

Here's how to make college tuition more affordable

By Brittany De Lea Published August 08, 2019 Personal Finance FOX Business

As the costs of college continue to rise, a large majority of American families are not doing everything they can to make tuition more affordable. According to data from Sallie Mae, the average U.S. family spent \$26,226 on college for the 2018- 2019 school year. About 43 percent of those costs were covered by family savings and income, while 31 percent were covered by scholarships and grants. Those numbers might be different if more people not only applied for financial aid, but applied earlier.

Nearly one-in-four families are still not filing for financial aid – despite the fact that they will more than likely qualify. Failing to apply could cause families to miss out on thousands of dollars.

So, why don't people apply? The primary reason (cited by 39 percent of respondents) was because families thought they wouldn't qualify. Nearly 30 percent said they either didn't know about it, or missed the deadline. Another 27 percent said they didn't have the information or time, or felt the process was too complicated. A 2016 NerdWallet study found that high school graduates forewent \$2.7 billion in free federal grant money, including 747,579 people who were likely eligible for a Pell grant. The average amount of money that students who did not apply were found to have missed out on was \$1,861.

FAFSA provides access to more than \$150 billion in grants, work-study and student loans.

As previously reported by FOX Business, people should apply as soon as possible because funds can be available on a first-come, first-served basis. Yet, Sallie Mae's survey also found that more than half of families wait until January or later to file, which can decrease their chances of getting aid.

Families can file a FAFSA beginning on Oct. 1.

Each college may have its own FAFSA deadline – and each state has its own deadline.

According to data from FAFSA, for the 2017-2018 application cycle, it received nearly 19 million applications, which included 9.1 million from students who were pursuing their first bachelor's degree.

Financial aid could be particularly helpful at a time when many Americans are battling mounting levels of student loan debt. Overall, borrowers collectively owe nearly \$1.6 trillion.