



College Affordability and the Governor Guinn Millennium Scholarship and the Silver State Opportunity Grant

For Presentation to the
Committee to Conduct a Study Concerning
the Cost and Affordability of Higher Education
March 22, 2018

Agenda Item VI B-1 (CAHE) Meeting Date: 03-22-18

Today's Presentation

College Affordability and State-Supported Financial Aid Programs (MS [1999] and SSOG [2015])

- College Affordability
- Background/History of Programs
- Target student population
- Funding – sources and amounts
- Initial eligibility requirements
- How the awards are calculated
- Continuing eligibility requirements
- Outcomes to date



College Affordability

College Participation Rates for Students from Low Income Families by State, 2012

Nevada ranks 44th among states for college participation rates for students from low income families

U.S. Average: 39.4%

New Hampshire: 62.7% (highest state rate)

Alaska: 10.9% (lowest state rate)

Nevada: 28.6%

How Accessible are Nevada's Access Institutions?

Nevada:

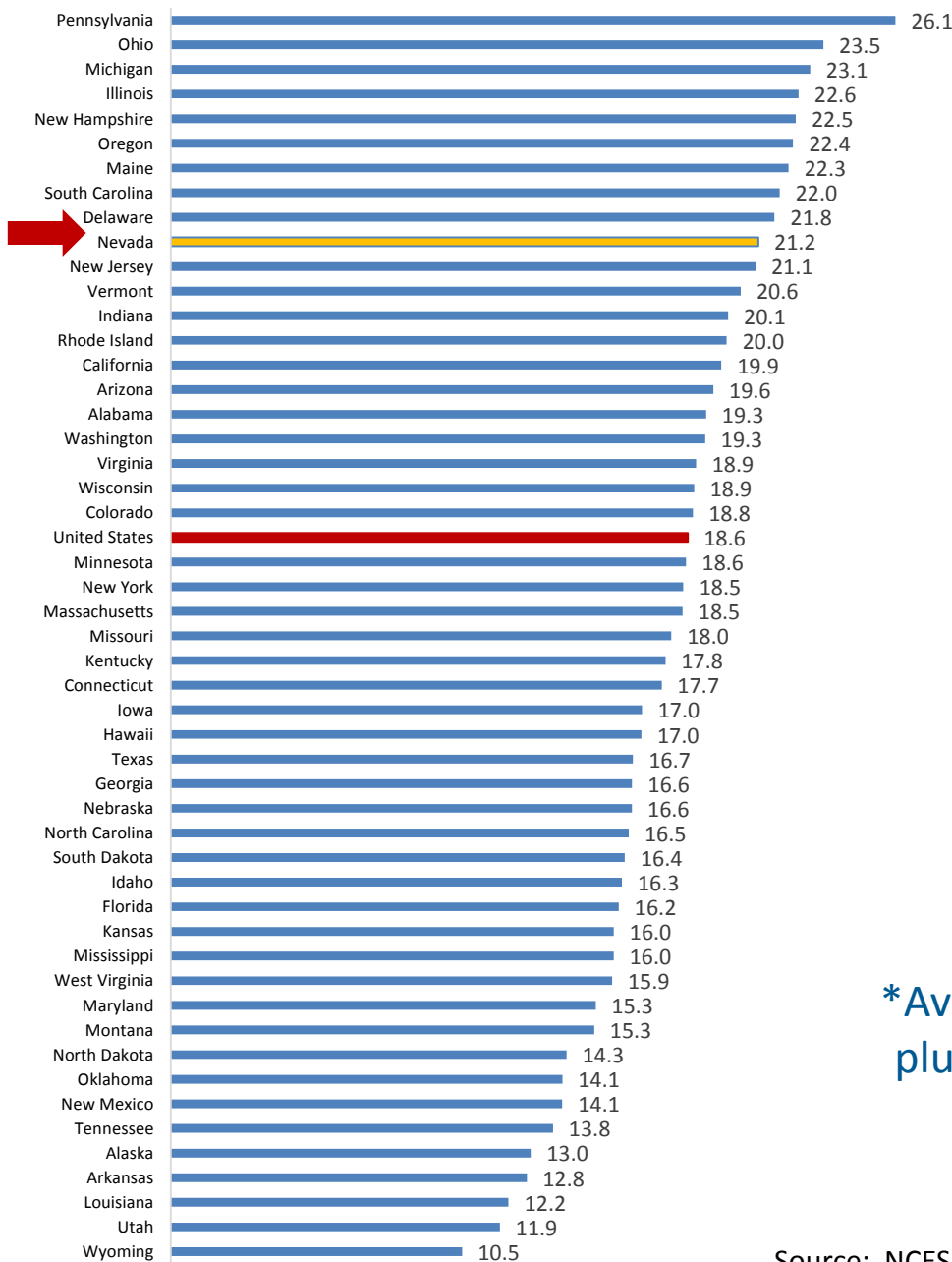
Among the Lowest in the Nation for
2-Year College Participation Rates
for Students from Low Income Families

Select Participation Rates: 2-Year Institutions, 2012

Florida	5.2%
District of Columbia	5.9%
Nevada	6.4%
West Virginia	7.1%
Utah	7.4%
South Dakota	7.8%
2-Year U.S. Rate	15.0%

Source: Postsecondary Education Opportunity, September 2013

Percent of Median Family Income Needed to Pay for College* 4-Year Institutions, 2011-12



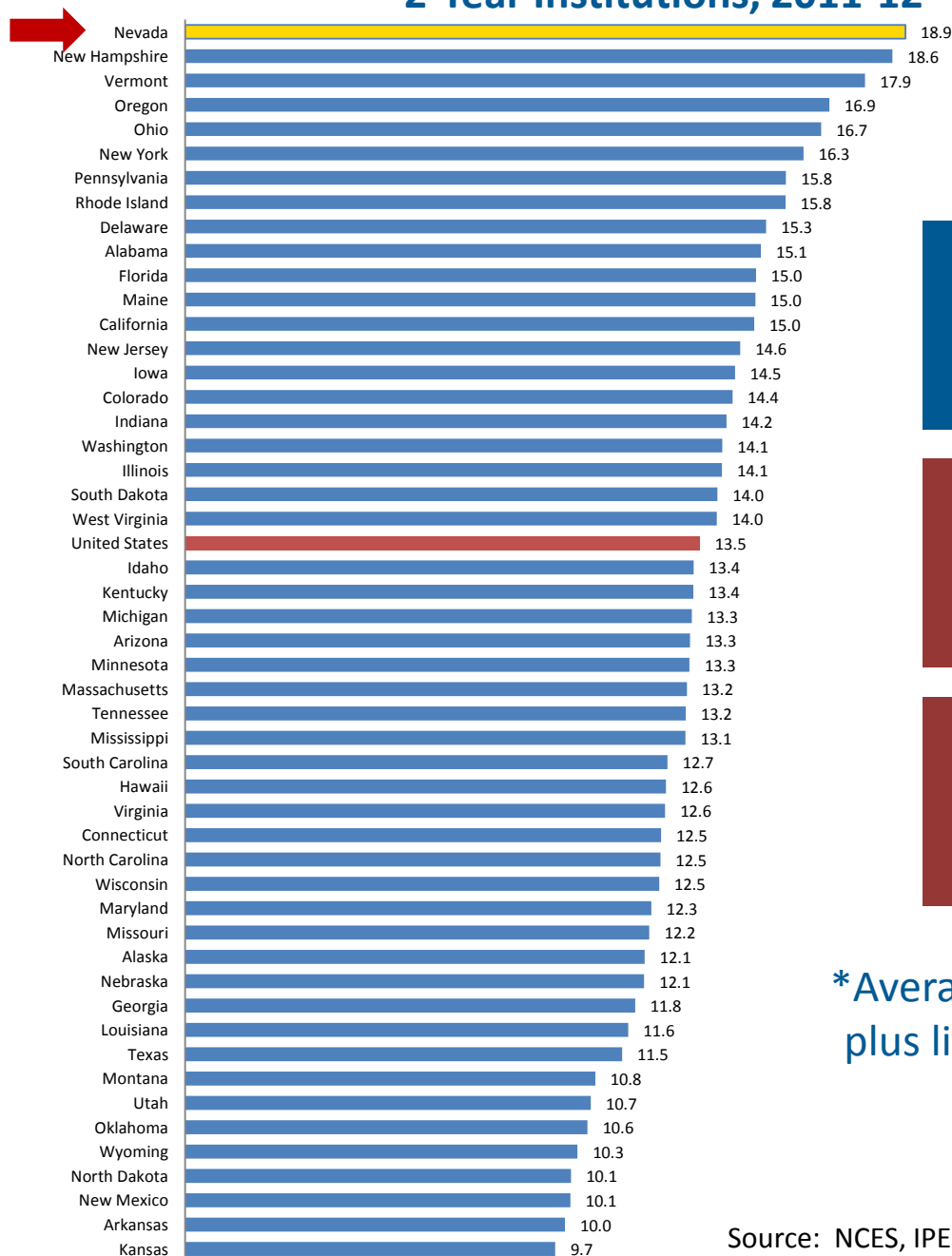
2011-12
Nevada: 21.2%
Nation: 18.6%

2008-09
Nevada: 17.6%
Nation: 16.9%

2006-07
Nevada: 15.4%
Nation: 15.7%

*Average tuition and fees
plus living expenses less
financial aid

Percent of Median Family Income Needed to Pay for College* 2-Year Institutions, 2011-12



2011-12
Nevada: 18.9%
Nation: 13.5%

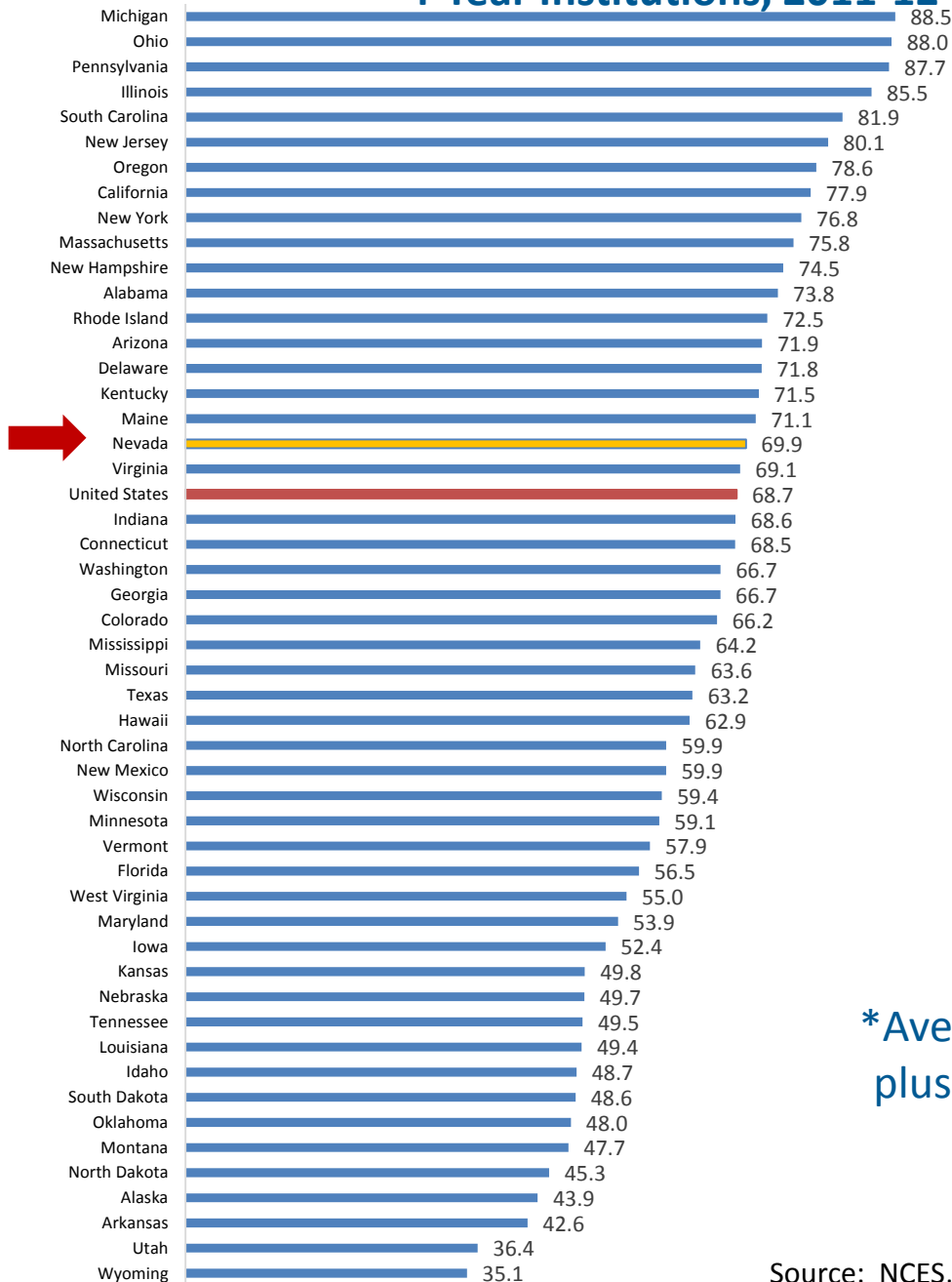
2008-09
Nevada: 16.8%
Nation: 12.9%

2006-07
Nevada: 14.7%
Nation: 12.4%

*Average tuition and fees
plus living expenses less
financial aid

Percent of Income from the Lowest Quintile Needed to Pay for College*

4-Year Institutions, 2011-12



2011-12
Nevada: 69.9%
Nation: 68.7%

2008-09
Nevada: 56.0%
Nation: 60.7%

2006-07
Nevada: 47.5%
Nation: 54.2%

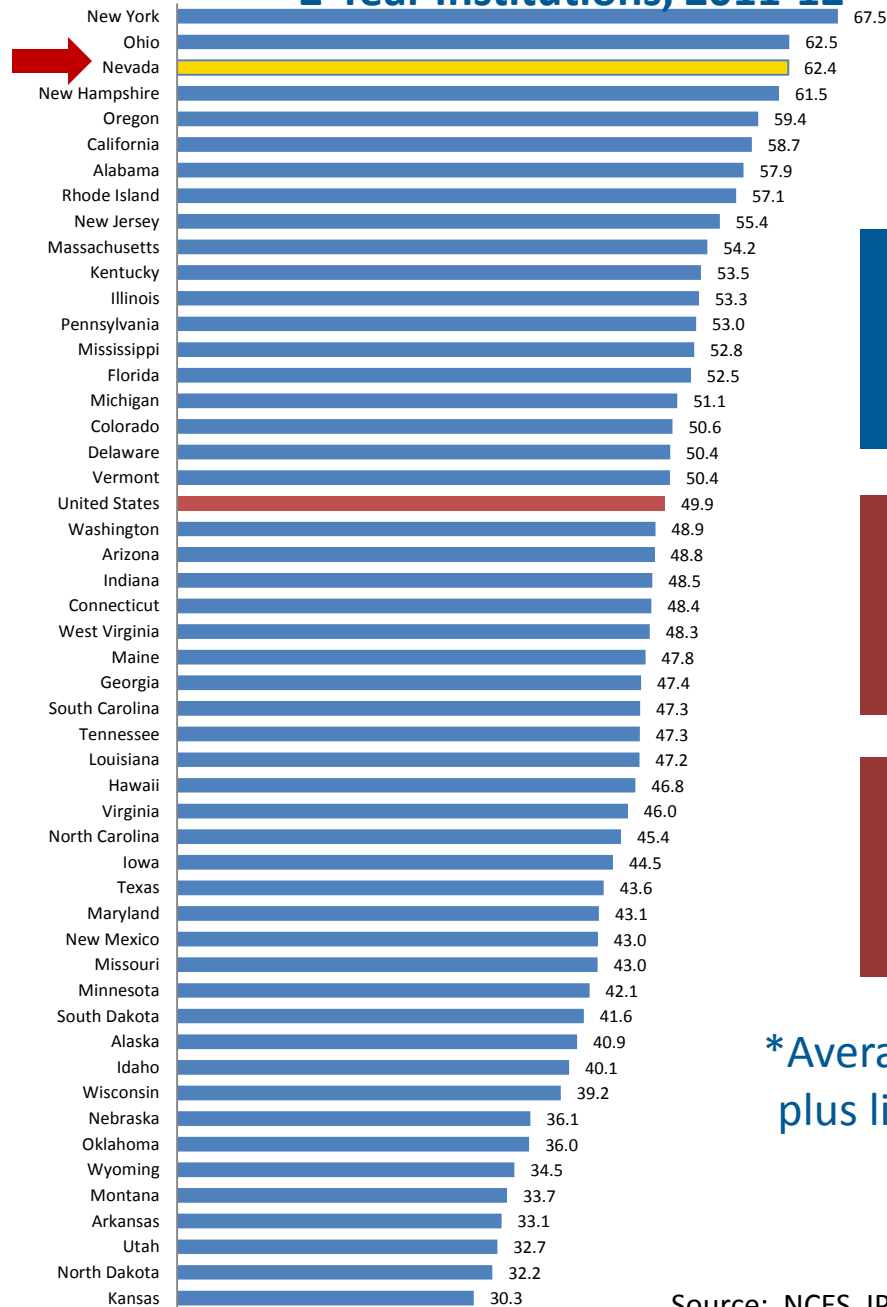
*Average tuition and fees
plus living expenses less
financial aid

Source: NCES, IPEDS

Access and Affordability

Percent of Income from the Lowest Quintile Needed to Pay for College*

2-Year Institutions, 2011-12



2011-12
Nevada: 62.4%
Nation: 49.9%

2008-09
Nevada: 53.4%
Nation: 46.4%

2006-07
Nevada: 45.3%
Nation: 42.8%

*Average tuition and fees
plus living expenses less
financial aid

Source: NCES, IPEDS

Access and Affordability

The Governor Guinn Millennium Scholarship

A State-Supported, Merit-Based Scholarship Program



Governor Guinn Millennium Scholarship

How it all started

The 1999 Session of the Nevada State Legislature, through its enactment of Senate Bill 496 (Chapter 536, *Statutes of Nevada 1999*), established the Millennium Scholarship. Then Governor Kenny Guinn and the Legislature declared their priorities in expending funds from the tobacco master settlement to include increasing the number of Nevada students who attend and graduate from Nevada institutions of higher education.

Governor Guinn Millennium Scholarship

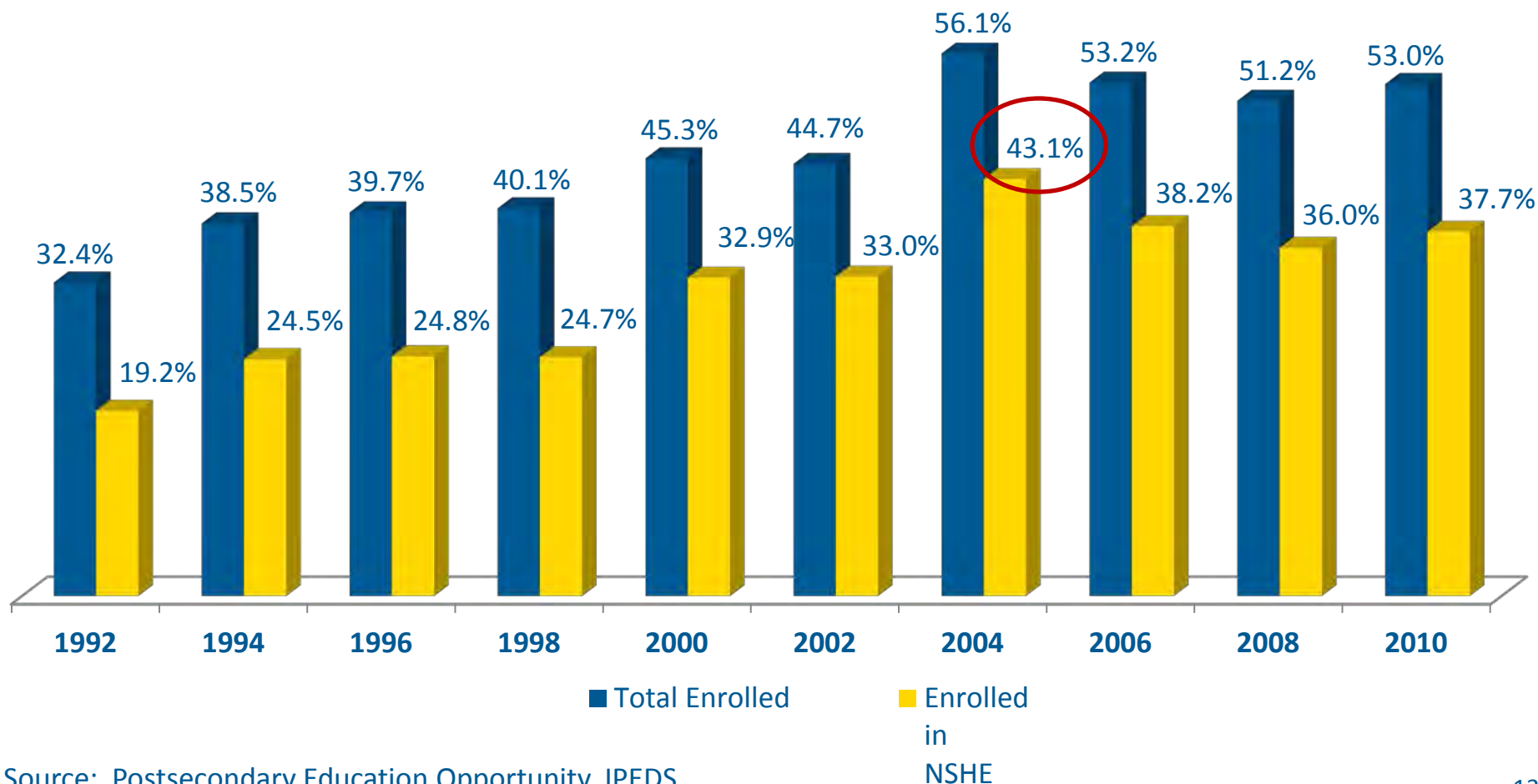


Tobacco Settlement and State Fund Infusions

- 1999: Tobacco settlement funds – diminishing over time
- 2005: \$7.6 million annual infusion from the Unclaimed Property Fund plus \$35 million infusion from State General Fund
- 2008: Suspended regular transfer from Unclaimed Property Fund
- 2010: \$4.2 million infusion from College Savings Endowment Account
- 2011: Restored transfer of \$7.6 million each fiscal year from the Unclaimed Property Fund plus one-time infusion of \$10 million from State General Fund
- 2013: \$7.0 million infusion from State General Fund (\$5 million in Regular Session + \$2 million in Special Session)
- 2017: \$20 million infusion from State General Fund

Governor Guinn Millennium Scholarship

Percent of NV high school graduates enrolled as first-time, degree-seeking college students in the fall semester immediately following graduation



Source: Postsecondary Education Opportunity, IPEDS

Governor Guinn Millennium Scholarship



Eligible Students and Activated Awards

	Class of					
	2000	2004	2010	2012	2014	2016
High School GPA Requirement	3.0	3.0	3.25*	3.25*	3.25*	3.25*
NV Public High School Graduates	12,953	15,583	20,901	21,833	23,152	24,908
MS Eligible Graduates	7,359	9,083	9,124	9,758	10,865	12,721
% Eligible	56.8%	58.3%	43.7%	44.7%	46.9%	51.1%
Activated Scholarships	5,657	6,627	6,129	6,386	6,844	7,553
% of Eligible Scholars who Activated	76.9%	73.0%	67.2%	65.4%	63.0%	59.4%

*GPA requirement plus completion of the core curriculum

Source: NV State Treasurer's Office as of 3/13/18; NV Department of Education

Governor Guinn Millennium Scholarship

Eligible Institutions

NRS 396.916 “Eligible institution” defined. “Eligible institution” means:

1. A university, state college or community college within the System; or
2. Any other nonsectarian college or university that:
 - (a) Was originally established in, and is organized under the laws of, this state;
 - (b) Is exempt from taxation pursuant to 26 U.S.C. § 501(c)(3); and
 - (c) Is accredited by a regional accrediting agency recognized by the United States Department of Education.

- NSHE Institutions
- Roseman University
- Sierra Nevada College

Governor Guinn Millennium Scholarship

Requirements for Initial Eligibility

- ✓ Graduate with a diploma from a **Nevada high school**;
- ✓ Be a **resident** of Nevada for at least two high school years;
- ✓ Affirm **affidavit** regarding legal residency in the United States;
- ✓ Complete the defined **core courses** in high school (4 units of English, 4 units of math, 3 units of Natural Science, 3 units of Social Science and History); and
- ✓ Achieve **3.25** overall high school grade point average or qualifying ACT or SAT score.

Target Population: Traditional Students (age 18-24)

Governor Guinn Millennium Scholarship

The Affidavit Affirming Legal Residency

All students need to acknowledge that they:

- ☐ Are a citizen of the United States; **or**
- ☐ Have a lawful immigration status; **or**
- ☐ Have filed an application to legalize their immigration status; **or**
- ☐ Will file an application to legalize their immigration status as soon as they are eligible to do so.

Governor Guinn Millennium Scholarship

The Process

- There is **no application** process – students are contacted by the Nevada Treasurer's Office if eligible
- **June** – School districts and private/charter high schools submit list of students identified as eligible to the Treasurer's Office
- **End of July** – Eligible students are sent an award packet from the Treasurer's Office with instructions on how to activate and utilize the Scholarship
- **August** – After certification of eligibility by NSHE, institutions begin disbursing fall funds to eligible students who have activated their scholarship

Governor Guinn Millennium Scholarship

Changing Eligibility Requirements

	<u>Initial Eligibility</u> High School GPA Requirement
Class of 2000 thru Class of 2004	3.0
Class of 2005	3.1
Class of 2006	3.1
Class of 2007	3.25
Class of 2008	3.25
Class of 2009 thru Class of 2015	3.25 plus completion of Millennium core courses in high school
Class of 2016 and beyond	3.25 (or qualifying score on ACT or SAT) plus completion of Millennium core courses in high school

**Over time it
became more
and more
difficult for
students and
parents to keep
track of changes
in eligibility
requirements**

Governor Guinn Millennium Scholarship

Requirements for Continuing Eligibility

- ✓ Satisfactory **progress** toward a recognized degree or certificate; and
- ✓ Completion of either 9 credits at a community college or 12 credits at a university or state college with a **2.6 grade point average** per term on the first 29 credits, and a **2.75** per term thereafter.

“Two strike” rule - a student may only regain eligibility once

Governor Guinn Millennium Scholarship

Exceptions Established by the Legislature

- ✓ Students with a documented **physical or mental disability** are excluded from the credit requirements and time limitations, but not from the GPA requirements.
- ✓ Students who have been discharged from **active duty military** or who have participated in a **charitable, religious or public service assignment** may request an extension to the 6-year time limitation.
- ✓ Students who have a parent or legal guardian on **active duty in the Armed Forces** and are residents of or stationed in Nevada are exempt from the 2-year residency requirement and the requirement to graduate from a Nevada high school.

Governor Guinn Millennium Scholarship

How much is the Scholarship?

	Funding Level	Minimum Enrollment Level	Maximum Funding Level
Community College	\$40/credit	9 credits*	15 credits*
State College	\$60/credit	12 credits	15 credits*
University	\$80/credit	12 credits	15 credits*

*Senate Bill 128 (2015) increased minimum enrollment at community colleges from 6 to 9 credits, and increased the maximum funding across all institutions from 12 to 15 to align with 15 to Finish initiatives

**Students may receive the award for the
fall, spring and summer terms**

\$10,000 maximum funding for each student

Governor Guinn Millennium Scholarship

How is the scholarship amount calculated?

Fall and Spring

**Credit Hours
(up to 15 credits)**



Remedial courses count towards credit load requirements but are not eligible for funding

X

**per credit
amount**



\$40 per credit at community colleges;
\$60 per credit at state college;
\$80 per credit at universities

=

**Millennium
Award**



Maximum Annual Award:
\$1,200 at community colleges
\$1,800 at state college
\$2,400 at universities

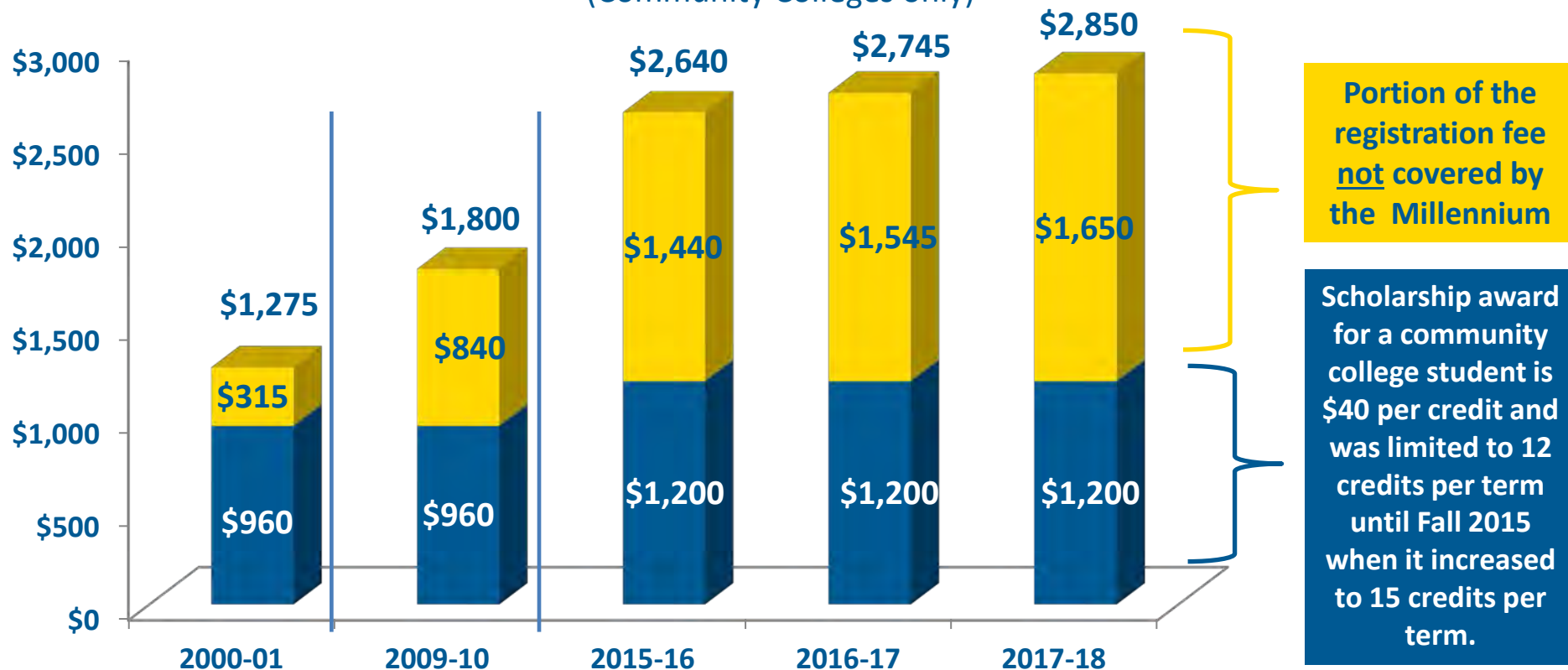
Summer

Students may receive funding for summer school as long as all eligibility requirements are met.
There is no minimum credit load requirement for summer eligibility.

Governor Guinn Millennium Scholarship

The Millennium Scholarship Portion of the Base Registration Fee at 30 Credits

(Community Colleges only)



This analysis assumes full-time enrollment (fall and spring only) at 30 credits per year, excluding other mandatory fees, compared to the scholarship award amount.

Governor Guinn Millennium Scholarship

Distribution of Recent Funding *(NSHE Institutions only)*

2016-17 Millennium Funding		
	Disbursements	% Distribution
Universities	\$27,870,900	87.0%
State College	\$690,405	2.2%
Community Colleges	\$3,456,931	10.8%
TOTAL	\$32,018,236	100.0%

Governor Guinn Millennium Scholarship

Graduation Rates

First-time, full-time, degree-seeking freshmen, entering Fall 2009 and graduating within 150% of normal time to degree (6 years for bachelor's degree, 3 years for associate's degree, 1.5 years for a certificate)

	Millennium Students	Non-Millennium Students
Community Colleges	26.6%	11.0%
Four-Year Institutions	46.7%	37.2%

Source: NSHE Data Warehouse

The Silver State Opportunity Grant

A State-Supported, Need-Based Program

Why was the Program Created?

Nevada's Challenges

- ❖ Aggressive degree productivity and college attainment goals under Complete College America (CCA)
- ❖ Affordability – too many students from low income families in Nevada do not pursue a college degree or credential

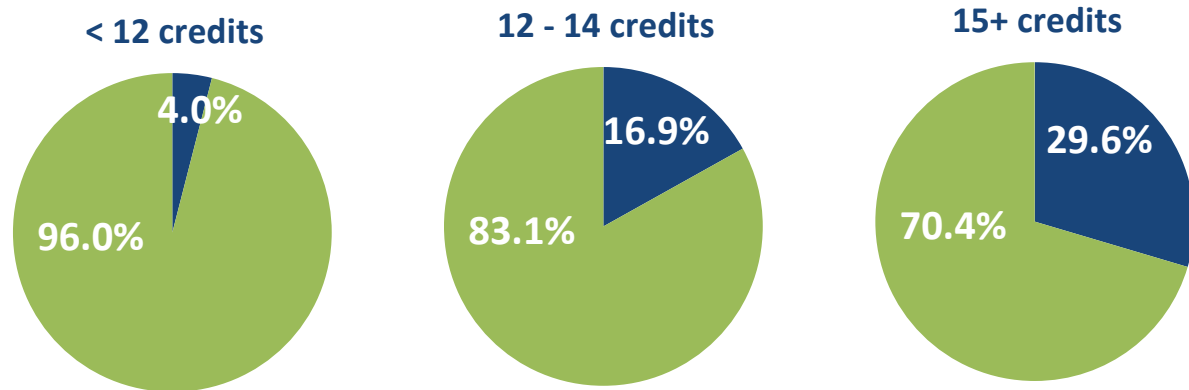
The Solution

- ❖ A need-based, state-supported financial aid program – the SSOG
- ❖ Aimed at making college more affordable to low income students
- ❖ Graduating more students to achieve CCA goals

SSOG and return on investment – go hand-in-hand!

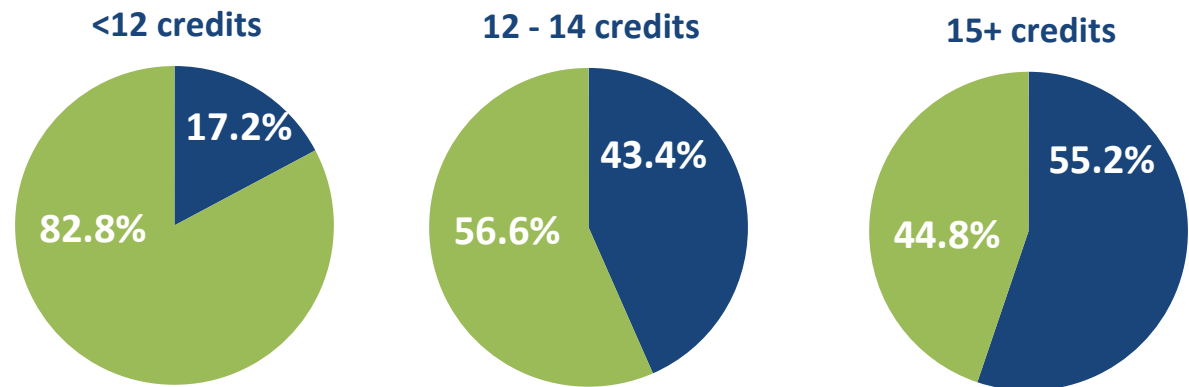
Graduation Rates by Credit Load

NSHE 2-Year Institutions– Fall 2013 Cohort



NOTE: Fall 2013 cohort, first-time, degree seeking students who earned a certificate or associates degree at a community college within 200% time to degree. Enrollment load based on first term.

NSHE 4-Year Institutions – Fall 2009 Cohort

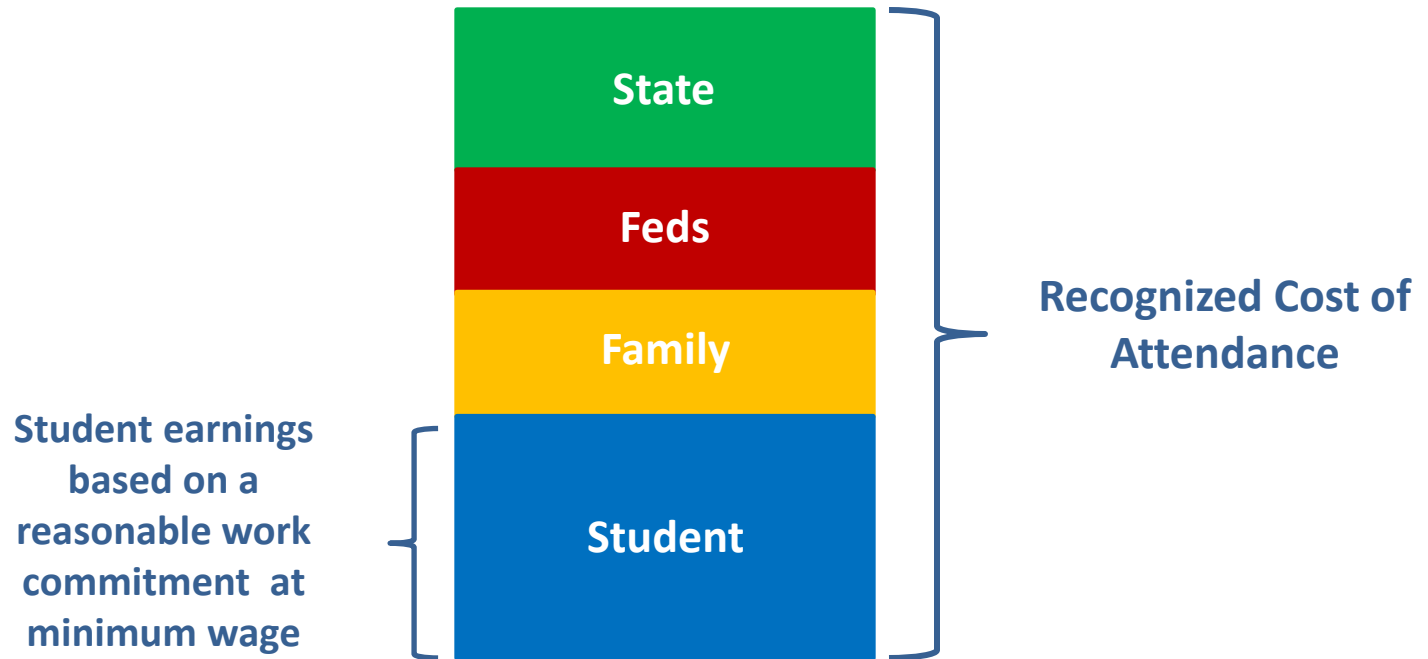


■ % Graduated
■ % Not Graduated

NOTE: Fall 2009 cohort, first-time, degree-seeking students, who earned a bachelor's degree within 200% time to degree at a 4-year institution. Enrollment load based on first term.

Shared Responsibility Model (SRM) for State-Supported Financial Aid

The SRM is a philosophy for awarding grant aid that is based on the **total cost of attendance** (tuition and fees and living expenses) being shared by **partners** (the state, feds, family, and the student).



Source: *States in the Driver's Seat: Leveraging State Aid to Align Policies and Promote Access, Success and Affordability.* WICHE, 2014.

Eligibility Criteria Established by State Legislature (SB 227,2015)

- Enrolled full-time – 15 credits
- Enrolled in a program of study leading to a degree or certificate
- College Ready – placement or completion of entry-level, college-level mathematics and English
- Nevada resident
- Complete the Free Application for Federal Student Aid (FAFSA)

Target Population:
Traditional (age 18-24) and Non-Traditional (age 24+),
Low-Income Students

Award Calculation and Funding

❖ SSOG Calculation

Average Annual Cost of Attendance

- Student Contribution (\$5,500)
- Expected Family Contribution (EFC)
- Federal Contribution (Pell, SEOG, TEACH)

= SSOG Award (\$200 minimum; \$5,500 maximum)

- ## ❖ Distributing Funds
- grants are awarded in ascending EFC order to the financially neediest students first up to 8500 EFC

❖ State Support

- \$2.5 million for 2015-16
- \$2.5 million for 2016-17
- \$5.0 million for 2017-18
- \$5.0 million for 2018-19

Distribution of Funding for State-Supported Financial Aid Programs

	2016-17 Millennium Funding	2017-18 SSOG Funding*	2018-19 Promise Funding
Universities	\$27,870,900	n/a	n/a
State College	\$690,405	\$1,000,000	n/a
Community Colleges	\$3,456,931	\$4,000,000	\$3,500,000
Total	\$32,018,236	\$5,000,000	\$3,500,000

*distribution figures rounded for example purposes

EXAMPLES: SSOG Award Calculations

	Very Low Income Student (off-campus budget)	Very Low Income Student (with parent budget)	Very Low Income Student (on-campus budget)
Avg. Annual Cost of Education ¹	\$19,066	\$12,936	\$15,385
Student Contribution ²	- \$5,500	- \$5,500	- \$5,500
Family Contribution ³	- \$0	- \$0	- \$0
Federal Contributions ⁴	- \$5,920	- \$5,920	- \$5,920
State Contribution (SSOG award)	\$5,500 /year or \$2,750 /fall & spring semesters	\$1,516 /year or \$758 /fall & spring semesters	\$3,965 /year or \$1,982.50 / fall & spring semesters

¹ Average Annual Cost of Education is based on federal methodology and includes tuition and fees, books and supplies, room and board, and other living expenses for students attending full-time during the fall and spring semesters. On-campus budget applies to GBC only. Example is based on 2017-18.

² As the principal beneficiary, the student is expected to contribute toward his/her own education costs. Sources may include earnings, savings, borrowing, scholarships or non-federal grants. The dollar amount of the student share is determined by the Board of Regents based on the expectation of a reasonable work commitment throughout the year.

³ Expected Family Contribution (EFC) is determined under federal methodology and based on data provided in completing the Free Application for Federal Student Aid (FAFSA).

⁴ In practice, the federal contribution will include the Pell Grant, the Supplemental Educational Opportunity Grant (SEOG), and the federal TEACH Grant. Example is based on 2017-18 Pell Grant eligibility (full-time attendance assumed).

SSOG Recipients by Income Level, 2015-16

Dependent Students

Income Range	Number of Students	Dollars Awarded
\$19,999 or less	165	\$268,688
\$20,000 - \$39,999	221	\$300,009
\$40,000 - \$49,999	80	\$116,421
\$50,000 - \$59,999	46	\$83,191
\$60,000 - \$79,999	34	\$47,443
\$80,000 - \$99,999	10	\$17,122
\$100,000 or more	1	\$296
Total	557	\$833,169
Median Income: \$21,850		

Independent Students

Income Range	Number of Students	Dollars Awarded
\$2,999 or less	115	\$337,612
\$3,000 - \$5,999	28	\$84,470
\$6,000 - \$9,999	57	\$197,795
\$10,000 - \$14,999	54	\$194,163
\$15,000 - \$19,999	59	\$204,034
\$20,000 - \$29,999	99	\$335,843
\$30,000 - \$39,999	44	\$129,316
\$40,000 - \$49,999	19	\$70,710
\$50,000 or more	31	\$112,890
Total	506	\$1,666,832
Median Income: \$14,823		

Incentivizing Students to Take 15 Credits

Fall 2015 SSOG Recipients Enrollment Level in the Prior Fall Term

Enrollment Level in Fall 2014	% of Fall 2015 Recipients
15 or more credits	26.3%
12 – 14.5 credits	49.0%
Less than 12 credits	24.7%
Less than 15 credits	73.7%

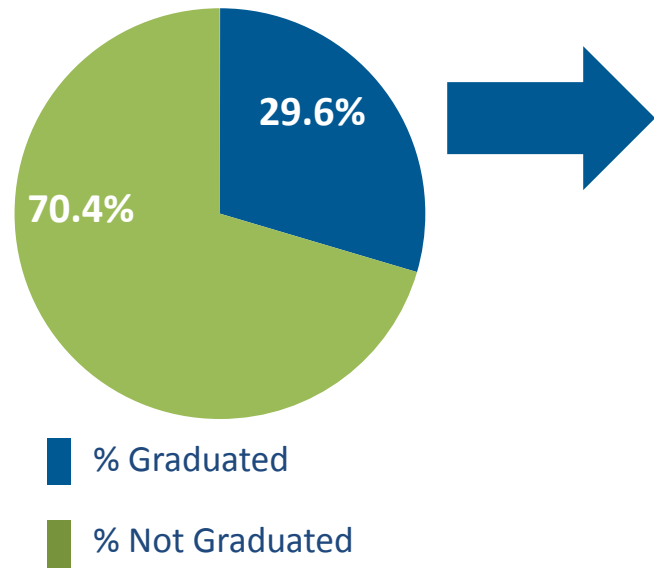
Outcomes: Year 1

Year One SSOG Recipients and Comparison Groups Persistence and Graduation Rates by Enrollment Level

Recipient/Enrollment Status	Persisted or Graduated		Graduated by 6/2017
	Spring 2016	Fall 2016	
SSOG Recipients	93.5%	83.4%	49.9%
SSOG Eligible Non-Recipients	94.7%	83.5%	48.3%
Comparison Group – Less than 15 Credits	83.6%	72.1%	33.1%
12 – 14.5 credits	88.4%	76.9%	36.8%
Less than 12 credits	81.1%	69.6%	31.2%

Credit Load and Graduation Rates

15+ credits first term*



Graduation Rate based on
First Year Enrolled Credits
for Students Enrolled in at least
15 Credits in First Term

30+ credits enrolled first year	42.9%
<30 credits enrolled first year	20.0%

* Fall 2013 cohort, first-time, degree seeking students who earned a certificate or associates degree at a community college within 200% time to degree. Enrollment load based on first term.

Questions?



www.nevada.edu