

## FINANCIAL AID EDITION



The latest Returning to Learning (RTL) employee survey identified cost as the largest hurdle for our employees when returning to school. The program provides a 25% tuition discount at many local schools, but sometimes this isn't enough. Recently we reached out to our partners about cost – reducing it, mitigating it, other resources – and this month's newsletter is all about one resource you can use. We will explore more cost saving topics in future months, but with the deadline fast approaching the Federal Application for Student Aid (FAFSA) was a very timely first topic.

FAFSA applications are due by **May 1, 2015** for any Pennsylvania resident who has attended college before (regardless of how recently) and for first-time applicants.

A few things for you to remember:

- FAFSA is usually comprised of loans – that you repay with interest
- You don't have to take the full loan award you are offered, you can take less (i.e. only what you need)
- City employees may qualify for public service student loan forgiveness after 10 years of qualifying, on-time payments – for more information visit [studentaid.ed.gov](http://studentaid.ed.gov)

### SECURING FINANCIAL AID: FREQUENTLY ASKED QUESTIONS

*I probably don't qualify for financial aid. Should I apply for it anyway?*

Yes. It is highly recommended that every student complete the FAFSA. The information submitted is used to determine the financial aid package that will be awarded to you from the schools to which you have applied. Financial need is taken into consideration for some types of assistance however there are a few sources of aid such as unsubsidized Stafford loans that are available regardless of need. Don't miss out on receiving financial aid by failing to apply for it!

*Do I have to reapply for financial aid every year?*

Yes. The FAFSA must be completed annually. After your first year you will receive a "Renewal Application" which contains preprinted information from the previous year's FAFSA. Note that your eligibility for financial aid may change, especially if you have a different number of family members in college. Renewal of your financial aid package also depends on your making satisfactory academic progress toward a degree, such as earning a minimum number of credits and achieving a minimum GPA.

*I've had student loans in the past, but am not sure of their current status?*

The National Student Loan Data System (NSLDS) has all loan information in one place. Visit [www.nsls.ed.gov](http://www.nsls.ed.gov) for more information.

*Where can I find legitimate financial aid resources and support?*

The Office of Federal Student Aid has several resources (audio, images, print and videos) available for download. [www.studentaid.ed.gov/resources](http://www.studentaid.ed.gov/resources)

*What's with the acronyms?*

**FAFSA** – Free Application for Federal Student Aid ([www.fafsa.gov](http://www.fafsa.gov)). The FAFSA is a free form issued by the U.S. Department of Education Office of Federal Student Aid to determine individual eligibility for education funding (grants, loans, and work study). A four-digit PIN will be assigned to access records, sign Federal Aid documents, and make binding legal obligations. To apply for or request

a duplicate PIN visit the website ([www.pin.ed.gov](http://www.pin.ed.gov))

**PHEAA** – Pennsylvania Higher Education Assistance Agency ([www.pheaa.org](http://www.pheaa.org)). PHEAA administers the Pennsylvania State Grant Program at no cost to taxpayers, ensuring that every dollar appropriated to the program goes directly to students. The Pennsylvania State Grant Program is a financial assistance program that provides funding to eligible Pennsylvanians and helps them afford the costs of higher education. Apply for a state grant today!

**SAR** – Student Aid Report. The SAR is your summary of the FAFSA submission and includes basic information about your student aid eligibility. You should receive an online copy (notified via e-mail) just a few days after your FAFSA is processed.

*What types of financial aid are available and what's the difference?*

There are three types of financial aid available: grants, loans and work-study. The Federal Student Aid Office summarizes them in the chart below:

## 3 Types of Federal Student Aid

<div style="background-color: #4CAF50; color: white; padding: 10px; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">1</span> </div>  <p style="font-weight: bold; font-size: 18px;">Free money.</p>	<div style="background-color: #00BCD4; color: white; padding: 10px; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">2</span> </div>  <p style="font-weight: bold; font-size: 18px;">Borrowed money.</p>	<div style="background-color: #FF9800; color: white; padding: 10px; margin-bottom: 5px;"> <span style="font-size: 24px; font-weight: bold;">3</span> </div>  <p style="font-weight: bold; font-size: 18px;">Earned money.</p>
<p>Grants are usually based on financial need and don't have to be repaid.</p>	<p>Loans are an investment in your future. But remember, they must be repaid with interest.</p>	<p>A work-study job lets you earn money while you're in school.</p>

Federal Student Aid

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Learn more at [StudentAid.gov/types](http://StudentAid.gov/types). Apply at [www.fafsa.gov](http://www.fafsa.gov).

## COMPLETING THE FAFSA

THIS IS WHY YOU SHOULD FILL OUT THE FAFSA

#CollegeOpportunity | StudentAid.gov

- 1
**IT'S FREE.**  
Doesn't cost you anything.
- 2
**IT'S EASY.**  
The application has been simplified.
- 3
**IT'S FAST.**  
It takes most people just 23 minutes to complete.
- 4
**MORE PEOPLE QUALIFY...**  
for student aid than you think.

Get a PIN – visit [www.pin.ed.gov](http://www.pin.ed.gov)

- Gather Necessary Documents (DO NOT mail these documents)
- Social Security Number
- Driver's license number (if any)
- W-2 Forms for the previous year and other records of money earned
- Most recent Federal Income Tax Return – IRS Form 1040, 1040A, 1040EZ, , foreign tax return
- Records of child support paid (if applicable)
- Records of taxable earnings from federal work-study or other need-based work programs
- Records of any grants, scholarships, and fellowship aid that was included in your or your parents' adjusted gross income (AGI)
- Documentation of U.S. permanent resident or other eligible noncitizen status

**IRS Data Retrieval Tool** – When applying online, there is an option to retrieve your IRS data to automatically populate the FAFSA. This option simplifies the application process and helps reduce errors. To take advantage of this feature, you'll need to complete your taxes first.

### Avoid Common Errors

- Leaving blank fields
- Using commas or decimal points in numeric fields
- Listing an incorrect Social Security Number or driver's license number
- Failing to use your legal name (as it appears on your Social Security card)
- Entering the wrong federal income tax paid amount (This amount is on your income tax return forms, not your W-2 form(s). If you haven't filed your taxes, you can estimate this amount using previous tax year information and correct the amounts later on the corrections page of the FAFSA website.)
- Listing Adjusted Gross Income (AGI) as equal to total income from working
- Incorrectly filing income taxes as head of household: If there is an error in the head of household filing status, the school will need an amended tax return to be filed with the IRS before paying out aid awards.
- Listing marital status incorrectly (The Department of Education wants to know your marital status on the day you sign the FAFSA)
- Not filling out your FAFSA and PA State Grant Form online at the same time

## THE FINANCIAL AID AWARD LETTER

Expect to receive a Financial Aid Award Letter from each college or university you list on the FAFSA (typically mid April). The letter will list each source of financial aid you are eligible for. Be sure to follow instructions carefully as you may be asked to return a signed copy of the letter in which you are to accept or reject each source of financial aid.

ORDER IN WHICH TO ACCEPT AID	TYPE OF AID	WHAT TO KEEP IN MIND
1	SCHOLARSHIPS AND GRANTS	Make sure you understand the conditions you must meet (for instance, you might have to maintain a certain grade-point average in order to continue receiving a scholarship, or your TEACH Grant might turn into a loan if you don't teach for a certain number of years under specific circumstances).
2	WORK-STUDY	You don't have to pay the money back, but you do have to work for it, so take into account that that'll mean less time for studying. However, research has shown that students who work part-time jobs manage their time better than those who don't!
3	FEDERAL STUDENT LOANS	You'll have to repay the money with interest. Subsidized loans don't start accruing (accumulating) interest until you leave school, so accept a subsidized loan before an unsubsidized loan.
4	LOANS FROM YOUR STATE GOVERNMENT OR YOUR COLLEGE	You'll have to repay the money with interest, and the terms of the loan might not be as good as those of a federal student loan. Be sure to read all the fine print before you borrow.
5	PRIVATE LOANS	You'll have to repay the money with interest, and the terms and conditions of the loan almost certainly will not be as good as those of a federal student loan.

Visit [StudentAid.gov](http://StudentAid.gov) for more tips!

Federal Student Aid

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## IN OTHER NEWS

**The Returning to Learning Spring Education Fair is Saturday, March 28<sup>th</sup>!**

Our partners will be available to answer your questions!  
**Time:** 10 am until 3 pm  
**Location:** Philadelphia University, Tuttleman Center, 2<sup>nd</sup> Floor | 4201 Henry Avenue | Philadelphia, PA 19144

Join us for our next Information Session for the Accelerated Degree Program at **Chestnut Hill College** on Thursday, March 12th at 6:00pm. To register, call April Fowlkes at 215-242-7704, email at [fowlkesa@chc.edu](mailto:fowlkesa@chc.edu), or visit [www.chc.edu/scpsvisit](http://www.chc.edu/scpsvisit).

The old axiom of “plan your work and work your plan” is time tested advice. Have you planned your career? **DeVry University** will be presenting “Move in the Right Direction, Putting Your Career Goals into Action” webinar for City employees at 12:00 PM on March 11, 2015. [Click here](#) to register while seats are still available!

**ACHIEVEability** permanently breaks the generational cycle of poverty for low income, single parent, and homeless families through higher education, affordable housing, supportive services, community and economic development, and accountability. Break the cycle: contact ACHIEVEability at 215-748-8800 or [www.achieveability.org](http://www.achieveability.org).

**Veterans**, are you interested in attending college and would like to refresh your academic skills? Call **Veterans Upward Bound** at 215-898-6892 to learn more about our free pre-college preparation program.

**Reminder:** please fill in the “Employer” section in the application form with the “City of Philadelphia” to waive your application fee and start the discount process!

**Graduate! Philadelphia** is pleased to offer help and advice to adults seeking to complete their college degree. We will work with you from the decision-making through degree completion! Be a Comebacker! Call 215.498.1504, E-mail [advisor@GraduatePhiladelphia.org](mailto:advisor@GraduatePhiladelphia.org) or Register at [www.GraduatePhiladelphia.org](http://www.GraduatePhiladelphia.org)

A special thanks to *Porsche Holland, College Success Advisor at Graduate Philadelphia, author of this month's articles!*