

Making College More Affordable

College can be expensive, but there are abundant grants and scholarships available if you know where to look.



Heading off to college is usually a celebratory time for both parents and students. Unfortunately, many families also experience the flip side—the anxieties that come with the looming task of paying for college and the potential weight of student-loan debt.

The good news is there are many ways to help make college more affordable. Scholarships and grants are one of the best ways to reduce college costs. In 2024–25, 60% of families used scholarships and 57% used grants—together, they ranked as the second-largest source of funding.¹ And though they do take some extra work, the payoff is just that—free money.

As an even bigger bonus, those scholarships and grants are awarded for all sorts of reasons. Are you crafty with duct tape? There's a scholarship for that. Are you tall? Do you have a mean duck call? Are you a Trekkie? There are scholarships for that, too!

In addition to some of these more unique scholarships, there are plenty of traditional scholarships available. The trick is understanding what they are, and where you can find them.

What Are Grants and How Do I Find Them?

A subset of financial aid, grants are need-based and don't need to be repaid. If you're looking for grants (and financial aid in general), the Free Application for Federal Student Aid (FAFSA) is your first step. The FAFSA is completed annually to determine eligibility for financial aid, which could include both federal grants and federal student loans.

Students are automatically considered for most grants when they submit their FAFSA form, so it's an imperative. Not submitting means that you could be missing out on thousands of dollars in aid. In fact, in the 2024-25 academic year, 34% of families chose not to fill out the FAFSA because they assumed that they wouldn't qualify for any aid.¹

Key Points

- Grants and scholarships are a great resource when considering how to pay for college.
- Fill out the FAFSA each year. Not doing so means that you could potentially be missing out on thousands of dollars in aid.
- Reputable online search tools can make finding grants and scholarships easier.

¹ Sallie Mae, "How America Pays for College 2025," July 2025.

Typically, the FAFSA opens on October 1; it asks for information such as bank statements, records of investments, tax returns, and which schools you're considering applying to. In general, it's recommended that families submit their FAFSA as soon as it becomes available. While grants are need-based, some states use the FAFSA on a first-come, first-served basis. Further, some schools (regardless of location) also award financial aid (i.e., grants) on a first-come, first-served basis. Delaying your application could make a big difference in the financial-aid package you're offered.

Are There Other Resources for Grants?

Federal grants through the FAFSA are the first stop, but you can also search online for a variety of other grants: from your school(s) of choice, through your state, and from private sources. That being said, finding non-federal grants will likely take some digging.

Your high school may have additional grant programs in place to help students in need pay for the growing cost of college. To find out if they do and to learn about eligibility requirements, visit your school's website and give your prospective university's financial-aid office a call.

A good place to start when looking for state-funded grants is the "state contacts" directory on the US Department of Education's "Contact Us" page. This site will direct you to contact information and the website for your state's higher education agency, which may help you find more grants and scholarships specific to your state.

Private grants can be a little trickier to find and will take some searching. Companies, both locally and nationally, and non-profits may offer grants for students. These will usually have further eligibility requirements and might be more specific. Private grants are available for a slew of reasons: minority students, women, women in STEM, high achievers, service members or students with parents in the military, first-generation students, adults, grad students, students with disabilities, certain professions/majors, combinations of need- and merit-based grants, and more. Start by narrowing down what you might qualify for, search online, and assess your eligibility before you spend time applying.

What Are Scholarships and How Do I Find Them?

Scholarships are another type of financial-aid award that don't need to be repaid. These, however, are merit-based, and students will need to apply for scholarships on an individual basis. There are thousands of scholarships available for every reason under the sun, but they do require students to put in a good bit of work.

Not only will students have to do the legwork of finding scholarships for which they're eligible, but scholarships also often have strict application requirements. Since scholarships are merit-based, applications will likely ask for high-school transcripts, standardized test scores (SAT, ACT, etc.), letters of recommendation, essays, and resumes.

Scholarships can be highly competitive, so a good rule of thumb is to apply early and for as many as you're eligible. Just as with grants, ensure that you read all eligibility and application requirements because incomplete applications could immediately disqualify you.

The easiest place to start when looking for scholarships is your high school and your college of choice. Your high school may have already compiled a list of local scholarships, and your prospective college may have some resources available on their website.

From there, start searching online for nationally available scholarships. Many scholarships are offered by employers, individuals, private companies, nonprofits, communities, religious groups, and professional and social organizations.



Some states use the FAFSA on a first-come, first-served basis, so it's best to apply as soon as it becomes available.

Scholarship search engines are also an excellent resource. A few well-known ones include: Scholarships.com, Fastweb, Apply, and the College Board. You may also want to make use of the US Department of Labor's free scholarship search tool, called CareerOneStop.

What You Should Know Before Accepting Grants and Scholarships

Being awarded any grant or scholarship is great and a little can go a long way when paying for tuition, books, and all your other expenses—but there's something you're going to want to consider before accepting either.

Be sure that you read and understand all the conditions that may be attached to specific grants and scholarships. Conditions could include: maintaining a GPA requirement, continuing to play a certain sport, remaining in your major or area of focus, or continuing on to a specific and qualifying career. Failure to comply with the conditions attached to your grant or scholarship may result in the loss of the award, and you may even be required to pay back any awarded funds.

Avoiding Financial Aid Scams

As with most things, there are, unfortunately, scams related to grants and scholarships. Once you start branching out from local and federal resources, you'll need to be more vigilant about not falling for financial-aid scams. Desperation over the high cost of college and inexperience may make some students vulnerable to these scams.

Be skeptical of any emails offering you a scholarship or grant that you never applied for. Stay away from any applications asking for a fee, bank information, Social Security numbers, or other sensitive information. Any messaging that pressures you to act now or guarantees you money are both major red flags. In general, you should stick to well-known organizations and websites, and keep an eye out for anything that looks or sounds suspicious. If it sounds too good to be true, it likely is.

Taking Advantage of a 529 Account

If your child is young, or even in their teens, and you're already thinking about how you're going to afford college without sinking yourself (and your child) into debt, 529 saving accounts can also be an incredibly helpful tool. However, it's important to note that investment returns are not guaranteed, and you could lose money by investing in a 529 plan.

These tax-advantaged savings accounts are specifically geared toward education and allow you to take advantage of any potential growth. These accounts are funded with after-tax dollars, interest compounds tax-free, and funds can be withdrawn without being taxed for qualified expenses.² In addition to college tuition, room and board, supplies, and vocational training, eligible expenses now include K-12 tuition (up to \$20,000 per year, per student), curriculum and instructional materials, online resources, qualified tutoring, standardized test fees, dual enrollment courses, and educational therapies for students with disabilities.³

Funds can also be used for trade and vocational schools, apprenticeship programs,⁴ and approved nondegree programs and recognized postsecondary career credentials.³ For those with student debt, a lifetime limit of \$10,000 can be used for qualifying student-loan repayment.

² Non-qualified withdrawals are taxable as ordinary income to the extent of earnings and may also be subject to a 10% federal income tax penalty. Such withdrawals may have state income tax implications.

³ To learn more, please refer to the official version of the OBBBA (H.R. 1) at [congress.gov](https://www.congress.gov).

⁴ 529 plans can be used for apprenticeship programs registered and certified with the Secretary of Labor under the National Apprenticeship Act.

And if plans change, these accounts offer flexibility: you can change the beneficiary, roll over up to \$35,000 into a beneficiary-owned Roth IRA (subject to time and contribution limits),⁵ or even transfer assets to an ABLE account to help cover qualified disability-related expenses such as healthcare, housing, and assistive technology.⁶

How Do 529s and Financial Aid Coexist?

It's important to note that 529 accounts are considered an asset under the financial-aid formula that FAFSA uses to determine need, but it only has a small impact on eligibility. 529 accounts owned by parents or students could potentially impact aid by up to 5.64%—a small price to pay when you consider all the other benefits of a 529.⁷

If your child does end up receiving a scholarship of some sort, there's a clause that allows you to withdraw up to the amount of that scholarship and use the money for any purpose penalty-free, but you'll still have to pay income tax on the earnings.

What if I Still Need More Money?

Despite all the financial aid, grants, scholarships, and saving, some students will inevitably end up still needing to consider loans.

Once students fill out the FAFSA, they will likely be offered federal student loans in the financial-aid package from their school(s). You can accept all, partial, or none of the loans offered. Interest rates on federal student loans are fixed and usually lower than on private loans. Repayments don't begin until after you leave school or drop below a part-time student status. These loans often offer flexible repayment plans and may even be forgiven in some cases or if you work in specific careers (education, medical fields, nonprofits, etc.).

College is expensive, but knowing where to find financial aid, grants, and scholarships can help parents and students make more informed financial decisions.

⁵ To qualify for a 529-to-Roth IRA rollover, the 529 must be open at least 15 years; contributions from the past five years aren't eligible. Rollovers are capped at \$35,000 a lifetime limit and subject to annual IRA limits (\$7,500 in 2026, \$8,600 if age 50+). The Roth IRA owner must be the 529 beneficiary and have earned income equal to the rollover amount.

⁶ The amount that can be rolled over in any one year from a 529 plan to an ABLE account is still subject to the annual contribution limit of an ABLE account.

⁷ Saving For College, "Does a 529 Plan Affect Financial Aid?," 9/8/25.

Talk to your financial professional about how your family can make college more affordable.

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State tax treatment may vary from federal tax treatment when using withdrawals from a 529 account for K-12 tuition, apprenticeship costs, or student loan repayment. Consult with a qualified tax or legal professional to learn more.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 plan.

For more information about any 529 college savings plan, contact the plan provider to obtain a Program Description, which includes investment objectives, risks, charges, expenses, and other information; read and consider it carefully before investing. Hartford Funds Distributors, LLC serves as distributor and underwriter for some 529 plans.

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