

PAYING FOR YOUR NURSING SCHOOL EDUCATION:

**A financial aid resource guide
for nursing students and those considering nursing school**

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A nursing career ladder can start wherever you are

Nursing is a rewarding profession offering a competitive salary and a wide range of opportunities to advance your career within the health care field. Nursing and other allied health fields offer outstanding opportunities for advancement, but this generally requires furthering your post-secondary (college) education. One significant advantage to working as a nurse is the built-in ability to advance your career in easy, manageable steps: from a certified nursing assistant (CNA) to a licensed practical nurse (LPN) to a registered nurse (RN) and beyond. You can start your career in the nursing profession right away and then develop your skills while continuing your education. Many nurses work in the health care field while going to school. You could be one of them.

Some people start their career in nursing by becoming a ***certified nursing assistant*** or CNA. Nursing assistants can be certified to work in long-term care facilities (nursing homes and rest homes) or hospitals by attending a 75 hour training class at a community college or a community-based training provider. A combined CNA/Home Health Aide certification requires an additional 35-40 hours of training and authorizes you to work in a home care or hospital setting. According to the Bureau of Labor statistics, the mean salary for a Certified Nursing Assistant in Massachusetts is between \$11-\$12.00 per hour.

To become a ***licensed practical nurse*** (LPN), you must complete a 10-12 month program and obtain a Practical Nurse Diploma. These programs are offered at vocational schools and community colleges. You must then pass the NCLEX-PN (National Council of Licensure) licensure exam to become an LPN. LPNs work in extended care facilities, and community health centers. A Licensed Practical Nurses can also be known as a Licensed Vocational Nurse (or LVN.) According to the Bureau of Labor statistics, the mean salary for a Licensed Practical Nurse in Massachusetts is \$32,000 and may include an additional signing bonus with some employers.

In order to take the next step to become a ***registered nurse***, you can either enroll in a two year Associate degree nursing program at a community college (as a full-time student or 3 years as a part-time student while working) or obtain a baccalaureate of science in nursing at a four year college or university. In both cases, you would sit for the NCLEX-RN licensure exam and obtain a license as a registered nurse. According to the Bureau of Labor Statistics, the mean salary for a Registered Nurse in Massachusetts is \$55,000 per year and may include an additional signing bonus with some employers. Registered nurses at the bachelor's degree level are often in a position to supervise and manage other staff and take on more administrative responsibilities for higher pay.

In some nursing programs, there are specific "ADN to BSN" paths (Associate Degree Nurse to a Baccalaureate of Science in Nursing.) An articulation agreement exists for this track so that students can easily apply their associate degree credits in nursing to a bachelors degree in nursing while saving time and money. On the job, salary and responsibilities increase when moving up from the associate degree RN to a bachelor's degree RN.

Once you become a nurse, you can specialize within the field of nursing. Some examples of this kind of specialty are: clinical nurse specialist, nurse practitioner and nurse anesthetist. Or a registered nurse may concentrate in a specific area of nursing such as pediatrics, gerontology, oncology or public health. Nurses at the RN level are often qualified to work for insurance companies or in pharmaceuticals. If you are interested in furthering your

education to the **Master degree level in nursing**, there is no limit to places it could take you in the areas of administration, research, and clinical practice. An RN with a Master's degree can become a nursing educator and teach at a college, university or nursing program or become a member of a nursing clinical faculty within a school. With an increase in experience, education and skill level, registered nurses can make \$70,000 - \$80,000 per year and higher.

Before starting school, conduct your own personal and financial inventory

Once you have decided that you would like to become a nurse or that you have already started in nursing but want to develop your career path, you will want to ask yourself the following question: Is enrollment into a nursing program a realistic option for me at this point in my life? It may be useful to review some of the options and factors that you need to consider in order to answer this question.

- Option: going to school full-time and not working. This option may require significant financial support from sources outside of your own income.
- Option: going to school full-time and working part-time. This option may require release from other responsibilities and the ability to juggle a very "full plate."
- Option: going to school part-time and working full-time. This is also a challenging option and one that may require support and flexibility on the part of your employer, as well as family and other regular responsibilities that you may have.
- Option: going to school part-time and working part-time. This scenario may provide a more realistic schedule, but also assumes that you will still have enough income to meet your financial obligations.
- Think carefully about potential challenges and barriers that may stand in the way of your decision to go back to school and how those situations can be resolved. Do you need to pay off certain debts or clean up your credit history? (see section on Loan Default) Do you have adequate child care and back up child care to support your being in school (especially if you are a single parent or someone with few support systems.) Do you have outstanding legal issues that may create complications for you as you start this new phase of education? Do you have reliable transportation that will get you back and forth to school?
- Think carefully about all of your support systems, sources of income, and potential sources of income from which you could draw while in school. Are you receiving child support and if not, are you owed child support? (seek the help of an attorney if you need one.) Do you have savings or investments from which you could draw that would not leave you financially vulnerable if you were to use them? Are there family members or friends who would be willing to invest in your education either through a small grant or an interest-free loan? Is there a way to work extra hours in the time before you start your program so that you can bank some money to use while you are in school?

How you pay for your nursing education

There is no denying that college costs money. Whether you are enrolled in a part-time or full-time program, in a two-year or four-year degree program, or even in a short-term certificate program, you will have to figure out how to pay for your education.

Very often, you can keep the cost of higher education lower by attending a public (state supported) college or university rather than a private school. Fortunately, quality nursing programs are offered at many Massachusetts public four-year colleges and universities, as well as two-year community colleges. Public institutions offer everything from a CNA certificate to a Master's level nursing degree. No matter where you decide to prepare for your career in nursing, chances are very good that financial aid will be available to you.

Determine how much it will cost you

It is important to have a clear understanding of what your financial need is going to be during the time that you are in school. Financial aid counselors use the term "Cost of Attendance" or COA as a way to calculate these expenses that you will have while you are a student. The COA includes tuition and fees, living expenses, books, and transportation. Your "cost of attendance" is one piece of information used by the school to determine your financial aid package. It is important that you assess your financial needs *before* you begin school so that you can plan accordingly. In calculating what it will cost you to go to school, it would be useful to carefully consider all of the expenses for which you are responsible during this time. They may include the following:

- Tuition and fees
- Books and supplies (calculator, notebooks, etc.)
- Computer or computer access
- Uniforms (while doing your clinical assignment)
- Health insurance (and other professional liability insurance that you may need to carry while doing your clinical assignment)
- Transportation
- Living expenses (including rent/mortgage, utilities, food, etc.)
- Monthly debt payment (car, credit card, other school loans)
- Child care
- Miscellaneous (travel, entertainment, clothing)

Add up all of these expenses (and any others not listed) in order to find out how much money you will need to attend school for each year. It pays off in the long-run to plan ahead so that you can be a successful student and complete your program.

Types of financial aid and who is eligible for it

Financial aid is a combination or package of financial resources that will help you cover the cost of your education and the expenses related to it. Financial aid is often comprised of a package of many resources that are provided by the government, the school you are attending, private sources, family support and your own personal resources through savings and work.

Grants

Grants are based on demonstrated financial need and satisfactory academic progress while you are a student. Sources for government grants include:

- Federal Pell Grant
- Federal Supplemental Education Opportunity Grant
- Mass Grant (for permanent Massachusetts residents)
- Performance Bonus Grant (for Mass Grant recipients meeting specific criteria)
- Gilbert Grant (for permanent Massachusetts residents)
- Part-time Grant (permanent Massachusetts resident)

Scholarships

Scholarships are based on merit or academic excellence. Scholarships can come from the government, private sources (foundations, professional associations, civic organizations, etc.) and the school that you attend.

Student loans

Student loans are made available by the federal and state government, colleges, banks, and private lenders. They are offered at a low interest rate. The interest and principal must be repaid over an extended period of time, often beginning within a year of graduation with 10 years to repay. Loan repayment can be deferred for further schooling or in certain extraordinary circumstances. Some common sources for student loans include:

- Federal Perkins Loan
- Federal Subsidized Stafford Loan
- Federal Unsubsidized Stafford Loan
- Federal Parent Loan for Undergraduate Students
- Massachusetts No Interest Loan Program (permanent Massachusetts resident)
- MEFA Loan (quasi state aid)
- TERI Alternative Loan (private aid)
- Professional Education Plan (private aid)
- Sallie Mae's Signature Student Loan (private aid)

Categorical tuition waivers

Tuition waivers are granted by the Commonwealth of Massachusetts and include people who fall into designated categories such as: veterans, those who are 60 and older, Native Americans, and members of the National Guard. Sources for tuition waivers include:

- Tuition Waiver/Cash Grant (for permanent Massachusetts residents)

Federal College Work Study

A set amount of money can be earned by a student in a work-study job (often located at the school.) The work-study amount is determined based on financial need.

To find out more about any of these resources, go to the Higher Education Information Center's website at www.edinfo.org or call them at (617) 536-0200.

Apply for financial aid – the FAFSA

There is one standard application that all colleges and universities require. It is called the FAFSA and it stands for “Free Application for Federal Student Aid.” **Submitting the FAFSA is the gateway to most of the financial aid that you will receive!** When you complete and submit the FAFSA form, it means that you are applying for both federal and state need-based grants and loans, Federal college work-study, state merit scholarships, and institutional grants and scholarship programs. If you meet the following criteria: under 24 years old, not married, and have no dependents, are not an orphan, dependent ward of the court, veteran of the US Armed Forces or a graduate student you are considered a dependent and will need to include your parents financial information on the FAFSA form as well as your own. The FAFSA requires certain documents and financial information such as your most recent federal tax forms, W-2 forms and records of prior year earnings, records of non-taxed income, current bank statements and records of investments. Your FAFSA will be processed and sent back to you in the form of a SAR or Student Aid Report. Among other things, the report will inform you of your EFC or Expected Family Contribution. Some private colleges also require that you submit a CSS Profile (College Scholarship Service) to apply for institutional scholarship funding. Check with your school to see if this is necessary.

When you are accepted to a college, the school will establish your “Cost of Attendance” and your “Expected Family Contribution” to determine your financial aid package in the form of grants, scholarships, loans and (in some cases) work-study. The school obtains all of this information from your FAFSA form. You can list up to 6 colleges that you are considering on the FAFSA application itself and information will be sent to those schools. If you are applying to more than 6 schools, these can be added later.

You should not wait to find out if you are accepted into a program to fill out and submit a financial aid form. You can submit a FAFSA form anytime between January 1st and June 30th of the year you would like to attend school. Most school deadlines for financial aid fall somewhere between January and March (for September enrollment.) The deadline to receive Massachusetts State Aid is May 1st. Check the school or schools to which you are applying for specific deadlines. No matter what the deadline is, it is best to apply for financial aid as soon as possible to maximize your chances for every opportunity to help yourself finance your education.

Tax credits

The two most common tax credits for students are the Hope Scholarship Tax Credit and the Lifetime Learning Tax Credit (you are not entitled to receive both tax credits at the same time for the same person.)

The Hope Scholarship Tax Credit can be claimed for qualified tuition and related expenses for each student in the tax payer’s family. The student must be enrolled at least half-time and be in one of the first two years of a post-secondary education program leading to a degree or certificate. The maximum credit a taxpayer may claim is \$1,500 times the number of students in the family. For more information, go to www.irs.gov and type in Hope Scholarship in the IRS search box.

The Lifetime Learning Tax Credit can be claimed for qualified tuition and related expenses for each student in the taxpayer's family. The credit is equal to 20% of the taxpayer's first \$10,000 out of pocket tuition and related expenses. The maximum credit a taxpayer may claim is \$2,000. For more information, go to www.irs.gov and type in Lifetime Learning Tax Credit in the IRS search box.

Important considerations for financial aid eligibility

Loan Default

One of the most common barriers to receiving financial aid is a defaulted loan. If you took out a federal loan in the past and did not finish paying it back, you will be denied any additional aid in the future. Organizations such as American Student Assistance can help you clear your credit history. They staff a program called *Bright Beginnings* that will put you on a path of "loan rehabilitation." The program requires realistic monthly payment plan by which you can begin to pay off your former loan. If you can consistently meet your former loan payments over a twelve month period in a "timely and consecutive" manner, you will be reinstated, your credit status will be changed, and you will be eligible to apply for more student loans. Loan payment amounts are determined by your loan balance and your unique financial circumstances. Contact the Payment Advisory Services Department ASA, 800-343-2120 at or check their website at www.amsa.com for more details.

U.S. Citizenship and financial aid

You are considered eligible for financial aid if you are a US citizen or an eligible non-citizen. To be an eligible non-citizen, you must be a U.S. permanent resident and have an Alien Registration Receipt Card (I-551); be a conditional permanent resident (I-551C), or an other eligible non-citizen with an Arrival-Departure Record (I-94) from the U.S. Citizenship and Immigration Services (UCIS). (The UCIS used to be the INS. It was renamed and reorganized and now falls under the Department of Homeland Security) in the eligible non-citizen category, you must be able to prove one of the following designations:

- Refugee
- Asylum granted
- Indefinite parole
- Humanitarian parole
- Cuban-Haitian entrant

Private scholarships in nursing

According to minoritynurse.com, the most important rule for winning a nursing scholarship "is to apply." "Searching for scholarships and filling out applications is indeed time-consuming, but the hours invested can pay off in thousands of dollars." There are many private scholarships available for nursing students.

Basic 'how to' tips when applying for scholarships

Develop your own scholarship packet, including your current resume, essay template and recommendations. This will make the application process easier because you won't have to "start from scratch" every time you want to apply for a scholarship. A standard essay template can be customized based on the type of information that the funding institution would like. It is common for nursing scholarship funders to ask for evidence of commitment

to the field of nursing through family, school and community activities. They often look for concrete examples of how you stand out from other applicants. This may be through contributions that you made to a volunteer organization, or the way that you overcome a personal challenge or a situation in which you demonstrated leadership or initiative.

Conduct a personal and professional “inventory” of what you do and have done related to nursing, community service, leadership, etc. – emphasize these characteristics depending on what group you are applying to. For example, if you are applying for a scholarship from a local rotary club, include any civic, community or neighborhood projects with which you were involved. If applying to an organization that represents your ethnicity, describe how you view yourself within your community, how you have contributed to it or plan to make a difference.

Leave no stone unturned when searching for money. The internet is a valuable and effective means for doing a wide search with a minimal investment of time. Specific search engines (like Google and Yahoo) can lead you to the websites of many organizations that provide scholarships. Many applications can be downloaded right from the website. Start your search by entering “nursing scholarship” and then narrow your search from there. Some well spent research time will often get you to the point where you become savvy about learning what to pursue on-line and what may not directly apply to your situation. Other important resources to find scholarship money include the financial aid office of school where you are applying or where you attend, the public library and the Higher Education Information Center located in the concourse level of the Boston Public Library (www.edinfo.org or 877-332-4348.)

Consider the scholarship search a temporary, part-time job. If you spend a total of three seven-hour days devoted to researching and applying for scholarships, and your return is \$1,000, you have just made the equivalent \$50 an hour for your efforts.

Ask someone to review your materials before you send them out. Even the best writers and those with an eye for detail are in need of an editor. Ask someone that you trust to read your essay for accuracy and interest, and to review your application and other materials for typographical errors and other mistakes.

Keep in mind that one or two scholarships can make a difference. Two private scholarships for \$500 or a renewable \$1,000 scholarship combined with government grants and loans, employer tuition assistance and your own contribution can easily make nursing school an affordable endeavor. Be creative and don't give up!

Employer resources

Health care employers can be a valuable resource for an employee interested in furthering her/his career through education. In light of the critical shortage that the health care industry is facing, employers are finding new and creative ways to provide opportunities for employees who want to “grow” within their organization. The Human Resources Department of most health care facilities is the best place to begin the search for assistance. Ask your human resources representative if your employer offers the following benefits:

Tuition reimbursement – Tuition reimbursement is a way to pay for a portion of an employee's tuition **after** the employee has met academic standards of the course. The

employee is required to pay for the class up-front. Typically, the employee will be reimbursed up to a certain “cap” or maximum after the student successfully completes the course (often with a “C” or higher or a “pass” in a pass/fail grading system) in a relevant field of study. Employers often use work status (full or part-time) and length of service as eligibility criteria for tuition reimbursement.

Tuition remission - Tuition remission is another employer benefit. Like tuition reimbursement, tuition remission is a program whereby the employer pays for some cost of an employee’s tuition as long as the employee meets eligibility criteria. Unlike tuition reimbursement, many tuition remission policies pay for the cost of courses up-front so that the employee does not accrue an out of pocket expense.

Loan forgiveness/Employer-based scholarship/Education loan repayment program
Many hospitals offer tuition assistance for employees interested in furthering their career within an institution that has a critical shortage of particular positions such as nurses and radiologic technologists. Employer programs may cover the cost of tuition, books, fees and other expenses while the employee is working and going to school part-time. Upon completion of the program, the expectation is that the employee will commit to working at the institution (that paid for the education) for an established amount of time. One example: a licensed practical nurse pursuing an RN part-time while working full-time. That employee would have her expenses paid directly by her employer (there is usually a cap on expenses) while she studies part-time, works, and does her clinical for the two years that it takes to obtain her degree. Once she has her degree, she would be expected to continue working at the institution that paid for her schooling for two years. After two years, she would have fulfilled her obligation to the employer and would be able to leave the institution for other employment, debt-free, or continue to work for that employer and take advantage of any other career opportunities that would arise.

Once you decide upon your career path, consider your options for schooling, your financial and personal obligations, and your financial aid strategy (including grants, scholarships, loans, employer assistance and work.) When you have all of these steps in place, you are ready to walk down a nursing career path that can lead to higher level jobs, an increase in pay and greater satisfaction!