

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Report on Meeting of the Iowa College Student Aid Commission
Date: June 1, 2001

Recommended Action:

Receive the report.

Executive Summary:

The Iowa College Student Aid Commission (ICSAC) met on May 29, 2001. The Commission received reports and took action on several items, including vocational-technical tuition grant allocations, osteopathic forgivable loan revisions, and discussion of a possible 28E agreement with the Department of Revenue and Finance for defaulted student loan collection assistance. The Commission also considered the following items affecting the Regent institutions.

Legislative Update

The most significant reduction in the Commission's financial aid programs was the elimination of the entire state appropriation (\$2,750,000) for college work study, affecting approximately 4,300 students. For the 1999-2000 academic year, the Regent universities reported that \$2.4 million from this program were utilized for over 1,800 student financial aid awards.

Disaster Grants

The Commission's Default Reduction Task Force recommended, and the Commission approved, expanding the Disaster Relief Program for an additional two academic years.

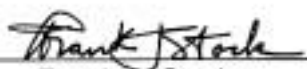
Last spring, the Commission announced U.S. Department of Education endorsement of the Commission's proposed Disaster Relief Grant program. The program was created to assist Iowa families who had been adversely impacted by the sagging farm economy or other natural disasters to pay college expenses. The Commission approved institutional allocations based upon student need, and institutions agreed to match the Commission's funding as a requirement to participate in the program.

Each institution was allowed to determine application procedures, select award recipients, and determine award amounts. This flexibility allowed institutions to tailor the program to best meet the needs of their students and the unique circumstances of their families. By accepting a Disaster Relief Grant award, students must agree to limit their borrowing.

Institutions were given the option of awarding Disaster Relief Grant funds during the 2000-2001 and/or 2001-2002 academic years. To date, over 850 Iowa students have been awarded these Disaster Relief Grants with an average award of \$1,300. Total award amounts include Commission allocation and institutional match:

	<u>Total Award Amounts</u>	<u>Number of Recipients</u>	<u>Average Awards</u>
Regent Universities	\$362,864	306	\$1,186
Independent Colleges and Universities	535,349	410	1,306
Community Colleges	241,143	153	1,543
Totals	\$1,117,356	869	\$1,302

The additional allocations to be made to the Regent universities will include \$101,588 at Iowa State University; \$80,225 at the University of Iowa; and \$63,707 at the University of Northern Iowa for a total of \$245,520.



Frank J. Stork