



Barnum Financial Group

John F. Pearson, CPA, CASL, CIC
Financial Planner
225 High Ridge Road
Stamford, CT 06905
203-658-1951
jpearson1@metlife.com
www.barnumforcollege.com



Can we negotiate our child's financial aid award?



Can we negotiate our child's financial aid award?

Question:

Can we negotiate our child's financial aid award?

Answer:

In some cases, yes. If you decide to appeal all or part of the award, follow the instructions in the award letter. In most cases, this will involve a polite business letter to the financial aid administrator (FAA) and a follow-up telephone call or meeting. Because the FAA may handle a number of similar requests, it's important to clearly label your correspondence. You should also be persistent in following up on your request, but not to the point of being a pest.

The FAA has authority to exercise "professional judgment" to reduce the loan component of your child's aid package and/or increase the scholarship, grant, or work-study component. Your chances of successfully renegotiating your child's aid package are best in two situations.

The first situation is if you have any special circumstances that affect your ability to pay your expected family contribution (what the federal government's financial aid form says you can afford) or any additional shortfall (the difference between your child's financial need and what the college offers in its aid package). Examples of special circumstances include the disability of you or your spouse, a recent job loss or prolonged unemployment, unusually high medical expenses, long-term care costs for an elderly relative, or some other situation that puts above-average constraints on your current income and savings. By contrast, a general plea of an inability to pay will likely fall on deaf ears--most parents make financial sacrifices to send their kids to college. If you have a special circumstance, you should provide written documentation to the FAA.

The second situation is if your child has been accepted at two direct competitor colleges, and one has offered a more generous financial aid package than the other. This strategy works best with direct competitors. Although many colleges don't care if they lose an applicant to a more (or less) selective college, they generally don't like to lose an applicant to a direct competitor. In this case, you might contact College A and inquire if it could possibly match the amount of grants, scholarships, and/or work-study that College B offers. Of course, your child must have the qualities that College A is looking for.

Underlying your success in either situation will be the principle of supply and demand. Your chances will be best in the years when colleges are vying for limited applicants, as opposed to the years when applicants outnumber the available college slots. Your child's high school guidance counselor should be able to give you an idea of the competitiveness of any particular college year.

This material is prepared by Broadridge Forefield, Inc. MetLife and its affiliates are separate entities from Broadridge Forefield Inc, and do not guarantee the accuracy of the information presented. Any calculations contained in this document are for hypothetical purposes only and may not reflect all the costs and expenses of any product or transaction discussed herein. Performance figures are for illustrative purposes only, do not represent actual past or projected future investment results and do not guarantee future results. Unless noted, costs are not included, and may reduce projected figures.

MetLife does not provide tax or legal advice. Any discussion pertaining to the law and/or taxes is for general informational purposes only, does not purport to be complete or cover every situation, and should not be construed as legal, tax or accounting advice. Clients should confer with their qualified legal, tax and accounting advisors as appropriate for such guidance.

Unless noted, insurance policies and annuity contracts contain exclusions, limitations, reductions of benefits, surrender charges and terms for keeping them in force. Not all strategies or concepts can be used with all MetLife products. You may need to check with your representative to determine whether limitations (administrative or otherwise) may apply.

Some health insurance products offered by unaffiliated insurers through the Enterprise General Insurance Agency Inc., (EGA) 400 Atrium Drive, 3rd Floor, South Wing. Somerset, NJ 08873. Metropolitan Life Insurance Company (MLIC), New York, NY 10166. Securities products and investment advisory services offered by MetLife Securities, Inc. (MSI) (member FINRA/SIPC), and a registered investment advisor, 1095 Avenue of the Americas, New York, NY 10036. MLIC, MSI and the EGA are MetLife Companies.

L1114400838[exp1017][all states][DC]



Barnum Financial Group
John F. Pearson, CPA, CASL, CIC
Financial Planner
225 High Ridge Road
Stamford, CT 06905
203-658-1951
jpearson1@metlife.com
www.barnumforcollege.com