

COUNSELOR CONNECTION

December 2018

How to get in trouble with credit card debt

Students can get into trouble with credit card debt if they don't take time to think about what they're doing. One quick way to get into trouble is to carry a high balance and pay only the minimum payment each month.

If you have a \$1,500 balance, your minimum payment might be \$30 a month, since many credit card companies set the minimum payment at 2 percent of the balance. Let's say your card carries a 22 percent interest rate. If you only pay \$30 a month and don't charge anything else until you pay off the entire balance, it will take you more than 11 years to pay your balance down to zero — and you'll pay \$2,600 in interest.

It's worse, of course, if you pay the \$30 and turn around and charge another \$30. That circle is especially bad for students. Many college officials say more students drop out because they have to go to work to pay off their credit cards than because they flunk out.

Before using your credit card, ask yourself if you really need what you're buying and if you can afford it. And if you can't pay off the entire balance, pay as much as you can, not just the minimum.

Sanders, Pylant elected ACHE chair, vice chair



Ed Sanders

Jasper attorney Ed Sanders was elected chair of the Alabama Commission on Higher Education on Dec. 7.

Stan Pylant was elected vice chair. Pylant is president and general manager of WHNT-TV in Huntsville.



Stan Pylant

The commission will be asking lawmakers for a 5.5% funding increase for Alabama's public higher education institutions for the 2019-20 fiscal year. Some of the money will be used to ensure that Alabama's public institutions receive the same state funding as their national

peer institutions and for overall increases in general operations.

The annual report, highlighting the commission's activities from Oct. 1, 2017, through Sept. 30, 2018, is available on the commission's [website](#).

Avoid these common student financial aid mistakes

Many students spend more for college than they should by making some common mistakes when seeking financial aid. Follow these tips to make sure you get the help you need.

Some people don't bother to apply for financial aid because they don't think they'll qualify. But they should submit the Free Application for Federal Student Aid (FAFSA) to find out if they're eligible for state and federal student aid programs. Not filing may hurt their chances of getting free money for college.

Another common mistake is waiting until the last minute to apply for financial aid. Some programs have deadlines, while others have limited funds. Students and families should submit the FAFSA as soon as possible after Oct. 1 of each year.

Colleges send each student who has applied for student aid a financial aid package. Students and their families should look it over carefully. They should compare offers if they have received packages from more than one school to see which is the best deal. Of course, students should also consider other factors, such as whether a school offers the academic program a student wants or if it meets other expectations.

Students who need loans to help pay for college must be good consumers. They should apply for federal student loans before applying for private loans. Not all private lenders offer the same rates and benefits. Borrowers should pay close attention to what lenders call the back-end benefits: the interest rate and principal reductions offered when repaying the loan.

New programs approved for state's public colleges

At its Dec. 7 meeting, the Alabama Commission on Higher Education approved the following new programs for the state's public colleges and universities:

- Auburn University, bachelor's degrees in biological and agricultural technology management, philanthropy and nonprofit studies, and wildlife enterprise management.
- Central Alabama Community College, an associate's degree and certificate in medical assistant technology.
- Gadsden State Community College, an associate's degree in dental hygiene/hygienist.
- Northwest-Shoals Community College, associate's degrees in diagnostic medical sonography and radiologic technology.
- Troy University, a master's degree in athletic training.
- University of Alabama at Birmingham, a master's degree in educational studies.
- University of Montevallo, a bachelor's degree in computer science.
- University of South Alabama, master's degrees in rehabilitation sciences (occupational therapy) and rehabilitation sciences (speech language pathology).
- Wallace Community College (Dothan), an associate's degree and certificate in surgical technology.

Virginia College closes

Virginia College has closed all its campuses, including the one in Mobile.

The for-profit school was owned by Education Corporation of America, which also operated Brightwood College, Brightwood Career Institute, Ecotech Institute and Golf Academy of America. ECA was forced to close when it lost its accreditation and funding earlier this month.

The company had sued the U.S. Department of Education in October to try to continue to receive federal student aid, but the suit was dismissed.

Scholarship spotlight

Alabama Municipal Electric Authority Scholarships

Eligibility: Must be a graduating high school senior; attend a four-year college/university, community college or vocational school in Alabama; have a parent or legal guardian who is a customer of the city electric department in Alexander City, Dothan, Fairhope, LaFayette, Lanett, Luverne, Opelika, Piedmont, Riviera Utilities, Sylacauga or Tuskegee; and submit an application, official transcript (including ACT score if applying for academic scholarship) and two letters of recommendation.

Award: \$2,500

Number: four per city

Deadline: February 11

Contact: Alabama Municipal Electric Authority, 80 TechnaCenter Drive, Montgomery, AL 36117; 800.239.2632, ext. 110, or 334.387.3504;

pam@amea.com; www.amea.com

**Four years
of college
not for you?**



How about a **TECHNICAL** School?

Career and technical schools, commonly known as trade schools, provide training in fields that don't necessarily require a four-year degree, such as plumbing, nursing, cosmetology, medical technology, auto technology, computer technology, firefighting, welding and others.

These programs give you the knowledge you need to get a better job in your chosen field. Many of them will prepare you for the state licensing exams you must pass to be certified.

You have many schools to choose from — public community colleges, state career and technical education centers and private schools.

Before you choose, though, consider your options.

Remember to find out whether the credits you earn will transfer to another school.

Making the decision

Talk over your options with your school counselor, your teachers and your family. You might want to talk with people who are already working in the field you're interested in, especially if those people are the ones who do the hiring. They can advise you on how much schooling they look for in their employees.

Alabama has 23 two-year community and technical colleges, with more than 50 locations around the state, that help thousands of students reach their educational and career goals.

How many semesters?

How much schooling you need after high school depends on how far you want to go in your field. You can take a certificate or diploma program that lasts several months and gets you a pretty good job.

Or you can decide to get an associate's degree. That generally takes about two years to earn, but it can pay off in a better job when you finish.

Some people do both. They finish a certificate or diploma program and work for awhile, then decide to get an associate's degree because it means a promotion and more pay. Others may decide that even an associate's degree isn't enough and will go on to earn a four-year degree, further increasing their salary and the number of opportunities available to them.

Transferring credits

If you are transferring from one Alabama public college to another, your credits will automatically transfer if you follow the guidelines of the Alabama Articulation and General Studies Committee, found here — <http://stars.troy.edu>.

If not, the credits you earn in a technical education program, even if you're working on an associate's or bachelor's degree, may not transfer out of state or from a public school to a private school. If you're attending a public two-year college, credits you earn toward an associate's in science (AS) degree are more likely to transfer than credits toward an associate's in applied science (AAS) degree.



High-Wage, High-Demand Programs

Agricultural Production Operations
Allied Health Diagnostic, Intervention, and Treatment Professions
Business/Commerce
Business Administration and Management
Carpentry/Carpenter
Crafts/Craft Design, Folk Art and Artisanry
Dental Hygiene/Hygienist
Diagnostic Medical Sonography/Sonographer and Ultrasound Technician
Drafting and Design Technology/Technician
Electrician
Fine/Studio Arts
Graphic Design
Industrial Mechanics and Maintenance Technology
Legal Assistant/Paralegal
Logistics, Materials, and Supply Chain Management
Marine Transportation
Occupational Therapist Assistant
Physical Therapy Technician/Assistant
Plumbing Technology/Plumber
Radiologic Technology/Science – Radiographer
Registered Nursing/Registered Nurse

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