

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*

2009-2010



A message from
YOUR STATE SENATOR



Dear Student:

I want to alert you to the many Scholarship, Grant, Loan and Work-Study/Employment opportunities available to Pennsylvania students who are planning to go on to postsecondary education. More than half of the full-time students enrolled in colleges and other schools of higher education have received state help in recent years. These programs go a long way toward making college costs more affordable.

For Pennsylvania students who plan to enroll in Bachelor's degree programs starting in September 2009 and all renewal applicants, the deadline for applying for State Grant aid is May 1, 2009. For non-renewal students who plan to attend trade schools, community or junior colleges, etc., the deadline is August 1, 2009.

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,

Your State Senator

What is the State Grant Program?

To receive a state grant, a student must meet eligibility requirements.

The maximum state grant award for a full time student (attending a PHEAA approved school) for the 2008-2009 school year was \$4,120. For a part-time student, the maximum award was \$2,060.

■ 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 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 or the recipient of a GED.*
- 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.*

What types of financial aid might I receive?

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."

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 (Do not need to be repaid);

■ 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; and

■ WORK-STUDY/EMPLOYMENT AWARDS

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

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

The FAFSA is the initial step in the State Grant application process and must be filed by the appropriate deadline.

- *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 2009-10, your FAFSA must be filed by May 1, 2009.*

What other financial aid programs are available to me?

Following are descriptions of other programs that may help you with financial assistance.

SCHOLARSHIPS, GRANTS AND OTHER PROGRAMS

SCITECH SCHOLARSHIPS

SciTech Scholarships provide up to \$3,000 per academic year to Pennsylvania students who are enrolled full-time in approved science or technology baccalaureate degree programs. To qualify for a SciTech award for the 2009-10 academic year, a student must be at least a sophomore enrolled at a Pennsylvania public or private college or university, must demonstrate a cumulative grade point average (GPA) of 3.0 or higher at the time of application and maintain a cumulative GPA of 3.0 annually for continued eligibility.

SciTech recipients must complete an approved internship or relevant work experience in a field directly related to their major with a company that has operations in Pennsylvania prior to completing their program.

TECHNOLOGY SCHOLARSHIPS

Technology Scholarships provide up to \$1,000 per academic year to Pennsylvania high school graduates who attend a postsecondary school, but do not choose to pursue a four-year degree. To qualify for a Technology Scholarship for the 2009-10 academic year, a student must be enrolled in an approved science or technology program at a two- or four-year college or licensed technical institute within Pennsylvania. Part-time students may be eligible.

To qualify for either program, a student must be a Pennsylvania resident; be a high school graduate; maintain at least a 3.0 GPA (on a 4.0 scale) for continued eligibility; begin employment in the state within one year after completion of studies, work one year for each year the scholarship was awarded and apply for a Federal Pell Grant and a Pennsylvania State Grant. A deferment of the work obligation is available for full-time graduate study that begins within one year of receiving a baccalaureate degree.

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 \$4,731 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.

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

Financial aid programs (continued)

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 high technology and community service positions. You must apply for both programs by announced filing dates. Applications are available at your postsecondary institution's financial aid office or you may contact PHEAA for a SWSP application.

ROBERT C. BYRD HONORS SCHOLARSHIPS

This Federal program assists high school students who show promise of continued academic achievement. Students can get a scholarship for each of the first four years of college. The amount of the scholarship is based on continued eligibility and available funding. To be considered for an award, you must meet all three of these standards:

- 1—rank in the top 5 percent of your graduating class*
- 2—have a grade point average (GPA) of 3.5 or better on a 4.0 scale; and*
- 3—have a combined SAT test score of at least 1150 (critical reading and math only) or a composite ACT test score of at least 25. GED recipients must have a GED test score of at least 3550, and an SAT score of at least 1150 or ACT score of at least 25.*

Applications are available from PHEAA or your high school guidance office.

LOANS

FEDERAL PLUS LOAN

Parents may apply for a loan to pay for education costs of a dependent son or daughter who is enrolled or accepted for enrollment on at least a half-time basis in a degree or certificate program at a postsecondary educational institution. The parent borrower must be the student's biological parent, adoptive parent or, in some cases, stepparent and the loan proceeds must be used to pay the educational costs of an eligible student, who must be dependent on the borrower as determined by the school in accordance with program regulations. Applications are available from participating banks and other lenders.

FEDERAL STAFFORD LOANS

Federal Stafford Loans are long-term, low-interest loans made to students by private lending institutions through a Federal program administered by PHEAA. If you have financial need, the Federal government pays the interest on the loans while you are in school and you may have up to 10 years to repay the loan with interest after you leave school. If you do not have enough financial need to qualify for a Federal Stafford Loan on

Financial aid programs (continued)

The KeystoneBESTSM

Student Loan Program lowers fees for students that borrow from participating lenders.

PHEAA encourages borrowers to exhaust all Stafford loan eligibility before taking out a private education loan, as borrowing from any private loan program can be more expensive in the long run in terms of interest and other fees.

which the government pays the interest while you are in school, you can receive an unsubsidized Federal Stafford Loan. These loans are the same as the interest subsidized Federal Stafford Loans except that you are responsible for all the interest on the loan even while you are in school. PHEAA or your local lender can give you an application.

KeystoneBESTSM FEDERAL STAFFORD LOAN

PHEAA has joined forces with the Pennsylvania lending community to create your most affordable student loan option, KeystoneBESTSM. This discounted Stafford Federal loan is available to Pennsylvania residents attending any USDE-approved school and out-of-state residents attending an approved Pennsylvania school who borrow from a participating lender. Visit www.pheaa.org for a list of participating lenders. Students can save up to 2.5 percent of the loan amount in up-front fees since AES/PHEAA, in cooperation with participating lenders, underwrites these fees. The interest rate is reduced by an additional one quarter percent (.25%) if your monthly payments are automatically deducted from your checking/savings account.

(Note: Keystone Stafford and KeystoneBESTSM Loan applicants must meet all eligibility criteria established by the Federal Government for Federal Stafford Loans, including the same financial requirements used for subsidized and unsubsidized loans.)

KeystonePLUSSM for Parents

KeystonePLUSSM was developed to help parents of dependent undergraduate students cover the difference between the cost of education and the amount covered by the student's financial aid package. Advantages to choosing a KeystonePLUSSM loan are: a principal reduction of .5% percent of the loan amount after 12 consecutive on-time payments; interest payments may be tax deductible; and 24-hour access to account information with single statement billing available, and a .25% interest rate reduction for direct debit payments. The interest rate is fixed at 8.5 percent. Applications can be obtained from a participating lender or from PHEAA for the parents to fill out and submit. The student's school certifies eligibility and the parent's lender or PHEAA performs a credit evaluation. PHEAA reviews the application to determine eligibility and notifies parents, school and lender of the outcome. To be eligible, one must meet eligibility requirements for a standard PLUS Loan; be a Pennsylvania resident attending any U.S. Department of Education approved school, anywhere; or be an out-of-state resident attending any PA USDE approved school. There is no family income limit.

KeystonePLUSSM for Graduates

*KeystonePLUSSM for Graduates loan is a program in the Federal Family Education Loan Program (FFELP). Together with lending institutions throughout the Pennsylvania community, however, PHEAA customized a version of this loan program to create the KeystonePLUSSM loan program for Graduates. The KeystonePLUSSM for Graduates loan helps graduate students meet educational costs not covered by their financial aid package. **The benefits are the same as for the KeystonePLUSSM for Parents loan (see above).***

LOAN FORGIVENESS PROGRAMS

AGRICULTURE EDUCATION LOAN FORGIVENESS PROGRAM

The Agriculture Education Loan Forgiveness Program assists eligible agriculture and veterinary medicine graduates and agriculture teachers in repaying their student loans. The program forgives (repays) up to \$2,000 per year of qualifying student loans for each year the borrower is employed or works full time in the operation of a family farm or family farm corporation, practices farm-related veterinary medicine, or teaches an agriculture curriculum in Pennsylvania. The maximum amount of loan forgiveness is \$10,000 for any one applicant. The program is funded by an appropriation from the Pennsylvania General Assembly.

Visit EducationPlanner.org

***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:

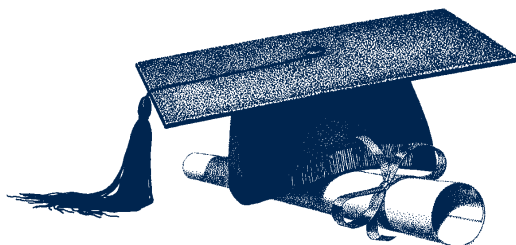
- ***Self-assessment**, learning style and study skill information.*
- *A comprehensive college **essay writing section**.*
- ***Student résumé builder**.*
- *An **interactive financial aid award analyzer** to help you compare financial aid packages you receive from different schools.*
- ***Student aid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

Much of the information on EducationPlanner.org is also available in Spanish.

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

*Check out the
EducationPlanner web site at:
www.EducationPlanner.org*



*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 Web sites
www.pheaa.org (Programs & Services)
www.EducationPlanner.org (Career & College Planning)
www.aesSuccess.org

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