

Comparing award notifications

Typically in mid-spring of your senior year in high school, you'll begin to receive financial aid award notifications from the colleges to which you have been accepted. Some schools will send your notification through the mail, while others will e-mail it to you. Each college will contact you with details regarding its individual award; therefore, notifications may look different than the one shown below. Compare the notifications carefully to determine the offer that best meets your needs. Make sure you understand all the obligations associated with each type of offer, and call the college's financial aid office if you have questions.

Use the blank columns of the worksheet on the other side to compare the financial aid awards from the various schools you're considering and to estimate the amount your family will pay. You can also use the award letter comparison tool on the VSAC Web site (www.vvac.org).

Federal *work-study* funds represent an employment opportunity. Be sure to check with your college to see when and how you receive your job placement.

Remember:

The best jobs go very quickly! Sign up promptly.

Watch carefully for the words *estimate* and *tentative*. These words indicate that the award hasn't been finalized and is likely to change when your application is complete.

For information about federal education loans, go to www.vvac.org.

SAMPLE
College Financial Aid Award Notification
2010-2011 Academic Year

Terry Student
Any Old Road
Hometown, VT 05555

111-11-1111
March 15, 2010

Dear Terry:

We are pleased to offer you the financial aid indicated below. Please accept or decline each award by circling the A or D after each award. Please sign, date, and return this notification within 10 days of the date of this letter.

Award:	Fall	Spring	Total	A	D
College grant	\$ 500	\$ 500	\$ 1,000	A	D
Federal Pell grant	1,900	1,900	3,800	A	D
Academic Competitiveness grant	375	375	750	A	D
Federal Supp. Ed. Opportunity grant	500	500	1,000	A	D
Federal work-study	750	750	1,500	A	D
Federal Perkins loan	500	500	1,000	A	D
Est. Vermont grant	2,750	2,750	5,500	A	D
Est. subsidized federal Stafford loan	1,750	1,750	3,500	A	D
Est. unsubsidized federal Stafford loan	1,000	1,000	2,000	A	D
Est. federal PLUS loan	<u>4,857</u>	<u>4,857</u>	<u>9,714</u>	A	D
	\$14,882	\$14,882	\$29,764		

I have read the enclosed information and I accept this award package as indicated above.

Signature: _____ Date: _____

Your college may require that you accept or decline your awards. Read instructions carefully.

Your *total award* may consist of grant, loan, and work-study funds. Be sure to read the fine print on your award notification and on any additional forms included with the notification. Identify which funds (if any) are gifts and which funds you'll be expected to repay.

Don't say "YES" to any college until you compare your award notification with the cost of attendance.

PLUS loans for parents of dependent students can help fill the difference between your cost of attendance and your financial aid award. Parents, not students, are obligated for repayment. PLUS loans may be available even if not listed on the award letter. Contact VSAC for information.

Award notifications may need to be *signed* and *dated* by the applicant. You may also have a deadline for returning the form. Follow all instructions!

Do I have enough money for college?

Below are examples of two typical budgets for a fictitious college-bound student named Terry. Use the blank columns of this worksheet to compare the financial aid awards from the various schools you're considering and to estimate the amount your family will pay. You can also use the award letter comparison tool on the VSAC Web site (www.vsac.org).

COLLEGE COSTS	Terry		You			
	College A	College B	1	2	3	4
Tuition and fees	\$18,350	\$14,200				
Room and board	8,650	6,560				
Books and supplies	1,100	1,000				
Transportation	1,800	1,500				
Personal expenses	1,500	1,800				
Total cost of college	\$31,400	\$25,060				
GRANTS & SCHOLARSHIPS (do not have to be repaid)						
Federal Pell grant	\$3,800	\$3,800				
Academic Competitiveness grant	750	750				
Federal SEOG	1,500	1,000				
Vermont Incentive grant	5,500	3,750				
College grant/scholarship	1,000	2,500				
Other grants/scholarships	1,000	0				
Total grants & scholarships	\$13,550	\$11,800				
EMPLOYMENT EARNINGS (for hours worked)						
Federal work-study	\$1,500	\$1,000				
Other employment	0	0				
Total potential earnings	\$1,500	\$1,000				
LOANS IN THE STUDENTS NAME (must be repaid)						
Subsidized federal Stafford	\$3,500	\$3,500				
Unsubsidized federal Stafford	2,000	2,000				
Federal Perkins	1,000	0				
Other loans from your school	0	0				
Total loans	\$6,500	\$5,500				
TOTAL FINANCIAL AID	\$21,550	\$18,300				
TOTAL COST OF COLLEGE	\$31,400	\$25,060				
– TOTAL FINANCIAL AID	\$21,550	\$18,300				
= ESTIMATED OUT-OF-POCKET AMOUNT YOU'LL HAVE TO PAY	\$9,850	\$6,760				

Take a look at the final amount you'll have to pay. Most families don't have this amount readily available, so they meet it through federal parent PLUS loans, tuition payment plans, or private loans. Many colleges will include a parent PLUS loan in the award letter. Even if it isn't in the award letter, the parent PLUS may be an option for your family. Contact VSAC for information.