

**Student Access Funds Use – NV Promise
January 15, 2020
Special Board of Regents Meeting**

Background

- During the August 2020 Special Legislative session, the NV Promise funding was reduced by \$1,063,168.
- The Governor's Finance Office committed to offsetting NV Promise's reduction using the Governor's Emergency Education Relief Fund, funded under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- NSHE received \$11.2 million in CARES Act reimbursements for FY 20 expenditures. NSHE reverted \$3.5 million in state funds due to the CARES Act reimbursements received in NSHE State Operating Budgets.

Institution	CARES Act Reimbursements	Reversion of State Funding	CARES Act Net of Reversion
SA	\$10,163	\$0	\$10,163
SCS	\$20,662	(\$19,410)	\$1,252
UNR	\$3,041,826	(\$1,082,708)	\$1,959,118
UNLV	\$6,231,002	(\$1,210,518)	\$5,020,483
DRI	\$137,747	\$0	\$137,747
TMCC	\$397,659	(\$323,347)	\$74,311
CSN	\$956,440	(\$731,904)	\$224,536
WNC	\$92,998	(\$11,160)	\$81,838
GBC	\$175,043	(\$128,428)	\$46,615
NSC	\$137,952	(\$623)	\$137,329
Total	\$11,201,491	(\$3,508,099)	\$7,693,393

- The \$11.2 million in CARES Act reimbursements received in FY 20 helped partially offset additional expenses due to the COVID-19 pandemic but did not provide additional unrestricted funding.

- The NV Promise Scholarship program is projected to be short for the Spring 2021 semester between \$623,624 and \$872,885.

NV Promise Scholarship

Spring 2021 Projected Shortfall

	Low Estimate	High Estimate
CSN	(\$285,810)	(\$400,047)
GBC	(\$70,765)	(\$99,049)
TMCC	(\$191,170)	(\$267,580)
WNC	(\$75,880)	(\$106,209)
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Total	(\$623,624)	(\$872,885)

- Colleges are looking for flexibility to ensure Promise Scholarship students receive spring 2021 funding as they have planned.
- Colleges are working through awards this week for spring enrollment and will have a better number in the coming week.
- The "how-to" for funding Promise students has been in discussion since this summer.
- Omnibus/COVID relief package signed by the President on December 27, 2020, provides additional funding for higher education institutions. However, the additional funds are not available until July 1, 2021.

WNC Notes

- Flexibility on the 80/20 rule would allow the college, if needed, the ability to fund all students, even if we reach the 20% limitation.
- It is estimated, based on Fall 2020 disbursements, that WNC would use \$106,186 in Access funds.
- If all other awards/commitments stand, the college could have approximately \$73,915 in non-need access funds available. There are other awards that have already been made and won't be finalized until after the add/drop period.
- In Fall 2020, 169 Students received Promise Dollars.
 - 110 students demonstrated no financial need based on Federal Methodology (COA-EFC). The flexibility being requested will ensure these students receive their expected Promise funding as in fall 2020.
 - 59 students demonstrated financial need, these students can be awarded Access dollars without any accommodations.

- WNC would award Promise dollars first, until Promise funds are exhausted. The remaining students would be given a non-need WNC Access Award Type. This strategy would help the college strive to stay within the BOR's 80/20 split requirements.
- WNC Access Fund amounts as of Dec. 31, 2020:
 - Amount balanced forward from FY 2020 to FY 2021: \$166,328.05
 - Student Access Fund account balance as of December 31, 2020: \$392,332.62

GBC Notes

- As of December 31, 2020, the balance in our student access account is \$348,704.04. The carryforward balance from FY2020 to FY2021 was \$290,650.97. GBC will be using the carryforward balance to pay for the funding gap for our NV Promise students.
- There will be no impact on other anticipated uses of the funds for need-based aid for the Spring 2021 semester. We would still ensure that we maintain a reasonable carryforward balance to FY2022 to cover any unexpected need for those students.
- GBC awarded 124 students Promise funds for the Fall 2020 semester totaling \$207,892.91.
- GBC would allocate all Promise funds to Promise students first and then look at using student access from student registration fee distributions to bridge any gap to Promise students to make the commitment whole for the Spring 2021 semester.
- Based on current projections, the Spring 2021 semester funding gap is estimated between \$70,764.68 and \$99,049.12. The majority of this gap for GBC would be non-need.
- For the Fall 2020 semester, a total of \$340,505.30 was awarded from access funds with 85% need-based and 15% non-need.
- As of December 31, 2020, GBC has allocated \$397,738.39 in access funds through registration fee distributions for FY2021.
- GBC had a carryforward balance of \$290,650.97 from FY2020 into FY2021 that we would use to make the Promise scholarship whole for those students. This would allow GBC to award the same funding level to other students (non-Promise) during the Spring 2021 semester.
- It is anticipated that if all awards, including Promise, stay within the projections for the Spring 2021 semester, the breakdown of access funds would be 65% need and 35% non-need.
- GBC will closely monitor the student access account's funds, ensure the account is not depleted, and provide a small carryforward balance for students' emergency needs for future semesters.

- GBC received a total CARES reimbursement from the state of \$175,042.88 for FY2020. However, only \$46,615 of that was non-state expenditures, with the rest being reverted. This \$46,615 was for critical need equipment, PPE, and supplies needed to respond to the pandemic guidelines and protocols. None of these expenditures were budgeted/planned.
- GBC's institutional reserves are \$2.4M, barely over 10% of our total state operating budget (before reductions). It is not in the institution's best interest or NSHE to have us expended funds from our reserves for Promise. Some Institutional Reserves have already been earmarked to assist with offsetting the budget shortfall.

TMCC Notes

- TMCC will not be using Student Access Funds to cover deficits in the NV Promise Scholarship.
- As of December 31, 2020, the balance in TMCC's student access account was \$1,688,487. The carryforward balance from FY2020 to FY2021 was \$893,828.
- The Nevada Promise funding shortfall depends on several factors, including how much Promise funding TMCC receives from the state, how many students continue from fall to spring, and the level of need for these students.
- The TMCC shortfall is projected to be \$191,170 - \$267,580. Having the option to use more than 20% of access funds offers flexibility IF we need it.
- If all other awards/commitments stand, the college may have approximately \$200,000 in access funds available, but this will decrease the rollover funds for future years. Other awards have already been made and won't be finalized until after the add/drop period. TMCC uses access funds to help students in need during the semester and over the summer; using these funds to cover Nevada Promise shortfalls will decrease funding opportunities for other students in need.

CSN Notes

- CSN will be using the 20% non-need Student Access Funds to cover deficits in the NV Promise Scholarship. No other need-based aid will be impacted.
- As of December 31, 2020, the balance in CSN's student access account was \$3,791,796.44. The carryforward balance from FY2020 to FY2021 was \$2,026,695.74.