

MCAD Financial Aid Guide - Undergraduate Students

The Financial Aid Guide is a reference to help you through the process of assessing your aid offer and planning your finances for the coming year.

The resources available in this guide offer comprehensive information about financial aid requirements and programs. As a student, you are responsible for using these tools to understand all aspects of financing your education.

Financial Aid Resources

Merit-Based Financial Aid-Scholarships

These scholarships are awarded based on artistic and academic achievement. You do not need to complete the FAFSA (financial aid application) to receive these scholarships.

There are two ways to compete and earn merit scholarships - the Admissions Merit Award and the Annual Merit Scholarship Competition.

Admissions Merit Scholarships

These scholarships are offered to new Freshman and Transfer students through MCAD's new student merit competition. These scholarships are awarded based on the merit of your admissions application. The Admissions Office will inform you of the scholarship you are eligible to receive, along with the amount and duration of the scholarship.

To maintain your scholarship each year, you will need to be enrolled in at least 12 credits each semester and maintain a cumulative grade point average (GPA) of at least 2.0. The Financial Aid Office will automatically renew the scholarship each year if these requirements are met.

Admissions Merit Scholarships can include; the Friends of MCAD Scholarship, the MCAD Visual Scholarship, the MCAD Presidential Scholarship, or the MCAD Trustee Scholarship.

Annual Merit Scholarship Competition

This scholarship competition is designed for students who are enrolled full time in an MCAD degree-seeking program. Scholarship announcements are made in February and are posted at intranet.mcad.edu.

The competition for the scholarships are held during the Spring Semester. More information about each available scholarship opportunity can be found at <https://intranet.mcad.edu/resources/merit-scholarships-spring-semesters-only>

MCAD Laptop Scholarship

This is a one-time scholarship offered to first year undergraduate students who are admitted to MCAD by the [early action deadline](#). The scholarship is only available during the first semester of enrollment and is forfeited if you waive the computer purchase.

MCAD Legacy Scholarship

This scholarship is offered to students who have a parent or a grandparent graduate from MCAD. The scholarship is awarded each year for up to four years. Students who receive this scholarship must be enrolled as a full-time student (12 or more credits) and maintain satisfactory academic progress.

Need-Based Financial Aid

To be eligible for need-based financial aid you must complete the Free Application for Federal Financial Aid (FAFSA) each year. Need-based financial aid packages may include grants, need-based scholarships, loans, and/or part-time student employment.

MCAD's priority due date to complete the FAFSA is March 1st each year. The amount of need-based aid you are eligible to receive is determined by the financial information supplied on the FAFSA. Some aid is limited so we strongly encourage completing the FAFSA by March 1st.

Grants and Scholarships

Grants and scholarships are considered gift aid because you do not need to pay it back. It is aid that is applied to your tuition bill and reduces the amount you need to pay.

Federal Pell Grant

The federal government awards this grant to undergraduate students, working toward their first bachelor's degree. Eligibility and the amount of the grant is based on your financial need which is determined by income information supplied on the FAFSA. You may be offered a Federal Pell Grant each year, provided you complete the FAFSA each year and meet the eligibility requirements.

To receive the full amount available each semester you will need to be enrolled as a full time student taking at least 12 credits.

More information can be found by going to <https://studentaid.gov/understand-aid/types/grants/pell>

Federal Supplemental Educational Opportunity Grant (FSEOG)

This grant is offered to high-need students who qualify for the Federal Pell Grant. MCAD receives very limited funding each year for this grant so priority is given to full time students who complete the FAFSA before March 1st.

More information can be found by going to
<https://studentaid.gov/understand-aid/types/grants/fseog>

Minnesota State Grant

This grant is offered to eligible Minnesota residents based on financial need. The amount of the grant is determined once the state budget is set in July; offer amounts are estimated until this time. All grant offers are based on full-time enrollment of 15 credits per semester. For more information on eligibility, visit
<https://www.ohe.state.mn.us/mPg.cfm?pageID=138>.

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 offer.

MCAD Scholarships

MCAD Opportunity Scholarship

This scholarship is awarded to students who demonstrate need based on the results of the Free Application for Federal Student Aid (FAFSA). Students must complete the application by March 1st in order to qualify.

MCAD Distance Scholarship

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

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 1st will automatically be reviewed for these scholarships.

Federal Loans

The financial aid office automatically offers 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 offered is based on a student's grade level and can be awarded in two forms:

Subsidized—A need-based loan offered based on the information supplied on the FAFSA. The federal government subsidizes (pays) the interest until the loan goes into repayment. The interest rate for this academic year can be found here <https://studentaid.gov/understand-aid/types/loans/interest-rates>.

Unsubsidized—A non-need-based loan offered 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 can be found here <https://studentaid.gov/understand-aid/types/loans/interest-rates>.

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. Loan offer amounts are based on the student's academic year or program.

ANNUAL LOAN LIMITS: Dependent Undergraduate Students

Academic Year	Subsidized	Unsubsidized	Total
First	\$3,500	\$2,000	\$5,500
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 Are Denied a Parent PLUS Loan

Academic Year	Subsidized	Unsubsidized	Total
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 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 (COA) 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 loan is denied because of a parent's credit history, families have two options: parents may secure a creditworthy endorser for the loan and reapply, or the student may borrow an additional Unsubsidized Federal Direct Stafford Loan. For information about the process of using an endorser, parents should visit <https://studentaid.gov/appeal-credit/demo>. 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 Offer Letter. If students work approximately six/seven hours per week, they will earn the full allotment of the work-study offered. 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 on HandShake beginning the first week of each semester.

PLEASE NOTE: Work-study offers 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 offered. 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

<https://www.mcad.edu/admissions-aid/financial-aid/loans-and-financing>; 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 offer has been made must notify the financial aid office of these additional funds—the financial aid offer may need to be adjusted to reflect the additional funds. If this happens, alternative education loans, Federal Parent PLUS Loans, and Federal Unsubsidized Stafford Loans, are reduced first in that order.

Financial Aid Policies

ADMISSIONS UNDERGRADUATE MERIT SCHOLARSHIP POLICY

Students must be enrolled for 12 or more credits each semester to receive the Admissions Undergraduate Merit Scholarship in full. Students enrolled part-time at 6 or 9 credit hours may receive the Admissions Undergraduate Merit Scholarship on a prorated basis by submitting the Merit Scholarship Appeal Form. Students enrolled at 5 credits or less are not eligible for appeal.

- Students receiving an accommodation from the Learning Center are not required to submit an appeal.
- Students taking less than 12 credits in their final semester and who are graduating will receive a prorated scholarship and are not required to submit an appeal.

12-18 credits 100%
9 credits 75%
6 credits 50%

FINANCIAL AID APPEALS

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

MCAD SATISFACTORY ACADEMIC PROGRESS (SAP) POLICY

Please refer to the policy here <https://www.mcad.edu/policies/satisfactory-academic-progress>.

PROGRAMS COVERED

All federal, state, and institutional grant, loan, and work-study 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 their 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 SAP Probation and allowed to continue to receive financial aid for one semester. If after the probationary 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.

Graduation - MCAD is required to follow Federal Financial Aid Policy in that students can only receive aid towards graduation requirements. Credits taken over graduation requirements will not receive federal aid in their final semester.

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 withdrawal policy here <https://www.mcad.edu/policies/withdrawing>.

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 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 authorization is in effect until revoked in writing by the student to the financial aid office. For more information you can visit <https://intranet.mcad.edu/departments/records-office>.

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