

November 21-22, 2019

ITEM 185-102-R1119

Elimination, Modification, and Consolidation of Board Policies Related to Montana Resident Undergraduate Student Financial Aid

THAT

The Montana Board of Regents approves OCHE's recommendation to eliminate, modify and consolidate multiple existing board policies related to resident undergraduate student financial aid by packaging them into one new overarching Montana resident undergraduate student financial aid policy to reflect revised state statute and legislative intent. This change impacts the following programs and/or Board policies.

Eliminates the following programs and repeals the associated Board policies:

- Montana Tuition Assistance Program (MTAP) – BOR Policy 940.30 (Repeal)
- Montana Higher Education Grant (MHEG) – No BOR Policy
- Governor's Post-Secondary Scholarship Program – BOR Policy 501.3 (Repeal)
- Quality Educator Loan Assistance Program – BOR Policy 940.14 (Repeal)

Repeals the following individual Board policies:

- Montana University System Honor Scholarships – BOR Policy 501.1 (Repeal)
- 2 Plus 2 Honor Scholarships - BOR Policy 501.2 (Repeal)
- Montana STEM Scholarship Program – BOR Policy 501.4 (Repeal)
- Montana Work Study Program – BOR Policy 504.2 (Repeal)

Consolidates the following programs and/or Board policies into one overall financial aid policy under BOR Policy 940.8 – Montana Resident Undergraduate Student Financial Aid Program:

- Montana STEM Scholarship Program
 - Montana University System Honor Scholarship
 - 2 Plus 2 Honor Scholarship
 - Montana Access Scholarship Program (New)
 - Supplemental Education Opportunity Grant (SEOG) Program
 - Montana Work Study Program
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EXPLANATION

The 2019 Montana Legislature significantly revised the state resident student financial aid laws providing financial aid to resident Montana postsecondary undergraduate and graduate students. The Legislature, in collaboration with the Board of Regents and the MUS postsecondary institutions, revised state law and established a new financial aid framework that adopts a three-pronged approach to resident student financial aid, creating three distinct categories of financial aid programs for undergraduate students; these categories include:

- An Incentive Program funded by the state to encourage Montana resident students to pursue postsecondary credentials in science, technology, engineering, math (STEM), and health care fields that satisfy current and anticipated economic and workforce development needs in the state. (**Example: Montana STEM Scholarship**)

- A Merit Program aimed at recruiting and retaining the highest-achieving Montana resident students to units of the Montana University System, funded through tuition waivers, discounts, and other financial aid pursuant to policies adopted by the Board of Regents. **(Examples: MUS Honor Scholarship and 2 Plus 2 Honor Scholarship)**
- An Access-to-Higher Education Program to provide scholarships and other financial aid to Montana resident students who demonstrate financial need; including scholarships funded by the foundations that have been established for the benefit of units of the university system, and state match for federal need-based aid. **(Examples: Montana Access Scholarship, Montana Work Study, and Supplemental Education Opportunity Grant (SEOG))**

Under the revised legislation and new financial aid framework, the Legislature emphasized its intent to maximize federal need-based aid and work study awards by providing sufficient state funding to meet federal matching requirements when possible and reaffirmed its commitment to support graduate exchange programs for Montana residents pursuing professional degrees outside the state.

As part of the adoption of the new financial aid structure, the Legislature eliminated the Governor's Postsecondary Scholarship Advisory Council and repealed the Governor's Postsecondary Scholarship Program. Other legislative actions resulted in the discontinuance of funding for the Montana Tuition Assistance Program (MTAP) and the Montana Higher Education Grant (MHEG), as well as the transfer of the Quality Educator Loan Assistance Program from OCHE to the Office of Public Instruction (OPI).

ATTACHMENTS

Attachment #1: Board of Regents Policy 940.8 – Montana Resident Undergraduate Student Financial Aid