

MCAD Grants and Scholarships

MCAD OPPORTUNITY GRANT

This grant is awarded to full-time students based on a percentage of need and cumulative GPA or admission rank; the admissions office determines the admission rank for all entering students. Eligibility is determined by the cost of attendance less the Expected Family Contribution (EFC) (as calculated by the Federal Processor), times the percentage determined by the student's admission rank, less admissions merit scholarships and federal and state grants. The deadline for completing the Free Application for Federal Student Aid (FAFSA) is March 1 for new students. Late applicants may receive a reduction in their financial aid awards.

MCAD DISTANCE GRANT

This grant is awarded to students who are not Minnesota residents. Funds are limited and awarded to students with EFCs between \$0 and \$10,000, until all funds are spent. Grants are awarded based on full-time enrollment of at least 12 credits. Students must be taking at least 12 credits to retain this award.

MCAD NAMED SCHOLARSHIPS

MCAD has more than sixty-five named scholarships for new and returning students to help make their college goals a reality. The scholarship amounts and requirements differ significantly from one to another. All new undergraduate students who have completed the FAFSA by March 1 will automatically be reviewed for these scholarships.

OTHER SCHOLARSHIPS OFFERED BY MCAD

Scholarships offered to students through MCAD's new student merit competition are subject to the conditions of the scholarship program and are awarded according to the notification letter sent by the admissions office. Students must be taking at least 12 credits and maintain a cumulative grade point average of at least 2.0 to retain any scholarships offered by MCAD.

Federal and State Grants

FEDERAL PELL GRANT

This grant is awarded to students who have not earned a bachelor's or professional degree. Eligibility for this program is determined by the federal formula. Grant amounts are dependent upon annual appropriation levels established and approved by the U.S. Congress and the president. Students must complete the FAFSA each year and meet the eligibility criteria to be considered for these grants. All grants are awarded based on full-time enrollment of at least 12 credits. PLEASE NOTE: Federal Pell Grants will be prorated for students taking fewer than 12 credits. A notice of updated financial aid will be emailed to students showing any changes made to their award.

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG)

This grant is offered to high-need students who are enrolled in a degree-seeking program of at least 6 credits. Funds are very limited and awarded to students with EFCs below \$4,100, until all funds are spent.

MINNESOTA STATE GRANT

This grant is awarded to eligible Minnesota residents based on financial need. The amount of the grant is determined once the state budget is set in July; award amounts are estimated until this time. All grant awards are based on full-time enrollment of 15 credits per semester. For more information on eligibility, visit www.getreadyforcollege.org.

PLEASE NOTE: Minnesota State Grants will be prorated for students taking fewer than 15 credits. A notice of updated financial aid will be emailed to students showing any changes made to their award.

Federal Loans

The financial aid office automatically offers Federal Perkins Loans and Federal Direct Stafford Loans based on financial aid eligibility, which is determined by the FAFSA and academic year or program.

FEDERAL DIRECT STAFFORD LOAN

These loans allow eligible students to obtain long-term, fixed-interest-rate loans from the federal government. Students must be enrolled at least half-time (6 credits) to be eligible. This loan program will start repayment six months after a student withdraws, drops below half-time, or graduates from college. The amount awarded is based on a student’s grade level and can be awarded in two forms:

Subsidized—A need-based loan awarded based on the information supplied on the FAFSA. The federal government subsidizes (pays) the interest until the loan goes into repayment. The interest rate during repayment for loans borrowed during 2014/15 will be 4.66 percent.

Unsubsidized—A non-need-based loan awarded based on the information supplied on the FAFSA. Interest is not subsidized (paid) by the federal government. Students have the option to pay the interest while attending school or to have the interest accumulate and capitalized at repayment. The interest rate is 4.66 percent.

Independent undergraduate students, graduate students, and dependent students whose parents have been denied a Federal Direct Parent PLUS Loan may obtain additional loans through the Unsubsidized Federal Direct Stafford Loan program. Award amounts are based on the student’s academic year or program.

ANNUAL LOAN LIMITS: Dependent Undergraduate Students

<i>Academic Year</i>	<i>Subsidized</i>	<i>Unsubsidized</i>	<i>Total</i>
First	\$3,500	\$2,000	\$6,500
Second	\$4,500	\$2,000	\$6,500
Third	\$5,500	\$2,000	\$7,500
Fourth	\$5,500	\$2,000	\$7,500
Aggregate Limit:	\$23,000		\$31,000

ANNUAL LOAN LIMITS: Independent Undergraduate Students and Dependent Students Whose Parents Were Denied a PLUS Loan

<i>Academic Year</i>	<i>Subsidized</i>	<i>Unsubsidized</i>	<i>Total</i>
First	\$3,500	\$6,000	\$9,500
Second	\$4,500	\$6,000	\$10,500
Third	\$5,500	\$7,000	\$12,500
Fourth	\$5,500	\$7,000	\$12,500
Aggregate Limit:	\$23,000		\$57,000

FEDERAL PERKINS LOAN

This loan is made available through the federal government and administered and awarded by MCAD. Funds are very limited, and priority is given to students with a Federal Pell Grant who have completed the FAFSA by the March 1 priority deadline. A student must be enrolled at least halftime (6 credits) to be eligible. The Federal Perkins Loan is a need-based, subsidized loan (interest free while in school and during the nine-month grace period). The annual interest rate is fixed at 5 percent and is not charged until the loan enters repayment. There are no other fees associated with this loan. Students will need to complete an entrance counseling session and a Master Promissory Note (MPN) each year. The financial aid office will email instructions on how to accept and sign the loan on a secure online site. Funds will not be disbursed until all paperwork is complete and the add/drop period has ended.

FEDERAL DIRECT PARENT PLUS LOAN

This loan is available for parents to borrow on behalf of their dependent undergraduate student who is enrolled at least half-time (6 credits). Parents are allowed to borrow up to the cost of attendance less any other financial aid. Loan repayment will begin sixty days after the loan is fully disbursed. However, parents can request for the loan to begin repayment six months after their child graduates or ceases to be enrolled at least half-time.

This loan requires a credit analysis. If the is denied because of a parent's credit history, families have two options: parents may secure a creditworthy co-signer for the loan and reapply, or the student may borrow an additional Unsubsidized Federal Direct Stafford Loan. For information about the process of using a co-signer, parents should visit studentloans.gov. The financial aid office will increase the Unsubsidized Federal Direct Stafford Loan once the loan denial information is received, and the loan will be processed as if the student were an independent student. See above for information on Federal Direct Stafford Loans.

PLEASE NOTE: The Federal Direct Parent Loan is not available for parents of independent students. Dependent and independent status is determined by the FAFSA.

Additional Assistance

WORK-STUDY

This program is designed to allow students the opportunity to earn money to pay for college expenses at an on- or off campus job. The maximum earnings are outlined on the Financial Aid Award Letter. If students work approximately ten hours per week, they will earn the full allotment of the work-study awarded. Work-study earnings are subject to federal and state income taxes, but in most cases are not subject to FICA tax. Job openings are posted electronically beginning

the first week of each semester. Please Note: Work-study awards should not be included when calculating the balance due, as these funds must be earned and checks are made payable directly to the student based on hours worked.

ALTERNATIVE EDUCATION LOANS

Alternative education loans, also known as private education loans, help bridge the gap between the cost of attending MCAD and the amount of financial aid awarded. Alternative loans are offered by banks and lenders and are not part of the federal loan program. Interest rates are set by the lender and are usually variable for the life of the loan. These loans usually require a co-signer, and approval is based on the credit scores of the student and co-signer. The financial aid office has compiled a list of loan programs at mcad.edu/loans; the list has been created using loan programs that our students have borrowed from in the last three years.

PLEASE NOTE: The financial aid office makes no recommendations about which loan program or lender is best for the student. These options are presented to inform; it is up to the individual to research which option is best.

OUTSIDE SCHOLARSHIPS

Many organizations, businesses, clubs, and religious groups award scholarships annually to students from their communities. These scholarships are awarded for a variety of reasons. Students who receive funds from other sources before or after the initial financial aid award has been made must notify the financial aid office of these additional funds—the financial aid award may need to be adjusted to reflect the additional funds. If this happens, alternative education loans are reduced first.

Financial Aid Policies

FINANCIAL AID APPEALS

If there are special circumstances that affect a student's ability to pay for educational expenses, he or she may request a Professional Judgment Appeal Form by calling the financial aid office.

MCAD SATISFACTORY ACADEMIC PROGRESS POLICY

Please refer to the student handbook at intranet.mcad.edu/studentaffairs.

PROGRAMS COVERED

All federal, state, and institutional grant, loan, and workstudy programs are covered by this policy. Institutional scholarships are also covered by this policy and are subject to criteria defined for the specific scholarship.

PACE OF COMPLETION

Students must complete their degrees at a pace leading to completion:

Required Completion Rate—Each student is required to complete a minimum of 60 percent of the hours attempted each semester.

Required Grade Point Average—Each student must maintain a minimum grade point average of 2.0 each semester.

Required Maximum Time Frame (Max Hours/150 Percent Rule)—To remain eligible for financial aid, each student must complete his or her degree before reaching 150 percent of the number of credits needed to complete the degree program.

If you fail to meet one or more of the standards outlined above, you will be placed on warning and allowed to continue to receive financial aid for one semester. If after the warning semester you still have not met the requirements, you will be put on suspension, during which you will be ineligible for financial aid.

PLEASE NOTE: All periods of enrollment must be considered—even those for which the student did not receive financial aid, as well as hours transferred from another school. Attempted hours include all registered hours per semester, including grades D and F, incompletes, and withdrawals.

RIGHT TO APPEAL

Students who have had their financial aid suspended due to unsatisfactory academic progress *may* appeal to the financial aid office. The appeal must be in writing, must be submitted within thirty days of notification of unsatisfactory status, and must be accompanied by all relevant documentation. Students may appeal due to a special circumstance such as illness or injury of the student, death of a relative of the student, or other circumstances that result in undue hardship to the student as documented by a third-party professional, such as a healthcare provider, counselor, or lawyer.

WITHDRAWAL POLICY

If you withdraw from MCAD mid semester, a calculation of “earned” vs. “unearned” financial aid must be determined. This policy assumes you earn your aid based on how much time has elapsed in the semester. Your financial aid may be reduced as a result of your withdrawal. If you complete 60 percent of the term, you earn all federal financial aid for the term. For more information on steps for withdrawing, refer to the student handbook at intranet.mcad.edu/studentaffairs.

FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974 (FERPA)

FERPA protects the privacy of student records by requiring written consent before disclosing personally identifiable information to a third party. Records created and maintained by the financial aid office are considered to be education records and may not be disclosed without the student’s consent. MCAD students must give written consent by completing the Student Release of Information Form in order for any type of financial aid information to be discussed with persons other than the student via phone, email, U.S. mail, or in person. The release form may be accessed at mcad.edu/admitted. The authorization is in effect until revoked in writing by the student to the financial aid office.

Additional Policy & Consumer Information can be found at <https://mcad.edu/about-us/policies-consumer-information>