



AMBS

AMBS FAAware

Financial Aid Awareness Newsletter

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January 2011

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Newsletter Returns!

As many of you have noticed, the AMBS Financial Aid Awareness Newsletter has been missing since last spring. As I reported in the April 2010 Newsletter, AMBS was required to convert from its participation in the Federal Family Education Loan Program (FFELP) to the William D. Ford Federal Direct Loan Program for the 2010-11 academic year. Although we did not foresee any significant problems, the transition to the Direct Loan program was more time consuming and complicated than we originally anticipated. As a result, some projects were shelved due to time



constraints. The Newsletter was one of those projects.

Now that the transition is complete, you can once again look to the *FA Aware* Newsletter as a helpful source for financial information. It has been created for you, current and prospective AMBS students, as a resource to assist you in applying for financial aid,

researching potential scholarships, educating yourself about student loans and loan repayment, and providing helpful budgeting ideas for your time in seminary and beyond.

Have a question or topic you'd like to see addressed in the next issue? E-mail your suggestions to me at jwalker@ambs.edu.

As always, my door is open to you for your questions and concerns. Feel welcome to stop by anytime.

Blessings,

Jody

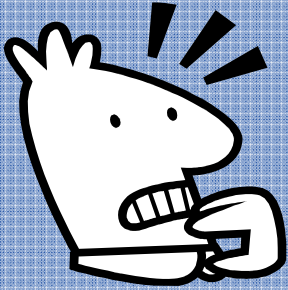
Attention student loan recipients ...

All students who receive Title IV funds (Federal Direct Student Loans) are required to complete a **Title IV Authorization Form**. This form provides the seminary with instructions on how to apply excess Title IV (Stafford loan) funds to

your student account. To avoid any confusion regarding the payment of outstanding charges, we recommend that students authorize AMBS to apply any excess Title IV funds to all charges. Please contact the financial aid office to

receive an authorization form or with any questions.





“The 2011-12 FAFSA on the Web at www.fafsa.gov will be smarter and easier than ever, with a customized experience for every applicant.”

Have no Fear... the new FAFSA is here!

Great news! The 2011-12 *FAFSA on the Web* at www.fafsa.gov will be smarter and easier than ever, with a customized experience for every applicant. The simplified home page, the ability for applicants to access their IRS tax information, and FAFSA summary options, along with detailed information about the applicant's selected schools, all add up to a smoother, more intuitive experience. Live interactive help is also accessible as the applicant uses the site;

applicants can get assistance by calling a toll-free number, 1-800-4 FED-AID (1-800-433-3243).

Warning: Beware of phony Web sites that charge a fee for processing a FAFSA! The FAFSA is a **FREE** application provided by the federal government. The correct site address is www.fafsa.gov and will not charge a fee for submitting and processing your application.

Direct Loan Basics

What kind of Direct Loans are available to AMBS students?

AMBS students are eligible to apply for Direct Subsidized and Unsubsidized Loans. Eligibility is based on the information reported on the *Free Application for Federal Student Aid (FAFSA)*. No interest is charged on subsidized loans while you are in school at least half-time, during your grace period, and during deferment periods. Interest is charged on unsubsidized loans during all periods.

What are the eligibility requirements?

You must be enrolled at least half-time (6 credit hours or more) and you must meet general eligibility requirements for Federal Student Aid programs. You can find more information about these requirements on the Direct Loan website at www.direct.ed.gov.

How do I apply for aid?

You apply for a Direct Subsidized and Unsubsidized Loan by completing a FAFSA; the information from the

FAFSA is shared with AMBS. AMBS also requires that students submit an institutional financial aid application. After your FAFSA and AMBS application for financial aid have been processed, the financial aid office will notify you (through an award letter) about the types of aid for which you are eligible.

How do I take out a Direct Loan?

You must complete a Master Promissory Note (MPN). The MPN is a legally binding agreement to repay your loan to the Department of Education. In most cases, one MPN can be used for loans that you receive over several years of study. You can complete the MPN and the entrance counseling requirement at StudentLoans.gov.

How much can I borrow?

The maximum amount you are eligible to borrow each year is determined by AMBS and may be less than the maximum of \$20,500 per year for graduate students. You may also be limited by other student loan debt.

Money Matters... Creating a Frugal Budget

It is no secret that most seminary students are looking for ways to save money. Effectively managing money begins with a budget, and creating one is not as difficult as one may envision. A few simple steps to get you started:

1. **Make a list of your monthly expenses.** Using a budget form (many can be found on the Internet) can be helpful. Don't forget to include any money you spend on recreational activities or hobbies.
2. **Calculate your income for the month.** Don't forget to include investments and residual income, if you have any.
3. **Subtract expenses from earnings.** This is the best way to test whether or not your budget will be effective. This will also illustrate how much you can expect to have left at the end of each month.
4. **Rework your budget.** If you spend more than you make, review your expenses and look for places to make cuts.
5. **Don't forget about reducing debt.** If you have debt, you should have already included the minimum monthly payments in your budget. Take this a step further - determine where you are willing to make sacrifices to eliminate your burden of debt. The greater your debt, the greater the impact it will have on your ministry.
6. **Make saving a goal.** Even students need an emergency fund; examine your budget and find a way to save - even if it is only a minimal amount. However, if you have a lot of debt focus on reducing your debt and skip this step for awhile.
7. **Put your budget to the test.** Once you have created the budget and determined your financial goals, put it to the test. Try to live within your budget and see how it feels.
8. **Review.** At the end of the month, look at your expenses and see how they match up to your budget. If they do not match up, you may need to either work harder at sticking to your spending plan or rework your budget to reflect your actual spending.
9. **Review, review, review.** A frugal budget needs to be assessed continually. Review your budget each month to catch areas of overspending. Keep crunching those numbers until you have made it right!

Tips:

- ⇒ Be honest about your spending habits; you will end up with a more realistic budget.
- ⇒ Include fun in your budget; budgeting is not about total deprivation.
- ⇒ Do not be afraid to change your budget; a good budget is constantly changing and becoming better.

How will you pay for seminary? Consider these options...

Looking for ways to help pay for seminary study? Check out these resources:

FTE FundFinder (www.thefund.org/fundfinder)

Need money for school? This site provides information about the Fund for Theological Education (FTE) fellowships and other sources of financial aid. It is a resource provided by the Fund for Theological Education.

Richard C. Hess Peace Studies Scholarship (see financial aid office)

Recognizing the importance of studying ways to develop and maintain peace at home, in the community, and in the world, this scholarship (established in 2008) annually provides a \$1,000 scholarship for tuition and fees for a student majoring in peace studies or a related program. Applicants must be beginning or continuing an undergraduate or graduate major in peace studies or a related program at an accredited university/college offering such a degree. **Applications must be received by February 15.**



Did you know that Mennonite men and women with gifts of leadership may be qualify for an

AMBS

FULL-TUITION SCHOLARSHIP?

The deadline to apply for these scholarships for the 2011-2012 year is February 1, 2010,

and interested persons must be

admitted to AMBS before they can apply.

Visit the [AMBS Web site](#) for more information or contact

Jody Walker at jwalker@amb.edu

“Owe no one anything except to love one another, for he who loves another has fulfilled the law.” ~Romans 13:8~

Know an outstanding leader who may be thinking about becoming an AMBS student in the 2011-12 year?

Encourage them to apply for a full-tuition scholarship!

The application deadline for Church Leadership Awards/Next Generation Scholarships (full-tuition scholarships for outstanding Mennonite students) is February 1.

January 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Important Dates—January

- 3 Interterm classes begin (tuition due)
- 4 Last day to register for spring classes without \$50 registration fee

It's not too early to begin thinking about submitting your FAFSA. It can be completed as early as January 1 at www.fafsa.ed.gov.

Important Dates—February

- 1 **Deadline for new Mennonite students to apply for full-tuition AMBS scholarships**
- 1 Spring classes begin (tuition due)
- 10 Financial Aid Presentation in Forum

February 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

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Visit us on the web: www.ambs.edu
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explore~prepare~serve