

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Academic Affairs
AREA: General

Number: 12.01.01

SUBJECT: Scholarship Administration
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I. PURPOSE AND SCOPE

The purpose of this document is to define and set forth minimum criteria for the administration and oversight of college and institutional scholarships. This document assigns responsibilities and assists university personnel in complying with federal and state guidelines for scholarship management.

II. DEFINITIONS:

This document will address the administration of traditional scholarships. Other forms of student financial support are defined to provide direction to the appropriate administering office or policy.

- A. Scholarship: An amount given to or on behalf of a student for purposes of educational activity. A scholarship may include, but is not limited to: tuition, required registration fees, room, board and books/supplies. A scholarship is not compensation for services rendered by the student.

- B. Assistantship/Fellowship: Graduate students determined by the Dean of Graduate and Professional Studies as eligible for support under this program will be awarded a fellowship amount equal to resident tuition and designated tuition charges for nine credit hours for each fall and spring semester of eligibility, and six credit hours for the summer. The Graduate Assistant Tuition Fellowship program (GATF) does not cover mandatory or course fees, which remain the obligation of the student. (The GATF is offered each semester subject to funding availability). For more information on the university's graduate assistantship/fellowship program, see MAPP 05.03.02.

- C. Stipend (Compensation): A payment made to an individual for purposes of living or maintenance, most commonly associated with the educational activities of a student or scholar. A stipend may or may not require performance of services; however, to the extent services are associated with and/or required as a condition of receiving the stipend payment, the "fair market value" for the services is classified as "compensation" for tax purposes. Because a stipend does not typically refer to amounts provided as or for tuition, it is generally not excludable from tax as a qualified scholarship. Compensation is administered through the university's payroll processes.

III. MINIMUM CRITERIA FOR COLLEGE-ADMINISTERED SCHOLARSHIPS

- A. Written guidelines, provided and maintained by the college, which state how the scholarships are awarded, including the requirements for the college scholarship committee(s).
- B. Eligibility guidelines and other scholarship criteria must be written and maintained within the college.
- C. In those instances where financial need will be considered in the award, college guidelines as to financial need and cost of attendance will acknowledge the appropriate Department of Education definitions and the estimated cost of attendance and expected family contribution established by the Office of Scholarships and Financial Aid. The definitions for this purpose are:
 - i. Financial need: The difference between the cost of attendance at a college and the expected family contribution.
 - ii. Cost of Attendance: Costs related to a student's enrollment in a postsecondary school for a defined academic period. COA components include tuition and fees, room and board, allowances for books and supplies, transportation, and miscellaneous personal expenses, along with other applicable expenses such as loan fees, dependent care costs, costs related to a disability, and study abroad costs as outlined in Section 472 of the HEA.
 - iii. Expected Family Contribution (EFC): A calculated amount, based on a Federal formula, of how much the student's family can be expected to contribute toward the cost of the student's education in an award year.
- D. Application criteria and requirement to publicize must be documented. The college must be specific as to how they will provide notification of available scholarships.
- E. Documentation standards for the scholarship awarding process must be publicly available. The college is responsible for maintaining a record of the standards used in determining awards.
- F. A mechanism and timeline for notification to the Office of Scholarships and Financial Aid of the awardees must be defined within the college's written guidelines.

- G. The actual awards to students will be provided through the Office of Scholarships and Financial Aid through the university's financial aid and student accounting systems.
- H. The college criteria must be reviewed and approved by the University Scholarship Committee.

IV. MINIMUM CRITERIA FOR INSTITUTIONALLY ADMINISTERED SCHOLARSHIPS

The Office of Scholarships and Financial Aid is responsible for developing criteria for institutionally administered undergraduate scholarships that comply with federal, state, University of Houston System endowment and management guidelines and directives. Recommendations for the award criteria for institutionally administered scholarships will be made by the University Scholarship Committee to the Senior Vice President for Academic Affairs/Provost or his/her delegate. The Senior Vice President for Academic Affairs/Provost may assign responsibility for graduate and professional scholarships and fellowships to the Dean of Graduate and Professional Studies.

V. Stewardship Requirements for Endowed and other Philanthropic Scholarships

- A. Scholarship recipients' names (and other identifying criteria), the name of the scholarship award, and the amount of the award are to be reported twice a year to the Office of Stewardship by the Office of Scholarships and Financial Aid for purposes of donor reporting.
- B. Student names may not be released by the university or its staff if the scholarship criteria contain a component of financial need and/or if the student has opted out from the release of directory information.
- C. Distributed income from endowment funds will be retained in individual cost centers whose spending may be traced back to the endowment corpus. Non-endowed scholarship gifts will also be held in cost centers whose spending may be traced to the original gift.
- D. The Office of Stewardship and the Office of Academic Budgets and Administration will review scholarship income accounts periodically to ensure that scholarship funds are expended.

VI. REQUIREMENTS FOR MANAGEMENT AND ACCOUNTING FOR SCHOLARSHIP FUNDS

- A. All funds received or disbursed for scholarships will be recorded with the appropriate fund codes and program codes (function) in the university's financial records.

- B. All funds received for scholarships should be awarded within the period specified by the donor or fund source. Awards should be made by the end of the fiscal year following receipt in cases where the period has not been specified.
- C. Year end equity balances will not exceed the amount necessary for total award commitments plus a reserve of 25 percent of the funds received the previous fiscal year. Total award commitments may mean either the awards for the following year or the total commitments for multiple year awards, as determined by the donor or fund source. Excess funds will be made available for awards in the following year or, in the case of endowed scholarships the excess will be returned to the endowment, as permitted by the donor.

VII. REVIEW AND RESPONSIBILITY

Responsible Party: Sr. Vice President for Academic Affairs

Review: Every three years, on or before August 31

VIII. APPROVAL

John Rudley
Vice President for Administration and Finance

Donald Foss
Sr. Vice President for Academic Affairs

Jay Gogue
President

Effective Date: February 28, 2007