



September 12, 2020

USHE Scholarships Overview

The Utah Board of Higher Education has responsibility for nine state aid programs. All of the programs are funded with ongoing state appropriations, except for the Public Safety Officer Career Advancement Reimbursement program. The PSOCAR program was recently reinstated in the 2020 Sixth Special Session and funded with \$210,000 in one-time funds, after it was sunsetted by the Utah Legislature in 2019.

Scholarship	Students Awarded	Total \$ Awarded	Average Award
Regents' Scholarship	3,688	\$12,056,800	\$3,269
Utah Promise Scholarship	1,764*	\$2,121,385	\$1,202
Success Stipend	2,371	\$2,080,368	\$877
New Century	389	\$1,945,000	\$5,000
Terrel H. Bell Education Scholarship	339	\$1,756,127	\$5,180
Talent Development Initiative	126	\$211,688	\$1,680
Veterans Tuition Gap	51	\$180,622	\$3,542
Technical Education Scholarships		\$1,300,000	

*29 technical education students

Regents' Scholarship

Established in 2008 as college-readiness scholarship, the Regents' Scholarship has had seven major adjustments, five of which were legislatively mandated and were not initiated by Board action. Commissioner's staff currently maintains three iterations of the scholarship program. Because the program requires specific coursework and central administration/awarding, it requires significant staff resources. For example, staff must visually review all transcripts submitted with each application (since high school transcripts and course titles vary).

Awards for 2020 recipients will likely be significantly reduced as it's the first year the award is limited to tuition and fees, after all other state aid (including tuition waivers) has been applied to the student, avoiding overpayment beyond tuition and fees.

New Century

Established in 1999, the New Century Scholarship is 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. However, data indicates New Century scholarship recipients neither persist nor complete at a faster rate than average USHE students. Further, the credit earned by New Century Scholarship recipients has been found to ultimately endanger their financial aid eligibility later towards graduation.

Utah Promise Scholarship

The Utah Promise Scholarship is a statewide scholarship program available to students with financial need in Utah and was established in 2018. It is available at all Utah public colleges, universities, including technical colleges. The Utah Promise Scholarship will cover up to tuition and fees for up to two years. In its first two years, the program has demonstrated much greater efficiency in use of tax dollars than the Regents' or New Century scholarship because of its flexibility and alignment with other aid opportunities such as Pell Grants and institutional aid.

Next Steps

In fall 2020, the USHE Board of Regents charged a taskforce of Regents, staff, and institutional financial aid experts to develop a long-term strategy. The taskforce made the following recommendations:

1. 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 GPAs.
2. Split funding allocated to merit, New Century, Regents', and Utah 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.
3. 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.
4. Adjust the Utah Promise Scholarship to allow federal aid to "stack" on top of the state aid program to provide stronger financial support to students. ([H.B. 103, Utah Promise Scholarship Program Amendments](#))
5. Regularly assess the effectiveness of state scholarship programs in meeting their stated purposes. (Institutional Research function in the Commissioner's Office has established a financial aid working group with institutional participation to standardize and improve data reporting of all state aid programs)

Commissioner's Recommendation

The Commissioner recommends staff take necessary steps to draft revised Board policy, marshal necessary legislative support and develop an implementation plan to accomplish recommendations one, two, and three (above). Further, staff must ensure high school students currently striving for these awards will not be penalized due to these changes.