

Proposed Amendment to  
THE NATIONAL SPACE GRANT ALLIANCE (NSGA)  
*Five-Year Implementation Plan*

**Background:**

The current National Space Grant Alliance Five-Year Implementation Plan does an excellent job of relating goals and activities of the Consortia to NASA's priorities. We commend the work done by those who developed and approved the plan, but the plan does not adequately address a major concern of those consortia serving states with large populations. According to the 2000 census, nine states serve more than half the citizens of our country. California alone serves more than 12% of the population and California, Texas, New York, Florida, and Illinois serve more than a third of our nation's population. If the states of Pennsylvania, Ohio, Michigan, and New Jersey are added to the list, nearly 51% of the population of the nation is served. Four additional states, North Carolina, Virginia, Massachusetts, and Indiana raise the percent of the population served to over 60%. Obviously, the representatives of these states constitute a majority in the House of Representatives.

The goal of the Alliance is to provide each consortium with base funding of \$ 675,000.

Assuming that we are successful in elevating all consortia to "designated" status, we will have provided all consortia serving small populations with more than sufficient base funding to run exemplary programs while doing little to provide equal opportunities for the citizens served by consortia in the more populous states. As the curves presented below show, when "equal base funding" is achieved, there will be a 70:1 ratio between the dollars per citizen served received by Wyoming to that of California. Thus, the "equal base funding" scenario is inherently unfair to the citizens of the more populous states. (The current ratio is just over 34:1 (Montana / California)).

**Observations:**

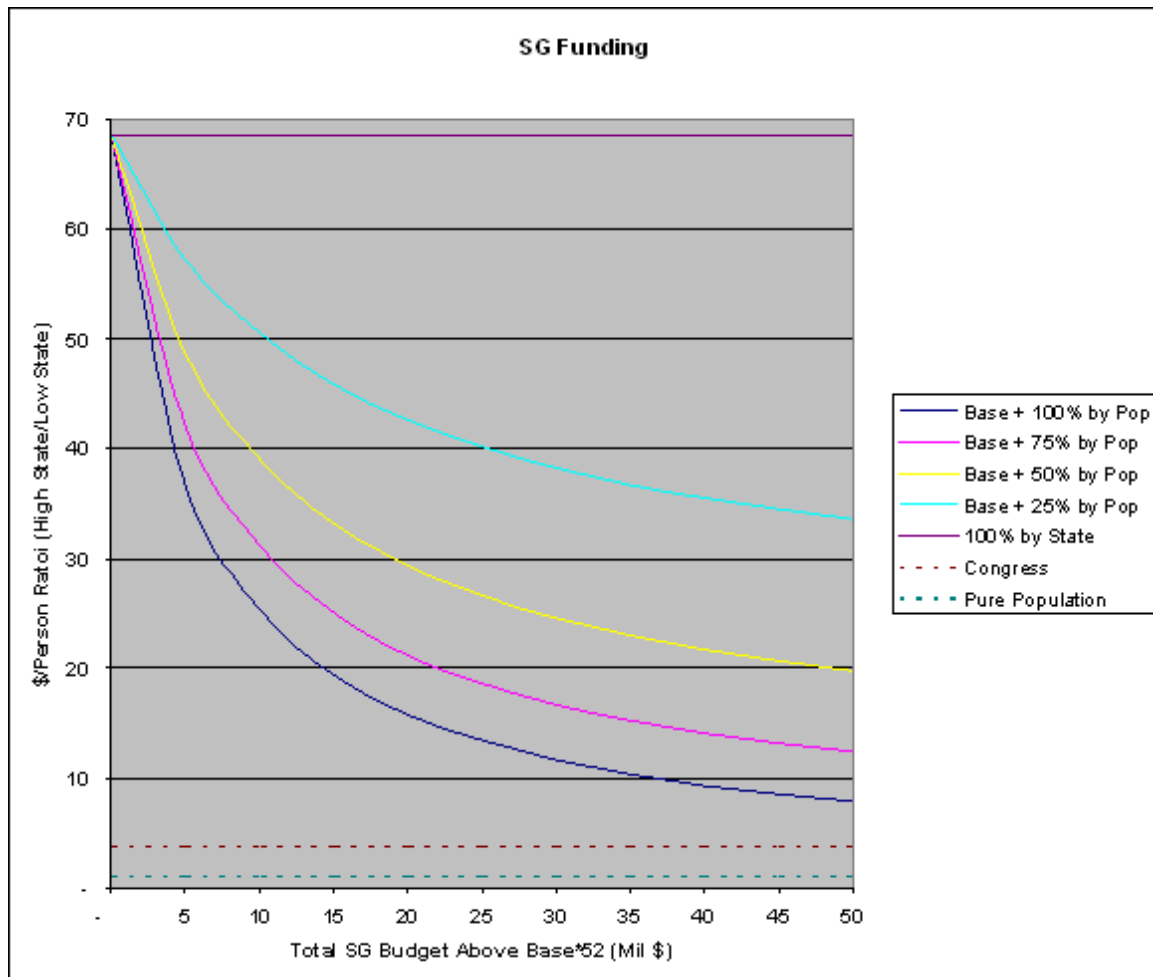
1. There is a critical base level that is necessary to run an effective program. Since many current level one consortia are "effective", the critical base level is clearly no larger than the current base level.
2. Most states currently have financial problems. Many universities are facing budget cuts and most consortia are having problems with finding the "matching funds" required by NASA.
3. There are obviously "economies of scale" which are possible in the more populous states, but these "economies" can only be expected to overcome funding per citizens served on the order of 3:1 to 5:1. For the present, the consortia in the more populous states would settle for a target ratio of 10:1.

**Space Grant Funding Scenarios:**

Scenario 1:

Base Funding of \$ 500,000 per consortium + Population factor on all additional funding

The following chart is based on year 2000 census figures. We assume a \$ 500,000 base ( \$ 26 million base total to states) for all consortia followed by a formula allocation (state & population) for all additional funds. The chart shows the ratio of \$ per citizen received by the least populous state to \$ received per citizen in the most populous state for several distribution formulas. A range of additional space grant funds from zero to \$ 50 million is assumed.



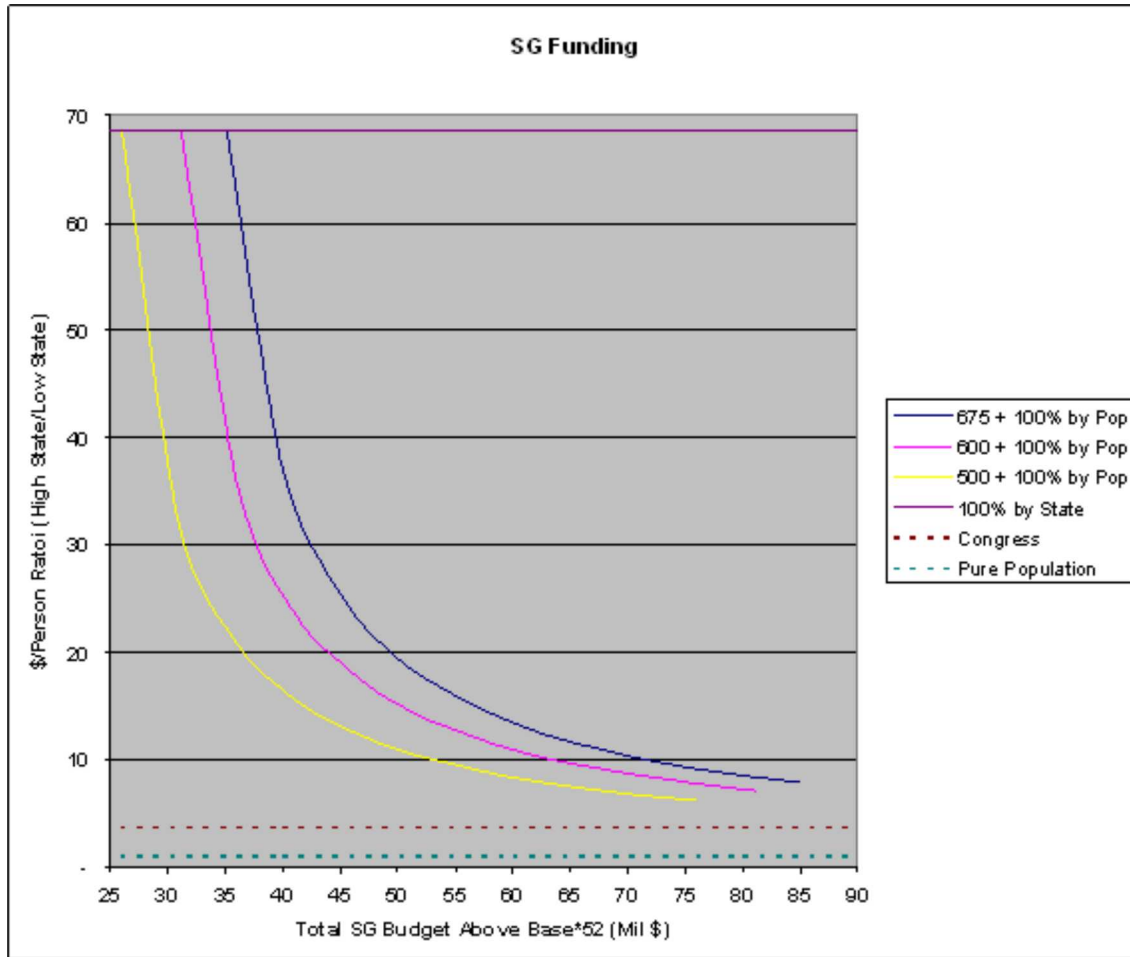
Each scenario produces a curve with the horizontal scale being additional funds above the SG Base. From the curves we can evaluate various possibilities. For example, with the assumed \$ 500K base for each state, and a 25% by state and 75% by population for all additional funds, the space grant program would have to get over \$35 million above the base ( total SG funding of \$61 million) in order for the ratio to go below 15:1. To get the ratio to 10:1, it would require more than \$ 50 million above the \$ 26 million base (a total SG funding of 76 million).

Scenario 2:

Base Funding of \$ 675,000 per consortium + 100% Population factor on all additional funding

The following chart is based on year 2000 census figures. We assume three uniform funding bases (\$ 675,000, \$ 600,000, and \$ 500,000). The total SG funding to the states would be (\$ 35.1 million, \$ 30.2 million, and \$ 26 million). We then assume that a 100% population formula for all additional funds. The chart shows the ratio of \$ per citizen received by the least populous state to \$ received per citizen in the most

populous state. The range is zero additional funds to \$ 90 million.



From this curve, we can see that even with a (base + 100% by population) formula, it would require the range of total SG budgets shown below to reach 15:1 and 10:1 target ratios.

Ratio	Base	Total Base	Extra \$	Total SG \$
15:1	\$ 675K	\$ 35. M	\$ 57 M	\$ 92 M
15:1	\$ 600K	\$ 30 M	\$ 52 M	\$ 82 M
15:1	\$ 500K	\$ 26 M	\$ 42 M	\$ 68 M
10:1	\$ 675K	\$ 35. M	\$ 70 M	\$ 105 M
10:1	\$ 600K	\$ 30 M	\$ 63 M	\$ 93 M
10:1	\$ 500K	\$ 26 M	\$ 52 M	\$ 78 M

**PROPOSED AMENDMENT:**

**Currently, the Five-Year Implementation Plan reads:**

...

**3. Add an Extension Award component to Space Grant that would allow states to supplement their Core Program Grant on a competitive basis, beginning in FY 2004.**

This "Extension award" would allow states to compete for additional funding based on innovative pilot proposals from state Consortia to accelerate linkages to Code N new initiatives and also support State needs as well as advance programs that:

- recognize states with larger populations in order to address and involve larger numbers of students and/or educational institutions;
- support more students in designing, developing, and flying student built satellites and placing student experiments on NASA launches (e.g. National Student Satellite Program);
- support other education and training partnerships or prototype projects.

Extension Awards may be up to \$500,000 per year and may extend for multiple years. Extension Award competitions should be held every other year. Funds not used for Core Program Grants shall be transferred to the Extension Awards fund.

FY 2003	FY 2004	FY 2005	Extension Awards		
			FY 2006	FY 2007	FY 2008
n/a	\$3,500,000	\$8,000,000	\$12,000,000	\$15,000,000	\$22,000,000

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**We, the consortia that serve large populations request that the Alliance reconsider this section of the Five-Year Implementation plan. We ask that the Alliance set a short term target of a funding ratio of 15:1 for dollars per citizen served between the least populous state and the most populous state and that a ratio of 10:1 be set as the Alliance long term funding ratio target. We do not seek parity. We only ask the Alliance to commit to seeking the resources to allow us to serve our citizens at least 1/10 as well as will the least populous consortia.**

*We propose the following Amendment to the Five-Year Implementation Plan*

**Change the Title on Page 6 of the Plan to:**

PROPOSED PROGRAM PLAN: CORE PROGRAM GRANTS, POPULATION  
ACCOMMODATION AWARDS, AND EXTENSION AWARDS

**Insert the following new item 3. on Page 7 of the plan:**

3. Add a Population Accommodation Award component to Space Grant that would allow all states to supplement their Core Program Grant. This item should have priority equal to that of obtaining uniform core funding.

The goal of this accommodation is to more equitably distribute funds to the states so that no state receives less than 1/10 of the funding per citizen than the state with the highest funding per citizen. These awards

should be competitive and should be funded at a level so that all states have the resources that allow them to serve their citizens.

**Renumber the old item 3 as item 4.**

**Renumber the old item 4 as item 5.**