Board of Regents FY 2003 Student Financial Aid

ISSUE

The Board of Regents universities provide financial assistance to students in the form of grants, loans, and employment. This Issue Review provides information related to FY 2003.

AFFECTED AGENCIES

Board of Regents

CODE AUTHORITY

Chapter 262, Code of Iowa

BACKGROUND

The Board of Regents universities offer financial aid packages utilizing a combination of federal, State, and institutional funds. In FY 2003, a total of $619.8 million in financial aid was distributed to Regents students. The distribution by source of funds consisted of the following:

- Federal - $330.1 million (53.2%)
- State - $70.2 million (11.3%)
- Institutional - $192.5 million (31.1%)
- Other - $27.0 million (4.4%)

The distribution by type of funds consisted of the following:

- Grants/scholarships - $145.7 million (23.5%)
- Loans - $337.1 million (54.4%)
- Employment - $137.0 million (22.1%)
A total of 176,741 financial aid awards were made in FY 2003 as follows:

- Grants/scholarships – 62,680 (35.4%)
- Loans – 76,309 (43.2%)
- Employment – 37,752 (21.4%)

Graduating students that spent four years at the same Regents university had the following average debt load:

- University of Iowa (SUI) - $23,448
- Iowa State University (ISU) - $26,398
- University of Northern Iowa (UNI) - $16,693

**TUITION SET-ASIDE**

Board of Regents policy requires a minimum of 15.0% of gross tuition revenues be set aside for financial assistance. The total general operating fund tuition revenues for FY 2004 and the amount of set-aside for aid to individuals for each of the universities are illustrated in the table below:

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</thead>
<tbody>
<tr>
<td>SUI</td>
<td>$170,198,158</td>
<td>$29,304,367</td>
<td>15.0%</td>
</tr>
<tr>
<td>ISU</td>
<td>160,217,878</td>
<td>36,212,919</td>
<td>22.6%</td>
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<tr>
<td>UNI</td>
<td>54,441,031</td>
<td>10,283,503</td>
<td>18.9%</td>
</tr>
</tbody>
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The Board’s policy for tuition set-aside provides financial assistance to students that helps them offset tuition increases. However, the tuition set-aside practice is a Board policy that is not required by statute. If the amount of set-aside were reduced or eliminated, more tuition revenue would be available for general operating expenditures such as salaries, repairs, library acquisitions, and supplies.

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Source: Board of Regents “Annual Governance Report on Student Financial Aid” – July 21, 2004
http://www2.state.ia.us/regents/Meetings/DocketMemos/04Memos/aug04/0804_ITEM04.pdf