



September 4 2019

State Scholarship Redesign

Utah is experiencing a variety of dramatic changes including population growth, demographic shifts, and a growing need to increase degree attainment of first generation, low-income, and adult students in order to meet Utah's workforce needs. In July, the Utah System of Higher Education Board of Regents formed a State Scholarship Program Task Force to determine how state scholarships could best support state priorities.

The task force has adopted an issue brief outlining recommended changes to three of the state's largest scholarship programs: The New Century Scholarship, the Regents' Scholarship, and the Utah Access Promise Scholarship.

The Task Force is proposing that the Board work with the state legislature to:

- Eliminate the New Century Scholarship and transfer its funding to the Utah Access Promise program.
- Split funding between the Regents' and Utah Access Promise Scholarships.
- Simplify the Regents' Scholarship to a merit award based on ACT and GPA requirements rather than on completion of a specific high school curriculum.
- Shift the administration and awarding of the scholarships to institutional financial aid/scholarship offices rather than the Office of the Commissioner.
- Adjust the Utah Access Promise Scholarship to allow federal aid to "stack" on top of the state aid program to provide stronger financial support to students.
- Regularly assess the effectiveness of state scholarship programs in meeting their stated purposes.

Commissioner's Recommendations

The Commissioner recommends that the Board adopt the proposals in the attached State Scholarship Redesign issue brief approved by the task force.

Attachments



Utah State Scholarship Redesign

Background

Scholarship money supports school attendance. It is not required to be repaid. Scholarships are awarded based upon various criteria, which usually reflect the values and purposes of the donor or founder of the award. Scholarships are often used to encourage progress toward strategic objectives. They may reward excellence in academics (merit-based scholarships), encourage students to complete certificates or degrees, recruit students to participate in various programs (e.g., athletics, teaching, criminal justice), or remove financial barriers to college attendance (need-based scholarships). In many cases, a scholarship award is based on consideration of both merit and need, with the intention of supporting students with the most likelihood of completing a certificate or degree program. While not a scholarship program per se, there are similar programs that will forgive a loan based on meeting certain qualifications (e.g., completing a specific number of years in rural health care). Scholarships at USHE institutions may come from private donors, institutional funds (e.g., Dream Weber and SLCC Promise), state-administered aid (Access Utah Promise Scholarship). USHE students may also receive federal financial aid in the form of grants (money that does not have to be repaid) or loans (repayment is required) or through private loans.

In Utah, there are several small scholarship or state reimbursement programs designed to recruit or reward students for pursuing careers in fields where there are workforce shortages (e.g., T.H. Bell for teachers, Public Safety Officer Career Advancement Reimbursement Program). The state-supported scholarship programs discussed here are three of the larger programs: the Regents' Scholarship (\$16,062,500), the Access Utah Promise Scholarship (\$2,479,915), and the New Century Scholarship (\$1,983,900). Details regarding each of these programs are found at the end of this paper.

Analysis of Current State Scholarship Programs

As noted above, the values and purposes of the founder of the award determine the criteria used in awarding the scholarship. The purposes, and pros and cons of the three state-supported scholarships under consideration are outlined below.

Regents' Scholarship (merit-based) – originally designed to improve college readiness by requiring high academic performance in high school, including a prescribed high school curriculum.

Pros: Rewards academic excellence; recipients more prepared for an more likely to complete college than their peers.

Cons: Difficult for students to meet detailed requirements; costly to administer (~\$500,000 per year/3% of allocation to administer).

New Century Scholarship (merit-based) – intended to encourage Utah high school students to accelerate their education by earning an associate degree in high school from an institution within the Utah System of Higher Education or completing a specific math and science curriculum.

Pros: Encourages students to take Concurrent Enrollment courses during high school to experience college-level coursework at a very low cost (\$5 per credit)

Cons: Despite completing an associate’s degree in high school, recipients rarely complete a baccalaureate degree more quickly than their peers; students can become ineligible for federal financial aid if they exceed credit limits, and Concurrent Enrollment courses are counted toward credit limits, even if they do not advance a student toward a degree.

Access Utah Promise Scholarship (need-based) – designed to fill a gap in college funding that is a barrier to college attendance.

Pros: Responsive to increasing number of students (traditional age and students re-entering college) who experience financial barriers to college attendance.

Cons: Currently structured as a last-dollar scholarship toward tuition and fees after all other state and federal aid. Allowing federal aid to stack on top of the Promise Scholarship would provide stronger financial support to students.

What Criteria Should Be Used in Designing a Scholarship Program?

Utah is experiencing a variety of dramatic changes: population growth and demographic shifts in its population; increasing number of first generation* and low-income students, several residents with “some college/no degree,” and economic prosperity (including such things as low unemployment rates and growth in high tech jobs). See issue brief on the growing opportunity gap (https://ushe.edu/wp-content/uploads/2019/07/Utahs-Growing-Opportunity-Gap-Final_updated-template.pdf). To keep the state’s powerful economic engine primed to meet future needs, it is the time to examine how best to leverage state dollars to encourage college attendance and completion that will meet Utah’s future workforce needs. What are the most important criteria/goals for college scholarships in these changing times?

- Continue to reward meritorious students
- Remove financial barriers; help meet, but not exceed, financial need to attend
- Encourage college preparedness
- Simplify application and administration to significantly reduce cost

**First generation students (by federal definition) come from families where their biological parents did not complete a four-year college degree.*

Proposed Redesign

Regents' Scholarship

- Change program to reward merit based on ACT and high school GPA rather than a specified collegepreparatory high school curriculum.
- Administer through institutional financial aid offices rather than the Office of the Commissioner.
- Shift a minimum of 50% of funds to the Access Utah Promise Scholarship (after grandfathering in current cohorts).

New Century Scholarship

- Eliminate in its current form, as it does not achieve its purpose of accelerating student progress to a bachelor's degree.
- Move funds to the Access Utah Promise Scholarship.

Access Utah Promise Scholarship

- Expand the program with Regents' and New Century Scholarship dollars.
- Work with sponsor to address "last dollar in" issues and allow federal aid to stack on top of state aid.

All State Scholarships

- Require data reporting to assess the effectiveness of scholarship programs in meeting their stated purposes and adjust the programs appropriately.

Timeline

August 28:	Scholarship Task Force considers redesign
September 13:	Consideration of Scholarship Task Force recommendations by Board of Regents
October/November:	Seek legislative support and develop strategy
March 2020:	Final actions by legislature
March 2020:	Update of applicable Regent policies per legislative action; awareness strategies to address the changes developed and implemented
Fall 2021:	First awards of redesigned scholarships

State Aid Programs Under Consideration

Program	New Century	Regents' Scholarship	Utah Promise
Note	The program information below are the Rules and Requirements for the 2020 high school graduates.		The program information below is for the 2019-2020 academic year.
Background	<ul style="list-style-type: none"> Created in 1999 to encourage students to complete college in less time than peers entering the workforce more quickly 	<ul style="list-style-type: none"> Created in 2008 to encourage college readiness and was a sister program to the Utah Scholars Initiative 	<ul style="list-style-type: none"> Created in 2019 to provide financial assistance to students who have demonstrated financial need to attend a public post-secondary institution in Utah
Basics To Qualify	<ul style="list-style-type: none"> Earn an associate degree or complete a special Math and Science curriculum by high school graduation College min 3.0 GPA High School min 3.5 GPA 26 ACT requirement for home school students U.S. Citizenship requirements No criminal record 	<ul style="list-style-type: none"> Complete required courses in core content Earn a min 22 Act High school min 3.3 GPA U.S. Citizenship requirements 	<ul style="list-style-type: none"> High School diploma or equivalent Not previously earned an associate degree or higher degree Utah Resident Demonstrate financial need, as defined by the institution.
Award Information	<ul style="list-style-type: none"> Used for tuition and fees. Last dollar after other state aid Used at University of Utah, Utah State University, Weber State University, Southern Utah University, Dixie State University and Utah Valley University. Can be used at Snow College, only if student is enrolled in a bachelor degree program 	<ul style="list-style-type: none"> Used for tuition and fees. Last dollar after other state aid Used at USHE and UTECH institutions 	<ul style="list-style-type: none"> Up to full tuition and fees True last dollar—applied after all other aid (state and federal) Used at USHE and UTECH institutions
Renewing	<ul style="list-style-type: none"> Use for 4 semesters, 60 credits, or completion of degree (whichever comes first) Enroll in and complete 12 credits continuously fall and spring semesters (or receive an approved leave of absence) Earn a 3.3 GPA each semester 	<ul style="list-style-type: none"> Use for 4 semesters, 65 credits or completion of degree (whichever comes first) Enroll in and complete 12 credits continuously fall and spring semesters (or receive an approved leave of absence). Earn a 3.3 GPA each semester For UTECH Schools full-time enrollment and satisfactory completion is required 	<ul style="list-style-type: none"> Maintain academic good standing as defined by the institution they attend. Can be used for 2 years after initial award, 4 semesters, completion of associate degree, or when the student accumulates 60 cumulative credits at the UU (whichever comes first)
Contact Information	Phone: 801-321-7221 Email: newcentury@ushe.edu webpage: newcenturyscholarship.org	Phone: 801-321-7159 Email: regentsscholarship@ushe.edu webpage: regentsscholarship.org	Financial aid office at the institution the student is attending