

TICUA Policy Update

May 20, 2010

Contract Education in Jeopardy

The Senate is currently debating a budget proposal that could eventually phase out 50% of the Contract Education funding for TICUA members. Through contract education the State of Tennessee is able to offer academic programs to citizens that are not currently offered by public colleges or universities. For example, the Southern College of Optometry is the only optometry school in Tennessee. Instead of creating a public optometry school, the state provides scholarships to reserve a certain number of student slots at SCO for Tennesseans at a reduced rate. This is remarkable cost-savings collaboration for the state.

Under the Senate proposal, 50% of the program funding would be moved from recurring to nonrecurring, or one-time funding, for FY2011 consequently cutting the program by one-half by FY2012. This could possibly eliminate the smaller contracts with Maryville College and Vanderbilt University while also deeply cutting the larger programs with Meharry Medical College and Southern College of Optometry.

Students receiving contract education funding have been asked to take action by going to <http://capwiz.com/naicu/tn/issues/alert/?alertid=15083211>

TSAA Improvement Moved to One-time Funding

Governor Phil Bredesen's budget proposal called for a \$3.2 million recurring improvement for the state's only need-based student aid program. This enhancement will merely keep the Tennessee Student Assistance Award at the current funding level. One Senate budget proposal, however, moves the improvement from recurring funds into non-recurring. This essentially guarantees a level funding cycle for 2010/2011 academic year but makes the following year's funding less certain.

The Tennessee Student Aid Alliance sent a letter to Legislative Plaza asking for lawmakers to keep the additional \$3.2 million in the recurring column in order to better serve college qualified low-income students gain access to the college of their choice.

Both the Senate and the House are currently debating the budget proposals and are expected to pass a final budget sometime in the next couple of weeks.