

Planning for College

Dear Families,

It can never be too early to start saving for your child(ren) for college.

There are several resources through the state of Indiana that can help you start a savings plan now to prepare for the future.

You can also follow Learn More Indiana on Facebook and Twitter to find more tools to help you save for college. Follow them on Twitter @learnmorein or Facebook at Facebook.com/LearnMoreIN

What kind of savings account should I start for college?

Have you heard of Indiana's CollegeChoice 529 Savings Plan? It only takes \$10 to start and your account grows, free of taxes.

Website: www.collegechoicedirect.com

Another option is Upromise, an organization that helps families save money for college where part of what you spend on eligible purchases (such as groceries, gasoline and shopping) will be contributed automatically to your 529 Savings Plan.

Website: <https://www.upromise.com/>

Putting even a few dollars into a savings account each month can help! Talk with your bank or financial planner about safe investment options that offer better interest rate returns than a traditional savings account.

College Cost Estimator

Website: <https://www.indianacollegecosts.org/CCE/ESTIMATOR/AGREEMENT>

What it is: A website designed to help first-time undergraduates better understand the types of financial aid you may be eligible to receive and how financial aid can affect your actual cost of attending college.

How to Create a Budget

A budget tells how much you can afford to set aside after all your household expenses have been paid. Follow these steps below:

- Add up all your household income for the month.
- Add up your fixed expenses: essential costs like rent/mortgage payments, food, utility bills, car expenses (gas and insurance). These expenses should not vary too much month to month.
- Subtract your total fixed expenses from your total income.
- Take out an amount for college savings (as much as you think you can afford).

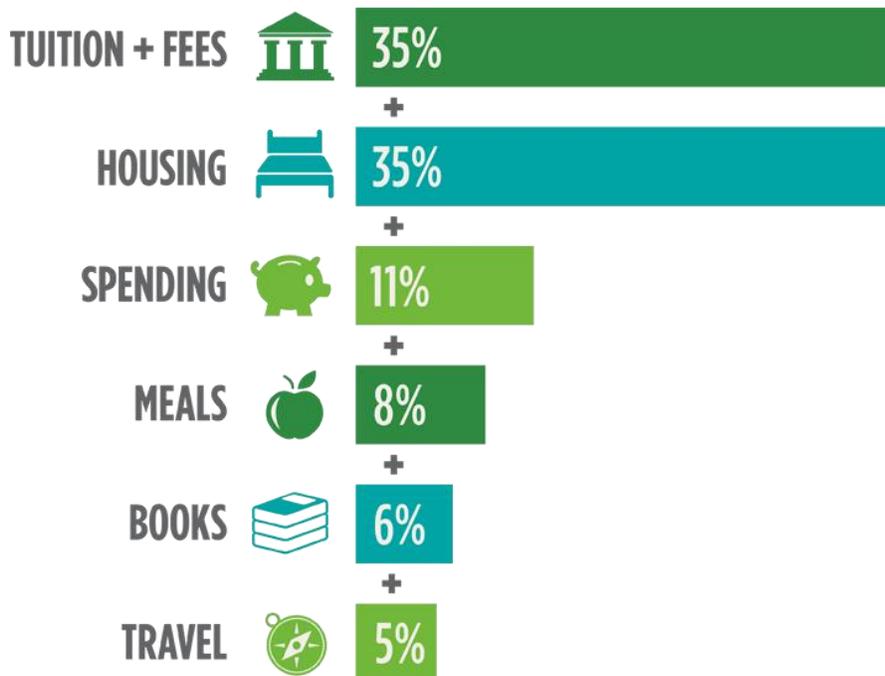
The money that remains can be spent on flexible expenses, such as entertainment and eating out, or put aside for those unexpected expenses that come up.

A Budgeting Worksheet: <http://learnmoreindiana.org/wp-content/uploads/2015/08/budgeting-worksheet.pdf>

What are typical college expenses?

Below is a graph of an estimated college costs for in-state residents at a four – year public university, from the Learn More Indiana website.

Website: <http://www.learnmoreindiana.org/cost/college-costs/typical-college-expenses/>



Based on estimated college costs for in-state residents at a four-year public university. (ABCnews.com via SayStudent.com)

What are Grants and Scholarships?

Grants are often need – based financial aid given to students going to college that does not have to be repaid. Federal grants can be awarded to students with financial need after filing the Free Application for Federal Student Aid (FAFSA). The FAFSA is filled out for families with a student preparing to go to college and filed each year the student is in college.

Scholarships are merit based financial aid awarded to students. Like grants, scholarships do not need to be paid back. There are thousands of scholarships available from numerous organizations. Scholarships can be awarded to students for academics, sports, performing arts, community involvement and more! It is never too early to start looking for scholarships for your child for school!

Information on scholarships if your child is younger than 13:

<http://www.finaid.org/scholarships/age13.phtml>

Finding Scholarships (older than 13): <http://www.learnmoreindiana.org/cost/financial-aid-and-scholarships/finding-scholarships/>

Types of College Loans

There are multiple loan types to choose from when thinking of a college loan. College loans are different from grants and scholarships because they have to be paid back. There are many avenues for loan options, all with varying interest rates and stipulations.

Check out the following website to learn more about the types of loans available:

<http://www.learnmoreindiana.org/cost/student-loans/types-of-loans/>

If you have any questions now, please feel free to contact your elementary school counselor!

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