

Calculating effect of 2-to-1 award ratio adding \$5 million to OCOG

Sharing \$87 million, estimated by distribution of awards and FTE in FY2014

Step 1: Determine number of "full time equivalent awards" for each sector *

	Average award	Full award	avg/full	No. of awards	FTE awards	% total FTE
Independent	\$1,661.80	\$2,080	0.7989	21,874	17,476	30.40%
Public 4-year	\$765.96	\$920	0.8326	48,060	40,013	69.60%

"avg/full" ratio used to determine FTE value of each individual award. So 1 award = .7989 or .8326 FTE award, depending on sector.

Step 2: Determine effect of eliminating earmarks and introducing 2-to-1 award ratio between sectors.

Since an award to a student at a nonprofit is equal to exactly twice that of an award to a student at a public, the FTE value in distributing the \$87 million to nonprofits is twice that of the publics.

	FTE awards	Adjusted FTE (2-to-1 award)	Share of Adjusted FTE	Share of \$87 million	Difference from \$41 m earmark	Difference in percent
Independent	17,476	34,952	46.6%	40,563,367	-436,633	-1.1%
Public 4-year	40,013	40,013	53.4%	46,436,633	5,436,633	13.3%

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