Financial Aid for Graduate School: Everything You Need to Know

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The opportunity to gain new knowledge and hone professional skills to enhance career prospects motivates many people to go to graduate school, and data shows that a graduate education can pay dividends. The U.S. Bureau of Labor Statistics (BLS) reports that master's degree holders earn nearly $10,000 more than bachelor's degree holders, while doctoral degree holders can earn roughly three times that amount.

One of the biggest hurdles for prospective graduate students is finding a way to finance their education. Fortunately, numerous forms of financial aid for graduate school are available; students can combine them to make their education more

affordable.

What Is Financial Aid?

Financial aid is money that helps college students pay for their education. It can cover a range of expenses, including tuition, room and board, textbooks, laptops, and transportation.

Many students rely on financial aid to help them pay for graduate school. Nearly 75 percent of graduate students receive some form of financial aid, according to the National Center for Education Statistics, with the average student receiving around $25,000 in aid annually.

Types of Financial Aid

Undergraduate and graduate students received approximately $256.7 billion in financial aid in the 2023-24 school year, according to College Board. That figure encompasses various types of financial aid, including grants, loans, and scholarships.

Each form of financial aid has different rules and eligibility requirements. Understanding all the different types of financial aid available can help graduate students develop an effective financial strategy.

Grants

Grants are a common form of financial aid, generally distributed to students based on need. While federal grants are often reserved for undergraduate students, individual states, institutions, and organizations manage many grant programs that graduate students can apply for. Grants are especially appealing to college students because they typically do not need to be repaid.

Loans

Many students also rely on loans to finance their education, with about 66 percent of graduate students borrowing federal loans in 2023, according to the Education Data Initiative. Unlike grants, loans need to be repaid, often with interest.

Students can also take out loans from private sector organizations, although federal loans typically offer fixed interest rates that are lower than that of private loans. The two most common types of federal loans for graduate school are as follows:

- **Direct Unsubsidized Loans:** Graduate students can borrow up to $20,500 a year through this program. Institutions determine how much students can borrow based on their cost of attendance and other financial aid they are receiving. Students do not need to demonstrate financial need to qualify for direct unsubsidized loans.

- **Direct PLUS Loans:** Students who need to borrow more than the maximum unsubsidized loan amount can apply for PLUS loans, also known as Direct PLUS loans. These loans are also available to independent graduate students. The Federal Direct Graduate Plus Loan has a credit requirement, which is determined by the Department of Education.

Government loans and private loans can be consolidated through refinancing, which simplifies repayment and can sometimes result in reduced interest rates.

Scholarships and Fellowships

Countless scholarships and fellowships are available to graduate students from a wide range of sources, including institutions, nonprofits, corporations, foundations, and social organizations. Some scholarships are need-based, while others may be offered to students for various other reasons, such as academic achievement or pursuing a particular area of study. Some scholarships are geared toward specific demographics, such as women or military families.

Scholarships and fellowships, like grants, are considered gifts, and therefore do not require repayment.

Work-Study and Student Employment

While the business school does not offer graduate work-study, students can apply for paid assistantships within the school to support their graduate education. These part-time positions are not part of the Federal Work-Study program or part of the student’s financial aid package, but students can earn up to $2,000 per semester. Assistantships are not guaranteed, so students seeking employment should apply as early as possible once they are enrolled.

Tips for Securing Financial Aid

Several factors can influence whether a student qualifies for financial aid and, if so, how much they are eligible for. Their income status (or their family’s income status),

the cost of attendance at the institution where they are enrolled, and the amount of other aid they are receiving can all impact a student’s financial aid package.

Although certain variables are out of a student’s control, they can do some things to position themselves to receive a generous financial aid package.

File Early

One of the simplest and most important steps graduate school students can take to improve their chances of securing as much financial aid as possible is to apply early. Filing the Free Application for Federal Student Aid (FAFSA) form early in the year is especially vital, as many federal grants and loans — as well as state aid — are first come, first served.

Institutions rely on the FAFSA to determine students’ eligibility for federal aid. Graduate schools may use it to decide whether students are eligible for their own grant and scholarship programs, so filing a FAFSA is critical for receiving all kinds of financial aid.

Minimize Taxable Income

Institutions use the FAFSA to calculate an applicant’s Student Aid Index: the estimated amount the student and their family can contribute toward tuition and other expenses. Graduate students are generally considered independent students for FAFSA purposes, so they do not need to provide information about their parents’ income status in their applications. However, they may have to provide parental information to receive institutional aid. Additionally, applicants who are married need to provide information about their spouses’ income.

Generally speaking, the lower a student’s index score, the greater the amount of need-based aid they can receive. Families and students can bring down their index score by reducing their taxable income in several ways:

- Postponing the sale of stocks and bonds (if they generate a profit)
- Avoiding early withdrawals from retirement funds
- Postponing cash bonuses until after the base year

By minimizing their income, students and families can maximize the amount of aid they are eligible for.

Apply for Local Scholarships

Scholarships are a significant source of financial aid, and a vast number of national scholarships are available to graduate students. However, competition for these scholarships is often rigorous, drawing thousands of applicants from across the country. By focusing their efforts on local scholarships, which generally have far less competition, students can increase their odds of securing funding.

The U.S. Department of Labor provides an online scholarship finder that allows students to search more than 9,500 scholarships, fellowships, grants, and other financial aid award opportunities. Also, students can get information about scholarships by contacting the financial aid office at their school.

Explore Tuition Reimbursement

Graduate students who continue to work while enrolled may be able to take advantage of tuition reimbursement programs offered by their employers. A 2022 survey by the Society for Human Resource Management found that nearly half of U.S. employers offered some form of tuition assistance for undergraduate and graduate students as part of their benefits package. Even if their employer does not have a formal program established, it can still be worthwhile for a student to ask for support, particularly if their studies are related to their job.

Negotiate

Students and families can request additional aid if they feel that the initial financial aid package offered by the school is lacking. Institutions sometimes have the flexibility to adjust aid offers. Citing factors such as medical expenses or unemployment in a formal appeal letter can lead to a boost in a student's financial aid offer.

Invest in Your Future with a Graduate Degree from Tulane University

Pursuing a graduate education provides an opportunity to develop new professional skills and hone existing ones, allowing students to gain an edge in a competitive job market. Graduate school financial aid is a vital resource, making an advanced education more accessible and helping students achieve their academic and professional goals.

Tulane University offers numerous forms of financial aid to help students pay for a graduate education, including several merit- and need-based scholarships, as well as various financing options and employment opportunities. Our financial aid office can guide you through the myriad resources available to you and help you figure out the

most affordable path to an education.

The A. B. Freeman School of Business at Tulane has multiple graduate programs, including the following MBA programs:

- Full-Time MBA**:** This is a two-year program, with specializations in analytics, finance, marketing, strategy and innovation, or energy and sustainability
- Executive MBA**:** This 17-month program entails weekend classes twice a month. Every Executive MBA student earns a global strategy concentration, with additional concentrations in finance and management available.
- Professional MBA**:** This part-time program involves evening classes and offers concentrations in analytics, energy, entrepreneurship, marketing, finance, and strategic management and innovation. It can be completed in less than three years.
- Online MBA**:** This fully online program can be completed in as little as 24 months. The program includes concentrations in business analytics, finance, and marketing.

We also offer specialized master's degree programs in the following fields of study:

- Accounting
- Business Analytics and AI
- Finance

- Management of Energy

Additionally, the business school offers multiple dual MBA programs, which pair an MBA education with another specialized program, as well as a doctorate in business administration. Take the next step in your career with Tulane.

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