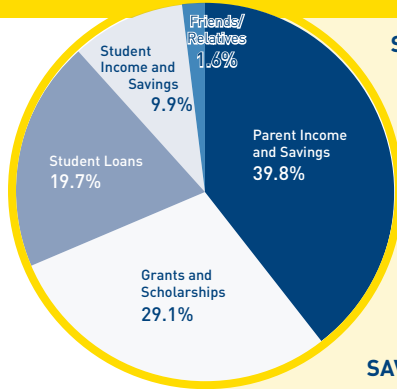


how families pay for college



SCHOLARSHIPS – awarded based on academic excellence or talent; some may require applicants to show financial need. Scholarships do not need to be repaid.

GRANTS – a form of institutional, federal or state aid that does not need to be repaid. Grants typically are given to people with demonstrated financial need.

LOANS – agreements in which money is given over a period of time, during which the borrower owes the initial amount plus interest at some future time. For subsidized loans, the interest and principal payments are deferred until six months after graduation. For unsubsidized loans, interest accrues while the student is in school and payments may be deferred until after graduation.

SAVINGS – money that has been saved for higher education costs.

INCOME – parent and student contributions from a job or other income source.

“How Do Most People Pay for College?” bestcolleges.com, Oct. 10, 2023

TIMELINE

Freshman and sophomore years

- Focus on good grades to help qualify for scholarships and grants that consider academic performance.
- Start (or continue) saving for college.
- Discuss your family’s college financing plan.
- Consider summer programs that offer scholarships for the colleges you are considering.

Junior year

- Continue performing well in school to qualify for academic scholarships.
- Consider making some early college visits, thinking about what experiences will be valuable to you in college.
- Sign up for profiles on scholarship sites (collegeboard.com, collegeNET.com, fastweb.com, scholarship.com, etc.).
- Search and keep a record of local scholarships and deadlines, so you can prepare for them during your senior year. Consider writing some essays over the summer based on prompts from identified scholarships.
- Discuss your family’s college financing plan; discuss your college plans with your financial advisor, if you have one.

Senior year

- (summer, fall) Complete any early estimate forms required or offered by the colleges you are considering.
- (summer, fall) Visit schools, ask financial aid questions, determine college-specific scholarship deadlines.
- (fall-spring) Complete all financial aid paperwork required by schools you are considering.
- Complete the FAFSA (Free Application for Federal Student Aid) once it is available (Dec. in 2023, Oct. in prior years).
- (winter-spring) Receive financial aid packages from colleges, and discuss financing plan.
- (May 1) This is National Candidates Reply Date for four-year colleges and universities—the final day to send your tuition deposit to the school of your choice.
- (summer) Complete loan applications/master promissory notes.
- (summer) Determine a financing plan before school begins.

QUESTIONS TO DISCUSS AS A FAMILY

How will we pay for college?

Have we saved for college? How much?

Do we have any special financial circumstances (medical bills, private school tuition, parent in college, etc.)?

Do we plan to complete the FAFSA?

Do we plan to take out student loans?

Do we plan to take out parent loans?

Do we understand the difference between a college “sticker price” and the “net cost”?

What college opportunities do we think are worth more than what other colleges offer?

Is our student planning to work while in school? During breaks? What are the expectations for earned income?

QUESTIONS TO ASK COLLEGES/UNIVERSITIES YOU ARE CONSIDERING

How do we apply for scholarships?

Are there non-academic scholarships or grants, and what is the process to apply?

What are the deadlines for scholarships and financial assistance?

When should I complete the FAFSA?

What financial aid is available if I do not fill out the FAFSA?

Which forms do I complete (government and institution-specific) to receive financial assistance?

Do you have an early estimate form? What is that process?

Is your Net Price Calculator a good indication of financial assistance? Why or why not?

What is the typical yearly increase in tuition? Fees? Housing and dining?

What’s the average loan amount for graduates?

What payment options are available (e.g., per term, monthly, etc.)?

How many students take longer than four years to graduate?

What is the average difference between your “sticker price” and the actual “net cost”?