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ADMISSIONS AND FINANCIAL AID FOR ASSISTANT AND ASSOCIATE DEANS: FINANCIAL AID

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STATUS OF GRADUATE FINANCIAL SUPPORT

- Graduate deans have identified financial support as one of their top concerns (*CGS Pressing Issues Survey*, Remington, Gonzales, & Allum, 2013)
- Change in percentage of graduate students receiving any type of aid/support by degree type from 1995-1996 to 2007-2008 (NCES, 2011)
 - **Master's (52%- 74%)**
 - **Doctoral (66% - 86%)**
 - **First Year Professionals (79%- 88%)**
- In 2007-2008, total aid from all sources for graduate students (including first year professional students) was \$36.7 billion.
- Many changes have occurred in the type of loans and interest rates available to graduate students.

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TYPES OF FINANCIAL AID

- Assistantships
 - Teaching
 - Research
 - Service/Graduate/Administrative
- Grants/Fellowships (Non-Compensatory Payments)
 - Grants are a type of student financial aid that does not require repayment or employment. Grants include scholarships and fellowships, tuition waivers, etc.
- Loans
 - Federal
 - Private

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PERCENTAGE OF STUDENTS IN 2007-2008 RECEIVING DIFFERENT TYPES OF FINANCIAL AID (AVERAGE AMOUNT) BY DEGREE STATUS

2007-2008	Assistantships	Loans (Any type)	Grants
Master's	11 (9,700)	44 (15,600)	40 (6,500)
Doctoral	47 (15,400)	32 (20,300)	54 (12,200)
First Professionals	8.3 (6,500)	79 (31,400)	41 (8,500)
Other (Post-Bac, Non-degree, Grad Certificate)	2.9 (7,600)	23.6 (12,300)	29 (3,100)

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Data derived from [online](#) report published by US Dept. of Education in January 2011

BENEFITS OF AN ASSISTANTSHIP

- Professional experience (apprenticeship role) in teaching, research or a position closely related to the student's discipline (e.g., resident hall assistant)
- Accompanying financial benefits (reduced tuition or full tuition waivers, health insurance)
- Higher retention and graduation rates
- Work benefits the department and the university
- Excellent recruitment strategy for competitive students

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OTHER CONSIDERATIONS

- Offer letter must spell out relevant details such as job duties, supervisor, benefits, start and end dates, and other information important to the position
- FTE – how is it calculated at your institution
- Approval of additional work hours
 - Do you have a process to approve additional work hours?
 - Affordable Care Act and additional work hours
 - May impact benefits for Graduate Assistants
 - Check with your Human Resources office for specifics (e.g., measurement of the “stability period”)

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TEACHING ASSISTANTSHIPS

- Instructor of record
- Teaching Assistant
- Stipend payment
- Benefits – Who is responsible for covering benefits?
- Academic qualifications of the Graduate Assistant?
- Hours worked? How many courses can a TA teach? Does it vary across departments?
- Online students as teaching assistants?

RESEARCH ASSISTANTSHIPS

- Who pays the stipend?
- In many universities, research graduate assistants are generally grant funded
- If tuition and health insurance benefits accompany assistantships, then the grant account may be billed/charged accordingly, unless alternative arrangements are made.
- How is out of state tuition covered at your institution; educational allowance may not cover total tuition costs
- Benefits for research assistantships are generally similar to university funded assistantship (federal sponsor rule)
- Length of assistantship (varies depending on grant, often differs from teaching assistantships)
- Pay rates – is it similar to teaching assistants in the same department, are variations allowed?

GRADUATE “ADMINISTRATIVE” ASSISTANTSHIPS

- Does your university have assistantship positions that are not either teaching or research?
- NAU’s definition: Graduate Service Assistants: “assist in a service unit whose mission is closely related to the student’s area of academic study and interest. The GSA is responsible to a professional member of the service unit who supervises and trains the student in the service role. The main purpose of the assignment is to assist in the service role of the unit”.
- Tax Implications for tuition benefits:
 - Graduate assistants who receive more than \$5,250 in tuition waivers in a calendar year must be taxed on the amount exceeding the allowable amount.
 - Research and teaching assistants are exempt from this requirement
 - See I.R.S. Publication 970:
http://www.irs.gov/publications/p970/ch01.html#en_US_2012_publink1000178027

FELLOWSHIPS/TRAINEESHIPS

- A fellowship is defined as a grant to a student to support their graduate studies and/or research.
- Traineeships are fellowships that are awarded to provide educational training in particular disciplinary areas.
- Funded Internally or Externally
- Excellent recruiting tool
- Main characteristics:
 - **May vary depending on funding source (internal or external)**
 - **Generous Stipends (generally higher than most assistantship stipends)**
 - **Tuition benefits**
 - **Additional funds for travel/research**

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FELLOWSHIP EXAMPLES

External

- NSF Graduate Research Fellowship Program (GRFP)
- Integrative Graduate Education and Research Traineeship Program (IGERT)
- Fulbright U.S. Student Program
- Ford Foundation Fellowship Program
- Department of Energy Office of Science Graduate Fellowship (DOE SCGF)
- National Water Research Institute Fellowship

Internal

- Presidential Fellowships
- University Endowed Fellowships
- Funds to supplement assistantship/departmental fellowships

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LOANS AS A MEANS TO FUND GRADUATE EDUCATION

- Loans are increasingly used by students to fund graduate education.
- For doctoral students the increase from 1995-96 to 2007-08 was from 21% to 32%
- For master's students the increase in loans was from 24% to 44%.
- It is critical to have a strong working relationship with your Director of Financial Aid.
- It is important to keep abreast of the changing federal rules that impact financial aid and in turn your students. Your financial director can help you stay informed.
- Your colleagues at CGS and the CGS List-Serve also serve as a helpful resource.

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LOANS

Who is eligible for federal loans?

- **–US citizens and permanent residents**
- **–Half-time enrollment**
- **–No history of default with previous federal loans**
- **–No drug history conviction record (when receiving aid)**

Cost of Attendance

- **–Receive loans up to the cost of attendance at your school (includes tuition, fees, food and lodging, transportation, books, miscellaneous expenses)**

FAFSA must be filed each year

For more information, visit the U.S. Department of Education's website at <http://studentaid.ed.gov>

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BUDGET CONTROL ACT OF 2011

- Graduate students are not eligible to receive subsidized loans from July 1, 2012
- Annual Direct Loan limit remains at \$20,500
- Aggregate Direct Loan limit remains at \$138,500. Not more than \$65,500 of this may be in subsidized loans (including loans borrowed as an undergraduate).
- Up front interest rebate will no longer be offered on any Direct Loans with a first disbursement date of 7/1/12
Federal Graduate PLUS loan
 - entire origination fee (4%), will be taken out of the loan prior to disbursement
- Loan Repayment Options
 - Deferring payments, loan forgiveness, income-driven repayment plans, unemployment or economic-hardship

Source: <http://studentaid.ed.gov>

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2011 GAINFUL EMPLOYMENT HIGHER EDUCATION ACT (HEA)

- Eligibility for funding under the HEA Title IV student assistance programs indicates that an educational program must lead to a degree or it must prepare students for “gainful employment in a recognized occupation.”
- All programs at for-profit institutions and graduate certificates approved for financial aid at non-profit and public institutions were impacted.
- Universities must provide information on website on costs, graduation rates, debt and repayment rates
- Information (template provided by DOE) must be available on each program site so individuals have ready access to this information.
- This act was challenged in court. U.S. Department of Education is currently rewriting controversial regulations.

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