



LC@Pomona Fact Sheet for Families

Financial Wellness

Guide to Financial Aid and Saving for your Child's Education



Grants

- **What are they?** Money awarded to students for college that usually doesn't need to be paid back.
- **Important to know:** Grants might need to be repaid if your student doesn't meet certain requirements.
- **Examples:** Pell Grants, Federal Supplemental Educational Opportunity Grants (FSEOG), TEACH Grants.



Scholarships

- **What are they?** Awards offered to students based on their academic performance, talents, or other criteria that don't need to be repaid.
- **Tip:** Encourage your child to try a variety of academic and extracurricular activities to improve scholarship opportunities.

Work-Study Jobs

- **What is it?** A program where students work part-time during college to earn money for school expenses.
- **Benefit:** Provides valuable work experience while helping cover costs.



Loans

- **What are they?** Borrowed money that must be repaid with interest.
- **Important to know:** Understand the terms and repayment plans before borrowing. Loans have different interest rates, and some will take a long time to repay if the amount is high.

Saving Options

1. Set a Savings Goal

- **Plan ahead:** Decide how much you can save based on your income.
- **Suggested goal:** Aim to save **one-third** of four years of college tuition.

2. 529 College Savings Plan

- **What is it?** A savings account for education expenses with tax benefits.
- **Benefits:** Money grows tax-free, helping savings accumulate faster.

3. Other Tips

- **Start early:** The sooner you begin saving, the more your money grows.
- **Involve family:** Relatives can contribute to your child's education fund.
- **Automatic savings:** Set up automatic transfers to make saving easier.



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