

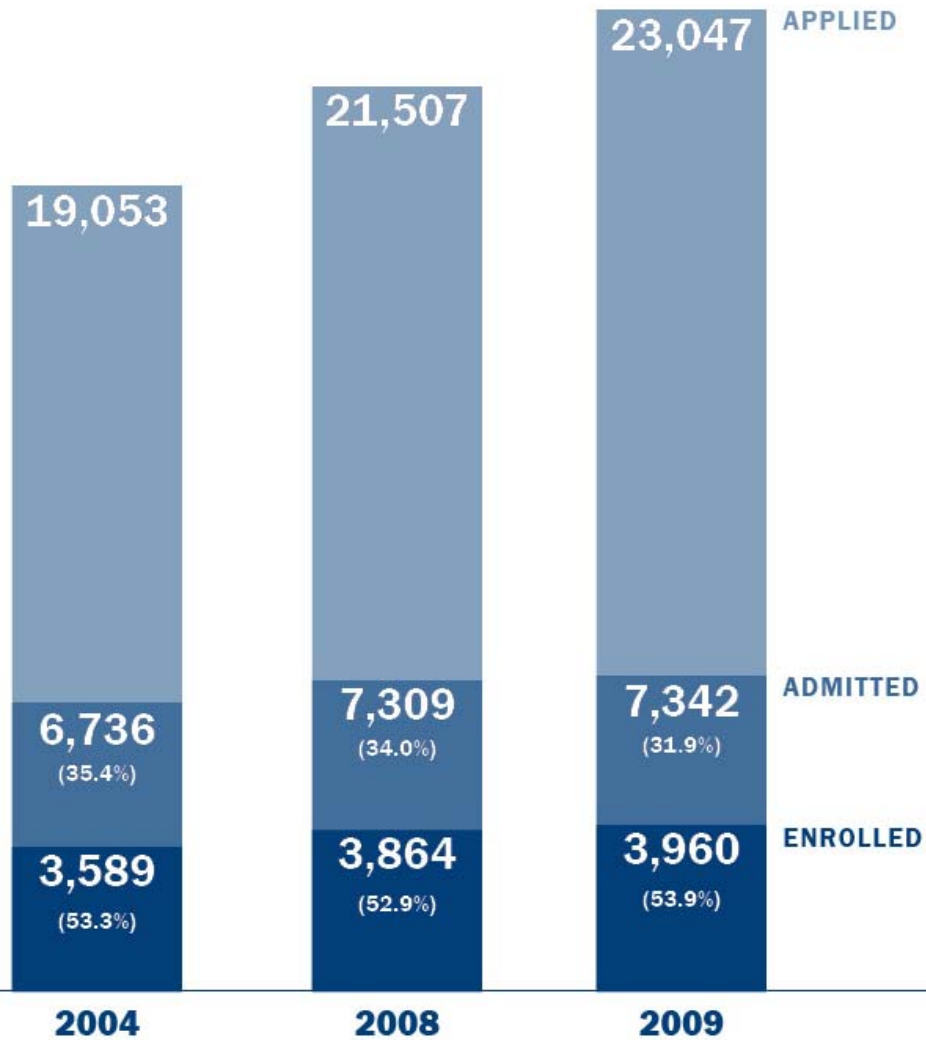
Annual Update: Fall 2009

Stephen Farmer
Office of Undergraduate Admissions



THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

Fall 2009 Admissions



- Fourth straight record for applications—five-year increase of 21%
- Record low admit rate
- Yield up 1 point for OOS (to 30%) and 2 points for NC (to 69%)

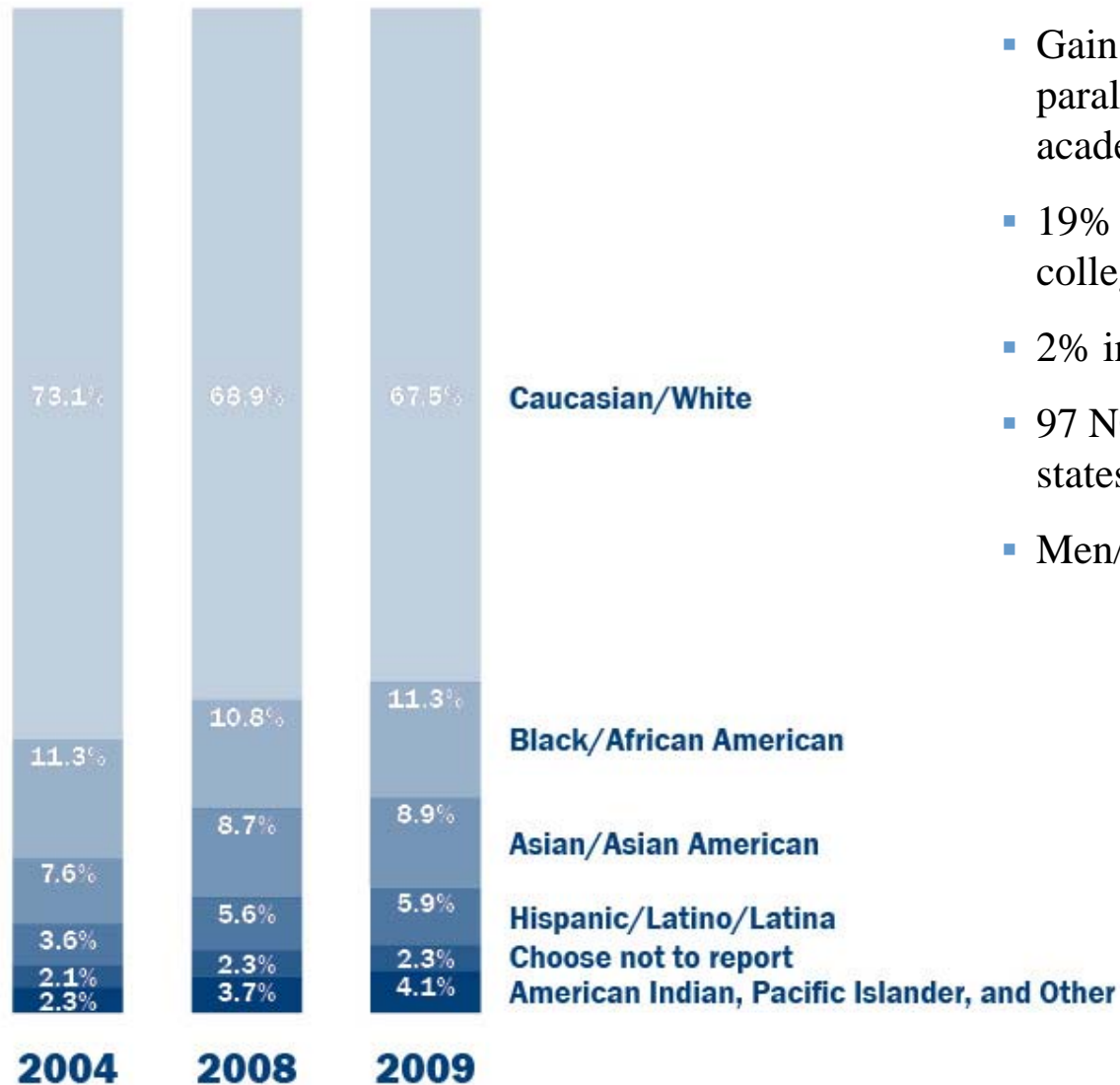


Entering Class: Academics

	2004	2008	2009
Top 10 percent	74.0%	79.1%	79.7%
Top 10 students	38.4%	42.9%	43.8%
Valedictorian/salutatorian	10.4%	13.3%	13.6%
SAT—average	1287	1301	1303
—middle 50%	1210–1380	1210–1390	1210-1410
—1400+	744	876	955



Entering Class: Demographics



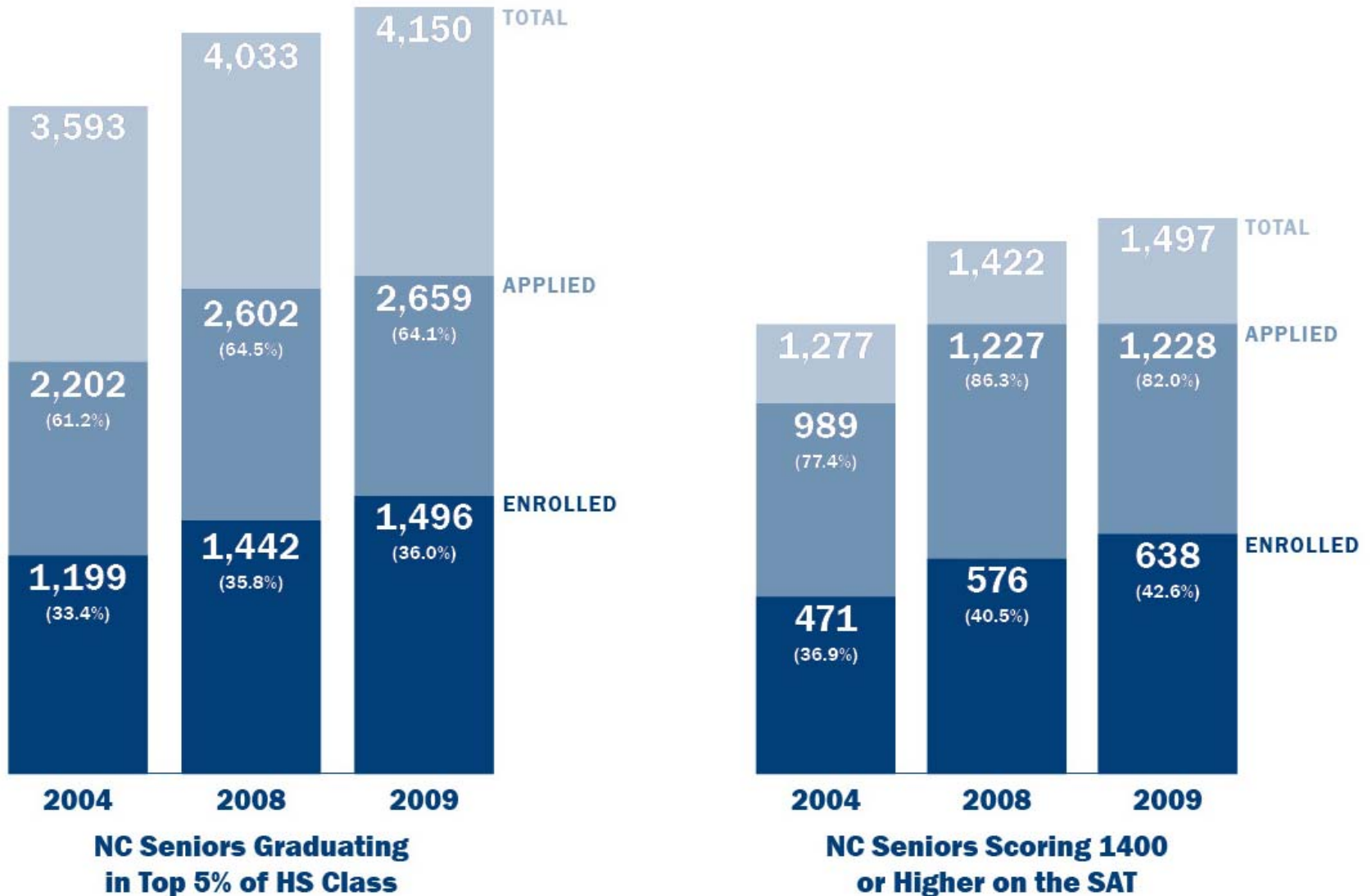
- Gains in diversity parallel gains in academics
- 19% first-generation college, 7% fee waiver
- 2% international
- 97 NC counties, 44 states, 21 countries
- Men/women still 40/60

Entering Class: Engagement

- 95 percent served the community
- 72 percent played a sport
- 68 percent founded an organization, captained a sport, or served as class, club, or student-body president
- 60 percent participated in the arts
- 57 percent traveled outside their home country
- 26 percent conducted original research



Market Share of Top North Carolinians



Competition for Top North Carolinians

NC Students Scoring 1400+

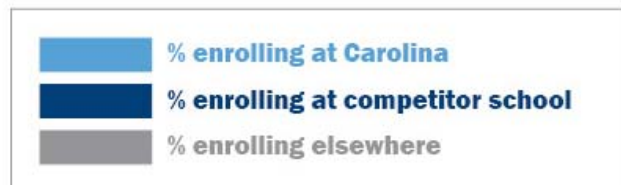
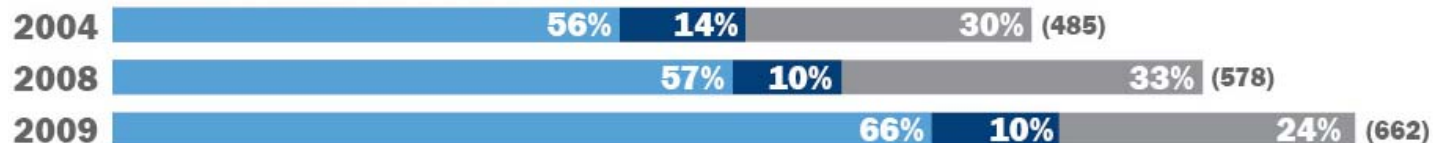
IVY LEAGUE AND TOP 10 PRIVATES



ALL EQUALLY OR HIGHER RANKED SCHOOLS



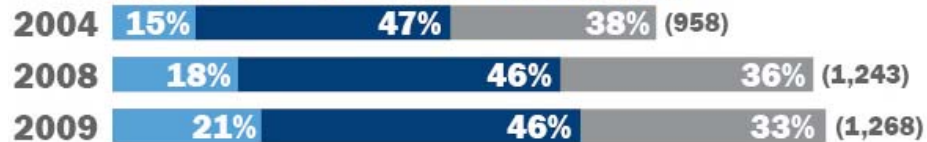
ALL NC PUBLIC SCHOOLS



Competition for Out-of-State Students

Out-of-State Students

IVY LEAGUE AND TOP 10 PRIVATES



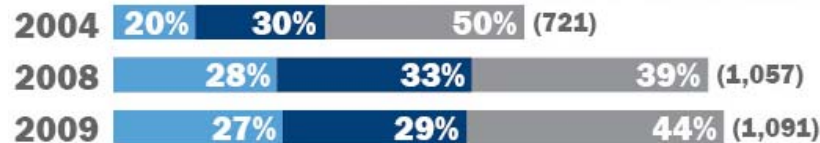
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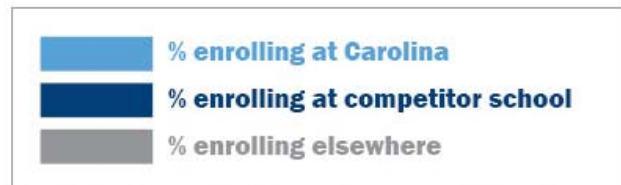
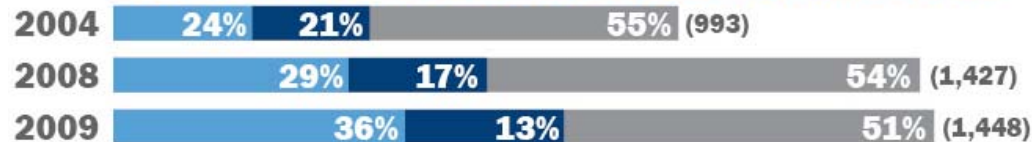
Competition with Other Flagships

Out-of-State Students

PUBLIC FLAGSHIPS IN STUDENT'S HOME STATE



PUBLIC FLAGSHIPS OUTSIDE STUDENT'S HOME STATE



Overlap flagships include these public universities: Virginia, Florida, Maryland, Michigan, Georgia, William and Mary, Texas, California-Berkeley, South Carolina, and Clemson



Summary

Strong improvement in the face of intense competition

- Economy helped us by highlighting our value
- Top students still sought high quality
- University-wide recruitment worked
- Need- and merit-based aid was crucial



Annual Update: Fall 2009
Office of Scholarships and Student Aid

Shirley Ort, Associate Provost and Director
September 2009

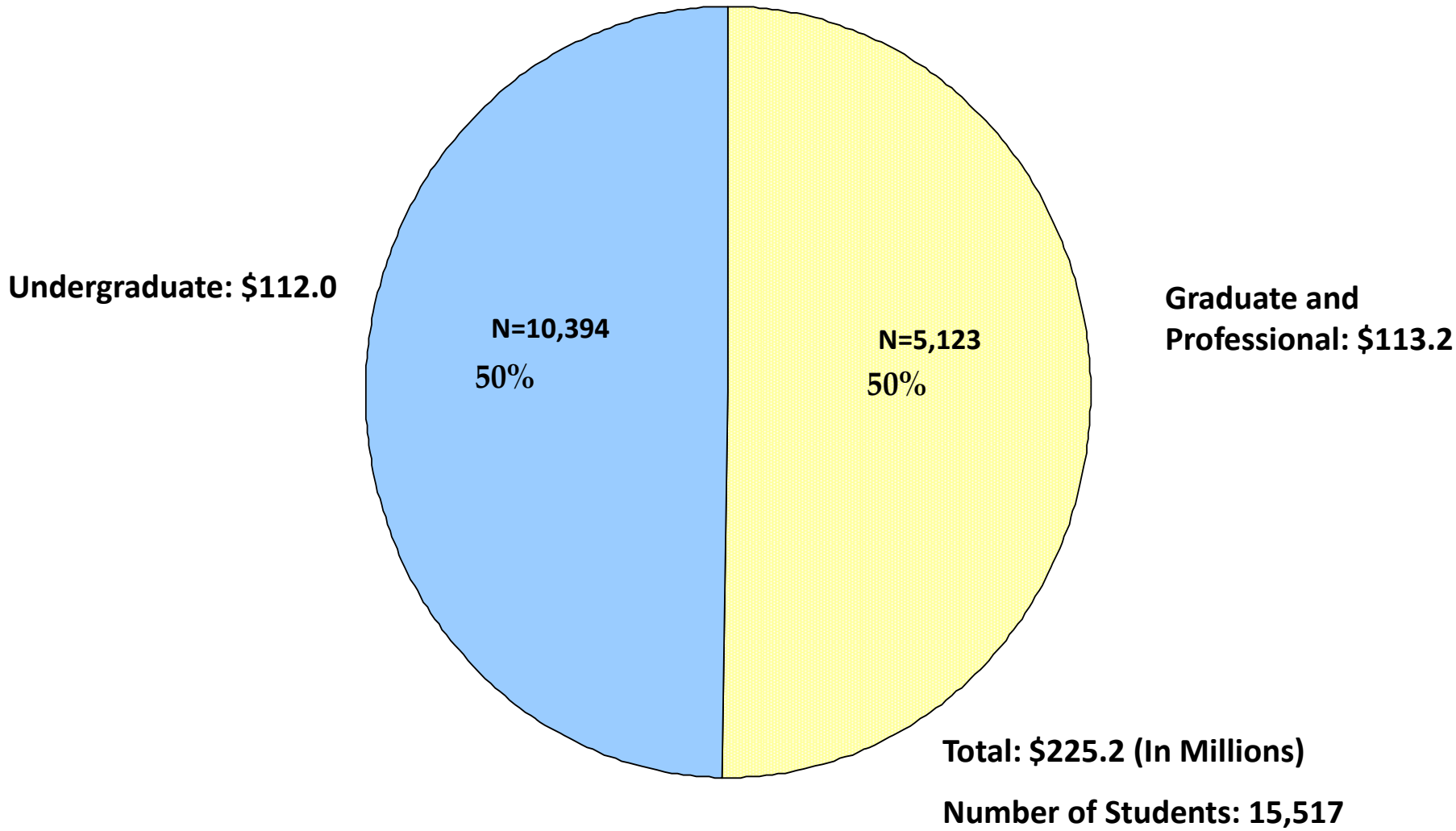


THE UNIVERSITY
of NORTH CAROLINA
at CHAPEL HILL

The role of the Office of Scholarships and Student Aid (OSSA) is to support the instructional mission of the University by . . .

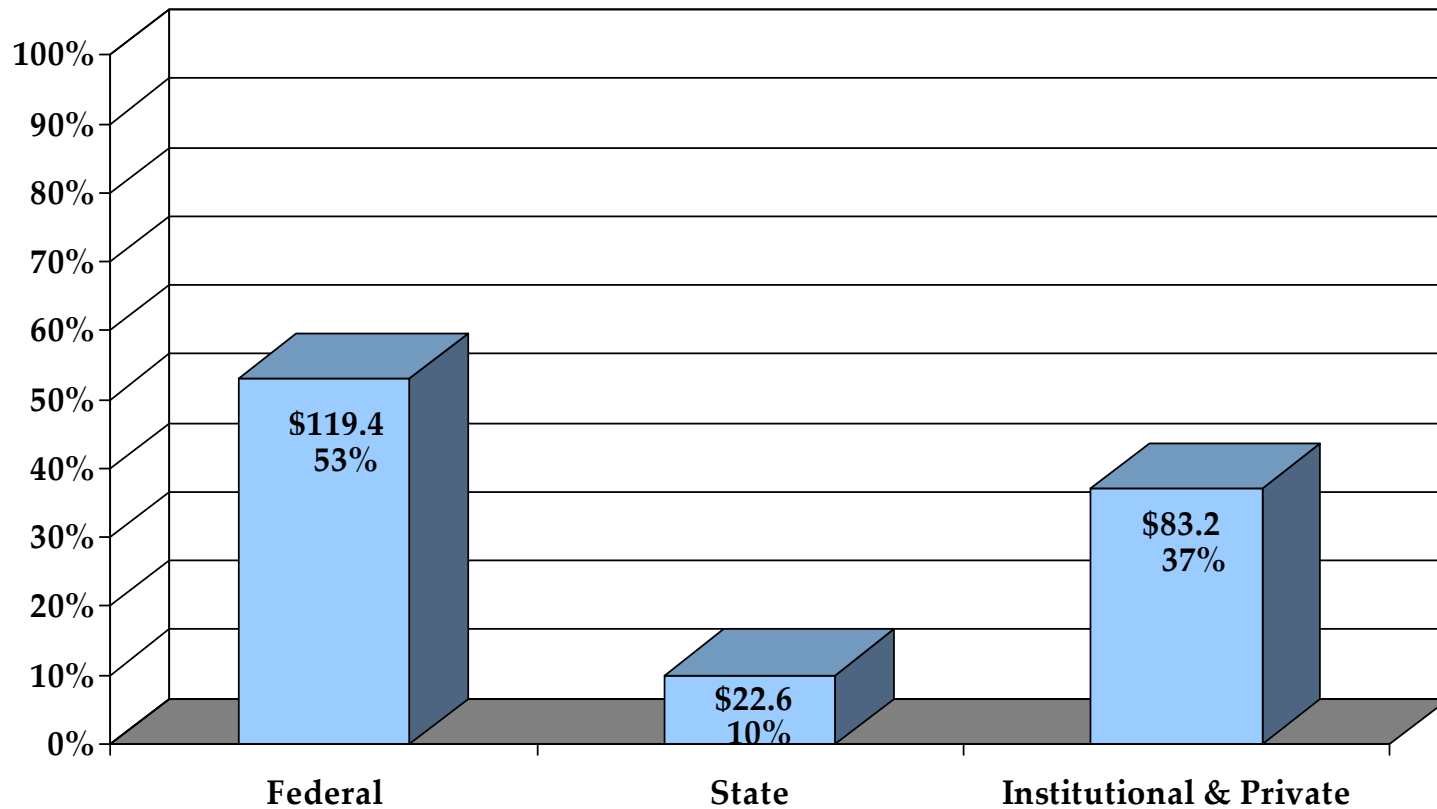
- ❖ Removing financial barriers for students
- ❖ Recognizing and rewarding academic talent
- ❖ Furthering mutual goals of “equity” and “excellence,” thereby
- ❖ Contributing to Carolina’s “best value” ranking by Kiplinger’s (7th time)

During 2007-2008 academic year, OSSA disbursed over \$225 Million to 15,517 students...



Of this amount, the majority of all aid was provided by the federal government . . .

Total Aid Distributed to All Students, by Source 2007-2008, In Millions



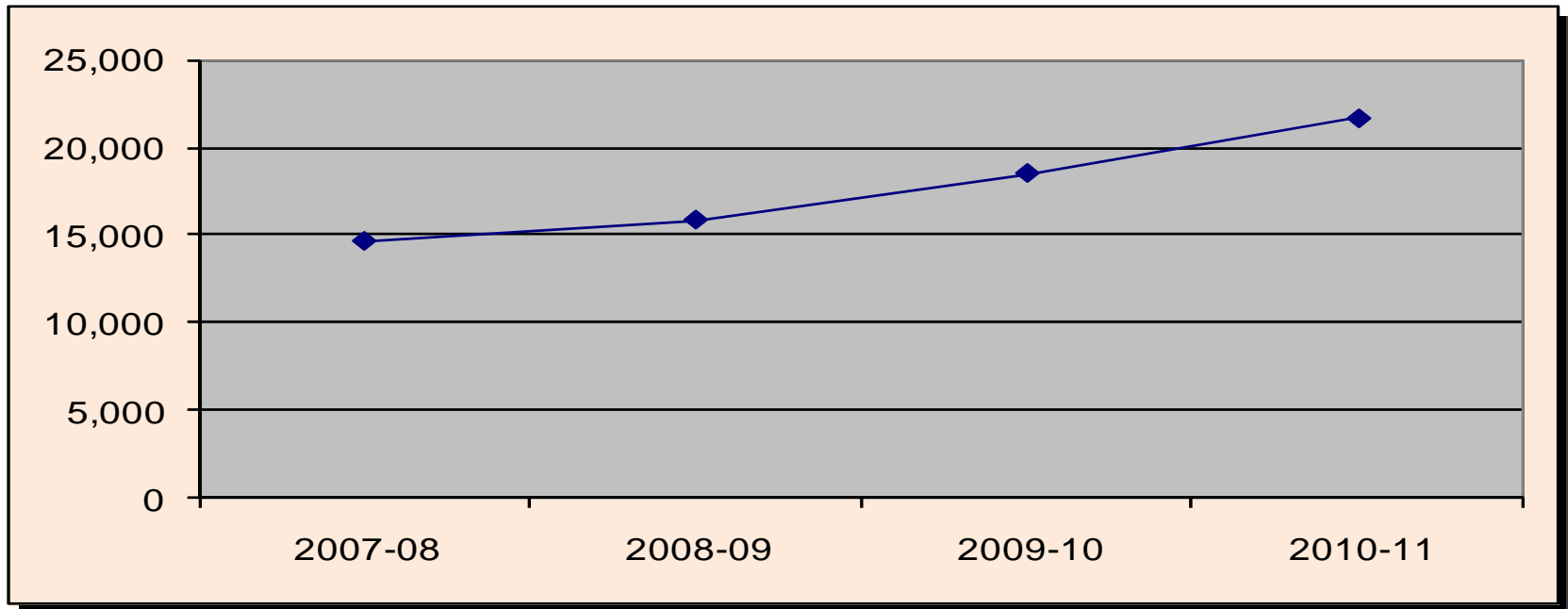
“Where are we now?”

The student aid operating environment has changed dramatically this year, attributable to...

- ❖ A weakening economy
- ❖ Rising unemployment
- ❖ Changing demographics
- ❖ More lenient eligibility criteria for Federal student aid
- ❖ Exclusion of veterans' benefits as “resources” in the equation of need

As a result, Carolina experienced a 17% increase in applications for need-based aid this year...a trend that is likely to continue...

Applications



Academic Year	2007-08	2008-09	2009-10	2010-2011 Projected
Number of applications received for need-based aid	14,612	15,836	18,521	21,670

The number of students who qualified for need-based aid in 2009-10 rose dramatically over the prior year . . .

- ❖ 23% increase in number of students with need
- ❖ 26% increase in freshmen with need
- ❖ 28% increase in Carolina Covenant Scholars
- ❖ 34% increase in Federal Pell Grant recipients
- ❖ More students than ever applied on time, March 1

These trends place a significant strain on the University to meet the full need of students . . .

- ❖ Started with a \$2.5 million carry-forward in Trademark revenue (savings from last year)
- ❖ State EARN grant funds, then cut by \$800,000
- ❖ Acceptance rate on money offered, higher than expected
- ❖ All available funds spent by the start of school
- ❖ Many non-aided late applicants remain in queue

The University has responded thus far by...

- ❖ providing \$465,000 in supplemental money from new tuition receipts (increasing “hold harmless” funding)
- ❖ authorizing OSSA to borrow against student aid reserves (merit aid payments) if necessary to continue to award aid in 2009-10
- ❖ engaging in comprehensive student aid budget planning for the upcoming academic year, 2010-11

“What lies ahead?”

Looking forward, we expect students and families to exhibit even greater need next year . . .

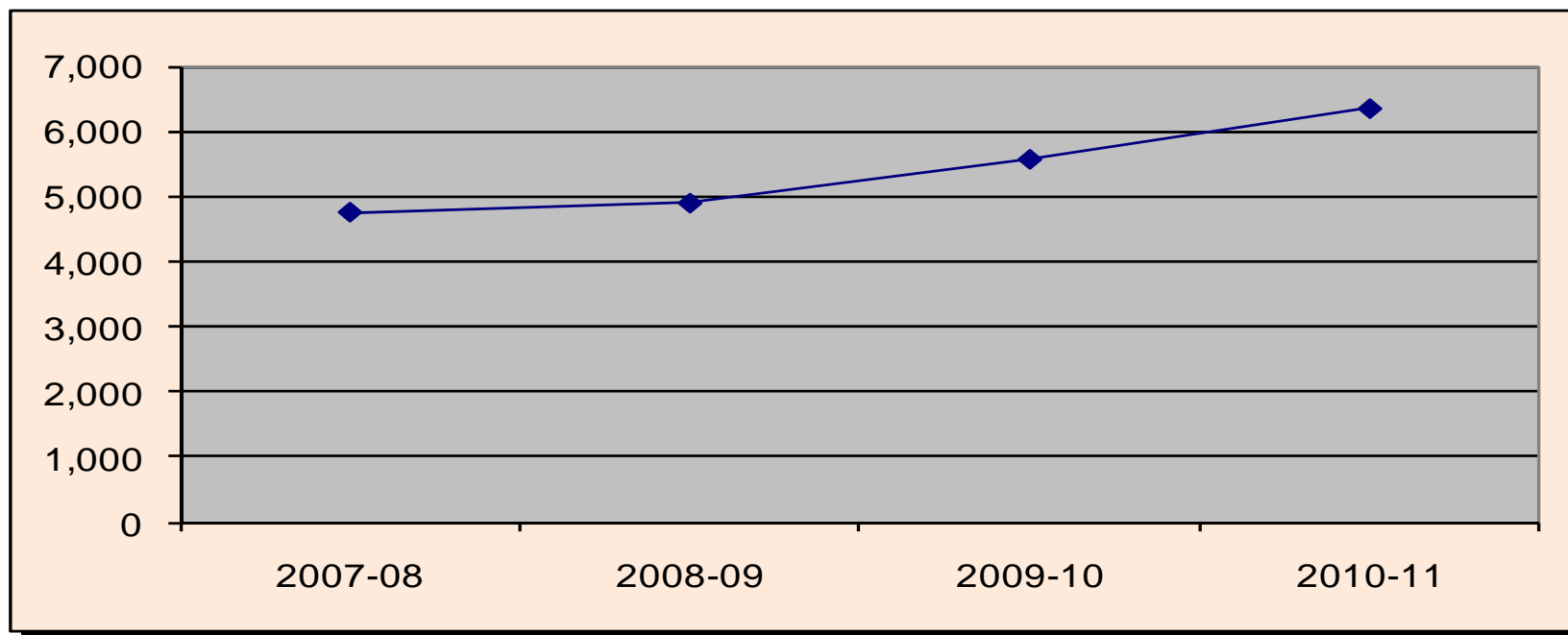
- ❖ “Need” is the difference between what college costs and what families must pay (federal calculation)
- ❖ Tuition will likely increase in 2010-11 and health insurance will be added to the cost of attendance
- ❖ More families are unemployed in 2009 than were in 2008 (eligibility is based on the prior tax year’s income), which means that more will need assistance

These factors will likely put even greater financial pressure on the University going forward . . .

- ❖ Economy, not expected to recover quickly
- ❖ Growth in applications for need-based aid are expected to continue at least at this year's level
- ❖ There will be no “carry forward” funds
- ❖ State likely to retain tuition revenues, eliminating “hold harmless” grants (\$3.3 million or more)
- ❖ State need-based aid will be further reduced (total elimination of EARN program, \$1.7 million)

Many more students received institutional grants this year, as Carolina tried to meet the full need of students with no less than 65% in grants and scholarships . . . and the numbers will likely grow . . .

Institutional Grants



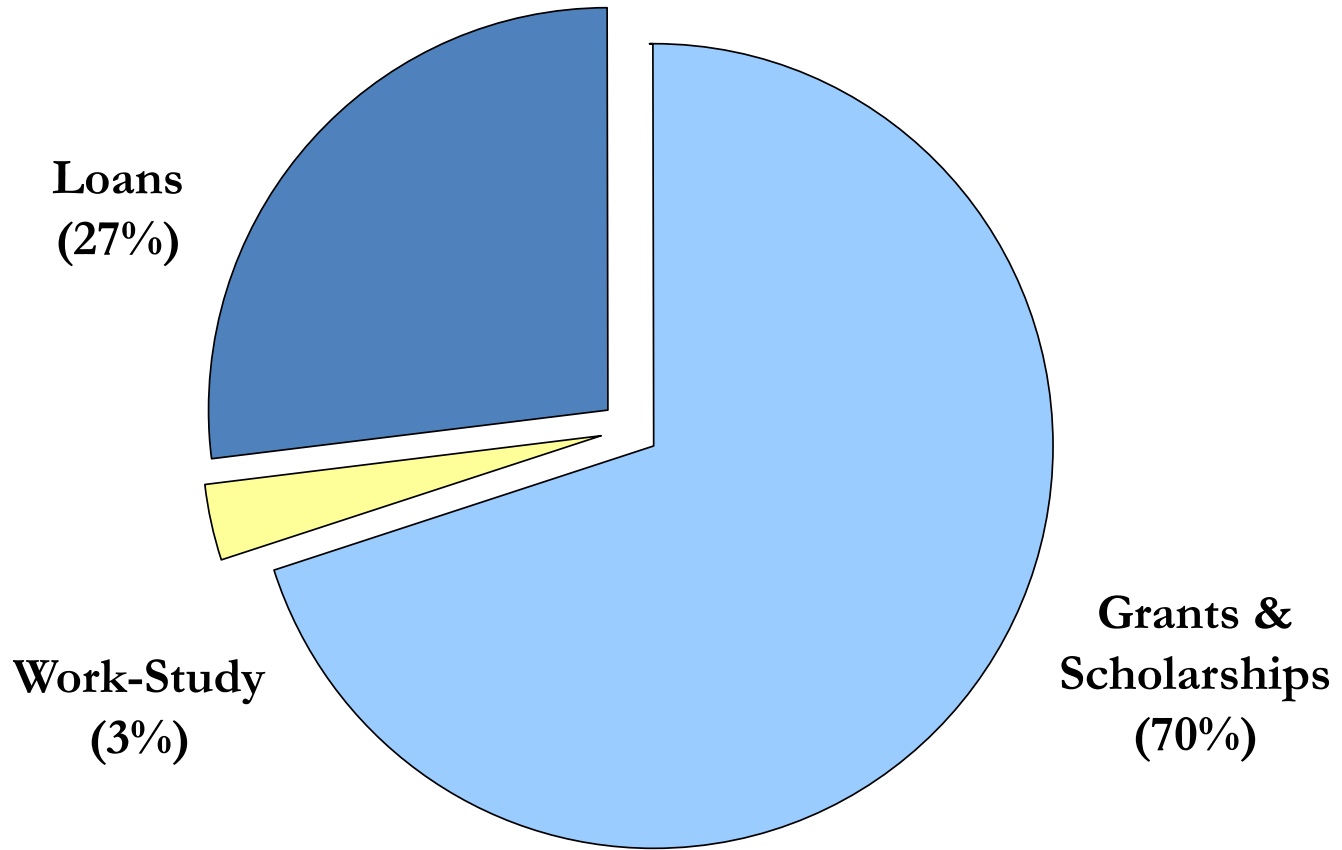
Academic Year	2007-08	2008-09	2009-10	2010-2011 Projected
Number of Students	4,762	4,901	5,577	6,358

The University has set a high standard in the past, by meeting full need of on-time applicants with generous grant and scholarship support . . .

Trends in Type of Aid Distributed to Undergraduate Students With Need

Year	Grants & Scholarships	Loans	Work-Study
1999-00	54%	45%	1%
2000-01	57%	42%	1%
2001-02	63%	34%	3%
2002-03	63%	35%	2%
2003-04	62%	35%	3%
2004-05	63%	35%	2%
2005-06	64%	34%	2%
2006-07	68%	30%	2%
2007-08	70%	27%	3%

Typical Financial Aid Package for Aid-Eligible Undergraduates Applying On-Time, 2007-2008



As a result, over time, fewer students have borrowed and have borrowed less (after adjusting for inflation), even with tuition increases. . .

Average Cumulative Loan Indebtedness For Graduating Seniors Who Borrowed

Academic Year	% Who Borrowed	Current Dollar Amount Borrowed	<i><u>What \$13,687 in 1999-2000 is worth this year</u></i>
1999-2000	24%	\$13,687	\$13,687
2000-2001	24%	\$11,156	\$14,076
2001-2002	23%	\$12,314	\$14,299
2002-2003	31%	\$13,291	\$14,625
2003-2004	34%	\$13,579	\$15,014
2004-2005	34%	\$13,801	\$15,523
2005-2006	32%	\$14,487	\$16,024
2006-2007	34%	\$14,912	\$16,480
2007-2008	31.5%	\$14,936	\$17,113

*Note: Debt includes only loans from Federal Title IV loan programs.

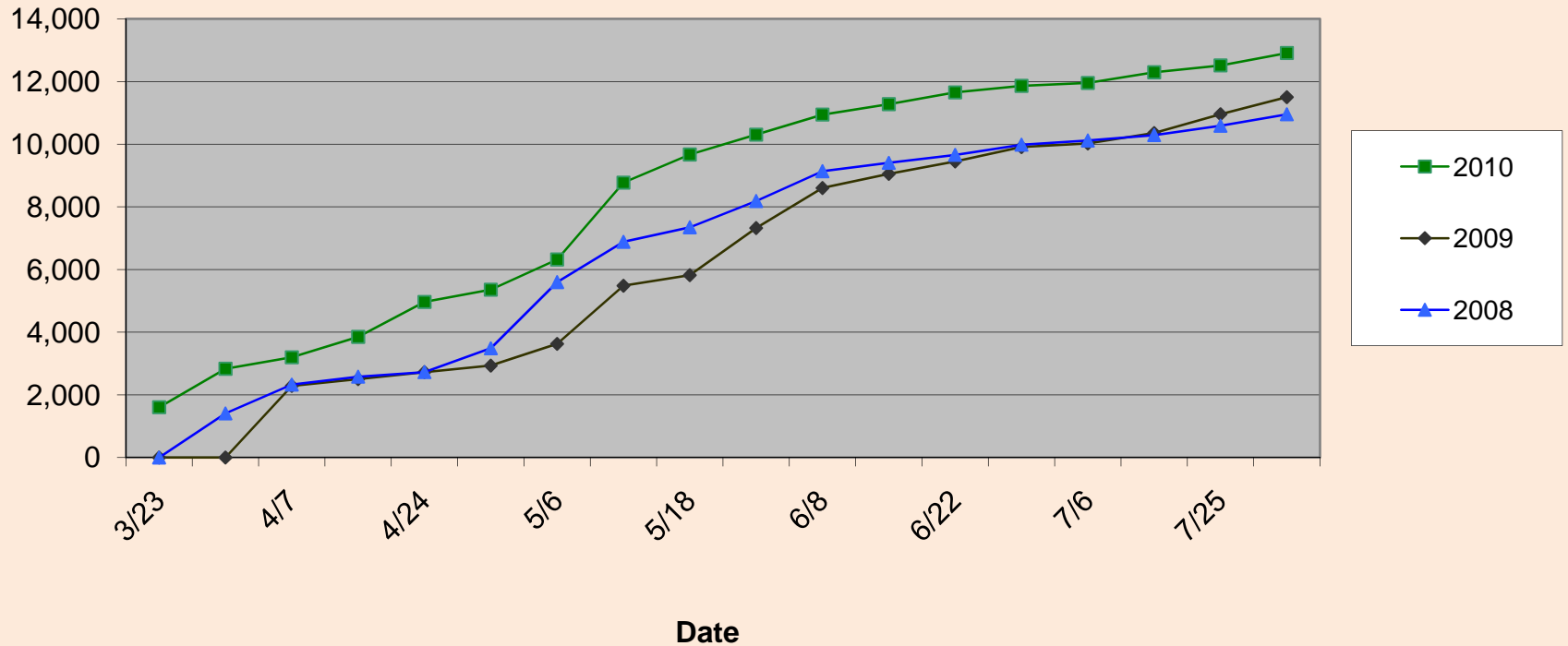
Looking ahead, the University must consider various policy options for awarding aid, with the goal of meeting full need while treating similarly-situated students similarly . . . Options include . . .

- ❖ Reducing the percentage of need met with grants and scholarships in an effort to serve more students (a “lever” in “packaging” aid)
- ❖ Asking students to borrow more
- ❖ Generating new revenues from institutional and private sources for grants and scholarships
- ❖ Trying to restore state grant funding for students

Conclusion and Discussion:

Maintaining Carolina's favorable need-based aid patterns of the past, within this period of economic downturn, will remain an enormous challenge.

Packaged



	3/23	4/24	5/29	6/29	7/25	8/11	EQY
2010	1,604	4,966	10,305	11,861	12,513	12,910	
2009	0	2,726	7,325	9,909	10,957	11,502	12,765
2008	0	2,726	8,186	9,983	10,590	10,954	12,004

How Financially Aided Families of Needy Undergraduates Pay for College at Carolina Summary, 2007-08

Shirley A. Ort, Associate Provost and
Director of Scholarships and Student Aid

Charges to Undergraduate Students 2007- 08

	<u>Tuition/Fees</u>	<u>Total Student Costs</u>
In-State	\$5,340	\$15, 796
Out-of State	\$20,988	\$32,004

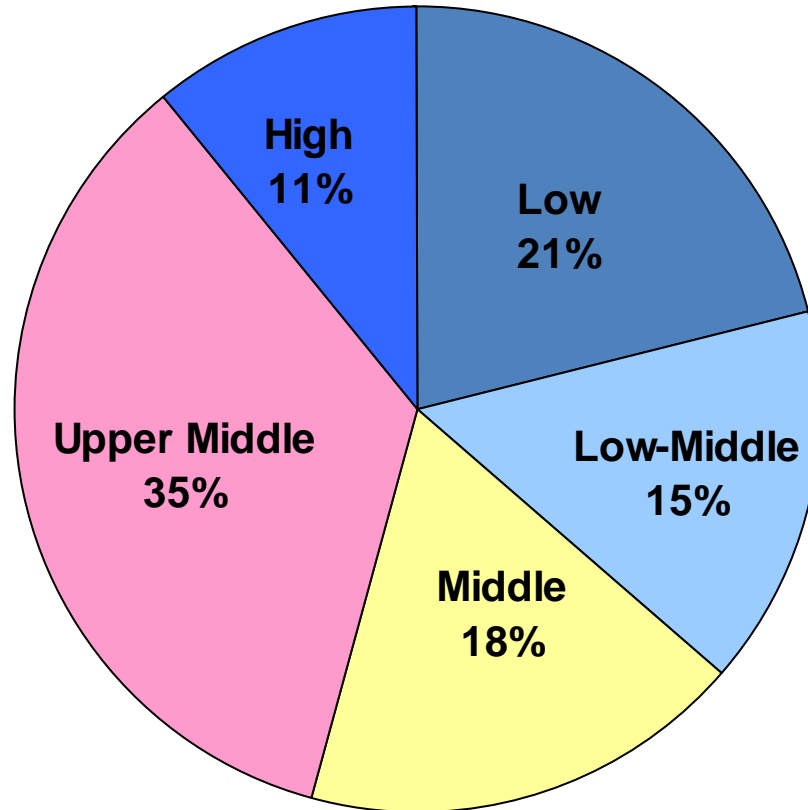
(Source: 2007-08 UNC Standard Student Budgets)

**Income Data for Parents of Enrolled Freshmen
University of North Carolina at Chapel Hill
2007- 08**

<u>Income Range</u>	<u>Percentage</u>
\$200,000+	17.4
\$150,000+	28.6
\$100,000+	53.9
\$75,000+	69.1
\$60,000+	78.3
\$50,000+	84.2
\$40,000+	89.0

Source: Chapel Hill, Office of Institutional Research and Assessment (CIRP Data)

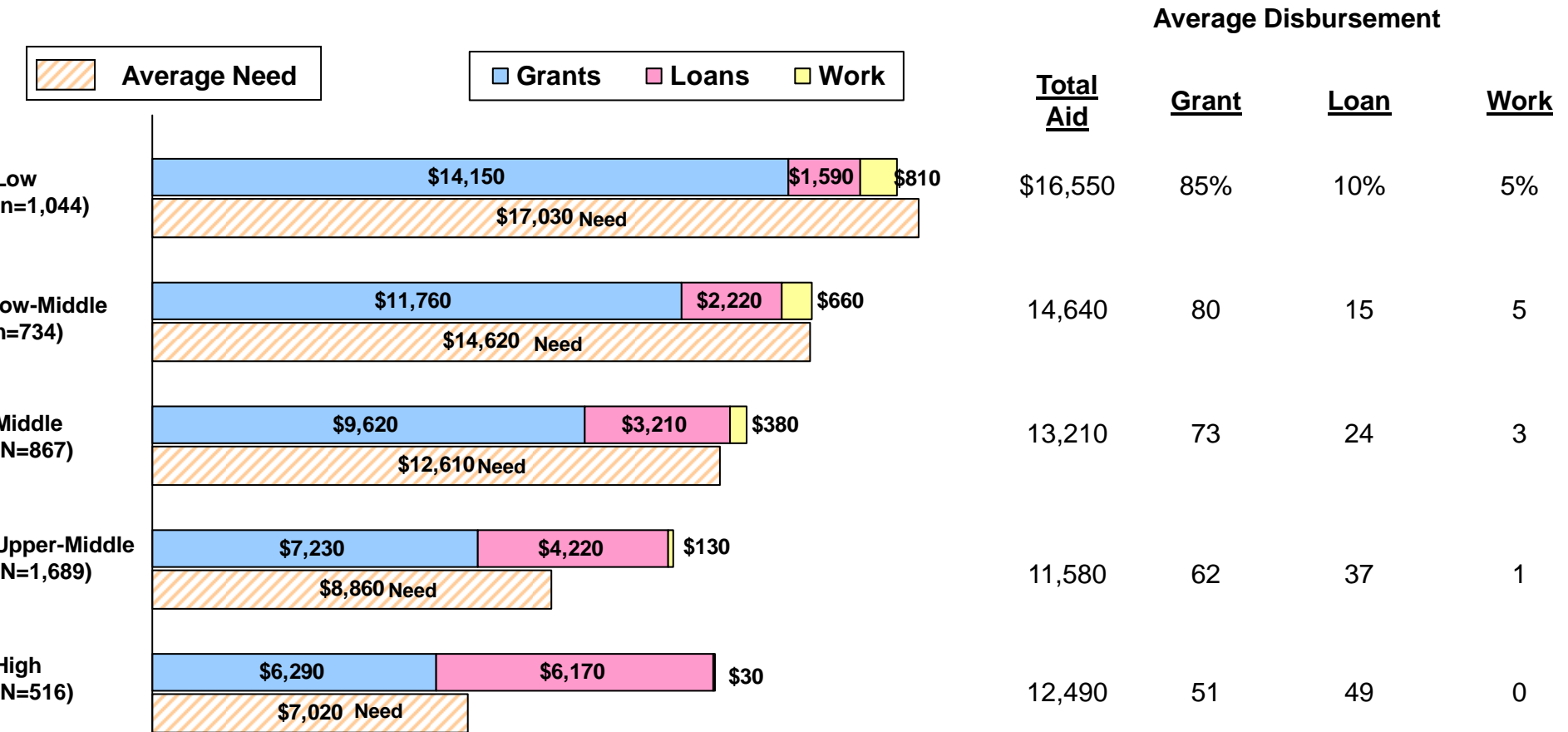
Family Income Among Aided Needy Dependent Undergraduates 2007- 08



	Number	Income Expressed as % of Federal Poverty Rate	Income Range for Family of Four
Low	1,044	Up to 150%	Less than \$30,000
Low-Middle	734	151-220%	\$ 30,001 to \$44,000
Middle	867	221-300%	\$ 44,001 to \$60,000
Upper-Middle	1,689	301-500%	\$ 60,001 to \$100,000
High	516	Greater than 500%	\$100,001 or more

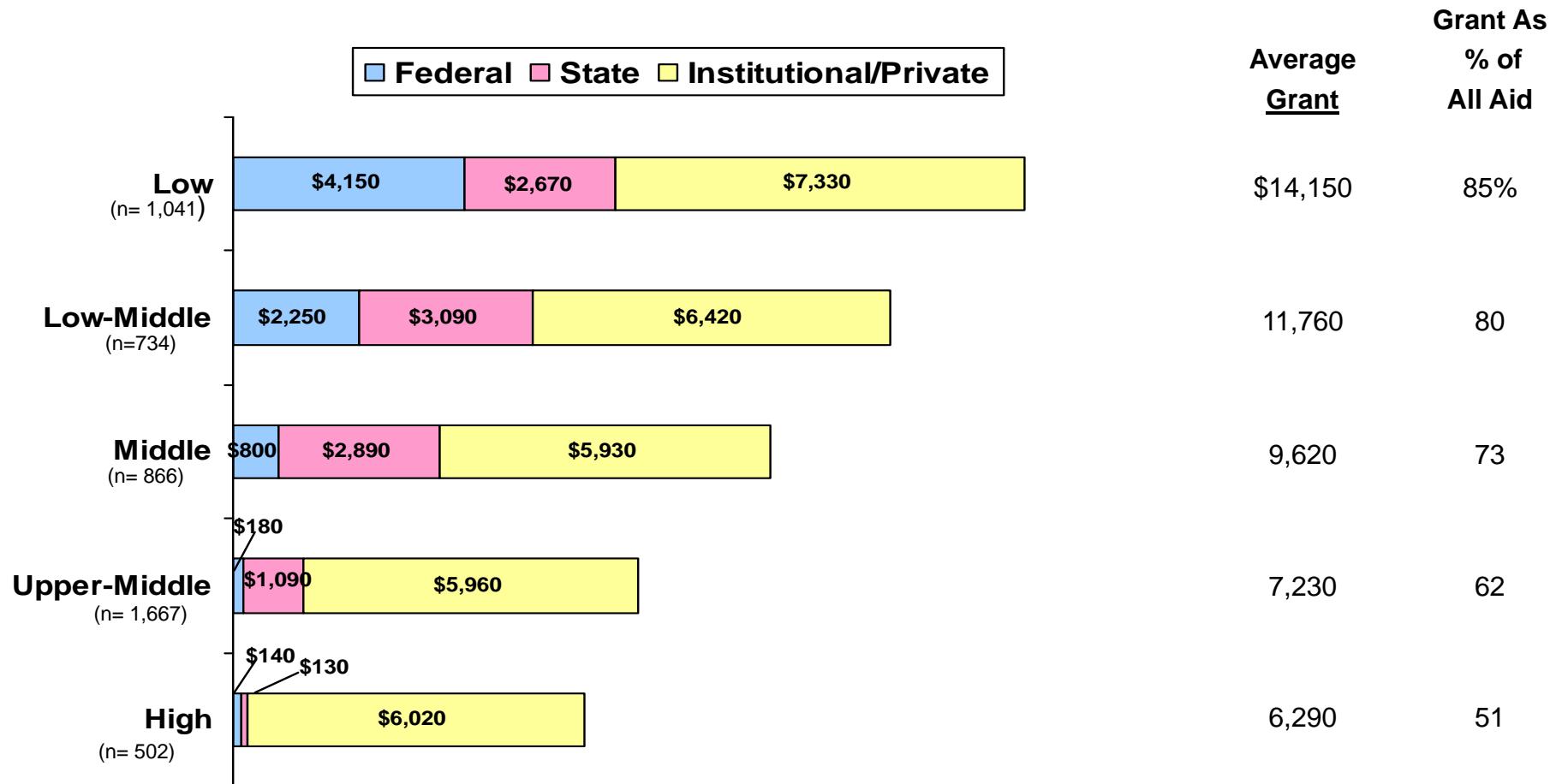
Note: Dependent Students are those who remain financially dependent on their parents. Family income is parental adjusted gross income.

Average Total Aid Among Aided Needy Dependent Undergraduates by Family Income Level 2007- 08

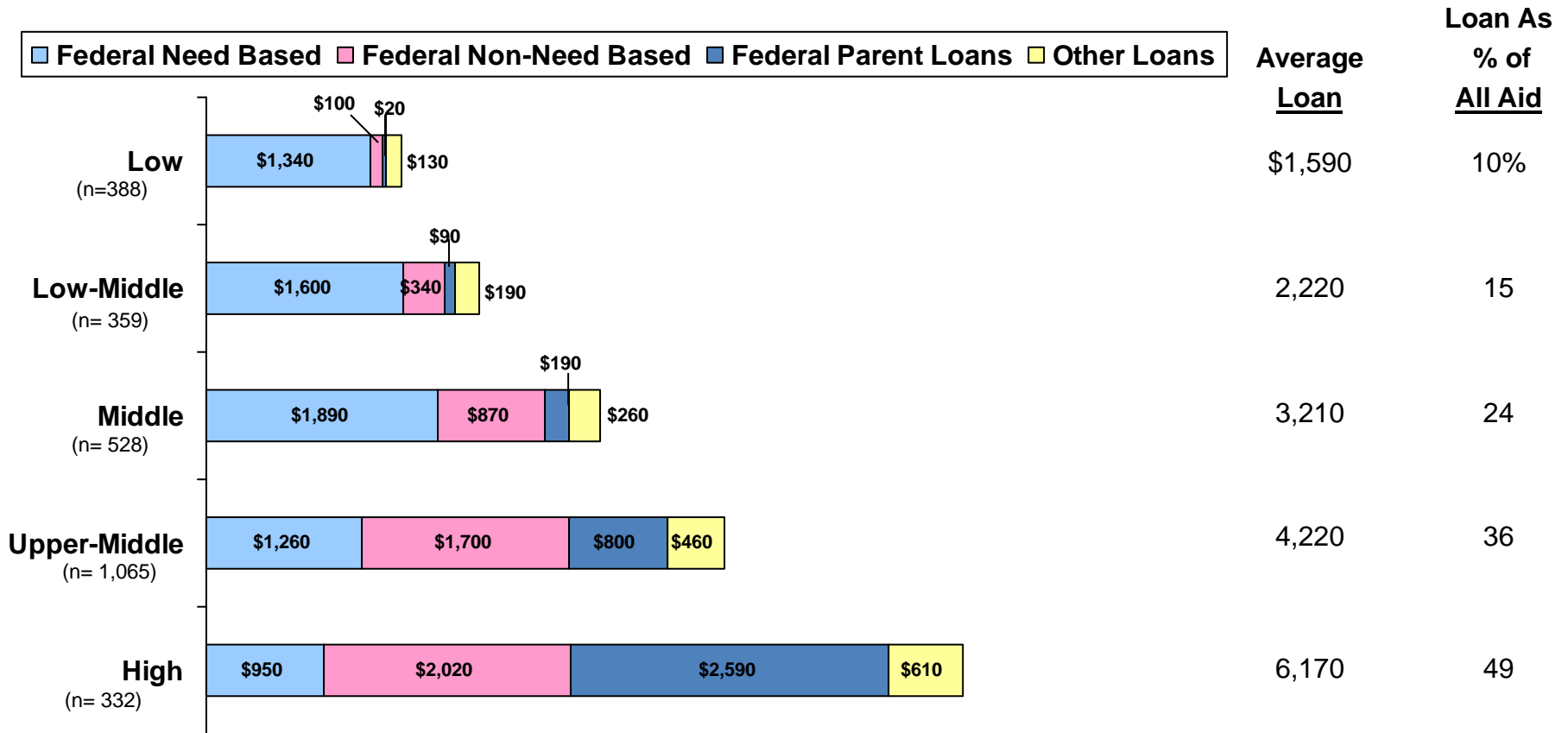


Carolina met or exceeded the documented need of all aided students within each income range, though sources and types of aid varied.

Average Grants and Scholarships to Aided Needy Dependent Undergraduates, by Family Income Level 2007- 08 UNC-Chapel Hill



Average Loans to Aided Needy Dependent Undergraduates, by Family Income Level 2007- 08 UNC-Chapel Hill



How Financially Aided Families of Non-Needy Undergraduates Pay for College at Carolina Summary, 2007- 08

Shirley A. Ort, Associate Provost and
Director of Scholarships and Student Aid

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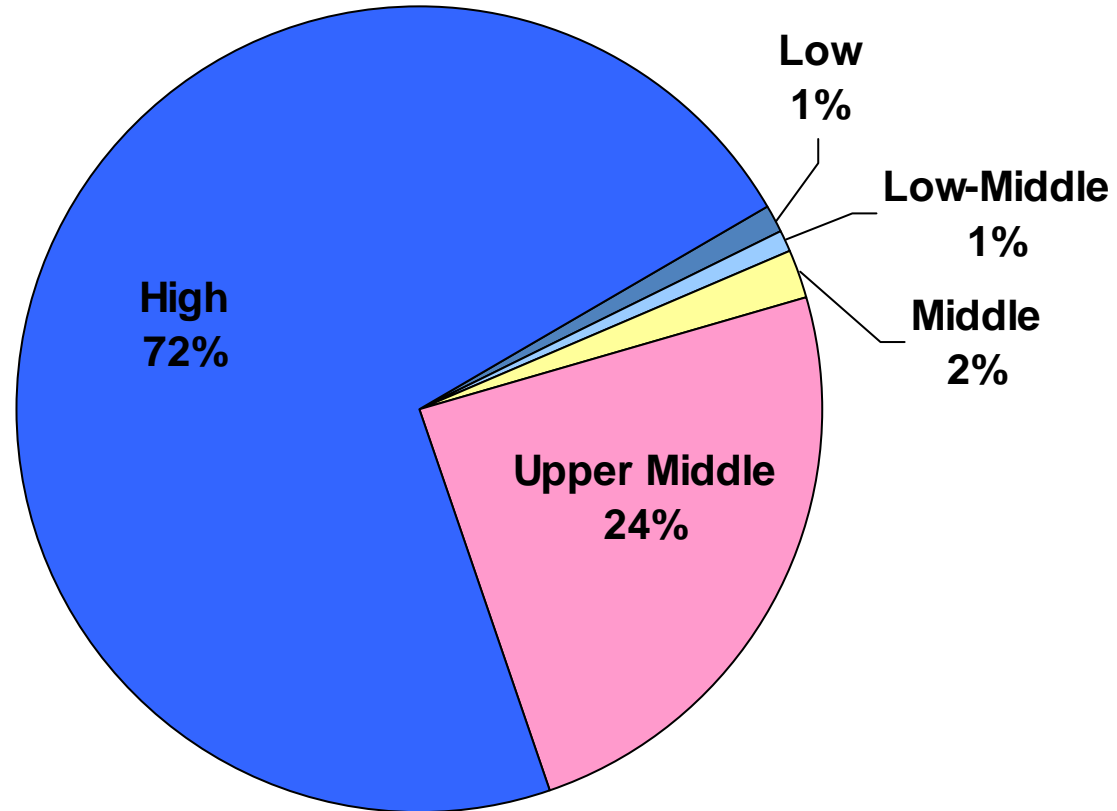
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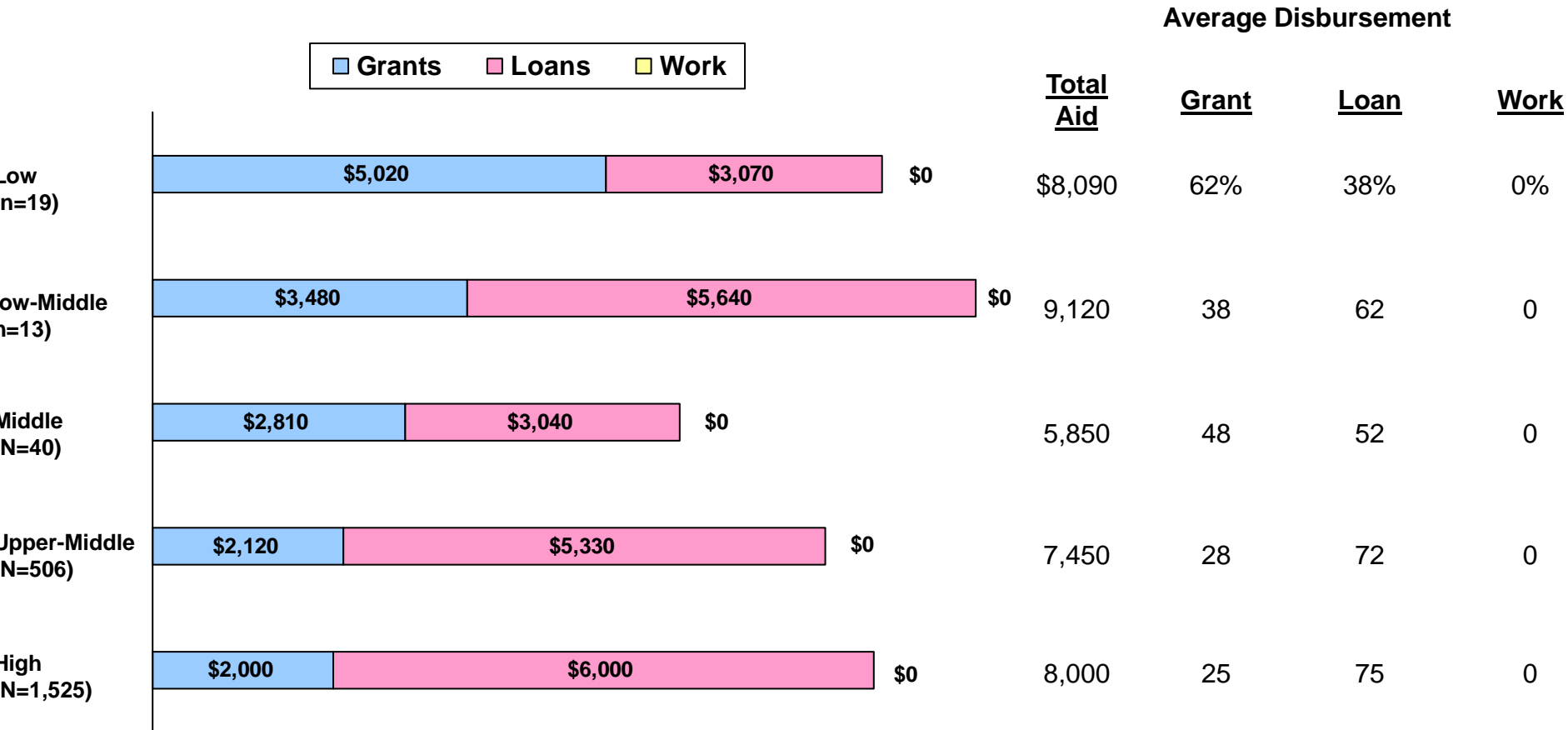
Family Income Among Aided Non-Needy Dependent Undergraduates 2007- 08



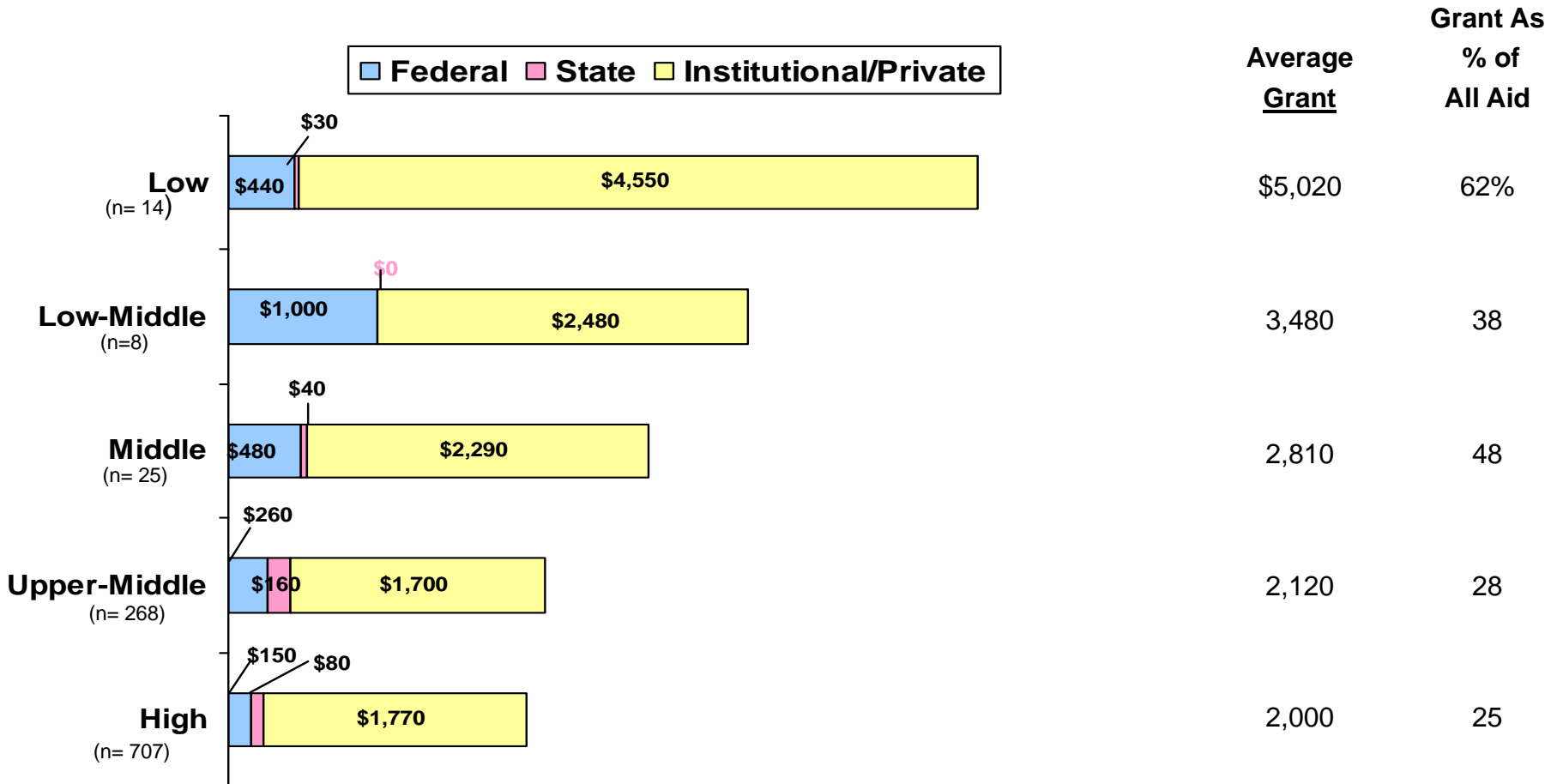
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Upper-Middle	506	301-500%	\$ 60,001 to \$100,000
High	1,525	Greater than 500%	\$100,001 or more

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Average Total Aid Among Aided Non-Needy Dependent Undergraduates by Family Income Level 2007- 08

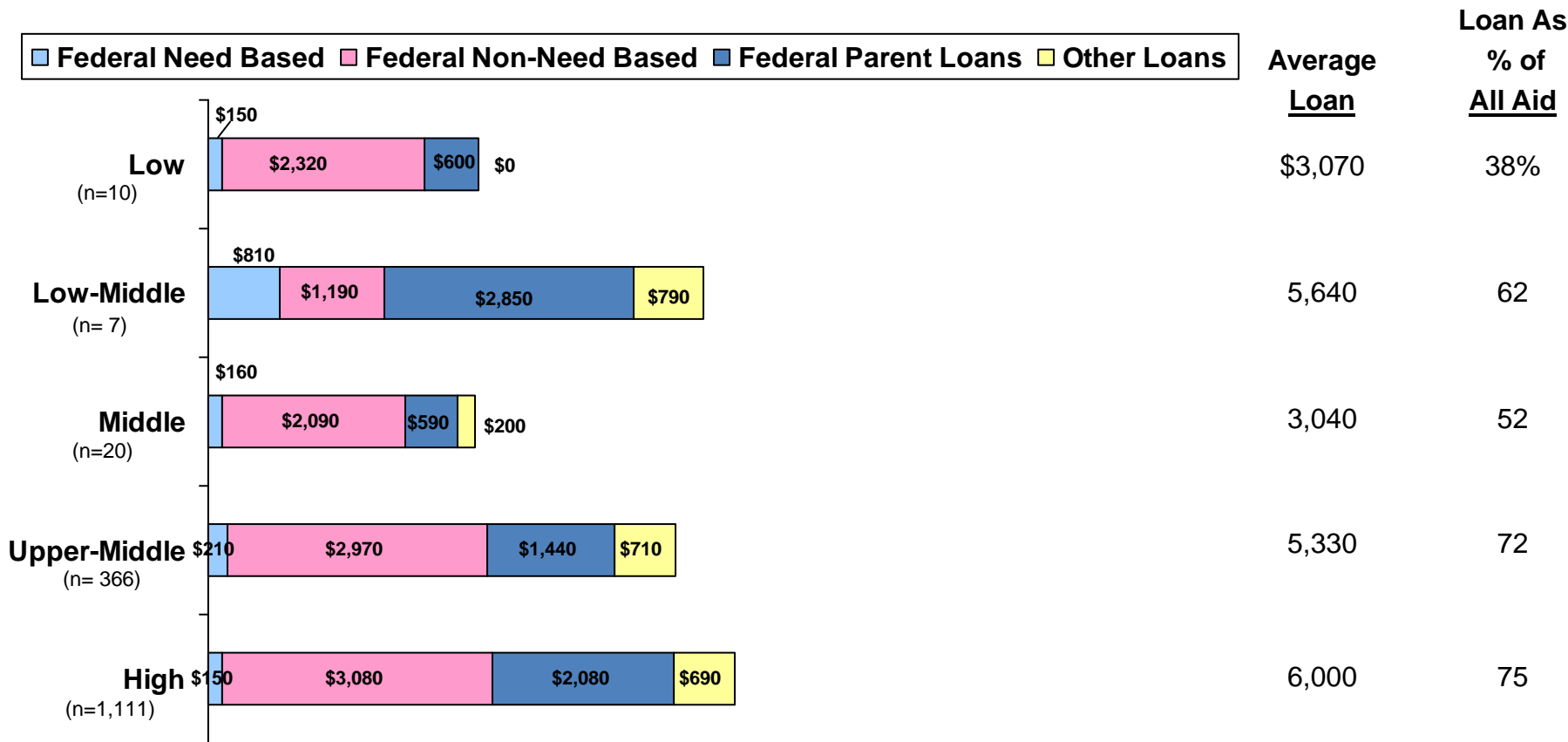


Average Grants and Scholarships to Aided Non-Needy Dependent Undergraduates, by Family Income Level 2007- 08 UNC-Chapel Hill

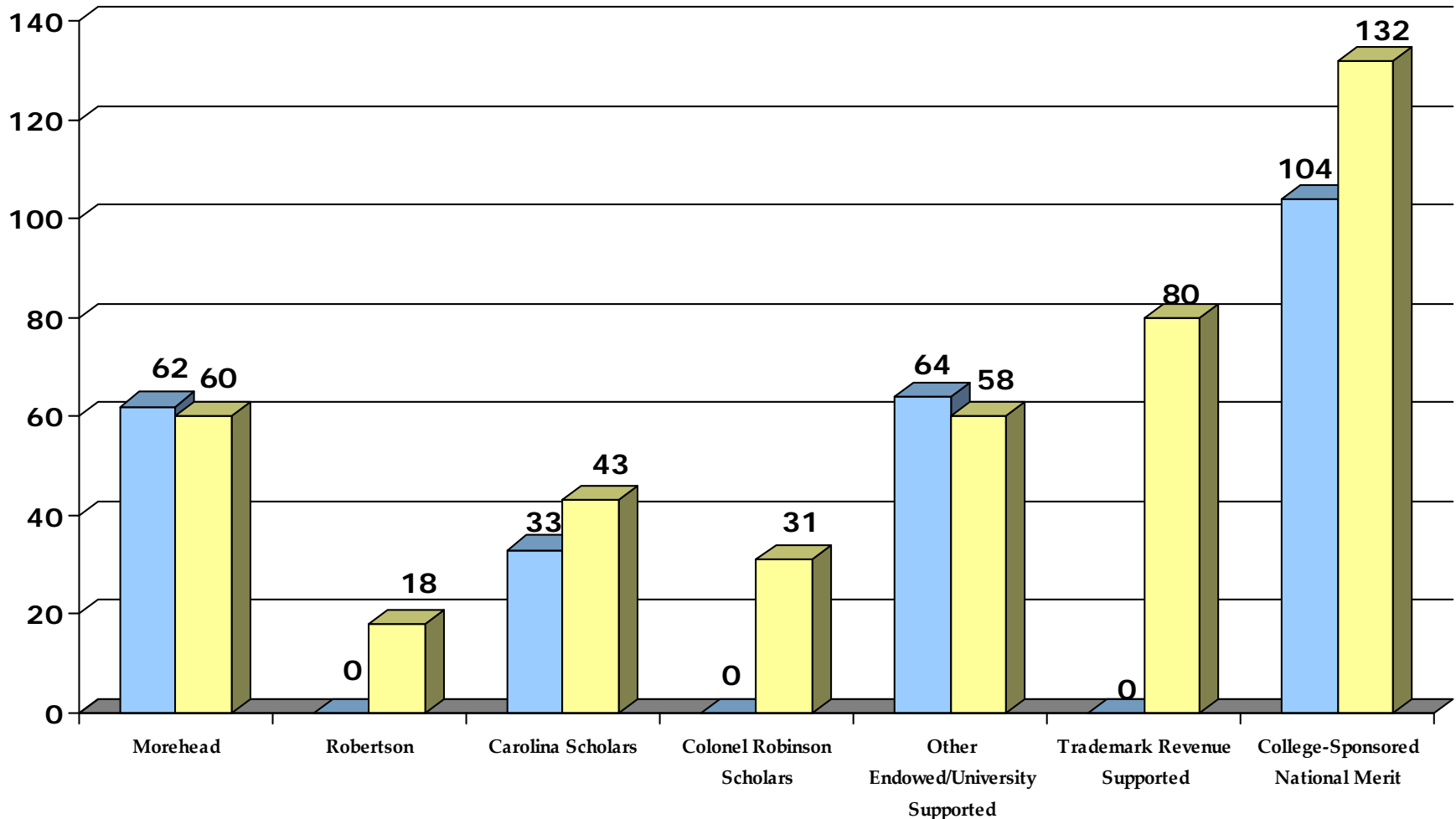


Average Loans to Aided Non-Needy Dependent Undergraduates, by Family Income Level 2007- 08 UNC-Chapel Hill

■ Federal Need Based
 ■ Federal Non-Need Based
 ■ Federal Parent Loans
 ■ Other Loans



Growth in Number of Recruitment/Merit Scholarships Awarded to Freshmen 2000-01 to 2009-10



■ 2000-2001 Total 263

■ 2009-2010 Total 424

Comparative Yield Rates: Merit Scholarship Offers (2008-09 to 2009-10)

