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Debt-free education

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For Renatta Craven, there was never any doubt she would succeed in college. Getting there, however, was another matter. Her mother died of leukemia when Craven, a Raleigh 18-year-old, was just 2. Her father left the family. She was raised by her grandparents, and for the past 10 years by her grandmother alone.

Ida Craven, now 73, quit her job at Rose's department store after her husband died. Somehow, she and Renatta scraped by on Social Security. There seemed only one plausible way for Ida Craven to pay for her granddaughter's college education -- borrow against her tidy brick home.

They found a much better deal. With a merit scholarship and grants through UNC-Chapel Hill's new financial aid program, Renatta Craven will attend the school for four years, absolutely free.

She is part of UNC-CH's first class of Carolina Covenant students, whose debt-free college education will be made possible through a combination of federal and state grants, scholarships, work-study funds and money from the campus. About 250 UNC-CH freshmen coming to campus this weekend will receive help through the Carolina Covenant.

It's more than anyone could ask for, Renatta Craven said of her financial aid package.

"It made me feel that they really wanted to help people who might not have had every opportunity in the world but took what they were given and did the best they could with it," said Craven, who was a cheerleader, student government leader and the third-ranked senior at Athens Drive High School.

"That's the only way that class in this country can be overcome," she added.

UNC-CH made history last year when it became the first public university to guarantee grants -- not loans -- to its lowest income students. Princeton University started the trend three years ago. Now, Harvard, the University of Virginia, the University of Maryland and the University of Nebraska have similar programs.

The Carolina Covenant is available to students, in-state and out-of-state, whose family incomes are at or below 150 percent of the federal poverty level. Under current guidelines, a family of four with an income of \$27,600 or less would qualify, as would a single parent who has one child and makes \$18,180 or less.

The university will spend about \$1.4 million a year on the program when it is fully implemented. It won't drain money from merit scholarships or other forms of financial aid.

As part of the agreement, many Carolina Covenant students will work 10 to 12 hours a week in federal work-study jobs. Those who have other sources of funding from scholarships might not be required to take jobs.

Work is already a way of life for most Carolina Covenant students. Erin Callender of Cary worked six days a week in the summer, as a lifeguard at a pool and a hostess at a steakhouse. In Chapel Hill, she hopes to tutor elementary students.

"If I didn't work somewhere, I wouldn't know what to do with myself," she said. "It makes me feel like I am earning my education because I'm working to pay for part of it."

Callender's first choice for college was New York University, where the annual cost would have been \$40,000. "I was prepared to have loans until I was, like, 90 years old," she said.

But in the end, there was no way to justify picking NYU when UNC-CH was handing her a free ticket.

Taylor Fisher of Hendersonville briefly considered Wake Forest University, but he figured he might accrue a debt of \$100,000 by graduation. Instead, he'll attend UNC-CH courtesy of the Covenant program and several local scholarships.

Fisher's father runs a small construction business and his mother works part time at an area company. In high school, he worked at a golf course 20 hours a week during the school year and 40 hours during summers.

He calls the Carolina Covenant a blessing and a comfort. "It's a weight lifted off my shoulders," he said. "I can concentrate on my schoolwork. I'm confident I'll be able to make better grades and become more successful because of it."

The initiative also might help change the economic diversity of what has been an increasingly elite public university. The number of admitted low-income students increased this year.

Although it's difficult to determine why that happened, it's likely a combination of the state's economic downturn, job losses and more students seeking out UNC-CH's new financial aid resources, said Shirley Ort, director of scholarships and student aid. As a child who loved to play the board game "Operation," Renatta Craven had always dreamed of being a doctor. But the prospect of debt from eight years of education seemed too daunting. She had convinced herself it would be better to pursue nursing because it would be cheaper.

Now, who knows? Medical school might be possible. Covenant "changed my future, to tell you the truth," she said.

It changed her grandmother's future, too. Ida Craven will be able to keep her one real asset -- her home -- free and clear.

"I tell you, that took a load off of my mind. It really did," she said, sitting in her living room lined with pictures of Renatta cheerleading and posing in a red prom gown. "Just like everyone, I was thinking how would we do this if she didn't get scholarships?"

Renatta Craven credits her "Ma-Ma" for raising her with so much love, she never felt poor. She also believes growing up in modest circumstances gave her the gift of motivation.

"That was the fire," she said. "I knew I didn't want to have a mediocre life. I wanted to achieve in my life."

CAROLINA COVENANT

- UNC-Chapel Hill covers the full cost of four years of education for eligible students beginning with freshmen this fall.
- The program is available to in-state and out-of-state students who are at or below 150 percent of the federal poverty level. Under the current level, a family of four with an annual income of \$27,600 or less would qualify.
- Low-income students must agree to work 10 to 12 hours a week unless they have resources to supplant the job requirement.
- A combination of UNC-CH funds, federal and state grants, federal work-study and scholarships pay for the program.
- Each Carolina Covenant student will be evaluated annually for continuing eligibility.

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