AGENDA ITEM 7.

FY2010 MONETARY AWARD PROGRAM AND SILAS PURNELL ILLINOIS INCENTIVE FOR ACCESS PROGRAM APPLICATION VOLUME REPORT and REQUEST FOR APPROVAL OF PAYMENT CLAIM DEADLINE DATES

Submitted for: Action

Summary: FY2010 Monetary Award Program and Illinois Incentive for Access Update

By October 23rd 411,457 undergraduate Illinois residents had completed a FY2010 Free Application for Federal Student Aid (FAFSA) and expressed interest in attending a school that participates in the Monetary Award Program (MAP). About two out of three announced applicants are eligible for a MAP award. At this point, there are nearly 17 percent more announced and over 21 percent more eligible applicants than last year.

Table 1 compares FY2009 and FY2010 applicants by sector and dependency type and shows the number suspended. Due to the poor economy much of the increase is made up of independent students applying to community colleges. Nearly 70 percent of the additional applicants chose a community college as their first-choice school. Compared to last year there are 30,604 more eligible independent applicants and 16,861 more eligible dependent applicants.

Table 1: Monetary Award Program Application Volume – FY2010 Compared to FY2009

	FY2009	FY2010	#change	%change	# in suspense	% eligible suspended
Announced applications	353,005	411,457	58,452	16.6%	142,871	
Eligible applications	223,657	271,122	47,465	21.2%	97,299	35.9%
Announced: public universities	104,924	114,025	9,101	8.7%	26,333	
private universities	82,184	84,986	2,802	3.4%	16,547	
community colleges	144,859	185,970	41,111	28.4%	90,557	
private two-year	3,484	4,060	576	16.5%	1,176	
HSN / professional	1,587	1,820	233	14.7%	478	
proprietary	15,967	20,596	4,629	29.0%	7,780	
	353,005	411,457	58,452	16.6%	142,871	
Eligible: public universities	54,140	61,246	7,106	13.1%	12,957	21.2%
private universities	48,017	50,880	2,863	6.0%	9,681	19.0%
community colleges	105,651	138,442	32,791	31.0%	67,637	48.9%
private two-year	2,732	3,378	646	23.6%	930	27.5%
HSN / professional	1,115	1,318	203	18.2%	323	24.5%
proprietary	12,002	15,858	3,856	32.1%	5,771	36.4%
	223,657	271,122	47,465	21.2%	97,299	35.9%
Announced: dependent	205,162	229,747	24,585	12.0%	61,861	
independent without dependents	60,290	71,422	11,132	18.5%	30,830	
independent with dependents	87,553	110,288	22,735	26.0%	50,180	
	353,005	411,457	58,452	16.6%	142,871	
Eligible: dependent	103,488	120,349	16,861	16.3%	31,620	26.3%
independent without dependents	42,180	51,115	8,935	21.2%	20,742	40.6%
independent with dependents	77,989	99,658	21,669	27.8%	44,937	45.1%
	223,657	271,122	47,465	21.2%	97,299	35.9%

Through the laudable efforts of many groups including students, schools, advocates, and ISAC staff, MAP was recently appropriated $205 million more for FY2010. This additional funding restores the budget that was initially cut nearly in half and will provide second- and third-term awards to students who applied before the May 15 suspense date. Awards for eligible applications received on May 15 or later are still suspended. About 97,300 eligible applicants were suspended as of October 23; that number is expected to exceed 130,000 by the end of the processing cycle next June. The additional money *may* enable the Commission to release some suspended awards; this will be determined following the January 10 first-term claim deadline.

Application volume for the FY2010 Silas Purnell Illinois Incentive for Access Program (IIA) is up 48 percent over last year after being up a maximum of 75 percent at the end of May. The increase is due to a combination of federal need analysis changes that increased the number of applicants with zero expected family contributions and the poor state of the economy.

Table 2 shows that as of October 23rd 24,305 more self-reported freshmen with zero-EFCs had completed applications compared to last year. As with MAP, the greatest increase is at community colleges. The IIA appropriation was cut from $8.2 million in FY2009 to $4.5 million in FY2010, so applicants will only be able to receive a first-term $250 award instead of $500 distributed over two terms.

The unprecedented increase in application volume forced the Commission to suspend IIA award announcements for applications received on or after April 18, 2009, the earliest date ever for the program. So far awards for more than 40,512 IIA-eligible students – over half of the eligible applicants -- have been suspended.

Table 2: IIA Application Volume – FY2010 Compared to FY2009

	FY2009	FY2010	#change	%change	# in suspense	% eligible suspended
public universities	5,419	8,065	2,646	48.8%	1,799	22.3%
private universities	4,565	5,742	1,177	25.8%	1,755	30.6%
community colleges	36,707	55,615	18,908	51.5%	34,069	61.3%
private two-year	796	1,156	360	45.2%	641	55.4%
HSN / professional	172	236	64	37.2%	105	44.5%
proprietary	2,709	3,859	1,150	42.5%	2,143	55.5%
	50,368	74,673	24,305	48.3%	40,512	54.3%
dependent	19,690	28,450	8,760	44.5%	12,384	43.5%
independent	30,678	46,223	15,545	50.7%	28,128	60.9%
	50,368	74,673	24,305	48.3%	40,512	54.3%

Priority Claim Deadline Dates for MAP

When approval was sought for the January 10, 2010 first-term claim deadline date in September, approval for second- and third-term dates was not requested because it was unknown whether funding would be available to pay for second-semester or third-quarter claims. With the additional $205 million appropriated to MAP, it is now necessary to establish priority claim deadline dates for the second and third terms of MAP. Second-term awards for IIA remain unfunded.

Action requested: Staff requests that the Commission approve the proposed FY2010 priority payment claim deadline dates for MAP shown below. The month and day of the proposed dates are the same that have been used in recent years.

Term	**Deadline**
2nd semester or quarter	April 1, 2010
2nd semester starting after 2/15/2010	June 1, 2010
3rd quarter	June 1, 2010