Recommended Set Up of Financial Aid Item Type (FAIT)
for Candidacy Tuition Fellowships

As a result of the implementation of the Continuous Enrollment policy in Fall Term 2010, some current Ph.D. students will need to register for terms when they would not have had to register under the policies and practices in place prior to the policy change. The plans for the policy change included provisions for a University source to pay the tuition associated with those registrations for candidates who are making satisfactory academic progress. Many units, including Rackham, will award candidacy tuition fellowships to students in these circumstances. These fellowships do not include stipend, health or dental insurance.

The following information recommends a model set-up for the creation of a Financial Aid Item Type (FAIT) to use for this type of tuition-only fellowships. We are recommending a consistent approach across units to facilitate analysis and reporting on the impact of the policy change. We realize that individual programs or schools/colleges may have local standards that will dictate the FAIT set-up that is used. If sensible for your program, please consider using the following set-up characteristics.

Why is it important to use a systematic approach?

Evaluation is a critical piece of policy change. Staff in the Rackham Graduate School will analyze and report the impact of the Continuous Enrollment policy on many dimensions, including student funding. If departments and academic units use a consistent approach to code the funding awards, it will facilitate analysis and contribute to everyone's understanding of the change.

Rackham and the College of LS&A will be creating Item Types using the following code values, and we ask you to do adopt as much of the coding standard as is practical for your program.

Who will award candidacy tuition fellowships?

Each school and college has a funding plan for the tuition support that is needed in its programs. Check with the dean's office in your school or college if you need more information about the available funding, the process to obtain support for a student in your program, or the locus of award processing in your school or college.

What is a Financial Aid Item Type?

Financial Aid Item Types (FAITs) are 12-digit numbers that identify financial aid transactions. The codes associated with an FAIT provide processing information that governs how the award is provided to the student and charged to a University source. Although your unit may have existing Financial Aid Item Types to make awards to your students, we encourage you to create an additional FAIT using the following coding scheme to assist in our collective ability to monitor and analyze awards made to cover the tuition costs of the registrations that result from the new policy.

To create a new Item Type, use the CREATE FAIT Form and the instructions for it which are available on the MAIS Web site at: http://www.mais.umich.edu/student/faforms.html

Recommended values for FAIT used for candidacy tuition fellowships

- Description

  The description for the FAIT should begin with "NR-T/FO". This prefix uses the standard NR to indicate the award is non-refundable to the student, followed by an abbreviation for tuition/fees only to indicate that the award does not cover stipends or insurance. This short prefix leaves 20 characters for your use to customize the description for your own purposes.

  Item Type descriptions that start with this seven character prefix would signal a non-refundable award that covers tuition charges only or tuition and mandatory fees only where the student does not have other support to cover tuition charges.

  Consistent use of this prefix provides a method to identify these awards for analyses that rely on data from the Student Financials System.

- Shortcode and Chartfield Combination

  The CREATE FAIT form asks for both the Shortcode and the underlying chartfields. We are recommending the use of a new value, "CANTO", for the Program code in the Chartfield Combination. If your unit chooses to use this value, then you will need to create new Shortcodes that incorporate it. Check with your departmental or school/college administrator about the use of this new program code and how to obtain correct Shortcode information.

  Consistent use of the "CANTO" program code will facilitate analyses that rely on data from the General Ledger (MPathways Financials).

  Rackham will be using a single shortcode for the Candidacy Tuition Fellowships it awards. This minimizes the effort to create and track Financial Aid Itemtypes and their associated Shortcodes, and allows us to use a separate budget line to allocate and track the use of funds for this purpose. You may want to consider a similar approach.

- Awarding and Disbursement Information

  The following values define the way a FAIT will work when awarded and/or disbursed to a student. As with any FAIT, Awarding and Disbursement default values specified in the CREATE FAIT form, other than the "Refund" value, can be overridden with information entered at the time of an award.

  o Refund

    These awards should be non-refundable to the student. The Refund code value should be "N" for no.

- o Charge Priority

  This code indicates the charges on the student account that will be paid by the award.

  Your program or school/college needs to decide the combination of possible tuition and fee charges for candidates that will be covered by the tuition fellowships you award. The "Charge Priority" code that you enter reflects that decision. Students receiving an award from your program need to know what charges will be paid, so it is important to tell them which of the tuition and fee charges will be covered by the fellowship award and which remain the student's responsibility.

  Possible combinations of tuition and fee charges and the associated value for the Charge Priority:

  1. All candidacy tuition charges but not the mandatory fees (NTUITONL)

  2. All candidacy tuition charges and the mandatory fees (NTUITFEE)

  3. Only the standard candidacy tuition charge but not any augmented tuition charges and not the mandatory fees (NTONOAUG)

  4. Only the standard candidacy tuition charge and the mandatory fees but not any augmented tuition charges (NTFNOAUG)

  Standard candidacy tuition charges and augmented tuition charges:

  During a full term, candidates register for 8 credit hours in course 995 and are assessed a flat tuition rate charge. This is the "standard candidacy tuition charge." Candidates can elect another course in addition to 995 without any additional tuition charge (and in some circumstances can elect two additional courses). Candidates who elect courses beyond those are assessed an additional tuition charge known as "augmented tuition."

  The candidacy tuition fellowships that Rackham awards will pay the standard tuition charges but will not cover any augmented tuition charges assessed for additional course elections. If your program intends to cover augmented tuition charges, you would use a charge priority 1 or 2 above which cover all tuition charges. If you decide that you do not want to cover augmented tuition charges, you would use a charge priority 3 or 4 above.

  Mandatory fees:

  A set of mandatory fees are assessed on all registrations. These fees currently total $94.69 per full term and include a registration fee, Student Legal Services fee, MSA fee, and school/college government fee.

The candidacy tuition fellowships that Rackham awards will pay the mandatory fee charges. If your program intends to cover the mandatory fee charges, you would use a charge priority 2 or 4 above. If you decide that you do not want to cover the mandatory fee, you would use a charge priority 1 or 3 above.

- o Term Minimum and Term Maximum:

  The term minimum value we enter is $1. For the Term Maximum value, we will enter the amount that corresponds to the maximum total tuition and fee charges that we would cover for a candidate for one term. This Term Maximum value may need to be changed in future years as part of our annual review of FAIT set-ups, a best practice recommended by MAIS and OFA.

- o Disbursement Plan

  We use a code value of "01", to indicate a single payment.

- o Split code

  Our set-up specifies that the awards can be made only for a fall or winter term. This is in keeping with the purpose of the awards which is to cover the tuition costs associated with registrations arising from the change in policy which changed registration requirements only for fall and winter terms.

- o Disbursement Rule

  We use the "DR8" code value which indicates that the student must register for at least 8 credit hours for the award to be paid.

- o Annual Awarding Target

  We use the form default value of $999,999 since we do not plan to use this system feature to control Rackham expenditures for this FAIT.

A sample "CREATE FAIT" form is attached that includes these recommendations and the other standard values used for Rackham awards as noted in the above bullets.

Please refer to the MAIS instructions for creating Financial Aid Item Types (FAIT) for more detail on the form, process, and code values.

CREATE New Financial Aid Item Types (FAITs)

Detailed instructions for completing this form are available on the MAIS Web site at: http://www.mais.umich.edu/student/faforms.html
Select the document entitled *Creating, Revising, and Inactivating FAIT Instructions.*
Note: A valid ChartField combination with a Combination Code (ShortCode) is required to request a new FAIT.

General Information	
Department ID: *[Note: This is the Department ID that will administer the FAIT. It might differ from the Department ID in the ChartField Information section below.]*	**Department Name:**
Combination Code (ShortCode)	**Description:** NR-T/FO
Comments:	

ChartField Information			
Project/Grant	Fund	Department	Program
			CANTO

Type of Financial Aid			
Please select one:	☐ Scholarship	☒ Fellowship	

Awarding and Disbursement Information							
Refundable? (**Y =** refundable, **N** = non-refundable)	Charge Priority	Term Minimum	Term Maximum	Disb. Plan	Split Code	Disb. Rule	Annual Awarding Target
N	NTONOAUG NTFNOAUG	1	5,900	01	02 - FN 03 - WN	DR8	999,999

Higher Administrative Authority	
(Dean, Project Director, and/or their designee-another administrator) *[Type Name]*	*[Type Administrative Authority's Uniqname]*

Form Completion Information	
This form completed by: *[Type Your Name]*	*[Type Your Uniqname]*

Please e-mail this form as an attachment to: sfps@umich.edu. **Allow two business days for processing.**