

My Success Plan

Higher Education

Good Job!

- ▷ New Car
- ▷ New Phone
- ▷ Nice Apartment
- ▷ Mad Cash



Education can be expensive.... Things to think about first

- Research job availability in your chosen field, before selecting your major.
- Research your expected salary in your future career, find an affordable school, and borrow realistically.
- Consider all types of financial aid carefully.
- Educate yourself on the many loan options available before borrowing.
- Inconsistent or untimely loan repayment could affect your future.

Make sure to check out:

- ▷ Scholarships
- ▷ Grants
- ▷ Work-Study

College Costs

\$12,500 - Tuition
\$9,600 - Room & Board
\$1,300 - Books + Supplies
\$900 - Transportation
+ \$1,800 - Other Costs

\$26,100 Total Cost*

My \$ for College

\$10,000 - Savings
\$2,000 - Grant
\$3,000 - Scholarship
+ \$3,600 - Work-Study

\$18,600

\$26,100
- \$18,600
Still Need \$7,500



* Total cost for 1 year of college

Encouraging Smart Borrowing

PHEAA is asking students and parents alike to consider every potential financial aid option before borrowing for education. If you have exhausted all other options and find that borrowing is absolutely necessary, we encourage you to only borrow as much as is truly needed. Smart borrowing is the key to graduating on firm financial footing.

1. Research job availability in your chosen field, before selecting your major.

Job availability and successful repayment go hand-in-hand, as you won't be able to repay your student loan if you aren't gainfully employed. Research employment rates in your potential career field before making that final decision on a major or course of study. Some jobs simply aren't in demand in today's economy.

2. Research your expected salary in your future career, find an affordable school, and borrow realistically.

There are many paths to the same degree. Research every option, rather than focusing on one school and borrowing whatever is needed to afford that choice. Starting at a community college or commuting to a nearby 4-year school may offer substantial savings. Students should only attend a school that they can reasonably afford. You may still require some form of additional aid, but you should only borrow what you absolutely need. **If you don't need to borrow, don't.**

3. Consider all types of financial aid carefully.

It is critical that you have knowledge of the many forms of financial aid before committing to a financial aid package. Grants and scholarships are free money and do not have to be repaid, provided obligations are met. Work-study provides part-time jobs for students with financial need, allowing them to earn money to help pay for college. Loans, which can cover the remaining financial gap, must be repaid – with interest.

4. Educate yourself on the many loan options available before borrowing.

Many parents and students seem unaware that there are different loan options available to them. There is no one loan option that is perfect for every family. Conduct your own conclusive research on the loan options available for postsecondary education and assess which is the best choice for your situation.

5. Inconsistent or untimely loan repayment could affect your future.

Unlike other forms of debt, student loans are difficult to discharge in bankruptcy. Inconsistent or untimely repayment of your student loans could affect your overall credit score. This in turn may prevent you from obtaining credit cards, buying a car or purchasing a home. Deferment or forbearance is an option if you are having trouble making payments - but will increase the total amount owed.

New MySmartBorrowing Tool

This tool provides high school students with information they can use to help make smart decisions about career choice and paying for their education. Visit EducationPlanner.org/MySmartBorrowing.

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MySmartBorrowing is an informational resource for student aid planning, created by the Pennsylvania Higher Education Assistance Agency (PHEAA) and its student loan servicing operations, American Education Services (AES) and FedLoan Servicing. PHEAA is a national provider of student financial aid services, serving millions of students and thousands of schools through its loan guaranty, loan servicing, financial aid processing, outreach and other student aid programs. PHEAA's earnings are used to support its public service mission as it devotes energy, resources and imagination into developing innovative ways to ease the financial burden of higher education for students and their families. This comprehensive resource helps students identify ways in which they can be smart borrowers and avoid the pitfalls of burdensome financial debt after graduating.

