

Questions & Answers
Regarding the New Hope Tuition Waiver Benefit Policy Changes
7/10/06

Question #1: What was the rationale for these Tuition Waiver (TW) policy changes?

Answer: The following are the key considerations that led to the revision of our Tuition Waiver benefit program:

1. The Board of Trustees has issued the charge that we review areas within the college where there can be enhanced stewardship of resources to keep the college nimble in a rapidly changing economic environment. (See Introduction to the "Hope in the New Millennium" draft document dated January 10, 2006.)
2. A survey of other GLCA colleges, as well as Calvin College and Grand Valley State University, showed that only Hope and one other GLCA college allowed institutional merit scholarships to apply against room and board charges.
3. The Tuition Waiver is by definition an unevenly applied benefit (applicable only to those faculty/staff members with children who choose to attend Hope College). Allowing additional discounts to room and board produces an even greater disparity in employee benefits.
4. The draft language of the college's strategic plan ("Hope in the New Millennium") directs the college to address wage inequities in employee compensation. A significant portion of any savings derived from these benefit changes will be used to address wage inequities for both faculty and staff.

Question #2: When were Hope merit scholarships first allowed to apply against room and board charges?

Answer: In 1990, the decision was made to allow Hope Tuition Waiver beneficiaries to fully apply any Hope College merit scholarships for which they were eligible against their actual charges for room and board. This decision was based largely on the fact that the College had capacity for additional enrollment.

Question #3: What is the difference between internal and external scholarships, grants, and benefits?

Answer: Internal scholarships/grants/benefits are those forms of gift assistance controlled, awarded, and funded by Hope College. External scholarship/grants/benefits are those forms of gift assistance controlled, awarded, and funded by external agencies (i.e., the federal and state governments, foundations, employers, and other granting agencies).

Question #4: I understand that any Hope merit scholarship will be applied to a student's tuition charges starting with the 2008-09 award year. How will external scholarships, grants, and benefits be coordinated with the Hope Tuition Waiver (TW)?

Answer: There is very little change in how these other awards will be coordinated with the TW. Under the previous policy, **all** external scholarships, grants, and benefits (excluding Hope merit scholarships) were applied to a student's tuition charges. The new policy allows the Federal Pell and Supplemental Educational Opportunity Grants to apply against a student's actual room/board charges. (These two federal grants are available only to those with the highest levels of financial need; we will therefore allow these funds to apply against an eligible TW beneficiary's room and board charges.)

Question #5: What percentage of TW beneficiaries receives a Hope merit scholarship in combination with his/her TW benefit?

Answer: Of the 120 Hope/GLCA TW beneficiaries who received benefits in 2005-06, 35 students (29%) received a Hope merit scholarship in combination with their TW benefit.

Question #6: How will this new policy impact my child who is currently enrolled at Hope and has a Hope merit scholarship?

Answer: There will be no change in the way a merit scholarship is treated in the TW calculation for a merit scholarship recipient who is currently enrolled. This new policy takes effect in the 2008-09 award year and impacts all incoming first-time, degree-seeking TW beneficiaries eligible for Hope merit award consideration.

Question #7: Why is there now a limitation on the number of semesters a student can receive his/her TW benefit?

Answer: We found that the vast majority of surveyed colleges/universities impose an eight (8) semester limit on the receipt of the TW benefit. We therefore believe a ten (10) semester limit is both realistic and reasonable for our TW beneficiaries.

Question #8: How much does Hope expend annually under the Hope/GLCA Tuition Waiver program?

Answer: During the 2005-06 academic year, Hope employee TW recipients received a total of \$1,223,774 in benefits while GLCA employee TW recipients received a total of \$205,478. Total benefits awarded through these two programs stood at \$1,429,252 in 2005-06.

Question #9: What is the benefit of my child accepting a Hope merit scholarship under this new policy?

Answer: Accepting a Hope merit scholarship is a publicly recognized honor for your student. The receipt of such an award can be included on his/her resume and is indicative of academic accomplishment.

Question #10: Can my student decline the TW benefit and instead compete for one or more scholarships that might exceed the value of the TW?

Answer: Yes. If, in any given award year, a student receives gift aid (i.e., scholarships and grants) from internal Hope sources and/or external sources that in combination exceed Hope's tuition, a beneficiary can choose to receive the greater amount of gift aid and thereby forfeit TW eligibility during the enrollment period s/he receives said gift aid.