

## The Acceptance Phase

On occasion, I have heard my mother talk about two phases of the financial life cycle. One is the accumulation phase, which is the period of time when one works, earns money and saves a portion of that money for later. The second phase is the annuity phase, which takes place during retirement when a person will receive income from the money that was accumulated during the accumulation phase. In thinking about my financial goals and most likely financial situation for next five years, I determined that this was going to be a different phase, one which I had not heard my mother label and define. I have chosen the name, "acceptance phase," for this upcoming time in my life simply because I will be willing and happy to accept money from whatever source I can get it.

The process has begun where I am trying to make what I believe will be the right choices for the years following high school. The practical considerations often conflict with dreams and desires, and everything is subject to financial constraints. Ideally, I would like to attend college and major in Biology, and then go to dental school. I plan to work with my parents to get the necessary funds in the least costly way so that my goal of being a dentist, like my dad, can become a reality.

When it comes to choosing a college, there seem to be limitless choices, so many that my first inclination was to avoid the entire process. Following the direction of guidance and teaching staff at Pikesville High School, I began my quest to find the perfect college by accessing sources on the internet, such as CollegeBoard.com. The websites provide narrowed lists of prospective colleges based on my answers to questions about personal preferences and goals. The questions touch on every conceivable consideration in the college selection process, but there are some factors that are more important to me than others. In the book, Choose the Right College and Get Accepted, college students provide advice on how to approach this process. I was able to use their insights to develop my own criteria for the choice that I now have to make. First, a college must offer Pre-Dental as pre-professional program. Next, because my goal is to be accepted to college, I thought was important to consider the range of grade-point averages and SAT scores of incoming freshman at each school. Other factors affecting my

choice are availability of a music program, school prestige as it relates to sports, distance from home, and housing options.

Once the colleges have been selected, applications submitted and other requirements secured, such as transcripts and letters of recommendation, the next area of focus is financing. Early on, my mother told me that it is unlikely that I will be the recipient of need-based grants or scholarships, and it is up to me to do what I can during my high school years to earn merit-based scholarships for college. Unfortunately, I did not appreciate what she was saying until now, now that I am faced with going to college and actually seeing what it will cost for tuition, housing, books, and other fees. The cost is staggering, as is the entire financial aid process.

My goal is to be offered, and to accept, as much free money, or scholarship money, as possible. To do this, I must find all potential sources for scholarships and follow guidelines in submitting the requirements necessary to apply for these funds. The more money I can get via scholarships, the less I will have to borrow and pay back during or after college. According to the book, Choose the Right College and Get Accepted, scholarships can be earned for a variety of things. Based on my high school experience, I hope to be awarded scholarships for my ongoing involvement in community service programs, music, youth leadership, and maybe academic success. I may even be able to earn scholarship money for writing essays, like this one! Should scholarship money fall short of the total cost of college, my family is expected to pay a portion, which is based on family income and assets. Because scholarships, personal resources, and expected family contribution may not be enough to pay the entire cost for my college education, it may be necessary to borrow money. I prefer to accept scholarship money but may have to accept the responsibility of taking out student loans in addition or instead. In getting the loans, I will continue to do what I can to minimize the cost of the money, so I will borrow only what is necessary and will try to get the lowest possible interest rate. The best loan features are available to students who qualify for need-based financial aid. Since I will probably not qualify for this but will probably need a loan, especially for dental school, I will have to shop

for the lowest cost, private loan. The interest rate may be higher and the loan payments may have to be made while attending college.

The choices and financial arrangements that I make during the next five years will have implications in my life extending far beyond this immediate timeframe. It is very important that I select the college that is right for me and do what I can to minimize the cost of the money used to pay for my education. In addition, I must be diligent in managing my day-to-day finances. For the first time, I will have a credit card and a checking account. To make sure that I maintain good credit and keep the cost of borrowing money down, I will have to keep an accurate and positive balance in my checking account and pay my credit card bills on time. By having a credit card in my own name, I will be establishing credit and I will have a choice: I can be responsible, only charge things I know I can afford and pay all bills in full and on time, or, I can rack up expensive debt that I will not be able to repay on my own since I will have limited income, if any. Only the first choice will help toward maintaining good credit. Accepting all of this new financial responsibility in addition to starting college will not be easy. But, I believe that it will serve me well as I transition from college into the working world. If I am successful in minimizing the cost of money used to go to college, I will be better able to repay any loans and begin to save money or accumulate wealth. If I am successful in managing my daily finances, I will be able to continue this at home and in my dental practice.

I see the acceptance phase as a temporary taker phase. Though it may not seem respectable or responsible to accept free money and create a lot of debt, I believe that the steps I take, and the support I receive, during this temporary phase will prevent me from becoming a permanent taker and burden on society. It is my ultimate goal to become a productive, working citizen who is able to earn a nice living, pay taxes, repay any accumulated college-related debt, and give back to the community. I am committed to maintaining good credit throughout the acceptance phase of my life so that I will be able to borrow money at a later time, such as when I want to buy a car or purchase a home, for the lowest possible cost and, thus will be able to save more of the money that I earn.