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Indiana University is slated to contribute \$900,000 towards financial aid for students to compensate for dwindling state grant amounts. The State Student Assistance Commission of Indiana has reduced the maximum annual award from \$6,756 to \$5,692 due to federal regulations and state budget changes.

Because the change was announced after most incoming freshman had made financial commitments to attend the university and received financial aid award letters stating the higher grant amount, the university is establishing a one-time grant to balance the difference for incoming students.

The exact reasons for the grant amount change were not made clear. University officials will confront the Indiana legislature and request that in the future, accurate amounts and details for financial awards are available when financial aid award letters are sent out.

Mercedes-Benz Gives \$1.5M To Students

Mercedes-Benz USA has awarded 150 scholarships to first-generation college students through its 2006 Drive Your Future program. The company has allocated \$1.5 million for the program. Students who demonstrate excellent academic performance, leadership, and involvement in school and community activities will receive \$2,500 per year for four years.

The program, now in its third year, is based on the “pay it forward” concept; students benefiting from the scholarship are asked to serve as “ambassadors of Mercedes-Benz USA philanthropy.” They would be serving their communities through activities such as mentoring younger students.

This year, the company also established 50 Drive Your Future Performance Awards for students pursuing education in the arts.

HHMI Renews Funds

The Howard Hughes Medical Institute recently announced grant renewals for 50 universities. HHMI granted a total of \$86.4 million to these institutions, mostly to support education in biology and medical research.

In a recent press release, HHMI president Thomas Cech said, “Our grantee universities are providing hands-on research experiences to help prepare undergraduates, including women and minorities underrepresented in the sciences, for graduate studies and for careers in biomedical research, medicine, and science education.”

Montana State University received \$1.6 million, which will be used to attract and retain students in the sciences and give them opportunities to work with researchers early in their academic careers.

Duke was awarded \$1.9 million; the university plans to encourage greater interdisciplinary study and will also provide opportunities for undergraduate students to assist with research.

70 NY Seniors Lose Funds

Seventy monetary awards earmarked for New York's best graduating seniors went unclaimed this year.

The state's lottery proceeds provide a guaranteed \$4,000 Leaders of Tomorrow scholarship for one high school senior from each of the state's schools.

A lottery spokesperson said the unspent funds, which total \$280,000, will be returned to the lottery pool for next year's recipients.

Around 90 percent of public schools in the state return scholarship applications nominating two students; the lottery selects the better candidate from each school. However, some school officials say they were not aware of the scholarship in time to apply, and others say their applications were never sent to them.

An official from the Department of Education said the DOE will coordinate with lottery and school officials next year to make sure scholarships are appropriately and fully disbursed.

Chronicle Crits FAFSA Formula

According to an article in the *Chronicle of Higher Education's* June 9 issue, the FAFSA formula for determining student need leaves many deserving working-class would-be students without adequate funding for higher education.

The FAFSA's method for evaluating students' and families' savings and incomes has been widely criticized in the recent past. The *Chronicle* article points out that, while higher-income families are sending their children to college in greater numbers than in years past, families whose incomes total \$30,000-\$50,000 are increasingly unable to pay for college. In the past 25 years, the report says, 4 percent fewer lower-middle-class students are able to finish bachelor's degrees.

The FAFSA has been criticized before for not considering that most students now work their way through school and many do not come from traditional two-parent families.