



Comparing Financial Aid offers

You got into the three top schools on your list. Each has sent you a financial aid award. One offer looks better than the other two, but is it really? It is important to compare financial aid offers using the same criteria to determine which award is truly the best offer. Here are 6 questions to ask:

- 1. What is the Student Budget?** Does the college list all the costs for going to college there? Or is the award just listing some of the costs. Make sure the award gives details as to the student budget being used for: 1) Tuition & Fees; 2) Room & Board; 3) Books & Supplies; 4) Personal Expenses, 5) Transportation (getting to and from the campus). If the award does not include these items, search the website for the information or call the college.
- 2. What is your Family contribution on your Student Aid Report?** The amount your family is expected to pay toward college is on the student aid report generated when you filed the FAFSA (Free Application for Student Aid). This number is needed for comparing financial aid awards. [Click here](#) for the Student Aid Report link. If your family contribution is close to or more than the student budget, then your awards from the college are going to be based on merit, and not on the financial need you have.
- 3. Is there a gap?** You should know your family contribution from filing your FAFSA (Free Application for Student Aid). To calculate how much financial aid you should be receiving, subtract the total student budget (all five items) from your family contribution. The total is your estimated financial need at the college. Is the college meeting your full need, or only a portion of it?
- 4. How much is in grants and scholarships?** How much of the award is money you do not have to pay back? Is the grant or scholarship renewable? What are the conditions for renewable? Be sure you will be able to meet the conditions for keeping the award in future years at the college.
- 5. How much is in student and parent loans?** How much of the award is parent loan? An offer of \$20,000 that is all parent loan is not a good offer. The parent loans should be used to help pay for the family contribution.
- 6. Is there a good mix? Is there something missing?** Are you being offered grants, scholarships, loans and work? Look for a good mix. If you are not offered “work study” ask about it. It is especially helpful for you to have a campus job to earn your personal expenses while in college.

How do you know how much the college should offer in financial aid?

$$\begin{array}{r} \text{Student Budget} \\ - \text{Estimated Family Contribution} \\ \hline \text{Financial Aid Award} \end{array}$$