

# OFFICE OF STUDENT FINANCIAL AID

The mission of the Office of Student Financial Aid is to serve prospective students and currently enrolled students by providing information, assistance and guidance on ways to plan for and meet the costs of education at the North Carolina School of the Arts. This office administers a full range of federal, state, university, and private aid programs.

Financial aid is provided to supplement what the student and parents can contribute toward the costs of the student's education. The federal government and NCSA believe the primary responsibility for paying for education rests with the student and his or her parents, who are expected to meet as much of the cost as possible.

## **Instructions for Applying for Financial Aid**

Both college students and out-of-state high school students may apply for financial assistance. However, since high school students are not eligible for federal and state aid, the types of possible aid will vary.

Out-of-state high school students wishing to be considered for financial aid should complete and submit the Free Application for Federal Student Aid (FAFSA). Although high school students are not eligible for federal aid, the information provided on the FAFSA will enable the Office of Student Financial Aid to make decisions about eligibility for limited need-based scholarships. This information may also enable the arts schools to make some decisions about scholarship eligibility based on a combination of talent and demonstrated need. Scholarships, based on talent only, may also be possible if awarded by the arts schools.

College students wishing to be considered for financial aid should complete and submit the Free Application for Federal Student Aid (FAFSA). Priority consideration will be given to new students whose FAFSA applications are received at the Central Processing Service (CPS) by March 1. Returning students should submit the FAFSA to the CPS by March 15. Students who submit applications after the priority deadline will be considered as time and funds permit.

Note: Students wishing to be considered for need-based financial aid must submit a FAFSA each year.

North Carolina residents who wish to be considered for the N.C. Student Incentive Grant Program and the UNC Need-Based Grant should have their FAFSA filed no later than March 15. Out-of-state students who are interested in receiving funds through their state grant program should be aware of their state deadline date; these dates are provided in the FAFSA instruction booklet and at [www.fafsa.ed.gov](http://www.fafsa.ed.gov) (click on "Deadlines").

## **Types of Financial Aid**

The financial aid program at NCSA offers federal and state grants, loans, employment, and scholarships. Financial aid is awarded on the basis of a student's demonstrated need. Demonstrated need is determined by subtracting the estimated family contribution (based on the FAFSA calculation) from the cost of attendance (a budget determined by the institution, according to federal guidelines). A student who demonstrates financial need and applies in a

timely manner can expect to receive a financial aid award letter from NCSA, which may include funds from one or more of the following sources.

### **Grants (gift aid)**

The federal Pell Grant Program is designed to provide financial assistance to needy undergraduate college students seeking a first bachelor's degree. For the 2005-06 academic year, the federal Pell Grant Program provides grants ranging from \$400 to \$4,050 per year, depending on your financial circumstances and federal appropriations.

Federal Supplemental Educational Opportunity Grant (SEOG) awards are reserved for undergraduate students with exceptional financial need. The award amount varies, depending on the student's financial situation and federal appropriations.

North Carolina Student Incentive Grant (NCSIG) is from matching federal and state funds. Eligibility is determined by the FAFSA, and the program is administered by College Foundation, Inc. (CFI).

UNC Need-Based Grants are subject to final appropriations decisions by the North Carolina General Assembly. Need is determined by data supplied on the FAFSA, applied to a special formula. The program is administered by College Foundation, Inc. (CFI).

Other states award grants, and some allow students to use the grants to attend colleges outside their state. In addition to the FAFSA, a separate state application may be necessary to receive the grant. Students should contact their state education department for complete information.

### **Federal Work-Study Employment (self-help)**

Federal Work-Study (FWS) is a federal program through which undergraduate college students are provided with jobs, so that they may earn money to meet expenses. Students participating in this program at NCSA work an average of four to five hours per week. New students awarded FWS must attend an orientation program during the first week of fall term.

College and high school students who want to work on campus but do not qualify for the FWS program may be interviewed and hired by specific departments. These positions are not administered by the Office of Student Financial Aid; therefore, students should contact the specific departments directly regarding openings.

### **Loans (self-help)**

The Federal Perkins Loan is a low interest (5 percent) loan awarded to undergraduate college students. Students must sign a promissory note but do not have to start repayment until nine months after leaving school or dropping below half-time status.

The Federal Direct Loan Program provides low-interest loans directly from the U.S. Department of Education to college students. Students may qualify with at least half-time enrollment. There are a variety of loans available for the student borrower and the parent borrower. Subsidized student loans are based on demonstrated need, but unsubsidized student loans and Parent Loans for Undergraduate Students (PLUS loans) are available regardless of need. Grace period, interest

rates, deferments and repayment terms differ for each loan. Information regarding the terms of the loan will be provided at the time the student receives his or her award letter.

Subsidized Federal Direct Loans are federally insured loans available to the student borrower. Interest is covered by the federal government during the in-school period and for a six-month grace period. The interest rate is variable with a cap of 8.25 percent.

Unsubsidized Federal Direct Loans are loans with the same terms as the Subsidized Federal Direct Loan, except the student is responsible for paying the interest, which begins accruing from the date of the first disbursement. Quarterly interest statements will be sent from the Federal Direct Loan Program. Any unpaid interest will be capitalized when the student goes into repayment. This loan can be used to replace expected family contribution or for students who do not demonstrate eligibility for need-based aid (based on the FAFSA), up to the maximum allowed per grade level.

Under the Federal Direct Loan Program, the maximum annual loan limits are \$2,625 for freshmen, \$3,500 for sophomores, \$5,500 for juniors and seniors, and \$8,500 for graduate students. Students classified as independent according to FAFSA guidelines may be eligible for additional unsubsidized loan amounts not to exceed \$4,000 for freshmen and sophomores, \$5,000 for juniors and seniors, and \$10,000 for graduate students.

The Federal Direct PLUS Loan is a federal loan available to provide additional funds for educational expenses to parents of dependent college students at a variable low-interest rate, with a 9 percent interest cap. A parent may borrow up to the cost of attendance minus estimated financial aid per academic year. No demonstration of need is necessary to borrow under this program; however, the borrower must be credit-worthy, and a credit check will be performed.

Note: First-time borrowers of Federal Direct Loans and Federal Perkins Loans at the North Carolina School of the Arts are required to complete Entrance Counseling. Also, first-year undergraduate borrowers of Federal Direct Loans can expect their first loan disbursement to be delayed for 30 days of their first term of enrollment before being credited to their account, according to federal regulations.

Students who borrow under any of the loan programs offered at NCSA are also required to complete Exit Counseling before leaving campus at the time of graduation or withdrawal from the institution. Any student who fails to complete Exit Counseling can expect to have a “hold” placed on his or her academic record, pending completion of this federal requirement.

### **Scholarships (gift aid)**

All students who apply for financial aid with the FAFSA are automatically considered for scholarships based solely on demonstrated financial need. Other scholarships may be awarded by the arts dean, based on talent determined at the time of audition or evaluations. Students who want to apply for talent scholarships may wish to complete the FAFSA, since the arts dean may use this information in combination with talent qualifications to make scholarship awards. All scholarships are packaged as part of a student’s financial aid award by the Office of Student Financial Aid.

The following scholarships are provided in conjunction with the University of North Carolina:

The C.M. and M.D. Suther Scholarship is awarded annually to a full-time North Carolina resident undergraduate student on the basis of academic standing and financial need. The recipient is chosen by the Office of Student Financial Aid. The award is nonrenewable and varies in amount according to income available from the trust.

The A.P. and Frances Dickson Scholarship is awarded annually to a full-time undergraduate student whose permanent residence is in Hoke County, North Carolina. The recipient is chosen by the Office of Student Financial Aid on the basis of academic standing and financial need. The award is nonrenewable and varies in amount according to income available from the trust.

The James Lee Love Scholarship is awarded annually to a full-time North Carolina resident undergraduate student. The recipient is chosen by the Office of Student Financial Aid on the basis of academic standing and financial need. The award is nonrenewable and varies in amount according to income available from the trust.

### **Outside Scholarships**

Scholarship information may be available from private foundations, religious organizations, community organizations, and civic groups, as well as professional organizations related to your field of interest. Be sure to explore these opportunities in your community.

The World Wide Web offers a wide range of free information and resource listings for students and prospective students in all areas of study. In addition, students can also find free information in the reference section of local libraries (usually under “student aid” or “financial aid”). These materials typically include information about federal, state and institutional resources, as well as private scholarships.

Note: Students receiving need-based financial aid are required to report all outside sources and amounts of aid they receive to the Office of Student Financial Aid.

### **Other Sources**

#### *Department of Veterans Affairs*

A student who is a veteran or a dependent of a deceased or disabled veteran may be eligible for benefits. Students should contact the Department of Veterans Affairs for more information.

#### *Vocational Rehabilitation*

Students with a handicap may wish to contact the Vocational Rehabilitation Office in their state for more information.

### **Financial Aid Determination and Award**

Awards are made to full-time students who are pursuing high school diplomas (non-residents), undergraduate degrees or arts diplomas, and master’s degrees during the academic year. (Special students are not eligible for need-based aid; students needing assistance for Summer Session attendance should contact the arts dean.) Because of limited funding, financial aid will be

awarded to part-time students only after full-time student needs have been met. Students wishing to be considered for federal financial aid must be U.S. citizens or “eligible” non-citizens (see FAFSA instructions for an explanation). Financial aid is awarded without discrimination against a student’s race, color, national origin, religion, sex, age, handicap, or sexual orientation.

It is important that students understand that all financial aid awards are dependent upon institutional, private, state and/or federal funding. Although NCSA fully intends to be able to adequately fund offers made and provide accurate information, there is always a possibility that a program may be discontinued, funds may not be appropriated to NCSA, or a computational error may be made. If this happens, students will be notified immediately regarding any change in an award.

### **Verification of Student Aid Application Information**

The U.S. Department of Education may select a student’s application for a process called “verification.” This process requires the student to submit certain documents to verify the information supplied on the FAFSA. If selected, the student may be asked to submit copies of his/her federal income tax return, his/her parent(s)’s federal income tax return(s) and other documents. The Office of Student Financial Aid will contact the student regarding these forms. Prompt responses are helpful in order to maximize eligibility.

Failure to provide verification information means the student will not receive aid from the U.S. Department of Education and may not receive need-based aid from other sources. Also, any person who intentionally makes false statements or misrepresentations on a federal aid application is violating the law and is subject to fine or imprisonment or both.

### **Renewal of Financial Aid**

Applicants must file a new FAFSA each year of enrollment. Applicants can choose to complete and submit a paper FAFSA or complete “FAFSA on the Web” at the following Internet address: <http://www.fafsa.ed.gov>.

Students who submitted a FAFSA on the Web or provided an e-mail address on the FAFSA in the prior year will receive an e-mail link to a Renewal FAFSA on the Web for the upcoming year. Other students who submitted a FAFSA in the prior year will receive a paper Renewal FAFSA form for the upcoming year. The Renewal Applications can be updated and submitted as the FAFSA for the upcoming year.

Awards may vary from year to year as family circumstances and availability of funds change. To be eligible for ongoing assistance, a student must continue to have demonstrated need and be maintaining satisfactory academic progress at NCSA. A student is not eligible for financial assistance if he/she owes a refund of federal grant aid or is in default on a federal loan.

### **Student Responsibilities**

Students have the responsibility to:

- Apply for admission;
- Complete all financial aid forms accurately and submit them in a timely manner;
- Reapply for financial aid each academic year;

- Provide any additional information as requested by the Office of Student Financial Aid or any other NCSA office;
- Inform the Office of Student Financial Aid of any personal changes (increase or decrease in your financial resources, change in name, address and/or Social Security number, withdrawal or transfer from NCSA);
- Enroll for the necessary number of credit hours;
- Honor the policies and procedures set forth in the NCSA Bulletin and the Campus Life Handbook;
- Request any information you feel is necessary;
- Perform the work that is agreed upon in accepting work-study; and
- Attend required loan counseling and repay your loans in accordance with your repayment schedule.

### **Student Rights**

Students have the right to:

- Obtain information about the student aid programs available at NCSA;
- Apply and be considered for assistance;
- Request an explanation of any phase of the financial aid process;
- Request special consideration if your family's financial circumstances change significantly (students/families must take the initiative to notify the Office of Student Financial Aid of these changes);
- Request an appointment with the director of Student Financial Aid concerning financing your education;
- Request information concerning academic programs, costs and refunds, physical facilities, student retention, etc.; and
- Appeal financial aid awards or denials based upon academic progress.

### **Refunds of Charges and Return of Financial Aid Due to Withdrawal from NCSA**

If a student withdraws from NCSA during a term, a refund is calculated according to NCSA refund policies. These policies vary according to whether or not the student is a recipient of Title IV Federal Aid such as the federal Pell Grant, federal Supplemental Educational Opportunity Grant (SEOG), federal Perkins Loan, and federal Direct Loans (Subsidized, Unsubsidized, and PLUS). A determination is then made as to whether any aid must be returned to the Title IV Federal Aid Program, any state program or any institutional funds. Required return of funds to all financial aid programs must be made prior to the refund to the student.

Financial aid funds are intended for expenses related to attendance at NCSA. Therefore, if you withdraw from or stop attending NCSA after receiving funds from a federal Pell Grant, federal Supplemental Educational Opportunity Grant (SEOG), federal Perkins Loan, and federal Direct Loans (Subsidized, Unsubsidized, and PLUS), you may be required to repay all or a portion of the financial aid provided to you from a credit balance on your student account. The repayment amount will be calculated on the basis of the calendar days remaining in the term at the time of your withdrawal from or failure to attend NCSA. You will be notified of any repayments for which you are responsible, if you withdraw or leave during a term at NCSA.

A copy of the “Withdrawal from NCSA – Refund of Charges and Return of Financial Aid” is available from the Office of Student Financial Aid upon request.

### **Satisfactory Academic Progress**

To be eligible for federal aid programs, a returning college student must maintain “satisfactory academic progress.” Satisfactory academic progress is determined using the three areas listed below:

#### **Qualitative (grade point average)**

To be progressing satisfactorily, a student at NCSA must maintain a specific minimum cumulative grade point average (combined arts and academics). The grade point average is monitored at the end of each academic year. The acceptable cumulative grade point average (GPA) for each increment is listed below:

##### *Undergraduate*

1st year                      1.75 GPA  
2nd through 9th year   2.00 GPA

##### *Graduate*

Every Year                      2.5 GPA

#### **Quantitative (hours attempted vs. hours completed)**

The following graduated scale will be used to monitor the number of hours completed for each academic year:

1st year	65% of hours attempted
2nd year	70% of hours attempted
3rd year	75% of hours attempted
4th through 9th year	80% of hours attempted
Graduate	80% of hours attempted

#### **Maximum Timeframe (to complete a program)**

Normal Length:	Maximum Timeframe:	
	Full-time	Part-time
Undergraduate 4-year program	5 years	8 years
Undergraduate 5-year program	6 years	9 years
Graduate program (2 or 3 yrs.)	4 years	6 years

This policy applies only to students who have been asked to return officially by the arts dean and who are applying for federal financial aid. A complete copy of the “NCSA Satisfactory Academic Progress Policy — College Title IV Financial Aid Recipients Only” is available upon request from the Office of Student Financial Aid.