

September 18, 2014

Hon. Rebecca Millett, Senate Chair  
Hon. Matthea Daughtry, House Chair  
Commission to Study College Affordability and College Completion  
100 State House Station  
Augusta, ME 04332

*Re: FAME report-back on requested Maine State Grant data*

Dear Senator Millett, Representative Daughtry, and Distinguished Members of the Commission to Study College Affordability and College Completion:

This letter is in response to information requested by the Commission at the August 26, 2014 meeting.

First, Commission members requested that FAME produce data illustrating the number of students for Academic Year 2015 in the 0 Expected Family Contribution (EFC) – 10,000 EFC range who filed the Free Application for Federal Student Aid (FAFSA) but did not (due to EFC cut-off and May 1 deadline) receive a Maine State Grant award, as well as the funding that would be required to cover those students. Please see the attached chart, which requires explanation in person due to several variables. Among other things, it discloses that, in order to expand the grant from the currently funded 6,000 EFC level to a greater 10,000 EFC level, it would require an additional \$2.2 million in appropriations. Were this to be achieved, approximately 3,578 more students would benefit from the grant. Also, if the current May 1 deadline were to be abolished (which we do not recommend), it would take approximately \$4 million in extra funds to cover the estimated additional 4,835 students who would be eligible to benefit.

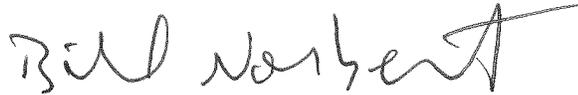
Members also asked for a breakdown of the percentage of Maine State Grant awardees who classify themselves as independent versus dependent students. For academic year 2014, 52% of awardees classified themselves as independent students, whereas 48% of awardees identified themselves as dependent students. This compares with academic year 2013 figures of 47% of awardees who classified themselves as independent students versus 53% of students who were dependent, and academic year 2012 figures of 49% who classified themselves as independent students and 51% who classified themselves as dependent students.

Finally, the Commission requested that FAME research how many states currently award their version of the Maine State Grant (need-based grants awarded by a similar state agency) based on FAFSA-EFC data. We surveyed our sister agencies and found that thirty-three states (including Maine), as well as Washington, D.C. and Puerto Rico, currently rely on FAFSA-EFC

(federal) data when determining state grant awards. Eleven states use federal data with some modifications such as additional income or asset information, as well as cost of attendance. Two states have their own special systems, and four states (including New Hampshire) do not offer any grant.

We hope you find this information useful. We plan to be present at the September 18, 2014 meeting to explain the chart and to answer any questions you may have.

Very truly yours,

A handwritten signature in black ink that reads "Bill Norbert". The signature is written in a cursive style with a long horizontal stroke at the end.

William S. Norbert  
Governmental Affairs and  
Communications Manager

Encl.

### Maine State Grant Data for Academic Year 2015

Aca Yr	EFCLow	EFCHigh	StudentCount	Cumulative Total	May 1 Deadline	After May 1 Deadline	Cumulative Total	AGIAvg	Dollars Disbursed	Cumulative Total
15	0	0	17,465	17,465	14,197	3,217	3,217	\$11,734	8,149,078	8,149,078
15	1	1000	3,106	20,571	2,686	413	3,630	\$26,211	1,673,915	9,822,993
15	1001	2000	2,314	22,885	2,030	280	3,910	\$35,279	1,265,096	11,088,089
15	2001	3000	1,972	24,857	1,687	280	4,190	\$40,405	1,051,338	12,139,427
15	3001	4000	1,860	26,717	1,610	248	4,438	\$44,415	1,003,352	13,142,779
15	4001	5000	1,657	28,374	1,440	215	4,653	\$48,937	897,408	14,040,187
15	<b>5001</b>	<b>6000</b>	<b>1,550</b>	<b>29,924</b>	<b>1,365</b>	<b>182</b>	<b>4,835</b>	<b>\$54,799</b>	<b>850,668</b>	<b>14,890,855</b>
15	6001	7000	1,289	31,213	1,132	155	4,990	\$58,013	705,462.00	15,596,318
15	7001	8000	1,066	32,279	921	142	5,132	\$63,733	573,967.00	16,170,285
15	8001	9000	927	33,206	836	90	5,222	\$70,494	520,995.00	16,691,280
15	<b>9001</b>	<b>10000</b>	<b>781</b>	<b>33,987</b>	<b>689</b>	<b>90</b>	<b>5,312</b>	<b>\$72,286</b>	<b>429,384.00</b>	<b>17,120,665</b>

Source: Finance Authority of Maine Sept. 18, 2014