

Committee for Funding and Affordability (CFA)

The Committee for Funding and Affordability will address issues related to state funding policy, tuition policy, student financial aid, and college savings. This includes the three Roadmap actions below.

Action Items:

- Make college affordable.
- Ensure cost is not a barrier for low income students.
- Help students and families save for postsecondary education.

Scheduled Meeting Times

Meeting time: 9:00 – 11:00 AM

Monday, November 7, 2016

Partner Members

JoLynn Berge, OSPI
 Tom Fitzsimmons, ICW
 John Boesenberg, SBCTC
 Nova Gattman, WTECB

WSAC Members

Council: Marty Brown, Maud Daudon,
 Paul Francis, Karen Lee
Staff: Marc Webster

AGENDA

Financial Aid Data and Messages – November 7

The meeting will focus on preparation for the 2017 Legislative session with a review of key outcomes of state aid programs. The group will discuss key messages for each program.

- Overview of state aid
- Literature review
- Affordability metrics
- State Need Grant
 - Policy and funding history
 - Student profile
 - Service by sector and income
 - Impact of being unserved
 - College Bound prioritization
- College Bound Scholarship
 - Sign up rates
 - High school graduation rates
 - Demographic information
- State Work Study
 - Program history
 - Service levels by sector
 - Funding history
 - Student and employer feedback



WASHINGTON STUDENT
ACHIEVEMENT COUNCIL
EDUCATION › OPPORTUNITY › RESULTS

State Financial Aid: Metrics & Messages

November 7, 2016

– revised to reflect meeting discussion

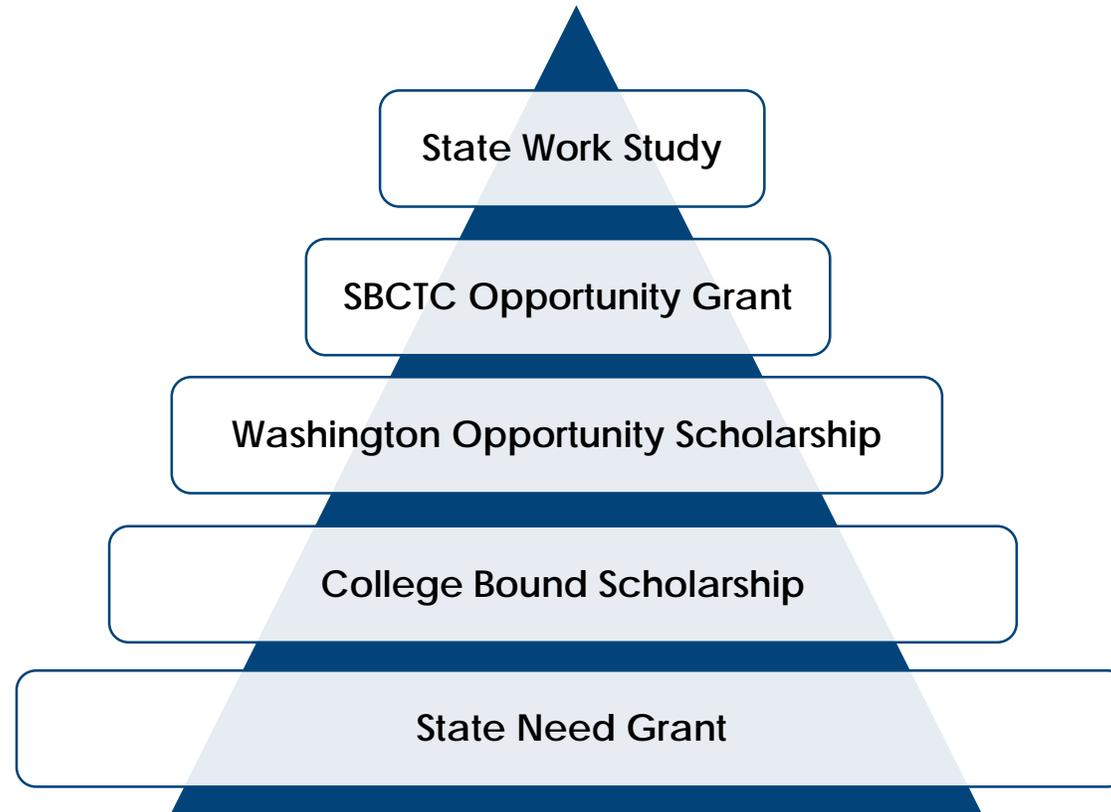
**Council Committee on
Funding & Affordability**





Washington has strong state aid programs

Programs target low-income students, high-demand fields and work-based learning.





Grant programs serve different students

	State Need Grant	College Bound Scholarship	WA Opportunity Scholarship	SBCTC Opportunity Grant
Number Students	71,038	11,669	2,294	5,091
% Two-Year	63%	50%	12%	99%
% Four-Year	37%	50%	88%	1%
Percent Younger than 24	54%	100%	92%	22%
% Dependent & Avg. Income	41% \$26,700	91% \$28,100	87% \$56,200	10% \$19,800
% Independent & Avg. Income	59% \$14,700	9% \$6,100	13% \$17,300	90% \$12,500
Full-time in Fall	77%	81%	96%	56%
Students of Color	42%	61%	46%	43%
Have Children	27%	2%	3%	50%

Note: State aid student profile, 2014-15. Unit Record Report.



Grant funding supports student success

- State grant aid associated with higher completion rates (Franke, 2016).
- SNG associated with higher retention and completion rates (WSIPP, 2014).
- SNG leads to higher retention in the CTCs (SBCTC, 2013).
- Grant aid makes more of a difference than other types of aid (Heller, 2008).
- Increases in need-based aid positively related to enrollment. Retention and completion declines as unmet need increases (Bresciani & Carson, 2002).



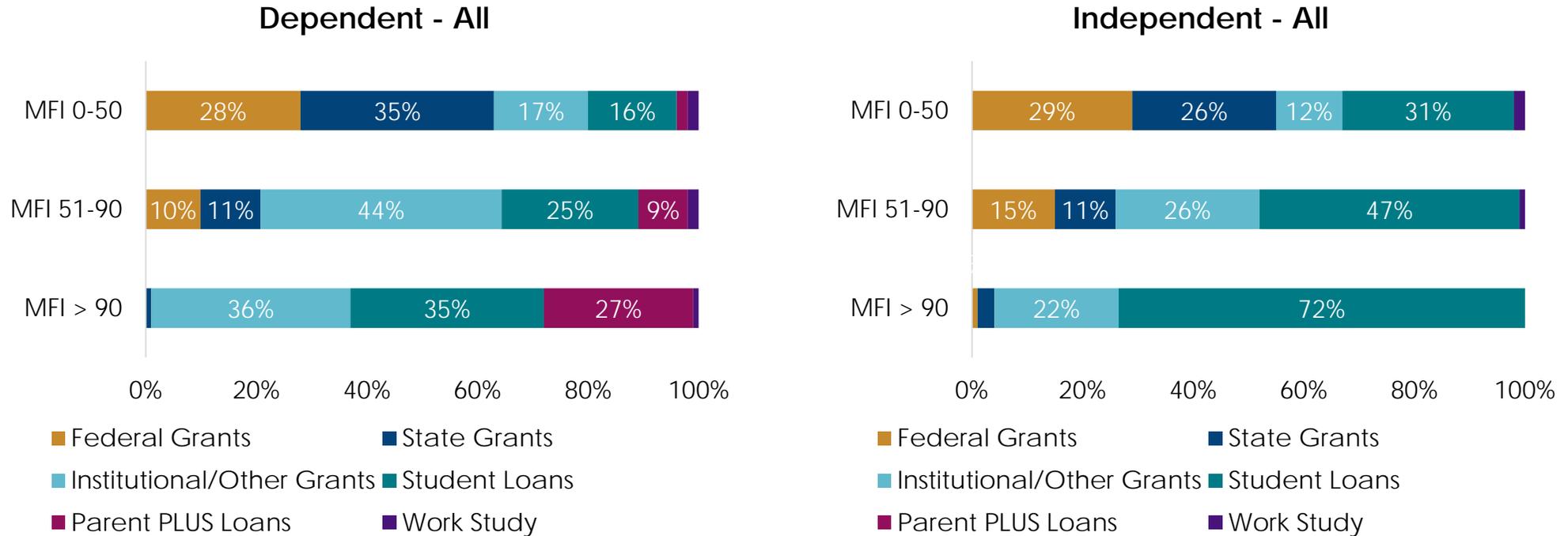
Note: ERDC study regarding SNG and grade point averages due December 2016.



Aid packages vary by income

Portion of Financial Aid by MFI 2014-2015 by Sector and Dependency Status

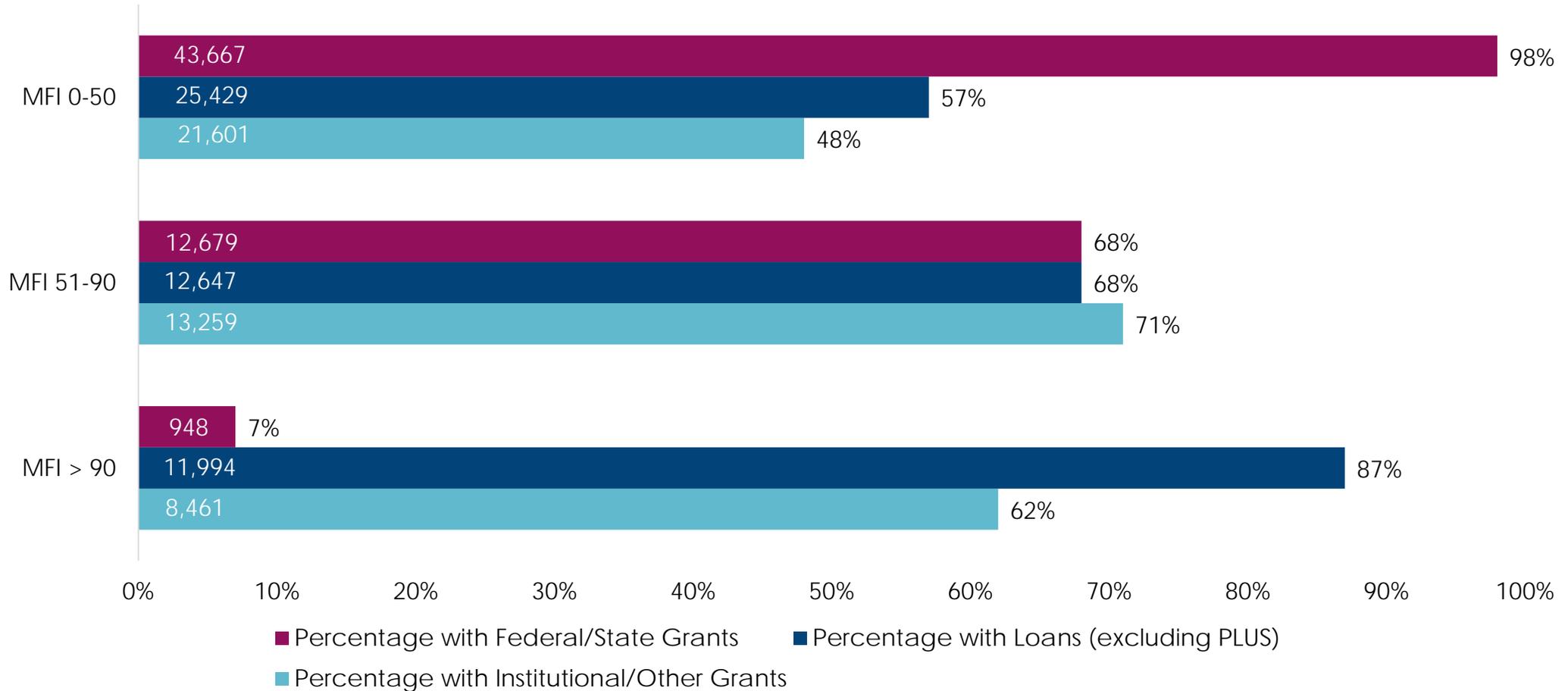
Full-time, full-year, resident undergraduate need-based recipients





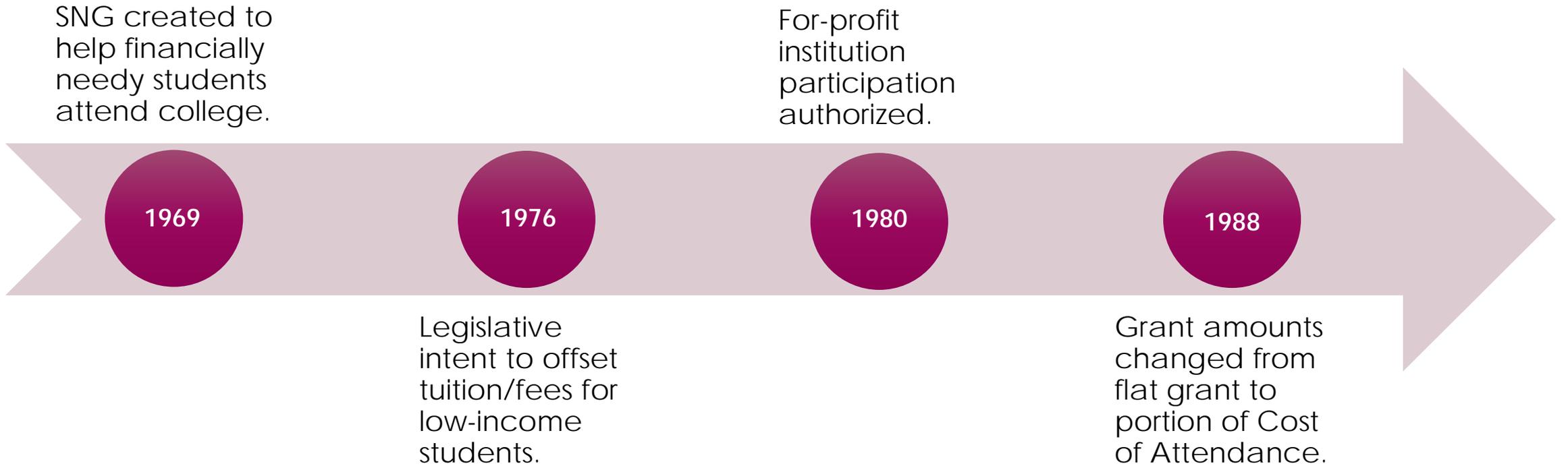
Low-income students still borrow

Percentage of Students with Financial Aid by MFI 2013-14





State Need Grant History





State Need Grant History

College
Bound
Scholarship
created.



State Need Grant History

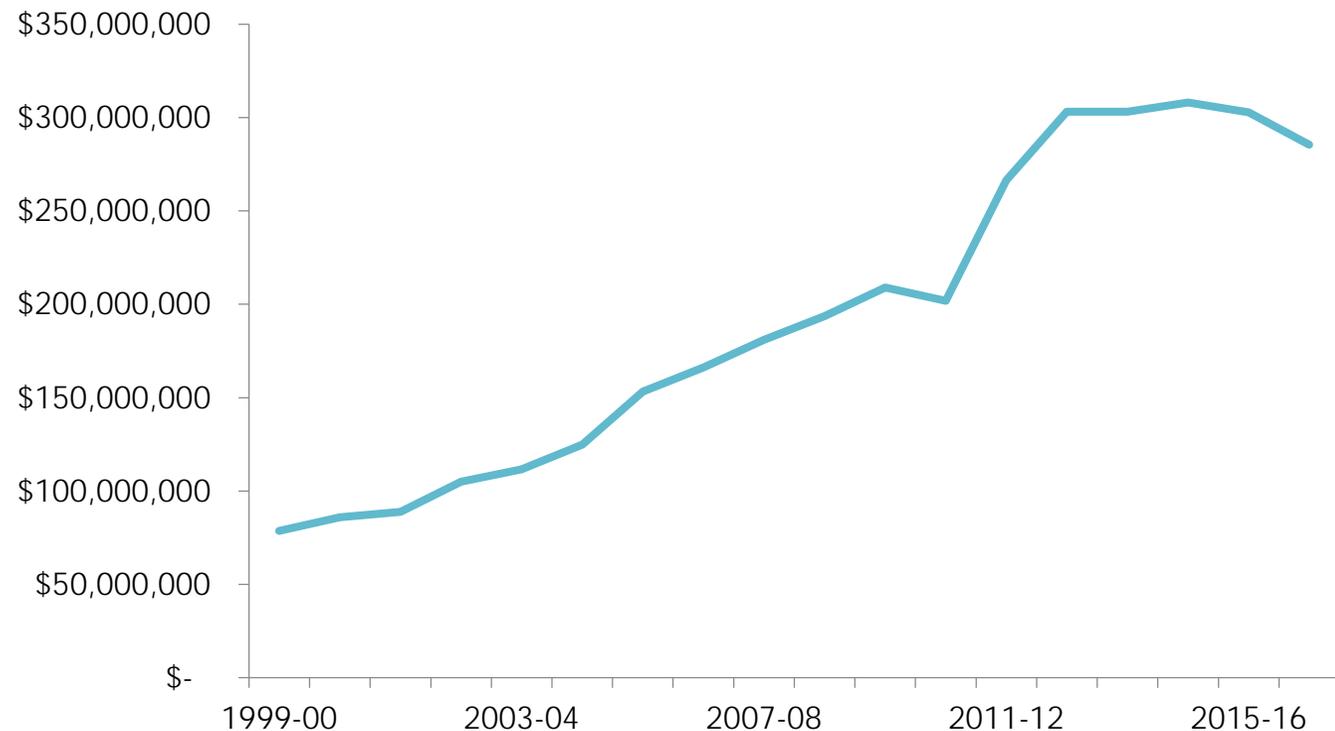
Budget requires 100% coordination with College Bound; every CBS student must receive a SNG award.



Funding is tied to public tuition and student eligibility

The median family income cutoff, percent of tuition covered by sector and income, numbers of eligible students and institutions affect appropriations.

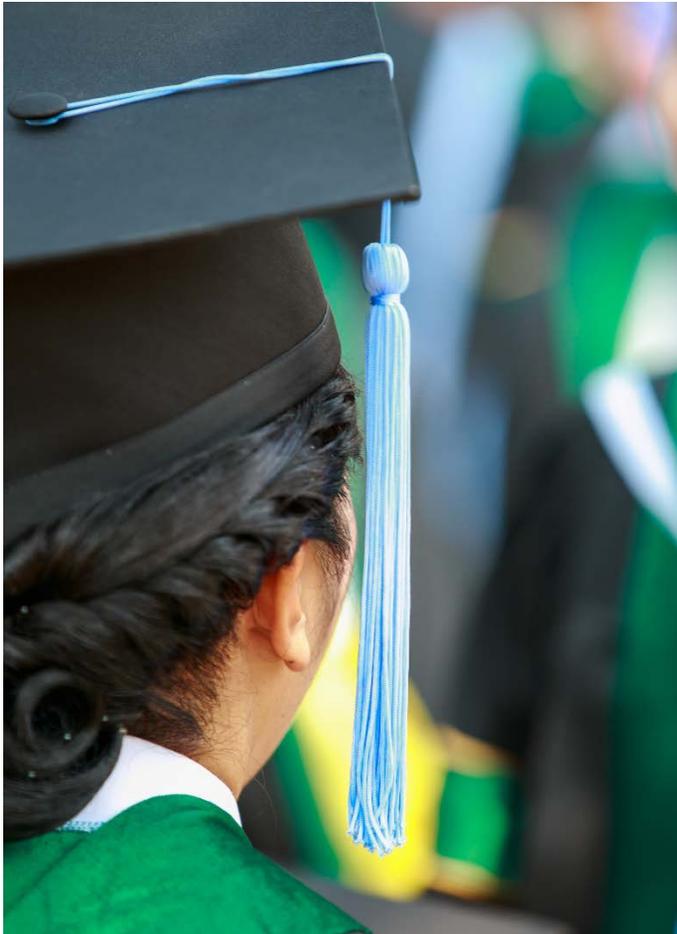
State appropriation for State Need Grant



* Midyear rescission, with public institutions required to hold students harmless.



State Need Grant serves diverse student body



77% attend full-time (during fall term).

63% attend two-year institutions.

46% are age 24 or older.

43% are students of color.

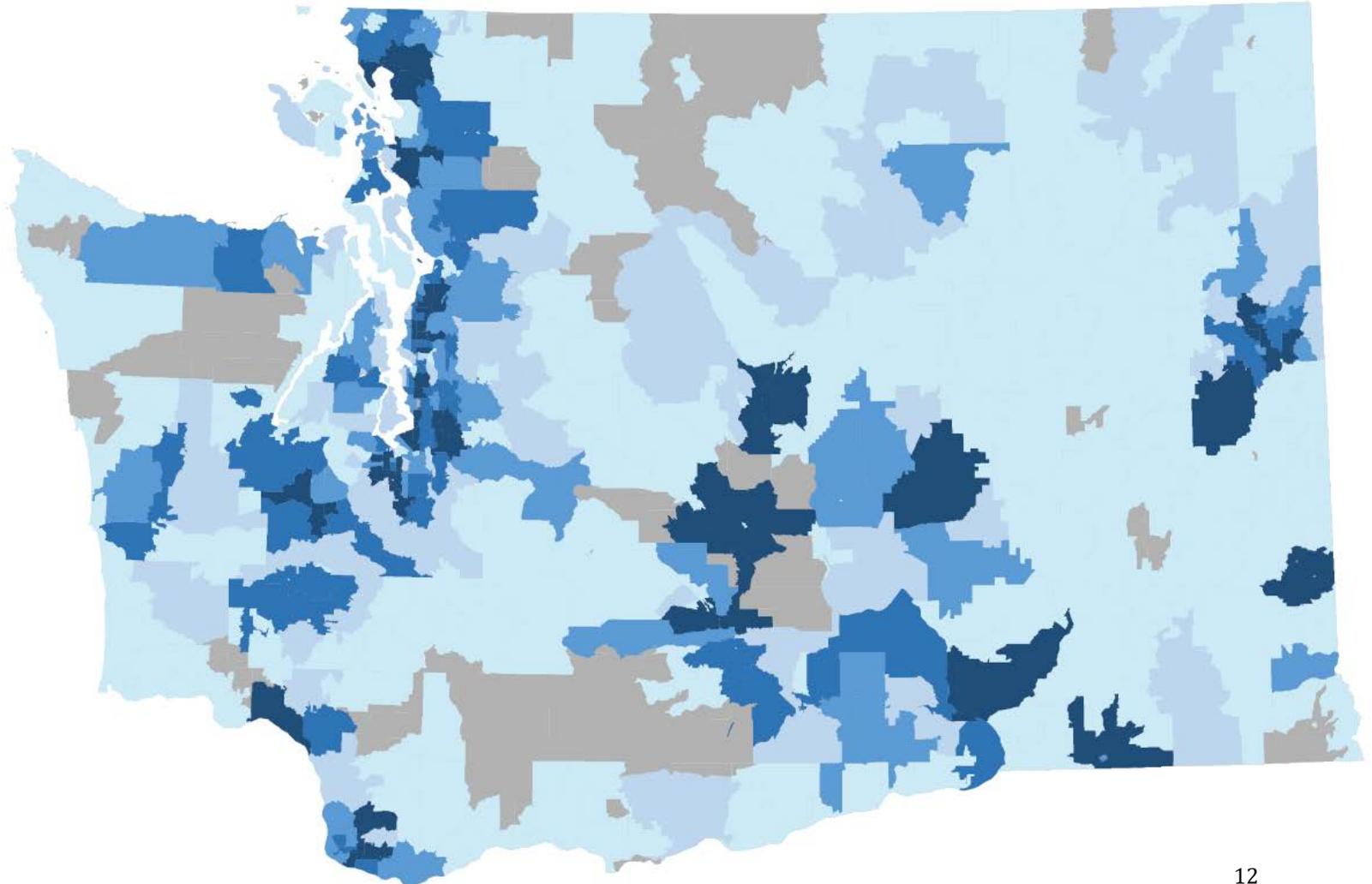
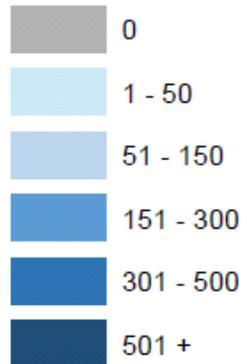
27% have children.



SNG students are from nearly every region of the state

State Need Grant (SNG) Eligible Students in 2014-15

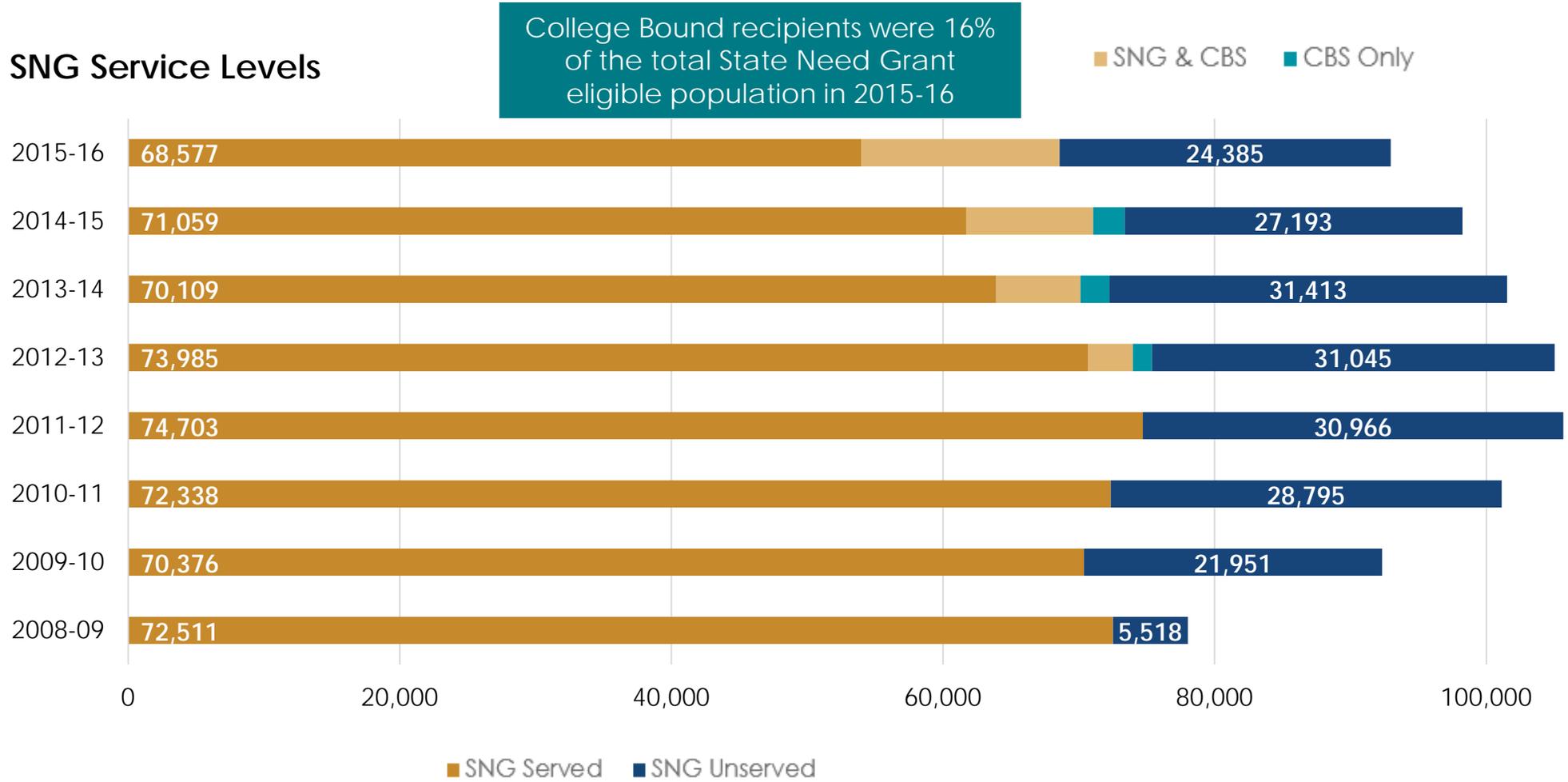
Eligible Student Count





Large numbers of unserved students persist

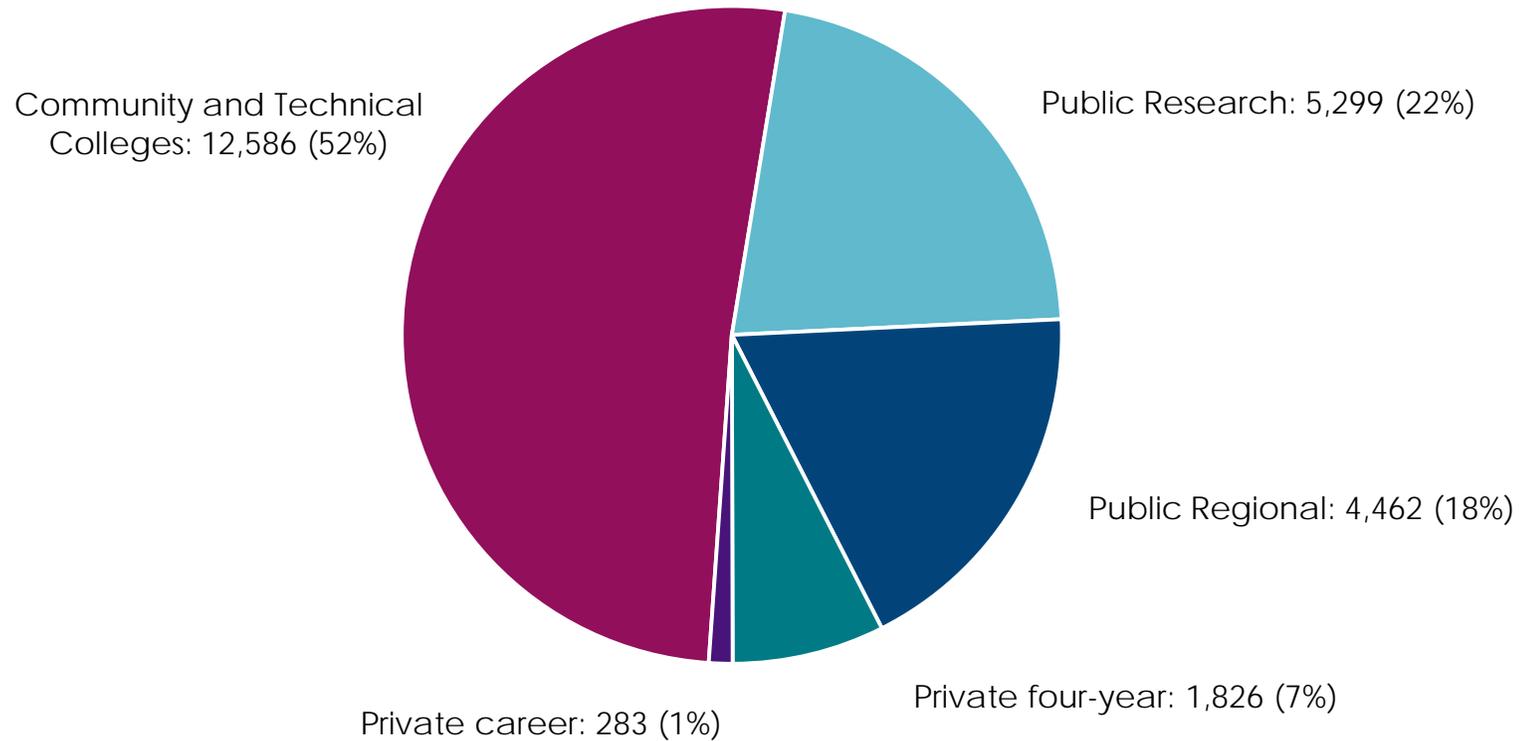
Although enrollments have declined in the two-year sector, total eligible students remain high.





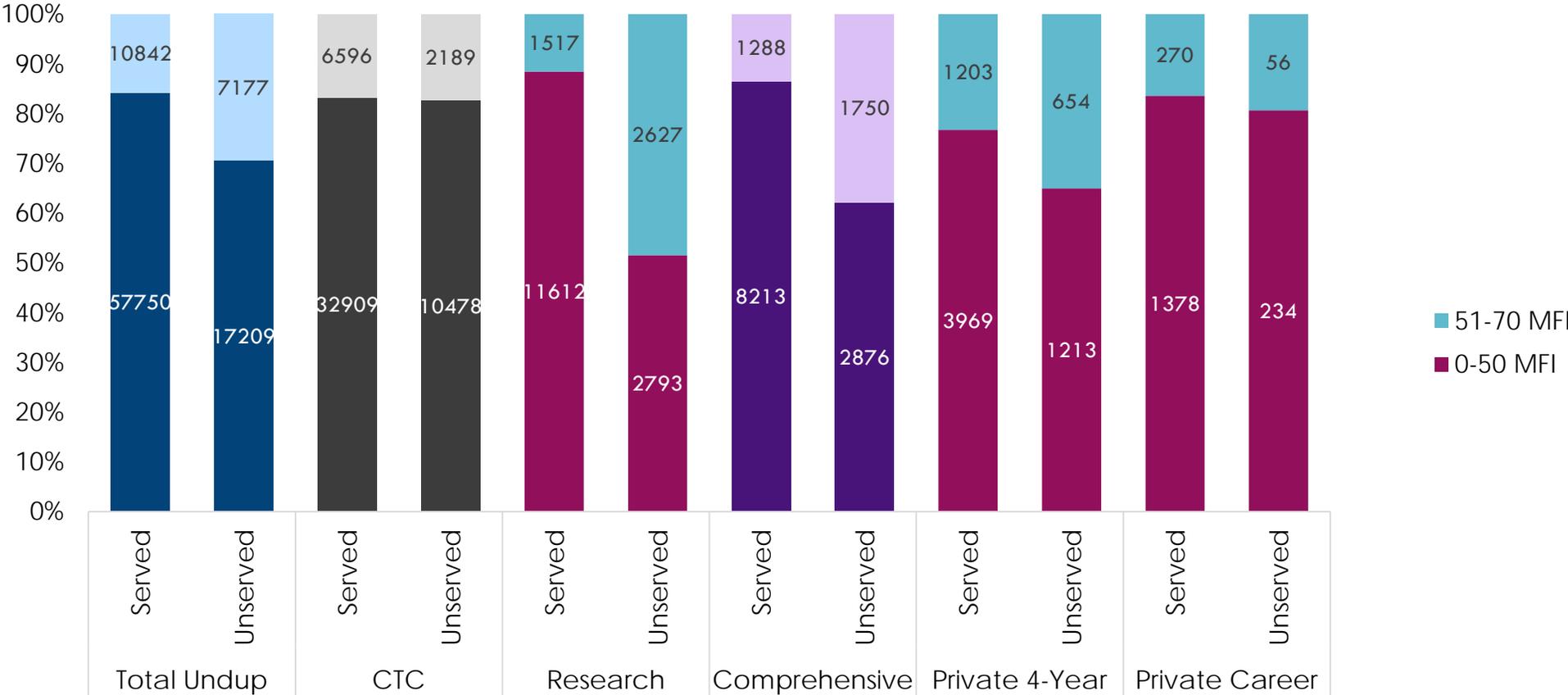
Unserved students attend all sectors

24,385 Low-Income Students Eligible for the State Need Grant Were Unserved in 2015-16





Four-year schools target lowest income students





Not receiving a State Need Grant has consequences

In a 2013 survey of students unserved in 2012-13:

- 42% changed their living situation and/or bought less food
- 14% took an additional job; another 26% worked more hours at their current job
- 32% borrowed from friends and family members
- Between 40 and 43% of respondents from the public baccalaureate institutions borrowed from family and friends

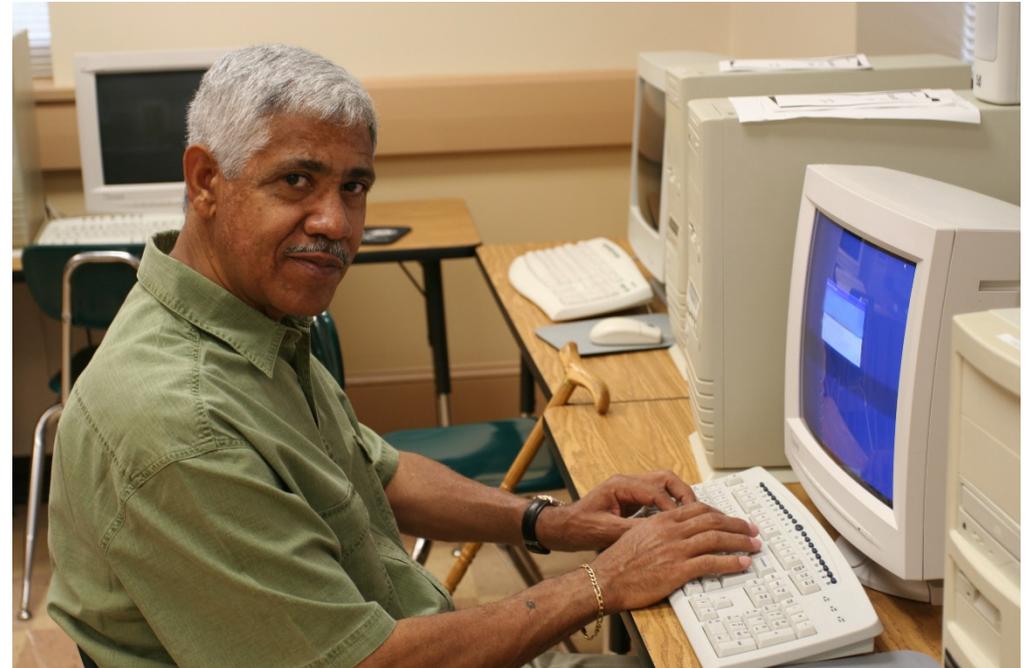
"I had to borrow money a few times from friends just to eat. A few times during the school year, I almost left school."

"I wasn't able to buy any of my books for my classes, so for the dozen classes I took over the last year, I borrowed, shared, and rented from the library."



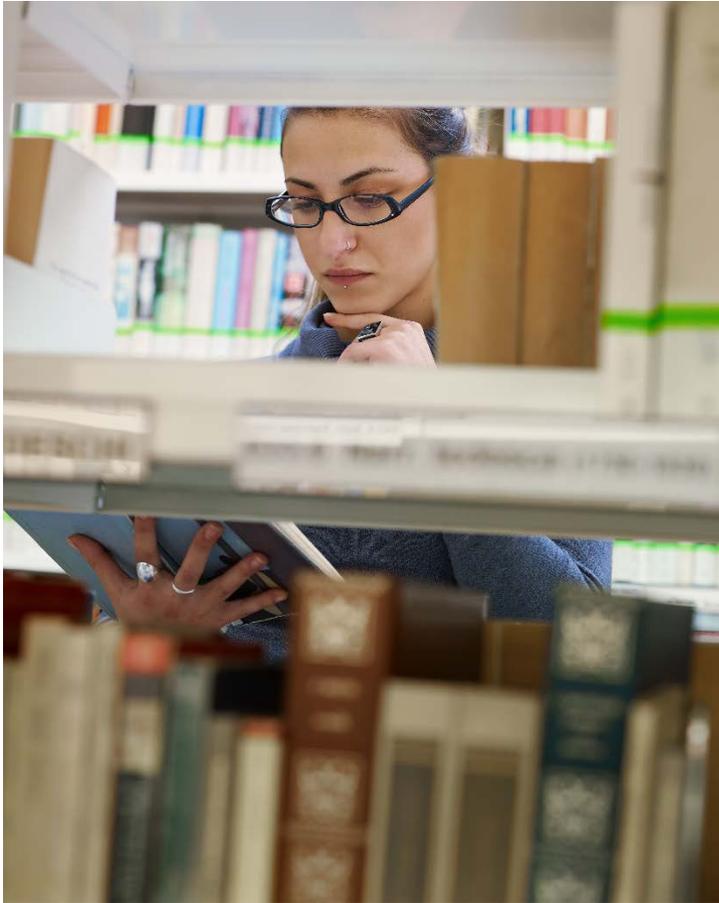
Not receiving a State Need Grant has consequences

- Data from 2015 shows that students are more likely to borrow if they do not receive a grant, and loan amounts increase—for all student types, in all sectors—for students who do not receive a grant.
- The percentage of students attending part time increases, mostly in the four-year schools.
- Independent students, mostly returning adults, show the largest drop in enrollment intensity.





Maintain the SNG Service Level with CBS Priority



- With 100% prioritization of CBS in SNG, the 2016 Supplemental shifted \$18 million in savings from College Bound to SNG to ensure that service levels in SNG would be maintained.
 - This funding was temporary and does not appear in the carry-forward level for SNG.
- Without \$18 M in restored appropriations now, nearly 4,000 fewer students will receive an award.
- This is a single need as 100% prioritization has now been achieved.



Council Priority: Support all eligible State Need Grant students

- Several recent factors reduce the cost to serve students – new dollars will serve more students.
 - Public tuition reductions
 - Unserved students concentrated in upper MFIs (lower awards) in four-year sectors
- Approximately \$100 million per year will serve all currently eligible unserved students.
- Would serve an additional 24,000 students, improving their odds of graduating.



Why SNG is important

- A well-funded program is predictable for students, families and institutions.
- Other programs depend on SNG:
 - College Bound
 - Other state aid programs
 - Institutional commitment programs
- By serving a broad array of programs and students, it's a critical tool that addresses the key challenge areas in postsecondary education:
 - Opportunity Gaps (43% students of color)
 - Returning adults (46% are over 24)
 - Key workforce shortages (mid-level credentials and STEM BA degrees are all eligible programs of study)



SNG Key Messages

- The **unserved population remains large**, despite the economic recovery and the resulting enrollment drops in the 2-year sector
- Coordination with College Bound is now 100%, but **we need additional funding** to maintain service in SNG and prevent non-CBS students from being displaced
- Not receiving a grant has **consequences**
 - More loan debt, slower progress, and a lower chance of completion
 - Students make choices including working too much, changing living circumstances, borrowing from friends or family and even eating less food

College Bound Scholarship



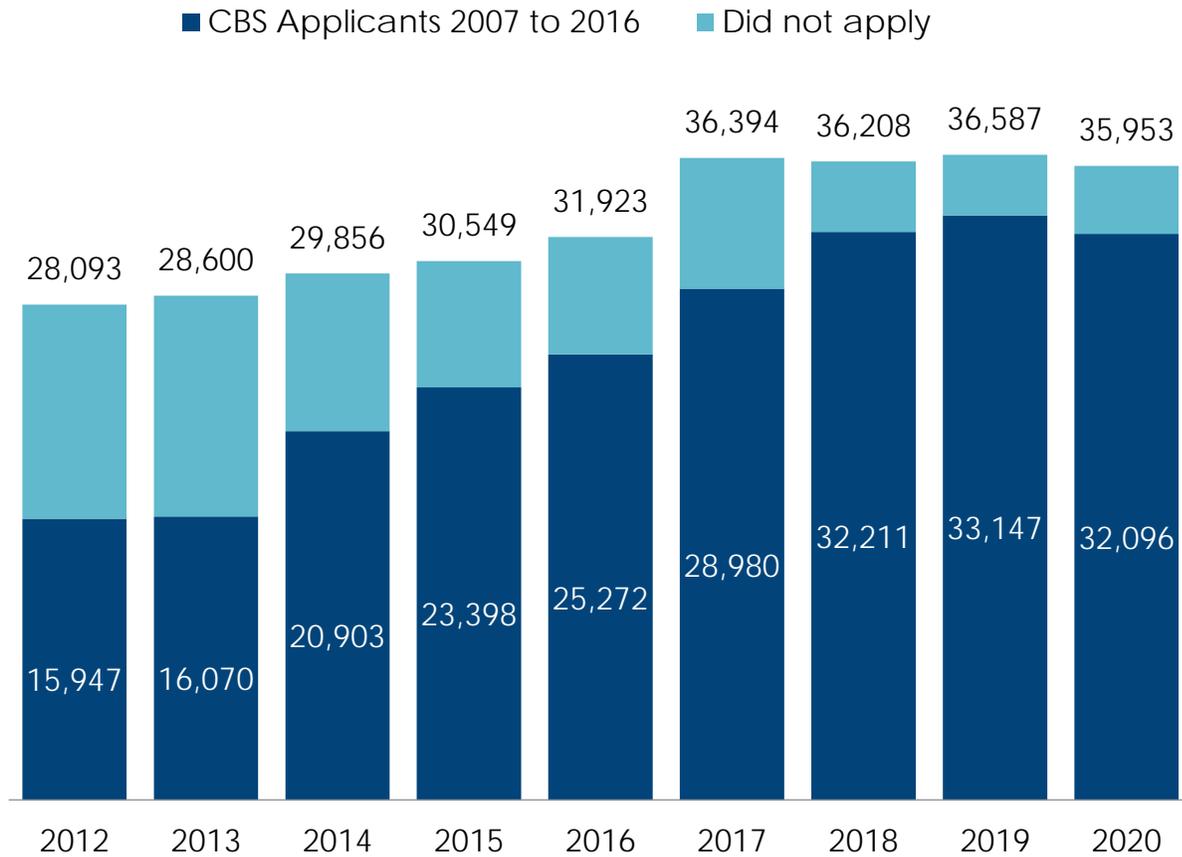


Review of early commitment programs

- General findings from rigorous financial aid research
 - Provides aid as both an incentive and a resource
 - Offers transparency and predictability for students
 - Targets low-income students
- Strong descriptive and trend data from OK and IN reflecting increases in high school graduation, postsecondary participation and completion rates
- Experimental research findings for similar program in New Brunswick revealed 7 percentage point increase in completion and 14 point increase for first-generation participants (www.wrdc.org/media/199953/ftd-sixth-year-psi-report-en.pdf)



Applications continue to increase

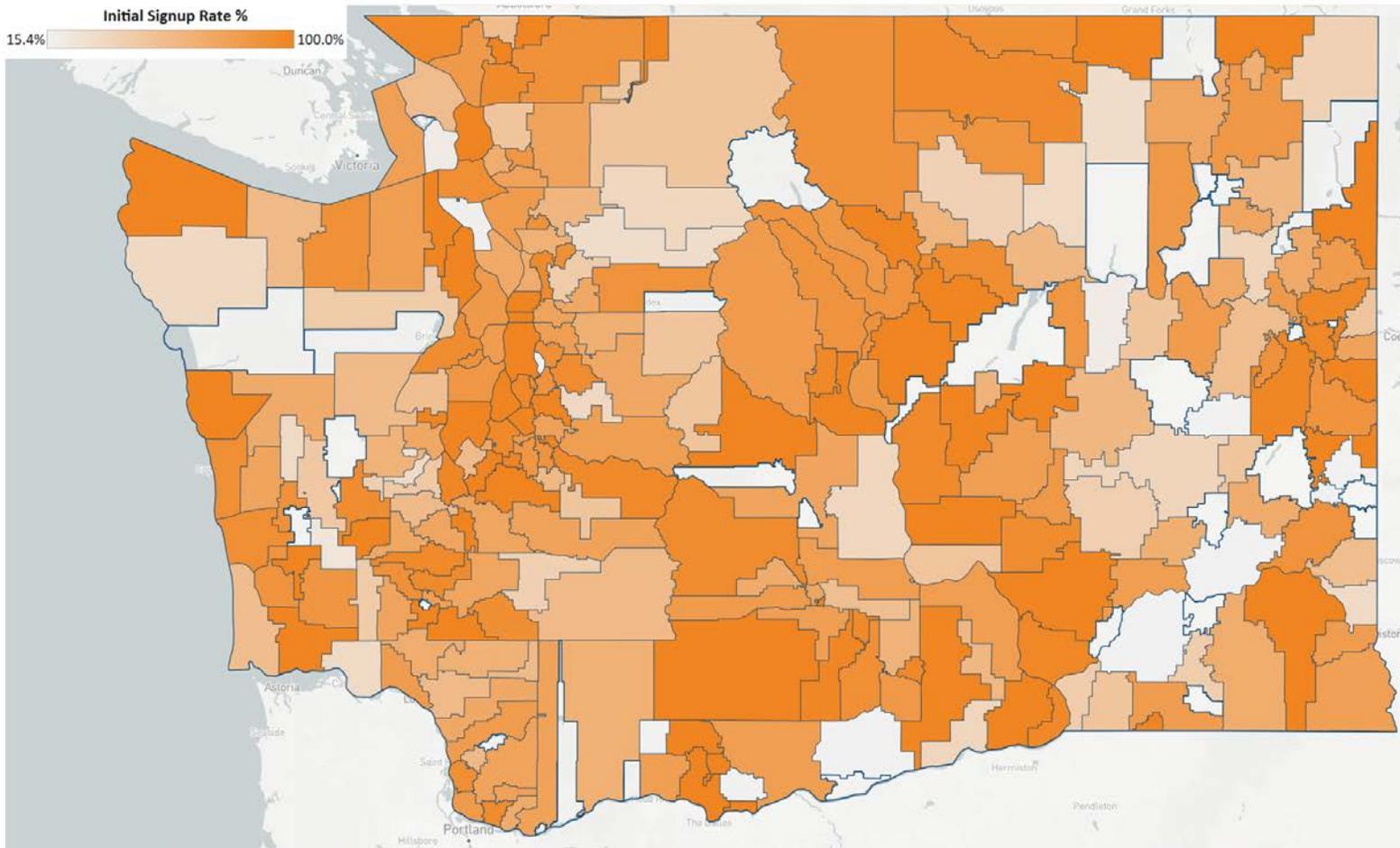


Over **247,000** students have applied for College Bound.



Applications are strong statewide

Initial College Bound Signup Rate, Class of 2020



Washington Student Achievement Council

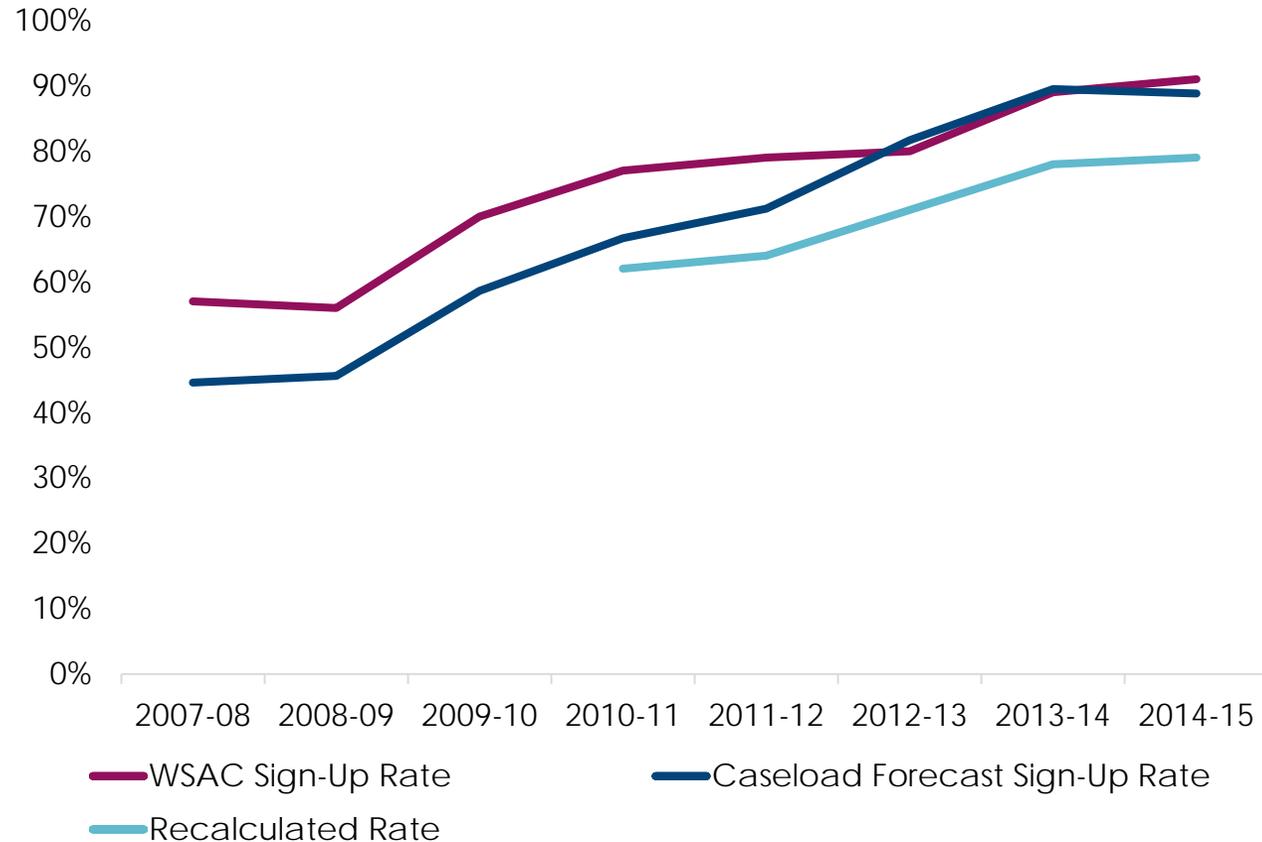
- College Success Foundation regional officers provide support to schools
- Districts and communities are integrating College Bound into advocacy and support efforts



Reconciled sign-up rates reveal missed opportunities

- Using an initial snapshot of eligible students provides a baseline.
- Reconciled rates capture increases in the number of eligible students and describe the missed opportunity.

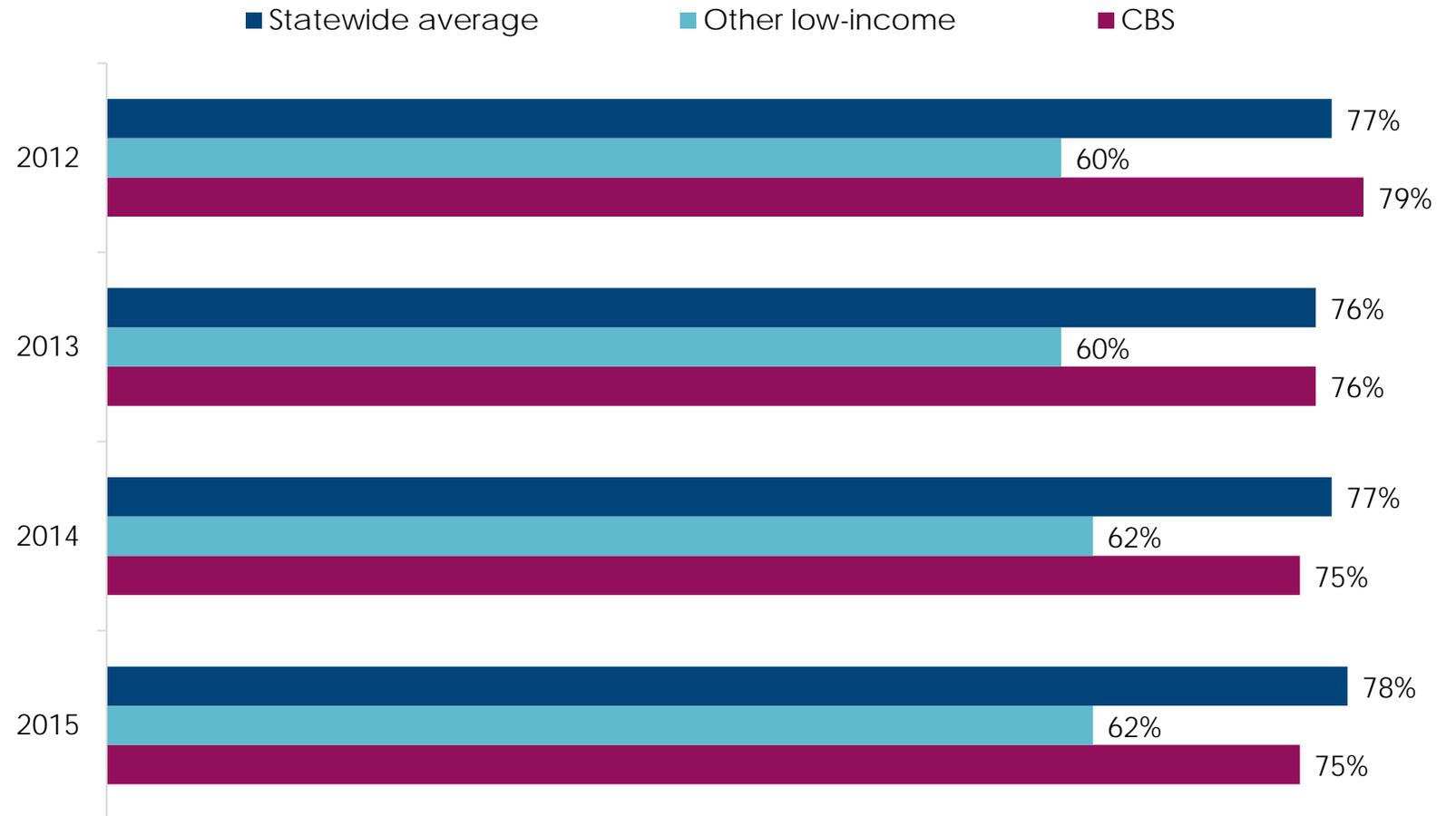
CBS Sign-Up Rates





College Bound students are graduating at higher rates

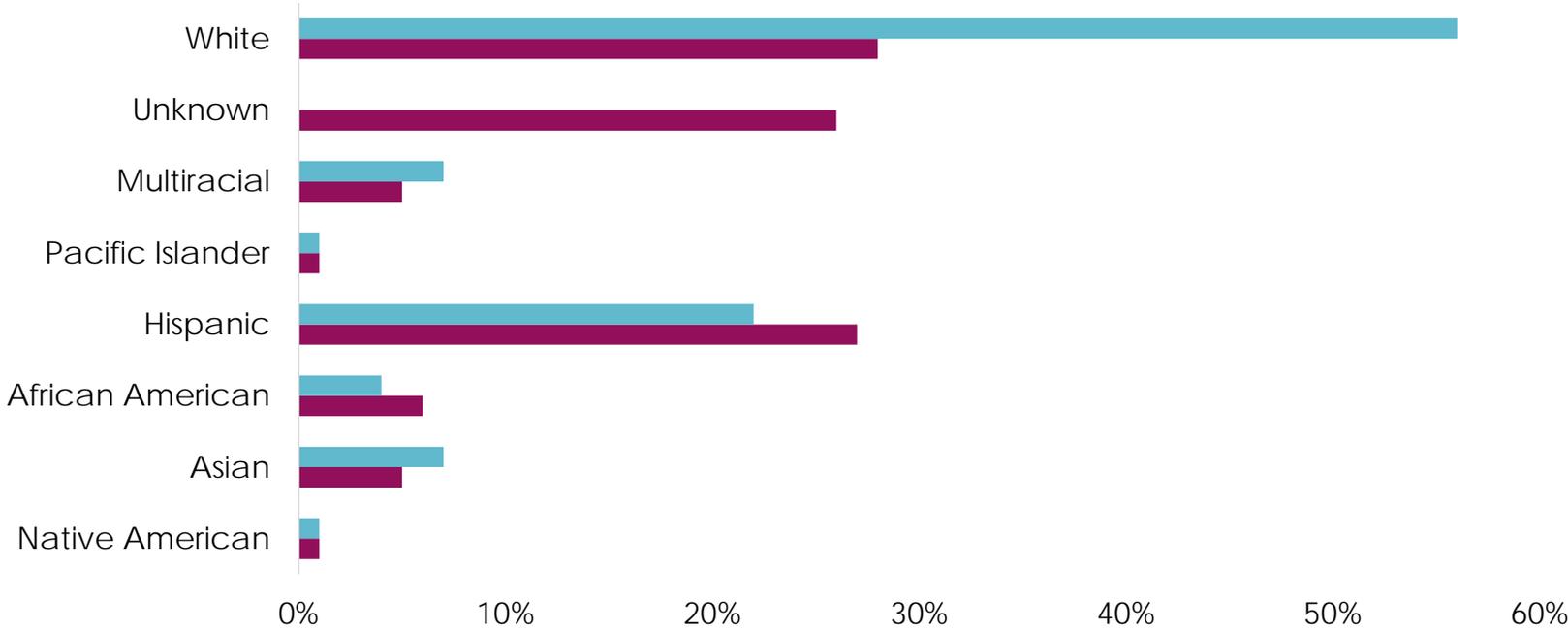
Graduation rates for CBS students are at least ten percentage points higher than those of their non-CBS low-income peers.





College Bound addresses the opportunity gap

College Bound Applications Compared to Statewide K-12 Enrollment



	Native American	Asian	African American	Hispanic	Pacific Islander	Multiracial	Unknown	White
■ K12 Enrollment	1%	7%	4%	22%	1%	7%		56%
■ College Bound Applicants	1.00%	5%	6%	27%	1%	5%	26%	28%

College Bound students are more likely to represent racial/ethnic minority groups than the overall K-12 population.



College Bound Scholarship inspires students



Caseload Forecast
Council projects eligible
college enrollments:

17,448 in 2017

18,885 in 2018

20,766 in 2019





CBS Key Messages

- Provides incentive for students to prepare for postsecondary education
- Provides families with assurance of assistance
- Can serve as a tool to increase the college going culture in K12 and increase high school graduation
- Addresses the opportunity gap

State Work Study





Work Study literature

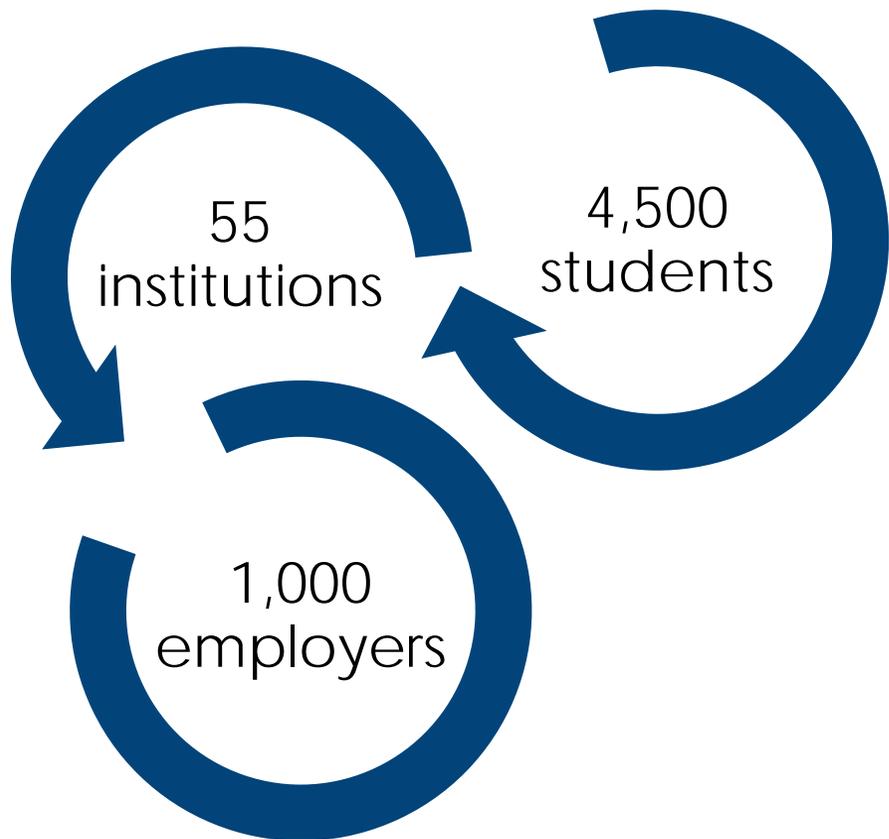
- Research correlates part-time work experiences with improved retention, persistence, and completion.
- “Real world” contextual learning while in college improves the quality of career choices.
- There is a “tipping point” in the number of hours associated with persistence – fewer than 20 hours enhances persistence (Salisbury, Pascarella, & Padgett, 2009; Berkner & Choy, 2008; Furr & Elling, 2000).
- On-campus jobs improve engagement and persistence (Pike et al, 2008).

Note: WSAC Legislative report on income levels upon college enrollment and WSAC survey of non-enrollees December 2016.





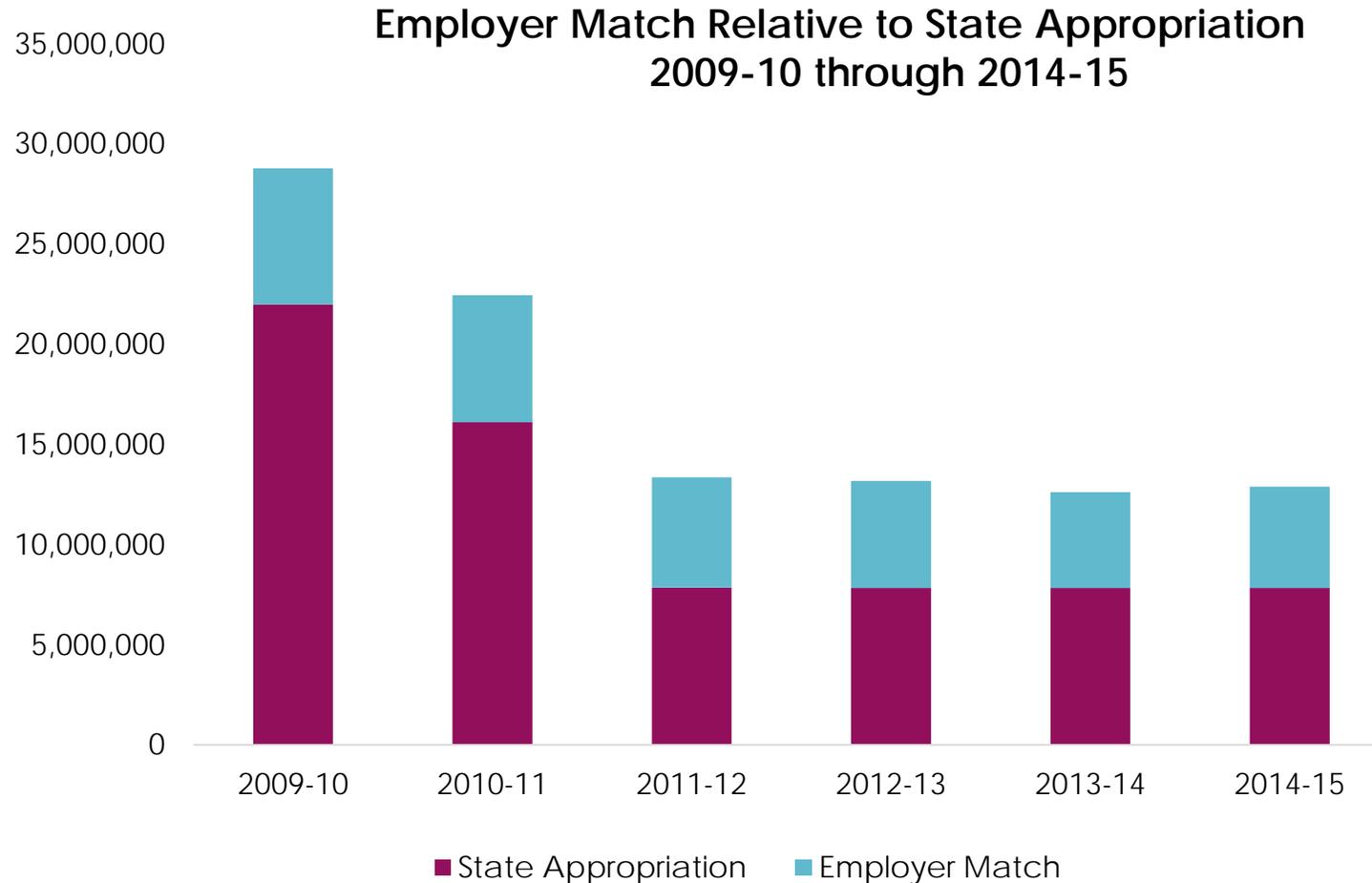
Washington State Work Study overview



- 10% are graduate students
- Average earnings \$2,800
- Requires positions related to academic and career interests
- 40-year-old program



Employers pay larger share as state investment shrinks





Off-campus employment varies by campus

Employment Location by Sector

	Total Gross	On-Campus	Off-Campus
Four Year Public	\$3,975,389	\$3,513,436	\$461,953
Four Year Private	\$3,779,957	\$833,621	\$2,946,336
CTC	\$4,774,054	\$4,413,373	\$360,681
Total	\$12,529,400	\$8,760,430	\$3,768,970

"It's really hard for new graduates to get jobs if they don't have practical experience that sets them apart from all other applicants vying for limited employment opportunities. Through my State Work Study position in the information technology area, I am developing a range of skills while in school that I believe will give me a lot more choices in my career path once I've graduated."

— SWS Student



State Work Study can address state needs

- Special projects develop positions in key areas including:
 - STEM and high-demand fields
 - Mentoring K-12 students
 - Community service
- All special projects were eliminated when funding was reduced in the recession



How did SWS impact students?

- **73%** said SWS job learning **links to their classroom learning**
- **89%** believe SWS job learning **improves classroom performance**
- **63%** see a **direct relationship** between their SWS job and their **major**
- **79%** believe their SWS experience will help with **post-graduation employment related to their major**
- **93%** said SWS helps with **time management** in other areas of life
- **92%** will request a **reference** from their SWS employer
- **90%** said SWS improved their overall **satisfaction with college**
- **94%** learned important **work skills transferable to their future career**



Employer perspective

- Many graduates hired full-time with same organization.
- Employers value and prioritize past work experience when making hiring decisions.
- Organizations who partner with and contribute to State Work Study:
 - Provide vital community services
 - Achieve growth as a business
 - Employ hundreds of students
 - Provide opportunity to future educators
 - Offer opportunities for students to gain significant skills and experiences

“Without State Work Study, our business would not have made nearly the progress, or been able to sustain the level of growth, especially in this difficult economic environment.”
— Participating Employer



Why do students participate?

- 44% to pay for food
- 69% to pay school-related expenses
- 39% to gain career-related experience
- 36% to contribute to family's finances
- 22% as sole support for family
- 33% to strengthen resume
- 38% to expand professional networks





SWS Key Messages

