

SAMPLE LETTER



SOUTHWESTERN UNIVERSITY

Mr. Junior Samples
123 Main Street
Houston, TX 77006

8/23/2019
ID Number: 1234567
Academic Year: 2020-21

Dear Jake,

Based on the 2020-21 FAFSA information you submitted, we've created a comprehensive financial aid package which includes all institutional, state and federal financial aid resources for which you are eligible. To help you understand how your financial aid award will affect your actual out-of-pocket expenses, we have included an estimation of the direct costs (i.e., tuition and fees, room and board) and calculated an estimated balance due for you. **This is not a bill.** Rather, this is an illustration of how your balance due will be determined, along with options to cover that amount.

| Your Cost of Attendance: | Annual Cost |
|---|---|
| Cost of Attendance (COA) is divided into two categories: Direct Costs and Indirect Costs. | Direct Charges ⓘ |
| Direct Costs are items charged directly by SU, such as tuition & fees, room and board. | Tuition & Fees (full-time, 12-19 hours) \$XX,XXX |
| Indirect Costs are items not directly charged by SU, but are expenses you will have as part of the cost of attending college. We estimate these costs to be: | Room (average) \$X,XXX |
| Books and Supplies \$X,XXX | Board (average) \$X,XXX |
| Personal/Transp./Misc. \$X,XXX | Total Direct Charges \$XX,XXX |
| Your Scholarships, Grants and Awards: | University Award \$XX,XXX |
| This is merit scholarship and/or grant aid that does not have to be repaid. | Federal Pell Grant \$X,XXX |
| | Tuition Equalization Grant \$X,XXX |
| | Total Scholarships, Grants and Awards \$XX,XXX |
| Your Federal Student Loan Options: ⓘ | Loans |
| Federal student loans are not credit-based, and typically have the best interest rates and repayment terms. | Fed Direct Sub Stafford Loan \$X,XXX |
| | Fed Direct Unsub Stafford Loan \$X,XXX |
| | Total Optional Student Loans \$X,XXX |
| Your Total Financial Aid Credits | Total Credits \$XXXX |
| This is the sum of your scholarships, grants, awards and available student loans. | |
| Estimated Balance Due (total direct costs less total financial aid credits) | \$XXXX |
| <i>In addition, you are eligible to earn up to \$2,000 in Federal Work-Study funds. These funds paid directly to the student as they are earned during the semester. These funds are NOT credited to the student account.</i> | |

Cost of Attendance

The estimated total amount it will cost you to go to school per year.

Indirect Costs

To help you create a realistic estimation of your out-of-pocket cost, SU estimates what you may spend during a typical year on day-to-day expenses such as books & supplies, personal items, and transportation.

Loans

These are the federal student loans you qualify for this year. They're optional, and if you choose to pursue them, we'll work with you over the summer to get them finalized.

Federal Work Study

This is money that can be earned through working on campus. This amount cannot be applied to your balance.

Direct Costs

These are the charges you'll see on your billing statement.

Room & Board

These figures represent the average room and board, and may vary based on your housing and meal plan choices.

Your Scholarships and Grants

We've considered any merit scholarships you earned upon admission, and we used your FAFSA information to determine your eligibility for state, federal, or institutional need-based aid.

Your Total Credits

This figure demonstrates the total aid available to you if you decide to utilize your federal student loans.

Estimated Balance Due

This is the estimated amount you'll be billed for the year, half in the fall, half in the spring.

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Options for covering the balance due

These are not your only options, but they are the most commonly used by students and families. Your payment method has no bearing on your aid or loan eligibility in subsequent semesters or years.

Other Important Items to Know

This section is full of important information about your financial aid. Make sure to read carefully, and do not hesitate to contact our office with any questions.

OPTIONS

Families may utilize any combination of the following options to cover the balance due:

- Option 1 –Pay the balance in full using current family resources.** Amount due per semester: \$XXX
- Option 2 –Use the [SU Payment Plan](#) to make installment payments on the balance due.** Multiple plans to choose from; using two five month plans would result in monthly payments of: \$XXX
- Option 3 –Parents may use a Federal Direct PLUS Loan to cover the total estimated balance due,** including indirect expenses, if you choose. Pending credit approval, parents can borrow up to \$XXX (or less, for a lower monthly payment). Estimated monthly loan payment for this amount: \$XXX
- Information about the PLUS Loan is available on our [Loan Information Page](#).

OTHER IMPORTANT ITEMS TO KNOW

Your financial aid award is based on full time enrollment. You must enroll as a full-time student (i.e., at least 12 credits each semester) in order to receive any SU funds, which includes any SU merit scholarship or SU need-based grant.

This award is valid for the 2019-20 academic year. You must submit a new FAFSA annually to determine eligibility for financial aid for each academic year. Your eligibility for need-based aid will be based on your family's financial circumstances at that point in time.

For planning purposes, it's important to note that your indirect costs include book purchases, travel, and personal items and will vary based on your needs and personal choices.

Your actual room and board charges will vary based on the room and board options you select.

Any new or additional scholarship funds awarded to you may cause a decrease in the amount of scholarships, grants or subsidized loans in your financial aid award. If you are receiving outside scholarships, please submit the [Outside Scholarship Declaration Form](#) by July 1st.

Information about loans, including interest rates and origination fees, can be found on our [Loan Information Page](#).

This award is governed by the [Terms and Conditions](#) of Financial Aid Awards.

TAKE THE NEXT STEP

- Share** the news Be sure to pass this information on to your parents and encourage them to contact us with questions. Click on the **Download PDF** button in the upper right corner of your portal screen to save a copy of your letter.
- Ask** questions Our Financial Aid Counselors have the answers; they're just waiting to hear from you. Call, [email](#), or visit [Financial Aid online](#) for more information.
- Reserve** your spot If you haven't already, visit [My Decision](#) to confirm your place in the class and secure your financial aid award.

As always, we're here to answer your questions, and we look forward to hearing from you!

P.O. Box 770, Georgetown, Texas 78627-0770
512.863.1200 www.southwestern.edu

Pay the Balance in Full

If you choose to hold off on taking loans or using a payment plan in a given semester, just pay the amount due. For more information, please contact the Business Office.

Payment Plan

SU offers monthly payment options; follow the link on your letter for details, including sign-up deadlines. The earlier you enroll, the smaller your monthly payments will be!

Federal Parent PLUS Loan

Many families use the PLUS loan to cover the balance due for the year, as well as to ensure funds are on hand to cover indirect costs – books & supplies, transportation and personal expenses – throughout the year. Like Stafford Loans, the PLUS loan is optional. Follow the link on your letter for more information.