

UNIVERSITY OF WYOMING
Scholarship Funds Report
Distribution of scholarships supplanted by the Hathaway Scholarship
4 November 2008

[Pursuant to 2006 Wyoming Session Laws, Chapter 36, Section 4]

To the Joint Appropriations Interim Committee
And
To the Joint Education Interim Committee

Required report

This report is submitted as required under 2006 Wyoming Session Laws, Chapter 36, Section 4, which states as follows:

Section 4. The University of Wyoming and each community college shall report biennially to the joint education and joint appropriations interim committees on the use of all scholarship funds controlled by the institution, exclusive of federal funds. The report shall show the total scholarship funds, including scholarship funds granted via tuition discounts, for the most recently completed biennium contrasted with the biennium ending June 30, 2006. The report shall show how any funds supplanted by Hathaway scholarships have been reallocated for other scholarship and student financial aid programs or have been rebudgeted for other purposes and the plans for such funds for the coming biennium. The report shall describe the extent to which the university and community colleges have included within regular written or electronic communications transmitted to alumni of the institutions, information on the progress of the scholarship programs established under this article and information on making contributions to the Hathaway student scholarship endowment account.

Background

The Hathaway Scholarship was awarded to students for the first time in the fall of 2006 pursuant to legislation enacted earlier that spring. It has been widely publicized and continues to be the cornerstone of financial aid for traditional aged Wyoming resident freshmen at UW. Attachment A is a copy of the web page on UW's web site explaining the Hathaway scholarship and also providing links to a biography of the late Governor Stan Hathaway.

By the time the 2006 legislation was enacted, the University of Wyoming had already made offers in accordance with its long-standing institutional scholarship programs. The legislation required that the University fund those scholarship commitments for the 2006-2007 fiscal year, and that the Hathaway scholarship funding be applied only to the extent that the Hathaway scholarship exceeded the institutional scholarship funded by UW.

For the 2007-2008 fiscal year, UW fundamentally changed its institutionally funded scholarship approach to effectively layer the prior scholarships for traditional aged Wyoming resident

freshmen on top of the Hathaway Scholarship. These are the President's Promise and Trustee's Pride scholarships. A description of these two scholarships is provided in Attachment B.

Fiscal report

The legislative mandate requires a comparison of the institutional scholarship expenditures for most recently completed biennium, in this case the biennium ended June 30, 2008, with that ending June 30, 2006. Again, the 2007-2008 biennium was the beginning of the transition from the old scholarship structure to the new one under which Hathaway serves as the Foundation.

That comparison is contained in Attachment C. Institutional scholarships for the 2005-2006 biennium totaled \$10,363, 353 and increased to \$11,107,760 for the 2007-2008 biennium. In short, rather than Hathaway scholarships supplanting, and thus reducing financial aid to UW students, that financial aid has increased.

The legislative mandate also requires a description of plans for the coming biennium. The current school year (FY 2009) is the third year of the Hathaway scholarship program. The institutional scholarship structure is still in transition. UW continues to have obligations to students who were awarded pre-Hathaway scholarships, though those amounts are decreasing. At the same time, commitments under the new post-Hathaway scholarships are increasing. It appears that in total, the commitments under the new structure are essentially identical with those under the old structure. Simply, UW has used institutional scholarship resources supplanted by Hathaway to layer those resources into the financial aid packages of Hathaway scholarship recipients and onto the financial aid packages of transfers from Wyoming Community Colleges, even when these students are not eligible for the Hathaway scholarship due to their high school graduation date. The fall 2010 report will provide a clearer picture of the total scholarship structure since the Hathaway program will have been in place for four years, with a number of students graduating having had a Hathaway scholarship throughout their higher education career.

Communications

UW's Board of Trustees is provided annual updates regarding the Hathaway Scholarship program. Hathaway statistics are also provided in UW's annual report on institutional benchmarks which is distributed to all Wyoming legislators and elected officials. These materials are available on UW's website.

UW's experience in working with prospective donors who have an interest in supporting student scholarships reveals that these donors have very specific interests. Donors view the Hathaway scholarship as an outstanding program but have little interest in contributing to a state managed endowment that will soon be at \$450 million. Rather, their focus tends to be in encouraging the pursuit of study in specific disciplines or rewarding students whose achievements are beyond the high school GPA and ACT scores. As such, UW has not pursued an effort to convince donors to contribute to the Hathaway since such is inevitably not consistent with their specific objectives.