



SEE BEYOND TODAY



# Planning for College

As students enter into the final years of high school, plans for college begin to emerge. In addition to deciding which institution offers the best education for your area of interest, cost is often a major factor on which school to attend. Variables to consider include types of university, where you will live, cost of books, and availability of student aid.

## Cost of College

The cost of a college education is expensive and has risen steadily over the years. The average cost of attendance for a Pennsylvania college and university in 2020 is \$28,508 for state residents\*.

**Cost of Attendance (COA)** is the total student cost and includes tuition, fees, books, room and board, and other living expenses.

### Types of Colleges & Universities

Cost of attendance differs dramatically depending on the type of college attended:

**Private colleges and universities** are independently operated and privately funded, primarily through tuition and donations. Private colleges are typically smaller than public colleges and charge a higher tuition.

**Public colleges and universities** are state and federally funded, and charge a much lower tuition than private colleges. Popular state colleges in Pennsylvania include Lock Haven, Bloomsburg, and Millersville.

**Community colleges** are smaller colleges offering two and four-year degree programs. Many of the larger counties in Pennsylvania support their own community college. Students can usually transfer the credits earned at a community college to complete their degree at a larger university.

**Technical colleges** provide specialized, hands-on learning geared towards a specific career; such as computer technology, automotive, culinary arts, hospitality, and event management.

**Online Universities** allow students the flexibility to complete their degree through a virtual environment. This may be a good option for students balancing school with a job. However, a looser schedule and limited classroom interaction requires the student to be disciplined to learn the material, complete assignments, and stay on track.

**Below is a comparison of 2020 tuition costs for local colleges in the area:**

University Name	Type of College	2020 Tuition
Bucknell University	Private	\$ 58,200
Lock Haven University	Public	\$ 10,900
Luzerne County C.C.	Community	\$ 5,700
Penn College of Technology	Technical	\$ 17,200
Strayer University	Online	\$ 13,300

\*SOURCE: <https://www.collegetuitioncompare.com/state/pennsylvania/>

### Room & Board

**Room and Board** covers the cost of living and eating while on campus and is in addition to the cost of tuition. Similar to tuition, room and board costs differ depending on the type of school and location, and can add as much as \$10,000 or more to the overall cost of attending school. Students may find a cheaper alternative is to live off campus with roommates, dividing the costs equally. If your school of choice is close to home, the cheapest alternative is to continue living at home and commuting each day to school.

## Books & Supplies

The cost of purchasing text books and supplies can easily add another \$1,000 to the cost of attending school. Here are some tips to reduce expenses:

- **Consider e-books.** If you don't need the physical book, an e-book version of the same text book can be 40%-50% cheaper.
- **Buy an older edition or used copy.** Textbook revisions are usually minor from year to year, and last year's edition can save you 25 - 40%. Most professors will know if significant changes were made to the text, so it is best to check with him/her first.
- **Look at Discount Retailers.** Discount online retailers such as AbeBooks.com, Chegg.com, Textbooks.com, eCampus, and more offer many of the popular textbooks at a discounted price.
- **Consider selling your books when your class is complete.** Students may rarely refer back to old textbooks. Selling them back to the campus bookstore or one of the online stores mentioned above will put back money in your pocket and make a cheaper book available to another student.

\*SOURCE: <https://www.collegetuitioncompare.com/state/pennsylvania/>

## Financial Aid

The **Free Application for Federal Student Aid, FAFSA**, is used by colleges and government agencies to help award financial aid. By utilizing FAFSA, students can apply online for multiple loans, grants, and scholarships at the same time.

There are multiple types of student aid available to help pay for your educational costs.

**Federal Student Loans** contain terms and conditions set by the federal government; including fixed-rate interest, and payments deferred until after graduation. Students with a financial need may qualify for a **subsidized** loan, where the government pays the interest on the loan while the student is in school. Loans without a financial need qualification is referred to as **unsubsidized**.

**Federal Work-Study** provides part-time community service type jobs for students with financial need to earn money to help pay education expenses.

**Parent PLUS Loans** are federal loans which the parent is the borrower to pay for his/her child's educational expenses.

**Private Student Loans** are offered by some financial institutions, with terms and conditions set by the lender. These loans are often at a higher interest rate than Federal Student Loans.

**Grants** and **Scholarships** are money made available to students to help with college expenses. Unlike loans, students are not required to repay grant or scholarship money. Grants and scholarships are available based on financial hardship, performance, achievement, and special student groups.

For more, detailed information regarding student aid, visit the Federal Government's website at <https://studentaid.gov>.



**Horizon Tip:** Each year, billions of dollars worth of grants and scholarships are available to help students defer the cost of college. Dedicate time to research your options. Every dollar saved through grants and scholarships is less you have to pay out of pocket.

## First Time Independence

For most students, perhaps the biggest allure of going away to college is realizing independence from their parents for the first time. This can also create one of the biggest challenges. Students will be responsible for handling their own finances, maybe for the first time. Books, food, entertainment, and utilities (if you are living off campus) are all expenses for which students have to budget and pay.

Many large banks have an extended branch network which makes it convenient if you are attending college away from home. However, these banks are prone to charge high fees or large balance requirements. Bank branches may not be a priority to you, depending on how you perform your banking transactions. Plus, maintaining an account at a local institution is helpful if mom or dad are willing to assist with a deposit into your account from time to time.

Prior to leaving for college, set up a checking account to help you manage your finances, considering the following:

- How will you access cash? If you routinely withdrawal from an ATM, look for an account with a robust ATM network or one that offers little to no ATM fees.
- How will you deposit money? Many accounts have mobile apps that enable you to deposit a check from your phone.
- How will you pay bills? Choose a bank with online bill pay to easily schedule and pay bills.

In addition to financial concerns, being away from home for the first-time creates additional issues, including time management and organizational skills, roommates, stress, and home sickness.

Embark on your financial journey  
with Horizon today!



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