

**COLLEGE OF WILLIAM & MARY**  
**2009-2010 GUIDE TO UNDERGRADUATE FINANCIAL AID**

You may receive assistance from one or more of the following:

**Grants**

Grants are gift money and do not need to be repaid. Grant amounts are contingent upon the student's domicile and demonstrated financial need. Please see the financial aid website (<http://www.wm.edu/financialaid>) for additional details and eligibility requirements.

**Federal Grants**

*Pell Grant* - These are entitlements provided directly by the federal government to students with exceptional need.

*Federal Supplemental Educational Opportunity Grant (FSEOG)* - These federal funds are provided to students with exceptional need.

Approximately 10% of our financial aid population receives FSEOG funds.

*Academic Competitiveness Grant (ACG)* - These are \$750 first year and \$1,300 second year awards for Pell recipients who meet certain academic requirements.

*National SMART Grant* - These are awards of \$4,000 per year for junior and senior Pell recipients who meet certain academic criteria and are majoring in selected fields such as Computer Science, Life Sciences, Mathematics, Physical Sciences, and designated foreign languages.

**State Grants**

*Virginia College Scholarship Assistance Program (CSAP)* - This fund is awarded to Virginia residents who have exceptional financial need.

*Virginia Guaranteed Assistance Program (VGAP) and Commonwealth Grants* - These funds are awarded to Virginia residents who have demonstrated financial need.

## **Institutional Grants and Scholarships**

Institutional grants represent need-based assistance provided by our approximately 300 institutional, endowment, unrestricted, and gift accounts. We may make a change in the source of your grant after you receive your letter. You may receive a revised award letter that shows different funds, although the total amount of grant remains the same. Renewal for all of these awards is based on meeting application deadlines, continuing financial need, and making satisfactory academic progress.

*University Grant* - Need-based funds provided by the College.

*Endowment Funds* - Need-based funds from the Endowment Association.

*Board of Visitors Funds* - Need-based funds from the Board of Visitors endowment.

*College Grant* - Unrestricted need-based funds from the Board of Visitors.

*Gateway Fund* - Need-based funds provided for Virginia families who meet certain criteria.

*Various named grants* - Endowment need-based funds that appear by name (e.g. Ball Scholarship and Johns Scholarship).

*Merit-Based Funds* - The Office of Admission makes a limited number of merit awards. If you are selected for one of these, you will be contacted directly by the Office of Admission. Admissions will let you know what the criteria for continued receipt of these funds are.

Your grant may be from the generosity of College alumni and friends. In many cases, the donors want to learn more about you. To help us with this task, we ask you to allow your name to be released to the donors. Unless you tell us otherwise, we will do so. The Office of Donor Relations will contact you during the fall semester by mail, requesting you to write a thank you note to the Scholarship Benefactor. If you have any questions about this request, contact the Office of Donor Relations.

## **Loans**

Loans must be repaid and may begin accruing interest as soon as they are disbursed. We realize that you find grants more attractive than loans, which have to be repaid. Like most other colleges, however, we have to rely on loans to complete your aid package. You probably have been offered a Stafford Loan. In addition, your award letter may list additional borrowing

eligibility through other programs. What you actually borrow is ultimately your decision. You have a much better idea than we do about how to utilize your family's resources. However, if you believe that your own funds will fall short, we are pleased to be able to offer several loans that will help fill the gap. You do need to accept all loans that you wish to receive; they are not automatically accepted for you. You will be able to find all the details you need about this process in our Loan Information Letter. We will send information on how to access our Loan Information Letter later in the summer. The Letter will be available on our website.

### **Federal Perkins Loan**

Perkins Loans are College-controlled funds. Because the funds are limited, we are not able to give Perkins Loans to many eligible students. Perkins Loans are repaid at 5% interest beginning nine months after graduation, withdrawal, or dropping below half time status. They do not accrue interest until this time. Information about repayment, deferment, and cancellation is available from the Perkins Loan Officer in the Student Accounts Office.

### **Federal Stafford Loan**

Stafford Loans are available to students whether or not they have demonstrated financial need. If you have demonstrated financial need, the federal government will pay the interest on the loan while you are in school. This is the Subsidized Stafford Loan. If you do not have need, an Unsubsidized Stafford Loan requires that you pay the interest, although lenders will allow interest to accumulate while you are in school. (Be aware that this interest will be capitalized into the loan principal, however. We advise that you make the interest payments if at all possible.) Interest begins to accrue at the time of loan disbursement. Depending on your need, you may be offered a loan that is part subsidized and part unsubsidized.

#### *Stafford Loans For New Borrowers*

In June, we will send you instructions via your W&M email account on how to apply for your student loan. You will apply by accessing the College's BannerWeb system with your WMuserid and password. Application information will also be available on our website (the Loan Information Letter).

In order to serve you best, we have researched and selected lenders through a competitive bidding process that emphasized pricing, customer service, and the processing experience of the lender. Students and parents are free to select any lender of their choosing; we will provide the same level of processing regardless of lender choice. If you would like to borrow through a lender other than one of the listed lenders, please inform our office as soon as possible to ensure timely processing.

### *Stafford Loans For Returning Borrowers*

Because you have already signed a Master Promissory Note, there is only one requirement to obtain your student loan for the 2009-10 school year: You will need to access your award amount in BannerWeb by logging on to <http://my.wm.edu>. Once there, you will need to accept the amount of the loan that you want for the academic year. We will then certify your loan with the lender you used last year. If you have chosen a new lender and completed the full application process with them, please notify us ASAP so we can certify your loan with the proper lender.

If you have had a prior loan, you will probably benefit from staying with the same lender. Cross-borrowing (changing lenders) usually requires paying off multiple lenders/loans at the same time, thus possibly increasing the amount you will need to pay on a monthly basis.

You can contact our office at [aid@wm.edu](mailto:aid@wm.edu) or (757) 221-2420 if you have any problems accepting the amount of your loan. If you choose not to accept your loan, simply decline the amount offered. If you want to borrow less than the amount offered, you can enter that amount in BannerWeb.

### *Stafford Loan Annual Limits, Interest Rates, and Fees*

The maximum Subsidized Stafford Loan that can be borrowed by dependent undergraduates is \$3,500 for freshmen, \$4,500 for sophomores, and \$5,500 each year for juniors and seniors. All undergraduates are eligible for an additional \$2000 of Unsubsidized Stafford Loan as of July 1st, 2008. Independent students can borrow an additional \$4,000 per year for each of the first two years and \$5,000 for each of the last two years.

Subsidized Stafford Loans have a variable interest rate for loans disbursed before July 1st, 2006. The interest rate is fixed at 6.8% for loans

disbursed on or after July 1st, 2006 through June 30, 2008 and 6.0% for loans disbursed on or after July 1st, 2008.

The maximum Unsubsidized Stafford Loan that can be borrowed by dependent undergraduates (assuming no Subsidized Loan eligibility) is \$5,500 for freshmen, \$6,500 for sophomores, and \$7,500 each year for juniors and seniors. Interest begins to accrue from the date of disbursement, at a variable interest rate for loans disbursed before July 1st, 2006 and fixed at 6.8% for loans disbursed on or after July 1st, 2006. As of July 1st, 2008, all Stafford Loan lenders have begun charging fees, because of the current lending environment. Most lenders are charging a 1% origination fee and a 1% default fee, for a total of 2% fees that will be taken out of each Stafford Loan disbursement. For example, a student who is borrowing \$3500 for the year will net \$3430 (divided over two semesters) after the fees have been taken out.

### **Federal Parent PLUS Loan**

The PLUS Loan is a credit-based loan available to parents to borrow on behalf of dependent undergraduate students. Your parent can borrow up to the full cost of your education, less other aid, with repayment beginning 60 days after full disbursement. Interest begins to accrue at the time of disbursement.

**Note:** PLUS Loans are subject to origination and guarantee fees, which in most cases will be 3%.

In order to serve you best, we have researched and selected lenders through a competitive bidding process that emphasized pricing, customer service and the processing experience of the lender. These lenders are *Nellie Mae*, *Access Group*, and *SunTrust*. Students and parents are free to select any lender of their choosing; we will provide the same level of processing regardless of lender choice. If you would like to borrow through a lender other than one of the listed lenders, please inform our office as soon as possible to ensure timely processing.

*How do I complete the promissory note?* If your loan is pre-approved, you may complete your PLUS promissory note online, or contact your lender for a hard copy promissory note.

*What if my credit report keeps me from being pre-approved or approved?* The lender will mail information directly to you indicating the reasons for the denial. You need to contact the lender directly if you have any questions. Your credit record will be reviewed based on the additional information that you provide.

*What if the appeal is denied?* If your parent is denied a PLUS Loan, you can borrow additional Stafford Loan funds through the Extended Unsubsidized Stafford program. The additional amounts for the extended program are a maximum of \$4,000 per year for the first two years and \$5,000 per year for the remaining years. In order to receive these additional funds, you must provide us with a copy of your parent's PLUS denial and a written request for the amount of the Extended Unsubsidized Loan you want to take out. If your parent is appealing the denial, please let us know so we can stop the Extended Unsubsidized processing until the appeal is decided.

Returning students who receive an Extended Unsubsidized Stafford Loan based on a denied PLUS Loan must have the parent reapply for the PLUS each year. **The Extended Unsubsidized loan is not automatic.** Your parent must be denied each year in order for you to be eligible for this additional loan.

In addition, you may wish to consider taking out a private loan.

### **Private Loans**

These are credit-based loans available to both undergraduate and graduate students. Individual eligibility will vary according to cost, need, and any other aid being received. In most cases, students will need a co-signer in order to qualify.

*Who should consider this loan?* You should only consider a private loan as a last resort. Stafford, Perkins, and PLUS loans all have better interest rates and repayment terms. Be sure that you have used your full Federal loan eligibility before taking out a private loan.

Generally, two groups should borrow this loan. If you are a non-Virginia resident or a resident with only loans and are financially independent of your parents, you may need help beyond what Stafford Loans can cover. In addition, dependent students whose parent is not eligible for PLUS (see the PLUS section above) may also need this loan. If you find yourself in one of these situations, contact our office to see if a private loan would be the best course for you.

*How do I apply?* Students and their co-signers apply directly from our web site at <http://www.wm.edu/financialaid>, or they may borrow from any other lender by visiting that lender's website.

### **Outside Scholarships**

In most cases, we have determined your financial aid package without knowing whether you have outside scholarships. If you do receive scholarships, we may have to adjust aid that we have already offered. Usually, the additional money will only change your loan or work-study eligibility. However, because your total aid cannot exceed your need, we occasionally have to reduce grant money. All reductions are on a dollar-for-dollar basis.

Given the large number of outside funds that WM students receive, we will probably not make most adjustments for outside scholarships until the fall. *This may cause adjustments to your student account and cause you to owe a balance to the College.*

### **Federal Work-Study Eligibility**

If you are eligible, you can earn FWS funds during the school year. We have very limited FWS funds available.

If you do not qualify for FWS but still want to work on campus, there are plenty of jobs available to you. Check our website under Student Employment or the Student Information Network for Job Center listings.

## Paying For Tuition and Fees

The standard billing for the College is done via two bills due in August and January. These bills will be sent electronically to your W&M email account. Remember to check for your bills! Student Accounts will also send out bills roughly every month during the academic year for other charges and outstanding balances.

The following is a possible example of a dependent undergraduate Virginian's financial aid package. (2009-2010 expenses were not available at the time this brochure was updated.)

\$10,246.....	Tuition and fees
+\$8,040.....	Room & Board
+\$2,650.....	Books, personal expenses and travel
\$20,936.....	Total Cost
-\$5,936.....	Expected Family Contribution
\$15,000.....	Need
-\$9,500.....	College Grant
\$5,500.....	Remaining Need
-\$5,500.....	Stafford Loan & Perkins Loan
\$ 0	

The \$5,936 family contribution can be paid through the Parent PLUS Loan. Your PLUS Loan eligibility will be listed on your award letter. No PLUS Loan eligibility will be listed if your Expected Family Contribution is less than \$500.

*Installment Payment Plan* - As a service to students and parents, the College has approved participation in the interest free tuition payment plan offered by Tuition Management Systems (TMS) for the fall and/or spring semesters of the academic year. This plan is an affordable way to spread the tuition, fee, room and board charges over several months. You or your parents are responsible for establishing a budget with TMS that is sufficient to pay the charges for the academic year. The budgeted amount is then divided into equal monthly payments. Payments are due on the 15th of each month, beginning in June (for the fall or full year plan) and continuing through

March of the following year. This plan is optional and is open to all currently enrolled William & Mary students during the fall and spring semesters. There is a one-time annual fee to enroll in the plan.

For further information about the TMS tuition payment plan please contact them at the following address:

Tuition Management Systems, Inc.  
225 Service Avenue  
Warwick, RI 02886-1020  
1-800-722-4867  
[www.afford.com](http://www.afford.com)

### **Summer Aid**

For the most part, you will be able to receive only loans for summer study. Your aid eligibility will be based on the FAFSA for the current school year, e.g. the 2009-10 FAFSA for summer 2010. Pell Grants are available for undergraduates who did not use all of their Pell eligibility during the previous school year. Stafford Loans are also available for students who did not use their full Stafford eligibility during the previous year.

If you do not have Stafford eligibility, you may be able to borrow a Parent PLUS Loan (dependent undergraduates) or a private loan (independent students). Some Perkins Loan money may also be available. Both dependent and independent students may borrow private loans.

Summer aid applications will be available on our website once summer registration begins. You must be registered before you complete your summer aid application.

### **Study Abroad**

Undergraduate students planning to study abroad must be registered with the Global Education Office. Graduate students interested in study abroad should contact their respective schools.

Your financial aid award will be adjusted based on the cost of attendance information collected from your host school/program via a consortium agreement (available from the Global Education Office). A consortium agreement is **required** for all programs of study. *Funds will not be released until 10 days prior to the start of your session, or at the regular disbursement date for the semester if your program begins earlier than the W&M semester.*

Financial aid is available for programs approved by the appropriate department. *The amount of your grant will not exceed what you would have received for attending the semester or year at William and Mary.* Plan ahead to meet all applicable deadlines. The Financial Aid Office staff is available to answer your questions about study abroad aid. Feel free to schedule an appointment with your counselor to discuss any concerns you may have.

Late registration with the appropriate offices will affect the timeliness of aid being processed. You must adhere to all payment deadlines set by your host (program) institution. In most cases, programs accept confirmation of aid awarded in place of actual payment. However, the programs are not obligated to do so. Therefore, you should consider all financial obligations prior to making a commitment to study abroad. To avoid further delay, be sure that Student Accounts has on file a forwarding address for all aid to be used for your program of study.

Be aware that you will have some up-front costs such as deposits and airfare that financial aid will not be able to cover. You should make arrangements to pay for these items using your own money or a credit card and reimburse yourself with your financial aid once it is disbursed.

Study abroad is a lifetime opportunity that the College supports. We want your experience to be memorable and trust that you will follow all steps necessary to ensure a smooth process.

**Note:** Similar procedures apply to undergraduate students studying in off-campus domestic programs. Please contact your counselor about the process.

## **Satisfactory Academic Progress**

Federal guidelines require that students receiving federal financial aid make satisfactory progress towards their degrees. In general, satisfactory progress regulations mirror the College's continuance standards. Entering freshmen have up to 10 semesters in which to complete the program and receive financial assistance. *However, College-controlled grant funds will be available only through the first 8 semesters.* For entering transfer students, the number of semesters of aid eligibility will depend on the student's grade classification at the time of entry. For example, community college graduates will enter as juniors and have 4 semesters of aid eligibility.

## **Part-Time Undergraduate Students**

Part-time students are only eligible for partial Pell Grants and Stafford Loans. Regularly admitted full-time students who have an approved underload of 6 - 11 hours can, on a one-time basis, retain College-administered grant funds. However, the student's reduced fees result in a commensurate reduction in grant funds. Federal guidelines require that Pell Grants be reduced to either three-quarters or half time if a student is taking between 6 and 11 hours. In addition, some programs require full-time attendance to receive any money. *In the case of a student receiving such assistance, the money lost will not be made up by any College grant funds.*

**Note:** Only hours taken for academic credit can be counted as part of an academic load; audit hours are not used.

## **Withdrawal**

As an aid recipient, you may receive a refund after your direct College charges have been paid. The money that you receive is designed to cover the whole semester. If you decide to withdraw during the semester, you will probably owe the College some of the refund that you have received. Please contact your Financial Aid Counselor before making a withdrawal decision.

Financial Aid Contacts  
College of William and Mary  
Student Financial Aid Office  
(757) 221-2420  
<http://www.wm.edu/financialaid>  
aid@wm.edu

Undergraduate:

A-B Edward P. Irish.....epiris@wm.edu  
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I-Q Ginia J. Anderson.....gjanderson@wm.edu  
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Graduate:

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Student Employment Coordinator

Sharon G. Palma.....sgpalm@wm.edu

Student/Parent Loan Specialist

Janni R. Ramirez .....jrrami@wm.edu

Director

Edward P. Irish.....epiris@wm.edu

Student Accounts Office - for billing questions

(757) 221-1220