

Answers to Questions Asked During 2/17/11 Presentation on Financial Aid

Information Included

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3. Percent community college students receiving financial aid
4. Lifetime limit on Pell Grant usage
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Awaiting Response

1. Information on UNC nonresident graduate student remissions, including information on any tracking of nonresident graduate student recipients remaining in-state post-graduation.
2. Percent of UNC students receiving financial aid

Answers to Questions Asked During 2/17/11 Presentation on Financial Aid

1. Can a student declare themselves independent for financial aid purposes?

When a student applies for federal student aid, their answers to questions on the FAFSA determine whether they are considered a dependent or independent student. Dependent students must report their parents' income and assets on the FAFSA as well as their own. Federal student aid programs are based on the concept that a dependent student's parents have the primary responsibility for paying for their child's education.

Independent students report their own income and assets (and those of a spouse, if married). For the 2009–10 academic year, a student is considered an independent student if at least one of the following applies:

- Born before Jan. 1, 1986.
- Married on the date of application.
- Enrolled in a master's or doctoral degree program
- Currently serving on active duty in the U.S. Armed Forces for purposes other than training or a veteran of the U.S. Armed Forces.
- Have children or legal dependents (other than a spouse) who will receive more than half their support from the student between July 1, 2009 and June 30, 2010.
- When the student was age 13 or older, both parents were deceased and the student was in foster care or a dependent or ward of the court.
- An emancipated minor as determined by a court in the student's state of legal residence.
- In legal guardianship as determined by a court in the student's state of legal residence.
- An unaccompanied youth who was homeless or self-supporting and at risk of being homeless (as determined by certain entities).

If none of these criteria apply, the student is a dependent student. Not living with parents or not being claimed by them on tax forms does not determine dependency status for federal student aid.

What if a student is considered a dependent student but has no contact with parents?

In special cases:

- A financial aid administrator can determine that a student who doesn't meet the above criteria should be treated as an independent student.
- The financial aid administrator can change a student's dependency status from dependent to independent based on adequate documentation of unusual circumstances.
- The student must provide this documentation to the financial aid office at your school.
- The financial aid administrator cannot automatically change a status simply because the student requests it.
- The decision is based on the financial aid administrator's judgment of the facts of your situation and is final.
- The student cannot appeal that decision to the U.S. Department of Education.

Source: Funding Education Beyond High School: The Guide to Federal Student Aid 2009-10

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2. What type of aid is available for summer term?

Generally, any federal aid is available for summer, but typically campus-based aid (federal aid given to the campuses to allocate to their students) is expended during the academic year. Thus, Pell and loans are the only federal programs usually awarded to students during the summer. If the student has already borrowed the maximum for her grade level, she will not be able to borrow for summer.

With regards to State funds, occasionally a student will receive State Contractual Scholarship Fund funding for summer because the college has remaining funds; however, the colleges do not set aside funds for summer. For the centrally-administered funds (Lottery, UNC Need-based, CC Grant), no funds are disbursed for summer enrollment.

Source: NC State Education Assistance Authority

3. Percent of community college students receiving financial aid

In FY 2008-09, 47% community college curriculum students (116,201) received financial aid.

Source: 2010 Critical Success Factors, July 2010

4. Lifetime limit on Pell Grant usage

All students who first receive Pell on or after July 1, 2008 may receive Pell grants for up to 18 semesters or the equivalent. This means that students can receive no more than nine scheduled awards; less-than-full-time students are assessed accordingly.

Source: Federal Student Aid Handbook 2009-2010, Volume 1: Student Eligibility; U.S. Department of Education

5. Statement from the Treasurer on the Global TransPark loan

Please note that the Global TransPark Loan is under the purview of the General Government Appropriations Subcommittee.

We believe that many of the options set forth by the Global TransPark Authority board in the 2010 strategic plan are not viable for economic or legal reasons, including forgiving the loan and setting the interest rate to 0 percent. We have communicated our position to both the Executive Board of the Global TransPark Authority and the Program Evaluation Division staff of the General Assembly. However, we will continue to work with the Global TransPark Authority and the General Assembly to determine other methods of returning this loan into performing status.

Source: Communications with the Department of State Treasurer

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6. Definition of Satisfactory Academic Progress

Each participating school must have a published policy for satisfactory academic progress (SAP). The policy has both qualitative (grade-based) and quantitative (time-related) measures, and it must apply consistently to all education programs and students within categories (i.e. full-time, part-time, undergraduate, graduate). It must be at least as strict as the school's standard for students enrolled in the same program who are not receiving financial aid.

Example:

Andrea enrolled in Poole University's bachelor's degree program, which requires 120 credits to complete.

Qualitative Standard

Poole University requires students to have a minimum 2.0 GPA to graduate, but the GPA can be lower earlier in the program. Students who have completed 30 credit hours must have at least a 1.6 GPA to continue. For 31 to 60 hours, they must have a 1.8 GPA. For over 60 credit hours, it must be 2.0 or higher.

After Andrea has taken 24 credit hours, she has a 1.7 GPA. She is still making satisfactory academic progress because she still meets the Poole University standard. If, however, she doesn't improve by the time she completes 31 hours, she will no longer be making satisfactory academic progress.

Quantitative Standard:

As noted above, Poole University also requires students in a bachelor's degree program to complete 120 credits. Students are also required to enroll in 15 credits per semester. The maximum timeframe for completion is six years, and students must complete at least 21 credits each year.

Andrea fails all her courses the first semester at Poole U. Though she passes all her courses the second semester, she is not making satisfactory academic progress by the end of the first year with only 15 credits completed. She is put on probation for her second year.

Source: Federal Student Aid Handbook 2009-2010, Volume 1: Student Eligibility; U.S. Department of Education.