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NEWSLETTER

This newsletter and an archive are available on the web at www.finaid.umich.edu/Publications

Apply Now for Fall/Winter 2015-2016 Aid!

Continuing U-M students who want to apply for financial aid for next year must submit a 2015-2016 Free Application for Federal Student Aid.

To apply, visit: fafsa.gov.

When to apply:

- We must receive your FAFSA by APRIL 30 to consider you for federal and institutional aid.
- Allow 3-4 weeks for processing. This will ensure that you meet deadline if your FAFSA is rejected and you need to resolve a problem. Check your Student Aid Report to see if corrections are needed.
- If we receive your FAFSA after April 30, you will still be considered for aid, but funding may be limited and you may not be offered grants or Work-Study.
- Award notification typically begins in June for continuing students. Students are notified in the order in which they apply for aid.

Tips on filing:

- Read application instructions at: www.finaid.umich.edu/CurrentStudent. (Do not submit a CSS/Financial Aid PROFILE if you have completed one in the past.)
- If your family has not filed a 2014 tax return or will request an extension, complete the FAFSA using estimated data. If necessary, it can be corrected after your tax return is completed.
- Students and parents can use IRS data from tax returns to automatically populate their FAFSA. Visit fafsa.gov for information about the IRS Data Retrieval Tool and how to use it.
- The federal processor will reject a FAFSA if information is missing or incorrect. If your FAFSA is rejected, your application will not be processed and you must resolve the problem before the deadline. Apply soon!

— After you apply, p.2 —

UPCOMING FINANCIAL AID DEADLINES

MARCH 27, 2015

PRIORITY DEADLINE FOR 2015 SPRING/SUMMER AID

For students attending Spring/Summer terms, we must receive your application by this date to consider you for all aid. Financial aid, especially grant aid, is limited for these terms. Consult with your academic advisor and consider whether you need to attend.

Although you may apply after this date, aid availability may be limited.

No applications will be accepted after:

- June 5 for Spring Term
- July 31 for Summer Term and the 16-week Spring/Summer Term.

APRIL 30, 2015

PRIORITY DEADLINE FOR 2015-2016 FALL/WINTER AID

We must receive your FAFSA by April 30. (Allow 3-4 weeks for processing so that your FAFSA arrives at U-M on time.) Visit fafsa.gov.

JUNE 1, 2015

DEADLINE FOR 2015-2016 FALL/WINTER REQUIRED DOCUMENTS

If we ask you to submit additional documents for your application, we must receive them no later than this date to consider you for all aid.

After you apply: Check Your Student Aid Report (SAR)

After you submit your FAFSA, the federal processor will review your information, calculate your Expected Family Contribution (EFC), and send a record of this information to our office. In addition, the federal processor will send you a record of your FAFSA information, called a Student Aid Report, or SAR.

Be sure to review your SAR carefully! Make any corrections as soon as possible and submit the updated information. Confirm that the record will be sent to University of Michigan-Ann Arbor, by using federal school code 002325.

Here are four common reasons FAFSAs are rejected:

1. Parent/Student signatures are missing
2. Social Security Number is incorrect
3. Date of birth is incorrect
4. Student's name misspelled

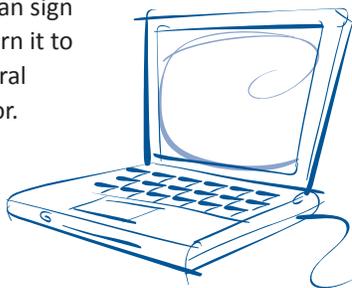
A parent signature is required if you are a dependent student or if you are a Pharmacy or Dental student applying for Health Professions Loan. When

completing or correcting your FAFSA, include your signature and the signature of one of your parents

If you forget a signature, your FAFSA will be rejected and you might miss the priority deadline date to be considered for all aid.

You and your parent can provide your signatures electronically with separate Personal Identification Numbers (PINs) at fafsa.gov (select "Sign Electronically with your PIN").

To request a PIN, or if you have forgotten your PIN, visit www.pin.ed.gov. (After April 26, 2015, this will change to an FSA ID. More about this on p. 3) If you received a paper SAR, you and your parent can sign and return it to the federal processor.



EXPLORE SCHOLARSHIP OPPORTUNITIES

Now is a great time to look for scholarships for Fall/Winter 2015-2016.

U-M Scholarships:

Although students are automatically considered for most U-M scholarships, a few scholarships have special eligibility criteria and/or require a separate application. To be considered for all scholarships for which you are eligible:

- Complete or update your scholarship profile in Wolverine Access. Log in to Wolverine Access and select My Scholarship Profile in the Campus Finances section. Submit information about yourself to be used in identifying your eligibility for certain university scholarships. Completing your scholarship profile does not mean you qualify for the scholarships, but it ensures that you will be in the pool for consideration when the supplemental information is needed.
- Check the OFA Scholarship Listing on our website (www.finaid.umich.edu/ScholarshipsandGrants) for scholarships that require a separate application. Apply for any for which you are eligible.

Private Scholarships:

You can also apply for private scholarships through non-university organizations and businesses. Visit the Private Scholarships page of our website (www.finaid.umich.edu/PrivateScholarships). The site includes a listing of many private entities that offer scholarships to college students.

Did You Know?

- **Moving off campus won't affect the amount of a student's financial aid.** Students making this move will continue to receive a housing budget based on rates for a dorm double. But off-campus students must pay rent directly to their landlords. Plan accordingly!
- **Students can give parents access to financial aid information in Wolverine Access** (<https://wolverineaccess.umich.edu>) giving access to regular aid newsletters and the ability to view needed documents and student Award Notices. Select "Parent/Family Authorization" under the Student Center to set up access.
- **Applications for Federal Direct PLUS loans to parents of dependent students and graduate students are available beginning in mid-May.** They are often used for students not eligible for other types of aid or who have remaining need after aid is awarded. They can be used to pay the Expected Family Contribution. Visit www.finaid.umich.edu/PLUS.
- **All or part of your grant, scholarship or fellowship may be taxable,** even if you do not receive a W-2 form. You may also be eligible for federal tax credits for your education. Visit IRS.gov to research your situation or consult with your family tax advisor for details.
- **The University of Michigan does not provide individual tax advice.** Please contact your tax advisor or the IRS at 1-800-829-1040 with any questions you may have.
- **Questions about U-M paychecks** may be directed to the U-M Shared Services Center at 734-615-2000 or toll-free at 866-647-7657.

It's time to apply for 2015 Spring/Summer Financial Aid

Request financial aid before the priority filing deadline of March 27

Materials are now available for students to apply for 2015 Spring/Summer financial aid at U-M.

Unless you are studying abroad, students requesting aid must file a Request for Funds Form, available online at www.finaid.umich.edu/Forms/. There is no penalty for completing the RFF and then not enrolling.

Some special situations:

- Addendum forms are required if you are in a Social Work practicum or applying for a Spring/Summer TEACH Grant. Complete the necessary forms and submit them to the Office of Financial Aid in addition to filling out the Request for Funds Form.
- Students studying abroad will complete a 2015 Spring/Summer Study Abroad Financial Aid Request, available in PDF form at www.finaid.umich.edu/Abroad. They do not complete an RFF.
- Students who have young, dependent children in child care may be eligible for the U-M Child Care Subsidy Program, which helps students with the cost of licensed child care. To apply, students must meet several eligibility criteria and must file a 2014-2015 federal Free Application for Federal Student Aid (FAFSA) and an application for the subsidy. Visit www.finaid.umich.edu/ChildCare for information.

Priority filing deadline is March 27, 2015 for students to be considered for all Spring/Summer financial aid.

The Office of Financial Aid will determine your aid eligibility based on full-time enrollment; you do not need to notify us of planned changes in your attendance.

- If you register for Spring Term only, the 16-week Spring/Summer Term or Spring Term and Summer Term, you will receive an Award Notice with financial aid for both Spring and Summer terms. Award Notices will be sent beginning in April. If you do not enroll for Summer Term, your aid will automatically be reduced in May or June.
- If you register for Summer Term only, you will receive an Award Notice with aid for Summer only in late May.

First payment of financial aid funds will be available to students on May 1, 2015 for Spring and Spring/Summer terms and on June 29, 2015 for Summer Term.

Contact us if you have questions at 734-763-6600 or email us at financial.aid@umich.edu.

A FEW ADDITIONAL SPRING/SUMMER TIPS:

- ✦ Register for Spring/Summer classes during your enrollment period. Register for classes at least half time in order to receive aid.
- ✦ Aid is awarded based on the assumption of full-time enrollment. If you enroll less than full-time, your aid will be reduced after drop/add.
- ✦ Your enrollment level will be monitored throughout the award period. Changes may result in a reduction or cancellation of aid, or you may be required to repay funds already paid to you.
- ✦ File only one Request for Funds Form (RFF) when applying for Spring-Summer aid; multiple submissions may delay processing of your aid.

Financial Aid briefs

PIN will change to a new federal identifier in April

The Federal PIN (personal identification number) is changing in April. Effective April 26, 2015, students and parents with PINs will be prompted to set up a new Federal Student Aid (FSA) ID when visiting the pin.ed.gov website (You can link your current PIN to the new ID).

These federal IDs are critical, allowing visitors to view loan information and sign the FAFSA and loan documents.

How is financial aid paid and applied to a student account?

All financial aid, except Work-Study wages, is applied against charges on U-M student accounts. Any amount beyond what is owed is paid to students in the form of a financial aid refund. Refunds are deposited into bank accounts for those who have set up direct deposit, or mailed to a student's local address on file with the University.

To sign up for direct deposit, visit the "Direct Deposit" area of the Student Center in Wolverine Access. If you have a credit due after making a cash payment, request a refund from Student Financial Services (www.finops.umich.edu/student).

1090-T forms available through U-M Student Financial Services

The U-M Finance Office provides IRS form 1098-T each year to U-M students registered for an academic term during the previous calendar year, and whose tuition and qualified expenses are greater than awarded scholarships and grants for that calendar year. It can be accessed through Wolverine Access.

Questions about this process may be directed to Student Financial Services (www.finops.umich.edu/student) at 734-764-7447 or via email um-sfo@umich.edu. More information about this form can be found on the U-M Financial Operations website: www.finance.umich.edu/finops/student/taxrelief97. Visit: https://csprod.dsc.umich.edu/html/doc/eng/dftie/lcaa/html/sf_ss_form1098t.html for additional information about the 1098-T.

Compare private loan programs carefully, exhaust all federal loan eligibility

Before considering borrowing through a private lender, we encourage students to:

- Exhaust all other financial aid sources, including federal loans
- Look for ways to reduce expenses before deciding how much to borrow
- Borrow only what is needed for your educational costs
- Ask questions and compare rates and terms offered by different lenders

Private student loans are offered through a variety of banks and other lenders. The best rates on private loans are generally offered to borrowers with good credit or who have a cosigner with good credit. When shopping, look for a loan that can

be handled in both the short term and the long term.

You will be repaying it for several years after graduation.

The terms of federal student loan programs are often more favorable than those of private loans. To compare typical private loans with the terms of the federal PLUS Loan, see the OFA website: www.finaid.umich.edu/PrivateLoans.



A Word of Caution to Private Loan

Borrowers: Students and families should research carefully, compare rates and terms offered by lenders, and be sure they understand them. If possible, limit borrowing by reducing expenses:

“Loan debt can accumulate quickly and result in a lifetime burden of high payments and credit denials for automobile purchases, credit cards, and home mortgages. Private loans also can reduce eligibility for more desirable federal, state and college aid programs. To avoid these problems, read and understand the terms and conditions of all loans.”

The Michigan Student Financial Aid Association

BE SMART ABOUT BORROWING

Look to your future.

Students should borrow only what is necessary to achieve the goal of a U-M college education. Consider options that could reduce the need to borrow:

- ▶ Use personal or family assets before considering a loan
- ▶ Look at the U-M Payment Plan for Fall/Winter which helps families spread costs over 5 months for each semester
- ▶ Consider part-time employment to stretch your dollars without borrowing
- ▶ Review your lifestyle choices and expenses for ways to trim costs
- ▶ In Spring/Summer, consider taking classes closer to home where you will incur fewer costs

We're asking
all students to
**Be Smart About
Borrowing**

U-M INITIATIVES HIGHLIGHT FINANCIAL LITERACY EFFORTS FOR STUDENTS AROUND CAMPUS

The University of Michigan is taking multiple steps to put the issue of student financial literacy front and center through a variety of initiatives, including a one-credit mini-course through LSA, a debt-awareness initiative and a continuing partnership with the National Endowment for Financial Education.

The two-year-old LSA mini-course, “The Financially Savvy Student,” is offered to teach students financial literacy basics and how to use them in their lives.

The course develops skills in managing money and planning for the future, including safe and smart use of credit and debit cards, developing budgets and financial self-assessments, leveraging financial aid and scholarships, and considering research and internships.

“My hope is that participants leave the course with skills to make positive personal financial decisions and knowledge about why it is important to their lives, families and communities,” said Kristin Bhaumik, assistant director for special programs in the Office of Financial Aid and course instructor.

Introduced to the U-M campus in 2013, the Office of Financial Aid’s Smart Borrowing initiative addresses financial literacy and student debt. Students are counseled on individual debt, and some borrowers complete online tutorials and add up their cumulative debt before taking out additional federal loans.

This approach affords Office of Financial Aid staff the ability to counsel students individually on education and living costs.

“It is important that students understand the consequences and responsibilities of borrowing before taking that step,” said Office of Financial Aid Executive Director Pamela Fowler.

“All loans, including student loans, are a serious obligation and students should borrow only what they need to pay for their education.”