

2019-2021 Biennium Internal Budget Proposal Narrative

Division: Enrollment & Student Services

Evaluation Criteria: Proposals will be evaluated on every aspect of this template. It is highly recommended that the narrative portion touch on each area. Proposals forwarded to UPRC by unit leaders will be discussed at UPRC and authors are encouraged to attend so that they may answer questions and provide clarification.

Financial Aid: Increase to Institutional Federal Supplemental Educational Opportunity Grant (FSEOG) Match by \$81,880

- This is a revised version of a previously submitted budget proposal.
If box is checked please briefly outline any significant changes and/or indicate why it is being resubmitted.

[Click here to enter text](#)

Statement of Purpose: *(What is the challenge or opportunity being addressed? How does the proposal address this challenge or opportunity? Limit response to 1 page – please link to any existing reports, data, supplemental materials, etc.)*

Western participates in all State and Federal grant programs including the Federal Pell Grant, Federal Teach Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Washington State Need Grant, Washington State Tuition Waiver, and Institutional Grant programs.

The Financial Aid office awards FSEOGs to students who have the most financial need based on their Free Application for Federal Student Aid (FAFSA). The FSEOG is free money that does not need to be repaid. All in all, Western's Financial Aid department awards approximately \$600,000 annually in FSEOG. Although FSEOG isn't one of our larger grant programs, it is nonetheless a resource for approximately 3,250 Western students with exceptional financial need who receive these funds.

The Federal government provides up to 75% of this money and the Institution provides the rest. This money is not guaranteed by the government and may vary from school year to school year. If the school does not use its entire share of the FSEOG money, the U.S. Department of Education will not allocate as much money to that school for the next school year.

Western has historically received approximately half a million dollars in FSEOG from the U.S. Department of Education on an annual basis. Western adds funding to the FSEOG account as well. There has been a shortfall of \$81,880 annually as required match for the FSEOG program.

This is how the shortfall of \$81,880 in FSEOG match is derived:

- Federal capital contribution = \$537,215 (what the U.S. Department of Education typically allocates each year).

- Divide by .80 to come up with a number used to derive a “working number” used to calculate 75% Federal share of disbursements, 25% Institutional share of disbursements and 5% administrative cost allowance of disbursements = \$671,519.
- Multiply \$671,519 by .75 to derive Federal match = \$503,639.
- Multiply \$671,519 by .25 to derive Institutional match = \$167,880.
- Subtract \$86,000 in Institutional match from \$167,880 to derive Institutional match not provided by Institution (we have been under-matching) = \$81,880.
- Multiply \$671,519 by .05 to derive administrative cost allowance = \$33,576.
- Crosscheck: Federal match of \$503,639 + 5% administrative cost allowance of \$33,576 = \$537,215 Federal capital contribution.

Financial Aid has been meeting the \$81,880 shortfall by demonstrating that the University pays state and/or institutional funds to needy students via other aid accounts. This is unusual for an institution of Western’s stature (more common at community colleges) but minimally acceptable in lieu of a full and real dollar match to the FSEOG program per U.S. Department of Education requirements. Apparently Western made the decision decades ago to reduce the FSEOG dollar match (that is, intentionally undermatch the FSEOG account) due to budget shortfalls and instead demonstrate to the U.S. Department of Education that the University be held harmless from making the full dollar match by citing the availability of other aid that allows the University to decrease the dollar match. In so doing, Western reduced \$81,880 in FSEOG disbursements to our most financially at-risk students. Recent reductions to waiver allocations have exacerbated the lack of financial aid for needy students. Data shows that Western cannot increase diversity without providing more need-based aid; the Federal government via College ScoreCard consistently lists Western as the second most expensive out-of-pocket cost four-year public institution in Washington State; the Washington Student Achievement Council shows that on average, Western provides less institutional aid at 13.3% of aid to needy students than the other 4-year public institutions at 18.5% and all other institutions in Washington state at 23.6%; further, creation of the Seattle Promise scholarship program will prompt an estimated 200 students from King County to enroll at community colleges instead of Western. Fully matching the FSEOG account will support access, recruitment and retention at a time when Western students and Western need it the most.

Anticipated Outcome(s):

Permanently increasing the Institutional FSEOG matching fund allocation by \$81,880 will bring the allocation from \$86,000 to \$167,880. This will allow the University to fund an estimated 230-300 more of our neediest students with FSEOG and thereby support access, recruitment and retention.

Metrics: *(How will outcomes be measured? Please include current data points and goals. If this proposal will have any impact on the [Overall Metrics](#) included in the university’s strategic plan, please indicate which specific ones here.)*

Enrollment:

An estimated 60% of Western students could not attend or remain in school without financial aid. Grant programs are a valuable source of financial assistance, especially for low-income students, as they do not require repayment and are awarded to students with the most financial need.

Retention:

Financial hardship is a leading cause of students withdrawing from college. Grant programs are a valuable source of financial assistance, especially for low-income students. FSEOG is awarded to students with the most extreme financial need, including diverse students who have historically had higher financial need than majority students. Research shows that diverse students are especially price conscious and more averse to borrowing via educational loan programs than majority students.

How does this proposal align with your departmental/divisional strategic priorities? *(Please reference specific items from the recently completed departmental/divisional strategic plan and attach a copy.)*

Our Division recently completed a Council for the Advancement of Standards in Higher Education (CAS) self-assessment. According to the CAS Standards and Guidelines, “the mission of Financial Aid Programs (FAP) is to develop, review, and disseminate financial resources and information to students to assist them in achieving their educational goals from pre-enrollment through graduation.” Grants are a valuable financial resource for students. Increasing the Institutional FSEOG match to the standard level rather than intentionally under match would allow us to fund an additional 230-300 of our neediest students, thereby supporting access, recruitment, retention and diversity.

How does this proposal support the University Mission and Strategic Objectives? *(Please refer to the [2018-2025 Strategic Plan](#) and indicate which core theme(s) this proposal will help achieve.)*

Advancing Inclusive Success

FSEOG is awarded to our financially neediest students and thereby supports access, recruitment, retention and diversity at the University.

What are the consequences of not funding this proposal?

Not funding an additional 230-300 of our neediest students at a time of increased competition and reduced waiver allocations and suffering a decrease in access, recruitment, retention and diversity.

What alternatives were explored?

An alternative would consist of increasing need-based waivers to make up for the FSEOG undermatch, but the pattern has consisted of reducing waivers, not increasing them.

Which units (departments, colleges, etc.) will be involved?

Financial Aid

Equipment needed:

None

For major (>\$25k) purchases, please provide the following information.

Item:

Click here to enter text

Purpose:

Click here to enter text

Cost:

Click here to enter text

Anticipated Useful Life:

Click here to enter text

Replacement Cost if any:

Click here to enter text

Human Resources *(Complete the table below adding additional rows if necessary):*

<i>Position Title</i>	<i>Total Headcount</i>	<i>Total FTE</i>	<i>Salary and Benefits per FTE</i>	<i>Total Cost</i>
<i>N/A</i>				

Table above should match data on budget spreadsheets submitted with this proposal. Complete the spreadsheet to get salary, benefit, and total cost amounts. Contact your division budget officer with questions.

Operating & Maintenance Costs (include service contracts, installation costs, etc.):

None

Space Requirements:

What type of space is needed for this proposal? (e.g., private office, lab space, group work/study space, etc.)

None

What features must this space have? (e.g., fume hoods, plumbing, 3-phase power, etc.)

N/A

What needs can be accommodated within your existing space?

N/A

How much new space will be required?

N/A