

College Financial Aid Options Answer Key

Name: _____ Date: _____

Directions: Answer True or False to each of the following statements:

1. Pell Grants are based on need and never need to be repaid, even if you drop out of school during the semester.

FALSE. While they are based on need, you are required to repay them if you drop out of school during the semester they are awarded.

2. Grants and scholarships are different from loans. Most grants and scholarships do not require repayment while loans do require repayment with interest.

TRUE

3. Most scholarships and grants have some type of eligibility required such as grades, need, demographics, etc.

TRUE

4. Work-study is required for all students who complete the FAFSA.

FALSE. Work-study is one of the options available for students who complete the FAFSA, but students are not required to accept it.

5. Most scholarships and grants are automatically renewed each year, meaning students do not need to reapply or meet any eligibility criteria.

FALSE. Most scholarships and grants are not automatically renewed and require students to reapply annually.

6. Subsidized loans are preferable to unsubsidized loans.

TRUE

7. Perkins Loans are a special type of private loan, available only to low-income families.

FALSE. Perkins Loans are a special type of government student loan.

8. Only students who want to apply for federal loans need to complete the FAFSA.

FALSE. The FAFSA is required for almost all financial aid options.

9. You should expect to pay a small fee when submitting the FAFSA or applying for scholarships, loans, and grants.

FALSE. The FAFSA and applications for almost all scholarships, loans, and grants is free.