

## UNDERSTANDING FINANCIAL AID AWARDS

### YOUR AWARD LETTER

We are pleased to offer you the enclosed award letter, containing our best estimate of both your cost of attendance and financial aid for the upcoming year. The award letter is not a tuition bill. Tuition bills will be posted in July. If you used estimated information to complete your Free Application for Federal Student Aid (FAFSA), your aid may change when the estimated data is updated.

### EXPECTED FAMILY CONTRIBUTION (EFC)

The EFC is not the dollar amount that you will actually pay on your tuition bill; it is an index number calculated by the Department of Education based on the information you provided on the FAFSA. The EFC is used to determine what you and your family can be expected to contribute to the cost of your college education, regardless of the university you choose to attend. In most cases, your EFC will not be the same as your total remaining costs. One final note: if your EFC changes, your financial aid may change as well.

### COST OF ATTENDANCE (COA)

Your cost of attendance is based on a plateau tuition structure. This means that your tuition is one flat rate regardless of the number of credits you take (between 12 and 18). A minimum of 12 billable credits (excluding audited credits) are required to be considered a full-time student. Some courses don't have fees and are not considered "billable," and therefore don't contribute to your credits. The COA on your financial aid award letter is currently an estimate; final tuition, fees, and room-and-board rates will be determined in July. Room-and-board rates vary depending on your residence hall assignment and the meal plan you select. The COA includes all required University fees; however, lab and course fees vary by major. For more information, visit [www.mtu.edu/finaid/understanding/cost](http://www.mtu.edu/finaid/understanding/cost).

### FEDERAL LOAN ORIGATION FEE

The Federal Direct Loan Program has a loan origination fee associated with it. If you choose to borrow from this program, the federal servicing center will deduct this fee from the loan disbursements. The fee value included in the cost of attendance is an estimate derived from last year's undergraduate borrowers.

### GIFT AID

Gift aid is money that you don't have to pay back. It usually comes in the form of scholarships and grants. Generally speaking, students must maintain a minimum 2.5 GPA to have their merit-based scholarships renewed. Students receiving need-based grants must complete the Free Application for Federal Student Aid (FAFSA) annually to have any grants renewed. (Note: first-year students receiving a National Scholars Program, Presidential Scholars Program, or Leading Scholars Program award are required to live in University housing for the first two academic years—four academic semesters, not including summers.) For more information, visit [www.mtu.edu/finaid/students/prospective](http://www.mtu.edu/finaid/students/prospective).

The University Student Award (USA) is awarded annually and is based on financial need. Renewal of the USA for future academic years is contingent upon completion of the FAFSA and an EFC that is less than or equal to your initial EFC as a first-year or transfer student. (Note: if you receive additional large outside scholarships, the USA may have to be reduced.) Additionally, a small number of students will be asked to enroll in a student success course as a condition of being awarded a USA. These students will be notified in July.

### SPONSORED AWARDS

Michigan Tech is fortunate to have generous friends and alumni of the University who often sponsor gift aid for our students. Students may see their gift aid programs (like the University Student Award) funded by specific scholarships made possible by these friends and alumni. In an effort to maintain a culture of gratitude and philanthropy, students who have this opportunity will be asked to thank their scholarship sponsors.

### FEDERAL DIRECT LOANS

Student loans include the Federal Direct Subsidized Loan and the Federal Direct Unsubsidized Loan. Your eligibility for these student loans is determined by your FAFSA results. These loans carry an interest rate that is based on the ten-year Treasury bill. For more information on Federal Direct Loans (including current interest rates), see [www.mtu.edu/finaid/students/current/direct-loan](http://www.mtu.edu/finaid/students/current/direct-loan).

The Federal Direct Subsidized Loan is a need-based loan. The federal government pays the interest while the student is enrolled at least half-time (6 billable credits).

The Federal Direct Unsubsidized Loan is not need based. You must either pay the interest that accrues while enrolled or choose to defer payments and have the interest capitalized (must be enrolled in a minimum of 6 credits).

Once you have decided to accept your loan(s), there are four steps that must be completed. To decline your loan, simply complete the first step.

**STEP ONE**—Accept (or decline) your loan. Log on to Banweb via MyMichiganTech ([www.mymichigantech.mtu.edu](http://www.mymichigantech.mtu.edu)), select the Financial Aid tab and the appropriate aid year, and then click View/Accept Awards. Mark loans as "accept" (or "decline"), then submit your decision.

**STEP TWO**—Once you have accepted the Direct Loan, you will be prompted to complete the Direct Loan Request Form.

**STEP THREE**—First-time borrowers must complete entrance counseling before funds can be disbursed. Complete your counseling by visiting [studentloans.gov](http://studentloans.gov) and clicking on the Complete Entrance Counseling section (not awareness counseling). The counseling session will take about thirty minutes to complete. This is a one-time requirement and will not need to be completed in following aid years.

**STEP FOUR**—You will be notified via email when your Master Promissory Note (MPN) is ready. You will need your four-digit US Department of Education PIN (the one used for the FAFSA) to complete the MPN. You will be asked to provide your permanent address, telephone number, driver's license number (if you have one), and email address. You will also need the names, addresses, and telephone numbers of two personal references who have known you for at least three years. References must have different addresses from one another, and one of the references should be a parent or legal guardian. The references have no obligation to the loan and are only contacted if your contact information is not current. If you are unable to complete the entrance counseling and/or MPN online, you may contact the Financial Aid Office to request the paper version(s).

For additional information regarding these loans, including repayment details, visit [www.mtu.edu/finaid/students/current/direct-loan](http://www.mtu.edu/finaid/students/current/direct-loan).

### FEDERAL PERKINS LOAN

This loan is need based, has a fixed 5 percent interest rate, and is dependent upon federal funding. Students awarded a Perkins Loan will receive an email from [SignMyLoan@outsourcing.com](mailto:SignMyLoan@outsourcing.com) with instructions for signing the electronic promissory note. SignMyLoan is a website made available through Educational Computer Systems, Inc. (ECSI), our Perkins Loan servicer.

### BOOKS AND SUPPLIES

The books and supplies figure in your award letter is an average—not your actual cost for books and supplies. It is possible to use your financial aid to help pay for your books; financial aid will be applied to tuition, fees, and any room and board charges first. Students who do not have excess aid may still purchase books at the University Bookstore and may charge those books to their student accounts (up to \$1,000) once their enrollment has been confirmed. The student will be billed at a later date for any excess charges.

### ADDITIONAL FINANCIAL RESOURCES

Additional financial resources include private (non-Michigan Tech) scholarships and other sources of gift aid. For example, a scholarship awarded by your high school is considered an additional financial resource. If you are awarded scholarships from non-Michigan Tech sources, you must notify the Financial Aid Office so that we can credit your semester bill. You can notify us by mail, fax, or simply by posting your awards on your MyMichiganTech account.

### TOTAL REMAINING COST TO BE COVERED BY PARENT PLUS LOAN, ALTERNATIVE LOAN SOURCES, AND/OR OTHER PARENT/FAMILY RESOURCES

The total remaining fall/spring cost is the amount owed after subtracting gift aid, student loans, and additional financial resources from the COA. This is an estimate and not necessarily an out-of-pocket expense. Students and parents who qualify for one of the following options can reduce or eliminate the majority of their up-front costs.

Many families choose to cover this cost with the Direct PLUS Parent Loan. This loan allows parents of dependent, undergraduate students to borrow directly from the US Department of Education through Michigan Tech. For more information or to apply, visit [www.mtu.edu/finaid/students/prospective/plus-parents](http://www.mtu.edu/finaid/students/prospective/plus-parents). (Please note: before this loan can be processed, the student must accept or decline his/her Federal Direct Loan(s); see the student loans section for details.)

Alternative/private loans are another funding option, and are available through a variety of lenders. Most alternative loans require a creditworthy cosigner. Applications may be submitted online and generally take three to four weeks to process, so please allow ample time for the funds to become available. For more information, visit [www.mtu.edu/finaid/students/current/alternative/](http://www.mtu.edu/finaid/students/current/alternative/).

Additionally, Michigan Tech offers several payment plans. For details about these plans, contact accounting services at 800-576-6484 or visit [www.admin.mtu.edu/acct/students/aboutbill.html](http://www.admin.mtu.edu/acct/students/aboutbill.html).

## THE FINAL DETAILS

### STUDENT RIGHTS AND RESPONSIBILITIES

As a Michigan Tech student receiving financial aid, you need to know and understand your rights, responsibilities, and expectations. For more information about enrollment requirements, the financial aid process, satisfactory academic progress, and student rights and responsibilities, visit [www.mtu.edu/finaid/understanding](http://www.mtu.edu/finaid/understanding). To view student disclosures, visit [www.mtu.edu/student-affairs/interests/student-disclosure](http://www.mtu.edu/student-affairs/interests/student-disclosure).

### VERIFICATION

The US Department of Education randomly selects students to validate the data provided on their FAFSAs. If you are selected for verification, send in any requested documents as soon as possible. We ask that the requested documents be submitted to the Financial Aid Office before June 1. Your financial aid will show on your account (but will not be paid) until the required documentation has been received and reviewed. When we receive your documentation, we will review the data and make corrections as necessary. This may impact your Expected Family Contribution (EFC), which could change your aid package. It is important to note that a loss of financial aid will occur if the requested documentation is not received.

### STUDENT AND PARENT ACCESS TO FINANCIAL AID INFORMATION

You can access your financial aid information prior to Orientation on Banweb or through MyMichiganTech. You can also access your bill and other important University information through Banweb. You will be able to give your parents access to this information by granting them Guest Access at [www.mtu.edu/registrar/parents-family/access](http://www.mtu.edu/registrar/parents-family/access).

### WORK-STUDY/EMPLOYMENT

You will be contacted during the summer about employment opportunities if you have been awarded work-study. Work-study does not appear as a credit on the semester bill; however, you will receive a paycheck every two weeks for the hours you have worked.

Although you may have indicated an interest in campus employment on your FAFSA, you may not have been awarded work-study. This may be because you were deemed ineligible (based upon the FAFSA results and financial-need requirement) or the funds were limited. It is still possible for you to gain campus employment. One place to begin the job search is at [www.mtu.edu/job-placement](http://www.mtu.edu/job-placement).

### FINANCIAL AID COMMUNICATIONS

Future correspondence from the Financial Aid Office will be through your HuskyMail email account. This includes revised financial aid award notices and reminders. The Accounting Office will also contact you via HuskyMail regarding your semester bill. You can access HuskyMail at [www.huskyemail.mtu.edu](http://www.huskyemail.mtu.edu).

*Because of the nature of federal, state, and institutional financial aid program guidelines and funding, the aid offered and the information contained in this letter are subject to change.*

## DATES TO REMEMBER FOR 2014-2015

### MAY 2014

- 1 Enrollment deposit due

### JUNE 2014

- 1 Submit requested documents to the Financial Aid Office by this date.

### JULY 2014

- 11 Fall semester 2014 registration bills available online
- 30 First payment of five-payment plan due

### AUGUST 2014

- 27 Fall semester 2014 registration bills due
- 27 Second payment of five-payment plan due
- 27 First payment of four-payment plan due

### SEPTEMBER 2014

- 10 Financial aid full-time (minimum of 12 billable credits) status established as of 4:00 PM
- 16 Fall 2014 second bills available online
- 17 Fall 2014 credit balance refunds mailed or direct deposited (if student has set up direct deposit)
- 24 Third payment of five-payment plan due
- 24 Second payment of four-payment plan due

### OCTOBER 2014

- 3 Fall 2014 second bills due
- 22 Fourth payment of five-payment plan due
- 22 Third payment of four-payment plan due

### NOVEMBER 2014

- 19 Fifth payment of five-payment plan due
- 19 Fourth payment of four-payment plan due
- 27 Spring semester 2015 registration bills available online

### DECEMBER 2014

- 10 First payment of five-payment plan due (for spring semester)
- 19 Spring 2015 bill must be received and processed by the Cashier's Office if Hope Credit is needed for 2014 federal tax purposes (consult your tax advisor)

### JANUARY 2015

- 1 2015-2016 FAFSA is available at [www.fafsa.gov](http://www.fafsa.gov)
- 7 Spring 2015 registration bills due
- 7 Second payment of five-payment plan due
- 7 First payment of four-payment plan due (for spring semester)

- 21 Financial aid full-time (minimum of 12 billable credits) status established as of 4:00 PM
- 27 Spring 2015 second bills available online
- 28 Spring 2015 credit balance refunds mailed or direct deposited (if student has set up direct deposit)
- 31 1098-T forms mailed to students (at their permanent address) by this date; visit [www.irs.gov](http://www.irs.gov) for Publication 970, "Tax Benefits for Education." (1098-T forms are also available on Banweb.)

### FEBRUARY 2015

- 4 Third payment of five-payment plan due
- 4 Second payment of four-payment plan due
- 13 Spring 2015 second bills due

### MARCH 2015

- 1 2015-2016 FAFSA must be received by federal processor by this date to receive priority consideration
- 4 Fourth payment of five-payment plan due
- 4 Third payment of four-payment plan due

### APRIL 2015

- 1 Fifth payment of five-payment plan due
- 1 Fourth payment of four-payment plan due
- 10 Summer 2015 registration bills available online

### MAY 2015

- 6 Summer 2015 registration bills due
- 26 Summer 2015 second bills available online
- 27 Summer credit balance refunds mailed or direct deposited (if student has set up direct deposit)

### JUNE 2015

- 1 Submit requested documents to the Financial Aid Office by this date for 2015-2016
- 12 Summer 2015 second bills due

### JULY 2015

- 10 Fall 2015 registration bills available online

*All dates are subject to change.*