



UTAH SYSTEM OF
HIGHER EDUCATION

MEMORANDUM

May 18, 2023

Board Scholarship Allocations

Through [H.B. 1](#) from the 2023 Legislative General Session, the Legislature appropriated \$23.7 million for three scholarships administered by the Board of Higher Education. The Board also receives some funding to be used for the Promise Program from the Student Aid appropriation line item. The following shows the appropriation for each program:

Opportunity Scholarship ¹	\$18,092,700
New Century Scholarship	\$1,983,900
Utah Promise Program	\$3,665,800

Each program serves a unique purpose to improve affordability, increase access, and/or reward high-performing students. Each program can be summarized as follows:

Opportunity Scholarship: Rewards students who complete advanced courses in mathematics, language arts, and science while maintaining a 3.3-grade point average in high school. This scholarship provides the last dollar in for tuition and fees for up to four semesters. The 2022-2023 academic year awardees received up to \$1,000 per semester.

New Century Scholarship: Awarded to students who obtained an associate degree while maintaining a 3.0 GPA in high school. The Legislature retired this scholarship during the 2022 Legislative General Session, and all ongoing and remaining funds should be transferred to the Utah Promise Program.² The New Century Scholarship currently has a \$6.3 million fund balance, of which only \$300,000 is necessary to fulfill existing obligations to students. These funds could be transferred to the Utah Promise Program at once or over a specified period.

Utah Promise Program: Provides funding, up to the cost of attendance, to students who demonstrate financial need. The Commissioner's Office allocates funds to institutions in proportion to each institution's percentage of the total Federal Pell Grant funds. Institutions use their allocated funding to administer unique programs based on their own established criteria.

¹ *Utah Code 53B-8-201(2)(c)* allows the Board of Higher Education to use up to three percent of this appropriation for administrative and overhead costs associated with the Opportunity Scholarship.

² See *Utah Code 53B-8-105(9)(d)*.

The attached document shows the allocation of available funds if the Board included the \$2 million ongoing funds and \$6 million of the one-time funds from the New Century program in the FY 2024 Promise Program allocation. The proposed \$11.4 million allocation for the Promise Program includes allowable funds from the Student Aid appropriation and is net of all expenses.

Commissioner's Recommendation

The Commissioner recommends the Board of Higher Education :

1. Allocate both the ongoing appropriation for the New Century Scholarship and \$6 million from the New Century Scholarship fund balance to the Utah Promise Program.
2. Authorize institutions to carry forward allocations from the \$6 million New Century fund balance until June 30, 2026.

Attachment