

# GUIDE TO UNDERSTANDING FINANCIAL AID

## 1 Determining Financial Need

- Your financial aid is based upon the cost of attendance (COA) budget and your Expected Family Contribution (EFC). This information is collected from the [Free Application for Federal Student Aid \(FAFSA\)](#) and financial documentation.
- What is the Cost of Attendance (COA)?**  
COA is the budget used to determine your financial aid award. COA includes fixed costs (items that appear on your bill), i.e. tuition, fees, room and board, and indirect costs (books, travel, and necessary educational related expenses). Please note that you will need to bring money for books and supplies when you arrive on campus in the fall.
- What is Expected Family Contribution (EFC)?**  
EFC is made up of two parts, the Student Contribution, and the Parent Contribution. In the case of divorce or separation, contributions from both the custodial and non-custodial parent(s) are calculated for institutional aid. If either parent remarries, step-parents' income and assets are included in the expected Parent Contribution.

### THE PARENT CONTRIBUTION

1. INCOME
2. ASSETS
3. FAMILY SIZE\*

\* Number of siblings who will be enrolled at least half-time in an undergraduate program next year. If you have one or more siblings enrolled, the expected parent contribution is divided among the siblings.

### THE STUDENT CONTRIBUTION\*

1. INCOME
2. ASSETS

\* A significant portion of your earnings, savings, and assets is expected to go toward your education. A minimum contribution of \$2,000 is expected of every first-year student. The minimum contribution for returning students is \$3,000.

Sarah Lawrence uses the COA and the EFC to determine your financial “need”—your eligibility for financial aid. Your financial award is based upon your demonstrative need also known as eligibility for assistance.

Cost of Attendance

MINUS

Expected Family Contribution

EQUALS

Financial Need

## 2 Understanding Financial Aid Awards

- The total financial aid award may include institutional aid, federal aid, or state aid. Institutional aid includes merit scholarships and need-based grants, work study, and student loans. State aid is in the form of need-based grants. With the exception of work opportunity, financial aid is credited to your account with the Office of Student Accounts once you have submitted all the required documents. You are not required to take out a student loan or work on campus to receive institutional aid.
- Institutional Aid**  
Eligibility for need-based Sarah Lawrence aid is determined by a methodology developed by the college. Any scholarship or grant is a gift and does not need to be repaid.

### MERIT SCHOLARSHIPS

Sarah Lawrence offers a limited number of merit-based scholarships to students who demonstrate an exceptional fit for our curriculum and community. Every student who applies to the college is considered for these scholarships. Merit Scholarships are automatically renewed each year provided the student maintains satisfactory academic progress. Merit Scholarships are permanently forfeited upon suspension.

### NEED-BASED SARAH LAWRENCE GRANT

The majority of our financial aid is awarded in the form of need-based grants. This is determined by the student's demonstrated need. The amount may fluctuate as finances change from year to year or when the enrollment status of a sibling in college changes.

- **Federal and State Aid**

Eligibility for federal and state aid is determined by the information you provide on the [FAFSA](#).

#### FEDERAL PELL GRANT

The Pell Grant is awarded to undergraduate students who meet the eligibility criteria under federal methodology and who have not yet earned their first bachelor's degree.

#### FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG)

FSEOG is awarded after the Office of Financial Aid obtains the official results on your FAFSA and is based on the availability of funds.

#### STATE GRANTS

State grants are available to eligible full-time students who are residents of New York State and Vermont.

- **Federal Work Study or Student Employment**

The amount of work study awarded on your financial aid letter is an average of what our students typically earn during the academic year. This amount will **not** be deducted from your bill. You will receive a bi-monthly paycheck for hours worked. The first month of fall semester is reserved for the hiring of work study students for on-campus positions. You are not required to work to receive your other federal or institutional aid. The Office of Student Employment is available to assist you in the job search process.

- **Federal Direct Student Loans\***

A student loan is an obligation that must be repaid after you complete your degree or cease to be enrolled. First years can borrow up to \$5,500, second years \$6,500, and third and fourth years \$7,500.

#### FEDERAL DIRECT SUBSIDIZED STUDENT LOANS

If you demonstrate "need", a portion of your loan may be subsidized, meaning that, while you are enrolled in school on at least a half-time basis, **the federal government pays the interest as it accrues, for this part of the student loan.** The maximum amount of loan funds that can be subsidized are: \$3,500 for first years, \$4,500 for second years, and \$5,500 for third and fourth years.

#### FEDERAL DIRECT UNSUBSIDIZED STUDENT LOANS

If you do not demonstrate "need", you are still eligible for an unsubsidized loan. You are responsible for interest that accrues on the unsubsidized part of the student loan while you are in school. Interest may be paid while you are enrolled; otherwise interest is capitalized. Capitalized means the accrued interest is added to the principal at repayment.

- **Federal Direct Parent Loan for Undergraduate Students (PLUS)\***

Parents interested in borrowing Federal Direct PLUS loans must apply through the Department of Education directly. Parents may borrow up to the cost of attendance minus any financial aid awarded to the student. The Department of Education will perform a credit check upon submission and notify the applicant of the credit decision. They will also inform our office of your request. New PLUS borrowers must complete the [Loan Agreement for a PLUS \(MPN\)](#).

\* The federal government will charge an origination fee for the student and parent loans. The fee is deducted from each semester's disbursement.

[Click here for current origination fees and interest rates.](#)

- **Outside Scholarships**

Report any financial assistance awarded from an outside source as soon as possible. Adjustments to your award may be required. In most cases, outside grants or scholarships are used to reduce loans and work opportunity before any Sarah Lawrence institutional aid.



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## Accepting Our Offer

FIRST-YEAR STUDENTS	STUDENT LOAN RECIPIENTS	PARENT BORROWERS
<ul style="list-style-type: none"> <li>• Send your deposit to the <a href="#">Office of Admission</a>.</li> <li>• Complete all pending items on your checklist in the <a href="#">Financial Aid Application Portal</a> to have your aid applied to your student account in a timely manner.</li> </ul>	<ul style="list-style-type: none"> <li>• If you are offered a Federal Direct Student Loan you must complete the <a href="#">Federal Direct Student Loan Authorization Form</a> every year, even if you choose to decline the loan.</li> <li>• First-time borrowers who choose to borrow are required to complete the <a href="#">Entrance Counseling and Loan Agreement for a Subsidized/Unsubsidized Loan (MPN)</a>. These need only be done once in a student's tenure at Sarah Lawrence.</li> </ul>	<ul style="list-style-type: none"> <li>• All parent borrowers must complete the <a href="#">PLUS application online</a>.</li> <li>• First-time borrowers must complete the Loan Agreement for a PLUS (MPN). In most cases, this need only be done once in a student's tenure at Sarah Lawrence.</li> <li>• <a href="#">Click here for current origination fees and interest rates.</a></li> </ul>
<p><b>MAY 1</b> Deadline</p>	<p><b>JUNE 1</b> Deadline</p>	<p><b>JULY 1</b> Deadline</p>

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## Reapplying

- You must re-apply for financial aid EVERY YEAR. Your future financial aid packages may change. Such changes are usually a result of a fluctuation in income and/or assets. As income goes up, eligibility for assistance may go down. As income goes down, your eligibility may increase. Other changes may involve siblings who will be or will no longer be attending college.
- The [FAFSA](#) becomes available as early as October 1st and must be completed by January 1st. Your Financial Aid Checklist will populate when our office receives the FAFSA. Each year, federal tax returns and W-2's used to complete the FAFSA should be uploaded via your Checklist Portal by January 1st as well. Any application filed after January 1st is subject to the availability of funds.

**Special Circumstances:** Students concerned about a change in circumstance should be advised to contact the Office of Financial Aid immediately. We are here to help you through the process.