



Women's Money Matters

Life Launch!

Grants, Loans, and Scholarships. Oh My!

There are many different ways that people pay for college or technical school. Three of the most common ways are grants, loans, and scholarships.

Grants - Colleges and universities receive money from the Federal Government that pay for educational programs and other institutional costs. Grants for college students tend to fall into two categories: need based and merit based. Need-based grants are issued to low-income students who may have a hard time paying for college. Merit-based grants are based on things like good grades and personal achievements. *Grants do not need to be paid back.*

Loans – Many students borrow money from the federal government, banks, or other private lenders as a way of paying for college. *Loans must be paid back*, with interest. Oftentimes, you end up paying more than you borrowed. Loans made by the federal government tend to offer lower interest rates and have more flexible payment options than loans from banks or other private institutions.

Scholarships – Scholarships tend to be merit based. Scholarships tend to be awarded to students with proven academic or athletic abilities. Many scholarships have rules like maintaining a certain GPA while in school. *Scholarships do not need to be paid back.*

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(Lesson #8: Education Routes)

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