



Washington State University

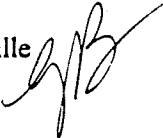
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THE OFFICE OF
MULTICULTURAL STUDENT SERVICES

August 23, 1999

TO: Vice Presidents, Vice Provosts, Deans, and Directors

FROM: Gretchen M. Bataille 
Provost

SUBJECT: New Policy for Implementation as a Result of I-200

In response to the passage of Initiative 200, a committee comprised of Wayne Sparks, chair, Financial Aid and Scholarship Services; Steve Nakata, Director, Multicultural Student Services; Sharon Morgan, Assistant Director for Special Projects, WSU Foundation; Carla Caballero-Jackson, Interim Assistant Director of Scholarship Services; and Toni Ursich, Senior Assistant Attorney General have worked for the past six months to research and develop the attached Policy for Administering Financial Aid Restricted by Race, Gender, Color, Ethnicity, or National Origin.

When developing this policy, they worked diligently to place the most aid possible into the hands of our students, to faithfully honor our commitments to donors, and to stay within the parameters of Initiative 200 and federal law. I am grateful to them for their careful evaluation of policies in other states and for their efforts to fulfill WSU's commitment to diversity.

The pertinent provision in Initiative 200 is the following: "The state [including the University] shall not discriminate against, or grant preferential treatment to, any individual on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting."

Initiative 200 does not, however, prohibit actions "that must be taken to establish or maintain eligibility for any federal program, if ineligibility would result in the loss of federal funds to the state."

As you know, Initiative 200 went into effect on December 3, 1998. The attached policy is subject to change based on subsequent legal developments. All funds that have been committed to students in writing before December 3, 1998 will be awarded consistent with the terms of that commitment. This includes multi-year commitments and awards that were made without identifying a particular fund source.

The University will continue to administer private gift and endowment funds only if they can be administered in a way which does not advantage or disadvantage a student on the basis of his or her race, gender (sex), color, ethnicity, or national origin.

Please distribute this information to those in your unit responsible for scholarships and financial aid. Thank you.

cc: Samuel H. Smith
WSU Board of Regents
Jack Creighton, Chair, WSU Foundation

D41.2924

WASHINGTON STATE UNIVERSITY
POLICY FOR ADMINISTERING FINANCIAL AID RESTRICTED BY
RACE, GENDER, COLOR, ETHNICITY, OR NATIONAL ORIGIN

August 23, 1999

Financial aid of all types is critical to achieving diversity in the Washington State University student body. "Diversity" includes, but is not limited to, race, gender, color, ethnicity, national origin, disability, age, veteran status, socioeconomic background, nationality, geographic origin, and political affiliation. It is the policy of the University to use financial aid to achieve diversity to the extent allowed by law.

All funds that have been committed to students in writing before December 3, 1998 will be awarded, regardless of fund source. This includes multi-year commitments and awards that were made without identifying a particular fund source. Financial aid that includes race, gender, color, ethnicity, or national origin awarded for fall semester 2000, shall be administered according to the policy below.

1. Definitions

- a) "Financial aid" includes scholarships, grants, loans, work-study, and fellowships that are made available to assist a student to pay for his or her education at the University.
- b) "Endowments" are gifts to the University where the donor intends that the gift be invested and that income distributed from the gift be used to fund financial aid.
- c) "Current use" or "expendable" gifts are gifts donors give periodically with the intent that the University expend them in full, often in a specified period of time (e.g., academic year).
- d) "State sources" means state appropriations, tuition revenue, revenues from self-sustaining units and other local funds, and excludes gifts, non-state (private) grants, and federal funds.

2. Financial Aid from University Discretionary Funds or State Funds

The University may not use race, gender, color, ethnicity, or national origin as factors in determining eligibility or selecting recipients for any award funded by University discretionary funds or by the state.

3. Financial Aid from Existing Endowments

Consistent with the terms of the previously accepted donation, university units may administer such awards as provided in Section 4 below so as not to advantage or disadvantage students on the basis of race, gender, color, ethnicity, or national origin.

4. Acceptance of Future Restricted Gifts

The following policy shall apply to future gifts or bequests restricted on the basis of race, gender, color, ethnicity, or national origin:

- a) General rule. The University will continue to accept gifts and bequests that are restricted on the basis of race, gender, color, ethnicity, or national origin but will administer them in a manner that assures the funds are received by students with the characteristics specified by the donor, while at the same time not advantaging or disadvantaging a student on the basis of his or her race, gender, color, ethnicity, or national origin. This is accomplished by determining eligibility for financial aid without regard to those characteristics and assigning aid from the restricted funds to students with those characteristics.

Under this "student-to-fund-matching" methodology, a student meeting the characteristics designated by the terms of the gift will receive the funds donated, but the student awarded aid from a that restricted gift fund will not receive a larger award or an award on more favorable terms than he or she would have otherwise received.

A donor may provide that qualifications for financial aid include the ability of a recipient to contribute to the intellectual and cultural enrichment of the department or program because of life experiences, and such information may be solicited during the application process. Actual experiences or achievements of a recipient may be considered even though the experience or achievement may be related to the recipient's race, gender, color, ethnicity or national origin.

Restricted financial aid for which there is no match will not be given at that time.

The Director of Student Financial Aid and Scholarship Services and/or the Assistant Director/Coordinator of Scholarship Services are available to assist in developing programs to implement this policy.

- b) Native American students. The University may accept and award financial aid on the basis of affiliation with federally recognized or other American Indian tribes and Alaska natives when that distinction is made on a political basis. In consultation with appropriate tribal officials, the University will develop specific standards for this distinction.
- c) Working with potential donors. The University should make its policy with regard to "student-to-fund-matching" methodology known to potential donors. In particular, when a donor expresses interest in making such a donation, the

University will inform the potential donor that the University will administer the aid as described in subsection (a), above and discuss alternatives (e.g., other ways of restricting the donation to meet the donor's intent, etc.) with the potential donor.

Donors who express a desire to make a donation that is inconsistent with the "student-to-fund-matching" methodology should be told that the University cannot accept funds on such a basis and should be informed that they may choose to direct such funds to a private agency outside the University which can administer the funds according to the donor's intentions for the benefit of WSU students.

- d) Athletic Scholarships. Gender-based scholarships may be awarded to athletes in Intercollegiate Athletics, as permitted by Title IX of the Education Amendments of 1972 and Initiative 200.

5. Extramural Funds

Several university units currently aid in the administration of extramural financial aid funds that are restricted to students based on their race, gender, color, ethnicity, or national origin. Historically, this assistance has included, among other activities, publicizing scholarship information, distributing publications, accepting applications, selecting and nominating candidates, providing funds up front, and contributing matching funds.

Guidelines for providing such assistance follow.

WASHINGTON STATE UNIVERSITY
GUIDELINES FOR ADMINISTERING PRIVATE OUTSIDE AGENCY STUDENT
SUPPORT FUNDS RESTRICTED BY RACE, GENDER,
COLOR, ETHNICITY, OR NATIONAL ORIGIN

August 23, 1999

Outside Agencies

In addition to awards from federal, state, and University student financial support programs (including gifts and endowments), University students may receive financial support from programs administered by private entities (i.e., organizations, agencies, foundations, corporations, and donors) that are wholly separate from the University and do not use the University's name, personnel, facilities and/or other resources. These private entities are not governed by Initiative 200 and, therefore, University students may continue to receive awards from such programs. In addition, the University may assist in the administration of such programs in accordance with the following guidelines:

University staff may provide routine administrative assistance to an outside agency, regardless of the nature of the agency's restrictions on recipient eligibility or selection, as long as, in deciding whether to assist a particular agency or program, university units make that decision based on factors unrelated to a program's emphasis on race, gender, color, ethnicity, or national origin. For example, a campus may choose whether to assist a particular agency based on the level of workload the requested assistance would require.

The University may be responsible for determining the eligibility or selection of recipients, only if:

- such determinations do *not* involve the use of race, gender, color, ethnicity, or national origin; or
- such determinations *do* involve the use of race, gender, color, ethnicity, or national origin, but do *not* result in a preference, because the outside agency award replaces funds that the student otherwise would have received in the absence of the outside agency award.

In the case of an outside agency award involving a preference, the University may neither determine the eligibility or selection criteria to be used, nor identify or nominate the specific recipients of the scholarship or grant. The University may, nevertheless, provide administrative support to the selection process established by the outside agency. Questions about appropriate actions for areas of the University to take should be referred to the Vice President for University Advancement and the Senior Assistant Attorney General.

The following activities are examples of how a campus may assist an outside agency in administering financial support programs:

Providing information to students, such as:

- posting announcements;
- advertising competitions in brochures;
- providing applications in financial aid or other administrative offices; or sending informational materials to students meeting the scholarship program requirements

Receiving and distributing funds, such as:

- receiving a check made payable to WSU on behalf of a student and/or to the student and crediting a student's account with the amount specified by the outside agency; or
- disbursing a check made out to the student after certifying that the student is enrolled.

Assisting an agency with processing applications, such as:

- making applications available to students meeting the scholarship program requirements; or
- collecting and/or forwarding applications from students.

Providing an agency with information about students, in accordance with applicable privacy laws and policy (which, in case of confidential information, require the student's consent prior to the release of the information), such as:

- the names of students meeting specific characteristics, from which the agency would select recipients; or
- relevant information (including race, gender, color, ethnicity, or national origin) about specific students.

Assisting an agency with funding for awards, consistent with the following:

- If the University provides funding for a portion of or all of an award made by an outside agency, the University funds involved must be awarded in a non-preferential manner, in accordance with the [date] "Policy for Administering Financial Aid Restricted by Race, Gender, Color, Ethnicity, or National Origin."

Under this approach, the portion of any outside agency scholarship or grant aid that is composed of University "matching" funds should replace scholarship or grant dollars that the recipient would have received from the University regardless of his or her race, gender, color, ethnicity, or national origin. The University does not review selection criteria for outside agency scholarships. Accordingly, such an award may result in an increase in the student's total scholarship or grant aid.

In some cases a member of the faculty or staff may sit on the selection committee for an outside agency scholarship program. This would be permissible only if such an individual is acting in a private capacity and not as a representative of the University and does not use confidential information about students gained in his or her official capacity.

AUGUST 23, 1999 .

FOR IMMEDIATE RELEASE

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WSU ANNOUNCES CHANGES IN SCHOLARSHIP AWARD PROCESS IN RESPONSE TO I-200

PULLMAN –A new policy for awarding scholarships, established in response to the passage of Initiative 200 last November, will enable Washington State University to continue to support a diverse campus community while meeting the parameters of the legislation, WSU Provost Gretchen Bataille announced this week.

The policy, which incorporates a “student to fund matching” criteria into the scholarship selection process, was recommended to the Provost by a committee that examined policies within the University of California system and of universities impacted by similar legislation in other states.

Initiative 200, which was passed last November by voters, requires that “The state [including the University] shall not discriminate against, or grant preferential treatment to, any individual on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.”

The committee recommended a two-part process for awarding scholarships that excludes preference as part of qualifying for scholarships and broadens applicant pools. All students seeking aid will qualify first and then be placed in a pool of eligible applicants. Qualified students will then be matched to donated funds based on the criteria established by the donors, including, race, gender, or national origin if the donors have included these factors.

“When developing this policy, the committee worked to place the most aid possible into the hands of our students, to faithfully honor our commitments to donors, and to stay within the

parameters of Initiative 200 and federal law,” said Bataille in a memo to the University’s academic leadership.

Committee members were Wayne Sparks, director, Student Financial Aid; Sharon Morgan, assistant director, special projects, WSU Foundation; Steve Nakata, director, Multicultural Student Services; Carla Caballero-Jackson, interim assistant director, Scholarships Services, and Toni Ursich, senior assistant attorney general.

The policy also clarifies two exceptions to the I-200 initiative. Gender-based scholarships may continue to be awarded to athletes in Intercollegiate Athletics, as permitted by Title IX of the Education Amendments of 1972 and Initiative 200. Native American students may also qualify for certain scholarships outside of the “student to fund matching” criteria if the funds criteria and distribution is based on a tribe’s federally recognized political affiliation. In consultation with tribal officials, the University will develop specific standards for this distinction.

“WSU continues to take great pride in our efforts to embrace and grow a diverse student body,” said President Smith. “This policy ensures that our progress will continue and reaffirms our commitment to fairness and equal opportunity for all members of our academic community and society in general.”