

STAFF-DIRECTED POLICY QUESTIONS REGARDING SCHOLARSHIPS AND STUDENT FINANCIAL AID

University of North Carolina at Chapel Hill Academic Year 2016-17

Need-based financial aid provides access for students who could not otherwise afford to attend the University. Merit-based aid recognizes and rewards student talent and promise, without regard to need. Both are important sources for the recruitment and retention of undergraduate and graduate/professional students and for the achievement of the University's mission and at Carolina there is a great deal of overlap. Access and excellence are mutually reinforcing goals; aid and scholarships allow us to recruit and enroll the strongest class possible.

These are the policy questions we believe have been most relevant to campus discussions this year:

1. Given that the Board of Governors imposed restrictions on the use of tuition revenues on campuses for need-based aid (August 2014 action), how do we as a University continue to meet the full need of students? How will we incentivize fundraising to provide a strong, stable, sustainable pool of funds for grants and scholarships?
2. How will fixed tuition policy affect our planning and packaging of student aid?
3. How will the new federal administration affect student aid as the Higher Education Act is up for reauthorization? Federal Perkins Loans are facing elimination, and other federal programs are not expanding. This has given rise to the creation of a University Loan Program that will need time to grow. Will this be sufficient to fill the gap? Is there a level of debt for undergraduate students that we consider optimal? Is there a limit to what we consider acceptable?
4. Federal Work Study funding has also declined over recent years, which has forced us to limit work study to the most highly needy students. Demand by both students and employers far exceeds our supply of funds. Middle income students with need would benefit greatly from this program which also reinforces career and academic success. How can we expand the pool of available funds to meet our students' needs and desire to work?
5. What happens if the out-of-state scholarship provision for merit scholarship recipients is repealed by the General Assembly without "grandfathering in" current scholars (as the athletic scholarship provision was eliminated in 2010)?

Who pays the bill (estimated at over \$7 million annually to sustain current commitments), when, and with what funds?

6. How can we maximize the use of student aid to further the University's recruitment and retention goals and truly foster student success, as we have done within the Carolina Covenant? How does our participation in the American Talent Initiative affect our choices and plans?
7. Food insecurity and financial literacy/responsible borrowing are very much in the national news. How do Carolina students deal with these issues and what are appropriate ways for us to respond?
8. What resources or efforts can we use to compete effectively for international students as Carolina works to strengthen its global presence?
9. What is our responsibility for meeting the financial needs of admitted undocumented students, if any?
10. How are we meeting the need of our growing segment of non-traditional students and ensuring their success?

Updated February 26, 2016