



5 Community Drive
 P.O. Box 949
 Augusta, ME 04332-0949
 Phone: 800-228-3734
 Fax: 207-623-0095
 E-mail: adostie@famemaine.com

Save the Date!

Financial Aid 101: A Training for Counselors & Advisors

FAME's annual training has been scheduled for Friday, October 10, 2008 at the Senator Inn & Spa in Augusta.

The tentative agenda includes: Reviewing the FAFSA; Understanding the CSS Profile; Changes to the EFC Calculation; Student Dependency Changes; and Early Awareness Initiatives.

More information and registration materials will be available soon.

The FAME Educator

For Counselors & Advisors



What's Inside this Edition:

- Availability of Student Loans
- TEACH Grant Program
- Calculators & Tools
- Updates to FAME Web Site
- New Flyers Available
- Fall Training Date Announced

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Dear Counselors,

Greetings!

Spring is finally here and summer is right around the corner. It's hard to believe that another school year is almost over! In this issue of *The FAME Educator*, you will find updates on federal financial aid topics that may affect many of your students, including increased loans limits and a new federal program.

If you have any questions about the topics in this newsletter or need assistance from FAME, please feel free to contact me by email at adostie@famemaine.com or by phone at 1-800-228-3734.

Angela Dostie
 Manager of Outreach & Default Prevention

New Stafford Loan Amounts

Effective July 1, 2008, Federal Stafford loan amounts are changing. Many of your students may receive notices or new financial aid awards from the financial aid office at the college. The new limits for dependent students are:

| Year in College | Prior to 7/1/08 | Effective 7/1/08 |
|------------------|-----------------|---|
| Freshman | \$3,500 | \$5,500 (no more than \$3,500 can be subsidized) |
| Sophomore | \$4,500 | \$6,500 (no more than \$4,500 can be subsidized) |
| Junior or Senior | \$5,500 | \$7,500 (no more than \$5,500 can be subsidized) |

Student Loan Availability

Many of you are aware of recent news regarding disruptions in the capital markets and their impact on student loan availability. FAME is closely monitoring the status of student loan availability in Maine and will be happy to answer any questions you may have about this situation. Students should contact the financial aid office at the college they will be attending for questions regarding their loan eligibility.

New TEACH Grant Announced

Through the *College Cost Reduction and Access Act of 2007*, Congress created the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program that provides grants of up to \$4,000 per year to students who intend to teach in a public or private elementary or secondary school that serves students from low-income families.

The first TEACH Grants will be awarded to eligible students for the 2008-2009 school year.

Student Eligibility Requirements

To receive a TEACH Grant, students must meet the following criteria:

- Complete the Free Application for Federal Student Aid (FAFSA);
- Be a U.S. citizen or eligible non-citizen;
- Be enrolled as an undergraduate, post-baccalaureate or graduate student in a postsecondary institution that has chosen to participate in the TEACH Grant program;
- Be enrolled in coursework that is necessary to begin a career in teaching or plan to complete such coursework;
- Meet certain academic achievement requirements (generally scoring above the 75th percentile on a college admissions test or maintaining a cumulative GPA of at least 3.25 on a 4.0 scale);
- Sign a TEACH Grant 'Agreement to Serve'.

Not all colleges will participate in the program in the 2008-2009 school year. If you have students who are interested in learning more about the TEACH Grant Program, they should contact the financial aid office at the college where they will be enrolled to find out if the school will participate in the TEACH Grant Program for the 2008-2009 school year.

IMPORTANT REMINDER

If a student receives a TEACH Grant but does not complete the required teaching service requirements, the student will be required to repay the grant as a Federal Direct Unsubsidized Stafford Loan, with interest charged from the date of each TEACH Grant disbursement.

FAME Calculators & Tools

Did you know that FAME offers many different tools and calculators on our web site to help students and families? Here is a brief overview of what we offer:

FAFSA4caster: link to the U.S. Department of Education's early EFC calculator tool.

Student Loan Calculator: estimate payments for federal Stafford loans.

Debt/Salary Wizard: learn how much income is needed to afford loan payments.

Budget Calculator: learn to create a monthly budget.

Checkbook Balancing Tool: reconcile your bank statement.

Compare Costs & Financial Aid Awards: worksheet to help you compare financial aid awards.

Go to the education section of the FAME web site to use these calculators. If you have suggestions for additional tools, please contact me and share your ideas.

FAME Web Site Expanded

In an effort to enhance the online experience of students, schools and counselors in Maine, FAME has expanded the education portion of our web site. Most notable in this web site expansion is the creation of a new section entitled "For Student Loan Borrowers." This section was developed to provide comprehensive loan repayment information to borrowers, including a variety of calculators and information on how to avoid default. Please note that we have also included information regarding our *GOAL\$* program.

We are pleased with the results of this expansion and we hope that you find the information useful. Please feel free to contact FAME if you have any questions or would like to offer feedback. Visit our site at www.famemaine.com.

Scholarship Scam & Private Loan Flyers Available

At the request of our schools, FAME has created new flyers that you can print and share with your students and parents. The scholarship scam flyer cautions students about paying a fee for scholarships or scholarship searches. The other flyer reminds students to check with the financial aid office and read all the fine print before borrowing an alternative (private) education loan. Coming soon will be a fact sheet about credit cards and debt.

You can find these flyers in the Counselor & Advisor section of the FAME web site. If you have ideas for other publications, let us know and we will work to create them for you.