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FINANCIAL AID REPORT FY2010

February 2011



*Maine's
Public
Universities*

UNIVERSITY OF MAINE SYSTEM

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Tuition Waivers	Attachment I

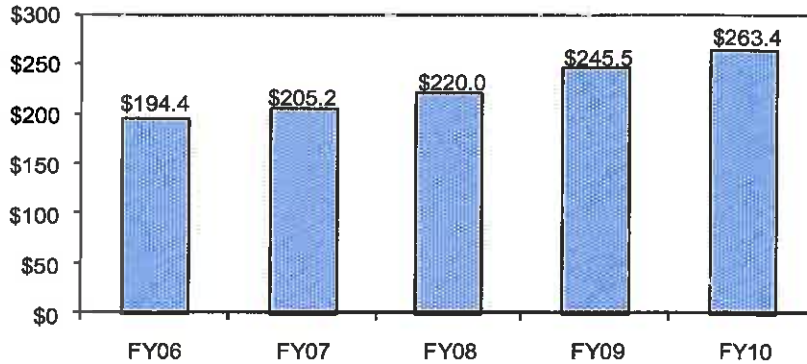
EXECUTIVE SUMMARY

Historical Perspective

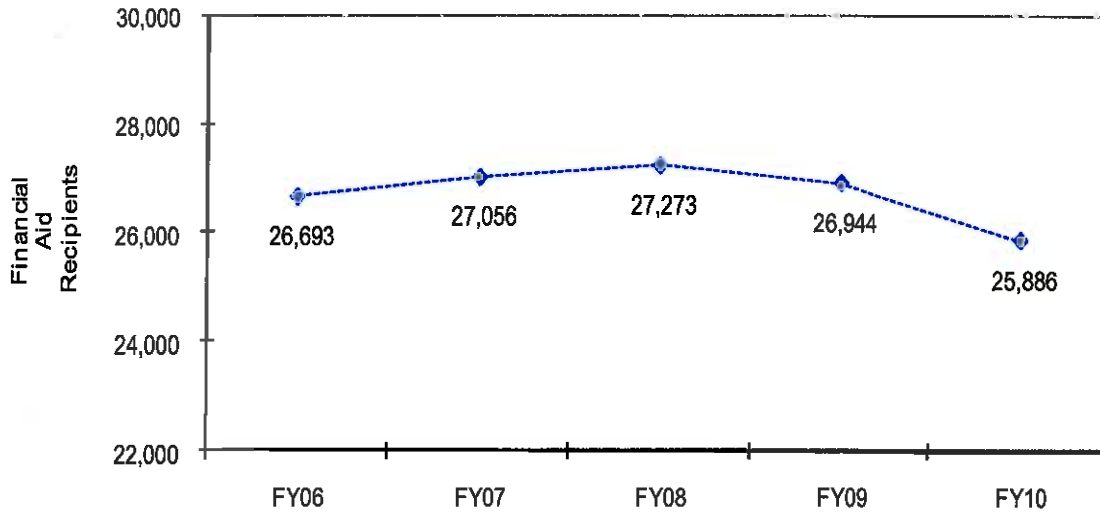


THE TOTAL FINANCIAL AID FOR FY10 WAS \$263.4 MILLION, REFLECTING AN INCREASE OF \$17.9 MILLION WHEN COMPARED TO LAST YEAR. THE AMOUNTS AWARDED FOR SCHOLARSHIPS, GRANTS, AND WAIVERS INCREASED BY \$5.1 MILLION. EDUCATIONAL LOANS INCREASED BY \$13.2 MILLION WHILE WORK STUDY WAGES PAID TO STUDENTS DECREASED \$0.4 MILLION.

TOTAL FINANCIAL AID

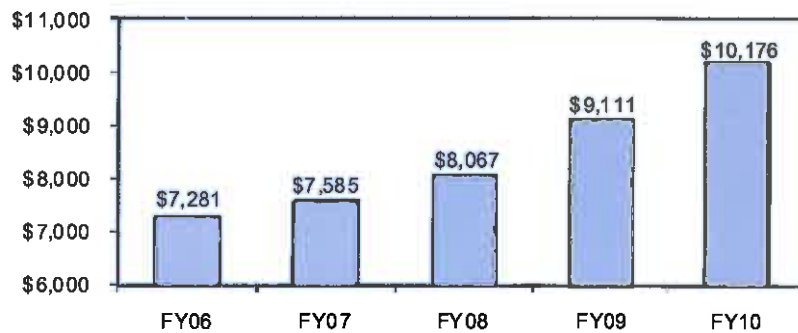


THE TOTAL NUMBER OF STUDENTS RECEIVING AID DECREASED FOR FY10. (includes recipients of unsubsidized federal loans)



FEWER STUDENTS RECEIVED FINANCIAL AID, BUT THE AVERAGE AMOUNT RECEIVED PER STUDENT INCREASED.

AVERAGE AWARD

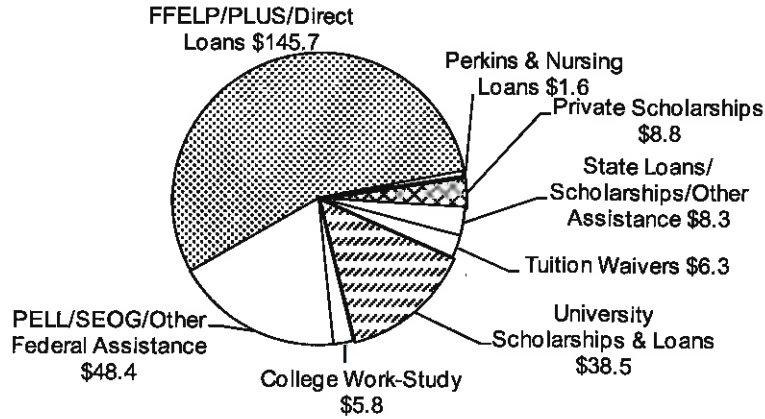


EXECUTIVE SUMMARY

The FY10 Perspective

Total Aid - \$263.4 million

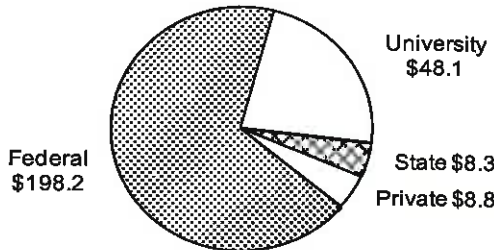
The total financial aid received by University students from all sources totaled \$263.4 million.



Source of Aid

Students at the University of Maine System receive financial assistance from four major sources: Federal (75%), University (18%), Private (4%), and State (3%).

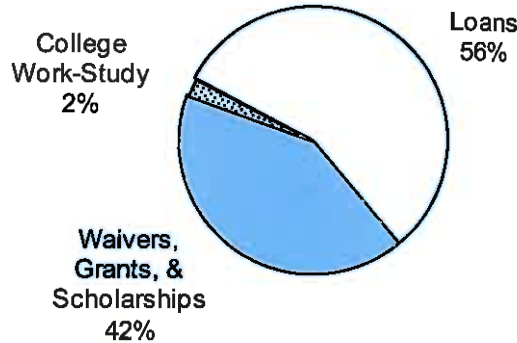
TOTAL AID - \$263.4 million



Types of Aid

Financial aid funds were distributed to students in the form of Loans (56%), Waivers/Grants/Scholarships (42%), and College Work-Study (2%).

By Type



OVERVIEW

Financial Aid By Type (\$ in Millions)

	<u>FY06</u>		<u>FY07</u>		<u>FY08</u>		<u>FY09</u>		<u>FY10</u>		<u>4-Year Change</u>
College Work-Study	\$6.1	3%	\$5.9	3%	\$6.5	3%	\$6.2	3%	\$5.8	2%	-5%
Scholarships/Waivers/Grants	84.0	43%	90.5	44%	98.0	44%	104.5	42%	109.6	42%	30%
Loans	104.3	54%	108.8	53%	115.5	53%	134.8	55%	148.0	56%	42%
Totals	<u>\$194.4</u>	<u>100%</u>	<u>\$205.2</u>	<u>100%</u>	<u>\$220.0</u>	<u>100%</u>	<u>\$245.5</u>	<u>100%</u>	<u>\$263.4</u>	<u>100%</u>	35%

Financial Aid By Source (\$ in Millions)

	<u>FY06</u>		<u>FY07</u>		<u>FY08</u>		<u>FY09</u>		<u>FY10</u>		<u>4-Year Change</u>
Federal	\$133.9	69%	\$139.4	68%	\$149.4	68%	\$175.2	71%	\$198.2	75%	48%
University	42.8	22%	46.9	23%	49.2	22%	46.8	19%	48.1	18%	12%
State	8.3	4%	9.4	4%	10.9	5%	10.0	4%	8.3	3%	0%
Private	9.4	5%	9.5	5%	10.5	5%	13.5	6%	8.8	4%	-6%
Totals	<u>\$194.4</u>	<u>100%</u>	<u>\$205.2</u>	<u>100%</u>	<u>\$220.0</u>	<u>100%</u>	<u>\$245.5</u>	<u>100%</u>	<u>\$263.4</u>	<u>100%</u>	35%

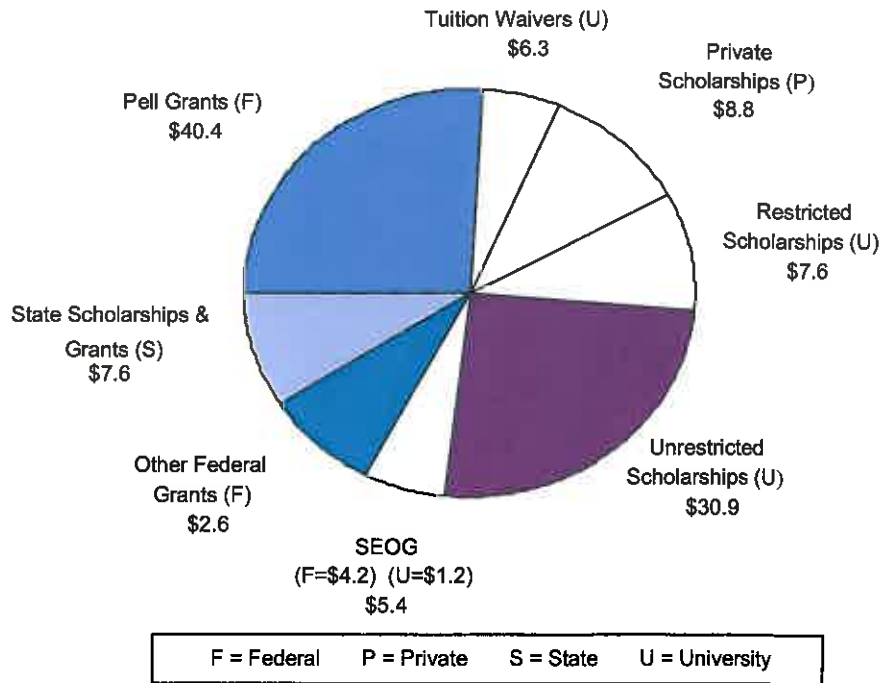
OVERVIEW

Scholarships, Waivers, & Grants

Scholarship, grant, and waiver programs totaled \$109.6 million in FY10. These programs include Federal, Private, State and University funds that are awarded to students and do not need to be repaid. Pell Grants and Supplemental Educational Opportunity Grants are need based programs that are funded primarily by the federal government with the University providing matching funds. UMS Restricted and Unrestricted Scholarships may be awarded based on merit, need, diversity, or donor-specified criteria. The UMS tuition waivers are of an entitlement nature for students who meet specific eligibility criteria (such as North American Indian).

The Description of Student Aid Programs section of this report provides an explanation of the types of scholarship, grant, and waiver programs available at the University.

**Scholarships/Waivers/Grants
\$109.6 million**

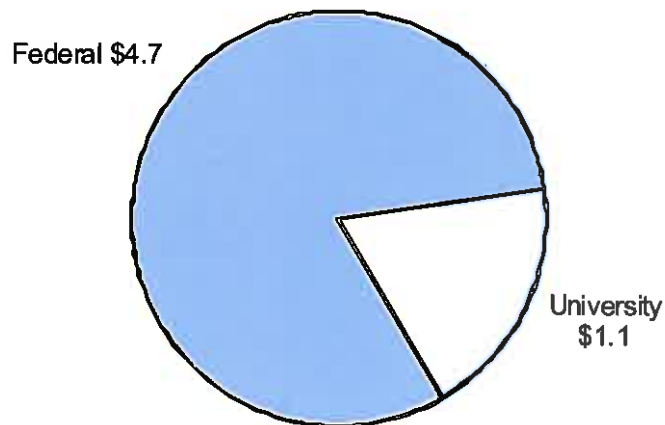


OVERVIEW

Federal College Work-Study Program

Students provide a wide range of valuable services for the University and various off-campus agencies as employees. Wherever possible, the jobs performed by students are designed to reinforce the students' educational programs. Students received a total of \$5.8 million under the Federal College Work-Study program which is funded by both the Federal Government (\$4.7 million) and the University (\$1.1 million). The Federal College Work-Study Program is considered part of the "self-help" component of a student's financial aid package.

**Federal College Work-Study Program Funding
\$5.8 million**



OVERVIEW

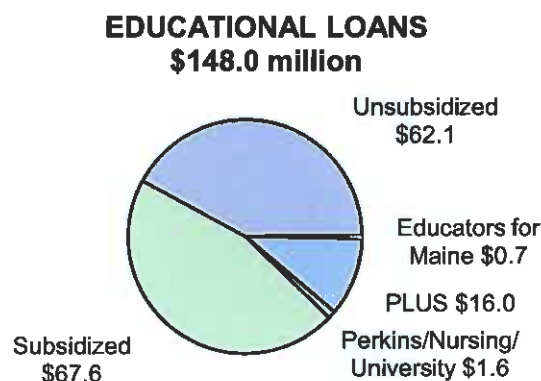
Loan Programs

Of the FY10 \$263.4 million in financial aid funds, \$148.0 million (56%) was in the form of loans. Although the vast majority of the funding for educational loans is backed by the federal government, some funding is provided by the State of Maine and the University.

Of the \$148.0 million in educational loans, \$1.3 million was awarded for Perkins Loans. Although this is a Federal program, the University administers and contributes to this program making it the major University loan program. In recent years new federal contributions to the Perkins Loan program have been small. Currently, the primary source of funding for this program is the repayment of loans by former students who borrowed under the program. These collections were fairly steady through 2002 making the amount available to award consistent. Then loan consolidation (replace multiple loans with a single loan) terms became very favorable, resulting in a large influx of cash available to re-lend. More recently, campuses have begun to experience the opposite of this phenomenon; the inflows of cash from consolidation have nearly dried up. Therefore, it's expected that the amount of Perkins Loans available in the immediate future will be less.

The University also administers and contributes to the federal Nursing Student Loan Program which awarded \$0.3 million to students in FY10. Institutional loans are also available to students meeting certain criterion. The Educators for Maine Program, administered by the Finance Authority of Maine, awarded loans totaling \$0.7 million to UMS students.

Students received \$145.7 million through the Federal Family Educational Loan Program (FFELP) and the William D. Ford Federal Direct Loan Program (Direct). These two programs consist of Subsidized Loans (\$67.6 million), Unsubsidized Loans (\$62.1 million), and Parent Loans to Undergraduate Students (PLUS-\$16.0 million). The FFELP is administered through the Federal government in cooperation with various State Guarantee Agencies, Commercial Lending Institutions, and Higher Education Institutions. The source of capital for these loans is Commercial Lending Institutions. The Direct Loan Program which is administered by the Federal government in a cooperative effort with Higher Education Institutions. The Federal government is the source of capital for these loans. It should be noted that beginning with FY09, all students were eligible for an additional \$2,000 Unsubsidized Stafford Loan which resulted in a significant increase in Unsubsidized Loans.



COST OF EDUCATION

Undergraduate, In-State, On-Campus Student

In order to meet the unique cost of an individual student, the Financial Aid Offices at each university have developed student budgets that are tailored to the economic characteristics of that university and the local economy. Student budgets are developed for both undergraduate and graduate students. In addition, strict Federal guidelines are followed in determining eligibility for Federal student aid.

On average for FY10 for undergraduate, in-state students, family contributions account for 39% of the Student Aid Package. Need-based loans covered 19%; restricted and unrestricted scholarships/grants/waivers paid for 24%; outside scholarships and assistance programs paid for 10%, and the federal college work-study program covered the remaining 8% of the costs. It should be noted that the family contributions may well include additional loan sources requiring the student and/or parent to begin repaying the loan immediately.

Average Undergraduate Student Budget

	<u>FY06</u>		<u>FY07</u>		<u>FY08</u>		<u>FY09</u>		<u>FY10</u>	
Tuition & Fees	\$5,913	38%	\$6,429	39%	\$7,102	39%	\$7,822	40%	\$8,289	41%
Room & Board	6,491	42%	6,884	41%	7,297	41%	7,776	40%	\$8,142	40%
Transportation	912	6%	1,018	6%	1,187	7%	1,323	7%	\$1,338	7%
Books/Supplies	775	5%	790	5%	917	5%	946	5%	\$1,028	5%
Misc.	<u>1,433</u>	<u>9%</u>	<u>1,451</u>	<u>9%</u>	<u>1,488</u>	<u>8%</u>	<u>1,512</u>	<u>8%</u>	<u>\$1,532</u>	<u>7%</u>
Total	\$15,524	100%	\$16,572	100%	\$17,991	100%	\$19,379	100%	\$20,329	100%

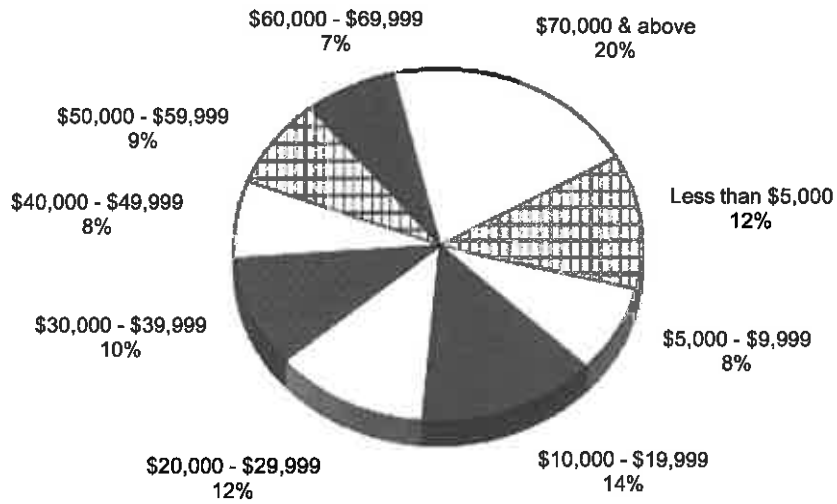
Average Student Aid Package

	<u>FY06</u>		<u>FY07</u>		<u>FY08</u>		<u>FY09</u>		<u>FY10</u>	
Family Contribution	\$4,341	28%	\$5,016	31%	\$5,710	32%	\$7,092	37%	\$7,849	39%
Work-Study	1,591	10%	1,550	9%	1,618	9%	1,603	8%	1,597	8%
Scholarship/Grant/Waiver	3,310	21%	3,372	20%	3,664	20%	3,985	21%	4,827	24%
Need-Based Loans	3,643	24%	3,755	23%	4,073	23%	3,940	20%	3,929	19%
Outside Sources	<u>2,639</u>	<u>17%</u>	<u>2,879</u>	<u>17%</u>	<u>2,926</u>	<u>16%</u>	<u>2,759</u>	<u>14%</u>	<u>2,127</u>	<u>10%</u>
Total	\$15,524	100%	\$16,572	100%	\$17,991	100%	\$19,379	100%	\$20,329	100%

Family Income Levels of In-State, Undergraduate, Need-Based Federal Aid Recipients

Approximately 15,500 in-state, undergraduate students received some form of need-based Federal financial aid during FY10. For the purpose of calculating financial need, these students were classified as either dependent (rely on parental support) or independent (do not rely on parental support). The dependent students' family income levels and the independent students' income levels for those in-state, undergraduate students who received need-based Federal aid are shown below. As indicated, 46% of the families/students earned less than \$30,000, and 73% earned less than \$60,000.

Income Levels for FY10 In-State, Undergraduate, Need-Based Federal Aid Recipients (Dependent & Independent Students)



FY10 In-State, Undergraduate, Need-Based Federal Aid Recipients			
INCOME LEVELS	DEPENDENT STUDENTS	INDEPENDENT STUDENTS	DEPENDENT & INDEPENDENT STUDENTS
Less than \$5,000	3%	24%	12%
\$ 5,000 - \$ 9,999	2%	16%	8%
\$10,000 - \$19,999	7%	24%	14%
\$20,000 - \$29,999	10%	16%	12%
\$30,000 - \$39,999	12%	8%	10%
\$40,000 - \$49,999	11%	5%	8%
\$50,000 - \$59,999	12%	3%	9%
\$60,000 - \$69,999	10%	2%	7%
Over \$70,000	33%	2%	20%
	100%	100%	100%

Summary of Aggregates:

- 57% of dependent students and 96% of independent students earned less than \$60,000.
- 73% of dependent and independent students earned less than \$60,000.
- 46% of dependent and independent students earned less than \$30,000.

HISTORICAL DATA**Financial Aid By Source of Funding
(\$ in Millions)**

	FY06		FY07		FY08		FY09		FY10	
<u>UNIVERSITY FUNDING:</u>										
Tuition Waivers	\$4.4	3%	\$5.0	2%	\$5.4	2%	\$5.6	2%	\$6.3	2%
Scholarships	28.8	15%	31.4	16%	34.3	16%	37.2	15%	38.5	15%
SEOG Matching	1.2	1%	1.2	.5%	1.2	.5%	1.0	.5%	1.2	.5%
Work-Study Matching	1.4	1%	1.2	.5%	1.2	.5%	1.2	.5%	1.1	.5%
University Loans	0.2	0%	0.3	0%	0.1	0%	0.1	0%	0	0%
Perkins/Nursing*	6.8	3%	7.8	4%	7.0	3%	1.7	1%	1.0	0%
Subtotals	\$42.8	23%	\$46.9	23%	\$49.2	22%	\$46.8	19%	\$48.1	18%
<u>FEDERAL FUNDING:</u>										
PELL	\$23.0	12%	\$23.4	12%	\$25.0	12%	\$27.6	11%	\$40.4	15%
SEOG & Other Grants	4.4	2%	5.7	3%	5.6	2%	5.4	2%	6.8	3%
Work-Study	4.8	2%	4.7	2%	5.2	2%	5.0	2%	4.7	2%
FFELP/DIRECT/PLUS	95.8	49%	99.2	48%	107.2	49%	131.5	54%	145.7	55%
Perkins/Nursing	0.5	0%	0.4	0%	0.3	0%	0.5	0%	0.6	0%
Other Assistance***	5.4	3%	6.0	3%	6.1	3%	5.2	2%	0.0	0%
Subtotals	\$133.9	68%	\$139.4	68%	\$149.4	68%	\$175.2	71%	\$198.2	75%
<u>STATE FUNDING:</u>										
Educators for Maine	\$1.1	1%	\$1.1	1%	\$1.0	0%	\$1.0	0%	\$0.7	0%
Maine State Grant**	6.8	3%	8.0	4%	8.6	4%	8.1	4%	6.3	3%
NextGen Access	0.2	0%	0.0	0%	0.0	0%	0.0	0%	0.0	0%
License Plate	0.0	0%	0.0	0%	0.2	0%	0.1	0%	0.3	0%
Racino Scholarship	0.0	0%	0.0	0%	0.5	0%	0.6	0%	0.9	0%
Other Assistance	0.2	0%	0.3	0%	0.6	0%	0.2	0%	0.1	0%
Subtotals	\$8.3	4%	\$9.4	4%	\$10.9	5%	\$10.0	4%	\$8.3	3%
<u>PRIVATE SCHOLARSHIPS:</u>										
	\$9.4	5%	\$9.5	5%	\$10.5	5%	\$13.5	6%	\$8.8	4%
TOTALS	\$194.4	100%	\$205.2	100%	\$220.0	100%	\$245.5	100%	\$263.4	100%

% Change over the prior year 6% 7% 12% 7%

* Consists of collections from previously loaned Perkins funds and Institutional Matching Funds. In FY09, inflow of cash from consolidation nearly dried up. Therefore, it's expected that the amount of Perkins Loans available in the immediate future will be less.

** Also includes other state grants & scholarships.

*** Prior to FY10, consists of programs such as Veterans Administration Benefits and National Guard Tuition Assistance. Beginning with the 2009-2010 award year and thereafter, the Higher Education Act Technical Correction Bill (H.R. 1777) amendment excludes Federal veterans education from the definition of estimated financial assistance for the Title IV student assistance programs.

**Financial Aid By University
(\$ in Millions)**

	FY06		FY07		FY08		FY09		FY10	
UM	\$82.5	42%	\$87.7	43%	\$95.9	44%	\$106.9	44%	\$107.1	41%
UMA	21.2	11%	23.0	11%	23.9	11%	26.5	11%	32.1	12%
UMF	17.0	9%	18.1	9%	18.5	9%	20.0	8%	22.3	9%
UMFK	4.3	2%	4.7	2%	4.9	2%	5.2	2%	5.6	2%
UMM	3.9	2%	4.3	2%	4.7	2%	5.4	2%	6.5	2%
UMPI	7.1	4%	7.6	4%	7.4	3%	7.6	3%	8.8	3%
USM	58.4	30%	59.8	29%	64.7	29%	73.9	30%	81.0	31%
TOTALS	\$194.4	100%	\$205.2	100%	\$220.0	100%	\$245.5	100%	\$263.4	100%

HISTORICAL DATA**Unduplicated Student Aid Recipients and Average Aid per Recipient**

	FY06		FY07		FY08		FY09		FY10	
	# Recipients	Average Aid	# Recipients	Average Aid	# Recipients	Average Aid	# Recipients	Average Aid	# Recipients	Average Aid
UM	9,226	\$8,940	9,513	\$9,216	10,012	\$9,579	9,745	\$10,970	9,761	\$10,976
UMA	4,252	\$4,998	4,405	\$5,217	4,268	\$5,611	4,236	\$6,267	4,522	\$7,110
UMF	2,182	\$7,800	2,290	\$7,894	2,251	\$8,223	1,974	\$10,122	1,933	\$11,538
UMFK	635	\$6,711	648	\$7,213	723	\$6,740	685	\$7,536	664	\$8,382
UMM	595	\$6,484	644	\$6,709	629	\$7,396	643	\$8,486	680	\$9,496
UMPI	1,109	\$6,436	1,139	\$6,703	1,002	\$7,398	992	\$7,634	1,021	\$8,628
USM	<u>8,694</u>	<u>\$6,712</u>	<u>8,417</u>	<u>\$7,112</u>	<u>8,388</u>	<u>\$7,714</u>	<u>8,669</u>	<u>\$8,520</u>	<u>7,305</u>	<u>\$11,089</u>
TOTALS	<u>26,693</u>	<u>\$7,281</u>	<u>27,056</u>	<u>\$7,585</u>	<u>27,273</u>	<u>\$8,067</u>	<u>26,944</u>	<u>\$9,111</u>	<u>25,886</u>	<u>\$10,176</u>

Summary of Unrestricted E&G Tuition Waivers

	FY06	FY07	FY08	FY09	FY10
FireFighters/Law Enforcement	\$2,670	\$0	\$0	\$0	\$4,800
Foster Care	132,729	152,113	177,056	261,767	244,105
High School	477,290	657,131	836,994	388,065	369,071
North American Indian*	2,487,594	2,646,805	2,815,430	3,249,128	4,036,575
Senior Citizens	99,734	122,026	162,185	230,667	286,385
Veteran's Dependent	1,200,467	1,391,410	1,479,560	1,456,882	1,382,035
TOTALS	<u>\$4,400,484</u>	<u>\$4,969,485</u>	<u>\$5,471,225</u>	<u>\$5,586,509</u>	<u>\$6,322,971</u>

¹ Includes ACE Mitchell Program

Summary of FY10 Unrestricted E&G Tuition Waivers By University

	UM	UMA	UMF	UMFK	UMM	UMPI	USM	Total
Firefighters/Law Enforcem	\$0	\$4,800	\$0	\$0	\$0	\$0	\$0	\$4,800
Foster Care	115,874	0	44,826	16,683	0	18,492	48,230	\$244,105
High School	123,488	68,926	3,101	22,026	\$26,552	30,287	94,691	\$369,071
North American Indian*	2,077,910	510,055	98,505	66,227	113,607	208,213	962,058	\$4,036,575
Senior Citizens	126,598	56,727	13,871	12,719	2,622	4,099	69,749	\$286,385
Veteran's Dependent	553,892	254,580	79,306	74,410	4,373	52,644	362,830	\$1,382,035
TOTAL	<u>\$2,997,762</u>	<u>\$895,088</u>	<u>\$239,609</u>	<u>\$192,065</u>	<u>\$147,154</u>	<u>\$313,735</u>	<u>\$1,537,558</u>	<u>\$6,322,971</u>

*NOTE: In addition to the North American Indian Waiver Program, universities also provide room and board for eligible North American Indians who live on campus. In FY2010, room and board scholarships to these students totaled \$1,113,588.

HISTORICAL DATA

Summary of FY10 Unrestricted E&G Tuition Waiver Recipients By University

	<u>UM</u>	<u>UMA</u>	<u>UMF</u>	<u>UMFK</u>	<u>UMM</u>	<u>UMPI</u>	<u>USM</u>	<u>Total</u>
Firefighters/Law Enforcement	-	1	-	-	-	-	-	1
Foster Care	19	-	7	2	-	4	9	41
High School	245	138	3	55	75	69	212	797
North American Indian*	245	154	15	32	38	71	144	699
Senior Citizens	108	44	10	7	15	5	46	235
Veteran's Dependent	71	66	12	20	10	10	57	246
TOTAL	688	403	47	116	138	159	468	2,019

*In addition to the North American Indian Waiver Program, universities also provided room and board for eligible North American Indian students as follows:

	<u>UM</u>	<u>UMA</u>	<u>UMF</u>	<u>UMFK</u>	<u>UMM</u>	<u>UMPI</u>	<u>USM</u>	<u>Total</u>
Room & Board Scholarship	\$772,836	\$ -	\$44,764	\$16,743	\$20,405	\$22,880	\$235,960	\$1,113,588
# of Recipients	108	\$ -	6	4	5	8	41	172

Subsidized & Unsubsidized Loans by University

(Excludes PLUS Loans)

(\$ in Millions)

	<u>FY06</u>		<u>FY07</u>		<u>FY08</u>		<u>FY09¹</u>		<u>FY10</u>	
	<u># of loans</u>	<u>\$</u>	<u># of loans</u>	<u>\$</u>	<u># of loans</u>	<u>\$</u>	<u># of loans</u>	<u>\$</u>	<u># of loans</u>	<u>\$</u>
UM	8,579	\$32.5	8,664	\$33.2	8,655	\$36.0	12,133	\$46.0	12,079	\$48.2
UMA	3,600	10.2	3,805	10.8	3,621	11.5	4,099	13.7	5,505	16.1
UMF	2,049	6.5	2,041	6.8	1,973	7.4	2,438	9.4	2,855	10.8
UMFK	504	1.6	517	1.6	539	1.9	581	2.2	720	2.5
UMM	328	1.0	440	1.4	422	1.5	555	2.0	654	2.4
UMPI	873	2.3	932	2.7	814	2.5	822	2.7	1,015	3.3
USM	7,425	30.5	7,297	30.8	7,398	33.7	8,457	40.2	11,960	46.4
TOTALS	23,358	\$84.6	23,696	\$87.3	23,422	\$94.5	29,085	\$116.2	34,788	\$129.7

¹Beginning with FY09, all students were eligible for an additional \$2,000 unsubsidized loan.

NOTE: A student may receive both a subsidized and unsubsidized loan; therefore, the total number of loans does not represent an unduplicated recipient count.

DESCRIPTION OF STUDENT AID PROGRAMS

FEDERAL PROGRAMS

Federal Pell Grant -The Pell Grant is the basic program of federal grant assistance to undergraduate students of exceptional financial need. Administration is federally based. Grant amounts vary according to institutional costs, number of credits taken, and individual eligibility determinations. This is an "entitlement" program (funding is guaranteed to eligible students). The maximum Pell Grant allowable for FY10 was \$5,350.

Federal Supplemental Educational Opportunity Grants - SEOG is a program of grant assistance for undergraduate students of financial need. Administration is institutionally based. Funding prior to FY90 was totally federal. In FY90, a 5% institutional match was required. In FY91, the match increased to 10%. In FY92 and FY93, the match increased to 15%. In FY94 and subsequent years, the match has increased to 25%. Federal funding is dependent upon an institutional application to the Department of Education.

Federal Work-Study - FWS is a program to provide employment to students with financial need. Jobs may be on-campus or with off-campus public or private not-for-profit agencies. To the maximum extent possible, jobs should complement and reinforce the student's educational program. Administration is institutionally based. Prior to FY90, the employing institution or agency paid at least twenty percent of the student wages and the federal government paid the remainder. For FY90, the match increased to 25% and in FY91, FY92, and FY93, the minimum match was 30%. For FY94 and subsequent years, the minimum match decreased to 25%. Federal funding is dependent upon an institutional application to the Department of Education.

Federal Perkins Loan Program - The Perkins Loan Program is a joint federal/institutional loan program for undergraduate or graduate students with financial need. Both interest and principal repayments are deferred during time of attendance. The annual interest rate is 5%, and repayment begins nine months after graduation or last attendance. Certain cancellation benefits exist. Administration is institutionally based. The institution's match prior to FY94 was at least one-ninth of the federal allocation. In FY94, the minimum match increased to three-seventeenths and in subsequent years, it increased to one-third of new Federal Capital Contributions. Federal funding requires an institutional application to the Department of Education.

Nursing Student Loans - The Nursing Student Loan Program is similar to the Perkins Loan Program except that only nursing students are eligible borrowers. Administration is institutionally based.

Federal Family Education Loan Program (Stafford Loan) - FFELP (Formerly called Guaranteed Student Loan Program) is a federal program established by the Higher Education Act of 1965 to let students borrow money for their educational needs beyond the high school level. Local financial institutions make loans to students enrolled at an institution of higher learning that participates in FFELP. The loan applications are processed at the University level. The federal government guarantees the loan made by the participating bank, savings and loan, or credit union. The interest rate is capped at 8.25%. For students who demonstrate financial need, the federal government subsidizes the interest rate and repayment is deferred until six months after graduation. For students who do not demonstrate financial need, interest begins to accrue immediately.

Federal Direct Student Loan Program - This program was initially authorized by the Higher Education Amendments of 1992. The program is the same as the FFELP Program, except the source of capital comes from the Federal Government instead of financial institutions. The primary objective of the Direct Loan program is simplification, reduced costs, and improved repayment of the loans by having a coordinated effort between students, institutions, and the U.S. Department of Education. Institutions apply to the federal government in order to participate in this program.

DESCRIPTION OF STUDENT AID PROGRAMS

FEDERAL PROGRAMS Cont'd

Academic Competitiveness Grant (ACG) - This program is available to first-year students (eligible to receive up to \$750) and second-year students (eligible to receive up to \$1,300) who are Federal Pell Grant eligible. Students must be enrolled full-time and have completed a rigorous secondary school program of study. If you are a second-year student, you must also have had at least a cumulative 3.0 grade point average on a 4.0 scale for the first academic year.

National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) - This program is available to third- and fourth-year undergraduate students (eligible to receive up to \$4,000 each year) who are Federal Pell Grant eligible. Students must be enrolled full-time pursuing a major in physical, life or computer sciences, mathematics, technology, engineering, or a critical foreign language. Student must also have at least a cumulative 3.0 grade point average on a 4.0 scale.

STATE PROGRAMS

State of Maine Grant Programs - The State of Maine Grant Programs are designed to promote an educational opportunity for Maine students attending postsecondary institutions. The program is administered by the Maine Education Assistance Division under FAME (Finance Authority of Maine). Determination of awards to students is based on rules and regulations established by the State that have been adapted to include applicable Federal guidelines. The maximum individual grant for FY10 was \$1,000.

Educators for Maine Program – Formerly known as the Teachers for Maine Program and the Blaine House Scholars Program, the Educators for Maine Program is designed to provide low interest loans to Maine students who intend to teach in Maine. These loans may be forgiven by teaching in a Maine public elementary or secondary school upon graduation. If the loan recipient does not meet the service requirements, however, the loan must be repaid with interest. The program is administered by the Education Division of FAME (Finance Authority of Maine).

Quality Child Care Education Scholarship - A need-based scholarship to support childcare professionals pursuing professional development at the post secondary level. The program is administered by FAME (Finance Authority of Maine).

Racino Scholarship Program – Two percent of the net slot machine income will be credited to the UMS scholarship fund which will be used for Maine residents who demonstrate financial need.

UNIVERSITY PROGRAMS

University Scholarships - All scholarships funded from unrestricted revenues (excluding North American Indian Scholarships) are used to provide aid to students in need of financial assistance or in recognition of talent and/or academic excellence.

North American Indian Scholarships - Since the Spring Semester of 1972, the University has subsidized room and board charges for North American Indians living in University residence halls. The Wabanaki Center, located at UM, certifies tribal eligibility as noted under the North American Indian Waiver Program for all campuses. In order to receive this scholarship, the student must apply for financial aid and show satisfactory academic progress.

Restricted Scholarships - These scholarships can be need-based or non-need-based. They are funded from income earned by the University endowment fund or other restricted accounts and do not represent an expense to the E & G budget.

DESCRIPTION OF STUDENT AID PROGRAMS

UNIVERSITY PROGRAMS Cont'd

Loan Program - The University maintains a number of loan programs which include funds established by individual contributors as well as the Perkins Loan Program (see comments under Federal Programs). Loans are made to students based on the restrictions established by the source of capital for the program. The loan programs are a continuing source of aid to students based on a revolving fund basis, e.g., as funds are repaid by students, new loans are made.

Exchange Programs – Various exchange programs exist at the institutions.

Faculty Children Tuition Program -- The University has had a Board-approved reciprocal agreement with certain New England universities since 1964, which permits acceptance of eligible students at in-state rates. Children of UM faculty are eligible to apply for in-state admission to URI and UCONN.

Graduate Assistant Tuition Program -- In recognition of the desirability of attracting outstanding graduate students (in-state and out-of-state) to the University of Maine System, the System has a graduate assistant tuition assistance program whereby selected graduate students are provided free tuition.

NOTE: The following are considered as part of an employee's "benefit" package and, therefore, are not included in this financial aid report but it should be noted that tuition is waived for employees and their dependents as follows:

Employee Tuition Benefit -- The Board of Trustees encourages employee participation in educational programs by authorizing a waiver of tuition charges. Generally, employees may be eligible to take up to two (2) courses per semester not to exceed four (4) credit hours per course. Such courses shall be contingent on the availability of space. Also, each university shall designate those non-credit courses to which waivers will not apply. Permission from the employee's supervisor is required for any course scheduled during normal working hours; such absences must be made up.

Dependent Tuition Benefit -- The spouse, domestic partner or dependent children of full-time regular University employees are eligible for a waiver of one-half tuition, provided that the spouse, domestic partner or child is attending a university of the University of Maine System as a full-time student or as a part-time student who is matriculated. The spouse, domestic partner or dependent children of part-time regular employees and eligible part-time faculty are eligible for a waiver of one-fourth tuition, provided that the spouse, domestic partner or child is attending a campus of the University of Maine System as a full-time student or as a part-time student who is matriculated.

Tuition Waivers - Waivers generally are of an entitlement nature for students that meet specific eligibility requirements. Four waiver programs are controlled by State of Maine Law: *Veteran's Dependent, Tuition Waiver for Children of Firefighters and Law Enforcement Officers Killed in the Line of Duty, Tuition Waiver for Persons Residing in Foster Care and High School Aspirations Incentive Program*. The UMS Board of Trustees controls the following waivers:

SENIOR CITIZENS WAIVER
NORTH AMERICAN INDIAN WAIVER

UMS HIGH SCHOOL WAIVER
USS MAINE COMMEMORATIVE TUITION WAIVER PROGRAM

For Tuition Waiver descriptions, see Attachment I.

University of Maine System

Section IX-G
Page(s) 1 of 5
Effective November 16, 2009

ADMINISTRATIVE PRACTICE LETTER**SUBJECT: UNIVERSITY OF MAINE SYSTEM TUITION WAIVERS****GENERAL**

The University of Maine System Board of Trustees has established tuition and fee waiver programs for the benefit of students attending the University. Individual universities may also have tuition waivers that are unique to their campus. Generally, waivers are like entitlement programs - if a student meets certain criteria, that student is not required to pay all or a portion of the University tuition and, in some cases, fees.

The various tuition waivers established by Board policy do not ordinarily apply to non-credit courses. These are courses that are not part of the normal curriculum and are often offered as a public service. The charges for such programs are established locally, and are not covered by tuition set by the Board of Trustees.

The current Board policy on Tuition Waivers (Policy 703.1) states: "University tuition waivers and scholarships will be administered so that total financial aid does not exceed a student's total educational costs." In some cases, applicants eligible to receive University Of Maine System tuition waivers are also eligible to receive benefits from non-University financial aid programs, and the total available aid may exceed a student's total educational costs.

This letter sets guidelines for administering UMS established tuition waivers so that the total financial aid a student may receive does not exceed a student's total educational cost based on interpretation of Board Policy and Federal Regulations. Where UMS Policy and Federal Financial Aid Regulations differ, Federal Regulations will prevail.

GUIDELINES

- UMS tuition waivers will be administered so that total financial aid does not exceed a student's total educational costs.
- "Total financial aid" is to be defined as all federal, state and institutional aid, and educational assistance from outside sources, etc.
- Sequence of reducing excess aid:
 1. Self-help aid, e.g., need-based loan funds or work-study funds
 2. Grants/Scholarships
 3. University Scholarships
 4. UMS Waivers

Note: UMS collective bargaining agreements with specific language about the application of waivers would take precedence for those individuals within that unit.

ADMINISTRATIVE PRACTICE LETTER

SUBJECT: UNIVERSITY OF MAINE SYSTEM TUITION WAIVERS

- Exception: A University may change the sequence in reducing excess aid if requested by the student in writing and the Financial Aid Director believes the change benefits the student. For example: A student employed may feel the experience gained from employment outweighs the benefit received from obtaining University scholarship funds; thus the student may want the University scholarship reduced instead of having work-study reduced. In rare cases, a waiver may be adjusted out of sequence as long as other grants and scholarships are retained to assist the student.

WAIVERS

UNIVERSITY ESTABLISHED

North American Indian

The University of Maine System has a waiver program for qualified and eligible North American Indians whose names are included on the current tribal census or who have at least one parent or grandparent who are included on the current tribal census of the Passamaquoddy Tribe, the Penobscot Nation, the Houlton Band of Maliseet, the Aroostook Band of Micmac, or who have lived in Maine for at least twelve months immediately prior to application and who are included on a current tribal census or who have at least one parent or grandparent who were included on the census of a state, federal, or provincial North American Indian Tribe or held a band number of the Maliseet or Micmac Tribes. This program covers tuition and mandatory fees (required fees charged of all students enrolled at the institution and automatically assessed at the time of registration exclusive of travel and accommodation fees related to travel courses).

Tuition and mandatory fees will be waived for qualified students, both matriculated and non-matriculated, who are enrolled in academic, credit-bearing courses at the undergraduate, graduate, or continuing education level at the campuses of the University of Maine System. Qualified students will be required to complete the FAFSA form and the financial aid process prior to receiving the waiver. The waiver will be applied to that portion of tuition and mandatory fees not covered by financial aid. To maintain the waiver, students must remain eligible to register for classes.

Program details are outlined in the [North American Indian Waiver and Scholarship Program Agreement](#).

ADMINISTRATIVE PRACTICE LETTER

SUBJECT: UNIVERSITY OF MAINE SYSTEM TUITION WAIVERS

Senior Citizens

For the purpose of administering this waiver, "senior citizens" are defined as Maine residents who are, or will become, 65 years of age during the semester for which they are requesting the waiver.

The Board of Trustees authorizes the waiver of tuition and Board-approved mandatory fees for senior citizens who register for undergraduate courses on a credit or audit basis at any university of the University of Maine System.

Enrollment will be subject to space availability.

USS Maine Commemorative Tuition Waiver Program

Tuition will be waived for eligible members of the *USS Maine's* crew, their spouses, and dependent children. Eligible crew members and families will be limited to the initial crew and those assigned to the ship within one year of its commissioning. Universities with over 1,000 students will be expected to carry up to two tuition waivers, and those under 1,000 students to carry up to one tuition waiver. Each waiver will be for \$2,500 or the cost of tuition, if less. Qualified students will be required to complete the FAFSA form and the financial aid process prior to receiving the waiver. The waiver will be applied to that portion of tuition not covered by financial aid.

UMS High School Waiver Program

In situations where State funding is not sufficient to cover one-half the tuition for all eligible students as outlined in the High School Aspirations Incentive Program, the University of Maine System will still waive one-half the tuition at the rates outlined below for the first three (3) credit hours taken each semester (fall and spring only). It will be the student's responsibility to pay the remaining one-half of the tuition and any applicable fees or other course costs.

It is the prerogative of individual campuses to waive more than three (3) credit hours during the fall and spring semesters and/or to waive credit hours during the summer semester. Each campus may choose to establish limits to the number of waivers granted.

STATE MANDATED (ADJUSTABLE)

Veteran's Dependent Waiver

Per Maine law, tuition and mandatory fees and lab fees will be waived for eligible orphans, widows & widowers of veterans as well as spouses and children of veterans who are disabled, missing in action, etc. Initial eligibility is determined by the Veterans

ADMINISTRATIVE PRACTICE LETTER

SUBJECT: UNIVERSITY OF MAINE SYSTEM TUITION WAIVERS

Affairs Office of the State of Maine. Students must be enrolled in an associate's, bachelor's or master's degree program. The waiver will be administered so that total financial aid does not exceed a student's total education cost. MRSA, Title 37-B, Section 505, as amended 2008, P.L. c.521. A veteran's dependent qualifies for a waiver from the tuition and fees that remain after the application of all payments from the Federal Department of Veterans Affairs.

STATE MANDATED (NON-ADJUSTABLE)

High School Aspirations Incentive Program

To raise educational aspirations, students in their junior and senior years currently attending Maine High Schools, whether private or public (or being home schooled in Maine homes), and adult education diploma candidates who are within one calendar year of diploma completion may be eligible for the High School Aspirations Incentive Program.

Based on available State funding, the State of Maine pays one-half of the eligible student's tuition and the University waives the remaining one-half for the first three (3) credit hours taken each semester. The in-state student waiver is one-half the in-state tuition rate and the waiver for out-of-state students attending Maine High Schools is one-half the out-of-state tuition rate. In situations where State funding is not available, please refer to the UMS High School Waiver Program.

Traditional high school students must have school approval, parental approval, a minimum high school grade point average (GPA) of B or better and junior or senior standing. Adult education students must have approval from the adult education director and/or counselor and must have maintained a B or above average in their adult education course work. An exception may be granted for students with less than a B average if the student has received a recommendation to take a postsecondary course or courses from the student's school administration or teacher following an assessment of the student by the school administration.

Students who have met the course prerequisites may enroll in regular University courses taught by University faculty through on-site or ITV instruction at any University of Maine System campus or center (sites and on-line courses excluded). Enrollment will be subject to space availability.

For more information on the High School Aspirations Incentive Program, see MRSA, Title 20-A, Chapter 208-A, Sections 4771-4775.

ADMINISTRATIVE PRACTICE LETTER

SUBJECT: UNIVERSITY OF MAINE SYSTEM TUITION WAIVERS

Tuition Waiver for Children of Firefighters and Law Enforcement Officers Killed in the Line of Duty

Per Maine law, tuition will be waived for eligible students but will be limited to undergraduate degree programs and shall be limited to the earlier of not more than five years of full-time enrollment or its equivalent, or receipt of a Baccalaureate Degree. A person desiring a tuition waiver should apply to the Department of Education for determination of eligibility. MRSA, Title 20-A, Section 12551, as enacted 1985, P.L. c.472.

Tuition Waiver for Persons in Foster Care, subsidized adoptive care, or minor wards of a subsidized permanency guardian upon graduating from high school or successfully completing a GED examination

Tuition will be waived for eligible Maine students who have applied for federal student financial aid. These students must be enrolled in an undergraduate or certificate program of at least one year and not been enrolled full-time for more than five years or the equivalent. A person desiring a tuition waiver should apply to the Finance Authority of Maine for determination of eligibility. No more than 28 new waivers will be awarded in each year. MRSA, Title 20-A, Section 12573, as enacted 1999, P.L. c.216 and amended in 2003 and 2006.

Waiver Accounting Guidelines

1. Student tuition and fees should be recorded and reported as revenue at the full amount in the appropriate accounts.
2. The amount of the waivers should be offset against tuition by charging the account specifically provided for that purpose.

Related Documents:

[Board Policy 703 Tuition](#)

[APL Section IX-A Tuition, Room and Board, and Fee Refunds](#)

APPROVED:

Signature on file in System Office of Finance & Administration.

Vice Chancellor for Finance and Administration