

PAYING FOR PURDUE

A GUIDE FOR YOU AND YOUR FAMILY



FROM THE EXECUTIVE DIRECTOR OF FINANCIAL AID



Dear Student and Family:

Benjamin Franklin once said, “An investment in knowledge always pays the best interest.” It was true in the 18th century and it is still true in the 21st. I commend you for seeking out a higher education, specifically an education at Purdue. We offer you the following information to help you learn ways to pay for that education.

As you search for aid, please do not hesitate to call upon the highly trained staff at the Division of Financial Aid. We can provide support by email, phone or in person. Our website contains a wealth of information and is available 24 hours a day.

I encourage you to take advantage of the resources listed in this booklet to help you achieve your goals. Remember that a college education is an investment in your future. A Purdue degree can be your ticket to rewarding career opportunities, higher earnings, and increased influence in the community and the world beyond. Check us out in the pages that follow.

Hail Purdue,

A handwritten signature in black ink, appearing to read 'T. Malone', written in a cursive style.

Theodore E. Malone
Executive Director, Division of Financial Aid

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WHY PURDUE

THE PAYOFF OF A PURDUE DEGREE

More bang for the buck. More miles to the gallon.

However you want to say it, experts agree that Purdue offers one of the best educational returns on investment in the country. SmartMoney magazine ranked Purdue **No. 7 among U.S. universities in graduates' return on investment.**

Purdue ranks in the **top 25 among the nation's best public universities**, according to U.S. News & World Report. Purdue is ranked among the **top 50 institutions nationally by high school guidance counselors.**

When you graduate, you'll find that having Purdue on your resume carries a lot of weight. The Wall Street Journal ranks Purdue **No. 4 among all U.S. colleges for how well prepared graduates are for the workforce.** In 2010, Bloomberg Businessweek ranked Purdue among the **top 10 universities in the country for producing chief executive officers.**

Purdue has earned this reputation by offering an **excellent education at an affordable price.** The University is a state-supported institution, which means Indiana residents receive a discount on tuition and fees. But even for nonresidents, a Purdue degree can cost thousands less than a degree from a private institution.

As a Purdue student, you will enjoy challenging yet rewarding academic experiences, a **faculty-to-student ratio of 14 to 1** and a wide variety of career preparation opportunities. Purdue's award-winning residence hall system will allow you to meet new friends and like-minded students. You'll easily find your niche with **more than 900 student organizations** to choose from.

Purdue boasts an **alumni network of 400,000-plus members** strong. With benefits like these, you'll find that a Purdue degree gives you plenty of bang and miles to get you started toward a rewarding career.



TUSHAR R. TRIVEDI

B.S., Management, 2005
Business Development Manager,
Google, San Francisco

THE PURDUE PAYOFF



“The greatest investment I have ever made was enrolling at Purdue. I successfully completed internships with five Fortune 100 companies and ended up taking a job with Google.”

TO-DO LIST

IMPORTANT FINANCIAL AID TASKS

If you want to receive financial aid at Purdue, you'll need to complete a few important tasks in the months leading up to fall semester. Use this helpful list to remind you of every step you'll need to check off along the way.

1

ESTIMATE COST AND FINANCIAL AID

Use the financial aid estimator at www.purdue.edu/dfa/estimator to determine the cost of attendance and the amount and types of aid you may receive to help cover costs.

2

SUBMIT YOUR FAFSA

Submit a 2012-13 Free Application for Federal Student Aid by **March 1, 2012**. The application is available at www.fafsa.gov. Filing student and parent tax returns prior to submitting the FAFSA will make some financial aid processes easier, but use estimated 2011 tax information if you haven't already filed.



3

VERIFY YOUR INFORMATION UPON REQUEST

In **March**, plan to submit verification information to Purdue's financial aid office if requested to do so. Information to be verified can be found at **my Purdue**. **purdue.edu** under the "Financial" tab, then "Financial Aid Requirements."



4

REVIEW YOUR AWARD NOTICE

In **early April**, admitted freshmen who have filed the FAFSA and submitted all requested documents will receive an official award notice.



5

ATTEND A PURDUE FINANCIAL AID PROGRAM

In **June or July**, make sure your financial aid is in order by meeting with a Division of Financial Aid counselor while attending a presentation during Purdue's Summer Transition, Advising and Registration (STAR) program.



6

PAY YOUR INVOICE ONLINE

In **mid-July**, you'll receive an email notice regarding your online invoice for tuition, fees and campus housing (with credits for any financial aid). By mid-August, confirm registration, pay any outstanding balance or sign up for the payment plan. Then, get ready to become a Boilermaker!



ESTIMATE YOUR COSTS

BEFORE YOUR AWARD NOTICE ARRIVES

You don't have to wait for your financial aid package to arrive to anticipate what kind of aid you'll receive as a Purdue student. The University offers a quick, easy-to-use online estimator to help begin your financial planning. Use this to see just how affordable a Purdue education could be for you and your family.

PURDUE'S ONLINE FINANCIAL AID ESTIMATOR

By spending about 30 minutes of your time at www.purdue.edu/dfa/estimator, you can determine the amount and types of financial aid you may receive at Purdue. The Purdue financial aid estimator calculates a cost of attendance estimate and financial aid package for the current year. The tool lists the awards you may receive including federal, state and institutional aid. The estimator was developed to help families plan for educational costs at Purdue. Costs and financial aid are estimated based on current educational expenses, available funding sources and financial aid criteria (all of which are subject to change).

www.purdue.edu/dfa/estimator

ESTIMATED COST OF ATTENDANCE: 2011-12

Listed at right are standard student expense estimates for the 2011-12 academic year at Purdue. Current tuition and fee information and a tuition and fees calculator are available at

www.purdue.edu/bursar

TWO SEMESTERS, FULL-TIME ENROLLMENT	INDIANA RESIDENT	NONRESIDENT
Fees and tuition*	\$9,478	\$27,646
Room and board allowance	\$9,510	\$9,510
DIRECT COST ESTIMATE SUBTOTAL	\$18,988	\$37,156
Books/supplies allowance	\$1,330	\$1,330
Transportation allowance	\$250	\$460
Personal and miscellaneous	\$2,180	\$2,180
INDIRECT COST ESTIMATE SUBTOTAL	\$3,760	\$3,970
TOTAL COST OF ATTENDANCE	\$22,748	\$41,126

* Some programs have additional fees:

Technology	\$546
Engineering	\$1,300
Management	\$1,384
Flight	

Individual courses in this program have additional fees; refer to the Bursar website, www.purdue.edu/bursar, or contact the department for specific flight course fees.



MINSUNG LEE

B.S., Hospitality and Tourism
Management, 2008
Reservations Manager,
Hotel 71, Chicago



THE PURDUE PAYOFF



**“Earning a Purdue
hospitality degree
and having a well-
rounded college
experience benefited
me immensely in
finding the career
that I envisioned.”**



TYPES OF FINANCIAL AID

HELP TO PAY COLLEGE COSTS

Purdue awards a combination of gift aid (scholarship and grant programs) and self-help aid (loans and Federal Work-Study) from federal, state, Purdue and private sources. Combined, this amounts to more than \$370 million a year in undergraduate aid dollars.

www.purdue.edu/pfp

SCHOLARSHIPS, GRANTS, AND TAX CREDITS

Federal grant programs: Students from lower-income families may qualify for the Federal Pell Grant program — the building block of financial aid programs for needy families. Students who qualify for the Pell Grant also may qualify for the Federal Supplemental Educational Opportunity Grant. A federal TEACH grant/forgivable loan program may be available to students interested in eventually teaching in high-need fields in low-income-serving schools.

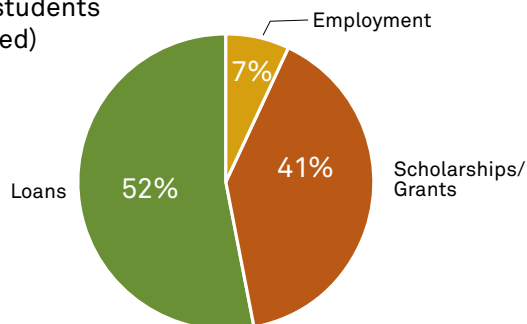
Federal tax credits: Middle-income families that may not qualify for need-based grant aid are likely to qualify for education tax credits. The federal government delivers significant financial aid dollars to middle-income families at the end

of the tax year after payments have been made to Purdue. The University will prepare a 1098-T form each January that shows the amount of tuition and fees billed by Purdue, less gift aid received. The American Opportunity Tax Credit, the Hope Scholarship Tax Credit or the Lifetime Learning Tax Credit may offer significant tax benefits to your family. Consult your tax advisor or the Internal Revenue Service for more information or visit www.purdue.edu/edtaxinfo/.

Indiana state grant programs: Students from lower-income Indiana resident families may qualify for the Frank O'Bannon Indiana Higher Education Award administered by the State Student Assistance Commission of Indiana (SSACI). SSACI administers

STUDENT AID AT PURDUE

Undergraduate students
2011-12 (projected)





one of the top need-based aid programs in the country. Qualified students may receive Twenty-first Century Scholar awards, National Guard Supplemental grants, as well as paid programs for Children of Certain Veterans and Officers (CVO) disabled or killed in service.

University-wide merit scholarships:

Purdue offers Trustees and Presidential scholarships to highly qualified students. These are awarded through a competitive process based on information provided with admission applications completed by a deadline of **Nov. 15, 2011**. For more information, visit www.purdue.edu/pfp.

Purdue need-based scholarships:

The majority of Purdue's need-based scholarships are awarded to lower- and middle-income students who file a FAFSA by March 1. Once admitted, freshmen who may demonstrate financial need are encouraged to complete the online Purdue Scholarship Application by the priority filing deadline of Feb. 1, 2012. Available online at www.purdue.edu/dfa/psa, the

application allows Purdue colleges and schools to identify freshmen who may be eligible for merit scholarships that have a financial need component. Note that the application should include the expected family contribution (EFC) and parental contribution (PC) estimates from the College Board EFC calculator link found at www.purdue.edu/dfa/estimator.

Private scholarships: Many Purdue students seek private scholarship opportunities from their high schools, community organizations, parents' employers, etc. As a result, about one out of every 10 students at Purdue receives a private scholarship, and more than half of recipients are incoming freshmen. For tips on identifying opportunities, visit www.purdue.edu/pfp.

Reserve Officers' Training Corps (ROTC):

The ROTC program at Purdue offers excellent financial assistance for eligible students interested in military service. Visit www.purdue.edu/pfp for more information.



DAN SMICZEK

B.S., Aeronautical and Astronautical Engineering, 1997
Visual Effects Supervisor,
Hollywood

THE PURDUE PAYOFF



“The education I received at Purdue not only prepared me for a career in engineering, but it also gave me the tools to create new and exciting opportunities all over the world.”

LOANS AND FINANCING PLANS

WAYS TO DEFER COLLEGE COSTS

STUDENT AND PARENT LOANS

Student and parent loan programs are financing plans that enable families to spread college costs over a 10-year repayment period (or longer). Loans require repayment with interest, but payments can be deferred until the student is no longer in college. Different types of loan programs have different requirements and limits. Loan eligibility usually requires a minimum of half-time enrollment (six or more credit hours).

■ **Purdue and Federal Perkins**

Loans: Five-percent interest-rate student loans, generally limited to \$1,500-\$2,000 per year; awarded to lower- and middle-income families. Students who have been offered and have accepted Purdue and Perkins loans should receive instructions to sign a master promissory note at www.ecsi.net/prom3P.

■ **Federal Direct Stafford Loans:**

Student loans with 6.8 percent interest rates, limited to \$5,500 freshman year, \$6,500 sophomore year, and \$7,500 junior and senior years. First-time Stafford borrowers should review the Stafford Loan information at www.purdue.edu/pfp and are required to complete Entrance Loan Counseling at www.studentloans.gov.

■ **Federal Direct Parent PLUS Loans:**

Loans with a 7.9 percent interest rate for creditworthy parents, limited to the cost of attendance minus other aid. Interested parents should review the Federal PLUS Loan information at www.purdue.edu/pfp and start the 2012-13 PLUS application process at www.studentloans.gov. Families can start applying for the Parent PLUS loan as early as **April**.

■ **Private alternative loans:** Generally higher variable-rate interest loans offered by various private lenders that require borrower or co-signer to be creditworthy; limited to cost of attendance minus other aid.

STUDENT AND PARENT LOAN REPAYMENT

Repayment of educational loans begins after the student is no longer enrolled in college.

- For a student who borrows \$20,000 in student loans, the repayment amount is about \$230 per month over 10 years (assuming a fixed 6.8 percent interest loan).
- For a parent who borrows \$20,000 from a Parent PLUS loan program, the repayment amount is about \$241 per month over 10 years.

PURDUE FINANCING PLAN

Tuition and on-campus housing is billed separately for the fall and spring semesters, about six weeks prior to the start of classes each semester. Families have the option of either paying the balance due after all aid is applied or using the Purdue Installment Plan.

The Purdue Installment Plan helps families spread out the net balance due for tuition, fees and housing over four payments per term. You enroll in the plan by making a down payment of 25 percent by the due date and then continue by making three subsequent monthly payments of 25 percent each. A finance charge on the balance due is assessed each semester to participate in the plan.



STUDENT EMPLOYMENT

EARN MONEY FOR COLLEGE COSTS

Students are the primary beneficiaries of a college education and usually pay part of the bills. One of the ways many students earn money for college is through employment — an important and sometimes significant form of “self-help” financial aid. Purdue’s Student Employment Services helps identify on- and off-campus job opportunities, and the Federal Work-Study program provides additional job opportunities for eligible lower- and middle-income students.

All Purdue students are eligible to receive student employment search services. Student employment opportunities are posted online and can be accessed through www.purdue.edu/pfp. Many employers begin to list fall semester positions during the summer.

BENEFITS OF PART-TIME STUDENT EMPLOYMENT

- Working 8-12 hours per week while in school actually has been shown to help academic achievement.
- Students who work on campus tend to form a stronger connection to the campus community and are more likely to stay in school.
- Employment enables students to learn transferable job skills that can be important after graduation.
- Employment income can lower students’ potential loan debt.

CAREER DEVELOPMENT PROGRAMS

Internship programs and cooperative education programs are excellent ways for Purdue students to gain work experience after their freshman year while also earning money for college.

- **Internships:** Purdue students often complete internships during breaks. For a link to opportunities, visit www.purdue.edu/pfp.
- **Professional practice programs:** Often referred to as “co-op” programs, professional practice programs allow students to alternate semesters of on-campus study with semesters of full-time employment. Visit www.purdue.edu/pfp for more information.

TIPS FOR STUDENTS

HOW TO ACHIEVE FINANCIAL SELF-RELIANCE

Part of becoming a successful college student involves learning how to manage your finances and take care of business such as filing applications and paying bills on time. Follow these four tips and you'll be starting your college experience on the right foot.

1 TALK TO YOUR PARENTS ABOUT EXPENSES

Have the “money talk” with your parents to determine how much of your college costs will be your responsibility, then begin planning how you'll hold up your end. For instance, let's say you'll be responsible for 25 percent of Purdue costs. You may want to consider the following ideas:

- How much money can you **save** by working full-time during summer breaks? Are you able to **work part-time** while in college to help pay your share?
- How much of a dent can you make by pursuing private **scholarships** from your high school or community?
- How much **student loan money** is available to cover the rest of your share, and will the repayment be manageable?

2 TAKE CARE OF PURDUE BUSINESS

The Division of Financial Aid, Bursar's Office, and other Purdue offices will send important information to you (not your parents) via your Purdue email address. Be sure to read these emails and complete any actions required. You also may want to forward these emails to your parents to keep them in the loop.

3 BE WARY

Be wary of aggressive marketing techniques by private loan and credit card companies. Use credit wisely — if you choose to use it at all.

4 RAISE YOUR FINANCIAL IQ

Read the publication “40 Money Management Tips Every College Student Should Know,” produced by the National Endowment for Financial Education and available at www.purdue.edu/pfp.



A SPECIAL MESSAGE FOR NONRESIDENTS AND THEIR FAMILIES

As a state-supported university, Purdue serves both the resident taxpayers of Indiana and students from across the nation and world. Nonresidents, who pay higher tuition than Indiana residents, often need to develop comprehensive financing strategies to cover the cost of a Purdue degree.

Nonresident families need to plan to pay nonresident tuition for each year at Purdue. Sometimes families believe that their student can

become an Indiana resident and be charged lower tuition, but under Board of Trustees policy, students who move to Indiana to pursue higher education will not be granted Indiana residency. Therefore, each student and family should carefully consider both the financial costs during the undergraduate years and the potential total debt to be paid after graduation. Division of Financial Aid staff members can assist you in weighing your options.

Nearly all of the financial aid packages Purdue offers to nonresident dependent

students include parent loan eligibility, which requires the borrower to be creditworthy. Students whose parents have adverse credit may find it difficult to finance a Purdue education. Their families may need to seek direct financial support from extended family or friends, or find someone to co-sign with them on a loan. If this is not possible, families should carefully consider whether Purdue is a good financial fit.

TIPS FOR PARENTS

HELP YOUR STUDENT TAKE ON NEW RESPONSIBILITIES

As a parent, you can play a key role in helping your student become savvy about money management and college financing. Follow these tips to help your son or daughter achieve financial independence while pursuing a college degree.

1 DISCUSS YOUR EXPECTATIONS

Talk to your student about college costs, making it clear what you're willing to cover and what portion you expect them to handle. For example, maybe you plan to cover 75 percent but expect your son or daughter to pay the remaining 25 percent of Purdue costs. This discussion will not only establish clear communication but also set the groundwork for a positive, evolving relationship.

2 COACH YOUR STUDENT ABOUT NEW RESPONSIBILITIES

Help your student take an active role in understanding his or her new responsibilities, such as completing financial aid forms, submitting loan applications, and paying bills for tuition and living expenses. Make sure your student checks their Purdue email account regularly for important updates from Purdue offices and keeps you in the loop by forwarding important messages.

3 ALERT THE DIVISION OF FINANCIAL AID TO SPECIAL CIRCUMSTANCES

If you experience a sudden change in income or expenses, discuss your special circumstances with Purdue's Division of Financial Aid. We may be able to reassess your family's aid eligibility in the event of a loss of income, divorce, death in the family, layoff, etc. Please note, however, that Purdue will only re-evaluate your financial aid under such serious circumstances; the University does not negotiate financial aid or try to match offers from other colleges.



FINAL STEPS

GET READY TO MAKE SMART FINANCIAL DECISIONS

When you receive your official award notice, make time to sit down with your parents and plan how you'll cover any balance that's left on your invoice after all financial aid is applied.

AWARD NOTIFICATION

You should receive your award notice in **early April**; carefully read all of the information in it before taking any action. Remember: Your financial aid eligibility is based on your individual financial need, the rules governing the various student aid programs, available funds and full-time enrollment (unless otherwise noted in award messages). If you have any questions about your award letter, contact the Division of Financial Aid.

FINANCING STRATEGIES

Families go about paying for Purdue in a number of ways. Refer to the following strategies to establish a plan that will work best for your family:

- **Use student and parent savings.** Minimize future debt and interest payments by using the money you and your family have saved so far to help pay your balance. Remember to factor in any money you'll save by working during summer breaks.
- **Use current earnings.** Take advantage of Purdue's four-payment installment plan to make it easier to use current earnings to pay off your balance. In addition to your parents' contributions, you can earn money to offset expenses by working 8-12 hours per week outside of class.
- **Explore other options.** Pursue private scholarship opportunities and remember any tax credits your family may be eligible for. You also may want to consider help from extended family.
- **Use future earnings.** Through educational loans, you and/or your parents can spread college costs over 10 years (or more) of loan repayment. It's best, however, to consider borrowing only what you need after you've exhausted other financial aid options.



CONTACT US

GET THE HELP YOU NEED

Get answers to your financial aid questions by contacting Purdue's Division of Financial Aid via your preferred method of communication:

PHONE: 765-494-0998

Call this number to reach our highly trained staff members, available from 8 a.m. to 5 p.m. (Eastern time) Monday through Friday.

EMAIL: facontact@purdue.edu

Send us a financial aid question by e-mail, and you'll most likely get an answer within one to two working days.

IN PERSON: Schleman Hall, Room 305

Get in-person assistance by coming to our office to meet with a counselor (8 a.m.-5 p.m. Eastern time, Monday through Friday). Service is provided on a first-come, first-served basis. If you want to connect with on- and off-campus employers and receive job search guidance, you can visit Student Employment Services just down the hall in Room 302.

WEB: www.purdue.edu/dfa

You can access almost everything you need to know about financial aid at Purdue on the Web, including student job postings and answers to frequently asked questions.

myPurdue: mypurdue.purdue.edu

Log in to this site to check your financial aid and billing status. In addition, you can use this site to find information about financial aid, tuition and fees, fee and housing credits, tax credits and more. Access information through the "Financial" tab.



DIVISION OF FINANCIAL AID
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