



MEMORANDUM

TAB H

November 6, 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 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:

- Discontinue the New Century and Regents' Scholarship programs and their requirements that students follow specific high school curricular pathways with the graduating class of 2021. Students up to the 2021 cohort and students who are currently participating in those scholarship programs would continue to be eligible for funds in accordance with existing administrative rules. After the high school class of 2021, both programs will be replaced by pass-through funding for institution-administered merit scholarships linked to ACT scores and Grade Point Averages.
- Split funding allocated to merit, New Century, Regents', and Promise Scholarship programs with the aim of eventually reaching a ratio of 30% of the funds going to institutions for merit scholarships and 70% of the funds going to institutions for the Utah Promise program.
- Shift the administration and awarding of the merit funds to institutional financial aid or scholarship offices rather than the Office of the Commissioner of Higher Education.
- 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 the Board adopt the proposals in the attached State Scholarship Redesign issue brief approved by the task force.

Attachments



State Scholarship Redesign Recommendations

Background

Scholarships are awarded based upon various criteria that reflect the values and purposes of the donor or founder of the award and 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 some cases, a scholarship award amount is based on consideration of both merit and need. While not scholarships per se, there are similar programs that will forgive a loan based on meeting certain qualifications (e.g., working for 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), or 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 (where repayment is required). Some students may also receive loans from private organizations.

The Board of Regents organized the State Scholarship Task Force to examine how best to redesign existing scholarship programs to meet the needs of the state without requiring additional funding. For this study, the Scholarship Task Force focused on three of the larger state scholarship programs:

1. The New Century Scholarship (\$1,983,900), a merit-based award 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 by completing a specific math and science curriculum;
2. The Regents' Scholarship (\$16,062,500), a merit-based award designed to improve college readiness by requiring high academic performance in high school and adherence to a very specific high school curriculum;
3. The Access Utah Promise Scholarship (\$2,479,915) a need-based scholarship designed to address financial barriers to college attendance.

Details regarding each of these programs are found at the end of this paper. Other state scholarships or 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 or the Public Safety Officer Career Advancement Reimbursement Program) or to encourage attendance by students from underserved backgrounds (i.e., the Success Stipend) were not included.

Criteria Considered by the State Scholarship Task Force

Utah is experiencing a variety of dramatic changes: population growth and demographic shifts in its population; increasing numbers of first generation* and low-income students; several residents with “some college/no degree;” and the impact of education on economic prosperity, including such things as low unemployment rates and growth in high tech jobs. (See the issue brief on the growing opportunity gap at 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, the Scholarship Task Force considered how best to leverage existing state scholarship dollars to encourage college attendance and completion and to meet Utah's future workforce needs. Among the issues the task force considered were the following possible goals for college scholarships:

- How the state should reward students for academic merit;
- Whether the state should use scholarship funds to encourage college preparedness by mandating a particular high school curriculum;
- How the state might address financial barriers and help meet students educational costs;
- Whether the state should shift the application and administration of state scholarships from a centralized office to institutions to reduce cost.

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

The Task Force's Recommendations

The Task Force recommends that the state:

- Discontinue the New Century and Regents' Scholarship programs and their requirements that students follow specific high school curricular pathways with the graduating class of 2021. Students up to the 2021 cohort and students who are currently participating in those scholarship programs would continue to be eligible for funds in accordance with board administrative rules. After the high school class of 2021, both programs will be replaced by pass-through funding for institution-administered merit scholarships linked to ACT scores and Grade Point Averages.
- Split funding allocated to state scholarship programs with the aim of eventually reaching a ratio of 30% of the funds going to institutions for merit scholarships and 70% of the funds going to institutions for the Utah Promise program.
- Shift the administration and awarding of the merit funds to institutional financial aid or scholarship offices rather than the Office of the Commissioner of Higher Education.
- 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.

Timeline
Completed

August 28:
September 13:

Scholarship Task Force met to consider state aid redesign.
Scholarship Task Force provided recommendations for discussion at the Board of Regents meeting.

October 11:

Task Force reconvened to address questions raised at the September Board of Regents meeting and created a revised set of recommendations.

Upcoming:

November 15:

The Task Force will provide recommendations for consideration by Board of Regents.

November-January:

The Board will begin seeking legislative support and developing strategy.

March 2020:

Final actions by the legislature.

March 2020:

Update of applicable Regent policies per legislative action; creation of communication strategies to address the changes developed and implemented for state aid.

Fall 2021:

First awards of redesigned scholarships will be made.

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: regents scholarship@ushe.edu webpage: regents scholarship.org	Financial aid office at the institution the student is attending



State Scholarship Redesign Task Force Report

September 2019



New Century Scholarship

Intended to encourage Utah high school students to accelerate their education by earning an associate degree in high school or by completing a specific math and science curriculum (\$1,983,900).

Regents' Scholarship

Designed in 2008 to improve college readiness by requiring a specific high school curriculum, grades, and ACT scores (\$16,062,500).

Access Utah Promise Scholarship

A need-based scholarship designed to improve college access and affordability (\$2,479,915).



Task Force Recommendations

Taskforce Recommendations

1. Discontinue the New Century and Regents' Scholarship programs. (Last cohort will be 2021 high school graduates.)
2. Split the funding allocation— 30% to merit awards and 70% to the Utah Promise program.
 - The 30:70 ratio will be realized over time, likely starting Fall semester 2022.

Recommendations (continued)

3. Rather than centrally-defined criteria for merit awards, allow institutions to determine eligibility based on ACT and GPA.
4. Shift administration and awarding of the merit funds to institutional financial aid/scholarship offices (funds will pass-through to institutions).
5. Adjust the Utah Access Promise Scholarship to allow federal aid to “stack” on top of state aid to provide stronger financial support to students.
6. Regularly assess the effectiveness of state scholarship programs in meeting their stated purposes.