

College OPTIONS Financial Aid Award Letter Comparison Tool

A tool of College OPTIONS—an organization dedicated to strengthening the college-going culture in the North State by increasing opportunities for students to pursue postsecondary education, and ensuring that all students can make informed decisions about their education and their future—the Financial Aid Letter Comparison Tool is a valuable resource to help students and their families understand the reality of how much specific colleges costs after they receive financial aid award information from their schools. To learn more about College OPTIONS, visit www.collegeoptions.org.

What is this tool? The Financial Aid Letter Comparison Tool is an easy way for you to figure out how much it will cost for you to attend college. It helps you understand the out-of-pocket expenses of college as compared to high school. The tool uses two important numbers: *Official Cost of Attendance (COA) as determined by a college* and *Personalized COA as determined by you*. See below:

Official COA as determined by a college	Personalized COA as determined by you
Colleges determine how much it will cost the average student to attend their college. They develop these numbers based on several factors that may or may not apply to you.	Though some costs in your official COA are firm (like tuition and fees) others are not. Your personalized COA is how much it will cost <u>you</u> to attend a college.
<p>For example:</p> <p>HOUSING. Official COA: \$12,000/year; Personalized COA housing: \$0/year. The Official COA assumes you live in a dorm or on your own. If you attend a local college, you can choose to live at home, which adds no new additional costs as compared to when you were in high school.</p> <p>TRANSPORTATION. Official COA: \$1,200/year; Personalized COA: \$600/year If you attend college away from home, the official COA assumes you purchase four roundtrip plane tickets a year (start/end of school year, Thanksgiving break, winter break, spring break). You can choose to return home only for winter break, or opt for a less expensive mode of transportation.</p> <p>You can reduce college costs by reducing how much you spend and your personalized COA reflects that.</p>	

How do I use this tool? See next page for explanations of terms that may be unfamiliar.

1. Gather financial aid award letters from colleges you have been accepted to. Enter information from up to three financial aid award letters at a time into the Official COA columns. You may have to do some additional research on a college’s website if the financial aid award letter does not list all the COA components.
2. In the Grants/Scholarship section, only enter amounts you have been officially offered.
3. In the Work Study and Loan sections, only enter amounts you intend to use.
4. Go through the Personalized COA column line by line and consider how much you will spend on each line item and enter those numbers. **The goal is not to end up with the lowest amount of money you will have to pay. The goal is to end up with the most realistic number. Be honest with yourself.** For example, if you think you will need to go home over winter break and spring break, budget for those costs.
5. Remember to enter your Estimated Family Contribution (EFC) as determined by the FAFSA.

6. The tool will calculate everything for you as you enter numbers! After you have entered everything, you will see an amount next to *Total money needed from you/your family for upcoming academic year (unmet need + EFC)*.
7. Review the note about saving money at the bottom of the tool.

Explanation of Terms

- **Tuition/Fees.** Tuition refers to the amount of money it costs to attend classes at a college or university. Public institutions, like UC, CSU, and CCC, have in-state tuition for residents of California, which makes attending more affordable. Private institutions charge the same tuition for all students, and each private institution has its own tuition amount. Fees are additional mandatory costs that help to cover college activities and benefits afforded to you as a student.
- **Housing/Food.** Sometimes called Room/Board, this refers to the amount of money it costs to live and eat during the academic year. The costs depends on: 1) if you live in a campus dorm, off campus, or with family; 2) what kind of meal plan you select; and 3) how many roommates you plan to have.
- **Books/Supplies.** Refers to books and supplies you will need for your classes. Textbooks are available at variety of places like your college bookstore or online websites. You might also have the option to borrow books from your college library or rent textbooks online for a reduced fee.
- **Transportation.** Refers to expenses related to getting to and from campus: this might include gas, car insurance, public transportation, or bus/train/airline tickets depending on where you go to college.
- **Personal Expenses.** Refers to any other expenses associated with day-to-day life like clothing, going-out, medication, shampoo, toothpaste, bed sheets, etc.
- **Health Insurance.** Refers to a law that all college students must show proof of medical insurance. Some students remain on their parents' medical insurance plans if applicable and others purchase medical insurance from their college. Contact your college for more specific information.
- **Expected Family Contribution (EFC):** Refers to the amount of money your family can reasonably contribute to your college education as determined by FAFSA. Officially, FAFSA defines EFC as "a measure of your family's financial strength and is calculated according to a formula established by law. Your family's taxed and untaxed income, assets, and benefits (such as unemployment or Social Security) are all considered in the formula. Also considered are your family size and the number of family members who will attend college during the year." In reality, your EFC may not reflect how much your family can reasonably afford. If your family has experienced substantial changes to their financial situation you may wish to inquire with financial aid offices about the possibility of opening a "Professional Judgment" or "Special Circumstances" case.
- **Grants/Scholarships:** Refers to a type of financial aid that are gifts. You do not pay any of the money you receive back. The tool lists the federal and state grants/scholarships you may receive, and allows space for other grants/scholarships you receive from private organizations and companies.
- **Work Study:** Refers to a type of financial aid you must work for. If you are awarded work-study you will be allotted a specific amount of money that you can earn by obtaining a work study job on campus. If you do not get a work study job, you will not earn your work-study financial aid amount.
- **Loans:** Refers to financial aid you will have to pay back after you finish school. There are many types of loans. All loans accrue interest which you are responsible for paying. The tool lists the federal, state, and private loans grants/scholarships you may receive.
- **Unmet Need:** Refers to the amount of financial need that is not covered by financial aid.