

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 (\$6960 for 2009-10). 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 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.

Case Study: Here is case study comparing the same student's financial aid and University bill, both with a University meal contract and without. The examples below use estimated costs for the 2009-10 academic year.

The expected family contribution in our illustration is \$16,485. The budget is \$52,200 and the financial aid award consists of a term job of \$2,835 and a University grant of \$32,880. The amount of the family contribution does not change whether a student has a meal contract or not – it is the bill that changes.

Example A: University bill including a board contract

Tuition	\$35,340
Room	6,340
Board	5,340 **
Class dues	50
Activities fee	<u>60</u>
Total charges	\$47,130

Example B: University bill without a board contract

Tuition	\$35,340
Room	6,340
Board	0
Class dues	50
Activities fee	<u>60</u>
Total charges	\$41,790

**Remember that the financial aid award budget includes \$6,960 for meals, even though the most expensive University meal contract is \$5,340.

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 University bills below:

Example A: University bill with board

Total charges	\$47,130
Aid credit	<u>-32,880</u>
Balance due Princeton	\$14,250

Family Contribution \$16,485

Family funds available after paying Princeton's balance due **\$2,235**

Example B: University bill without board

Total charges	\$41,790
Aid credit	<u>-32,880</u>
Balance due Princeton	\$8,910

Family Contribution \$16,485

Family funds available after paying Princeton's balance due **\$7,575**

The total University charges in Example A are greater since the University bill includes a board contract. In example B, the total charges are less, freeing family resources to pay an eating club directly.

In example B, there is still \$615 available to go toward other charges such as club social fees. We assume any additional club charges will be covered from your own resources.

Average Club Board Charge

Average club board rate	\$6,960
Available family contribution	<u>-7,575</u>
Still available	\$ 615

WORKSHEET

This worksheet will help you determine how your own club payment should work.

It is helpful to know your financial aid award, University bill, and club costs for 2009-10 when completing this worksheet.

Your 2009-10 University Bill

Tuition	\$35,340
Room	6,340
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