

# **PAYING FOR COLLEGE**

**Understanding  
College Costs and  
Ways to Pay**





From (1) finding the best fit, (2) to meeting application deadlines, (3) to figuring out how to pay for it all, the college process can be daunting and intimidating. 1-2-3 Go! Virginia's Three Steps to College offers a series of informational and hands-on events to help Virginia students and families through the three steps to GO to college — Prepare, Apply and Pay. To learn more, visit [www.schev.edu/123Go](http://www.schev.edu/123Go).



**STATE COUNCIL OF HIGHER  
EDUCATION FOR VIRGINIA**

**101 North 14th Street  
James Monroe Building, 10th Floor  
Richmond, VA 23219  
804-225-2600  
[www.schev.edu](http://www.schev.edu)**

# *Think you can't afford college?*

## Think again!

There are multiple ways to pay for college, including some free ones, making a higher education more affordable and leaving you with less student debt! Keep reading for information on ways to pay for college and steps to apply for financial aid.

**IMPORTANT RESOURCE:** ECMC, a non-profit education and funding group, publishes the *Opportunities: Preparing for College Guide & Workbook*. We reference specific pages of the 2019-20 guide throughout this booklet, but be sure to review the entire guide for more detailed information about college costs, the financial aid application process, available financial aid programs and more.

Visit your high school counselor to request a copy of this guide or download it at [ECMC.org/opportunities](http://ECMC.org/opportunities).

A new version of the guide is published each fall.



# COLLEGE COSTS



The cost to attend college can seem overwhelming, but students should know that the advertised “sticker” price of a college’s tuition and fee charges are not necessarily what they will pay out of pocket. With the assistance of financial aid, many students pay far less.

Six major components determine your cost to attend college. Often referred to as the student’s “Cost of Attendance,” they include 1) tuition, 2) fees, 3) room and board, 4) books and supplies, 5) transportation expenses and 6) personal expenses, and are divided into direct and indirect costs.

**Direct costs** are charges billed by the college and include:

- Tuition
- Fees
- Room and board

**Indirect costs** are additional expenses that you need to consider when determining the total cost to attend college and include:

- Books and supplies
- Transportation expenses
- Personal expenses

Make sure you understand what your financial aid will cover versus what you will have to pay out of pocket.

*See pages 11-13 of the Opportunities guide.*

# WAYS TO PAY FOR COLLEGE

Financial aid comes from many different sources and includes grants and scholarships, work-study, loans and other tuition waiver and savings programs. Students can use a combination of these financial aid sources to make college even more affordable.

## Grants & Scholarships

This is free money which does not need to be repaid. The more you apply for, the better your chances of reducing the amount you pay out of pocket. Grants and scholarships – of any size – are valuable because they may cover tuition, fees, room and board and/or books. Most grants and scholarships are awarded based upon financial need or merit, such as academic achievement.

*See pages 19-23 and 31-33 of the Opportunities guide.*

## Work-Study

The federal work-study program is a way for students with financial need to earn money to help pay for college expenses. Students work part time on or off campus while enrolled in college and generally earn hourly federal minimum wages.

*See page 20 of the Opportunities guide.*

## Loans

Sometimes, grants and scholarships may not cover your entire tuition bill. In such cases, students can apply for loans, which is money you borrow that must be paid back with interest. Be sure to understand your options and responsibilities before signing on the dotted line. In general, it is better to borrow from the federal government, which offers lower interest rates, more borrower protections and better repayment options than private loans.

*See pages 20-21 of the Opportunities guide.*

## Tuition Waivers and Savings Programs

Certain students may qualify for a tuition waiver, which can significantly reduce or eliminate the amount of tuition paid. Waivers are available for adopted and foster children, senior citizens, employees, dislocated workers and others in special circumstances. To find what types of waivers are available, contact your preferred college's financial aid office. Other options to help reduce costs include the Academic Common Market (ACM) program and Virginia529 plans.

*See page 33 of the Opportunities guide.*



# STEPS TO APPLY FOR FINANCIAL AID

In Virginia and many other states, the Free Application for Federal Student Aid (FAFSA) is used to award federal and most state and college-based aid, so students should complete the FAFSA as early as October 1 of their senior year in high school.



## Gather your information

To complete a FAFSA, you need the following information:

- FSA ID (apply at [FSAID.ed.gov](https://fsaid.ed.gov))
- Social Security Number
- Prior-prior year federal income tax returns, W-2s, and other records of money earned (for example, you will need 2018 tax records for the 2020-21 FAFSA). You may be able to use the IRS Data Retrieval Tool.
- Bank statements and records of untaxed income and investments
- Alien registration card (if not U.S. citizen)

*See page 14 of the Opportunities guide.*



## Complete your FAFSA at [FAFSA.gov](https://fafsa.gov)

You can complete the FAFSA beginning October 1 of each year. Check with your preferred colleges for specific deadlines and any additional application requirements, such as the CSS Profile.

*See pages 18-19 and 34-37 of the Opportunities guide.*





## **Apply for scholarships**

Start your search online using a credible website, such as Fastweb.com.

*See pages 21-23 of the Opportunities guide.*



## **Review your Student Aid Report (SAR)**

After filing a FAFSA, you will receive a SAR from the U.S. Department of Education. Your SAR will provide a summary of your FAFSA information. Once received, make sure you review it and make any necessary corrections as soon as possible.

*See page 15 of the Opportunities guide.*



## **Compare financial aid packages**

Your SAR is sent to the financial aid office at the colleges you listed on your FAFSA. Colleges use this information to determine your financial aid packages. Packages will vary, so carefully review all offers. Contact the college financial aid office if you have questions.

*See pages 24-25 of the Opportunities guide.*





## Helpful Resources

**State Council of Higher Education for Virginia:** [SCHEV.edu](https://www.schev.edu)

- **1-2-3 Go!:** [SCHEV.edu/123Go](https://www.schev.edu/123Go)
- **“Pay” Toolkit:** [SCHEV.edu/pay](https://www.schev.edu/pay)
- **Financial Aid Programs:** [SCHEV.edu/financialaid](https://www.schev.edu/financialaid)
- **Financial Aid Deadlines:** [SCHEV.edu/financialaiddeadlines](https://www.schev.edu/financialaiddeadlines)
- **Academic Common Market:** [SCHEV.edu/ACM](https://www.schev.edu/ACM)

**ECMC Opportunities Guide:** [ECMC.org/opportunities](https://www.ecmc.org/opportunities)

**Federal Student Aid:** [StudentAid.ed.gov](https://studentaid.ed.gov)

**Free Application for Federal Student Aid:** [FAFSA.gov](https://fafsa.gov)

**College Navigator:** [NCES.ed.gov/collegenavigator](https://nces.ed.gov/collegenavigator)

**College Affordability and Transparency Center:** [CollegeCost.ed.gov](https://collegecost.ed.gov)

**Scholarship Search:** [Fastweb.com](https://fastweb.com)

**Questions?** If you have questions about college costs and financial aid, feel free to contact your preferred institutions' financial aid offices (FAO). The FAO is available to help families file applications accurately, process applications, verify eligibility and award federal, state and institutional aid and scholarships. They can also assist families, who might be dealing with extenuating circumstances, through the financial aid process.