

Meeting of the
OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION
February 1, 2018

AGENDA ITEM:

Reports.

SUBJECT: Financial Aid Report: Overview of Student Financial Aid at State System Institutions for 2015-2016.

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 the 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 includes information for the four 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.

Highlights and Trends

- In each of the past four years, total financial aid for undergraduate and graduate/professional students at state system institutions has remained relatively stable at between \$1.35 billion and \$1.4 billion. Undergraduate student aid, at about \$1.1 billion, accounts for 81 percent of total student aid.
- Four-Year Trends in Undergraduate Student Aid, by Type of Aid: Following are the changes in amounts of undergraduate aid, by type of aid, for the period 2012-2013 to 2015-2016.

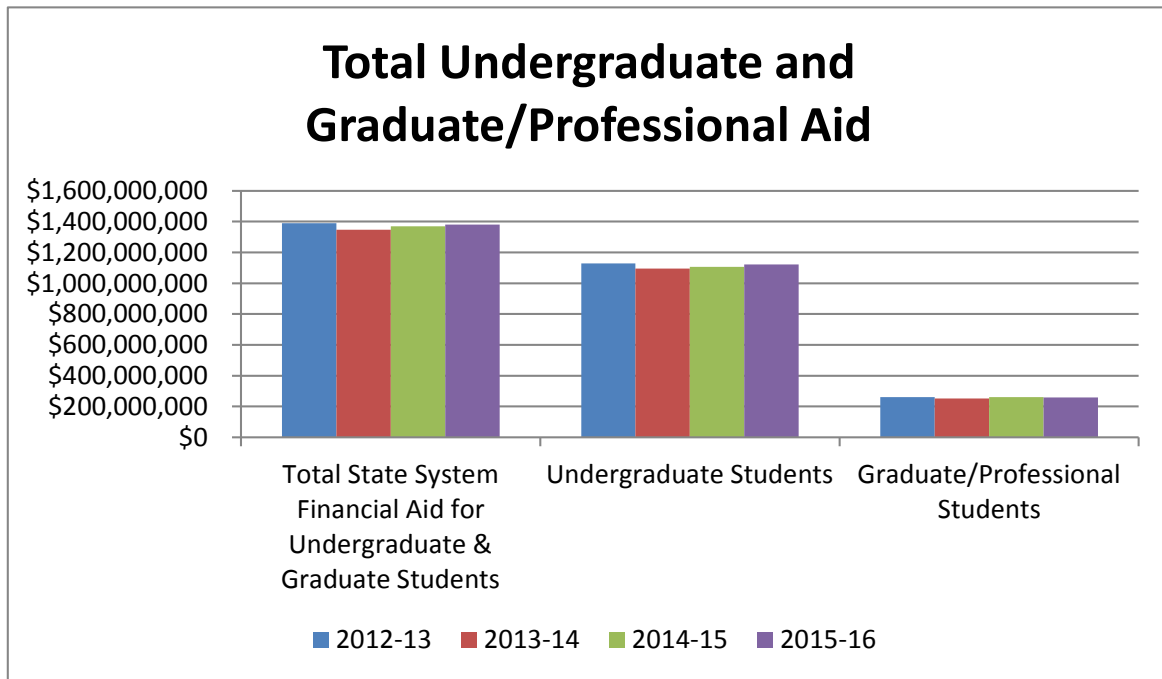
Type of Undergraduate Student Aid	\$ Amount Change 2012-13 to 2015-16 (in \$ millions)	Percent Change
Federal Grants (Pell)	-\$39.5	-14%
State Grants and Scholarships	+\$4.8	+6%
Institution Aid (Tuition Waivers, Foundation, Other)	+\$59.2	+29%
Tribal Grants	+\$2.3	+10%
Other Outside Scholarships and Grants	+\$7.1	+23%
Loans	-\$40.7	-8%
Federal Work Study	-\$0.1	-1%
Change in Total Undergraduate Student Aid	-\$6.9	-1%

- While the total amount of undergraduate financial aid has remained at about \$1.1 billion over the past four years, the proportion of that aid going to the research universities has increased by \$57 million or 14 percent while the proportion going to community colleges has decreased by \$54 million or 17 percent. The amount going to the regional universities decreased moderately by \$10 million or 3 percent.
- Over the past four years total undergraduate loan volume has declined by \$41 million or 8 percent. By tier, undergraduate loan volume has dropped significantly at the community colleges (-\$31 million or -24 percent) and the regional universities (-\$17 million or -10 percent) while increasing slightly at the research universities (+\$7 million or +4 percent).
- The percentage of undergraduate aid comprised of loans has steadily declined from 44 percent in 2012-2013 to 41 percent in 2015-16. Conversely, non-loan aid (grants, scholarships, work-study) has grown from 56 percent to 59 percent.
- Nonresident students account for nearly 24 percent of the total undergraduate student loan volume (\$109 million of \$460 million). At the research universities, nonresident students account for nearly 40 percent of the undergraduate student loan volume.
- Many low-income Pell Grant recipients also rely on student loans. Fifty-four percent of Pell Grant recipients also take out student loans. While Pell Grant recipients make up one-third of overall undergraduate enrollment, they account for almost half of the total undergraduate loan volume (\$221 million of \$460 million).
- Of the \$258 million in graduate/professional student aid, over 70 percent was in the form of loans.

Total Financial Aid for State System Undergraduate and Graduate/Professional Students

- In each of the past four years, total student financial aid received by all students in the state system of higher education, both undergraduate and graduate students, has exceeded \$1.3 billion. About 80 percent, or \$1.1 billion, of the total was received by undergraduate students while the remaining 20 percent went to graduate students.

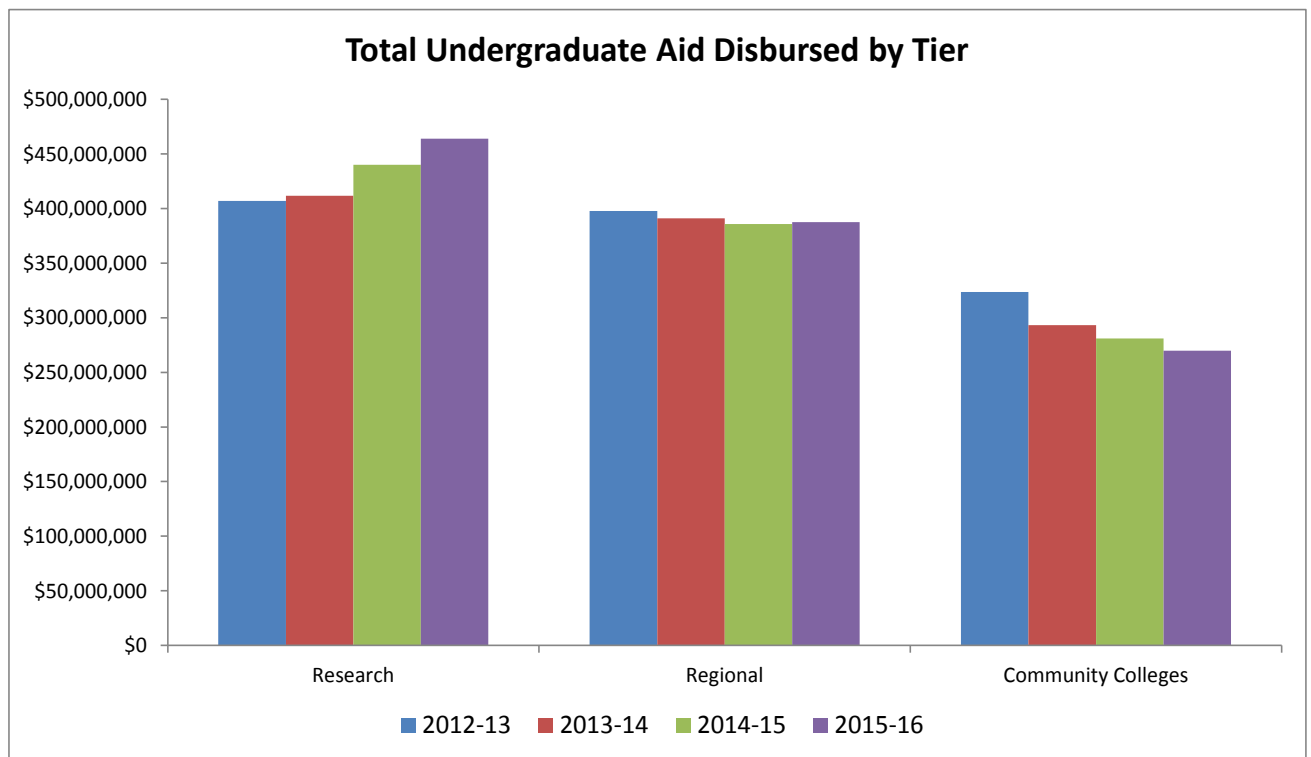
	Total State System Financial Aid for Undergraduate & Graduate Students	Undergraduate Students	Graduate/Professional Students
2012-13	\$1,389,285,750	\$1,128,518,707	\$260,767,043
2013-14	\$1,347,664,322	\$1,095,824,720	\$251,839,602
2014-15	\$1,368,632,106	\$1,106,857,413	\$261,774,693
2015-16	\$1,379,874,360	\$1,121,617,868	\$258,256,492



Undergraduate Student Financial Aid

- Of the \$1.1 billion in undergraduate student aid, more than \$450 million went to the research university tier, almost \$400 million to the regional university tier and \$270 million went to students at community colleges. While the total amount of state system aid stayed at roughly \$1.1 billion over the four years, the amount awarded at the research universities increased by about \$57 million or 14 percent. In contrast, the amount awarded by the regional universities declined by \$10 million or 3 percent while the amount awarded at the community colleges dropped by \$54 million or 17 percent.

Academic Year	Total State System Undergraduate Financial Aid	Research Universities	Regional Universities	Community Colleges
2012-13	1,128,518,707	407,048,227	397,814,329	323,656,151
2013-14	1,095,824,720	411,622,897	390,931,511	293,270,312
2014-15	1,106,857,413	440,130,881	385,727,561	280,998,971
2015-16	1,121,617,868	463,986,459	387,672,718	269,958,691

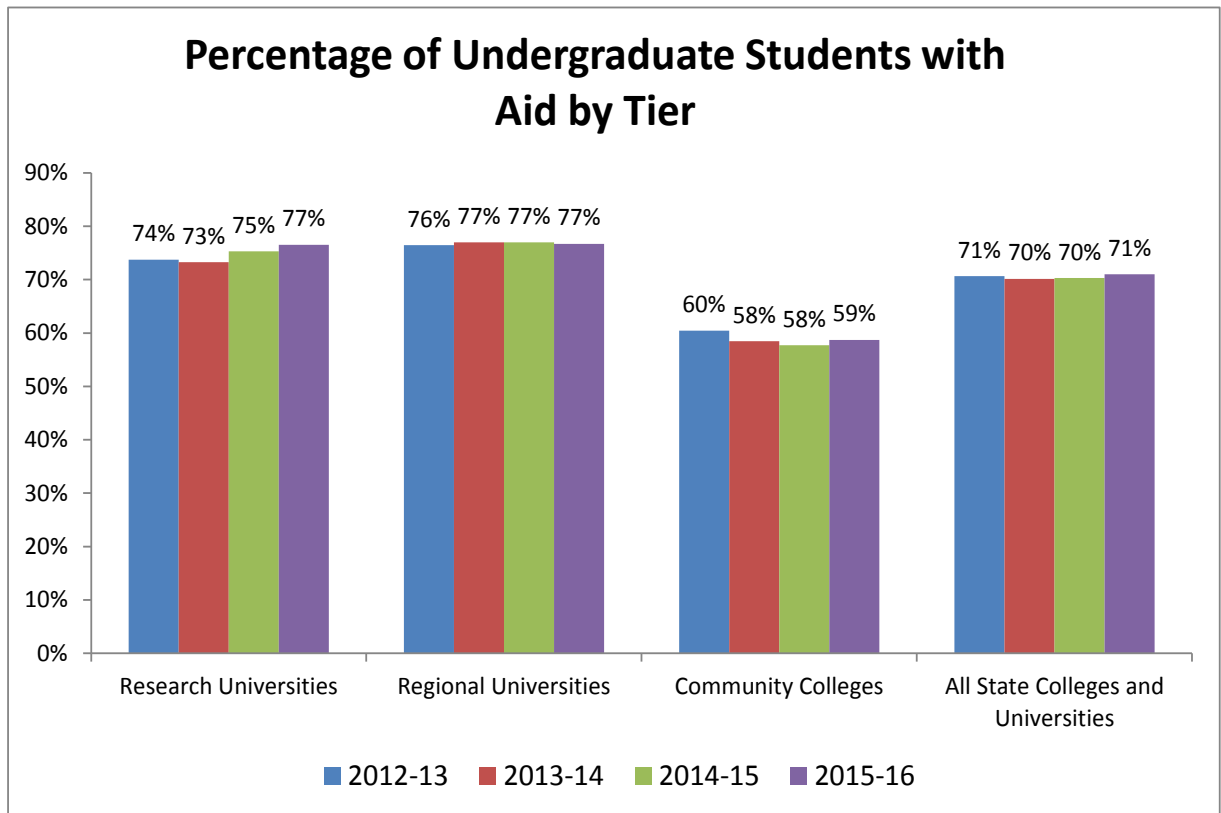


Percentage of Undergraduate Students Receiving Financial Aid

- Although total enrolled undergraduate enrollment has declined gradually over the past four years, the percentage of undergraduate students that receive some form of financial aid has remained stable at about 70 percent.

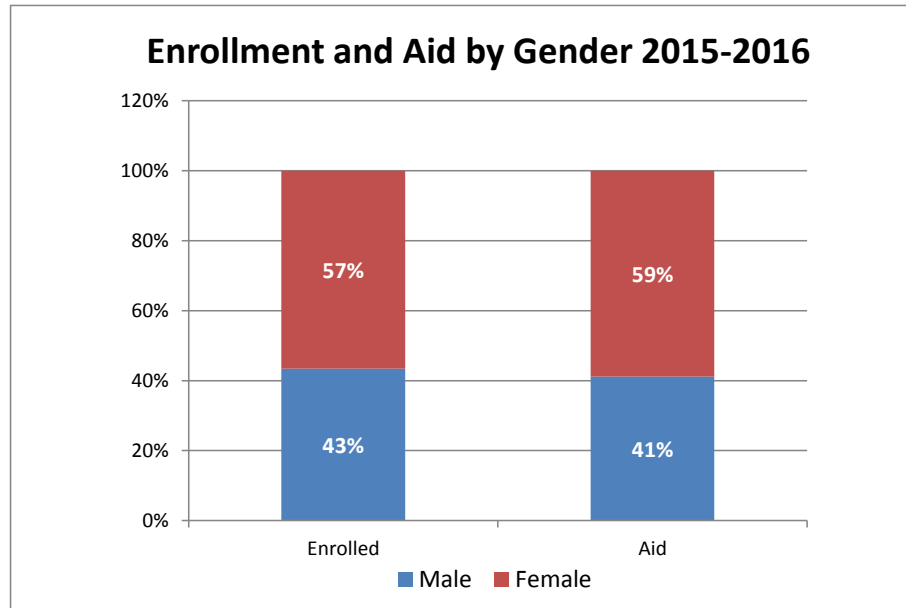
Academic Year	Total Undergraduate Enrollment	Total Undergraduates Receiving Aid	Percent of Undergraduates Receiving Aid
2012-13	203,951	144,061	70.6%
2013-14	193,101	135,086	70.0%
2014-15	188,880	132,751	70.3%
2015-16	185,270	131,562	71.0%

- By tier, the percentage of undergraduate students receiving aid in 2015-16 ranged from a high of 77 percent at the research and regional universities to 59 percent at the community colleges. The total number of students receiving aid by tier in 2015-16 was more than 36,000 at the research universities, almost 43,500 at the regional universities, and nearly 55,000 at the community colleges.

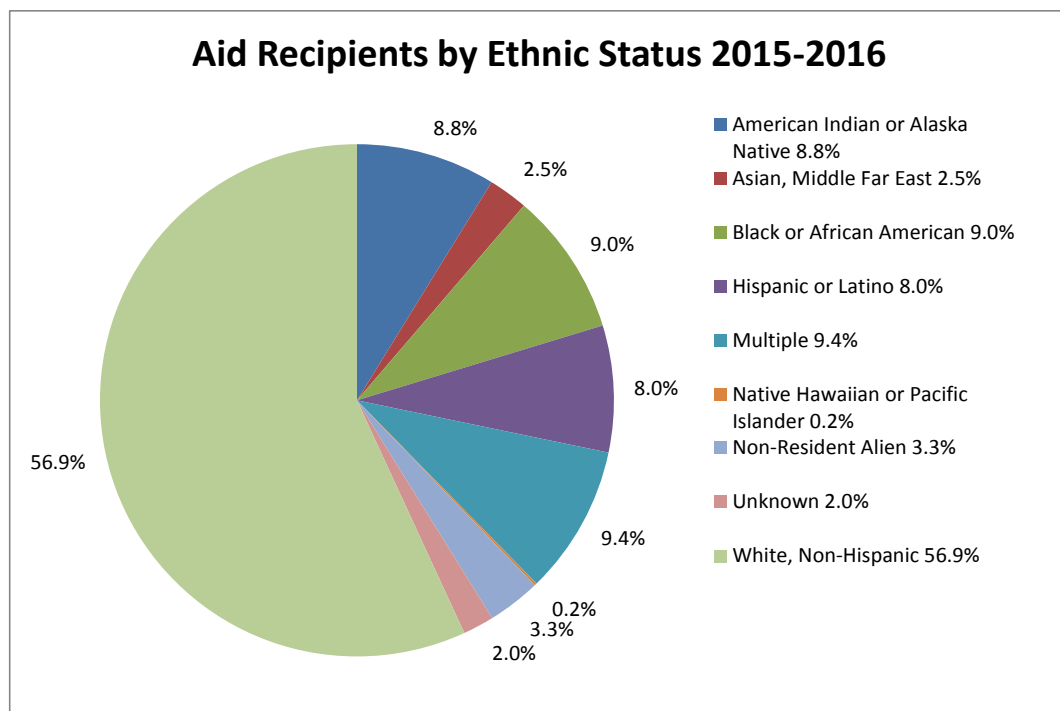


Gender and Ethnicity of Undergraduate Financial Aid Recipients

- The gender of undergraduate aid recipients reflects closely the gender of all enrolled students. In the past four years, the percentage of enrolled students and aid recipients by gender has remained almost equal. Fifty-nine percent of aid recipients were female compared to 57 percent of all enrolled students.

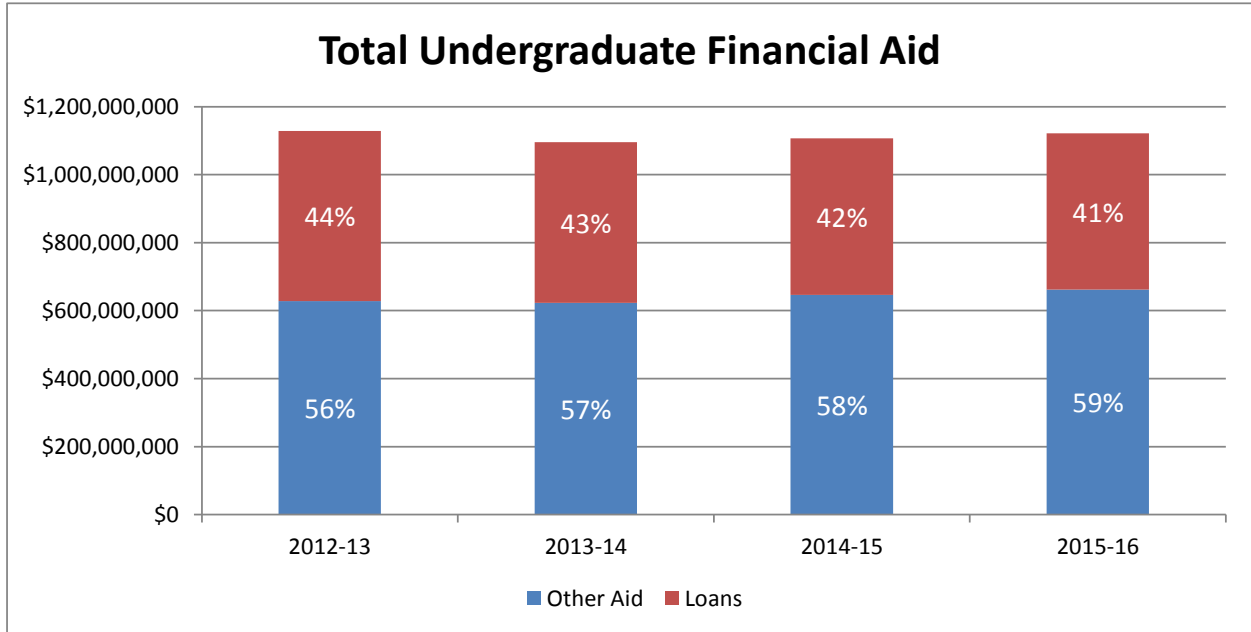


- By ethnicity, the largest group of undergraduate aid recipients was non-Hispanic Whites at 56.9 percent, followed by American Indians and African-Americans at about 9 percent each and Hispanic/Latino students at 8 percent.



Student Loan Data – Undergraduate Students

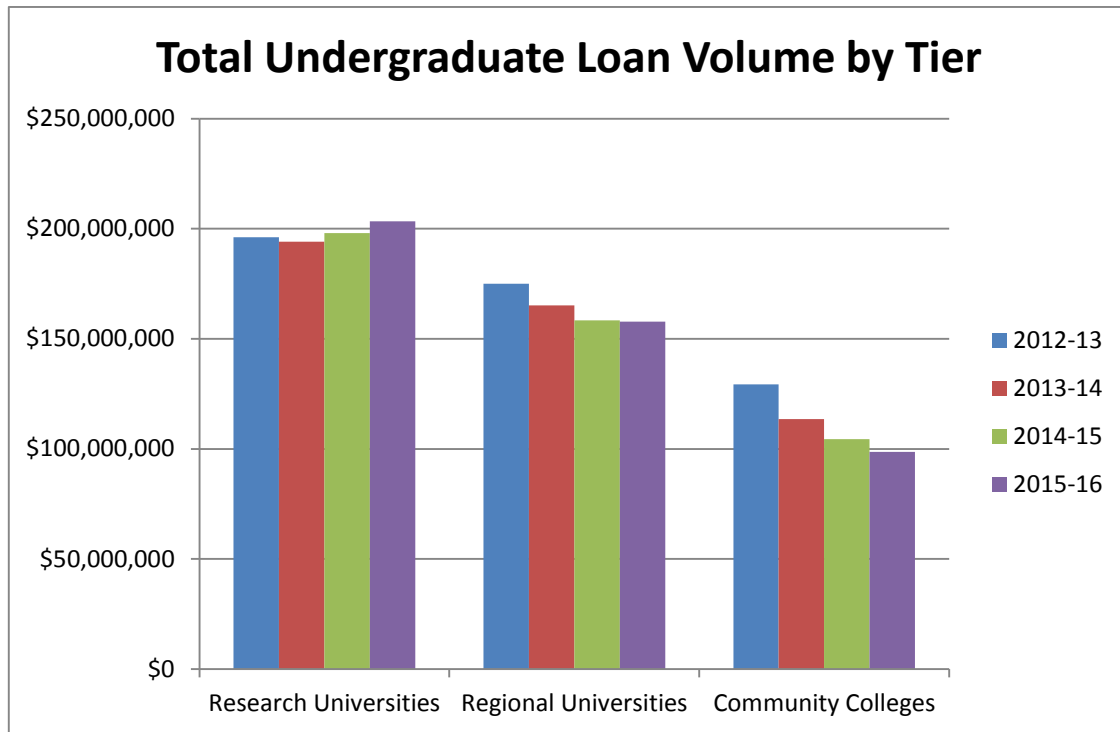
Loans as a Percentage of Total Aid: From 2012-2013 to 2015-2016 the percentage of total aid in the form of loans gradually and steadily declined from 44 percent to 41 percent. Conversely, the proportion from non-loan aid (grants, scholarships, work-study) increased from 56 percent to 59 percent.



- Percentage of Aid from Loans by Tier: By tier, the percentage of aid from loans ranged from 37 percent at the community colleges to 44 percent at the research institutions. The percentage of total undergraduate students receiving loans varied by tier from 20 percent at the community colleges to about 40 percent at both the regional and research universities.

	Total Aid	Percent of Aid from Loans	Percent of Aid Recipients with Loans	Percent of Enrolled Undergraduates with Loans
2015-2016				
Research Universities	\$463,986,459	44%	50%	39%
Regional Universities	\$387,672,718	41%	53%	40%
Community Colleges	\$269,958,691	37%	35%	20%
Total	\$1,121,617,868	41%	45%	32%

Total Loan Volume by Tier: Total loan volume to undergraduate students has declined each of the past four years. However, while loan volume has seen a steady, significant decline at the regional universities and community colleges, loan volume at the research universities has actually increased slightly.



Total Undergraduate Loan Volume

	Research	Regional	Community	System
2012-13	\$196,134,058	\$175,045,362	\$129,344,497	\$500,523,917
2013-14	\$194,177,996	\$165,224,885	\$113,578,231	\$472,981,112
2014-15	\$198,070,495	\$158,431,482	\$104,353,677	\$460,855,654
2015-16	\$203,310,584	\$157,809,000	\$98,691,342	\$459,810,926

- Average Loan Amounts Per Borrower by Tier: In 2015-2016, \$460 million was loaned to undergraduate students and parents at state system colleges and universities. Of that amount, 44 percent went to students at the research universities, 34 percent to the regional universities, and almost 22 percent to the community colleges.

2015-2016	Total Loans in Millions	Total Borrowers	Average Annual Loan Per Borrower
Research Universities	\$203,310,584	18,432	\$11,030
Regional Universities	\$157,809,000	22,892	\$6,894
Community Colleges	\$98,691,342	19,055	\$5,179
Total	\$459,810,926	59,655	\$7,708

*Total is unduplicated.

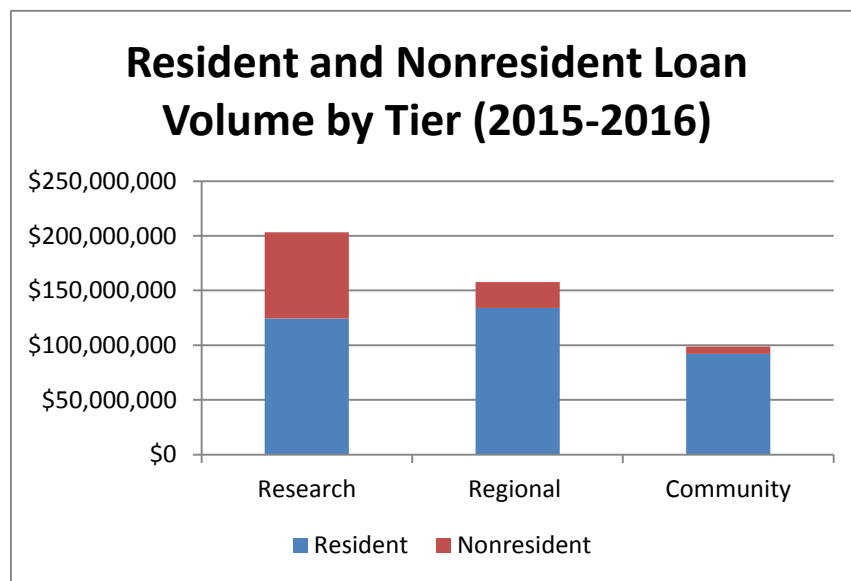
- **Average Loan Amounts by Student Residency Status:** Of the \$460 million in student loans to undergraduates, more than \$100 million or 24 percent went to nonresident students. While the overall average loan amount was \$7,708, for resident students the average was about \$6,900 compared to more than \$12,100 for nonresident students.

2015-2016	Volume	Borrowers	Average Loan
Resident	\$350,483,061	51,020	\$6,870
Non-Resident	\$109,327,865	8,978	\$12,177
System	\$459,810,926	59,655	\$7,708

- **Resident vs. Nonresident Cost of Attendance:** 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. Full-time, dependent student cost data are shown below. The cost of attendance for nonresident students is significantly higher than the cost for resident students.

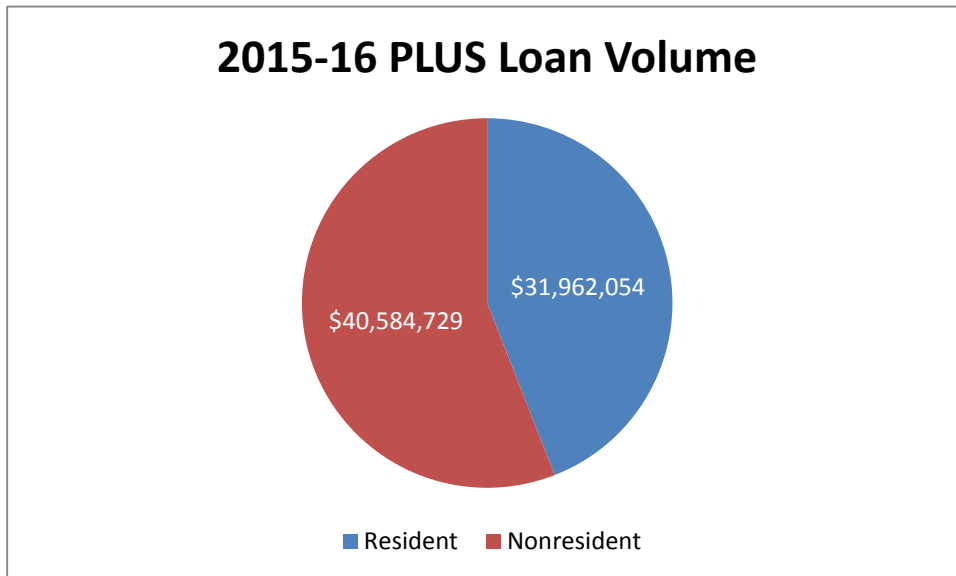
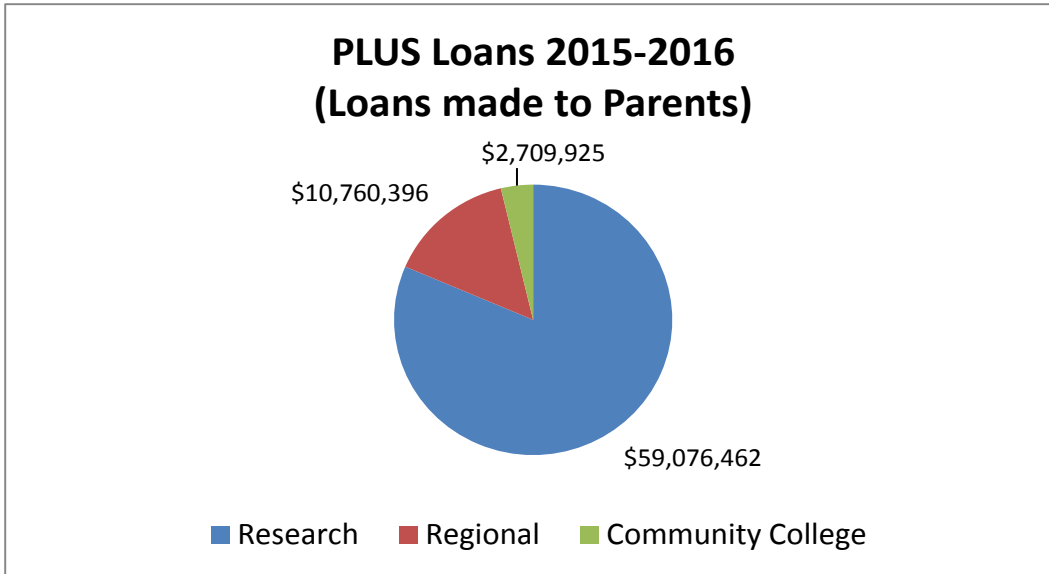
2015-2016	Resident Average Cost of Attendance	Non-Resident Average Cost of Attendance
Research Universities	\$24,153	\$37,446
Regional Universities	\$18,819	\$26,176
Community Colleges	\$16,097	\$20,875
System	\$17,685	\$24,028

- **Nonresident Loan Volume by Tier:** At the research institutions, nearly 40 percent of the undergraduate student loan volume was for nonresident students and their parents. The percentages of loans related to nonresident students enrolled at the regional universities and community colleges were much smaller.



- **Federal Parent (PLUS) Loans:** Federal PLUS loans are available to parents of undergraduate 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 more than \$72 million in 2015-2016. More than 81 percent of the loans were made to parents of students at the research universities and over 56 percent of the loans were made to parents of nonresident students.

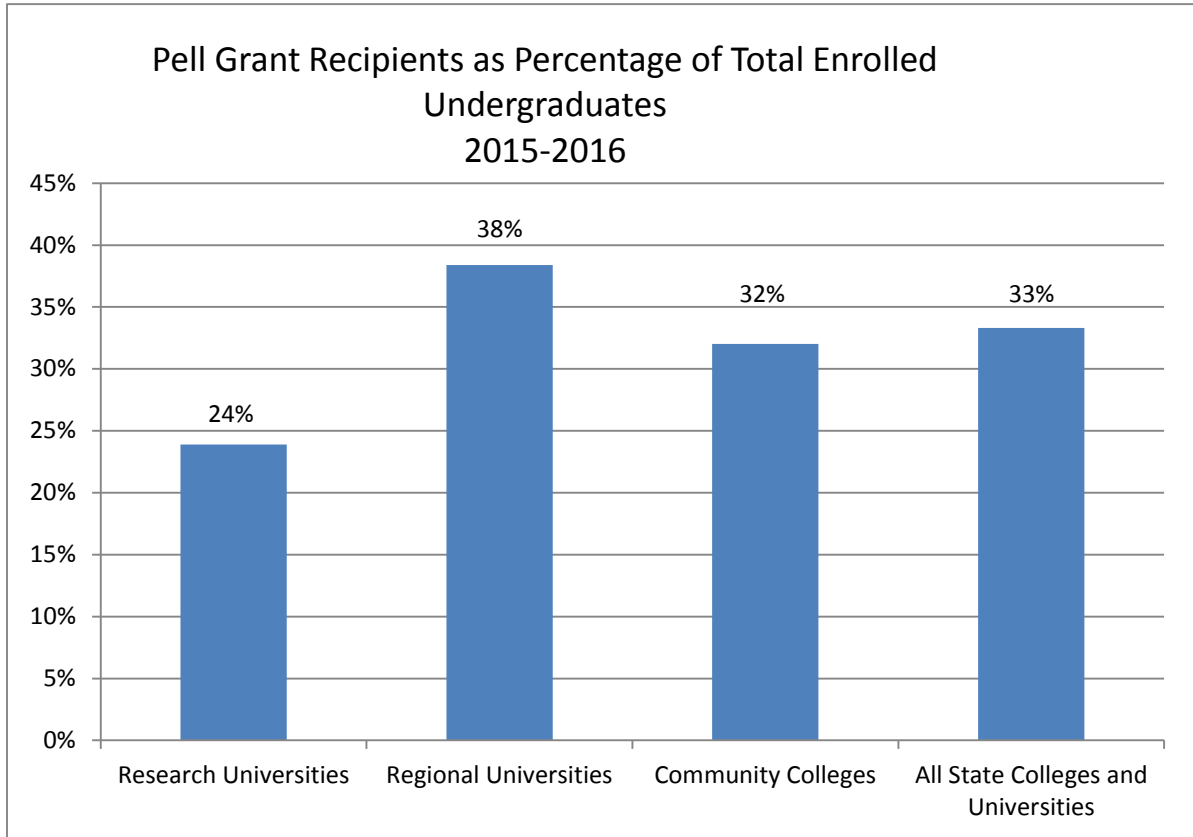


Parent PLUS Loans		Students*	Average
Resident	\$31,962,054	3,192	\$10,013
Nonresident	\$40,584,729	2,253	\$18,014
Total	\$72,546,783	5,404	\$13,425

*Total is unduplicated.

Federal Pell Grant Recipients

- Pell Grant Recipients as Percentage of Enrolled Students: Federal Pell Grants are awarded to students with the least financial resources. In 2015-2016, Pell Grant recipients represented about one-third of all undergraduate students. By tier, their proportion of enrollment ranged from 24 percent at the research institutions to 38 percent at the regional universities. The total number of Pell Grant recipients has dropped over the past three years from almost 77,000 in 2012-2013 to less than 62,000 in 2015-2016.



- Pell Grant Recipients and Student Loans: Though Pell Grant students receive need-based grant aid, many also rely on student loans to cover their education costs. In 2015-2016, Pell Grant recipients received over \$221 million in student loans which was nearly half of the total student loan volume of \$460 million.

State System Institutions
2015-2016 Undergraduate Financial Aid by Tier

Grants / Scholarships	State System	Research	Regional	Community
Federal				
Pell Grants	\$226,721,428	\$45,512,796	\$84,361,078	\$96,847,554
Other	<u>\$9,314,054</u>	<u>\$2,653,816</u>	<u>\$3,463,665</u>	<u>\$3,196,573</u>
Total Federal Grants	\$236,035,482	\$48,166,612	\$87,824,743	\$100,044,127
State				
Oklahoma's Promise	\$60,314,208	\$21,177,982	\$28,113,041	\$11,023,185
Oklahoma Tuition Aid Grant	\$16,311,015	\$3,760,962	\$6,147,212	\$6,402,841
Academic Scholars	\$8,818,068	\$8,380,600	\$334,500	\$102,968
Other	<u>\$1,304,175</u>	<u>\$17,750</u>	<u>\$1,223,130</u>	<u>\$63,295</u>
Total State Grants and Scholarships	\$86,747,466	\$33,337,294	\$35,817,883	\$17,592,289
Institutional				
Tuition Waivers	\$175,528,748	\$95,588,635	\$53,386,285	\$26,553,828
Foundation	\$30,910,866	\$25,408,134	\$4,124,431	\$1,378,301
Other	<u>\$59,185,857</u>	<u>\$30,530,482</u>	<u>\$18,799,178</u>	<u>\$9,856,197</u>
Total Inst. Schol., Grants & Waivers	\$265,625,471	\$151,527,251	\$76,309,894	\$37,788,326
Total Tribal Grants	\$26,250,231	\$7,536,038	\$11,927,557	\$6,786,636
Total Outside Scholarships & Grants	<u>\$38,804,529</u>	<u>\$17,574,406</u>	<u>\$14,516,357</u>	<u>\$6,713,766</u>
Total Grants and Scholarships	\$653,463,179	\$258,141,601	\$226,396,434	\$168,925,144
Loans				
Federal Subsidized	\$169,102,703	\$53,936,686	\$66,934,007	\$48,232,010
Federal Unsubsidized	\$182,662,309	\$61,981,146	\$74,342,029	\$46,339,134
Federal PLUS	\$72,546,783	\$59,076,462	\$10,760,396	\$2,709,925
Fed. Perkins and Other Fed. Loans	\$4,497,123	\$3,890,989	\$540,634	\$65,500
Private	\$29,016,912	\$22,443,905	\$5,228,234	\$1,344,773
Institutional and Other	<u>\$1,985,096</u>	<u>\$1,981,396</u>	<u>\$3,700</u>	<u>\$0</u>
Total Loans	\$459,810,926	\$203,310,584	\$157,809,000	\$98,691,342
Federal Work Study	<u>\$8,343,763</u>	<u>\$2,534,274</u>	<u>\$3,467,284</u>	<u>\$2,342,205</u>
Total Aid	\$1,121,617,868	\$463,986,459	\$387,672,718	\$269,958,691

State System Institutions
Change in Undergraduate Financial Aid, 2012-13 to 2015-16

Grants / Scholarships	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	Change from 2012-13 to 2015-16	%
						Change
Federal Programs						
Pell Grants	\$264,623,085	\$247,746,452	\$237,373,073	\$226,721,428	-\$37,901,657	-14.3%
Other	<u>\$10,915,503</u>	<u>\$10,845,534</u>	<u>\$10,221,261</u>	<u>\$9,314,054</u>	<u>-\$1,601,449</u>	-14.7%
Total Federal Grants	\$275,538,588	\$258,591,986	\$247,594,334	\$236,035,482	-\$39,503,106	-14.3%
State Programs						
Oklahoma's Promise	\$55,981,776	\$56,174,384	\$58,815,892	\$60,314,208	\$4,332,432	7.7%
Oklahoma Tuition Aid Grant	\$16,636,099	\$17,440,458	\$16,745,941	\$16,311,015	-\$325,084	-2.0%
Academic Scholars	\$8,316,025	\$8,027,556	\$8,614,522	\$8,818,068	\$502,043	6.0%
Other	<u>\$1,043,515</u>	<u>\$1,214,614</u>	<u>\$1,205,119</u>	<u>\$1,304,175</u>	<u>\$260,660</u>	25.0%
Total State Grants and Scholarships	\$81,977,415	\$82,857,012	\$85,381,474	\$86,747,466	\$4,770,051	5.8%
Institutional Aid						
Tuition Waivers	\$138,787,476	\$143,447,594	\$162,519,113	\$175,528,748	\$36,741,272	26.5%
Foundation	\$18,760,158	\$22,271,476	\$26,797,043	\$30,910,866	\$12,150,708	64.8%
Other	<u>\$48,907,659</u>	<u>\$50,145,036</u>	<u>\$53,237,298</u>	<u>\$59,185,857</u>	<u>\$10,278,198</u>	21.0%
Total Inst. Schol., Grants & Waivers	\$206,455,293	\$215,864,106	\$242,553,454	\$265,625,471	\$59,170,178	28.7%
Tribal Grants	\$23,903,191	\$24,554,125	\$25,588,826	\$26,250,231	\$2,347,040	9.8%
Outside Scholarships & Grants	<u>\$31,688,863</u>	<u>\$33,139,723</u>	<u>\$37,379,206</u>	<u>\$38,804,529</u>	<u>\$7,115,666</u>	22.5%
Total Grants and Scholarships	\$619,563,350	\$615,006,952	\$638,497,294	\$653,463,179	\$33,899,829	5.5%
Loans						
Federal Subsidized	\$209,056,789	\$191,123,739	\$178,143,558	\$169,102,703	-\$39,954,086	-19.1%
Federal Unsubsidized	\$210,125,499	\$194,217,459	\$186,110,966	\$182,662,309	-\$27,463,190	-13.1%
Federal PLUS	\$54,306,220	\$57,813,415	\$64,730,445	\$72,546,783	\$18,240,563	33.6%
Fed. Perkins and Other Fed. Loans	\$4,454,857	\$4,919,950	\$5,497,519	\$4,497,123	\$42,266	0.9%
Private	\$20,599,913	\$22,935,977	\$24,456,850	\$29,016,912	\$8,416,999	40.9%
Institutional and Other	<u>\$1,980,639</u>	<u>\$1,970,572</u>	<u>\$1,916,316</u>	<u>\$1,985,096</u>	<u>\$4,457</u>	0.2%
Total Loans	\$500,523,917	\$472,981,112	\$460,855,654	\$459,810,926	-\$40,712,991	-8.1%
Federal Work Study	<u>\$8,431,440</u>	<u>\$7,836,656</u>	<u>\$7,504,465</u>	<u>\$8,343,763</u>	<u>-\$87,677</u>	-1.0%
Total Aid	\$1,128,518,707	\$1,095,824,720	\$1,106,857,413	\$1,121,617,868	-\$6,900,839	-0.6%

**2015-2016 Undergraduate Financial Aid Recipients
For Selected Programs**

	<u>State System*</u>	<u>Research Universities</u>	<u>Regional Universities</u>	<u>Community Colleges</u>
Grants and Scholarships				
Federal Programs				
Pell Grant	61,727	11,400	21,767	29,845
Federal SEOG	8,492	722	2,807	5,008
TEACH Grant	196	96	100	-
State Programs				
Oklahoma's Promise	17,169	5,172	7,010	6,402
Oklahoma Tuition Aid Grant	18,648	4,112	7,008	7,742
Academic Scholars	2,054	1,831	162	63
Institutional Aid				
Tuition Waivers	59,253	22,131	17,683	19,916
Foundation Scholarships/Grants	14,271	9,968	3,111	1,194
Institutional Scholarships/Grants	23,845	10,210	6,977	6,702
Tribal Grants & Scholarships	9,254	1,943	3,915	3,425
Loans				
Federal Loans				
Federal Subsidized Loans	47,382	13,236	18,464	16,358
Federal Unsubsidized Loans	44,250	14,599	17,588	12,646
Federal PLUS Loans	5,404	3,664	1,404	360
Federal Perkins Loans	1,102	921	154	27
Private Loans	2,501	1,687	645	192
Work Study				
Federal Work Study	3,752	1,019	1,718	1,018
*Unduplicated within program				
Total Aid Recipients**	131,562	36,515	43,477	54,685
**Unduplicated systemwide				

**Change in Undergraduate Aid Recipients, 2012-13 to 2015-16
For Selected Programs**

	<u>2012-13*</u>	<u>2013-14*</u>	<u>2014-15*</u>	<u>2015-16*</u>	Change from 2012-13 to 2015-16	% Change
Grants and Scholarships						
Federal Programs						
Pell Grant	74,901 (1)	69,531	65,681	61,727	-13,174	-17.6%
Federal SEOG	8,621	7,853	8,842	8,492	-129	-1.5%
TEACH Grant	172	170	183	196	24	14.0%
State Programs						
Oklahoma's Promise	18,508 (1)	17,751	17,775	17,169	-1,339	-7.2%
Oklahoma Tuit. Aid Grant	20,032	21,011	19,665	18,648	-1,384	-6.9%
Academic Scholars	1,982	1,892	2,020	2,054	72	3.6%
Institutional Aid						
Tuition Waivers	54,789	53,939	56,633	59,253	4,464	8.1%
Founda. Schol./Grants	11,021	12,238	13,899	14,271	3,250	29.5%
Instit. Schol./Grants	20,089	20,725	19,895	23,845	3,756	18.7%
Tribal Schol./Grants	8,991	9,079	9,292	9,254	263	2.9%
Loans						
Federal Loans						
Fed. Subsidized Loans	61,005	54,015	50,208	47,382	-13,623	-22.3%
Fed. Unsubsidized Loans	51,633	47,854	45,097	44,250	-7,383	-14.3%
Fed. PLUS Loans	4,349	4,417	4,755	5,404	1,055	24.3%
Fed. Perkins Loans	1,446	1,454	1,652	1,102	-344	-23.8%
Private Loans	1,983	2,107	2,128	2,501	518	26.1%
Work Study						
Federal Work Study	3,993	3,732	3,585	3,752	-241	-6.0%
Total Aid Recipients**	144,061	135,086	132,751	131,562	-12,499	-8.7%

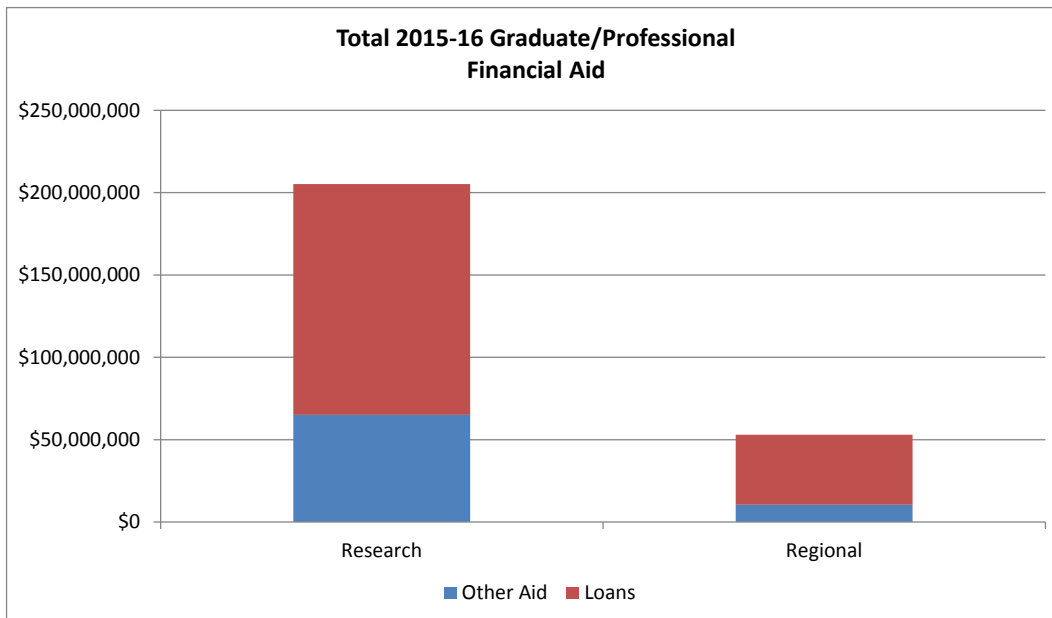
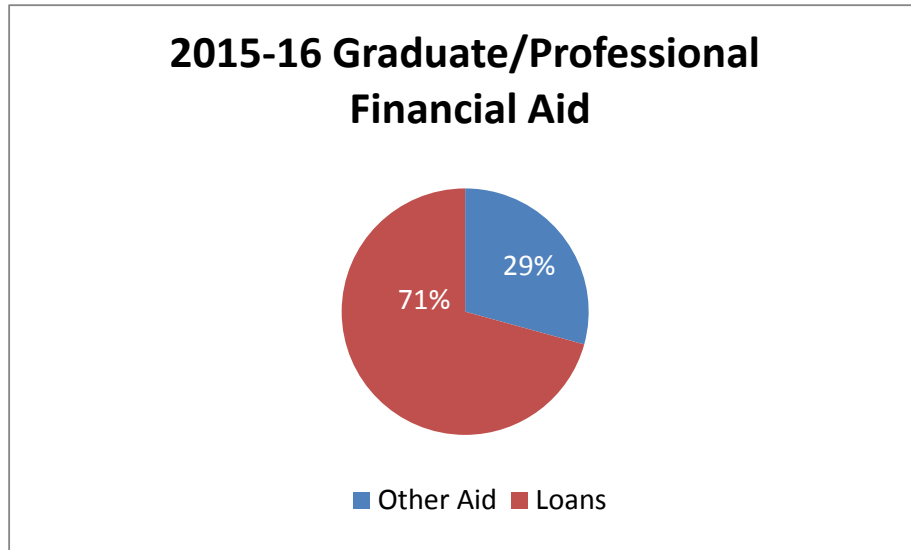
(1) Adjusted to unduplicate recipients

*Unduplicated within program

**Unduplicated systemwide

Financial Aid for Graduate/Professional Students

In 2015-2016, nearly \$258 million in financial aid was awarded to graduate/professional students at the state system institutions. Seventy one percent or almost \$183 million of that aid was in the form of loans compared to 41 percent for undergraduate students. Graduate/professional students at the research universities received \$205 million, 68 percent of which was in the form of loans. Total aid of nearly \$53 million was disbursed to graduate/professional students at the regional universities, 80 percent of which was loans.



2015-2016 Loans to Graduate Students

	Amount	Borrowers*	Average Annual Loan
Research Universities	\$140,155,349	5,884	\$23,820
Regional Universities	\$42,480,882	3,181	\$13,355
Total	\$182,636,231	9,060	\$20,159

*Total is unduplicated.