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WHAT IS THE EFC?

Definition

The Expected Family Contribution (EFC) is how much money your family is expected to contribute to your college education for one year as determined by the information you provide on the Free Application for Federal Student Aid (FAFSA). Typically, the lower your EFC, the more financial aid you will receive.

The following factors (information you provide on the FAFSA) are used to calculate your EFC:

- ▶ Family size
- ▶ Number of family members in college
- ▶ Family savings
- ▶ Current earnings

Need is defined as the difference between the cost of attending college and your EFC:

Cost of Attendance (COA)

– Expected Family Contribution (EFC)

—————
= Financial Need

Where can you find your official EFC?

Once your FAFSA is processed, you will receive a Student Aid Report (SAR) with your official EFC figure.

How is your EFC used?

You're not the only one who receives your EFC information. The same information is sent to the schools you listed on the FAFSA. The financial aid office (FAO) at each school at which you've been accepted will use your EFC to determine your financial need at that school.

Based on your financial need, the FAO will prepare a financial aid package and send you a financial award letter. Certain types of federal loans are need-base, meaning the amount borrowed cannot exceed financial need as calculated above.

Special Circumstances

FAOs have some flexibility in determining how much aid you will receive. If there are special circumstances affecting your family, be sure to discuss them with the FAO. The FAO's decisions are final and cannot be appealed to the U.S. Department of Education. Special circumstances could include:

- ▶ High medical or dental expenses
- ▶ Recent unemployment
- ▶ Tuition expense for children attending a private elementary or secondary school

Short on funds?

Don't panic if your family does not have sufficient resources to meet your EFC. Other student loan programs allow you to borrow to cover your EFC.