

# UNDERSTANDING FINANCIAL AID

## TYPES OF FINANCIAL AID



### TIPS FOR SUCCESS



#### GRANTS:

- Free money that does not have to be paid back
- Pell Grant may be up to \$6,895 during the 2022-2023 academic year
- FAFSA completion required



#### SCHOLARSHIPS:

- Free money that does not have to be paid back
- Provided by private donors and community organizations
- Apply for each individually
- FAFSA completion may be required



#### WORK-STUDY:

- Pay for work that goes toward college costs
- Federally funded, need-based program that allows the student to obtain a position on campus or with a business affiliated with the college
- FAFSA completion required



#### FEDERAL LOANS:

- Must be paid back, typically with interest\*
- Students and parents can borrow money from the federal government
- There are 3 types of federal loans available:
  - **Direct Subsidized Loans:** No interest while enrolled at least half-time
  - **Direct Unsubsidized Loans:** With interest while enrolled at least half-time
  - **Direct PLUS Loans:** With interest while enrolled at least half-time
- FAFSA completion required

#### BANK AND PRIVATE LENDER LOANS:

*(Not part of the federal loan system or eligible for loan forgiveness)*

- Double check to ensure favorable interest rate and terms
- Credit check required

*\*Interest is the additional money owed to a lender for allowing you to use their money until you pay it back. It is usually calculated as a percentage of the amount borrowed, so the lower the percentage rate, the better.*