
**State Student Assistance
Commission of Indiana (SSACI)
Budget Considerations
FY 12 & FY13**

State Budget Committee
December 14, 2010

Presentation Overview

- SSACI Mission and Programs
 - Budget focus on Frank O'Bannon Grant (FOB) and 21st Century Scholarship (21st)
 - Award Dynamics: Need analysis and the complicated process of prediction
 - Potential Budget Scenarios, and Budget Request
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SSACI's Mission and Programs

SSACI's Mission and How it's Served

To...

- * Make college more **AFFORDABLE** for middle and low income Hoosier families
- * Allow **CHOICE** by granting awards at public, independent and proprietary colleges
- * Encourage **PREPARATION** by increasing grants for students with more rigorous schedules

With...

- * **Grants and Scholarship programs**
 - * **Early intervention** programs for 21st Century Scholars
 - * **Research** to understand the needs of Hoosier families pursuing higher education
 - * **Technology** for efficient delivery of awards and for effective SSACI process
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SSACI's Current Grant and Scholarship Programs:

- **The Frank O'Bannon (FOB) grant:** Agency's largest program for full-time students
 - **The 21st Century Scholars Program:** An entitlement program providing intervention programming and full college (public) tuition. Eligible low income students enroll in 6th, 7th or 8th grade, and affirm after high school graduation
 - **Children of Certain Veteran and Public Safety Officers Supplemental Grant Program:** An entitlement program that provides full college (public) tuition for children of disabled veterans, and for children of public safety officers killed in the line of duty
 - **The Minority Teacher and Special Education Services Scholarship Program:** A renewable scholarship for African American and Hispanic Hoosiers preparing for a teaching career
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SSACI programs, cont.

- **The State Work-Study Program:** Open to students receiving FOB grants
 - **The Nursing Fund Scholarship Program:** Encourages students to pursue a nursing career, and commit to working in Indiana for at least two years
 - **The Robert C. Byrd Honors Scholarship:** Federally funded merit program
 - **The Part-time Grant Program:** Need-based award for undergraduates
 - **The Contract for Space Program:** Provides out-of- state tuition aid to Hoosiers living in 6 southeastern Indiana counties
 - **Indiana National Guard Supplemental Grant Program:** program that provides full college (public) tuition to eligible Indiana Air and Army National Guard
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Budget Focus on Frank O'Bannon Grant
(FOB), and 21st Century Scholarship
(21st)

Frank O'Bannon Grant (FOB) is...

- The largest need-based grant program SSACI administers
- FOB for student going to state school is comprised of HEA dollars
- FOB for student going to independent school is comprised of HEA and FOC dollars
- 2010-2011 Award Maximums (CAPS) are:
 - * State: \$ 3912
 - * Independent: \$ 7056

Higher Education Award	Freedom of Choice Award	Frank O'Bannon Grant
HEA +	FOC =	FOB

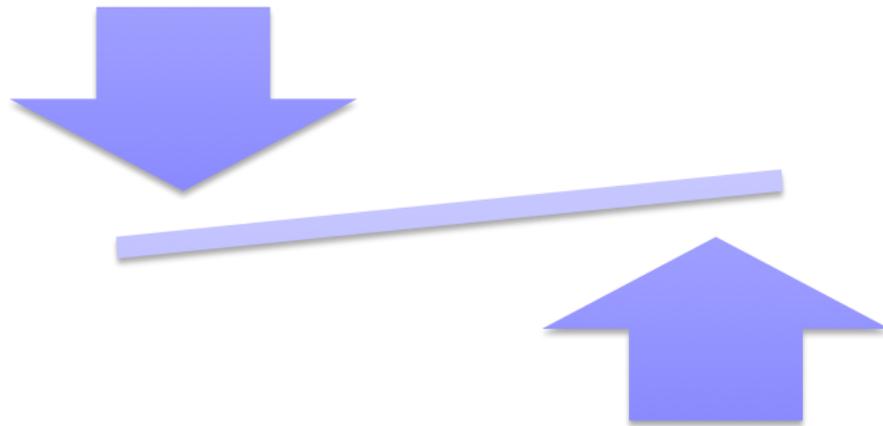
21st Century Scholarship (21st) is...

- **An entitlement program that supplements the FOB to meet the cost of tuition and fees at a state school**
- Regarded nationally as the premier early intervention program encouraging low income families to pursue college
- Used as the national model for the federal Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) programs

Relationship between FOB and 21st:

*If student FOB is high,
the supplement 21st is
lower

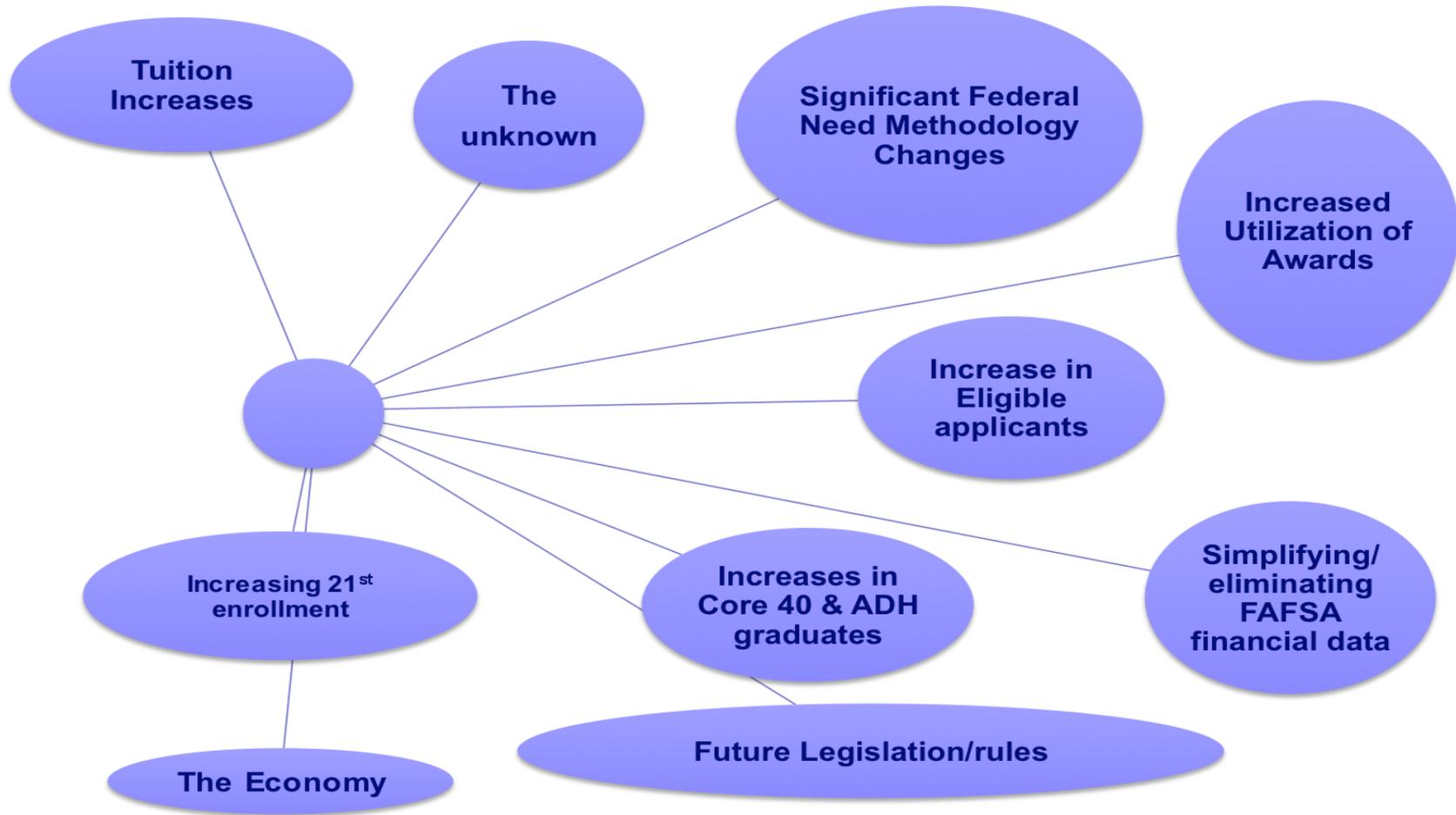
*If the student FOB is
low the 21st supplement
Is higher



Award Dynamics: need analysis and the complicated process of prediction

FAFSA and other federal methodology changes, population increases, utilization rates, tuition and fee increases, etc.

Budget and Prediction Pressure Points



Potential Budget Scenarios for FY12 and FY13

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- 0% on 0% (population increase)
 - 4% on 4% (population increase)

Assumptions Used in Scenarios:

2% increase in tuitions

50% utilization rate

0% (FY 12) on 0% (FY13) increase in
population

Year one

Year two

Caps drop: 4%
from \$3912 to \$3756
and \$7056 to \$6774

Caps drop: 3%
from \$3756 to \$3636
and \$6774 to \$6564

1% drop = \$39 and \$70

1% drop= \$38 and \$68

HEA to 21st: \$23M

HEA to 21st: \$26.5M

4% (FY 12) on 4% (FY 13) increase in
population

Year one

Year two

Caps drop: 9%
from \$3912 to \$3522
and \$7056 to \$6354

Caps drop: 8%
from \$3522 to \$3132
and \$6354 to \$5856

1% drop = \$39 and \$71

1% drop = \$35 and \$64

HEA to 21st: \$26M

HEA to 21st: \$33.5M

Budget Request

SSACI Suggested Budget			
Program	Baseline FY11 \$	FY12 \$	FY13 \$
Higher Education Award	152,886,733	152,886,733	152,886,733
Freedom of Choice	52,130,838	52,130,838	52,130,838
21 st Century Scholars	29,109,298	29,109,298	29,109,298