



Financial Aid & the Cost of College



Financial Aid Offer Letters

What is an "Offer Letter"

- Also called a **Financial Aid Award Letter**
- Sent after a student submits the FAFSA
- Outlines aid offered by the school
- Shows estimated cost vs. financial assistance
- Helps students decide how to pay for college

They are sent

- After FAFSA is processed
- After admission to the institution
- Once verification (if required) is complete
- May take 2–6 weeks after all documents are submitted

Financial Aid Offer Letters



What is listed in my offer letter?

- Cost of Attendance, which is an estimate of the total cost to attend school. This typically includes tuition and fees, books and supplies, housing and food, transportation, and personal expenses. It is important to understand that this is not your exact bill, but rather a budgeting estimate.
 - Types of financial aid you qualify for. This may include grants and scholarships, which do not need to be repaid. It may also include Federal Work-Study, which allows students to earn money through part-time employment.
 - Federal student loans available to you, such as Direct Subsidized Loans, Direct Unsubsidized Loans, or PLUS Loans. Unlike grants and scholarships, loans must be repaid with interest and must be accepted in order to be processed.
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Example Offer Letter

Cost of Attendance

	Fall 2025	Spring 2026	Total
Tuition & Fees	\$6,200	\$6,200	\$12,400
Housing & Meals	\$5,500	\$5,500	\$11,000
Books & Supplies	\$700	\$700	\$1,400
Transportation	\$1,100	\$1,100	\$2,200
Personal Expenses	\$1,200	\$1,200	\$2,400
Total COA	\$14,700	\$14,700	\$29,400

Example Offer Letter



Grants and Scholarships

Award	Fall 2025	Spring 2026	Total
Federal Pell Grant	\$3,700	\$3,700	\$7,400
Federal SEOG	\$400	\$400	\$800
State Grant	\$500	\$500	\$1,000
Institutional Scholarship	\$1,250	\$1,250	\$2,500
Total Grants & Scholarships	\$5,850	\$5,850	\$11,700

Estimated Net Cost

Your estimated net cost after grants and scholarships is:

\$9,200

(Net cost = Total Cost of Attendance – Gift Aid)

Student Loan Options

Loan Type	Fall 2025	Spring 2026	Total
Direct Subsidized Loan	\$1,750	\$1,750	\$3,500
Direct Unsubsidized Loan	\$1,000	\$1,000	\$2,000
Total Student Loans Offered	\$2,750	\$2,750	\$5,500

Your Estimated Cost

(After Grants and Student Loan Options)

\$3,700

Additional Options

Additional Borrowing Eligibility	Fall 2025	Spring 2026	Total
Parent PLUS Loan Eligibility	\$1,800	\$1,800	\$3,600
Private Loan Option	\$1,800	\$1,800	\$3,600
Total Additional Options	\$1,800	\$1,800	\$3,600

How Does a Student Receive a Financial Aid Offer Letter?

- Submit the FAFSA through studentaid.gov.
- Be admitted into an eligible academic program at the school.
- Complete all required documents (such as verification) so the school can finalize the award.

Accessing Your Offer Letter

- Some schools will mail physical copies of offer letters directly to incoming students
- Most schools handle offer letters completely electronically and send them via email
 - Log into the school's financial aid portal or student account.
 - Check your school email for a notification that your offer is available.

Comparing offer letters

- When applying to multiple schools, compare total **Cost of Attendance (COA)** at each school — not just tuition.
- Focus on your **out-of-pocket cost** after grants and scholarships are applied.
- Separate **gift aid (free money)** from loans when reviewing offers.
- Adjust estimated costs based on your **actual enrollment status and credit hours**.
- Subtract your financial aid eligibility from the total COA to estimate what you may owe.
- Review loan terms carefully, including **interest rates, repayment terms, and total borrowing amount**.
- Consider whether grants or scholarships are **renewable** and what is required to maintain eligibility.
- Compare long-term impact — not just the first-year cost.

Examples



School A

- Tuition and fees = **\$10,450**
- Housing and meals = **\$12,200**
- Books and supplies = **\$900**
- Transportation = **\$1,750**
- Personal expenses = **\$1,800**
- **COA = \$27,100**

Based on 30 credits per academic year

On-campus housing required for first-year students

School B

- Tuition and fees = **\$13,200**
- Housing and meals = **\$9,800**
- Books and supplies = **\$1,300**
- Transportation = **\$2,200**
- Personal expenses = **\$2,100**
- **COA = \$28,600**

Based on 24 credits per academic year

On-campus housing optional

Examples Continued



School A

Cost of Attendance (COA): \$27,100

Financial Aid Offered:

- Pell Grant: \$7,395
- State Grant: \$1,000
- Institutional Scholarship: \$2,000
- **Total Gift Aid: \$10,395**

Estimated Net Cost:

$\$27,100 - \$10,395 = \$16,705$

School B

Cost of Attendance (COA): \$28,600

Financial Aid Offered:

- Pell Grant: \$7,395
- State Grant: \$1,000
- Institutional Scholarship: \$8,000
- **Total Gift Aid: \$16,395**

Estimated Net Cost:

$\$28,600 - \$16,395 = \$12,205$

Comparison Result:

Even though **School B has a higher total cost**, it actually results in a **lower net cost** because of the larger institutional scholarship.

✓ School A Net Cost: **\$16,705**

✓ School B Net Cost: **\$12,205**

School B is \$4,500 less expensive overall after gift aid.



Cost of Attendance

What Is Cost of Attendance (COA)?

- The estimated total cost to attend school for one academic year.
- Includes tuition, fees, books, housing, transportation, and personal expenses.
- Used to determine a student's financial aid eligibility — it is **NOT** the exact bill owed.

Components of COA



If you're attending school at least half time, the COA is an estimate of...

- **Direct Costs (Billed by the School):**

- Tuition and fees
- Mandatory fees (fees such as technology, student activity, security/safety, registration and admin, facility or campus fees)
- On-campus housing (if applicable)
- Meal plan (if applicable)

- **Indirect Costs (Estimated Expenses):**

- Books and supplies
- Off-campus housing
- Transportation
- Personal/miscellaneous expenses

Components of COA



Can also include

- Allowance for childcare or other dependent care;
- Costs related to a disability;
- Costs of obtaining a license, certification, or a first professional credential;
- Reasonable costs for eligible study abroad programs.

Direct Costs

Direct costs are expenses that are billed directly by the school and must be paid to the institution in order to enroll and attend. These typically include tuition, mandatory fees, and on-campus housing or meal plans, if applicable.



Indirect Costs

Indirect costs are estimated expenses associated with attending school that are not billed directly by the institution. These may include books and supplies, off-campus housing, transportation, and personal expenses. While they are part of the Cost of Attendance, students typically pay these costs out-of-pocket rather than directly to the school.



Direct vs. Indirect

Direct/Billable Costs

- Tuition
- Fees
- Housing and meals (if living on-campus)

Indirect/Non-Billable Costs

- Housing and meals (if living off-campus)
- Books and supplies
- Personal expenses
- Transportation



Example COA

Estimated Direct Costs

	Fall 2025	Spring 2026	Total
Resident Tuition & Fees	\$6,200	\$6,200	\$12,400

Estimated Indirect Costs

	Fall 2025	Spring 2026	Total
Housing & Meals	\$5,500	\$5,500	\$11,000
Books & Supplies	\$700	\$700	\$1,400
Transportation	\$1,100	\$1,100	\$2,200
Personal Expenses	\$1,200	\$1,200	\$2,400

Estimated Total Cost of Attendance

	Fall 2025	Spring 2026	Total
Total COA	\$14,700	\$14,700	\$29,400

Types of Aid

Scholarships and Grants

- Do not require repayment (gift aid).
- May be **specific** (tuition-only, program-based) or **general** (can apply toward overall cost of attendance).
- May be **need-based**, merit-based, or a combination of both.
- Often require minimum **enrollment status** (full-time or part-time).
- Students must maintain eligibility, which may include:
 - Satisfactory Academic Progress (SAP)
 - GPA requirements
 - Continued financial need (for need-based aid)
- Some awards are **renewable**, while others are one-time only.

Estimated Net Cost

Estimated net cost is the amount a student is expected to pay after grants and scholarships (gift aid) have been subtracted from the total Cost of Attendance. It reflects what remains before loans or payment plans are considered and helps students understand their out-of-pocket responsibility.

Example:

If a school's total Cost of Attendance is **\$25,000** and the student receives **\$10,000 in grants and scholarships**, the estimated net cost would be:

$$\mathbf{\$25,000 - \$10,000 = \$15,000}$$

That \$15,000 represents the remaining amount the student would need to cover through savings, work-study earnings, loans, or a payment plan.



Types of Aid Cont.

Federal Work-Study

- How is eligibility determined?
- How do students apply for on-campus positions?
- How many hours can a student work?
- How are students paid?
- Does work-study reduce future aid eligibility?

Federal Student Loans

- What types of federal loans are available?
- How much should a student borrow?
- What are the interest rates and repayment terms?
- When does repayment begin?
- What are the deferment or forgiveness options?

Est. Remaining Cost

Estimated remaining cost is the amount a student is expected to owe after all financial aid—including grants, scholarships, and accepted loans—has been applied to the total Cost of Attendance. It represents the balance that must still be covered through payment plans, personal funds, or additional borrowing options.

Example:

If the total Cost of Attendance is **\$25,000** and the student receives:

- \$10,000 in grants and scholarships
- \$5,000 in accepted student loans

The total aid applied would be **\$15,000**.

$\$25,000 - \$15,000 = \$10,000$ estimated remaining cost.

That \$10,000 is the amount the student would still need to pay or make arrangements to cover.





Additional Considerations

Student Aid Index (SAI)

- The number calculated from the FAFSA that determines a student's eligibility for federal financial aid.
 - Replaced the Expected Family Contribution (EFC).
 - Used by schools to calculate financial need.
 - Can range from negative numbers up to higher positive numbers.
 - A lower SAI generally indicates greater financial need.
 - Does not represent the exact amount a family must pay for college.
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- $\text{Cost of Attendance} - \text{SAI} = \text{Financial Need}$

Financial Need

- **COA – SAI = Financial Need**
 - COA (Cost of Attendance)
 - SAI (Student Aid Index)
- **COA – SAI – OFA = Remaining Need**
 - OFA (Other Financial Assistance)
- Financial need and remaining need may vary between schools because **Cost of Attendance (COA) is institution-specific.**
- A lower SAI generally results in higher demonstrated financial need.
- Schools use financial need to determine eligibility for need-based aid such as Pell Grants, SEOG, and subsidized loans.

Important Notes

- SAI does **not** represent the exact amount a family must pay.
- Remaining need is not guaranteed to be fully covered by the institution.
- Even if financial need is high, aid packages may vary based on available funding.

Financial Need Comparison



School A

- COA = \$26,800
- SAI = \$2,000
- Need = \$24,800

Aid Awarded:

- Pell Grant = \$7,395
- State Grant = \$1,000
- Institutional Scholarship = \$2,500
- Total Gift Aid = \$10,895

Remaining Need = \$13,905

School B

- COA = \$29,400
- SAI = \$2,000
- Need = \$27,400

Aid Awarded:

- Pell Grant = \$7,395
- State Grant = \$1,000
- Institutional Scholarship = \$6,000
- Total Gift Aid = \$14,395

Remaining Need = \$13,005

Key Takeaways

- Even with the same SAI, financial need differs because COA is school-specific.
- Higher COA does not always mean higher out-of-pocket cost.
- Institutional scholarships significantly impact remaining need.
- Remaining need is not automatically covered — loans or payment options may still be required.

Adjustments to COA

- In certain situations, a school may adjust a student's COA to reflect actual expenses rather than standard estimates.
- COA adjustments may allow a student to become eligible for additional financial aid, typically in the form of loans.
- Adjustments do not automatically increase grants or scholarships.

Adjustments to COA



The following documented expenses may warrant a COA adjustment:

- Medical, dental, or disability-related expenses for the student not covered by insurance
- Dependent care or childcare expenses
- One-time computer purchase required for academic use
- Additional required educational expenses (program-specific equipment, tools, uniforms, licensing fees)
- Higher-than-average transportation expenses
- Excess housing or food costs, including expenses related to dependents
- Study abroad program costs
- Other documented, unusual circumstances reviewed on a case-by-case basis

Adjustments to COA



- If a student's documented expenses exceed the standard amounts included in their COA, the school may be able to increase the COA to reflect actual costs.
- In most cases, students must submit supporting documentation through their school's financial aid office or online portal. A financial aid administrator will review the request and determine eligibility for a COA adjustment.
- If approved, the adjusted COA may allow the student to qualify for additional financial aid, typically in the form of federal student loans.

Important Reminder

COA adjustments do not guarantee additional grant funding.
All adjustments are reviewed on a case-by-case basis.



Enrollment

- Financial aid offers are typically based on **full-time enrollment** (usually 12 or more credit hours per semester).
- Aid eligibility and award amounts may change if a student enrolls less than full time.

Enrollment Impacts on Aid

- **Kansas Comprehensive Grant** requires full-time enrollment.
- **Federal Pell Grant** adjusts based on enrollment intensity (full-time, three-quarter time, half-time, less than half-time).
- Federal student loans generally require at least **half-time enrollment** (6 credit hours).
- Tuition charges adjust based on enrolled credit hours.
- Some components of the COA may remain constant (such as housing, books, and personal expenses), while others adjust with enrollment.

Important Considerations

Dropping or withdrawing from courses may reduce aid eligibility.
Changes in enrollment after disbursement may result in a balance owed.
Students should notify the financial aid office before making enrollment changes to understand the impact on their aid.

What is my bill?

Direct Costs of College (Billed by the School)

- **Tuition** – Based on a student’s actual enrollment. Schools may charge tuition per credit hour or offer a flat rate for full-time students.
- **Mandatory Fees** – May include campus fees, technology fees, student health services, lab fees, program-specific fees, and other required institutional charges.
- **On-Campus Housing and Meal Plans** (if applicable) – Billed directly by the institution if selected or required.

What is my bill?

Direct Costs of College (Continued)

- **On-Campus Housing and Meal Plans** – Based on a student’s selected housing assignment and meal plan. These charges appear on the student account if housing is chosen or required.
- Some schools have a **live-on-campus requirement** for first-year students, while others allow students to live off-campus and provide their own housing and meals.

Important Notes About Your Bill

- Your bill reflects only **direct costs billed by the institution**, including tuition, mandatory fees, and on-campus housing (if applicable).
- Off-campus housing, groceries, transportation, and personal expenses are **not billed by the school**.
- Financial aid is applied directly to your student account to reduce your balance.
- If aid exceeds your direct charges, you may receive a refund.
- If aid does not fully cover your direct costs, you will owe the remaining balance or need to set up a payment plan.

Disbursement

- Disbursement timelines vary by school.
- Federal financial aid cannot be disbursed more than 10 days prior to the start of the term, per federal regulations.
- Some aid may disburse at multiple points throughout the term.

How Disbursement Works

- Financial aid funds are first applied (disbursed) to the student's school account to pay direct charges such as tuition, fees, and on-campus housing.
- If the total financial aid exceeds the billed charges, the remaining balance is considered a credit.
- That credit is then issued to the student as a refund, typically through direct deposit to their bank account or by check.

Wrap Up

- It's okay to apply to multiple schools and compare financial aid offers.
 - Don't be afraid to ask questions about costs, aid eligibility, and renewal requirements.
- Compare **net cost**, not just tuition or total COA.
- Review loan terms carefully before accepting.
- Accept the financial aid offer from the school you plan to attend.
- Contact other schools to decline or cancel aid once you have made your decision.
- Monitor your student portal and email for important updates and deadlines.
- Make sure you understand your enrollment status requirements to maintain eligibility.

Questions

SAVE THE DATE

**Professional Judgment/Special
Circumstances Deep Dive**

March 3, 2026 from 9:30 – 11:00am



Check out kasfaa.org for registration information.



THANK

YOU

