



# ADULT LEARNER RESOURCE GUIDE

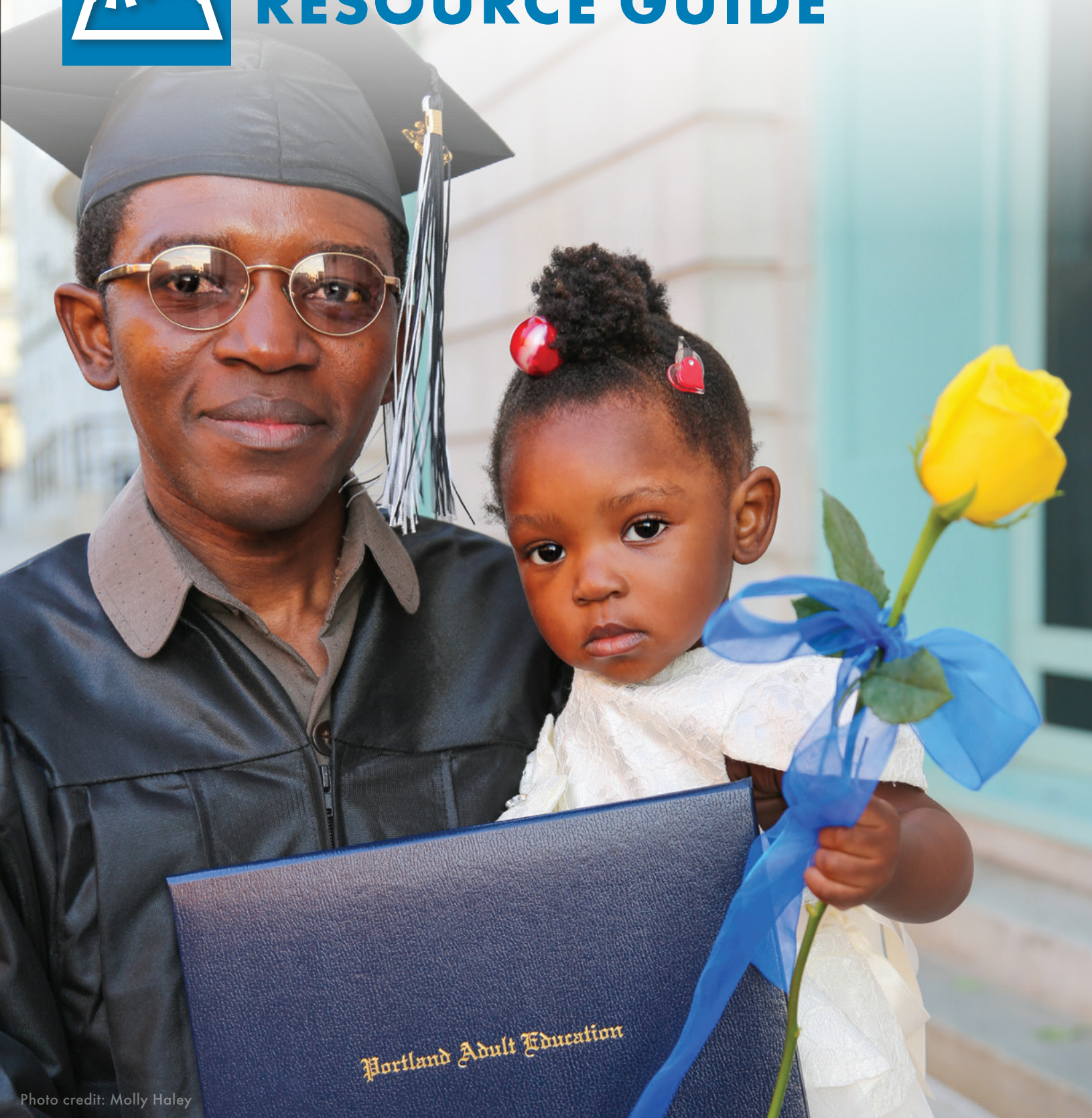


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Tips and information to help you on the path to success



# Welcome to Your Future!

If you're an adult who would like to begin higher education—either for the first time or after a long break—but you aren't quite sure how you will afford it, then this guide is for you. The Adult Learner Resource Guide was created for adults who have questions about paying for higher education, finding scholarships, taking out or managing student loans, and more.

The guide includes:

- Money management basics to set up a good financial foundation
- Tips for paying for higher education
- Managing student loans

Ready to get started? Following the tips and resources provided here will set you on the right path to financial success.

The Finance Authority of Maine (FAME) helps families afford higher education through financial planning tools and programs. No matter where you are on your path to higher education, FAME has the team and the resources to help you be successful.

**MAIL:** PO Box 949, 5 Community Drive,  
Augusta, Maine 04332-0949

**PHONE:** 1-800-228-3734 • TTY 207-626-2717

**EMAIL:** [Education@FAMEmaine.com](mailto:Education@FAMEmaine.com)

**WEB:** [FAMEmaine.com](http://FAMEmaine.com) • [FAME-Education.com](http://FAME-Education.com)  
[NextGenforME.com](http://NextGenforME.com) • [ClaimYourFuture.com](http://ClaimYourFuture.com)  
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# How Will I Pay for Higher Education?

**EARNING A DEGREE OR CREDENTIAL** can increase job opportunities, earning potential and employment benefits, but many students have concerns about how to pay for higher education, especially if their earnings have been or will be reduced. For many, the solution is a piecemeal approach that may include:

- Financial aid
- Savings
- Income
- Reducing expenses
- Borrowing

The checklist below will help you develop your plan.



## PAYING FOR HIGHER EDUCATION CHECKLIST

### FINANCIAL AID & SCHOLARSHIPS

☐ File the FAFSA at [FAFSA.gov](https://fafsa.gov) every year. Want help filing the FAFSA? Free help is available:

- Maine Educational Opportunity Center (MEOC) [MEOC.Maine.edu](https://MEOC.Maine.edu)
- Finance Authority of Maine (FAME) [FAMEmaine.com](https://FAMEmaine.com)

☐ Start your scholarship search using FAME's Maine Scholarship Search at [FAMEmaine.com](https://FAMEmaine.com).

### ALTERNATIVE FUNDING OPTIONS

☐ Ask if your employer offers tuition reimbursement.

☐ Use your military education benefits. For more information:

- Visit the Military Parent/Student page at [FAMEmaine.com](https://FAMEmaine.com).

☐ Research state programs:

- Parents as Scholars is run by the Maine Department of Health and Human Services (DHHS) through the ASPIRE Program. Contact DHHS for more information at [maine.gov/dhhs/ofi/programs-services](https://maine.gov/dhhs/ofi/programs-services).
- Maine College Transitions offers free support to help students get ready for college. Find a program near you at [MaineCollegeTransitions.org](https://MaineCollegeTransitions.org).
- Check out the Higher Opportunity for Pathways to Employment (HOPE) through Maine's Department of Health and Human Services (DHHS). Learn more at [Maine.gov/dhhs/ofi/programs-services/hope](https://Maine.gov/dhhs/ofi/programs-services/hope)

## SAVINGS

☐ Use savings to reduce student loan borrowing. Possible savings options include:

- **529 Education Savings Plans:** learn more at [NextGenforME.com](https://www.nextgenforME.com).
- **Family Development Accounts:** learn more at [NewVenturesMaine.com](https://www.newventuresmaine.com).
- **Personal savings** not earmarked for emergency savings.

## TUITION PAYMENT PLANS

☐ Consider a tuition payment plan to spread payments over time. Typically, there is a small enrollment fee, but payments are interest free. Contact your school's Billing Office for additional information.

## HOUSEHOLD AND COLLEGE EXPENSES

☐ Manage your household expenses

- Set financial goals
- Review your expenses
- Create a spending plan
- Take advantage of budgeting tools like [mint.com](https://www.mint.com)



# How Can I Reduce Costs?

The costs of pursuing higher education include expenses billed by the school and expenses that are discretionary or not billed by the school. Consider the following cost-cutting measures to reduce both billed and unbilled costs while you pursue your higher education goals.

## COST REDUCTION CHECKLIST

### REDUCE HOUSEHOLD EXPENSES

- ☐ Set financial goals.
- ☐ Review your expenses to determine where you can spend less on cell phones, cable, transportation, housing, utilities, food, insurance and any extras.
- ☐ Create a spending plan.

### REDUCE THE BILL

- ☐ File the FAFSA at [FAFSA.gov](https://fafsa.gov) every year by your school's priority filing deadline.
- ☐ Enroll in a seasonal course (summer, winter). Financial aid may be available for these courses — check with the Financial Aid Office.
- ☐ Use your benefits. If you are a Veteran or Service Member, use your education benefits. If you are Native American or were in foster care, pursue tuition waivers.
- ☐ Talk to your employer about any available education funding.
- ☐ Complete the steps to waive medical insurance if you are already covered.

### REDUCE PROGRAM LENGTH

- ☐ Obtain a Prior Learning Assessment (PLA) to see if experiences can count toward academic credit.
  - Already enrolled in college? Contact your academic advisor for more information about PLA at your school.
  - Exploring a college? Connect with the admissions office to learn about PLA at that school.
- ☐ Transfer credits from a previous school.
  - Contact the Registrar's Office at the school you plan to attend to ask for a transfer credit evaluation.

### SAVE ON BOOKS

- ☐ Use free resources like Google Books and your school library.
- ☐ Consider renting from a source like [Chegg.com](https://www.chegg.com) or your school bookstore.
- ☐ Buy your books used.
- ☐ Purchase digital books. Downloadable textbooks are often cheaper than hard copies and are delivered on demand.
- ☐ Earn cash back by selling books you no longer need.









## How Do I Find Scholarships?

Scholarships are for students of all ages—some are even targeted specifically to adult learners.

Scholarships are funds that do not have to be repaid. To receive scholarship aid, students must actively search and apply for these awards.

Keep the following tips in mind when searching and applying for scholarships:

### SCHOLARSHIPS FOR ADULT LEARNERS

Adult Degree Completion Scholarship from the University of Maine supports adult students returning to college after an absence of three years or more and who are completing their first baccalaureate degree. [maine.edu/students/scholarships-and-tuition-waivers/adult-degree-completion-scholarship](https://maine.edu/students/scholarships-and-tuition-waivers/adult-degree-completion-scholarship)

Maine Competitive Skills Scholarship helps workers learn new skills and succeed in a changing economy. [MaineCareerCenter.com](https://MaineCareerCenter.com)

The Adult Learner Scholarship Fund is for non-traditional students who want to change their life for the better through education and training. The scholarship supports a range of training, including attending two- and four-year colleges and universities, completing a certificate and other non-degree programs, or attempting a self-directed learning experience with a clear goal. [MaineCF.org](https://MaineCF.org)



## 5 T I P S F O R S U C C E S S

### 1 FILE THE FAFSA AT [FAFSA.GOV](https://fafsa.gov)

As part of their application process, many scholarship organizations request a copy of your FAFSA summary known as your Student Aid Report (SAR).

### 2 USE FREE SCHOLARSHIP SEARCHES.

Never pay for a scholarship search. Instead, use free search sites to build your list of potential scholarships. Legitimate scholarship organizations are trying to give away money, not take your money.

Using the right keywords or search terms will yield the best results. Here are some recommended search terms:

- Adult Student
- Returning to School
- Lifelong Learner
- Returning Student
- Non-Traditional Student
- Graduate Student

### 3 DEVELOP A STRATEGY FOR SUCCESS.

Determine how much time you can dedicate per week to completing applications. Stay focused and positive! The more quality applications you submit, the more likely your efforts will pay off.

### 4 MEET DEADLINES AND SUBMIT COMPLETE APPLICATIONS.

The scholarship selection process can be very competitive. Don't let your application drop to the bottom of the pile because it is late or has errors. Start early and have another set of eyes proofread your application.

### 5 APPLY EVERY YEAR.

Ask if scholarships you receive are renewable. If so, submit the renewal application and documents by the deadline.

- Keep searching for new scholarships each year. Any money you receive from a scholarship helps limit the amount of money you have to borrow.
- Maintain strong academic performance—grades and progress matter!





# How Do I Borrow for My Education?

If you need to borrow loans to help pay for your education, whether it's for the first time or in addition to what you have previously borrowed, there are important things to know and consider when borrowing.

Request a free annual credit report at [AnnualCreditReport.com](https://AnnualCreditReport.com), as your federal loan history and any private education loan history will be listed in your credit report.

## Understand Your Federal Loan Options

Federal loans are available to students and parents to help finance education. To be considered for a federal loan, a FAFSA must be filed at [FAFSA.gov](https://FAFSA.gov). Loans must be repaid with interest.

### Types of loans:

- **Direct Subsidized Loans** are need-based student loans that do not accrue interest while the student is enrolled in college. They are not credit based.
- **Direct Unsubsidized Loans** are student loans that are not based on need. Interest does accrue while the student is enrolled in college. These loans are also not credit based.
- **Direct PLUS Loan for Parents and Graduate Students** are credit-based loans available to parents of dependent students and to graduate students.

The Federal Student Aid website, [StudentAid.gov](https://StudentAid.gov), is the best source for up-to-date information, including loan limits for the federal loan programs.

## HOW MUCH SHOULD YOU BORROW?

Limit total student loan debt to no more than your salary your first year of employment.

Your total anticipated monthly payment should be no more 10% of your take-home pay.

Use FAME's Student Loan Payment Calculator at [FAMEmaine.com](https://FAMEmaine.com) to help you figure out how much you should borrow based on expected future earnings.



# I Have An Existing Federal Student Loan— What Should I Do?

If you have an existing federal student loan (or if you are not sure if you have one), you should know that **keeping your federal student loan in good standing will help you receive additional federal financial aid funds.**



**REMINDER:** You need an FSA ID to log into **StudentAid.gov**. If you don't already have one, click on Create Account at **StudentAid.gov**.

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For contact information for the holder of your federal student loan, log into **StudentAid.gov**.

## Not sure if you have a federal student loan?

To determine if you have federal student loans, log into [StudentAid.gov](https://studentaid.gov). You will need your FSA ID to log in. If you don't have one, you can create one at [StudentAid.gov](https://studentaid.gov).

## Do you have a prior federal student loan that is in good standing?

Your loan may be eligible for deferment (postponement of loan repayment) if you are planning to enroll at least half-time. Contact your loan servicer to see if you are eligible for a deferment and, if so, what paperwork is required. Be sure to find out whether interest will be accumulating while you are in deferment.

## Do you have defaulted federal student loans?

If your federal student loan has been referred to a collection agency, the loan is mostly likely in default. If one or more of your loans are in default, you must resolve the default before you can receive additional federal student aid. There are several ways to resolve a federal student loan default that can help you regain federal student aid eligibility:

- Repayment
- Loan rehabilitation
- Loan consolidation

If your federal student loan is in default, you will need to contact the collection agency responsible for collecting the loan. To determine the collection agency's contact information, log in to [myeddebt.ed.gov](https://myeddebt.ed.gov).

## Repayment in Full or Settlement

Contact the holder of your loan for more information.

**Repayment in full** involves paying the entire balance due, including principal and all accrued interest and collection costs, in one lump sum. Once the defaulted loan is paid in full, the loan will typically show as a paid collection account on your credit report.

**Settlement** involves settling the debt by paying a sum less than the total payoff amount. Sometimes the loan holder will waive some or all of the collection costs. Always get the agreement in writing. Once the settlement payment is received, the loan will typically show as a settled collection account.

## Loan Rehabilitation

To rehabilitate a defaulted federal student loan, you must agree in writing to make:



- Nine timely, consecutive, agreed upon monthly payments
- Each payment within 20 days of the due date
- All nine payments during a period of 10 consecutive months

Once you've met the terms of this agreement, your loan may be rehabilitated. Rehabilitating your federal defaulted loan has benefits that differ from those associated with a default resolved through consolidation, including a more positive impact on your credit report. Keep in mind that you can only rehabilitate a defaulted loan once.

To learn more about rehabilitation, contact the holder of your loan.

## Loan Consolidation

You may consolidate your defaulted federal student loan into a federal Direct Consolidation Loan. Loan consolidation allows you to pay off one or more

federal student loans with a single new loan that has a fixed interest rate.

To consolidate a defaulted federal student loan into a new Direct Consolidation Loan, you must either:

- Agree to repay the new Direct Consolidation Loan under an income-driven repayment plan, or
- Make three consecutive, voluntary, on-time, full monthly payments on the defaulted loan before you consolidate it.

To learn more about consolidation, visit:

[StudentAid.ed.gov/repay-loans/consolidation](http://StudentAid.ed.gov/repay-loans/consolidation).

**For help resolving disputes** with your federal student loan, contact the U.S. Department of Education's ombudsman by completing the online form at:

[StudentAid.gov/feedback-ombudsman/disputes/prepare#how-contact](http://StudentAid.gov/feedback-ombudsman/disputes/prepare#how-contact).

For help from FAME, contact our ombudsman at [Education@FAMEmaine.com](mailto:Education@FAMEmaine.com).



# I've Been to School Before and Have an Outstanding Balance—What Should I Do?

If you've been to school before and have an outstanding balance, the school's billing office has likely placed a hold on your account. A billing office hold usually prevents students from obtaining official copies of their academic transcript and possibly from registering for future classes.

## Hold on Academic Transcripts

If you want to transfer to a new school, you typically won't be able to do so without an academic transcript from your prior school.

### To resolve the hold, first determine:

- How much is your current balance?
- Who is currently responsible for collecting the money – the school or a collection agency? You will need to work directly with the entity responsible for collection.

### Next, consider the following options:

- Contact the Billing Office to discuss possible payment arrangements.
- If the bill is very recent (within the past academic year), it may be possible to take out a private loan (credit-based) to cover the past balance. Contact the Financial Aid Office to see if this is a viable option.



## Hold on Course Registration

If you want to return to your previous school, you may not be able to register for classes unless you either pay the amount or come up with a plan for repayment with your school.

- If you are unable to pay the full amount, contact the Financial Aid Office.



**Want to learn more?** Visit the Money Management section at [FAMEmaine.com](https://www.famemaine.com) for more money-management tips or the iGrad free money management tool at [FAME.iGrad.com](https://www.fame.igrad.com).



# How Can I Create a Plan for My Money?

Your financial situation will change when you go to school; you may be earning less money, while spending more. Now is a good time to evaluate your financial situation. Creating a plan for your money before and during school will help you manage the cost of your education and allow you to be better prepared for unexpected financial challenges. These three tips will help you:

## 1 CREATE A BUDGET TO FOLLOW WHILE YOU'RE IN SCHOOL.

**What will your income be?** Estimate the income that will be available once you return to school. Although it is not income, you can include financial aid here, because it will help you pay for school. Talk with your school about the cost of attending and make sure you understand what programs and services are available to help.

**What will your costs be?** Create a list of fixed monthly expenses. This will include non-education-related costs such as rent/mortgage, insurance, utilities and food as well as education-related costs such as technology fees, transportation, parking, or childcare.

**Create your budget.** Once you have a clear understanding of your income and expenses, create a budget so you know how much you will be able to spend on each expense.

## 2 DON'T FORGET TO SAVE.

**Make saving a part of your budget.** Habits are built through repetition and learning to save is an important habit to form. Don't worry about how much you put aside, maybe it's just your spare change. It's the habit that's important, not the amount, and even small amounts can add up.

## 3 STAY FINANCIALLY FIT.

Stay on top of your finances by organizing, reviewing, and monitoring them regularly.

**Organize.** File important papers like loan documents, FSA ID (the username and password you will use to access all Federal Student Aid websites, including [FAFSA.gov](https://fafsa.gov)) information and tax forms. Shred items like junk mail and credit card applications as soon as you get them.

**Review.** Go over your financial records, banking statements, and billing statements regularly so you always have a clear picture of where you stand financially. Using free online services to pay your bills will save on stamps and automatically keep a record of what you paid and to whom.

**Protect.** Protect your identity by regularly monitoring your credit report. To prevent any unauthorized parties from applying for credit in your name, consider placing a lock on your credit report.



Finance Authority of Maine  
PO Box 949  
5 Community Drive  
Augusta, Maine 04332-0949  
1-800-228-3734,  
TTY 207-626-2717

[FAMEmaine.com](http://FAMEmaine.com)

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