Frequently Asked Questions 2020-2021

We hope these questions and answers will be helpful to you as you review your award. If you have further questions after reading this information please feel free to contact our office at financialaid@stanford.edu. Visit us online at https://financialaid.stanford.edu.

Q. My financial aid is contingent on receipt of additional documents or information as noted on the award letter. Does that mean my financial aid award could change?

A. It is possible that your financial aid award will change. Your award letter may indicate documents, including federal verification materials, which you must submit to the FAO before we can finalize your award for the 2020-2021 academic year. If these documents reflect different information than what you had previously reported to the FAO, your award will be reevaluated.

Q. If there have been changes in my parents’ circumstances such as a significant reduction in income, changes in health, or other extenuating circumstances since we filed the CSS PROFILE and FAFSA, can Stanford take this into consideration?

A. You and your family can request that Stanford consider revising your financial aid award. A Revision Request form is available for you to print from our web site at financialaid.stanford.edu/site/forms if you have new information to report. Please contact our office if you want to discuss your situation and we can provide assistance or direction in completing that form.

We realize that you must make your enrollment decision by May 1st and we will make every effort to respond to your request promptly. If there are changes later in the year, you can submit a revision request at that time.

Q. How did you determine my parents’ and my own expected contribution?

A. Stanford uses a variation of an analysis called Institutional Methodology (IM) to establish expected parent and student contributions. The IM uses information from the CSS PROFILE application form. For the parent contribution, the IM makes standard allowances against parent income and assets to determine the parent contribution. The student contribution from income is based on 50% of after-tax income from the prior year, with a minimum of $1,500. Additionally, Stanford expects a contribution equal to 5% of the student’s current assets.

The Provost has announced that for 2020-2021 we will NOT expect a Student Contribution from Income based on the employment situation across the nation. That standard expectation will be replaced with scholarship funds for those who demonstrate need.

For more information you can refer to financialaid.stanford.edu/undergrad/how.
Q. I received a significantly better financial aid award from another university. Will Stanford match the other university’s award?

A. Stanford does not change financial aid awards in response to merit-based awards from other universities. With the exception of some athletic aid, Stanford’s scholarship awards are based solely on demonstrated financial need. If another university has offered a need-based award that is significantly better than Stanford’s award, it may be that the other university has received new or updated information about your family’s financial situation. In such cases, it may be appropriate for you to request a revision to your award from Stanford. (See next question.)

Q. What can we do if my parents are unable to meet the parent contribution?

A. Please discuss your situation with us. We want to make sure we have considered all aspects of your family financial situation. You may find the Revision Request form (at financialaid.stanford.edu/site/forms) helpful for organizing your concerns.

There are a number of financing options available for parents. A frequently used program is the Federal Direct Parent Loan for Undergraduate Students (PLUS). This federal program allows parents to spread the costs of education over a 10-year period. The maximum loan for a given year is the cost of education minus financial aid. PLUS loans have a fixed interest rate that will be announced July 1, 2020. The rate for 2019-2020 was 7.08%.

It may also be possible for you to borrow a Federal Direct student loan to help cover the family contribution. Freshmen can borrow up to $5,500 per year; the limit increases to $6,500 for sophomores and $7,500 for juniors and seniors. These loans may be subsidized or unsubsidized. Direct loans have a fixed interest rate that will be announced July 1, 2020. The rate for 2019-2020 was 4.53%. To request a student loan submit a written request to financialaid@stanford.edu and we will offer the best loan available to you.

Q. How do my parents apply for a PLUS loan?

A. Parents may apply for the PLUS loan online at studentloans.gov. We suggest that you begin this process after July 1, 2020. The FAO will begin certifying PLUS applications in early August to allow sufficient time before the Autumn Quarter payment due date (September 15th). Please note that the PLUS Loan does require a credit check that will be done when the parent applies for the loan. More information about the PLUS loan is available at financialaid.stanford.edu/loans.

Q. Are there other parent loan alternatives?

A. Private lenders have established parent loan alternatives to the PLUS loan which may, in some cases, have lower overall costs. Stanford University has no financial involvement with any of these programs. You can find more information about these options online at financialaid.stanford.edu/loans/other/parent.

Q. What if my family’s financial circumstances change in future years?

A. Stanford’s commitment to meeting financial need extends throughout your four undergraduate years. If your family faces a significant financial change after your first year, we can reevaluate your aid eligibility at that time. Even if you do not qualify for need-based scholarship funds at this time, we will reconsider your aid request for each new academic year based on your family’s financial circumstances at that time.
Q. I am expecting to receive outside scholarships. How will these affect my financial aid award from Stanford?

A. If you receive outside scholarships, grants, or tuition benefits, we will reduce the academic year job expectation and/or the student contribution listed on your award letter.

If the value of your outside scholarships exceeds both the academic year job and the student contribution, we will reduce your need-based University scholarship.

Please note that for a few students, we are not able to fully reduce the student contribution portion in order for you to retain need-based state grants such as the Cal Grant.

You are obligated to notify the FAO of any outside scholarships that you receive via then student Axess portal. We have a video at financialaid.stanford.edu/aid/axess that will guide you on how to report and track your outside awards. This can be done after May 15th when you have decided to enroll at Stanford.

Q. How will I find an on-campus job?

A. The Financial Aid Office (FAO) does not place students into jobs. Stanford Career Education maintains a database of listings of part-time job opportunities for students found at beam.stanford.edu.

Some on campus jobs are available only to Federal Work Study (FWS) students as the federal government and Stanford are funding the salary. A limited amount of students are awarded FWS based on their federal need level. If applicable, this FWS distinction is indicated on your award letter.

The average starting student wage on campus for 2020-2021 is expected to be over $15 per hour. You could earn about $3,500 during the school year if you worked 8 hours each week.

Q. I've been offered Stanford Fund scholarship. Are there other scholarship funds available to me?

A. The University has over 1,500 named scholarships. By completing the CSS Profile, you have already been considered for all sources of scholarship funding. Most students who qualify for need-based aid from Stanford are initially awarded scholarship from the Stanford Fund. During the course of the academic year, the FAO may change your source of funding to one of these named funds. This does not affect the calculated family contribution nor the amount of the scholarship awarded to you.

Q. What if I am not sure about how much I will be able to work, considering my academic commitments?

A. If your award includes an academic-year earnings expectation this amount is what the University expects you can earn during the academic year to meet your expenses. You may choose to substitute the amount of your earnings expectation with a student loan, or to use an outside scholarship to meet this expectation. To request a student loan submit a written request to financialaid@stanford.edu.
Q. What are the New Student Fees listed on my award letter?

A. New students will need to pay the New Student Orientation Fee ($525) and the Document Fee ($250). These are one-time fees assessed to all freshmen and transfers in Autumn Quarter and have been added to your Student Budget. Details on the fees can be found in the Stanford Bulletin.

Q. Will I be billed for my Student Contribution?

A. The amount listed on your award letter is the expectation that you will have your summer earnings and a portion of your assets available to meet your educational expenses. It is not an expense for which you are billed.

Most students use their summer savings to pay for startup costs such as autumn quarter transportation to campus as well as books and supplies since these are not expenses that appear on the student bill.

Q. How does my payment to the University work?

A. The Student Services Center (SSC) is responsible for creating and collecting the student bill. Charges for tuition, room and board will be billed prior to the beginning of each academic quarter and will be due on the 15th of the month prior to the start of the term (i.e. September 15th for Autumn term, December 15th for Winter term and March 15th for Spring term).

If your aid total for the quarter is less than the balance due, you will be responsible for paying the remainder of the balance and all other expenses with your own funds. (This is often where the expected Parent Contribution comes in!)

If the total of all of your aid funds exceeds your quarterly balance due, SSC will refund the difference after you have enrolled in classes.

The SSC offers a no cost Installment Payment Plan (IPP) that will allow families to spread payments over 9 months, with payments beginning in July for the Autumn quarter bill. More information on this budgeting tool is available at sfs.stanford.edu/student-accounts/pay-your-bill/installment-payment-plan.

Q. Does Stanford have any resources to help me with financial literacy?

A. Yes! Stanford’s financial literacy program is called Mind Over Money and provides robust resources ranging from workshops and online resources to individual coaching and a one-unit course during winter quarter. Check it out at mindovermoney.stanford.edu.

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