

My Financial Aid is Lost: Now What?

Federal student aid is a lifeline for many, it's unfortunately never guaranteed. Losing financial aid can be a discouraging process. Paying for college is hard enough and losing the money you've come to rely on makes the road look even more difficult.

In speaking to many of our alumni students these past few weeks, we have found that many of you have found yourself in this position. So, you may be wondering what happened- and more importantly how you can fix it. We'll walk you through some possible scenarios and lay out some options.



There are 5 major reasons you could lose financial aid:

- Your parents are making more money. Certain forms of financial aid are dependent on income. If that income has increased beyond a set threshold, your financial aid package may be reduced accordingly.

- Your grades did not qualify for scholarships or grants. One of the many requirements you need to meet to keep your financial aid is to maintain a certain GPA set by your school. If your grades dip below that or you have an incomplete class or withdrawal, it could cause you to lose access to all financial aid, including federal loans.
- You didn't take enough credits to qualify for aid. You need to be enrolled at least half time in order to access some form of federal aid. If you're taking a lighter course load this semester, you may not qualify for federal student loans unless you add more credits to your schedule.
- Your college's financial aid department offered you more scholarships during your freshman year but more loans during later years. Some schools offer certain types of aid for incoming freshmen, but once you've advanced in your program, those school-specific forms of financial aid may no longer be available.
- You don't meet other basic eligibility requirements. The U.S. Department of Education maintains a list of basic eligibility requirements for federal financial aid. It covers things like citizenship, enrollment, student loan default and other criteria. If your school's financial aid office finds that you're missing one or more of these requirements, you may lose your financial aid altogether.

Appeal Your Award

Appealing your award works best if you've had a recent change in your financial circumstances- such as a birth or death in the family or a parental job loss- that wasn't reflected on your most recent Free Application for Federal Student Aid (FAFSA).

In some cases, you may be able to appeal for a temporary waiver of the satisfactory academic rules. These circumstances include when the failure to make satisfactory grades due to injury or illness, death of a relative, or other special circumstances.

A financial aid suspension appeal varies by school, but it generally requires students to make a formal appeal through the financial aid office.

The appeal should not only document the special circumstances (e.g., a letter from your doctor) and explain how the circumstances affected your performance, but also explain what has changed which will allow your performance to improve. When you have conversations with the financial aid office, provide documentation like unemployment benefits or medical bills.



TN Reconnect

In 2013, Governor Haslam launched the Drive to 55 to increase the number of Tennesseans with a postsecondary degree or certificate to 55% by 2025. As a result, the Haslam administration and General Assembly established Tennessee Promise, which allows high school graduates meeting certain requirements to attend two years of community or technical college free of tuition and fees.

The administration allows established Tennessee Reconnect, which provides free community and technical college for adults.

This grant is available to student who are classified as "independent" on the FAFSA OR at least 23 years of age by January 1 of the academic year who have not previously earned an associate's (or higher) degree and are enrolled in an eligible program of study.

Award Information

This works very similarly to the Tennessee Promise. Award amount varies based on amount of remaining tuition and mandatory fees after all other gift aid has first been applied.

The scholarship is terminated after the student has attained an associate's degree or certificate OR five (5) years have passed since the date of initial enrollment as a Tennessee Reconnect student. A student may continue to receive the grant for an

associate's degree if they wished to attain a certificate first. If a student completes a certificate that does not lead directly to an associate's degree or sequential certificate, the scholarship is terminated.

Eligibility

- Be a Tennessee resident
- File the FAFSA by the deadline date and be classified as an independent student OR be at least 23 years old
- Be enrolled in an eligible TN Reconnect institution
- Not have previously earned an associate's degree or more advanced degree
- Enroll in and attend at least six (6) credit hours at an eligible institution
- Maintain a minimum 2.0 curriculum grade point average at the end of each academic year
- Participate in a college success program

Application Process

Submit the Tennessee Reconnect Grant [here](#)

Submit the FAFSA [here](#)

Please visit <https://tnreconnect.gov> for additional information

Bridging the Gap

Ideally, it would be wonderful if everything was solved with an appeal and TN Reconnect. But what do you do if you are waiting for an appeal or perhaps even lost the appeal? What do you do if you aren't 23 years old just yet? We have compiled a list of things you can do if you are in this "gap".

Apply for Private Scholarships

It's a good idea to apply for scholarships throughout your college years, even if you aren't worried about losing financial aid. Depending on the situation, you may still be able to get scholarships and grants from your school. If not, take some time to search various scholarship search engines and apply for scholarships and grants from private organizations. These programs are separate from the federal financial aid program, so you don't have to worry about your financial aid suspension affecting your eligibility.

Maximize your chances by playing up your accomplishments- such as high-grade point average, awards, leadership roles and volunteer activities- showing that you align with the organization's mission in your application, and focusing on lower-competition scholarships, such as local scholarships or scholarships for non-freshmen.

Take Advantage of Available Resources

If your situation is that you lost aid due to a low GPA, regain your aid by signing up for tutoring programs and visiting your professors during their office hours.

Tuition Payment Plans

Your school's billing office (sometimes referred to as the bursar's office, cashier's office, or student accounts office) may have payment plans available to help you spread the remaining costs over several payments throughout a semester. The payment plan can help you budget the payments rather than paying in one lump sum, possibly helping you avoid costly late fees.

Transfer to a Cheaper School

Even though the financial aid suspension will carry over to another school, consider transferring to an online school, a community college or state university. You may be able to reduce your expenses enough to make college more affordable. If you've lost your aid due to poor grades, you can use this opportunity to work hard to bring your grades back up.

Before you transfer, check to see how many credits will transfer from your current school and whether they'll still count toward your degree. In some cases, one school's required course may be considered an elective course by another.

Part- or Full-Time Work

Of course, you can pay college costs out-of-pocket. Depending on your course load and other factors, you may be able to get a part- or even full-time job while you're in school. Even if you can't work much during the school year, you could work full-time during the summer to earn some money to pay for at least part of your college expenses.

If you can't afford a full credit load, consider scaling back the number of credits you're enrolled in each semester. If you're paying for fewer credits, it could be easier to come up with the cash.

Ask for Help

If your parents can afford to help, ask for help paying for college. In 2019, 14% of parents took out a parent PLUS loan to help finance their student's education. Remind them that they can conduct some of the interest on their taxes.

If this isn't an option for your parents, you can discuss other forms of support, such as:

- Living at home, rent-free, to help cut your costs.
- Helping you network and search for a better paying job.
- Giving you a family loan to pay for college.
- Agreeing to cosign a private student loan.

Last Resort...Take Out Private Student Loans

Before going out on your own and making final decisions on a private loan, we recommend you meet with a representative in your financial aid office to determine what campus resources might be available. You might still have time to change some of your choices before the semester begins: Can you change the type of meal plan? The type of housing? The number of classes in which you are enrolled? Check with campus officials to see if you still have time to select a different, more affordable option.

While we recommend federal aid first, we realize it does not always cover the cost, especially when you have lost your aid.

If you financial aid eligibility, you might still be able to get private student loans to cover the costs. Private student loans can be a useful tool to cover the gap so you can complete your degree.

One big difference is that private loan companies require students to meet certain lending requirements. Most lenders will want to see a credit score in the mid-600's or higher to approve you for a private student loan. Many will also factor in your income and employment history.

However, college students aren't known for having wonderful credit and high incomes. You are just entering adulthood and are not yet financially stable, so you may have trouble qualifying.

If this is your situation, consider getting a private student loan, which will almost always require a cosigner and may have higher fees or interest rates depending on your credit. Ask your financial aid office if they have a list of lenders for you to consider. If your school does not have such a list, reach out to your Upward Bound Adviser. They may have some suggestions.

Compare products before making your choice: look at interest rates, fees, repayment terms, creditworthiness requirements, satisfactory academic progress requirements, etc. Students and parents are free to choose whichever lender best fits their needs.

Whatever circumstances you're facing, you should know that you have options. From student loans to scholarships to part-time jobs, there is more than just one way to pay for college. In fact, many students combine all of these resources in an effort to pay for college. You can too!