

FINANCIAL AID

APPLYING FOR FINANCIAL AID

Application for student aid administered by the University of Maine at Machias (UMM) is made by completing the Free Application for Federal Student Aid (FAFSA) after October 1 of the year before the student will begin college. The application is made online at www.fafsa.gov. Both students and parents should go to this site and apply for an FSA ID which serves as an electronic signature in the application process.

Consideration for student assistance will be given at any time during the year. However, since most student aid is awarded between March and June for the upcoming year, and is contingent upon the availability of funds, it is recommended that students file early.

FAFSA's should be completed before UMM's priority funding deadline of March 1. Applications for student assistance are filed once per calendar year. Federal regulations, the availability of funds, and family situations change each year. A student may be eligible for aid even though the student or another family member was not previously eligible.

It is the student's responsibility to inform the University of changes in contact information, changes in enrollment and housing plans as well as receipt of outside scholarships. This is best accomplished on MaineStreet, the student portal to our website where students can view and manage their financial aid. It is also of great benefit to students to read email communications from the Financial Aid Office. The Financial Aid Office supports the University's efforts to conserve natural resources by utilizing electronic means of communication. We primarily correspond with students by email using our address of ummfinancialaid@maine.edu.

ELIGIBILITY FOR FINANCIAL AID

In general, to receive aid from the Federal Student Aid Programs, a student must meet the following requirements:

- demonstrate *financial need* (for most programs);
- be a U.S. citizen or an *eligible noncitizen*;
- have a valid Social Security number (with the exception of students from the Republic of the Marshall Islands, Federated States of Micronesia, or the Republic of Palau);

- be registered with Selective Service, if you're a male (you must register between the ages of 18 and 25);
- be enrolled or accepted for enrollment as a *regular student* in an eligible degree or certificate program;
- be enrolled at least half-time to be eligible for *Direct Loan* Program funds;
- maintain *satisfactory academic progress* in college or career school;
- sign statements on the *Free Application for Federal Student Aid (FAFSASM)* stating that you are not in *default* on a *federal student loan* and do not owe money on a federal student *grant* and you will use federal student aid only for educational purposes;
- show you're qualified to obtain a college or career school education by having a high school diploma or a recognized equivalent such as a *General Educational Development (GED) certificate* or completing a high school education in a *homeschool* setting approved under state law.

DETERMINATION OF NEED

The Financial Aid Office determines a student's need for assistance by comparing the estimated cost of education to his or her Expected Family Contribution (EFC):

$$\begin{array}{r} \text{Total cost of education at UMM} \\ \text{Less EFC} \\ \hline \text{Equals financial need} \end{array}$$

The Financial Aid Office will prepare an individualized financial aid package that consists of grants, loans and work-study to the extent of a student's established eligibility. Students may receive assistance from one or any combination of these programs. Student need and availability of funding determine the specific package. Students receive one Financial Aid Award Letter offering instructions for their review and action. Subsequent viewing and management of the financial aid package occurs on MaineStreet, UMM's student portal. Students are provided with guidance for using MaineStreet upon acceptance to the University.

The Financial Aid Office may revise offers of financial aid at any time during the year if a student receives outside scholarship funds or if his or her status changes relative to enrollment, income, number of dependents, residence, and/or marital status. Awards are tentative until all requested

supporting documentation is received and reviewed by the Financial Aid Office.

Financial aid awards are offered annually to the student with the awards broken down by term. Student charges and financial aid disbursements are term-specific at UMM. Summer is treated as the last term of the financial aid award year.

<i>Earned Credit Hours</i>	<i>Minimum Cumulative GPA Expected</i>
0 – 15.99	1.5
16 – 29.99	1.6
30 – 59.99	1.7
60 – 89.99	1.8
90 +	1.9

SATISFACTORY ACADEMIC PROGRESS AND FINANCIAL AID ELIGIBILITY

Federal student aid regulations require institutions to establish and uphold policies governing financial aid eligibility as they relate to academic progress of financial aid applicants. The University of Maine at Machias’ Satisfactory Academic Progress Policy (below) for continuation of financial aid eligibility incorporates and supports the University’s academic standards and policies. Students must meet these minimum Satisfactory Academic Progress (SAP) requirements in order to be eligible for student aid funds. SAP is measured once per year, generally after grades are posted following spring semester. Students not making satisfactory progress based on that review will either be placed on financial aid probation or have financial aid eligibility suspended and will receive written notification of their status. The policy has three standards and each of the three standards must be met:

Quantitative Measurement

Matriculated students are required to successfully complete a specific percentage of credits attempted. The policy uses the following scale:

<i>Credits Attempted</i>	<i>Minimum Percentage Earned</i>
0 - 23.99	50%
24 - 53.99	55%
54 - 83.99	62%
84 +	67%

Qualitative Measurement

The academic standards against which a student’s performance is measured are stated in the university’s course catalog as follows:

Maximum Time Frame

Federal financial aid regulations also require that the university establish a maximum time frame of 150% of the credits needed for completion of degree programs. For four-year degree programs, the maximum number of attempted credits is 180. For two-year programs, the maximum number of attempted credits is 90. If a student attempts credits more than the maximum number identified for a degree, then eligibility is terminated. Repeated courses are counted as attempted but not earned. Aid may be received one time for repeating a required course if the purpose is to achieve a passing grade. (grade improvement).

Attempted Hours. For the purpose of this policy, attempted hours include: Audited classes, classes withdrawn from, deferred grades, incomplete grades, missing grades, L grades, developmental courses taken and repeated courses.

Passed Hours. For the purpose of this policy, passed hours include: Passed credit hours that can be used for the purpose of completing degree requirements. Letter grades of “A” through “D” and “P” will be considered as credits completed.

Transfer Students. If a student earned credits at a prior institution(s) that will be accepted toward her/his degree, those accepted hours will be included as attempted hours for the purposes of financial aid satisfactory academic progress evaluation.

Financial Aid Probation and Suspension

At the end of each academic year (as stated above), a student’s academic standing as it relates to the financial aid SAP policy will be reviewed to determine if the minimum requirements are being maintained. Failure to maintain the required minimums will result in a suspension of financial aid eligibility. Any financial aid for upcoming terms (including summer) that has been awarded will be cancelled. The suspension is permanent until the student has:

1. completed sufficient coursework on his/her own, without benefit of financial assistance to reestablish eligibility according to the SAP

standards (the student must notify the Financial Aid Office that additional coursework has been completed and request a review); or

2. successfully appealed the financial aid suspension.

Financial aid suspension is independent of academic suspension. It is possible to be in acceptable academic standing but not in acceptable financial aid standing due to the Quantitative Standard or the Maximum Time Frame Standard in the federal Satisfactory Academic Progress policy. Re-entry to the University after withdrawing, taking a Leave of Absence or “stopping out” when not meeting SAP will not reestablish eligibility for financial aid.

Appeal of Financial Aid Suspension

Students placed on Financial Aid Suspension may submit a written appeal, normally within 30 days of notification, to the Director of Financial Aid. The appeal must explain the circumstance that prevented SAP standards from being met and what has changed that will permit the student to meet the SAP standards in the student’s upcoming terms of attendance. A successful appeal will usually include a plan for academic improvement with approval from the student’s advisor. The appeal should also discuss “conditions of hardship” such as death of a relative, personal injury or prolonged illness of the student and these circumstances should be supported by third-party documentation. The appeal and supporting documentation should address any possibility of recurring circumstances that impacted the student’s ability to meet the SAP standards.

Under the policy, appeals may be granted if the University considers that the plan for improvement will enable the student to meet the SAP policy within a specified time period. The student may be placed on Financial Aid Probation for one term or longer, and will be able to receive financial aid during that time period. If at the end of the probationary period, the minimum standards of the policy are not being met, financial aid eligibility will be suspended. Appeals will be reviewed by the Director of Financial Aid in consultation with the Vice President for Academic Affairs and/or advisors. Students will receive written notification of the decision within 30 days of receipt.

Condition of Financial Aid Reinstatement

Students must meet the conditions stated above under “Financial Aid Suspension” in order to have financial aid eligibility reinstated. Students should

notify the Financial Aid Office in writing that the conditions of reinstatement have been met. Students will observe the published application procedures and deadlines for financial aid consideration and will receive written notification if financial aid is to be reinstated. When appeals are granted, the University will make every effort to restore financial aid to its originally awarded levels; otherwise, aid will be restored on a first-come, first-serve basis.

RETURN OF TITLE IV FUNDS TO THE FEDERAL STUDENT AID PROGRAMS

Title IV funds are disbursed to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded (a term). When a student withdraws or leaves without notification to the school, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive.

When a Title IV aid recipient withdraws from the institution, the school is required to determine what percentage of financial aid the student is entitled to retain in payment of charges at the school. This percentage is calculated separately from the amount of tuition and fee refund that student may receive as a result of withdrawal from the institution.

The Financial Aid Office examines the pertinent information and makes a determination according to federal guidelines as to how much financial assistance must be returned to the Federal Student Aid Programs. Information used in that determination includes date of separation from the University, amount and type of aid disbursed in that term and amount of University charges.

STUDENT AID PROGRAMS

There are several types of financial aid that students might receive: scholarships, grants, work funds and loans. Grants and scholarships provide assistance that does not need to be repaid. Loans provide borrowed money that must be repaid with interest. Work-study allows students to earn money to help pay for education expenses while enrolled in school.

These types of financial aid come from different sources: federal student aid programs, state aid programs, universities and private sources.

Federal Student Aid Programs

There are three categories of federal aid: grants, loans and work-study funds. The major federal programs are described below:

Federal Pell Grants are available to undergraduate students. Grants do not have to be repaid. Currently, Pell Grant awards for the 2016-17 award year range up to a maximum of \$5,815.

William D. Ford Federal Direct Loans are student loans that must be repaid and are available to both undergraduate and graduate students. The federal government provides the funds for Direct Loans through the school. First-year dependent undergraduates are eligible for a subsidized loan up to \$3,500 and an additional unsubsidized amount of up to \$2,000 for a total of up to \$5,500. A subsidized loan is awarded on the basis of financial need. If a student is eligible for a subsidized loan, the government will pay (subsidize) the interest on the loan while the student is in school. For an unsubsidized loan, the student is responsible for the interest from the time the unsubsidized loan is disbursed until it is paid in full. Annual maximum loan amounts increase for subsequent years of study. Subsidized loans first disbursed to undergraduate students on or after July 1, 2016 through June 30, 2017 have an interest rate of 4.29 percent. Unsubsidized loans first disbursed to undergraduate students on or after July 1, 2016 through June 30, 2017 have an interest rate of 4.29 percent.

Direct PLUS Loans are unsubsidized loans made to parents of dependent undergraduate students. A dependent undergraduate student whose parent is unable to obtain a PLUS Loan may borrow additional Unsubsidized Direct Loan funds at the higher loan limits otherwise available only to independent undergraduates. Direct PLUS Loans first disbursed on or after July 1, 2016 have a fixed interest rate of 6.84 percent.

State Programs

The **Maine State Grant Program** offers assistance to Maine residents attending college either part-time or full-time. Application is made by completing the FAFSA by the published state deadline (May 1 for 2016-17). In order to be considered a student must:

- Be a Maine resident for at least one year prior to application;
- Have graduated from an approved secondary school or received a GED;
- Be enrolled in an eligible school for a first undergraduate degree;
- Have financial need, as determined by the FAFSA; and

- Meet general eligibility requirements as set forth by the Federal Student Aid Programs.

UMM Programs

UMM Need-based Grants provide assistance to students on the basis of financial need. Application is made by completing the FAFSA. Grants vary in amount and provide direct financial support to many students. These grants are not repaid.

UMM Merit Scholarships are offered by UMM to provide financial support for qualifying students. Award criteria include SAT or ACT scores or cumulative GPA. Scholarships are available to in-state students and out-of-state students paying out-of-state tuition rates. Merit Scholarships are renewable to continuing students if they meet the stated cumulative GPA each year. Merit Scholarships are awarded by the Admissions Office.

Tuition Advantages for Canadian and NEBHE Students – Two groups of out-of-state students qualify for special tuition advantages to assist them in paying college expenses at UMM. Canadians and students from New England states who pursue selected academic programs as identified by the New England Board of Higher Education (NEBHE) can save approximately \$5,500 per year. (This amount will vary according to the number of credits in which the student enrolls and to the program). The Admissions Office can provide additional information about which programs might qualify.

Other Assistance

Payment Plans are available to students and parents who find it more convenient to make monthly payments to spread the academic year costs over a period of months according to a specified schedule. Contact the Business Office at 207-255-1312 for more information.

Outside Scholarships and Third-party Funding – Outside scholarships and grants are offered by organizations or agencies other than UMM. Students apply for them on their own initiative, and the outside organizations consider applications and make awards based on their own criteria. Students receiving federal or state financial aid are required by regulation to report these awards to UMM where the awards will be incorporated into the award package according to federal regulations.