

2009–2010  
UNDERGRADUATE  
NEED-BASED AID

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WAKE FOREST UNIVERSITY



While higher education is expensive, Wake Forest University has committed considerable resources to keep costs as low as possible. The University provides to all regularly admitted students who demonstrate need assistance commensurate with that need. This brochure highlights important information for aid recipients and their families; please read it carefully and keep it for reference in a permanent folder with your other financial aid documents.

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## Student Responsibilities

The Office of Student Financial Aid expects students seeking aid to:

**Apply each year by submitting required documents** in a complete, accurate, clear and timely manner. Wake Forest's PROFILE code is 5885. The FAFSA code is 002978. The PROFILE should be submitted by March 1. The FAFSA and supporting documents should be submitted by April 1.

**Read and understand the contents of this brochure**, the *Undergraduate Bulletin* and other provided documents.

**Keep copies of all aid applications and documents.**

**Understand that awards are based upon full-time enrollment** in an undergraduate degree program at Wake Forest (unless indicated otherwise). Full-time enrollment for purposes of financial aid is a minimum of 12 hours each semester, through the last day to drop courses without penalty.

**Notify the aid office in writing if outside assistance is received**, including scholarships, grants and educational benefits. Awards must be adjusted if additional resources reduce demonstrated need and/or federal eligibility.

**Notify the aid office in writing of any change** in family financial circumstances.

**Understand that Wake Forest corrects applicants' FAFSA data** based upon its review of families' tax returns and other supporting documentation.

**Understand and comply with the terms and conditions of specific awards**, including completion of entrance and exit counseling for federal student loan programs.

**Maintain satisfactory academic progress for federal aid eligibility**; the policy is listed in the *Undergraduate Bulletin* and [www.wfu.edu/finaid/finaidpolicies.html](http://www.wfu.edu/finaid/finaidpolicies.html), and is available, upon request, from the aid office. Aid awards for subsequent fall and spring semesters that are made prior to the annual review of satisfactory academic progress (at the end of the second summer session) are tentative, conditioned upon the student meeting satisfactory academic progress requirements. Additionally, a Wake

Forest grade point average of at least 2.00 is required to receive Wake Forest need-based scholarship and loan assistance. Institutional aid is not awarded beyond the eighth (fall or spring) semester; this limit is prorated for transfer students. Students enrolled in the last year of the MS program in accountancy are considered graduate students.

**Understand that recipients of University scholarships**, by accepting the awards, agree to allow the University to release their directory information to the donor individuals and organizations. The University's definition of directory information is listed at [www.wfu.edu/registrar/privacy.html](http://www.wfu.edu/registrar/privacy.html), and is available, upon request, from the registrar's office.

**Understand that renewal of aid is not automatic**; annual applications are required so current assessments of need can be made. Renewal of aid is based upon continued eligibility, demonstrated need and satisfactory academic progress. The University may revoke aid for violation of University regulations or federal, state or local laws.

**Understand that aid for summer sessions** is generally limited to remaining annual federal loan eligibility, if any, and private educational loans.

**Understand that students who begin a semester but later withdraw** are subject to significant adjustment in aid eligibility, and in most cases must repay aid under applicable federal regulations and University policies as published in the *Undergraduate Bulletin* and [www.wfu.edu/finaid/finaidpolicies.html](http://www.wfu.edu/finaid/finaidpolicies.html) and available, upon request, from the aid office.

**Understand that scholarship and grant assistance** in excess of tuition, fees, and required books and course supplies may be considered taxable income. Recipients should consult IRS Publication 970 for more information.

## **Determination of Need**

Primary responsibility for meeting college costs rests with students and their parents, to the extent that they are able to pay. The difference between standard costs of education and the calculated family contribution is "demonstrated need." Two distinct formulas assess information reported in the aid application process. The traditional institutional methodology (IM), developed by the College Board and refined annually by economists and aid administrators,

determines the expected family share of costs. IM is the dominant standard among selective national colleges. The federal methodology (FM) determines eligibility for federal aid. **Differences between the IM and FM models include:**

**IM collects information on estimated academic year family income**, medical expenses, elementary and secondary school tuition and unusual circumstances. FM omits these questions.

**IM considers a fuller range of family asset information**, while FM ignores assets of siblings, all assets of certain families with less than \$50,000 of income, home equity, family farm equity, certain family-owned small business equity, and the value of dependent student-owned qualified educational benefit plans.

**FM defines income as the “adjusted gross income”** on federal tax returns, plus various categories of untaxed income. IM includes in total income any paper depreciation, business, rental or capital losses which artificially reduce adjusted gross income.

**FM does not assume a minimum student contribution to education**; IM expects the student, as primary beneficiary of the education, to devote some time each year to earning money to pay for education.

**FM ignores the noncustodial parent in cases of divorce or separation**; IM expects parents to help pay for education, regardless of current marital status.

**FM and IM apply different percentages to adjust the parental contribution** when multiple siblings are simultaneously enrolled in college, and IM considers only siblings enrolled in undergraduate programs.

The IM expected family share represents a best estimate of a family’s capacity (relative to other families) to absorb, over time, the costs of education. It is not an assessment of cash on hand, a value judgment about how much a family should be able to use current income, or a measure of liquidity.

The final determinations of demonstrated need and awards rest with the University and are based upon a uniform and consistent treatment of family circumstances.

Except in the most extraordinary circumstances, Wake Forest classifies incoming students as dependent upon parents for institutional aid purposes, even though some students may meet the federal definition of “independence.” Students enrolling as dependent students are considered dependent throughout their undergraduate years when need for institutional scholarships is determined. For institutional aid purposes a student may not “declare” independence due to attainment of legal age, internal family arrangements, marriage or family disagreements. Wake Forest offers scholarship and grant aid during the fall and spring terms to meet a portion of demonstrated need, and then considers students for available loan and work-study funds to meet the remaining portion of need. If students are eligible for additional funding through federal programs, these funds are packaged in accordance with each program’s regulations and fund availability.

### Receipt of Aid

Unless otherwise noted below, aid funds are credited to student accounts near the beginning of each term. Students with excess funds not needed to pay University charges may request a check for the surplus amount at the Office of Financial and Accounting Services. Payment is based only upon funds actually applied to the student’s account. Students experiencing delays in the delivery of funds from sources outside the University should contact those sources (i.e., the lenders or donors) directly.

### Need-Based Programs

To be considered for all aid programs, students must file the forms and meet the deadlines for application. Additional information regarding the federal aid programs listed is published in the booklet, “Funding Education Beyond High School: The Guide to Federal Student Aid,” available from the U.S. Department of Education at [www.ed.gov](http://www.ed.gov).

**Need-Based Scholarships** are awarded from funds named for individuals and organizations that have made generous gifts to the University, as described in the *Undergraduate Bulletin*. Additional funds are awarded from the Wake Forest College Scholarship program. In order to balance and fully utilize all Wake Forest scholarship funds, the financial aid committee may change a student’s scholarship funding sources after the award notification is sent to the student.

**Federal Pell Grants** are based upon eligibility criteria and payment schedules issued by the U.S. Department of Education.

**Federal Supplemental Educational Opportunity Grants (FSEOG)** are made at the discretion of the aid office, with recipients of Federal Pell Grants receiving first consideration.

**Federal Academic Competitiveness Grants (ACG)** for the first and second academic years of college are available to Federal Pell Grant recipients who are U.S. citizens enrolled full-time, and who completed a rigorous secondary school program of study and graduated from high school after January 1, 2005. To receive the second year of the grant, students must have at least a 3.0 cumulative college grade point average.

**National Science and Mathematics Access to Retain Talent (SMART) Grants** for the third and fourth academic years of college are available to Federal Pell Grant recipients who are U.S. citizens enrolled full-time, having at least a cumulative grade point average of 3.0 and majoring in physical, life or computer science, mathematics, or a critical foreign language.

**North Carolina Contractual Scholarships**, funded by the North Carolina General Assembly through the State Contractual Scholarship Fund for Needy North Carolinians, are awarded at the discretion of the aid office to needy eligible legal residents of North Carolina.

**Federal Perkins Loans**, at an interest rate of five percent, are offered to the neediest students with federal eligibility. Recipients must execute a promissory note and complete entrance counseling before receiving funds. Interest does not accrue, nor is any payment required, during the in-school period. Instructions for completing promissory notes are sent by the University to first-time borrowers, beginning shortly before the fall semester. Exit counseling is required prior to leaving the University (withdrawal, transfer or graduation).

**Wake Forest Student Loans** of up to \$4,000, at an interest rate of five percent with terms similar to those of the Federal Perkins Loan, are offered at the discretion of the aid office. The loan programs include the James W. Denmark Loan, the Hutchins Student Loan and the Wallace Loan.

Instructions for completing promissory notes are sent by the University to enrolling students, beginning shortly before the fall semester.

**Need-Based CitiAssist Loans** are offered at the discretion of the aid office. Interest rates begin at Prime -0.5% based on credit rating and presence of a co-signer. The majority of approved borrowers receive less than or equal to Prime +0%. Interest that accrues during the period of undergraduate enrollment at Wake Forest is paid by Wake Forest on behalf of the student. Most borrowers must secure a credit-worthy cosigner in order to secure loan approval. Instructions for online application are mailed by the University to enrolling students, beginning shortly before the fall semester.

**Federal Stafford Loans (subsidized)** of up to \$3,500 for freshmen, \$4,500 for sophomores and \$5,500 for juniors and seniors, are offered to students with federal eligibility. The College Cost Reduction and Access Act of 2007 cuts interest rates on Federal Stafford Loans for undergraduate students according to the following schedule: 5.6 percent for loans first disbursed July 1, 2009 to July 1, 2010; 4.5 percent for loans first disbursed July 2010 to July 1, 2011; 3.4 percent for loans first disbursed July 1, 2011 to July 1, 2012. A 1.5 percent origination fee and a federal default fee of up to one percent may be deducted from loan proceeds by the lender; however, many lenders do not charge these fees. Interest does not accrue, nor is any payment required, during the in-school period. Funds are paid either by electronic funds transfer to student accounts, or by checks. First-time borrowers must complete entrance counseling before receiving funds. Exit counseling is required prior to leaving the University (withdrawal, transfer or graduation), or when a student drops below half-time enrollment status.

**Federal Work Study Employment (FWS)** opportunities are offered to students with federal eligibility, selected by the aid office. Placement, either on campus or in nearby community service organizations, is done by the Student Employment Coordinator based upon a survey of student interests and skills. Earnings are limited to the amount awarded. The amount earned depends on the number of hours actually worked. Typically, recipients work about ten hours weekly, with hourly pay rates generally from \$7.25 to \$7.75. Earnings are paid directly to the student each month as work is performed; therefore, FWS awards are not subtracted from charges in the Office of Financial and Accounting Services.

## Requests for Reconsideration (Appeals)

A need-based aid decision represents the result of careful deliberation by the financial aid committee, using the models and principles outlined above and all information included in an aid application. If family circumstances change after the filing of the application, or if errors are made in the annual reporting or calculation of data, aid awards can be reconsidered. Adjustments that would require exceptions to the standard principles and practices used for all families cannot be made.

**Requests for reconsideration must be in writing**, in as much detail as possible; the committee requires appropriate documentation. Examples of the changes in circumstances that can be considered are: total loss of employment by either parent; disability or death of either parent; extraordinary medical or other non-discretionary expenses during the current year.

Because the following factors would cause a violation of the principles of need analysis which apply to all families, the committee does not give reconsideration due to: differences between the IM and FM methodologies; aid offers from other colleges (whether based upon the other institution's definition of need or merit); the student's meritorious achievement; family spending patterns; or family consumer indebtedness.

## Outside Scholarship Policy

Wake Forest encourages students to apply for outside scholarships for which they may be eligible. When need calculated under the federal methodology (FM need) is greater than the offered aid package, outside scholarships are allowed to meet that difference. Once the offered aid package equals FM need, any portion of outside scholarship exceeding FM need generally results in an adjustment of need-based grant and self-help funds in equal portions. Recipients of scholarships meeting full need, such as Brown, Carswell, Hankins, and Heritage, have their awards adjusted by one-half the value of outside scholarships. In no case may aid exceed the estimated cost of attendance.

Outside scholarship donors should include on the check the recipient's name and the term(s) for which the scholarship is intended. Checks should be payable to Wake Forest University (or co-payable to Wake Forest University and the student) and sent to the Office of Student Financial Aid, P.O. Box 7246, Winston-Salem, NC, 27109-7246. Checks delivered by donors to the student should be forwarded to

the aid office. By submitting, or allowing donors to submit, checks to Wake Forest, a student gives permission for Wake Forest to write the Wake Forest University student identification number on the face of the check.

### **Study Abroad**

Students who study abroad in a University-approved program may receive aid as though they were attending classes at Wake Forest. The amounts and types of available aid depend on the program costs and whether the program is a Wake Forest program or not, and may vary greatly from those available to an on-campus student. Special competitive scholarships for study abroad may be available. Interested students should contact the aid office and the Center for International Studies for more details and required procedures.

### **Non-Need-Based Grants/Scholarships**

Non-need-based grants and scholarships reduce eligibility for need-based aid programs. Outside grant and scholarship recipients have need-based aid packages revised according to the outside scholarship policy detailed above. Recipients of Wake Forest merit-based scholarships have their loan or work assistance reduced before any reduction in need-based scholarships is contemplated; total grant aid cannot exceed demonstrated need. Several states offer a non-need-based grant program; the NCLTG detailed below describes North Carolina's program. For information on other states' programs, visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov), click on "funding your education," then look under "state aid." North Carolina Legislative Tuition Grants (NCLTG) are provided by the North Carolina General Assembly for students who are residents of North Carolina for the purpose of tuition payment under the terms of the Residency Manual of the University of North Carolina. Generally, these are students who, along with their parents, have been legal residents of North Carolina for at least twelve months prior to enrollment at Wake Forest. Certain other categories of students may also be eligible, including children of military personnel with North Carolina residency status who live out of state, residents who live near the state border, or residents who have recently moved out of state. Residency determinations are made by the aid office. Grants are reduced by 25 percent for those students having already completed 140 hours. Reduced grant awards may be available for part-time students. Amounts on award letters are estimates based on students' expected enrollment levels, and are subject to adjustment when the actual authorized

grant is determined. Students are responsible for any difference between the estimated and actual amounts.

Grant amounts are based on students' enrollment levels through October 1 in the fall semester and through the tenth day of classes in the spring semester. To be eligible each semester, a student must maintain satisfactory academic progress for federal aid eligibility and have not received or qualified for a bachelor's degree. A student in the last year of the MS program in accountancy is not eligible for the grant. In addition, a student must not be enrolled in a program of study the objective of which is the attainment of a degree in theology, divinity or religious education, or in any other program of study that is designated by Wake Forest primarily for career preparation in a religious vocation. Students (including those studying abroad) must submit an NCLTG application to the aid office by the end of the first week of classes of their first semester of each academic year. There are no exceptions to this deadline; students who are otherwise eligible but who fail to submit a timely application cannot receive NCLTG funding. The online application is made available by the state each year during the summer. Once available, students should download (from [www.wfu.edu/finaid/forms.html](http://www.wfu.edu/finaid/forms.html)), print, complete, sign, and return the NCLTG application to the Office of Student Financial Aid at Wake Forest University prior to the application deadline.

### Other Financing Options

To finance major purchases such as houses, cars and higher education, most families spread the costs over time, by using past savings, drawing on current earnings and/or borrowing against future income. Families considering financing options may wish to investigate the loan programs listed below and at [www.wfu.edu/finaid/loan-compare.html](http://www.wfu.edu/finaid/loan-compare.html), which also links to the loan comparison tool [www.simpletuition.com/wfu/home](http://www.simpletuition.com/wfu/home). The IRS has information regarding possible tax deductions for interest payments made on educational loans.

**Employment Opportunities**, both on and off campus, are readily available to Wake Forest students. Federal funding assists Wake Forest in its job location and development activities for students. Students may earn from \$1,500 to \$2,000 by working 10 to 12 hours weekly during the academic year. Jobs are available in the libraries, in academic departments and in other campus locations, as

well as in the city of Winston-Salem. Interested students should check the job postings in the aid office upon arrival on campus. Earnings are paid directly to the student each month, by check, as work is performed and time sheets are submitted.

**Federal Stafford Loans (unsubsidized)** are available to students meeting all Stafford program requirements other than demonstrated need, at an interest rate of 6.8%. Students must apply for need-based aid before being considered for this unsubsidized loan. Total annual borrowing under combined subsidized and unsubsidized Federal Stafford Loans is limited to \$5,500 for freshmen, \$6,500 for sophomores, and \$7,500 for juniors and seniors (up to an aggregate amount of \$31,000 as an undergraduate). Independent students and those dependent students whose parents are denied Federal PLUS Loans may increase the unsubsidized loan limits above by \$4,000 for their freshman and sophomore years and by \$5,000 for subsequent years of undergraduate study (up to an aggregate amount of \$57,500). A 1.5 percent origination fee and a federal default fee of up to one percent may be deducted from loan proceeds by the lender; however, many lenders do not charge these fees. Interest accrues during the in-school period but payment of interest may be deferred upon request; it is best to pay interest to avoid capitalization, which increases the loan principal. Funds are paid either by electronic funds transfer to student accounts, or by checks. Entrance and exit counseling requirements apply to Unsubsidized Federal Stafford Loans as well as to the subsidized loans.

**Federal PLUS Loans** allow credit-worthy parents of a dependent student to borrow up to the cost of education minus any expected aid, at an interest rate of 8.5%. A three percent origination fee and a federal default fee of up to one percent may be deducted from loan proceeds by the lender; however, many lenders or guarantors waive, or provide a credit to cover, these fees. Repayment of principal and interest generally begins immediately and continues over a period of five to ten years, although limited deferments of repayment are sometimes available. Federal PLUS Loans are paid either by electronic funds transfer to student accounts, or by checks. Please visit [www.wfu.edu/finaid/PLUS.html](http://www.wfu.edu/finaid/PLUS.html) for more information and application instructions.

**Signature Student Loans from Sallie Mae** (888.272.4665 or [www.salliemaeedtrust.com/best\\_loan/undergrad\\_loans/](http://www.salliemaeedtrust.com/best_loan/undergrad_loans/))

**signature\_loan.htm**) offer students a supplemental loan at interest rates beginning at 1-month LIBOR + 2% based on credit rating and presence of a co-signer.

**Collegiate Loans from Wells Fargo** (800.378.5526 or [www.wellsfargo.com/student/undergrad/](http://www.wellsfargo.com/student/undergrad/)) offer students a supplemental loan at interest rates beginning at Prime +0% based on credit rating and presence of a co-signer.

**Chase Select Loans from J.P Morgan Chase** (866.306.0868 or [www.chaseselectloans.com/](http://www.chaseselectloans.com/)) offer students a supplemental loan at interest rates beginning at Prime -1% based on credit rating and presence of a co-signer.

**EXTRA Education Loans from College Foundation, Inc.** (866.866.2362 or [www.cfnc.org/paying/colleges/wakeforest.jsp](http://www.cfnc.org/paying/colleges/wakeforest.jsp)) offer students a supplemental loan at an interest rate of 3-month LIBOR +3%.

**CitiAssist Loans from Citibank** (800.788.3368 or [www.studentloan.com](http://www.studentloan.com)) offer students a supplemental loan at interest rates beginning at Prime – 0.5% based on credit rating and presence of a co-signer.

**A Payment Plan is offered;** details of the plan are sent in June with the summer billing statements from the Office of Financial and Accounting Services. Families unable to secure financing through other less-expensive options may wish to consider this plan.

The Office of Student Financial Aid invites families to contact any of its staff members for additional information regarding aid programs. The Web pages [www.wfu.edu](http://www.wfu.edu) and [www.wfu.edu/administration/consumer-info](http://www.wfu.edu/administration/consumer-info) also contain valuable and important information. Wake Forest adheres to the Federal Education Rights and Privacy Act of 1974 (FERPA) and the Financial Services Modernization Act of 1999 to protect your privacy; financial aid application materials are securely stored for a period of time as required by law, then are destroyed. Comments, questions, appeals of aid decisions or complaints should be addressed to the Committee on Scholarships and Student Aid, in care of the Director of Financial Aid, Wake Forest University, P.O. Box 7246, Winston-Salem, NC 27109-7246. The Committee responds to written comments within a reasonable time frame (generally within two weeks of receipt, unless substantial investigation is required). Students are assured of freedom from any penalty in the event of a complaint.

Wake Forest University is committed to administer all educational and employment activities without discrimination because of race, color, religion, national origin, age, sex, veteran status, handicapped status or disability, as required by law. In addition, Wake Forest rejects hatred and bigotry in any form and adheres to the principle that no person affiliated with Wake Forest should be judged or harassed on the basis of perceived or actual sexual orientation. In affirming its commitment to this principle, Wake Forest does not limit freedom of religious association or expression, does not control the policies of persons or entities not affiliated with Wake Forest, and does not extend benefits beyond those provided under other policies of Wake Forest. The University has adopted a procedure for the purpose of resolving discrimination complaints. Inquiries or concerns should be directed to 336.758.4814. Individuals with disabilities or special print-related needs may contact the Learning Assistance Center at 336.758.5929 or [lacenter@wfu.edu](mailto:lacenter@wfu.edu) for more information.

**The programs, policies and procedures in this publication are believed to be correct at the time of printing and are subject to change without notice. This publication contains material related to the Federal Title IV student aid programs. This publication has not been reviewed or approved by the U.S. Department of Education.**



OFFICE OF STUDENT FINANCIAL AID

Reynolda Hall, Room 4  
Hours: Monday–Friday, 8:30 a.m.–5 p.m.

Phone: 336.758.5154  
Fax: 336.758.4924  
E-mail: [financial-aid@wfu.edu](mailto:financial-aid@wfu.edu)

Mailing Address

PO Box 7246  
Winston-Salem, NC 27109-7246

Ground Delivery

Reynolda Hall, Room 4  
1834 Wake Forest Road  
Winston-Salem, NC 27106-1834

[www.wfu.edu/finaid](http://www.wfu.edu/finaid)



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