

State Grant Programs: A National Context



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August 2012

**Changes State Fiscal Support for Higher Education
(Including Federal Stimulus Funds)**

	FY07-FY12	FY10-FY12	FY11-FY12
Colorado	-6.1%	-22.0%	-15.4%
U.S.	-3.8%	-7.3%	-7.5%

Changes in Public Four-Year In-State Tuition and Fees

	2006-07 to 2011-12	2009-10 to 2011-12	2010-11 to 2011-12
Colorado	64%	25%	11%
U.S.	42%	17%	8%

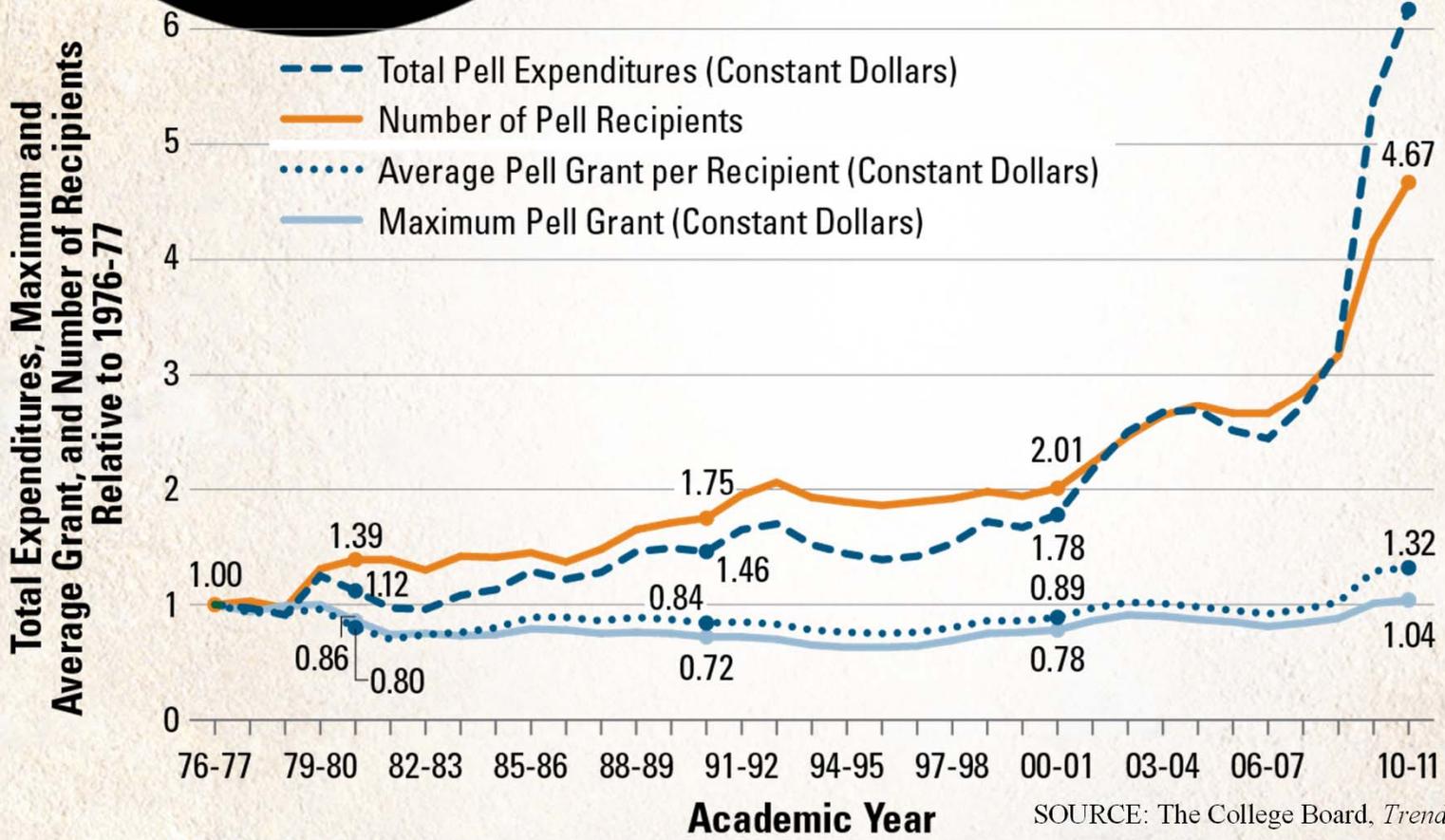
Average Public Four-Year In-State Tuition and Fees

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Colorado	\$4,772	\$5,435	\$5,792	\$6,270	\$7,078	\$7,849
U.S.	\$5,804	\$6,191	\$6,591	\$7,050	\$7,613	\$8,244



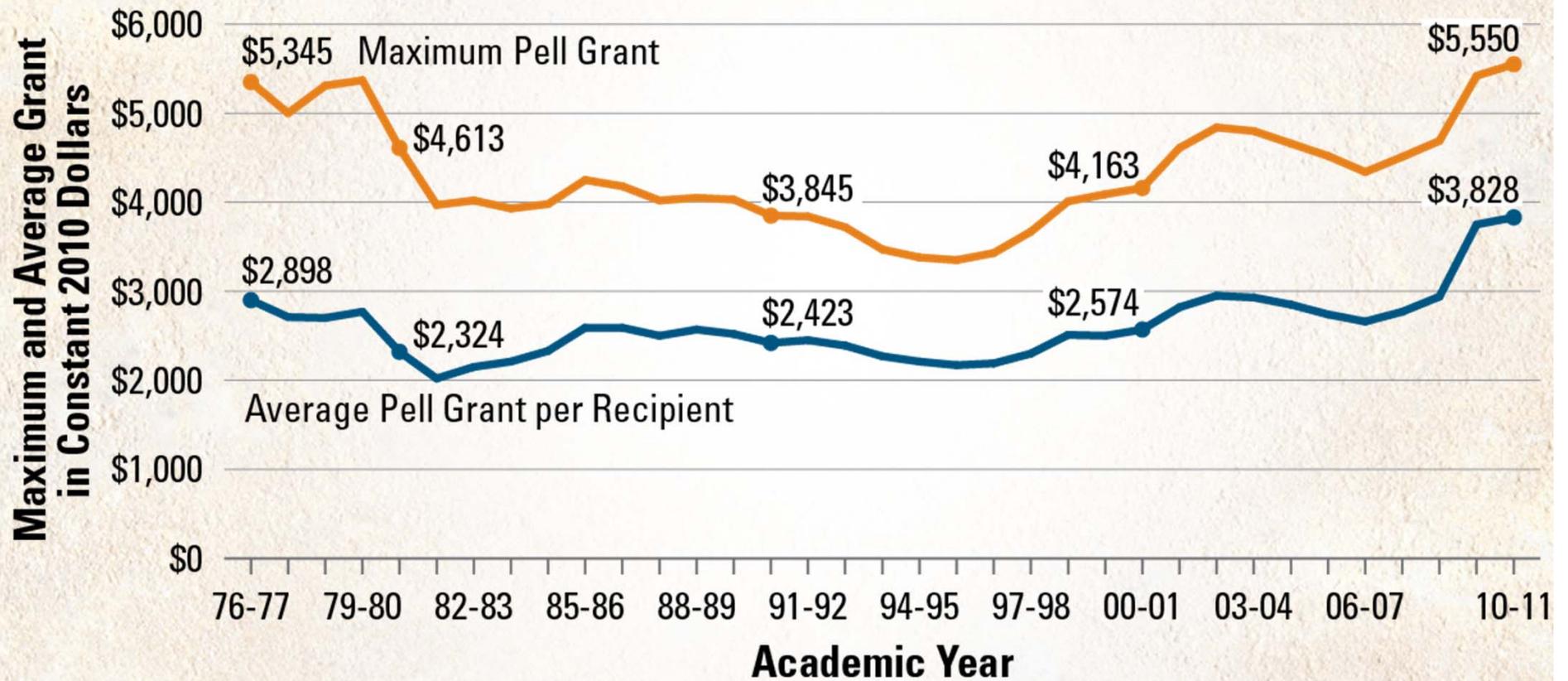
What's Happening to Pell Grants?

Total Pell Expenditures, Maximum and Average Pell Grant in Constant 2010 Dollars and Number of Recipients Relative to 1976-77 Level

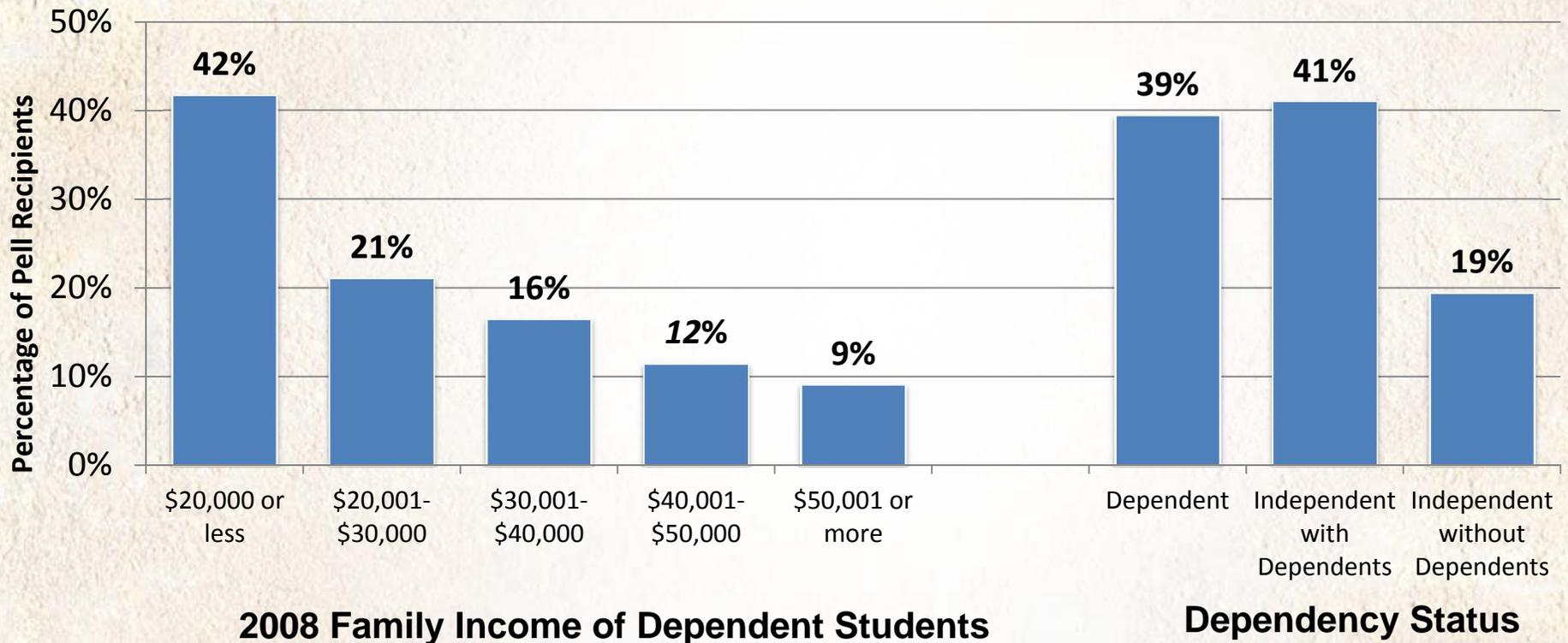


SOURCE: The College Board, *Trends in Student Aid 2011*

Maximum and Average Pell Grant in Constant 2010 Dollars, 1976-77 to 2010-11



Percentage Distribution of Pell Grant Recipients by Family Income and Dependency Status, 2009-10



Academic Year	Expenditures in Millions of 2010 Dollars	Maximum Grant in 2010 Dollars	Number of Recipients (in Thousands)	Percent of Recipients Independent
1975-76	\$3,725	\$5,631	1,217	29.8%
1980-81	\$6,293	\$4,613	2,708	40.6%
1985-86	\$7,275	\$4,247	2,813	50.4%
1990-91	\$8,251	\$3,845	3,405	61.1%
1995-96	\$7,822	\$3,345	3,612	58.5%
2000-01	\$10,038	\$4,163	3,899	56.2%
2005-06	\$14,162	\$4,519	5,168	59.0%
2006-07	\$13,731	\$4,339	5,165	58.4%
2007-08	\$15,361	\$4,511	5,543	57.8%
2008-09	\$18,129	\$4,689	6,156	59.0%
2009-10	\$30,362	\$5,416	8,094	60.5%
2010-11	\$34,762	\$5,550	9,081	59.6%



Recent Changes

- Minimum Pell still 10% of maximum, but no bump-up for those eligible for 5% - 10%
- Eligibility down from 18 to 12 full-time semesters
- High school diploma or GED required
- Auto-zero EFC from \$31,000 to \$23,000

Potential Changes

- Lower income protection allowance or other changes in EFC
- Define full-time as > 12 credit-hours
- Eliminate Pell for less-than half-time students
- Bigger changes:
 - Simplification
 - Institutional eligibility

Risks to the Federal Aid System



Budget deficit

Concern over rising prices

Student debt issues

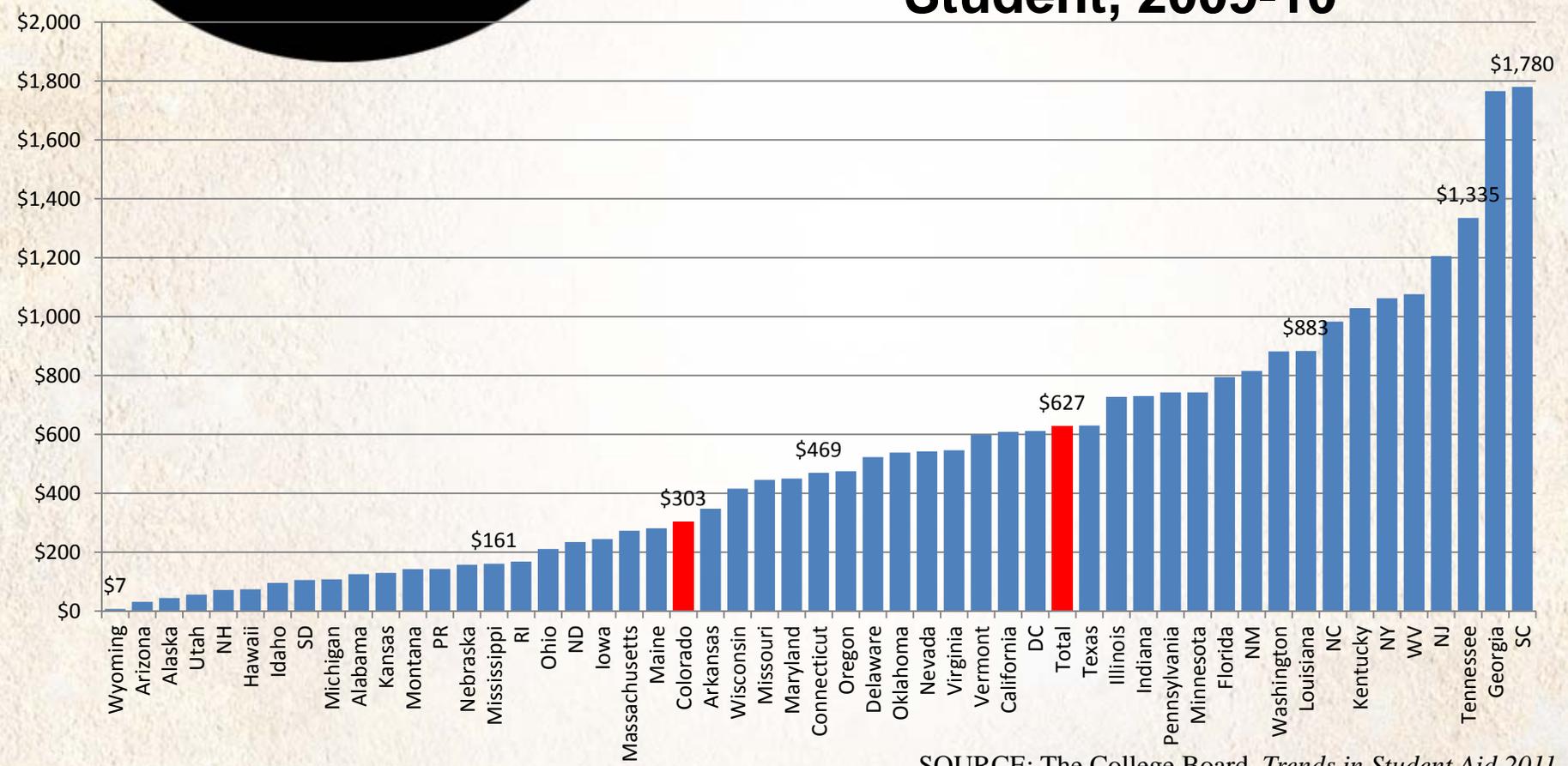
Questions about value of degree

What to do about the for-profit sector



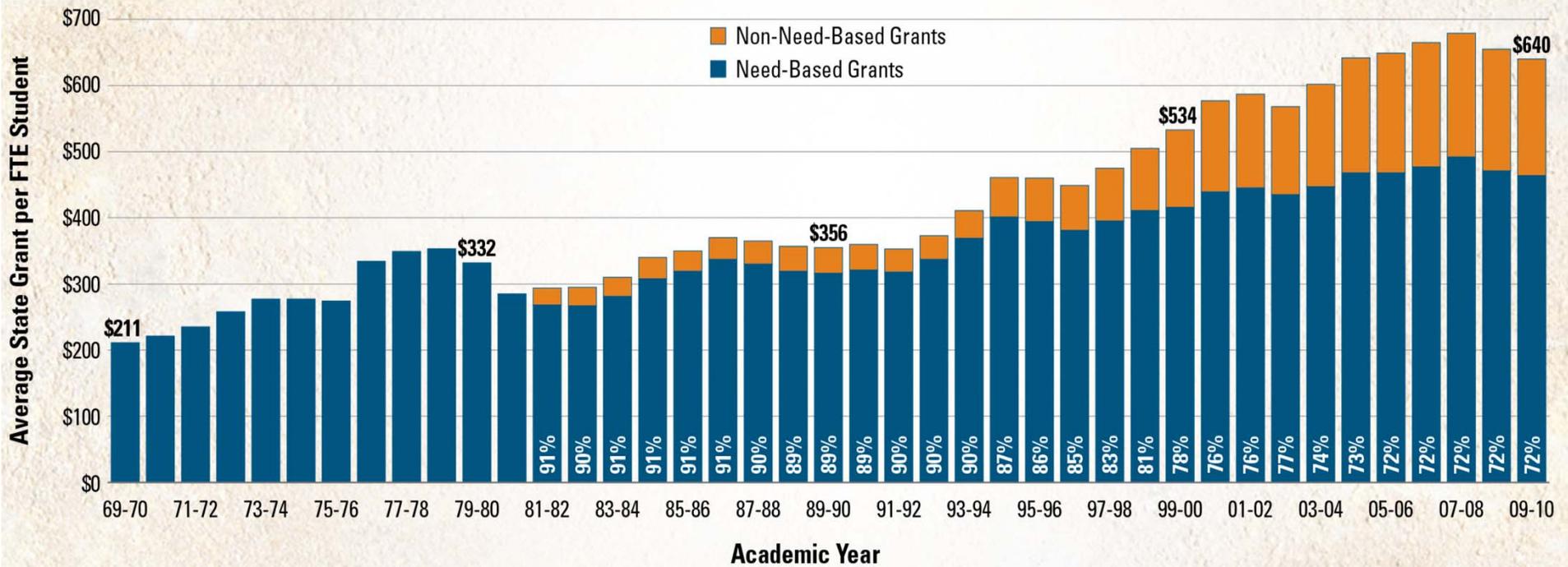
State Grant Programs

State Grant Aid per Full-Time Equivalent (FTE) Undergraduate Student, 2009-10



SOURCE: The College Board, *Trends in Student Aid 2011*

Per Full-Time Equivalent (FTE) Undergraduate Student in Constant 2010 Dollars, 1969-70 to 2009-10



	Public 4-yr TF 2011-12	Public 2-yr TF 2011-12	State Grant \$ /UG FTE	% Based on Need
SC	\$3,731	\$10,300	\$1,780	19%
GA	\$3,078	\$6,808	\$1,766	0%
NJ	\$4,111	\$12,041	\$1,205	93%
LA	\$2,452	\$5,123	\$883	16%
WA	\$3,805	\$9,484	\$882	98%
NM	\$1,498	\$5,457	\$816	28%
US	\$2,963	\$8,244	\$627	72%
CA	\$1,119	\$9,022	\$609	100%
VT	\$6,520	\$13,078	\$599	100%
OR	\$4,029	\$7,988	\$474	100%
CO	\$3,397	\$7,849	\$303	99%
NH	\$6,741	\$13,507	\$71	100%
UT	\$3,009	\$5,292	\$55	53%
AZ	\$2,124	\$9,428	\$31	99%
WY	\$2,325	\$4,125	\$7	100%

Issues for States



Complexity

Multiple programs
Tuition set-asides vs. state grants

Targeting

Based on financial circumstances
Relationship to Pell



Issues for States, Cont.

Incentives for success

Past vs. future success

Time to degree

Rationing

First-come /first-served (IL, KY, TN)

Distributing cuts (MN formula modification)

Relationship to academic progress

(TX proposals for enrollment intensity, semesters of eligibility)