

DUGOOD FEDERAL CREDIT UNION COLLEGE SAVINGS GUIDE



Your college journey starts here!



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PLANNING TO GO TO COLLEGE?

That's awesome. College can be the perfect first step into a well-paying and rewarding career.

But you've probably also heard the horror stories about students graduating in debt—according to reports, the average college graduate in 2020 had about \$30,000 in student loans.

And it's easy to see how loans can add up. The National Center for Education Statistics reported that tuition and fees, room, and board cost \$20,000–\$48,000 per year in 2018–2019. With a maximum Pell grant of \$6,095 per year for that same period, loans are often the easiest way families of modest means make up the shortfall.

But there are some smart strategies you can employ now to help keep your college costs—and resulting debt—as low as possible.

- Earn college credit in high school
- Use scholarships and grants
- Take advantage of tuition assistance programs
- Go to community college
- Don't take summers off
- Save money on the small things



Before you even graduate high school, you can get credit that will transfer to nearly any four-year college. Depending on how many credits you earn, you might enter college with a semester's worth of credits, shaving half a year or more off the total time you need to spend in college (the fewer semesters you take, means the fewer you have to pay for.)

Here's how you can earn credit before you head off to college.

First, take as many AP classes as you can. One test could save a lot of money—each test currently costs \$93, and it may allow you to avoid taking a course for 3–5 credits. If you attend the University of North Texas, you might be paying \$223 per credit. That adds up to a savings of \$574 to \$1,022 for one class. If you get AP credits for five classes, your savings could be significant.



Smart tip:

Ensure that the school or schools you hope to attend accept AP credit. Some schools allow you to transfer them in place of a course, while others simply use them to place you into a higher-level course.

Even if your school doesn't accept AP credits in place of credit courses, they may be used to bypass the language and/or math requirement for your bachelor's degree. That would allow you to spend more of your time in college focused on courses you enjoy or that are related to your major or to work toward a master's degree in the time most students attain a bachelor's degree.

Second, look for courses offered in partnership with the community college. Some high school classes taught by community college professors offer fully transferable credit in courses that the AP doesn't offer, giving you a leg up on major and general requirements. If your high school doesn't offer these, try taking some lower division courses at the community college over the summer.



GET SCHOLARSHIPS AND GRANTS

Scholarships

Find scholarships and apply as soon as possible—many require teacher and employer recommendations, so make sure you allow enough time to gather those. If the person recommending you needs to send the item in themselves, make it easy by providing a stamped and addressed envelope and all the forms they need.

Take note of which scholarships are for all four years and which are only for your first year. You will need to continue to apply for aid throughout your college career.

Here are a few places to look for scholarships you might qualify for:

- ✓ Texas scholarships:
www.collegescholarships.com/local/texas-scholarships
- ✓ Unigo scholarship matching site:
www.unigo.com
- ✓ DuGood scholarships:
www.dugood.org/scholarship-giveaway

If your college application includes scholarship or financial need information, provide all of the documentation they require. Many scholarships are not publicized off-campus, and some schools waive or lower tuition for students who show economic need.



Smart tip:

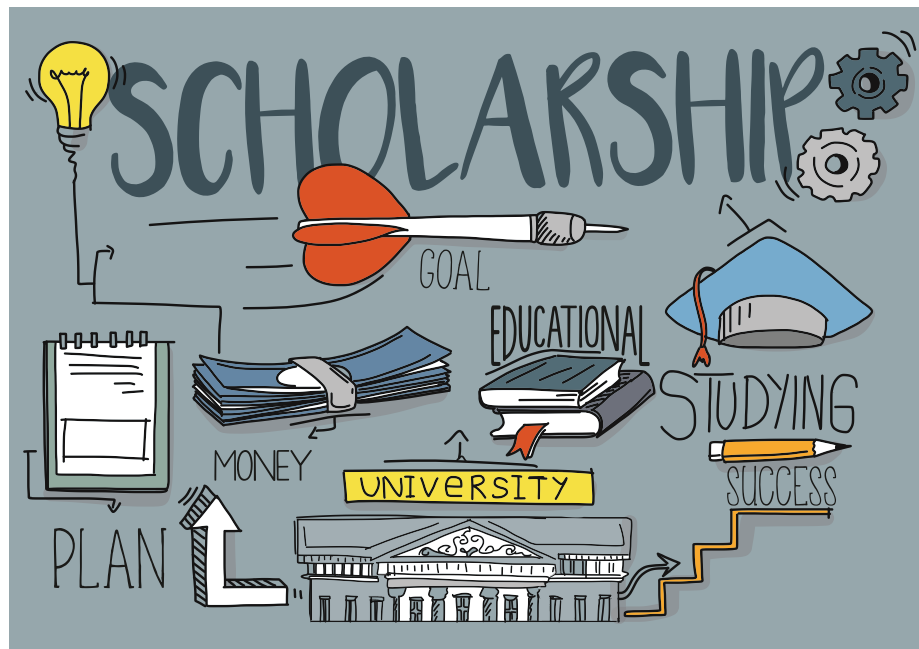
Don't automatically discount a prestige school as being too expensive. Many schools provide tuition waivers for talented students with financial need. Use the Dallas Morning News' online tuition tracker to see what students at your income level are typically paying at different private and public universities:

www.tuitiontracker.org

Grants

Fill out the FAFSA! The federal government, the state, and your school will use this information to design a financial aid package. And keep filling it out every year you attend school. Because you and your family's financial circumstances may change, you are required to fill out a new FAFSA each year—the form is typically available January 1, so you can spend December gathering the information you need so you're ready to go as soon as it's accessible.

Keep in mind that just because they offer loans, you don't have to take them. Every financial aid package will likely include a combination of scholarships and tuition waivers (if you qualify), grants, and loans.





USE TUITION ASSISTANCE

Starbucks made headlines with their full tuition reimbursement program for students who earn an online degree from Arizona State University.

Many large and small businesses offer tuition assistance programs that help offset the cost of college tuition while you or your parents work. Check with the human resources department (or read the HR manual) to find out more about any programs offered.



Smart tip:

Check into the limitations and policies. If you get a good financial aid package the first year, you may want to wait to use this benefit if it has limitations—many scholarships are only for first-year students, and you can benefit more as you progress through college.



Community colleges offer the same lower-division courses at a fraction of the price of a four-year university—and many of them transfer fully. You can save a lot of money by attending the local community college, then transferring to your dream college for the last two years.

And, if you choose a community college close to home, you can save a lot of money on room and board by living at home. Just make sure that you and your parents are clear on rules such as curfews, computer use, and other things that might need to change once you're in college.



Smart tip:

- ✓ Meet with an adviser and create a plan that includes only courses that transfer—you don't want to waste your time and money on credits that won't count.
- ✓ Focus on general liberal arts courses that are required for many majors. That will minimize the number of preparatory courses you need after you transfer.
- ✓ Check the graduation requirements for the school(s) you plan to transfer to. Make sure you're taking as many of the courses they require as possible.



GO TO SUMMER SCHOOL

Summer school courses offer lower prices and a quick completion, helping you save money and get done faster. You may even be able to knock out a year of chemistry, physics, or history in one summer! Do keep in mind that these courses are intense, so you'll need to give them extra focus, which can be a challenge in the summer.

If you're working or taking an internship, keep your course load reasonable so you won't fall behind. This will cause an even bigger problem in a fast-paced summer class than it would during a regular quarter or semester.



Smart tip:

Don't turn down internships in your field to take general classes. These help you get hired after you graduate—so get credit for those at the summer rate while getting valuable experience.



SAVE MONEY ON THE SMALL THINGS

Student loans get most of the attention when it comes to college debt, but everyday expenses often cause students to graduate with credit card debt. Some estimate that many graduating seniors will have \$5,000 in debt in addition to their loans, so it is smart to save money every day by making smart choices.

Save money on expenses while you're in school

Buy used books or electronic textbooks

Some schools even offer free textbooks, so if you have offers from similar schools, look into these types of cost savers to help you make your final choice. Start at the campus bookstore to see which books you need for each course and what price they are charging for new and used copies. Then, visit a site such as [chegg.com](https://www.chegg.com) or [amazon.com](https://www.amazon.com) to see if you can get the same books at a lower price. Make sure to check the details to ensure that you're comparing the correct edition—you don't want to waste your money on a book that isn't quite right.

Eat in the dorm

You may get bored, but the cost per meal is usually much lower than at nearby restaurants. Splurge once a week or so with friends to keep things fun. And consider making your splurge meal at lunchtime rather than dinner, which usually offers smaller plates at lower prices. (Of course, if you've got a fridge and microwave in your dorm, you can stretch a bigger dinner into two meals.)

Don't drive

Your student ID may get you free public transportation, so take advantage and keep the car at home or in your campus parking space as much as possible to minimize gas and parking costs.

Take advantage of campus freebies

Free movie nights in the quad? Recreation center for students only? Parties in the student union? Yes, please. These free entertainment options save a ton of money on ticket prices and transportation, as many are accessible by walking. If you do go off campus, try to hit places that are close by so you can take advantage of the free safe ride services offered by many colleges or share a ride service with friends. Money transfer apps such as *Zelle* (part of DuGood's online banking) let you send funds to friends to cover your share.

Get a coffee maker for your dorm room

Not only will you save money, you'll also save time waiting in those long lines before morning classes. Find coffee shop recipes online or in the book *Money Shots: How to Save Cash on Your Coffee Habit While Still Feeling Full and Satisfied*. That way, you can make all of the fun, flavored drinks you like without spending \$5 per cup—and wasting half an hour in line before class. You can use that time to get in a little extra sleep or studying in the morning.



Even though college costs continue to increase each year—at a much faster pace than wages—it is possible to get a degree without going into years worth of debt. It's a matter of planning ahead, including cost in the criteria you use to choose a college to attend, and making smart choices day to day.

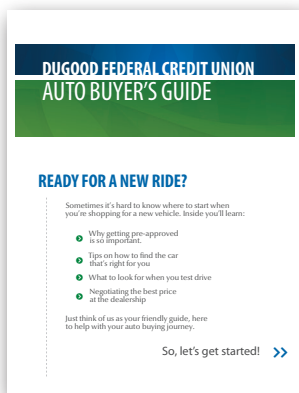
And if you make good spending choices while you're in college, you're getting into good habits that will serve you well after you graduate.

At DuGood, we're committed to helping you make smart financial choices. Need more advice on paying for college? Contact us for more information about college saving plans, scholarships, and personal loans.

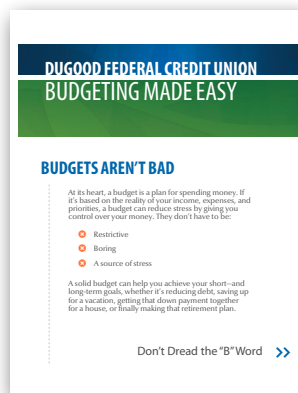
So, how can we **DO GOOD** for you?

www.dugood.org >>

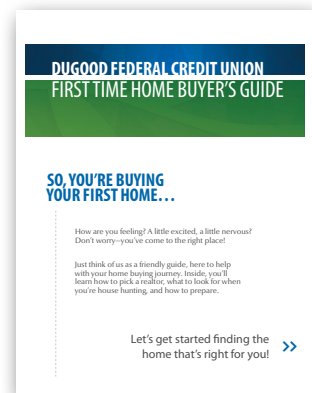
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Auto Buyer's Guide



Budgeting Made Easy



First Time Home Buyer's Guide

www.dugood.org/ebooks

