



# AMHERST COLLEGE

Office of Financial Aid

Congratulations on your admission to the Amherst College Class of 2024!

We are pleased to offer you financial assistance for your first year at Amherst. The accompanying memorandum outlines your eligibility for financial aid by the variety and amount of assistance we can provide. The “Notes” that follow provide more information.

**If we may be of help as you plan for the coming academic year, please let us know.**

## ***Notes Concerning Your Financial Aid Award*** ***Academic Year 2020-21***

### **Tentative Award Letter**

The Financial Aid Award posted on the Amherst Financial Aid Portal ([amherst.edu/go/fportal](https://amherst.edu/go/fportal)) presents a tentative financial aid award for the 2020-21 academic year if additional materials are indicated on the ‘Documents’ tab. Once the Office of Financial Aid has reviewed your and your parents’ 2018 income tax returns and confirmed the analysis of your family contribution a final award will be posted online.

### **Income Documentation**

If you have already submitted income documentation for 2018, you may assume that your application is complete unless we notify you of the need for additional materials. If you have not submitted income documentation for 2018, please do so as soon as possible so that we may confirm our analysis of your family’s resources. A final Financial Aid Award cannot be posted until all required documentation is received.

***Students Residing in the United States.*** Submit income documentation to us by way of the Institutional Documentation (IDOC) Service of the College Board. Further information is available at <https://idoc.collegeboard.com>. The College Board will provide electronic images of the documents to us.

The following documents are required:

- *Signed* copies of both your parents’ and your own 2018 federal income tax returns (all pages).
- Copies of income statements for 2018 (e.g., W-2 forms).
- If your parents hold an interest in a business corporation, a copy of the corporate tax return.
- If your parents have income from a partnership, a copy of the partnership return and/or a copy of your parents’ Schedule K-1.

Copies of all returns and other materials submitted must be *signed and dated*.

If no income tax return will be filed by you or your parents, this should be certified to us in writing by providing a statement of income received, listed by source of the income.

***Canadian and Other International Students.*** Upload to the Amherst College Financial Aid Portal documentation of your family’s 2018 income from all sources.

Documentation may include:

- Signed copies of both of your parents’ income tax forms (all pages) — with an English translation, if applicable.

- A statement of income (e.g., Canadian T-4 Forms), benefits, and prerequisites from your parents' employer(s).

### Free Application for Federal Student Aid

Any federal student financial aid cited in your award detail is included in anticipation that you will qualify for such aid. The U.S. Department of Education based on information you provide in the "Free Application for Federal Student Aid" (FAFSA) officially determines your eligibility for federal financial aid. If you have not already done so, please complete the FAFSA for 2020-21. You may complete the form on-line through the U.S. Department of Education – [www.fafsa.ed.gov](http://www.fafsa.ed.gov), or you may complete a paper FAFSA, which may be downloaded online at [fafsa.ed.gov/options.htm](http://fafsa.ed.gov/options.htm) or requested by calling 1-800-4-FED-AID (1-800-433-3243). The data you submit in the FAFSA will be available to us electronically if you list Amherst College in the list of schools. The College's federal code for the FAFSA is 002115.

In accordance with federal regulations, we will review your FAFSA information to make certain it is consistent with data from income tax returns and other materials you have submitted to us.

We strongly encourage you, in completing the FAFSA, to use the Data Retrieval Tool (DRT) to bring information from your income tax return directly from the Internal Revenue Service to the FAFSA.

During completion of your FAFSA on-line you will be given the opportunity to link to the DRT –

- *Enter your FSA ID and click 'Link To IRS' from the Parent Financial Information page. You may do the same from the Student Financial Information page. You will not be asked to enter your FSA ID if you entered one to begin your FAFSA.*
- *Your FAFSA will be saved and you will be transferred to the IRS Web site.*
- *On the IRS Web site, enter the requested information.*
- *For your protection, tax information is not displayed on the FAFSA. Questions populated*

*with tax information will be marked "Transferred from the IRS."*

- *If you transfer your IRS tax information, you should expect an email and letter confirming that your tax information was accessed.*

Using the DRT may decrease the request of additional documentation.

The DRT cannot be used by someone who is married and filing as "head of household"; by those filing as "married, filing separately"; by parents with a marital status of "unmarried and both legal parents living together"; or a resident of Puerto Rico or the associated states.

### Calculation of Financial Need

***All financial aid at Amherst College is based on demonstrated financial need.*** Information about how we determined your financial aid award may be found on the Office of Financial Aid's Web site, [www.amherst.edu/go/financialaid](http://www.amherst.edu/go/financialaid).

**Student Expense Budget.** The budget used to calculate your financial need is shown on the 'Awards' page of the Financial Aid Portal and on the Financial Aid Disclosure, available from the 'Home' page.

The budget includes the following charges billed by the College:

- Comprehensive fee (tuition, room and board – set annually in March)
- Student activities, campus center programs, and residential governance fees

The budget also provides allowances for additional expenses that you will encounter as a student at Amherst. These allowances include:

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|---|---------------|
| • Personal expenses<br>(allowance for clothing, laundry, cleaning, personal grooming, and recreation) | \$1,800.      |
| • Books and supplies  | \$1,000.      |
| • Transportation  | \$50 – 2,500. |

An allowance for transportation — two round-trips from home for students living in the U.S. or Canada; one round trip for those living abroad — is added to the budget. This budget is used by the Office of Financial Aid to calculate a student's need and to determine financial aid awards.

It is expected that out-of-pocket (indirect) expenses — including books, supplies, and transportation — will usually be paid from the family contribution. Personal expenses are usually paid from student employment earnings during the school year.

The state of Massachusetts requires that all students either participate in the College's student health insurance plan or have comparable medical insurance. If you are already covered by your family's insurance, we expect that you will continue to be covered by it. If you are not covered by your family's insurance, a "Request for Scholarship - Health" form should be completed and submitted to the Office of Financial Aid. The form is available in the "Forms and Helpful Links" section of the Office of Financial Aid website. The student's expense budget and grant aid will be adjusted by the cost of the College's student health insurance plan.

Any changes in fees or allowances will be reflected in a final award.

**Estimated Resources.** Your Financial Aid Award shows our estimate of resources available from your family and other sources. This estimate is based on the information you submitted to Amherst College and was calculated according to the College's standard need analysis procedures. Any federal student financial aid in your tentative award is based on eligibility determined in accordance with the formulas specified in the Higher Education Act of 1965, as amended.

**Financial Need.** Your financial need is shown on your Financial Aid Award. Need is shown if your estimated family resources are less than your student expense budget for the academic year.

Financial need is re-evaluated each year on the basis

of annually submitted application forms and income tax returns. Many factors are considered in calculating the family contribution. Here are some that play a significant role:

- **Income.** If parents' income increases, the expected contribution is likely to increase; if it decreases, the contribution is likely to decrease. The need formulas are adjusted each year for inflation. If parents' income increases at the rate of inflation, the parents' contribution — adjusted for inflation — should be about the same if other factors are the same.
- **Allowances against income.** The need formulas consider various allowances against income. Some are basic — for example, federal, state, and local income taxes; social security taxes; basic family living costs. Others are related to particular circumstances — for example, elementary or secondary schooling costs for the student's brothers and sisters, medical and dental expenses, funeral expenses, tax liens, support of extended family, etc. Some of these recur from year to year; some are not recurring. If we made extra allowances in one year, they may not be relevant to a subsequent year.
- **Assets.** Certain family assets — home equity, other real estate equity, bank accounts, investments, businesses, and farms — are considered in calculating a parents' contribution. The value or indebtedness of assets may change from one year to another, especially if assets are being used to pay part of the parents' contribution. The values may also change because of economic conditions.
- **Family size.** As children grow older and move away from home, the number of persons in the family may decrease. A change in family size will have some effect on the parents' contribution.
- **Number of children in college.** A major factor in the need formula is the number of children in college. In general, a calculated parents' contribution is divided between the children in college. For example, if the number in college

changes from two to one, the parents' contribution will usually double because it is no longer divided between two children. On the other hand, if the number in college increases from one to two, the parents' contribution for each child will be approximately one-half the total contribution, although sometimes the division is not equal if the cost of the colleges is significantly different.

### Financial Aid Award

The College can help meet your financial need with the "package" of financial aid outlined on the Awards page of the Financial Aid Portal. Financial aid packages usually include self-help (student employment) and gift aid (scholarship and grant). Self-help provides you the opportunity to work to help pay for a part of your educational expenses. Gift aid does not require work or repayment. You do not have to accept aid offered in the form of self-help in order to receive gift aid from the College. The College, however, will not replace the self-help expectations with scholarship or grant assistance.

The amount of financial aid shown on the Awards page will be adjusted for actual expenses in 2020-21. Any additional need may be met by a combination of increased awards of gift aid and self-help.

### Self-Help

**Term-Time Employment.** The expectation is that a student will be able to earn about \$2,400 from term-time employment. This represents about six to seven hours a week of work on campus.

There are two categories of term-time employment:

- **Federal Work-Study.** A federal program under which students with financial need may be employed on campus. Not more than 75 percent of a student's wages may be drawn from federal funds administered by the College; the remainder is provided from College resources.
- **Institutional Student Employment.** Work for which the College bears the full cost of compensation. Term-time employment opportunities include work in the College's dining service, physical plant department, libraries, laboratories, art studios, and academic and administrative offices. Federal Work-Study positions are also available during the academic year (and summer) in off-campus nonprofit 501(c)(3) agencies and organizations.

**No Student Loan.** Student loans are not included in initial financial awards. In some circumstances, however, a student may subsequently choose to borrow a loan. Information about available federal and institutional loan programs is given in an appendix.

We believe that the self-help expectation cited in your award is reasonable and realistic. If you fall short of the expected level of contribution from income and/or want to reduce the expected level of academic year earnings, you should weigh very carefully a decision to undertake a student loan. Loans should be considered a final alternative and should not be resorted to if other means of achieving your self-help expectation are available to you.

### Gift Aid

**Federal Pell Grant.** If your Financial Aid package shows an amount for a Pell Grant, we estimate that you are eligible for this need-based federal program. It is your responsibility to apply for a Federal Pell Grant by filing a "Free Application for Federal Student Aid" (FAFSA).

**State Scholarship or Grant.** If your Financial Aid package shows an amount for a state scholarship or grant, we have estimated that you are eligible for assistance from your state's program. If you are not financially eligible for a state award, the amount will be replaced by grant aid from the College.

It is your responsibility to apply for a state scholarship or grant if you are a resident of Connecticut, Maine, Massachusetts, Pennsylvania, Rhode Island, or Vermont. You should complete and

file the appropriate application forms before the state scholarship or grant program's published deadline. In most of these states the FAFSA is used to apply for state scholarships or grants; some states have additional application requirements. Your secondary school counseling office can provide you with additional information.

**Outside Scholarships and Employer's Benefits.** If you have informed us of any assistance that you are to receive from organizations outside of the College, this has been included in your Financial Aid package. We remind you that you must notify the Office of Financial Aid if you receive any outside assistance, regardless of the amount. The College allows outside scholarships and/or employer's benefits to replace self-help in the financial aid award. If self-help is completely replaced by outside aid, any excess amount will reduce scholarship aid that would otherwise be provided by Amherst. An outside scholarship, including employer benefits, cannot be used to replace a part of your family resources; it must be taken into account in the financial aid award, in accordance with federal regulations and College policy.

**Scholarships and Grants Administered by Amherst.**

If you have financial need remaining after the subtraction of self-help, Pell and state grants, and "outside" scholarships, it will be met with scholarships and grants administered by the College.

- **Federal Supplemental Educational Opportunity Grant (SEOG).** A federal program that provides grants of as much as \$4,000 a year to students with great financial need.
- **Amherst College Scholarship.** Aid drawn from the College's scholarship endowment income, annual gifts for financial aid purposes, or current operating funds.

**529 Plans.** Proceeds from College Savings or Prepaid Tuition Plans (established under Section 529 of the Internal Review Code) will not be reflected in your Financial Aid package. The full cash value of these funds is usually included in the calculation of your family contribution. Any proceeds to be used in the

academic year must be accessible prior to the bill due date of each semester.

## Appeals

Students with questions concerning their financial aid awards should contact the Office of Financial Aid. An appeal for reconsideration of an award must be made in writing. The letter (or financial aid appeal form) should address changes in circumstances, unusual expenses, special situations, or additional information not already presented in the financial aid application. The Financial Aid Appeal form is available in the "Forms and Helpful Links" section of the Office of Financial Aid website.

## Additional Questions

If you have any questions concerning your financial planning for Amherst, please write:

Office of Financial Aid  
B-5 Converse Hall  
Amherst College  
P.O. Box 5000  
Amherst, Massachusetts  
01002-5000

or [finaid@amherst.edu](mailto:finaid@amherst.edu)

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## APPENDIX — Student Loans

Although the College does not initially package student loans in financial aid awards, there may be circumstances in which a student may request a loan — for example, to replace a shortfall in savings from summer employment, to reduce or replace term-time employment, or to purchase a personal computer. Standard repayment on Federal and College loans begins after the grace period and extends over ten years.

Here is information about federal and institutional loans available to Amherst students.

- **Federal Direct Stafford Loan.** There are both subsidized and unsubsidized Federal Direct Stafford Loans. This federal program allows students to borrow as much as \$3,500 an academic year as a first-year student, \$4,500 as a sophomore, and \$5,500 a year for subsequent undergraduate study. These loans may be subsidized to the extent that a student has financial need. Students may borrow an additional \$2,000 a year in unsubsidized Stafford Loans. The aggregate amount that may be borrowed as an undergraduate is \$31,000, of which no more than \$23,000 can be subsidized. The interest rate on subsidized and unsubsidized loans is set annually before June 30<sup>th</sup> and is fixed for the life of the loan. The federal government pays the interest on subsidized loans while a student is enrolled at least half-time. The subsidized loan program is need-based; that is, the amount that you can borrow is limited to the difference between your student expense budget and the sum of your resources, benefits, and any other financial aid you receive. Unsubsidized loans may be used to replace part of the expected family contribution. There is a 1.059 percent federal origination fee on all Stafford Loans borrowed on or after Oct. 1, 2019, and before Oct. 1, 2020.
- **Amherst College Loan.** The College provides loans from its own funds for international students and others who do not qualify for

federal loan programs. The interest rate is 5 percent on subsidized Amherst College Loans. There is no repayment required and no interest charged while you are enrolled at least half-time and for six months after graduation or termination of studies.