

# KHEAA Student Aid

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## Who is KHEAA?

The Kentucky Higher Education Assistance Authority, or KHEAA, is the state government agency that provides students with:

- ▶ Financial aid
  - State grants/scholarships
- ▶ Informational services
  - Publications
  - Outreach counselors
- ▶ Savings Programs
  - Kentucky Education Savings Plan Trust
  - Kentucky's Affordable Prepaid Tuition program



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## Programs

- ▶ Kentucky Educational Excellence Scholarship (KEES)
- ▶ College Access Program (CAP)
- ▶ Kentucky Tuition Grant (KTG)
- ▶ Go Higher Grant
- ▶ Kentucky National Guard Tuition Award
- ▶ Early Childhood Development Scholarship
- ▶ Mary Jo Young Scholarship
- ▶ Conversion Scholarship/Loan Programs

*And many more.....*



## KEES History

- ▶ Created by the 1998 Kentucky General Assembly as the Commonwealth Merit Scholarship.
- ▶ The name was later changed to the Kentucky Educational Excellence Scholarship (KEES).
- ▶ Fulfilled a promise by the administration to use lottery proceeds for education
- ▶ Created to:
  - Promote college access and attainment.
  - Encourage and reward students who work hard academically.
  - Encourage the "best and the brightest" students to attend college in Kentucky.

## KEES Basics

- ▶ Provides base awards to graduates of certified Kentucky high schools.
- ▶ Base awards may be earned for the student's yearly GPA up to a maximum of \$500.
- ▶ Students may earn a bonus award for the highest ACT composite score (or converted SAT critical reading and math scores) achieved prior to graduation.
- ▶ Students who are eligible for free/reduced-price lunch during high school may earn additional bonus award by scoring well on AP or IB exams.
- ▶ Non-certified high school and GED graduates are awarded KEES based solely on their ACT composite score.

## KEES Base Awards

### Yearly GPA Awards

(sample range)

2.50	....	\$125
2.75	....	\$187
3.00	....	\$250
3.25	....	\$312
3.50	....	\$375
3.75	....	\$437
4.00	....	\$500



## KEES Bonus Awards



### ACT Supplemental Award (Sample ACT ranges)

15 . . . . .	\$36
18 . . . . .	\$143
21 . . . . .	\$250
24 . . . . .	\$357
28 and above . . .	\$500

NOTE: SAT scores are converted to their ACT equivalents.

## KEES Bonus Awards

Advanced Placement		International Baccalaureate	
Exam Score	Supplemental Amount	Exam Score	Supplemental Amount
3	\$200	5	\$200
4	\$250	6	\$250
5	\$300	7	\$300

- ▶ Awarded to low-income high school students with qualifying exam scores.
- ▶ Students can earn multiple AP/IB Awards - NO LIMIT!

## KEES Eligibility

### Student Must:

- Be a citizen, national, or permanent resident of the United States;
- Be a Kentucky resident, as determined by the postsecondary institution;
- Be enrolled in a participating institution as a part-time or full-time student; and
- Not be a convicted felon.

## KEES Disbursement

- ▶ Eligible postsecondary institutions verify and submit enrollment to KHEAA at the beginning of each fall and spring semester.
- ▶ KHEAA processes enrollment and disburses funds to the institution on a weekly basis.
- ▶ Up to one-half of yearly amount disbursed each semester.
- ▶ Disbursement amount prorated for less than full-time enrollment.

## KEES Renewal

### College enrollment prior to Fall 2009

- Full award
  - 1<sup>st</sup> year – cumulative GPA of 2.50 or higher
  - 2<sup>nd</sup> & 3<sup>rd</sup> year – cumulative GPA of 3.0 or higher
- Reduced (50%) award
  - 2<sup>nd</sup> & 3<sup>rd</sup> year – cumulative GPA between 2.50 and 2.99
- Lost award for cumulative GPAs under 2.50

### First enrolled during or after Fall 2009

- Full award
  - 1<sup>st</sup> year – cumulative GPA of 2.50 or higher
  - 2<sup>nd</sup> & 3<sup>rd</sup> year – cumulative GPA of 3.0 or higher **OR** cumulative GPA between 2.5 and 2.99 and 'on track to graduate'
- Reduced (50%) award
  - 2<sup>nd</sup> & 3<sup>rd</sup> year – cumulative GPA between 2.50 and 2.99, full time student, but not 'on track to graduate'
- Lost award for cumulative GPAs less than 3.0 who are less than full-time and not 'on track to graduate'

**Students with reduced or lost awards may regain by meeting renewal GPA and/or enrollment requirements at the end of the following year.**

## KEES Expiration

KEES awards may be used until the student reaches the first of the following criteria:

- Eight semesters of the award used;
- Student receives first bachelor's degree; or
- Five years have passed since high school graduation date.



## College Access Program

Assists Kentucky's financially needy undergraduate students attending eligible public and private colleges and universities, proprietary schools, and technical colleges

- Students apply by completing the FAFSA
- Must be Pell eligible ( EFC = \$5,273 or less) for consideration
- Maximum award is \$1,900 (\$950 per semester, approx. \$633 per quarter)
- Eligible part-time students receive an amount calculated on \$79 per credit hour/\$53 per quarter hour

## Kentucky Tuition Grant

Need-based grant for qualified Kentucky residents attending the state's independent colleges

- ▶ Students apply by completing the FAFSA
- ▶ Maximum award for the 2010-2011 is \$2,964
- ▶ Students must be enrolled full-time to receive KTG

## CAP & KTG Application and Awards

- ▶ Students file FAFSA.
  - No priority deadline. Students are encouraged to file as soon as possible after January 1.
- ▶ KHEAA receives and loads ISIR records on database.
- ▶ Awards made on a first-come, first-served basis until funds are exhausted.
  - CAP was exhausted February 16, 2011.
  - KTG was exhausted March 6, 2011.
- ▶ Students sent an award notice directing them to KHEAA's website to learn award amount.

## CAP & KTG Disbursement

- ▶ School determines final eligibility based on the student's need.

Cost of Education - EFC - Other Aid <hr style="width: 50%; margin-left: 0;"/> CAP amount (up to \$1,900)	Cost of Education - Pell - EFC <hr style="width: 50%; margin-left: 0;"/> KTG amount (up to \$2,964)
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- ▶ Institutions verify and report eligibility to KHEAA after classes begin.
- ▶ Funds disbursed to school on behalf of the student.

## Go Higher Grant

Need-based program available to adult learners

- Up to \$1,000 per academic year
- Covers tuition and a book allowance of \$50 per credit hour
- Eligibility:
  - Must be 24 or older
  - Enrolled at a participating KY college at less than half-time status
  - Kentucky resident
  - U.S. citizen, national, or permanent resident
  - Demonstrate financial need



## Go Higher Grant

- ▶ Student must complete the FAFSA and a paper application accessible at [www.kheaa.com](http://www.kheaa.com).
- ▶ Funds awarded once CAP is exhausted.
  - Still awarding for the 2011-2012 year.
- ▶ KHEAA sends requests for enrollment verification to participating colleges each fall and spring term.
- ▶ Funds disbursed once enrollment verification is returned.

## Kentucky National Guard Tuition Award

- ▶ Students apply through their KY National Guard unit.
- ▶ Eligibility is determined by the KY National Guard
- ▶ KHEAA is the disbursing agent
  - Colleges verify enrollment with the KY National Guard Boone Center
  - The KY National Guard sends roster to KHEAA for disbursement of funds to the institution
  - Institutions refund money to KHEAA when necessary.



## Early Childhood Development Scholarship

- ▶ Provides financial assistance for students pursuing:
  - Child Development Associate Credential
  - Kentucky Early Childhood Development Director's Certificate
  - Associate Degree in early childhood education
  - Bachelor's Degree in interdisciplinary early childhood education or related program approved by the Early Childhood Development Authority

## Early Childhood Dev. Scholarship Eligibility

- ▶ U.S. citizen, national, or permanent resident.
- ▶ Kentucky resident
- ▶ Enrolled no more than nine (9) credit hours per academic term, pursuing one of the approved credentials.
- ▶ Maintain satisfactory academic progress.
- ▶ Be employed at least 20 hours weekly in a participating early childhood facility.
- ▶ Agree to a service commitment based on the credential pursued.

## Early Childhood Dev. Scholarship Application and Disbursement

- ▶ Student completes the FAFSA and submits an ECD Scholarship application, for each term, through Zip Access.
- ▶ The scholarship amount is the tuition actually charged by the institution, not to exceed \$1,800 per award year.



## Conversion Loan Programs

Scholarship awards with service requirements. If service is not rendered, the scholarship converts to a loan that must be repaid.

- ▶ Teacher Scholarship
  - *Currently awarding renewals only*
- ▶ Minority Educator Recruitment & Retention
- ▶ Osteopathic Medicine Scholarship
- ▶ Coal County Scholarship for Pharmacy Students

## Mary Jo Young Scholarship

Provides assistance to financially needy high school students for dual credit courses and/or Advanced Placement (AP) courses through the Kentucky Virtual High School.

- ▶ 2011–2012 award amounts
  - Up to \$405 for one course; or \$810 for two courses
  - Up to \$125 per course text reimbursement
  - Benefit limited to two courses per semester
- ▶ Applications available on KHEAA's website each spring.
- ▶ Awarding priority given to free and reduced lunch eligible students.

## State Aid Funding

KHEAA administered programs are funded through a variety of sources.

- ▶ Per KRS 154A.130, 100% of net KY lottery proceeds (minus \$3 million for literacy initiatives) are earmarked for CAP, KTG, and KEES.
- ▶ State general funds
- ▶ Conversion loan repayments
- ▶ KHEAA/KHESLC
- ▶ Federal government



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## State Biennial Budget Process

- ▶ KHEAA Biennial Budget preparation begins in the summer before an upcoming even-year legislative session.
- ▶ KHEAA must follow directives from the Legislative Research Commission on how budget is prepared.
- ▶ KHEAA determines proposed program and award amounts based on historical appropriations and utilization and state budget climate.

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## State Biennial Budget Process

- ▶ The entire budget proposal is presented to the KHEAA Board of Directors for approval.
- ▶ The budget is submitted to the State Budget Office for inclusion in the Governor's Biennial Budget Proposal.
  - The Governor's Budget Proposal rarely (if ever) mirrors the budget proposal KHEAA submits.

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## The Kentucky Legislative Session

- ▶ The 90-day legislative session begins in January.
- ▶ The Governor submits his budget proposal, filed as a House bill.
  - KHEAA does not know what the Governor's proposed student aid budget is until this time.



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## The Kentucky Legislative Session

- ▶ The House of Representatives reviews the budget:
  - Budget review subcommittees
  - House Appropriations and Revenue Committee
  - Full House of Representatives
- ▶ The Senate then receives the bill and begins review:
  - Senate Appropriations and Revenue Committee
  - Full Senate

*Changes can/will be made to the budget throughout this process.*

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## The Kentucky Legislative Session

- ▶ The House and Senate form a conference committee to settle differences between the two bills.
- ▶ Both houses must approve final version before it is sent to the Governor for signature.
  - Governor can line-item veto sections of the budget.

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## The Kentucky Legislative Session

- ▶ KHEAA does not know actual program amounts for the upcoming academic year until legislature approves budget.
  - Final approval does not normally happen until late in session (late March or April), if at all.
- ▶ KHEAA runs grant awards once budget is passed.
  - Always difficult timing for schools preparing financial aid packages.
  - If legislature adjourns without passing a budget, KHEAA may use a best guess based on budget proposals so awards can run.

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## State Biennial Budget Process

The chart below shows the change in program amounts from start to finish of the budget process:

	FY11 Proposed Budgets (General Fund)*				FY12 Proposed Budgets (General Fund)*					
	KHEAA	Governor	House	Senate	Final	KHEAA	Governor	House	Senate	Final
CAP	\$130,438,200	\$72,346,500	\$60,262,000	\$69,358,000	\$59,358,000	\$136,616,400	\$74,604,800	\$60,262,000	\$58,764,400	\$58,764,400
KTG	\$44,524,500	\$32,503,400	\$32,476,200	\$31,989,000	\$31,989,000	\$45,696,400	\$33,518,100	\$32,476,200	\$31,669,100	\$31,669,100

\*Instead of General Funds, the Governor's budget proposed issuing state bonds to fund the student aid budget and using the lottery revenues (General Fund) for other purposes.

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