FINANCIAL AID & SCHOLARSHIP ADVISORY COMMITTEE
Meeting Notes
Tuesday, July 13, 2010 | 2:00 – 4:00 PM | Chancellor’s Conference Room

Attendance: Bob Borris (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 continue discussion to identify our institutional priorities/values and guiding principles for our financial aid assistance allocation; then outline a plan for how to implement these in the next year, and thereafter.

1. Prior to the meeting formally beginning, the question was raised why we are meeting now in Summer 2010 when the allocation for 2010-11 has already been approved and we ostensibly do not meet to decide on the 2011-12 allocation until Spring. It was noted by the Chair that past discussions probably happened later than they should, and that our current conversations could result in changes to existing financial aid allocations that in fairness, need to be conveyed to the affected units as early as September/October 2010 so they can plan for Fall 2011.

2. Review of draft meeting notes:
   a. Correction to item #3, 1st bullet – “it was suggested that we might use a combination of merit and need to determine awards”
   b. Committee agreed that we remove attribution of comments and just reflect the overall tenor and content of discussions

3. Chair shared her conversation with our new Chancellor about this Committee’s recent discussions: Chair wished to highlight the following points:
   a. Question was raised why we did not allocate the entire pot for need-based aid, or could we perhaps increase the proportion allocated to need-based aid from the mandated 60% to more – as much as 75%? In
this scenario, some programs might need to have a “set aside” taken “off the top” due to externally driven mandates/commitment, e.g., intercollegiate athletics

b. In response to a specific question on this issue, Chancellor indicated that while he most definitely supports our exploring how we provide better financial support to our graduate/professional students, e.g., TA/RA- ships, he is not familiar with institutions that provide tuition-based grant aid to graduate/professional students – the focus always appears to be on undergraduate student financial aid

c. Committee was asked to consider designating one large merit pool of monies, establish criteria, and then have this advisory board award scholarships accordingly, rather than allocating merit aid in various “pots” to individual units

4. So could we adopt a view that we want all of the tuition "pot" to go to need-based aid?

a. This would mean that UH Foundation would have to really increase their fundraising efforts to provide more dollars to support merit-based aid. It was shared that in 2001-02 we had $33,000 in privately funded scholarships, and it was $423,000 in 2009-10.

b. To provide $1.5M annually to support merit scholarships (current amount we allocate from tuition), we would need at least $15M endowment

5. We clearly do not have enough monies to meet students’ demonstrated financial need

a. Priority deadline is March 1st to apply for financial aid – UH Hilo’s commitment is to award up to 45% of demonstrated need with grants; Jeff is short about $1M at this point in need-based grant aid

b. UH Hilo cost of education is determined to be about $15K; assuming there is zero family contribution, this means s/he has $15K of demonstrated need (not an atypical scenario for our students - then such a student might get $3,500 in Stafford loans, $3,500 federal work-study, and possibly up to $5,500 in Pell grants, then about $7K in grants/scholarships; there is also a menu of state and private loan programs that Financial Aid Office can package from
c. FAO Director noted that if we were to increase the proportion of need-based aid, it would be used to award aid to more recipients, as opposed to awarding more aid to current recipients.

d. Of the tuition dollars we are talking about that are designated for need-based aid, it is awarded only to Hawaii residents and Pacific Islanders per BOR policy.

6. First question to vote on addresses the proportion of need-versus merit-based aid:
   a. 3 voted to keep current ratio of 60% need-based aid, 40% merit-based aid
   b. 6 voted to increase the proportion of need-based aid
   c. There were no abstentions (note Chair and FAO director cannot vote)
   d. Note: We deferred voting on how much to increase by to a later time, e.g., 65%, 70% or 75%
   e. There was some concern expressed that some of the merit-based dollars are being given to students who appear to be less than meritorious; however, it was unclear how extensive this was or if it was more isolated in nature and incidence.

7. Second question to vote on addresses whether to continue assigning "pots" of merit aid to individual units or create a University-wide pot:
   a. 9 voted to maintain merit-based allocation by unit, but also require that units return unspent funds to FAO if potential awardees demonstrated insufficient merit to warrant an award; the individual units will continue to establish criteria
   b. 0 voted to allocate merit institution-wide with mandated awards set aside
   c. There were no abstentions

8. Third question to discuss addresses how the merit-aid should be distributed – however, we did not have time to render a vote:
   a. What units should remain in the merit list? Of these, which should be considered "protected" allocations, if any?
i. It was proposed that all colleges should receive an allocation; upon further clarification, it was proposed that only degree-granting colleges should receive an allocation.

b. What units should be removed?

c. Which units should be combined?

d. Which units should be separated?

9. Future questions to consider:
   a. Do we want to assure that a portion of the merit-based aid be awarded to residents only? One unit indicated a willingness to do so, but there did not appear to be any other interest in considering this at this time so discussion was not continued.

   b. What should be the “formula” for how designated units are awarded a share of the merit-based aid monies? Jeff indicated that in the past, proportion of headcount for UH Hilo was the initial method for determining a unit’s initial share; percentage increases were then made in subsequent years, with some attempt to readjust for shifting headcount every few years. It was noted that the merit-based funding distribution for 2009-10 was not proportional to headcount, to tuition revenue by headcount, or to tuition revenue by SSH.

Chair’s Editorial Note: Our Committee was originally striving to develop a set of cogent recommendations regarding where we want to see our financial aid policies shift for the long-term. Chair perceived that trying to think and envision so far ahead was perhaps not allowing us to engage in sufficiently focused discussion to actually allow for some concrete decision-making – especially since there is such a diversity of views represented around the table. By making some smaller scale decisions for the near-term, then we can set the stage for more substantive changes over time; it is hoped that these incremental decisions can facilitate discussions about the “big picture” goal. Sometimes it is difficult to imagine the full range of possibilities because we cannot depart from the present reality

Respectfully submitted,

Luoluo Hong
7/20/10