



Understanding Award Letters

Discover Student Loans
Riverside County Office of Education-School Counselor Leadership Network

CollegeCovered.com

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Always consult a financial planner or a tax advisor for detailed information

What We Will Cover Today



**The Award
Letter**



**How To Compare
Award Letters**



**Appealing
Award Letters**



**Award Letter
Resources**

What do you find to be the most challenging aspect of your job?



- a. Helping students find the right fit for college.**
- b. Counseling students on the process of paying for college.**
- c. Expediting the college application process for students.**

The Formula



COA

Cost of Attendance



EFC

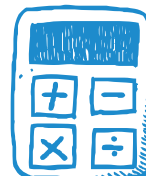
Expected Family Contribution



**Need-Based
Financial Aid
Eligibility**



The COA is determined by the school and listed on the school's website.



The school subtracts the EFC from their COA to determine financial need.

Award Letters



Award letters are generally sent to students from November to April

The award letter may include:



Estimated Cost of Attendance



Grants and Scholarships



Federal Work-Study



Federal Direct Loans



Expected Family Contribution



Gap / Unmet Needs



Award letter templates can vary, so be sure your families carefully review each letter as they compare financial aid packages.

SAMPLE AWARD LETTER





ESTIMATED COST OF ATTENDANCE FOR ACADEMIC YEAR			
		Direct Costs	Indirect Costs
Tuition and fees		8,200.00	
Housing and meals		12,500.00	
Books and supplies			1,500.00
Estimated transportation			700.00
Estimated other additional costs			1,800.00
ESTIMATED COST OF ATTENDANCE			\$24,700.00
GRANTS AND SCHOLARSHIPS OFFERED – ESTIMATED GIFT AID			
	FALL	SPRING	TOTAL
USA State University Institutional Grant	2,500.00	2,500.00	5,000.00
Merit Grant	2,500.00	2,500.00	5,000.00
TOTAL GRANT & SCHOLARSHIPS			\$10,000.00
<small>(NOTE: No repayment required)</small>			
OPTIONS TO PAY NET COSTS – FEDERAL WORK-STUDY			
FEDERAL WORK-STUDY			\$2,000.00
OPTIONS TO PAY NET COSTS – FEDERAL LOANS OFFERED			
	FALL	SPRING	TOTAL
Federal Direct Subsidized Loan	1,750.00	1,750.00	3,500.00
Federal Direct Unsubsidized Loan	1,000.00	1,000.00	2,000.00
TOTAL LOANS			\$5,500.00
<small>(NOTE: Repayment required. You can borrow less than the recommended loan offer.)</small>			
OPTIONS TO PAY NET COSTS – STUDENT AND FAMILY OPTIONS			
FAFSA Calculated Expected Family Contribution (EFC)			\$7,200.00
Options to Replace Expected Family Contribution or Net Cost:			
<ul style="list-style-type: none"> • Private Payment Plan offered by the college • Military and/or National Service Benefits • Federal Direct PLUS/Parent Loan • Institutional Loan • Private Education Loans 			

How do you help your students analyze the strongest offer?



- a. Whatever school gives them the most money.**
- b. Whichever school the student likes the best.**
- c. Using an Award Letter Comparison Tool.**

Estimated Cost of Attendance

	Estimated Expense	Public College In-state	Private College
	Tuition & Fees	\$10,230*	\$35,830*
	Room & Board	\$11,140*	\$12,680*
	Books & Supplies	\$1,240*	\$1,240*
	Personal & Transportation	\$3,280*	\$2,750*

Helpful Savings Tips:



Live at home or with a relative



Take advantage of in-state tuition



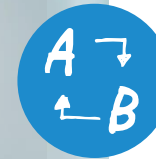
Accelerate course work

*Average – Source College Board, 2018 Trends in College Pricing

What Do The Numbers Mean?



How much will the family need to contribute?



Compare the “free money” versus loans which need to be paid back.



Understand the fine print – conditions and timing related to certain financial aid.



Keep in mind future cost increases.



Can the student juggle work-study and classes?

Compare Award Letters

	Public College 1	Public College 2
COST OF ATTENDANCE (COA)	\$25,290	\$27,097
Tuition & Fees	9,970	12,653
Room & Board	10,800	10,496
Books & Supplies	1,250	1,230
Transportation	1,170	1,972
Personal Expenses	2,100	746
EXPECTED FAMILY CONTRIBUTION	10,000	10,000
GRANTS AND SCHOLARSHIPS	4,764	5,350
LOANS	3,500	9,500
WORK STUDY	0	2,000
BALANCE (UNMET NEED)	\$7,026	\$247

Award Letter Comparison Tool



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GETTING INTO COLLEGE | PAYING FOR COLLEGE | TOOLS & RESOURCES | RESOURCES FOR COUNSELORS

Win a Scholarship

Award Letter Comparison Tool

Use this tool to compare up to 5 financial aid award letters so you can figure out what you'll need to pay for each school. Get started by entering your state and school, and then fill in each field using your award letter. Click **Calculate** to get the results.

State You Live In:

School:

Expand All

Cost of Attendance

Tuition & Fees	\$	\$
Room & Board	\$	\$
Books & Supplies	\$	\$
Travel/ Transportation	\$	\$
Other Expenses	\$	\$

Aid & Contributions

Grants and Scholarships	\$	\$
Federal Work-Study	\$	\$
Federal Loans	\$	\$
Your Financial Contributions	\$	\$

* Required Field

Calculate Clear



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Have you ever suggested for your students to appeal their financial aid award letter?



- a. Every year. You can't accept the first offer.**
- b. Sometimes. I only suggest appealing a letter to some students.**
- c. Seldom. It is not a priority for my job.**

College Funding Appeals

Circumstances That May Increase Financial Aid Eligibility Include:



**Medical / Dental Expenses
Not Covered by Insurance**



**Unusually High
Child Care Costs**



**Recent
Unemployment**



**Changes
in Income**



**Affected by a
Natural Disaster**

In Review: Award Letter Tips & Resources



1.

Is this a good **financial and academic** fit?



2.

Are the **costs** associated with attendance reasonable?



3.

Review **award letters**.



4.

Is it feasible to **graduate** within 4 years?



5.

Which school awarded the most **grants and scholarships**?

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Award

Discover Student Loans Scholarship Award – Students and parents can enter to win a \$5,000 Discover® Student Loans Scholarship Award through January 31, 2020. We are giving away a total of \$60,000 in scholarships to 12 individuals to help cover college expenses. No purchase or student loan necessary to win. For official rules visit scholarship.collegecovered.com/rules.html

The FAFSA assistant is not an application for federal student aid and is not affiliated with the Department of Education.



Questions



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