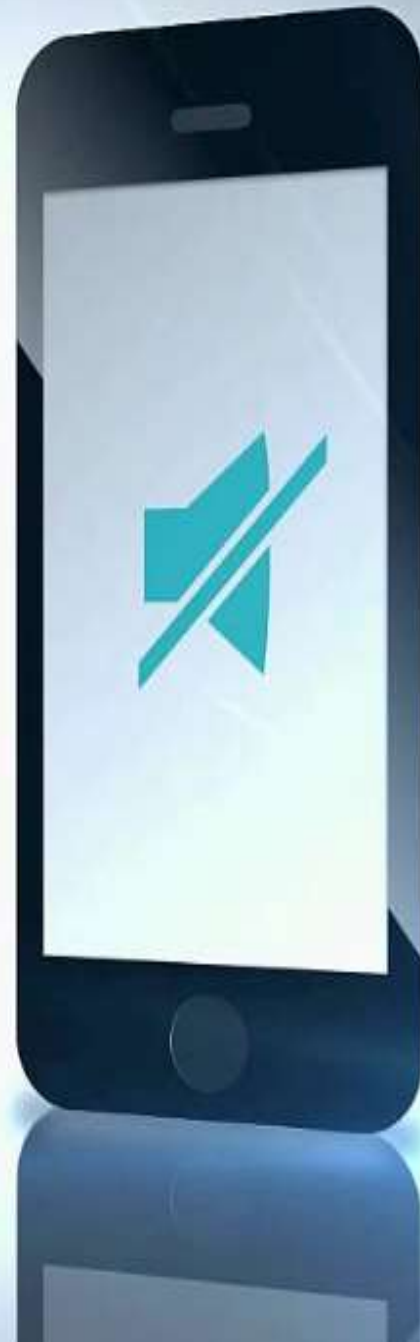


**PLEASE  
SILENCE  
YOUR PHONE**





# Financial Aid 101

## Paying for Postsecondary Education



Now



45  
minutes  
from now





**FEAR  
REDUCTION**

**100%**



**KNOWLEDGE  
INCREASE**

**100%**

**Distance from home**

**Cost**

**Admission  
criteria**

**Ideal fit?**

**Size**

**Geographic  
setting**

**Atmosphere**

**Academics**

A close-up photograph of a dictionary page. The word "cost" is circled in red ink. Above it, the word "PANTELL" is written in red ink. Other visible words include "Cos-sy", "dwel", "adv.", "ected", "e", "cost-ing", and "price".

A photograph of a dormitory room. On the left, there are wooden bunk beds with blue mattresses. In the background, a large window looks out onto a green landscape. Below the window is a white radiator. The floor is carpeted. The text is overlaid in the center of the image.

Tuition, Fees, Dorm, Meal Plan,  
Books, Living Expenses,  
Transportation...

# Estimate Costs

## NET PRICE CALCULATOR

Estimate the cost  
of your education  
using our Net Price  
Calculator.

[Click Here](#)



## SENDING YOUR KID TO COLLEGE

College Tuition  
4 @ \$23,712.00

= \$94,848.00

Books  
4 @ \$1,300.00

= \$5,200.00

Housing  
4 @ \$3,800.00

= \$15,200.00

Meals  
4 @ \$8,000.00

= \$32,000.00

Transportation  
4 @ \$2,400.00

= \$9,600.00

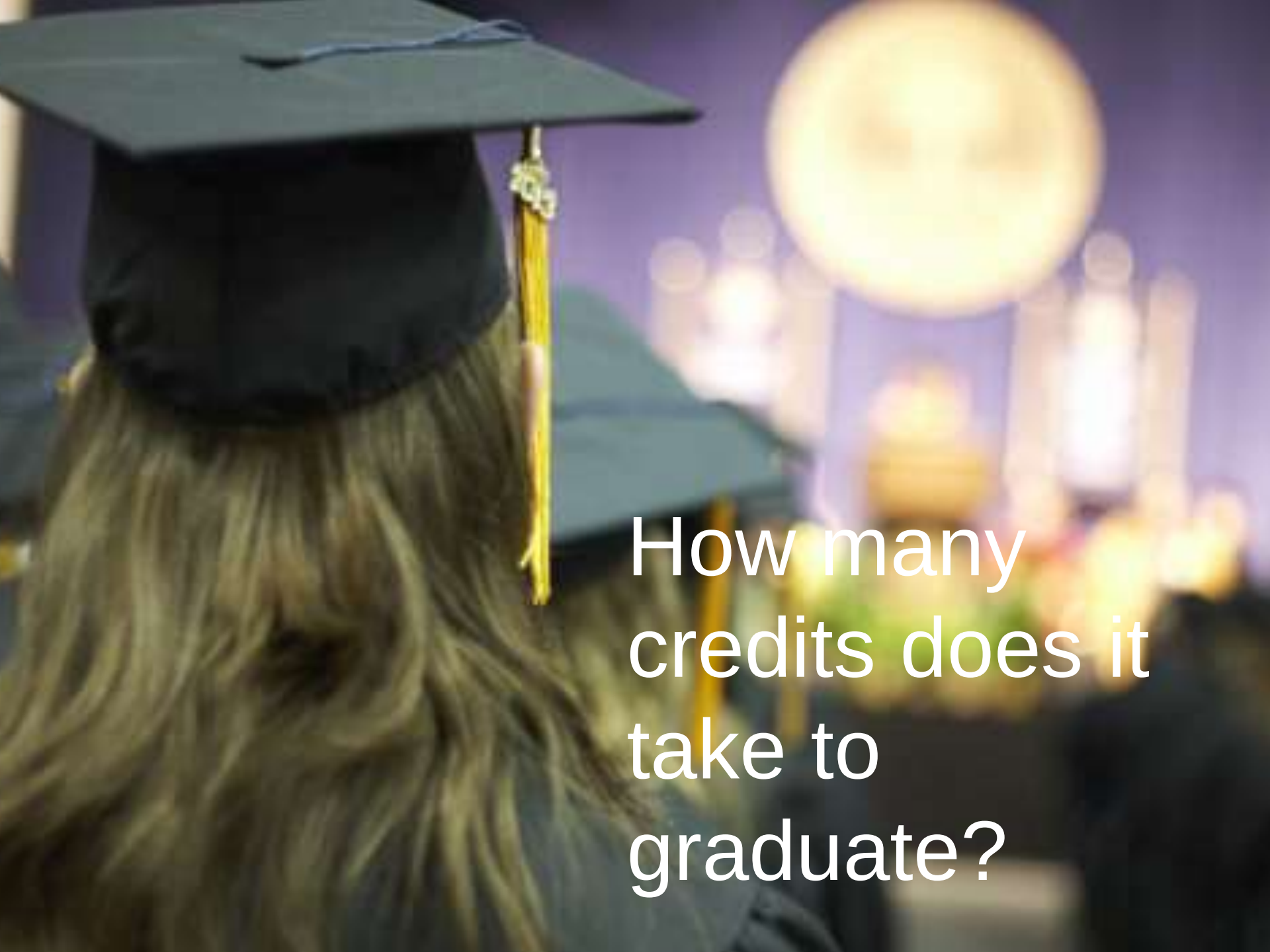
Total \$156,848.00

Cash

PAY TO THE  
ORDER OF

Bar  
Mark  
1324  
Irvi  
71

Pay for all of it

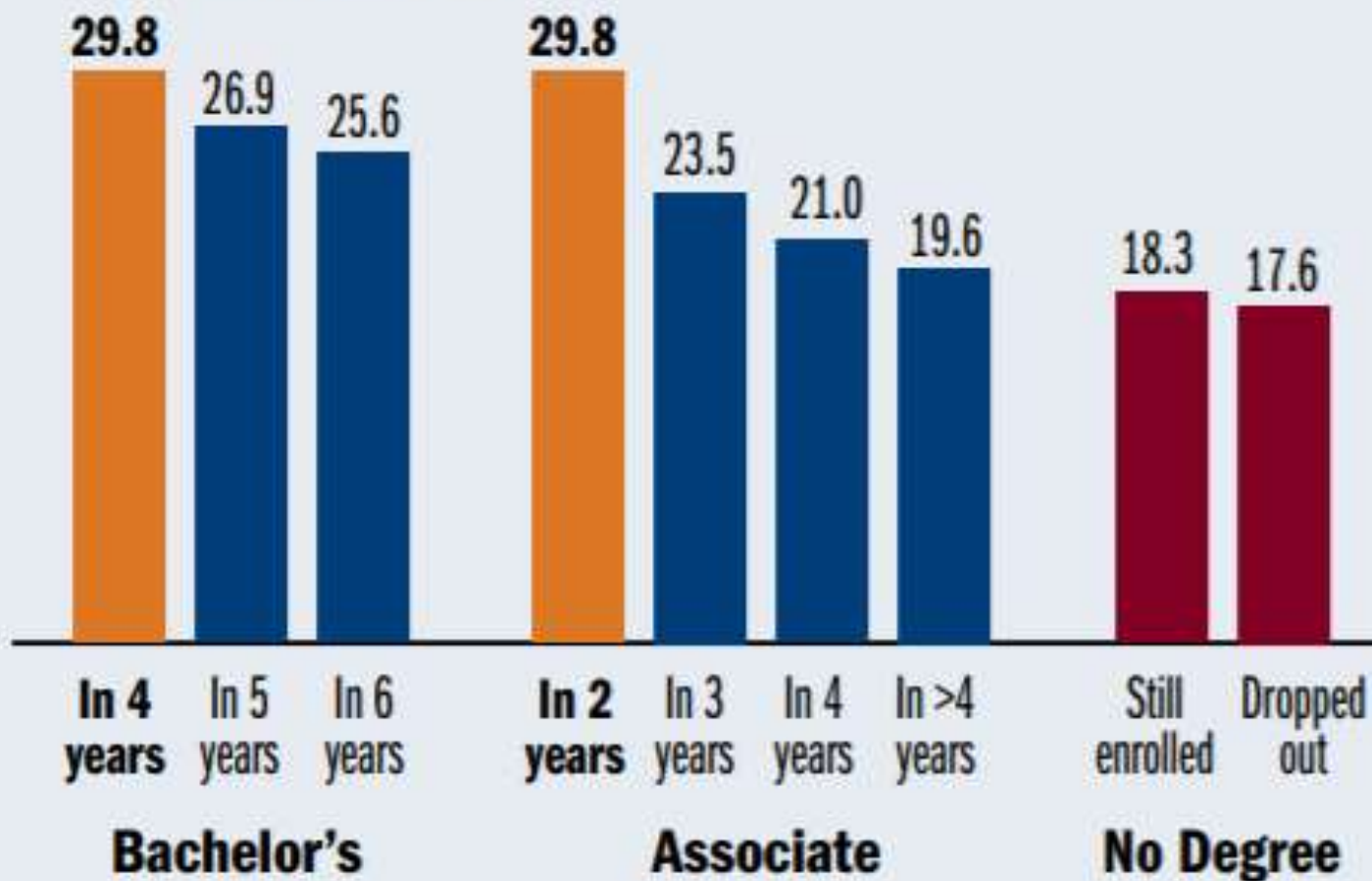
A graduate wearing a black cap and gown is shown from the back, with long brown hair. The background is a blurred city skyline at night, featuring a large, bright circular light source and other illuminated buildings.

How many  
credits does it  
take to  
graduate?

Financial Aid  
Offers Aren't  
Available  
Indefinitely



**Figure 1** AVERAGE FIRST-YEAR CREDITS EARNED BY DEGREE COMPLETERS



*Source: NCES report 2013-151rev, Tables 6, 7, 8, 9, and 10*



GRADUATE ON TIME...

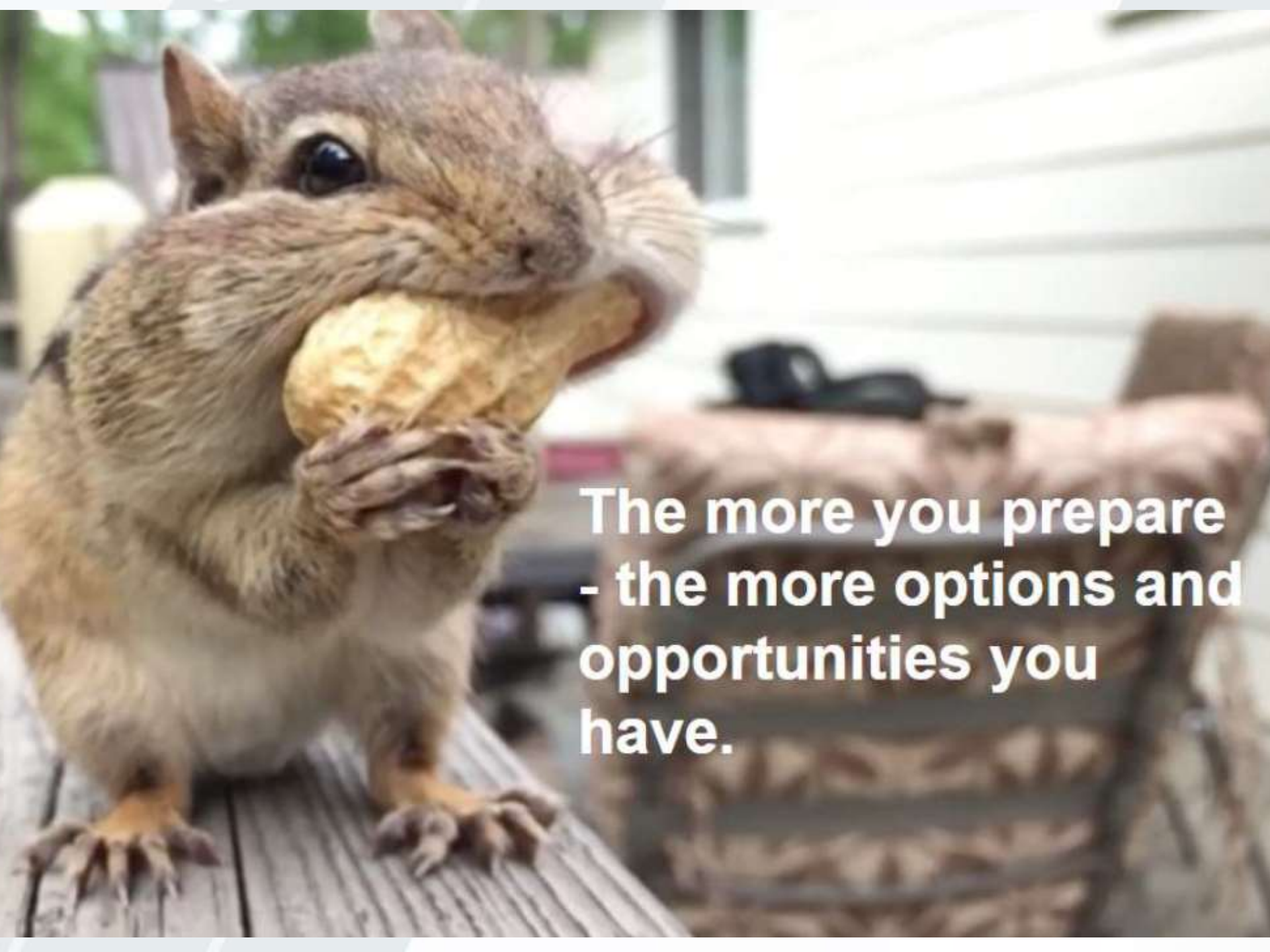


TAKE 15 CREDITS



The background features a light gray and white color scheme. On the left, there are diagonal stripes. On the right, there are faint, large-scale gear patterns. Dashed lines with arrowheads are scattered across the image, some forming loops and others pointing towards specific areas, suggesting a process or flow.

**PLAN AHEAD**



**The more you prepare  
- the more options and  
opportunities you  
have.**

# Higher Education Choices

- Four-year college or university
- Two-year colleges
- Business trade and tech schools
- Hospital schools of nursing



Does the student want to enter the job market quickly?

Is undergraduate work preparation for further education?

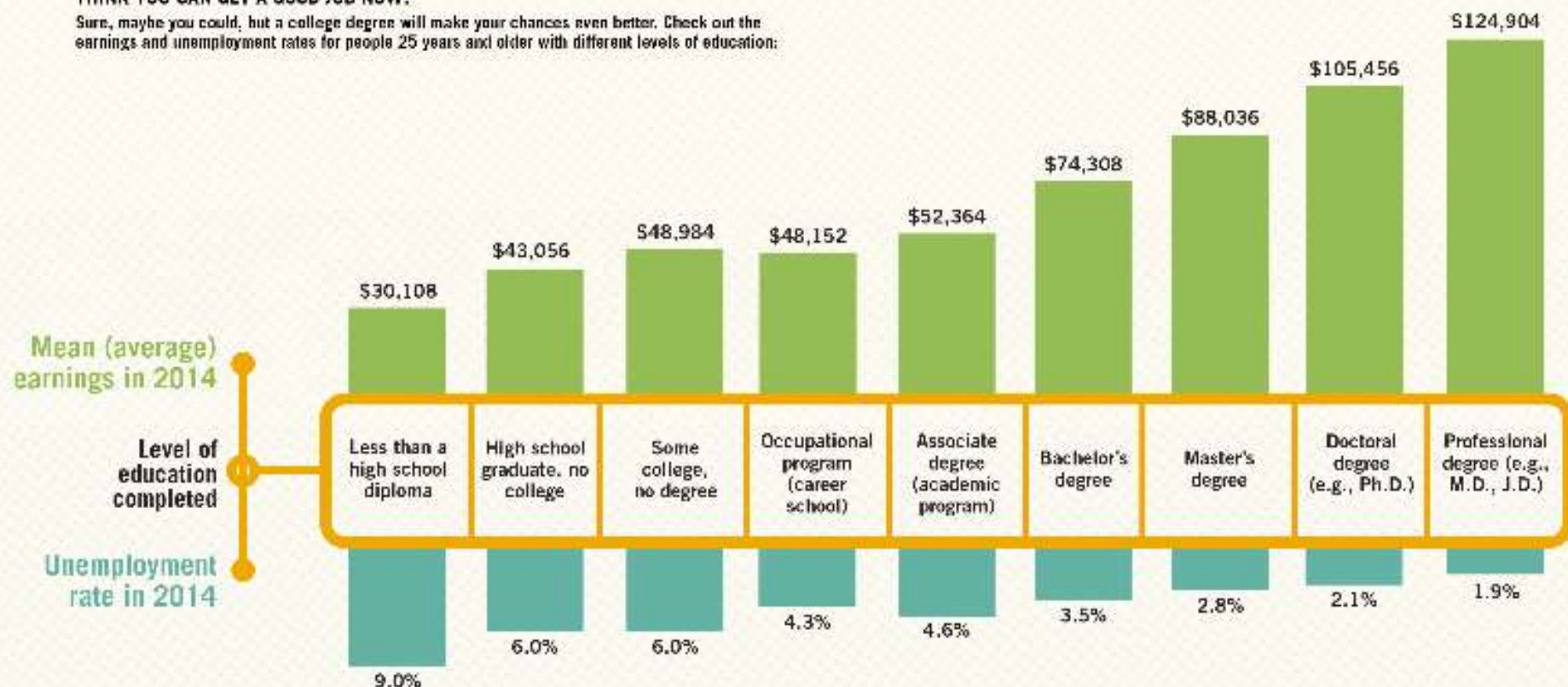


# WHY GO TO COLLEGE?



## THINK YOU CAN GET A GOOD JOB NOW?

Sure, maybe you could, but a college degree will make your chances even better. Check out the earnings and unemployment rates for people 25 years and older with different levels of education:



Source: Bureau of Labor Statistics, Current Population Survey, unpublished tables 2015



**Affordability**



# Resources

- **EducationPlanner.org**
- **MySmartBorrowing.org**
- **CollegeResults.org**
- **Collegecost.ed.gov**
  - » Net-price calculators
  - » College Scorecards



The background features a light gray and white color scheme. On the left, there are diagonal stripes. In the center and right, there are faint, stylized gear shapes. Dashed lines with arrows and loops are scattered across the background, suggesting a process or flow.

# **SCHOLARSHIPS**

# Many qualifications to receive scholarships

**High School Seniors  
apply for an  
average of  
0  
scholarships**

- ❖ **Don't leave free money on the table**
  - ❖ Employers, bank, credit union, church
- ❖ **Larger scholarships due in the fall**
  - ❖ Intel Science Talent Search, Burger King Scholars Program, Live Mas Scholarship- Taco Bell, Cameron Impact Scholarship (juniors), AXA Achievement Scholarship, Coca Cola Scholars, ThanksUSA
- ❖ **Local, smaller scholarships in spring**
- ❖ **Apply to many – set a goal of 25!**

# Increase your scholarship options

## Scholarship Sites

- Fastweb.com
- ScholarshipAmerica.org
- **Peerlift.org**
- CollegeBoard.org
- PittsburghFoundation.org
- Tfec.org (HR)
- ThePAFoundation.org (SS)

## Unusual Scholarships

- StuckatProm.com
- Afsascholarship.com
- Google “left-handed scholarships”

❖ **Academics**

❖ **Athletics**

❖ **Community and Volunteerism**

❖ **After school or summer jobs**

❖ **Special interests (hobbies, clubs, activities, church, etc.)**

# Unique Scholarships



## Jif Most Creative Sandwich Contest

- Jif Peanut Butter holds the Jif Most Creative Sandwich Contest as a fun way to award students preparing to attend college. The award includes a scholarship worth \$25,000, as well as a Jif Peanut Butter Basket worth \$50.

## The Wear Duck Tape to Prom Scholarship

- Duck Brand products holds an annual contest to see who can make the best prom outfit from Duck<sup>®</sup> Tape. The winners receive a \$5,000 scholarship.

## American Fire Sprinkler Association Scholarship Program

- The American Fire Sprinkler Association has scholarships totaling \$20,000 that are awarded to students who submit the required documents, including an essay on automatic fire sprinklers.

# Unique Scholarships



## [Chick and Sophie Major Memorial Duck Calling Contest](#)

- Stuttgart, Arkansas awards scholarships at the Chick and Sophie Major Memorial Duck Calling Contest. First place wins a scholarship of \$2,000, second place wins \$1,000, third receives \$750, and 4th receives \$500.

## [The Fountainhead Essay Contest](#)

- Ayn Rand Novels, a site specializing in the writings of author and philosopher Ayn Rand, has an annual essay contest awarding between \$50 and \$10,000 to over 200 students who write essays on chosen topics about Rand's well-known work, The Fountainhead. While not strictly a scholarship, these contests are only open to 11<sup>th</sup> and 12<sup>th</sup> grade students.

## [\\$2,500 "Advice to Your High School Self" Scholarship](#)

- Unigo (Campus Discovery) has a scholarship for \$2,500 called the "Advice to Your High School Self" Scholarship. Students approaching graduation from college or recent college grads who finished an associate's or bachelor's degree are eligible.

The background features a light gray diagonal band across the left side. On the right, there are two interlocking gears of different sizes. Dashed lines form a loop around the top gear and a curved line around the bottom gear. A dashed arrow points from the top left towards the center.

# FAFSA

# FAFSA.gov

Federal Student Aid | FAFSA.gov  
an OFFICE of the U.S. DEPARTMENT of EDUCATION

English | Español

## 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)

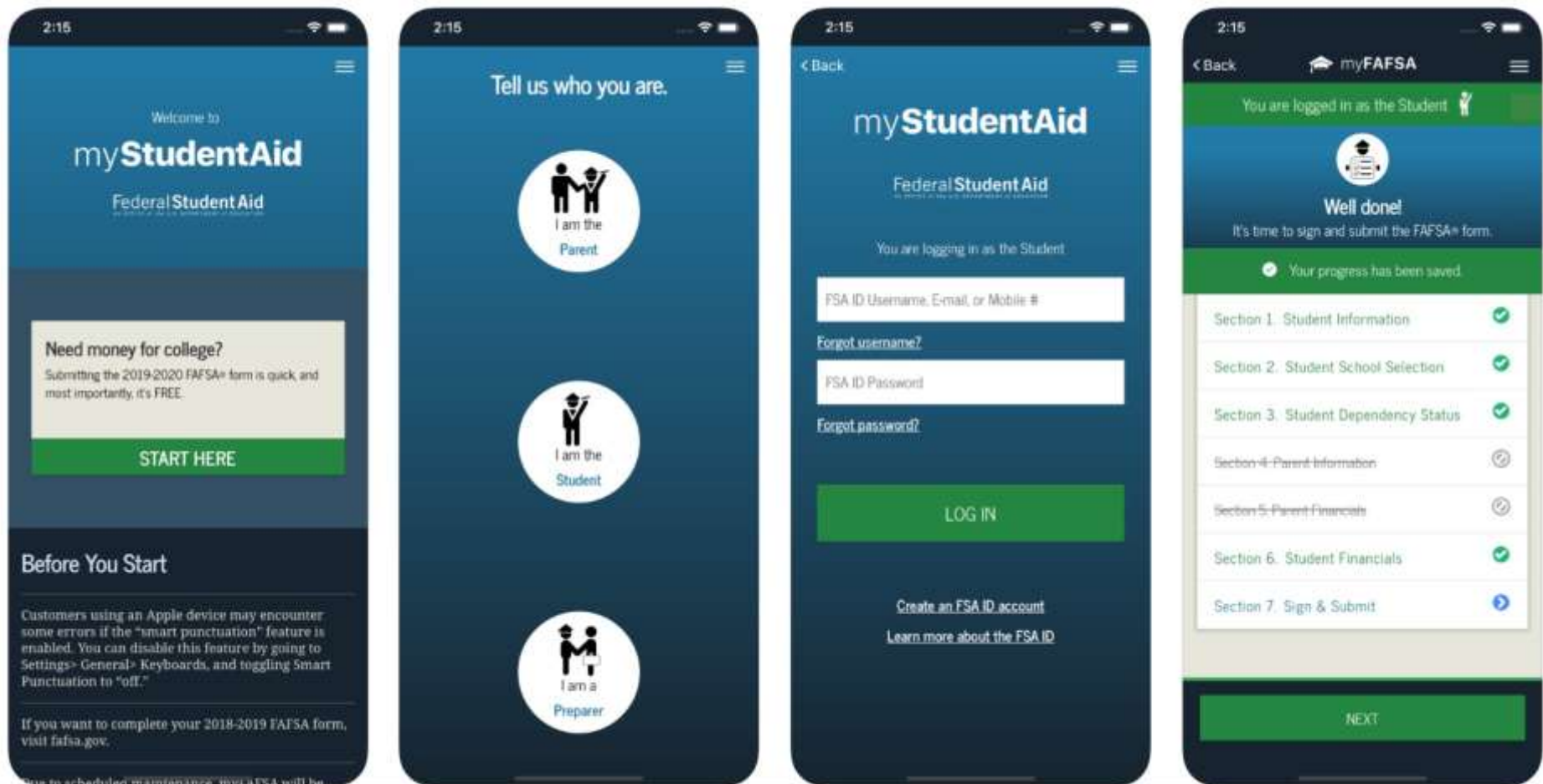
LOG IN >

Apply after  
October 1 (of  
senior year in  
HS)

It's the student's  
application  
(parent sections)

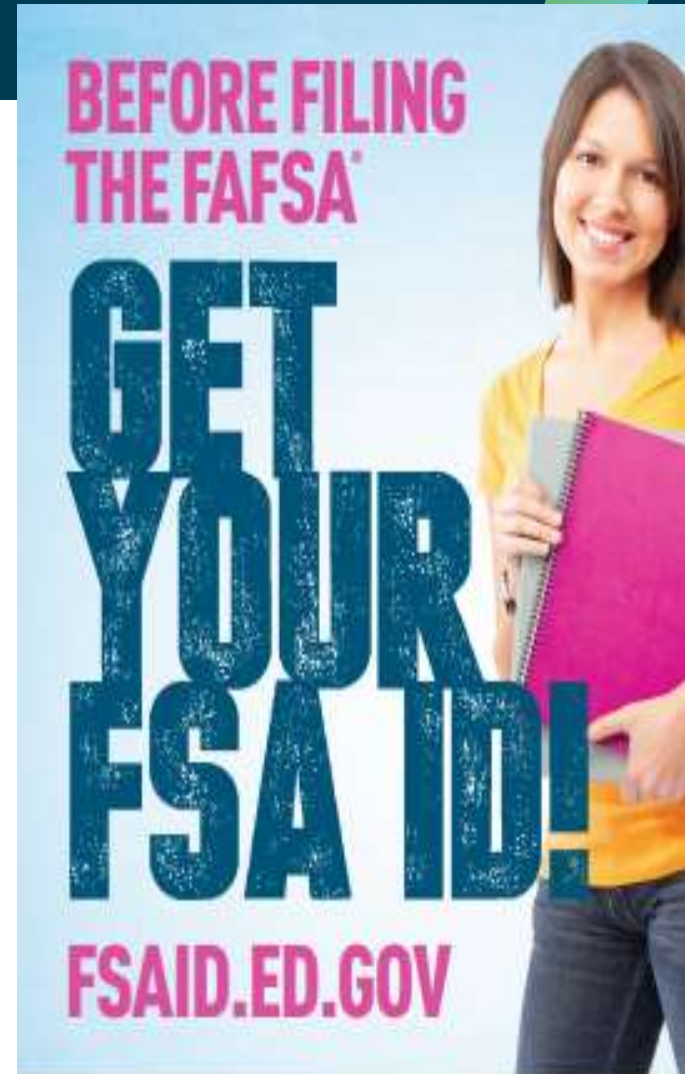
2020-21 FAFSA  
will use 2018 tax  
information

# myStudentAid mobile app



# FSAID.ed.gov

- Sign the FAFSA electronically
- The student and one parent (if the student is dependent) will need an FSA ID Username and Password
- DO NOT lose it
- DO write it down – You will need to file a FAFSA every year you are enrolled



The FSA ID is required to file the FAFSA for federal financial aid.



# Whose information is included on the FAFSA?

- **Student Applicant and parent info if dependent**
- **Divorced or separated parents – choose the parent that provides more than 50% of the student's support**



# Whose information is included on the FAFSA?

- **Adoptive parents - yes**
- **Grandparents – no**
- **Foster parents - no**
- **Legal guardians - no**
- **Anyone else the student is living with - no**





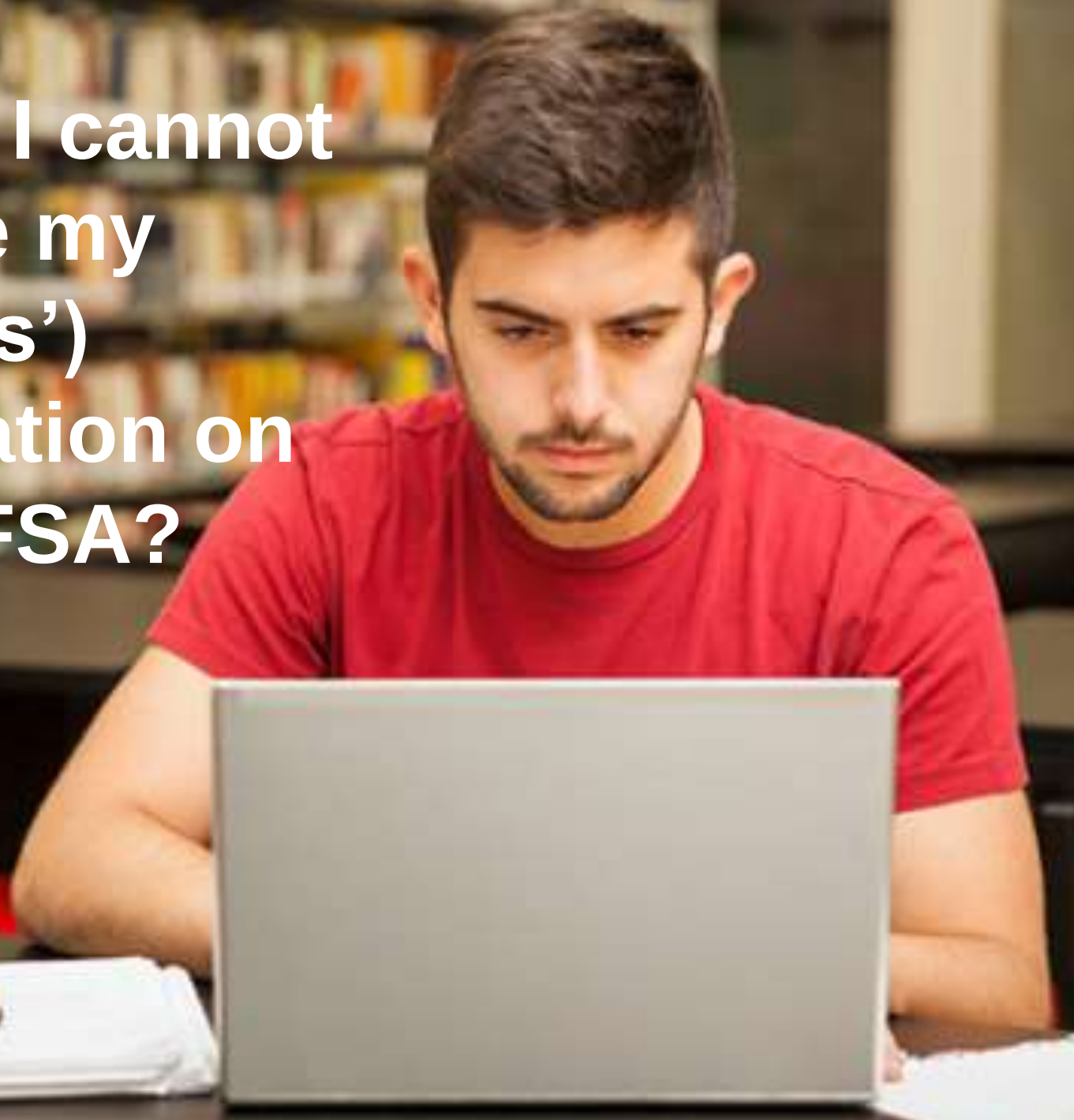
## **Independent Students are:**

- 24 or older on Jan 1st of award year
- Veteran (includes active duty personnel)
- Working on graduate 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

**What if I work  
and have my own  
place to live?**



**What if I cannot  
provide my  
parent(s')  
information on  
the FAFSA?**



# Know your deadlines!

Schools have priority filing deadlines.

**ASK THEM!**

State Grant deadline is:

May 1 - First Time and Renewal Applicants that plan to enroll in a degree program or a college transferable program at a junior college or other college or university

August 1 - First Time applicants that 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

# Expected Family Contribution (EFC)



- **Student and Parent Contribution**
- **Bulk of EFC comes from income**
- **Assets exclude: value of home you live in, personal property, retirement, and life insurance.**
- **Assets include (but not limited to): value of cash, savings, and checking, investment accounts, 529 plans, rental property, etc.**
- **Small asset protection allowance for parents this year.**
- **Student income contribution = 50% of amount over \$6,840; assets at 20%.**
- **Parent contribution divided by number of children in college at the same time**



# Confirmation Page

At the bottom of the confirmation page, you will find the link to the State Grant Form and the EFC

First-time filers only –  
can also access at  
[www.pheaa.org](http://www.pheaa.org)

 **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**

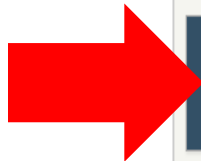
- You will receive an e-mail version of this page.
- In 3-5 business days, you will receive an e-mail notifying you that your FAFSA was processed.
- Your FAFSA information will be made available to your school(s), and they will use it to determine the aid you may be eligible to receive.
- Your school(s) 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)

- ✓ Check Rights and Responsibilities Box to electronically sign SGF

## 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 >>](#)

# **FINANCIAL AID OFFERS**

The background features a light gray and white color scheme. On the left, there are diagonal stripes. On the right, there are two interlocking gears of different sizes. Dashed lines with arrowheads are scattered around the gears and the text, suggesting a process or flow.

# Financial Need

**Cost of Attendance (COA)**

**- Expected Family Contribution (EFC)**

**= Financial Need**

|                         |          |                               |             |             |             |
|-------------------------|----------|-------------------------------|-------------|-------------|-------------|
|                         |          |                               | Fall 2011   | Spring 2012 | TOTAL       |
| Federal Pell Grant      | \$0      | Federal Pell Grant            | \$750.00    | \$750.00    | \$1,500.00  |
| State Scholarship Grant | \$1,000  | Federal Perkins Loan          | \$1,000.00  | \$1,000.00  | \$2,000.00  |
| Institutional Grant     | \$6,000  | Federal Subsidized Stafford   | \$2,750.00  | \$2,750.00  | \$5,500.00  |
| Federal Perkins Loan    | \$0      | Federal Unsubsidized Stafford | \$1,001.00  | \$999.00    | \$2,000.00  |
| Federal Stafford Loans  | \$2,625  | Federal Work-Study Program    | \$1,300.00  | \$1,300.00  | \$2,600.00  |
| Federal Work-Study      | \$2,375  | University and Alumni Award   | \$16,250.00 | \$16,250.00 | \$32,500.00 |
| Total Award             | \$12,000 |                               |             |             |             |

Office of Financial Assistance

**NORTHERN** New Mexico College



SAMPLE AWARD LETTER

FOR 20XX-20XX Award Year

STUDENT ID: A 000

ESTIMATED COLLEGE COST: B 177

[SEE ATTACHED FOR EXPLANATION]

STUDENT/FAMILY CONTRIBUTION C 0

OTHER AID: D 0

FINANCIAL NEED: E 177

UNMET NEED: F 289

DECLINED

( )

Anytown University Scholarship

Federal Pell Grant

TO CANCEL AID:

☐ I will NOT attend Northern: ☐ Summer 20XX ☐ Fall 20XX ☐ Spring 20XX ☐ Summer 20XX

☐ I will NOT attend Northern for the entire 20XX XX academic year and would like to cancel my

WORK STUDY DECLINE OR ACCEPTANCE:

WERE OFFERED WORK STUDY AS PART OF YOUR AWARDS.

( )

PLUS Loan

Cost Of Attendance (Tuition, Room, Board, Transportation, Books, Supplies, Fees): \$23,400

Less Family Contribution: - 2,602

Less Financial Aid: - 20,600

Remaining Need: \$ 198

Academic Year: 20??-20??

Budget Assumptions: Resident Dependent Single

ID #: 123-45-6789

Award Date: April 7, 20??

Joe Bloggs

123 Main Street

Sometown, SS 12345

NOTIFICATION OF FINANCIAL AID

After careful consideration, the Financial Aid Office has made an offer of financial assistance for the award period. If you accept this award, you must complete, sign, and return the attached forms within four weeks of receipt and by May 15th. If you do not respond by the stated deadline, your financial aid will be cancelled. If you do not respond by the stated deadline, your financial aid will be cancelled. If you do not respond by the stated deadline, your financial aid will be cancelled.

| FALL 20??           | SPRING 20?? |
|---------------------|-------------|
| \$1,000             | \$1,000     |
| \$ 800              | \$ 800      |
| \$ 650              | \$ 650      |
| \$1,100             | \$1,100     |
| \$1,200             | \$1,200     |
| \$1,550             | \$1,550     |
| \$1,600             | \$1,600     |
| \$ 800              | \$ 800      |
| \$1,600             | \$1,600     |
| Total Aid: \$20,600 |             |

Sorting it all out

**STUDENT: Bobby Mo**

We are pleased to notify you of the following award(s) to help you finance your education for the 2015-16 academic year at Morris University (RMU). Actual 2015-16 tuition and fee charges, as well as information regarding other loan options, can be found by accessing the RMU website at [www.rmu.edu/finaid](http://www.rmu.edu/finaid).

**Grants and Scholarships - Free Money!**

|                      | FALL     | SPRING   | TOTAL    |
|----------------------|----------|----------|----------|
| Institution Grant(s) |          |          |          |
| JUSTICE GRANT        | \$3,500  | \$3,500  | \$7,000  |
| RMU GRANT            | \$1,950  | \$1,950  | \$3,900  |
| Federal Grant(s)     |          |          |          |
| PELL GRANT           | \$2,713  | \$2,712  | \$5,425  |
| SEOG                 | \$750    | \$750    | \$1,500  |
| State Grant(s)       |          |          |          |
| EST PHEAA GRANT      | \$2,000  | \$2,000  | \$4,000  |
| Total Grant(s)       | \$10,913 | \$10,912 | \$21,825 |

**Student Loan(s) - Repayment Necessary**

|                        | FALL    | SPRING  | TOTAL   |
|------------------------|---------|---------|---------|
| GUARANTEED DIRECT LOAN | \$1,750 | \$1,750 | \$3,500 |
| UNSUB DIRECT LOAN      | \$1,000 | \$1,000 | \$2,000 |
| Total                  | \$2,750 | \$2,750 | \$5,500 |

In addition, you are eligible to earn up to \$3,000, half each semester, through the Federal Work Study Program. Funds may be forthcoming from the Career Center. Work Study funds are not guaranteed and should not be counted on for your financial balance. Students employed through the Federal Work Study Program will be paid monthly based on the hours they are worked.

The RMU Grant has been provided to assist you with a portion of your unmet financial need. If you become ineligible for any form of aid, not listed above, we are required to re-evaluate your eligibility for all or a portion of this grant. Significant changes in financial need or a change in housing status can impact eligibility for this award.

Your financial aid eligibility is based on information you reported on the FAFSA. Awards are subject to change during the verification process, your enrollment status, satisfactory academic progress, athletic and other institutional scholarship opportunities, the assumed availability of funds from federal, state, institutional and other sources. Eligibility and renewal information for institutional grants and scholarships can be found online at [www.rmu.edu/finaid](http://www.rmu.edu/finaid).

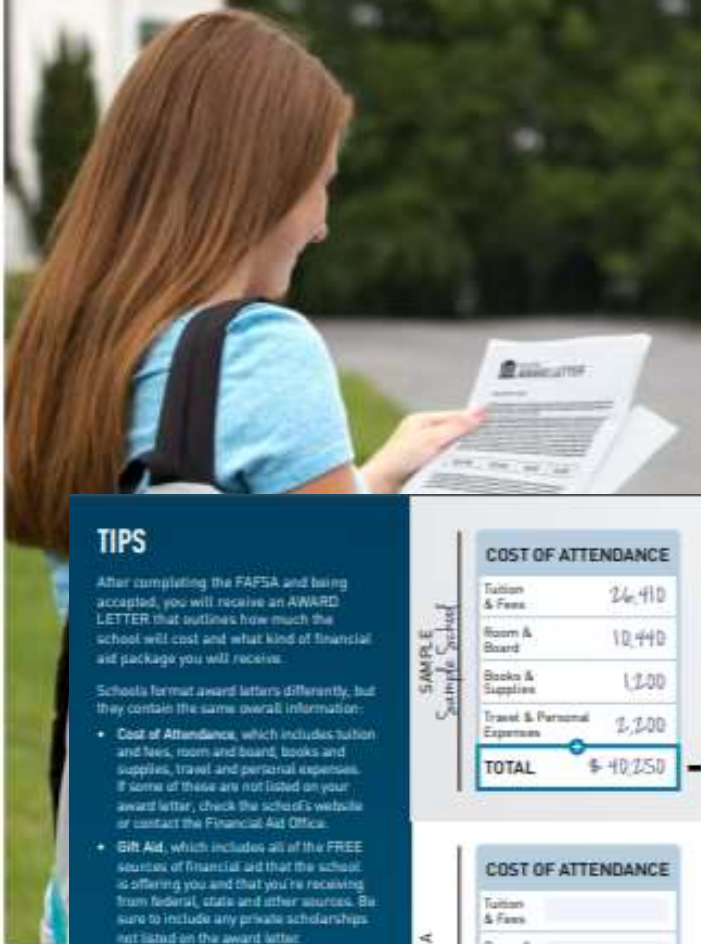
Your anticipated charges and aid are based upon the assumption that you will be a full-time, Undeclared Business major, living On Campus. Standard charges were assumed. A change in status must be reported and may result in an adjustment to your aid eligibility and to the information presented below. Please note that Federal student loan eligibility, minus applicable loan origination fees, will be included in this calculation.

|                  |   |                |   |           |   |                   |
|------------------|---|----------------|---|-----------|---|-------------------|
| \$27414          | + | \$10440        | - | \$27270   | = | \$10584           |
| Tuition and Fees |   | Room and Board |   | Total Aid |   | Estimated Balance |

How much is gift aid? – I don't have to pay it back.

How much is self-help aid? – I will have to pay it back or earn it.

What are the total costs and how much will I owe the school?



# Compare Offers

## TIPS

After completing the FAFSA and being accepted, you will receive an AWARD LETTER that outlines how much the school will cost and what kind of financial aid package you will receive.

Schools format award letters differently, but they contain the same overall information:

- **Cost of Attendance**, which includes tuition and fees, room and board, books and supplies, travel and personal expenses. If some of these are not listed on your award letter, check the school's website or contact the Financial Aid Office.
- **Gift Aid**, which includes all of the FREE sources of financial aid that the school is offering you and that you're receiving from federal, state and other sources. Be sure to include any private scholarships not listed on the award letter.
- **Self-Help Aid**, which includes loans and work-study. Self-Help Aid is different from Gift Aid in that you must repay the funds and/or work to earn the funds.

Then do the math. "WHAT YOU STILL NEED" is the amount of money you are still responsible for after all aid has been applied. This is typically covered by family assistance, savings, private loans, or considering a less expensive school.



\* Federal Work-Study funds are paid directly to the student. They should not be expected prior to semester start, as funds are earned according to hours worked, and are not guaranteed.

**SAMPLE**  
*Sample School*

| COST OF ATTENDANCE         |                  | GIFT AID (FREE MONEY)       |                  | WHAT YOU WILL BE PAYING | SELF-HELP                                                                                                                                   |                 | WHAT YOU STILL NEED |
|----------------------------|------------------|-----------------------------|------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------|
| Tuition & Fees             | 26,410           | State Grant                 | 4,000            |                         | <p>This is what you can consider the actual cost for one year of college.</p> <p><b>WHAT YOU WILL BE PAYING</b></p> <p><b>\$ 18,425</b></p> | Direct Loans    |                     |
| Room & Board               | 10,440           | PELL Grant                  | 5,425            | Other Loans             |                                                                                                                                             | 0               |                     |
| Books & Supplies           | 1,200            | FSEOG Grant                 | 1,500            | Federal Work-Study*     |                                                                                                                                             | 3,000           |                     |
| Travel & Personal Expenses | 2,200            | Other Grants & Scholarships | 10,700           |                         |                                                                                                                                             |                 |                     |
| <b>TOTAL</b>               | <b>\$ 40,250</b> | <b>TOTAL</b>                | <b>\$ 21,825</b> | <b>TOTAL</b>            |                                                                                                                                             | <b>\$ 8,500</b> |                     |

*Award Not Guaranteed*

*Will probably need each year!*

**COLLEGE A**

| COST OF ATTENDANCE         |  | GIFT AID (FREE MONEY)       |  | WHAT YOU WILL BE PAYING | SELF-HELP                                     |              | WHAT YOU STILL NEED |
|----------------------------|--|-----------------------------|--|-------------------------|-----------------------------------------------|--------------|---------------------|
| Tuition & Fees             |  | State Grant                 |  |                         | <p><b>WHAT YOU WILL BE PAYING</b></p> <p></p> | Direct Loans |                     |
| Room & Board               |  | PELL Grant                  |  | Other Loans             |                                               |              |                     |
| Books & Supplies           |  | FSEOG Grant                 |  | Federal Work-Study*     |                                               |              |                     |
| Travel & Personal Expenses |  | Other Grants & Scholarships |  |                         |                                               |              |                     |
| <b>TOTAL</b>               |  | <b>TOTAL</b>                |  | <b>TOTAL</b>            |                                               |              |                     |

**COLLEGE B**

| COST OF ATTENDANCE         |  | GIFT AID (FREE MONEY)       |  | WHAT YOU WILL BE PAYING | SELF-HELP                                     |              | WHAT YOU STILL NEED |
|----------------------------|--|-----------------------------|--|-------------------------|-----------------------------------------------|--------------|---------------------|
| Tuition & Fees             |  | State Grant                 |  |                         | <p><b>WHAT YOU WILL BE PAYING</b></p> <p></p> | Direct Loans |                     |
| Room & Board               |  | PELL Grant                  |  | Other Loans             |                                               |              |                     |
| Books & Supplies           |  | FSEOG Grant                 |  | Federal Work-Study*     |                                               |              |                     |
| Travel & Personal Expenses |  | Other Grants & Scholarships |  |                         |                                               |              |                     |
| <b>TOTAL</b>               |  | <b>TOTAL</b>                |  | <b>TOTAL</b>            |                                               |              |                     |

# Where does the money come from?



**Family  
resources**



**Private  
scholarships  
or grants**



**Educational Loans**



**Money from  
colleges**



**Federal or  
State  
financial aid**

# Gift aid (do not repay)

- Pell Grant (max \$6,195)
- SEOG
- TEACH Grant
- Iraq and Afghanistan Service Grant
- Children of Fallen Heroes
- Americorps
- GI Bill
- PA State Grant (max \$4123)
  - » (OH, DE, MA, VT, WV, and DC)
- EAP/FMEP
- Chafee Grant
- Blind or Deaf Beneficiary Grant
- Postsecondary Educational Gratuity Program
- PATH
- PA TIP
- RTSS

For more information: [studentaid.ed.gov](http://studentaid.ed.gov),  
[americacorps.gov](http://americacorps.gov), [pheaa.org](http://pheaa.org), or [gibill.va.gov](http://gibill.va.gov)

# Self-help aid (must work to earn or repay)

- Work Study
  - » Say “yes” to work study question on the FAFSA
- Loans
  - » Federal Direct Stafford Loans
  - » PLUS Loans
  - » Private/Alternative Education Loans



# STUDENT LOANS

# \$37,000



Average student indebtedness for graduates of the class of 2016.

# Repayment Examples



|                              |                   |
|------------------------------|-------------------|
| Loan Balance:                | \$37,000.00       |
| Adjusted Loan Balance:       | \$37,396.02       |
| Loan Interest Rate:          | 4.53%             |
| Loan Fees:                   | 1.06%             |
| Loan Term:                   | 10 years          |
| Minimum Payment:             | \$50.00           |
| Enrollment Status:           | In Repayment      |
| Degree Program:              | Bachelor's Degree |
| Total Years in College:      | 4 years           |
| Average Debt per Year:       | \$9,250.00        |
| <b>Monthly Loan Payment:</b> | <b>\$388.11</b>   |
| Number of Payments:          | 120               |
| <br>Cumulative Payments:     | <br>\$46,572.82   |
| Total Interest Paid:         | \$9,572.82        |

**It is estimated that you would need an annual salary of \$46,573 to be able to afford this loan payment.**

# Repayment Examples



|                         |                   |
|-------------------------|-------------------|
| Loan Balance:           | \$18,500.00       |
| Adjusted Loan Balance:  | \$18,698.01       |
| Loan Interest Rate:     | 4.53%             |
| Loan Fees:              | 1.06%             |
| Loan Term:              | 10 years          |
| Minimum Payment:        | \$50.00           |
| Enrollment Status:      | In Repayment      |
| Degree Program:         | Bachelor's Degree |
| Total Years in College: | 4 years           |
| Average Debt per Year:  | \$4,625.00        |

|                              |                 |
|------------------------------|-----------------|
| <b>Monthly Loan Payment:</b> | <b>\$194.05</b> |
| Number of Payments:          | 120             |

|                      |             |
|----------------------|-------------|
| Cumulative Payments: | \$23,286.57 |
| Total Interest Paid: | \$4,786.57  |

**It is estimated that you would need an annual salary of \$23,286 to be able to afford this loan payment.**

Source: [finaid.org](http://finaid.org)

# Studentloans.gov

Federal Student Aid  
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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Getting Loans

Tools and Resources

Managing Repayment

FAQs

Contact Us

Log in with your  
FSA ID and  
complete your  
Master Promissory  
Note (MPN) and  
Entrance  
Counseling.



As of May 10, 2015 you must have a verified FSA ID (Username & Password) instead of a PIN to log in to StudentLoans.gov.

[Create an FSA ID.](#)

If you have a verified FSA ID, log in to StudentLoans.gov.

[Log In](#)



Undergraduate Students



Graduate/Professional Students



Parent Borrowers



Repayment and Consolidation

## Student Loan Process

Complete the Free Application for Federal Student Aid (FAFSA®) at [www.FAFSA.gov](http://www.FAFSA.gov).

This is your **first** step in getting student aid. You must do this every year.

## What Can I Do When I Log In?

- ▶ Complete Entrance Counseling
- ▶ Complete Direct Subsidized/Unsubsidized Loan Master Promissory Note (MPN)
- ▶ Complete Financial Awareness Counseling
- ▶ Complete Exit Counseling
- ▶ Use the Repayment Estimator
- ▶ Complete TEACH Grant Agreement to Serve and TEACH Counseling

## Watch to Learn More!



- Myths About Financial Aid
- Overview Of The Financial Aid Process
- Budgeting
- Responsible Borrowing

# Direct Stafford Loans

- » **Subsidized** – no interest while in school
  - Interest will be charged after an interest-free, 6-month-grace period
  - 4.53% fixed rate for loans between 7/1/19 and 6/30/20
  - \*1.059% origination fee deducted at disbursement
  
- » **Unsubsidized** – interest accrues in school and grace
  - 4.53% fixed rate for loans between 7/1/19 and 6/30/20
  - \*1.059% origination fee deducted at disbursement
  
- » \*Gross loan amount of \$5500 will be \$5441.76
- » Interest rate adjusted annually and capped at 8.25%

# Calculating Accrued Interest

To calculate your daily interest accrual, use the following formula:

- $\text{Interest rate} \times \text{current principal balance} \div \text{number of days in the year} = \text{daily interest}$

Example:

Sara Student has a \$2,000 current principal balance and 4.53% interest rate this year. Using the formula:

- $.0453 \times \$2,000 \div 365 = \$0.25$  (~\$23 quarterly interest)

What if she borrowed \$10,000?

- $.0453 \times \$10,000 \div 365 = \$1.24$  daily (~\$112 quarterly interest)

# Loan Servicer



[myfedloan.org](http://myfedloan.org)

The logo for Navient features the word "NAVIENT" in a bold, sans-serif font, with "NAV" in purple and "IENT" in blue. A small "SM" trademark symbol is located to the right of the word.

NAVIENT<sup>SM</sup>

[navient.com](http://navient.com)



[mygreatlakes.org](http://mygreatlakes.org)

The logo for Nelnet features a green circle with a white lowercase "n" inside, followed by the word "elnet" in a bold, black, sans-serif font.

nelnet

[nelnet.com](http://nelnet.com)

# Undergraduate Loan Limits

## Dependent UG Annual Loan Limits

(not including students whose parents are unable to borrow under the PLUS Program)

|                       |                                                                       |
|-----------------------|-----------------------------------------------------------------------|
| First Year            | <b>\$5,500</b> of which no more than <b>\$3500</b> may be subsidized  |
| Second Year           | <b>\$6,500</b> of which no more than <b>\$4,500</b> may be subsidized |
| Third Year and Beyond | <b>\$7,500</b> of which no more than <b>\$5,500</b> may be subsidized |

# Undergraduate Loan Limits – cont'd.

## Independent UG Annual Loan Limits

and Dependent Students whose Parents cannot borrow PLUS

|                                   |                                                          |  |
|-----------------------------------|----------------------------------------------------------|--|
| First Year                        | \$9,500 of which no more than \$3,500 may be subsidized  |  |
| Second Year                       | \$10,500 of which no more than \$4,500 may be subsidized |  |
| Third Year and beyond             | \$12,500 of which no more than \$5,500 may be subsidized |  |
| Graduate or Professional Students | All Unsub: \$20,500                                      |  |

# Direct PLUS Loans

- Parent is the borrower
- Credit check is required
- Cost minus financial aid received (max)
- Repayment begins 60 days after disbursement
  - » Parent can choose to defer payments while student is enrolled
- **Interest/Fees:** 7.6% rate and 4.264% fee (19/20)
- Apply at [www.studentloans.gov](http://www.studentloans.gov)

# Private Loans



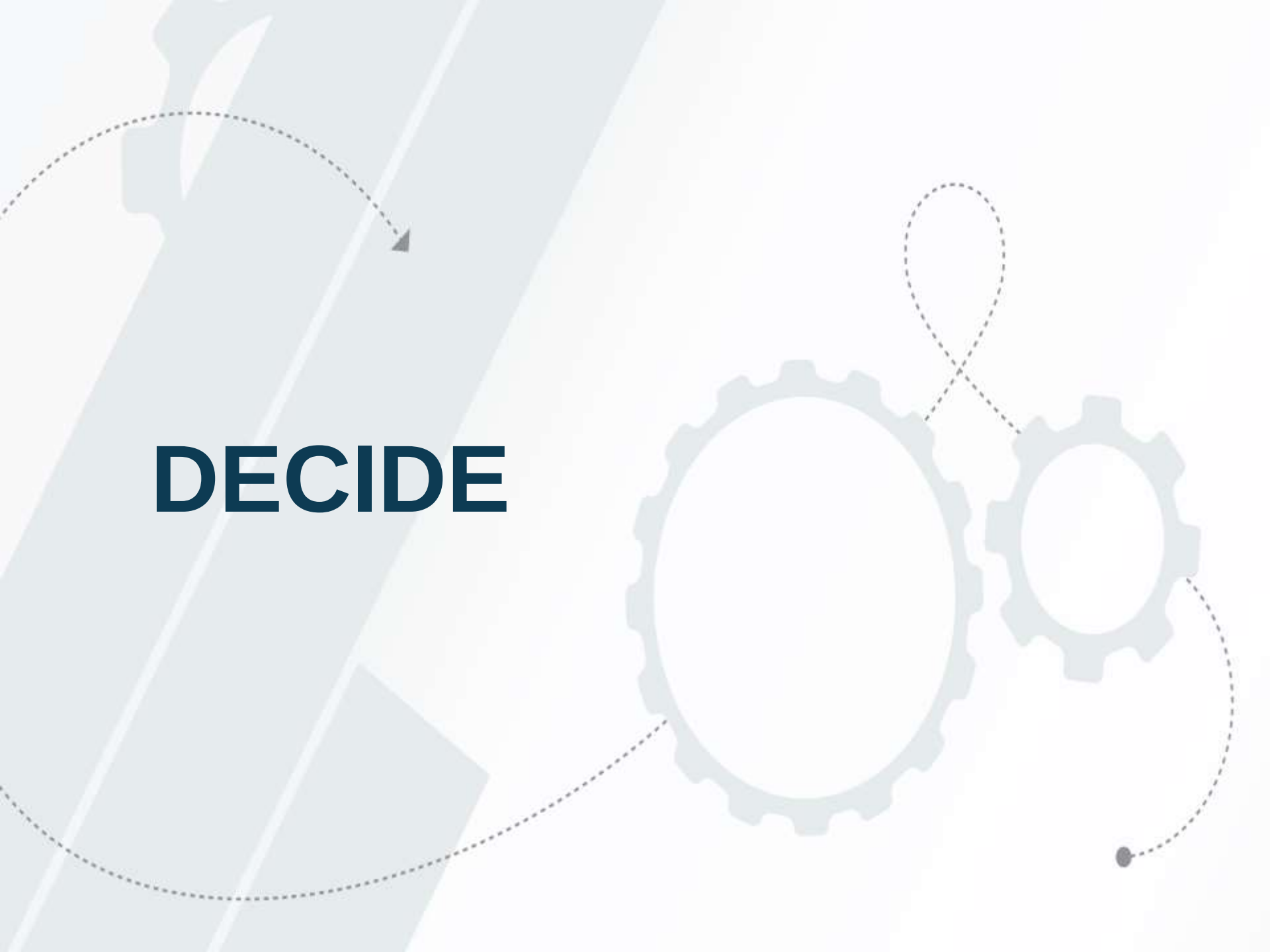
- Nonfederal loans, made by a *lender* such as a bank or other business.
- Student borrows in his or her own name usually with a cosigner.
- Fees, interest rates, loan amounts, and repayment provisions vary by lender and are generally higher than federal student loans.
- Compare loans before making choice and read the fine print!



[www.pheaa.org/paforward](http://www.pheaa.org/paforward)

# Loan Tips

- Never borrow more than what you need
- Look at loan repayment calculators on [studentloans.gov](https://studentloans.gov) or [finaid.org](https://finaid.org) to determine what payments will look like
- If you're a parent, ensure you can sustain the loan borrowing (i.e. years, other students, own retirement goals, etc.)

The background features a light gray diagonal band across a white field. On the left, a large, faint gear is partially visible. On the right, two smaller gray gears are shown in mesh. Dashed gray lines are scattered across the scene: one curves from the top left towards the center; another forms a loop above the right-hand gear; a third starts near the bottom right and curves towards the left; and a fourth is a short segment near the bottom left.

**DECIDE**



Review and consider all options.  
Sometimes the best fit is not the first  
school choice.

# Determining Affordability

- Approach this process as **you are buying an EDUCATION.**
- Apply everywhere you want, but be open minded and give yourself options.
- Think in terms of yesterday's money, today's money, and tomorrow's money.
- **Have discussions as a family.**



How do students meet the gap between  
financial aid and college costs?

# Ways to Pay

- ***Out-of-pocket?***
- ***Expendable income/sign up for a payment plan?***
- ***Scholarships?***
- ***Parent loans? (\*home-equity line of credit)***
- ***Double check with the school (additional institutional money, scholarship opportunities, institutional loans).***

# Ways to Save

***Commute!***



***ROTC***



***Plan ahead to graduate on-time!***



***Buy used text books, rent them or go online to find them cheaper!***

***Dual Enrollment***



***Ask about a cheaper meal plan.***



***RAs***



# Beware of the 5 or 6 year plan!

- 5<sup>th</sup> year may cost 20-25% more than your first year
- Loss of institutional funds after 4 years
- Loss of State Grant eligibility after 4 years
- Run out of federal loan eligibility (capped at \$31,000 for undergraduate students)

# What should you do now?



**Apply for FSA IDs.**



**Complete a practice FAFSA on the FAFSA4Caster on FAFSA.gov to see if you might qualify for grants.**



**Apply for scholarships!**



**Visit mysmartborrowing.org to start budget planning for each school choice.**



**Retake SATs or ACTs.**

# Timeline



- Admission applications start in September of senior year in hs
- FAFSA - October 1 of senior year in hs
- Decide by May 1 of senior year in hs
- Pay deposit

- Billing in July for fall; Payment usually due in August  
How are you going to pay the balance?  
Payment plans; PLUS or alternative loans; 529 Plan or other savings?
- Has anything changed since you filed the FAFSA?  
(divorce, job loss, death of parent)

# Resources

- **FAFSA.gov**
  - » Questions about FAFSA or FSA ID
    - 800.433.3243
- **PHEAA.org**
  - » Questions about the State Grant Form
    - 800.692.7392
- **Studentloans.gov** – information on federal loans
- **Nslds.ed.gov** – information on *your* specific federal loans



# Contact Information

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