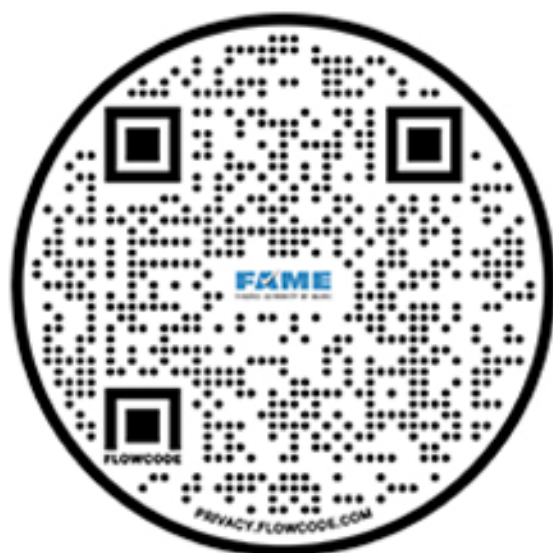


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# Financial Aid Offers Questions and Answers

January 11, 2023

PRESENTED BY

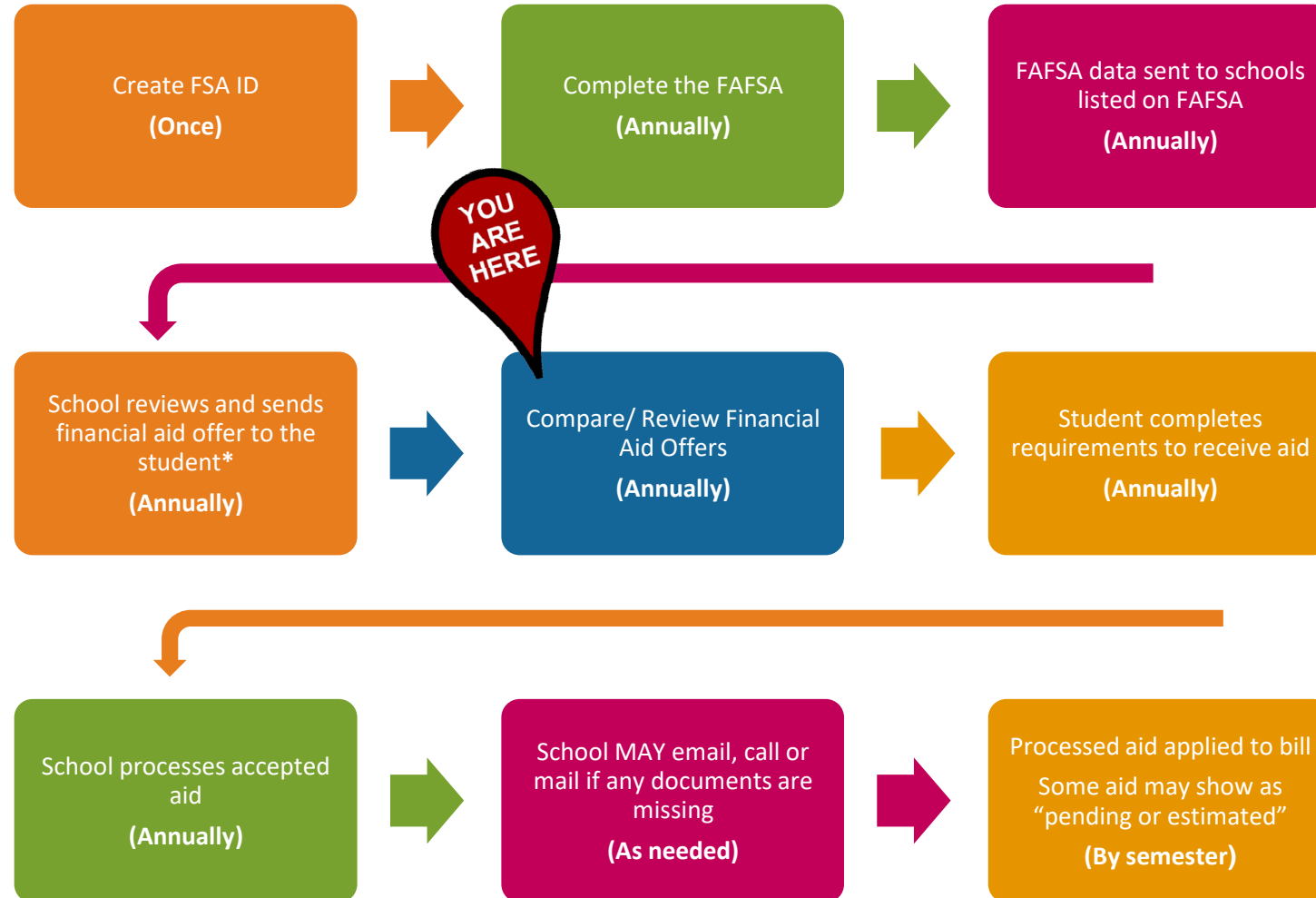
**Nikki Vachon, College Access Counselor**



Nikki Vachon  
College Access Counselor

- ✓ What happens and when?
- ✓ How is financial aid calculated?
- ✓ What does this all mean?
- ✓ What the best way to compare aid offers?
- ✓ Is the offer affordable?

## What Happens and When?



\*If selected for verification, student may not receive an aid offer until process is complete



## 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

February 1, 2020  
Academic Year 2020-2021

**Gryffindor College**  
Office of Financial Aid

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.

	Fall	Spring	Total
Gift Aid (Free money)	\$500	\$500	\$1,000
Quiddich Scholarship	\$3,173	\$750	\$3,923
Federal Pell Grant	\$750	\$750	\$1,500
Maine State Grant Program	\$500	\$500	\$1,000
Federal Supplemental Grant	\$950	\$950	\$1,900
Tribute Grant	\$950	\$950	\$1,900
<b>Total Financial Aid Award</b>	<b>\$5,873</b>	<b>\$5,872</b>	<b>\$11,745</b>

**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

Work-Study (Earned paycheck)  
Federal Work-Study

Federal Loans (Must be repaid)  
Federal Direct Subsidized Loan  
Federal Direct Unsubsidized Loan  
**Total Loans**

**Direct Costs:**  
(will appear on the bill)  
Tuition & Fees  
Room & Board  
\*Direct costs are not included in the financial aid offer.

The enclosed award and cost of attendance information is for your information only. It is not a contract. The actual financial aid offer will be sent to you by email.

**Capitol University**  
Office of Financial Aid

January 23, 2020

Mickey Mouse  
5 Community Drive  
Augusta, ME 04332-0949

ENROLLMENT IS NOW OPEN

**Erudite College**

January 23, 2020

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

**Estimated 2020-21 Cost of Attendance**

	Fall	Spring	Total
Tuition & Fees (billed per credit hour)	\$3,951/year	\$3,951/year	\$7,902
Room and Board (billed only if living on campus)	\$19,772	\$19,772	\$39,544
Transportation	\$550	\$550	\$1,100
Books & Supplies	\$1,150	\$1,150	\$2,300
Other Educational Expenses	\$1,250	\$1,250	\$2,500
<b>Estimated Total Cost of Attendance</b>	<b>\$26,675</b>	<b>\$26,672</b>	<b>\$53,347</b>

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

**Grants and Scholarships (no repayment needed)**

	Fall	Spring	Total
Institutional Grant(s)	\$625	\$625	\$1,250
On-Campus Housing Grant	\$1,500	\$1,500	\$3,000
District 12 Grant	\$500	\$500	\$1,000
Federal Supplemental Opportunity Grant	\$550	\$550	\$1,100
Snow Family Scholarship*	\$1,500	\$1,500	\$3,000
Tribute Scholarship*	\$500	\$500	\$1,000
Federal Pell Grant	\$750	\$750	\$1,500
Maine State Grant Program	\$3,172	\$750	\$3,922
<b>Total Grant(s)</b>	<b>\$8,597</b>	<b>\$8,598</b>	<b>\$17,195</b>

**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
<b>Total Loans</b>	<b>\$2,750</b>	<b>\$2,750</b>	<b>\$5,500</b>

**Work Options \*\* (not to be applied to student account)**

	Fall	Spring	Total
Federal Work-Study	\$600	\$600	\$1,200
<b>Total</b>	<b>\$600</b>	<b>\$600</b>	<b>\$1,200</b>

\*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.

**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.

**Your Total Financial Aid Offer is:** \$25,545

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

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

**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 207-998-1212 or email by [finaid@capitol.edu](mailto:finaid@capitol.edu)

**IMPORTANT INFORMATION ABOUT YOUR AID OFFER**  
Change your housing status or enrollment status as your college funding may change. The College reserves the right to adjust your financial aid award in such cases. Although student's financial situations change, the typical reduction of Erudite Grant is \$5,000 - campus resident to commuter status.

## How do schools determine the aid a student receives?

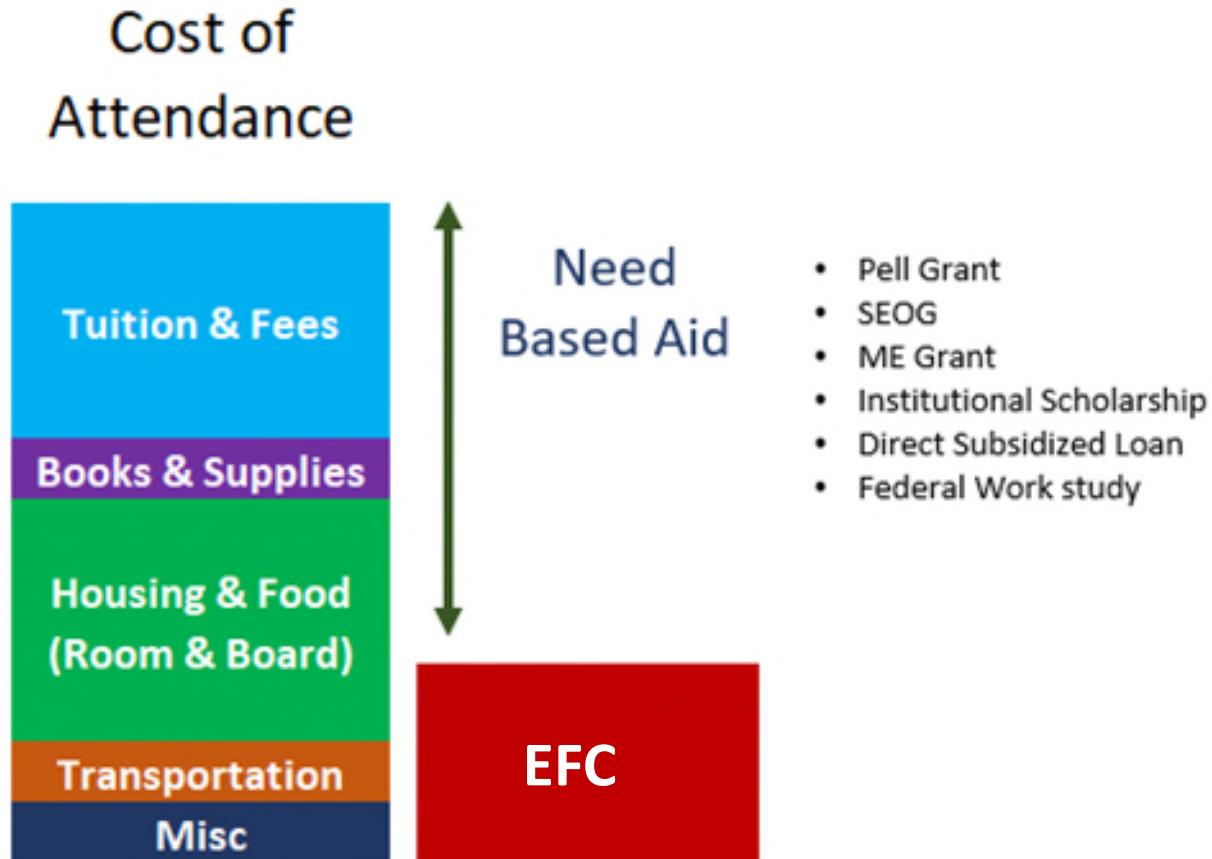
- All schools use the following formula:

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

2024-25  
EFC changing  
to SAI  
(Student Aid  
Index)

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

# How is Financial Aid Calculated?

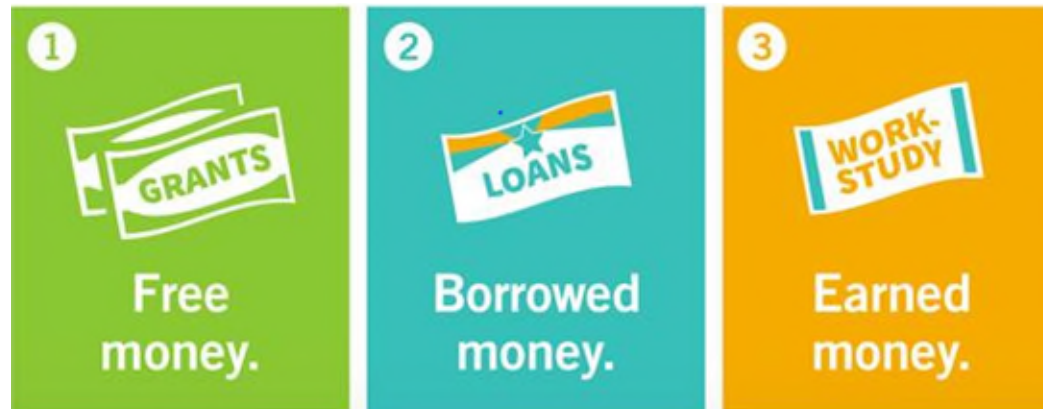


## How do schools fill need?

- 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?

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




## How and when will they arrive?

- Paper or email notification will be sent; usually just **one** paper letter
- Financial Aid Officers are working to get aid offers out ASAP; some are arriving as we speak!



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

Mickey Mouse  
5 Community Drive  
Augusta, ME 04332-0949

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

	Fall	Spring	Total
<b>Gift Aid (Free money)</b>			
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
<b>Total Financial Aid Award</b>	<b>\$5,873</b>	<b>\$5,872</b>	<b>\$11,745</b>

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

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

**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
<b>Estimated Remaining Cost</b>	<b>\$11,257</b>
Federal Loans	- \$5,500
<b>Estimated Remaining Cost (After Loans)</b>	<b>\$5,757</b>


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



**Capitol University**  
Office of Financial Aid

Financial Aid Award Letter for: Mickey D. Mouse  
Student ID: 0115555

**Estimated Cost of Attendance**

Estimated Cost of Attendance**	\$29,275/year		
Tuition & Fees (billed per credit hour)	\$17,085		
Room and Board (billed only if living on campus)	\$9,240		
Transportation (out of pocket)	\$550		
Books & Supplies (out of pocket)	\$1,150		
Other Educational Expenses	\$1,250		

\*\*Estimated total direct & indirect costs: Additional expenses that may contribute to a student's cost of attendance, but are not charged to the student.

**Grants and Scholarships (no repayment needed)**

	Fall	Spring	Total
Institutional Grant(s)			
On-Campus Housing Grant	\$625	\$625	\$1,250
District 12 Grant	\$2,500	\$2,500	\$5,000
Federal Supplemental Opportunity Grant (FSEOG)	\$500	\$500	\$1,000
Snow Family Scholarship*	\$550	\$550	\$1,100
Tribute Scholarship*	\$1,500	\$1,500	\$3,000
Federal Grant(s)			
Federal Pell Grant	\$1,485	\$1,485	\$2,970
State Grant(s)			
Maine State Grant Program	\$750	\$750	\$1,500
<b>Total</b>	<b>\$7,910</b>	<b>\$7,910</b>	<b>\$15,820</b>

**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
<b>Total loans:</b>	<b>\$2,750</b>	<b>\$2,750</b>	<b>\$5,500</b>

**Work Options \*\* (not to be applied to student account)**

	Total
Federal Work-Study	\$600
<b>Total</b>	<b>\$600</b>

\*\* 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:**

\*Your Maine State Grant is an estimate. Actual confirmation will be sent to you by the Finance Authority of Maine (FAME)

\*The On-Campus Residential grant is for students living in the Residence Halls

**YOUR FINANCIAL AID AWARD IS BASED ON YOUR:**

Expected Family Contribution: \$3,000

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 award.

**Your Total Financial Aid Award is: \$21,920**

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

**Other Financing Options**

\*Payment plans offered through the Student Accounts Office

\*Military and/or National Service Benefits

\*Private Student Loans

Should you have any questions about your financial aid please contact us at:  
207-777-7777 email [FinAid@edu](mailto:FinAid@edu)

\*As a recipient of an endowed scholarship, you will be invited and encouraged to attend our scholarship appreciation luncheon on Oct 3rd. This is a great opportunity to thank the donors who made this scholarship possible

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
- Calculated estimated bill after gift aid & loans (not including FWS)



Erudite College



Mickey Mouse  
5 Community Drive  
Augusta, ME 04332-0949

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

Estimated Annual Direct Costs:		Possible Additional Expenses:	
Tuition:	\$43,740	Books & Supplies:	\$1,500
Fees:	\$700	Transportation:	\$250
Room & Board:	\$13,936	Miscellaneous/Personal:	\$850
Anticipated Direct Costs:	\$58,376*	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
<b>Total Financial Aid Award</b>	<b>\$22,047</b>	<b>\$22,048</b>	<b>\$44,095</b>

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

You must notify the Financial Aid Office if you change your living 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. As a result of a student's financial situations are reviewed individually as a point of reference, the typical reduction in the 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




Let's talk about how to  
compare financial aid offers to  
find the bottom line.

# Comparing Financial Aid Offers

Tools exist to help students compare offers:

- FAME's **Comparing Financial Aid Offers** worksheet
- **Informational**, animated videos on our website
- Online tools, Excel spreadsheet, etc.
- Smart gadget "App"


**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
	School X			
<b>Direct Costs to Attend</b>				
Tuition & Mandatory Fees	\$10,600			
Room & Board	+ \$1,277	+	+	+
Direct Costs (Billed by School)	- \$11,877	-	-	-
<b>Financial Aid: Grants &amp; Scholarships</b>				
Grants & Scholarships	- \$1,750	-	-	-
Net Cost Before Loans	- \$11,167	-	-	-
<b>Financial Aid: Loans</b>				
Federal Direct Subsidized loan	\$3,500			
Federal Direct Unsubsidized loan	+ \$2,000	+	+	+
Total Loan Amount <sup>1</sup>	- \$5,500	-	-	-
<b>Estimated Total Cost</b>				
Balance Due (Direct Costs minus grants, scholarships, & loans)	- \$5,667	-	-	-
Indirect Costs (Books, supplies, travel)	+ \$1,500	+	+	+
Estimated Total Cost <sup>2</sup> (Out-of-pocket cost)	- \$7,167	-	-	-
<b>Financial Aid - Work Study</b>				
Work Study	\$1,500			

<sup>1</sup> 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.

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

<sup>3</sup> Federal Work Study funds are awarded throughout the year so are not available to help pay the full balance.



## 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
	School X	Gryffindor College	Capitol University	Erudite College
<b>Direct Costs to Attend</b>				
Tuition & Mandatory Fees	\$10,600	\$11,747	\$ 17,085	\$ 44,440
Room & Board	+ \$1,277	*\$11,255	* \$ 9,240	* \$ 13,936
<b>Direct Costs (Billed by School)</b>	<b>- \$11,877</b>	<b>-\$23,002</b>	<b>- \$ 26,325</b>	<b>- \$ 58,376</b>
<b>Financial Aid: Grants &amp; Scholarships</b>				
Grants & Scholarships	- \$8,750	-\$11,745	- \$ 15,820	- \$ 37,345
<b>Net Cost Before Loans</b>	<b>- \$11,167</b>	<b>-\$11,257</b>	<b>- \$ 10,505</b>	<b>- \$ 21,031</b>
<b>Financial Aid: Loans</b>				
Federal Direct Subsidized Loan	\$3,500			
Federal Direct Unsubsidized Loan	+ \$2,000	+	+	+
<b>Total Loan Amount<sup>1</sup></b>	<b>- \$5,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Estimated Total Cost</b>				
Balance Due (Direct Costs minus grants, scholarships, & loans)	- 5,667	-	-	-
Indirect Costs (Books, supplies, travel)	+ \$1,500	+	+	+
<b>Estimated Total Cost<sup>2</sup> (Out-of-pocket cost)</b>	<b>- \$7,167</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Aid - Work Study</b>				
Work Study	\$1,500			

<sup>1</sup> 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.

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

<sup>3</sup> 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 the student pays the school for one year of college

### Encourage students to consider the following:

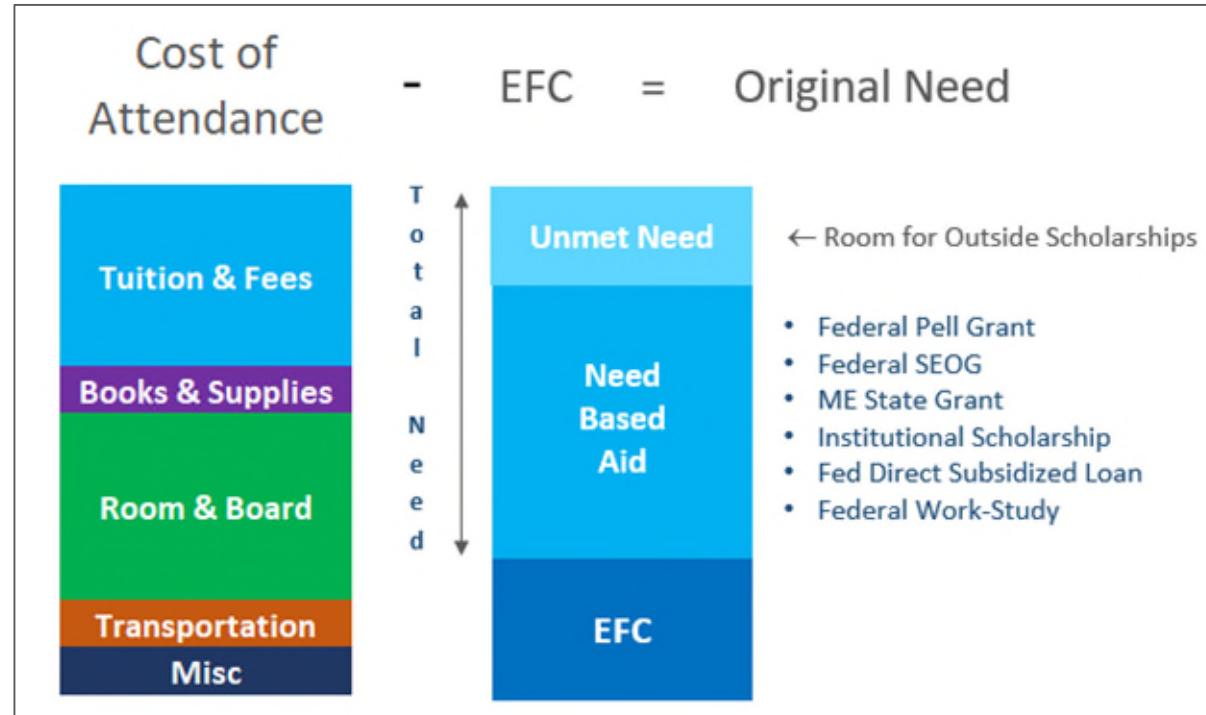
- Is any of the aid on the financial aid offer **renewable**?
  - Amounts may differ in subsequent years
- Costs could **increase** each year
  - Tuition, room & board, fees



Other important  
considerations!

## Will Outside Scholarships Impact Aid?

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



**BUSTED**



## 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?



# Discussing Affordability



- Choosing a college is a **huge** financial investment
  - The process can be very anxiety inducing for students and families (but it doesn't have to be!)
- **Early** conversations are best (while “building the list”) but seeing the practical numbers helps
- Having **options** is important



- Aid offers all look **different**
  - More aid types listed doesn't always equal a "better" package
- Doing the math is the best way to find and compare the **bottom line**
- Higher education is a **long-term** financial investment
  - Total program costs & potential debt should be considered



# Discussing Affordability

## The Path to Affording HIGHER EDUCATION



The key to affording higher education is to start planning early. The longer families have to save, the better, and starting early also gives families more time to get "financially fit." Early planning can also help students understand the importance of good grades and the role of scholarships. Follow the path to see how you can better plan ahead to afford higher education!



See the reverse side for some conversation starters to help families have a productive discussion.

## CONVERSATION STARTERS

### Savings, Direct Payments, and Tuition Payment Plans

- ☐ Are you (the parents or family members) saving for higher education? If so, how much will be available when your student graduates from high school?
- ☐ Are you (the student) saving for higher education? What are the savings expectations when you receive birthday or holiday gifts or money from work?
- ☐ Do you (the parents or family members) plan to use tuition payment plans to help pay for higher education? If so, how much per month can you afford? Is there a strategy to make more money available? Is it possible to pay down debt or other obligations to free up money in the future?
- ☐ Considering all sources, how much can you (parents or family members) contribute per year?
- ☐ Considering all sources, how much can you (the student) contribute per year?

### Scholarships

- ☐ Are you (the student) applying for scholarships? What is the expectation related to the number of applications?
- ☐ Do your grades open up the possibility of merit-based scholarships?

### Borrowing

- ☐ How do you feel about borrowing? No borrowing? Limit borrowing to only Federal Direct Loans (\$5,500 for the first year)? Will you consider additional borrowing (which will have a credit component)? Are parents or family members willing to co-sign a private loan?
- ☐ How much total debt is acceptable (for all years of education)?
- ☐ Who will be responsible for repaying the debt?

### Pathways

- ☐ Is there agreement that you (the student) can apply to any school, including those that appear to be a financial reach? What happens if you get accepted but it is not affordable?
- ☐ Are you (the student) open to considering multiple pathways (i.e., community college for a year or two, starting at a more affordable school with a plan to transfer, or attending school locally and living at home)?

**Have questions?** FAME has resources and knowledgeable teams who can help. Reach out!

**WEB**  
[FAMEmaine.com](http://FAMEmaine.com)  
[NextGenforME.com](http://NextGenforME.com)

**SOCIAL**  
f /FAMEmaineorg  
@FAME.Maine  
@FAMEmaine  
/FAMEMaine




- Encourage students/families to **compare** aid offers and understand the **bottom line**.
  - FAME can help virtually via 1:1 Zoom
- We are happy to have the “real talk” so you don’t have to!
- Weave in affordability discussions **early** and **often**
  - Return on investment
  - Long-term costs

GET IN TOUCH

## Contact

HOME > CONTACT



**File the FAFSA →**

There is money available to help pay for college. Begin by filling out the FAFSA.

**Building a Business?**

FAME's Business Roadmap outlines key steps in the planning and financing process, and provides tools, resources, and partners that can help you along the way.

**Business Roadmap →**

**Get in touch! We're here to help you.**

In-person service by appointment only. Contact us at [info@famemaine.com](mailto:info@famemaine.com) to schedule.

**Phone**

207-623-3263 or 800-228-3734; TTY: 207-626-2717

Option 1: [Business](#) Loans

Option 2: [NextGen 529](#) or [Alfond Grant](#)

Option 3: [Maine Loan](#) or [Student Loans](#)

Option 4: [Financial Aid](#) or [FAFSA](#) Questions

Option 5: All other [Education](#) Inquiries

**Fax**

207-623-0095

**FREE! Financial Aid Coaching**

[Schedule a session](#) with one of our financial aid experts!



Join us for February's Wednesday Webinar:

### **Resources for New Mainers**

- Take a tour FAME's expanded New Mainers webpage!
- Learn about recently added tools, resources, and programs to support New Mainers.



## **February 8, 2023**



Questions?



Thank you for joining us today!

Find more FREE resources and information at  
[FAMEmaine.com/education](https://FAMEmaine.com/education).

Follow Us:



Contact Us: [Education@FAMEmaine.com](mailto:Education@FAMEmaine.com)

PH: 207-623-3263 or 800-228-3734

TTY: 207-626-2717