

## Graduate School Students: Got funds?

You just graduated with a Bachelor's degree, and want to go on to bigger and better educational endeavors. Got money?!

Welcome to the wonderful world of graduate school loans and grants! It sounds scary, but it may be simpler and easier than you would expect. Financial aid can, indeed, be your friend. If you are motivated enough to go through the process of researching graduate institutions, applying to those grad schools, and going through qualifying exams, you can handle finding the funding too. There are a lot of ways out there for graduate students to get the loans and grants they need to pay for their education. There are private and public sources of funds, and each have a different set of criteria that you might fit. The trick is taking the time to look and knowing enough to look in the right places.

Although a lot of loans and grants for students are very specific in their requirements, hundreds of thousands of dollars in scholarship money goes unused in the United States every year. The single greatest mistake you can make is not exhausting your resources, and this begins with governmental funds. Contrary to popular belief, sometimes the government does want you to succeed for the betterment of its own economy. Ergo, they might give you money to make them money later when you are out of school. Many people assume that graduate school funds are harder to come by than undergraduate, but the truth of the matter is that there is a lesser demand for those funds, and much of that money is ready and waiting for you. Depending on your concentration or area of interest, some graduate schools actually offer grants simply upon acceptance into a program.

### The FAFSA

Looking back to governmental funding, the first place you are going to need to reference is the Free Application for Federal Student Aid, which you probably have already filled out over the course of several years of undergraduate school. This system, more than anything, helps the Department of Education and your school determine your level of financial need. The good news: If you are in dire need of money to eat and put a roof over your head, they may pitch in a hefty sum. The bad news: Just because you think you are in dire need does not mean that the government will determine your income is low enough to receive assistance in the form of grants. The even better news: Because you are now in graduate school, the policies change from the loans and grants you were eligible for as an undergraduate student. For instance, in the state of California, undergraduate students *have* to claim dependence upon their parents on the FAFSA until they are more than 24 years of age. *But* graduate students can claim financial independence from the get-go, so your measly-to-nonexistent income during undergraduate school may make you look extremely eligible in terms of financial need.

### Stafford Loans

Here is the thing about loans: almost everyone on the face of the planet is eligible. Because loans must be paid back, every graduate student qualifies for something, and they generally have fewer requirements for you. To begin with, the Stafford Loans that you may have been offered in a financial aid packet somewhere down the line are also available for graduate school, and because they come through the U.S. Department of Education, if they determined that you have a financial need, the government will pay the interest for you until you finish your degree. There are

two types of Stafford Loans; there is the Federal Family Education Loan, which is actually funded by private banks or credit unions that hold the loan, or the Direct Stafford Loan, which has all the same prerequisites of the FFEL, but you are lent the money directly from the U.S. Department of Education. For any Stafford Loan, you must be enrolled as a full-time student to qualify.

### **Perkins Loans**

Perkins Loans can also be acquired based on determined financial need for graduate school. The difference is that these loans have a current fixed rate of 5% interest and are held by your individual school. For this reason, amounts may vary as well as the amount of time you have to repay the loan, but, as a graduate school student, you have up to 10 years to pay your educational institution back.

For more information about graduate school loans and grants for students, please see the following websites:

<http://www.fafsa.ed.gov>

<http://studentaid.ed.gov>