MEETING NOTES
FINANCIAL AID & SCHOLARSHIP ADVISORY COMMITTEE MEETING
Friday, October 26, 2012 | 12noon-1:30pm | Chancellor’s Conference Room

ATTENDANCE:

Present:  Bob Borris (CoP), Susan Brown (CAS), Karla Hayashi (Academic Affairs), Hank Hennessey (CoBE), Dexter Irvin, (OIA), Shadi Obeidi (UHHSA), Jeff Scofield (FAO/Ex Officio), Mike Shintaku (CAFNRM), Kalena Silva (CHL), Leonard Woods (TRiO Programs), Luoluo Hong (Chair/Ex Officio)

Not Available: Jim Mellon (ISS&IE)

1. Progress report from Chief Financial Aid Officer – Jeff Scofield (please see the attached handout)
   a. National benchmarks are generally two FTE financial aid counselors per 1000 applications, which seems applicable to our campus in terms of what is involved with our processes
   b. Pell lifetime eligibility used now requires us to go back to the history of the program!! We spent about $300K to help address those 250 students who had already exceeded their Pell eligibility based on the changes to federal regulations; we really need to get the word out to students not to mess around – especially if they choose to start at the community college but wish to get a baccalaureate
   c. For the verification process, students can no longer directly provide us with their tax returns; they have to obtain it from IRS in one of two ways, including IRS Data Retrieval; for people who have any problems with their return or if they owe taxes, chances are good that your tax return may not yet be processed, so the student then cannot complete verification - it appeared that students who are the neediest students getting maximum Pell grant awards were disproportionately targeted for verification
   d. All representatives from the academic colleges agreed about the urgent need to get this out to faculty and staff advisors – we need to get Jeff a big bird suit!

2. Review progress on merit allocation aid disbursement for 2012-13
   a. Colleges are reminded to expend their allocations in a timely manner by January or advise Jeff ASAP so that he can reallocate those funds
3. Discuss preliminary draft proposal for tuition assistance allocation in 2013-14 if all allocation principles/practices remain unchanged
   a. Please refer to the attached draft for the initial proposal – as per usual, we will need to await final figures for tuition income after census date in Spring 2013
   b. Basically, the additional tuition assistance dollars were used to first increase the need-based dollar amounts to 70%, then to ensure sufficient increases to those scholarship programs that are externally mandated, and then finally to award a 5% increase to each of the remaining discretionary merit-based program, e.g., academic colleges
   c. Can we project out these allocations by 2-3 years instead of just one so we can plan ahead, e.g., athletic scholarships are essentially four-year scholarships
   d. It should be noted that we awarded $33k 10 years versus $534k this year in UH Foundation scholarships

4. Review Complete College America’s Hawaii Graduation Initiative Summit II recommendation to use financial incentives to help students (1) adopt behavior associated with college success, and (2) remain on progress to degree completion
   a. We were asked to consider a question from chancellor - could we centralize the awarding of the merit pool to allow for incentivizing behaviors which contribute to academic success and college completion? There was discussion about what it would mean to centralize
   b. It was noted that if we do offer financial incentives for desired academic behaviors, we need to do it automatically and do it consistently across all students
   c. Could we find ways to provide financial aid packaging earlier so that students can make informed choices about college sooner, say in Fall, versus Spring? It was noted that this would require the Feds to allow us to use last year's income tax return versus this year's do determine family contribution
   d. Intercollegiate Athletics shared their decision to begin awarding $400 of every $1000 of scholarship as book scholarship – this helps to provide revenue to a campus partner, i.e., the UH Bookstore, and generates revenue to put back into the scholarship program when students return their used books for a credit

5. Review proposal to provide minimal tuition discounting to support recruitment/retention of degree-seeking international students to support tuition revenue streams
   a. Given the directive from both the Governor’s Office and UH System to increase globalization of the University, UH Hilo will need to increase its international student recruitment efforts, especially in the Pacific Region
   b. We are behind the game relative to our market competitors, and we cannot hope to attract students without offering at least some minimal level of tuition discounting
c. One suggestion is to redirect some of the existing funds used to support scholarships for incoming global exchange students to support incoming degree-seeking international students; Jeff is working with members of the International Recruitment Advisory Committee to explore

Respectfully submitted,

Luoluo Hong
April 2, 2013
Financial Aid Update
October 26, 2012

Financial Aid Applications received:

<table>
<thead>
<tr>
<th>Aid Year</th>
<th>October to date</th>
<th>Change</th>
<th>Year total</th>
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<tr>
<td>0809</td>
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<td>5243</td>
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<tr>
<td>0910</td>
<td>5757</td>
<td>+858</td>
<td>6126</td>
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<tr>
<td>1011</td>
<td>6490</td>
<td>+733</td>
<td>6887</td>
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<tr>
<td>1112</td>
<td>6910</td>
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<td>7396</td>
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<tr>
<td>1213</td>
<td>7752</td>
<td>+842</td>
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Total Aid Distributed in 2011-12: $44,471,489 Five Year increase: 106%

Student Loan Default Rate: FY2010: 4.8% Borrowers in Repayment: 655 +11%
FY2019: 5.5% Borrowers in Repayment: 590
FY2010 National Rate: 9.1% Public School Rate: 8.3%

Federal Pell Grant Issues: Consolidated Appropriations Act of 2012 changed student lifetime Pell Grant eligibility from 18 full-time equivalent semesters to 12 full-time equivalent semesters. No grandfathering provisions for pre-2008 recipients.

Pell LEU > 600% = 82
Pell LEU > 500% = 164

Repeat Course Work Issues: Financial Aid can only pay for one repeat of a course previously passed. For Fall 2012, 187 students affected.

Verification Issues: 30% of applicants are selected for verification. For 2012-13, new federal verification requirements are in place. 10% fewer students completed the verification process.
## UH Hilo Financial Assistance

<table>
<thead>
<tr>
<th></th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2013-14</th>
<th>Change</th>
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<tbody>
<tr>
<td><strong>Opportunity Grants</strong>&lt;sup&gt;1&lt;/sup&gt; (need-based) - mandated as 60% minimum of financial assistance allocation&lt;sup&gt;2&lt;/sup&gt;</td>
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<td></td>
<td>$3,070,000.00</td>
<td>$2,055,608.00</td>
<td>$2,325,375.00</td>
<td>$3,090,000.00</td>
<td>$3,386,640.00</td>
<td>9.6%</td>
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<td></td>
<td>$1,123,956.00</td>
<td>$510,000.00</td>
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<td></td>
<td>$1,400,000.00</td>
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<td>• $125,000 for students of Hawaiian Ancestry; $125,000 for resident graduate/prof students in FY 13</td>
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<tr>
<td><strong>Pacific Islander Scholarship</strong></td>
<td>$250,000.00</td>
<td>$450,000.00</td>
<td>$493,650.00</td>
<td>$550,000.00</td>
<td>$602,800.00</td>
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<td>• undergraduate, graduate &amp; professional students are eligible if meet criteria</td>
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<tr>
<td><strong>Sub-total for Need-Based</strong></td>
<td>$1,950,000.00</td>
<td>$2,505,608.00</td>
<td>$2,819,025.00</td>
<td>$3,640,000.00</td>
<td>$3,989,440.00</td>
<td>9.6%</td>
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<td><strong>Achievement Based</strong> - allowable as 40% maximum of financial assistance allocation</td>
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<td><strong>Chancellor’s Scholars</strong>&lt;sup&gt;3&lt;/sup&gt;</td>
<td>$247,536.00</td>
<td>$286,272.00</td>
<td>$270,720.00</td>
<td>$341,040.00</td>
<td>$371,520.00</td>
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<tr>
<td><strong>Presidential &amp; Regents Scholars</strong></td>
<td>$29,460.00</td>
<td>$51,120.00</td>
<td>$56,385.36</td>
<td>$52,920.00</td>
<td>$55,728.00</td>
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<td><strong>Centennial Scholarships</strong></td>
<td>$100,000.00</td>
<td>$150,000.00</td>
<td>$165,450.00</td>
<td>$125,000.00</td>
<td>$140,000.00</td>
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<tr>
<td><strong>Academic Colleges - central merit pool</strong>&lt;sup&gt;4&lt;/sup&gt;</td>
<td>$161,500.00</td>
<td>$191,000.00</td>
<td>$203,219.64</td>
<td>$203,220.00</td>
<td>$213,381.00</td>
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<td><strong>Office of Intercollegiate Athletics</strong></td>
<td>$366,500.00</td>
<td>$385,000.00</td>
<td>$392,700.00</td>
<td>$392,700.00</td>
<td>$412,335.00</td>
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<tr>
<td><strong>College of Pharmacy</strong></td>
<td>$8,500.00</td>
<td>$50,000.00</td>
<td>$225,000.00</td>
<td>$225,000.00</td>
<td>$236,250.00</td>
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<tr>
<td><strong>Division of Student Affairs - campus-wide</strong>&lt;sup&gt;5&lt;/sup&gt;</td>
<td>$31,460.00</td>
<td>$16,000.00</td>
<td>$75,000.00</td>
<td>$120,140.00</td>
<td>$126,147.00</td>
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<tr>
<td><strong>Admissions Office</strong></td>
<td>$10,000.00</td>
<td>$11,000.00</td>
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<td><strong>International Student Scholars</strong></td>
<td>$65,000.00</td>
<td>$69,000.00</td>
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<tr>
<td><strong>International Exchange Scholarships</strong>&lt;sup&gt;6&lt;/sup&gt;</td>
<td>$104,000.00</td>
<td>$110,000.00</td>
<td>-</td>
<td>$100,000.00</td>
<td>$105,000.00</td>
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<td><strong>AVAILABLE FOR NEW ALLOCATION</strong></td>
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<td>$49,639.00</td>
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<td><strong>Sub-total for Achievement-Based</strong></td>
<td>$1,123,956.00</td>
<td>$1,319,392.00</td>
<td>$1,388,475.00</td>
<td>$1,560,020.00</td>
<td>$1,710,000.00</td>
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<td><strong>GRAND TOTAL</strong></td>
<td>$3,070,000.00</td>
<td>$3,825,000.00</td>
<td>$4,207,500.00</td>
<td>$5,200,020.00</td>
<td>$5,699,440.00</td>
<td>9.6%</td>
</tr>
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</table>

**ENDNOTES:**

1. Per UH System policy, 15% of tuition revenue from prior year must be allocated to financial assistance grants; beginning in 2012-13 this contribution increases by 1% for a consecutive give years. Allocations were adjusted for 2012-13 to accommodate changes in federal Pell grant award guidelines.

2. BOR policy mandates that UH Hilo must allocated 60% of tuition-generated aid as need-based financial assistance. For 2010-11, the actual allocation was approximately 65%; this increased to 67% in 2011-12 and will be 70% in 2012-13 and onward.

3. The number of Chancellor’s Scholars funded from this source was reduced in 2011-12 from 56 to 48, or 12 Scholars per cohort, and funding support temporarily shifted to Foundation dollars. Funding levels are being restored for 2012-13, adjusted for resident tuition increases.

4. Starting in 2011-12, this pool combines what were formerly separate allocations to CAFNR, CAS, CoBE, & Ka Haka `Ula; the pool is further distributed on the basis of prior Fall’s major headcount. Colleges will determine merit-based criteria & Financial Aid Office will distribute and track scholarship awards in a centralized manner in accordance with federal financial aid policies. Note that funds not awarded/disbursed by January 15th will automatically be redistributed by Financial Aid Office as need-based aid.

5. This line combined amounts from Financial Aid Office, Admissions Office, and international student scholars starting in 2011-12; these amounts were reduced in 2011-12 to allow for the increased allocation to CoP. The 2012-13 allocation restores the funding levels. This includes amounts for: Admissions Office ($10,000), international student scholars ($78,000), and approximately $32,000 in various campus-wide scholarships which are administered centrally through the Financial Aid Office, some of which UH Hilo is contractually obligated to provide, e.g., Fun Factory. Note that Division of Student Affairs will work collaboratively with academic colleges as appropriate in awarding these funds.

6. The amount for global exchange students was reassigned to a different funding source in 2011-12 to allow for the increased allocation to CoP; it is being restored in 2012-13 to its 2010-11 level of funding, minus $10,000, which was moved to international student scholars.

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**Drafted 10/25/2012**

**Approved / Disapproved:**

Luoluo Hong, Vice Chancellor for Student Affairs

Donald O. Straney, Chancellor

Date