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# HOW TO DEAL WITH COLLEGE COSTS THAT ARE TOO MUCH FOR YOUR BUDGET

## College Money Matters presents options other than a loan you can't afford

July 22, 2024, Larchmont, NY – With acceptance letters in hand, and college starting next month, right now is the time when most students and their families must commit to a school and submit first payments.

That can put a lot of financial pressure on parents – especially if their child has been accepted by a "dream school," but the cost of attending is more than the family can comfortably afford.

In many cases, this results in families borrowing much more in student loans than they should. While parents strive to be supportive and generous in their child's education, the financial consequences can be crushing for many years to come.

So, what's a parent – or student – to do?

According to Nancy Goodman of College Money Matters, a nonprofit dedicated to helping high school students and their families make smarter decisions about paying for college, "Most parents probably don't realize it, but there are a surprising number of alternatives they can take, even at this late stage."

Noting that taking out high levels of money in loans makes a college cost even more, due to the added interest, College Money Matters offers the following options – none of which involve loans:

1. **Ask about starting in the winter semester**. Some colleges will reduce the price of admission if a student agrees to start in the winter, rather than the fall. The reason: The school is aware that a certain percentage of the entering class will have dropped out after the first semester, and they may incentivize other students to fill those spots.

2. **Defer admission for a year and take a job**. This won't lower the admission price, but it will provide the opportunity to build up funds for college, which in turn can reduce the amount needed in loans. The added time also enables a student to get

a jump on looking for scholarships, which usually have their application deadlines in December and March.

3. **Get approved credits at a community college.** The key to this option is to first be sure which classes from a community college will be counted for credit by the school where the student plans to get their undergraduate degree. For example, many state colleges will accept local their community college credits. For many students, going to community college for a year or two is a good way to save on both tuition and the costs of living away at school, and the percentage of transferring students has been increasing. (Source: https://www.studentclearinghouse.org/news/college-transfer-enrollment-grew-by-5-3-in-the-fall-of-2023/#:~:text=Transfer%20enrollment%20represents%2013.2%20percent,lateral%20transfers%20grew%204.3%20percent )

   Students can also get an associates' degree from a community college which can qualify them for certain jobs

4. **Look into alternative colleges that may be accepting late applications.** When all of the schools where a student has been accepted cost more than the family budget allows, there may be less expensive schools that will accept late applications. Here's a list: https://www.nacacnet.org/college-openings-update/

5. **Even if you paid a deposit, it may be smart to walk away**. This can be a difficult decision. However, if it turns out that the total cost of a bachelor's degree at a given school is beyond a family's budget, it could make financial sense to let the non-refundable deposit go and switch to a college with a more reasonable cost of attending.

College Money Matters is a nonprofit 501c3 organization with the mission is to provide free and easy-to-understand information about paying for college to students and their families, primarily through its website, collegemoneymatters.org. A member of the Jumpstart Coalition for Financial Literacy, College Money Matters is unaffiliated and does not take advertisements , nor does it sell user information or any products or services. College Money Matters relies on contributions and grants and is not beholden to private lenders, universities or other interested parties.

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