



## FINANCIAL AID APPEAL PROCESS

Is the college worth pursuing? Generally, only if the difference between what the family can pay and what they're being asked to pay is less than \$4,000. If so, what's next?!

- Appeal to the financial aid office for an increased award.
- Look for outside scholarships.
- Explore unsubsidized loan options.
- Reassess affordability.

### Financial Aid Appeals

If a college is within reach of being affordable and the student is interested, there is no harm in pursuing an appeal.

1. Begin early! It can take up to 2-4 weeks before a college responds to your appeal.
2. Call the college for info on the appeal procedure, which likely involves writing a letter. If possible, talk to the financial aid counselor in charge of the student's file.
3. You can try to use a stronger financial aid award as a bargaining tool. Don't be pushy, but ask the college if they will look at it as they consider your appeal.
4. Write a letter that includes relevant details, especially new information, that makes a rationale for increased funding.
5. Include any supporting documentation. Colleges will want to verify the claims made in your letter, so include pay stubs, receipt of major expenses, job loss letter, etc.
6. Follow up! Call a few days after sending the letter to inquire about the request's status.

#### Notes + Tips:

- The student should do as much as possible. They should make the calls—although it's fine for a counselor to join them on the call—and write the letters.
- If a school meets full need, you typically must include new info such as job loss or unexpected expenses, in the appeal. Otherwise, they assume they have already met the student's full need.
- When using a superior financial aid award as a bargaining tool, it's best to use an award from a college that is a competitor of the college the appeal is being sent to.

### Denials

If an appeal is denied, borrowing may be the next option, but it should be minimized. To help families understand debt burden, use loan repayment calculators on sites like [www.finaid.org](http://www.finaid.org): If a student has a gap of over \$4000, the college might not be affordable.

1. Take out the maximum amount possible in federally subsidized loans. In the first year, the Stafford/Federal Direct Loan goes up to \$3500 and the Perkins Loan goes up to \$5500. For the Perkins, colleges decide individually how much to award. Stafford money is guaranteed.
2. Explore unsubsidized federal loan options. Although not subsidized, meaning students pay interest while in school, they generally offer the best interest rates and loan deferment/forbearance options. Every student can take out \$2000 in unsub loan.
3. The next option is the Parent PLUS Loan, which is taken out strictly in a parent's name. To qualify, only credit record, not income, is taken into consideration. PLUS Loans can cover up to the total cost of attendance minus financial aid. If a parent is denied for a PLUS loan, the student becomes eligible to borrow an additional \$4000 in unsubsidized Stafford Loan. Note: These limits are higher for independent students.
4. Private loans, but you should avoid them if at all possible! The RI Student Loan Authority usually offers the best options.

## SAMPLE LETTER:

April 27,

Dear Holy Cross Office of Financial Aid:

I was accepted for the fall, class of \_\_\_\_\_ Holy Cross is my first choice school and I am very excited about attending. I received my financial aid award and I thank that school for its generosity. But due to recent unexpected events and expenses I'm writing to request that my financial aid award be reevaluated.

For the last seven months my older brother, who is currently attending college in Puerto Rico, has been ill. His medical bills have already reached to \$5000 and will continue to rise. My brother's health was in a very delicate state last month and my mother was forced to travel to Puerto Rico to tend to him. Her travel expenses were around \$3000, including the plane ticket and other daily expenses (i.e. food and housing). For the time she was there, which was a month and a half, my mother went without pay. The loss of salary was about \$3600. My father is splitting my brother's medical costs with my mother. Shortly after my mother returned from Puerto Rico, my father traveled there to be with my brother. Thus, my father will also be incurring travel costs and losing pay due to time away from work.

Also, starting this summer, my mother's summer hours will be reduced from 40 hours to only 20 hours. During the summer I had planned to get a job but since I was invited to participate in the Passport program, I will be unable to do so. Realistically I can only pay \$3000. This amount is heavily relying on my father's contribution since my mother will not be able to help. My father already helps with my brother's college expenses and this year his hours might be reduced resulting in less pay.

Given these unexpected circumstances, I hope you can increase my award. Is there any additional grant or scholarship money available? If not, can my subsidized loans be maxed out?

If you have any questions, don't hesitate to get in touch. My contact information is:

Cell: 401-xxx-xxxx

Home: 401-xxx-xxxx

E-mail: xxxxx@yahoo.com

Thank you for your time and consideration.

Sincerely,

Xxxxx xxxxx