

# Policy Discussion #1:

## Financial Aid

# ***Need-Based Student Financial Aid***

## **BOG Policy Discussion**

**April 10, 2014**

# ***Presentation Outline***

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- **Financial Aid Basics**
- **Federal Programs**
- **State Programs**
- **Campus Programs**
- **Comparisons**

# *Financial Aid Basics*

# *Financial Aid Basics*

## *Types of Aid*

- **Aid comes in various forms**
  - Grants/scholarships
  - Loans
  - Scholarship loans/forgivable loans
  - Subsidized work
  - Tuition reduction (waiver, resident tuition, etc.)
- **Given for need, merit, or status**

# *Financial Aid Basics*

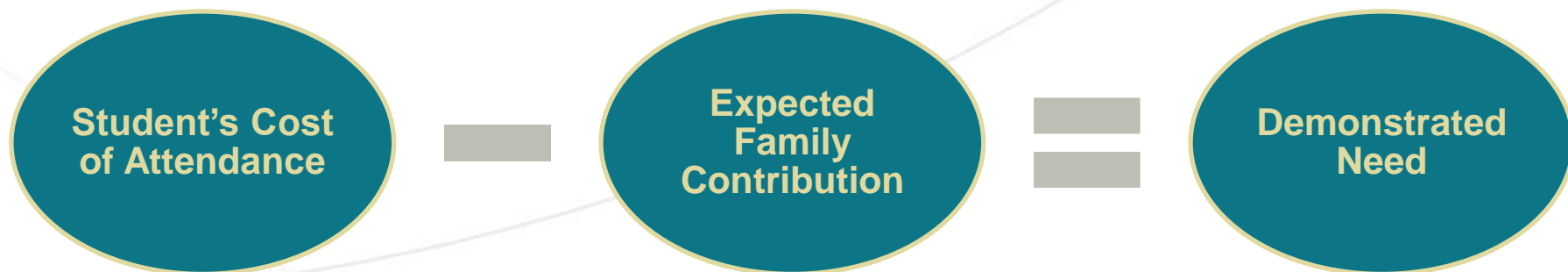
## *Need-Based Aid*

- **Federal government is the largest provider and federal rules dominate the system.**
- **State aid programs work within the federal rules to better leverage federal dollars.**
- **Need-based aid is designed to provide access to and choice of college.**

# *Financial Aid Basics*

## *What is “need?”*

- **Determining a student’s need depends on two factors: cost of attendance and expected family contribution.**



# ***Financial Aid Basics***

## **Cost of Attendance**

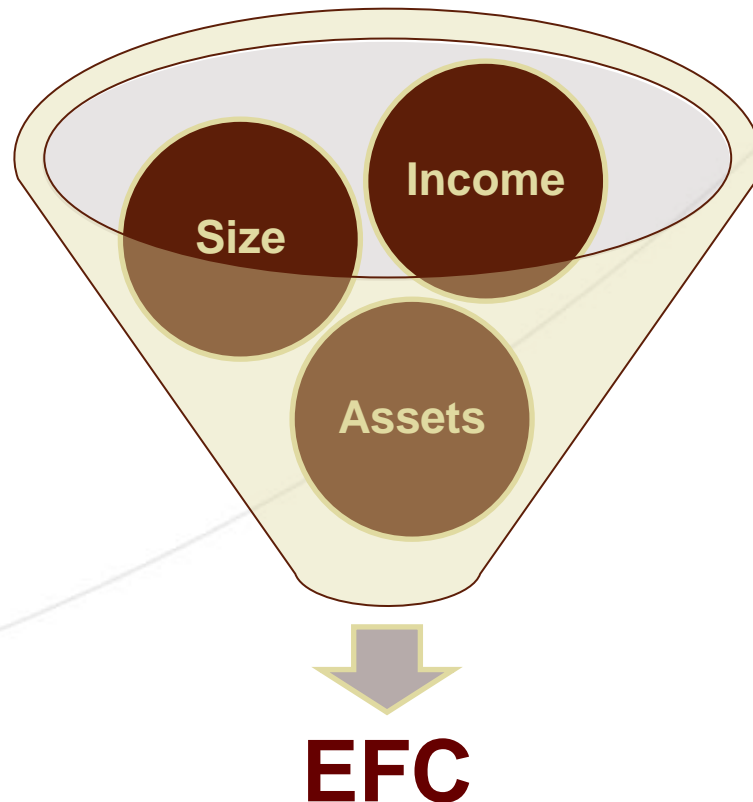
- **Tuition**
  - **Required Fees**
  - **Room and Board**
  - **Books and Supplies**
  - **Transportation**
  - **Miscellaneous Expenses**
- 
- **Costs of attendance vary by college and students' living situation.**



# *Financial Aid Basics*

## Expected Family Contribution

- Represents the minimum share of expenses a family is expected to bear
- Based on information submitted on the Free Application for Federal Student Aid (FAFSA)
- Exact formula differs by program



# *Financial Aid Basics*

## *Median Household Income*

- North Carolina's median household income is \$46,450.

*Source: US Census Bureau, 2008-2012 American Community Survey (in 2012 inflation-adjusted dollars)*

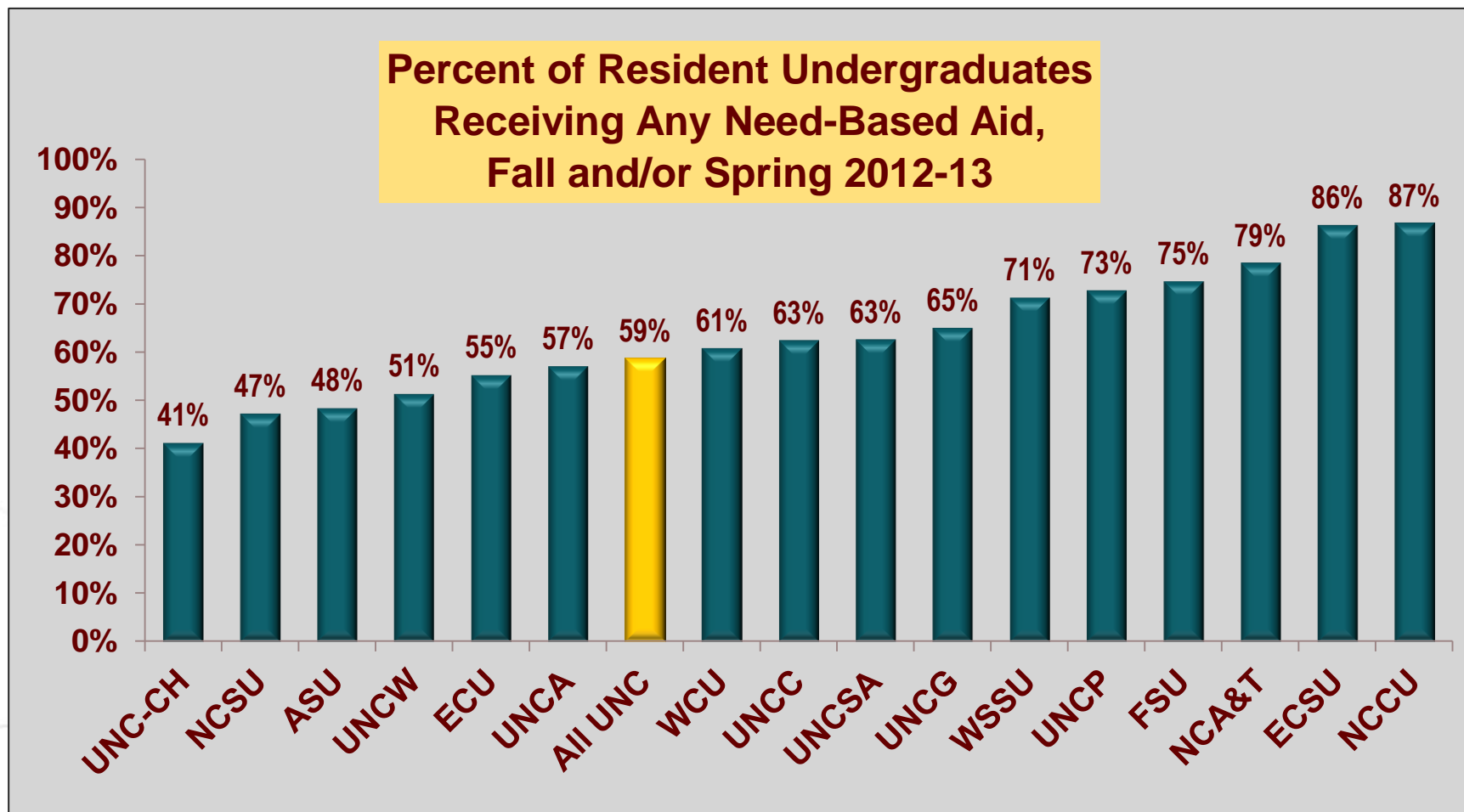
# Financial Aid Basics

## Undergraduate Student Demographics

2012-13 Resident Undergraduates (Headcount, Fall and Spring)	All Students		Students that Received Need-Based Aid	
Race/Ethnicity	Headcount	%	Headcount	%
White	98,354	61.5%	47,484	50.5%
Black or African American	37,579	23.5%	30,987	33.0%
Hispanic	7,418	4.6%	5,058	5.4%
Asian	5,689	3.6%	3,552	3.8%
Unknown	4,591	2.9%	2,831	3.0%
Two or more races/other	4,449	2.8%	2,791	3.0%
American Indian/Alaskan Native	1,737	1.1%	1,272	1.3%
<b>Total</b>	<b>159,817</b>	<b>100.0%</b>	<b>93,975</b>	<b>100.0%</b>

# Financial Aid Basics

## Undergraduate Student Demographics



# *Federal Programs*

# ***Federal Programs***

## **Pell Grants**

- \$275 million for UNC students in FY 2012-13
- Scholarships with a maximum annual award for 2013-14 of \$5,645

## **Federal Loans**

- \$794 million for UNC students in FY 2012-13
- Subsidized and unsubsidized direct loans, maximum amount varies

## **Work-Study Jobs**

- \$14 million for UNC students in FY 2012-13
- Subsidized jobs to students who qualify for financial assistance

# *State Programs*

# *State Programs*

## *Major State-Funded Programs for UNC*

- **Two major state-funded programs for UNC students:**

### **UNC Need-Based Grant**

- \$122.5M in FY 2013-14
- UNC resident undergraduate students
- Funded from General Fund (61%), Escheat Fund (30%), and Lottery Fund (9%)
- Grants range from \$500 to \$4,200 for FY 2013-14

### **Education Lottery Scholarship**

- \$18M for UNC in FY 2013-14
- UNC resident undergraduate students and community college resident degree-seeking students
- Funded from Lottery Fund
- Grants range from \$100 to \$3,100 for FY 2013-14



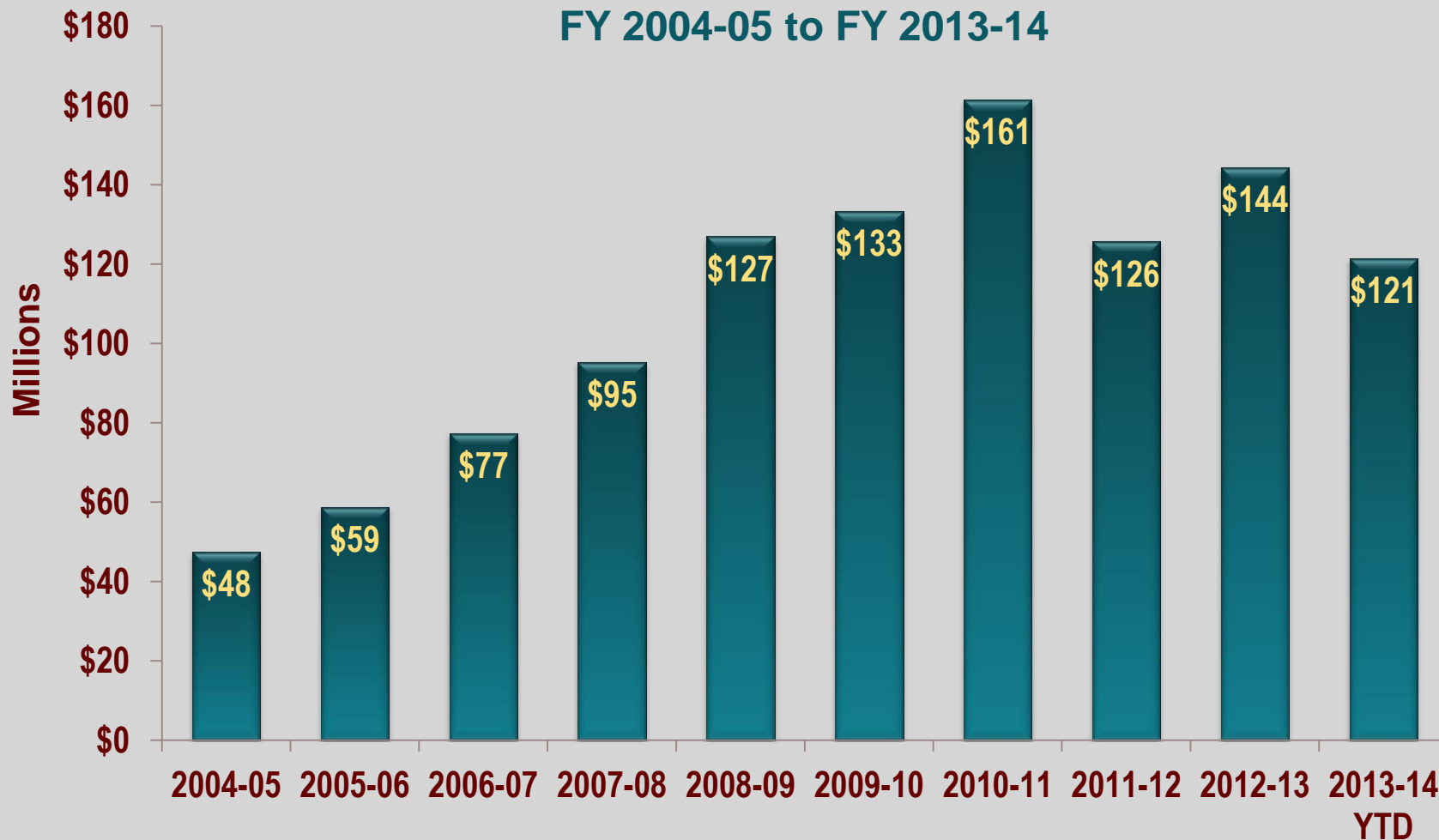
# *State Programs*

## *UNC Need-Based Grant*

- Funding has varied dramatically over the past several years.
- As funding has changed, the population served by the program has changed.

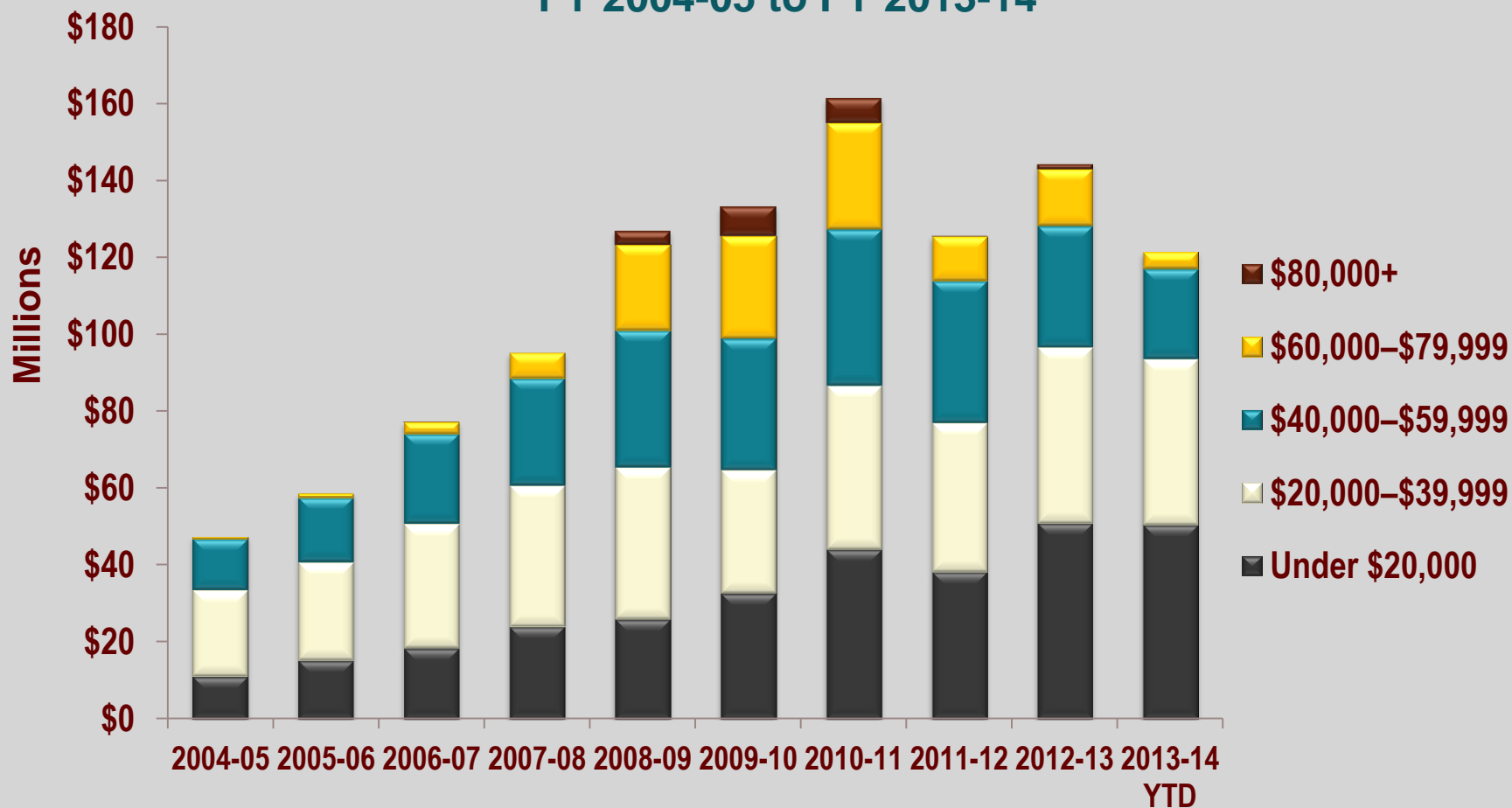
# State Programs

**Total UNC Need-Based Grant Awards  
FY 2004-05 to FY 2013-14**



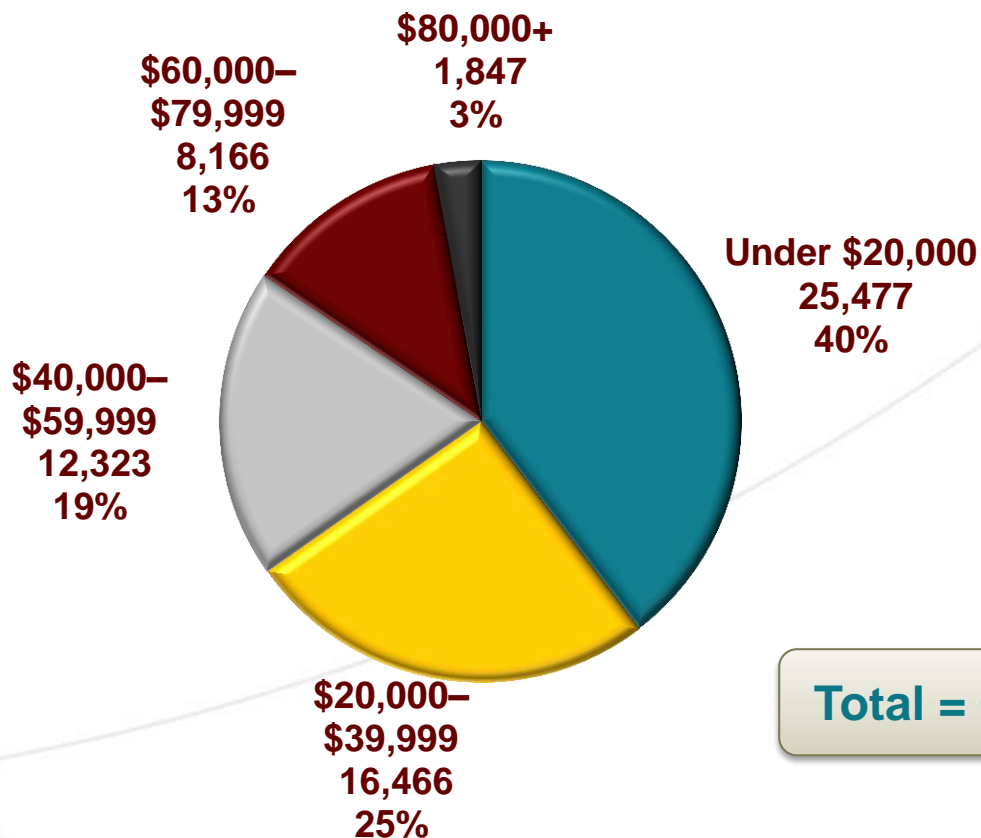
# State Programs

**UNC Need-Based Grant Awards by Eligible Parent Income  
FY 2004-05 to FY 2013-14**



# State Programs

## UNC Need-Based Grant Recipients by Student and Family Income, FY 2012-13



**Total = 64,279 students**

*Note: Awards are made based on a student's demonstrated need, which includes many factors.  
Source: Campus Survey, March 2014.*

# *Campus Programs*

# *Campus Programs*

- **Campuses also have aid programs, funded by:**
  - Tuition set-aside
    - ◆ \$126M for resident undergraduates in FY 2012-13
  - Private funds/endowments
    - ◆ \$13M for resident undergraduates in FY 2012-13
  - Campus-specific federal or state grants
    - ◆ \$14M for undergraduates in FY 2012-13

# *Campus Programs*

## *Campus-Initiated Tuition Increase (CITI) Set-Aside for Need-Based Financial Aid*

- **Pre-2006: No uniform requirement.**
- **2006: BOG required minimum 25% set-aside.**
- **2010: BOG continued required 25% set-aside.**
  - ◆ For 2010-11, President Bowles increased the minimum set-aside for need-based financial aid to 50%.
- **2012: BOG removed minimum set-aside requirement.**

# *Campus Programs*

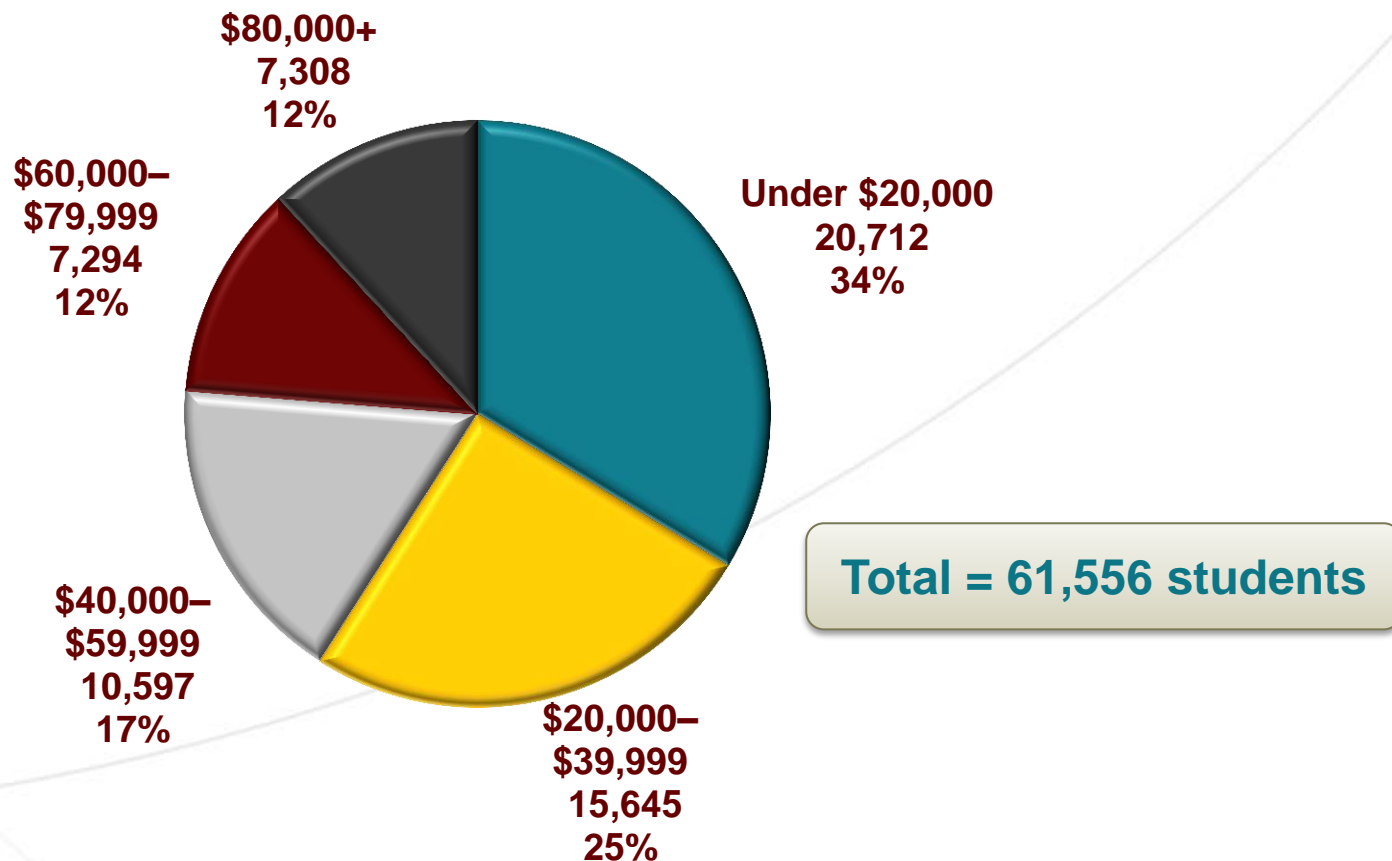
## **CITI Set-Aside for Need-Based Financial Aid**

- **Beginning this year, CITI set-aside is the largest nonfederal source of student aid for undergraduate resident students.**



# Campus Programs

## Undergraduate Resident Students Receiving CITI Set-Aside Awards by Student and Family Income, FY 2012-13

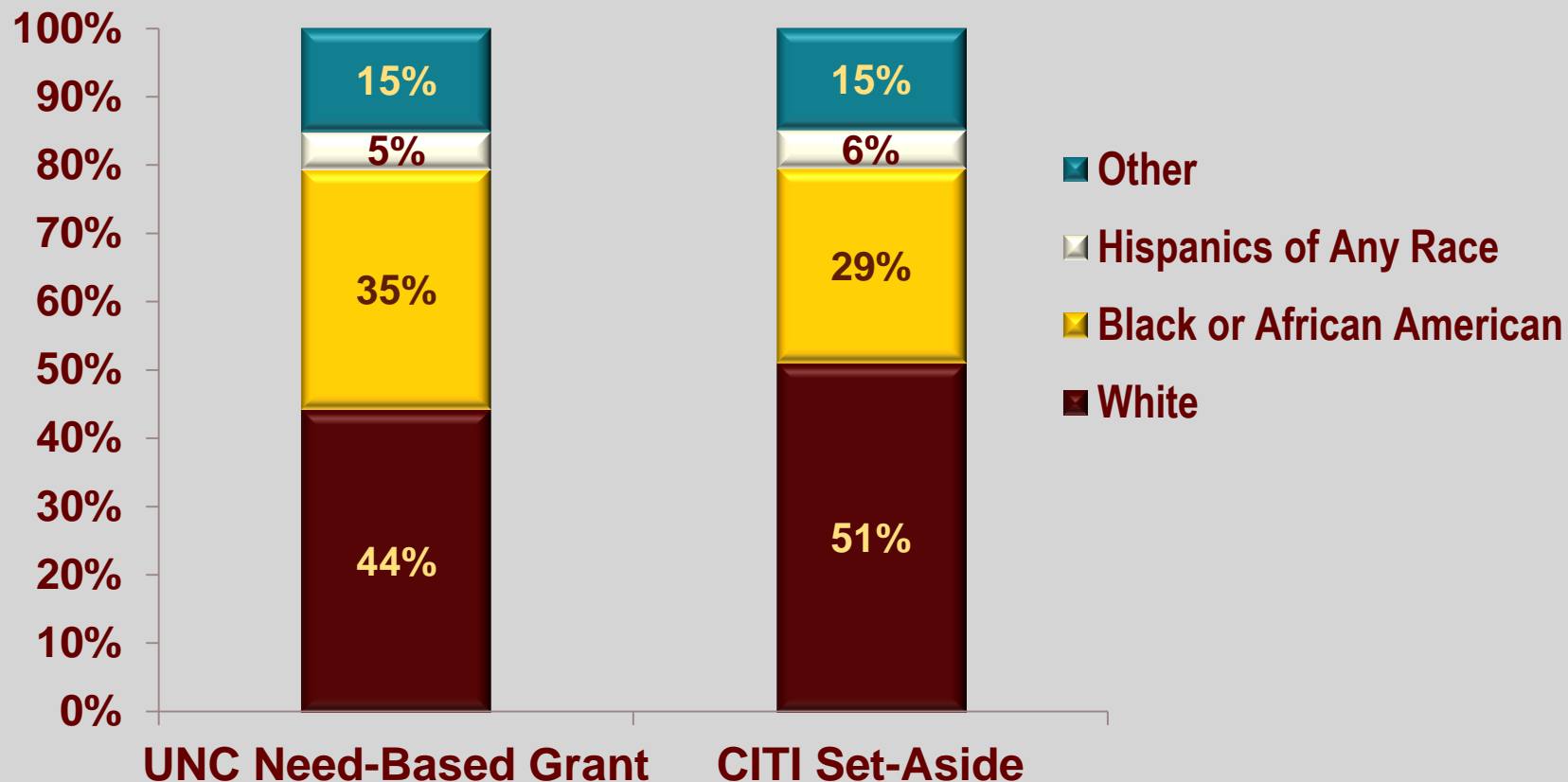


*Note: Awards are made based on a student's demonstrated need, which includes many factors.*  
*Source: Campus Survey, March 2014.*

# *Comparisons*

# Comparisons

## Students Receiving Awards in FY 2012-13 by Race/Ethnicity

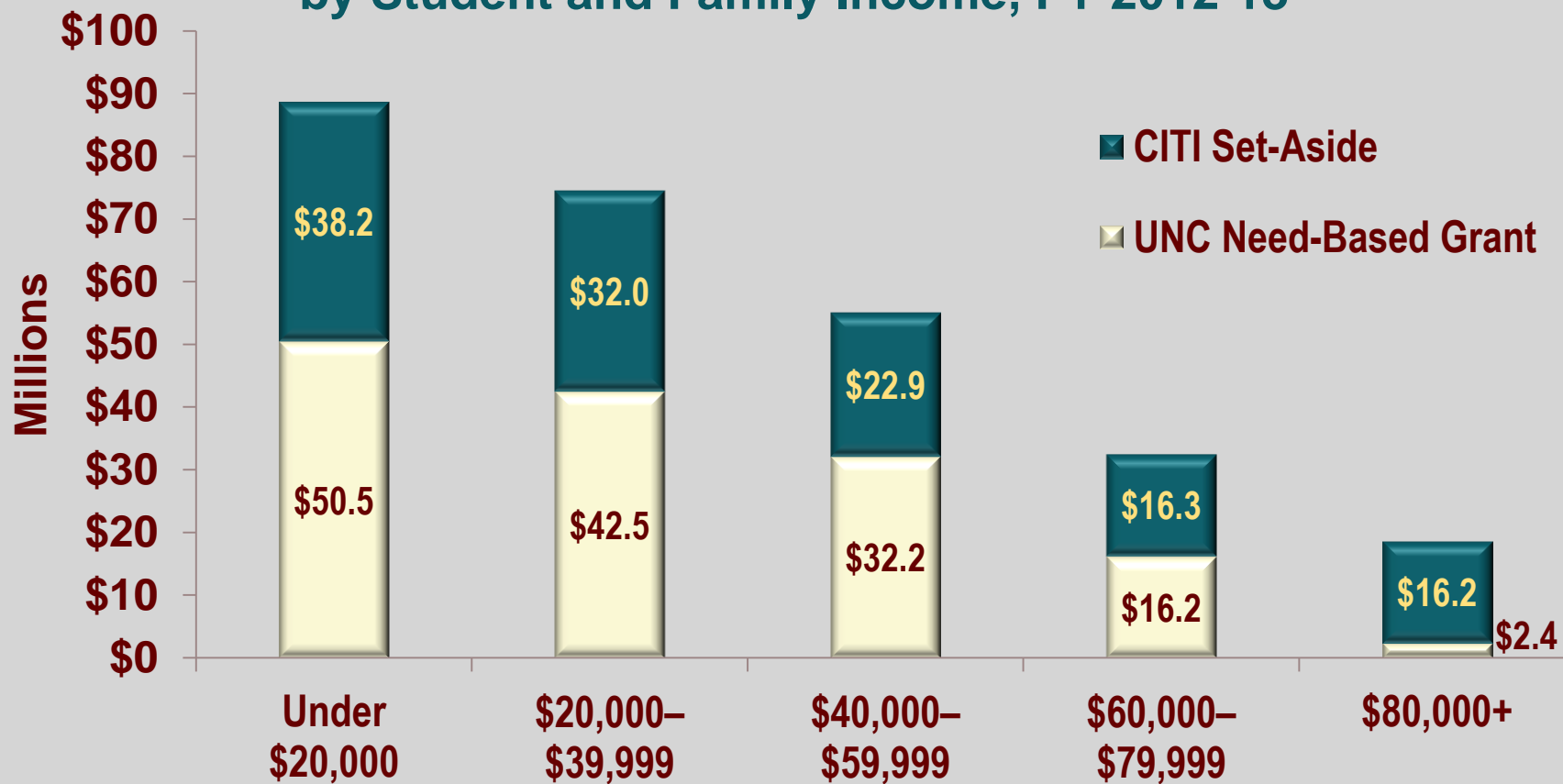


**Note:** Need-based financial aid awards are not made on the basis of race or ethnicity.

**Source:** Campus Survey, March 2014.

# Comparisons

## Amount Awarded to Resident Undergraduate Students by Student and Family Income, FY 2012-13



**Note:** Awards are made based on a student's demonstrated need, which includes many factors.  
**Source:** Campus Survey, March 2014.

# ***BOG Discussion***

## ***Questions?***

## Awards to Undergraduate Resident Students by Student and Family Income, FY 2012-13

	UNC Need-Based Grant					CITI Set-Aside				
	Students		Awards		Avg. Award per Student	Students		Awards		Avg. Award per Student
	Number	%	Amount	%		Number	%	Amount	%	
<b>ASU</b>										
Under \$20,000	1,423	29%	2,961,635	27%	2,081	1,366	31%	2,793,495	31%	2,045
\$20,000 to \$39,999	1,171	24%	3,204,272	29%	2,736	1,219	27%	2,536,845	28%	2,081
\$40,000 to \$59,999	1,154	24%	3,060,596	28%	2,652	1,094	25%	2,159,617	24%	1,974
\$60,000 to \$79,999	903	19%	1,708,122	15%	1,892	566	13%	1,134,750	13%	2,005
\$80,000+	175	4%	184,719	2%	1,056	193	4%	375,616	4%	1,946
<b>ASU Total</b>	<b>4,826</b>	<b>100%</b>	<b>\$11,119,344</b>	<b>100%</b>	<b>\$2,304</b>	<b>4,438</b>	<b>100%</b>	<b>\$9,000,323</b>	<b>100%</b>	<b>\$2,028</b>
<b>ECU</b>										
Under \$20,000	2,524	37%	5,228,658	34%	2,072	2,117	36%	5,901,150	36%	2,788
\$20,000 to \$39,999	1,682	25%	4,453,229	29%	2,648	1,520	26%	4,420,740	27%	2,908
\$40,000 to \$59,999	1,495	22%	3,767,349	25%	2,520	1,138	20%	3,142,495	19%	2,761
\$60,000 to \$79,999	926	14%	1,746,122	11%	1,886	719	12%	1,939,013	12%	2,697
\$80,000+	142	2%	152,637	1%	1,075	339	6%	958,671	6%	2,828
<b>ECU Total</b>	<b>6,769</b>	<b>100%</b>	<b>\$15,347,995</b>	<b>100%</b>	<b>\$2,267</b>	<b>5,833</b>	<b>100%</b>	<b>\$16,362,069</b>	<b>100%</b>	<b>\$2,805</b>
<b>ECSU</b>										
Under \$20,000	862	53%	997,499	45%	1,157	518	50%	521,084	44%	1,006
\$20,000 to \$39,999	497	31%	771,050	35%	1,551	306	30%	352,479	30%	1,152
\$40,000 to \$59,999	187	11%	315,319	14%	1,686	111	11%	130,177	11%	1,173
\$60,000 to \$79,999	80	5%	110,472	5%	1,381	66	6%	108,200	9%	1,639
\$80,000+	2	0%	2,054	0%	1,027	33	3%	60,541	5%	1,835
<b>ECSU Total</b>	<b>1,628</b>	<b>100%</b>	<b>\$2,196,394</b>	<b>100%</b>	<b>\$1,349</b>	<b>1,034</b>	<b>100%</b>	<b>\$1,172,481</b>	<b>100%</b>	<b>\$1,134</b>
<b>FSU</b>										
Under \$20,000	1,526	62%	1,881,687	55%	1,233	1,523	50%	665,116	51%	437
\$20,000 to \$39,999	598	24%	986,757	29%	1,650	921	30%	376,994	29%	409
\$40,000 to \$59,999	255	10%	417,568	12%	1,638	344	11%	155,153	12%	451
\$60,000 to \$79,999	82	3%	115,567	3%	1,409	171	6%	75,071	6%	439
\$80,000+	11	0%	17,910	1%	1,628	105	3%	43,342	3%	413
<b>FSU Total</b>	<b>2,472</b>	<b>100%</b>	<b>\$3,419,489</b>	<b>100%</b>	<b>\$1,383</b>	<b>3,064</b>	<b>100%</b>	<b>\$1,315,675</b>	<b>100%</b>	<b>\$429</b>

## Awards to Undergraduate Resident Students by Student and Family Income, FY 2012-13

	UNC Need-Based Grant					CITI Set-Aside				
	Students		Awards		Avg. Award per Student	Students		Awards		Avg. Award per Student
	Number	%	Amount	%		Number	%	Amount	%	
<b>NCA&amp;T</b>										
Under \$20,000	1,909	42%	3,193,636	37%	1,673	1,132	40%	1,347,923	37%	1,191
\$20,000 to \$39,999	1,542	34%	3,235,355	38%	2,098	1,039	36%	1,310,847	36%	1,262
\$40,000 to \$59,999	781	17%	1,595,888	19%	2,043	456	16%	562,949	15%	1,235
\$60,000 to \$79,999	270	6%	444,391	5%	1,646	172	6%	217,968	6%	1,267
\$80,000+	29	1%	49,061	1%	1,692	50	2%	194,256	5%	3,885
<b>NCA&amp;T Total</b>	<b>4,531</b>	<b>100%</b>	<b>\$8,518,331</b>	<b>100%</b>	<b>\$1,880</b>	<b>2,849</b>	<b>100%</b>	<b>\$3,633,943</b>	<b>100%</b>	<b>\$1,276</b>
<b>NCCU</b>										
Under \$20,000	2,128	54%	3,706,523	49%	1,742	1,877	55%	2,190,774	54%	1,167
\$20,000 to \$39,999	1,056	27%	2,356,816	31%	2,232	1,010	29%	1,240,032	31%	1,228
\$40,000 to \$59,999	520	13%	1,108,063	15%	2,131	365	11%	430,155	11%	1,179
\$60,000 to \$79,999	187	5%	315,806	4%	1,689	121	4%	127,360	3%	1,053
\$80,000+	39	1%	67,905	1%	1,741	60	2%	69,794	2%	1,163
<b>NCCU Total</b>	<b>3,930</b>	<b>100%</b>	<b>\$7,555,113</b>	<b>100%</b>	<b>\$1,922</b>	<b>3,433</b>	<b>100%</b>	<b>\$4,058,115</b>	<b>100%</b>	<b>\$1,182</b>
<b>NCSU</b>										
Under \$20,000	1,952	27%	6,001,627	28%	3,075	1,685	20%	6,177,753	22%	3,666
\$20,000 to \$39,999	1,587	22%	5,449,956	26%	3,434	1,576	19%	6,153,694	22%	3,905
\$40,000 to \$59,999	1,550	22%	5,232,141	25%	3,376	1,473	18%	5,149,726	18%	3,496
\$60,000 to \$79,999	1,486	21%	3,768,455	18%	2,536	1,402	17%	4,565,695	16%	3,257
\$80,000+	621	9%	890,746	4%	1,434	2,173	26%	6,169,770	22%	2,839
<b>NCSU Total</b>	<b>7,196</b>	<b>100%</b>	<b>\$21,342,925</b>	<b>100%</b>	<b>\$2,966</b>	<b>8,309</b>	<b>100%</b>	<b>\$28,216,638</b>	<b>100%</b>	<b>\$3,396</b>
<b>UNCA</b>										
Under \$20,000	592	47%	1,129,124	42%	1,907	499	44%	878,903	42%	1,761
\$20,000 to \$39,999	270	21%	682,089	25%	2,526	238	21%	440,854	21%	1,852
\$40,000 to \$59,999	234	18%	557,416	21%	2,382	140	12%	262,767	13%	1,877
\$60,000 to \$79,999	167	13%	299,872	11%	1,796	132	12%	246,463	12%	1,867
\$80,000+	7	1%	6,944	0%	992	133	12%	240,298	12%	1,807
<b>UNCA Total</b>	<b>1,270</b>	<b>100%</b>	<b>\$2,675,445</b>	<b>100%</b>	<b>\$2,107</b>	<b>1,142</b>	<b>100%</b>	<b>\$2,069,285</b>	<b>100%</b>	<b>\$1,812</b>

## Awards to Undergraduate Resident Students by Student and Family Income, FY 2012-13

	UNC Need-Based Grant					CITI Set-Aside				
	Students		Awards		Avg. Award per Student	Students		Awards		Avg. Award per Student
	Number	%	Amount	%		Number	%	Amount	%	
<b>UNC-CH</b>										
Under \$20,000	960	25%	3,303,852	27%	3,442	1,110	20%	6,087,818	23%	5,485
\$20,000 to \$39,999	948	25%	3,562,242	29%	3,758	1,069	19%	6,332,040	24%	5,923
\$40,000 to \$59,999	901	24%	3,105,508	25%	3,447	971	18%	4,772,092	18%	4,915
\$60,000 to \$79,999	737	19%	1,883,643	15%	2,556	855	15%	3,748,887	14%	4,385
\$80,000+	274	7%	398,258	3%	1,453	1,513	27%	5,002,720	19%	3,306
<b>UNC-CH Total</b>	<b>3,820</b>	<b>100%</b>	<b>\$12,253,503</b>	<b>100%</b>	<b>\$3,208</b>	<b>5,518</b>	<b>100%</b>	<b>\$25,943,557</b>	<b>100%</b>	<b>\$4,702</b>
<b>UNCC</b>										
Under \$20,000	3,513	40%	6,488,525	36%	1,847	2,011	31%	2,360,342	26%	1,174
\$20,000 to \$39,999	2,117	24%	5,221,468	29%	2,466	1,576	24%	1,997,495	22%	1,267
\$40,000 to \$59,999	1,725	20%	4,246,824	23%	2,462	1,183	18%	1,784,463	20%	1,508
\$60,000 to \$79,999	1,118	13%	2,000,363	11%	1,789	930	14%	1,547,462	17%	1,664
\$80,000+	240	3%	280,008	2%	1,167	887	13%	1,233,829	14%	1,391
<b>UNCC Total</b>	<b>8,713</b>	<b>100%</b>	<b>\$18,237,188</b>	<b>100%</b>	<b>\$2,093</b>	<b>6,587</b>	<b>100%</b>	<b>\$8,923,591</b>	<b>100%</b>	<b>\$1,355</b>
<b>UNCG</b>										
Under \$20,000	2,872	42%	6,287,145	38%	2,189	2,972	44%	4,250,429	45%	1,430
\$20,000 to \$39,999	1,895	27%	5,372,429	33%	2,835	2,206	33%	3,028,025	32%	1,373
\$40,000 to \$59,999	1,314	19%	3,385,589	21%	2,577	1,206	18%	1,602,632	17%	1,329
\$60,000 to \$79,999	750	11%	1,261,697	8%	1,682	357	5%	463,303	5%	1,298
\$80,000+	61	1%	55,884	0%	916	29	0%	37,800	0%	1,303
<b>UNCG Total</b>	<b>6,892</b>	<b>100%</b>	<b>\$16,362,744</b>	<b>100%</b>	<b>\$2,374</b>	<b>6,770</b>	<b>100%</b>	<b>\$9,382,189</b>	<b>100%</b>	<b>\$1,386</b>
<b>UNCP</b>										
Under \$20,000	1,305	50%	1,812,045	43%	1,389	673	36%	755,868	36%	1,123
\$20,000 to \$39,999	706	27%	1,344,726	32%	1,905	512	28%	603,583	29%	1,179
\$40,000 to \$59,999	385	15%	716,819	17%	1,862	275	15%	304,709	14%	1,108
\$60,000 to \$79,999	210	8%	308,491	7%	1,469	224	12%	253,086	12%	1,130
\$80,000+	28	1%	41,158	1%	1,470	176	9%	199,984	9%	1,136
<b>UNCP Total</b>	<b>2,634</b>	<b>100%</b>	<b>\$4,223,239</b>	<b>100%</b>	<b>\$1,603</b>	<b>1,860</b>	<b>100%</b>	<b>\$2,117,230</b>	<b>100%</b>	<b>\$1,138</b>



## Awards to Undergraduate Resident Students by Student and Family Income, FY 2012-13

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	Students		Awards		Avg. Award per Student	Students		Awards		Avg. Award per Student
	Number	%	Amount	%		Number	%	Amount	%	
<b>UNCW</b>										
Under \$20,000	1,321	39%	2,823,723	35%	2,138	1,356	30%	2,282,853	31%	1,684
\$20,000 to \$39,999	694	20%	1,982,554	25%	2,857	931	20%	1,619,914	22%	1,740
\$40,000 to \$59,999	755	22%	2,081,662	26%	2,757	815	18%	1,433,079	19%	1,758
\$60,000 to \$79,999	561	16%	1,039,078	13%	1,852	697	15%	1,134,083	15%	1,627
\$80,000+	97	3%	111,717	1%	1,152	752	17%	989,823	13%	1,316
<b>UNCW Total</b>	<b>3,428</b>	<b>100%</b>	<b>\$8,038,734</b>	<b>100%</b>	<b>\$2,345</b>	<b>4,551</b>	<b>100%</b>	<b>\$7,459,752</b>	<b>100%</b>	<b>\$1,639</b>
<b>UNCSA</b>										
Under \$20,000	61	37%	206,460	40%	3,385	65	31%	173,172	35%	2,664
\$20,000 to \$39,999	34	21%	128,230	25%	3,771	41	20%	106,284	22%	2,592
\$40,000 to \$59,999	33	20%	106,456	21%	3,226	35	17%	82,701	17%	2,363
\$60,000 to \$79,999	26	16%	63,842	12%	2,455	29	14%	62,175	13%	2,144
\$80,000+	10	6%	13,271	3%	1,327	38	18%	67,989	14%	1,789
<b>UNCSA Total</b>	<b>164</b>	<b>100%</b>	<b>\$518,259</b>	<b>100%</b>	<b>\$3,160</b>	<b>208</b>	<b>100%</b>	<b>\$492,321</b>	<b>100%</b>	<b>\$2,367</b>
<b>WCU</b>										
Under \$20,000	1,162	36%	2,359,441	33%	2,031	1,296	28%	1,108,222	31%	855
\$20,000 to \$39,999	840	26%	2,156,470	30%	2,567	1,049	23%	924,474	26%	881
\$40,000 to \$59,999	671	21%	1,717,182	24%	2,559	810	18%	671,808	19%	829
\$60,000 to \$79,999	495	15%	897,041	12%	1,812	712	16%	459,565	13%	645
\$80,000+	97	3%	98,827	1%	1,019	725	16%	430,421	12%	594
<b>WCU Total</b>	<b>3,265</b>	<b>100%</b>	<b>\$7,228,961</b>	<b>100%</b>	<b>\$2,214</b>	<b>4,592</b>	<b>100%</b>	<b>\$3,594,490</b>	<b>100%</b>	<b>\$783</b>
<b>WSSU</b>										
Under \$20,000	1,367	50%	2,105,375	44%	1,540	512	37%	685,971	35%	1,340
\$20,000 to \$39,999	829	30%	1,642,264	34%	1,981	432	32%	578,325	30%	1,339
\$40,000 to \$59,999	363	13%	740,298	15%	2,039	181	13%	283,034	15%	1,564
\$60,000 to \$79,999	168	6%	270,134	6%	1,608	141	10%	234,818	12%	1,665
\$80,000+	14	1%	19,707	0%	1,408	102	7%	157,362	8%	1,543
<b>WSSU Total</b>	<b>2,741</b>	<b>100%</b>	<b>\$4,777,778</b>	<b>100%</b>	<b>\$1,743</b>	<b>1,368</b>	<b>100%</b>	<b>\$1,939,509</b>	<b>100%</b>	<b>\$1,418</b>
<b>UNC Total</b>	<b>64,279</b>		<b>\$143,815,442</b>		<b>\$2,237</b>	<b>61,556</b>		<b>\$125,681,169</b>		<b>\$2,042</b>

Source: Campus survey, March 2014.