

How Financial Aid Works

Federal
Student
Aid

Finding student aid can seem overwhelming when you're trying to get ready for college or career school. The U.S. Department of Education's office of Federal Student Aid is here to help you get the money you need to pay for your education.

Start →



1 Start Planning Early

Plan how to pay for college or career school before you start. Ask school counselors and the financial aid office about state, school, and nonprofit grants and scholarships you can apply for. Be sure to meet application deadlines. Many states have limited funds, so understand your state's requirements and apply early to be eligible for as much aid as possible.

★ It's time to apply for federal student aid.

2 Fill Out the FAFSA® Form

Before each year of college or career school, apply for federal student grants, work-study funds, and loans with the *Free Application for Federal Student Aid* (FAFSA®) form. Your college or career school uses your FAFSA data to determine your federal student aid eligibility. Many states and schools use FAFSA data to award their own aid.



StudentAid.gov 🔍

Visit [StudentAid.gov/afsa](https://studentaid.gov/afsa)

Each fall, the FAFSA form is available for the next school year. Make sure to fill out and submit the FAFSA form each year you are in college or career school. It's best to fill it out as early as you can because state aid may be limited. When you complete the FAFSA form, you'll need to provide personal, financial, and federal tax information. Each contributor on the FAFSA form must provide their consent and approval to retrieve and disclose federal tax information for the student to be eligible for federal aid.

FAFSA Submission Summary

After you submit your FAFSA form, you'll receive your FAFSA Submission Summary, which has the information you included in your form. Review it and make corrections if needed.



3 Aid Offer

Your aid offer explains the combination of federal student grants, loans, and work-study funds a school offers you. The offer might also contain state and institutional aid. If you receive aid offers from multiple colleges or career schools, you should compare them and decide which school is best for you.

- ★ Your FAFSA form helps your school determine the types of federal student aid you are eligible to receive.

Types of Federal Student Aid

As the largest provider of financial aid, we provide grants, loans, and work-study funds.



Grants

Grants are funds that do not have to be repaid.



Loans

A loan is money you borrow and must pay back with interest.



Work-Study

A work-study job gives you an opportunity to earn money to pay your educational expenses.

4 Receiving Aid

Every year, each school determines its own schedule for disbursing (paying out) aid, partially determined by when you submitted all required paperwork. Your college or career school has a financial aid office to help guide you along the way.



- ★ Beyond Education

5 Graduate and Start Repayment

As you prepare to graduate, get ready to repay your student loans. Choose a repayment plan that's best for your goals. Income-driven repayment plans base your monthly payment amount on your income and family size.

- ★ If you start falling behind on your payments, contact your loan servicer to discuss repayment options.

