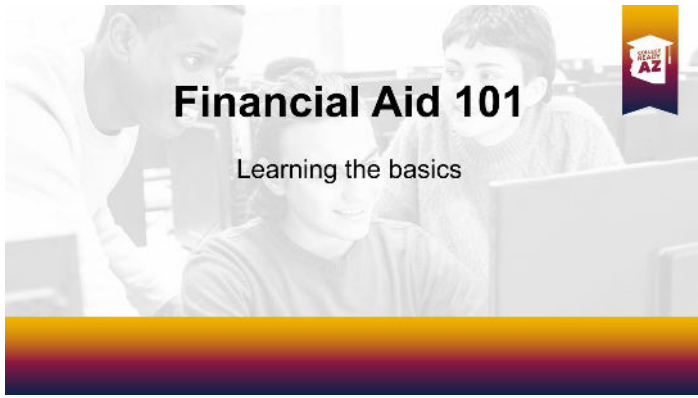# Financial Aid 101 Presentation Script

This presentation intended to be shared with students, parents, and anyone who may be supporting college-going efforts. Please note that each college, university, and trade or technical school will have their own financial aid office. This will provide a foundation of understanding for those unfamiliar with post-secondary financial aid.

Review the following script and accompanying presentation before presenting. You can find additional FAFSA completion resources at Collegereadyaz.com.

Financial Aid 101 Learning the basics	Welcome all attendees and introduce the presenter(s).
Agenda — What is financial aid? How to apply After the FAFSA	Introduce the agenda for the event. We will be discussing three topics for this event with the goal that you will know what financial aid is, how to apply for financial aid, and what to expect after completing the FAFSA.
What is financial aid?	Let's begin with "what is financial aid?"

Types of financial aid
studentaid.gov/understand-aid/types

Financial aid is money to help pay for college or career school. Grants, work-study, loans, and scholarships help make college or career school affordable.

Grants   **Work-study**   **Scholarships**   **Loans**

Financial aid is any money that helps pay for college or career school. There are four main types of financial aid: grants, work-study, scholarships, and loans.

Grants
studentaid.gov/understand-aid/types/grants

Grants typically do not need to be repaid

They can come from the federal government or the institution you are attending

Eligibility for grants is determined based on financial need

Complete your FAFSA early to be considered for institutional grants

Common federal grants:

- Pell grant
- Federal Supplemental Educational Opportunity grant
- Teacher Education Assistance for College and Higher Education (TEACH) grant

Grants are typically free money, you do have to repay them. Grants could come from the federal government or from the institution you are attending. You don't need to apply for individual grants. You will be evaluated for grants when you complete the Free Application for Federal Student Aid, also known as the FAFSA. Eligibility for grants is determined based on financial need.

There are a few common federal grants: Pell grant, Federal Supplemental Educational Opportunity grant, and the Teacher Education Assistance for College and Higher Education (TEACH) grant.

Work-study jobs
studentaid.gov/understand-aid/types/work-study

Federal work-study allows you to earn money to pay for school by working part-time

These jobs can be on or off campus

They are a great way to gain skills for future employment

You will be paid directly from your employer – work-study income does not apply directly to your education expenses

Federal work-study is a program that allows eligible students to earn money to pay for school by working part-time. These can be on or off-campus jobs and are a great way to gain skills for future employment.

Federal work-study may be listed in a student's financial aid offer, but it is aid that is earned. The student will work and be paid by their employer. The aid will not apply directly to your education expenses. The student is responsible for using this earned income for their educational expenses.

Please note that federal work-study is different from traditional student employment. A student may not be eligible for federal work-study, but they can still apply for on-campus jobs

Scholarships

Many institutions offer scholarships based on your academic performance in high school, often referred to as a merit scholarship.

There are thousands of application based scholarship opportunities that are awarded based on a student's academics, talents, traits, interest, financial need, where you are from, where your parents work and many other factors.

Contact the schools you are applying to in order to learn more about application based scholarship opportunities.

Scholarships are everyone's favorite type of financial aid because they are free! Many institutions will offer students scholarships based on their academic performance in high school. These are commonly referred to as merit scholarships.

There are thousands of application based scholarship opportunities that are awarded based on a student's academics, talents, traits, interest, financial need, where you are from, where your parents work and many other factors.

Contact the schools you are applying to in order to learn more about application based scholarship opportunities or visit the site linked at the top of this slide.

Loans

Federal student loans have a fixed interest rate that is typically lower than private loans

- Direct Subsidized Loan – only available to students who demonstrate financial need based on their FAFSA. This loan does not accrue interest until 6 months after graduation or dropping below half-time enrollment.
- Direct Unsubsidized Loan – offered to all students eligible for federal student aid. Unsubsidized loans start accruing interest once they disburse.

Repayment doesn't begin until 6 months after graduation or dropping below half-time enrollment.

Student loans could be a useful tool to help you pay for your education in addition to the other aid we have covered. It is important that you understand that loans are money that you borrow and have to repay with interest.

Federal student loans have a fixed interest rate that is typically lower than private loans. There are two types of federal student loans: subsidized and unsubsidized.

The Direct Subsidized Loan is only offered to students who demonstrate financial need based on their FAFSA. This loan does not accrue interest until 6 months after a student graduates with their degree or certificate, or 6 months after dropping below half-time enrollment (below 6 credit hours).

The Direct Unsubsidized Loan is offered to all students eligible for federal student aid. Unsubsidized loans start accruing interest once they disburse.

Repayment for both the subsidized and unsubsidized loans does not begin until 6 months after graduating with a degree or certificate, or 6 months after dropping below half-time enrollment (below 6 credit hours).

Loans

studentaid.gov/understand-aid/types/loans/subsidized-unsubsidized

Year	Dependent undergraduate student	Independent undergraduate student
First year (0-24 credits)	$5,500	$9,500
Second year (25-55 credits)	$6,500	$10,500
Third year Fourth year (56+ credits)	$7,500	$12,500
Maximum total debt from federal student loans when you graduate (i.e., your aggregate loan limits)	$31,000	$57,500

There is a limit to how much students are allowed to borrow. Loan amounts vary based on the number of college credits a student has completed and their dependency status. Dependency status is determined by a series of questions on the FAFSA form. You can learn more about dependency status on studentaid.gov.

An incoming dependent first-year student with 0-24 credit hours completed will be offered up to $5,500 in federal student loans. This may be a combination of subsidized and unsubsidized loans or only unsubsidized loans, depending on a student's financial need.

$5,500 is the maximum loan amount a student will be offered; however, the student can accept as little or as much of that dollar amount as they need. If you only need to borrow $1,000 to help with the cost of a laptop or a portion of a meal plan, you can do so. You do not need to accept the full loan amount that is offered to you.

Loans

studentaid.gov/understand-aid/types/loans

Parent PLUS Loan

- Parents may apply for this loan, it is not guaranteed that all applicants will be approved for the Parent PLUS loan
- Application for the Parent PLUS loan requires a credit check – you may be eligible to receive the Parent PLUS loan if you meet additional requirements
- Repayment begins within 60 days of full disbursement

Another type of loan is the Parent PLUS Loan. This loan may be offered as part of a student's financial aid offer; however, this loan requires that the parent submit a separate application through studentaid.gov to determine eligibility based on a credit check. It is not guaranteed that all applicants will be eligible for the Parent PLUS loan.

The Parent PLUS loan typically has a higher interest rate than federal student loans and repayment begins within 60 days of full disbursement.

Loans

studentaid.gov/understand-aid/types/loans

Responsible borrowing tips:

- Only borrow money that you need
- Make a plan for repayment – loans don't just go away
  - Learn about starting salaries for your field of study
- Ask your school or loan servicer how withdrawing from school will affect your loan
- Make payments on time

Here are some helpful tips if you are considering borrowing a loan:

1. Only borrow money that you need. You don't have to take the full amount that is offered.
2. May a plan for repayment. Research starting salaries for your field of study and estimate how much you will be able to pay.
3. Ask your school or loan servicer how withdrawing from school will affect your loan if you're considering taking a break

	in your education. 4. Make payments on time. There are significant penalties for missed payments.
Arizona Promise Program collegereadyaz.com/promise/ This program covers a qualifying student's tuition and fees at an Arizona public university if they meet the following criteria: 1. Be an Arizona resident, graduating from an Arizona high school with a 2.5 GPA or higher 2. Complete the FAFSA and apply to one or more of Arizona's public universities by April 1 of their senior year 3. Eligible to receive the federal Pell grant 4. Enroll at ASU, NAU or U of A The Arizona Promise Program is renewable for a total of four consecutive years if the student remains Pell eligible, completes 24+ credits each academic year and maintains a 2.5 GPA or higher.	The Arizona Promise Program covers a qualifying student's tuition and fees at an Arizona public university if they meet the following criteria: 1. Be an Arizona resident, graduating from an Arizona high school with a 2.5 GPA or higher 2. Complete the FAFSA and apply to one or more of Arizona's public universities by April 1 of their senior year 3. Eligible to receive the federal Pell grant 4. Enroll at ASU, NAU or U of A The Arizona Promise Program is renewable for a total of four consecutive years if the student remains Pell eligible, completes 24+ credits each academic year and maintains a 2.5 GPA or higher.
How to apply for financial aid	Now that we've covered the basics, let's look at how to apply for financial aid.
FAFSA studentaid.gov/fafsa The Free Application for Federal Student Aid, also known as **FAFSA**, allows students to be evaluated for federal, state and institutional financial aid opportunities. This form is **free** and should be completed by all eligible students each year in order to maximize your financial aid package. Students entering college, university, or technical schools fall 2026 should complete the 2026-2027 FAFSA form.	The FAFSA is an acronym for the Free Application for Federal Student Aid. This is a form that allows a student to be evaluated for federal, state, and institutional financial aid. The first "F" in FAFSA stands for "free". You do not need to pay to apply for financial aid. All eligible students should complete the FAFSA form each year in order to maximize their financial aid package. You should complete the 2026-2027 FAFSA, if you are planning to enroll at a college, university, technical or trade school during the 2026-2027 academic year.

FAFSA studentaid.gov/fafsa The FAFSA opens October 1 every year Each institution sets their own FAFSA priority date or deadline - be sure to complete your FAFSA early in order to be evaluated for the maximum amount of federal, state, and institutional aid.	The FAFSA opens on October 1 each year. Students should complete the FAFSA by the priority date at the institution they are attending or planning to attend in order to be evaluated for the most financial aid opportunities.
Federal aid eligibility studentaid.gov/understand-aid/eligibility **Students** must meet the following criteria: • Be a U.S. citizen or eligible noncitizen (including permanent residents, refugees and asylees) • Attend a participating college or university • Enroll in a degree-seeking program • Maintain satisfactory academic progress (SAP) ○ Check with your institution to determine its standards	A student must meet the following eligibility requirements in order to receive federal financial aid: 1. The student must be a U.S. citizen or eligible noncitizen. This includes students that are permanent residents, refugees, asylees along with a few other noncitizens. You can learn more about eligible noncitizens on studentaid.gov. 2. The student must attend a participating college or university. There are over 90 institutions in Arizona that receive federal student aid ranging from trade schools and community colleges to the three public universities. 3. Students must enroll in a degree-seeking or other eligible certificate program 4. Students must also maintain Satisfactory Academic Progress (SAP). SAP requirements can vary by institution. SAP typically includes meeting a specific grade point average requirement, passing a certain percentage of coursework attempted, and completing a specific number of credits each academic year. Students are encouraged to contact the institution they attend to make sure they are meeting SAP criteria.

Let's review some helpful vocabulary before looking at the FAFSA form. Some of these terms may be familiar; however, they have a specific definition on the FAFSA form.

1. Contributor – anyone who is providing information on the FAFSA form (e.g., student, student's spouse, or student's parents).
   a. Most students will be inviting their parent(s) to contribute information on the FAFSA form.

2. Parent – the student's biological or adoptive parent or stepparent (regardless of who may claim the student on tax their tax return
   a. Please note that "parent" does not necessarily mean "the person who claims the student on taxes".

3. Dependency Status – students answer a series of questions on the FAFSA to determine whether the student is considered dependent or independent. Dependent students will need parental information in order to submit the FAFSA form

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The student will need to create their own studenaid.gov account (formerly known as the FSA ID) before they can begin the FAFSA. If additional contributor information is needed to complete the student's FAFSA, then the parent(s) or spouse will need to create their own studentaid.gov accounts as well.

Students and other contributors should gather the following materials before beginning the FAFSA form.
1. Studentaid.gov account username and password
2. Social Security number or Alien Registration number
3. 2024 tax information, if applicable. Students likely will not have filed taxes; however, they will need to report any income earned in 2024 as well.
4. Current balance of cash, checking, and savings accounts. You can use your banking app and calculate the total value

	of these accounts. 5. Records of net worth of investments (retirement accounts are not included). 6. Records of untaxed income, if applicable. Untaxed income includes Social Security and child support payments received.
	Visit the link shown here to create your studentaid.gov account. Each person contributing information to the FAFSA form must have their own account with a unique email address and phone number. Parents without a Social Security Number can now create a studentaid.gov account, but will need to answer additional questions to verify their identity. Federal Student Aid has worked with the Social Security Administration to create a new process to instantly verify your identity when creating an account on studentaid.gov.
	Once your account has been created, you can log into studentaid.gov. You can use your username, or your verified phone number or email address to login. If you have forgotten your username or password, or otherwise need assistance logging into your account, select the appropriate assistance button on the login page.
	Select FAFSA from the top menu bar once you have logged into your account, then select the 2026-2027 FAFSA form. Please note that there are two FAFSA forms displayed on this page. The 2025-2026 FAFSA form, listed at the bottom of the image, is for students enrolling at a college or university during the 2025-2026 academic year and want to apply for federal financial aid for this academic year. Do not select this option if you are taking dual enrollment coursework.

After the FAFSA

After the FAFSA	Let's review what the student can expect once the FAFSA has been completed.

After the FAFSA
studentaid.gov/fafsa

Students will receive their **FAFSA Submission Summary** once their FAFSA has been submitted. The FAFSA Submission Summary is a summary of all responses provided on the FAFSA form and contains an estimate of the student's federal aid eligibility along with your **Student Aid Index (SAI)**.

Your **SAI** is an index number calculated by completing the FAFSA used to determine eligibility for federal student aid.

Federal Student Aid will send your FAFSA data to the schools you listed on your FAFSA form once your FAFSA has been processed (processing typically takes 3-5 business days).

Students will receive their FAFSA Submission Summary once their FAFSA has been submitted. The FAFSA Submission Summary is a summary of all responses provided on the FAFSA form and contains an estimate of the student's federal aid eligibility along with your Student Aid Index (SAI).

Note that the FAFSA Submission Summary is an estimate of a student's eligibility for federal financial aid. The student may need to complete financial aid verification tasks in order to determine actual aid eligibility.

Your SAI is an index number calculated by completing the FAFSA used to determine eligibility for federal student aid.

Federal Student Aid will send your FAFSA data to the schools you listed on your FAFSA form once your FAFSA has been processed (processing typically takes 1-3 business days).

After the FAFSA
studentaid.gov/fafsa

Contact each school that you listed on your FAFSA to confirm that your FAFSA has been received and determine when the school will begin awarding financial aid.

Approximately 1 in 3 students is selected for **financial aid verification**. If selected, the student will need to provide additional information to each institution listed on the FAFSA in order to receive their financial aid offer.

Once your file is complete, you will receive an official notification from each school that you apply to and send your FAFSA to. The **Financial Aid Offer** will contain all grants, scholarships, loans, and work-study you have received.

Students should contact each school that was listed on the FAFSA form to confirm that the FAFSA was received and learn when the student can expect their financial aid notification. Some schools have an online student portal where students can view their admission and financial aid status (e.g., My ASU or My Maricopa accounts).

Approximately 1 in 3 students are selected for financial aid verification.If selected, the student will need to provide additional information to each institution listed on the FAFSA in order to receive their financial aid offer.

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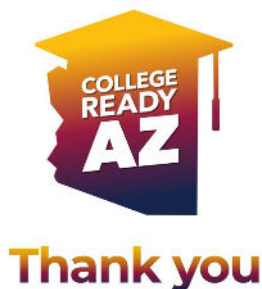|	apply to and send your FAFSA to. The Financial Aid Offer will contain all grants, scholarships, loans, and work-study you have received.
After the FAFSA studentaid.gov/fafsa **Cost of attendance (COA)** is the estimated total cost to attend an institution including tuition, fees, housing, food, books, supplies, travel, and personal expenses. Use your Financial Aid Offer along with your school's cost of attendance to determine what your estimated out of pocket cost will be. Compare your estimated costs at each institution to make an informed financial decision about which school to attend.	Cost of attendance (COA) is the estimated total cost to attend an institution including tuition, fees, housing, food, books, supplies, travel, and personal expenses. Use your Financial Aid Offer along with your school's cost of attendance to determine what your estimated out of pocket cost will be. Compare your estimated costs at each institution to make an informed financial decision about which school to attend.
COLLEGE READY AZ **Thank you**	Thank you for attending this session on financial aid. Please visit collegereadyaz.com to learn more about financial aid and receive support in the college-going process.