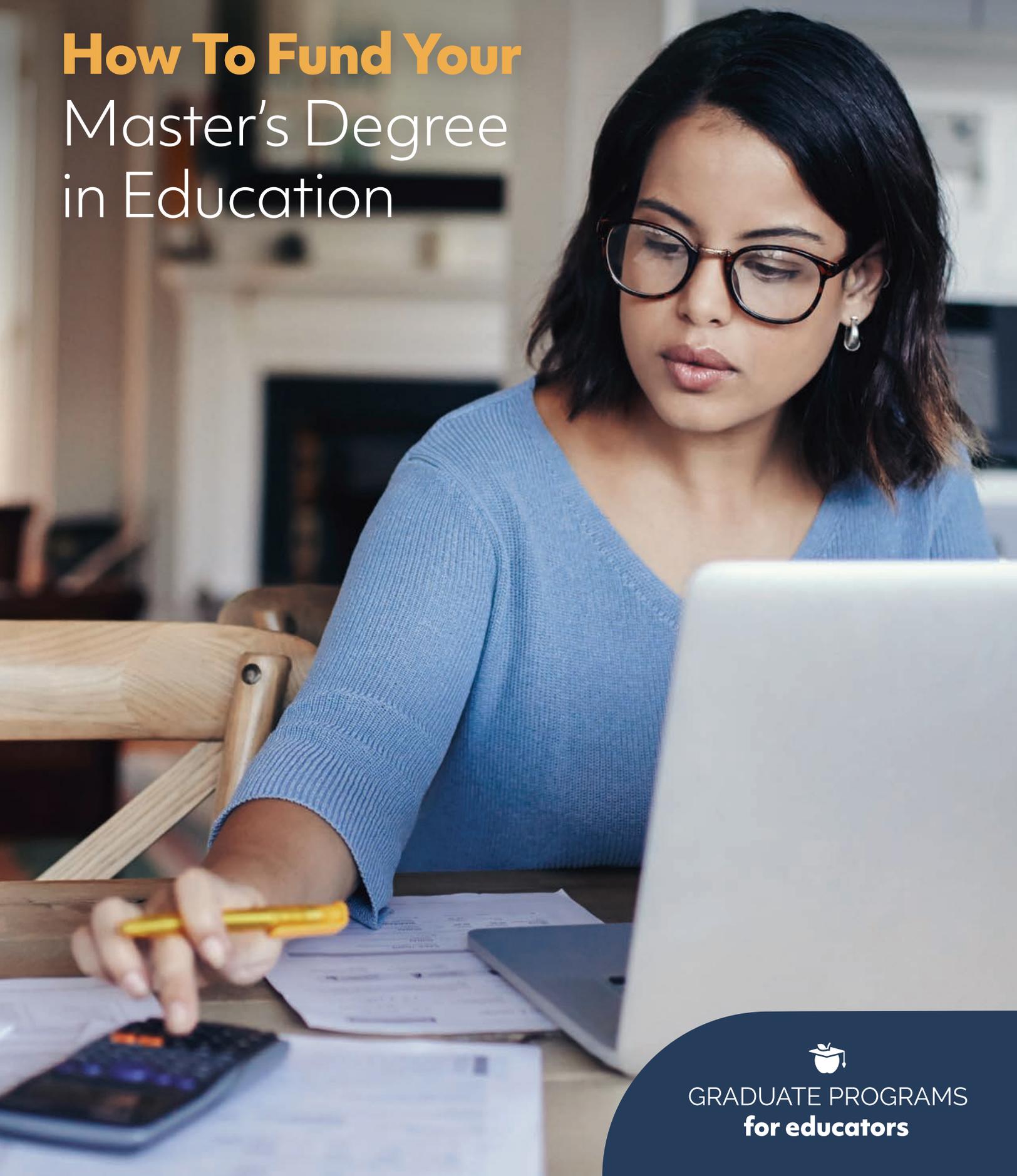


FUNDING E-GUIDE

How To Fund Your Master's Degree in Education



GRADUATE PROGRAMS
for educators

How To Fund Your Master's Degree in Education

Earning a master's degree in education can give you the boost you need to bring your career to the next level. From increasing your salary to having a wider range of opportunities to improving your teaching acumen, a master's degree is an investment in your future.

Most educators know a master's degree can advance their career, but are unsure how to pay for it. This guide will walk you step by step through the number of financial aid options and ways to reduce tuition costs.

Why You Should Pursue a Master's in Education

A master's degree in education can open doors to more career opportunities and increase your financial stability. School districts across the country have pay structures that incentivize post-credential credits and also reward your years of service. An advanced degree can also lead to job opportunities beyond the classroom, such as in school leadership and curriculum development.

Investing the time and effort in a graduate degree will also give you the chance to improve your teaching ability and deepen your understanding of how to modify your instruction to meet the needs of all students.

Funding a Master's Degree

Financial constraints should not be the reason you do not pursue your professional goals. A wide range of financial aid options can help you finance your master's in education. If you do your research in advance of applying to a graduate program and carefully mix and match financial aid, scholarships, tuition reimbursements, and paying out of pocket per semester, you can save thousands on your graduate education.

Federal Student Aid and Employer Reimbursement



In the United States, the federal government offers a variety of financial aid programs. In fact, the U.S. Department of Education awards \$120 billion in financial aid every year to more than 13 million students. Additionally, many school districts and employers offer tuition reimbursement for employees in good standing who are pursuing an advanced degree related to their field of work.



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There are two main categories of federal student aid: **Grants and scholarships, and federal loans:**

1. **GRANTS AND SCHOLARSHIPS** are considered “free money”: you will not have to repay the sum upon graduation as long as you have met the requirements of the grant or scholarship. One type of federal grant that could be available to you is the Teacher Education Assistance for College and Higher Education (TEACH) Grant. The TEACH Grant program provides a grant to students who are completing the coursework that is required to begin a career in teaching, and if the student agrees to teach full time for at least four years at an elementary school, secondary school, or educational service agency that serves students from low income families.
2. **FEDERAL STUDENT LOANS** are the most common type of federal funding for a master’s degree. With competitive interest rates, tax deductions, flexible repayment options and an easy application process, these loans most often have greater benefits than loans from private banks or other private loan centers.

Additionally, many employers may offer tuition reimbursement for pursuing your advanced degree. For more information on employer reimbursement, please see page four.



How Do I Apply for Federal Student Aid?

The great news is that applying for federal student aid is simple. It’s just one online application, and students can qualify for many types of federal student aid regardless of income level or credit score.

In order to get started, you need to only submit your financial aid application, commonly called the FAFSA (Free Application for Federal Student Aid). This is done online and takes just a few moments to complete.

The FAFSA is the single application required for all federal student aid programs — including TEACH Grants, federal work study and some federal student loans.



[FAFSA APPLICATION](#)



Federal TEACH Grant

(Teacher Education Assistance for College and Higher Education Grant)

The TEACH Grant Program is unique in that it awards graduate students up to \$4,000 a year who are pursuing teaching in a “high-need field,” and, who commit to teaching at a school that serves low-income students. After graduation from your master’s degree program, you must teach in one of the defined high-need fields, and at an approved school, for at least four of the immediate eight years after graduating. This is called your “service obligation.” If you fail to meet the terms of your service obligation, your TEACH Grant will be converted to a direct unsubsidized loan. After graduation you will need to provide proof of your employment annually to your TEACH Grant servicer.

To see if your school and program of study may qualify, the Department of Education annually publishes a listing of “high-need fields” and “low-income school districts” which fulfill the TEACH Grant service obligation.

Currently, the high need fields include:

- Bilingual education and English language acquisition
- Foreign language
- Mathematics
- Reading specialist
- Science
- Special education
- Any other field that has been identified as high-need by the federal government, a state government, or a local education agency, and that is included in the annual posting of the Nationwide Teacher Shortage Areas Listing designated by the Department of Education.



Teacher Shortage Area Nationwide Listing (Nationwide List).

The current “low income school districts” can be found online.



CURRENT DISTRICTS

Although the TEACH program is unique in these ways, the advantages of reducing overall tuition costs make it a worthwhile option for students who are pursuing a career in any of the high need areas.

Not all schools participate in the TEACH Grant program, so if you are interested in receiving this grant, make sure the school you are applying to is participating. Your school’s financial aid office will require the FAFSA application, and will walk you through any other items required that are unique to the TEACH Grant Program.



TEACH GRANT DETAILS



Employer Reimbursement

Many employers and school districts offer tuition reimbursement for employees who want to obtain an advanced degree. Tuition reimbursement is an employee benefit, and is usually administered by your human resources office. It's a good idea to check with your benefits coordinator early on to see what types of benefits they may offer and what is required of you in order to apply for them.

There are two types of tuition reimbursement, one where your school district may pay for your tuition at the beginning of each term, and one where they will pay at the end of the term upon successful completion of your classes. It's important to find out which type your employer offers so you can communicate with your financial aid office and they can ensure timely processing of these benefits for you.

Some things you may wish to consider when looking into your employer's tuition reimbursement programs include:

- Is there are certain GPA needed to receive assistance?
- Will I have to repay any funds if I move on to another job?
- Am I allowed to attend a graduate school of my choice, or does it need to be from an employer-sponsored list?
- Why types of classes and programs can I pursue?
- What are the tax stipulations from receiving tuition reimbursement?



Federal Direct Student Loan Programs

One of the most common ways students fund their education is through federal direct loan programs. Federal loans have fixed interest rates and often qualify for tax deductions. Federal loans also have some of the most flexible repayment options on the market today and have no prepayment penalties.

There are two main types of federal direct student loans: Unsubsidized loans and Graduate PLUS Loans.

UNSUBSIDIZED LOANS traditionally have the lowest interest rate, and are based solely on the information provided on your FAFSA application. Students can be eligible for up to \$20,500 per year (as of the 2019/2020 award year) or the cost of your program (whichever is less).

GRADUATE PLUS LOANS can be borrowed in the unlikely event that you need more funding above the amount of the unsubsidized loans. Graduate PLUS Loans require a second application after the FAFSA, and your financial aid office can provide you with more information if you are interested.

For current interest rates, and other pertinent details:



CURRENT RATES

For both the federal unsubsidized loan and the federal Graduate PLUS loan, the funds will be sent directly to your school on your behalf. If you choose to borrow additional funds above the cost of your tuition and fees, the additional monies will be refunded to you in the form of a student account refund check or direct deposit from the school. This typically occurs during the first month of each semester, but for specific deadlines to your school please contact your financial aid office.



Federal Direct Loan Forgiveness Programs

The other benefit to the federal student direct loan program is that many teachers may qualify for Teacher Loan Forgiveness or Public Service Loan forgiveness. This enables students to have their remaining principle balance on their loans “forgiven” (or cancelled) after completion of a set number of on time monthly loan payments.

The current Teacher Loan Forgiveness Program allows teachers to have up to \$17,500 of a direct loan eliminated. If you qualify, having a substantial portion of your student loan debt removed can make the repayment process a lot easier.

The current Teacher Loan Forgiveness program requirements are similar to those of the TEACH Grant service obligation and include:

- Teaching full time for five consecutive years at a qualifying low-income school.
- If you work as a “highly qualified” teacher in mathematics, science or special education, you could qualify for forgiveness up to \$17,500.
- If you work as a “highly qualified teacher” in elementary or secondary education, you could qualify for forgiveness of up to \$5,000.



CURRENT SCHOOLS

If you don’t meet the conditions of the Teacher Loan Forgiveness Program, you may still qualify for other loan forgiveness programs, such as:

- **Public Services Loan Forgiveness (PSLF)** - This program eliminates the remaining balance on your direct loans after you have made 120 qualifying payments. You also have to work full time for a government organization or a nonprofit organization in order to qualify for PSLF. This program has specific requirements, so you must reach out to your student loan servicer when you initially begin repayment to enter into this program.
- **Perkins Loan Cancellation for Teachers** - If you have a Federal Perkins Loan, you might be eligible to have up to 100 percent of your loan forgiven in certain increments if you teach in a low-income school. Each year you work full time at a designated qualifying school, you can have a percentage of your Perkins Loan discharged. To apply, check with your loan service provider.
- **State-Sponsored Loan Forgiveness Programs** - The state you teach in might also offer a teacher loan forgiveness program. The American Federation of Teachers has a comprehensive searchable database where you can find out if your state or district offers a program that will help you reduce your student loan costs.



ELIGIBILITY REQUIREMENTS



SEARCHABLE DATABASE



Private Scholarships

There are many private scholarships available to help fund your master's degree program.

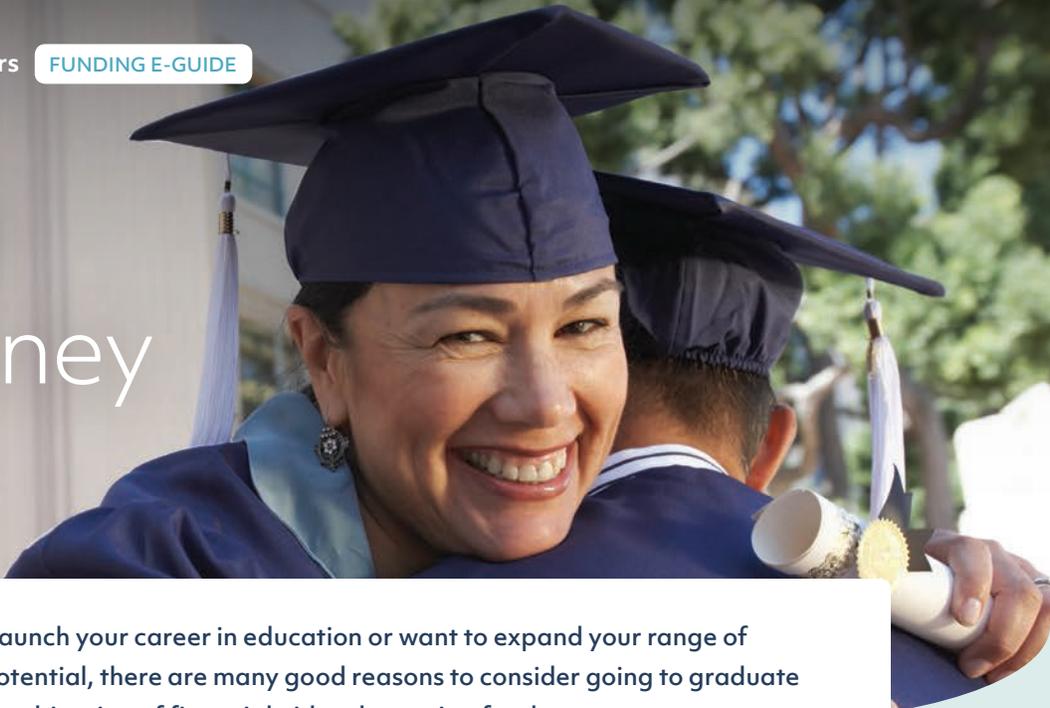
The most important steps are to start your search early, make sure you meet the deadlines, and apply for as many scholarships as possible.

Application deadlines are usually around February or March, so you should backtrack to leave yourself enough time to do adequate research and submit your application materials.

There are a wide variety of scholarships, offered by employers, nonprofits, institutions and religious groups. Some of them are merit-based, meaning you have to meet certain requirements such as a high GPA or special talent. Other scholarships are directed toward having a qualification such as being first-generation, gender, nationality, from an underrepresented group, or military service.

The best place to research private scholarships are through your local community, school districts, or by contacting your financial aid office. These applications are not part of your Federal Student Aid award from your FAFSA, so they will require a special application which varies based on the type of scholarship you are applying for.

Let's Start Your Journey



Whether you are looking to launch your career in education or want to expand your range of opportunities and earning potential, there are many good reasons to consider going to graduate school. By finding the right combination of financial aid, or by paying for the program as you go, you can minimize out-of-pocket costs to make it happen.

What can Graduate Programs for educators do for you?

If you know it's time to advance your career but think you don't have time, we can help. Our accessible staff is dedicated to your success. We help you find a program, then provide easy, stress-free admissions support for busy teachers. Visit graduateprogram.org for more information.

 **6,000+**
educators placed in a
graduate program in 2018

 **95%**
student retention rate

 **99%**
pass rate on
certification exams

 **100+**
state approved education
degrees to choose from

 **19**
non-profit university partnerships
providing graduate degrees

 **15,000+**
teacher inquiries handled
by our team in 2018



**GRADUATE PROGRAMS
for educators**

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GraduateProgram.org

