

Contact: Patrice Sayre

**REVISIONS TO THE BOARD OF REGENTS POLICY MANUAL – CHAPTER 8**

**Recommended Action:** Approve, as a second and final reading, the proposed revisions to §8.02C(5)(h) to define resources for financial aid.

**Executive Summary:** The proposed changes will:

- ▶ Distinguish between resident undergraduate and all other student classifications as to the use of tuition revenues for student financial aid; and
- ▶ Prohibit the use of tuition revenues from resident undergraduate students for financial aid.

The process for revisions involves initial review and comment by the Board (“first reading”) and final Board approval for publication at a subsequent Board meeting. This is the second and final reading of the proposed revisions as illustrated below.

*Please note that the yellow highlighted words below are already in the Policy Manual, but were inadvertently left out of the August memorandum.*

~~Provide at least the minimum required 15% gross tuition proceeds set aside for student financial aid.~~

Provide student financial aid to meet enrollment and tuition cost calculated as a **minimum of** 15% of tuition revenues.

“Prohibit the designation of a portion of the tuition moneys collected from resident undergraduate students by institutions of higher education governed by the board for use for student aid purposes. However, such institutions may designate that a portion of the tuition moneys collected from nonresident students be used for such purposes.” Iowa Code § 262.9(19) (2013).

**Background:** At its June 2012 meeting, the Board created the Board of Regents Student Financial Aid Committee “to provide as comprehensive of an analysis as possible about tuition set-aside, alternative funding sources for student financial aid, and policy implications.” The Committee included Board Office and institutional representatives.

The final report of the Committee was approved by the Board at the October 2012 meeting. The most significant proposal was the establishment of the Regent Student Financial Aid fund, a state-funded program for Iowa undergraduate students who attend an Iowa public university and who demonstrate need. This was incorporated in the FY 2014 Appropriations Request for \$39.5 million.

The Governor included \$5 million in his proposed budget for FY 2014. The 2013 General Assembly did not appropriate funds for this financial aid, but included language in HF 604 amending Iowa Code Section 262.9, subsection 19.

The amended language requires a revision to Regent Policy Manual §8.02C(5)(h) as proposed above.