I am Melody Lawrence, Financial Aid Director at SCC. I’d like to talk with you today, not only about financial aid, but about financial planning.

The first thing we would like you to do is consider your financial state as you start classes. Ask yourself how you are currently paying for your living expenses. We assume that you have this covered, so if you don’t, that needs to be your first priority. After your living expenses are covered, then we want to talk about how you are going to pay for your new expenses of going to college.

Here’s a sample budget worksheet to illustrate the changes you are going to experience. Let’s take a minute to talk about budgeting. There are lots of tools available out there to help you create a budget, from very simple, to more complex. If you have never developed a budget, this is the time to do so. A budget is going to help you see how you are going to make it through the next two to three years, while you are taking classes at SCC.

In the Current Expenses column are expenses that you probably already have today, if not all of these, you certainly have most of them. Well, you get to keep all of those expenses and to the right, in the column entitled Education Expenses, is where we are going to add some new expenses you are going to incur once you start school. There are going to be some new categories of expenses, things like tuition and fees, books and supplies, and then in some of the existing categories you may have some additional dollars you need to spend.

For example:

- Vehicle – you need to cover the additional miles that you are going to be traveling to come to classes
- Food – you may have additional meals outside of the home
- Daycare – you may have additional hours that you need to have your child in daycare

So, it’s important to make a projection of all of the expenses that you are going to add to go to school.
Here is another example of a way to project your additional education costs over a three-year period. If you look across the top, we have the semesters. This stands for Fall 2015, Spring 2016, Summer 2016, and so on. The reason we are showing three years is because most of our students actually end up taking about three years to finish their program here. Whether it is because they have additional developmental/refresher courses to take, or they are not able to take quite as many hours as the catalog shows to be able to finish sooner--there are multiple reasons. But, it is important for you to know how long you are going to be here so you can plan to cover the expenses for that period of time.

So, let’s look at this chart. If you look towards the middle you will see cost per credit hour and our tuition is charged by the credit hour, so you pay based on how many hours you register for. At present, starting with Spring semester, tuition and fees at SCC will be $79.00 a credit hour. So we have taken those costs per hour and made some projections for a typical full-time student, and that’s what is in the top row where it says *Full time Tuition and Fees*. We used 14 hours because that is the average number of hours our full-time students enroll.

You see those expenses are incurred once each semester, so you need to be prepared to pay that tuition bill each August, January, and May if you are going to be enrolled that semester. You will also be purchasing books and supplies at the start of each semester. Please be advised those expenses can easily be between five and six hundred dollars a semester. Once you have your class schedule, you can actually shop and check the prices for the books that you’re going to need to purchase.

In addition to books, don’t forget about some other items that you may need. Under supplies, there are the standard school supplies, but you might also be in a program like cosmetology, graphic arts, automotive, or one of the health programs that requires that you purchase some additional supplies. You may need software to complete some of your coursework, so don’t forget that it’s not just text books.
We have already talked a little bit about how you may have additional transportation, food, or daycare expenses. This is just a simple chart and you can develop something like this on your own to project what your costs are going to be.

Now that we’ve gone over what it will cost to attend school, you will need to ask what money you have to pay for college. Not just for your first semester, but for your whole program of study. We have three different scenarios.

Student #1 says I have savings or family support and I can pay my tuition bill when it is due each semester. I have money for books and my other bills are covered. Maybe that is you and if so, that’s great.

Student #2 says I need to use my income from work to pay for my tuition. You may wish to look into the SCC tuition payment plan. You can sign up from the SCC website. It requires a down payment and then you make installment payments during the semester so that each semester’s bill is paid off before that semester concludes. You’re a student that is already working and covering your living expenses but just needs a little additional assistance in scheduling how to make those tuition payments.

Student #3 is a student who has been awarded what we call gift aid: Financial Aid grants, or scholarships. If you’ve been awarded, you can see your awards online on mySCC under WebAdvisor. There you will find not only the amounts, but also your award letter. It’s really important to read your award letter so that you understand all of the terms and conditions that go along with your financial aid, as well as how the aid is paid out. If you have enough aid to cover your tuition bill, then the financial aid will take care of that bill automatically. You can also charge books at the SCC bookstore for the first few weeks of each semester. Your financial aid may be enough to give you some remaining funds to help with travel and food, but financial aid grants are not going to be enough to pay for all your school expenses and all your living expenses.

SCC does participate in federal student loans, but we want you to know that student loans should only be taken out when it’s the last possible resort. We
believe there’s a small group of students who need a student loan to pay for attending school. However, our data tells us that the majority of the students who request loans are students who have not planned for the costs associated with their education--who have not done what we have been talking about in the previous slides. Please make it your goal to get through SCC without a student loan. Especially, if you are in a program where you are going to be pursuing a four-year degree after you leave SCC, you may need to borrow then, when you are at a higher cost institution. So save any student loans for then.

There are serious consequences to taking out a student loan if you cannot repay. Being delinquent, or defaulting on a loan can ruin your credit. It can lead to your wages being garnished, or your tax refunds being seized. If you are in a profession that requires some sort of licensure, you can lose your license. Even if you can repay your student loan, a student loan payment of several hundred dollars a month can seriously impact your ability to get a mortgage or an auto loan in the future.

Hopefully we have the same goal. We want you here at SCC and we want you to be successful. One of the most common reasons for students to withdraw is that they are experiencing financial stress. So, be sure that you have a financial plan that works before you start. Maybe you will have to go part time, maybe you will have to wait a semester or two and save some more money. Be sure you have a plan that works for you and sees you through to graduation.