BOARD OF REGENTS BRIEFING PAPER

Millennium Scholarship -

Limiting Use of Funds to Credits that Apply to a Student's Program of Study

BACKGROUND & POLICY CONTEXT OF ISSUE:

The Nevada Legislature created the Millennium Scholarship program in 1999 and authorized the Board of Regents to establish – within the legislative parameters – various criteria governing student eligibility, core curriculum, and other aspects of the program. Current Board policy governing the Millennium Scholarship is set forth under Title 4, Chapter 18, Section 9 of the *Handbook*.

Nationally and in Nevada, Financial Aid Directors are working to comply with federal regulations contained in 34 CFR 668 that require institutions to consider only the hours which apply to a student's program of study when determining enrollment status for Title IV financial aid purposes. In other words, courses that do not apply toward the requirements for a student's selected program of study will not count for eligibility purposes and should not be funded. This provision has been in regulation for a number of years and has never been fully implemented by our institutions and many institutions nationwide due to a number of technology constraints that no longer exist. Currently, the regulation is being widely discussed among the NSHE financial aid directors, and SCS is working with the institutions in the shared instance to develop a PeopleSoft modification that will assist in enabling institutions to become compliant with the federal regulation by Fall 2016.

Upon the recommendation of the NSHE financial aid directors and with the support of the NSHE Student Affairs Council, System staff recommends aligning Board policy governing the Millennium Scholarship with the federal regulations to specify that Millennium Scholarship funds cannot be used to pay for courses that do not apply toward the requirements for a student's selected of program of study. Such a policy is consistent with NRS 396.934, which specifies that a student who receives the Millennium Scholarship shall make satisfactory academic progress toward a recognized degree or certificate, as determined by the Board of Regents.

SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

Amend Title 4, Chapter 18, Sections 9.6, 9.9 and 9.11 of the *Handbook* to specify that Millennium funds may only be used to pay for credits that apply to a student's program of study. (See attached policy proposal.)

IMPETUS (WHY NOW?):

This policy revision is recommended to align Board policy governing the Millennium Scholarship with federal regulations governing financial aid under which courses that do not apply toward the requirements for a student's selected of program of study will not count for eligibility purposes.

BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- The policy revision will encourage students to focus on enrolling in courses that are within their program of study, thus staying on the path to earning their degree on time, which is consistent with the federal financial aid guidelines, as well as other Board policy such as the Excess Credit Fee.
- State funds for the Millennium Scholarship are limited. Ensuring that funds are only used for courses that
 apply to a student's program of study is an appropriate fiscal policy and demonstrates good stewardship of
 state funds.
- If the Board policy governing the Millennium Scholarship does not align with the federal regulations governing courses that apply to a student's program of study for purposes of financial aid, the current Millennium Scholarship modification in Peoplesoft will need to be reprogramed in order to process Millennium Scholarship funds in a manner different from the federal financial aid funds.

POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- This policy is a new approach to awarding Millennium Scholarship funds and may receive opposition from students who previously were awarded funds for credits that do not apply to their program of study.
- Not only will students no longer receive federal financial aid for credits that are not within their program of study once the federal regulations are fully implemented, if this policy is adopted they will also no longer receive the Millennium Scholarship funds for these courses.
- Students will have fewer financial options for taking courses that allow them to explore other educational fields outside their program of study while in college.

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

Do not adopt the policy revision. If the policy revision is not adopted, institutions will be required to reprogram the current Millennium Scholarship modification of Peoplesoft to modify the criteria used to evaluate eligibility for the Millennium Scholarship funds separately from federal financial aid funds.

COMPLIANCE WITH BOARD POLICY:	
	Consistent With Current Board Policy: Title # Chapter # Section #
X	Amends Current Board Policy: Title 4, Chapter 18, Sections 9.6, 9.9 and 9.11
	Amends Current Procedures & Guidelines Manual: Chapter # Section #
	Other:
	Fiscal Impact: Yes No_X Explain:
	Explain

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POLICY PROPOSAL TITLE 4, CHAPTER 18, SECTIONS 9.6, 9.9, and 9.11

Millennium Scholarship – Limited to Credits that Apply to Student's Program of Study

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

- 9.6 A Nevada resident who meets the requirements set forth in Section 9.1, 9.2 or 9.3 shall receive a Millennium Scholarship if the student:
 - a. Enrolls in at least 9 semester credits *that apply to a student's program of study* at an eligible community college or 12 semester credits *that apply to a student's program of study* at another eligible institution; and
 - b. Enrolls in a program of study leading to a recognized associate degree, baccalaureate degree, or pre-baccalaureate certificate.

Credits taken at another eligible institution to meet degree requirements at the student's home institution shall count towards the requirement of 9.6(a) provided the student enrolls in at least 12 credits.

"Home institution" means the institution at which the student is enrolled in a program of study leading to a recognized degree or certificate.

. . . .

9.9 Millennium Scholarship recipients may enroll in and receive the scholarship *for credits that apply to a student's program of study* for Summer term as long as they meet all eligibility requirements and all continuation requirements, excluding the *minimum credit* requirements of 9.6(a).

. . . .

- 9.11 The maximum amount of a Millennium Scholarship award each semester or Summer term is determined on a dollars-per-credit enrolled basis as set by the State of Nevada¹.
 - a. Total semester disbursements shall not exceed the cost of 15 credits per semester across all eligible institutions based on dollar-per-credit rates set by the State of Nevada for the Millennium Scholarship.
 - b. Millennium funds cannot be used to pay for remedial/developmental courses defined as any course with a course number less than 100.
 - c. Millennium funds cannot be used to pay for credits that do not apply to a student's program of study.

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¹ The dollars per credit hour as set by the State of Nevada are: (a) \$40 per enrolled credit in each lower-division course and \$60 per enrolled credit in each upper division course for students attending a NSHE community college, (b) \$60 per enrolled credit for students attending a NSHE state college, and (c) \$80 per enrolled credit for students attending another eligible institution.