

# BOARD OF REGENTS BRIEFING PAPER

1. **AGENDA ITEM TITLE:** Handbook Revision, Temporary Suspension, Use of Student Access Funds

**MEETING DATE:** January 15, 2021

**2. BACKGROUND & POLICY CONTEXT OF ISSUE:**

Under current policy (*Title 4, Chapter 18, Section 8*), at least 80% of state-funded Student Access Funds and at least 80% of fee-generated student access must be expended on need-based financial aid for students.

Due to budget cuts made by the Nevada Legislature to the Nevada Promise Scholarship (NPS) program, there are insufficient funds to cover all awards made to students for the Spring 2021 semester. Based on discussions with the business officers at CSN, GBC, TMCC and WNC, NSHE Chief Financial Officer Andrew Clinger is recommending institutions reallocate student access funds to cover the shortfall so that NSHE can honor the promise made to students for Spring 2021. Because NPS is not a need-based program, a temporary suspension to Board policy is required so that Student Access Funds can be awarded in the place of NPS funds.

**3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:**

Temporarily suspend the provisions of *Title 4, Chapter 18, Section 8*, subsections 2 and 4 as specifically stated above, so that institutions can use Student Access Funds to cover the NPS shortfall, thereby ensuring students do not bear the brunt of state budget cut affecting the NPS program.

**4. IMPETUS (WHY NOW?):**

The spring semester is set to begin, with payment deadlines as early as January 5. It is important for the NPS awards already made are disbursed in a timely manner so that students are able to maintain enrollment in the spring semester.

**5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:**

- Access (Increase participation in post-secondary education)
- Success (Increase student success)
- Close the Achievement Gap (Close the achievement gap among underserved student populations)
- Workforce (Collaboratively address the challenges of the workforce and industry education needs of Nevada)
- Research (Co-develop solutions to the critical issues facing 21<sup>st</sup> century Nevada and raise the overall research profile)
- Not Applicable to NSHE Strategic Plan Goals

**INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL**

Maintaining the expected award levels to NPS students for Spring 2021 supports the Board's strategic goals of access, success and closing the achievement gap by covering registration fees. Without the expected funding, students may not be able to afford to attend Spring 2021.

**6. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:**

- Students have already been awarded NPS for Spring 2021. Reducing or eliminating the NPS award based on state budget reductions would require a change to student financial aid offers without advance notice.
- Students are experiencing unprecedented financial and emotional difficulties due to the pandemic. Reducing or eliminating NPS awards would add substantially to this stress.
- Spring 2021 enrollment would likely be substantially impacted if there were a change to NPS awards at this late date.

**7. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:**

- Student Access Funds used to cover the NPS shortfall reduces funding available at the campus level for other financial aid programs.

**8. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:**

Leave the policy in place and reduce or eliminate NPS awards already made to students.

**9. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:**

The Chancellor's Office recommends supporting the temporary suspension of the policy.

**10. COMPLIANCE WITH BOARD POLICY:**

- Consistent With Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
  - Amends Current Board Policy: Title # \_\_\_\_\_ Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
  - Amends Current Procedures & Guidelines Manual: Chapter # \_\_\_\_\_ Section # \_\_\_\_\_
  - Other: Temporarily suspends the provisions of Title 4, Chapter 18, Section 8
  - Fiscal Impact: Yes \_\_\_\_\_ No X
- Explain:

**POLICY PROPOSAL**  
**TITLE 4, CHAPTER 18, SECTION 8**  
Use of Student Access Funds

Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

**Section 8. Use of Student Access Funds**

- A. The provisions of subsections 2 and 4 of this section are temporarily suspended from January 15, 2021 through May 31, 2021 for the limited and specific purpose of allowing institutions to cover a shortfall in state funds available to cover Nevada Promise Scholarship awards for Spring 2021.***
- B.** In order to improve the access of all students and to encourage participation in higher education, an amount equal to at least 10 percent of the total registration fee at the community colleges (lower-division only) and at least 15 percent of the total registration fee for all other institutions including upper-division at the community colleges, net the amounts distributed to other fee categories, will be dedicated to student financial aid. These percentages are target amounts that must be achieved by academic year 2022-23. For the purposes of this Section, "Student Access Funds" means budgeted dollars intended for student financial aid, including allocations for such funds from state appropriations and funds generated from registration fees. The guidelines for the use of Student Access Funds are as follows:
1. One-hundred percent (100%) of Student Access Funds will be used for financial assistance for students. Except for the Regents' Service Program, funds will not be used for administrative or any other purposes, unless specifically authorized by Board policy. The portion derived from undergraduate student enrollments will be dedicated to undergraduate financial assistance. The portion derived from graduate student enrollments will be dedicated to graduate financial assistance; however this shall not include the funding of base salaries for graduate assistantships.
  2. At least 80% of state-funded Student Access Funds for each institution each academic year will go to need-based programs, for both undergraduate and graduate students. Student eligibility for state-funded Student Access funds is limited to 150 percent of the published credits required for a program in accordance with Title IV Federal Student Aid guidelines governing satisfactory academic progress. Institutions shall establish an appeals process pursuant to Title IV Federal Student Aid guidelines.
  3. The remainder of the state-funded Student Access Funds (not to exceed 20%) for each institution each academic year will go to other "access-oriented" financial assistance, including but not limited to scholarships, non-need based grants and work study programs, for both undergraduate and graduate students.
  4. For fee-generated Student Access Funds, at least 80% of undergraduate and at least 50% of graduate funds for each institution each academic year will go to need-based programs. Student eligibility for fee-generated Student Access funds is limited to 150 percent of the published credits required for a program in accordance with Title IV Federal Student Aid guidelines governing satisfactory academic progress. Institutions shall establish an appeals process pursuant to Title IV Federal Student Aid guidelines.
  5. The remainder of the fee-generated Student Access Funds (not to exceed 20% for undergraduate and 50% for graduate students) for each institution each academic year

will go to other “access-oriented” financial assistance, including but not limited to scholarships, non-need based grants and work study programs.

6. The institution shall report each year, information on how fee-generated and state-supported Student Access Funds were utilized, including such information as defined by the Vice Chancellor for Academic and Student Affairs that may be utilized to evaluate student success. This information will be included in the annual NSHE Financial Aid Report.
7. Nothing in this Section precludes an institution from allocating additional funds for general scholarship purposes. Any such additional allocations are not subject to the student access distribution established in this Section.
8. Awards granted to student using Student Access Funds shall be named the “Regents’ Higher Education Opportunity Award.”

***THE PROVISIONS OF SUBSECTION A. WILL EXPIRE BY LIMITATION ON MAY 31, 2021.***