



THE UNIVERSITY  
of NORTH CAROLINA  
at CHAPEL HILL

OFFICE *of* SCHOLARSHIPS  
*and* STUDENT AID  
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February 2, 2012

Professor Joe Ferrell  
Secretary of the Faculty  
Office of Faculty Governance  
204 Carr Building  
CB# 9170  
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Dear Professor Ferrell:

On behalf of the Committee on Scholarships, Awards and Student Aid, a Committee appointed by the Chancellor, I am submitting our 2010-11 annual report which has been prepared by the Office of Scholarships and Student Aid in conjunction with the Office of Institutional Research. The report summarizes all aid disbursed by the Office of Scholarships and Student Aid to enrolled undergraduate, graduate, and professional students from July 1, 2010 to June 30, 2011. The report is accompanied by various charts which illustrate aid distribution patterns.

In addition, I am including a copy of the major policy questions anchoring the work of the Office of Scholarships and Student Aid and the Committee this year. These questions, and related research, contribute significantly to campus planning and policy discussions.

I have also provided the same information electronically to Ms. Anne Mitchell Whisnant. Ms. Shirley Ort, Associate Provost and Director of Scholarships and Student Aid, and I look forward to the Friday, February 10, 2012 Faculty Council meeting where I will present the report and entertain questions.

Sincerely,

Charles E. Daye, Chair  
Committee on Scholarships, Awards, and Student Aid

CD:SAO:sao

## **POLICY QUESTIONS REGARDING SCHOLARSHIPS AND STUDENT FINANCIAL AID**

### **University of North Carolina at Chapel Hill Academic Year 2011 - 12**

Need-based student 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. Access and excellence are mutually reinforcing goals.

These are the policy questions that we believe to be most relevant to campus discussions this year:

1. How do we continue to serve a growing population of students who have need in the context of tuition increases and rising college costs?
2. How do we strike the right balance between need-based and merit-based aid? Between aid for undergraduates and aid for graduate/professional students?
3. How do we increase the number of merit scholarships or initiatives that Carolina offers and protect the purchasing power of those scholarships?
4. How can we better manage the expectations of an increasingly vocal middle class who seek scholarship assistance?
5. What happens if the out-of-state scholarship provision for merit scholarship recipients is repealed by the General Assembly (as the athletic scholarship provision was in 2010)?
6. Will the federal government be able to protect and strengthen funding for Pell Grants going forward, given federal budgetary pressures?
7. Can we maintain UNC-Chapel Hill's current share of state-funded need based grant aid as the General Assembly considers the "simplification," consolidation, and redesign of state-funded student aid programs?
8. How can we maximize the use of student aid to further the University's recruitment and retention goals?
9. What new grants or initiatives can we pursue in an effort to generate new scholarship sources (e.g., Covenant and HHMI, NSF; entrepreneurship, etc.)? ; and
10. What resources or efforts will we need to put into place in order to better compete for international students as Carolina endeavors to strengthen its global presence?

**Ten Year Comparison of Scholarship and Financial Aid (Need and Non-Need-Based) Awards to  
All Students (Undergraduates, Graduate/Professional), in Millions  
From Academic Year 2001-2002 to Academic Year 2010-2011**

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
<b><u>Total Aid Awarded</u></b>	\$134.9	\$163.7	\$188.9	\$200.9	\$210.1	\$218.9	\$225.2	\$233.2	\$257.8	\$351.2
Number of Students	12,687	13,552	14,396	14,872	15,120	15,327	15,517	15,871	16,903	20,362
Average Award	\$10,633	\$12,081	\$13,117	\$13,508	\$13,942	\$14,287	\$14,513	\$14,693	\$15,252	\$17,248
<b><u>Funds by Source</u></b>										
Federal	55%	56%	57%	55%	55%	53%	53%	56%	53%	49%
State	9	9	9	8	8	9	10	12	10	6
Institutional/Private	36	35	34	37	37	38	37	32	37	45
<b><u>Funds by Type</u></b>										
Scholarships/Grants	43%	44%	42%	42%	42%	43%	45%	47%	47%	54%
Work-Study	3	3	1	1	1	1	2	1	1	1
Loans	54	53	57	57	57	56	53	52	52	45

Source: Office of Scholarships and Student Aid/Office of Institutional Research (January 2012).