



REED COLLEGE OFFICE OF FINANCIAL AID

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Financial Aid at Reed

Financing a Reed education

A college education rooted in small classes taught only by members of a highly qualified and accessible faculty is expensive. Some cost is defrayed by generous donations, many from successful and grateful Reed College alumni. But, like most private colleges, tuition remains the largest source of income at Reed. Reed attempts to keep the extraordinary educational opportunity it offers within reach of all qualified applicants through a judicious and equitable program of financial aid. Nearly half of Reed students receive some assistance. Where does your family fit in? Now is the time to do the following:

■ **Sit down and talk** about the family contribution to educational expenses. How much will your parents be able to pay? What portion of your expenses will you be expected to pay? Remember, financial planning should be based on four years of educational expenses, not just the first year.

■ **Calculate** how much your family is going to be expected to contribute to educational expenses. Eligibility for financial aid at Reed is based on a nationally standardized formula that determines the parents' ability to pay—not what they want to pay. (Reed uses the nationally standardized need-analysis formula developed by the College Board to determine eligibility for institutional financial aid.) You can use Reed's net price calculator to get an idea of your family's expected family contribution (EFC) and of your eligibility for financial aid. While your EFC and aid eligibility at Reed may vary from the results of the net price calculator due to the use of estimated or incomplete family financial information, the result will give you a starting place to begin family conversations. Reed's net price calculator is available at www.reed.edu/financialaid/.

■ **Pay attention** to deadlines. Financial aid at Reed is awarded on a date-prioritized basis. If you miss any deadlines, you may not receive institutional and some federal financial aid. Deadlines are included in this publication.

Knowing Reed

Like most colleges, Reed uses a nationally standardized need-analysis formula to arrive at a family's expected contribution toward a Reed education. While the formula is standardized, eligibility for financial assistance will vary from college to college based on such variables as institutional resources, policies, and programs.

The following information may help you understand Reed's financial aid policies:

■ The goal of Reed's financial aid program is to provide an educational opportunity to qualified students who would otherwise be unable to afford a Reed education. Thus **all financial aid is based on need**. There is no merit aid. Aside from its egalitarian value, this approach allows all at Reed to reap the benefits of an economically and socially diverse student population.

■ Reed meets 100 percent of demonstrated need for every admitted student who meets all admission and financial aid application deadlines. It is important to note, however, that many families may still feel an economic pinch. Demonstrated need is determined by Reed's financial aid office using nationally standardized formulas, as well as institutional policies, to assess the information families submit on the PROFILE and FAFSA forms and income tax returns.

■ Reed aspires to make every admission decision without regard to an applicant's ability to pay; however, our financial aid resources are sometimes insufficient to meet the need of all qualified applicants. When that happens, those applicants deemed most qualified are given preference in the admission process.





Applying for financial aid

To apply for financial assistance at Reed College, you must complete two separate application forms.

1. College Scholarship Service (CSS) PROFILE: The PROFILE assesses eligibility for institutional grant funds. Register for the PROFILE application at www.collegeboard.com. Once you have registered, you can begin the online application immediately. Submit the completed PROFILE application to the College Board by the indicated deadline. If you have questions regarding the PROFILE application process, send an email to help@cssprofile.org or call 305/829-9793.

If your parents are divorced or separated, only the parent (and stepparent, if remarried) that you lived with most in the past 12 months should complete the PROFILE. However, Reed expects both parents to assist in financing a student's education; therefore, your non-custodial parent must complete the Non-Custodial PROFILE (NCP). A link for the NCP will be sent to you when you file your CSS PROFILE.

2. Free Application for Federal Student Aid: The FAFSA, which assesses your eligibility for federal and state funds, is available online at www.fafsa.gov. A paper copy can be obtained by calling 800/4FEDAID. This form may not be filed before January 1, but must be filed by the indicated deadline.

On the PROFILE and FAFSA forms, you may list multiple institutions to which you want your financial assessment sent. Upon completion of their assessments, CSS and the Federal Student Aid processors will send their analyses to each of the listed colleges. Therefore, if you will apply for financial assistance at Reed College, you must list Reed in the appropriate sections of the PROFILE and FAFSA forms.

Reed College code for PROFILE: 4654
Reed College code for FAFSA: 003217

Receiving aid from Reed

If you have filed the FAFSA and the PROFILE forms with the appropriate processors by the indicated deadlines, you will be notified of a financial aid decision at the same time you receive an admission decision.

The financial aid award included with an admission decision is estimated. To finalize eligibility for all financial aid funds, you must use the FAFSA IRS Data Retrieval Tool to update your FAFSA and you must submit copies of student and parent 2011 IRS income tax returns, including all schedules and W-2 and 1099 statements, as soon as possible, but no later than April 15, 2012. You must also complete and submit a verification worksheet. The verification worksheet confirms the size of your household and number of family members attending college, as well as the amount of student and parent 2011 untaxed income. Reed participates in the College Board's IDOC service. All documentation should be submitted through IDOC. The award will be revised if the information contained in the PROFILE and FAFSA differs from the information contained in your family's 2011 IRS income tax returns and verification worksheet.

The financial aid package represents the difference between the total cost of attending Reed and the family's expected contribution. Generally, a Reed financial aid package consists of self-help (loan and employment), in addition to institutional grant funds. The components of a financial aid package are described in the following sections. Whether you receive all or some of these components will depend on the financial information provided in the application for financial aid.

Grants

■ **Reed Grants:** The primary source of grant assistance at Reed is the college itself. Reed budgeted approximately \$21 million in grant funds for the 2011–12 academic year, with individual awards ranging from about \$1,000 to \$51,700.

■ **Federal Pell Grants:** These grants, awarded by the federal government, are based primarily on parent and student income, and determined financial need. Pell grants range up to a maximum of \$5,550 for the 2011–12 academic year.

■ **Federal Supplemental Educational Opportunity Grants:** These grants, also known as SEOGs, are federal funds disbursed by Reed to Federal Pell Grant recipients who demonstrate exceptional financial need. SEOGs at Reed are typically \$1,000 for an academic year.

Loans

Financial aid packages at Reed usually include a student loan. A student loan may be a recommended Direct Loan, a Federal Perkins Loan, or a combination of both. The amount in student loans the college usually recommends for first-year students is \$2,500. This recommended loan amount increases \$1,000 annually to \$3,500 for sophomores, \$4,500 for juniors, and \$5,500 for seniors. If a student receives an outside scholarship other than a state grant or federal funds, the recommended loans are the first type of aid reduced.

■ **William D. Ford Federal Direct Loans:** There are two types of Direct Loans: subsidized and unsubsidized. To be eligible for an interest-subsidized loan, a student must demonstrate financial need. Most Direct Loans included in a need-based financial aid package are subsidized. The federal government pays the interest on subsidized loans while the student is enrolled. The federal government does not pay the interest on unsubsidized loans. The annual interest rate for the Direct subsidized and unsubsidized loans will be 6.8 percent. Monthly repayment is usually made over a period of 10 years and begins six months after graduation or when the student ceases to be enrolled at least half time. The interest on an unsubsidized loan begins to accrue as soon as the loan is borrowed; however, the student may request a deferment of these interest payments while in school.

■ **Federal Perkins Loans:** Federal Perkins Loans bear a low interest rate of 5 percent and are distributed by the college. There is no processing fee related to this loan. Interest accrual and repayment begin nine months after graduation or after a student ceases to be enrolled at least half time, and cannot exceed 10 years. Due to the limited availability of Federal Perkins Loans funds, recipients of these loans at Reed are usually students who demonstrate the greatest financial need.

Employment

Work is available both on campus and off campus for Reed students. Both on- and off-campus opportunities include regular student employment and federal work-study (FWS) employment. Regular student employment is funded by the college. The federal work-study program is funded primarily by the federal government. The employment portion of a financial aid award is usually \$1,500 per year. Students typically work about 5 to 10 hours per week. The college recommends that first-year and transfer students work fewer hours their first semester, until they become accustomed to the time required for academic programs.

Renewal

Students must reapply for financial aid each year so that a financial aid package may be adjusted to meet a family's changing need. To receive maximum consideration, the PROFILE and FAFSA must be submitted to their respective processors by April 1. Student and parent IRS tax returns, including all schedules and W-2 and 1099 statements, must be submitted to IDOC no later than April 15.

Resources not based on need

Other loans, employment opportunities, or outside scholarships may be available to you regardless of your family's eligibility for financial aid. Some of these are described below.

■ **Direct PLUS Loans for Parents:** A parent of a dependent undergraduate student (if the parent has good credit) may apply for a Direct PLUS Loan and be eligible for a maximum of the cost of attendance minus the amount of financial aid provided to the student (including grants, loans, work, and other outside resources or awards). The annual interest rate, 7.9 percent, and an origination fee of 4 percent is assessed on

Financial Aid Deadlines

	File the PROFILE (and Non-Custodial PROFILE, if applicable) with CSS by:	File the FAFSA with the federal processor by:	File student & parents' 2011 federal tax forms & W-2s with IDOC by:
Early Decision Option I	November 1	February 1	April 15
Early Decision Option II	December 1	February 1	April 15
Regular Freshman	February 1	February 1	April 15
Transfer	March 1	March 1	April 15

this loan. Repayment may begin up to 60 days after the loan is fully disbursed to the parent borrower. There is no federal interest subsidy. At the request of the parent borrower, repayment can be deferred for the Direct PLUS Loan while the student is in school.

■ **Employment:** More than half of all Reed students work at least part of the school year. Almost all academic and administrative offices employ students, and the career services office is available to provide information on part-time work. Career services staff members work individually with students, advising them on a broad range of employment opportunities available during the academic year and summer months.

■ **Outside scholarships:** You may be eligible for grant funds through various private agencies and corporations. Local civic, religious, and fraternal groups, as well as various national organizations and unions, sponsor scholarships that are not based on need. Check with the college guidance counselor about the availability of scholarships from private companies and agencies. Your local library also may provide useful information on this subject. Several websites provide free scholarship searches: try www.fastweb.com and www.finaid.org. Reed also has information about outside scholarships at www.reed.edu/outside_scholarships.html.

El reporte esta disponible en español en el internet en www.reed.edu/financialaid/financing_reed.html.



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Reed Students Receiving Institutional Financial Aid 2011–12

Based on a total cost, exclusive of travel, of \$55,700

Parents' total 2010 income	Number of students receiving institutional aid	Total Institutional grant received	Average Institutional grant received	*Total aid received	Average aid received by each student
Under \$40,000	178	\$6,489,048.00	\$36,455	\$8,446,283	\$47,451
\$40,000–\$70,000	137	\$4,718,609.00	\$34,442	\$5,754,639	\$42,005
\$70,000–\$100,000	99	\$3,054,702.00	\$30,856	\$3,559,606	\$35,956
100,000 over	140	\$2,876,230.00	\$20,545	\$3,590,067	\$25,643
Independent students	34	\$1,169,050.00	\$34,384	\$1,516,673	\$44,608
International students	49	\$2,006,152.00	\$40,942	\$1,592,182	\$32,494
Total for all	637	\$20,313,791.00	\$31,890	\$24,459,450	\$38,398

*The total aid received includes grant, loan and work opportunities, Federal Pell Grants, Federal Supplemental Educational Opportunity Grants, Federal Work-Study, Federal Perkins Loans, Direct Loans, state grants, and outside scholarships.