

# AMHERST COLLEGE

## Notes Concerning Your Financial Aid Award Academic Year 2021-22

### Late Application Fee Policy

Applications for renewal of financial aid that remain incomplete after June 1 will incur a late fee of \$50; after July 1, an additional fee of \$50; after the due date for the fall term bill, an additional \$50; and as of the first day of registration, an additional \$100.

### Purpose of Financial Aid

The purpose of Amherst College's financial aid program is to provide opportunity for all students to be able to afford the cost of attendance. The College's financial aid program is need-based. This means that financial aid equal to demonstrated financial need is provided through a combination of scholarship grants and student employment opportunities.

### Receipt of Financial Aid

Receipt of financial aid at Amherst presumes a student's full-time enrollment. Funds will not be advanced to a student or applied to a student's account until registration is complete.

Full-time enrollment usually means registering for four courses a semester. Registration for three courses may be considered full-time in exceptional situations approved by the Dean of Students.

### Calculation of Financial Need

#### Student Expense Budget

The student expense budget used to calculate your financial need is shown in the Awards menu of the Financial Aid Portal. Allowances for the expenses for academic year 2021-22, shown in the table to the right, were taken into consideration.

#### Student Expense Budget Academic Year 2021-22

	Dependent Students	Independent Students
Comprehensive Fee (tuition, room, and board)	\$76,800	\$76,800
Fees*	460	460
Books and Supplies	1,000	1,000
Personal Expenses (laundry, cleaning, personal grooming, and recreation)	1,800	2,400
Transportation** (U.S. and Canada — allowance for two round trips; international — allowance for one round trip)	50 – 2,500	
TOTAL	\$80,110 – 82,560	\$80,660

\* The student activities fee is used by the Association of Amherst Students to fund organizations, clubs, and special interest groups.

\*\* The transportation allowance varies by state/country. Students arrange for travel and pay the costs from family contribution.

**Health Insurance.** Amherst College requires that all students either participate in the College's health insurance plan or have comparable medical coverage. If you are already covered by your family's insurance, our expectation is that you will continue to be covered by it. Note, however, that health insurance coverage provided through a

state Medicaid program may **not** be available outside of the state. Likewise, coverage provided by a health maintenance organization (HMO) may not be available outside its primary geographic area.

If your family does not have health insurance or substantially equivalent coverage that is available to you in Massachusetts, you may request additional scholarship aid to pay for the College's health insurance plan. Complete the "Request for Scholarship – Health" form, available in the Forms and Helpful Links section of our website, and submit it to the Office of Financial Aid.

Both your expense budget and grant aid will be adjusted by the cost of the College's health insurance plan, which was \$2,358 for 2020-21.

*Books and Supplies.* If expenses for required books and supplies (including course packets and lab fees) exceed the standard allowance, a student receiving scholarship aid from the College may request an adjustment in the allowance. A summary of expenses listed by class should be submitted. A corresponding adjustment in scholarship aid will be made. Adjustments are usually made in the spring semester after total expenses for the academic year are known.

*Private Music Lessons.* The student expense budget may be adjusted for additional tuition for private music lesson courses. Students who are receiving scholarship aid from the College and who enroll in private music lesson courses **for academic credit** will receive additional scholarship aid to cover the extra tuition expense. Students who are receiving scholarship aid from the College and who enroll in non-credit private music lesson courses may request Amherst Student Loan assistance to cover the extra tuition expense.

*Student Loan Fees.* If a Federal Direct Stafford is included in your package or if your parents borrow a Federal PLUS Loan, an additional allowance may be made in your student expense budget for required loan origination fees.

*Other Adjustments to the Student Expense Budget.* Considerable discretion is allowed to the Office of Financial Aid in developing a realistic budget for the particular situation of an independent student. If you are an independent student, the budget shown in your financial aid award notice may reflect adjustments we have made to the standard budget to accommodate your circumstances.

## **Estimated Resources**

Your financial aid award notice shows our estimate of resources available from you, your family, and other sources. This estimate is based on the need analysis procedures of the College Scholarship Service of the College Board, and adjusted in individual cases by Amherst College policy. Your eligibility for federal financial aid has been determined according to the procedures outlined in the Higher Education Act of 1965, as amended.

## **Dependent Students**

**Parental Contribution.** The figure shown is based on information supplied by your parents in your application for financial aid, the Free Application for Federal Student Aid, the CSS PROFILE form, and other documents. In addition to considering your parents' income and assets, allowances have been made for individual circumstances such as the size of your family, age of your parents, family members attending college full time, elementary and secondary schooling costs, and unusual medical expenses. In the case of divorced or separated parents, separate analyses of your parents' resources have been made and combined in the figure shown in the award notice.

*We remind you that you are responsible for notifying the Office of Financial Aid at once of any substantial change in your family's situation, such as an increase or decrease in income or assets of more than \$5,000, a change in the number of family members in college, the institution that a sibling attends, and so forth. **Any of these factors may cause a change in the calculation of your parental contribution.***

**Sibling Enrollment Verification.** If you indicated in your application that a sibling will be enrolled full time in college or graduate or professional school during 2021-22, we will ask that this be confirmed by your sibling's institution in the fall semester. Financial aid for the spring semester will not be applied to your student account until confirmation of your sibling's enrollment is received by the Office of Financial Aid. *If an adjustment in your financial aid is required by a change in the number of family members enrolled in postsecondary education, it may affect financial aid for both the fall and spring semesters.*

**Student Income Contribution.** The College expects financial aid recipients to save a significant portion of their earnings from employment so that they may share in the costs of their education. The figure shown is the amount that you are expected to save from your income and use toward your college expenses. Your contribution is typically equal to the greater of either a standard minimum amount or 50 percent of your reported income after allowances for taxes and other expenses.

Your earnings from employment may be less than the expected level because of summer school attendance, participation in voluntary social service projects, or lack of employment opportunities. If this occurs in your instance, the shortfall may be shifted either to student employment during the academic year or to need-based loan in your financial aid "package." In order for the Office of Financial Aid to make an adjustment in your financial aid because of your not achieving your expected income contribution, you must certify the reason to us in writing after the occurrence.

If a student who receives scholarship aid from the College does not achieve the expected income contribution from summer savings because of working in an unpaid internship or community service activity (not supported by fellowship), once in four years at Amherst the student may request that the shortfall be made up with scholarship aid.

**Summer Savings (Federal Work-Study).** In some cases students are employed during the summer by the College or in an off-campus summer assignment under the Federal Work-Study (FWS) program. In either case your earnings must be counted as summer savings. In general, a contribution will be calculated if on-campus summer earnings exceed \$5,000. If you have an off-campus summer FWS assignment, your award letter shows the amount of expected savings, which is based on your authorized earnings maximum. At the end of summer, this figure will be adjusted to reflect your actual earnings. This figure may be further adjusted for taxes and allowances for reasonable living expenses that you itemize for us. Contact the Office of Financial Aid for a "student income contribution appeal form" or print the form from the Office's website.

International students whose campus earnings exceed \$5,000 during the calendar year will be expected to contribute 10% of their earnings towards their educational expenses the following year.

**Student Asset Contribution.** A contribution from your assets was determined by assuming that as much as 25 percent of your current savings and other assets will be available for educational purposes.

**Student's Other Resources and Benefits.** If you indicated that you will receive assistance from other sources or benefits from a governmental agency, such as the Veterans Administration or vocational rehabilitation, these have been included in your estimated resources. If your benefit level changes during the academic year, you must inform the Office of Financial Aid at once.

### ***Independent Students***

**Student (and Spouse's) Income Contribution.** This figure is based on information supplied by you (and, if you are married, your spouse) in your application for financial aid, the Free Application for Federal Student Aid, the CSS PROFILE form, and

other documents. The student expense budget includes your educational and living expenses for the academic year. Allowances for your living costs during the summer, as well as your spouse's and/or children's annual living expenses (as appropriate), are accommodated in need analysis. Your (and your spouse's) income contribution is subtracted as the first and usually most significant resource to help meet your budget.

*We remind you that you are responsible for notifying the Office of Financial Aid at once of any substantial change in your situation, such as an increase or decrease in income (or assets) of more than \$300, a change in marital status or family size, and so forth.*

Independent students are expected to provide for their summer expenses (and their family's annual expenses) through employment and/or governmental benefit programs, apart from financial aid. Financial aid, other than student employment, will not be provided to cover summer expenses. In individual cases, financial help may be provided by the College to assist with a student's family expenses.

**Student Asset Contribution.** We expect that a significant portion of your (and your spouse's) assets will be made available toward your expense budget. Certain safeguards have been built into the need analysis procedures to ensure that the resources we expect to be available from your assets do not exceed a reasonable limit. An allowance for emergency needs is made against net worth in the case of older students and students with family responsibilities. As much as 25 percent of savings and other assets in excess of the allowance may be regarded as applying to your expense budget.

**Student's Other Resources and Benefits.** If you indicated that you will receive assistance from other sources or benefits from a governmental agency, such as the Veterans Administration or vocational rehabilitation, these have been included in your estimated resources. If your benefit level

changes during the academic year, you must inform the Office of Financial Aid at once.

## Financial Need

All financial aid at Amherst College is administered on the basis of demonstrated financial need. Need is shown if your estimated family resources are less than your student expense budget for the academic year. Your financial need is shown in the Awards page of the Financial Aid Portal.

Financial need is re-evaluated each year on the basis of annually submitted application forms and income tax returns. There are many factors that are considered in calculating the family contribution. Here are some that may play a significant role in determining the financial need of dependent students:

**Parents' 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 parents' 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.

**Family 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 enrolled full time in college. In general, a calculated parents' contribution is distributed among the children in college. Sometimes the distribution is not equal if the cost of the colleges is significantly different. If the number in college changes, the parents' contribution will usually change. 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. However, if the number in college increases from one to two, the parents' contribution for each child will be approximately one-half if Amherst and the other college are similar in cost (or if the other institution costs at least one-half of the total, undivided parents' contribution).

## Financial Aid Award

Your financial need can be met with the "package" of financial aid outlined in your award notice. Financial aid packages usually include self-help (employment) and gift aid (scholarship and grant). Self-help requires you to work 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 expectation with scholarship or grant assistance. If your resources

include a student income contribution greater than the standard minimum contribution, the amount of self-help in your financial aid package is reduced accordingly.

## Self-Help

The first portion of financial need is usually met with aid in the form of self-help. In some cases self-help is reduced because of outside scholarships, tuition benefits from parents' employers, or a student income contribution greater than the usual expected level.

## Academic Year Employment

The usual expectation is that a student will be able to earn about \$2,400 from need-based employment during the academic year. This represents about six hours a week of work on campus. For most students, their earnings from academic year employment are used for out-of-pocket personal expenses. Usually it is not necessary to use earnings to help pay the semester bill. Because of your academic schedule or extracurricular activities, you may want to replace a part or all of your academic year employment expectation with borrowing. You may do so within the limits of the loan programs. In addition, you should recognize that, although about 50 percent of Amherst students are employed on campus during the academic year, the Office of Financial Aid cannot guarantee that any individual student will be able to arrange a specific type or amount of work.

Seniors, in particular, may want to increase their employment because of additional costs, such as graduate school applications and testing, job interviews, thesis costs, and so forth. This usually can be done with institutional assistance if itemized documentation is presented to the Office of Financial Aid.

If you want to alter the amount of academic year employment in your financial aid package, please contact the Office of Financial Aid.

There are two categories of academic year employment:

**Federal Work-Study.** A federal program under which students with financial need may be employed either on campus by the College or off campus by a governmental agency or a non-profit organization in nonsectarian and nonpartisan activities that are in the public interest. In general, no more than 75 percent of a student's wages may be derived from the federal government; the remainder is provided by the College or employing agency or organization.

**Institutional Student Employment.** Work on campus that may be assigned without regard to a student's financial need and for which the College bears the full cost of compensation.

The amount you may earn through academic year need-based employment is shown in your award notice. If you earn in excess of the need-based employment limit, the excess amount must be reported as "non-need-based" earnings in the subsequent year's financial aid application.

*Limits on Work Hours.* In general, a student employee should not work more than 20 hours a week during any week in which classes are held, and no more than 40 hours a week at other times, including summer. U.S. students who exceed these limits may jeopardize their status as a "full-time" student under Internal Revenue Service rules, which may affect the ability of their parents to claim federal education tax credits for them and may subject them to FICA taxes during the school year. International students who exceed these limits may jeopardize their student visa status.

*Work Opportunities.* On-campus employment opportunities include work in the College's food service, physical plant department, libraries, laboratories, art gallery and studios, and academic and administrative offices. The current range of hourly wages for on-campus student employment is from \$13.50 to \$15.00. Paychecks are issued directly to student employees on a biweekly basis.

It is your responsibility to see that your hours of employment are properly recorded in Workday and that they are approved by your supervisor so they can be processed by the Payroll office for payment.

**No Student Loan.** Student loans are not included in initial financial awards of students with financial need. 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.

The Office of Financial Aid believes that the self-help expectations cited in your award notice are reasonable and realistic. If you fall short of the expected level of student income contribution 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; you should not resort to loans if other means of achieving your self-help expectation are available to you.

## Gift Aid

Gift aid – scholarships and grants – may be included in your financial aid award if you have need remaining after self-help (student employment) is subtracted from your need. Scholarships and grants include:

- **Federal Pell Grant**
- **Federal Supplemental Educational Opportunity Grant**
- **State Scholarship or Grant**
- **Outside Scholarships and Employer's Benefits**
- **Amherst College Scholarship**

Detailed information about these programs follows.

**Federal Pell Grant.** If your financial aid notice shows an amount for a Federal Pell Grant, we estimate that you are eligible for this program. Grants are based on need.

If you have not applied for a Federal Pell Grant (and other federal student financial aid), you should do so at once. To apply you must complete and submit a Free Application for Federal Student Aid (FAFSA) to the U.S. Department of Education. You may complete the form on-line at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). Amherst College's federal code is 002115.

Within three weeks of submitting a FAFSA, you should receive a Student Aid Report (SAR) from the federal government. If you have not received your SAR within three weeks, you should inquire about your application's status by calling (800) 433-3243. If you have listed Amherst College in your FAFSA, we can obtain your FAFSA data electronically from the U.S. Department of Education.

The information in your SAR must agree with your and, if you are dependent, your parents' federal income tax returns and with any other information that you have furnished to us. If the information on the SAR is incorrect or does not agree with other information in your file, we must revise the information and submit the revision to the federal government for reprocessing. If you have any questions about your SAR, please contact the Office of Financial Aid.

Federal regulations require that we consider Pell eligibility before we assign other federal financial aid. Because of this, if you fail to submit a timely Free Application for Federal Student Aid, your Federal Pell Grant will be lost. *We cannot substitute any other financial aid for a lost Federal Pell Grant.*

Your Federal Pell Grant will be credited to your student account in semester installments.

**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. Federal SEOG assistance will be credited to your account in semester installments.

**State Scholarship or Grant.** Residents of Connecticut, Maine, Massachusetts, Pennsylvania, Rhode Island, and Vermont are potentially eligible to receive a state scholarship or grant for use at Amherst College. Although there may be restrictions because of state reciprocity agreements, it is expected that you will apply for assistance through your state scholarship or grant program. In most instances you may apply for a state scholarship or grant by completing a FAFSA.

If your financial aid notice shows an amount for a state scholarship or grant, we anticipate that you are eligible for assistance from your state's program. If you are not eligible for a state award, the amount shown will be replaced by scholarship aid from the College. On the other hand, if you are eligible for a state scholarship but the aid is lost because you failed to submit a timely application, the College will usually not substitute its own funds. State aid lost through negligence can be made up through additional borrowing or employment.

A state scholarship or grant will be credited to your account as soon as funds are received from the state agency.

**"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 notice. *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 amounts a student receives in outside scholarships and/or employer's benefits to replace self-help (student employment) 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.

Outside scholarship funds will be credited to your account as soon as they are received from the donor organization.

**Amherst College Scholarship.** If you have financial need remaining after the subtraction of self-help, federal grants, state scholarships and grants, “outside” scholarships, employers’ benefits, and other sources of assistance, it will be met with scholarship aid from the College. This aid is drawn from the College’s scholarship endowment income, annual gifts for financial aid purposes, or current operating funds.

Amherst College Scholarships will be credited to your student account in semester installments.

**529 Plans.** Proceeds from College Savings or Prepaid Tuition Plans (established under Section 529 of the Internal Revenue 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.

## Unmet Need

In some cases the College cannot supply the full needs of independent students with families. Your basic educational and living costs can be provided through financial aid and, to the extent possible, additional assistance will be provided to help with other expenses, such as family living costs. The Office of Financial Aid will assist you in any way we can to secure additional financial support through public welfare, food stamp, and vocational rehabilitation programs.

## Computer Purchase

If you receive grant aid from the College, you may borrow a long-term student loan for purchase of a reasonably priced, education-related computer. Appropriate software and equipment (e.g., network card, printer, etc.) may also be included. On its website, the Information Technology

Department provides information about recommended computer packages. You may, however, propose other alternatives to us. Direct purchase must be made while you are a student or in the summer immediately before your first year of college.

## Verification Required

If your financial aid messages include the notation “Verification Required,” your financial aid application was selected by the Department of Education for verification of data you supplied in the Free Application for Federal Student Aid (FAFSA). The Office of Financial Aid is required to collect supporting documentation from you. No federal grants may be credited to your account, no federal loans may be approved for you, and no employment under the Federal Work-Study Program may be authorized for you until we have concluded the verification process in accordance with federal regulations. If verification is required in your instance, please promptly complete and return the required documents to the Office of Financial Aid. Required documents will be listed and may be accessed through the financial aid portal ([www.amherst.edu/go/faportal](http://www.amherst.edu/go/faportal)).

## January Review

If your financial aid messages include the notation “January Review,” your financial aid has been confirmed only for the fall semester. Before your financial aid for the spring semester will be confirmed, the Office of Financial Aid must again review your family’s financial situation. We will write to you in December to request that you submit information about your family’s income for 2021. This information may be contained in an income tax return or other documents that record earnings, interest and dividend income, other income, and payments made from unemployment compensation, disability, social security, or pension programs. After we have reviewed your family’s

updated financial situation, we will confirm your financial aid for the spring semester. Your financial aid award will be revised if there is a substantial change in your family's circumstances. January Reviews will be conducted until February 11, 2022. If information is not available by that time, the reduced income will be reflected in your award for the following year.

## Renewal of Financial Aid

In general, you are eligible to receive financial aid at Amherst for a total of eight semesters. A student who is approved for a ninth semester of enrollment at the College may also receive financial aid.

You may continue to receive financial aid at Amherst providing the following requirements are met:

- **An application for renewal of financial aid** must be filed by March 1 of the prior academic year. Additional information including the Free Application for Federal Student Aid, CSS PROFILE Form, income tax returns, and other documentation may also be required. Information about renewal application procedures will be distributed by the Office of Financial Aid early in the spring semester.
- **Continued demonstration of financial need**, as evidenced by information submitted in the renewal application.
- **Satisfactory academic progress**, as evidenced by your ability to continue enrollment at Amherst. Students' academic records are reviewed each semester by the Committee on Academic Standing in accordance with the academic standards defined in the Amherst College *Catalog*. For the purposes of federal financial aid, a student may not receive assistance for more than one semester while on academic probation and may not receive assistance if his or her cumulative grade point average is less than "C."

## Appeals

Students with questions concerning their financial aid awards should contact the financial aid office. An appeal for reconsideration of an award must be made in writing to the financial aid office. The letter should address changes in circumstances, unusual expenses, special situations, or additional information not already presented in the financial aid application. Appeals regarding renewal awards will be considered by the deans after initial awards are completed for renewal applicants. Matters that are still unresolved after consideration by the deans may be appealed within one month to an appeals committee, composed of the Dean of Students, the Dean of Admission and Financial Aid, the faculty member who chairs the Faculty Committee on Admission and Financial Aid, and, at the option of the student and his or her parents, a student member of the Faculty Committee on Admission and Financial Aid. The committee will study the appeal, consult with the financial aid deans, and decide upon the appeal within a semester, if possible. If the committee's decision is unsatisfactory to the student, the matter may be appealed, as a last resort, to the President of the College.

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## APPENDIX –

### Student Loans

Although the College does not 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. Loan proceeds will be credited to the student account after the student has signed a promissory note (either online or in the Office of Financial Aid) and will first be applied to any current or outstanding balance due.

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 for students. According to federal regulations the amount of subsidized loan that you may borrow is limited to the difference between your student expense budget and the sum of your family contribution, benefits, and any other financial aid you receive. Unsubsidized loans only take into consideration benefits and other aid, including subsidized loans.

Under the Federal Direct Student Loan program, you may borrow a Stafford Loan (either subsidized, unsubsidized, or a combination) of as much as \$3,500 as a first-year student, \$4,500 as a sophomore, and \$5,500 a year as a junior or senior.

Dependent students may borrow an additional unsubsidized loan of as much as \$2,000 a year. The cumulative loan maximum for dependent students is \$31,500, of which no more than \$23,000 can be subsidized.

Independent students (and dependent students whose parents cannot borrow a federal PLUS Loan) may borrow additional unsubsidized loans of as much as \$6,000 as a first-year student or sophomore, and as much as \$7,000 as a junior or senior. The cumulative maximum for independent students (and dependent students whose parents cannot borrow a federal PLUS Loan) is \$57,500, of which no more than \$23,000 can be subsidized.

The interest rate on subsidized Federal Direct Stafford Loans is fixed for the life of the loan. Payment of principal and interest begins after a six-month grace period. Interest rates will be determined each June for new loans being made for the upcoming award year, which runs from July 1 to June 30 (2.75% for 2020-21).

The interest rate on unsubsidized loans is also fixed; however, the borrower bears interest charges from the date the loan is disbursed. Interest on unsubsidized loans may either be paid

as it accrues or be deferred and capitalized (i.e., added to the loan principal) while you are in school and for a grace period of six months after graduation or termination of studies. Payment of principal (and interest, if it has been deferred) begins after the grace period.

The usual repayment period is ten years, although a monthly minimum payment of \$50 is required. There are also provisions for other repayment terms, including extended repayment (lower fixed monthly payments over an extended period), graduated repayment (lower initial payments with increases at specific times during repayment), and income based, contingent, sensitive and pay as you earn repayment (repayment amounts set annually according to income with repayment extending as much as 20-25 years).

Repayment may be deferred for graduate school or study in an approved graduate fellowship program. Deferments may also be approved in the event of temporary disability, unemployment, or economic hardship. Deferments apply to both principal and interest for subsidized loans, but to principal only for unsubsidized loans (although accrued interest may be capitalized). The loan will be canceled in the event of death or total and permanent disability.

The unsubsidized loan program is not need-based, but to borrow an unsubsidized loan it must be determined that you are ineligible for the subsidized program. The maximum amount of unsubsidized loan that may be borrowed is the difference between the annual limits cited above and the amount of any subsidized loan. In addition, an unsubsidized loan is regarded as replacing a part (or all) of your family contribution and, therefore, cannot exceed that amount (reduced by any parent loan).

There is a 1.057 percent federal origination fee charged by the federal government on Federal Direct Stafford Loans disbursed on or after Oct. 1, 2020. This amount will be deducted from the loan

before the remainder of the loan is credited to the student account.

A borrower must complete and electronically sign a “master promissory note,” as well as complete Entrance Counseling, on-line with the U.S. Department of Education before a loan may be disbursed as a credit to your student account. Loans in subsequent years do not require a new promissory note. The loan will be disbursed in two installments.

**Federal Perkins Loan.** The Perkins Loan program ended disbursements on June 30, 2018. For prior borrowers, the interest rate is 5 percent. There is no repayment required and no interest charged while you are in college and for nine months after graduation or termination of studies. The repayment period may be as long as ten years, although a monthly minimum payment of \$40 is required.

There are provisions for deferment of repayment for graduate school or study in an approved graduate fellowship program, as well as for periods during which you are engaged in service that qualifies for cancellation of part of your loan. Deferments may also be approved in the event of temporary total disability, unemployment, or economic hardship.

Portions of the loan may be canceled for service as a teacher in designated schools that serve students from low-income families; as a special education teacher; as a teacher of math, science, foreign languages, bilingual education, or other fields designated as teacher shortage areas; as a nurse, medical technician, or law enforcement or corrections officer; as an employee of a public or nonprofit child or family service agency that provides services to high-risk children and their families from low-income communities; as a professional provider of early intervention services for the disabled; as a staff member in the educational component of a Head Start program; as a volunteer in the Peace Corps or under the Domestic Volunteer Service Act of 1973; or a

member of the armed forces serving in an area of hostilities or eminent danger. The loan will be canceled in the event of death or total and permanent disability.

**Amherst Student Loan.** The College provides subsidized loans from its own funds. The interest rate is 5 percent during repayment. The grace period, deferment, and cancellation provisions of the Federal Direct Stafford Loan program also apply to Amherst Student Loans.

The initial disclosure pertaining to the terms of Amherst Student Loans required by Truth in Lending regulations is available online at [https://www.amherst.edu/offices/financialaid/Notes\\_Concerning/disclosures](https://www.amherst.edu/offices/financialaid/Notes_Concerning/disclosures).

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

**Telephone:** (413) 542-2296  
**Facsimile:** (413) 542-2628  
**E-Mail:** [finaid@amherst.edu](mailto:finaid@amherst.edu)

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*Amherst College does not discriminate in admission, employment, or administration of its programs and activities on the basis of race, national or ethnic origin, color, religion, sex or gender (including pregnancy, sexual orientation, gender expression, and gender identity), age, disability, genetic information, military service, or any other characteristic or class protected under applicable federal, state, or local law. Amherst College complies with all state and federal laws that prohibit discrimination, including Title VII of the Civil Rights Act, Title IX, Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, the Equal Pay Act and the Age Discrimination in Employment Act. Inquiries should be addressed to the Chief Diversity and Inclusion Officer, Amherst College, P.O. Box 5000, Amherst, MA 01002-5000.*

MARCH 2021