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. The Aviation program will have additional flight fees included as charges.

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 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

  \( \frac{3}{4} \) time = 9-11 credits

  \( \frac{1}{2} \) 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 the Portal 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.
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. Please refer to our financial aid website for further details and links to federal pages.

- **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 $5,645 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 Direct Loans**: There are two types of federal direct loans subsidized and unsubsidized loans. A subsidized loan is awarded on the basis of need. If you're eligible for a subsidized loan, the government will pay/subsidize the interest on your loan while you’re in school, and if you qualify to have your payments deferred. If you don’t demonstrate financial need, you’d receive an unsubsidized loan. Unlike a subsidized loan, you are responsible for the interest from the time the unsubsidized loan is disbursed until it is paid in full. You can receive a subsidized loan and an unsubsidized loan for the same enrollment period as long as you don’t exceed the annual loan limits. If you’re a dependent undergraduate student (excluding students whose parents cannot borrow PLUS loans), each year, you can borrow up to:
  - $5,500 if you are a first year student enrolled in a program that is at least a full academic year. No more than $3,500 can be in subsidized loans.
  - $6,500 if you've completed your first year of study and the remainder of your program is at least a full academic year. No more than $4,500 of this amount can be in subsidized loans.
  - $7,500 if you are in your junior or senior year and the remainder of your program is at least a full academic year. No more than $5,500 of this amount can be in subsidized loans.
  - $12,500 if you've completed two years and you are a junior or a senior and the remainder of your program is at least a full academic year. No more than $5,500 of this amount may be in subsidized loans.

If you’re an independent undergraduate student (and for a dependent student) whose parents have applied for but were unable to get a PLUS (Parent) loan, each year, for loans disbursed you can borrow up to:

- $9,500 if you’re a first year student enrolled in a program of study that is at least a full academic year. No more than $3,500 of this amount may be in subsidized loans.
- $10,500 if you’ve completed your first year of study and the remainder of the program is at least a full academic year. No more than $4,500 of this amount may be in subsidized loans.
- $12,500 if you’ve completed two years and you are a junior or a senior and the remainder of your program is at least a full academic year. No more than $5,500 of this amount may be in subsidized loans.

- **Federal Plus Loans**: Parent’s can borrow up to the cost of attendance minus any aid. The parent must be able to pass a credit check to be eligible to take out this loan; it is only for dependent students. Details at: www.direct.ed.gov/parent.html

- **Federal Work Study Program**: A need-based employment program for students to work on or off campus; community service work is encouraged. Students are paid an hourly rate and earn a paycheck every other week. Awardees receive job information with a separate mailing 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. Please follow up as to your status by logging on to www.vsac.org.

- **VTC Institutional Grant**: College Funds provided based on need and / or merit.

- **The Summit Scholarship**: College funds awarded based on need.

- **VTC Presidential Scholarship**: College funds awarded based on need and or merit to full time first time freshman, out of state students. Renewable for up to 4 years when student maintains a cumulative 2.5 GPA. Changes in residency status (to in-state or NEBHE/RSP may result in a partial or total loss of scholarship.)

**Awards based on High School GPA:**

- **2.0-2.49**: - $3,500 yr, up to $14,000
- **2.5 - 2.99**: - $4,500 yr, up to $18,000
- **3.0+**: - $5,500 yr, up to $22,000

- **Green Mountain Scholarship**: Funds awarded to Vermont students based on merit to full time first time freshman, Renewable up to 4 years when student maintains a cumulative 2.5 GPA. Scholarship will be adjusted if student changes on – campus residency status.

  **Commuters:**
  - **HS GPA**
  - 3.0-3.49: - $1,000 yr, up to $4,000
  - 3.5+: - $1,500 yr, up to $6,000

  **On-Campus Residents:**
  - **HS GPA**
  - 3.0-3.49: - $2,000 yr, up to $8,000
  - 3.5+: - $2,500 yr, up to $10,000

- **Next Generation Scholarship**: a limited number of scholarships awarded to Vermont students only, based on merit and need to first time freshman. Students must attend full-time. Preference given to students with a minimum 3.0 high school GPA and to first generation college students. Renewable for up to 4 years when student maintains a cumulative 2.5 GPA. $2,500 yearly, up to $10,000.
As of July 1, 2010, all subsidized and unsubsidized educational loans are processed through Direct Lending (DL). With the DL Program, VTC is able to access funds directly from the US Government for Student Loans.

Three (3) Steps are Required:

1. Accept your Loans on VTC Website or return award letter.
2. Complete your Master Promissory Note on line www.studentloans.gov
3. Complete your Direct Loan Entrance Counseling on line www.studentloans.gov

As of 7/1/13 Stafford Subsidized loans and Unsubsidized loans have a 3.86% fixed interest rate. There is a 1.072% origination fee and these loans are subject to federal guidelines.

*Information available at time of printing. Rates and fees are mandated by federal rules and may change accordingly, please refer to www.studentaid.ed.gov for more detailed and current information.

Loan funds will be credited electronically directly to your account each semester after the add drop period once you have completed the necessary paperwork.

Federal regulations require at least two disbursements for each loan. LPN students will have their loans prorated over three terms and have a disbursement each term.

Federal PLUS (Parent) Loans

Two step process to apply for PLUS:

1. Complete the VTC Direct Plus Loan Request Form included with this packet and return to VTC Financial Aid Office. You may wait to fill this out until the end of June when you have billing information.

2. Complete the PLUS Loan Master Promissory Note (MPN) on line at:

   www.studentloans.gov

   After July 1st, the financial aid office will certify the loan.

   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 proceeds are disbursed to VTC by electronic funds transfer (EFT) and will be credited directly to the student’s account each semester after the add drop period has passed.

   As of 7/1/13 The interest rate is a fixed 6.41% and there is an origination fee of 4.2880% deducted from every disbursement. *Information available at time of printing. Rates and fees are mandated by federal rules and subject to change.

Student Accounts and Bill Payment

Fall billing information is on-line and available after June 1st via Web Services.

Parents need to be set up as Authorized Users by their student in order to view the account.

The Student Accounts page on the VTC website has detailed information about this process including:

- Student Health Insurance
- Monthly Installment Plans
- Tuition Refunds

For additional billing and payment information please contact vtcestudentaccounts@vtc.edu or 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 Student Accounts 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 and on line in the financial aid pages.

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, VISA, Mastercard or American Express. The bookstore does not accept paper checks.

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 the Portal to accept your Aid package.

☐ Return Signed Outside Aid Form & Certification Statement

☐ Parents - Submit PLUS Loan Request Form to VTC. Form available on VTC financial aid web page.
   - Complete your Master Promissory Note on line http://www.studentloans.gov

☐ Direct Loan Recipients - (New Borrowers)
   - Complete your Master Promissory Note on line http://www.studentloans.gov
   - Complete your Entrance Counseling on line http://www.studentloans.gov

☐ Perkins Loan Recipients - Information about completing your promissory note will be mailed to you in August.