

Meeting of the
OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION
December 3, 2015

AGENDA ITEM:

Reports.

SUBJECT: Financial Aid Report: Overview of Student Financial Aid at State System Institutions for 2012-2013 and 2013-2014.

RECOMMENDATION:

This item is for information purposes. The Student Financial Aid Report is presented for the State Regents' acceptance.

BACKGROUND:

This report utilizes information from a relatively new State Regents (OSRHE) Financial Aid Database that has been implemented gradually over the past several years to collect student-level financial aid data from Oklahoma public colleges and universities. The process of developing the new database initially began in 2008 with a project utilizing the consulting firm Noel Levitz.

Currently, state system institutions annually submit student level financial aid information for each aid recipient. This data can be combined with enrollment data from the Unitized Data System (UDS) and information from the federal financial aid application information to generate a more complete perspective of the resources students use to finance a college education. The database allows analysis of the types of student aid that individual students receive and in what combination. OSRHE staff has worked with institutional representatives to review and verify the accuracy of the submitted data. The following report is based on the two most recent years. [Veteran's education benefits are not included in this analysis. For federal financial aid purposes, the U.S. Department of Education does not consider veteran's education benefits to be part of a student's financial aid package.]

POLICY ISSUES:

The information provided by this report is important for analyzing the impact of financial aid in relation to the policy goals of the State Regents to increase the number of students earning college degrees in Oklahoma.

ANALYSIS:

See the following sections.

FY2016 State Appropriations/Allocations for Student Aid:

For FY2016, state appropriations and allocations for student financial aid totaled \$100.6 million.

	<u>Amount</u>	<u>Estimated Recipients</u>
Oklahoma's Promise	\$61,700,000 ¹	18,450
Oklahoma Tuition Aid Grant (OTAG)	\$19,115,722	20,000
Academic Scholars Program	\$8,037,835	2,300
Concurrent Enrollment Tuition Waiver	\$5,162,138	14,000
Oklahoma Tuition Equalization Grant (OTEG)	\$3,480,608	2,000
National Guard Tuition Waiver Reimbursement	\$1,845,903	2,000
Regional University Baccalaureate Scholarships	\$951,556	300
International Scholarship Program	\$115,800	11
Future Teachers Scholarship	\$90,237	80
Nigh Scholarships	\$63,166	35
Tulsa Reconciliation Scholarship	\$45,119	20
<u>Chiropractic Education Scholarship</u>	<u>\$36,095</u>	<u>25</u>
Total	\$100,644,179	

¹Includes \$2.7 million from OKPromise Trust Fund reserve.

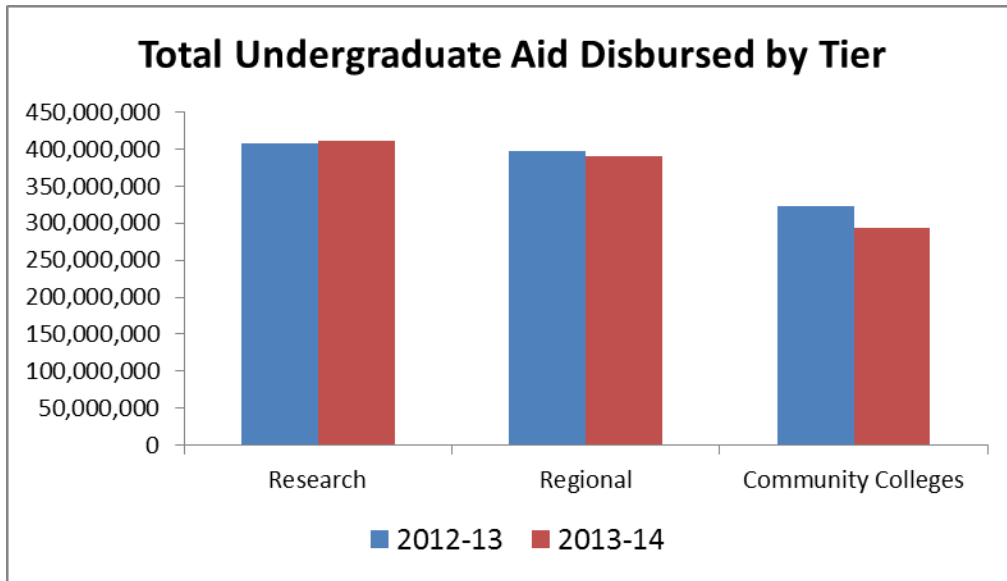
History of State Appropriations/Allocations for Student Aid Since FY2000:

Between FY2000 and FY2016, state appropriations for state student financial aid programs grew from \$28 million to \$100.6 million, an increase of \$72.6 million or 259%. The growth is attributable primarily to the Oklahoma's Promise scholarship which increased from \$1.4 million in FY2000 to \$61.7 million in FY2016. In addition, the Oklahoma Tuition Equalization Grant and the Concurrent Enrollment Tuition Waiver were implemented during this time period. As a percentage of higher education's total appropriation, student aid funding has increased from 3.6% to 9.8%. It is also important to note that during years of significant reductions to the state appropriation for higher education (FY2004, FY2010, FY2011, FY2016), funding for student aid programs was not cut.

<u>Fiscal Year</u>	<u>Total Higher Ed State Appropriation</u>	<u>Student Aid Appropriation/ Allocation</u>	<u>Student Aid as % of Total Higher Ed Appropriation</u>
FY2000	\$772,200,000	\$27,957,995	3.6%
FY2001	\$816,200,000	\$27,957,995	3.4%
FY2002	\$860,500,000	\$30,310,030	3.5%
FY2003	\$851,300,000	\$34,110,259	4.0%
FY2004	\$767,900,000	\$37,919,262	4.9%
FY2005	\$802,100,000	\$47,760,262	6.0%
FY2006	\$889,400,000	\$59,223,562	6.7%
FY2007	\$1,020,000,000	\$72,423,562	7.1%
FY2008	\$1,099,100,000	\$85,066,419	7.7%
FY2009	\$1,093,900,000	\$90,966,419	8.3%
FY2010	\$1,055,900,000	\$90,966,419	8.6%
FY2011	\$1,010,700,000	\$93,673,390	9.3%
FY2012	\$1,008,500,000	\$99,812,301	9.9%
FY2013	\$1,012,300,000	\$99,792,540	9.9%
FY2014	\$1,045,500,000	\$100,092,540	9.6%
FY2015	\$1,045,500,000	\$100,016,261	9.6%
FY2016	\$1,025,100,000	\$100,644,179	9.8%

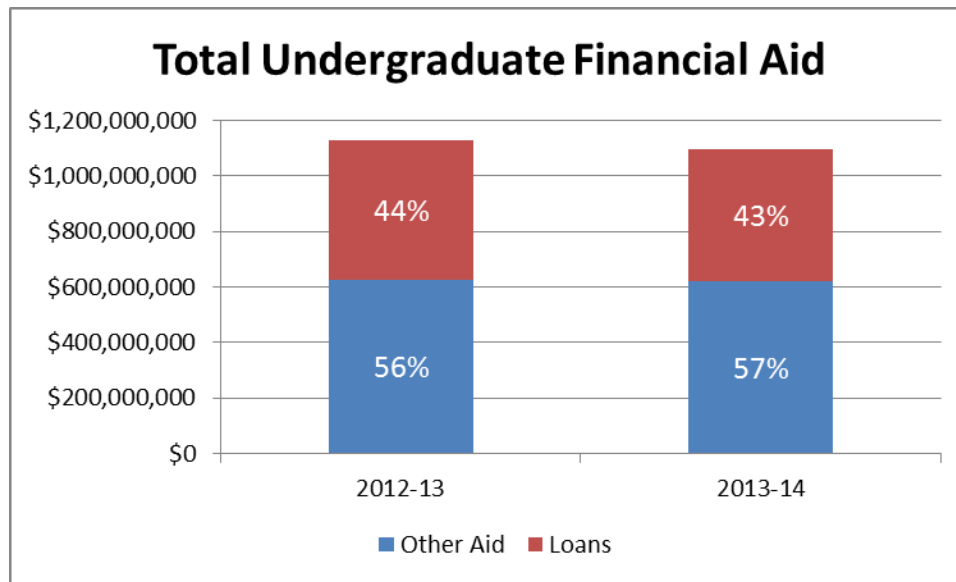
Financial Aid for State System Undergraduate Students: 2012-13 and 2013-14

- In both 2012-13 and 2013-14, about \$1.1 billion in student aid was awarded to undergraduate students attending Oklahoma public colleges and universities. Of the \$1.1 billion, roughly \$400 million went to both the research university tier and the regional university tier and about \$300 million went to students at community colleges. By tier, the largest change in total awarded aid between 2012-13 and 2013-14 was at the community colleges which saw a decrease from \$324 million to \$293 million.

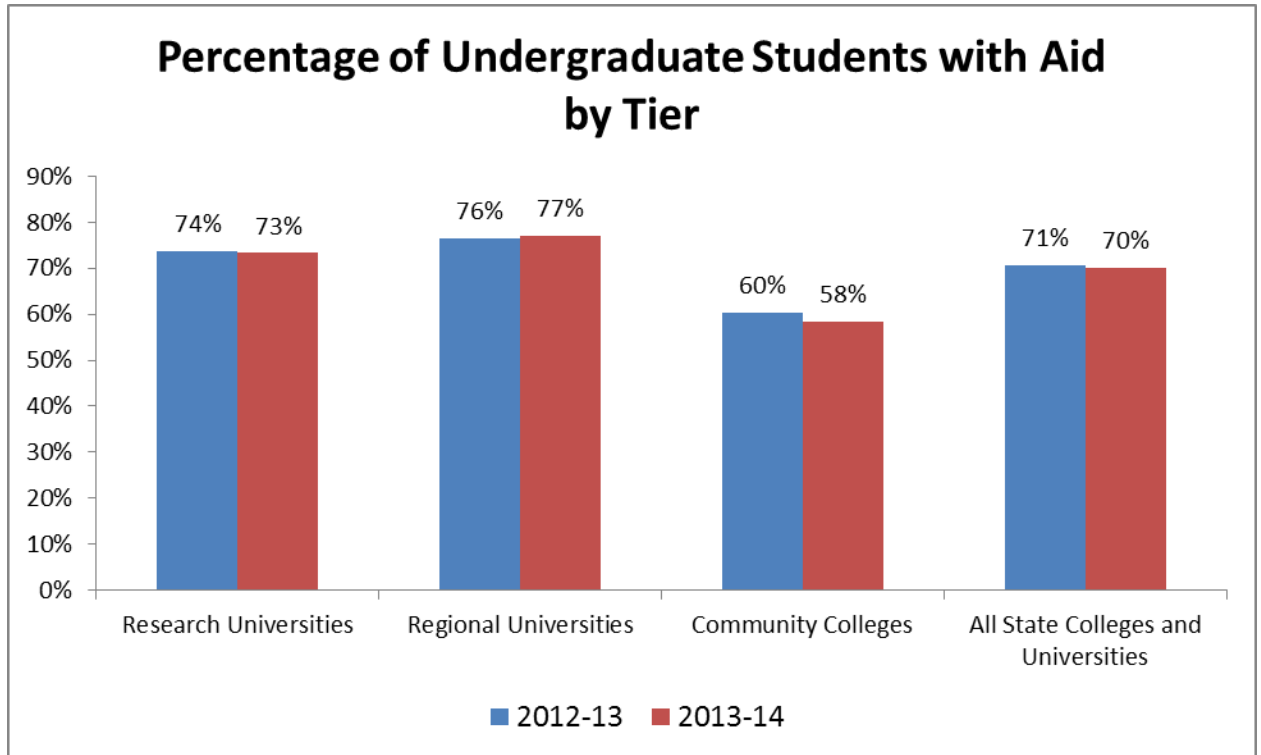


- In 2013-14, about 57% of the total \$1.1 billion in undergraduate student aid was in the form of grants, scholarships, tuition waivers, and workstudy; the remaining 43% was from loans. By tier, the percentage of aid from loans ranged from 39% at the community colleges to 47% at the research institutions. The percentage of total undergraduate students receiving loans varied by tier from 22% at the community colleges to 43% at the regional universities.

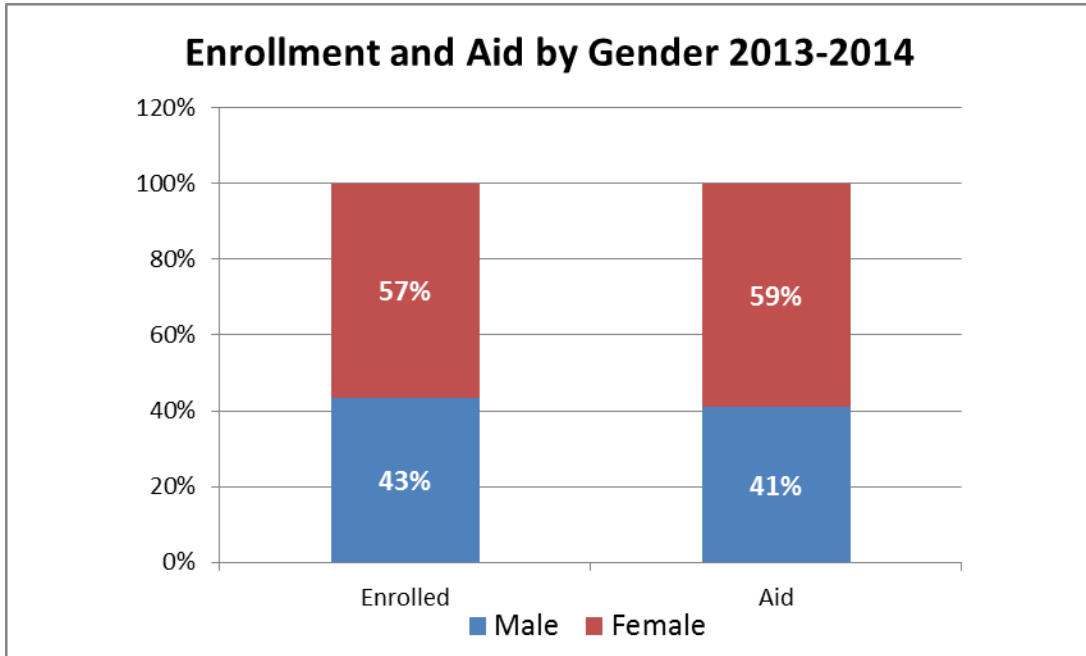
2013-2014	Total Aid	Percent of Aid from Loans	Percent of Aid Recipients with Loans	Percent of Enrolled Undergraduates with Loans
Research Universities	\$411,622,897	47%	55%	41%
Regional Universities	\$390,931,511	42%	55%	43%
Community Colleges	\$293,270,312	39%	38%	22%
Total	\$1,095,824,720	43%	49%	34%



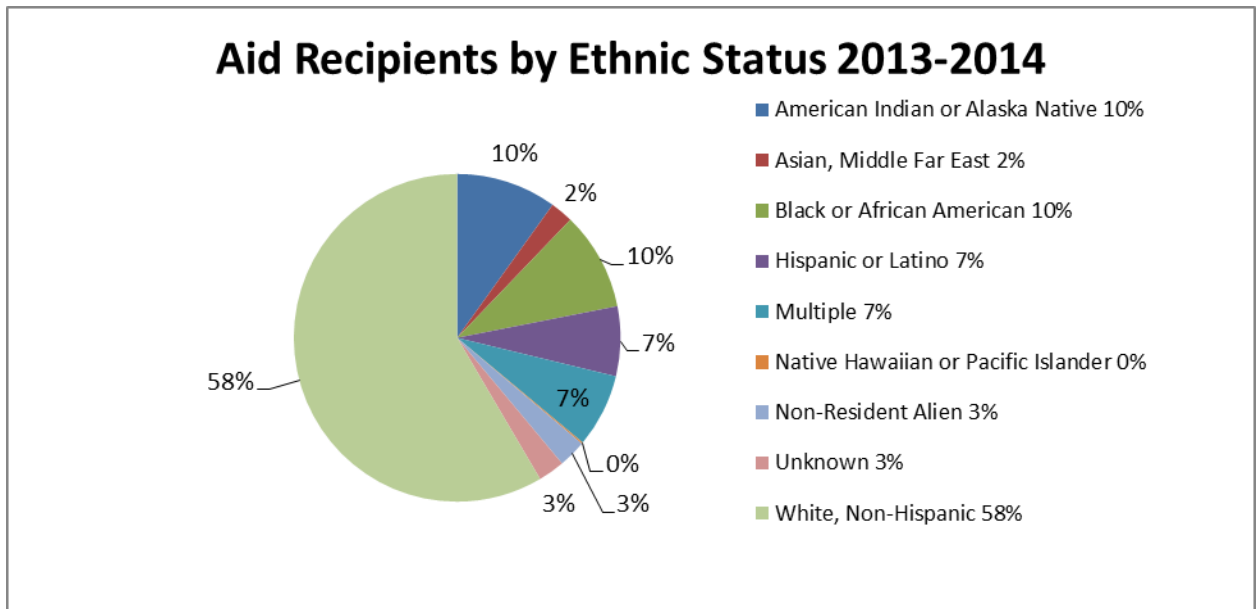
- In 2012-13, about 71% of undergraduate students received some form of financial aid (144,000 out of 203,000). For 2013-14, the percentage dropped slightly to 70% (135,000 out of 193,000). By tier, the percentage of students receiving aid in 2013-14 ranged from a high of 77% at the regional universities to 73% at the research universities to 58% at the community colleges. The total number of students receiving aid by tier in 2013-14 was about 35,000 at the research universities, over 45,000 at the regional universities, and nearly 59,000 at the community colleges.



- The gender of aid recipients reflects closely the gender of all enrolled students. In both 2012-13 and 2013-14, 59% of aid recipients were female compared to 57% of all enrolled students.



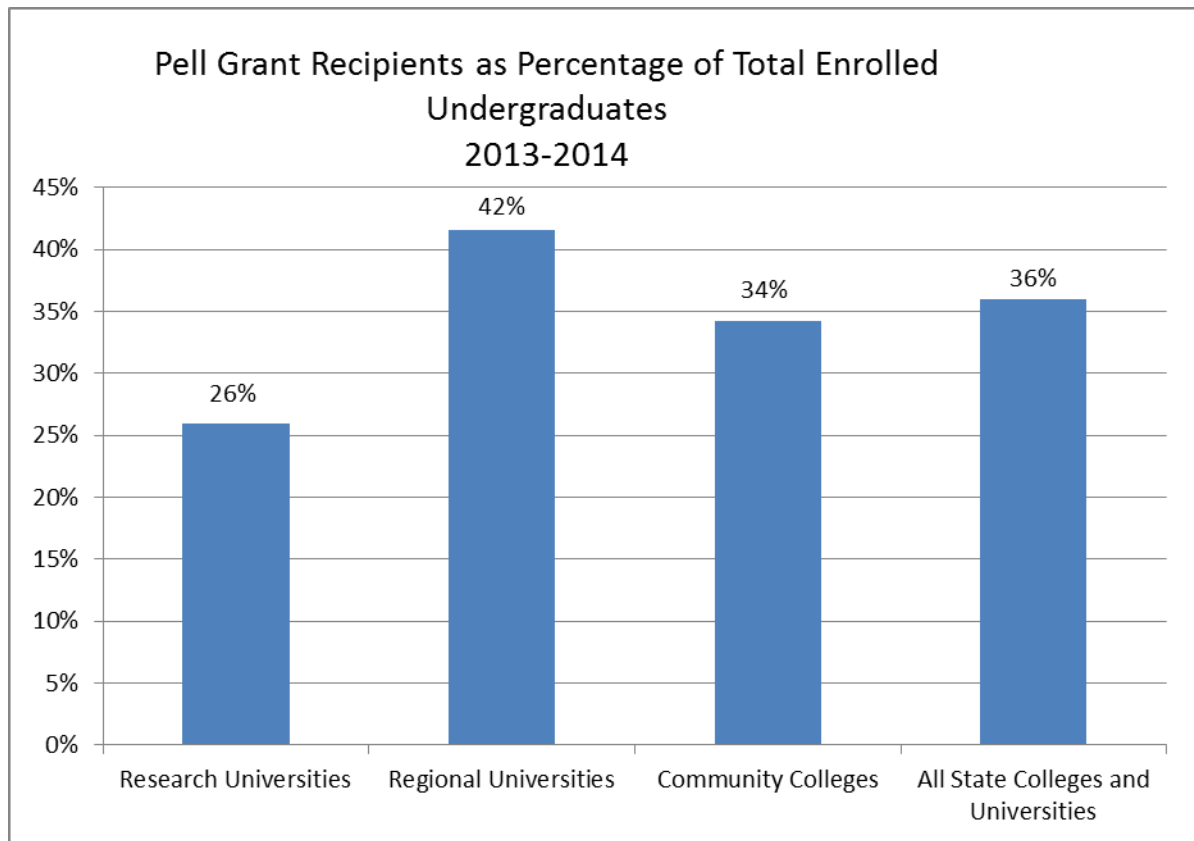
- By ethnicity, the largest group of recipients was non-Hispanic Whites at 58%, followed by American Indians and African-Americans at 10% each and Hispanic/Latino students at 7%.



State System Institutions
2013-2014 Undergraduate Financial Aid by Tier

Grants / Scholarships	State System	Research	Regional	Community
Federal				
Pell Grants	\$247,746,452	\$46,412,537	\$92,599,730	\$108,734,185
Other	<u>\$10,845,534</u>	<u>\$3,194,515</u>	<u>\$3,508,722</u>	<u>\$4,142,297</u>
Total Federal Grants	\$258,591,986	\$49,607,052	\$96,108,452	\$112,876,482
State				
Oklahoma's Promise	\$56,174,384	\$20,239,130	\$25,628,285	\$10,306,969
Oklahoma Tuition Aid Grant	\$17,440,458	\$3,699,436	\$6,683,432	\$7,057,590
Academic Scholars	\$8,027,556	\$7,620,356	\$329,000	\$78,200
Other	<u>\$1,214,614</u>	<u>\$17,882</u>	<u>\$1,114,616</u>	<u>\$82,116</u>
Total State Grants and Scholarships	\$82,857,012	\$31,576,804	\$33,755,333	\$17,524,875
Institutional				
Resident Tuition Waivers	\$62,165,706	\$26,393,137	\$19,960,940	\$15,811,629
Non-Resident Tuition Waivers	\$81,281,888	\$44,394,657	\$28,049,487	\$8,837,744
Foundation	\$22,271,476	\$17,846,984	\$3,282,970	\$1,141,522
Other	<u>\$50,145,036</u>	<u>\$23,313,781</u>	<u>\$17,486,927</u>	<u>\$9,344,328</u>
Total Inst. Schol., Grants & Waivers	\$215,864,106	\$111,948,559	\$68,780,324	\$35,135,223
Total Tribal Grants	\$24,554,125	\$6,644,606	\$10,915,078	\$6,994,441
Total Outside Scholarships & Grants	<u>\$33,139,723</u>	<u>\$14,481,321</u>	<u>\$13,709,938</u>	<u>\$4,948,464</u>
Total Grants and Scholarships	\$615,006,952	\$214,258,342	\$223,269,125	\$177,479,485
Loans				
Federal Subsidized	\$191,123,739	\$57,168,255	\$76,084,667	\$57,870,817
Federal Unsubsidized	\$194,217,459	\$62,541,178	\$79,276,597	\$52,399,684
Federal PLUS	\$57,813,415	\$50,408,588	\$5,691,352	\$1,713,475
Fed. Perkins and Other Fed. Loans	\$4,919,950	\$4,124,764	\$444,087	\$351,099
Private	\$22,935,977	\$17,989,739	\$3,703,082	\$1,243,156
Institutional and Other	<u>\$1,970,572</u>	<u>\$1,945,472</u>	<u>\$25,100</u>	<u>\$0</u>
Total Loans	\$472,981,112	\$194,177,996	\$165,224,885	\$113,578,231
Federal Work Study	<u>\$7,836,656</u>	<u>\$3,186,559</u>	<u>\$2,437,501</u>	<u>\$2,212,596</u>
Total Aid	\$1,095,824,720	\$411,622,897	\$390,931,511	\$293,270,312

- **Federal Pell Grants:** In 2012-13, \$265 million in federal Pell Grants was awarded to 77,000 students. In 2013-14, this amount dropped to \$248 million awarded to 70,000 students. By tier, the amount of Pell Grants awarded in 2013-14 totaled \$46 million at the research institutions, \$93 million at the regional universities, and \$109 million at the community colleges. As shown below, the percentage of enrolled students receiving the Pell Grant varied by tier, from 26% at the research universities to 42% at the regional universities and 34% at the community colleges.



- Student Loan Aid to Undergraduate Students: In 2013-14, nearly \$473 million was loaned to undergraduate students and parents at state colleges and universities. Of that amount, 41% went to students at the research universities, 35% to the regional universities, and 24% to the community colleges.

2013-2014	Total Loans in Millions	Total Borrowers	Average Annual Loan Per Borrower
Research Universities	\$194,177,996	18,852	\$10,300
Regional Universities	\$165,224,885	25,070	\$6,591
Community Colleges	\$113,578,231	22,498	\$5,048
Total	\$472,981,112	65,516	\$7,219

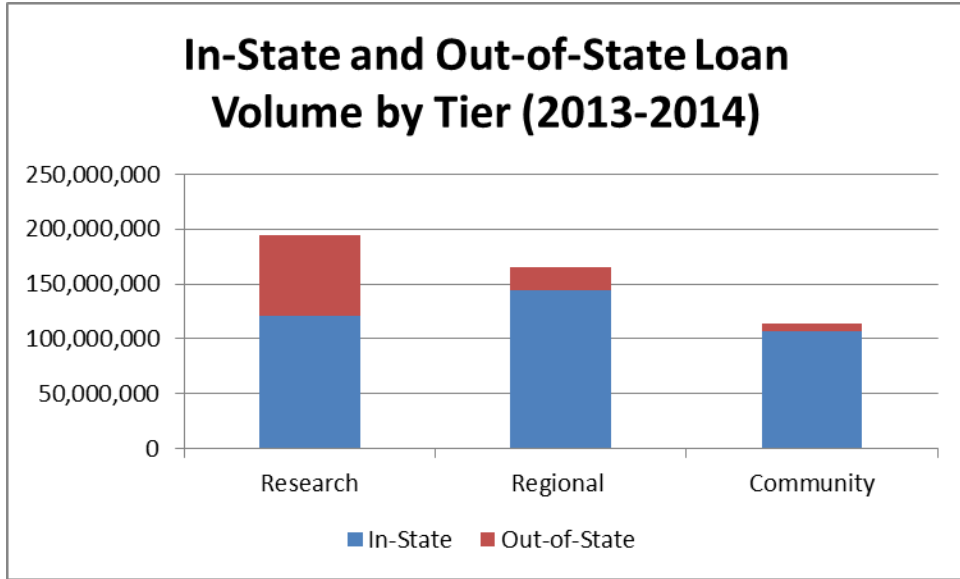
Of the \$473 million in student loans, nearly \$100 million or 21% went to out-of-state students. While the overall average loan amount was \$7,200, for in-state students the average was about \$6,600 compared to \$11,000 for out-of-state students.

2013-2014	Volume	Borrowers	Average Loan
In-State	\$373,135,657	56,680	\$6,583
Out-of-State	\$99,845,455	9,046	\$11,038

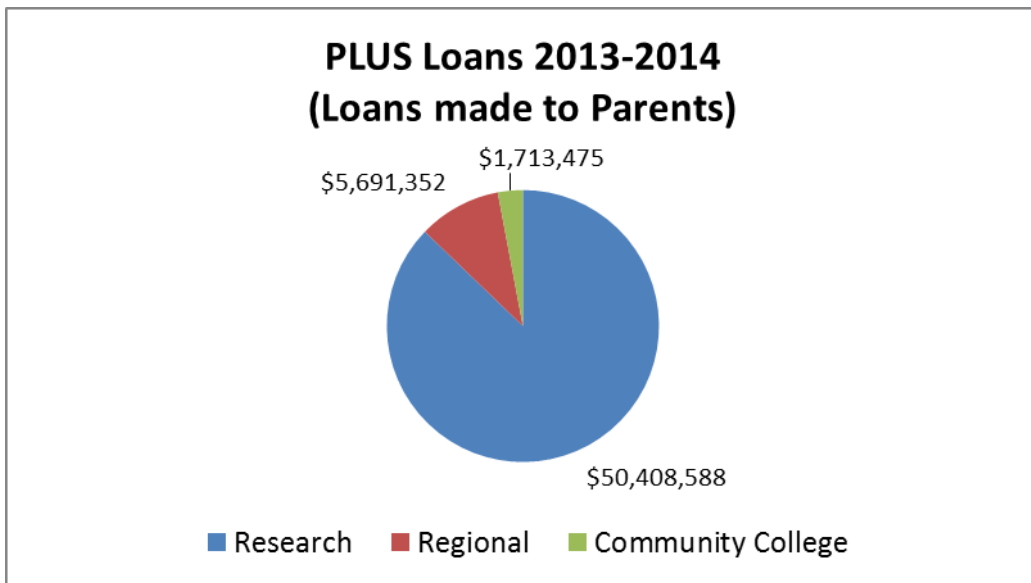
The table below shows the average “cost of attendance” reported by the institutions for both in-state and out-of-state students. As defined by federal financial aid regulations, “cost of attendance” generally includes tuition, fees, books and supplies, room and board, and a limited allowance for transportation and personal expenses.

Academic Year 2013-2014	In-State Average Cost of Attendance	Out-of-State Average Cost of Attendance
Research Universities	\$22,711	\$34,675
Regional Universities	\$17,366	\$24,169
Community Colleges	\$14,492	\$18,507
System	\$16,149	\$21,769

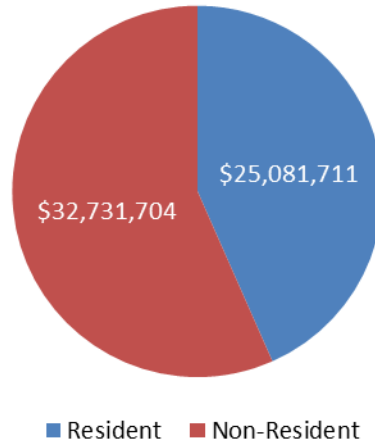
Over one-third of the student loan volume at the research universities was for out-of-state students and their parents. The percentages of loans related to out-of-state students enrolled at the regional universities and community colleges were much smaller.



Federal PLUS loans are available to parents of students and can be used to pay for costs not already covered by the student's other financial aid. These loans are the obligation of the parent, not the student. PLUS loans totaled almost \$58 million in 2013-14. Nearly 90% of the loans were made to parents of students at the research universities and over 55% of the loans were made to parents of out-of-state students.



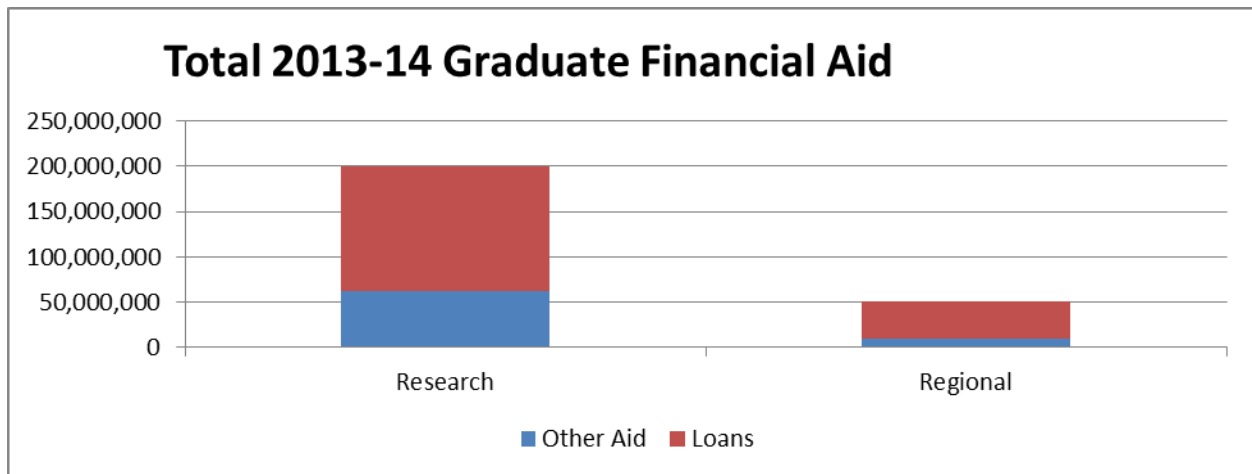
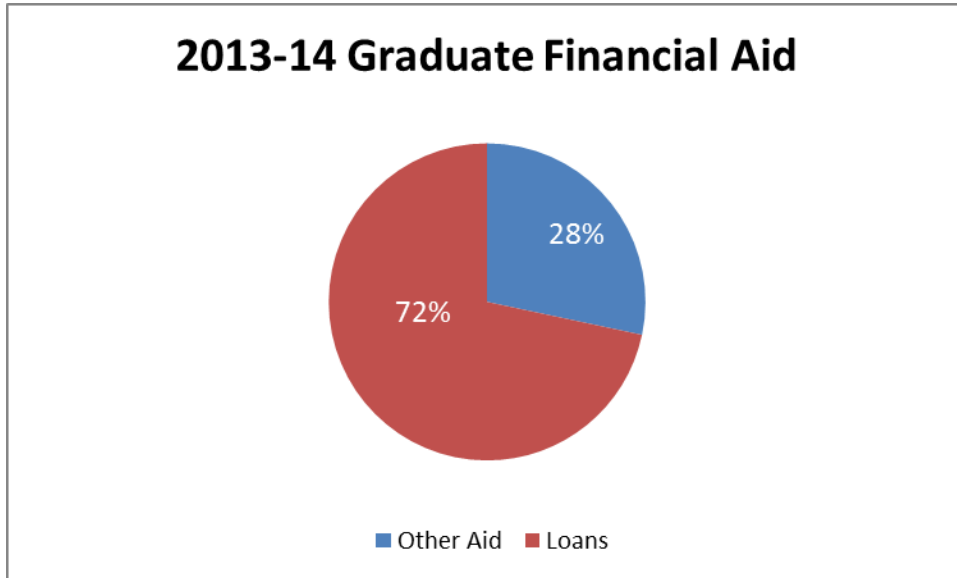
2013-14 PLUS Loan Volume



Parent PLUS Loans		Students	Average
Resident	\$25,081,711	2,528	\$9,922
Non-Resident	\$32,731,704	1,903	\$17,200
Total	\$57,813,415	4,431	\$13,047

Financial Aid for Graduate Students

In 2013-2014, nearly \$252 million in financial aid was awarded to graduate students at the state system institutions. Seventy two percent or \$180 million of that aid was in the form of loans compared to 43% for undergraduate students. Graduate students at the research universities received \$200 million, 70% of which was in the form of loans. Total aid of \$51 million was disbursed to graduate students at the regional universities, 82% of which was loans.



2013-2014 Loans to Graduate Students			
	Amount	Borrowers*	Average Annual Loan
Research Universities	\$138,385,824	6,362	\$21,752
Regional Universities	\$42,107,645	3,262	\$12,909
Total	\$180,493,469	9,608	\$18,786

*Total is unduplicated.