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EducationPlanner.org is PHEAA's award-winning college-planning website that provides you with all of the resources you need to find a career, choose a school, and find ways to finance your education.

- The site offers **career development tools**, featuring details on thousands of careers including state-specific salary levels.
- There is a **college search** featuring thousands of business, nursing, trade and technical schools, community colleges, four-year public and private institutions, and a Caribbean and Latin American school search.
- The site offers **comparative worksheets** to help you find what you're looking for in a school.
- Access **online admission and student aid applications** and even prepare for standardized testing with **FREE** online test prep and practice exams for the PSAT, SAT, ACT and GED.

Other helpful tools include:

- **Self-assessment**, learning style and study skill information.
- A comprehensive college **essay writing section**.
- **Student résumé builder**.
- An **interactive financial aid award analyzer** to help you compare financial aid packages you receive from different schools.
- **Student aid calculators**.

EducationPlanner.org also offers one of the largest free undergraduate and graduate scholarship search databases available on the internet with **more than 1.8 million awards worth almost \$8 billion**. Simply create a user profile* and the system matches your personal information with awards for which you may qualify. Information includes

award descriptions, application requirements, deadlines and, in most cases, direct links to the organization offering the award.

*User data is private and not shared with third parties.



A message from
STATE SENATOR
Xxxxx XXXXXXX

Dear Student:

As you consider college or other postsecondary education opportunities, this publication should assist you in making the right decisions about your future.

I know that paying for your college education is a concern for you and your family. I want to alert you to the Scholarship, Grant, Loan and Work-Study/Employment Awards available in Pennsylvania. More than half of the full-time students enrolled in colleges and other schools of higher education have received help in recent years.

I will be working to ensure that the various programs offered by PHEAA continue to be accessible for deserving students and their families.

As always, if my office can be of further assistance on this or any other issue pertaining to state government, please don't hesitate to write or call.

Sincerely,

P.S. For Pennsylvania students who plan to enroll in a degree program or a college transferable program at a junior college or university (excludes community colleges), starting in **August/September 2012** and all renewal applicants, the deadline for applying for State Grant aid is **May 1, 2012**.

For nonrenewal students who plan to attend trade schools, community or junior colleges, etc. the deadline is **August 1, 2012**.



If you have questions:
contact your high school counselor,
the financial aid office at the institution you will attend,
or the
Pennsylvania Higher Education Assistance Agency
1200 North Seventh Street
Harrisburg, PA 17102-1444.

CALL
PHEAA State Grants and Student Loans
1-800-692-7392
or
Visit PHEAA's Websites
www.pheaa.org
(Programs & Services)
www.EducationPlanner.org
(Career & College Planning)
www.aesSuccess.org



Provided as a public service by
STATE SENATOR
XXXXXX XXXXXXX
xxth District

DISTRICT OFFICE

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FINANCING YOUR POSTSECONDARY EDUCATION

A guide to Pennsylvania's
State Grant, Loan
and Other Financial Aid Programs

Administered by
PENNSYLVANIA HIGHER EDUCATION
ASSISTANCE AGENCY
1200 North Seventh Street
Harrisburg, PA 17102-1444

2012-2013

What is the State Grant Program?

THE STATE GRANT PROGRAM

provides grant aid to applicants who demonstrate financial need as determined by PHEAA and who choose to attend a PHEAA-approved postsecondary educational institution. Within Pennsylvania, this includes most two- and four-year colleges, as well as many business schools, trade and technical schools and hospital schools of nursing offering a program of at least two academic years in length. Outside Pennsylvania, there are a number of restrictions; however, many four-year colleges are approved.

TO RECEIVE A STATE GRANT, A STUDENT MUST MEET ALL ELIGIBILITY REQUIREMENTS. SOME MAJOR ELIGIBILITY REQUIREMENTS FOLLOW:

1. Be a resident of Pennsylvania (a domiciliary of the state) for at least one year prior to application.
2. Be a graduate of an approved secondary school or the equivalent, be the recipient of a GED, or be home-schooled with appropriate recognition.
3. Be enrolled as at least a half-time student.
4. Be enrolled in a PHEAA-approved program of study of at least two academic years at a school approved by PHEAA for grant purposes.



The maximum state grant award for a full time student (attending a PHEAA approved school) for the 2011-2012 school year is \$4,348. For a half-time student, the maximum award was \$2,174.

What types of financial aid might I receive?

Four kinds of financial aid are available to Pennsylvania students:

SCHOLARSHIPS

Money awards given to students who demonstrate or show promise of high achievement in areas such as academics, athletics, music, art or other abilities;

GRANTS

Money awards given to financially needy students (Do not need to be repaid);

LOANS

Money loaned with relatively low interest rates but requiring repayment after graduation or withdrawal from school (Must be repaid); and

WORK-STUDY/EMPLOYMENT AWARDS

Payments made to students who work for a specified time period for a specific wage.

These types of aid can be combined to produce "financial aid packages," which are given to students who cannot afford college costs and therefore have "financial need."

How do I apply for a State Grant and other financial aid?

- In your senior year of high school, you should complete the **FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)**. You may file online after January 1st at <http://www.fafsa.ed.gov>. The FAFSA can be used to apply for federal aid and to determine your eligibility for a Federal Stafford Loan.
- To be eligible for a Pennsylvania State Grant for 2012-2013, your FAFSA must be filed by the appropriate deadline: May 1 for all renewal students and those enrolled in two and four-year degree programs (excludes community colleges) and August 1 for non-renewal applicant at business, trade and technical schools, hospital schools of nursing and community colleges.

What other financial aid programs are available to me?

SCHOLARSHIPS, GRANTS AND OTHER PROGRAMS

THE FEDERAL PELL GRANT—The Federal Pell Grant program provides the "foundation" of financial aid to which other grants, loans or assistance may be added. If you qualify for a Federal Pell Grant, you can get between \$400 and \$5,550 annually (award is subject to change), depending on your family income and costs of education. You must apply for a Federal Pell Grant using a Free Application for Federal Student Aid (FAFSA).

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG)—FSEOG awards, ranging from \$100 to \$4,000 annually, are for undergraduate students with very substantial need. Priority is given to students who get Federal Pell Grants. You can apply through the financial aid office at the institution you will attend.

FEDERAL AND STATE WORK-STUDY PROGRAMS—The Federal Work-Study Program (FWSP) provides jobs for financially needy students. Students generally work from 10 to 15 hours per week during the academic year (and up to 40 hours per week in the summer). The hourly pay rate is at least the federal minimum wage. A similar State Work-Study Program (SWSP), administered by PHEAA, provides students with employment opportunities in career-related positions. You must apply for both programs by announced filing dates. Applications are available at your postsecondary institution's financial aid office; SWSP applications are available at www.pheaa.org.

LOANS

FEDERAL DIRECT LOAN PROGRAM—On March 30, 2010, President Obama signed the Health Care and Education Reconciliation Act of 2010, which mandates all schools process loans through the Federal Direct Loan Program (FDLP). Direct Stafford Loans, from the William D. Ford Federal Direct Loan (Direct Loan) Program, are low-interest loans for eligible students to help cover the cost of higher education at

a four-year college or university, community college, or trade, career or technical school. Eligible students borrow directly from the U.S. Department of Education (the Department) at participating schools.

Direct Stafford Loans include the following:

Direct Subsidized Loans—Direct Subsidized Loans are for students with financial need. Your school will review the results of your Free Application for Federal Student Aid (FAFSA) and determine the amount you can borrow. You are not charged interest while you're in school at least half-time and during grace periods and deferment periods.

Direct Unsubsidized Loans—You are not required to demonstrate financial need to receive a Direct Unsubsidized Loan. Like subsidized loans, your school will determine the amount you can borrow. Interest accrues (accumulates) on an unsubsidized loan from the time it's first paid out. You can pay the interest while you are in school and during grace periods and deferment or forbearance periods, or you can allow it to accrue and be capitalized (that is, added to the principal amount of your loan). If you choose not to pay the interest as it accrues, this will increase the total amount you have to repay because you will be charged interest on a higher principal amount.

FEDERAL PERKINS LOAN PROGRAM—The campus-based federal program provides long-term, low-interest (currently 5 percent) loans to financially needy, full-time or part-time, undergraduate or graduate students. It is one of the oldest federal student aid programs. For the 2012-2013 academic year, eligible students may borrow up to \$5,500 for each year of undergraduate study up to a maximum of \$27,500. Students may also borrow \$8,000 for each year of graduate or professional study up to a maximum of \$60,000, including any Federal Perkins Loans they received as undergraduates. Borrowers may have up to 10 years after leaving school to repay their loans, but deferred payments are permissible for some kinds of public service. Cancellation of all or a portion of the loan is also permissible with a number of approved service and employment designations. To apply, students should contact the financial aid officer at the school they attend.

DIRECT PLUS LOANS FOR PARENTS—Parents of dependent students may apply for a Direct PLUS Loan to help pay their child's education expenses as long as certain eligibility requirements are met. Graduate and professional students may apply for PLUS Loans for their own expenses. Applications are available at the student's financial aid office or online at www.studentaid.ed.gov. Both the student and parent must also file a FAFSA.

DIRECT PLUS LOANS FOR GRADUATE AND PROFESSIONAL DEGREE STUDENTS—Graduate and professional degree students can borrow a Direct PLUS Loan to help cover education expenses. The terms and conditions applicable to PLUS Loans for parents also apply to PLUS Loans for



Make an appointment with your high school guidance counselor to learn all you can about all financial aid opportunities.

graduate and professional students. These terms and conditions include:

- A determination that the applicant does not have an adverse credit history; and
- a fixed rate of 7.9% for Direct PLUS Loans.

The student applicant is required to complete the Free Application for Federal Student Aid (FAFSA). In addition, before a student can receive a PLUS Loan, their school must have determined their maximum eligibility for Direct Subsidized and Unsubsidized Stafford Loans. To apply for a PLUS Loan for graduate and Professional Students, visit www.studentaid.ed.gov.

FEDERAL DIRECT CONSOLIDATION LOANS—

A Direct Consolidation Loan allows a borrower to consolidate (combine) multiple federal student loans into one loan. The result is a single monthly payment instead of multiple monthly payments. Most federal student loans are eligible for consolidation, including subsidized and unsubsidized Direct and FFEL Stafford Loans, Direct and FFEL PLUS Loans, Supplemental Loans for Students (SLS), Federal Perkins Loans, Federal Nursing Loans, Health Education Assistance Loans and some existing consolidation loans. Private education loans are not eligible for consolidation. If a borrower is in default, they must meet certain requirements before they can consolidate their loans. A PLUS Loan made to the parent of a dependent student cannot be transferred to the student. Therefore, a student who is applying for loan consolidation cannot include his or her parent's PLUS Loan. For a complete list of the federal student loans that can be consolidated, contact the Direct Loan Origination Center's Consolidation Department by calling 1-800-557-7392 or visit www.loanconsolidation.ed.gov.

PRIVATE LOANS—Several financial institutions still provide educational loans for students and their families. These loans are not guaranteed by the federal government and typically carry co-signer requirements, stricter credit worthiness requirements and higher interest rates than federal direct loans.

Students are encouraged to speak with their school's Financial Aid Office to explore private loan offerings in addition to grants and loans from state and federal governments. Students can also apply for private loans from one of our partner financial institutions via their Account Access at www.aessuccess.org.



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