

# CommonCents

## College: Be frugal, be tested, be your best

By Gordon H. Wadsworth

True, there is more money available today for those who want to get an advanced education, but the competition for the "free" money grows each year.

Colleges and universities talk in terms of big financial aid packages, but it's what constitutes the package that's important.

Often, when students receive a multi-thousand dollar offer, it may be nothing more than a package of expensive student loans.

Although the media refer to these loans as "low-cost," they're not low cost when you face \$20,000 or \$30,000 of debt at graduation.

For students who go on to graduate school and borrow well in excess of \$100,000, these loans may become a millstone around their necks for a long, long time.

Some parents add to the debt burden by pushing their kids toward "big name" schools. They don't consider the cost because it's deemed appropriate in their communities. However, these parents could be setting their children up for financial disaster.

In some cases, the situation may work in reverse. Parents may bow to pressure from their kids and sell their home in order to fund an expensive education.

### College crunch

To make matters worse, "Many public colleges and universities around the country are caught in financial squeezes, prompting mid-year tuition increases and belt-tightening measures such as enrollment caps and faculty cuts," said Stuart Silverstein in the *Los Angeles Times*.

The financial problems are the result of underfunded state budgets, due to the slower national economy, and the huge increase in the number of students reaching college age.

Reportedly, some college administrators are thinking about eliminating scores of classes and, in effect, turning away thousands of new students. "In Wisconsin, budget-slashing proposals prompted the university system to abruptly halt student admissions, leaving thousands of high-schoolers and would-be transfer students in the lurch," Silverstein said.

One student at the University of Washington said, "It's already hard to get into classes, and when you do get into them they're really large."

And Patrick Callan, president of the National Center for Public Policy and Higher Education, said, "This is the first time in the modern history of higher education that we've had enrollment pressure and a bad economy at the same time."

A recent College Board survey showed tuition at public colleges was up 7.7 percent, the biggest jump since 1993.

Last year, one Ohio school increased its tuition by 8 percent. Then, it implemented another tuition increase of 6 percent at mid-year.

### Get a head start

Is help available? Yes, for the nation's brightest students. June Kronholz, columnist for *The Wall Street Journal*, said that "many of the country's stronger universities are actively discounting tuition, which can be thousands of dollars. And it's the high achievers, rather than the needy students, who are getting a good chunk of the money."

It's the same concept that banks use to offer special rates to their best customers. "Schools are giving the biggest breaks to their top students," adds Kronholz.

The preparation to take advantage of this money starts in the 7th or 8th grade. This is when some parents begin to equip their young students for college by letting them take the SAT and an SAT prep class to bolster their overall results.

It's not easy. Most young students are more interested in talking about the latest fashions, CDs, or computer games than in discussing Advanced Placement classes.

Yet, with proper direction, even the average student can score well on national achievement tests and secure a place in line for merit scholarships and grants.

What about loans? The Bible doesn't say it's a sin to accept student loans. What it does say is, "*The rich rules over the poor, and the borrower becomes the lender's slave*" (Proverbs 22:7).

Thus, students need to be diligent in their pursuit of ways to finance their education. In addition, they need to recognize they are competing head-on with other students (particularly in the Northeast) who take the SAT and SAT II multiple times.

These students also take advantage of SAT prep classes and numerous Advanced Placement

classes, and they serve on nationally recognized community service projects.

Undoubtedly, these are the students who are receiving the huge tuition discounts to attend some of America's finest institutions.



Gordon Wadsworth is president of Financial Aid Information Services and author of the book *Cost Effective College*. To order Gordon's book, visit his Web site ([www.costeffectivecollege.com](http://www.costeffectivecollege.com)) or send \$13.49

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