



NEWS & INFORMATION ABOUT  
PLANNING FOR AFTER HIGH SCHOOL

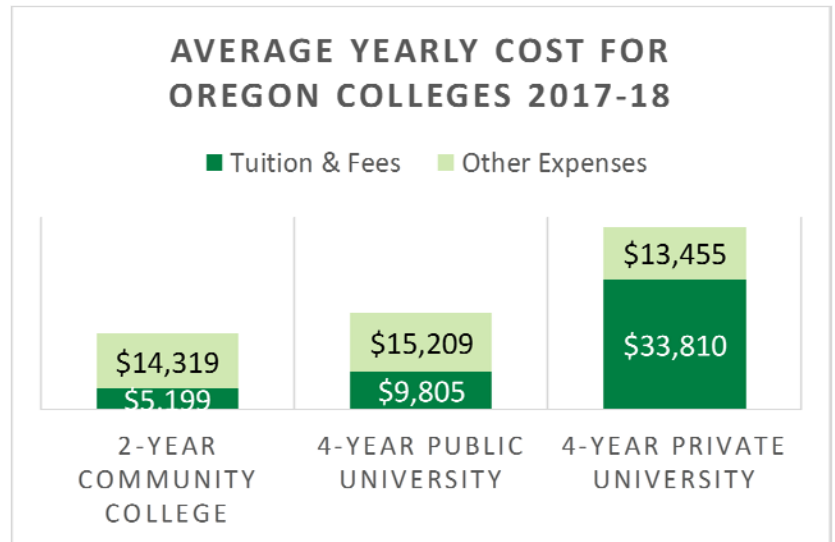
# The GEAR UP Gazette

JANUARY

FOR PARENTS OF 7<sup>TH</sup> & 8<sup>TH</sup> GRADE STUDENTS

## THE CO\$T OF COLLEGE

College costs include tuition, fees, books, living expenses and transportation. However, **most students only pay about 60% of the advertised price** of a 4-year college, once grant aid is included (and don't forget about scholarships!)



## FINANCIAL AID 101

**Financial aid is money to help pay for college. Most students receive some kind of financial aid to help pay for the cost of their education, including:**

- **Scholarships:** Money for college given by businesses, organizations, or universities to students with good grades, athletic ability, community service or other unique qualities.
- **Grants:** Money for college from the federal and state government or the college that your student plans to attend that does not need to be repaid.
- **Loans:** Money borrowed for college that must be paid back.
- **Work-Study:** Part-time jobs, often on campus, that pay your student for his/her work.

### DID YOU KNOW?

Your student may be eligible for an Individual Development Account to help start saving for college. For every \$1 your student saves, he or she will be matched with up to \$5. Learn more: [oregonidainitiative.org/apply](http://oregonidainitiative.org/apply)

## COLLEGE MYTHS (AND REALITIES)

**MYTH:** Saving for college will hurt my student's chances of getting financial aid.

**REALITY:** Any money you and your student are able to save probably won't appreciably affect chances for aid. Here's why: Under the federal financial aid formula, what matters most is the parents' income, which is assessed up to 47%. By contrast, a maximum of just 5.64% of savings will be counted, so parental savings typically have little impact in the government calculation of expected family contribution.

Source: [CNN Money](#)

## PARENT CHECKLIST

You and your student can start preparing NOW to pay for college.

- ☐ **Start a college savings account.** Talk with your local bank or credit union about setting up a 529 Savings Plan which will generate interest tax-free for your student's education. Your student might be eligible for an Individual Development Account that could match their savings up to 5:1!
- ☐ **Complete the FAFSA4Caster.** The Free Application for Federal Student Aid (FAFSA) is the form your student will fill out every year they are in college to receive federal and state financial aid. Get an idea of the amount of financial aid your student can expect to receive – and make the process easier in the future! Get started at [fafsa.ed.gov](http://fafsa.ed.gov).

## EVENTS & ANNOUNCEMENTS



GEAR UP stands for Gaining Early Awareness and Readiness for Undergraduate Programs and is a federally-funded program that helps rural, low-income middle and high schools prepare students for education after high school.

Visit [oregongearup.org](http://oregongearup.org) to learn more and access resources to help your students make a plan. © 2016 Oregon GEAR UP

# COLLEGE. It's not a dream, it's a plan.