

# PAYING FOR HIGHER EDUCATION

EARNING A DEGREE OR CREDENTIAL can increase job opportunities, earning potential and employment benefits, but many students have concerns about how to pay for higher education, especially if their earnings have been or will be reduced. For many, the solution is a piecemeal approach that may include financial aid, savings, income, reducing expenses, tax breaks and borrowing. Use the checklist below to help you develop your plan.



Financial aid is for students of all ages, and many financial aid programs are available even if you plan to attend school part-time.

## PAYING FOR HIGHER EDUCATION CHECKLIST

### FINANCIAL AID & SCHOLARSHIPS

- File the FAFSA at [FAFSA.gov](https://fafsa.gov) every year. Want help filing the FAFSA? Free help is available:
  - Maine Educational Opportunity Center (MEOC) [MEOC.Maine.edu](https://MEOC.Maine.edu)
  - Finance Authority of Maine (FAME) [FAMEmaine.com](https://FAMEmaine.com)
- Start your scholarship search using FAME's Maine Scholarship Search at [FAMEmaine.com](https://FAMEmaine.com).

### ALTERNATIVE FUNDING OPTIONS

- Ask if your employer offers tuition reimbursement.
- Use your military education benefits. For more information:
  - Visit the Military Parent/Student page at [FAMEmaine.com](https://FAMEmaine.com).
- Research state programs:
  - Parents as Scholars is run by the Maine Department of Health and Human Services (DHHS) through the ASPIRE Program. Contact DHHS for more information.
  - Maine College Transitions offers free support to help students get ready for college. Find a program near you at [MaineCollegeTransitions.org](https://MaineCollegeTransitions.org).



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## SAVINGS

- Use savings to reduce student loan borrowing. Possible savings options include:
  - 529 education savings plans: learn more at [NextGenforME.com](http://NextGenforME.com).
  - Family Development Accounts: learn more at [NewVentures.com](http://NewVentures.com).
  - Traditional and Roth IRA withdrawals: See *IRS Publication 970, Tax Benefits for Education* at [IRS.gov](http://IRS.gov).
  - Taxable Investment Accounts: discuss with a financial advisor.

## TUITION PAYMENT PLANS

- Consider a tuition payment plan to spread payments over time. These plans are not loans, and while no interest is charged, there typically is a small enrollment fee. Contact your school's Bursar's (Billing) Office for additional information.

## TAX CREDITS

- See *IRS Publication 970, Tax Benefits for Education*, at [IRS.gov](http://IRS.gov) to see which federal income tax benefits might apply to your situation.
- Learn more about Maine's Educational Opportunity Tax Credit program at [liveandworkinmaine.com/opportunity-maine/](http://liveandworkinmaine.com/opportunity-maine/) or contact the Maine Revenue Service at [Maine.gov/revenue](http://Maine.gov/revenue).

## HOUSEHOLD AND COLLEGE EXPENSES

- Manage your household expenses
  - Set financial goals
  - Review your expenses
  - Create a spending plan
  - Take advantage of budgeting tools like [mint.com](http://mint.com)
- Determine if previous courses and prior learning can be counted toward your degree program to save you time and money. Explore doing a Prior Learning Assessment (PLA).
  - Already enrolled in school? Contact your academic advisor for more information about PLA at your school.
  - Exploring a school? Contact the admissions office to learn about PLA at that school.
- Transfer credits from a previous school
  - Contact the registrar's office at the school you plan to attend to ask for a transfer credit evaluation.
- Explore borrowing options as a last resort
  - Explore federal loan options first
  - Compare and evaluate private loan options. Visit [TheLoanforME.com](http://TheLoanforME.com) for a student loan/salary calculator, loan comparisons, and ideas for borrowing less.
- See if you qualify for state financial assistance. You may be eligible for help with childcare, housing, and other costs. The State of Maine has a 211 hotline (dial 2-1-1) that refers Maine residents to the appropriate service.

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