

13 other **ways** to pay for college



1 private scholarships

Check with your school counselor—thousands of scholarships are available through:

- community organizations,
- foundations,
- religious organizations,
- neighborhood banks and businesses, and
- professional and trade organizations.

Next, use the free scholarship directories and search engines online (see back cover). Ask your teachers, counselors or coaches about scholarships for students with your talents. Check magazines or Web sites devoted to your interests or skills. Also, contact your parents' employers or labor unions, as well as the personnel offices of large companies in your area.

You can apply for scholarships throughout your college years. Be prepared: You may need to write letters and essays or be interviewed as part of the application process.

2 national merit scholarships

The National Merit Scholarship Corporation awards more than 9,000 scholarships each year, ranging from \$500 to \$10,000. Taking the Preliminary SAT/National Merit Scholarship Qualifying Test in the fall of your junior year in high school will enter you in the competition. Plus, the PSAT is a chance to practice for the SAT. See your high school counselor or go to www.nationalmerit.org to learn more.

3 community service

AmeriCorps

By becoming an AmeriCorps volunteer, you'll earn up to \$4,725 each year for up to two years to pay for college or repay your federal student loans. You may also be able to postpone your student loan payments while you're a volunteer. To learn more about AmeriCorps, go to www.americorps.gov, call 800.942.2677 or e-mail questions@americorps.org.

Teach for America

Teach for America, an AmeriCorps program, pays recent college graduates to teach for two years at disadvantaged schools. You'll participate under an alternative teaching certification program. Visit www.teachforamerica.org.

Peace Corps

At more than 40 colleges, you can incorporate your Peace Corps service into a master's degree program and you may receive financial assistance. In addition, you may be able to defer payments on your federal student loans, and up to 70 percent of your federal Perkins loan debt may be forgiven if you serve as a Peace Corps volunteer. Contact your college or go to www.peacecorps.gov to learn more.



4 enlist in the military

The U.S. Armed Forces offer education benefits, including up to \$65,000 to enlistees for college tuition. Some will even help you repay your federal student loans. In certain cases, you may receive an education first in exchange for a service commitment later.

Scholarships are available through the Reserve Officers' Training Corps programs at hundreds of colleges in return for serving at least four years of active duty after graduation. In the Reserves or National Guard, you can earn money for college or to repay your student loans in exchange for a service commitment.

You may also want to consider one of the four U.S. service academies. Your college costs will be paid in return for a five-year service commitment. Also, look into military colleges. For more information, visit www.todaymilitary.com.

5 earn credit in high school

Look into taking Advanced Placement or International Baccalaureate courses in high school and then take the exams to earn college credit. AP and IB exams are offered in a number of subjects, but some colleges limit the number of units you can earn this way. For details, see your high school counselor, or go to <http://apcentral.collegeboard.com> or www.ibo.org.

You may be able to take community college courses while in high school through a dual enrollment program. If your school doesn't offer one, try enrolling directly on your own.

Free scholarship or a scam?

- A scholarship or grant is *free* money—you should never have to pay to find, apply for or receive one. **Watch out for companies that make promises**, charge you money to apply for or receive a scholarship, or try to get you to send money by claiming you're a finalist in a scholarship contest. Be wary of free seminars that turn into high-pressure sales pitches for financial aid information that's readily available for free.
- Do your own research before spending your money. If you choose to pay a scholarship search service, be sure you understand what you're paying for.
- Don't fall for claims that "guarantee" a scholarship. Reputable companies neither guarantee scholarships nor use aggressive tactics.
- Never give your credit card information, bank account information, Social Security number or student identification number over the phone or Internet unless you initiated contact and know who you're dealing with. And never provide any personal or financial information to hold a scholarship or grant.

To learn more:

- Visit www.ftc.gov/scholarshipscams and www.fraud.org
- Visit the *Looking for Student Aid* Web site at <http://studentaid.ed.gov/students/publications/lfa/index.html>

If you believe you've been a victim of scholarship fraud, contact your state Attorney General's office.

6 cooperative education

Work-learn programs incorporate paid work experience with classroom studies. You can alternate full-time work with full-time school, or work part time while attending classes. Cooperative education programs don't provide financial aid, but you'll often be able to earn enough to help pay for college. Contact your high school counselor or your college's cooperative education or career office for more information. Also check out work colleges that allow you to work to pay your expenses as part of the curriculum: www.workcolleges.org.

7 start at a community college

Save thousands of dollars in tuition and have your general education requirements behind you by starting at a community college. You can use financial aid to pay for fees, books and living expenses. Check with your community college to make sure your credits will transfer, if that's your goal.

8 credit for experience

If you're a nontraditional student—maybe you didn't go to college right after high school or you're returning to college for career training—you may receive academic credit for your job, volunteer or travel experience through the College-Level Examination Program. For more information, visit www.collegeboard.com/clep. Your college may offer other ways to earn credit for your experience.

9 scholarshare college savings plan

With California's ScholarShare, a 529 college savings plan, you deposit money that grows federal and state tax-free as long as it's used later for qualified college expenses. You can open an account with as little as \$15 when setting up automatic investments. You can choose from a number of low-cost investment options, and use your money at any accredited college nationwide as well as many international schools. Learn more by visiting www.scholarshare.com or calling toll-free 800.544.5248.

10 part-time work

A part-time, summer or holiday job can help. Check with your college's employment office first. If you find you're working too many hours and it's affecting your school work, or if you're concerned that a summer job might negatively impact your financial aid awards, see your financial aid office.

11 company-paid education

Employers may pay or reimburse you for some or all of your education and training. Some companies and labor unions also provide scholarships for children, and even grandchildren, of employees, so be sure to have your family ask about scholarships available through work.



12 tax benefits

Plan ahead—your family may be able to take advantage of federal tax benefits for education. Most tax benefits have income limits; to learn more about each program, see IRS publication 970, *Tax Benefits for Education*, available at www.irs.gov/publications/p970/index.html or by calling 800.829.3676. Also, be sure to consult a professional tax advisor.

- **Hope and Lifetime Learning Tax Credits** allow you or your parents to subtract a portion of your college costs from the taxes you owe each year when you file your tax return.
- **Tuition and Fees Tax Deduction and Student Loan Interest Deduction** allow you to subtract a portion of your tuition and fees from your taxable income and to deduct up to \$2,500 of the interest you pay on your student loan each year (or on any student loans you take out for your spouse's or child's education).

In addition, funds from your IRA, 529 college savings plan or Coverdell Education Savings Account may be withdrawn without a tax penalty to pay for qualified education expenses. There's also a tax break if you use certain U.S. savings bonds to pay for college.

13 jobs that help you repay your loans

Some jobs actually give you both a paycheck and help you pay down your student loans. Unless otherwise noted, you can learn more about the programs below at your college or at www.federalstudentaid.ed.gov.

Health Care Professionals

- Your federal Perkins loan debt can be canceled if you work full time as a nurse or medical technician.
- The federal government may assume your student loan debt if you work as a health professional in an underserved area. Learn more at www.bhpr.hrsa.gov and www.hhs.gov.

Child Care Providers

- If you work in a designated child care site or for a Head Start program, your federal Perkins loan debt can be canceled.

National Service Volunteers

- AmeriCorps awards can be used to pay off your federal student loan. If you serve as a VISTA or Peace Corps volunteer, a portion of your federal Perkins loan debt can be canceled. Visit www.americorps.gov and www.peacecorps.gov to learn more about these programs.

Military Personnel/Law Enforcement Officers

- Certain branches of the U.S. Armed Forces offer loan assumption benefits. For more information, visit www.todaysmilitary.com. If you serve in the U.S. Armed Forces in an area of hostility or imminent danger, 100 percent of your federal Perkins loan debt can be canceled. Contact your college for details.
- If you're a law enforcement officer, you may be eligible to have a portion of your federal Perkins loan debt canceled.

Lawyers

- Some law schools offer loan repayment benefits for graduates who work in public service. Contact your college or visit www.equaljusticeworks.org to learn more.

Federal Employees

- Some U.S. government departments offer loan assumption benefits for employees.

Public Service Employees

- After 10 years of employment in certain public service fields, you may be eligible for forgiveness of any student loan debt you have remaining at that time.

Teachers

- See the chart on page 12 for information about loan forgiveness and grant programs for teachers.



Loan Assumption Programs

SNAPLE NF

- **Eligibility is based on:** If you are a nursing student or enrolled in a nursing program or field related to nursing and you've completed at least a bachelor's degree in nursing or a field related to nursing, and you agree to teach nursing at a regionally accredited California college for up to three years.
- **Award amount:** Up to \$25,000
- **How to apply:** State Nursing Assumption Program of Loans for Education for Nursing Faculty (SNAPLE NF) application
- **Other requirements:** Must have eligible education loans. Apply by June 30.

SNAPLE NSF

- **Eligibility is based on:** If you are a nursing student and you agree to practice nursing at an eligible state facility with a vacancy rate higher than 10 percent for up to four years.
- **Award amount:** Up to \$20,000
- **How to apply:** State Nursing Assumption Program of Loans for Education for Nurses in a State Facility (SNAPLE NSF) application
- **Other requirements:** Must have eligible education loans. Schools submit nominations by June 30.

For more information on SNAPLE programs, visit www.csac.ca.gov.