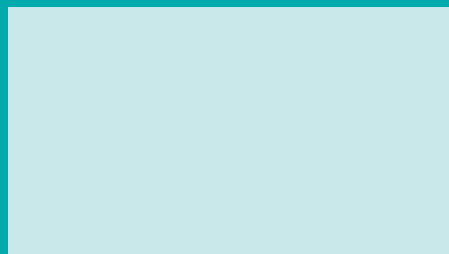




VALUING PEOPLE. VALUING MONEY.
MANAGING IN TOUGH TIMES INITIATIVE



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THIS MONTH'S TOPIC:

CONSIDERING COLLEGE? FILE YOUR FAFSA SOON

Backpacks have been packed and pencils have been sharpened for back-to-school time 2019-2020. But if college is in your future for the 2020-2021 school year, your process is just getting started.

Planning ahead can significantly reduce the cost of post-secondary education. If you hope to attend next fall, now is the time to start by filling out the Free Application for Federal Student Aid (FAFSA). This one federal form can help you get federal, state, and institutional financial aid for college or graduate school. The form is free at <https://fafsa.gov>.

The FAFSA for the 2020-21 school year opens Oct. 1, 2019. Knowing the start date is important because "first-come, first served" financial aid programs may run out of funds. Some colleges and universities offer institutional scholarships or grants, and those deadlines are often early in the year as well. Visit your chosen school's financial aid office or website for details.

Besides grants and scholarships, the FAFSA also may help you receive work study or federal student loans. Consider federal loans over private loans, since they may offer lower rates and other benefits. Remember that loans must be repaid, so don't borrow more than you need. While most scholarships and grants don't have to be paid back, there may be conditions you must meet to keep the funding. Make sure you understand the terms of any financial agreement you enter.





New this year, FAFSA went mobile with the myStudentAid app, and parents can help with the application process. Parents and students need separate IDs – they cannot share. Some tax information from 2018 will be needed to fill out the application form. The Kentucky Higher Education Assistance Authority offers a FAFSA checklist at <http://bit.ly/KHEAAchecklist> that may help you gather the information you need in order to apply.

Students now enrolled in their first year of college will need to update their FAFSA after the Oct. 1 start date for their continuing year of college. You must update the form each year you're in school to continue receiving funding.

Here are some additional tips to reduce the cost of college:

- Earn good grades in high school. In Kentucky, this determines your Kentucky Educational Excellence Scholarship (KEES) money and may help you get other scholarships.
- Strive for high test scores to earn KEES bonuses.
- Take the Advanced Placement (AP) test if you have completed the AP course. You earn college credits if you pass. While the test has a fee, it can be much less than the cost of taking the full college course.
- Take dual credit classes, if available.

Scholarships for up to two dual credit courses may be available for high school juniors and seniors. For more information, visit https://www.kheaa.com/website/kheaa/dual_credit?main=1.

- Be involved in clubs and organizations. It might help you on scholarship applications.
- Research and apply for private scholarships. Opportunities include scholarships for academic achievement, sports, artistic talents, race, gender, financial need, and more. Talk to your guidance counselor and research online.
- Don't pay for scholarship search services or other "secret sources" for school funding. No one can guarantee you funding, and you can search on your own for free.
- Consider work study. Workers earn at least the minimum wage in a part-time job while taking classes.

Families who want to plan more than a year in advance might consider a 529 account. Kentucky's state savings program is called the KY Saves 529 plan, which offers investment options to save for future education costs. Family members can contribute, or deposits can be made through payroll deduction. The plan's earnings are exempt from Kentucky taxes, and withdrawals used for qualified education expenses are free from federal income taxes. Visit www.kysaves.com.

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