FINANCIAL AID & SCHOLARSHIP ADVISORY COMMITTEE
Meeting Notes
Thursday, July 1st, 2010 | 2:00 – 4:00 PM | Chancellor’s Conference Room

Attendance: Ed Fisher (CoP), Dexter Irvin (Athletics), Jim Mellon (DOS), David Miller (CAS), Marcia Sakai (CoBE), Jeff Scofield (FAO/Ex Officio), Mike Shintaku (CAFNRM), Janis Shirai (SSSP-TRiO), Kalena Silva (CHL), Kenny Simmons (VCAA), Luoluo Hong (Chair)

MEETING GOAL: To begin discussion to identify our institutional values/priorities and guiding principles, and then outline a plan for how to implement these via the financial assistance allocation incrementally in the next 2-3 years.

1. First question we may need to address: is the 15% of tuition revenue allocated to grants in aid to be regarded as a "tax" (whereby every entity pays into a collective pot but doesn't necessarily receive the same exact benefits or is entitled to any) or "club dues" (whereby each contributor receives benefits commensurate with their rate of contribution – note that this corrects the definition on the agenda). Mike Shintaku originally provided this metaphor.

   • It was suggested that the amounts “taken off the top” be regarded as a "tax" and allow our identified values determine how to allocate the funds (if you regard it as "club dues" then it becomes formulaic and you cannot strategically award aid to reflect your values or institutional priorities).

     o Values/priorities to consider:
       ▪ Merit-based versus need-based aid
       ▪ Residency
       ▪ Academic level

   • It was further suggested that there be a hybrid model where part of the allocation is proportional to what the unit contributes and the remainder is allocated otherwise, e.g., on the basis of our institutional values
1. After extensive initial discussion, we took an informal "straw poll" - there were 9 in favor of "tax" model, none in favor of the "club dues" model, and 1 in favor of hybrid (chair did not vote).

2. Second question addresses what should UH Hilo's relative commitment be to provide institutional support for graduate and professional student merit aid. It was agreed that we need to think of our students’ academic levels as four groups:
   a. Undergraduate students
   b. Graduate students - master's degrees
   c. Graduate students - doctoral degrees
   d. Professional students

Two representatives indicated that we should give priority to undergraduates on this basis:
   • Returns to higher education are greatest with the baccalaureate
   • Benefits of higher education for graduate/professional degrees are subject to diminishing returns
   • As such there is a greater responsibility as a community to support baccalaureate education
   • It was noted by its Director that the Financial Aid Office has the capacity, based on existing financial aid regulations, to award enough aid to cover all demonstrated need for graduate/professional students, but cannot necessarily do so for undergraduate students because of limits placed on loan amounts. While we agreed that it is always better for a student to receive grants in aid rather than take out loans, there was some discussion that students who graduate with a masters, doctoral or professional degree have greater economic ability pay back student loans, etc.

3. Another way to allocate the aid is to consider need versus merit. The Director of the FAO advanced the proposal that we move all merit-based allocations to the need-based pool to subsidize cost of education for resident undergraduate and graduate/professional students.
   • It was also suggested that we might use a combination of merit and need to determine awards
   • Could merit- or achievement-based scholarships include performing arts talent, e.g., to play in the band or sing in choir, or other kinds of abilities to reward besides athletics?

   It was noted that it does remain in the discretion of individual college deans to allocate
scholarship aid in this manner at the present time, but perhaps we want to dedicate a line item to this?

- Question was asked if we have data about academic success for students who receive need-based aid; FAO Director noted that this is difficult to measure accurately. He did note that federal guidelines require a recipient to maintain a 2.0 GPA and pass 75% of their courses to remain eligible for aid, so there is already an academic expectation built into receipt of aid. Also, could we say with surety that the receipt of aid (or lack thereof) was the determining factor in why a student departs or persists? But based on this lack of data, at least one member did not feel she could support the FAO Director’s proposal at this time.

4. Another thing to consider is the source of grant aid and which source should be used to support varying types of financial aid. We obviously cannot afford to fund all aid from the tuition pool:
   - Tuition
   - General funds
   - Private donations/endowments
   - Extramural funding

   Also, we reminded ourselves that the financial aid allocation “pots” are not “owned” by any one unit. They are all UH Hilo monies and our job in this committee is to make decisions that represent the best interests of the entire University as a whole.

5. The CoP representative asked to present a proposal for the 2011-12 financial aid allocation for consideration by the committee. Chair asked that we defer consideration of actual proposals until the committee had sufficiently vetted our guiding values/principles. The concern was that until we all identify and reach some consensus regarding our assumptions, values, principles, etc., then it would be difficult to have a constructive dialogue about the allocation. CoP representative deferred to the chair with no objections from the committee. However, he also noted that if the allocation for CoP was not escalated for the next academic year, then there might be protest from CoP students.

6. Director of FAO reported that 5754 applications for financial aid have been submitted as of June 30th for academic year 2010-11, which is 700 more than last year at this time.
Financial Aid Office processed 6124 applications in total for 2009-10. He is already short over $1 million for next year to meet all demonstrated need.

7. In summary, no decisions were made at today's meeting. However, we outlined some important issues to inform future discussion.

Next meeting: Tuesday, July 13th, 2010, 2:00 – 4:00 PM in Chancellor’s Conference Room

Respectfully submitted,
Luoluo Hong
7/2/2010