

# **State Need Grant & College Bound Scholarship**

Senate Ways & Means Committee

January 21, 2013

- **Last year**, 75,000 Washington students attending 68 institutions had much of their tuition paid for through the State Need Grant program.
- **However**, economic factors and growing enrollments, combined with tuition increases, have resulted in increasing numbers of students who are eligible but cannot receive funding.
- **Nearly 31,000** students went unserved last year.

- Created in **1969**. Legislative intent to offset tuition for low-income students affirmed in **1976**.
- Non-profit private participation since beginning; for-profit institutions authorized in **1980**.
- Variable grant amounts reflecting cost of attendance in **1988**.
- Part-time students authorized in **1989**.
- Federal changes led to use of median family income (MFI) to determine eligibility in **1993**.
  - Determined via budget process from 40% of MFI in 1996 to 70% in 2007
- Student awards based on tuition rates as of **1998**.

- State Need Grant is “**decentralized**” – campuses identify eligible students and determine individual student award amounts based on state level policies.
- **Maximum awards** – determined by legislative budget process based on public tuition (from \$3,696 to \$10,868) and MFI (prorated by income range).
- **Campuses prioritize** – often to lowest income.
- SNG has a “**self-help**” requirement – defined as 25% of the cost of attendance or a work calculation – met through loans, work, unmet need, or scholarships.

# SNG Combines with Other Aid

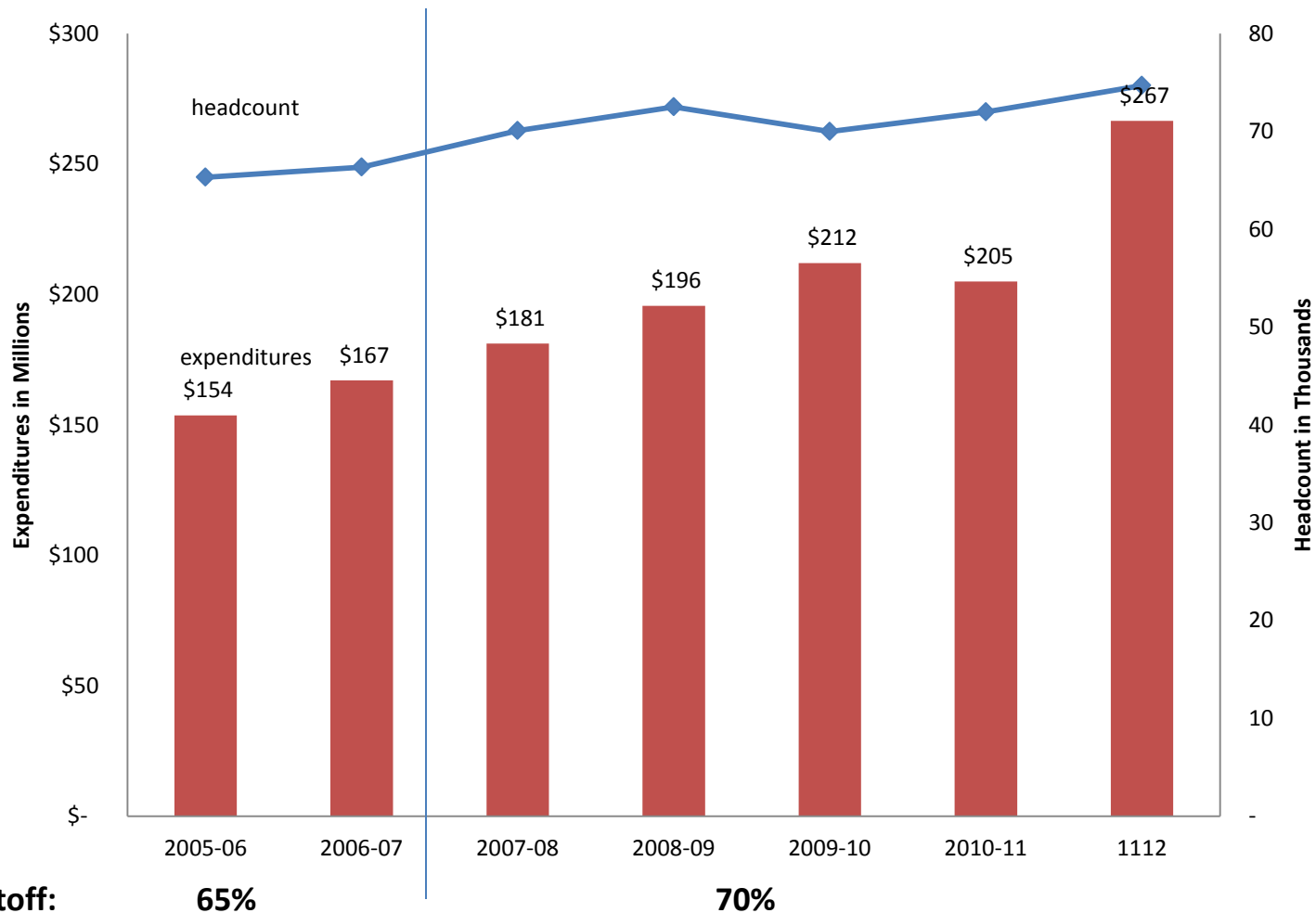
- SNG combines with federal, institutional, and private aid to support students in meeting educational expenses.
- 2% of recipients receive only SNG.

	PELL	Other Grant Aid	Institutional Outside Aid	Student Loans	Work Study
<b>All Percentage</b>	95%	43%	53%	57%	14%
<b>All Averages</b>	\$5,110	\$1,267	\$4,096	\$7,093	\$2,703

- SNG combines with other aid and family contribution to cover Cost of Attendance.  
(tuition/fees, books, living, personal and expenses)

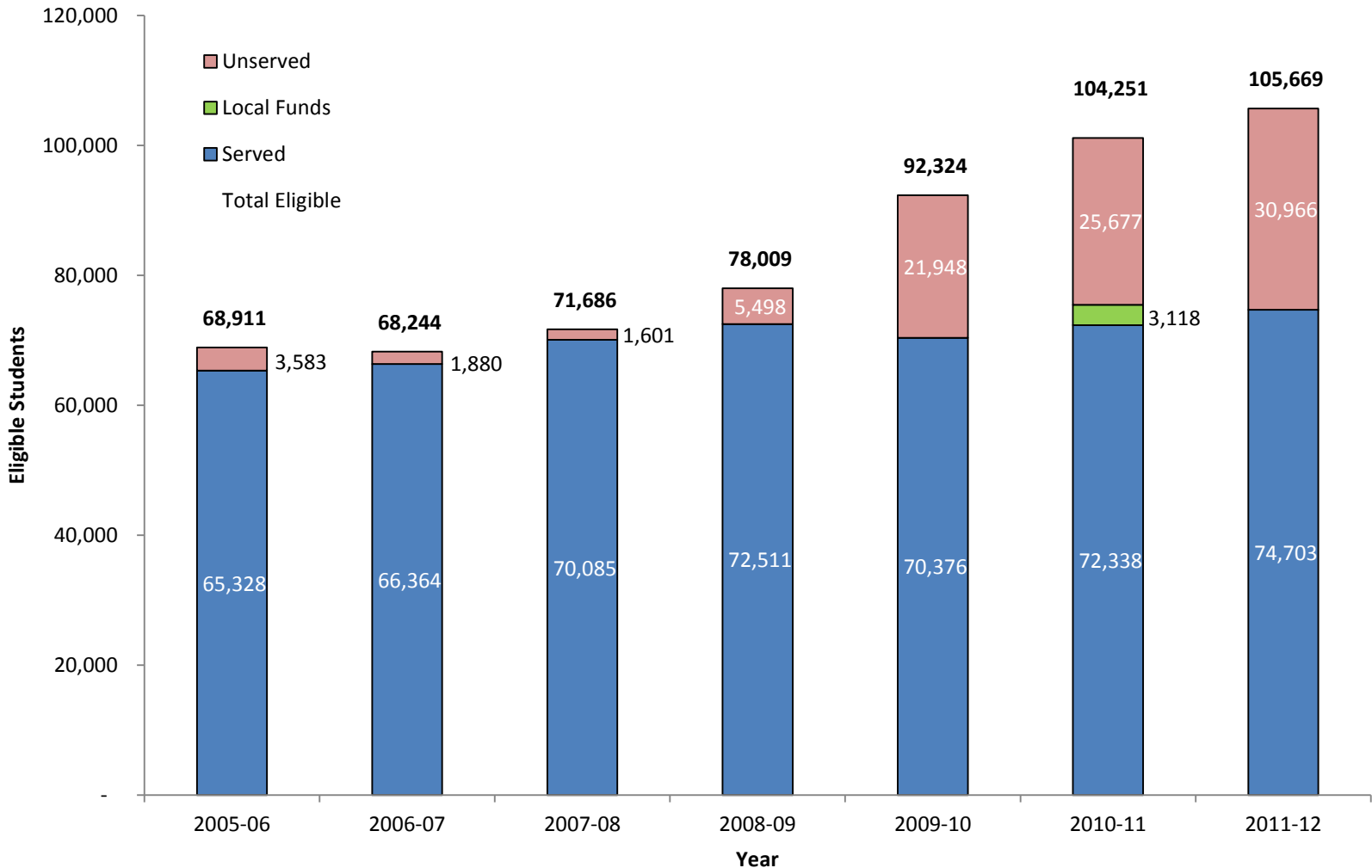
- The Legislature provided increases to award amounts for individual State Need Grant recipients to protect the lowest income students from tuition increases.
  - Since 2005-06, the SNG appropriation has doubled (\$303 million in 2012-13).
  - Public tuition has increased by 52% since 2005-06.
  - Awards increase on a dollar-for-dollar basis tied to public tuition increases for students in the lowest income category.
- Yet recent demand has outstripped available funding.
  - In the last three years, the eligible population increased by 36%.
- As a result, the number of eligible students who do not receive the grant has increased.
  - About 30% of eligible students have not been served in the past three years.

# Total SNG Expenditures and Students Served



Thanks to increased appropriations by the Legislature, the percent of tuition covered by SNG has remained constant for a relatively stable number of recipients, even as tuition has risen.

# Served and Unserved SNG Eligible Students



In spite of increased appropriations, the increasing enrollments of low-income students have outstripped available funding, leaving growing numbers of eligible students unserved by the State Need Grant.



1/7/2013

Growth in the College Bound Program 2007 to 2013							
Cohort	1	2	3	4	5	6	
Expected Graduation Year	2012	2013	2014	2015	2016	2017*	<b>Total All Years</b>
Eligible Students	28,093	28,600	29,856	30,549	31,923	36,394	<b>185,415</b>
Total College Bound Students	15,861	15,677	20,461	22,849	24,767	18,858	<b>118,473</b>
% of Total Eligible Students	56%	55%	69%	75%	78%	TBD	
Seniors filing FAFSA	9,600						

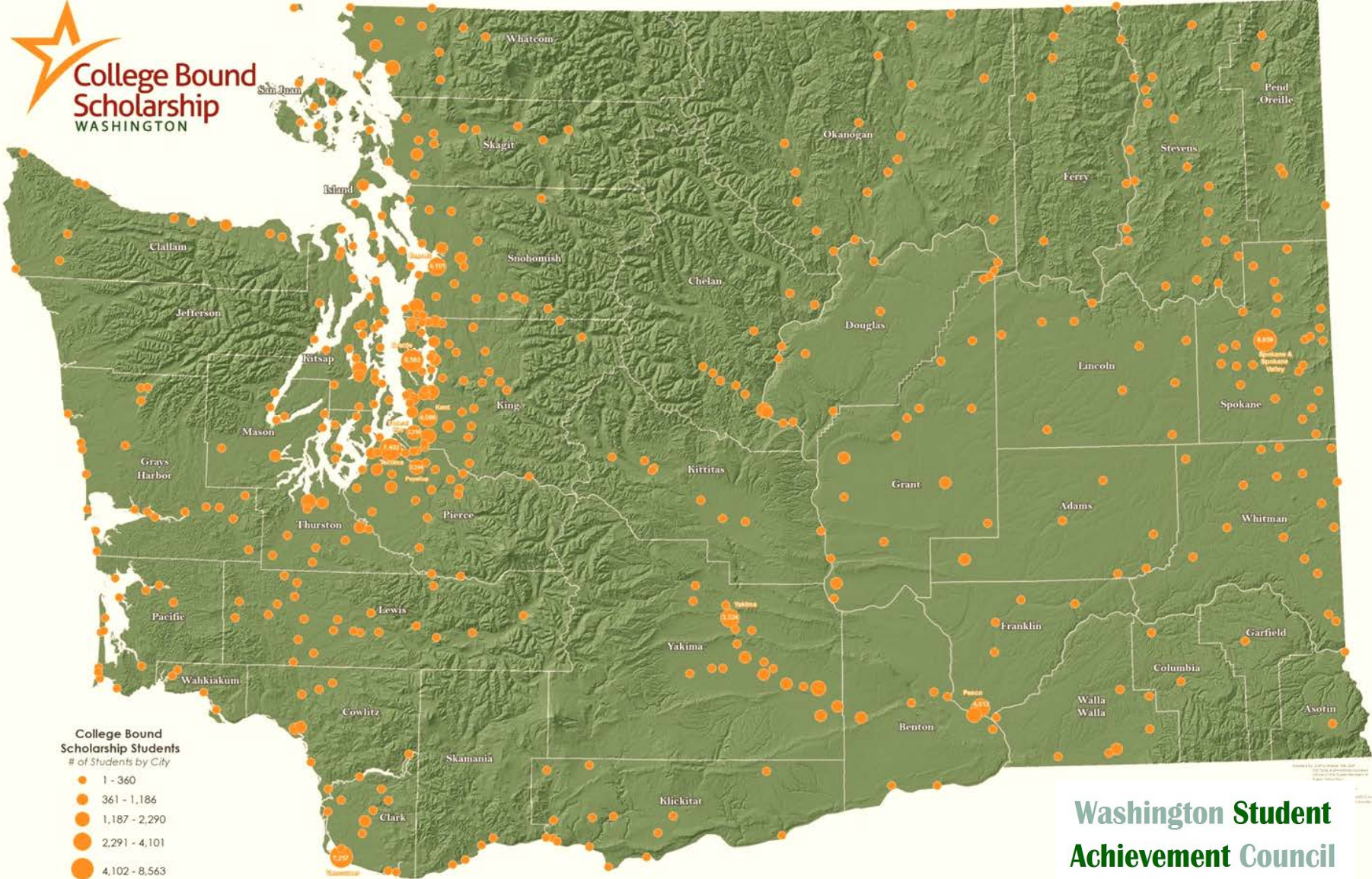
\* Preliminary numbers as the cohort deadline has not passed

- Students apply in middle school by **June 30** of 8<sup>th</sup> grade year.
- Students **pledge** to graduate with at least a 2.0 GPA, be a good citizen with no felony convictions, get admitted to a postsecondary institution, and file the FAFSA in a timely manner.

# College Bound Scholarship Students

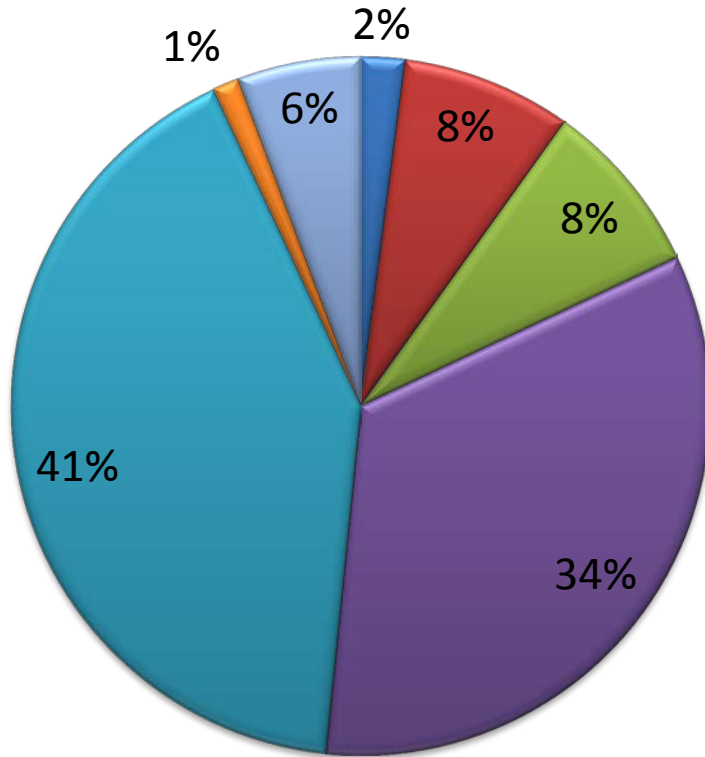


**College Bound  
Scholarship**  
WASHINGTON



**Washington Student  
Achievement Council**

# College Bound Students by Race/Ethnicity



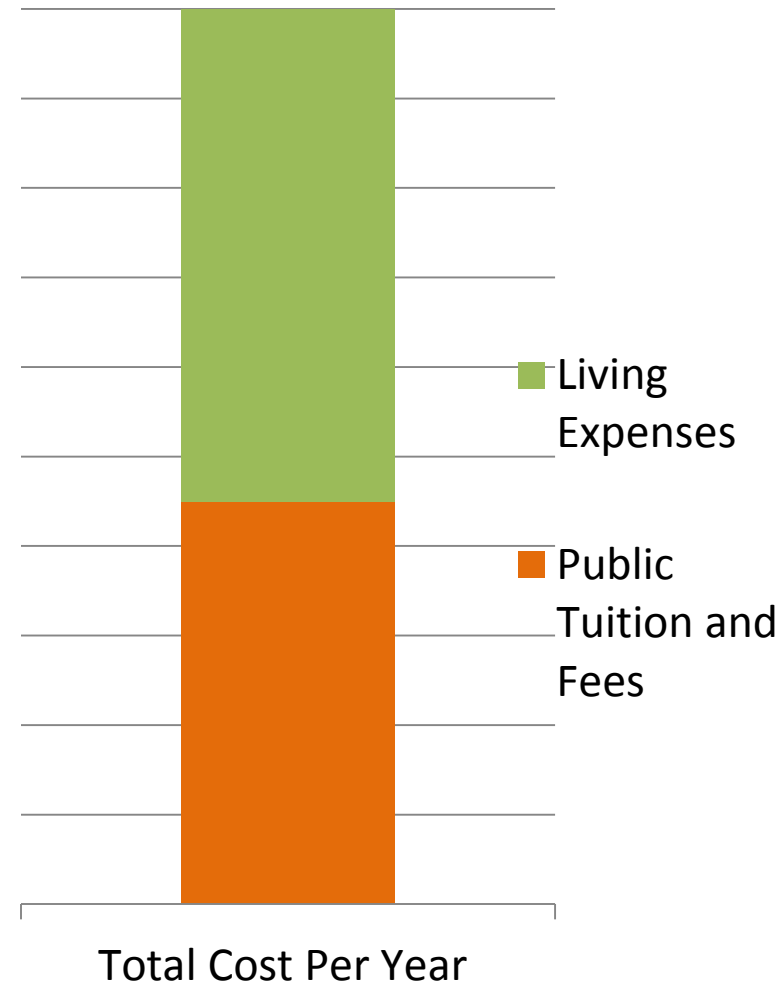
- American Indian or Alaska Native
- Asian
- Black or African American
- Hispanic or Latino
- Caucasian or White
- Native Hawaiian or Other Pacific Islander
- Of more than one race or Multiracial

89,171 Records

9/19/2012

The College Bound award amount **varies for each student.**

- Tuition rates vary based on type of school attending.
- Maximum award is based on tuition, fees and \$500 book allowance (from **\$4,400 to \$11,900**).
- Other state financial aid awarded is subtracted.
  - State Need Grant, Passport to College Scholarship, Opportunity Scholarship, and SBCTC Opportunity Grant.



- **Changes to SNG state policies** increase CBS awards.
- **Changes to campus SNG practices** increase CBS awards.
- **More students admitted to four-year** institutions, which have higher award amounts.
- **Tuition increases** have affected CBS costs.
  - Since 2007, tuition has increased 49% and 82% at public two- and four-year institutions, respectively.
  - Only one initial GET investment made – \$7.4 million.
  - SNG funding is not covering 30% of eligible students.
- CBS will cover **full tuition** awards for some students, rather than “gap fill” as intended.



## 2012 Class = 15,861 students

- 9,657 filed the FAFSA
- OSPI data match includes information on 64% of 2012 class (10,127)
  - 7,002 confirmed as graduated with at least 2.0 GPA
  - 665 confirmed as not meeting the requirement
- 6,757 currently enrolled based on preliminary Fall data
  - 3,793 have College Bound Scholarship awards as reported by postsecondary institutions (preliminary Fall data)
  - 2,964 enrolled but not awarded
    - Students may have state aid in excess of maximum award
    - Income may exceed maximum

**CBS Enrollments by Sector**  
Based on preliminary data for Fall 2012

