

# North Carolina State Education Assistance Authority

Presentation to the Joint House and Senate  
Education Appropriations Subcommittees  
February 22, 2023



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## AGENDA

1. Who We Are and What We Do
2. Higher Education Programs
3. K12 Programs
4. Accomplishments and Next Steps



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## NCSEAA

North Carolina State Education  
Assistance Authority


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Helping North Carolina Pay for  
Education




 <p>Higher Ed Grants &amp; Scholarships</p>	 <p>Career-Specific Programs</p>
 <p>College Foundation of North Carolina</p>	 <p>Federal &amp; State Loan Servicing</p>
 <p>Residency Determination Service</p>	 <p>529 Savings Plan</p>

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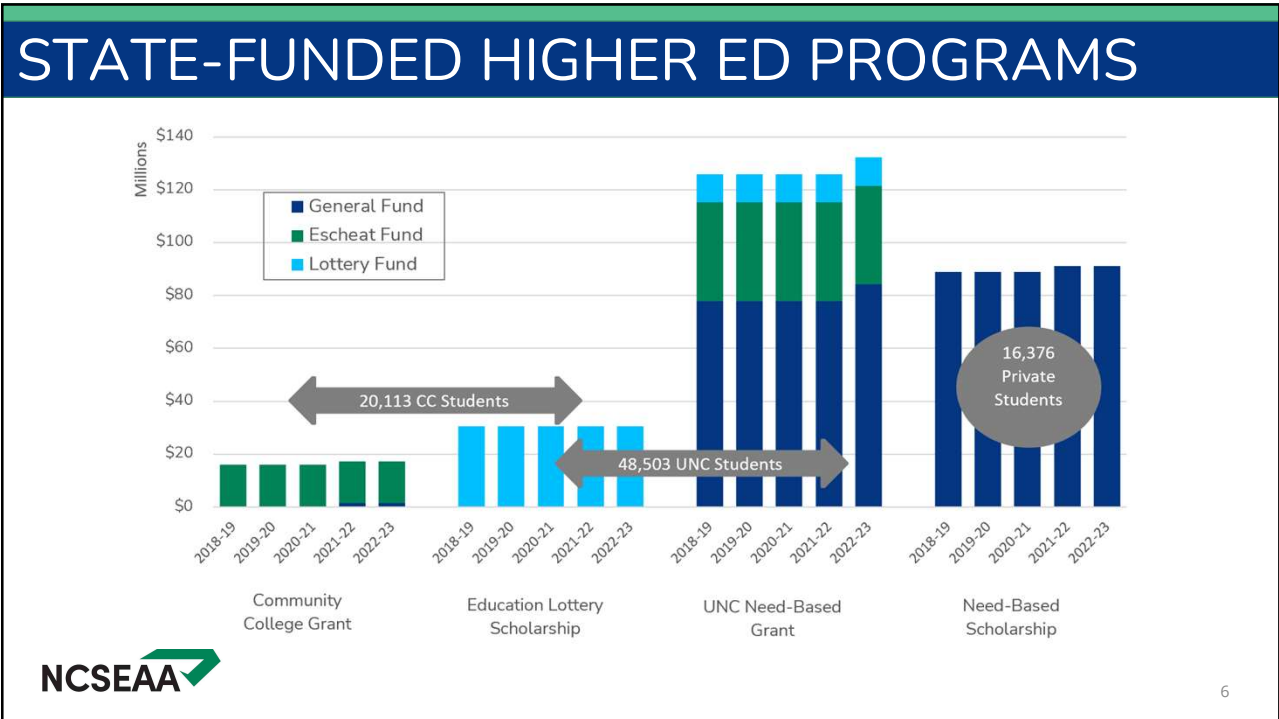
Each year, SEAA helps  
thousands of students  
pay for their education.



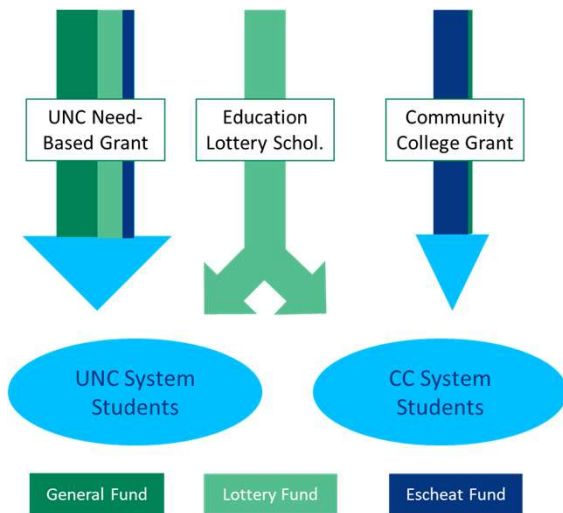
115,677	Number of current NC students who pay for college through state-funded grants and scholarships.
\$271M	State-funded grants and scholarships for students to pursue higher education.
\$23.9M	Funding to support forgivable loans for career-specific college and university programs.
\$2.9B	Participants in the NC 529 Plan have saved nearly \$3B for 144,000 beneficiaries' education.

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# GRANTS SCHOLARSHIPS FORGIVABLE LOANS



## BEFORE CONSOLIDATION



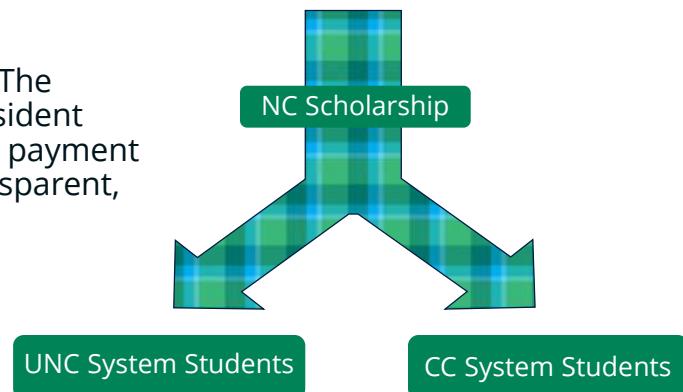
State-funded public higher education financial aid programs – Community College Grant, UNC Need-Based Grant, Education Lottery Scholarship – total close to \$180 million but were **too complicated, unpredictable, and confusing.**

- Different eligibility requirements
- Different calculations for determining aid
- Different funding sources
- Served slightly different but overlapping populations

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## CONSOLIDATED SCHOLARSHIP

- Sec. 8A.2 of SL 2021-180 consolidated UNC-Need Based Grant, CC Grant, and Education Lottery Scholarship into a single need-based financial aid program that is simpler, user friendly, and allows students and families to learn about options and eligibility earlier in the process.
- The UNC System President and The Community College System President jointly developed a formula and payment schedule that is consistent, transparent, and focused on student need.



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# IMPLEMENTATION

- Roll out for the **2023-2024 academic year**
- Scholarship designed within **existing grant funds** with **sector funding protected**
- The budget also provided funds for a **public awareness campaign** to inform students, families, and high schools about the simplified grant
- State-funded need-based aid is based on the student's Pell eligibility. In 2024-2025, the calculation for Pell will move from Expected Family Contribution (EFC) to a Student Aid Index (SAI) so **some additional formula revisions will be necessary**



# BASICS

## Base Guarantee

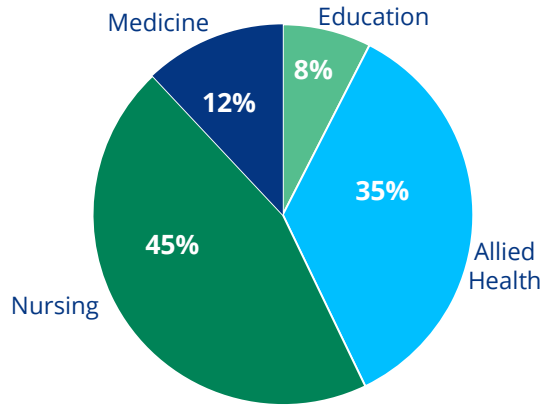
Students from families that report Adjusted Gross Income (AGI) under **\$75,000** who have financial need (EFC under **\$7,500**) will be guaranteed to receive state and federal aid of at least **\$2,800 (NCCCS)** or **\$5,000 (UNC)**.

## Need-based Supplement

- Additional aid will be available for the lowest income students in both Systems.
- The need-based supplement will be based on need and cost of attendance.



## FORGIVABLE ED. LOANS FOR SERVICE (FELS)



NCSEAA 

2022-23 Recipients

1,607

2022-23 Awards

\$15,398,500

% Repaid through Service

87%

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## OTHER STATE-FUNDED LOANS

- SEAA also administers:
  - NC Teaching Fellows (forgivable loan)
  - Principal Fellows Program (forgivable loan)
  - National Board Certification fees for teachers (loan)
- Additionally, SEAA continues to service a number of legacy forgivable loan programs that were consolidated into FELS

NCSEAA 

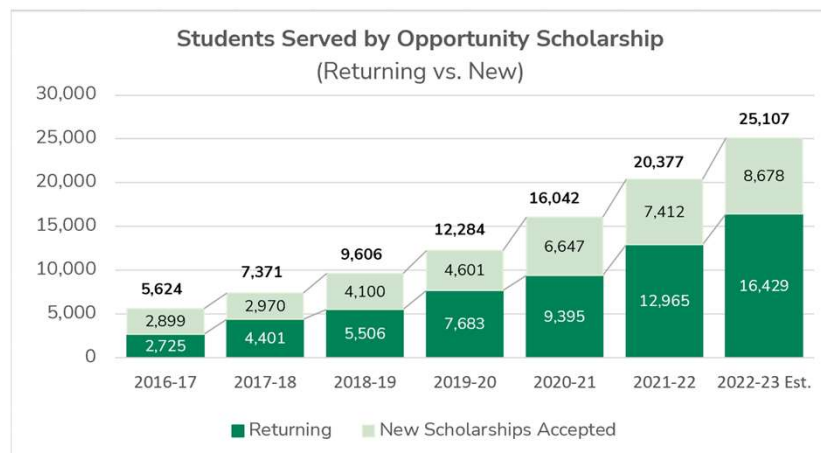
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# OPPORTUNITY SCHOLARSHIP PERSONAL EDUCATION STUDENT ACCOUNTS (ESA+)

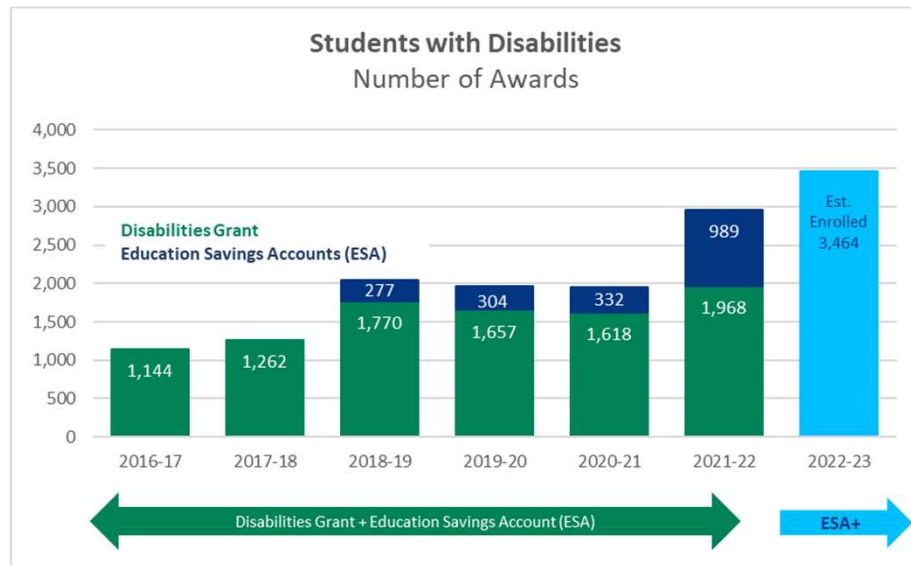
## OPPORTUNITY SCHOLARSHIPS

Opportunity Scholarships are awarded based on household income.



# PERSONAL EDUCATION STUDENT ACCOUNTS

Personal Education Student Accounts (ESA+) are awarded to students with disabilities.



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ACCOMPLISHMENTS  
AND NEXT STEPS

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Over the past two years, SEAA has administered over **\$90 million** in federal Covid-19 relief funds.

**\$47M** In Longleaf Commitment Grants for community college students

**\$38M** In aid to NC private colleges and universities

**\$6M** In grants and aid to NC's K12 students



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## COVID IMPACT ON FEDERAL PROGRAMS

- SEAA is a guaranty agency for the Federal Family Education Loan Program (FFELP).
- In March 2020, SEAA changed policies, procedures, and automated processes when US Department of Education paused federal student loan collections.
- SEAA reported \$6.3 million to ED for lost revenue reimbursement.
- Due to the suspension of collections, SEAA reduced federally-supported staff in Summer 2022.



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## ACCOMPLISHMENTS SINCE 2021

### COMPLETED

- Hired data analytics position for program analysis
- Hired communications and outreach positions
- Consolidated K12 programs for students with disabilities
- Co-located SEAA and CFI offices



### IN PROCESS

- Transferring FAFSA tracker to SEAA from myFutureNC
- Updating higher ed grant IT System
- Developing public awareness campaign for higher ed scholarship consolidation
- Implementing consolidation of state-funded public higher ed scholarships

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## NEXT STEPS

- Increase FAFSA completions
- Increase focus on adult learners
- Increase awareness of available State aid
- Increase operational efficiencies



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## CONTACT US



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