WSAC Overview

January 19, 2017
Senate Higher Education Committee

Rachelle Sharpe – Acting Executive Director
Maddy Thompson – Director of Policy & Government Relations
<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Organization/Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maud Daudon, Chair</td>
<td>Chair</td>
<td>President &amp; CEO of Seattle Metropolitan Chamber of Commerce</td>
</tr>
<tr>
<td>Karen Lee, Vice Chair</td>
<td>CEO of Pioneer Human Services, Western WA University Trustee</td>
<td></td>
</tr>
<tr>
<td>Paul Francis, Secretary</td>
<td>Secretary</td>
<td>Executive Director of Council of Presidents</td>
</tr>
<tr>
<td>Jeff Charbonneau</td>
<td>2013 National Teacher of the Year Chemistry, Physics, Engineering</td>
<td></td>
</tr>
<tr>
<td>Dr. Susana Reyes</td>
<td>Assistant Superintendent, Mead School District</td>
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<tr>
<td>Jessica Murillo-Rosales</td>
<td></td>
<td>Graduate Student, Central Washington University</td>
</tr>
<tr>
<td>Marty Brown</td>
<td>Executive Director of SBCTC</td>
<td>Two year public colleges</td>
</tr>
<tr>
<td>Violet Boyer</td>
<td>Executive Director of ICW</td>
<td>Independent Colleges of Washington</td>
</tr>
<tr>
<td>Dr. Gil Mendoza</td>
<td>Deputy Superintendent of K-12 Education, OSPI</td>
<td>K-12 education</td>
</tr>
</tbody>
</table>
Propose educational attainment goals to Governor and Legislature.

Identify strategies and resources necessary.

Align K-12 and higher education work, programs, agencies, and institutions.

RCW 28B.77.003, 020

Council’s statutory charge
WSAC’s primary duties

We advance educational opportunities and attainment in Washington State.

- Policy and research
- Savings and financial aid programs
- Access and support programs
- Consumer protection
Over 3/4 of job openings in Washington require education beyond high school.

The state goals reflect the needs in Washington and are consistent with analysis by national experts.

- Lumina Foundation and the Georgetown University Center on Education and the Workforce.

Education is critical to a thriving economy

- High school or less, 23%
- Bachelor's, 24%
- Mid level*, 32%
- < 1 year of college, 10%
- Graduate, 11%

*Mid level: A year or more of college credit including associate degrees.

Source: A Skilled and Educated Workforce 2015
Further education leads to prosperity

- Living wage employment.
- Higher labor force participation.
- Lower unemployment.

**Income and Unemployment by Educational Attainment**

- **25-75th Percentile Income**
- **Unemployed**
- **Median Income**

**SOURCE:** WSAC staff analysis of ACS 2009-2013 Employed and "Not Currently Attending" Washington Residents (September 2015).
Statewide attainment goals by 2023

Ensure our residents can compete for the best jobs in Washington.

100% of adults* will have a high school diploma or equivalent.

At least 70% of adults* will have a postsecondary credential.

The ten-year Roadmap outlined the goals adopted by the 2014 Legislature.

*Adults in Washington aged 25-44.
Students from racial and ethnic minority populations represent an increasing share of Washington’s high school population.

However, attainment gaps persist for certain populations.

**Educational Attainment of Washington Residents Aged 25-44**

<table>
<thead>
<tr>
<th>Population</th>
<th>HS diploma or equivalent</th>
<th>Some college credit, no degree</th>
<th>Associate degree or higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>24%</td>
<td>44%</td>
<td>68%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>18%</td>
<td>19%</td>
<td>36%</td>
</tr>
<tr>
<td>Pacific Islander</td>
<td>30%</td>
<td>19%</td>
<td>49%</td>
</tr>
<tr>
<td>American Indian</td>
<td>32%</td>
<td>23%</td>
<td>55%</td>
</tr>
<tr>
<td>Black</td>
<td>32%</td>
<td>30%</td>
<td>62%</td>
</tr>
<tr>
<td>White</td>
<td>26%</td>
<td>47%</td>
<td>73%</td>
</tr>
<tr>
<td>2+ Races</td>
<td>31%</td>
<td>42%</td>
<td>73%</td>
</tr>
<tr>
<td>Asian</td>
<td>14%</td>
<td>67%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Source: WSAC staff analysis of ACS year 2011-2013 (September 2016)
Affordability
Understanding affordability

**STUDENT LOANS**
During the great recession, annual debt doubled for students attending community colleges and increased by up to 61% for those in the public four-year system.¹

**WORK**
A recent statewide survey revealed that nearly 2/3 of students are working while in college. Half of working students work more than 20 hours per week.

**SAVINGS**
According to a 2012 study by the U.S. GAO, families with 529 plans or Coverdells had median incomes of about $142,400 per year.

**FAMILY SUPPORT**
Nearly 1/3 of students at community colleges and 2/3 of students at four-year colleges rely on parental support.²
Nearly $1.8 billion in aid provided to students

2015-16 Total Aid by Source
- Federal: 55%
- State: 21%
- Institutional: 19%
- Private: 5%

2015-16 Total Aid by Type
- Grants/Scholarship: 64%
- Loans: 34%
- Work: 2%

Financial aid packages vary by income

- Low-income students have financial gaps.
- Institutional aid supports middle income.
- Students are borrowing at all income levels.

Borrowing increased during the recession

Annual student loan debt
Resident undergraduate need-based recipients

<table>
<thead>
<tr>
<th>Type</th>
<th>2007-08</th>
<th>2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research</td>
<td>$4,900</td>
<td>$7,300</td>
</tr>
<tr>
<td>Comprehensive</td>
<td>$4,400</td>
<td>$7,100</td>
</tr>
<tr>
<td>Private 4-Year</td>
<td>$7,200</td>
<td>$7,900</td>
</tr>
<tr>
<td>CTC</td>
<td>$2,800</td>
<td>$5,700</td>
</tr>
</tbody>
</table>


Average debt for 2015 Bachelor’s degree recipients: $24,600.

- 57% of graduates have debt.

Source: Project on Student Debt, Institute for College Access & Success (www.ticas.org)
Following steep increases during the recession, tuition held steady and then decreased.
Research links grants to success

• Grant aid associated with higher retention and completion rates.

• SNG leads to higher retention in the CTCs.
  [SBCTC, 2013]

• Enrollment positively related to increases in need-based aid.
  [Avery & Hosby, 2003]

• Retention and completion declines as “unmet need” increases.
  [Bresciani & Carson, 2002]

• Grant aid makes more of a difference than other aid.
  [Heller, 2008]

• Lack of SNG leads to increased borrowing, changes in living circumstances, increased work hours, and adjustments to educational plans.
  [WSAC student survey, 2013]
Grant programs have different student profiles

<table>
<thead>
<tr>
<th></th>
<th>State Need Grant</th>
<th>College Bound Scholarship</th>
<th>WA Opportunity Scholarship</th>
<th>SBCTC Opportunity Grant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number students</td>
<td>71,038</td>
<td>11,669</td>
<td>2,294</td>
<td>5,091</td>
</tr>
<tr>
<td>% Two-year</td>
<td>63%</td>
<td>50%</td>
<td>12%</td>
<td>99%</td>
</tr>
<tr>
<td>% Four-year</td>
<td>37%</td>
<td>50%</td>
<td>88%</td>
<td>1%</td>
</tr>
<tr>
<td>% Younger than 24</td>
<td>54%</td>
<td>100%</td>
<td>92%</td>
<td>22%</td>
</tr>
<tr>
<td>% Dependent &amp; avg. income</td>
<td>41% $26,700</td>
<td>91% $28,100</td>
<td>87% $56,200</td>
<td>10% $19,800</td>
</tr>
<tr>
<td>% Independent &amp; avg. income</td>
<td>59% $14,700</td>
<td>9% $6,100</td>
<td>13% $17,300</td>
<td>90% $12,500</td>
</tr>
<tr>
<td>Full-time in fall</td>
<td>77%</td>
<td>81%</td>
<td>96%</td>
<td>56%</td>
</tr>
<tr>
<td>Students of color</td>
<td>42%</td>
<td>61%</td>
<td>46%</td>
<td>43%</td>
</tr>
<tr>
<td>Have children</td>
<td>27%</td>
<td>2%</td>
<td>3%</td>
<td>50%</td>
</tr>
</tbody>
</table>

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

College Bound recipients were 16% of the total State Need Grant eligible population in 2015-16.

Over 24,000 students eligible without funding last year.

SNG Service Levels

<table>
<thead>
<tr>
<th>Year</th>
<th>SNG &amp; CBS</th>
<th>CBS Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>68,577</td>
<td>24,385</td>
</tr>
<tr>
<td>2014-15</td>
<td>71,059</td>
<td>27,193</td>
</tr>
<tr>
<td>2013-14</td>
<td>70,109</td>
<td>31,413</td>
</tr>
<tr>
<td>2012-13</td>
<td>73,985</td>
<td>31,045</td>
</tr>
<tr>
<td>2011-12</td>
<td>74,703</td>
<td>30,966</td>
</tr>
<tr>
<td>2010-11</td>
<td>72,338</td>
<td>28,795</td>
</tr>
<tr>
<td>2009-10</td>
<td>70,376</td>
<td>21,951</td>
</tr>
<tr>
<td>2008-09</td>
<td>72,511</td>
<td>5,518</td>
</tr>
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</table>

SNG students are from nearly every region of the state.

Source: Washington Student Achievement Council. Final Interim Report 2014-15 and FAFSA. Note: Data are arranged by student’s permanent address zip code.
State Need Grant serves diverse student body

- 78% attend full-time (during fall term).
- 58% attend two-year institutions.
- 42% are age 24 or older.
- 45% are students of color.
- 25% have children.

Not receiving a State Need Grant has consequences

• Students are more likely to borrow and loan amounts increase.

• Students attend part-time at higher rates, mostly in the four-year schools.

• 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.

"I had to borrow money a few times from friends just to eat. A few times during the school year, I almost left school."
State Need Grant is a key tool

• Leverages tuition reduction and provides predictability for students, families and institutions.

• Is a foundational program for College Bound, other state aid programs and institutional commitment programs.

• Serving a broad array of programs and students, it is a critical tool to:
  
  o Address key workforce shortage areas.
  
  o Support returning adults as well as recent high school graduates.
  
  o Provide an opportunity for low-income students.
Review of early commitment programs

• General findings from rigorous financial aid research
  • Provide aid as both an incentive and a resource.
  • Offer transparency and predictability for students.
  • Target low-income students.

• Strong descriptive and trend data from Oklahoma and Indiana show 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)
As of January 2017:

• Over 250,000 applications on file.

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</tr>
</thead>
<tbody>
<tr>
<td>Class of 2020</td>
<td>15,947</td>
<td>16,070</td>
<td>20,903</td>
<td>23,398</td>
<td>25,272</td>
<td>28,980</td>
<td>32,195</td>
<td>33,117</td>
<td>32,096</td>
</tr>
</tbody>
</table>

Source: WSAC CBS Application Data 2006-07 to 2015-16.
College Bound applications are strong statewide

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

Source: WSAC CBS Application Data 2015-16.
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.

Source: OSPI staff analysis of WSAC CBS applicant data. (CB9928 1/13/2017)
Four cohorts are now enrolled in college

Caseload Forecast Council projects eligible college enrollments:

- **17,448** in 2017
- **18,885** in 2018
- **20,766** in 2019

Maintain the SNG service level with CBS priority

- CBS awards are based on public tuition plus a book stipend.
- All CBS students are required to be awarded maximum SNG.

College Bound recipients with State Need Grant

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>70%</td>
</tr>
<tr>
<td>2013-14</td>
<td>74%</td>
</tr>
<tr>
<td>2014-15</td>
<td>80%</td>
</tr>
<tr>
<td>2015-16</td>
<td>100%</td>
</tr>
</tbody>
</table>
Work experiences correlated with positive outcomes

• Real-world contextual learning improves the quality of career choices.

• Research correlates part-time work experiences with improved retention, persistence, and completion.
  
  • 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
State Work Study offers work-based learning opportunities

- 55 institutions
- 4,500 students
- 1,000 employers

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

“I have hired several of the work study students following their graduation and have never been disappointed!”

-SWS Employer
Employers pay larger share as state investment shrinks

Employer Match Relative to State Appropriation
2009-10 through 2014-15

State Appropriation  Employer Match
Students indicate work-study provided benefits

**Students benefit from work study jobs:**

- 94% Learn important work skills transferable to their future career
- 90% Improve their overall satisfaction with college
- 89% Believe job learning improves classroom performance
• Many graduates hired full-time with same organization.

• Employers value and prioritize past work experience when making hiring decisions.

• Organizations participating in SWS:
  ▪ 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.”
— SWS employer
2017-19 Strategic Action Plan
Call to Action

Proposes strategies to support the entire education continuum.

Urges investment in an array of programs targeting every level of the education system.
System-wide strategies to support all students

Priorities for 2017-19

- **Affordability**
  - Make higher education more affordable
  - Expand state financial aid programs, including fully funding the State Need Grant program.
  - Maintain full funding for the College Bound Scholarship.
  - Provide ample funding for higher education.
  - Maintain a stable and predictable tuition policy.

- **Readiness**
  - Improve college and career readiness
  - Increase dual-credit opportunities.
  - Invest in guidance, and proven high school completion efforts.

- **Completion**
  - Increase college completion
  - Fund successful student support programs.
  - Provide opportunity gap innovation grants.
  - Create a plan to recruit and retain adult students.

- **Employment**
  - Ensure graduates can meet workforce demands
  - Expand investments in fields with anticipated workforce shortages.
  - Expand work-based learning through State Work Study.

Bold: 2017-19 WSAC priorities
Council Priority: Support all eligible State Need Grant Students

Fully Fund State Need Grant
Increase access, participation, and completion in higher education

Nearly 24,000 eligible students go unserved every year.

Lack of funding impacts low-income students.

“Financial stress definitely played a role in lower grades, fatigue, and inability to engage in classes fully. The stress and pressure from not having financial aid hurts families as well as students because of emotional stress and discard brought by financial stress.”

“Having two children to provide for...I am having to put more hours into my job...pushing my homework into the late hours...I am fitting it all in by taking less classes (which has pushed my graduation date back at least a year) and working later hours at work.”

RECOMMENDATION

Fully fund State Need Grant to support all eligible students.

- Increase college persistence and attainment.
- Reduce student debt.

2017-19 biennium
$229 million
Serve 24,000 more students
Council Priority: Expand State Work Study

Expand State Work Study
Partner with employers to provide work experience and financial aid

94% of State Work Study students say they learned skills that will transfer to their careers.

95% of employers say State Work Study students increased their organization’s productivity.

RECOMMENDATION
Expand work-based learning through State Work Study.

✓ Reduce need for loans.
✓ Improve employment outcomes for students.
Council Priority: Expand dual credit opportunities

Expand Access to Dual Credit
Equitable access to rigorous courses will help close opportunity gaps

Location and cost should not be barriers for low-income and underrepresented students in K-12.

RECOMMENDATION

2017-19 biennium
$37.4 million
Serve over 35,000 low-income students

- Increase high school completion and college enrollment.
- Increase the number of low-income and underrepresented students taking rigorous courses.

Fund the College in the High School program and help low-income students with exam fees, transportation, and books.
2017-19 WSAC priorities

<table>
<thead>
<tr>
<th>Priority</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Need Grant</td>
<td>$200.0</td>
</tr>
<tr>
<td>Dual Credit</td>
<td></td>
</tr>
<tr>
<td>Low-income Running Start: transportation and books</td>
<td>$26.6</td>
</tr>
<tr>
<td>State Work Study</td>
<td>$10.0</td>
</tr>
<tr>
<td>Innovation Grants</td>
<td>$3.0</td>
</tr>
<tr>
<td>Adult Reengagement</td>
<td>N/A</td>
</tr>
<tr>
<td>Maintenance Level State Need Grant</td>
<td></td>
</tr>
<tr>
<td>Coordination funding</td>
<td>$18.0</td>
</tr>
<tr>
<td>Tuition growth</td>
<td>$11.0</td>
</tr>
</tbody>
</table>

NOTE: All dollars ($) in millions
WSAC student support activities have grown
Contact
Rachelle Sharpe rachelles@wsac.wa.gov
Maddy Thompson maddyt@wsac.wa.gov