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Recommendation #31: Policies and practices for funding graduate student scholarships
Issue number: O-01

Background

An ad hoc RMM implementation work group was formed to review the existing institutional graduate scholarship policy as well as the existing funding arrangements in light of the implementation of the Resource Management Model. The work group consists of fiscal officer representation from several of the colleges as well as representatives from the Graduate College administration office.

Based on the tuition revenue distribution model as prescribed by the Resource Management Model, tuition revenue generated from graduate students will be distributed entirely to the college of enrollment (i.e. student's "home college"). Because all tuition revenue is distributed to the colleges, it was recommended by the Budget Model Review and Implementation Committee that colleges be responsible for any graduate tuition scholarships.

Institutional tuition scholarship plan

Several years ago, the university put in place an institutional policy, mandating that PhD and certain professional graduate students (MFA, MAR, MLA) on a half-time assistantship would receive a tuition scholarship equal to 100% of the graduate student's assessed tuition. The policy also mandated that graduate students on a half-time assistantship who are seeking a master's degree would receive a tuition scholarship equal to 50% of their assessed tuition.

The work group identified the following options related to tuition scholarships:

- a. Continue the existing institutional policy of funding tuition scholarships at the present percentages.
- b. Continue the existing institutional policy of funding tuition scholarships but change the present percentages.

Sponsored funding (4xx) and graduate tuition scholarships

Based on federal regulations, one of the primary conditions for allowing tuition scholarships on sponsored funding is that it must be the institution's practice to compensate students in non-sponsored activities similarly to students in sponsored activities.

Keeping this federal regulation in mind, an institutional policy was put in place several years ago that requires units to fund a portion of graduate scholarships on sponsored funding, if tuition costs are allowed by the funding agency. Specifically, this policy required that the sponsor provide at least half of a graduate student's tuition scholarship, but no more than the institutional mandated amount. Therefore, for PhD students on a half-time assistantship, the sponsor is presently required to fund no more than 100% of the graduate scholarship. For master's students on a half-time assistantship, the sponsor is presently required to fund no more than 50% of the graduate scholarship.

Sponsored Funding Match Program

As a way to reward units for adding tuition scholarships to their sponsored proposals, the University adopted a sponsored funding match program that would provide some funding assistance to colleges to lessen any potential funding shortfall. The program presently provides a matching scheme of up to 50% of the tuition scholarship for sponsored accounts and up to 25% of the tuition scholarship for 2XX fund accounts from the Graduate College tuition scholarship fund allocation pool. For example, if a department were able to fund 50% of a PhD student's graduate scholarship on sponsored funding, the department would receive 50% in matching funds from the Graduate College fund.

Central funding of graduate student scholarships

Currently, the Graduate College is allocated approximately \$10 million to fund a majority of the graduate student tuition scholarships and to fund the matching program. Academic colleges also contribute funds for graduate student tuition scholarship if the scholarships awarded are in excess of the Graduate College's funding allocation.

Recommendation/Conclusion

It is recommended that the following institutional policy regarding continue:

- a. provide a 100% tuition scholarship for PhD students and certain professional graduate students on a half-time assistantship and
- b. provide a 50% tuition scholarship for Master's graduate students on a half-time assistantship.

It is recommended that the existing sponsored funding mandates continue as institutional policy in order to maintain compliance with the federal costing policies. Therefore, if tuition costs are allowed by the funding agency, the sponsor would be required to:

- a. fund up to 100% tuition scholarship for PhD students and certain professional graduate students on a half-time assistantship and
- b. fund up to 50% tuition scholarship for Master's graduate students on a half-time assistantship.

Because 100% of the graduate and professional tuition revenue will be distributed to the colleges, it is recommended that the college receiving the tuition revenue be responsible for funding any graduate student scholarships that are awarded. The Graduate College would therefore no longer receive an allocation of funding to support graduate student scholarships.

It is also recommended that the current institutional sponsored funding match program be discontinued.