



Connecticut State University System

Board of Trustees

BR#95-53



RESOLUTION

concerning

CONNECTICUT STATE UNIVERSITY GRANT DISTRIBUTION METHODOLOGY

May 5, 1995

WHEREAS, Pursuant to the provisions of Section 10a-6 of the Connecticut general statutes, "The Board of Governors of Higher Education shall... establish state-wide tuition and student fee policies..." In response to this statutory requirement, the Board of Governors in May 1984 adopted a tuition policy for the constituent units. The policy provided in part that "...Student financial assistance shall be linked to this tuition policy. At a minimum, 10% of all projected Tuition Fund revenues shall be set aside to provide tuition assistance to needy students... Furthermore, this minimum set aside shall be increased by 1% per year over the next five years starting with the FY 1986 budget so that by FY 1990, 15% of Tuition Fund revenues shall be earmarked for financial assistance programs to needy students.", and

WHEREAS, The Board of Trustees' responsibilities regarding student financial aid set-aside are spelled out in section 10a-99(e) of the Connecticut general statutes which state in part, "Said board shall set aside from its anticipated tuition revenue, an amount not less than that required by the board of governors' tuition policy... Such funds shall be used to provide tuition waivers, tuition remissions, grants for educational expenses and student employment for any undergraduate or graduate student who is enrolled as a full or part-time matriculated student in a degree-granting program, or enrolled in a precollege remedial program, and who demonstrates substantial financial need. Said board may also set aside from its anticipated tuition revenue an additional amount equal to one percent of said tuition revenue for financial assistance for students who would not otherwise be eligible for financial assistance but who do have a financial need as determined by the university in accordance with this subsection...", and

WHEREAS, The student financial set-aside program as provided for by statute (CGS 10a-99(a)) was implemented in FY1986. The program is known as the Connecticut State University Grant program. In FY 1985 the tuition set-aside for financial aid was 10% of projected tuition revenue. The set-aside was increased by 1% per year until FY1990 when the set-aside reached 15% as prescribed by Board of Governors' policy. This amount has been set-aside each year since that time, and

WHEREAS, Until FY1989, CSU grant funds were allocated to each university as a percentage of their tuition allocation (i.e. 10%, 11%, 12%, etc.). Beginning in FY1989, the methodology for distributing CSU grant funds among the universities shifted from a flat percentage allocation of each university's projected tuition revenue to a model which allocated CSU grant funds on the

total Pell and CAPCS expenditures for the system. This model enabled our universities to provide greater amounts of financial aid to our most needy students, and

WHEREAS, The proposed distribution methodology will shift the CSU grant allocations from a model based solely upon the needs of the student population currently served, to a model which recognizes need as well as other important factors in the distribution methodology, now therefore be it

RESOLVED, That Connecticut State University grant funds shall be used to provide tuition waivers, tuition remissions, grants for educational expenses and student employment for any undergraduate or graduate student who is enrolled as a full or part-time matriculated student in a degree-granting program, or enrolled in a precollege remedial program, and who demonstrates substantial financial need, and be it further

RESOLVED, That such funds may be used to meet the Federal College Work-Study, Supplemental Educational Opportunity Grants, and Perkins loan match requirements, and be it further

RESOLVED, That Connecticut State University grant funds be distributed on the basis of the principles described below:

- 50% of the allocation would be based upon the percentage allocation of tuition revenues to each university as prescribed by the new tuition and general fund distribution model (if fully implemented).

- 50% of the allocation would be based upon each university's Pell, CAPCS and subsidized Stafford Loan expenditures for FY1993-94 as a percent of systemwide Pell and CAPCS expenditures and subsidized Stafford Loan awards, and be it further

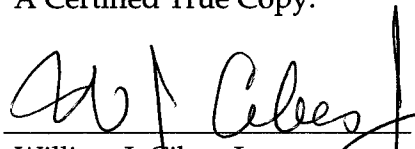
RESOLVED, That financial need shall be determined based upon federal needs assessment criteria, and be it further

RESOLVED, That the new allocation methodology be implemented over ten years in order to minimize the impact that a significant shift of funds on an immediate basis would have on our universities. The CSU grant distribution and related charts are attached, and be it further

RESOLVED, That the new methodology will be reviewed regularly as circumstances warrant, and be it further

RESOLVED, That BR89-53 is now rescinded.

A Certified True Copy:



William J. Cibes, Jr.
President

CONNECTICUT STATE UNIVERSITY SYSTEM

	A	B	C (B - A)	D (C * 10%)	E (A + D)
	Historical (2) Distribution	Proposed (3) Methodology	Difference	10 Year (10%) (4) Implementation	Allocation Based upon New Methodology
Central	\$ 1,858,678	\$ 1,803,647	\$ (55,031)	\$ (5,503)	\$ 1,853,175
Eastern	1,296,543	1,020,280	(276,263)	\$ (27,626)	1,268,917
Southern	1,785,224	1,986,161	200,937	\$ 20,094	1,805,318
Western	<u>797,909</u>	<u>928,266</u>	<u>130,357</u>	<u>\$ 13,036</u>	<u>810,945</u>
TOTAL (1)	<u><u>\$ 5,738,354</u></u>	<u><u>\$ 5,738,354</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,738,354</u></u>

- (1) Total distribution for 1995-96 is \$5,738,354.
- (2) Historical distribution is based on Pell Grants/CAPS Expenditures (FY 1992-93/93-94).
- (3) Proposed methodology is based upon 50% tuition allocation and 50% upon Pell Grants/DHE CAPS/subsidized Stafford Loan expenditures.
- (4) Plan will be phased in over 10 years @ 10% per year.

CONNECTICUT STATE UNIVERSITY SYSTEM

50% tuition allocation* and 50% based upon Pell Grants/DHE CAPCS/Subsidized Stafford Loan Expenditures (FY1993-94)

	TOTAL	OCSU	ECSU	SCSU	WCSU
% if fully implemented	100%	33.59%	13.95%	36.55%	15.91%
50%	\$2,869,177	\$963,757	\$400,250	\$1,048,684	\$456,486
% Pell Grant/DHS CAPCS	100%	29.27%	21.61%	32.67%	16.44%
50%	\$2,869,177	\$839,891	\$620,030	\$937,477	\$471,780
100%	\$5,738,354	\$1,803,647	\$1,020,280	\$1,986,161	\$928,266

*Based upon new tuition and general fund distribution methodology, if fully implemented

	OCSU	ECSU	SCSU	WCSU
Tuition allocation	8,995,062	3,735,669	9,787,720	4,260,537
divided by system total	26,778,988	26,778,988	26,778,988	26,778,988
% of system total	33.59%	13.95%	36.55%	15.91%
% Tuition allocation	33.59%	13.95%	36.55%	15.91%
multiplied by 50% of set aside	\$2,869,177	\$2,869,177	\$2,869,177	\$2,869,177
Total	\$963,757	\$400,250	\$1,048,684	\$456,486
Pell	\$1,445,504	\$1,014,129	\$1,339,234	\$651,616
DHECAPCS	\$562,000	\$364,454	\$567,463	\$234,602
Stafford (Subsidized)	\$3,890,288	\$2,975,325	\$4,676,354	\$2,426,665
Total	\$5,897,792	\$4,353,908	\$6,583,051	\$3,312,883
Divided by System Total	\$20,147,634	\$20,147,634	\$20,147,634	\$20,147,634
% Total	29.27%	21.61%	32.67%	16.44%
% Pell/DHE CAPCS/Stafford Loan	29.27%	21.61%	32.67%	16.44%
Multiplied by 50% of set aside	\$2,869,177	\$2,869,177	\$2,869,177	\$2,869,177
Total	\$839,891	\$620,030	\$937,477	\$471,780

(Differences are due to rounding.)