



Creating an Aid Strategy

Anyone can apply for student aid, but creating a strategy is the best way to meet your education goals while minimizing your education debt.

How do you develop an aid strategy? Here are a few crucial topics to consider.

Choice of School

It might seem obvious, but your choice of school has major financial implications. Ultimately, your true cost (and possible education debt) all depends on the aid package offered by the school you attend. Some schools could have you graduating with little debt while others could present you with a substantial bill each year. Remaining flexible with school choices is a great way to minimize debt. That said, attending a particular school or living in a certain location is more important than college debt for some.

When comparing schools, keep in mind that the published "official" tuition is often higher than what's actually paid by the average student. Schools are now required to have online "net price" calculators that give you a personalized estimate of actual cost before you apply.

Don't let the published cost of a school deter you from exploring your options. The actual cost is often less than the sticker price after completing the aid process. The bottom line is that you won't know your true cost until completing the aid process.

Employment During School

Working during school is one of the best ways to minimize debt. But there could be hidden costs, especially for full time students - a job could be a distraction from academics. Studies have demonstrated that working more than 20 hours per week can reduce academic performance for full-time students. On the other hand, working fewer than 10 hours per week can actually have a positive effect on academic achievement. *

Determining the right balance of work, study, and debt is not always an easy task, but it's a choice that can also be adjusted over time.



Accounting Strategies

Resources to explore include books such as *Paying for College Without Going Broke*. Talking with a financial planner can also be well worth the charge for a basic consultation. Ideally, these strategies should be explored at least a year before applying for aid.

One important point to remember is that even the best aid strategy is useless if you don't succeed in school.

Some students even leave school before graduation because of financial problems, a truly worst-case scenario since education loans must then be repaid without the increased earning power of a degree. Taking on a high level of debt may also make sense for some students, but not for others.

If you aren't sure about the best way to pay for school, consider a consultation with a certified financial planner.

* *Inside Higher Ed, The Impact of Student Employment, June 2009*

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