Summary

The purpose of this procedure is to clarify that State University of New York (University) campuses have the authority to use state operating funds and tuition revenue in support of scholarships and grants, including merit and need-based awards, as well as room and board subsidies. Campuses interested in utilizing such recruitment tools should take steps to develop local scholarship programs in accordance with the following administrative and accounting guidelines.

Informational and publicity materials developed to describe campus scholarship programs should be careful to identify various available awards as scholarships or grants, not waivers or discounts.

Process

Use of State Appropriation for Student Scholarships

These guidelines enable a campus utilizing a state appropriation - not specifically designated for a scholarship - to pay for student financial obligations. This is not a waiver program but is the application of revenue from state appropriations to the student's account to fund a specific scholarship program.

Administrative Guidelines

1. The use of state appropriated funds, including tuition revenue, operating funds, Income Fund Reimbursable (IFR) and State University Tuition Reimbursable Account (SUTRA), for student scholarships can be part of an overall program for the recruitment of high achieving in-state and out-of-state students.

2. Scholarship programs can be established in a variety of ways: merit-based, need-based, merit within need and can include funding for tuition and room and board.

3. Campuses must establish written eligibility criteria for each scholarship program in accordance with the
following principles:

- scholarships must be developed and administered in a nondiscriminatory fashion;
- scholarships should be available to both in and out-of-state students, although the latter should be limited to the amount that would reduce nonresident tuition to the level of resident tuition.

4. The cost of a scholarship program must be considered an expense against the operating budget of the campus to avoid characterizing scholarships as waivers or discounts.

Accounting Guidelines

1. Students must be fully registered and in full-time matriculated status.

2. A student’s billing must include the full tuition or other related charges.

3. An amount equal to the scholarship must appear as a credit against the charges on a student's billing.

4. Any state (not federal) appropriation may be utilized for a general scholarship or grant. Intercollegiate athletics scholarships shall be paid from the IFR program. Room scholarships must be charged against the dormitory operating account.

Instructions

1. Prepare a listing with the student's name, student identification number, and scholarship amounts.

2. Enter a voucher, with the pay code being the campus agency code, into the University voucher payment preparation on line application (SUVP) utilizing the object of expenditure code 5803 and the appropriate expenditure account. The expenditure account that is entered/charged for the cost of the scholarship program should contain “15” as the third and fourth digits (e.g., xx15xx-00). This designates student aid.

3. The voucher will be transmitted to the office of state comptroller (OSC) for processing.

4. When the check is received and deposited, credit the student's account for the amount of the voucher.

5. As an alternative, a campus may process the transaction utilizing the University Revenue/Expense Journal on line application (RX1370), which is similar to the process established for the State University Student Assistance (SUSTA) program.

Forms

There are no forms relevant to this procedure.

Related Procedures

State University Student Assistance (SUSTA)

Revenue/Expense Journal (RX1370)

Other Related Information
Tuition, Fees, and Other Charges - Definitions

College Fee

Fees, Rentals, and Other Charges

Authority

The following link to FindLaw's New York State Laws is provided for users' convenience; it is not the official site for the State of New York laws.

NYS Education Law §355 (Powers and duties of trustees – administrative and fiscal functions)

In case of questions, readers are advised to refer to the New York State Legislature site for the menu of New York State Consolidated.

History

Memorandum to presidents from the chancellor, date August 30, 2001 clarifying that campuses have the authority to use state operating funds and tuition revenue in support of scholarships and grants, including merit and need-based awards, as well as room and board subsidies.

Appendices

There are no appendicies relevant to this procedure.