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Financially strapped students will find a bit of good news in a new budget that proposes the first substantial increase to federal grants in years.

The 2007 Labor, Health and Human Services and Education Appropriations Bill includes a proposal to increase Pell Grants by \$100 to \$4,150. This increase is the largest to come in more than five years; the grant maximum amount has never been higher.

The \$141.93 billion budget exceeds what the President had in mind by \$4.136 billion. It also calls for \$47 million in scholarships for disadvantaged students; President Bush had only wanted to use \$10 million for this purpose.

### Biz Scholarships Boosted

The National Federation of Independent Business' Young Entrepreneur Foundation will provide 408 students with \$1,000 in tuition assistance. This number has increased from the 381 scholarships awarded in 2005.

The scholarships, known as the NFIB Young Entrepreneur Awards, aim at encouraging high school seniors owning and operating small businesses to proceed on the path of entrepreneurship. Used by students to attend the school of their choice, the scholarships have grown as a result of resounding financial support from small and large companies and foundations. NFIB will also provide four regional scholarships of \$5,000 each, and the most outstanding student applicant will receive a \$10,000 scholarship.

### Grants For Grads At UCR

The University of California, Riverside has received a DOE fellowship grant to support its graduate students who are working in health and medical research.

The grant will be used to support recruitment of biotech and biomedical engineering students and will be funded for five years with a \$380,000 endowment from the Department of Education and \$95,000 from UCR.

This grant is part of UCR's aggressive campaign to expand its health research capabilities.

The DOE's portion of the grant is funded through the Graduate Assistance in Areas of National Need (GAANN) program for Ph.D. students in biology, chemistry, engineering, nursing, and other sciences.

In 2006, GAANN provides a maximum grad-student stipend of \$30,000 and an institutional payment of \$12,224 for tuition and fees.



### **Feds Lessen Savings Penalties In '07**

Beginning July 1, 2007, students who save for college before their first year at school will no longer be penalized for up to \$3000 of their savings.

Previously, federal financial aid programs had used all funds, including pre-college savings from after-school or summer work, in calculating a student's financial need. Fifty cents of every dollar saved was counted and used to reduce the amount of demonstrated need.

Now, students can save up to \$3000 for college without any penalty.

For the 2006-2007 year, only \$2550 of a student's savings will be shielded; this represents a minor increase from \$2200 of shielded in savings in 2001. All income from work-study programs is also exempt from calculations for financial need. Moreover, this income is tax-exempt, as well. Unless a student is offered an off-campus job paying 50 percent more than federal work-study, he or she would be best advised to stay on-campus to maintain the most accurate amounts to qualify for need-based aid. However, working more than 15 hours per week has been shown to be detrimental to academic performance.

### **PA Targets Nontrad'L Students**

The Pennsylvania Higher Education Assistance Agency announced Monday that it is launching a new campaign to encourage nontraditional students to complete their degrees.

PHEAA is heavily promoting finaid programs such as the state's grant program and the Workforce Advancement Grants for Education (WAGE) program, which provides \$10 million to fund education for adult learners. The WAGE grants will provide \$3,500 per qualifying student per academic year. Qualifying students must not be eligible for the state's grants.

### **Alum Endows UI Scholarship**

A former University of Iowa football player and his wife have donated \$125,000 to the University of Iowa Foundation to establish a football scholarship.

The scholarship will be used to pay tuition for one athlete each year. Preference will be given to football players majoring in business.

Terry Mulligan played for the Iowa Hawkeye football team in the mid-1960s and was an assistant coach for the freshman football in 1967. Both of his sons and his daughter-in-law are UI alumni, as were his grandfather and great-grandfather.

Mulligan, who has been an active leader in the UI Alumni Association for many years, was presented with Distinguished Alumni Award in 2001, and both he and his wife, Susan Mulligan, are members of The Presidents Club, which recognizes the university's most generous benefactors.

### **FL Dependents In Trouble**

In Florida, dependent students may lose their in-state resident status if their parents move out of state.

A recent article in the Gainesville Sun states that a piece of legislation from 2005 cracked down on students who may have unfairly qualified for in-state tuition. A related report stated that \$28.2 million was lost annually due to students being incorrectly classified as in-state residents.

Now, students living in Florida must provide financial proof of independence from their out-of-state parents if they are to pay in-state tuition. For some students, especially those working at minimum-wage jobs or federal work-study programs, their income is insufficient to do this. Also, higher declared income will decrease need-based financial aid awards.