

## EDUCATION ESTIMATING CONFERENCE ON STUDENT FINANCIAL AID IMPACT

**Issue:** Bright Futures Scholarship Program – 2018 Summer Funding

**Bill Number(s):** SB 2500 (Ch 2017-70, L.O.F.) and CS/CS/SB 374 (Enrolled)

**Entire Bill**

**Partial Bill:** Specific Appropriation 4 (SB 2500); Section 129 (CS/CS/SB 374)

**Sponsor(s):** Committee on Appropriations (SB 2500); Senators Hukill, Galvano, and Simpson (CS/CS/SB 374)

**Month/Year Impact Begins:** July 1, 2017

**Date of Analysis:** June 12, 2017

### Section 1: Narrative

#### a. Current Law:

Section 1009.53(9), F.S., allows a student to use a Bright Futures Scholarship for summer term enrollment if funds are available. The most recent years in which summer enrollment was funded were the 1999-2000 and 2000-01 fiscal years. Students who are enrolled in the University of Florida Innovation Academy receive a summer term award because they attend classes only in the spring and summer terms.

#### b. Proposed Change:

Section 129 of CS/CS/SB 374 specifies that a student may use an award for summer term enrollment if funds are available, including funds appropriated in the General Appropriations Act to support, at a minimum, summer term enrollment for a Florida Academic Scholars award.

Specific Appropriation 4 of SB 2500 (the FY 2017-18 General Appropriations Act) provides \$39,465,544, along with any unexpended funds from the fall and spring award disbursements, for 2018 summer term awards for Academic Scholars only at 100 percent of tuition and applicable fees, as specified in CS/CS/SB 374 or similar legislation.

The provisions included in CS/CS/SB 374 do not appear to create a requirement to fund summer awards; thus, no future year impacts have been calculated at this time. Because the scholarship is capped at 100% of the credit hours needed to complete a degree program, the additional cost associated with funding summer hours in 2017-18 may represent a “speed up” of future costs, with the out-year costs for students taking advantage of summer enrollment decreasing accordingly. However, to the extent the summer funding reduces the number of unused Bright Futures credit hours for these students, future savings may not be realized.

### Section 2: Description of Data and Sources

- State University Tuition and Fees for FY 2016-17, available [http://www.flbog.edu/board/office/fac/doc/tuition/Tuition\\_Fees\\_%202016-17.pdf](http://www.flbog.edu/board/office/fac/doc/tuition/Tuition_Fees_%202016-17.pdf)
- Florida College System Tuition and Fees for FY 2016-17, provided by Division of Florida Colleges
- Bright Futures Scholarship Program Estimates, March 2017 Education Estimating Conference on Student Financial Aid
- Bright Futures disbursement data from 1999-2000 and 2000-01

### Section 3: Methodology (Include Assumptions and Attach Details)

#### Number of Awards and Credit Hours:

The actual disbursements in 1999-2000 and 2000-01 were used to calculate the percentage of total awards disbursed in summer and the credit hours disbursed in summer. This analysis was used to project potential enrollment and credit hours in the 2018 summer term.

The high estimate uses the maximum percentage of summer awards disbursed in 1999-2000 and 2000-01 and applies them to the March 2017 consensus estimated awards for FY 2017-18 to determine a total number of summer awards. An adjustment is made for the UF Innovation Academy, whose students already receive a summer disbursement. The high estimate assumes that 12 credit hours would be taken by each student.

The middle estimate uses the average percentage of summer awards disbursed in 1999-2000 and 2000-01 and applies them to the March 2017 consensus estimated awards for FY 2017-18 to determine a total number of summer awards. An adjustment is made for the UF Innovation Academy. The middle estimate assumes that 9 credit hours would be taken by each student.

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The low estimate uses the minimum percentage of summer awards disbursed in 1999-2000 and 2000-01 and applies them to the March 2017 consensus estimated awards for FY 2017-18 to determine a total number of summer awards. An adjustment is made for the UF Innovation Academy. The low estimate assumes that 6 credit hours would be taken by each student.

**Award Amounts:**

The enrollment-weighted average for tuition and the fees specified in CS/CS/SB 374 are used.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2017-18	\$46.87		\$32.29		\$19.62	
2018-19						
2019-20						
2020-21						
2021-22						

**List of affected Trust Funds:**

Educational Enhancement Trust Fund

**Section 5: Consensus Estimate (Adopted: June 12, 2017)**

The Conference adopted the middle estimate for the number of summer awards and adopted an estimate of 11.0 credit hours. The credit hour assumption is derived from the average credit hours awarded in the 1999-00 and 2000-01 summer terms (=11.6) adjusted downward to reflect more recent course taking behavior. For 100% FAS awards, the Conference adopted award amounts of \$212.65 per credit hour for four-year institutions; \$106.99 per credit hour for two-year lower level; and \$121.58 for two-year upper level.

	GR		Trust (Educational Enhancement Trust Fund)		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
<b>2017-18</b>			<b>\$39.47</b>				<b>\$39.47</b>	
2018-19								
2019-20								
2020-21								
2021-22								

**Florida Bright Futures Scholarship Program  
2018 Summer Funding - Florida Academic Scholars Only at 100% Tuition and Specified Fees**

	Percent of Total Awards Disbursed in Summer*			Summer Credit Hours Disbursed*			2017-18 March Consensus Estimate for Bright Futures Awards				HIGH				MIDDLE				LOW				CONSENSUS			
	1999-00	2000-01	Average	1999-00	2000-01	Average	# Awards	Remove UF Innovation Academy**	Adjusted # Awards	\$ per Credit Hour	# Summer Awards	# Credit Hours	Total Credit Hours	Cost \$	# Summer Awards	# Credit Hours	Total Credit Hours	Cost \$	# Summer Awards	# Credit Hours	Total Credit Hours	Cost \$	# Summer Awards	# Credit Hours	Total Credit Hours	Cost \$
<b>4 YR</b>																										
FAS	34.5%	40.2%	37.4%	12.3	11.9	12.1	43,835	(129)	43,706	\$212.65	17,582	12.0	210,984	\$44,865,034	16,339	9.0	147,051	\$31,269,898	15,095	6.0	90,570	\$19,259,404	16,339	11.0	179,729	\$38,218,764
ATS (Stipend)	38.7%	38.5%	38.6%	13.1	12.0	12.5	236	-	236	\$44.00	91	12.0	1,092	\$48,048	91	9.0	819	\$36,036	91	6.0	546	\$24,024	91	11.0	1,001	\$44,044
FMS	35.5%	40.1%	37.8%	11.9	11.6	11.7	41,247	(312)	40,935	\$77.00			-	\$0			-	\$0			-	\$0			-	\$0
GSV	43.0%	40.3%	41.6%	11.9	11.5	11.7	51	-	51	\$48.00			-	\$0			-	\$0			-	\$0			-	\$0
GSV CAPE	43.0%	40.3%	41.6%				-	-	-	\$48.00			-	\$0			-	\$0			-	\$0			-	\$0
<b>TOTAL 4 YR</b>							<b>85,133</b>	<b>(441)</b>	<b>84,692</b>		<b>17,582</b>		<b>210,984</b>	<b>\$44,913,082</b>	<b>16,339</b>		<b>147,051</b>	<b>\$31,305,934</b>	<b>15,095</b>		<b>90,570</b>	<b>\$19,283,428</b>	<b>16,339</b>		<b>179,729</b>	<b>\$38,262,808</b>
<b>2 YR LOWER</b>																										
FAS	24.5%	71.9%	48.2%	11.9	10.0	10.9	2,071	-	2,071	\$106.99	1,490	12.0	17,880	\$1,912,981	998	9.0	8,982	\$960,984	506	6.0	3,036	\$324,822	998	11.0	10,978	\$1,174,536
ATS (Stipend)	33.3%	50.0%	41.7%	10.5	12.3	11.4	6	-	6	\$44.00	3	12.0	36	\$1,584	3	9.0	27	\$1,188	2	6.0	12	\$528	3	11.0	33	\$1,452
FMS	26.9%	45.1%	36.0%	11.9	10.6	11.2	5,550	-	5,550	\$63.00			-	\$0			-	\$0			-	\$0			-	\$0
GSV	25.6%	39.1%	32.4%	12.0	11.1	11.5	852	-	852	\$48.00			-	\$0			-	\$0			-	\$0			-	\$0
GSV CAPE	25.6%	39.1%	32.4%	12.0	11.1	11.5	824	-	824	\$48.00			-	\$0			-	\$0			-	\$0			-	\$0
<b>TOTAL 2 YR LOW</b>							<b>9,297</b>	<b>-</b>	<b>8,473</b>		<b>1,490</b>		<b>17,880</b>	<b>\$1,914,565</b>	<b>998</b>		<b>8,982</b>	<b>\$962,172</b>	<b>506</b>		<b>3,036</b>	<b>\$325,350</b>	<b>998</b>		<b>10,978</b>	<b>\$1,175,988</b>
<b>2 YR UPPER</b>																										
FAS	29.5%	56.1%	42.8%	12.1	10.9	11.5	47	-	47	\$121.58	26	12.0	312	\$37,933	20	9.0	180	\$21,884	14	6.0	84	\$10,213	20	11.0	220	\$26,748
ATS (Stipend)	36.0%	44.3%	40.1%	11.8	12.1	12.0	-	-	-	\$44.00	-	12.0	-	\$0	-	9.0	-	\$0	-	6.0	-	\$0	-	11.0	-	\$0
FMS	31.2%	42.6%	36.9%	11.9	11.1	11.5	188	-	188	\$53.00			-	\$0			-	\$0			-	\$0			-	\$0
GSV	34.3%	39.7%	37.0%	12.0	11.3	11.6	-	-	-	\$48.00			-	\$0			-	\$0			-	\$0			-	\$0
GSV CAPE	34.3%	39.7%	37.0%	12.0	11.1	11.5	-	-	-	\$48.00			-	\$0			-	\$0			-	\$0			-	\$0
<b>TOTAL 2 YR UP</b>							<b>235</b>	<b>-</b>	<b>235</b>		<b>26</b>		<b>312</b>	<b>\$37,933</b>	<b>20</b>		<b>180</b>	<b>\$21,884</b>	<b>14</b>		<b>84</b>	<b>\$10,213</b>	<b>20</b>		<b>220</b>	<b>\$26,748</b>
<b>TOTAL</b>							<b>94,665</b>	<b>(441)</b>	<b>93,165</b>		<b>19,098</b>		<b>229,176</b>	<b>\$46,865,580</b>	<b>17,357</b>		<b>156,213</b>	<b>\$32,289,990</b>	<b>15,615</b>		<b>93,690</b>	<b>\$19,618,991</b>	<b>17,357</b>		<b>190,927</b>	<b>\$39,465,544</b>

\*Based on actual 1999-2000 and 2000-2001 summer disbursements.

\*\*Students enrolled in the UF Innovation Academy attend classes on campus during the Spring and Summer terms only and currently receive Bright Futures awards during the Summer term. Adjustment based on 2015-16 awards.