

Life After FAFSA: What's Next in the Financial Aid Process?

There are two key documents headed your way in the coming weeks, the Student Aid Report and the [Financial Aid](#) Letter. Your Student Aid Report should have been mailed to you between two to six weeks after submitting your [FAFSA](#). If it was not, you should first contact the schools you listed so you can (1) see if they received the report and (2) so you can avoid missing any enrollment deadlines. After you have done that, contact the Department of Education at 1-800-4-FED-AID (1-800-433-3243). If your [FAFSA application](#) has been selected for verification, which only means the DOE needs to follow up on some questions about yours or your family's financial history.

Let's go through the Student Aid Report and Financial Aid Letter, what each one will tell you, and what role they will play as you look to pay for your education.

Reviewing your Student Aid Report

There are two acronyms you are looking for as you plan how to [pay for college](#). The first is the COA and the second is [EFC](#). The COA stands for "[cost of attendance](#)", and that is the projected total cost of attending college, including tuition, fees, room and board, books and transportation (more on the COA in just a bit).

The EFC stands for "[expected family contribution](#)" and that number will let you know how much of the bill the federal government expects your family to cover. Your EFC will be located on the upper right corner of the Student Aid Report and will be a five-digit number. If your EFC is 08500, for example, that means your probable share of annual tuition and fees will be \$8,500.

First off, don't be petrified if the EFC is higher than you expected. While we all dream of an EFC of 00000, the fact of the matter is, it's not going to happen. College costs a lot of money. Now, if that figure seems to be completely out of whack with your income situation, you should make sure to review the aid report for any corrections or changes.

If you completed your tax returns since you filled out the FAFSA, some of your information may have changed. You want to pay particular attention to any hardships you or your family may have suffered in the time since you submitted the FAFSA, such as a job loss or costly medical injury. If changes have occurred, contact the Department of Education and state your case. As registration deadlines grow nearer, some colleges and universities might prefer you send a copy of the SAR directly to their financial aid office, with corrections.

If you already submitted your FAFSA and would like to add a college or university to the list of schools set to receive your SAR, you can make that change now as well.

To make changes online, visit www.fafsa.ed.gov and use the Corrections on the Web tool. You will need your PIN number. If you don't have a PIN, or if you lost your PIN,

you can apply for one or request a duplicate on the FAFSA site. You can also make changes by calling the Federal Student Aid Information Center at 1.800.433.3243. You will need to provide the Data Release Number (DRN) that appears on the upper right-hand corner of your Student Aid Report.

Your Financial Aid Constitution: The Student Aid Letter

When you are accepted to a college, they will send you an award letter with your acceptance letter. Your award letter will show how much a college or university will offer you, in the form of [federal financial aid](#) or aid directly from the school, such as grants, [scholarships](#) and work-study. The award letter will tell you the COA of the school. Make sure the COA hasn't left anything out. The letter will then break down what kind of aid you will receive.

Here are some terms to keep an eye on:

- Anything with the word “grant” or “[scholarship](#)” (e.g. Federal Pell Grant, University Academic Scholarship). Read this for what it is: free money! This is money based on your income level or academic standing that the school or government is giving you and does not need to be paid back. In the months ahead, you would be wise to look for more and more scholarships and/or grants to help you pay for school. (To get you started, visit www.StudentScholarshipSearch.com and www.ScholarshipPoints.com, for the best access to new scholarships.)
- Work-study program: Again, this is free money, but with a catch. You will have to take a part-time work-study job in order to earn that money.
- Subsidized: A subsidized loan, such as a subsidized [Federal Stafford loan](#), is based on your financial need, and you will not need to pay interest until you begin the repayment process (traditionally six months after you graduate or drop below a part-time student).
- Unsubsidized: An unsubsidized loan is not need-based and you will be charged interest as soon as the loan is disbursed.
- PLUS: This is a credit-based loan taken out by a parent of a borrower to help with the overall payment. Repayment begins right away and interest is accrued 60 days after the loan is disbursed. (A [PLUS loan](#) will not necessarily show up on an award letter, and your parent may still apply for the loan even if it not otherwise listed.)

NOTE: You do not need to use all of the aid you are offered in your student aid letter. If, for example, your scholarships are enough and you can handle the rest of the cost, you can reject a [federal loan](#). If you are planning on getting a scholarship that is not distributed by a college or university, you should check with your school's financial aid office so that it does not affect your current loan standing.

Aid Letter still not enough?

If the amount offered by your school is still unrealistic, you have three options. The first is to make a financial aid appeal, in which you contact the school to see if they can reconsider and make a better offer. This is not out of the question, particularly if you are an exceptional student and have received more attractive offers from other schools. You never know, a college or university might see it in their best interest not to lose a bright and talented mind to another school.

The second option, as stated before, is to hunt for scholarships. Again, this is free money at your disposal.

The third option is a [private student loan](#). [Private loans](#) have their pros and cons. On the one hand, these are based on credit, not need, so you can borrow up to the cost of education. On the other hand, an undergraduate student will almost definitely need a cosigner for a [private loan](#). These also will have a higher rate of interest than a federal loan. For more information on your private [student loan](#) options, or to compare loans, visit www.privatestudentloans.com.

The FAFSA was no doubt a grueling, time-consuming experience, but it's over now. Now comes the challenge of getting the money you need for school. Remember to keep your options open, and to educate yourself on what is available. [Paying for college](#) is not an easy process, but it can be your ticket to one of the most rewarding times of your life.