

The University of Vermont

2008 - 2009

Student Financial Services Financial Aid Handbook

A Guide to Understanding Your Financial Aid

Our Goal

The University of Vermont Office of Student Financial Services is committed to working with our students and their families to minimize the obstacles they face in meeting the costs associated with attending the University. Our goal is to forge a working partnership between students, their families, the University and a variety of funding agencies to ensure that each student's legitimate financial needs are met to the best extent possible.

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Introduction

This booklet is intended to help you understand your financial aid package for the 2008-2009 academic year. Please review your award information and financial aid policies before accepting your award online.

If you still have questions after reading this material, please refer to the contact information below. Questions regarding the interest rates, processing status, or repayment terms of Federal Stafford, Federal PLUS (parent or graduate) should be directed to the lender that you choose.

- ◆ Questions regarding interest rates, processing status or repayment terms of Green Mountain loans should be directed to the Vermont Student Assistance Corporation (VSAC) at (800) 798-8722.
- ◆ Questions regarding the interest rates, processing status, or repayment terms of Adams, Clark and all other UVM loans, or of Federal Perkins loans should be directed to Student Financial Services at (802) 656-5700.
- ◆ Questions about your financial aid package, bill, refunds or a financial hold please contact Student Financial Services Customer Service:
 - Phone – (802) 656-5700
 - Email – sfs@uvm.edu
 - Fax – (802) 656-4076
- ◆ For scholarship information please contact the UVM Scholarship Office at:
 - Phone - (802) 656-8574
 - Email – scholarships@uvm.edu

The University of Vermont's official method of communication with our students is through their UVM email account. Please check this account often to stay up to date on all relevant information and notifications.

How Your Financial Aid Award was Determined

Federal Funds

Your financial aid award may include funds from several sources. Those funds labeled “Federal” financial aid were awarded strictly on the basis of information you and your family provided on the Free Application for Federal Student Aid (FAFSA). These may include a combination of grants, loans, and work study (a federally funded, part-time job program).

Eligibility for these funds is determined by calculating your cost of attending UVM and subtracting the amount the federal processor has estimated your family can contribute to those costs. We award federal financial aid funds in amounts that take into account the funding available to us and the maximum federal eligibility levels for each student. In some cases, federal funding sources are not adequate to fund the entire difference between a student’s cost of attendance and the federal estimate of the family’s contribution.

State Grant Funds

Eligibility for state grants is determined by the state grant agency that awards these funds. The UVM Student Financial Services Office does not play a role in determining eligibility. However, state grants will be used in our assessment of remaining need before determining eligibility for UVM grant and loan funding. **In most cases, this will result in a reduction to UVM aid if a state grant is awarded or changed after UVM assistance has been awarded. This applies to both Vermont and out-of-state grant assistance.**

For Vermont residents, most of the state grants are determined by the Vermont Student Assistance Corporation (VSAC). Vermont students are encouraged to apply for VSAC grants and scholarships each year.

UVM Funds

Eligibility for UVM grant assistance is based on need and, in many cases, the strength of the student’s academic record as determined by the Admissions Office.

UVM need based loans may also be offered as part of the financial aid package. Merit scholarships, which take into consideration academic achievement and/or outstanding service and, in some instances, demonstrated financial need will be included in your award package should you qualify.

Scholarships and Other Assistance

Following federal guidelines, the Student Financial Services Office is required to take all financial resources into account when determining your eligibility for financial aid. If you receive an outside scholarship, a University scholarship, an athletic grant, tuition remission from your employer, a private educational loan, or any other form of assistance **you must notify our office in writing of this resource.** Please notify our office in writing as soon as you are informed of this outside assistance and include any relevant documentation. We will make every attempt to reduce your need-based loans and work

programs before adjusting any need-based grant or University scholarship assistance. **Please realize that, in some cases, if the amount of your additional resource is higher than your loans and work programs, we may be required to reduce your need-based grant and/or scholarship funds.** Once notified we will make an adjustment to your award and send you a new award notification. Notifying us late in the process may result in an inconvenient adjustment to your financial aid package after classes have begun.

Following federal guidelines, AmeriCorp stipends, graduate tuition assistance, New England Board of Higher Education (NEBHE) tuition assistance and veteran's benefits will be considered a direct resource to the family. Veteran's benefits include:

- ◆ Montgomery G.I. Bill
- ◆ Dependent Educational Assistance Programs (Chapters 34 and 35)
- ◆ VA Contributory Benefits
- ◆ Vocational Rehabilitation (Chapter 31)
- ◆ Other (i.e. death pensions, Dependency and Indemnity Compensation • (DEC), spouse's G.I. Bill, National Guard stipends, etc.) In most cases, receipt of these funds will result in a reduction of University funding (grants and/or loans).

How to Read and Accept Your Financial Aid Award

Incoming Students: Once UVM receives your FAFSA from the Department of Education you will receive a letter of confirmation from our office. If any additional information is needed a separate postcard will be sent instructing you how to access this information through UVM's secure website. Beginning in mid March, after any/all requested documentation has been received and reviewed by Student Financial Services, you will receive an official financial aid award letter. You can also view the status of your award by visiting www.uvm.edu/financialaid, clicking on "Status of My Financial Aid Application/Award", then "Prospective Student" to log in to the **Admissions Information System**. Log in using the same User ID and PIN used to see your Admission status.

*Please note: If you have not returned required information by April you will be issued a Financial Aid Planning Letter that will detail an **estimated** financial aid award package based upon information submitted on the FAFSA. This award is an estimate only and will not be finalized until all required information has been submitted and reviewed.*

If you are admitted to UVM, choose to enroll and then pay your Enrollment Fee, you will receive instructions from us on how to log into the **UVM Student Information System**, the system for current UVM students to access information and processes. If you plan on attending UVM, you will be required to log in to accept and/or decline your award offers. Once you are at the "accept/decline" webpage, there will be a series of steps to follow as part of the accept/decline process. Please follow each step carefully. As part of accepting your financial aid awards, you will be required to review and acknowledge the Student Certifications associated with your aid package.

Current Students: Beginning in mid June, after any requested documentation has been received and reviewed Student Financial Services, you will receive an official award offer. You will receive an email sent to your UVM email account prompting you to log in to the UVM Student Information System to view your official award and to accept and/or decline your award offer. To log in, use the same User ID and PIN as you do when you register for classes. Once you are at the “accept/decline” webpage, there will be a series of steps to follow as part of the accept/decline process. Please follow each step carefully. As part of accepting your financial aid awards, you will be required to review and acknowledge the Student Certifications associated with your aid package.

To All Students: If you are unable to access the internet, please contact Student Financial Services to indicate that you require paper correspondence. When you receive the paper award notification, please put a check next to each fund offered in the fall and spring terms to indicate your acceptance and/or declination of each fund. If you wish to accept a lower amount, please indicate that amount next to your acceptance check mark. Please read the Student Certification on the reverse side of your award letter and return your **signed copy** to Student Financial Services. Please note that this is only necessary if you require a paper award letter.

Types of Financial Aid

Scholarships and Grants

These awards do not need to be repaid. If you have been awarded grant or scholarship funds of any kind (i.e., Federal Pell Grant, Wilbur Scholarships, UVM and State Grants), this money will be credited directly to your student account. Please keep in mind that many scholarships have specific renewal criteria.

Federal Work-Study

Your award allotment is the maximum amount you are permitted to earn from the Work-Study Program during the academic semester and year. Work-Study is the one form of aid that does not credit directly to your account. Instead, the money is paid directly to you as you earn it (for example, a student with an allotment of \$1,500 works, on average, 6-8 hours per week in order to earn the entire allocation). **With the exception of Vermont Scholars and Vermont Community Service Award recipients, all DEPENDENT third- or fourth-year Vermont residents will NOT be packaged with Work-Study in their initial financial aid package.** You may request that part of your Subsidized Stafford Loan be converted to a Federal Work-Study award. Please contact Student Financial Services for eligibility requirements and consideration. You must notify us in writing no later than **October 1, 2008** if you wish to take advantage of this opportunity. (This option is not available for Unsubsidized Stafford loan recipients.)

UVM Career Services will mail additional information about the Federal Work-Study Program to all Work-Study recipients in August (including instructions about selecting

and interviewing for job placement after your arrival on campus). **If you do not secure a position by October 1, 2008, your work-study funding will be cancelled for the academic year.** Contact Career Services by this date if you wish to keep your work-study eligibility for the Spring 2009 term.

Work-Study is a form of need-based financial aid. If your award package does not include Work-Study and you are interested in part-time employment, we suggest you visit UVM's Career Services Office, www.uvm.edu/~career, which maintains updated listings of non-Work-Study jobs in the Burlington area.

Loans

Loans are financial aid awards that must be repaid over time. Because UVM participates in the Federal Family Education Loan Program, you can borrow from the Federal Subsidized Stafford, Federal Unsubsidized Stafford and Federal PLUS loan programs.

Below is a brief description of the individual loans that may appear in your financial aid package.

Federal Perkins Loan: 5% Interest Rate. Interest is not charged while you are enrolled at least half time. Repayment begins 9 months after graduation or withdrawal from the University. Repayment is handled by a UVM Billing Agent. Deferments are available during graduate school.

Federal Stafford Loan (Subsidized): Interest is not charged while you are enrolled at least half time. Repayment begins 6 months after graduation or withdrawal from the University. Repayment is handled by your lender. Deferments are available during graduate school. Multiple repayment options are offered.

Federal Stafford Loan (Unsubsidized): Interest is charged regardless of enrollment status. You have the option of either paying or deferring the interest. Any unpaid interest will be added to the principal. Repayment begins 6 months after graduation or withdrawal from the University. Repayment is handled by your lender. Deferments are available during graduate school. Multiple repayment options are offered.

UVM Green Mountain Loan Program: Variable Interest Rate set quarterly. UVM sponsored loan program administered by Vermont Student Assistance Corporation (VSAC). Interest is charged regardless of enrollment status. While enrolled at UVM you have the option of either paying or deferring the interest; any unpaid interest will be added to the principal. Repayment begins 6 months after graduation or withdrawal from the University. Promissory notes, disbursements, and loan repayment are handled by VSAC.

Adams, Clark, and other UVM Loans: 5-8% Interest Rates. Interest is not charged while you are enrolled at least half time. Repayment begins 9 months after graduation or withdrawal from the University. The UVM Billing Agent handles repayment. Deferments are available during graduate school.

Federal PLUS (Parent) Loan for Undergraduate Students: Fixed 8.5% interest rate. This is a borrowing option for the PARENTS of undergraduate students. Repayment of interest and principal begins 30 days after the loan is fully disbursed. Repayment is

handled by your lender. A ten-year repayment period is allowed. **A credit check is required to determine eligibility for the PLUS Loan Program.**

Federal PLUS Loan for Graduate Students: Graduate and professional students can now borrow additional loan funds, in their name, via the federal PLUS loan program. Repayment of interest and principal begins 30 days after the loan is fully disbursed but you may suspend payments while you are enrolled at least half time at an eligible school. **A credit check is required to determine eligibility for the PLUS Loan Program.**

Choosing a Lender for your Stafford or PLUS loans

Federal Stafford or PLUS loan borrowers may choose any lender that participates in the Federal Family Education Loan Program (FFELP). The basic terms of the loans (maximum interest rate, maximum fees, and deferment options) are set by the federal government. However, many lenders offer special borrower benefits. The University of Vermont encourages you to compare the benefits offered by different lenders so that you can make an informed choice. It is important that students and parents understand that there are about 2,000 lenders that offer FFELP loans. If you need assistance in choosing a lender, we have prepared a recommended lender list.

How UVM selected its Recommended Lenders:

The University of Vermont chose its recommended lenders as a result of a comprehensive analysis of lenders conducted in November 2007. Members of the Student Financial Services management team and staff, along with several students met to determine which lenders offered the best overall comprehensive package of educational financing products that would benefit our students.

In creating this list, we have considered several factors:

- **Borrower Benefits** – Our recommended lenders offer competitive benefits, with some of them offering a zero or reduced origination fee Stafford loans, or interest rate reductions for borrowers who sign up for electronic payments, and principal reductions for borrowers who make a certain number of consecutive, on-time payments. We looked only at benefits where at least 50% of the borrowers would benefit.
- **Customer Service** - All of our recommended lenders have consistently provided excellent service to their borrowers for many years. We listen carefully to feedback from our students and parents regarding level of service. If a particular lender generates complaints, we will strongly consider removing them from our list in the future. These lenders have all agreed to work within UVM's processing system and can ensure quick turnaround time.
- **General Organization** - Our recommended lenders have all been in the student loan business for many years, with 80 years of combined lending experience.

Each lender offers life-of-loan servicing by doing their own repayment service or contracting with a single vendor for repayment service.

Our list of recommended lenders is reviewed and updated annually based on the criteria listed above. Student Financial Services at The University of Vermont does not receive, and will not accept, inducements from lenders in exchange for inclusion on the recommended lender list. The University of Vermont does not share in the profits from student loans. Borrowers are welcome to choose any participating FFELP lender, regardless of whether it appears on our recommended lender list.

All first time borrowers will be required to choose their lender before we can process their Stafford and/or PLUS loans. Returning students will have their lender defaulted to the lender they had the prior year, with the option of notifying us if they wish to change lenders.

Entrance Loan Counseling

If you are a first-time Federal Stafford Loan or Perkins Loan borrower at UVM you will be required to complete an Entrance Loan Counseling Session informing you of your rights and responsibilities as a Federal loan borrower. This Entrance Loan Counseling requirement may be fulfilled on-line at www.mapping-your-future.org

Your Bill

Your billing statement from UVM will be sent to your **UVM email account** during the month of July for fall semester and in December for spring semester. If your financial aid award acceptance has been completed by the billing date, your aid will be reflected on your bill as “pending” financial aid. This enables you to postpone actual payment of your charges until your financial aid resources are paid to the University. If your aid does not appear on the bill, be sure to complete the remittance form (bottom portion of the bill) and list your aid as reflected on your award notification.

In some cases, the total amount of your financial aid may actually be more than the amount you are billed. This is because your award amount is based on your total cost of attendance, which includes items that do not appear on your bill such as books, supplies, and miscellaneous expenses. If your aid (excluding the Federal Work-Study Program) for the semester is more than your bill and you have completed the registration process, you may be entitled to a refund once all your aid sources have been paid to your account. These refunds are typically available after classes begin.

Additional Financing Options

All students have a variety of other financing options to consider. Many elect to participate in the non-need based federal loan programs outlined above. Students may also choose our University Payment Plan or private alternative loan programs.

UVM Payment Plans — UVM makes available an interest-free monthly payment plan through Tuition Management Services (TMS) that allows families to spread all or part of the academic year's expenses over equal monthly installments. For additional information, please contact TMS at (800) 722-4867.

Alternative Loan Programs — Many students take advantage of alternative private loan resources through national and local lenders. For information regarding alternative loans, please contact our office or your local banking institution.

Academic Withdrawal

If you decide to withdraw from a class or from the University after the beginning of classes for an academic period, please contact Student Financial Services prior to your withdrawal. You may be required to repay some or all of the financial aid paid to your student account. In addition, if you received a refund of financial aid to assist with your educational related expenses, you may need to repay those funds as well. If, upon withdrawal, you are entitled to a refund of charges (i.e., tuition, fees, room or board), a portion of that refund may have to be returned to the financial aid programs from which you received assistance, including loan programs. The amount you return will be calculated according to federal guidelines. To determine the amount of tuition that may be refunded to you, please refer to the Student Financial Services webpage at www.uvm.edu/sfs.

Academic Progress and Aid

In order to maintain eligibility for financial aid, you must progress at a rate that ensures completion of your degree program within a reasonable time frame. Full-time undergraduate students may be entitled to six years of financial aid eligibility to complete their degree requirements (150% of the time normally required for degree completion). In order to make progress consistent with this minimum standard, beginning with your first semester of study in a degree program at the University of Vermont, you are required to accumulate earned hours totaling at least 75% of the number of hours attempted. Your progress will be measured at least at the end of each academic year to ensure adherence to this standard.

Beginning with your third academic year, you must have attained at least a 2.0 overall cumulative grade point average (GPA) in order to continue to qualify for assistance.

If you do not meet the standard described above, you will be placed on Financial Aid Probationary Status for a one-year period (during which aid eligibility will be maintained). Should you not meet the required credit standard or cumulative grade point average standard by the end of that probationary year, your eligibility for additional financial aid will be suspended until you have met the required standard.

If your aid is suspended for not maintaining academic progress according to the standard outlined above, you may appeal your loss of aid by writing an appeal that documents the circumstances surrounding your failure to meet the standard. The decision to withhold aid eligibility may be overridden by the appeals committee in circumstances that warrant special consideration. Such circumstances may include, but are not limited to, medical emergencies or family crises that may have resulted in your not meeting the stated requirements.

Summary:

Time Progression Requirement:

75% of credit hours attempted must be successfully completed

(D- or better)

GPA Requirement:

2.0 overall GPA required after second academic year.

Study Abroad and Aid

Often, studying abroad is no more expensive than studying at UVM. Your financial aid for study abroad will be based on your actual costs if the total expense is equal to or less than studying at UVM (loans may be used to replace Federal Work-Study earnings). If the cost of attending an overseas institution is greater than the cost of attending UVM, the additional cost may be covered by borrowing through one or more of the loan programs for which you or your family may be eligible. If you are considering overseas study please contact the Student Financial Services to discuss financial aid arrangements. **Most UVM Grant and Scholarship assistance may only be used for UVM Exchange study abroad programs.**

Summer Study and Aid

The Federal Stafford Loan Program and the Federal PLUS Loan Program allow borrowing for summer study provided you have loan eligibility remaining from the prior academic year. You must be enrolled in at least six credits during the summer session to be considered for these Federal Loan Programs. If you have Federal Grant eligibility remaining from the prior year (i.e. you did not receive a Pell Grant based on full-time attendance for two semesters prior to the summer session). In order to be considered for summer aid, you **must** complete a summer financial aid application, which is available in Student Financial Services beginning in April.

The UVM Summer Loan is another loan program that covers three credits of tuition and fees for continuing degree-seeking students. This loan is offered through Student Financial Services and the UVM Billing Agent handles repayment. (9 months after graduation or leaving school). Please note there is no origination fee for this loan and the interest rate is set at 5%.

Reapplying for Aid

Students are required to complete the FAFSA every year. Because family circumstances may change, your financial aid eligibility must be determined annually. **There is no automatic renewal of financial aid awards at UVM.** Your FAFSA must be received each year by the Federal Processor no later than March 1 to meet the UVM priority funding deadline. Students whose FAFSA's are received by the processor after the **March 1** deadline will receive reduced levels of aid because priority for limited UVM financial aid funding is given to students who meet published deadlines.

Due to increased demand on financial aid resources, increases in tuition, room and board may not be met by additional grant assistance. Student and parent loans may be awarded to assist in funding annual increases in the cost of attending the University.

Helpful Resources

Admissions

(802) 656-3370, email: admissions@uvm.edu

Clement House

www.uvm.edu/admissions

- ◆ admissions decision questions
- ◆ residency questions

Career Services

(802) 656-3450, email: career.services@uvm.edu

Living/Learning E Bldg

www.uvm.edu/~career

- ◆ Work-Study placement questions
- ◆ part-time employment opportunities

Payroll Records

(802) 656-3150

228 Waterman

- ◆ Federal Work-Study paycheck questions
- ◆ change of address for Work-Study time cards & checks
- ◆ change W-4 withholding information

Registrar

(802) 656-2045, email: registrar@uvm.edu

360 Waterman

registrar.uvm.edu

- ◆ change of address notification
- ◆ loan deferment form completion
- ◆ VA benefits
- ◆ residency questions

Residential Life

(802) 656-3434

Robinson Hall

- ◆ residence hall charges

University Dining Services

(802) 656-2945

Robinson Hall

- ◆ meal plan charge and information

Important Dates

| | |
|-------------|---|
| February 10 | FAFSA Priority funding deadline for first-year students. |
| March 1 | Priority deadline for submitting Renewal FAFSA (all returning students) |
| March - May | Financial Aid Award Letters or Estimates sent to new, admitted students |
| June | Financial Aid Award Notifications emailed to upperclass students |
| July | Fall bills sent via email to UVM address Student loan promissory note processing Complete necessary student loan entrance interviews (first time borrowers) |
| August | Fall bills due |
| September | Work-Study job placement |
| October 1 | Work-Study placement deadline |
| December | Spring bills sent via email to UVM address |
| January | Spring bills due Re-Apply for aid consideration for next year |