

A Guide to Financial Aid 2010-2011

The bottom line and how to pay for it.



ANDERSON UNIVERSITY

Academic and Christian Discovery

The Financial Aid Basics

We are glad you are interested in attending Anderson University. Perhaps you have already received your acceptance letter. If so, congratulations! And while the beginning of the school year may seem a long way away, we think you would benefit from some financial aid basics like: *How much will it cost? What kind of financial aid will be available? How do I get my hands on the money?*

If you are not too worried about how you will pay for college, chances are your parents have been thinking about it, so be sure to share this information with them as well. And if you have any questions, just ask by calling or e-mailing us, or better yet, stop by our offices. We are here to help. See the “I want to know more” section that follows for contact information. Now on to a few of the basics.



How much does it cost to attend Anderson University?

The basic cost includes tuition, dorm room or campus apartment rent, and food service. You are billed and will pay for these costs per semester. For the **2010-2011** school year, the costs are listed below. We have included our standard charge for room and food service, but there are additional options available — see the “I want to know more” section.

Basic Expenses	Semester	Year
Tuition (full time, 12-17 hrs.)	\$11,970	\$23,940
Room (standard rate)	2,675	5,350
Food Service (standard plan)	1,500	3,000
TOTAL	\$16,145	\$32,290

Will there be additional costs?

The short answer is yes. Students are encouraged to buy **books** (average cost \$525 per semester). You will continue to have **personal expenses** (we assume around \$825 per semester). And we factor in **travel costs** of going home (\$500 per semester). All of these will be used in determining your eligibility for financial aid. See the “I want to know more” section regarding the **purchase of a computer**, buying **books**, special fees associated with certain classes, and other common **miscellaneous fees**.

What financial aid is available?

Now that you have a better understanding of what it will cost you to attend Anderson University (the not so good news), here is some really good news — there is a ginormous (a new word just added to Webster’s) amount of financial aid available to help you. Would you believe close to \$50 million was provided to our undergrads last year?

Financial aid comes in four basic forms: **scholarships, grants, loans, and employment**. A grant or scholarship is like money in the bank – you do not have to pay it back or earn it. A loan, on the other hand, you will have to pay back

with very reasonable terms after you leave college. Employment, either on or off campus, is money you will earn and likely use to pay for the additional costs you will have. There is a lot of information available on financial aid, more than we can provide here, but we do have some more helpful info in the “I want to know more” section, along with some great Web sites for you to get all the details.

What is my next step?

You need to apply — simple as that. Well, truth is, it is a bit more complicated, but thousands of families work through the process each year, and you can, too. Remember we are here to help.



Step One — apply for a PIN number from the Department of Education at www.pin.ed.gov. Your mom or dad will need to do this, too. The PIN numbers will be used to “sign” the Free Application for Federal Student Aid (FAFSA) when you file it electronically.

Step Two — file, on the Web, the Free Application for Federal Student Aid. The Web site is www.fafsa.ed.gov.

We have a bit more detail and helpful tips in the “I want to know more” section that follows.

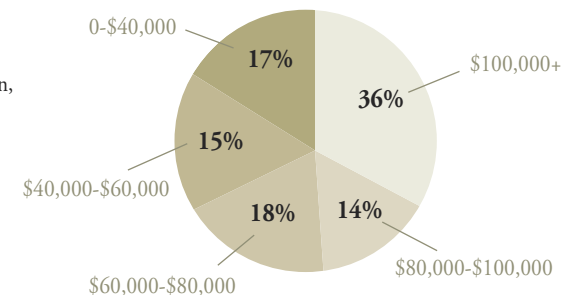
When does all of this need to be done?

Now, and especially if you live in Indiana, make sure your FAFSA is filed and received by **March 10, 2010**.

Is AU affordable?

Good question. Yes, we think so. But more importantly, we think it is **worth it** — worth your time and investment. But to answer the question, here are some statistics that more or less prove that families from a wide range of income levels find it possible to afford AU and, on average, how they did it.

Family Income: 2009-10 Freshman Class



Income	0-\$40,000	\$40-60,000	\$60-80,000	\$80-100,000	\$100,000+
Estimated family contribution	\$560	\$4,380	\$9,610	\$15,510	\$31,540
Cost of education 2008-09	\$34,490	\$34,490	\$34,490	\$34,490	\$34,490
Average gift aid	\$18,240	\$16,980	\$14,680	\$15,150	\$12,600
Average student loan	\$7,360	\$7,120	\$6,680	\$6,280	\$4,690
Average parent loan	\$2,150	\$1,190	\$2,690	\$4,210	\$3,650
Average federal work study	\$2,270	\$2,150	\$2,190	\$1,300	\$490
Average total aid	\$30,020	\$27,440	\$26,240	\$26,930	\$21,430
Average remaining amount	\$4,470	\$2,950	\$8,250	\$7,560	\$13,060

I Want to Know More

Who are we?

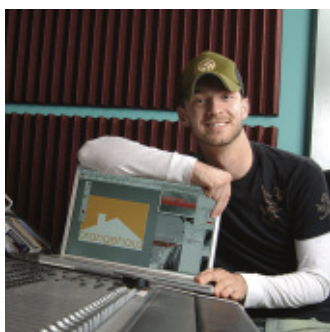
We are the **Office of Student Financial Services**. We will help you get the financial resources you will need to attend AU and then send you a bill to get it back. We think the combination works well as you will be working with one office and your own assigned counselor. You can contact us by:

Telephone: (800) 421-1026 (toll free) or (765) 641-4180.

E-mail: boheider@anderson.edu. Mrs. Bev Heider is our outstanding office manager and can answer a lot of routine questions. Our Web site also has the name and e-mail addresses of our staff, including your counselor.

Web site: www.anderson.edu. Under "Quick Links," select Student Financial Services. There is more information than you ever wanted to know.

Offices: Decker Hall Welcome Center, second floor at the top of the stairs. Come visit us.

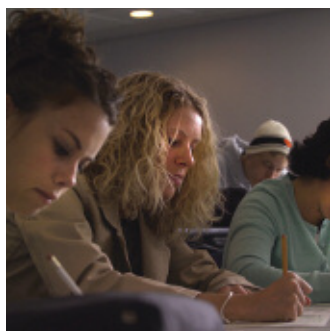


What additional housing and meal plan options are there?

Private or single dorm rooms (if available), as well as our newest residence hall, Fair Commons, will cost more.

Your expenses of living off campus (with approval from the dean of students) or with your parents will still be taken into account when determining your financial aid — you just won't be billed for them. Any excess financial aid can be used to cover expenses of living off campus or at home.

All resident freshmen or sophomores must purchase either the standard meal plan or a more expensive one that comes with more points and meals. Once a junior, you have the option of purchasing a less expensive plan. Any student living off campus, at home, or in a university-owned apartment is not required to purchase a meal plan but may do so, including one with a minimum purchase of only \$50.



Purchasing books

You can use a personal check or a credit card when purchasing your books at the university bookstore. Charging the cost of your books to your student account is also an option, but remember to take the estimated cost into account, especially when setting up a payment plan or deciding loan amounts.

Buying a computer

Technically speaking, the federal government does allow us to add to your college costs the one-time purchase of a computer. Doing so won't get you more in the way of grants or scholarships, but it will give you more eligibility for a student or parent loan. Check directly with your assigned counselor if this is something you are thinking of doing.

Some of the more common miscellaneous fees:

Private music	\$270-\$420
Accompanist fee	\$60-\$85
Class voice fee	\$120
Studio art fee	\$35-\$175
Student teaching fee	\$300
Class drop fee	\$10 <i>max. \$50 per semester</i>
Bowling fee	\$50
Individual sports class fee	\$55
Scuba fee	\$110
Extra hours beyond 17	\$499 <i>per hour</i>
Parking fine	\$20-\$40

See the next page to find out what financial aid is available.



Types of Aid	Award Basis	Annual Amounts	Conditions for Continuing Awards	FAFSA Required Annually	Remarks
Anderson University DEAN'S Scholarship	SAT scores of 1150 (CR+M) or ACT of 25 or higher	\$13,000	Minimum 3.0 GPA	No	Awarded to freshman applicants
Anderson University Distinguished Student Scholarship	SAT scores of 1050 (CR+M) or ACT of 22 or higher	\$11,000	Minimum 3.0 GPA	No	Awarded to freshman applicants
Academic Honors Scholarship	Competitive scholarship; SAT scores of 1250 (CR+M) or ACT of 28 or higher	\$16,000	Minimum 3.5 GPA; must be full-time student	No	Awarded in February to selected freshmen
Anderson University Grant	Financial need	\$200 to \$10,000	Maintain satisfactory academic progress; financial need; good standing	Yes	Financial need is primary requirement
Federal Pell Grant	Financial need	\$1,176 to \$5,500	Financial need according to Pell analysis; must maintain satisfactory academic progress	Yes	
Federal Academic Competitiveness Grant	Must be a Federal Pell Grant recipient; full time (also see remarks)	\$750 first year; \$1,300 second year	Maintain a minimum 3.0 GPA for the year	Yes	Must have completed a "rigorous secondary school curriculum" as approved by Department of Education
Federal SMART Grant	Must be a Federal Pell Grant recipient; full time (also see remarks)	\$4,000 in third or fourth year	Maintain a minimum 3.0 GPA for the semester	Yes	Must be pursuing a major in physical or life sciences, computer science, or mathematics
Federal Supplemental Educational Opportunity Grant (SEOG)	Financial need	\$200 to 4,000	Maintain satisfactory academic progress; financial need; good standing	Yes	Financial need is primary consideration
Church of God Minister's Scholarship	Awarded to children of Church of God ministers	\$1,000	Maintain satisfactory academic progress; must be a full-time student	No	Parents must be active in church service and listed in the current Church of God yearbook
Matching Church Scholarships	Financial need; meet specific requirements of donor	Up to a max of \$1,500 per student, to be matched by college for the same amount	Student must be certified each year by the local church scholarship committee and meet established deadlines	No	Participating churches must sign agreement of participation before matches can be certified (contact director of church programs)
Private Scholarships	Financial need; meet specific requirements of donor	Varies	Meet donor's requirements; financial need; good standing	Yes	Scholarships provided by donors; recipients must meet donor's eligibility requirements
Federal Parent PLUS Loan	Bank or other lending agency approval	Educational costs minus financial aid	File application annually	No	Parents of undergraduates apply through local bank or lending institution; borrower usually begins repayment within 60 days of taking loan; fixed interest rate of 8.5 percent
Federal Work-Study Program (FWS)	Financial need	Varies; paid hourly	Financial need; perform satisfactory work; must maintain satisfactory academic progress	Yes	Jobs on and off campus with nonprofit organizations; some summer jobs; wages, hours, and job-skill requirements vary; most students work 10-15 hours a week
Anderson University Employment	File application	Varies; paid hourly	Perform satisfactory work; must maintain satisfactory academic progress	Yes	Preference given to students demonstrating special skills needed for specific jobs
Federal Carl D. Perkins Loans	Exceptional financial need	Up to \$5,500 a year; cumulative limit of \$27,500	Must maintain satisfactory progress; good standing	Yes	Repayable after graduation or termination of study at 5 percent interest
Federal Stafford Loans	Bank approval	\$5,500 first year; \$6,500 second; \$7,500 other years; cumulative limit of \$31,000	Must maintain satisfactory academic progress	Yes	Fixed interest rate between 6 and 6.8 percent; if awarded based on financial need, federal government will pay interest while a student maintains at least half-time status
Frank O'Bannon Grant Program (Higher Education and Freedom of Choice Awards)	Indiana resident; financial need	Varies; for 2009-10 maximum award was \$7,584	Must maintain satisfactory academic progress; financial need	Yes	Awarded by State Student Assistance Commission of Indiana
21st Century Scholarship	Indiana resident; enrolled as income-eligible in 7th or 8th grade	Varies; for 2009-10 maximum award was \$6,306	Must maintain satisfactory academic progress	Yes	Awarded by State Student Assistance Commission of Indiana; must fulfill 21st Century Scholar Pledge

Filing for the Free Application for Federal Student Aid (FAFSA)

The application process begins with filing the FAFSA on the Web at www.fafsa.ed.gov. Print off the FAFSA worksheet, complete it, and then go back online to complete the actual FAFSA. You will find the FAFSA easier to complete if you have your completed 2009 Federal Income Tax Returns for both parents and student. However, you can provide *estimated* income information and update your FAFSA later to reflect the actual amounts.

You complete only one FAFSA each year, even if you are applying to more than one college or university. Each school has an assigned federal school code. **AU's School Code is 001785**. Use that number in Step Five of the FAFSA, authorizing the Department of Education to send your FAFSA information to us. Remember to "sign" your FAFSA with your PIN number. Your parents need to do this, too.

Indiana residents, the FAFSA must be filed and received by **March 10** each year. This is a deadline established by the State Student Assistance Commission of Indiana, the state agency that administers the Indiana grant programs.

Once I file the FAFSA, what's next?

Our office receives your FAFSA info electronically. We review it, and if we don't have any questions, we determine your eligibility for financial aid and will mail out an award letter to you. We will start this in early March, so the sooner you file your FAFSA, the sooner you will hear about your financial aid.



What if my FAFSA is selected for verification?

Occasionally our review of the FAFSA will result in our contacting you or your parents to seek clarification about some of the information provided. But more often, it is the Department of Education that asks us to review your FAFSA data more thoroughly. This review is called **verification**. If your FAFSA is selected (and roughly 30 percent are), we will notify you and ask that you complete a **Verification Worksheet** (available as a download form from our Web site). You and your parents will also need to provide us with signed copies of your 2008 Federal Income Tax Returns. We will need this additional information to accurately determine your financial aid eligibility.

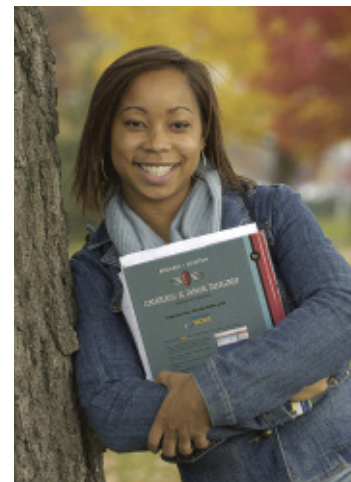
Can you provide me with an estimated award before you receive our tax returns?

Yes. Contact your counselor, and we can provide you with an estimated award, emphasis on *estimated*.

When do I find out how much I will owe AU?

Really, once you receive your award letter from our office, you can do the math. In fact, you can download a "How Much Do I Owe" worksheet from our Web site to help you out. The official bill will go out in late June or early July.

Should I seriously consider a federal student loan?



Yes, but cautiously and as a last resort. If you take the approach that borrowing a student loan is an investment in your education that will pay you big dividends (college grads often make \$1 million more over their lifetime than non-college grads) and you borrow only the amount you need, loans can work for you.

The federal government offers two interest-free loans: the Federal Perkins Loan and the Federal Subsidized Stafford Loan. But they are interest-free only while you are enrolled in college. You qualify for these if you file the FAFSA and you are deemed to have financial need. If you don't have financial need, you can still borrow the Unsubsidized Stafford Loan, but it won't be interest-free. The interest rate on the unsubsidized loan (and the subsidized loan when you are no longer enrolled in college) is set by the federal government and is currently 6.8 and 6.0 percent respectively. The interest rate in repayment on the Perkins is better yet — 5 percent — but these funds are limited. The federal government also limits how much you can borrow overall.

If my financial aid does not cover all of what I owe or what I will need, what other options can I consider?

Assuming your family doesn't have any circumstances that are impacting their ability to help pay for college (if so, see "Extenuating Circumstances" below), then we would suggest you consider the following:

Payment Plans exempt borrowers from the monthly finance charge of 1.5 percent and may result in smaller loans. If your parents feel they can make some level of monthly payment (even if it is not the entire amount due), they should consider enrolling in a payment plan. It is always better to pay as you go rather than borrowing funds, even if they are available. AU's payment plan is administered through a company called **Tuition Management Systems (TMS)** and usually requires four or five payments per semester. We are notified when you enroll, and the amount you set up under a payment plan will be reflected on your monthly student bill. These plans are interest-free, but there is an annual enrollment fee. TMS will bill you monthly and forward your payment to Anderson University. Contact TMS directly at (800) 722-4867 (toll free) or online at www.afford.com/anderson.

A **PLUS Loan** is a federally sponsored loan that your parents receive. The amount of their eligibility for the PLUS Loan will show on your award letter. This is not the amount we are suggesting they borrow, it is the maximum amount they can borrow. Your parents can request a PLUS loan on our Web site under "Student Loan Processing." A couple of things to consider:

- It is your parents' loan, not yours. They are the ones legally responsible to repay the loan.
- The current interest rate is set by the federal government and is currently a fixed rate of 8.5 percent.
- Payments are not automatically deferred while you are in school like your student loans, but lenders are required to defer the loan if requested. Interest continues to accrue, however.
- Fees, normally 3 percent, are deducted from the amount borrowed.
- If your parents are denied the PLUS Loan (it does not take excellent credit to be approved, just the absence of "adverse credit") then you automatically become eligible for an additional \$4,000-\$5,000 in the Federal Stafford Loan, depending on your grade level. If you need to borrow more than this additional amount, talk with your counselor to review additional options that are more specific to your situation.

Payment Plan plus a PLUS. To help lessen the amount your parents may otherwise consider under a PLUS loan, they might wish to consider combining a payment plan along with a PLUS loan. TMS has an online tool called “Borrower Smart” that can calculate the optimal amount combining a Payment Plan and a PLUS loan that stays within your parents’ budget. They can also do this over the phone by calling TMS.

Private Student Loans. The good and bad news is that there are lots of lenders willing to lend you money for college. Here are a couple of things you should know about private loans:

- Consider other less costly options or part-time employment first, and then borrow only the amount that you absolutely need.
- It is unlikely that you will qualify for a private student loan in your name only as approval is based solely on credit. Therefore one of your parents (or someone else) will have to serve as a co-signer on the loan. And because these loans are not guaranteed by the federal government, the interest rates will be higher.

If you still want to consider a private student loan, first take a look at our Guide to Alternative Loans on our Web site, or you may talk to your counselor about options.

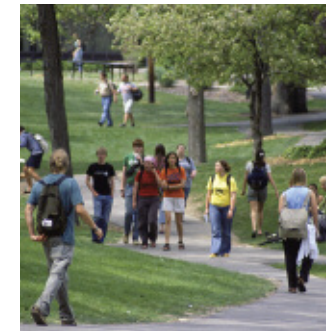
Extenuating circumstance

We understand that there are many situations that may affect your family’s ability to pay for your college education. The more common ones are loss of or change in income, divorce, separation, death of a parent, or high medical expenses. If you fit one of these, request a review of your financial aid by going to our Web site and selecting “Request a Review.” Otherwise, call your counselor and talk over your situation. While you will have to provide us with appropriate documentation, there is a good chance we will be able to review your financial aid request based on your special circumstance.



I am an independent student. How do I complete the FAFSA?

You may think you are independent, but the real question is does the federal government think you are? The FAFSA has a series of questions in Step Two of the online version (Step Three on the paper version) that if you can answer “Yes” to any one them, you are considered independent and your parents will not be involved in completing the FAFSA. If you can’t answer “Yes” to any of the questions but feel strongly that you are independent and can build a strong case as to why your parents shouldn’t be required to help with your college expenses, then you will need to discuss your unique situation with your counselor. If we concur, you will be allowed to file the FAFSA without parent information.



Where can I look for additional scholarships?

Have you seen the ad that says, “Billions and billions of scholarships go unclaimed each year?” Not true! So don’t pay anyone who claims they can find you scholarship money if you send \$49.95. Unfortunately, scholarship fraud is real — so much so that the government has a Web site devoted to it: www.ftc.gov/scholarshipcams.

But there are additional funds to be had. Here are the best places to look first:

High School — Your guidance office gets lots of information on scholarships offered by community clubs or groups. Get the list and apply.

Church — Make sure your church is aware of our Matching Church Scholarship Program, where AU will match up to \$1,500 of a scholarship provided by your church.

Employers — Ask your employer and have your parents ask theirs. Employers may have info on their Web sites.

Community Foundations, Bank Trust Departments — May be worth a call or visit.

Web Searches — There are some good *free* Web sites to aid you in your search. We have a few listed on our Web site under “Financial Aid Links.”

When you are notified that you will be receiving a scholarship, you should let us know. Your scholarship will be added to your financial aid award and used to offset the tuition, room, and board charges on your bill. AU’s commitment is that we will not reduce any of our grants or scholarships already awarded you (unless the total is more than the total cost for a year). We may have to reduce your loan, but, hey, a scholarship is better than a loan any day.

Are there tax benefits for going to school?

Yes, but you may need to be a tax accountant to figure it all out. The best source of information is **Publication 970 – Tax Benefits for Education** from the IRS, which you can find on their Web site, www.irs.gov. We have some limited information on our Web site along with some links to more detailed information. Look under “Types of Aid” and then “Tax Relief Act of 1997.”

Helpful Web sites

Anderson University — www.anderson.edu (Select “Student Financial Services” under “Quick Links”)

To file the FAFSA — www.fafsa.ed.gov

To obtain a PIN — www.pin.ed.gov (needed to electronically “sign” the FAFSA)

Student Aid on the Web — www.studentaid.ed.gov (the official site of the Department of Education)

Last words

We are here to help! Stop by our office, e-mail us, or give us a call. We look forward to working with you.



Academic and Christian Discovery

Anderson University
Office of Student Financial Services
1100 East Fifth Street
Anderson, IN 46012-3495

(765) 641-4180
Toll free: (800) 421-1026
Fax: (765) 641-3831

www.anderson.edu

