FINANCIAL AID 101

The NCAA Division II Legislation Committee is undergoing a comprehensive review of the financial aid legislation. It is anticipated that the Division II membership will vote on proposals at the 2017 NCAA Convention. This document is intended to provide you with a primer on financial aid legislation to help in your conversations with key constituents at your institution and/or conference.

Key Terms

1. Full grant-in-aid = cost of tuition + required fees + required books + room + board.
   - Each institution sets its own full grant-in-aid amount. For state institutions, the calculation is likely different for in-state and out-of-state students.

2. Cost of attendance = what it really costs to attend the institution. The federal government requires each institution to calculate this number.
   - Includes the full grant-in-aid amount elements + supplies + transportation + any other related expenses.

3. Counter = student-athlete who is receiving financial aid based on his or her athletics ability.

4. Equivalency = calculation that reflects the amount of financial aid received by a student-athlete.

5. Period of the award = length of time the award will be provided.
   - Starts on the first day of classes or first day of practice, whichever is earlier.

How many athletics scholarships can my institution give to student-athletes?

1. Each sport has its own equivalency limit. For instance, football is limited to 36.0 and women's soccer is limited to 9.9.

2. Division II believes in the partial scholarship model, so most coaches spread the equivalency limit around to many student-athletes instead of offering full scholarships.
**How are equivalencies calculated?**

1. Equivalencies only calculated for a student-athlete who is receiving athletics aid.
2. A student-athlete who is not receiving athletics aid would be a 0.0. A student-athlete receiving a full athletics scholarship would be a 1.0.
3. All institutional financial aid received by a student-athlete, minus exempted aid, is totaled.
4. Amount of aid received / full grant-in-aid amount = student-athlete’s equivalency.
5. The total of all student-athletes' equivalencies on the team cannot exceed the maximum team limit.

**What are some examples of exempted aid?**

1. Academic awards;
2. Legitimate loans (e.g., Perk Plus, Stafford);
3. Tuition waivers awarded without regard to athletics ability;
4. Employee-dependent tuition benefits; and
5. Government grants (e.g., Pell Grant).

**What are the conditions of awarding athletics aid?**

1. Athletics aid cannot be provided for more than one academic year, but it is permissible to provide athletics aid on a term-by-term basis.
2. Student-athlete must be enrolled full time in order to receive athletics aid.
   - Exception: student-athlete enrolled in final semester/quarter.
3. Not permissible to provide retroactive aid.
How can my coach change my athletics aid?

1. Increases:
   a. For any reason prior to the period of the award.
   b. For any nonathletics reason once the period of the award begins.

2. Reductions/Cancellations:
   a. Permissible to reduce or cancel during the period of the award if student-athlete:
      (1) Renders himself or herself ineligible for competition;
      (2) Fraudulently misrepresents information;
      (3) Engages in serious misconduct; or
      (4) Voluntarily withdraws from the team.
   b. Not permissible to reduce or cancel during the period of the award based on:
      (1) Student-athlete's athletics ability;
      (2) An injury or illness; or
      (3) Any other athletics reason.

3. Institutions are required to notify all student-athletes who received athletics aid in writing by July 1 whether their athletics aid has been renewed or not renewed for the next academic year.

4. Student-athlete must be provided the opportunity to appeal any reduction or cancellation of athletics aid.