

NEWS FROM

KHEAA–Alabama

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Financial Aid Tip of the Month, March 2020

Compare award letters to find the best college deal

Most high school seniors headed for college will soon be receiving financial aid award letters. Seniors and their parents should read those letters carefully, according to KHEAA–Alabama.

The letter will usually show the total cost of attendance for one year, including tuition, fees, room, meals, books, supplies, transportation and personal expenses.

It may also show the expected family contribution (EFC), which is how much the student’s family is expected to pay toward those costs. The EFC is subtracted from the total cost of attendance to get a student’s financial need. The letter will then list various sources of financial aid offered to cover that need. Students can accept or reject any or all of those proposed sources.

Students can also appeal the awards if their family’s financial circumstances have changed.

One thing to carefully consider is how much of the financial support being offered consists of federal student loans, which must be repaid. If the package includes federal loans and isn’t enough to pay all expenses, students may have to turn to a private loan. Comparison shopping is a must in that case.

But students shouldn’t choose a school based simply on cost. A more expensive college may be a better choice for the student than a less expensive one that isn’t a good fit.

KHEAA is a public, non-profit agency established in 1966 to improve students’ access to college. It provides information about financial aid and financial literacy at no cost to students and parents.

KHEAA also helps colleges manage their student loan default rates and verify information submitted on the FAFSA. For more information about those services, visit www.kheaa.com.

In addition, KHEAA disburses private Advantage Education Loans on behalf of its sister agency, KHESLC. For more information, visit www.advantageeducationloan.com.

For more information about financial aid and college planning, visit www.alstudentaid.com.