Does financial aid seem like a mystery?
Applying for and understanding your financial aid award can seem like a mysterious process. What are the next steps? Who can advise you? What are the options specific to your situation? The answers to these questions can be found in Luther's Financial Aid Office, where we provide assistance to help you better understand your aid award.

In addition to seeming complicated, the process up to this point may have felt a bit impersonal. You supply the information for your FAFSA form, and the federal government’s computers generate your Expected Family Contribution (EFC).

At Luther, we strive to make the financial aid process feel less mechanized and more personal. We've included our pictures, above, to help you better connect a name with a face, so when you call us with questions—which we encourage you to do—you'll feel more comfortable and confident knowing that your inquiries will receive the attention they deserve. You should expect nothing less from us.

The four of us together have more than a century of financial aid experience. We're confident we’ll be able to help you with your questions and promise to treat your inquiries as if it's the first time we've been asked.

So, with your financial aid award and cost estimate worksheet in front of you—and this guide in hand—let’s see if we can help you make sense of things. And if it's still a mystery to you, please do give us a call.

About your financial aid award
Your financial aid award details the assistance you're eligible to receive based on the information you provided. It includes all programs administered through Luther, as well as aid awarded by the federal and/or state governments, outside agencies, and private donors.

Financial aid comes in a variety of forms; your financial aid award contains one or more of the following types of assistance.

SCHOLARSHIP AND GRANTS
Scholarships and grants are gifts of money based on academic merit, talent, and financial need. These awards do not need to be repaid.

Luther Scholarships and Grants
Scholarships and grants funded by Luther are the primary sources of
assistance for students. These awards are made available through generous gifts from donors and funds from Luther’s general operating budget.

If you receive funds from a named endowment or donor, we’ll notify you during the academic year so you can thank the individual(s) responsible for your assistance.

The amounts of our scholarships and grants vary depending on your demonstrated financial need and/or academic achievement. The majority of Luther College’s grants and scholarships are available for a total of eight semesters of full-time study.

If you have been awarded scholarships or grants, those funds will be credited directly to your account; you must be enrolled for at least 12 credits per semester—considered full-time status—to receive these awards. Please note that January Term credits are not counted toward the minimum 12 credits for either semester.

**Federal Grants**
The Pell Grant and the Supplemental Educational Opportunity Grant (SEOG) are federal grants awarded to students who demonstrate exceptional need. All Luther students applying for need-based aid are considered for these funds.

If your financial aid award indicates you will be receiving Pell Grant and SEOG funds, additional documentation may be requested by the Financial Aid Office to confirm your grant.

**State Grants**
The Iowa Tuition Grant is awarded to Iowa residents on the basis of financial need.

If you meet the state guidelines for this grant, you will see the Iowa Tuition Grant indicated on your financial aid award. Grants are normally renewable each year, provided you continue to meet the need requirements and filing deadlines set by the Iowa College Student Aid Commission.

You may receive up to the equivalent of eight full-time semesters of Iowa Tuition Grant funds as an undergraduate student.

**Education Partners in Covenant (EPIC)**
In this cooperative program, Luther matches church contributions up to $1,000 per year for a maximum of eight semesters of full-time study.

An EPIC Contribution Form—submitted by the church—informs the Financial Aid Office of the award amount given to each student.

If you will be receiving EPIC funds and they are not shown on your financial aid award, please ask your congregation to submit the EPIC Contribution Form or a letter informing us of the contribution.

Congregations should submit contributions to Luther prior to August 10 for fall semester and January 10 for spring semester. The check should be identified as an EPIC gift with you listed as the recipient. If the check is mailed to you directly, you must forward the check to the Financial Aid Office so we can apply the funds to your account and award you the Luther match.

**Outside Agency Scholarships and Awards**
Since federal regulations require that all student aid be considered in a financial aid package, receipt of outside agency scholarships and awards may affect your eligibility for other aid programs.

If you are receiving an outside agency scholarship (money from sources such as Scholarship America, companies, foundations, etc.), the award must be coordinated with your financial aid offer.

If you know of aid that you will be receiving—and that aid does not appear on your financial aid award—please notify the Financial Aid Office by listing the scholarship on the Outside Scholarship Reporting Form. The Financial Aid Office will coordinate your outside agency scholarship with your current aid and send you a revised financial aid award. Be sure to contact the sponsoring organization to ensure that your award is being processed.

If the scholarship check is given directly to you, it is important that you submit the check to the Financial Aid Office to ensure that the funds are properly credited to your student account.

**STUDENT WORK-STUDY PROGRAM**
The student work-study program is designed to provide you with on-campus employment or off-campus community service work, if eligible, while attending Luther.

This program offers many important benefits, including the opportunity to pay for part of your college expenses, thus reducing the need for you to borrow additional funds.

Additionally, while participating directly in the life of the Luther community, you will gain valuable work experience that prepares you for employment in future years.

The amount of work-study listed on your financial aid award represents the maximum you may earn through the work-study program. If you do not work the number of hours required to earn the full amount of your award, you will receive payment only for the hours you actually worked.
Most students at Luther work an average of six to 10 hours per week to earn their maximum award amount for the year. You are paid monthly based on the number of hours you worked for the previous month.

If you wish to use a portion of your anticipated student work earnings as a credit on your student account, you will need to complete a Work Credit Plan Application with the Office for Financial Services.

You may choose to contract up to 90 percent of your authorized work-study maximum in a work credit plan. Additional information on this plan will be mailed to you from the Office for Financial Services when you have decided to attend Luther.

The Student Employment Office assigns you to a position for your first year at Luther. Returning students arrange their positions prior to leaving campus for the summer.

Positions are available throughout the college and include opportunities in research, tutoring, community service, administration and office operations, computing and library services, dining services, and facilities management.

Your work-study award will be canceled if you fall below full-time enrollment or withdraw from Luther. You must notify your supervisor of cancellation of eligibility for work-study funds and of any revision in the amount of your work award.

**LOAN PROGRAMS**

Student loans are funds borrowed by the student and must be repaid to the lender with specified interest during an established repayment period. The chart below displays pertinent information for each of the federal loan programs. Additional information can be found on our website at [luther.edu/admissions/financial-aid/loans/](http://luther.edu/admissions/financial-aid/loans/).

**TAX CREDIT OPPORTUNITIES**

The Taxpayer Relief Act enacted the American Opportunity and Life Long Learning Tuition Tax Credit; tax-free status for distributions from private, prepaid tuition plans; penalty-free distributions from retirement funds for education; and a tax deduction for interest on educational loans. Please

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<tr>
<th>FEDERAL PROGRAM</th>
<th>LOAN DETAILS</th>
<th>ANNUAL AWARD AMOUNT</th>
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<tbody>
<tr>
<td>Direct Subsidized Stafford Loan</td>
<td>• Student is the borrower</td>
<td>$3,500 to $5,500, depending on grade level of the student</td>
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<td></td>
<td>• Fixed interest rate set on July 1</td>
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<td></td>
<td>• Need-based</td>
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<td></td>
<td>• Student is not usually charged interest during certain periods</td>
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<td></td>
<td>• U.S. Department of Education is lender</td>
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<tr>
<td>Direct Unsubsidized Stafford Loan</td>
<td>• Student is the borrower</td>
<td>$5,500–$12,500 (less any subsidized loan amounts received for the same period), depending on grade level and dependency status</td>
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<tr>
<td></td>
<td>• Fixed interest rate set on July 1</td>
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<td></td>
<td>• Financial need is not required</td>
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<td></td>
<td>• Student is responsible for interest during all periods</td>
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<td></td>
<td>• U.S. Department of Education is lender</td>
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</tr>
<tr>
<td>Perkins Loan</td>
<td>• Student is the borrower</td>
<td>Up to $5,500, depending on funding available to the college.</td>
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<tr>
<td></td>
<td>• Fixed interest rate of 5%</td>
<td>This program will end on September 30, 2017. Luther College will work with students who have borrowed in this program to identify other loan options for future years.</td>
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<tr>
<td></td>
<td>• Need-based</td>
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<td></td>
<td>• School is lender</td>
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How your aid offer was determined

Now that you have a better idea about what forms of assistance make up your financial aid award, it’s time to look at how your financial aid award was determined. A detailed explanation of our awarding process is outlined at, luther.edu/admissions/financial-aid/need/.

Appeals for additional assistance

We try very hard to provide enough funding to make it possible for students to afford Luther.

We have a very good track record in this regard; each year about 630 new students—from all economic backgrounds—join us on campus. As hard as we try, though, the reality is that our supply of funds is not limitless.

As you review your financial aid award, you may believe that we have overlooked something in your financial situation. You and your family may request a reevaluation of your financial aid award.

Appeals must be submitted in writing with supporting documentation of any changes that have occurred in your family’s situation. Parents’ and student’s tax returns for the appropriate tax year should be submitted along with any other information demonstrating your family’s unique circumstances. Documentation should provide specific financial details for consideration of a recalculation.

Examples of special circumstances include such situations as loss of wages or unusual medical expenses. More information regarding special circumstances can be found on the forms page of luther.edu/financial-aid.

The Financial Aid Office will grant additional assistance for approved appeals on a funds-available basis.

You will be notified in writing regarding the outcome of your appeal. If additional information is required, we will notify you and ask that you respond promptly.

GRADREADY

The Financial Aid Office has partnered with NorthStar Education Services Inc. to offer GradReady. This online money management website has videos and tools about credit, student loans and identity theft. We encourage our students to create a profile on this site and utilize it regularly. More information regarding GradReady can be found in the Additional Information section of the financial aid website.

Additional information

The Financial Aid Office website, luther.edu/financial-aid, contains information on a wide variety of topics. We invite you to visit the website if you need additional information.