs are available; see [StudentAid.ed.gov](http://StudentAid.ed.gov) for details.

### How much federal student aid can I get?

For early estimate, use *FAFSA4caster*:

- Go to [fafsa.gov](http://fafsa.gov) and find link in “Thinking About College?” section (lower right of home page)
- Enter some financial information
- Get an estimate

### Who can get other kinds of financial aid?

- States, colleges, and private scholarships have their own eligibility criteria.
- PHEAA State Grant – must be PA resident
- Be sure you know what you need to do to qualify.

### How do I apply for state student aid?

- State aid: PHEAA.org
- State Grant Program
  - Direct Link is Provided from the FAFSA confirmation page
- Other State Aid Programs
- State Work Study – related to your major

### What happens next?

- Each school will tell you how much aid you can get at that school.
- Once you decide which school to attend, keep in touch with the financial aid office to find out when and how you will get your aid.

### How much state, school, and private scholarship money can I get?

Depends on the program and how much time you put into it; do your research!

- Our state aid: PHEAA
  - Max state Grant Amounts- depends of COA –  
– \$2,329-\$4,378
  - May forfeit this aid if attend out of state schools - most amount for out of state transfer is \$500
- Ask college financial aid offices for info about aid available at their schools

### How do I apply for additional aid?

- School aid: contact financial aid offices at schools you are considering
- Scholarships: visit Schools scholarship website or call contact number for information

## The Best Type of Student Aid

- Grants and scholarships are better than student loans because you don't have to pay them back!
- Some funds are awarded based on financial need – Need Based
- Some funds are based on academic, artistic or athletic merit or other skills and activities – Merit Based
- Scholarship Sponsors create their own criteria - Some funds are based on unusual criteria –EX.
  - Creating a prom costume out of duct tape
  - A scholarship for left-handed students
  - A scholarship for students with a last name of Zolp

## How Do You Find Scholarships?

- Check with the school you plan to attend
- Check out Counseling Website – Scholarship Tab for locally sponsored scholarships
- Micro-Scholarships-if your school participates on [www.raise.me](http://www.raise.me)
- Use a free online scholarship search service
  - These sites match your personal background characteristics against a very large database of scholarships, so you will see only those scholarships for which you are qualified.
    - Free scholarship search at [StudentAid.gov/scholarships](http://StudentAid.gov/scholarships)
    - FastWeb, EducationPlanner, Scholarships.com, Zinch
      - The FastWeb database is updated daily, with automatic email notification of new awards that match your profile.
      - The FastWeb site also provides a lot of news, information and advice.

## Start Searching for Scholarships Now

- Start searching for scholarships as soon as possible.
- There are scholarships with deadlines throughout the year, so the sooner you start searching, the more scholarships you will find.
- There are even scholarships for children in the grades K-8 in addition to scholarships for high school students in grades 9-12.
- You can continue searching for scholarships after you are enrolled in college.

## How Do You Apply for Scholarships?

- After you locate the scholarships, you will need to submit an application to each scholarship.
- Many scholarships require short essays, letters of recommendation and high school transcripts.
- If you become a finalist, some scholarships will conduct an in-person or telephone interview.
- If you win the scholarship, the sponsor will hold the money until you have enrolled in college. They will then send a check to you and/or to the college to help you with your college costs.

## Don't Lose Your Scholarship

- Some scholarships are renewable, which means you get money every year you are in college.
- Often, you will need to get good grades to keep the scholarship and send a short progress report to the sponsor once a year.
- You might also need to get involved in community service or other activities.

## Beware of Scams

- Beware of scholarships that charge any kind of an application fee, even if it is just a few dollars.
- Don't invest more than a postage stamp for information about scholarships or to apply for scholarships.
- If you have to pay money to get money it's probably a scam.
- Don't give out your Social Security number, bank account number, credit card number or debit card number to any scholarship providers.
- Nobody can guarantee that you will win a scholarship.

### Where can I get more info?

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- Financial Aid Night – November 7, 2016 at 6pm – Parents and Students
- FAFSA Completion Opportunities – Clarion University Open Houses November 12
  - Take your documents with you for assistance on submitting the FAFSA
- [StudentAid.ed.gov](http://StudentAid.ed.gov)
  - Info about aid programs
  - Links to free scholarship and college searches
- 1-800-4-FED-AID
  - Info about aid programs
  - Help with FAFSA

### Questions?

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