

Financial Aid Information for Eating Club Members

Undergraduate Financial Aid
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POLICY: The financial aid budget for all juniors and seniors now includes a board allowance equal to the average cost of an eating club meal plan (\$6760 for 2008-09). Financial aid awards will reflect this increase in the student budget. For most aid students who are members of an eating club, this policy means that the combination of your family resources and financial aid will cover the cost of eating at a club without the necessity of taking a loan.

DETAILS: When you join an eating club (including shared club/college meal plans), the way you pay for your meals changes from the arrangements you had in freshman and sophomore years. First, you will not sign a meal contract with the University, and therefore your Princeton student bill will not include a board charge. Then, you will receive a separate bill from the club for your board and membership fees. The new billing arrangements can be particularly confusing for aid students, who have to figure out how their Princeton award and family contribution should be used to cover both bills. This guide will take you through the steps of comparing your aid and family resources to the Princeton bill in order to calculate the amount that is available for your club.

As mentioned above, your aid award is based on a student expense budget that includes an allowance for the average cost of eating at a club. This allowance is the same regardless of where you choose to take your meals in your junior and senior years. For some, the board allowance in the student budget is more than they'll spend on meals. This is usually true for students eating independently or food co-op members. For those who choose to join eating clubs, the higher allowance will significantly reduce, if not eliminate, the financial barriers to club membership. Keep in mind that social fees and house fees are not considered.

While your aid award is the same regardless of your eating arrangements, your student bill is directly affected.

EXAMPLE: Here is an example comparing the same student's financial aid and University bill, both with a University meal contract and without.

The total expected family contribution for our example is \$16,485. The budget is \$50,710 and the financial aid award consists of a term job of \$2750 and a University grant of \$31,475. The amount of the family contribution does not change whether a student has a meal contract or not – it is the bill that changes.

2008-09 University bill including a board contract

Tuition	\$34,290
Room	6,205
Board	5,200 **
Class dues	50
Activities fee	60
Total charges	\$45,805

2008-09 University bill without a board contract

Tuition	\$34,290
Room	6,205
Board	0
Class dues	50
Activities fee	60
Total charges	\$40,605

**Remember that the financial aid award budget includes \$6,760 for meals, even though the most expensive University meal contract is \$5200.

For aid recipients, the grants shown on the award letter are deducted from the University charges. To see how this works with our example, see the two bills below:

2008-09 University bill with board

Total charges	\$45,805
Aid credit	<u>-31,475</u>
Balance due Princeton	\$14,330
Family Contribution	\$16,485
Available family funds after paying Princeton's balance due	\$2,155

2008-09 University bill without board

Total charges	\$40,605
Aid credit	<u>-31,475</u>
Balance due Princeton	\$9,130
Family Contribution	\$16,485
Available family funds after paying Princeton's balance due	\$7,355

As you can see, a larger portion of the \$16,485 family contribution is needed to pay the University bill that includes a board contract. However, \$7,355 of the family contribution is still available after paying the student bill that does not include a meal plan. That \$7,355 can be used toward paying the club bill.

Average Club Board Charge

Average club board rate	\$6760
Available family contribution	<u>-7355</u>
Still available	\$ 595

There is still \$595 available to go toward other charges such as club social fees. We assume any additional club charges will be covered from your own resources. The worksheet below will help you determine how your own club payment should work with financial aid and family money.

WORKSHEET

It is helpful to know your financial aid award, University bill, and club costs for 2008-09 when completing this worksheet.

Your 2008-09 University Bill

Tuition	\$34,290
Room	6,205
Board	0
Class dues	50
Activities fee	60
Other (charges from your own bill)	_____

Total charges	\$_____

- _____ Your grant (and student loan, if any) aid from your award letter
- \$_____ Payment due Princeton (*see below if your grant exceeds your charges*)*

Club Payment

- \$_____ Family contribution from your award letter
- _____ Payment due Princeton (from above)
- \$_____ Remaining family contribution available for club bill

- \$_____ Your club bill for the year
- _____ Your remaining available family contribution (above)
- \$_____ Amount of gap to cover**

*In some cases, the amount of aid credited to the University bill exceeds the yearly charges. When this happens there is a credit on the student account rather than an amount due. This credit can be added to the family contribution to help pay the club bill.

**It is possible that your aid and family contribution will be less than the amount of the club bill, since house dues and social fees are not included in the financial aid budget.

Your club may offer an installment plan or other options for spreading payments over the year. Contact your club's manager or treasurer for more information