

EASING THE BURDEN

A practical guide to understanding your award package

This brochure has been designed to help you understand your financial aid package. Please take a few minutes to read through the following information which will guide you through the next steps of the financial aid process. If you have questions after reading the enclosed materials, please contact the Financial Aid Office. We look forward to working with you during the coming months!

◆ Your Award Letter

The financial aid budget or cost of attendance includes direct and indirect expenses. The direct expenses consist of tuition, fees, room and board. The indirect expenses are estimated for books and supplies, personal expenses and transportation. You will not be billed for the indirect expenses; however, they have been included in the budget to anticipate your total costs. For students who have met the on-campus housing requirement and who will be living off-campus, a living allowance has been calculated into the budget to replace the room and board expenses.

The average amount used for room and board is the same whether you live in campus housing or in an off campus apartment. Therefore, your financial aid will not change as a result of living off-campus in an apartment. However, we do make adjustments for students living at home with parents.

For dependent students, the financial aid system assumes that parents are responsible for contributing to their children's educational expenses, to the extent that they are able. To assess families' differing abilities,

we take into account the information that you reported on the Free Application for Federal Student Aid (FAFSA) and use the resulting **Expected Family Contribution**. Financial need and the availability of state, federal, and college funds determine the amount of your financial aid package. Your financial need was calculated using the following formula:

$$\text{Your Need} = \text{Our Cost of Attendance} - \text{Your Family Contribution}$$

All financial aid awards are estimated. Your financial aid award may change if:

- ◆ The information you provided on the FAFSA changes
- ◆ Your enrollment status changes:

full time = 12-18 credits

3/4 time = 9 -11 credits

1/2 time = 6 - 8 credits

- ◆ Your housing status changes to living with parents.
- ◆ Outside sources of aid exceed your calculated financial need .



You will need to go on line and accept/decline your awards via Web Services through Blackboard and submit some of the enclosed forms to the VTC financial aid office, by the deadline listed on the award letter. Failure to Accept your awards in a timely manner may result in cancellation.

Inside this issue:

Details of the Awards on Your Award Letter	2
WEB Services	3
Loan Process	3
Needed Information	4
NEXT STEPS	4




Accept/Decline your Award Letter on Line Via Web Services or submit your paper copy



Details of the Awards on Your Award Letter

This section provides some more information about the awards that may be listed on your award letter.

- ◆ **VTC named institutional and endowed scholarships** There are dozens of scholarships named for individuals, companies, and institutional sponsors who have given from their wealth to help Vermont Tech students succeed. Named scholarships may be need or merit based.
- ◆ **Federal Pell Grant** These grants, varying from \$400 to \$4731, are awarded to the neediest students (based on a federal calculation). There is no obligation to repay.
- ◆ **Federal Supplemental Educational Opportunity Grant (SEOG)**  These federal funds provide assistance to undergraduate students with exceptionally high financial need. Priority is given to Pell eligible recipients and there is no obligation to repay.
- ◆ **Federal Perkins Loan** A need-based loan program, with a fixed interest rate of 5%. Payment of both principal and interest are deferred while you are in attendance at least half-time. Awarded based on demonstrated need, availability of funds and federal regulations. Priority given to Pell eligible freshmen students.
- ◆ **Federal Stafford Loan (Subsidized)** A need-based loan program, with a fixed interest rate of 6.8% (as of 7/1/06), and maximum amounts of \$3,500 (freshmen), \$4,500 (sophomores), and \$5,500 (juniors and seniors) with a maximum cumulative total of \$23,000. Both principle and interest are deferred while you are enrolled at least half-time. First time borrowers will receive notification regarding the completion of a master promissory note over the summer; if you would like to borrow a lesser amount, you may indicate so on the award letter.
- ◆ **Federal Stafford Loan (Unsubsidized)** This is a non-need based loan. If you do not qualify for all or part of the subsidized Stafford Loan program previously described, you may qualify for an *unsubsidized* Stafford Loan. The same terms, interest rate and conditions as Subsidized, except the federal government does not pay the interest while the student is in college. Eligible independent students may borrow an additional \$4,000 during their freshmen and sophomore years and \$5,000 during their junior and senior years.
- ◆ **Federal Work Study Program** A federally funded need-based employment program for students to work on or off campus; community service work is encouraged. Students earn between \$7.68 - \$8.75 an hour. Awardees will receive job information in August.
- ◆ **VSAC Grant (Vermont State Incentive Grant)** Vermont residents may receive an *estimated* VSAC Grant on their award letter. Please note that an estimate is subject to change. VSAC will notify students directly of the actual amount of eligibility. You can check on line as to your status by logging on to www.vsac.org.
- ◆ **VTC Institutional Grant** College Funds provided to assist high need students.
- ◆ **ACG Grants*** Awarded to full-time, Pell eligible students who receive Federal Pell Grants and are U.S. citizens. Students also must have completed a rigorous secondary school program of study and be enrolled in at least a two-year academic program acceptable for full credit toward a bachelor's degree. The award is up to \$750 for first academic year undergraduate students and up to \$1300 for second academic year undergraduate students. Second year students need a min. 3.0 GPA.
- ◆ **SMART Grants*** This award is for undergraduate students who are Pell eligible and enrolled full-time in their third or fourth academic year of an eligible program and pursuing an eligible major with at least a 3.0 cumulative GPA. The award is up to \$4000 for each of the third and fourth academic years. For more detailed information regarding federal funds Go To: www.FederalStudentAid.ed.gov

Federal Parent Loan For Undergraduates (PLUS)



Your parent(s), if creditworthy, may be eligible to borrow up to the cost of attending

Vermont Tech (minus other financial aid accepted). As of 7/1/06, the PLUS interest rate is a fixed 8.5% and repayment begins 60 days after funds are fully disbursed.

A one-page Federal PLUS Loan Request form is enclosed with this packet.

You will need to contact your lender and submit a promissory note before funds will be disbursed. Loan proceeds are credited directly to the student's account. There are fees deducted of up to 4% prior to the disbursement of the loan. Different lenders have different fees.

Please see the Plus loan process on opposite page.



WEB SERVICES— An On-Line Information Tool



Web Services gives students on line access to Administrative systems. By logging on to the VTC website and the Blackboard portal you have access to a multitude of academic and financial functions.

New students will have to activate their account to gain access to blackboard. See flyer insert "Activate Your Account."

Although we have printed you an award letter for reference, you can go on line to accept and decline your aid accordingly. We will still accept the paper award letter, but please know we are moving to on line acceptance process.

As you will read below **NEW student loan borrowers will need to choose a lender on line as indicated below.** Returning students will default to the lender used in your prior year.

Some of the options on Web Services are listed below:

Financial Aid Options Include Viewing your

- ◆ Financial Aid Award by Year
 - ◆ Financial Aid Award by Term
 - ◆ Financial Aid Document Status
 - ◆ Financial Aid Award Letter to Accept Decline Aid
- Choose your Stafford Loan Lender**

Students will also be able to look at their Billing and

- ◆ Account Summary by Term
- ◆ Make a Payment / View Your Bill

FEDERAL STAFFORD LOAN PROCESS

NEW & RETURNING STUDENTS Go On-line to VTC Web Services through Blackboard AND

- Accept your loan

NEW FIRST TIME BORROWERS MUST CHOOSE A LENDER ON WEB SERVICES

- Review the information and Choose your Lender
- Complete Loan Entrance Counseling on Mapping Your Future or on the VTC Web site.

- ◆ As of 7/1/06 Stafford loans have a 6.8% fixed int. rate.
- ◆ A promissory note will be signed at a later date unless a Master Prom Note is already on file with your lender.
- ◆ Loan funds will be credited electronically directly to your account each semester.
- ◆ Federal regulations require two disbursements for each loan.

FEDERAL PARENT LOAN PROCESS (PLUS)

- ◆ The parent may call their lender for a pre-approval if they wish.
- ◆ Parent determines how much Federal PLUS Loan they will need.
- ◆ The borrower must complete the enclosed **PLUS Request Form** and return it to the VTC Financial Aid Office.
- ◆ The VTC Financial Aid office certifies the Loan and submits the loan information to the lender indicated on the PLUS Request Form.
- ◆ If a parent borrower is denied the PLUS Loan based on the parent's credit, the parent may obtain an endorser for the loan or may authorize the student to borrow an unsubsidized loan:
 - \$4,000 freshmen / sophomore
 - \$5,000 junior / senior eligibility
- ◆ Loan funds will be credited directly to the student's account each semester.
- ◆ Lenders may charge up to a 3% in an origination fee and guarantors may charge up to 1 % in a guarantee fee, resulting in a maximum total fee of 4%.

Your Bill: How does financial aid affect my payment?

Fall semester bills will be sent the end of June and are payable in August. Spring semester bills are sent in November and payable in January.

Your financial aid award will appear on your bill as "pending aid" to credit to your account. One half of each type of aid, except Federal Work Study, may be deducted from your bill each term. For Federal Perkins loans, you must return signed

promissory notes to the financial aid office. Federal Stafford Loan promissory notes must be returned to the lender. Signed promissory notes must be received before the award can be credited to your account. Loan notes will be mailed to you over the summer.

Our Billing packet, sent the

end of June, will provide information on payment methods, our Monthly Installment Plan, late payments, and tuition refunds. For additional billing information, please call 1-800-600-9830.



- ◆ Additional information may be requested to complete your file, so please respond promptly.
- ◆ The federal government randomly selects some students for a process called verification. Your financial aid cannot be credited to your student account in the Business Office until verification of your file is completed.
- ◆ You must maintain Satisfactory Academic Progress if you are receiving Federal Student Aid. The policy is explained in the VTC College catalog.
- ◆ If you or your family's financial situation has recently been affected by extenuating circumstances such as unemployment, a death in the family, divorce, or excessive medical expenses not covered by insurance, you may write to the Financial Aid Office about your situation. Your file will be reviewed and adjustments may be made depending on the circumstances.
- ◆ If you withdraw from the College during any point in the semester, your financial aid may be adjusted in accordance with federal financial aid regulations. Please review the refund policy in the college catalog.
- ◆ If your award includes federal work-study, you can explore on and off campus job opportunities at the Job Fair held during registration weekend. Before you can begin working at VTC, the Financial Aid Office will need proof of your citizenship. Please bring two forms of identification such as a driver's license, social security card and/or birth certificate or U.S. passport or alien registration card to the Job Fair.
- ◆ Please plan on having funds available to purchase your books. Books may be purchased by cash, check, VISA, Mastercard or American Express.
- ◆ Don't confuse the Financial Aid Office with the Student Accounts Office. The Financial Aid Office assesses need and packages awards. The Student Accounts Office is responsible for billing and collection of all VTC charges.
- ◆ Reminder: You must apply for financial aid each year.



ACTION LIST OF NEXT STEPS

Return / Act on the following items:

- Accept your Eligibility Award Letter - Go on line to **WEB SERVICES** via the VTC Web site through Blackboard to accept your Aid package.
- Return A Signed Outside Aid Form & Certification Statement
- Submit A Federal Parent Loan Request Form (PLUS FORM) to VTC (*If you wish to borrow under this program*).
- Stafford Loan Recipients - (New Borrowers)**
 - Choose your lender on line via **WEB SERVICES** and
 - Complete the **On-Line Entrance Counseling (if you accept)** Go to *www.vtc.edu*, click *Admissions, Financial Aid, Entrance counseling, Stafford Entrance Counseling*.
- Perkins Loan Recipients - Complete the On-Line Entrance Counseling (if you accept)** Go to *www.vtc.edu*, click *Admissions, Financial Aid, Entrance Counseling, Perkins Entrance Counseling*.

VERMONT TECH READY REFERENCE

Admissions	728-1242
Bookstore	728-1238
Dean of Students Office	728-1212
Learning Support Services	728-1396
Financial Aid	728-1448
Registrar	728-1303
Residence Life (housing)	728-1319
Student Accounts	728-1254 or 1- (800) 600-9830

FINANCIAL AID WEBSITES

Scholarship Search

<http://www.fastweb.com>

Free Application For Federal Student Aid

(FAFSA)[http:// www.fafsa.ed.gov](http://www.fafsa.ed.gov)

General Financial Aid Information

<http://www.finaid.org>
<http://www.vsac.org>
[http://www.ed.gov/prog_info/SFA/-](http://www.ed.gov/prog_info/SFA/)
 Student Guide

Financial Aid Office
 PO BOX 500
 Randolph Center, VT 05061
 FAX (802) 728-1436 Phone (802)728-1448
 Email: finaid@vtc.edu

