



FINANCIAL AID 101

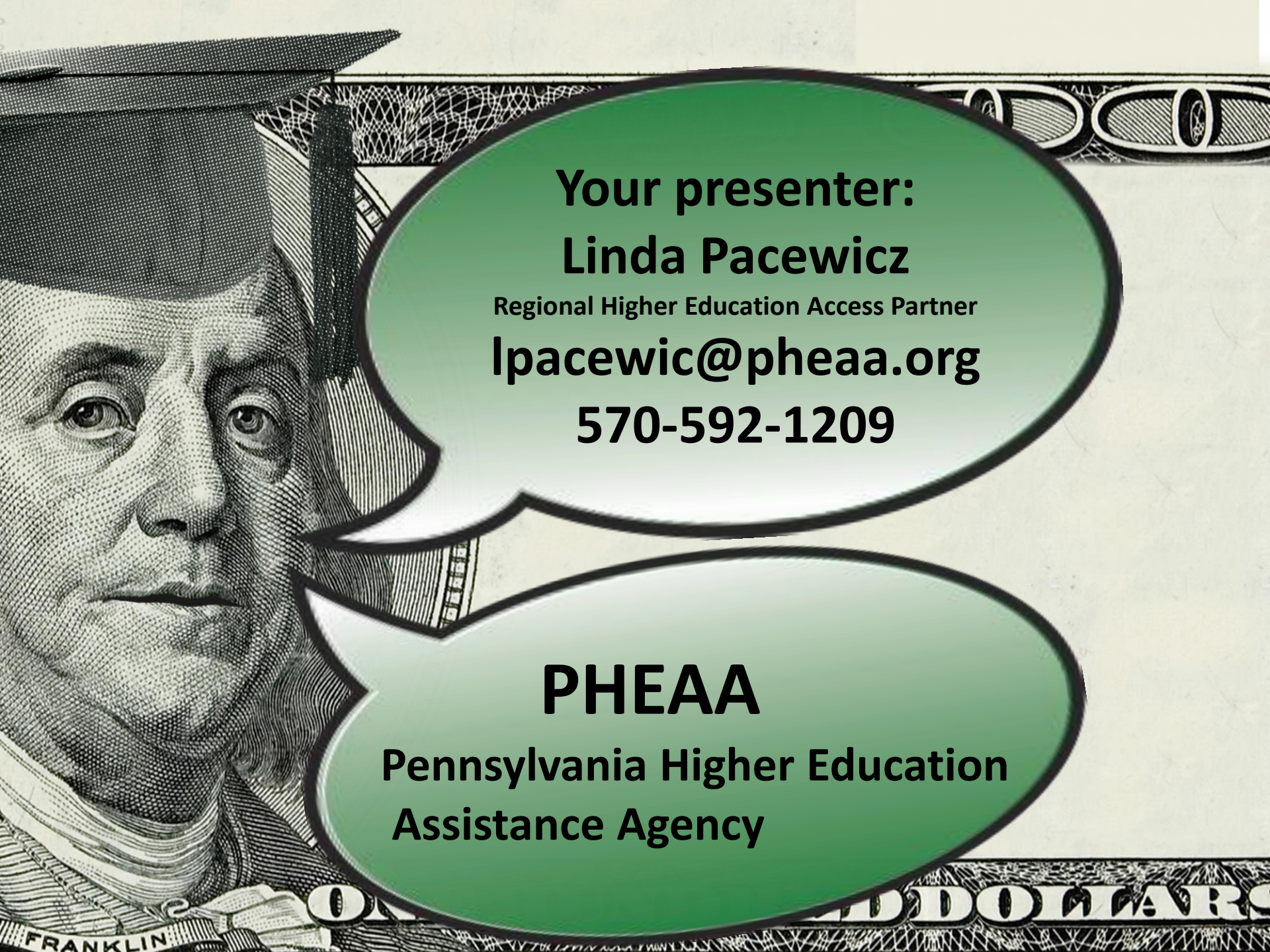
The Process of Paying for Post Secondary Education



Pennsylvania Higher Education Assistance Agency

ONE HUNDRED DOLLARS

FRANKLIN



Your presenter:

Linda Pacewicz

Regional Higher Education Access Partner

lpawicz@pheaa.org

570-592-1209

PHEAA

**Pennsylvania Higher Education
Assistance Agency**

Today's Agenda

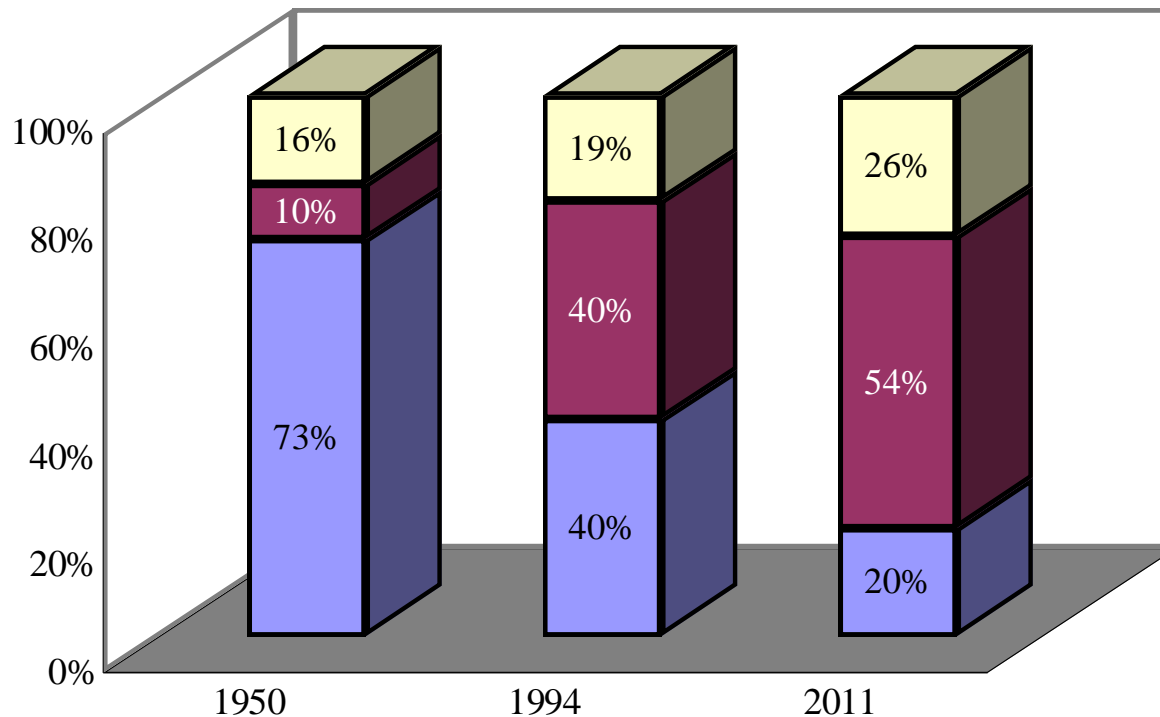
- ✓ *Applying for Financial Aid*
- ✓ *Identify what is needed*
- ✓ *What sources are available*
- ✓ *What happens next*
- ✓ *Making Smart Decisions*



21st Century Economic Realities

Unskilled jobs are disappearing; demand for high skills is rising

The FACTS:



80% of jobs today require some sort of training beyond High School

- Professional
- Skilled
- Unskilled

Source: U.S Bureau of Census and Pennsylvania Department of Labor & Industry, Center for Workforce Information & Analysis (Pennsylvania statewide)

a few more FACTS

Average PA student loan debt = \$30,000 = \$310/mo for 10 years

Average additional earnings with higher education = \$2,100/mo for 40 years

- Approach affordability from a consumer standpoint
Be open minded and use a diverse college search
Give yourself a low cost alternative
- IF Facebook was a nation, it would be the 3rd most populous country!

Be smart.



Buy an EDUCATION, not a SCHOOL, there's an option for everyone

What is Financial Aid?

Financial aid
consists of funds
provided to students
and families
to help pay for
Postsecondary Educational expenses



Types of Financial Aid

➤ **GIFT AID: Scholarships and Grants - FREE MONEY**

Federal Government, State Government, Schools/Colleges

Organizations, Businesses, Community, Employers, FREE Internet Search

BASED ON: Financial Need or Merit

(assets, income, family)

(ability, actions, criteria)

➤ **SELF HELP AID: Loans, Work Programs**

Loans are Borrowed Money (Must be paid back)

Federal Government, Banks, Schools/Colleges

Work Study Awards: Earned Money

Wages earned by students working in jobs, coordinated through the campus & or State

Availability varies by a school & organization's participation & student need

➤ **Tuition Reimbursement** - employer sponsors education





The First Step to
Financial Aid
is the
FORMS

Starting the Financial Aid Process

Know what financial aid forms each school requires:

ALL SCHOOLS REQUIRE:

Page 10 PA Student Aid Guide

- **FAFSA** (Free Application for Financial Aid) after Jan 1 in Sr. Year
 - Required by all schools, PHEAA, and some scholarship organizations
- **STATE GRANT Form** (SGF) through PHEAA
 - Required for first year students (and may be requested for subsequent years) = after FAFSA is completed

SOME SCHOOLS REQUIRE

CSS Profile required by some postsecondary schools and scholarship organizations

Institutional Financial Aid Forms

Internal school forms



FAFSA: Free Application for Federal Student Aid

www.FAFSA.GOV

FAFSA is the **primary FEDERAL FORM** for financial assistance to attend post-secondary school.

It determines:

EXPECTED FAMILY CONTRIBUTION, NEED
and ELIGIBILITY for most Aid programs

Must file a FAFSA to be eligible for these programs each year a student attends school

File ON-LINE - Fast, Secure, **SKIP LOGIC** and Built in Edits

Want practice? - FAFSA4CASTER

The screenshot shows the FAFSA website homepage. At the top, the 'Federal Student Aid' logo is circled in red. Below it, a navigation bar contains icons for Home, About Us, PIN Site, StudentAid.gov, and Help. A search bar is on the right. A large blue banner reads 'Get help paying for college' and 'Submit a Free Application for Federal Student Aid (FAFSA)'. Below the banner is a photo of diverse students. Two green buttons are circled in red: 'Start A New FAFSA' and 'Login'. The 'Login' button is also circled in blue. Below the buttons are sections for 'CPS Web Applications Demo System', 'Deadlines', 'School Code Search', 'FAFSA Filing Options', and 'Announcements'. The 'Announcements' section contains a notice about the new FAFSA being unavailable on the web. A blue oval highlights the 'Thinking About College?' section, which includes a link to 'Use FAFSA4caster to see how federal student aid can help you pay'.



Know When to Apply for FAFSA AND Your Deadlines!

Page 5 PA Student Aid Guide

- ❖ **Federal Deadlines** - Apply anytime after January 1st of the upcoming Academic Year to the end of the Academic Year (July 1st through June 30th)
Seniors: after Jan 1st 2015 Juniors: after Jan 1st 2016
- ❖ **SCHOOL DEADLINES** – some **WILL** be earlier
- ❖ **PA State Grant deadlines for FAFSA**
 - » **May 1, 2015** - First Time and Renewal students attending colleges, universities & college transferrable programs (excluding community colleges)
 - » **August 1, 2015** - 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.

Student status: Who is independent?

Page 12 PA Student Aid Guide

- 24 or older on Jan 1st of award year
- 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



Whose information goes on the FAFSA?

- ✓ **Dependent Student and Parent(s)**
- ✓ **Independent student** – only their info
- ✓ **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**

- Foster parents - No
- Legal guardians - No
- Anyone else the student is living with - No



Information You May Need to Complete the FAFSA:



- » Social security numbers
- » Drivers license (student only; this information is optional)
- » Federal income tax return (1040, 1040A or 1040EZ)
- » W-2 forms from all employers
- » Current bank statements (checking and savings)
- » Current business and farm records (if more than 100 employees / if you don't live on the farm)
- » Records of any stocks, bonds and other investments, including 529 accounts
- » Additional untaxed income, tax records may be needed such as: Veteran's non educational benefits, child support paid/received, workers compensation, disability payments.
- » Alien registration or permanent resident card (if not a US citizen)



Help

SEARCH

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

Student Demographic Information

Your last name: Lastnamerapp | Your first name: Harvey | Your middle initial: L

Your Social Security Number: 236-04-1006

Your date of birth (mmddyyyy): 04/19/1992

Are you male or female?
 Male Female

Your permanent mailing address (include apt. number): 23 Main Street

Your city (and country if not U.S.): Anywhere | Your state: Pennsylvania

Your ZIP code: 16611

Have you lived in Pennsylvania for at least 5 years?
 Yes No

Your permanent telephone number: (123) 456-7890

Your e-mail address: Harvey@Lastnamerapp.com | Re-enter your e-mail address: Harvey@Lastnamerapp.com

What is your marital status as of today?
I am single

Do you have driver's license information that you want to provide?
 Yes No

Help and Hints

Does Student Want to Provide Driver's License Information?

Select **Yes** if you want to provide your driver's license information.

Select **No** if you do not have a driver's license or an identification card or do not want to provide your driver's license information.

STUDENT

Student: Dark Blue Section

Parent: Purple Section

Application was successfully saved.

What is your parents' marital status as of today?
Married or Remarried

When did your parents get married or remarried? Enter the month and year. (mm/yyyy)
09/1989

What is your father's/stepfather's Social Security Number?
123-45-6789

What is your father's/stepfather's last name?
Lastnamerapp

What is your father's/stepfather's first initial?
G

What is your father's/stepfather's date of birth? (mmdd/yyyy)
01/01/1965

What is your mother's/stepmother's Social Security Number?
987-65-4321

What is your mother's/stepmother's last name?
Lastnamerapp

What is your mother's/stepmother's first initial?
A

What is your mother's/stepmother's date of birth? (mmdd/yyyy)
01/02/1965

Your parents' e-mail address
TheLastnamerapps@Lastnamerapp.com

Re-enter your parents' e-mail address
TheLastnamerapps@Lastnamerapp.com

Have your parents lived in Pennsylvania for at least 5 years?
 Yes No

Your parents' number of family members in 2013-2014 (household size)

If you are not sure who is considered a family member, click **Household Size** to answer the questions on the worksheet.

4 HOUSEHOLD SIZE

How many people in your parents' household will be college students between July 1, 2013 and June 30, 2014?

1

Help and Hints

Parents' Number in College in 2013-2014 (Parents Excluded)

Question 73

Enter the number of people in your [parents' household](#) who will attend college between July 1, 2013 and June 30, 2014. Do not include your parents in this number.

Include:

- Yourself, even if you will attend college less than half-time in 2013-2014.
- Other people in your parents' household only if they will attend college at least half-time in 2013-2014, in a program that

PARENT

PREVIOUS NEXT

NEED HELP? SAVE CLEAR ALL DATA VIEW FAFSA SUMMARY EXIT

Electronic Signature: Personal Identification Number

Student and One Parent will sign the FAFSA electronically

Website: www.pin.ed.gov OR [Links within the FAFSA](#)

You'll use it again for:

- Renewal FAFSA
- FAFSA status and corrections
- Signing a Direct Loan Master Promissory Note (MPN)
- Complete required Entrance and Exit Loan Counseling
- Review Loan History at NSLDS.ed.Gov

START HERE
GO FURTHER
FEDERAL STUDENT AID

Federal Student Aid PIN

PIN Home Help Contact Us FAQs About Us

Apply for a PIN
Check PIN Status
Request A Duplicate PIN
Change My PIN
Update My Personal Information
Disable My PIN
Reestablish My PIN
Activate My PIN

Helpful Links
[Student Aid on the Web](#)
Information you will need to receive aid for school. [Go](#)
[Links to Federal Student Aid Electronic Services](#)

Welcome to the Federal Student Aid PIN Web site

This Web site is your source of information for the Federal Student Aid PIN.

Your PIN can be used each year to electronically apply for federal student aid and to access your U.S. Department of Education records online. If you receive a PIN, you agree to not disclose or share your PIN with anyone. Your PIN serves as your electronic signature and provides access to your personal records. You should never give your PIN to anyone, including commercial services that offer to help you complete your FAFSA. Be sure to keep your PIN in a safe place.

Apply for a PIN

The PIN Application is for students and parents to apply for a new Federal Student Aid PIN.

APPLY NOW

HOWEVER - After March/April 2015 - IF/WHEN you log into FAFSA.ed.Gov
a User ID and Password will replace the PIN going forward

FAFSA



- Don't mix answers for student and parent information
- Ensure SSN accuracy
- Gender question is optional – answer it!
- Have federal income tax and other related information to use as references

- **It's OK TO ESTIMATE if Taxes aren't filed yet**
 - Updates/Corrections can be done later using the IRS Data Retrieval Tool

- **Don't Delay, Don't Miss Deadlines**

IRS DATA RETRIEVAL TOOL

- after taxes are filed

Automatically pulls in IRS Tax info and places data into the FAFSA, or overrides estimates.

REQUIRED!

ALSO in Student Section if student is filing taxes


P
A
R
E
N
T

Parent Tax Information

Application was successfully saved.

For 2012, have your parents completed their IRS income tax return or another tax return?

Already completed

 You, the parents, may be able to use the [IRS Data Retrieval Tool](#) to view and transfer your tax information from the IRS.

Did either or both parents file as Married Filing Separately?

Yes No

Did either or both parents file as Head of Household?

Yes No

Did you, the parents, file an amended tax return?

Yes No

Did you, the parents, file a Puerto Rican or foreign tax return?

Yes No

Did you, the parents, file taxes electronically in the last 3 weeks (or by mail in the last 8 weeks)?

Yes No

Based on your response, we recommend that you, the parents, transfer your information from the IRS into this FAFSA.

Enter your PIN and click [Link To IRS](#).

Which parent are you?

Select

What is your PIN?

[Apply For A PIN](#)

[I Forgot/Don't Know My PIN](#)

[LINK TO IRS](#)

Help and Hints

Recently Filed Taxes?

If you, the parent(s), filed your taxes electronically within the last 3 weeks, or by mail within the last 8 weeks, select **Yes**; otherwise, select **No**.

If you filed your taxes within either of those timeframes, then your tax return information might not be available from the IRS. You

FOTW – School Selection

Look at more than one!

Schools will be able to see your information when you list them on the FAFSA

You can add up to 10 colleges

Once your decision is made, Update your PA Grant Information with the school you WILL attend.

STUDENT

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

School Selection

i ■ Larry, 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.

✓ ■ Application was successfully saved.

You can add up to 10 colleges to your FAFSA. If you know your college's school code, use the option to the right to search. If you need help finding your college, use the state (required), city (optional), and school name (optional) fields to begin your search.

State Federal School Code

City (optional) OR

School Name (optional)

[Search Tips](#)

FAFSA Completion Page



Apply for your State Grant from the FAFSA Completion/Confirmation Page



Federal Student Aid | PROUD SPONSOR of the AMERICAN MIND™ | FAFSA™ Free Application for Federal Student Aid

Help [SEARCH]

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

Confirmation Page

Your confirmation page has been sent to you at the e-mail address: StanleyStu@need.edu

Confirmation Number: F 06800069309 02/08/2013 08:36:03
Data Release Number (DRN): 8340

Congratulations, Stanley! Your FAFSA was successfully submitted to Federal Student Aid. You should print this page for your records.

Optional Feature - Start your state application - Click [here](#) if you want to apply for Pennsylvania state-based financial aid.

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

CLICK HERE

TRANSFERS FOTW data to the State Grant Application

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).

Eligibility Information

Based on the [eligibility criteria](#), you may be eligible for the following:

[Pell Grant](#) Estimate - \$5,550.00

[Direct Stafford Loan](#) Estimate - \$9,500.00

You may also be eligible to receive other federal, state, or institutional grants, scholarships, and/or work-study.

In addition, you should learn about [federal tax benefits for education](#), including the [American Opportunity Tax Credit \(AOTC\)](#).

You indicated that you were going to file your taxes and were providing estimated 2012 tax information. Once you have filed your tax

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; State Grant Program; and Complete the Form
- Additional questions needed to determine PA State Grant eligibility
 - » enrollment status (full time/part time)
 - » value of PA 529 College Savings Program
 - » program of study for students in vocational programs
 - » employment status

- Help screens are available for all questions

The screenshot displays the PHEAA website interface for the Pennsylvania State Grant Program. At the top, there is a search bar and a navigation menu with options: Home, College Planning, Funding Opportunities (highlighted), Partner Access, and Tools & Resources. The main content area features a sidebar on the left with a 'State Grant Program' section containing links for 'Prepare', 'Apply/Renew', 'After You Apply/Renew', 'Summer State Grant', 'State Grant FAQ', and 'Documents & Forms'. Below this is an 'Apply/Renew Now' button circled in red. The main content area has a green background with a large white dollar sign and the text: 'A grant is a type of financial aid award that you don't need to repay, as long as you meet all of the eligibility requirements.' To the right, there is a 'Sign In/Create Account to:' section with links for 'Apply for a State Grant', 'View State Grant status', and 'Update address or school info'. A 'Sign In' button is circled in red, and a red box with 'OR' and arrows points to it. At the bottom right, there is a 'Contact Us' section with a phone number and a 'State Grant FAQ' section with several questions. The footer includes the PHEAA logo and 'Local Intranet'.


All Done..... After mailing!

aes American Education Services Pennsylvania State Grant Form

Apply Online


- 1 Provide Information
- 2 Verify & Submit
- 3 **Confirmation**


Confirmation

Live Customer Support
We're here to assist you. 


1 Although you may have submitted your FAFSA, some items are still incomplete.
Your PA State Grant information has been successfully submitted. However, no further processing can occur until these FAFSA items have been completed.

Actions You Need To Take Now:

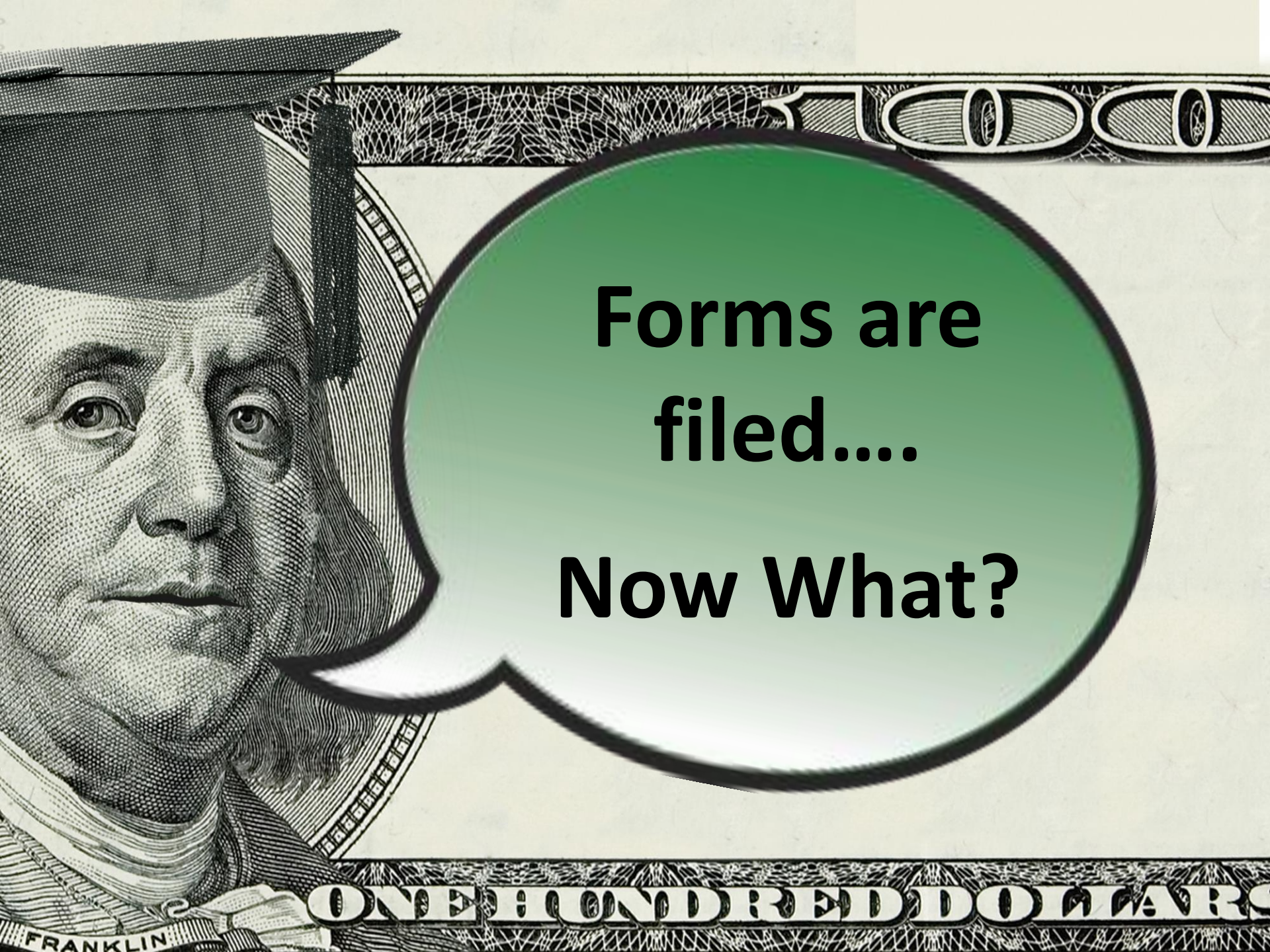


1. **View / Print Your PA State Grant Form - 550KB PDF**
[? I can't view / print this document](#) 
2. **Sign** the last page with all required signatures
3. **Mail** the completed signature page **ONLY** to:

PHEAA
State Grant and Special Programs
P.O. Box 8157
Harrisburg, 17105-8157

Print & Mail 

You **MUST** print, sign and mail in the Grant Confirmation Page



**Forms are
filed....**

Now What?

The process continues....

Department of Education's Central Processing System uses the information to **calculate and create your Need Analysis**

- EFC Calculated
- SAR / ISIR – reports your eligibility for programs to you and schools
- Grant eligibility calculated
- Schools receive your results
- You Apply/Applied to your school choices
- Schools produce Award Letters (Aid Packages)
- You Compare Award Letters
- Determine true cost of school & make choices



How is EFC Calculated?

- Expected Family Contribution -

$$\begin{array}{r} \text{COA (Cost)} \\ - \text{EFC} \\ \hline = \text{NEED} \end{array}$$

The EFC is in theory a measure of a family's ability to contribute towards a student's cost of attendance. It is more realistically, a rationality tool that compares relative financial strengths of all families applying for aid. It is NOT the amount you're expected to pay...

- **EFC Formula considers a family's taxed & untaxed income, assets, size, how many will be attending college and age of oldest parent**
 - Includes allowances for taxes and focuses mainly on income
 - Parent + Student contribution = EFC
- **NOT AN ASSET**: Home, personal property, qualified retirement funds, and value of life insurance is **excluded** from assets
- **Asset Protection Allowance** is applied against parent's reported assets
 - EFC calculation roughly uses 6% of Parent asset contribution and 20% of Student contribution
 - Student income contribution used in the calculation: 50% of amounts over \$6,310
 - Parent contribution divided by number of children in college at the same time

What is Need Analysis?

Page 14 PA Student Aid Guide

A process where Schools use SAR calculations to determine a student's financial need based on:

Two components:

1. The student's Cost Of Attendance at the chosen institution
2. The student's Expected Family Contribution (EFC)



Cost of Attendance

The Financial Aid Office will include the Direct Costs in determining the student's annual cost of attendance at that school:

• Direct College Costs

- » Tuition
- » Required Fees
- » Room
- » Meals
- » Books and Supplies

Indirect College Costs

- > Transportation
- > Personal expenses
- > Dependent care expenses
- > Dorm furnishings



Sleep



Eat



Wash



Study



Organize



Relax



Collegiate
Stuff

Net Price Calculators

The Higher Education and Opportunity Act (HEOA) of October 2011 requires schools to offer a **net price calculator** on their Web sites

“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 (ie personal, transportation...)
- Estimated total merit and need-based grant aid
- **Estimated net price** (attendance minus grant aid)



Does not include scholarships

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





Available Funding Options

- ✓ **Federal**
- ✓ **State**
- ✓ **College/School**
- ✓ **Private**



Federal Programs

- **Pell Grant** up to \$5730 (14/15 AY)

Amount determined by Need Calculations and awarded to most financially needy students

Campus-based aid – amounts determined by FAO

- **FSEOG**..... up to \$4000
- **Perkins Loan** up to \$5500 (fixed 5% interest rate)
- **Federal Work Study** FAO determines

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



PA State Grant Program

PA State Grant*

- Full-time, in PA.....up to \$4,011 (14/15 AY)
- Part time, in PA..... up to half of the full time award
- Out of state..... Up to \$512. in DE, MA, OH, RI, VT, WV, and DC
Veterans: up to \$683
- All other states.... = \$0

Amount determined by FAFSA calculations and Cost of School

*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 Guide

Other Federal Grants Based on specific situations and criteria

Federal Grants (ref: StudentAid.gov)

- Teach Grant - up to \$3700
- Iraq & Afghanistan Service Grant
- Dependents Education Assistance (DEA) Grant - Veteran Affairs
- Vocational Rehabilitation Program (students with disabilities)
- Americorps - www.americorps.gov

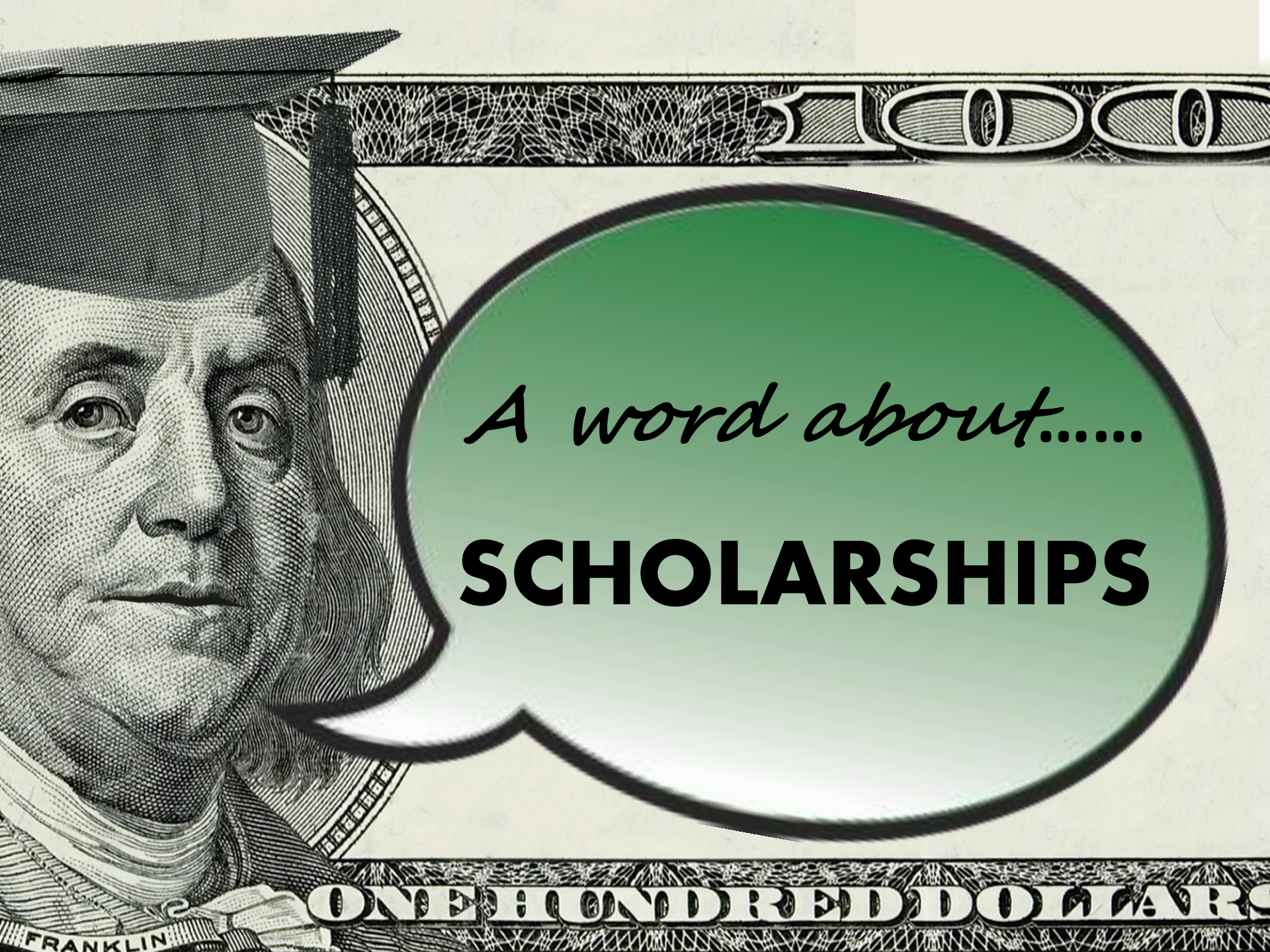


dreamstime.com

Other State administered GRANTS

Reference: PHEAA.org

- Post Secondary Education Gratuity Program (EAP)
- Partnerships for Access to Higher Education Program (PATH)
- Pennsylvania Chafee Education and Training Grant (Foster students)
- Blind or Deaf Beneficiary Grant Program
- Pennsylvania Targeted Industry Program (PA-TIP)
 - » Less than half time training in Targeted Industries in PA
- Pennsylvania State Work Study Program (SWSP)
- Aid for Military and National Guard students/families
- **NEW: Ready To Succeed Scholarship/Grant** (RTSS)
 - » 2nd year students earning 24 credits; 3.25 GPA, family income \$110,000 or less, minus any PA Grant awards



A word about.....

SCHOLARSHIPS

Scholarship search:

Don't miss out on FREE Money



- Start early – and KEEP LOOKING
- Don't forget to continue studies!
- GOOGLE your interests
- Don't PAY for information
 - If you're asked to pay, it's not free money - (scam..)
- Don't disqualify yourself until IT disqualifies YOU
- Don't fear ESSAYS
- Provide what is asked
- Small scholarships ADD UP
- Activities, Athletics, Family, Hobbies, Participation, Attributes -> RESEARCH
- Don't miss DEADLINES
 - Write it down!

www.fastweb.com

www.educationplanner.org

www.fastaid.com

www.finaid.org

www.scholarshipexperts.com

www.scholarships.com

www.scholarship-page.com

www.zinch.com

www.dosomething.org

www.collegeproowler.com

www.studentscholarships.org

www.collegeboard.com

www.collegeanswer.com

www.collegenet.com

MORE....

Increase your Scholarship options

Organize important information that can increase your chances of obtaining scholarships!

❖ Create a Profile or Resume

- ❖ Interview your student, year after year
- ❖ Send with your Application

❖ What makes you stand out? Who are you?

- ❖ Besides grades, class rank, test scores

❖ Document your information!

- ❖ Personal/Performance – sports, music, art, achievements
- ❖ Extra Curricular Activities – jobs, hobbies
- ❖ Volunteerism, Community Activities, Employment

❖ Recommendations :

- ❖ Faculty, Coaches, Employers, Community Leaders...



SCHOOL SCHOLARSHIPS

Post Secondary and High School

- Most Post secondary Schools have Internal Scholarships
 - » Criteria varies by school
 - » Check their websites (financial aid, admissions)
 - » Note DEADLINES
- High School Community Scholarships
 - » **Check with your Guidance Counselor**
 - » Many internal scholarships exist - note DEADLINES
- Don't forget about National Scholarships
 - » Companies, Organizations, Groups....



Pennsylvania 529 College Savings Plan

www.PA529.com

A tax free savings account for post secondary education costs

Easy, Affordable and Tax Free

About 529 Plans PA 529 Guaranteed Savings Plan PA 529 Investment Plan Resources My Account

PA 529 COLLEGE SAVINGS PROGRAM

Enter To Win
\$529
For College

Free Enrollment
through September 30, 2013
Save
\$50
Learn How

START SAVING NOW.
The tax-smart and flexible way to save for college:

ABOUT 529 PLANS
PA 529 GUARANTEED SAVINGS PLAN
PA 529 INVESTMENT PLAN

Saving for college is a strategic investment that will pay dividends for your children well into the future, but families need to identify ways to incorporate college savings into their unique set of financial circumstances – and get the most bang from their savings buck.

The Pennsylvania 529 College Savings Program is here to help. Sponsored by the Commonwealth of Pennsylvania and administered by the Treasury Department, the Pennsylvania 529 College Savings Program offers a range of resources specifically designed to help families save for college.

ENROLL NOW
It's easy to get started on your college savings program. [Enroll now.](#)

WEBINARS
Register to participate in one of our FREE online webinars. [Learn more.](#)

UPROMISE®
Upromise is a free service designed to help save and pay for college. [Learn more.](#)

Internet | Protected Mode

U Promise

www.upromise.com

More partners means more ways to save.

- 950+ online stores
- 10,000+ restaurants
- local store & service partners
- 25,000+ grocery stores & drug stores

Another way to save for college or pay student loans!

- Family, Friends, anyone... can register to earn for the same student.
- Register credit cards - it's safe - shop at participating locations or purchase from participating companies
- **Every \$ earned can be put into a 529, savings acct, paid against a loan or receive a check for expenses**
- Watch for the logo, it adds up!



The screenshot shows the U Promise website homepage. At the top, there's a navigation bar with links for 'Home' and 'Sign In'. Below that is a secondary navigation bar with buttons for 'What Is Upromise?', 'How it Works', 'Where to Earn', 'Coupons & Deals', and 'Shop Now'. The main content area features a large blue banner with the headline 'Earn money for college with everyday purchases!'. Below the headline is a circular diagram showing the flow of money: 'Shop online' leads to 'Eat out', which leads to a central '\$' icon with a graduation cap, which then leads to 'Buy groceries', and finally to 'Invite family and friends'. To the right of the banner is a registration form with fields for 'First name', 'Last name', and 'Email', and a 'get started now' button. Below the banner are three buttons: 'what is Upromise', 'how it Works', and 'meet our Partners'. At the bottom, there's a section titled 'Earning is easy.' with the text 'Your next purchase could come with something extra: money for college.' and a paragraph explaining the program. A footer at the very bottom contains the URL 'http://www.upromise.com/meet-our-partners.do?cx=BlockButtons_MeetOurPartners_HIW&cm_re=v1-_-BlockButtons-_-MeetOurPartn' and a small 'Internet | Print' icon.



Student Loans

ONE HUNDRED DOLLARS

FRANKLIN

FEDERAL DIRECT LOAN PROGRAM

available to ALL Students **REGARDLESS OF NEED**

www.studentloans.gov and at the school's website

Based on FAFSA , students have a combination of:

Subsidized = Govt pays interest in school and grace status

Unsubsidized = interest accrues in school and grace

Additional unsubsidized funds available for Independent & Parent PLUS denials

» **4.66 % variable/fixed interest rate (AY 14/15), 1.073% fee**

(Bipartisan Student Loan Certainty Act of 2013 & Sequestration Year 3; Interest for new AY is set every July 1)

- Direct Loan Program is funded through the Government, as of 7/1/2010
- 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; 6 month grace period

150% RULE applies -New borrowers as of 7/1/13

Page27
PA Guide -
MOST CURRENT
RATE INFO AT
PHEAA.ORG

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	

Federal Direct PLUS Loan

For Parents or Graduate level students

Page 31 PA Student
Guide -Most current
Rate Info at PHEAA.org

Direct Parent PLUS loan - in Parent's name for student costs

7.21 % Variable/Fixed Interest Rate; 4.292% fees (AY 14/15)

Sequestration Year 3

- Can borrow up to the Cost of Attendance
- No Debt-to-Income test, Only lenient Credit Check
 - » Can have an endorser (co-signer)
- **Fees will be deducted from disbursements**
- Principal payment 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
- 10 year repayment term or optional repayment programs
- **Must complete a FAFSA** to determine any additional aid



Alternative/Private Education Loans

From private lenders or financial institutions

* In Students name/Co-signers usually required

Some loan products have a co-signer release

* Can borrow up to the Cost of Attendance

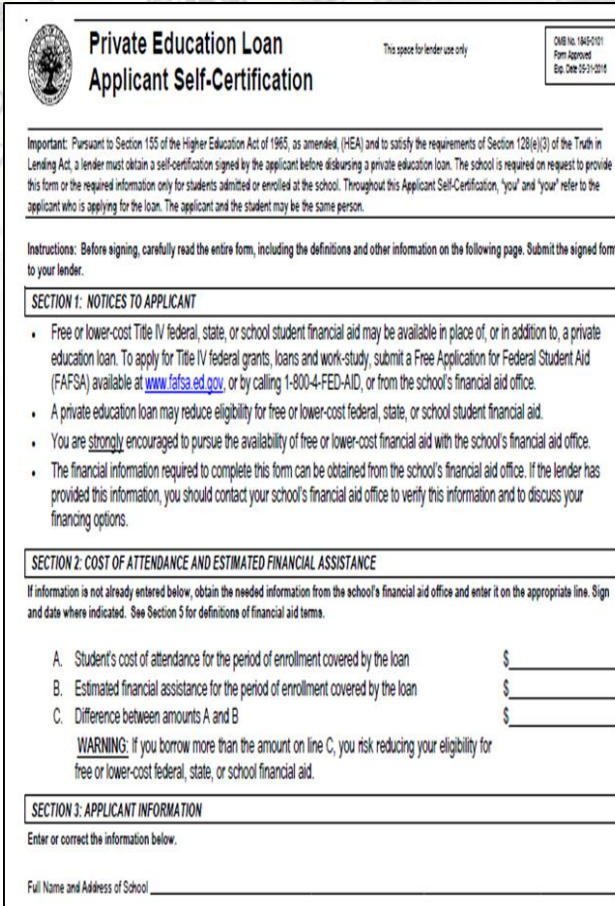
* Based on credit scores and debt-to-income

* Repayment may be deferred until education completed

* **Terms vary by lender** – compare before making choices

* Students must sign a “Self Certification Form” per DOE

READ THE FINE PRINT

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 logo for the Pennsylvania Higher Education Assistance Agency (PHEAA). It contains several sections: "SECTION 1: NOTICES TO APPLICANT" with bullet points about federal aid and loan requirements; "SECTION 2: COST OF ATTENDANCE AND ESTIMATED FINANCIAL ASSISTANCE" with a table for entering costs and assistance; and "SECTION 3: APPLICANT INFORMATION" with a line for the full name and address of the school. A green arrow points from the text "Students must sign a 'Self Certification Form' per DOE" to the form.

**Private Education Loan
Applicant Self-Certification**

OMB No. 1845-0101
Form Approved
EEO: Dec 19-21-2014

The space for lender use only

Important: Pursuant to Section 155 of the Higher Education Act of 1965, as amended, (HEA) and to satisfy the requirements of Section 128(e)(3) of the Truth in Lending Act, a lender must obtain a self-certification signed by the applicant before disbursing a private education loan. The school is required on request to provide this form or the required information only for students admitted or enrolled at the school. Throughout this Applicant Self-Certification, "you" and "your" refer to the applicant who is applying for the loan. The applicant and the student may be the same person.

Instructions: Before signing, carefully read the entire form, including the definitions and other information on the following page. Submit the signed form to your lender.

SECTION 1: NOTICES TO APPLICANT

- Free or lower-cost Title IV federal, state, or school student financial aid may be available in place of, or in addition to, a private education loan. To apply for Title IV federal grants, loans and work-study, submit a Free Application for Federal Student Aid (FAFSA) available at www.fafsa.ed.gov, or by calling 1-800-4-FED-AID, or from the school's financial aid office.
- A private education loan may reduce eligibility for free or lower-cost federal, state, or school student financial aid.
- You are **strongly** encouraged to pursue the availability of free or lower-cost financial aid with the school's financial aid office.
- The financial information required to complete this form can be obtained from the school's financial aid office. If the lender has provided this information, you should contact your school's financial aid office to verify this information and to discuss your financing options.

SECTION 2: COST OF ATTENDANCE AND ESTIMATED FINANCIAL ASSISTANCE

If information is not already entered below, obtain the needed information from the school's financial aid office and enter it on the appropriate line. Sign and date where indicated. See Section 5 for definitions of financial aid terms.

A. Student's cost of attendance for the period of enrollment covered by the loan	\$ _____
B. Estimated financial assistance for the period of enrollment covered by the loan	\$ _____
C. Difference between amounts A and B	\$ _____

WARNING: If you borrow more than the amount on line C, you risk reducing your eligibility for free or lower-cost federal, state, or school financial aid.

SECTION 3: APPLICANT INFORMATION

Enter or correct the information below.

Full Name and Address of School _____

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 AND MATCH = BALANCES

- **Savings** – Family
- **529 College Saving Plans** – Family
- **U Promise credits** - Family, Friends
- **Scholarships** – Various Sources, including Schools
- **Grants** – Federal and State programs
- **Tuition Payment Plans** – School
- **Perkins Student Loans** – School through DOE
- **Federal Student Loans** – DOE
- **Parent PLUS Loans** – DOE
- **Private Education Loans** – Banks
- **Institutional Loans** – School
- **Home Equity Loans** – Banks
- **Employers** – Tuition reimbursement programs
- **401K** – withdrawal or loans (See a **FINANCIAL ADVISOR** or your **HR Dept**)
- **Credit Cards** – Banks (**be cautious**)
- **Student part time job** -Students –work study/private jobs



Making Decisions

Review the Options

Where we are in the process

YOU....

- » Filed the FORMS
- » Applied to Schools
- » Were Accepted
- » and now....



SCHOOLS will respond to you with

FINANCIAL AID AWARD PACKAGES

Determining Need (cost)

1. Financial Equation:

School cost (varies per school)	\$26,000
EFC (stays the same)	<u>-\$3,000</u>
Financial Need	\$23,000



2. FAO “packages” students based on financial need and available funding (varies from school to school)

3. Financial Award letter is sent to the student

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
- Describes what must be done to accept or reject any award
 - » Sign and return
 - » Complete MPN's for loans; Entrance Counseling
- **Verification:** IF you are flagged and need official tax transcripts, request 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?



Packaging Example

SCHOOL	A	B	C	D
COST	\$ 6,600	\$15,000	\$25,000	\$45,000
EFC <small>(stays the same for all schools)</small>	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
NEED	<u>\$ 3,600</u>	<u>\$12,000</u>	<u>\$22,000</u>	<u>\$42,000</u>
FREE MONEY	\$2,000	\$ 7,000	\$ 9,000	\$22,000
LOANS (DL & Perkins)	\$4,600	\$ 5,500	\$ 7,000	\$ 8,000
WORK STUDY <small>(after you work a job!)</small>	\$ 0	\$ 0	\$ 2,000	\$ 3,000
<u>TOTAL AID</u>	<u>\$ 6,600</u>	<u>\$12,500</u>	<u>\$18,000</u>	<u>\$33,000</u>
GAP (Cost – Aid)	\$ 0	\$ 2,500	\$ 7,000	\$12,000
ACTUAL COST (Cost – FREE Money)	\$4,600	\$ 8,000	\$16,000	\$23,000



**Use your
Resources**

Smart Borrowing Tips: *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**



Start Thinking About Life After High School

- Explore careers that interest you.
- Search for your perfect school.
- Learn about student aid.
- Find grants or scholarships.
- Plan a campus visit.



What's the Easiest Way for You to Learn New Information?

You're just a few questions away from finding out.

“BEGIN WITH THE END IN MIND”

for Students



Making decisions about colleges and careers can seem overwhelming, especially when you are young. If you are feeling unprepared, know that you are not alone. We're here to help.

for Parents



We make it easier to understand college cost, student aid, school, to help you make the best choice for your child.

Career Planning

Career Planning Checklists

Find Careers

- Career Clusters Activity
- Which Careers Match Your Skills?
- Career Search
- Career Videos
- Hot Jobs for the Future
- It's Not All About Money
- Schools for Your Career

Get Experience

Explore Salary and Pay

Preparing for School

Paying for School

Self-Assessments

Ask a Counselor

Find Careers

Explore the limitless options.

Select a career that is compatible with your outlook and your vision of the future.

- ▶ **Career Clusters Activity**
New career categories, prioritized just for you, based on your interests and skills.
- ▶ **Which Careers Match Your Skills?**
Think about the things you are good at doing, then we'll find careers that match your skills.
- ▶ **Career Search**
Look up careers that interest you and read what others have to say about them.
- ▶ **Career Videos**
Take a peek at what you may be doing when you're in a career.
- ▶ **Hot Jobs for the Future**
Discover occupations that are likely to have more job openings in the future.
- ▶ **It's Not All About Money**
Choose a job that you genuinely like to do.
- ▶ **Schools for Your Career**
Find the best schools for the major or career that interests you.

Links to ONet - National Database of Careers to see average wages for your career choice

Also: MySmartBorrowing.com

- Career Planning ▶
- Preparing for School ▶
- Paying for School ▶
- Self-Assessments ▶
- Ask a Counselor ▶

My Smart Borrowing ▶

Become a smart borrower so you are PREPARED for the future.

GET STARTED ▶

State where you live in: Pennsylvania, Philadelphia Region

Field of Study: Education, Training, and Faculty

Field Preparation and Training Related: Healthcare Practitioners and Technical

Healthcare Support: Installation, Maintenance, and Repair

What career are you interested in? **Healthcare Support**

Let us help you find your career. Please your CAREER of choice.

CATEGORY: **Healthcare Support**

Starting Salary: **\$36,500**

Amount to not borrow more for your education that you intend to make in out of pocket: Your estimated starting salary is **\$36,500**.

\$407.00

771.00

121.00

0

303.00

\$2,961.00

\$122.00

CONGRATULATIONS! YOU ARE UNDER BUDGET!

View your potential salary based on your career choice! *How much schools might actually cost!* *Calculate your possible future budget!*

Education can be expensive! While you can't control or predict how much college will cost, you CAN control how well prepared you are. That is why you should follow the five tips below to make sure you are making smart decisions.

The 5 Tips for Smart Borrowing

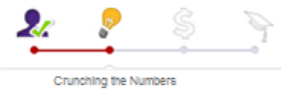
- 1 Research your expected salary in your future career, find an affordable school, and borrow realistically.
- 2 Research job availability in your chosen field, before selecting your major.
- 3 Consider all types of financial aid carefully.
- 4 Educate yourself on the many loan options available before borrowing.
- 5 Inconsistent or untimely loan repayment could affect your future.

Local intranet

An interactive tool for making smart decisions about career choices and paying for College



Back to EDUCATIONPLANNER™



Crunching the Numbers

APPROXIMATE SALARY RESULTS

Secondary School Teachers, Except Special and Career/Technical Education in Pennsylvania

You thought you would make:	The approximate amount you could make is:
Your Guess \$80,000	Starting Salary* \$47,130

*Starting salary is typically used as a baseline for how much a student should borrow.

APPROXIMATE NET COLLEGE COST

4 Years at East Stroudsburg University of Pennsylvania

You thought college would cost:	The approximate net college cost is:
Your Guess \$80,000	Net Cost** \$50,865

**The approximate net cost is generated by subtracting the average amount of federal, state/local government, or institutional grant or scholarship aid from the total cost of attendance. To view the approximate net cost of the school you selected, visit their website and use their College Cost Calculator.

CONTINUE ▶

Local intranet

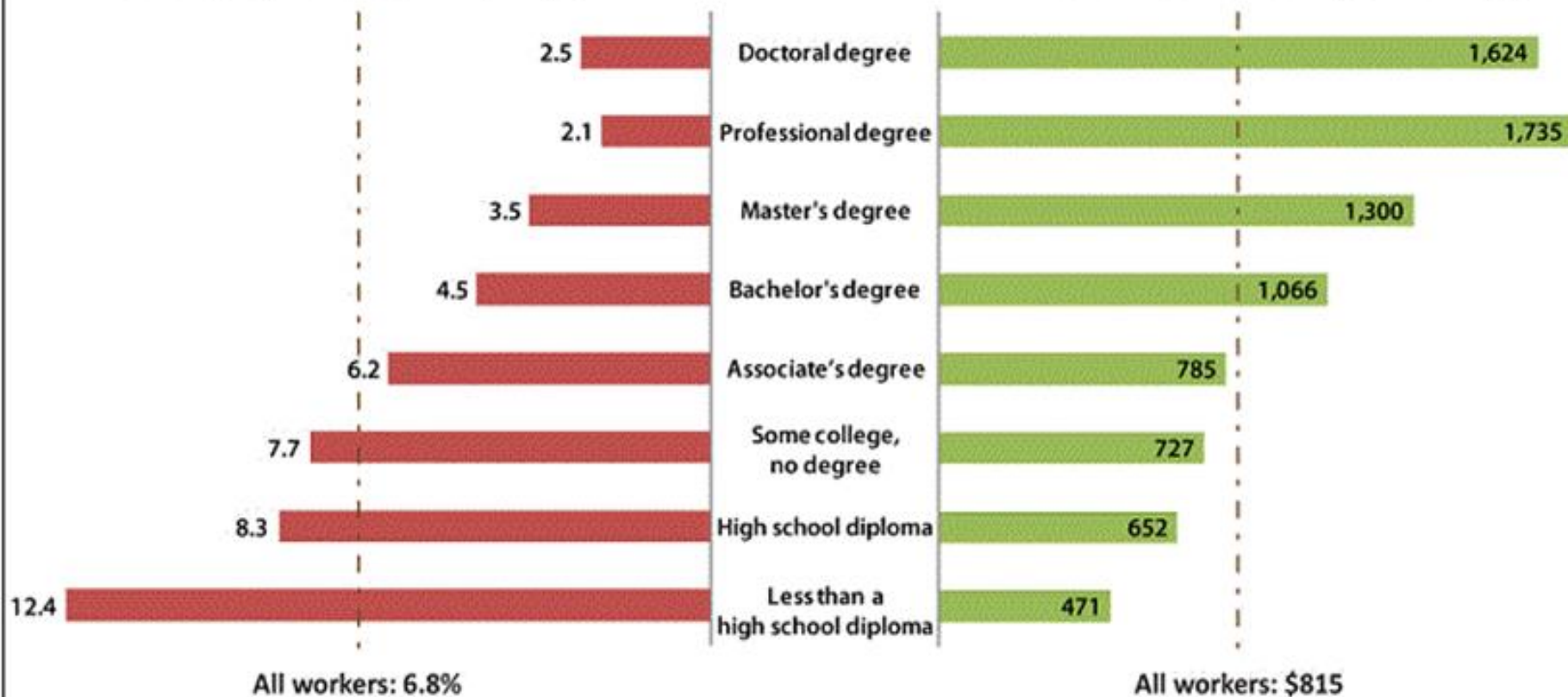
What can I afford to borrow?

Education Pays in Higher Earnings and Lower Unemployment

Earnings and unemployment rates by educational attainment

Unemployment rate in 2012 (%)

Median weekly earnings in 2012 (\$)



Source: Bureau of Labor Statistics, Current Population Survey

Data Table



THANKS and
Best Wishes

QUESTIONS ?

$\$ + \$ = \$\$$

