

Recent national economic turmoil has generated questions regarding the effect of the financial downturn on Gettysburg College. The following questions and answers provide important information that should help students, parents, and other interested parties understand the current situation.

How has the economic downturn affected Gettysburg College?

The good news is that the College is strongly positioned to weather economic downturns because of a long-term practice of conservative financial management. We continue to have a strong balance sheet, ample cash reserves and contingency funds to help us through difficult times.

However the volatility of the financial markets and the credit crunch continue, and the outcome of the various measures the federal government is taking is difficult to predict. We are actively monitoring the economic situation and carefully planning to respond to ways in which the College may be affected.

Although our investment portfolio is well diversified, recent market conditions have had impact on the College's endowment. Virtually all asset classes in which institutional investors such as Gettysburg College hold positions have experienced recent declines in market value. Like the majority of private colleges in the U.S., Gettysburg draws annual operating support from its endowment based on five percent of a trailing 12-quarter average market value. This "smoothing" technique moderates the budget impact of significant short-term changes in market value, both positive and negative. In short, this procedure is designed to help us weather the abrupt shifts in the market we are currently experiencing.

My personal or family circumstances have changed, how do I apply for financial aid or increase my financial aid?

We suggest that you contact the Office of Financial Aid at 717 337-6611 or via email at finaid@gettysburg.edu to provide a brief description of your change in circumstances. The staff in the Office of Financial Aid will review your situation and suggest the appropriate steps that need to be taken.

For those students who have not applied for financial aid for the 2008-09 academic year, the 2008-09 Free Application for Financial Aid (FAFSA), **Verification Worksheet** and copies of the 2007 federal tax returns for the students and parent(s) must be submitted.

If financial aid application materials were submitted for the 2008-09 academic year, the **Income Reduction/Unusual Circumstances Form** and appropriate documentation would be the materials necessary for additional financial aid consideration.

What will happen to financial aid packages for 2009-10?

We will work hard to protect current and prospective Gettysburg students and will strengthen our financial aid program, as appropriate, to help families hit hardest by the economic downturn.

Gettysburg strives to award as much need-based financial aid as possible. We are planning now so that we can continue to do so in the future.

Will students still receive the grants and scholarships they need in order to attend Gettysburg College?

We do not anticipate a change in our long-standing commitment to place the College within

financial reach for all accepted students. Approximately 70% of the current student body receives need-based financial aid or a merit scholarship from Gettysburg College. We plan to continue to offer very competitive financial aid packages.

Does Gettysburg include home equity in the calculations for financial aid?

We do not include equity in a family's primary home when calculating the need for financial aid. However, the net worth of other real estate is part of the calculations.

If the credit markets remain constrained, can the College help families find loans?

The Office of Financial Aid is available to answer your questions and guide you through the search for an appropriate loan. Although a number of private lenders have exited the education-loan market, we anticipate only minor problems in the future since Congress approved emergency legislation during the summer that gave the Department of Education authority to guarantee the liquidity of federal loan programs through the 2009-2010 academic year. The College also offers five institutional loan programs. The programs differ in the amounts available, eligibility requirements, interest rates, and grace periods.

The Office of Financial Aid can provide you with information about various loan options including the Federal Stafford Loan for students, the Federal PLUS Loan for parents, and alternative/private loans, which are usually in the student's name with a credit-worthy co-signer. Students and their parents make the actual selection of a lender and loan type. The Office of Financial Aid is available to answer your questions and guide you through the process.

How will the financial crisis affect Gettysburg's admissions policy?

Gettysburg will continue to offer admission to highly motivated applicants who have strong records of high school accomplishments without regard to the economic circumstances of the students or their families.