



5 Reasons to Know Your EFC Before You Even Apply to College

Too many people think that your [Expected Family Contribution \(EFC\)](#) is something that you worry about when you apply for financial aid, if they have heard the term at all. And if you're a family with high school students thinking about college, it's definitely a term you should become familiar with immediately. Why? Because what you don't know about your EFC can hurt you long before you even start to fill-out college application forms.

Your EFC is the number colleges will use to calculate your need for financial aid. You can get an estimate of your EFC at the [College Board](#) and you should do so before January 1 of your student's junior year to take advantage of all possible opportunities for reducing it.

Ultimately, with some exceptions, most people won't be able to do a lot to significantly reduce their EFC no matter how unrealistic. But probably the biggest reason to know your EFC doesn't have to do with your ability to change it. In fact, knowing your EFC before you [apply to colleges](#) can do more to cut the cost of college than just about any private [scholarship](#) you might win. Knowing your EFC means that you can apply to schools most likely to meet your financial needs.

If you don't know your EFC then:

ONE

You won't know the minimum you'll be expected to pay to for college. Very few colleges are willing or able to meet all students' financial need. Knowing this minimum early on can prevent the problems of being accepted into a "dream" school that you can't afford.

TWO

You won't know if a college [net price calculator](#) is meeting your need. A lot of people will use the net price calculators at a college website but the calculators don't have to display your estimated EFC. However, many will provide the required estimated net price after gift aid as well as an estimated total cost of attendance that includes loans. Knowing your EFC will allow you to estimate what percentage of your need is going to be met through gift aid versus self-help aid.

THREE

You won't know that your EFC is high and fail to apply to any schools that offer merit aid. If you have a high EFC which you know that you can't possibly pay, you can ensure an adequate number of schools likely to offer merit (non-need based) aid end up on any final college list. In fact, it would be a good idea to avoid ["reach" schools](#) altogether.

FOUR

You won't know that your [EFC is low](#) and only apply to schools that often [gap](#) students. As stated earlier, few schools can meet 100% of financial need. And many of the remaining schools are likely to distribute need-based in proportion to the desirability of the student.

In such situations, even if students aren't "gapped" in their financial aid award, they'll find their financial aid award consists of a majority of [loans](#) rather than grants. The truth is that some schools will come much closer to meeting the financial need of students with low EFCs than others.

FIVE

You won't know if you should focus on applying to colleges using the Federal or Institutional Methodology. There are over 400 schools that use the [College Board's PROFILE](#) financial aid application to calculate their own institutional methodology independent of the EFC generate when applying for federal financial aid.

There are some major differences between the two methodologies. Depending on a family's financial situation, their EFC can be dramatically different at schools that use the [PROFILE](#) institutional methodology than those that don't. This is also why you should use the [College Board's EFC calculator](#) since they are the only ones that have any idea of what schools are considering as part of the institutional methodology.

If you know your estimated EFC ahead of time, you can ensure that all of the schools that end up on your final college lists are good fits financially as well as academically.

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50-50 PDF College Listing

Listing of all colleges by state that have at least a 50% acceptance rate and 50% graduation rate in a [PDF format](#).

Don't have any idea of where to go to college?



Here's how to start making your list of colleges. If you're willing to step away from the rankings spotlight, you can find some impressive programs at great values. All it takes is a little time and a visit to one of the most ignored resources in creating a college list: the college website. [Find out more.](#)