



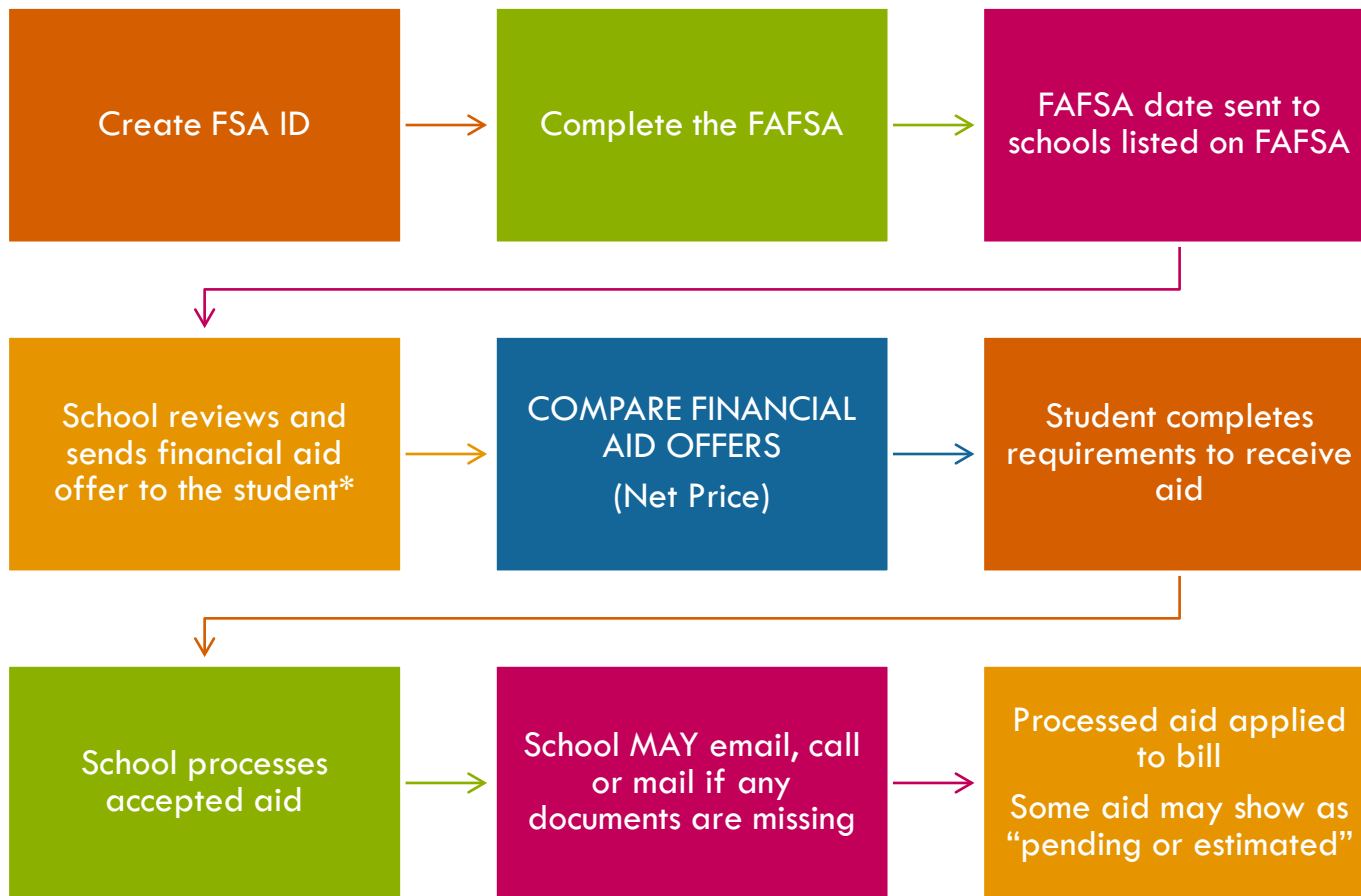
Understanding & Comparing Financial Aid Notifications

A guide to finding the most affordable option



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for weekly scholarship and financial aid information

Financial Aid Process Review



*If selected for verification, student may not receive an award letter until process is complete

Let's start with the
basics!

What is it?

- Paper document or electronic notification sent by Financial Aid Office **AFTER** student has been offered admission.
- The Financial Aid Offer provides:
 - A breakdown of the types and amounts of financial aid offered
- The Financial Aid Offer may include:
 - an estimate of the cost of attendance
 - the assumption made when calculating the financial aid offer
 - an estimate of the bill, other funding options, notices, and/or next steps

How do schools determine what aid a student receives?

- All schools use the following formula:

$$\text{COA} - \text{EFC} = \text{NEED}$$

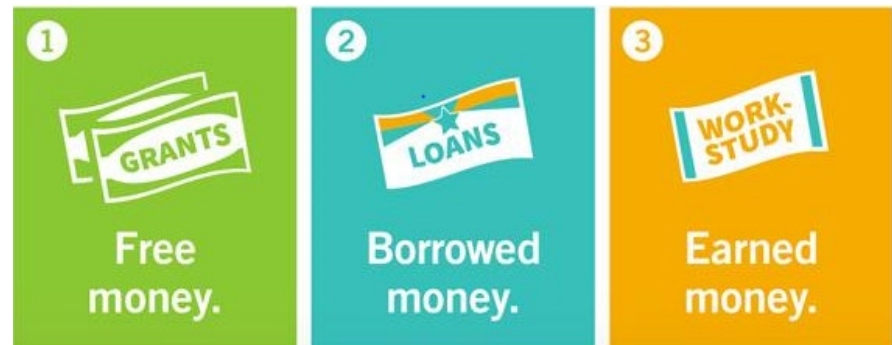
- The Cost of Attendance (COA) includes direct and indirect expenses.
- The Expected Family Contribution (EFC) is determined when the student files the FAFSA .
- Because COA varies, need varies by school.

How do schools fill need?

- Schools attempt to fill need with a combination of types of aid from federal, state, and institutional sources.
- Often there is a “gap” between a student’s need and the financial aid offered

What are the types of aid?

- Gift Aid – grants and scholarships that don't have to be repaid
- Federal Direct Loans – student loans that are not credit based but do have to be repaid
- Work-Study – money available to be earned during the academic year



When will offers arrive?

- Most offers are sent in February and March for new students.
 - Student must have a valid FAFSA and, if selected for verification, have provided required documents.
 - Some schools will sent estimated award in the meantime.

How will offers arrive?

- Most schools send a paper offer to first year students.
 - A few schools send an email that directs the student to the school's portal.
 - Very important for students to activate university email address & student portal at each school.
 - Students must check university email address regularly and/or forward to personal email.



Financial Aid Offers are like the apples
and oranges or apples and apricots
...all round fruits, but they are different.
Let's examine some differences!



What Information Might Be Included on Your Offer?

So what information might be found on a Financial Aid Offer?

- Types of aid
- Cost of Attendance
- Assumptions used
- Calculation to help determine true cost
- May also include other funding options, notices, or next steps

Let's look at some examples!



Things to note from this offer:

- Aid is broken down and totaled by category
 - Gift Aid
 - Work-Study
 - Loans
- Cost of attendance
 - Direct Costs
 - Indirect Costs
- Assumptions listed
- Calculated estimated bill



Gryffindor College
Office of Financial Aid

February 1, 2020
Academic Year 2020-2021

Mickey Mouse
5 Community Drive
Augusta, ME 04332-0949

Congratulations! We are pleased to make the following offer of financial aid for the 2020-2021 academic year.

Gift Aid (Free money)	Fall	Spring	Total
Quiddich Scholarship	\$500	\$500	\$1,000
Federal Pell Grant	\$3,173	\$3,172	\$6,345
Maine State Grant Program	\$750	\$750	\$1,500
Federal Supplemental Grant	\$500	\$500	\$1,000
Tribute Grant	\$950	\$950	\$1,900
Total Financial Aid Award	\$5,873	\$5,872	\$11,745

Work-Study (Earned paycheck)	Fall	Spring	Total
Federal Work-Study	\$1,400	\$1,400	\$2,800

Federal Loans (Must be repaid)	Fall	Spring	Total
Federal Direct Subsidized Loan	\$1,750	\$1,750	\$3,500
Fed Direct Unsubsidized Loan	\$1,000	\$1,000	\$2,000
Total Loans	\$2,750	\$2,750	\$5,500

Direct Costs:
(will appear on the bill)

Tuition & Fees	\$11,747
Room & Board	\$11,255

*Direct Costs are estimates until finalized

Indirect Costs
(will not appear on the bill)

Books & Supplies	\$1,000
Travel & Miscellaneous	\$2,200
Loan Fees	\$70

Award Assumptions	
Expected Family Contribution (EFC):	0
Grade Level:	First-Year
Residency:	In-State
Dependency Status:	Dependent
Housing:	On-Campus
Enrollment:	15 credits per semester

Estimated Gryffindor Bill	
Estimated Direct Cost to Attend:	\$23,002
Total Gift Aid	- \$11,745
Estimated Remaining Cost	\$11,257
Federal Loans	- \$5,500
Estimated Remaining Cost (After Loans)	\$5,757

The enclosed information provides detailed information about reading your award, the types of aid in your award and estimating your cost. Please call us if you have questions. We are happy to help in any way we can!

Gryffindor College, NEASC Accredited
Manere tranquillitas



Things to note from this offer:

- Aid is broken down and totaled by category
 - Gift Aid
 - Work-Study
 - Loans
- Cost of attendance
 - Direct Costs
 - Indirect Costs
- Assumptions listed
- Other financing options



Financial Aid Offer for: Mickey D. Mouse
Student ID: 0115555

Estimated 2020-21 Cost of Attendance	
Estimated Cost of Attendance	\$34,951/year
Tuition & Fees (billed per credit hour)	\$19,772
Room and Board (billed only if living on campus)	\$12,229
Transportation	\$550
Books & Supplies	\$1,150
Other Educational Expenses	\$1,250

****Indirect costs are additional expenses that contribute to a student's cost of attendance but are not charged to the student by Capitol University.**

YOUR FINANCIAL AID OFFER IS BASED ON YOUR:
 Expected Family Contribution (EFC) from the FAFSA: 0
 Housing Plan: **Living on campus**
 Enrollment status: **Full Time**

Should your enrollment or housing plans change, please notify our office so that we can update your financial aid offer.

Grants and Scholarships (no repayment needed)			
Institutional Grant(s)	Fall	Spring	Total
On-Campus Housing Grant	\$1,250	\$1,250	\$2,500
District 12 Grant	\$1,500	\$1,500	\$3,000
Federal Supplemental Opportunity Grant	\$1,000	\$1,000	\$2,000
Snow Family Scholarship*	\$550	\$550	\$1,100
Tribute Scholarship*	\$2,000	\$2,000	\$4,000
Federal Grant(s)			
Federal Pell Grant	\$3,172	\$3,173	\$6,345
State Grant(s)			
Maine State Grant Program	\$750	\$750	\$1,500
Total Grant(s)	\$10,222	\$10,223	\$20,445

Your Total Financial Aid Offer is:
\$26,545

This award represents the maximum amount of institutional, federal, and state awards for which you are eligible.

Loan Options (to be repaid back by borrower)			
	Fall	Spring	Total
Federal Direct Subsidized Loan	\$1,750	\$1,750	\$3,500
Federal Direct Unsubsidized Loan	\$1,000	\$1,000	\$2,000
Total loans:	\$2,750	\$2,750	\$5,500

Other Financing Options
 *Payment plans offered through the Student Accounts Office
 *Military and/or National Service Benefits
 *Private Student Loans the Financial Aid Office by phone at 207-999-1212 or email by finaid@capitol.edu

Work Options ** (not to be applied to student account)	
	Total
Federal Work-Study	\$600
Total	\$600

****If no amount appears above you are not eligible for Federal Work-Study; however you may be eligible to apply for a job on campus. Please see Student Employment for more info about on-campus jobs at 100 Main Hall.**

Information about your awards:
 *Federal Work Study is NOT credited to your student account.
 *The On-Campus Residential grant is for students living in the Residence Halls.



Things to note from this offer:

- Aid is lumped together
 - **Not clear what has to be repaid or earned**
- Cost of attendance
 - Direct Costs
 - Indirect Costs
- Some assumptions listed



ENROLLMENT IS NOW OPEN

Erudite College

Mickey Mouse
5 Community Drive
Augusta, ME 04332-0949

January 23, 2020

Full/Part-Time: Full-Time
Housing Status: LIVING ON CAMPUS

Estimated Annual Direct Costs:

Tuition: \$43,740
Fees: \$700
Room & Board \$13,936
Anticipated Direct Costs: \$58,376*

Possible Additional Expenses:

Books & Supplies: \$1,500
Transportation: \$250
Miscellaneous/Personal \$850
Total Possible Add'l. Costs: \$2,600

Offered Financial Aid:

Source	Fall	Spring	Total
Erudite College Grant	\$4,500	\$4,500	\$9,000
Pell Grant	\$3,172	\$3,173	\$6,345
Federal Direct Subsid Stafford Loan #1	\$1,750	\$1,750	\$3,500
Federal Direct Unsub Stafford Loan #2	\$1,000	\$1,000	\$2,000
Distinguished Scholarship	\$11,000	\$11,000	\$22,000
Campus Work Study	\$625	\$625	\$1,250
Total Financial Aid Award	\$22,047	\$22,048	\$44,095

Approximate Annual Billable Cost after Aid: \$15,531

You must notify the Financial Aid Office if you change your housing status or enrollment status as your financial aid, specifically any need-based Erudite College funding may change. The College reserves the right to adjust your aid at any point in time in such cases. Although student's financial situations are reviewed individually as a point of reference, the typical reduction of Erudite Grant is \$5,000 - \$8000 per year when a student switches from campus resident to commuter status.

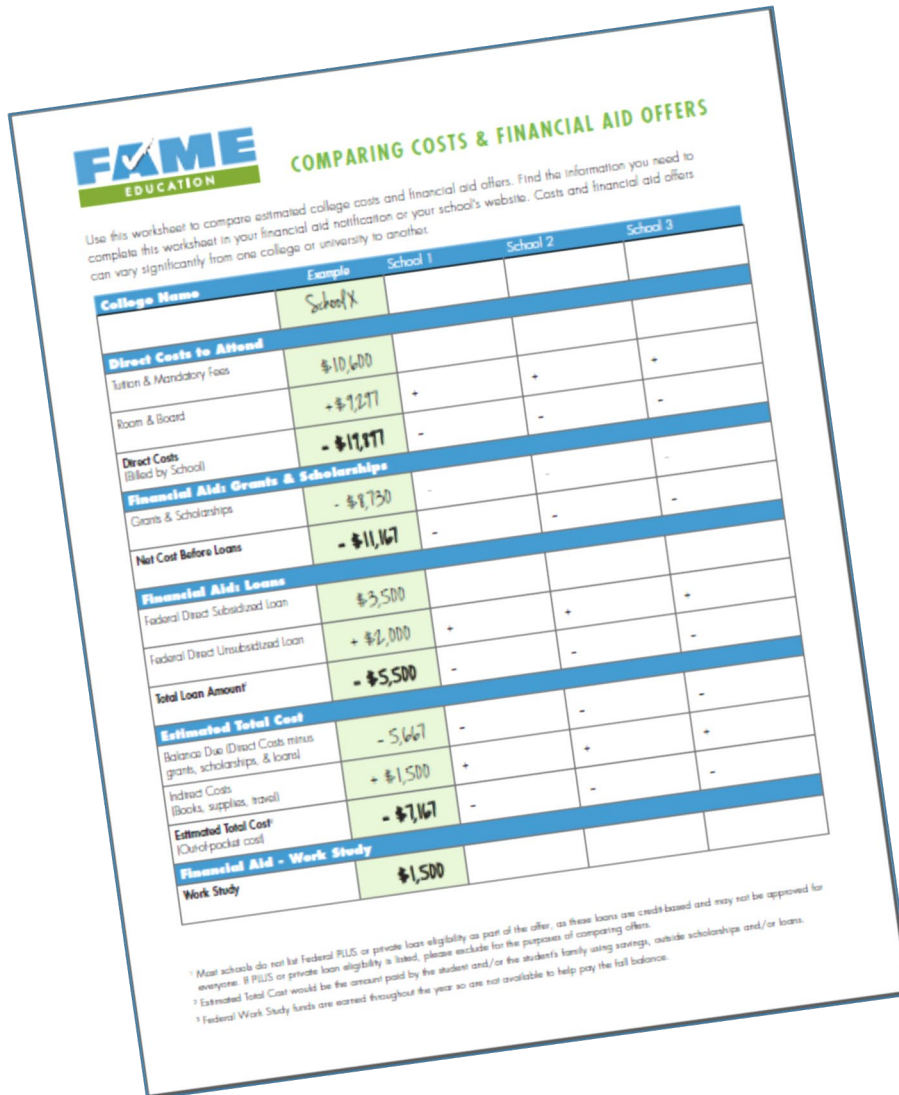
*Annual Direct Costs will be finalized mid-February

SEE REVERSE SIDE FOR IMPORTANT INFORMATION ABOUT YOUR AID OFFER

If you get 3 different financial aid offers, how do you know which offer is best?

Comparing Financial Aid Offers

Find a favorite tool to compare your financial aid offers:



FAME EDUCATION **COMPARING COSTS & FINANCIAL AID OFFERS**

Use this worksheet to compare estimated college costs and financial aid offers. Find the information you need to complete this worksheet in your financial aid notification or your school's website. Costs and financial aid offers can vary significantly from one college or university to another.

College Name	Example	School 1	School 2	School 3
Direct Costs to Attend				
Tuition & Mandatory Fees	\$10,600			
Room & Board	+ \$7,271	+	+	+
Direct Costs (Billed by School)	- \$19,871			
Financial Aid: Grants & Scholarships				
Grants & Scholarships	- \$8,750	-	-	-
Net Cost Before Loans	- \$11,167			
Financial Aid: Loans				
Federal Direct Subsidized Loan	\$3,500			
Federal Direct Unsubsidized Loan	+ \$2,000	+	+	+
Total Loan Amount	- \$5,500			
Estimated Total Cost				
Balance Due (Direct Costs minus grants, scholarships, & loans)	- \$6,667	-	-	-
Indirect Costs (Books, supplies, travel)	+ \$1,500	+	+	+
Estimated Total Cost¹ (Out-of-pocket cost)	- \$7,167			
Financial Aid - Work Study				
Work Study	\$1,500			

¹ Most schools do not list Federal PLUS or private loan eligibility as part of the offer, as these loans are credit-based and may not be approved for everyone. If PLUS or private loan eligibility is listed, please include for the purposes of comparing offers.
² Estimated Total Cost would be the amount paid by the student and/or the student's family using savings, outside scholarships and/or loans.
³ Federal Work Study funds are earned throughout the year so are not available to help pay the full balance.

- FAME's Comparing Financial Aid Offers worksheet
- **Informational**, animated video on our website
- Online tools
- Smart gadget "App"

Works for ME ✓

Use this worksheet to compare estimated college costs and financial aid offers. Find the information you need to complete this worksheet in your financial aid notification or your school's website. Costs and financial aid offers can vary significantly from one college or university to another.

College Name	Example	School 1	School 2	School 3
	School X	Griffindor	Capitol	Erudite
Direct Costs to Attend				
Tuition & Mandatory Fees	\$10,600	11747	19772	43740
Room & Board	+\$9,297	+ 11255	+ 12229	+ 13936
Direct Costs (Billed by School)	-\$17,877	- 23002	- 32001	- 57676
Financial Aid: Grants & Scholarships				
Grants & Scholarships	-\$8,730	- 11745	- 20445	- 37345
Net Cost Before Loans	-\$11,167	- 11257	- 11556	- 20331
Financial Aid: Loans				
Federal Direct Subsidized Loan	\$3,500	3500	3500	3500
Federal Direct Unsubsidized Loan	+\$2,000	+ 2000	+ 2000	+ 2000
Total Loan Amount¹	-\$5,500	- 5500	- 5500	- 5500
Estimated Total Cost				
Balance Due (Direct Costs minus grants, scholarships, & loans)	-\$5,667	- 5757	- 6056	- 14831
Indirect Costs (Books, supplies, travel)	+\$1,500	+ 3270	+ 2950	+ 2600
Estimated Total Cost² (Out-of-pocket cost)	-\$7,167	- 9027	- 9006	- 17431
Financial Aid - Work Study				
Work Study	\$1,500	2800	600	1250

¹ Most schools do not list Federal PLUS or private loan eligibility as part of the offer, as these loans are credit-based and may not be approved for everyone. If PLUS or private loan eligibility is listed, please exclude for the purposes of comparing offers.

² Estimated Total Cost would be the amount paid by the student and/or the student's family using savings, outside scholarships and/or loans.

³ Federal Work Study funds are earned throughout the year so are not available to help pay the fall balance.

Comparing Financial Aid Offers

Which is the most affordable option?

Direct Costs

- Grants and scholarships

Net Price

Net Price: What you pay the school for one year of college

Works for ME ✓

Other Financial Factors

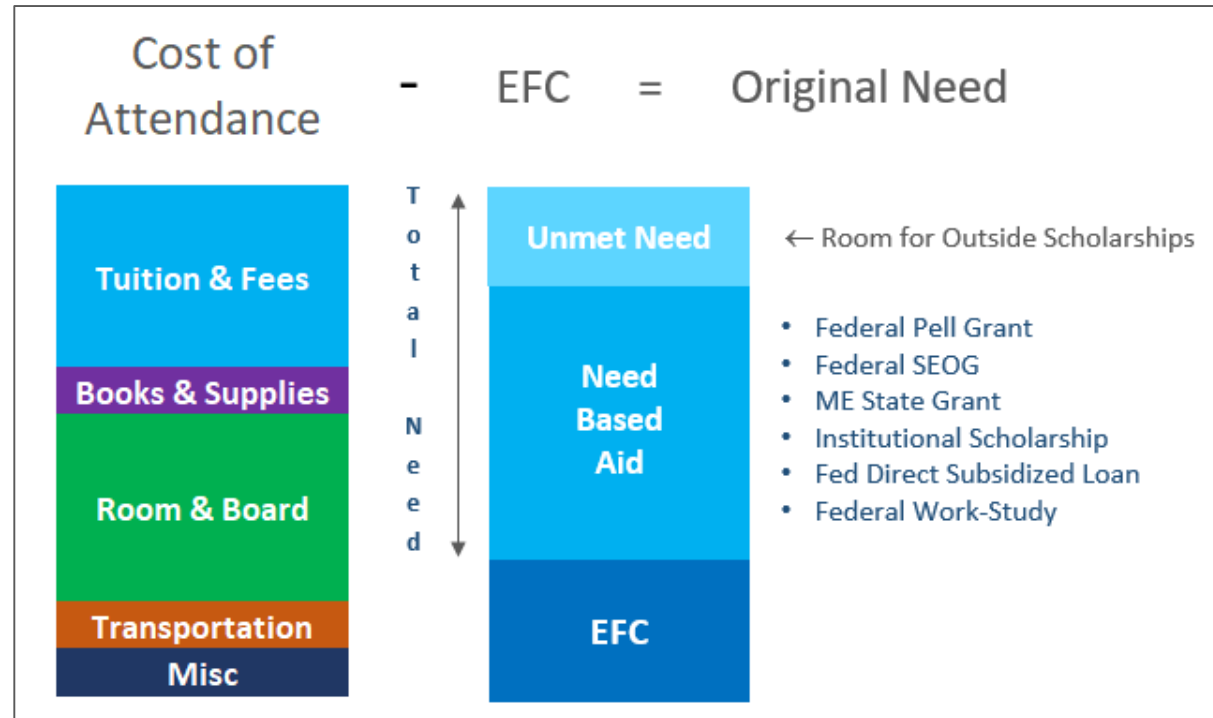


- Is any of the aid on your financial aid offer renewable?
 - Amounts may differ in subsequent years
- Costs could increase each year
 - Tuition, Room & Board, fees.....

So now you've
compared offers, but
what else do we want
you to know?

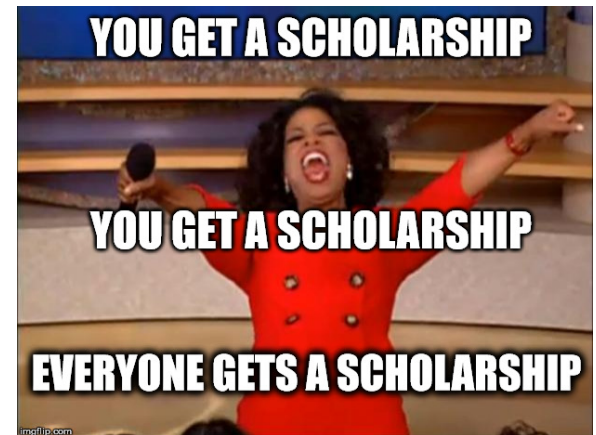
Scholarships

- **Different** process at each school
- **Unmet need** filled first in most cases
- **Impact** on financial aid offer generally minimal



Scholarships

- **Loan or Work Study** eligibility typically reduced first when possible.
- School may **swap** institutional funds if you receive outside scholarship.
- **ALWAYS** better to get as many outside scholarships as possible than to worry about aid impact.
- **More** scholarships = less loans
- **Ask** questions - as soon as you're notified of a scholarship, call the financial aid office to report it and discuss



Understanding the bill

- Bill are usually sent in late June/early July and are due about 4-6 weeks later.
- They also all look different.
- Financial aid is sent to the Business Office and reduces the amount owed.
- Some aid may show up as “Pending” or “Estimated”
- Review for fees you can reduce – i.e. room & board
- Health insurance is often charged – can it be waiver?
- Create a plan

After you have used the "Comparing Costs & Financial Aid Offers" tool on the front of this sheet, use this calculator to determine what resources you have or will have available to help cover the "Estimated Total Cost" at each school. Prefer an electronic version? Check out the iGrad Financial Aid Award Letter Analyzer. Create a free account at FAME.iGrad.com.

	Example	School 1	School 2	School 3
	School X			
Estimated Total Cost				
Estimated Total Cost (out-of-pocket cost from the front of this sheet)	\$7,167	\$ 9,027.00	\$ 9,006.00	\$ 17,431.00
Outside Scholarships				
Outside Scholarships	- \$1,000	- \$ 1,000.00	- \$ 500.00	- \$ 1,000.00
Remaining Balance	\$6,167	\$ 8,027.00	\$ 8,506.00	\$ 16,431.00
Student Savings				
Student's Current Savings	- \$200	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Student's Estimated Summer Savings	- \$1,100	+ \$ 1,500.00	+ \$ 1,500.00	+ \$ 2,000.00
Remaining Balance	\$4,867	\$ 5,527.00	\$ 6,006.00	\$ 13,431.00
Family Savings/Resources				
College Savings	- \$1,000	- \$ 2,000.00	- \$ 2,000.00	- \$ 4,000.00
Family Savings/Investments	- \$0	+ \$ 500.00	+ \$ 500.00	+ \$ 1,000.00
Other (i.e. gifts from relatives)	- \$500	- \$ 200.00	- \$ 200.00	- \$ 200.00
Remaining Balance	\$3,367	\$ 2,827.00	\$ 3,306.00	\$ 8,231.00
Additional Options for Bridging the Gap				
Monthly Payment Plan	\$3,367/10 -\$336/month	1600	2000	2000
Federal Plus Loan (parent borrows) or Private Loan (typically student borrows with a cosigner)	\$3,367 plus interest	\$ 0.00	\$ 0.00	\$ 5,500.00
Contribution from Work Study/ Student School Year Employment	\$1,000	\$ 1,200.00	\$ 200.00	\$ 750.00
Other		\$ 0.00	\$ 0.00	\$ 0.00

Creating A Plan

Paying the bill is a piecemeal approach:

- Grants and Scholarship
- Outside Scholarships
- Parent Savings
- Student Savings
- Student Earnings
- Federal Student Loans
- Tuition Payment Plans
- Private Loans

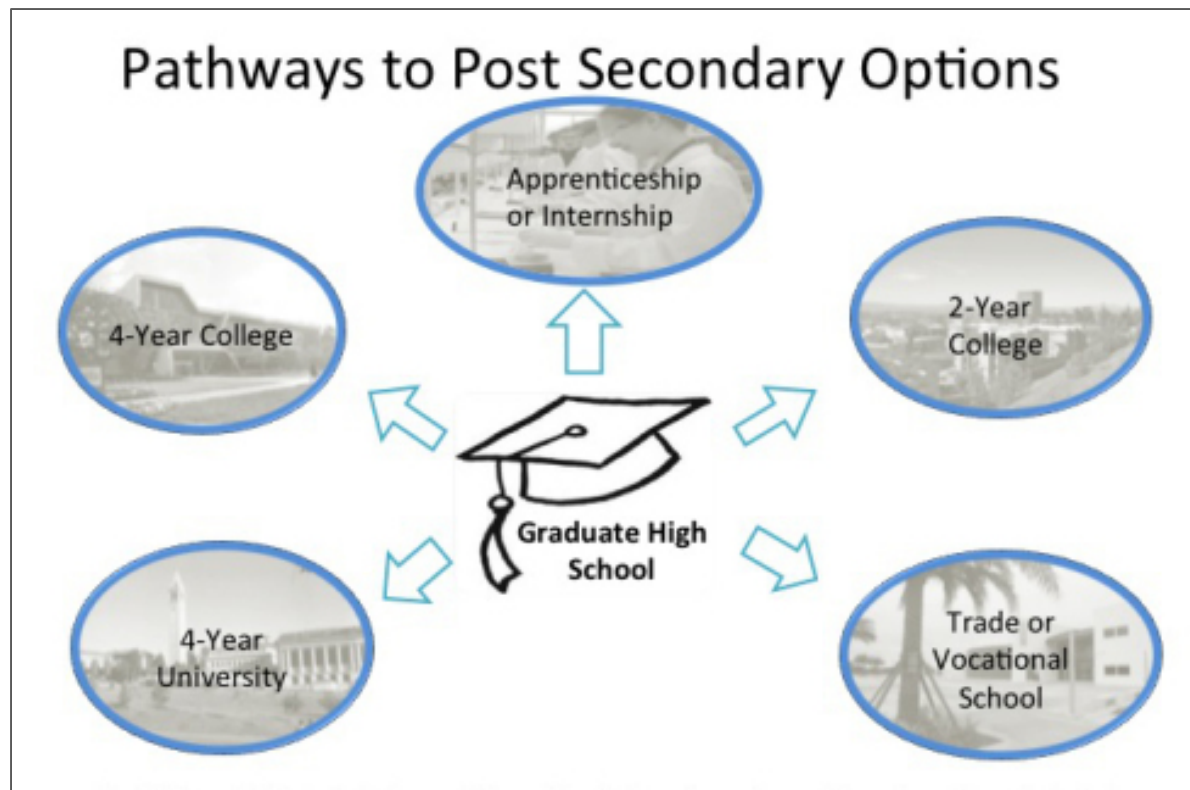
Works for ME ✓

Other Considerations

- How many years will the student be in school?
- Will the plan for year one be feasible for years 2-4 or more?
- Consider entire cost of education vs. first year earnings.
 - Check out FAME's Salary/Debt calculator.
 - Every \$10,000 borrowed translates to a payment of about \$100 per month for 10 years.
- What living options make sense to keep the costs down?



- Multiple Pathways Exist!





Finance Authority of Maine

5 Community Drive

P.O. Box 949

Augusta, ME 04332

1-800-228-3734

TTY: 207-626-2717

education@FAMEmaine.com

FAME-education.com

Questions?



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