

TOPIC: FINANCIAL AID UPDATE

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I. SUMMARY

Department staff have been discussing FY2011-2012 financial aid allocations with the financial aid advisory committee for several months. The original timeline for staff to recommend and the Commission to agree on a financial aid allocation methodology was December. However, due to the significant increase in enrollment of students eligible for financial aid, and the impact of that increase on institutions, staff and institutions need additional time. This agenda item provides a progress report on the issue since the last CCHE meeting.

II. BACKGROUND & STAFF ANALYSIS

Since discussions about the FY2011-2012 financial aid allocation began several months ago, the Department has received updated financial aid SURDS files. This data shows a significant increase in the number of students eligible for financial aid, and consequently a significant impact on the institutions. The institutions' Chief Financial Officers (CFOs) have joined the conversation about the allocation methodology. Both the financial aid advisory group and the CFOs have discussed the three models that were presented at the November CCHE meeting, and will next meet together to consider alternative models. Staff will present recommendations to the Commission at the Commission's January meeting.

III. STAFF RECOMMENDATIONS

No recommendation at this time; this agenda item is for information only.