STATE OF COLORADO



DEPARTMENT OF HIGHER EDUCATION

Bill Ritter, Jr. Governor

D. Rico Munn Executive Director

MEMORANDUM

TO: Sustainability Subcommittee

FROM: Celina Duran, Financial Aid Administrator

DATE: February 9, 2010

SUBJECT: Oregon Model

The Department looked at the Oregon model extensively when Amendment 58 was on the Ballot in 2008. We did not use the model because we could not afford it. Below are some of the reasons it was determined not to be a good fit for Colorado.

- The principles of the Oregon model are built into financial aid policy.
 - The assumed contribution of the family is built into the federal needs analysis in the form of Expected Family Contribution (EFC).
 - Work-study and loans are considered self-help.
 Using the Oregon Model to set the amount of funding that the students would have to come up with as their share was deemed to be a disincentive. There isn't as much financial aid available in Colorado so the student share estimates are significantly higher.
- The modeling looked utilized 2007 data (the 2008 data was not available until right before the election) and indicated that Colorado does not have the funding to facilitate the Oregon model even considering the potential additional resources if Amendment 58 had passed. In addition since then, the initial analysis the total number of students who applied for financial aid has increased by nearly 16%.
- The Oregon model's financial aid packaging policy moves away from the flexibility in the Colorado Model making it unattractive to Colorado institutions.
- If the Department were to centrally package the award as it is done in Oregon, the Department would require significant additional FTE and resources to centralize the system similar to Oregon.