

# Education Funding Plan

Learning how to pay for a college education can feel overwhelming, but with the right approach your options become much clearer. Use this worksheet in conjunction with your award letter to explore the best ways to successfully fund your education.

## 1 List Cost of Attendance

Tuition & Fees	
Room & Board	
Books & Supplies	
Other	

**Total Cost:**

## 2 List Family Savings & Resources

Parent Savings	
Student Savings	
Student Income	
Other Contributions	

**Total Resources:**

## 3 List Non-Loan Aid

Grants	
Scholarships	
Outside Gift Aid	
Work Study	

**Total Financial Aid Award:**

## 4 List Federal & Institutional Student Loans

Direct Subsidized	
Direct Unsubsidized	
Institutional Loans	

**Total Student Loans:**

Now subtract your resources, financial aid, and student loans from the total cost to find your funding gap.

## 5 Financing Gap

Total Cost	
Total Resources	—
Total Non-Loan Aid	—
Total Student Loans	—

**Funding Gap =**

## 6 How to Fund the Gap

If you've exhausted your Direct Loan eligibility and still need more funds, you have three student loan options:

- 1. Parent pays 100% of the gap with a Direct PLUS loan.** With this option, parents take full responsibility for the remaining cost by borrowing PLUS loans, which are federally funded.
- 2. Student covers 100% of the gap with a private loan.** With a private loan, the student can take full responsibility for the remaining cost of his or her education. A co-signer is often required for a private loan, so that person (typically a parent) would also be legally bound to the debt.
- 3. Student and parents split cost with a mix of PLUS and private loans.** Your family can share the cost of the gap by taking on both Parent PLUS loans and student private loans. You can split the difference 50-50, or choose a ratio that works better for your situation (be sure to consider your repayment ability based on future income).

## Next Steps

Get the details on each loan program's features, then use an estimated payment and loan cost calculator to determine the potential payments and long-term cost of what you plan to borrow at: [studentaid.gov/loan-simulator/](https://studentaid.gov/loan-simulator/).