

Federal Student Aid

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Newspaper, radio, and television reports of substantial cuts in Federal financial aid to college students have triggered a barrage of phone calls to the U.S. Department of Education in Washington, D.C.

Callers, both students and parents, are often confused by misleading or incomplete information. Many have expressed fear that the government has let them down; that college is no longer affordable.

It is true that student financial assistance programs have undergone considerable change in the past two years. There have been some reductions. Most of the changes, however, reflect an effort to return the aid programs to their original purpose, which was to help students cover the cost of a college education -- not to carry the whole burden. A successful return to original intent will help ensure the survival of these aid programs for future students.

Federal financial assistance is divided into three categories. "Grants" are awards of money that do not have to be paid back. "Loans" are borrowed money which a student must repay with interest. "Work-Study" provides the chance to work and earn money to off-set college costs while attending classes.

The Pell Grant Program is one of the best known of the Federal student aid

programs. Formally called the Basic Educational Opportunity Grant, Pell is often the first source of aid in a package which may be composed of other Federal and non-Federal sources. In the 1982-83 school year, 2.55 million students share \$2,279,040,000 in Pell Grants.

The U.S. Department of Education uses a standard formula to determine who qualifies for Pell Grants. Students should contact the college financial aid administrator to apply on the free "Application for Federal Student Aid." This is the form used for all Federal student aid programs. The Department guarantees that each participating school will receive the money it needs to pay Pell Grants to eligible students.

The Supplemental Educational Opportunity Grant provides another mechanism for making awards to students. SEOG is different from the Pell Grant in that it is managed by the financial aid administrator of each participating college. Each school receives a set amount of money from the Department and when the money is gone, there are no more SEOG funds for the year.

In 1982-83 the Department of Education will provide 440,000 students with \$278,400,000 in Supplemental Educational Opportunity Grants. Students will get up to \$2,000 a year under this program.

Grant programs are designed to help the most needy students get a college education. The Pell Grant, in

particular, is targeted to help those students who families earn less than \$12,000 per year. Grant aid is not meant to cover all college costs but is expected to be combined with a reasonable contribution from the student's family and individual self-help, generally in the form of loans, private scholarships, and work.

Another type of student financial assistance is the College Work-Study Program. Designed to provide on- or off-campus jobs for undergraduate and graduate students who need financial assistance, Work-Study is usually managed by the college financial aid administrator. Some 950,000 students will receive \$528 million under this program in 1982-83.

A great deal of publicity has been generated lately on Federal student loans, particularly the National Direct Student Loan Program. Although all colleges do not participate in the NDSL program, 3,340 of them do. This program makes available low interest (5 percent) loans that students must begin repaying six months after completing

school (either by graduating, leaving, or dropping below half-time status). Up to 10 years is allowed to repay the loan. Application is made to a school's financial aid administrator who manages the loan fund. The fund is a revolving account, designed to allow a school to continually make new loans as existing loans are repaid. About 800,000 students will receive NDSLs in 1982-83; 10,000 more than in 1981-82.

Recently, Secretary of Education T. H. Bell signed a regulation which provides incentives for an institution to reduce the default rate of its NDSL program fund. A college which has a default rate over 25 percent is asked to turn responsibility for collecting the debt over to the Federal government. If an institution is not prepared to do this, and the default rate remains 25 percent or more, the Federal government will cut off NDSL funding.

The Guaranteed Student Loan Program, much in the news lately, makes available low interest loans to students, with the Federal government paying the interest while a student is in school. These loans are made by a lender

(such as a bank, credit union, or savings and loan association) and insured by either the Federal government or a State Guarantee Agency. This, the largest student aid program, will make available over \$9.5 billion in loans during the 1982-83 school year.

Undergraduate students can borrow up to \$2,500 a year and graduate students can borrow up to \$5,000 under GSL. The total debt an undergraduate can carry is \$12,500. For graduate or professional study this figure is \$25,000. A student borrower whose family income is less than \$30,000 automatically qualifies for an interest-subsidized loan. Students whose family income exceeds \$30,000 may still be eligible for GSL interest benefits if the college's financial aid administrator determines that the student has demonstrated financial need.

A new program started in 1981, called the Auxiliary Loan (or PLUS) Program, allows parents, independent students, and graduate students to borrow up to \$3,000 a year. There is no income cut

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New Board Members Appointed

North Carolina Wesleyan College's Board of Trustees recently appointed seven new members to the board.

Appointed were Gene L. Lewis and Ben Mayo Boddie of Rocky Mount, the Rev. James B. Parvin and Thomas F. Taft of Greenville, C. M. Edwards of Roanoke Rapids, the Rev. Kermit L. Braswell of Elizabeth City, and Charles H. Young of Raleigh.

The names of the new Board members will be submitted to the Board of Higher Education and Ministry of the North Carolina Annual Conference of The United Methodist Church and nominated for election by the Conference in June.

The seven bring the Board of trustees to its full capacity of 32 members. Each trustee is elected to serve terms of eight years.

President of Lewis Advertising, Inc. in Rocky Mount, Gene L. Lewis is a native of Richmond, Va. and has lived in Nash County for 17 years.

He received his B.S. degree at Virginia Polytechnic Institute and is a retired U.S. Army Captain.

Lewis is a member of the American association of Advertising Agencies and served as director of Jobs for Progress, Inc.

He is past-president of both the Rocky Mount-Nash County Unit of the American Cancer Society and Rocky Mount Area Chamber of Commerce.

A member of the Church of the Good Shepherd, Lewis and his wife Nancy have two children.

Ben Mayo Boddie, a native of Rocky Mount, is president and chairman of the board of Boddie-Noell Enterprises which owns and operates 170 franchise Hardee's Restaurants in North Carolina, South Carolina, Virginia, West Virginia and Kentucky.

He also raises tobacco, beef cattle and chickens.

Boddie attended the University of North Carolina at Chapel Hill.

He is chairman of the board of Zip Marts, Inc. and serves as director of the United Federal Savings and Loan Association, the First Union National Bank, the Rocky Mount Area Chamber of Commerce and the Virginia Restaurant Association.

He is also a deacon at the First Presbyterian Church. Boddie enjoys sailing, snow skiing, hunting and fishing. He and his wife Jean have three children and two grandchildren.

The Rev. James B. Parvin, a native of Washington, N.C., is district superintendent of the Greenville District of the North Carolina Conference of The United Methodist Church.

he received his B.A. degree from Atlantic Christian College in Wilson and his masters of divinity degree from Duke Divinity School in Durham.

Parvin serves as a Cabinet Representative to the Board of Missions, Board of Stewardship and the Equitable Salary Commission. He is also a trustee of the Methodist Retirement Homes, Inc.

Pavin enjoys farming, boating and hunting. He had his wife Velma have three children.

Thomas F. Taft, a Pitt County native, is a prominent Greenville attorney.

He received his B.A. degree from Duke University, his law degree from the University of North Carolina at Chapel Hill, and attended the Hague Academy of International Law in the Netherlands, the City College of London and the University of Mexico.

Taft is chairman of the N.C. Ports Authority Board of Directors and a member of the N.C. Academy of Trial Lawyers, American Bar Association, Pitt County Bar Association and the Pitt-Greenville Chamber of Commerce.

He and his wife Kathy have two children.

C. M. Edwards of Roanoke Rapids is president

of Becker Farms, Inc., a real estate brokerage firm.

He received his degree in business administration from Duke University.

Edwards is a member of the Roanoke Rapids Industrial Development Commission and the Duke University Athletic Association Scholarship Committee.

He serves as director of both the Salem National Corporation in Greensboro and Invened Associates in New York City.

Additionally, Edwards is chairman of the board of directors of the Citizens Savings and Loan Association.

He is a member of the First United Methodist Church and has four children.

The Rev. Kermit L. Braswell is district superintendent of the Elizabeth City District of the North Carolina Conference of The United Methodist Church.

The Roanoke Rapids native received his B.A. degree from the University of North Carolina at Chapel Hill and his masters of divinity degree from Duke Divinity School.

Ordained in 1961, he was received into the N.C. Conference in 1964. Previous pastorates include the Westover United Methodist Church in Raleigh and the Queen Street Methodist Church in Kinston.

Braswell is a trustee of the Methodist Home for Children and a Cabinet Representative on the Board of Pensions, Insurance Committee and Moving Expense Committee.

He was also a delegate to the 1980 Southeastern Jurisdictional Conference.

Braswell and his wife Alice Gray have one daughter.

Charles S. Young, a Wake County native, is a prominent Raleigh attorney.

He received his B.A. and law degrees at Duke University.

A member of the Edenton Street United Methodist Church, Young and his wife Martha have three children.

Letter To College

Pres. Protempore of SGA
Senate

Students of Wesleyan College

It is with some regret and personal need that I, Carl W. Meinhardt, do hereby resign my position of Vice-President of the SGA effective October 21, 1982.

After three months of serving the student body to the best of my ability, I have found that there is very little the SGA can do except plan parties, donkey basketball games, and other traditional functions such as Homecoming. Even these functions are not left totally up to the SGA and their respective commissions to plan and organize. It is my opinion that there is utterly too much intervention from our Director of Student Activities-SGA advisor. He has taken it upon himself to become involved in things that should be left up to the Social

Commission of the SGA, (i.e. the band for Homecoming was chosen by the advisor and not by the students on the Social Commission). This is not the only time the SGA advisor has stepped out of bounds and on a few toes.

I feel it is time for students and senate members to wake up and realize who is really running (or attempting to run) their student government! In conclusion, I would like to wish you, the students, some much needed success in dealing with the little monster you have helped to nourish by not standing up for your right to make your own decisions. I would also like to apologize to the students of Wesleyan College for not being able to stop the growth of the monster by myself.

Sincerely,
Carl W. Meinhardt
Vice-President of SGA

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