

Meeting of the
OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION
February 2, 2017

AGENDA ITEM:

Reports.

SUBJECT: Financial Aid Report: Overview of Student Financial Aid at State System Institutions for 2014-2015.

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 includes information for the three 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.

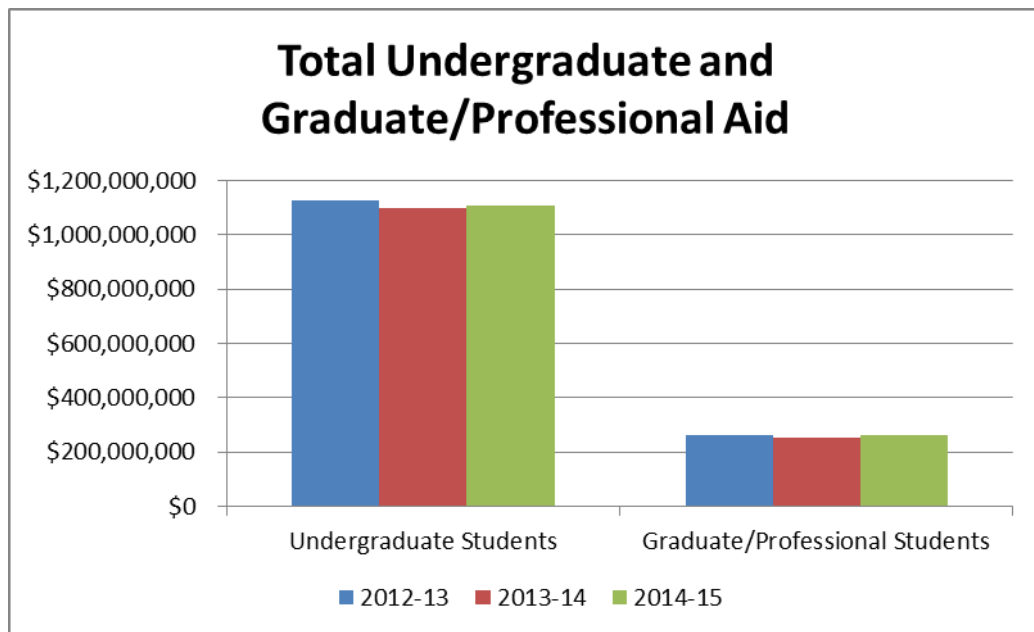
Highlights and Trends

- In each of the past three years, total financial aid for undergraduate and graduate/professional students at state system institutions has exceeded \$1.3 billion. Undergraduate student aid, at \$1.1 billion, accounts for 81 percent of total student aid.
- While total undergraduate student aid has remained relatively steady over the past three years, undergraduate loan volume has *declined* by \$40 million, from \$501 million to \$461 million. This decline is consistent with national trends.
- Over the past three years, undergraduate loan volume has dropped significantly at the community colleges (-\$25 million or -19 percent) and the regional universities (-\$17 million or -10 percent) while increasing slightly at the research universities (+\$2 million or +1 percent).
- Also over the past three years, the percentage of undergraduate aid comprised of loans has declined from 44 percent in 2012-2013 to 42 percent in 2014-2015. Conversely, non-loan aid (grants, scholarships, work-study) has grown from 56 percent to 58 percent.
- Nonresident students account for nearly 23 percent of the total undergraduate student loan volume (\$106 million of \$461 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-five percent of Pell Grant recipients also take out student loans. While Pell Grant recipients make up about one-third of overall undergraduate enrollment, they account for half of the total undergraduate loan volume (\$233 million of \$461 million).
- Of the \$262 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 three years, total student financial aid received by all students in the state system of higher education, both undergraduate and graduate/professional 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/professional students.

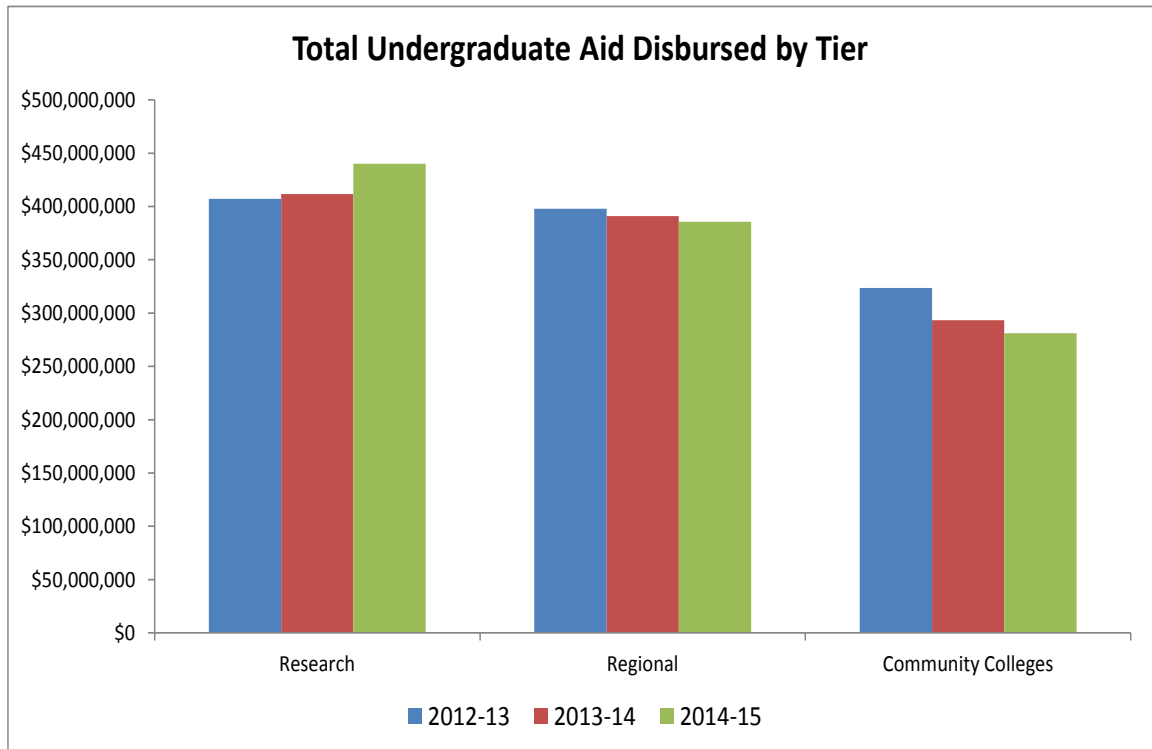
Academic Year	Total State System Financial Aid for Undergraduate & Graduate/Prof. Students	Undergraduate Students	Graduate/Professional Students
2012-13	\$1,389,285,750	\$1,128,518,707	\$260,767,043
2013-14	\$1,347,664,322	\$1,095,824,720	\$251,839,602
2014-15	\$1,368,632,106	\$1,106,857,413	\$261,774,693



Undergraduate Student Financial Aid

- **Distribution of Aid by Tier:** Of the \$1.1 billion in undergraduate student aid, roughly \$400 million went to both the research university tier and the regional university tier while about \$300 million went to students at community colleges. While the total amount of state system aid stayed at about \$1.1 billion over the three years, the amount awarded at the research universities increased by about \$33 million or 8 percent. In contrast, the amount awarded by the regional universities declined by \$12 million or 3 percent while the amount awarded at the community colleges dropped by \$43 million or 13 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

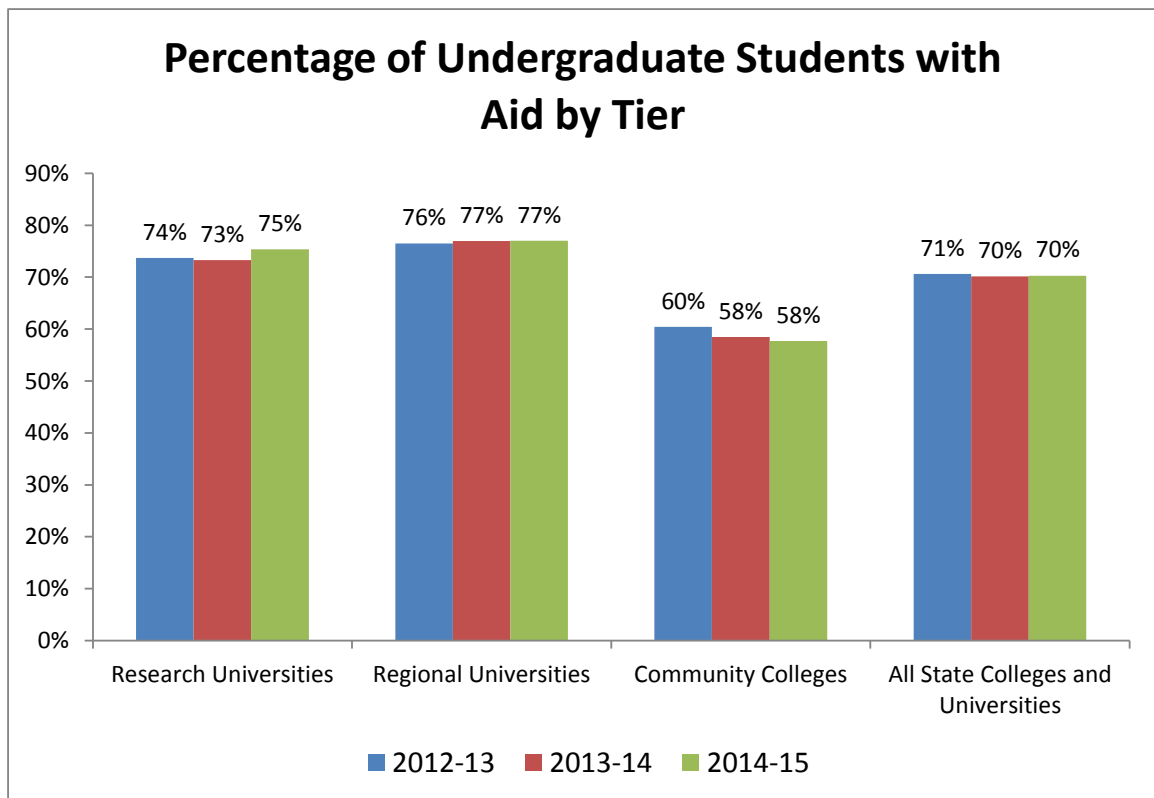


Percentage of Undergraduate Students Receiving Financial Aid

- For the past three years, an average of about 70 percent of undergraduate students has received some form of financial aid.

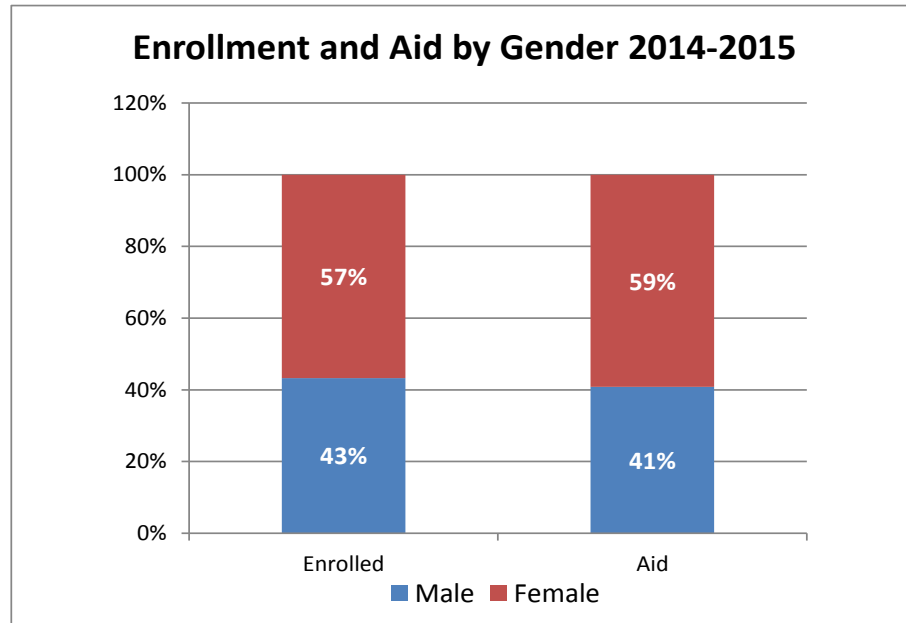
Academic Year	Total Undergraduate Enrollment	Total Undergraduates Receiving Aid	Percent of Undergraduates Receiving Aid
2012-13	203,951	144,061	70.6%
2013-14	193,101	135,086	70.0%
2014-15	188,880	132,751	70.3%

- By tier, the percentage of students (headcount) receiving aid in 2014-15 ranged from a high of 77 percent at the regional universities to 75 percent at the research universities to 58 percent at the community colleges. The total number of students receiving aid by tier in 2014-15 was about 35,000 at the research universities, over 44,000 at the regional universities, and nearly 56,000 at the community colleges.

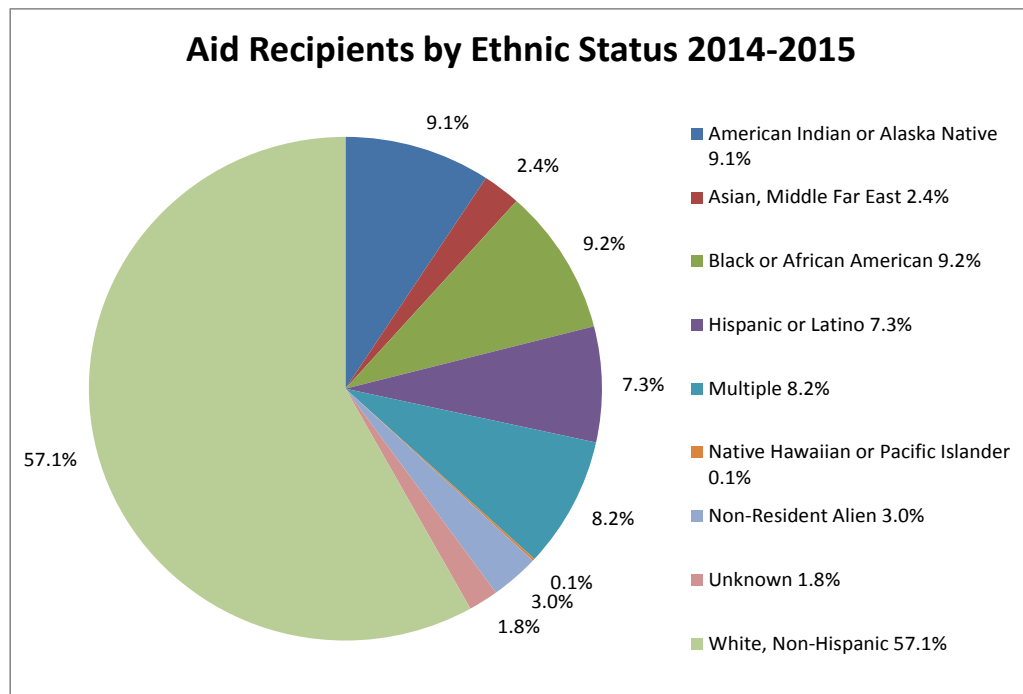


Gender and Ethnicity of Undergraduate Financial Aid Recipients

- The gender of undergraduate aid recipients reflects closely the gender of all enrolled students. In the past three 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.

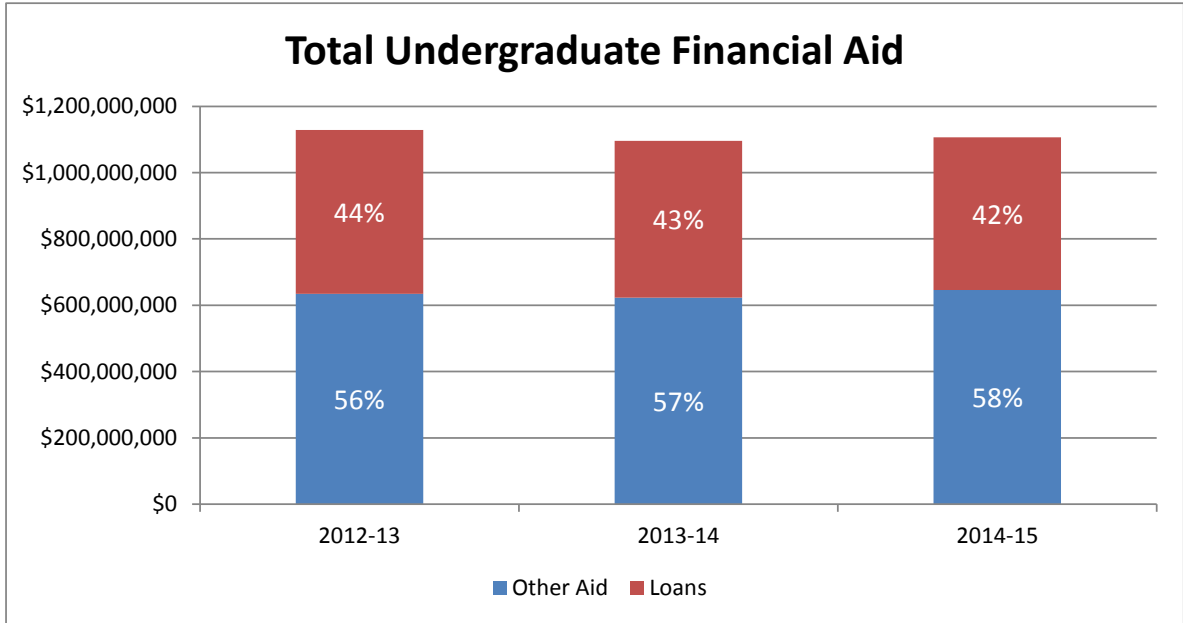


- By ethnicity, the largest group of undergraduate aid recipients was non-Hispanic Whites at 57 percent, followed by American Indians and African-Americans at 9 percent each and Hispanic/Latino students at 7 percent.



Student Loan Data – Undergraduate Students

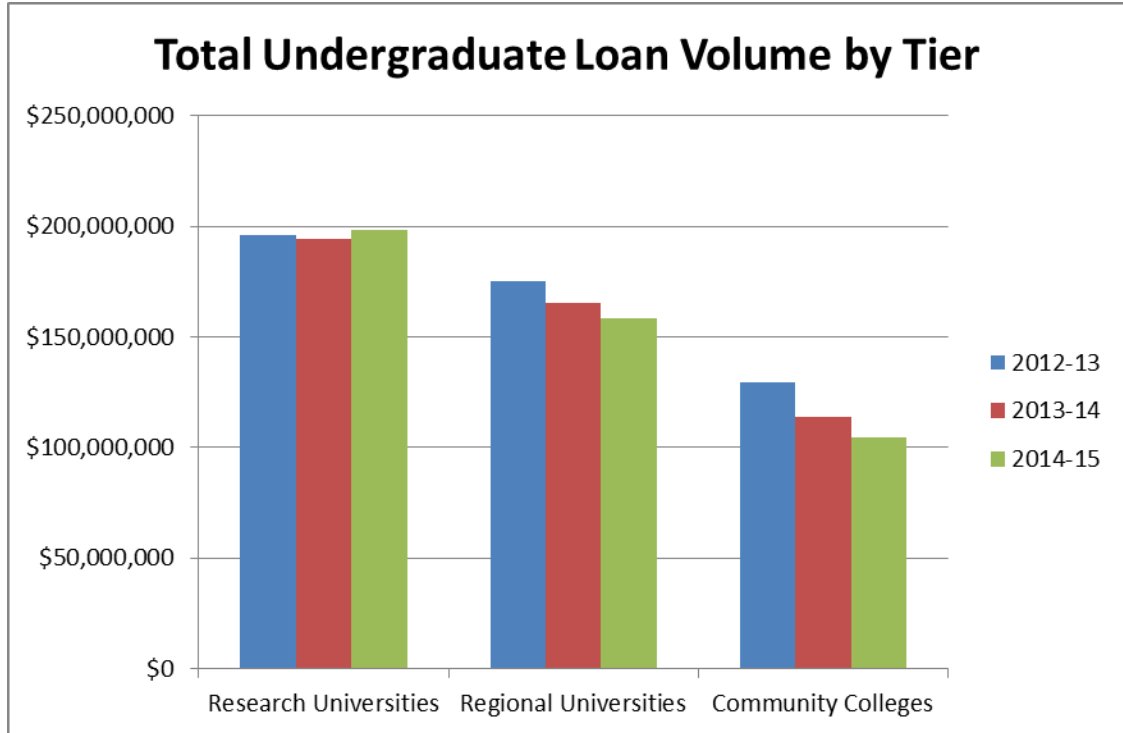
- Loans as a Percentage of Total Aid: From 2012-2013 to 2014-2015 the percentage of total aid in the form of loans declined from 44 percent to 42 percent. Conversely, the proportion from non-loan aid (grants, scholarships, work-study) increased from 56 percent to 58 percent.



- Percentage of Aid from Loans by Tier: By tier, the percentage of aid from loans ranged from 37 percent at the community colleges to 45 percent at the research institutions. The percentage of total undergraduate students receiving loans varied by tier from 21 percent at the community colleges to 42 percent at the regional universities.

2014-2015	Total Aid	Percent of Aid from Loans	Percent of Aid Recipients with Loans	Percent of Enrolled Undergraduates with Loans
Research Universities	\$440,130,881	45%	52%	39%
Regional Universities	\$385,727,561	41%	54%	42%
Community Colleges	\$280,998,971	37%	36%	21%
Total	\$1,106,857,413	42%	47%	33%

- Total Loan Volume by Tier: Total loan volume to undergraduate students has declined each of the past three 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			
	2012-13	2013-14	2014-15
Research Universities	\$196,134,058	\$194,177,996	\$198,070,495
Regional Universities	\$175,045,362	\$165,224,885	\$158,431,482
Community Colleges	\$129,344,497	\$113,578,231	\$104,353,677
System	\$500,523,917	\$472,981,112	\$460,855,654

- Average Loan Amounts Per Borrower by Tier: In 2014-2015, \$460 million was loaned to undergraduate students and parents at state system colleges and universities. Of that amount, 43 percent went to students at the research universities, 34 percent to the regional universities, and 23 percent to the community colleges.

	Total Loans in Millions	Total Borrowers*	Average Annual Loan Per Borrower
2014-2015			
Research Universities	\$198,070,495	18,511	\$10,700
Regional Universities	\$158,431,482	23,716	\$6,680
Community Colleges	\$104,353,677	20,437	\$5,106
Total	\$460,855,654	61,848	\$7,451

*Total is unduplicated.

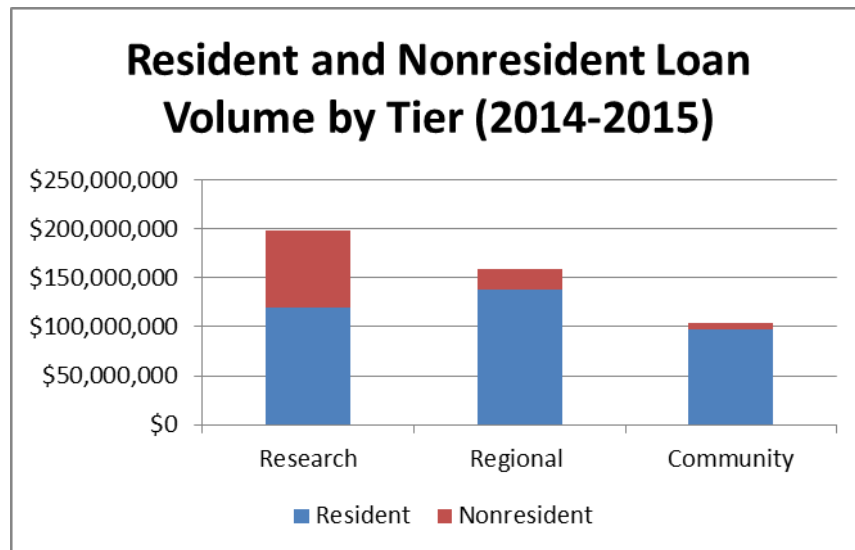
- **Average Loan Amounts by Student Residency Status:** Of the \$460 million in student loans to undergraduates, more than \$100 million or 23 percent went to nonresident students. While the overall average loan amount was \$7,451, for resident students the average was about \$6,700 compared to \$11,900 for nonresident students.

2014-2015	Volume	Borrowers	Average Loan
Resident Students	\$355,317,817	53,108	\$6,690
Nonresident Students	\$105,537,837	8,890	\$11,872
All Students	\$460,855,654	61,848	\$7,451

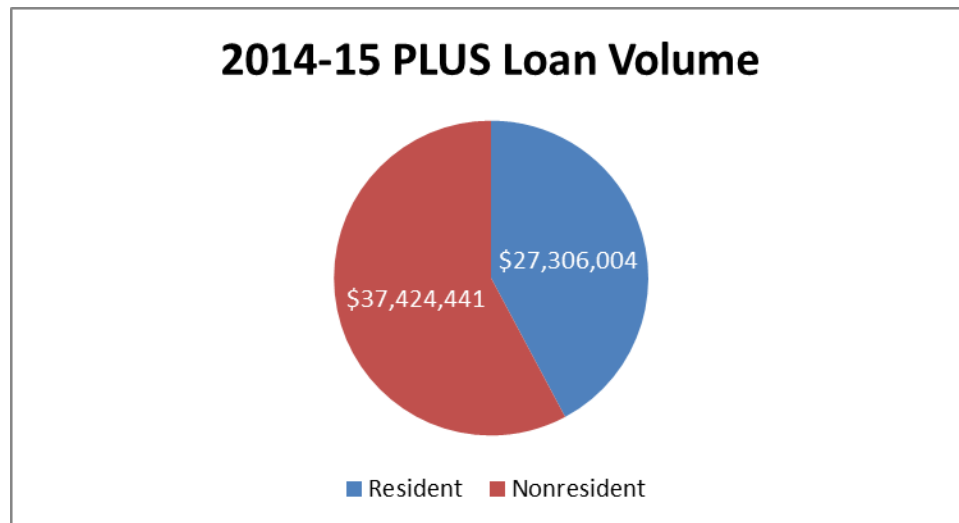
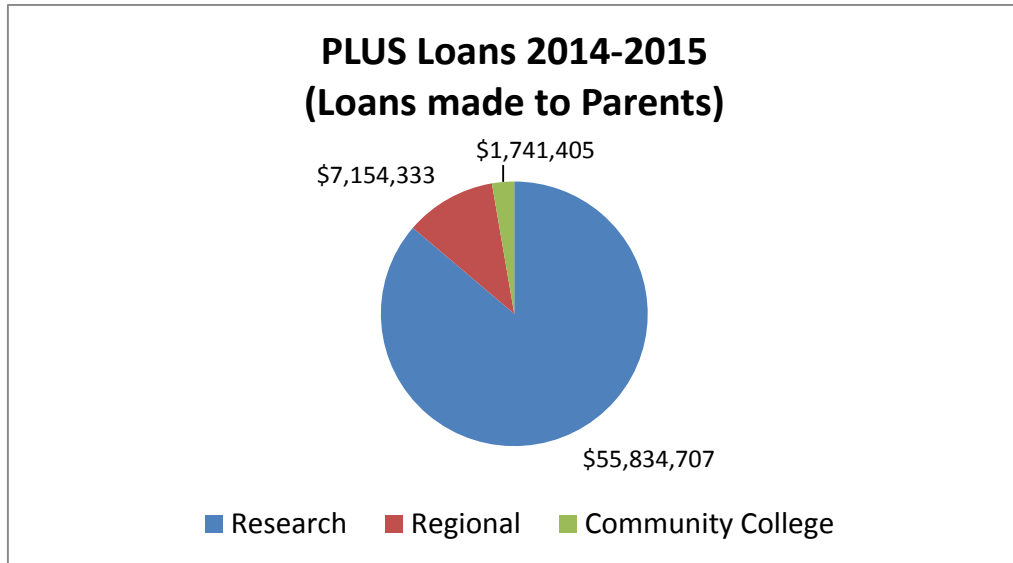
- **Resident vs. Nonresident Cost of Attendance:** As defined by federal financial aid regulations, “cost of attendance” generally includes tuition, fees, books and supplies, room and board, and a limited allowance for transportation and personal expenses. Full-time, dependent student cost data are shown below. The cost of attendance for nonresident students is significantly higher than the cost for resident students.

2014-2015	Resident Average Cost of Attendance	Nonresident Average Cost of Attendance
Research Universities	\$23,273	\$35,950
Regional Universities	\$18,055	\$24,878
Community Colleges	\$15,249	\$20,048
System	\$16,867	\$22,977

- **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 almost \$64 million in 2014-2015. More than 86 percent of the loans were made to parents of students at the research universities and over 58 percent of the loans were made to parents of nonresident students.

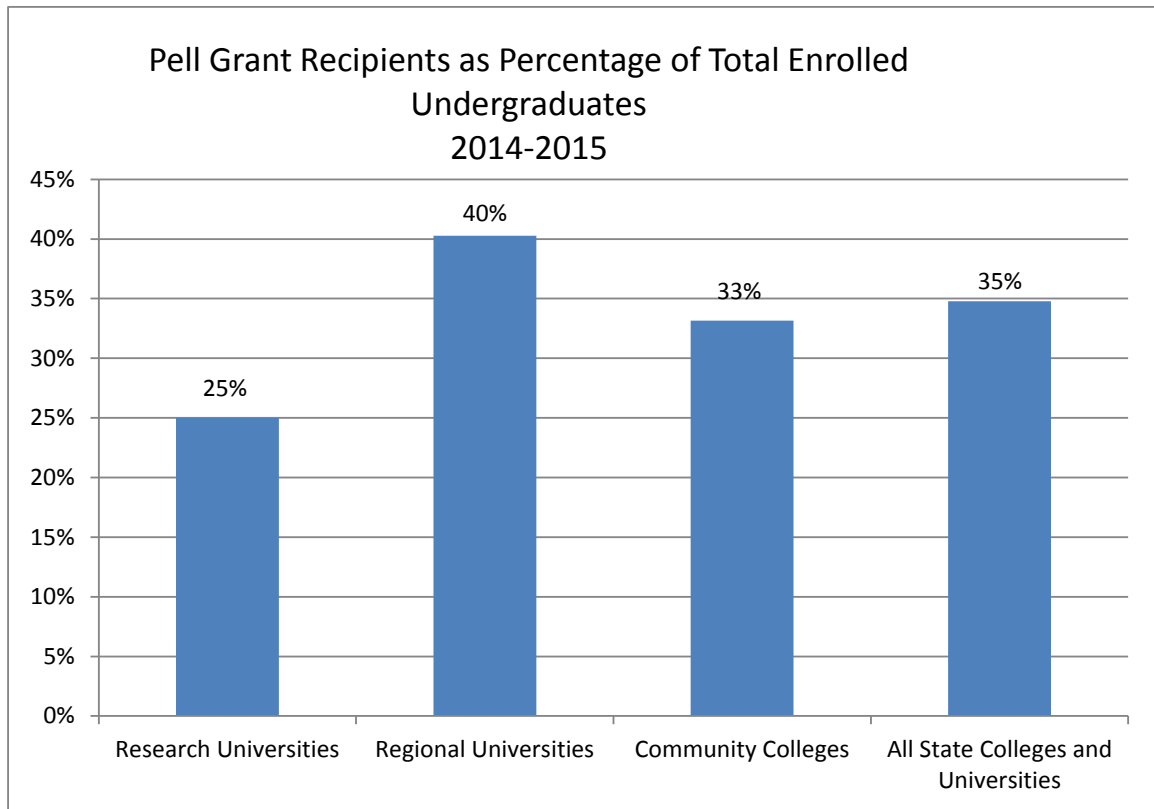


Parent PLUS Loans		Students*	Average
Resident	\$27,306,004	2,729	\$10,006
Nonresident	\$37,424,441	2,035	\$18,390
Total	\$64,730,445	4,755	\$13,613

*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 2014-2015, Pell Grant recipients represented over one-third of all undergraduate students. By tier, their proportion of enrollment ranged from 25 percent at the research institutions to 40 percent at the regional universities. The total number of Pell Grant recipients has dropped over the past three years from about 75,000 in 2012-2013 to less than 66,000 in 2014-2015.



- Pell Grant Recipients and Student Loans: Though Pell Grant students received need-based grant awards, many also rely on student loans to cover their education costs. In 2014-2015, Pell Grant recipients received over \$233 million in student loans which was half of the total student loan volume of \$461 million.

State System Institutions
2014-2015 Undergraduate Financial Aid by Tier

Grants / Scholarships	<u>State System</u>	<u>Research</u>	<u>Regional</u>	<u>Community</u>
Federal				
Pell Grants	\$237,373,073	\$46,091,343	\$87,612,790	\$103,668,940
Other	<u>\$10,221,261</u>	<u>\$2,668,591</u>	<u>\$3,608,933</u>	<u>\$3,943,737</u>
Total Federal Grants	\$247,594,334	\$48,759,934	\$91,221,723	\$107,612,677
State				
Oklahoma's Promise	\$58,815,892	\$20,989,642	\$26,538,512	\$11,287,738
Oklahoma Tuition Aid Grant	\$16,745,941	\$3,790,500	\$6,008,693	\$6,946,748
Academic Scholars	\$8,614,522	\$8,177,672	\$329,000	\$107,850
Other	<u>\$1,205,119</u>	<u>\$25,382</u>	<u>\$1,124,227</u>	<u>\$55,510</u>
Total State Grants and Scholarships	\$85,381,474	\$32,983,196	\$34,000,432	\$18,397,846
Institutional				
Tuition Waivers	\$162,519,113	\$85,807,280	\$51,451,118	\$25,260,715
Foundation	\$26,797,043	\$21,774,126	\$3,929,892	\$1,093,025
Other	<u>\$53,237,298</u>	<u>\$26,428,753</u>	<u>\$17,539,631</u>	<u>\$9,268,914</u>
Total Inst. Schol., Grants & Waivers	\$242,553,454	\$134,010,159	\$72,920,641	\$35,622,654
Total Tribal Grants	\$25,588,826	\$7,192,846	\$11,588,998	\$6,806,982
Total Outside Scholarships & Grants	<u>\$37,379,206</u>	<u>\$16,507,249</u>	<u>\$14,804,866</u>	<u>\$6,067,091</u>
Total Grants and Scholarships	\$638,497,294	\$239,453,384	\$224,536,660	\$174,507,250
Loans				
Federal Subsidized	\$178,143,558	\$54,782,449	\$70,928,764	\$52,432,345
Federal Unsubsidized	\$186,110,966	\$61,947,578	\$75,474,744	\$48,688,644
Federal PLUS	\$64,730,445	\$55,834,707	\$7,154,333	\$1,741,405
Fed. Perkins and Other Fed. Loans	\$5,497,519	\$4,251,861	\$794,735	\$450,923
Private	\$24,456,850	\$19,344,334	\$4,072,156	\$1,040,360
Institutional and Other	<u>\$1,916,316</u>	<u>\$1,909,566</u>	<u>\$6,750</u>	<u>\$0</u>
Total Loans	\$460,855,654	\$198,070,495	\$158,431,482	\$104,353,677
Federal Work Study	<u>\$7,504,465</u>	<u>\$2,607,002</u>	<u>\$2,759,419</u>	<u>\$2,138,044</u>
Total Aid	\$1,106,857,413	\$440,130,881	\$385,727,561	\$280,998,971

State System Institutions
Change in Undergraduate Financial Aid, 2012-13 to 2014-15

Grants / Scholarships	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	Change from 2012-13 to <u>2014-15</u>	% Change
Federal Programs					
Pell Grants	\$264,623,085	\$247,746,452	\$237,373,073	-27,250,012	-10.3%
Other	<u>\$10,915,503</u>	<u>\$10,845,534</u>	<u>\$10,221,261</u>	-694,242	-6.4%
Total Federal Grants	\$275,538,588	\$258,591,986	\$247,594,334	-27,944,254	-10.1%
State Programs					
Oklahoma's Promise	\$55,981,776	\$56,174,384	\$58,815,892	2,834,116	5.1%
Oklahoma Tuition Aid Grant	\$16,636,099	\$17,440,458	\$16,745,941	109,842	0.7%
Academic Scholars	\$8,316,025	\$8,027,556	\$8,614,522	298,497	3.6%
Other	<u>\$1,043,515</u>	<u>\$1,214,614</u>	<u>\$1,205,119</u>	<u>161,604</u>	<u>15.5%</u>
Total State Grants and Scholarships	\$81,977,415	\$82,857,012	\$85,381,474	3,404,059	4.2%
Institutional Aid					
Tuition Waivers	\$138,787,476	\$143,447,594	\$162,519,113	23,731,637	17.1%
Foundation	\$18,760,158	\$22,271,476	\$26,797,043	8,036,885	42.8%
Other	<u>\$48,907,659</u>	<u>\$50,145,036</u>	<u>\$53,237,298</u>	<u>4,329,639</u>	<u>8.9%</u>
Total Inst. Schol., Grants & Waivers	\$206,455,293	\$215,864,106	\$242,553,454	36,098,161	17.5%
Total Tribal Grants	\$23,903,191	\$24,554,125	\$25,588,826	1,685,635	7.1%
Total Outside Scholarships & Grants	\$31,688,863	\$33,139,723	\$37,379,206	5,690,343	18.0%
Total Grants and Scholarships	\$619,563,350	\$615,006,952	\$638,497,294	18,933,944	3.1%
Loans					
Federal Subsidized	\$209,056,789	\$191,123,739	\$178,143,558	-30,913,231	-14.8%
Federal Unsubsidized	\$210,125,499	\$194,217,459	\$186,110,966	-24,014,533	-11.4%
Federal PLUS	\$54,306,220	\$57,813,415	\$64,730,445	10,424,225	19.2%
Fed. Perkins and Other Fed. Loans	\$4,454,857	\$4,919,950	\$5,497,519	1,042,662	23.4%
Private	\$20,599,913	\$22,935,977	\$24,456,850	3,856,937	18.7%
Institutional and Other	<u>\$1,980,639</u>	<u>\$1,970,572</u>	<u>\$1,916,316</u>	-64,323	-3.2%
Total Loans	\$500,523,917	\$472,981,112	\$460,855,654	-39,668,263	-7.9%
Federal Work Study	\$8,431,440	\$7,836,656	\$7,504,465	-926,975	-11.0%
Total Aid	\$1,128,518,707	\$1,095,824,720	\$1,106,857,413	-21,661,294	-1.9%

**2014-2015 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	65,681	11,751	22,890	32,132
Federal SEOG	8,842	689	2,979	5,201
TEACH Grant	183	91	92	-
State Programs				
Oklahoma's Promise	17,775	5,283	7,089	6,837
Oklahoma Tuition Aid Grant	19,665	4,195	7,014	8,750
Academic Scholars	2,020	1,806	155	63
Institutional Aid				
Tuition Waivers	56,633	20,290	17,237	19,474
Foundation Scholarships/Grants	13,899	9,762	3,090	1,050
Institutional Scholarships/Grants	19,895	8,757	5,752	5,415
Tribal Grants & Scholarships	9,292	2,036	4,065	3,416
Loans				
Federal Loans				
Federal Subsidized Loans	50,208	13,574	19,414	17,824
Federal Unsubsidized Loans	45,097	14,618	17,612	13,360
Federal PLUS Loans	4,755	3,516	1,013	242
Federal Perkins Loans	1,652	1,261	254	139
Private Loans	2,128	1,475	525	141
Work Study				
Federal Work Study	3,585	1,016	1,593	982
*Unduplicated within program				
Total Aid Recipients**	132,751	35,417	43,909	56,352
**Unduplicated systemwide				

**Change in Undergraduate Aid Recipients, 2012-13 to 2014-15
For Selected Programs**

	<u>2012-13*</u>	<u>2013-14*</u>	<u>2014-15*</u>	Change from 2012-13 to 2014-15	% Change
Grants and Scholarships					
Federal Programs					
Pell Grant	74,901 (1)	69,531	65,681	-9,220	-12.3%
Federal SEOG	8,621	7,853	8,842	221	2.6%
TEACH Grant	172	170	183	11	6.4%
State Programs					
Oklahoma's Promise	18,508 (1)	17,751	17,775	-733	-4.0%
Oklahoma Tuition Aid Grant	20,032	21,011	19,665	-367	-1.8%
Academic Scholars	1,982	1,892	2,020	38	1.9%
Institutional Aid					
Tuition Waivers	54,789	53,939	56,633	1,844	3.4%
Foundation Scholarships/Grants	11,021	12,238	13,899	2,878	26.1%
Institutional Scholarships/Grants	20,089	20,725	19,895	-194	-1.0%
Tribal Grants & Scholarships	8,991	9,079	9,292	301	3.3%
Loans					
Federal Loans					
Federal Subsidized Loans	61,005	54,015	50,208	-10,797	-17.7%
Federal Unsubsidized Loans	51,633	47,854	45,097	-6,536	-12.7%
Federal PLUS Loans	4,349	4,417	4,755	406	9.3%
Federal Perkins Loans	1,446	1,454	1,652	206	14.2%
Private Loans	1,983	2,107	2,128	145	7.3%
Work Study					
Federal Work Study	3,993	3,732	3,585	-408	-10.2%
Total Aid Recipients**	144,061	135,086	132,751	-11,310	-7.9%

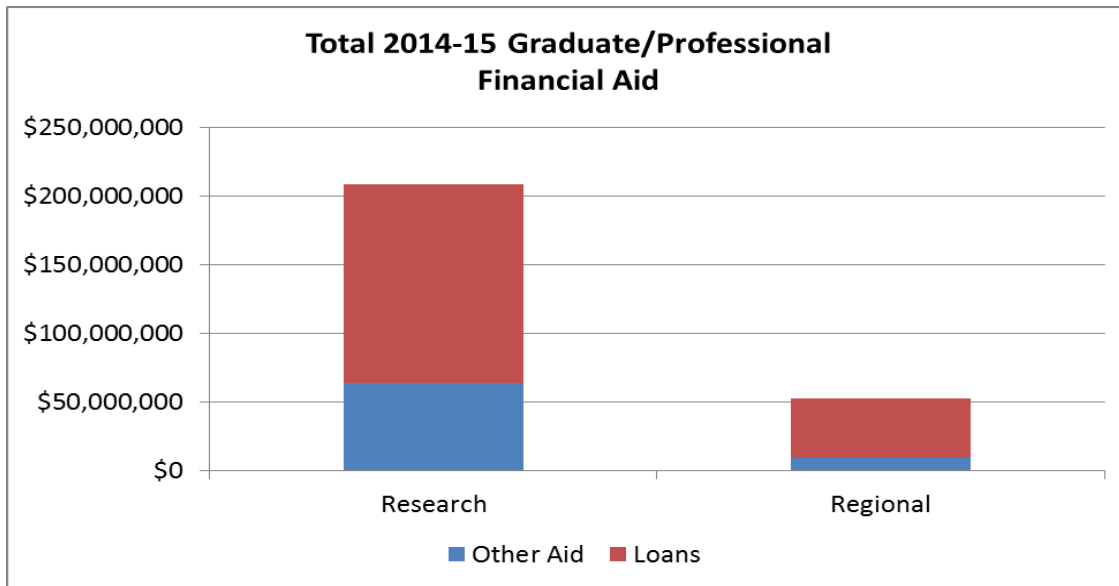
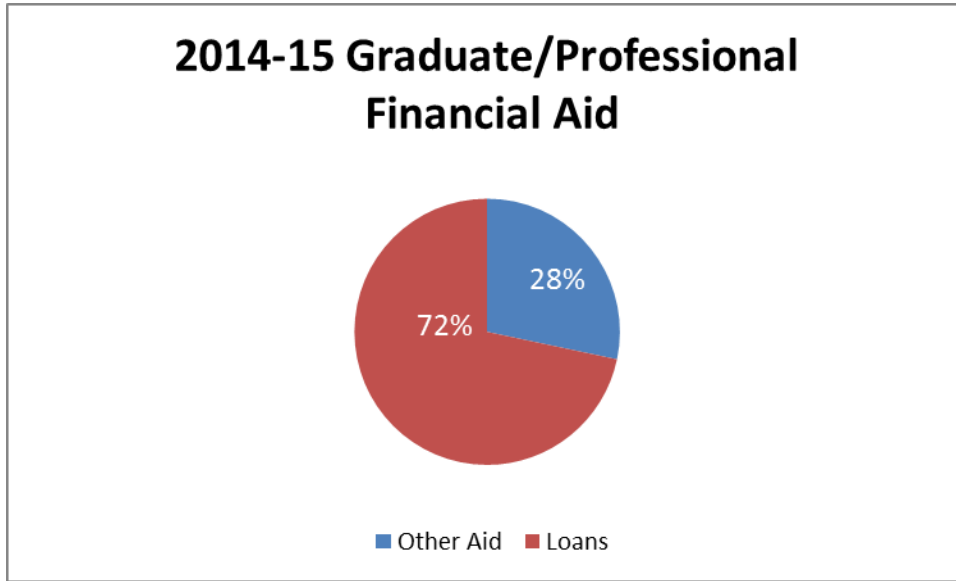
(1) Adjusted to unduplicate recipients

*Unduplicated within program

**Unduplicated systemwide

Financial Aid for Graduate/Professional Students

In 2014-2015, nearly \$262 million in financial aid was awarded to graduate/professional students at the state system institutions. Seventy two percent or almost \$188 million of that aid was in the form of loans compared to 42 percent for undergraduate students. Graduate/professional students at the research universities received \$209 million, 70 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, 81 percent of which was loans.



2014-2015 Loans to Graduate/Professional Students			
	Amount	Borrowers*	Average Annual Loan
Research Universities	\$144,905,122	6,076	\$23,849
Regional Universities	\$42,753,534	3,203	\$13,348
Total	\$187,658,656	9,270	\$20,244

*Total is unduplicated.