

STATE OF ALASKA

ALASKA COMMISSION ON POSTSECONDARY EDUCATION

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March 23, 2010

The Honorable Bill Stolze
The Honorable Mike Hawker
Co-Chairs, Finance Committee
Alaska House of Representatives
State Capitol, Rooms 515, 505
Juneau, Alaska 99801

Subject: CSHB 297(EDC) - An Act establishing the governor's performance scholarship program...

Dear Representatives Stolze and Hawker:

During the committee's initial hearing on CSHB 297(EDC), members asked for additional information and clarification on relevant issues. The issues raised included:

- What does the current version of the bill provide for in terms of award amounts at various scholarship tiers when taking into consideration family income levels?
- Pursuant to Sec. 14.43.815. (Qualifications of applicants) (Page 7, Lines 17-18), which requires that a scholar "meets other minimum qualifications to apply or continue to be eligible for a governor's performance scholarship," what, if any, "academic grace period" will there be to mitigate negative grade impacts a scholar may experience as a student transitioning from a secondary to postsecondary educational setting?

In response to the first question, please find attached sample schedules which estimate the value of the scholarship awards at each of the three merit-based academic award tiers and at several levels of annual family income.

Relative to the second question, as Commissioner LeDoux testified, the bill does not contain any specific allowance for a drop in a scholar's grade performance upon entry into their postsecondary program of study. In fact, the bill does not contain a specific postsecondary performance standard. This is an area in which further program requirements will be set out in regulation. Pursuant to Section 4 of the legislation, both the Department of Education and Early Development and the Alaska Commission on

Representatives Stolze and Hawker
March 23, 2010
Page – 2 –

Postsecondary Education are authorized to set specific programmatic standards including to maintain eligibility and to regain eligibility once it is lost by a student. While regulations have yet to be drafted, one possible model would be for students in credit-based programs to have the continuing eligibility criteria set relative to class standing. Using that approach, there could be a more modest grade point average required for the first two semesters, and a more rigorous standard to be met subsequent to the completion of the third semester or end of the sophomore year.

I hope this information is helpful to you. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Barrans".

Diane Barrans
Executive Director

DB/dv

Attachment

Sample GPS Academic and Unmet Need Award Amounts

Assumes: Minimal net assets; family size of four/one in college; dependent student, attending full-time and residing on campus. Cost of attendance is averaged between UAA/UAF for 2009-10 year. Actual award results will vary based on family size, net assets, enrollment level, eligibility for additional non-loan aid, dependency status of student and whether the student resides: at home, on campus, or off campus, but independent from parental household.

A-level GPS Award Amounts by Family Income Level

Family income	\$25,000	\$50,000	\$75,000	\$100,000
Cost of Attendance	\$18,500	\$18,500	\$18,500	\$18,500
Less Pell Grant	-\$5,550	-\$0	-\$0	-\$0
Remaining Costs	\$12,950	\$18,500	\$18,500	\$18,500
Less Academic GPS	-\$4,775	-\$4,775	-\$4,775	-\$4,775
Remaining Costs	\$8,175	\$13,725	\$13,725	\$13,725
Less EFC	-\$2,000	-\$6,772	-\$14,157	-\$15,401
Unmet Need	\$6,175	\$6,953	\$0	\$0
Less Needs GPS @ 50%	-\$3,088	-\$3,476	\$0	\$0
Remaining Family Costs	\$3,088	\$3,477	\$0	\$0
Total State Aid	\$7,862	\$8,251	\$4,775	\$4,775
Total Student/Family Paid	\$5,087	\$10,249	\$13,725	\$15,401

B-level GPS Award by Family Income Level

Family income level	\$25,000	\$50,000	\$75,000	\$100,000
Cost of Attendance	\$18,500	\$18,500	\$18,500	\$18,500
Less Pell Grant	-\$5,550	-\$0	-\$0	-\$0
Remaining Costs	\$12,950	\$18,500	\$18,500	\$18,500
Less Academic GPS	-\$3,566	-\$3,566	-\$3,566	-\$3,566
Remaining Costs	\$9,384	\$14,934	\$14,934	\$14,934
Less EFC	-\$2,000	-\$6,772	-\$14,157	-\$15,401
Unmet Need	\$7,384	\$8,212	\$777	\$0
Less Needs GPS @ 50%	-\$3,692	-\$4,106	-\$388	\$0
Remaining Family Costs	\$3,692	\$4,106	\$389	\$0
Total State Aid	\$7,258	\$7,672	\$3,954	\$3,566
Total Student & Family Paid	\$5,692	\$10,878	\$14,546	\$15,401

C-level GPS Awards by Family Income Level

Family income level	\$25,000	\$50,000	\$75,000	\$100,000
Cost of Attendance	\$18,500	\$18,500	\$18,500	\$18,500
Less Pell Grant	-\$5,550	-\$0	-\$0	-\$0
Remaining Costs	\$12,950	\$18,500	\$18,500	\$18,500
Less Academic GPS	-\$2,378	-\$2,378	-\$2,378	-\$2,378
Remaining Costs	\$10,572	\$16,122	\$16,122	\$16,122
Less EFC	-\$2,000	-\$6,772	-\$14,157	-\$15,401
Unmet Need	\$8,572	\$9,350	\$1,965	\$721
Less Needs GPS @ 50%	-\$4,286	-\$4,675	-\$982	-\$360
Remaining Family Costs	\$4,286	\$4,675	\$983	\$361
Total State Aid	\$6,664	\$7,053	\$3,360	\$2,738
Total Student & Family Paid	\$6,286	\$11,447	\$15,140	\$15,762

Prepared by Diane Barrans, March 23, 2010