

Red Kite's Guide to Paying for College

Welcome Parents!

Helping your child pay for college is one of the most meaningful investments you can make. But with rising costs, confusing forms, and hundreds of deadlines, it can also feel overwhelming. That's where this guide comes in.

This Parent's Guide to Paying for College offers expert tips and tools to help you navigate financial aid with confidence. Whether you're brand new to the process or just need a refresher, we break it down into clear, actionable steps.



Maria's Story

When Maria and her daughter started looking into colleges, they quickly discovered that choosing a school was only half the battle. The other half? Understanding how to afford it. That moment led them to Red Kite, and eventually, to over \$8,000 in scholarships they wouldn't have found otherwise.

Why This Matters:

The average cost of college (tuition, fees, room and board) is now over **\$29,000** per year for in-state public universities and over **\$62,000** per year for private colleges.

(Source: CollegeBoard, Trends in College Pricing 2024 report)

As of the first quarter of 2025, the total student loan debt in the United States reached **\$1.8 trillion**, with the average borrower owing an **average of \$39,075**.

(Source: The Motley Fool, 2025)

Every year, nearly **\$100 million in scholarships go unclaimed**, often because students don't know they exist or miss the deadlines. (Source: National Scholarship Providers Association)

In this guide, you'll find:

- FAFSA tips that reduce errors and increase your aid potential
- Scholarships you (the parent) can apply for on behalf of or alongside your child
- A clear college funding timeline so you can stay ahead of deadlines
- A step-by-step walkthrough of how to use Red Kite to find scholarships that match your student's unique profile
- Information on a variety of college tuition funding sources, including grants, work-study programs and more
- Easy-to-understand explanations of financial aid terminology



FAFSA Tips for Parents

What is FAFSA?

FAFSA (*Free Application for Federal Student Aid*) is your gateway to federal grants, work-study opportunities, and student loans. Filing FAFSA is free and should be the first step in every family's college funding plan each year.

Why fill out the FAFSA?

The FAFSA is the key to receiving federal grants like the Pell Grant, which is free money that doesn't need to be repaid. Many states and colleges often require FAFSA information to award additional grants and scholarships, even for merit-based scholarships. Skipping it could mean leaving money on the table. The FAFSA can also make your child eligible for federal work-study programs, allowing them to earn money through part-time jobs on or near campus. Most Americans are eligible to qualify for some type of federal financial aid.

Real-World Example:

One parent, Mark, almost missed out on thousands in aid because he didn't know FAFSA opened in October. He thought they had until spring to file, and by then, many grants were gone.

Top Tips to Maximize FAFSA Success:



File Early: Submit as soon as FAFSA opens (usually October 1) to maximize aid eligibility. Some aid is first-come, first-served.

Use the IRS Data Retrieval Tool: This reduces errors, saves time, and often prevents verification delays.

Create Separate FSA (*Federal Student Aid*) IDs:

Both you and your student need individual FSA IDs, don't share accounts.

Double Check Info: Common mistakes include entering incorrect SSNs, misreporting assets, or skipping required fields.

List Multiple Schools: Include every school your child is considering to maximize options for aid packages.

Helpful Fact:

Approximately 92% of high school seniors who complete the FAFSA go on to enroll in college immediately, compared to around 62% of all high school completers nationwide
(Source: National College Attainment Network, 2025)



Red Kite Tip: Set FAFSA reminder alerts in your Red Kite dashboard to never miss the window opening.

Myth vs. Fact:

Myth: We make too much money to qualify for FAFSA.

Fact: There is no income cutoff, and many factors beyond income determine eligibility.
(Source: Federal Student Aid Office)



Scholarships Parents Can Apply For

Did you know that some scholarships are geared toward parents or require parent participation?

Susan's Experience: As a nurse and union member, Susan didn't realize her professional association offered a \$3,000 scholarship for dependents. It only took 20 minutes to apply, and her daughter won.

Examples of Parent-Eligible or Joint Scholarships:

Veteran/Service-based Scholarships:

For children of military personnel.

Employer-Sponsored Scholarships:

Offered by companies like Walmart, Coca-Cola, and others for employees' dependents.

Union or Professional Association Awards:

Many unions (e.g., NEA, AFL-CIO) offer scholarships to members' children.

Community & Faith-Based Scholarships:

Local organizations often welcome parent involvement.

Helpful Fact:

Scholarships and grants covered an average of **27% of college costs** for families, up from approximately 25% the previous year

(Source: Sallie Mae, How America Pays for College 2024)



Red Kite Tip: Visit the Scholarship Planning Toolkit on [MyRedKite.com](https://myredkite.com) for downloadable trackers, tips, and parent-friendly tools

By the Numbers

2024 college costs

\$43,350

Private College
Average annual cost

\$30,780

Public Out-of-State
Average annual cost

\$11,610

Public In-State
Average annual cost

\$38,375

Average Debt
Per graduating student

What Parents Can Do



- ✓ Help track and complete application components
- ✓ Assist with essays and personal statements (*without* writing them)

- ✓ Write recommendation letters, if appropriate
- ✓ Maintain a shared scholarship tracker with your student
- ✓ Stay on top of your student's deadlines by subscribing to the [Red Kite Calendar](#)

College Funding Timeline

Why Planning Early Pays Off:

Rachel, a single parent, started looking into aid during her daughter's sophomore year. By senior year, they had already applied for 12 scholarships and built a college list with net cost data. The result: zero loans for year one.

Freshman Year (9th Grade)

Month	Task
Sept-Oct	<ul style="list-style-type: none"> Explore your interests & strengths through classes & clubs Discuss extracurricular options and passions with your student
Nov-Dec	<ul style="list-style-type: none"> Meet with your school counselor to set goals
Jan-Feb	<ul style="list-style-type: none"> Start tracking academic achievements (use a digital resume tool) Set expectations around GPA and study habits
Mar-Apr	<ul style="list-style-type: none"> Join clubs or extracurricular activities
May-June	<ul style="list-style-type: none"> Set academic goals for GPA for sophomore year Create your Red Kite profile to begin exploring scholarships

Sophomore Year (10th Grade)

Month	Task
Sept-Oct	<ul style="list-style-type: none"> Take the PSAT (register early!) Start learning about scholarships and timelines
Nov-Dec Jan-Feb	<ul style="list-style-type: none"> Build your activity résumé (track awards, clubs, service) Begin early financial planning conversations
Mar-Apr	<ul style="list-style-type: none"> Explore majors & career paths using Red Kite tools
May-June	<ul style="list-style-type: none"> Volunteer and take leadership roles in your school/community Attend a college fair or virtual tour Explore scholarship categories on Red Kite & bookmark interesting ones

Junior Year (11th Grade)

Month	Task
Aug-Sep	<ul style="list-style-type: none"> Take SAT/ACT or start prep classes Open or review a 529 college savings plan
Oct-Nov	<ul style="list-style-type: none"> Shortlist colleges based on academic/financial fit Create FAFSA ID (needed next year)
Dec-Jan	<ul style="list-style-type: none"> Ask teachers for letters of recommendation
Feb-Mar	<ul style="list-style-type: none"> Start writing your scholarship or Common App essay Discuss financial expectations and cost realities
Apr-May	<ul style="list-style-type: none"> Visit college campuses or attend virtual tours Set up Red Kite alerts for early-bird scholarships (some deadlines in summer!)

Senior Year (12th Grade)

Month	Task
Aug-Sep	<ul style="list-style-type: none"> Finalize your college list Review Red Kite dashboard together and finalize financial aid approach
Oct	<ul style="list-style-type: none"> Apply for FAFSA (opens Oct 1!) Attend financial aid night or Red Kite webinar
Nov-Dec	<ul style="list-style-type: none"> Submit early college applications & keep applying for scholarships weekly via Red Kite
Jan-Feb	<ul style="list-style-type: none"> Compare financial aid offers from colleges Review offers and help interpret award letters
Mar-Apr	<ul style="list-style-type: none"> Make final college decision & submit enrollment deposit



80% of families used scholarships and grants to help afford college, which is a significant rise from around 58% reported in 2023

(Source: Sallie Mae's "How America Pays for College 2024" Survey)



Understanding Financial Aid and Its Terminology

There are three types of Federal Student Aid:

Grants: Grants are a type of financial aid that helps pay for college and do not need to be repaid. They're often awarded based on financial need, which is determined through the FAFSA, though some grants are given for specific circumstances like academic achievements or certain career fields. For students and parents, grants are essentially "free money" for education.

Work-Study: Work-study programs provide part-time jobs for students with financial need, allowing them to earn money to help pay for education expenses. These jobs are often on campus or with approved community organizations, offering flexible hours that work around class schedules. For students and parents, work-study is a great way to offset costs while gaining valuable work experience that can build a resume.

Important Facts About Work-Study



It's administered by schools participating in the Federal Work-Study Program. Check with your school's financial aid office to find out if your school participates.

If you're interested in getting a Federal Work-Study job while you're enrolled in college or career school, make sure you apply for aid for early. Funds are limited.

Your Work-Study award depends on when you apply, your level of financial need and your school's funding level.

Being awarded Federal Work-Study does not guarantee you a job. Most schools require the student to find, apply for and interview for positions on their own, just like any other job.

Work-Study funds are not applied directly to your tuition. Students will receive the funds in a paycheck based on hours worked, just like a normal job.

Loans: Federal student loans for college or career school are an investment in your future. You must repay your loan, so be sure you understand your options and responsibilities. A loan is money you borrow and must pay back with interest. There are four types of Direct Loans available:

Direct Subsidized Loans: (Best first option for students with financial need)

- **Who they're for:** Undergraduate students who demonstrate financial need
- **Key benefits:**
 - Low interest rate
 - **No interest** while your student is in school at least half-time, during the 6-month grace period after leaving school, and during approved deferments
- **Loan limit:** School determines amount, based on need and year
- **Also known as:** Stafford Loans or Direct Stafford Loans

Direct Unsubsidized Loans: (Available to more students, but interest starts right away)

- **Who they're for:** Undergraduate and graduate students; no financial need requirement.
- **Key considerations:**
 - Interest accrues from the moment the loan is disbursed.
 - If unpaid while in school or during grace/deferment, interest is added to the principal (capitalized).
- **Loan limit:** Set by school considering other aid received

Direct PLUS Loans: (Extra borrowing option for parents or graduate students)

Two types:

- **Parent PLUS Loan** – For biological, adoptive, or some stepparents of dependent undergraduate students.
- **Grad PLUS Loan** – For graduate or professional students.

Understanding Financial Aid and Its Terminology (Cont.)

What to know:

- Credit check required.
- Can cover up to the full cost of attendance minus other aid.
- Interest starts immediately; no subsidized option.

Direct Consolidation Loans: (Simplify repayment)

- Combine multiple federal student loans into one.
- One monthly payment instead of several.
- May provide access to different repayment plans or forgiveness programs.
- **Caution:** Consolidation can sometimes remove borrower benefits, so weigh pros and cons before deciding.

Other Types of Aid Available:

Aid from Your State Government: Even if you're not eligible for federal aid, you might be eligible for financial aid from your state.

- Many states have a long list of student aid programs
- Eligibility is usually restricted to state residents attending a college in-state, but that's not always the case
- There are annual deadlines for most programs
- To learn more about Financial Aid options in your state, visit [NASFAA State Financial Aid Programs](#) (*National Association of Student Financial Aid Administrators*)

Aid from Your College or Career School: Many schools offer financial aid from their own funds

- Visit your school's financial aid page on its website or ask someone in the financial aid office
- Ask at the department that offers your course of study; they might have a scholarship for students in your major

Private Student Loans: Help bridge the gap when federal aid, scholarships, and savings aren't enough to cover the full cost of college.

- **Fills funding gaps:** Helps cover costs when federal aid, scholarships, and savings aren't enough
- **Covers all education expenses:** Can be used for tuition, housing, books, technology, and more
- **Flexible borrowing amounts:** You can often borrow up to the full cost of attendance (minus other aid)
- **Potentially competitive rates:** Borrowers with strong credit or a creditworthy cosigner may qualify for lower interest rates
- **Customizable repayment options:** Choose between immediate, interest-only, or deferred payment plans while in school
- **Quick application and funding process:** Many lenders offer fast approvals and disbursements



Red Kite Tip: Help your student accept free aid first (scholarships and grants), then work-study, then loans. Set reminders in your [Red Kite dashboard](#) to track deadlines and avoid last-minute borrowing.

