



Prepared for **Charlie Jones**

March 20, 2023

### 2023 - 2024 Financial Aid Award Notification

The Financial Aid Office is pleased to present you with your 2023-2024 financial aid award. Your award has been calculated based on the information you submitted with your Free Application for Federal Student Aid, the expected cost of attendance, and your EFC of \$7,500.

#### FAFSA® Expected Family Contribution (EFC)

Based on your answers in the FAFSA® form, this is how much the federal government thinks your family can afford to contribute to college expenses, per year.

#### Gift Aid

Scholarships & Grants, together known as “gift aid,” are free money that you don’t need to pay back.

Applied directly to your college tuition bill (not paid out to you)

#### Federal Direct Loans

These are the best kind of student loans. Both are designed to have lower interest rates, with no requirement to make payments until after you graduate. *Subsidized* Direct Loans have the additional benefit of not accruing interest while you’re still studying.

Applied directly to your college tuition bill (not paid out to you)

#### Cost of Attendance (COA)

Watch out! The Cost of Attendance at a college *should* include both **direct** costs (tuition, fees, room & board), as well as **indirect** costs (textbooks, transport, school supplies, incidentals), to allow you to budget properly. Some schools (like this one) are tricky and only include the direct costs.

#### (True) Net Costs

Watch out! The net cost should represent how much college costs you & your family. This means it should include both the costs you’re paying now *as well as* the costs you’ll pay later through loan repayments.

That means it should be the full COA (direct + indirect costs), minus grants, scholarships, and work-study. You should *not* subtract loans from this (which this college did).

In reality, the family will need to pay not \$20,000 for the schooling, but \$49,000 if you also included all the federal loans.

Aid Description	Fall	Spring	Total
Federal Need-Based Grant	\$1,500	\$1,500	\$3,000
University Grant	\$5,000	\$5,000	\$10,000
Federal Pell Grant	\$2,000	\$2,000	\$4,000
Community Service Scholarship	\$500	\$500	\$1,000
Department Scholarship	\$1,000	\$1,000	\$2,000
Direct Subsidized Loan	\$1,750	\$1,750	\$3,500
Direct Unsubsidized Loan	\$2,750	\$2,750	\$5,500
Parent PLUS Loan	\$10,000	\$10,000	\$20,000
Federal Work Study	\$750	\$750	\$1,500
<b>Total</b>	<b>\$25,250</b>	<b>\$25,250</b>	<b>\$50,500</b>

#### Parent PLUS Loans

These are also federal government loans, but unlike Direct loans (which are directly in the student’s name), Parent PLUS loans are made out to the parent (as the borrower).

These loans are also designed to be closer to “market rate.” This means that if you have excellent credit, you might actually find better (lower) rates from private companies.

Applied directly to your college tuition bill (not paid out to you)

Estimated Cost of Attendance (COA)	Fall	Spring	Total
Tuition and Fees	\$26,250	\$26,250	\$52,500
Room and Board	\$9,000	\$9,000	\$18,000
<b>Total</b>	<b>\$35,250</b>	<b>\$35,250</b>	<b>\$70,500</b>
Less total grants, scholarships, and loans	\$25,250	\$25,250	\$50,500
<b>2023-2024 Net Costs</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$20,000</b>

#### Federal Work-Study

On campus, there will be jobs earmarked for work-study students. This line means the student is eligible to work those jobs, earning up to this amount (\$1500).

Paid directly to the student

The money earned goes directly into their bank account like a normal job. However, this means that the amount for Fall (\$750) will still need to be paid upfront with the tuition bill, and just can be “earned back” through working.

Please confirm your acceptance of this award by April 5. Contact us if you have any questions. Our financial aid office is here for you.

Kind regards,  
Sally Johnson  
Financial Aid Director

#### Accepting aid & deadlines

You can choose to accept all, some, or none of the financial aid offered to you. For instance, you can decide to accept everything except the Parent PLUS loans, or only take \$10k (not the \$20k offered) of the PLUS loans.

But remember, you need to do this before the deadline stated here!

#### Out-of-pocket costs

This \$20,000 is actually the family’s out-of-pocket costs. Assuming the family accepts 100% of the financial aid offered, they would still need to find \$20,000 to cover the costs of college this year.

If the family didn’t have this money (remember, the FAFSA® EFC was only \$7,500), then the student/parents would likely need to take out private student loans to fill this gap.