SUPPLEMENTAL FINANCIAL AID INFORMATION FOR 2015-2016

Your financial aid award lists the estimated types and amounts of financial assistance which you will be eligible to receive during the 2015-2016 academic year if you attend Vanderbilt University. This award is based upon the information you provided through the need-based financial aid application process. In order for us to determine your final eligibility for assistance from all Vanderbilt, state, and federal programs, you will also need to submit the Free Application for Federal Student Aid (FAFSA) after January 1, 2015. Please note that the FAFSA application is required for you to receive funds from the Tennessee Education Lottery Scholarship (TELS) program. Any honor/merit scholarship or other source of financial gift aid that you might subsequently be awarded and that is not reflected in this aid package will have an impact on any grant eligibility and could cause a revision in your overall award.

 THIS AWARD IS FOR ONE YEAR ONLY

All types of financial aid awarded by the Office of Student Financial Aid and Scholarships (OSFA), including need-based Vanderbilt University grants, are awarded on the basis of financial need and are awarded for one year only. You must reapply for need-based aid for each subsequent year by submitting a Free Application for Federal Student Aid (FAFSA) and a CSS PROFILE. Renewal of need-based University grants and other need-based assistance will be based upon a new computation of your financial aid eligibility each year and your academic performance at Vanderbilt. You must also be in good academic standing and be making satisfactory academic progress to receive future assistance.

While Vanderbilt’s costs may increase from year to year, if a family’s circumstances (income, assets, family size, number of family members in college, etc.) remain relatively unchanged, students can expect to receive a comparable amount of assistance during the upper-class years. The academic year work expectation that is part of most need-based financial aid awards will likely increase slightly from year to year.

 REFUND POLICIES AND PROCEDURES

You must advise the OSFA of any significant changes that may occur during the period covered by your award letter, including a drop in enrollment to less than 12 hours or complete withdrawal from Vanderbilt University. Should you completely withdraw from Vanderbilt, you may be responsible for repaying a prorated amount of any financial assistance that cannot reasonably be attributed to meeting educational expenses related to attendance at Vanderbilt. The amount of such repayment would be determined on the basis of criteria set forth by the U.S. Secretary of Education and applicable Vanderbilt policy. Copies of the Refund Policies and Procedures, along with examples of the calculations used are available through OSFA and the Office of Student Accounts (OSA).

 YOUR APPLICATION DATA WILL BE VERIFIED.

We must verify the accuracy of the information submitted on your FAFSA and/or PROFILE applications. You will upload or mail to IDOC (College Board’s Institutional Documentation Service) signed copies of your and your parents’ 2014 Federal Income Tax Returns, Schedules, and W-2 forms, along with any corporate and partnership returns that were submitted to the IRS. If you and/or your parent(s) are not required to file a 2014 Federal Income Tax Return, please download and complete the appropriate Non-Filer Form from the IDOC website, idoc.collegeboard.org. Non-Filer forms, along with all other tax documents, must be sent to IDOC. DO NOT SEND TAX RETURN DOCUMENTS TO OUR OFFICE.

Instructions for Submitting Documents to IDOC: You will receive a separate email from the IDOC Service, providing instructions on how to submit 2014 federal tax forms. You may upload or mail your tax return packet directly to IDOC. The timing of your email instructions will be dependent upon your application status. Early Decision I: your email instructions will be sent on or about February 1. Early Decision II: on or about February 15. Regular Decision and Transfer: on or about April 1. Returning students: on or about April 15. For new students: If multiple schools to which you are applying participate in IDOC, you only need to submit the information to IDOC once. This information will then be sent to all participating schools.

Your 2015-2016 award is tentative and need-based funds will not be finalized until we review these tax returns and any other verification documents we have requested. Your award may be increased or decreased if the information submitted on your FAFSA and PROFILE is different than the verification documents. We will then send to you a revised award letter.
OUTSIDE SCHOLARSHIPS

If you will receive an outside scholarship, it is imperative that you inform this office immediately of the type and yearly amount of the scholarship and if said scholarship is renewable. Federal regulations and Vanderbilt policy require that we adjust your other assistance, if necessary, to prevent an overaward that might be caused by your outside scholarship. It is important that the actual scholarship check be sent to the Office of Student Financial Aid and Scholarships so that the Vanderbilt Office of Student Accounts will be able to properly credit your scholarship award. If the OSFA is anticipating the receipt of an outside scholarship check and the check is not sent to us, the billing system will continue to reflect the outside scholarship as anticipated aid until October 1st (even though the funds have actually been received), consequently projecting an incorrect balance on your student account.

STATE TUITION GRANTS

You should also be aware of the availability of State Tuition Grants for eligible residents of Tennessee, Rhode Island, and Vermont. If you live in one of these states and have not already applied for a State Tuition Grant, you may need to submit an application to the Higher Education Assistance Agency in your state. Contact your State Higher Education Assistance Agency for detailed instructions.

ALTERNATIVE PAYMENT OPTIONS

TUITION PAYMENT PLANS

The Ten-Month Interest Free Monthly Payment Plan is one of the best ways to fit education costs into a monthly budget without borrowing. Plan details are available on the Office of Student Accounts website, www.vanderbilt.edu/stuaccts.

ALTERNATIVE LOAN OPTIONS

It is our recommendation that these loans should only be investigated as a “last resort,” and only to the extent that such borrowing is necessary. You should pursue federal loan options before applying for alternative loans. A separate information sheet regarding federal loans is included.

A number of major lending organizations offer loan programs to qualified borrowers. A listing of private alternative loan providers is available on our website at www.vanderbilt.edu/financialaid for either the student or parent as the primary borrower, along with instructions on obtaining specific loan applications. These loans are not subsidized by the federal government and therefore may be more expensive. The interest rates are either fixed or variable and monthly payments are extended over several years. In most cases, one may borrow up to the full cost of attendance less any aid the student is receiving. Please note that most private alternative loans are credit-based and may require a cosigner.

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IMPORTANT NOTES: It is our firm belief that families should borrow only when absolutely necessary, and then only to the extent that is needed. We encourage that serious and deliberate consideration be given to making any borrowing decision. Also, please remember that, in accordance with our expanded aid initiative, any need-based loan that would have previously been included in your aid package has now been replaced with an equivalent additional amount of grant or scholarship (gift) assistance.

FEDERAL DIRECT LOANS

- **How do I apply for this loan and am I eligible?**
  We ask that you first read all of the following information about the Federal Direct Loan program on our website, [www.vanderbilt.edu/financialaid](http://www.vanderbilt.edu/financialaid). You may then contact our office at finaid@vanderbilt.edu if you need any further details or are interested in these loans. Please note that students must meet federal eligibility requirements to qualify for these loans.

- **How much can I borrow?**
  Your eligibility is determined for either a Subsidized and/or Unsubsidized Stafford Loan. A Subsidized Stafford Loan is awarded on the basis of federal eligibility. If you are eligible for such a loan, the government will pay (subsidize) the interest on your loan while you are enrolled in school on at least a half-time basis and during deferment periods if you qualify to have your payments deferred. You, the borrower, are responsible for paying the interest on the loan once you cease to be enrolled at least half-time. Depending on your federal eligibility, you may borrow a Subsidized Stafford Loan in an amount up to the annual loan borrowing limit for your level of study (see below).

  You might be able to borrow beyond the Subsidized Loan amount or if you don’t have demonstrated federal eligibility. In that case, you may receive an Unsubsidized Loan. Unlike a Subsidized Loan, you are responsible for the interest from the time the Unsubsidized Loan is disbursed until it’s repaid in full. You can choose to pay the interest or allow it to accrue (accumulate) and be capitalized (that is, added to the principal amount of your loan). Capitalizing the interest will obviously increase the amount you will have to repay over the life of the loan.

  You can receive both a Subsidized and Unsubsidized Direct Loan for the same enrollment period as long as the combined amount of the two loans doesn’t exceed the annual loan limit as delineated below.

  **Borrowing limits applicable to eligible dependent undergraduate students:**
  - As a first-year student, you can borrow up to $5,500 in combined Subsidized and Unsubsidized Loans, with a maximum of $3,500 being in the form of a Subsidized Loan (providing that you are eligible for Subsidized Loan assistance).
  - As a second-year student, you can borrow up to $6,500 in combined Subsidized and Unsubsidized Loans, with a maximum of $4,500 being in the form of a Subsidized Loan (providing that you are eligible for Subsidized Loan assistance).
  - As a third, fourth, or fifth-year student, you can borrow up to $7,500 in combined Subsidized and Unsubsidized Loans, with a maximum of $5,500 being in the form of a Subsidized Loan (providing that you are eligible for Subsidized Loan assistance).

  The annual borrowing limits can be increased for students who meet the criteria to be considered *independent for student financial aid purposes* or whose parents have applied for and who were denied a Federal Direct PLUS Loan (see Direct PLUS Loan information below).

- **What is the interest rate and what fees are charged for these loans?**
  The current interest rate for Subsidized and/or Unsubsidized Direct Loans is fixed at 4.66%. For Subsidized and Unsubsidized Direct Loans, there is an origination fee of 1.073% of the loan amount that will be deducted proportionately at each disbursement.

- **When do I begin repaying the loan?**
  Repayment of Direct Loans plus any accumulated interest begins six months (called the grace period) after you drop below half-time enrollment status (normally, this occurs when you graduate or if you leave school for some other reason).
FEDERAL PERKINS LOANS

- **How do I apply for this loan and am I eligible?**
  We ask that you first read all of the following information about Federal Perkins Loans. **NOTE:** Only those students who demonstrate an exceptional level of federal eligibility are eligible to receive this loan. Contact the Office of Student Financial Aid at finaid@vanderbilt.edu if you need any more information or are interested in this loan.

- **How much can I borrow?**
  You can borrow up to $5,500 for each year of undergraduate study. The actual amount you may receive depends on your level of exceptional federal eligibility and the level/availability of Perkins Loan funds.

- **What is the interest rate and what fees are charged for this loan?**
  The interest rate is fixed at 5%. There are no other fees for this loan, and interest on the loan does not begin to accrue until the loan enters repayment.

- **When do I begin repaying the loan?**
  Repayment begins nine months (called the grace period) after you drop below half-time enrollment status (normally, this occurs when you graduate or if you leave school for some other reason).

FEDERAL DIRECT PARENT LOANS (PLUS)

- **How do my parents apply for this loan?**
  You and your parent(s) must complete a Free Application for Federal Student Aid (FAFSA) before your parents can apply for a Federal Direct PLUS Loan.

  One parent must also complete a Federal Direct PLUS Loan Master Promissory Note and the PLUS Request Process at [www.studentloans.gov](http://www.studentloans.gov) and will be required to pass a credit check. If your parent doesn’t pass the credit check, he/she might still be able to receive a loan if someone, such as a relative or friend who is able to pass the credit check, agrees to endorse the loan. (An endorser promises to repay the loan if your parent fails to do so.) Your parent might also qualify for a loan without passing the credit check if he/she can demonstrate that certain extenuating circumstances exist. Other general eligibility requirements for federal student financial aid may also apply.

- **How much can my parents borrow?**
  The annual limit on a Direct PLUS Loan is equal to your cost of attendance minus any other financial aid you (the student) receive. If your cost of attendance is $60,000, for example, and you receive $40,000 in other financial aid, your parents can borrow up to an additional $20,000.

- **What is the interest rate and fees for this loan?**
  The interest rate is fixed at 7.21%. There is an origination fee of 4.292% of the loan amount deducted proportionately at each disbursement. Interest begins to accrue from the date of disbursement and continues to accrue during any period of deferment or forbearance as well as during repayment.

- **When do my parents begin repaying the loan?**
  The parent borrower has the option of beginning repayment on the Direct PLUS loan either 60 days after the loan is fully disbursed (interest on the loan begins to accrue at this time) or waiting until six months after the dependent student on whose behalf the parent borrowed ceases to be enrolled on at least a half-time basis. During any period of authorized deferment or forbearance the borrower can choose to pay the interest or allow it to accrue (accumulate) and be capitalized (that is, added to the principal amount of your loan). Capitalizing the interest will increase the amount you will have to repay over the life of the loan.

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