



FINANCE AND ADMINISTRATION CABINET
KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

Andy Beshear
Governor

P.O. Box 798
Frankfort, Kentucky 40602-0798
Phone: 1.800.928.8926
Fax: 1.502.696.7373
www.kheaa.com

Holly M. Johnson
Secretary

Diana L. Barber
Interim Executive Director

Contact: Tim Ballard
Phone: 502-696-7372
Email: tballard@kheaa.com

Financial Aid Tip for Students, June 2022

Private student loans may fill the financial aid gap

FRANKFORT, Ky. (June 1, 2022) — Many students attending colleges and technical schools will qualify for financial aid to help pay for their education. However, some students may find that federal and state grants, scholarships and federal loans don't cover all their educational costs, according to the Kentucky Higher Education Assistance Authority (KHEAA).

Students who go to school less than half time generally don't qualify for state or federal financial aid programs.

Private education loans can help students whose financial aid doesn't cover all their costs or students who don't qualify for financial aid.

Because interest rates on private loans depend on the borrower's credit rating, students may have to pay higher rates than they would on federal student loans. In addition, many lenders require students to have a cosigner, and most require the college to certify that the student needs the loan.

Students and parents should compare the private loans offered by various lenders to find the best possible deal. They should also check into the Advantage Education Loan, Kentucky's only nonprofit private student loan. The Advantage Education Loan is offered by KHEAA's sister agency, the Kentucky Higher Education Student Loan Corporation (KHESLC).

Visit advantageeducationloan.com for more information about Advantage Education Loans.

KHEAA is the state agency that administers Kentucky's student financial aid programs, including the Kentucky Educational Excellence Scholarship (KEES).

In addition, KHEAA administers the KY Saves 529 program, which allows families to save for college. For more information about KY Saves 529, visit kysaves.com.

Many of KHEAA's student aid programs are funded by Kentucky Lottery revenue.

For more information about Kentucky scholarships and grants, visit kheaa.com; write KHEAA at P.O. Box 798, Frankfort, KY 40602; or call 800-928-8926.