



STATE GRANTS AND SCHOLARSHIPS (SGS) GUIDANCE MEMO

REFERENCE:	SGS 09-006
TOPIC:	NON-PROFIT NEED-BASED BLOCK GRANTS
AUTHOR:	CHAD FOUST, SGS DIRECTOR
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RELEVANT STATUTE:	Sub. H.B.1 (FY 2010/2011 biennial budget)

The proposal to shift from the Ohio College Opportunity Grant Program to a need-based block grant for private institutions beginning with the 2009-2010 academic year is part of the 2010/2011 biennial budget bill, Sub. H.B. 1. As such, there are no official rules or appropriations¹ associated with the program at this time. In an attempt to provide some structure and assistance to private, non-profit² financial aid offices that are engaged in the process of packaging and awarding financial aid to new and returning students for the 2009-2010 academic year, the following guidelines are offered (subject to change to reflect any subsequent changes made to Sub. H.B. 1).

Proceeds from the block grant may be used as aid for any student who is an Ohio resident, enrolled in an undergraduate degree or nursing program and is Pell eligible based on EFC.

The enrollment status of the student is irrelevant as proceeds can be used for students enrolled full-time, ¾ time, half-time or even ¼ time.

The amount of aid per student is at the discretion of the institution—there is neither a minimum required nor a maximum allowed.

The aid eligibility is not affected by prior units of OIG and OCOG received by individual students.

The aid is not tuition/fees specific and not required to be awarded in any specific order, e.g. 'Pell first'.

As proposed, the block grant proceeds are not part of the Ohio College Opportunity Grant Program. As such, reference to the Ohio College Opportunity Grant Program will ultimately disappear from award notices. The aid can simply be included within an existing institutional grant or itemized as a separate institutional grant so named by the institution.*

A disclaimer of some sort must be added to all financial aid awards of Pell eligible students indicating that a portion of each student's institutional financial aid may have come from proceeds from a block grant provided to the institution by the state of Ohio.*

¹A list of tentative FY 2010 campus allocations is attached based on actual FY 2008 OIG/OCOG expenditures by each campus. The initial FY 2010 campus allocations equal 90% of each school's FY 2008 total state need-based grant expenditures. Assuming \$40 million non-profit block grant appropriation as presented in Sub. H.B. 1 is not decreased, campuses will receive no less than this 90% allocation. Additional 10% will be allocated at a later time with no guarantee that all campuses will ultimately receive the equivalent of 100% of their total FY 2008 state need-based grant expenditures.

²Similar guidelines and tentative FY 2010 allocations will be available for private, for-profit institutions at a later time.

*Since these are not official requirements yet, schools are not obligated to be in compliance with initial financial aid awards. Once Sub. H.B. 1 is enacted, financial aid awards may need to be revised in order to comply accordingly.