

Debunking Myths About Financial Aid

Every year, thousands of students and families let misconceptions about financial aid stop them from applying for—and getting—the aid they deserve. Let's set the record straight.

Myth: College is too expensive for my family- I shouldn't even apply.

Fact: The government offers grants and low-cost loans for families that have financial need and many colleges offer their own financial aid to offset college costs.

Myth: There isn't enough aid for everyone, and certainly not for my family.

Fact: The amount of aid for college students increases almost every year. According to the College Board: More than \$185 billion in financial aid was distributed to undergraduates during the 2012-2013 academic year in the form of aid from all sources, including grants, work-study, loans, and tax credits and deductions. Between the academic years 2007-2008 and 2012-2013, grant aid for full-time undergraduates increased an average of 6.8 percent each year.

If you need financial help, get in line. You have only yourself to blame if you don't.

Myth: My high school grades aren't good enough to qualify for aid.

Fact: The vast majority of federal and state aid is based on financial need, not grades. And to keep that aid, most programs require only an average GPA to show "satisfactory" academic progress. For many private scholarships and merit aid offers, grades don't count as much as you might think. Many use other criteria: financial need, leadership, residence, major, and heritage.

Myth: Paying for advice will increase the amount of aid I get.

Fact: Applying for aid can appear complicated at first. But you can get free help from CollegeData, your high school counselor, and college financial aid offices. Don't fall for slick seminars promising the moon for a "mere" \$1,000 or more!

Myth: Only students from minority ethnic groups are eligible for financial aid.

Fact: The overwhelming bulk of federal, state, institutional, and private aid is not tied to ethnicity. Some private scholarships target deserving students with particular ethnic backgrounds, but most do not take ethnicity into account. The [Free Application for Federal Student Aid](#) (FAFSA), the most common financial aid application, doesn't even ask about your ethnicity.

Myth: Millions of dollars in scholarships go unclaimed each year. It's too hard to find them, so it's worth paying someone to do it for me.

Fact: There are hardly any scholarships that go unused. And scholarship information is incredibly easy to find online—for free. Don't fall for scholarship search scams. If they say you need to pay for scholarship help, don't do it. Pay yourself to find scholarships—by getting one! One place to start looking is CollegeData's free scholarship search tool, [Scholarship Finder](#).

Myth: I'm not talented enough to win a scholarship.

Fact: Of course, outstanding athletes and performers get generous scholarships. But many scholarships are awarded on the basis of academic performance in high school, outstanding extracurricular involvement, and unique interests. So what are you passionate about? Odds are there are more than a few scholarships for which you are eligible.

Myth: My grades are good enough to attract scholarships that will pay for everything.

Fact: Almost everyone who has won private scholarships had to hunt to find them. They don't come to you automatically. More significant, only a handful of students earn scholarships that pay for all college expenses—the so-called "full ride." Be sure to apply for financial aid—grant money is just as good as scholarship money.

Myth: My family has been saving for my college education or has a high income, so we're not eligible for financial aid.

Fact: You won't know whether you qualify for federal aid until you get your FAFSA results. The impact of parents' savings is relatively small, compared to other factors such as the number of siblings, the number of siblings in college, and the age of your parents. So it makes sense to file a FAFSA, regardless of your family's savings and income level. By doing so, you will at the very least become eligible for a federally guaranteed student loan. You may also become eligible for aid from your state and college.