



Financial Aid – Learn how to get the money you need to attend the college you want!

In this activity, you’ll learn how to find the money you need to attend the college you want. You’ll also think through the trade-offs you and your family will need to make to get access to that money.

Step #1: Background information on how much college costs.

Step #2: Sources of funding for college and how to get access to those funds.

Step #3: Thinking through how money will influence your college decision.

Step #1: Background information on how much college costs.

College is expensive, but it is important to remember that with effort and persistence, you can find the money to attend the college you want to attend! You can get the Financial Aid you need!

The average cost for 4 years of different types of colleges is listed below:

- In-state Public Colleges: \$73,700
- Out-of-state Public Colleges: \$118,500
- Private Colleges: \$150,000

While the investment is large...the payoff for attending college is even larger...the differential in earnings over a lifetime between high school and college graduates is \$1,000,000!

(Source: U.S. Census Bureau: <http://www.ndt-ed.org/Careers/Placement&Pay/CollegeIsImportant.htm>)

A very important point to realize is that every student can find financial aid to attend the college of their choice. You may need to take out loans to attend college...so you’ll be leaving school with debt, but you won’t be alone:

- 2 out of every 3 students leave college with debt. (Source: <http://articles.moneycentral.msn.com/CollegeAndFamily/MoneyInYour20s/HowToBlitzYourCollegeDebts.aspx>)
- The average debt is \$20,000 and having much more debt than that is very common: (Source: http://www.usatoday.com/news/education/2005-03-27-grad-debt_x.htm)
- The median monthly loan payment for students is 6.7% of their monthly salary.

With work, you can find resources to attend the college you want to attend. Below is more information about how to find the money to achieve your college goals:



Step #2: Sources of funding for college and how to get access to those funds.

All students can get funding to attend college:

- Funding is available from the federal government, state government, your college, and private foundations and groups.
- If you are organized and take care of your paperwork, you can get funding to pay for college!

There are several different types of funding available to students:

Grants: Grants are the best kind of financial aid. These are monies you do not need to pay back. Maximizing the number of grants you get is important.

Loans: There are many types of loans you can get in order to pay for college. Some of these are subsidized by the federal government (Stafford Loans). You can get other loans from banks; the interest rates (the cost of these student loans) is relatively low and you don't need to start paying them back until 6 months after you graduate from college.

Work Study: A certain type of financial aid colleges offer is work-study, where you can work several hours per week on campus and get paid for it.

There are several forms you need to fill out in order to get financial aid:

[FAFSA](http://www.fafsa.ed.gov) - Free Application for Federal Student Aid (www.fafsa.ed.gov)

The two key words here are FREE and REQUIRED. Filling out the FAFSA does not cost you anything, and it is required in order for you to get financial aid from the federal government, colleges, and universities. The website (www.fafsa.ed.gov) will guide you through the process of filling out the form.

[CSS Profile](http://profileonline.collegeboard.com) - College Scholarship Service Profile (profileonline.collegeboard.com)

The CSS Profile has a fee, but not every college requires it. Many private universities require it in order for you to get financial aid from the school. In a later exercise, you'll learn about the Master Planning Sheet, where you can track all of the schools that require the Profile. You can check on the website above to see if the schools you're applying to require the CSS Profile.

College Form: Many colleges require students to fill out a separate form. This form can request detailed financial information.



Where to get scholarships from private foundations and organizations:

[FinAid!](http://www.finaid.org) - The Smart Guide to Financial Aid (www.finaid.org)

Go to this site to find many sources of information on financial aid and scholarships.

[FastWeb!](http://www.fastweb.org) - Free Scholarship Search (www.fastweb.org)

This site is the nation's largest listing of scholarships, and you can search it for free after registering with the site.

[CollegeNet Scholarship Search](http://www.collegenet.com) (www.collegenet.com)

This site is another scholarship database where you can find scholarships that are a good fit for your background. Once you fill out the basic forms once, you can use it again to complete other scholarship applications.

Be Assertive in Getting the Financial Aid You Deserve:

If school "A" provided better financial aid than school "B", but you really want to attend school "B", call up School "B" and ask them to match the offer from School "A." Sometimes they will.

