

What is Financial Aid?

Financial aid is money to help you pay for college. It may be in the form of grants, scholarships, loans, work-study programs, or a combination. The aid comes from federal and state governments, colleges and universities, banks, and private organizations.

Applying to receive financial aid is a separate process from applying for admission to a college; you have to do both. For all government aid, and much private and institutional aid, you apply using the Free Application for Federal Student Aid, or FAFSA .

PRIMARY SOURCES OF FINANCIAL AID	
Grants	Grants are free money – they don't have to be repaid. Grants come from the state and federal government as well as from colleges. Generally, grants are based on financial need, which means that they are awarded based on your family's size and financial circumstances. One example of a grant is the Pell Grant from the federal government. For 2019-20, the maximum grant, which is available to students with the most financial need, was \$6,195.* To earn a Pell Grant, you must be a U.S. citizen or eligible noncitizen and must complete the FAFSA (Free Application for Federal Student Aid).
Scholarships	Scholarships are also free money and don't need to be repaid. Scholarships can come from a variety of places, from state and federal governments to colleges and private companies. Scholarships may be awarded based on your financial need, academic achievement, community service, athletic talent, and many other factors.
Loans	Loans are money that you borrow from a bank, government, or private lending company. A loan must be repaid with interest. Loans offered by the government often have lower interest rates and can be repaid over an extended period of time. Visit www.studentloans.gov for more information.
Work-Study	Work-Study allows you to receive funds through part-time employment while you are enrolled in college and can help you pay part of your college costs. Unlike other campus jobs, students apply for Work-Study by submitting the Free Application for Federal Student Aid (FAFSA).

**This amount may change every year.*

Sources of Financial Aid

Very few students get all of their financial aid for college from one source. When you are searching for financial aid, consider a wide variety of options and apply to as many programs as possible. Here are some common types of organizations that offer financial aid:

- **Your College:** Colleges and universities offer financial aid programs for their students. Visit the financial aid webpages of every college you are considering and apply for all of the scholarships you think you might be eligible to receive.
- **The Community:** Nonprofit organizations, foundations, and businesses often provide scholarships as a community service. To find these programs talk to your counselor or check out the scholarship finder on www.CollegeforTN.org.
- **The Government:** The Federal Government offers over \$150 billion in aid each year. Likewise, Tennessee offers millions of dollars to its students. To qualify for aid from the State of Tennessee, students must be a U.S. citizen or eligible non-citizen (with some exceptions), a Tennessee resident one year prior to the application deadline, and complete the FAFSA.