

TYPES OF FINANCIAL AID

There are three basic categories of financial aid: gift aid (scholarships and grants), loans, and part-time employment. Most assistance is offered as a package of two or more kinds of aid. Undergraduates (in pursuit of the *first* bachelor's degree) who apply to the OFAS are considered for all three types of assistance. Undergraduates in pursuit of a second bachelor's degree are considered only for loans and work assistance.

Gift Aid

Scholarships and grants do not require repayment or work. Gift aid takes the following forms:

Freshman & Transfer Scholarships

The University offers a variety of scholarship resources for freshman and transfer students. These scholarships have specific selection criteria. Some of the funds require prior commitment and participation, most do not. For detailed information regarding criteria for these scholarships, please refer to the OFAS website (umdearborn.edu/students/financial-aid/types-aid/scholarships (<https://umdearborn.edu/students/financial-aid/types-aid/scholarships/>)), or contact the Office of Admissions at 313-593-5100.

Most scholarships have terms and conditions. These can be found by following the steps to accept your scholarship online at umdearborn.edu/students/financial-aid/accepting-receiving-aid/accepting-scholarships (<https://umdearborn.edu/students/financial-aid/accepting-receiving-aid/accepting-scholarships/>).

Grants

Eligibility for the following Federal, State and University grant funds are determined according to demonstration of need (based on the outcome of the FAFSA), and availability of funds. The grants are considered for undergraduate students pursuing a *first* bachelor's degree. Unless otherwise stated, at *minimum*, eligibility requires adherence to Federal fund criteria, maintenance of the University's Satisfactory Academic Progress guidelines, and enrollment of at least half-time (6 or more credit hours).

Federal Pell Grants

Pell Grant is a federal program with award currently ranging from approximately \$657 to \$6,195. An Expected Family Contribution (EFC) of 0 results in an award of \$6,195 based on full-time enrollment for the academic year. The Federal Pell Grant Program is considered the foundation grant to which all other sources are added to create a financial aid package. Pell Grant is one of the few programs that permit some students to receive a prorated portion of the award at a less-than-half-time enrollment status.

The Federal Pell Grant Program has lifetime eligibility limitations for all Pell Grant recipients. Pell Grant recipients are eligible to receive a maximum of 12 full-time semesters of this grant. Once students have used 12 full-time semesters, they are no longer eligible for any additional Federal Pell Grant. There is no appeal for this restriction.

Students are able to track their eligibility used on the studentaid.gov (<https://studentaid.gov/>) Access is gained using your Federal Student Aid ID (FSA ID).

The limitations of financial aid eligibility impact financial aid and scholarship programs. It is important to work closely with your academic

advisor to stay on track to meet degree requirements to make the best use of financial aid funds.

Census Date - Each semester, the enrollment level is locked upon the Census Date for all students by the Office of Records and Registration. The Census Date is defined as the end of the Add/Drop period. At this point, the Pell Grant will disburse based on the number of credits in which a student is enrolled. If an additional course is added after the Census Date, the Pell Grant is not adjusted for the increase in credits. No exceptions are made and appeals will not be considered.

Federal Supplemental Educational Opportunity Grants (FSEOG)

FSEOG is a federal campus-based program used to supplement the Pell Grant of the neediest Pell Grant recipients. At UM-Dearborn, FSEOG is reserved for students with a 0 Expected Family Contribution (EFC).

TEACH Grant

(Teacher Education Assistance for College and Higher Education)

Funded by the federal government, the TEACH Grant provides up to \$3,764 per year for students whose intention is to teach in a "high need field" (subject area), in an elementary or secondary school serving students from low-income families. As a recipient, students agree (in advance of receipt) to teach a "high need field," full-time, for a minimum of four years within the eight years following program completion (or progress interruption from the program for which the grant was awarded).

The FAFSA is required to be considered for a TEACH Grant. However, recipients do not have to demonstrate "need."

The TEACH Grant will remain a grant if recipients meet the specific criteria. If recipients do not meet the criteria, the TEACH Grant converts to an unsubsidized loan with interest calculated back to the initial disbursement date(s). For this reason, UM-Dearborn has defined our eligibility criteria as cautiously as possible.

The population UM-Dearborn currently considers for the TEACH Grant are Seniors (at the undergraduate level) and graduate level students, with a high Cumulative Grade Point Average (CGPA), admitted into a degree-granting program of the College of Education, Health, and Human Services, and pursuing majors that align with the "high need fields."

The minimum CGPA requirement for the TEACH Grant is 3.25 (on a 4.0 scale). The degree programs currently considered are: Bachelor of Arts and Bachelor of Science. Eligible majors at UM-Dearborn are: Education, General Science, Mathematics, Mathematics Studies, Reading Science Education, Science Studies, Special Education, and Teaching.

Michigan Competitive Scholarship (MCS)

Funded by the State of Michigan, the Michigan Competitive Scholarships are available to many Michigan high school graduates from the Office of Student Scholarships and Grants, Michigan Department of Treasury. Scholarships are awarded to qualifying undergraduates attending public colleges and universities in Michigan. To qualify for the scholarship, students must demonstrate aptitude based on their performance on the ACT or SAT, as well as financial need as determined by uniformly applied methodology via information from the FAFSA. Recipients must also meet Michigan residency requirements.

Children of Veterans' Tuition Grant Program

The Children of Veterans' Tuition Grant Program offers Tuition Grant assistance to the children of Michigan veterans who were killed while in service, died as a result of service-related disabilities, or are considered

100% disabled because of service-connected disabilities. The child must be a Michigan resident between the ages of 16 and 25. Upon admission to a Michigan institution of higher learning, eligible undergraduates may qualify for a Tuition Grant of up to \$2800 each academic year for full-time enrollment (amounts are prorated for less than full-time enrollment). Students must maintain a 2.25 or higher cumulative grade point average. Inquiries may be directed to the State of Michigan's Office of Student Scholarships and Grants at 888-447-2687.

University of Michigan-Dearborn Grant

Funded by the University of Michigan-Dearborn, UM-Dearborn Grants are awarded to help high need students defray tuition costs. The Expected Family Contribution (EFC) is used to determine eligibility for these grants. Given eligibility and funding, students who apply by the priority deadline are automatically considered for the appropriate type of grant.

Loans

Eligibility for the following Federal loan programs are determined according to demonstration of need (based on the outcome of the FAFSA) and also individual, annual, and aggregate borrowing parameters. Eligibility requires adherence to Federal fund criteria, maintenance of the University's Satisfactory Academic Progress guidelines, and minimum enrollment of at least half-time (6 or more credit hours). Requirements are subject to change over time. Additional documents may be required (e.g., Promissory Notes and Entrance Counseling) prior to disbursement of funds.

William D. Ford Federal Direct Loan Program

Federal Direct Loans are available through the William D. Ford Federal Direct Loan Program. Under the Federal Direct Loan Program, funds are lent to student or parent borrowers directly by the U.S. government. There are several types of Direct Loans: the Federal Direct Subsidized Loan (Subsidized FDSL), Federal Direct Unsubsidized Loan (Unsubsidized FDSL), Federal Direct Parent Loan for Undergraduate Students (FDPLUS), and the Federal Direct Consolidation Loan program.

Subsidized vs. Unsubsidized Federal Direct Loan

The Subsidized Federal Direct Loan is a need-based loan, while the Unsubsidized Federal Direct Loan is not. Students borrowing a Subsidized Loan are not assessed interest while they are enrolled at least half-time. Those borrowing an Unsubsidized Loan are assessed interest while enrolled in school, but payment of the interest is deferred until loan repayment begins. A student may pay interest while enrolled, which will result in lower loan payments over the life of the loan and a lower long-term cost.

Because Federal Direct Loan awards have origination fees, the Direct Loan amounts applied to your University student account will be lower than those listed on your Award Notice.

Direct Subsidized Loan Time Limitation

New Federal Direct Subsidized Loan borrowers are limited in the amount of time they qualify for an interest subsidy. Students who have exceeded 150 percent of the published length of their educational program will be:

- Ineligible for additional Federal Direct Subsidized Loans (though you may borrow a Federal Direct Unsubsidized Loan) and
- Responsible for interest on all loans accruing after exceeding the 150 percent limit.

New borrowers are defined as students with no outstanding federal loan principal balance when they take out a new loan after July 1, 2013. Transferring between programs does not reset loan eligibility. Interest not paid will be capitalized, effectively increasing your loan principal upon repayment.

Undergraduate students approaching graduation: *If you are enrolled less than full-time during your final term, you may not be eligible for the full, annual maximum federal loan limit. Consult with an aid officer to discuss your situation.*

Annual and Lifetime Federal Direct Student Loan Limits

Class Level	Dependent Undergraduate	Independent Undergraduate	Graduate
Freshmen (0–24 credits)	\$5,500 (only \$3,500 can be in subsidized loans)	\$9,500 (only \$3,500 can be in subsidized loans)	
Sophomores (25–54 credits)	\$6,500 (only \$4,500 can be in subsidized loans)	\$10,500 (only \$4,500 can be in subsidized loans)	
Juniors and Seniors (55 credits and above)	\$7,500 (only \$5,500 can be in subsidized loans)	\$12,500 (only \$5,500 can be in subsidized loans)	
Graduate (Masters or Doctoral)			Up to \$20,500 in unsubsidized loan
Maximum Total Debt From Direct Student Loans Upon Graduation	\$31,000 (only \$23,000 can be in subsidized loans)	\$57,500 (only \$23,000 can be in subsidized loans)	\$138,500 (only 65,500 can be in subsidized loans). Graduate loan debt will also include Federal Direct Student Loans received as an undergraduate.

Federal Direct Parent Loans for Undergraduate Students

Direct PLUS Loans are part of the federal Direct Loan Program, which makes loans directly from the U.S. Dept. of Education.

The parent(s) of a dependent undergraduate must apply for PLUS loans separately if they need additional funds to cover costs. Eligibility is not based on need and borrowers may obtain up to the amount of Cost of Attendance minus any other financial assistance received.

The Direct PLUS Loan may be of interest to a parent whose student:

- is not eligible for other aid
- has unusual costs above standard student expense budgets
- has remaining financial need after other forms of aid are awarded or
- wishes to borrow all or part of their Expected Family Contribution.

There are certain requirements to qualify for the PLUS loan and the federal processor will access your credit report as part of the application process. Because credit checks are valid for a limited time, applications for the Fall and/or Winter terms should be completed beginning in early

June. Applicants must complete the FAFSA before eligibility for the PLUS Loan can be determined. You must reapply each year.

Federal Direct Consolidation Loan

Federal Direct Consolidation Loans are designed to help student and parent borrowers simplify loan repayment. This loan allows the borrower to consolidate several types of federal educational loans with various repayment schedules into one loan, requiring only one payment per month. Interest rates, however, may differ depending on the loan category as well as repayment and deferment options for the borrower.

Borrowers in default on a previous federal education loan may be able to obtain a Direct Consolidation Loan as a method of resuming the educational process and regaining eligibility for financial aid funds. (Those in default are ineligible for any and all financial aid while the default status is unresolved.)

Those interested may contact their Direct Loan Servicer or access their web site studentaid.gov (<http://catalog.umd.umich.edu/undergraduate/financial-aid-scholarships/types/studentaid.gov>) for additional information.

Student Employment

Federal Work-Study Program—Federal Work-Study is a Title IV program offering part-time work for students who demonstrate financial need. Students work up to 25 hours per week during the regular semester, depending upon the student's financial need, availability of federal funds, and the student's class schedule. Seven percent of the school's annual Federal Work-Study allocation will be used to fund community service jobs.

Work-Study awards are earned by working for Work-Study employers and earning a paycheck, typically paid bi-weekly through the employer's payroll system. Work-Study earnings will not credit to your tuition and fee bill. Employers pay a percentage of students' wages and federal funds pay the remaining wages.

University openings are posted on careers.umich.edu (<http://careers.umich.edu/>). You can also contact the Office of Career Services (<https://umdearborn.edu/students/office-career-services/>) for assistance with Off-Campus openings. You must show the employer a copy of your Award Notice and proof that your enrollment is at least half-time (6 or more credit hours) and inform your employer if your Work-Study eligibility changes.

On-Campus Employment

On-campus employment is funded by UM-Dearborn, when not funded by Federal funds. There are many part-time and temporary jobs available in the academic departments and in the support offices. Eligibility for Federal financial aid funds is not a requirement for University employment. Students may contact the Office of Career Services (<https://umdearborn.edu/students/office-career-services/>) to inquire about job availability. The departments pay 100 percent of these wages. To locate an on-campus job, visit careers.umich.edu (<http://careers.umich.edu/>).

Other Sources of Financial Aid

Other sources of financial assistance are available through government agencies such as Vocational Rehabilitation, Veterans Administration, and Social Security. Students needing information on these programs should contact the nearest appropriate agency.

Assistance for educational expenses may also come in the form of tax allowances. The Internal Revenue Service publishes Publication 970. Publication 970 provides information on educational benefits allowed within the tax code. Publication 970 may be obtained from the Internal Revenue Service or viewed online at irs.gov/publications/p970 (<http://www.irs.gov/publications/p970/>).