

*Earlham College Financial Aid
Important Information, Policies, and
Terms and Conditions*

APPLYING FOR FINANCIAL AID

New students must submit both the Free Application for Federal Student Aid (FAFSA) and the Earlham College Aid Application by March 1st. Returning students from Indiana must also submit the FAFSA by March 1st. Returning students who are not from Indiana must submit the FAFSA by June 1st. Returning students intending to study off-campus during Fall Semester are *encouraged* to submit their FAFSA by April 1st. Aid applicants submit their FAFSA electronically at www.FAFSA.ed.gov. If Earlham College receives FAFSA results for a student who was enrolled, but who has subsequently withdrawn for any reason, the Financial Aid Office will not consider those results and will not calculate a financial award for that student.

AWARD NOTIFICATION

Students are notified of their aid on a "rolling basis" after they have submitted all their aid application materials. Students first entering Earlham College for the Fall Semester usually receive notification beginning in early-February preceding the Fall Semester. For continuing students, this notification typically begins in April preceding the Fall Semester. Aid notifications for students not enrolled during the Fall Semester but enrolling during Spring Semester will be notified of their aid in December or early-January.

ACCEPTING YOUR FINANCIAL AID

Earlham College assumes students accept the aid offered in their *Award Notification* each year unless they notify us in writing to the contrary. An "Update Form" is provided with the *Award Notification* to assist with this.

SOURCES OF AID

With the exceptions of the Federal Direct PLUS Loan, Federal Direct Unsubsidized Stafford Loan, Earlham-funded or controlled merit aid, and aid funded by other agencies, the aid sources listed on a student's *Award Notification* are awarded according to their family's financial circumstances. All aid sources described in this pamphlet beginning with "Federal" are federally funded or guaranteed. Eligibility for assistance provided and/or guaranteed by the federal government, a state government, or Earlham has been determined according to the rules, regulations, and policies governing the specific program.

GRANTS & SCHOLARSHIPS

Earlham College Grant & Earlham Endowed Scholarships

The Earlham College Grant is a need-based grant made possible by the generosity of Earlham's friends and alumni. Earlham endowed scholarships are from the college's endowment, are generally named for the donor, and the majority are awarded in the same way as the Earlham College Grant.

Earlham Funded/Controlled Merit Awards

These scholarships include the Presidential Honors Scholarship, Cunningham Scholarship, Bonner Scholarship, Wilkinson Award and others. These awards are based on student achievements or other circumstances rather than financial need. The College reserves the right to cancel or reduce a student's Bonner Scholarship if during a semester a student fails to fulfill the requirements established for the student by the Earlham Bonner Program. *Enhancement Grant recipients must have completed the requirements for Indiana's CORE 40 program to qualify.* Recipients of these awards should consult the Earlham College *Curriculum Guide* for the minimum required grade point average they need to achieve in order to continue to receive these awards.

Federal Pell Grant

This is a need-based grant valued from \$400 to \$4,310 for the 2007-2008 academic year. The range may vary each academic year.

Federal Academic Competitiveness Grant (ACG) and Federal National Science and Mathematics Access to Retain Talent Grant (SMART) These two Federal Grants were first offered during Fall Semester of the 2006-07 academic year.

The ACG is for students in their first and second year of college studies who (1) are receiving Federal Pell Grants, (2) are registered at least half-time (starting for the 2008-09 academic year), (3) are U. S. citizens or, beginning for the 2008-09 academic year, permanent residents, and (4) have completed a "rigorous secondary school program" as determined by Congress. For a first year grant, the student must have fewer than 28 credits including credits from previously attended colleges/universities where the student was a regular, degree-seeking student. Students in their first year of college studies may receive \$750 annually (\$375 per semester). This grant may be received by an eligible student for two semesters.

Students in their second year of college studies may receive \$1,300 annually (\$650 per semester). A student must have a cumulative grade point average of 3.0 or higher and have completed at least 28 credits to a maximum of 55.9 credits to qualify for the second year grant. The GPA requirement must be met each semester. A student with a qualifying grade point average at the beginning of Fall Semester but not at the beginning of the Spring Semester will receive this grant Fall Semester but not Spring Semester. Recipients also

must have graduated from high school after certain dates established by Congress. An eligible student can receive this second year grant for two semesters.

The Federal SMART Grant is for students in their third and fourth year of college studies who (1) are receiving a Federal Pell Grant, (2) are registered half-time (starting for the 2008-09 academic year), (3) are U. S. citizens or, beginning for the 2008-09 academic year, permanent residents, (4) have a cumulative grade point average of at least 3.0, and (5) have declared a major approved by Congress for this program. Approved majors include most natural sciences, computer science, and mathematics. A student may receive this grant for four semesters. The maximum grant for eligible students is \$4,000 per academic year (\$2,000 per semester). A student must have at least 56 credits to be considered a third year student and receive this grant initially and must have a minimum of 84 credits to receive this grant as a fourth year student. Once a student has earned 122 credits she/he is no longer eligible for this program. An otherwise eligible student must have the minimum cumulative grade point average at the beginning of each semester to receive this grant during that semester.

Both of these grants are need-based. Thus, a student receiving significant aid from any source may not be eligible for these programs.

Federal Supplemental Education Opportunity Grant (SEOG)

This need-based grant represents federal funds allocated to Earlham College. Pell Grant recipients are given preference for these funds.

Higher Education Award, Freedom of Choice Award, & 21st Century Scholarships

These grants are awarded to Indiana residents. If a student and their parent(s) are Indiana residents and the student listed Earlham first on the Free Application for Federal Student Aid (FAFSA), Earlham will receive a notice of the student's eligibility for these awards from the State Student Assistance Commission of Indiana (SSACI). The student's account will be credited when Earlham receives this notification from SSACI. If a student did not list Earlham first on the FAFSA and plans to attend Earlham, the student must inform SSACI of their college choice, using either the student reply form that SSACI provides or by going to their website. This must be done within 30 days of the student's first scheduled class day.

STUDENT EMPLOYMENT

Federal College Work-Study

If a student has been offered Federal Work-Study (FCWS) or other employment eligibility on their Award Notification, on-campus employers will give the student preference when hiring student workers. It is the student's responsibility to find and satisfactorily perform a job on campus. All student workers are paid the same wage; a student paid via the FCWS program is paid partially from federal funds. Any money a student earns on campus during the academic year and spring break counts toward the allotted FCWS work award. If a student earns more than their award eligibility, other aid may be affected.

Before working on campus a student must comply with the Immigration Reform & Control Act by completing an "I-9" form (available at Earlham). This involves showing original documents to prove both identity and employment eligibility. A student can use documents such as a US Passport, or both a social security card or birth certificate and a picture ID.

Additional information is available in the *Student Employment Guide for Students* pamphlet.

LOANS

Please consult the Earlham College "Financing Options" brochure for further information about each loan program (interest rates, repayment, etc.).

Federal Perkins Loan

This is a STUDENT loan. It is offered to students with "exceptional financial need" as per federal regulations. Generally, this means that a student must demonstrate financial need of over \$13,650 during the academic year to qualify. This is a limited fund and cannot be guaranteed to be available to every qualified student. A student's Award Notification indicates the maximum the student is eligible to borrow for the stated academic year. The borrower must sign a promissory note. Most students sign a Master Promissory Note (MPN) via SIGNMYLOAN.com. A Perkins Loan borrower must also "accept" their loan each year with SIGNMYLOAN.com. The maximum repayment period is normally ten years. Information about Perkins loan deferments, partial cancellations, repayment, etc. is available in Earlham's Accounting Office. A student may cancel all or a portion of a Perkins Loan disbursement within 14 days after receiving notice their loan has been disbursed. The request to reduce or cancel the loan must be in writing. The Earlham College Accounting Office notifies students when their loan has been disbursed.

Federal William D. Ford Direct Loan Programs

Federal Direct Stafford Loan (FDSL)

These loans, often referred to as "Direct Loans" or "Subsidized Loans", are made directly to students by Earlham College using Federal funds. The student is the borrower. The federal government subsidizes this loan. Beginning with the 2007-08 academic year annual maximums are \$3,500 for first year students (students with fewer than 29 semester credits), \$4,500 for second year students (students

with at least 29 but fewer than 58 semester credits), and \$5,500 for third and fourth year students. Third year students must have earned at least 58 credits but fewer than 87 credits. Fourth year students must have at least 87 credits. Different annual limits applied in previous years. A dependent undergraduate student may borrow a cumulative maximum of \$23,000 if otherwise eligible. Lower limits may apply for students attending less than an academic year. A student's *Award Notification* indicates the maximum the student is eligible to borrow for a particular academic year. A required origination fee is deducted at the time of disbursement. Students receiving Direct Loans are given a disclosure statement explaining the details. The net proceeds of the loan for first time borrowers will not be credited to a student's account until loan entrance counseling and a Master Promissory Note (MPN) have been completed. Borrowers are advised to fully read their promissory note. Students with an FDSL or FDUSL (see next paragraph) must complete exit counseling when they finish their academic career at Earlham College.

Federal Direct Unsubsidized Stafford Loan (FDUSL)

If a student is not eligible for an FDSL, they can obtain an FDUSL. The student is the borrower. Annual loan limits for dependent students are the same as for the FDSL. Maximum loans for independent students vary from these amounts. If the student is not eligible for the maximum annual FDSL, they may borrow the difference between the annual maximum and the student's FDSL eligibility as an FDUSL. Borrowers are required to pay the interest on any FDUSL while in school or in a deferment period. Interest may be capitalized if agreed upon by both the borrower and the lender. Most other provisions of this loan are identical to those of the FDSL (see above), including the required origination fee deducted at the time of disbursement. Borrowers are advised to fully read their promissory note.

Federal Direct Additional Unsubsidized Stafford Loan (FDADUNSL)

Effective for loans first disbursed on or after July 1, 2008, the following information about the FDADUNSL program applies. The student is the borrower. A dependent student may borrow an annual a maximum of \$2,000 if otherwise eligible. If a dependent student's parents are denied a Federal Direct Plus Loan, the annual maximum increases to \$6,000 for 1st and 2nd year students and to \$7,000 for students who have completed their 2nd year. The annual limits for student considered independent for purposes of Federal Title IV Student Aid as per federal regulations are the same as for dependent students whose parents are denied a Federal Direct Plus Loan.

Federal Direct Parent Loans (FDPLUS)

Parents of dependent students may apply to receive this loan regardless of income level. The maximum a parent may borrow is the difference between the student's cost of education (as determined by Earlham) and any financial assistance for which the student may be eligible (including a Federal Direct Unsubsidized Stafford Student Loan). A required origination fee is deducted at the time of disbursement. Repayment of this loan begins either 60 days after the loan is fully disbursed for the academic year *OR* 6 months after the student for whom the loan is borrowed ceases to attend at least one-half time. A parent borrow should carefully review repayment provisions with the Direct Lending Servicer. Parents should receive a disclosure statement from Direct Loans explaining the details of this loan program. Approved loans are credited directly to the student's account. An acknowledgment showing the loan has been credited to the student's account will be sent to the parent within 45 days. PLUS Loan Request Forms are sent with the student's *Award Notification* from the Earlham College Financial Aid Office or you can obtain one at our web site: <http://www.earlham.edu/~sfs/>.

A student in a graduate program should contact the Financial Aid Office about the **Graduate PLUS program**.

Other Direct Loan Information

A borrower may cancel all or a portion of their Direct Loan disbursement within 14 days of receiving notice that their Direct Loan has been disbursed. The request to cancel or reduce the loan must be in writing. The Financial Aid Office notifies a borrower when their loan has been disbursed.

A student must submit the Free Application for Federal Student Aid (FAFSA) to Earlham College to have their eligibility for any Federal Direct Student Loan determined. This must be done each academic year. Since the cost of a student's program and other aid the student receives affect the student's eligibility for any Federal Direct Loan, each student's eligibility is individually determined by the Earlham College Financial Aid Office.

IMPORTANT LIMITS CONCERNING STUDENT FINANCIAL AID

In order to receive financial aid, a student must be making minimum **satisfactory academic progress** toward their degree as described in the *Earlham College Curriculum Guide*. A student receiving financial aid should carefully read and fully understand these requirements. A student not making satisfactory academic progress but who is permitted to continue at Earlham College by the Academic Advisory Committee will receive aid on a probationary status for one semester. Financial aid will not be offered for the next semester if the student does not meet the stated academic requirements of their probationary status as determined by the Academic Advisory Committee.

A student may receive the Earlham-funded financial aid for which they qualify for the equivalent of 8 semesters. **Time spent at another college/university or on off-campus programs is included in the 8 semesters.**

A student receiving a Presidential Honors Scholarship, Cunningham Scholarship, or C. B. Edwards Scholarship may receive the scholarship during their 8th semester at Earlham College provided the student registers for at least 6 credit hours and has been approved to register part-time by the Earlham College Registrar.

The maximum time-frame during which a student may receive **Federal Title IV Student Aid** at Earlham College is the LEAST of the following: (1) a student's completion of all requirements including a major, general education requirements, and 122 semester hours (120 academic), OR (2) the completion of 10 semesters or the equivalent of 10 semesters of full-time academic work including time spent at other colleges or universities, OR (3) the completion 150 semester hours including those completed at other colleges or universities.

A student may receive Earlham-funded aid, either merit or need-based, for one Earlham or GLCA approved **off-campus program**. Federal and/or state funded aid may be used for more than one Earlham or GLCA approved off-campus program. The maximum timeframe for receiving Federal Title IV Student Aid as stated above applies to off-campus programs. Earlham-funded aid is *not* available for May Term programs charges or other expenses.

PAYMENT OF DIRECT COLLEGE CHARGES AND FINANCIAL AID DISBURSEMENT

Direct charges for attending Earlham College including but not limited to tuition, fees, room, and board are published annually. Other costs a student will incur include books and academic supplies, personal expenses, and transportation to and from campus. These expenses will vary by student.

The Accounting Office will send the student a semester bill approximately 6 weeks prior to Registration Confirmation Day; payment is due when indicated on the semester bill. Details of Earlham's payment options, including a monthly payment plan are described on the billing statement.

Financial aid, including Earlham-funded grants, Federal and/or state funded grant aid, and Federal student loans, are not ordinarily disbursed to a student's account until the first day of class. All aid is disbursed directly to the student's account. Financial aid may be disbursed 10 days prior to the start of classes for unusual, special circumstances. Additionally, a student must be registered full-time unless approved by the Register to be a part-time student.

A student offered any Federal Title IV Student Loan including a Federal Perkins Loan or Federal Direct Loan must comply with all Federal Requirements including properly completing promissory notes and entrance counseling before the loan can be disbursed.

A student whose aid application is selected for verification by the Federal Department of Education will not have their aid disbursed until all required/requested information has been submitted to the Earlham College Financial Aid Office.

Any awards or funds not administered by the College will not be credited to a student's account until Earlham's Accounting Office receives the check or another form of payment. Funds listed within *Estimated Award Notifications* and grants listed as "anticipated" or "estimated" on an *Award Notification* will not be credited to the student's account until the requested information is provided by the student or Earlham College can confirm a student's eligibility for the fund. Anticipated awards may result in a service charge if not received before the beginning of each semester.

Credit Balances - If Federal Title IV financial aid exceeds a student's Earlham College charges for a semester the credit balance created by federal funds will be refunded to the student by check. If proceeds from a Federal PLUS Loan create a credit balance, the funds will be refunded to the parent borrower by check.

Credit balances caused by all other payments will be held on the student's account. Students should contact the Accounting Office to obtain a refund.

STUDENT RESPONSIBILITIES

A student must be enrolled full-time, twelve (12) credits per semester, to receive financial aid. Financial aid will not disburse to a student's account if they are not properly registered for 12 credit hours per semester unless they have been approved by the Registrar's Office as a part-time student. A student with a Direct Loan who drops courses, and is subsequently registered for fewer than 6 credits, will have any future Direct Loan disbursements for the academic year canceled. If a student drops a class or classes after the conclusion of each semester's published registration period deadline, tuition charges and financial aid will not change from their full-time basis.

A student must apply on time for all types of federal and state aid. Earlham **will not** replace funds lost by a student who does not meet application deadlines. Financial aid is awarded one year at a time. A student must re-apply for need-based financial aid each academic year.

A student must report any additional financial assistance received, including tuition remission, which was not included on their *Award Notification*. Outside aid will apply first to any unmet need according to federal regulations, then will reduce need-based loans and work if required by federal regulations. Need-based grants will be reduced if required to keep a student's aid within their demonstrated financial need as per federal regulations.

A student may use financial aid only for room, board, tuition, fees, transportation, books, and related education expenses.

All male students, eighteen or older, must register for the Selective Service in order to receive Federal Title IV Student Aid funds. If a student cannot register for reasons of conscience, he may submit an appeal to Earlham to replace lost federal aid with Earlham funds. Students should contact the President's Office for information about this appeal process.

It is a student's responsibility to report student wages as income if/when required by the IRS. All grants and scholarships which exceed the student's tuition, fees, books and required equipment also may be taxable income and should be reported on the student's federal income tax return as per IRS instructions. It is each student's responsibility to be aware of Federal Income Tax law.

APPEALS & RECONSIDERATION

If a student's or parent's financial circumstances change after completing a student's aid application or if a student or parent feels they have unusual circumstances, they should send a letter with supporting material detailing the situation to the Financial Aid Office. The Financial Aid staff will review the circumstances and, if appropriate, revise the aid award(s). A student may appeal to the Financial Aid Committee if needed. Any increases in aid, however, will depend on aid funds available to Earlham.

LEAVES OF ABSENCE AND/OR WITHDRAWING FROM EARLHAM

A student may take an approved leave of absence if they request the leave in writing and it is approved by the Student Development Office. Direct Loan and Perkins Loan regulations regarding leaves of absence differ significantly from Earlham's leave of absence policies. Therefore, a student receiving any type of financial assistance is required to consult with the Financial Aid Office as per the leave request procedure outlined by the Student Development Office. A student who withdraws from Earlham and who is receiving any type of financial assistance must also consult with the Financial Aid Office prior to withdrawing from the College.

Earlham College Financial Aid Office, EC Drawer #208, 801 National Road West, Richmond, IN 47374-4095

Phone (765) 983-1217

Located in Carpenter Hall, Monday thru Friday, 8:00 AM – 5:00 PM (closed Noon – 1:00 PM for lunch), finaid@earlham.edu

POSTED February, 2008