

FINANCIAL AID: WHAT IS IT AND WHERE DOES IT COME FROM?

Types of Financial Aid

1. **Need-based** - based on student / family financial circumstances
2. **Merit-based** – based on a student’s talents and performance – merit scholarships are awarded for academics, athletics, extracurricular involvement, art, theater, music, journalism and more

*Note: Residency, future job plans, alumni ties and other factors also can be criteria for awarding some need-based and/or merit-based grants and scholarships.

Sources of Need-Based Financial Aid (Undergraduate Study)

1. Federal Government

- ⇒ Federal Pell Grant
- ⇒ Federal Supplemental Educational Opportunity Grant (FSEOG)
- ⇒ TEACH Grant (grant available if you plan to become a teacher)
- ⇒ Federal Work-Study
- ⇒ Federal Perkins Loan
- ⇒ Direct Subsidized Loan

2. State Government (Indiana)

- ⇒ Frank O’Bannon Grant Program
 - Higher Education Award (grant)
 - Freedom of Choice Award (additional grant given to students attending private colleges in Indiana)
- ⇒ Part-time Grant (grant award for students attending classes part-time)
- ⇒ EARN Indiana (experiential, paid internships)
- ⇒ You Can. Go Back. Initiative
 - Started to help the 750,000+ adults who did not finish college get a degree
 - Scholarships, tuition discounts, and \$1000 in state grants are all available on a first come, first serve basis

3. **Colleges and Universities** – The availability and amount of need-based grants and scholarships will vary widely among colleges and universities.

4. **Community & Private Sources (Employers, Foundations, Civic Organizations, etc.)** – Check with local and national scholarship providers for their selection criteria – many scholarships may be awarded based on merit as well as financial need.

Sources of Merit-Based & Other Financial Aid (Undergraduate Study)

1. Federal Government

- ⇒ Direct PLUS Loan (loan available to credit-worthy parents with undergraduate students, as well as graduate students)*
- ⇒ Direct Unsubsidized Loan*
- ⇒ Iraq & Afghanistan Service Grant*

2. State Government (Indiana)

- ⇒ Twenty-First Century Scholarship (grant given to students who meet certain financial criteria at the time of enrollment in the 7th or 8th grade year and fulfill program’s pledge)
- ⇒ The Mitch Daniels Early Graduation Scholarship (scholarship for students who graduate from a publicly supported high school at least one year early)*
- ⇒ Minority Teacher Scholarship
- ⇒ Indiana National Guard Supplemental Grant*
- ⇒ Child of Veteran and Public Safety Officer Supplemental Grant Program*
- ⇒ Other Indiana Scholarships/Grants – visit www.in.gov/che/4498.htm

3. **Colleges and Universities** – The availability and amount of merit-based grants and scholarships will vary widely among colleges and universities. The criteria for merit-based awards also will vary.

4. **Community & Private Sources (Employers, Foundations, Civic Organizations, etc.)** – Check with local & national scholarship providers for their selection criteria – some scholarships may be awarded based on need in addition to merit criteria.



REMEMBER!

1. **Grants & Scholarships** – Money doesn’t have to be repaid
2. **Loans** – Money must be repaid (although students usually can defer payment while in school full-time or in a grace period)
3. **Jobs** – Money must first be earned

*No merit criteria involved.