Statutory Requirements: SB10-003 - C.R.S 23-41-104.7

1) Beginning in the 2011-12 fiscal year, Colorado School of Mines shall use a portion of its fee-for-service funding negotiated pursuant to section 23-5-130 to provide merit-based scholarships, need-based financial aid, and graduate student support to assist students with in-state classification to attend the institution, and shall increase said portion to ensure that, no later than the 2020-21 fiscal year and for each fiscal year thereafter, all said funding shall be used for said purposes, except as otherwise provided in paragraph (b) of subsection (2) of this section.

(2) (a) (Deleted by amendment, L. 2011, (HB11-1074), ch. 61, p. 159, § 1, effective August 10, 2011.)

(b) Beginning in 2020-21 and in any fiscal year thereafter in which the average discounted tuition rate for undergraduate students with in-state classification enrolled at the Colorado school of mines is greater than thirty percent, the institution may use any amount of fee-for-service funding that is not used to maintain the average discounted tuition rate at thirty percent for other operational purposes. As used in this paragraph (b), "average discounted tuition rate" means the total of the amount of merit-based and need-based scholarships and grants awarded from institution funds to undergraduate students with in-state classification enrolled in the institution divided by the total tuition revenue from undergraduate students with in-state classification.

Goals and Objectives for State Fee for Service Funding

Colorado School of Mines intends to use Fee for Service funding from the State of Colorado to provide access and affordability to Mines for Colorado’s best and brightest students. Long term strategies include increasing access and diversifying our student population, improving retention, lowering student debt, and increasing support for our teaching and research functions. In order to achieve these primary objectives while maintaining academic excellence, Fee for Service funds will be used specifically for:

- High merit undergraduate students that have the greatest financial need
- Filling gaps in existing financial aid and work study programs
- Provide funding to graduate students to support research
- Provide funding to graduate students as teaching assistants to support instruction
- Provide matching funds for underrepresented graduate populations

In addition, funding may be used for new programs with targeted outcomes such as tuition assistance for the early entry enrollment program and the undergraduate research program.
General Allocation

State fee-for-service funds will be budgeted for graduate support, financial aid and merit scholarships for resident students. Funding for these programs will increase by approximately 10% of the total fee-for-service revenue received each year. The 10% increase will be used as a guideline and is not mandatory. However 100% of all fee-for-service funds must be allocated to this program no later than fiscal year 2021.

Although not statutorily required, it is the Colorado School of Mines’ intent to increase financial aid and graduate support, not to replace base funding existing as of fiscal year 2012. Each year’s funding will be allocated for three general purposes as approved by the President (Attachment 1):

1. Graduate financial support – 30%
2. Colorado Scholars Fund – 40%
3. Undergraduate strategic financial assistance programs – 30%

Graduate Support (30%)

Increases required to support resident graduate students will be funded directly from Fee for Service funds. Support is provided for the following programs:

- Teaching Assistants - increases primarily due to tuition increases, or increases in the number of TA’s supported.
- Summer Tuition – students must enroll in summer “courses” in order to participate in research. Tuition for these courses is fully funded by the institution.
- Research Match – the differential between granting agencies supporting graduate students
- GSA continuance – aid for students losing research funding in their final year
- Matching Grants – for underserved populations

Colorado Scholars Fund (40%)

This is a new program implemented in fiscal year 2015 to provide awards to high merit and high need undergraduate students. The student must be Pell eligible and qualify for a Colorado School of Mines Merit Award. The funding will fill the gap between what the student receives in federal and external grants, merit scholarships and the total cost of tuition and fees. For students that meet the highest level of merit, additional funding is provided for a portion of the cost of room and board to assist with the mandatory requirement to live on-campus during the first year at Mines. Funding will start with the freshman year and will be renewable for up to three additional years if the requirements continue to be met (Attachment 2).
SB003 Guidelines Regarding Colorado School of Mines Fee for Service Funding

The funding commitment will be budgeted for the entire four years for each participating student. A reserve to be held to fully fund students already in the program to mitigate potential decreases in state fee-for-service funding. If state funding is decreased, the program may be restructured for future incoming freshman, but funding will continue for existing participants throughout all four years.

Undergraduate Strategic Financial Assistance Programs (30%)

A variety of undergraduate programs have been funded to meet specific needs and provide additional support to resident students that would not otherwise be available. They include subsidies to existing programs and new funding to encourage participation in specific programs.

- ACG, SMART, CLEEP – additional funding was provided in fiscal years 2012-2014 to offset the decrease in state and federal funding.
- E3 (Early Entry Enrollment) – funding provided in fiscal year 2012 to encourage summer attendance in first year required courses due to a significant increase in enrollment.
- Merit Scholarships – funding for the increase in merit scholarships for resident students who are not included in the Colorado Scholars program. A flat amount of $224,389 was invested from fiscal year 2012-2014. This was increased to $1,066,571 in fiscal year 2015.
- Work Study – Work-study provides great opportunities for students to help pay for their own education while allowing them to stay on campus. Current federal and state funding falls short of the current need and these funds will help fill that gap.
- Summer Financial Aid Assistance – Typically, financial aid is awarded over the fall and spring semester and not generally available for summer. This funding will provide need-based aid to students enrolled in field courses which are required over the summer.
- UG Research Match – Increasing undergraduate research opportunities have been identified as an important goal for the institution. Funds are awarded to students, as merit-based scholarships, chosen to participate in this honors program.
- Student Hourly – One time funds were provided in fiscal year 2014 to pay for student employees outside the work study program.
- Athletics – Additional funding to provide athletic scholarships to more resident students.

The effectiveness of these programs will be reviewed on an annual basis and adjusted as needed. Additional programs may be created if new opportunities are identified and approved by the President.

Record Keeping

The source (fee-for-service revenue) and all distributions will be separately accounted for in the financial system in order to provide detailed tracking on how the funds are used. The activity will be recorded in a unique General Fund (127813) and each program will have unique Indexes (Attachment 3). Any unallocated Colorado Scholars funds will be reserved as a contingency for potential decreases in state funding. All other unallocated funds will be transferred to the institution’s General Fund reserves.
through fiscal year 2020. Beginning in fiscal year 2021, any unallocated or unused funds will be used in the following year's allocation.

A budget summary with ten year projections will be updated on an annual basis to be approved by the Executive Vice President of Finance and Administration and the Vice President of Student Life after review by the President. The full budget will be included in the annual budget process and approved by the Board of Trustees.

Each fund manager is responsible for ensuring the funds are used only for the approved purpose and must be able to provide reporting on how the funds were used at the detail level (e.g. what students received the funding). Under no circumstances may the funding be used for non-resident students.
Memorandum

TO: M.W. Scoggins, President
DATE: June 6, 2012
RE: SB3 Financial Aid and Student Support Plan Recommendation

Background

A working group consisting of Terry Parker, Joe Trubacz, Dan Fox, Tom Boyd, Heather Boyd, Vicki Nichol, Jill Robertson and I have been meeting to develop an action plan for allocating Fee for Service funding per the provisions of SB10-003 and HB11-1074. Those bills created and modified C.R.S. 23-41-104.7 which now says:

"(1) Beginning in the 2011-12 fiscal year, Colorado school of mines shall use a portion of its fee-for-service funding negotiated pursuant to section 23-5-130 to provide merit-based scholarships, need-based financial aid, and graduate student support to assist students with in-state classification to attend the institution, and shall increase said portion to ensure that, no later than the 2020-21 fiscal year and for each fiscal year thereafter, all said funding shall be used for said purposes, except as otherwise provided in paragraph (b) of subsection (2) of this section."

Recommendation for SB3 Financial Aid Use

The recommendation consists of the following investments. Included in the description is a target for level of support (and rationale) to help guide future decisions. The target levels can easily be modified.

1) Graduate Support. Approximately 30% of total SB3 funding. Currently graduate students comprise 25% of the total student headcount. The higher rate for SB3 funding will help support planned growth in graduate enrollment.

2) Colorado Resident Scholarship for Undergraduate Students. Approx. 40% of total funding and 60% of UG funding. This grant will be given to all resident students to help support affordability for all Colorado residents attending Mines. (A COF for Mines students.) Part-time student grant will be pro-rated. The award would be granted only to students in good standing to serve as incentive to graduate on time. The program could be started as early as Fall 2013 with an award of $500. An initial model estimates that with the same level of Fee for Service funding, this award could grow to as much as $1,500 per resident student by Fall 2019.

3) Undergraduate Strategic Investments. Approx. 30% of total funding and 40% of UG funding. These investments will be made to help shape the composition of student
body, assist student’s financial need, and support enhanced education opportunities for students. For example:

a. ACG, SMART, CLEEP. Last year Mines helped students who lost need-based financial aid through these federal and state supported programs. Remaining students will continue to receive support through 2013-14.

b. Summer E3. Mines provided financial assistant to students attending this summer session and continued their support in the fall. A portion of this commitment was for 4 years, and will need to continue through 2014-15.

c. Merit Scholarships. An investment of $225,000 was made to increase the merit-based scholarship program for Colorado residents. It is recommended that this base funding from SB3 for merit scholarships be continued.

d. Work-study. Having students invested in their own education is a hallmark of the Mines culture. Work-study provides great opportunities for students to help pay for their own education while allowing them to stay on campus for time management efficiency. Funding for this need-based financial aid program falls short of the current need. Often if a student declines work-study funding (to concentrate on large semester course load, for example) he or she is not able to return to this program due to lack of funding. In other cases, students can only fill a portion of their need due to lack of available funding.

e. Undergraduate Research Scholarships. Increasing undergraduate research opportunities for undergraduates has been identified as an important goal for the institution. SB3 funds will be awarded to students as merit-based scholarships chosen to participate in this honors program.

f. Outside Scholarship Matching. A growing number of merit and need based scholarship programs have been established by outside organizations. These competitive programs attract the best students from the State of Colorado and in many cases attract a diverse population. Most of these programs, however, do not fund 100% of a student’s cost of attending Mines. SB3 funds will help Mines more competitive for the state’s best students who may attend another state institution due to costs or an out-of-state institution for a variety of reasons.

g. Summer financial aid and assistance. Summer field session is another hallmark of a Mines education. Financial aid is limited for this session, however, because most funds have already been awarded for fall and spring semesters.
I am also attaching a model of how this funding would be allocated over a 10 year period, beginning with the current year. A key assumption is that Fee for Service would be maintained at FY12-13 year levels. Should that be reduced funding for these recommended programs would need to be reduced accordingly.

Approved by:

______________________________
M.W. Scoggins, President

______________________________
Date
To: Dr. Scoggins, President  
From: Heather Boyd, Associate Vice President of Enrollment Management  
Date: March 18, 2014  
Subject: Establishment of Colorado Scholars Fund

Meetings to determine the utilization of the Colorado Scholars Fund dollars via the SB-03 State allocation began several months ago among a group of campus leaders including T. Parker, K. Volpi, D. Fox, P. Han, H. Boyd, J. Robertson, V. Nichols and the recent addition of A. Walker.

It is critical to finalize a policy surrounding use of these funds to help shape and best meet the financial needs of the incoming class. Addressing concerns of access and affordability, these funds will help offset costs and lower loan debt for Colorado students who excelled academically in high school and show significant financial need; need that may be the barrier when deciding whether or not to attend Mines. The target population is:

- Colorado Resident
- US citizen or permanent resident (must be eligible for federal/state aid)
- Freshmen enrolling for the first time in Fall 2014
- CSM Merit Award recipient*
- Pell Grant eligible determined through the Free Application for Federal Student Aid (FAFSA)

*The CSM Merit award is based on established policies and is determined by the student’s unweighted high school GPA and best composite test score received (SAT or ACT). There are two levels of merit for resident freshmen: $2,500 and $5,000.

Students have received the current base awarding that all Colorado residents receive upon admission and receipt of their expected family contribution (EFC) determined through the FAFSA. Students who meet the above qualifications will also receive the Colorado Scholars Fund. This funding will fill the gap between what the student receives in grants and scholarships and the cost of tuition and fees. For example: $16,812 is the estimated tuition and fees for a full-time, resident student for academic year 2014-15. If a student receives $4,000 in Pell Grant, $1,700 in CSM/State Grant and $2,500 in CSM Merit award, then this student would be awarded $8,612 in the Colorado Scholars Fund. Retention and persistence are significantly increased for students who live on-campus their first year. As a result, all students receiving the Colorado Scholars Fund will be obligated to the ‘first-year live on-campus’ requirement; housing waivers will not be approved. If the student is receiving our highest merit award of $5,000, he/she will also receive an additional $5,000 to be used towards on-campus room and board.

The Colorado Scholars Fund will be treated like a scholarship and will be renewable for four years. The student must meet the institutionally defined standard scholarship renewal criteria. Because the award is also based on Pell Grant eligibility, the student must complete the FAFSA each year with results that confirm continued Pell Grant eligibility. If a student who was eligible as an enrolling freshman and is not Pell eligible in subsequent year(s), the Financial Aid Office will determine the reason and use a decision of professional judgment as to whether the student will continue receiving the Colorado Scholars Fund.

The financial stress of this group is high. Reducing that stress through the Colorado Scholars Fund will most certainly lead to greater retention and persistence to graduation of these highly qualified students. The expected four year funding of this population anticipated to enroll in Fall 2014 fits within the institution’s planned use of the SB-03 State allocation. Funding of future entering classes under this policy will be determined annually.

The establishment of this fund will help mitigate growing institutional concerns of affordability and access while serving some of Colorado’s best and brightest. As such, and on behalf of the work of the development group, I respectfully request your endorsement of the use of these funds through the creation of the Colorado Scholars Fund at Colorado School of Mines.
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**GRADUATE: COLOMBIAN MANNERS**

Grad Res TA support increase (primarily due to increased tuition)

**UNDERGRADUATE INVESTMENTS:**

- ACG SMART CLEF
- CSM Pres. Merit Scholarships
- Work Study
- Summer Financial Aid and Assistance
- Outside Scholarship Matching
- Undergraduate Match-CASE
- Undergraduate Match-CERSE
- Undergraduate Match-CECS
- Outside Scholarship Matching
- Student Hourly-CASE
- Student Hourly-CERSE
- Student Hourly-CECS
- Student Hourly-CCT
- Athletics

State Appropriation

SB03 Unallocated Budget