

# SAMPLE LETTER

## Southwestern University

Mr. Junior Samples  
123 First St.  
San Antonio, TX 78244-7611

February 12, 2014  
ID Number: 123456  
Academic Year: 2014-2015

Dear J.R.,

Based on the 2014-2015 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, 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.

**Cost of Attendance**  
The 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 utilize them this year, we'll work with you over the summer to get them going.

Your Cost of Attendance:	Annual Cost
Cost of Attendance (COA) is divided into two categories: Direct Costs and Indirect Costs.	
<b>Direct Costs</b> are items charged directly by SU, such as tuition & fees, room and board.	<b>Direct Costs</b>
<b>Indirect Costs</b>	Tuition & Fees (full-time, 12-19 hours) \$36,130
Books and Supplies \$1,200	Room (average) \$6,190
Personal/Transp./Misc. \$1,220	Board (average) \$6,000
	<b>Total Direct Charges \$48,320</b>
<b>Your Scholarships, Grants and Awards:</b>	
This is Merit and/or Gift aid that does not have to be repaid.	
Mood Scholar Award \$21,000	Federal Pell Grant \$1,000
Tuition Equalization Grant \$2,000	Southwestern Grant \$1,000
	<b>Total Scholarships, Grants and Awards \$25,000</b>
<b>Your Federal Student Loan Options:</b>	
Federal student loans are not credit-based, and typically have the best interest rates and repayment terms.	
	<b>Loans</b>
	Fed Direct Sub Stafford Loan \$3,000
	Fed Direct Unsub Stafford Loan \$2,000
	Federal Perkins Loan \$3,000
	<b>Total Optional Student Loans \$8,000</b>
<b>Your Total Financial Aid Credits</b>	
This is the sum of your scholarships, grants, awards and available student loans.	
	<b>Total Credits \$33,000</b>

**Estimated Balance Due (total direct costs less total financial aid credits)**

In addition, you are eligible to earn up to \$2,000 in Federal Work Study funds. These funds are paid directly to the student based on the number of hours worked and are not credited to the student account.

\$10,000

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**Direct Costs**

These are the charges you'll see on your billing statement. This is the price you'll pay in tuition & fees for full-time enrollment, up to 19 hours.

**Room & Board**

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

**Your Scholarships, Grants and Awards**

We've considered any Merit Awards you earned upon Admission, and we used the FAFSA information you submitted 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 aren't your only options, but they are the most commonly used by students and families.

### 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: **\$0,000**

Option 2 – Use the [SU Payment Plan](#) to make installment payments on the balance due. Multiple plans to choose from; example is based on ten monthly payments: **\$1,000**

Option 3 – Parents may use a [Federal Direct PLUS loan](#) [TERMS](#) to cover the total estimated balance due, including indirect expenses, if you choose. Pending credit approval, parents can borrow up to **\$13,395** (or less, for a lower monthly payment). Estimated monthly loan payment for this amount: **\$900**



### OTHER IMPORTANT ITEMS TO KNOW

- 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.
- Your Financial Aid Award is based on full time enrollment.
- This award is governed by the [Terms and Conditions](#) for financial aid awards.

### TAKE THE NEXT STEP

1. **Share the news** Be sure to pass this information on to your parents and encourage them to contact us with questions. We recommend downloading and emailing the pdf to retain access to linked content.
2. **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 on your [Next Steps](#).
3. **Reserve your spot** If you haven't already, visit [My Decision](#) to confirm your place in the fall class and secure your financial aid award.

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

## Pay the Balance in Full

Your aid options are just that – options. If you choose to hold off on taking loans or using a payment plan in a given semester, just pay the amount due. Your payment method has no bearing on your aid or loan eligibility in subsequent semesters or years.

## Payment Plan

SU offers several options for paying the amount due in installments; 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 those indirect costs – books & supplies, transportation and personal expenses - throughout the year. Like the Student Loans, the Parent PLUS loan is optional, and we'll work with you later on setting up the amount that's right for you.