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COLORADO COMMISSION ON  
 **HIGHER  
EDUCATION**

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ACCESS TO HIGH-QUALITY, AFFORDABLE EDUCATION FOR ALL COLORADANS

**THE GOVERNOR'S OPPORTUNITY SCHOLARSHIP**  
**RESULTS FROM THE FIRST TWO YEARS**  
JANUARY 2002

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## **THE GOVERNOR'S OPPORTUNITY SCHOLARSHIP**

Despite the economic prosperity of recent years that has brought unprecedented wealth to the state and to many families, Colorado's low-income students continue to confront significant financial barriers that limit their ability to access and stay in college. As a result, the college entry and completion rates of low-income students in Colorado continue to lag well behind their middle-income and upper-income peers. Nationally, the college participation rate of students from families earning below \$25,000 lags 32 percentage points behind those families earning above \$75,000. The difference is even greater in Colorado. Under-participation and lack of degree completion continues to take its toll on the lifetime earnings of today's low-income students. In turn, these factors also impact the economic productivity and prosperity of the state.

In order to address the current opportunity gap and avoid a potential access crisis in the future, the Colorado Commission on Higher Education developed the Governor's Opportunity Scholarship program. The Governor and the Commission, with the support of the General Assembly and the state's institutions of higher education, are addressing the access issue by focusing its commitment to low-income families by providing financial assistance to residents who otherwise would not be able to attend college.

### **Access to Higher Education in Colorado**

The Governor's Opportunity Scholarships has allowed more than 700 Coloradans to attend institutions of higher learning since 1999. The program is designed to assist students who would not otherwise seek post-secondary educational opportunities. An important part of the program is to track the progress of the scholarship recipients. The purpose of this report is to provide progress information and to suggest ways to improve the program in future years.

National data suggest a strong relationship between educational attainment levels and income. People who live in households in the United States with increasing income levels have higher educational levels and people in households with decreasing incomes have lower educational attainment levels. In 2000, according to the US Census Bureau, the average income for a high school graduate was \$27,975, while a college graduate earned 85% more at \$51,644.

**Table 1: Average Annual Income for Persons 25 Years and Over by Educational Attainment**

<b>Educational Attainment</b>	<b>Average Annual Income (2000)</b>
High School Graduate	\$27,975
Some College	\$33,948
Associates Degree	\$35,105
Bachelor's Degree	\$51,644
Master's Degree	\$61,302
Ph.D.	\$80,225
Professional Degree	\$95,176

Source: United States Census Bureau, Income Tables via the Internet

### **College Participation Rates**

College participation rates are strong indicators of a state's economic vitality. Although Colorado ranks first in the number of residents with baccalaureate degrees, Colorado's low-income students have a lower college participation rate than the national average of 25%. In Colorado, only 17% of low-income students go on to college. Colorado's growing economy will not benefit low-income residents unless enrollment patterns change.

**Table 2: Estimated Chance for College by Family Income Quartile (2000)**

<b>Income Quartile</b>	<b>Chance for College</b>	<b>Chance for Completion by Age 24</b>
Top	75%	52%
Third	69%	25%
Second	56%	14%
Bottom	35%	7%

Source: Tom Mortenson, Post-secondary Education OPPORTUNITY, October 2001

To increase college participation among low-income students, the Governor along with the Colorado Commission on Higher Education developed a new financial aid program, known as the Governor's Opportunity Scholarship (GOS), in August 1999. The GOS provides assistance to a limited number of low-income students who are able to attend institutions of higher learning at no cost. The purpose of the program is to provide financial and counseling support to low-income students by giving them an opportunity to attend institutions of higher learning. From a policy perspective, the program is designed to change enrollment and graduation patterns and at the same time extend greater economic stability to low-income

Coloradans. State and federal financial assistance has been focused on Colorado residents who are least likely to attend college because of financial barriers. During the program's first two years, 31 public and private institutions provided assistance to more than 700 students at a cost of \$4 million in state grant assistance.

### **Parameters of the Governor's Opportunity Scholarship Program**

Recipients of the GOS are first-time freshmen with significant financial need. According to the Free Application for Student Aid (FAFSA) these students come from families with incomes of less than \$26,000. The recipients attend community colleges, vocational schools, and various public and private four-year Colorado institutions. Participating institutions actively assisted applicants in completing admissions and financial aid forms.

Students are often the first in their families to attend higher education. Recipients received both academic and financial assistance for 2 or 4 years depending on the type of degree or certificate program in which the student enrolls. Institutions also provided academic support systems, which included tutoring, study groups, academic counseling and peer mentoring to ensure student retention and academic performance.

Financial assistance is renewed as long as the student maintains academic eligibility at the institution, enrolls full-time, and continues to meet the institution's policy regarding satisfactory academic progress for hours completed. Each institution offered a self-help component of work-study and excluded loans from the student's financial aid package. The students are tracked throughout their post-secondary career to determine the effect of the GOS and to measure the academic performance and retention rates.

### **GOS Student Progress**

This report reflects the progress of students from the first two years of the program. Seven hundred and thirty eight GOS recipients have enrolled in Colorado institutions of higher education since the fall semester, 1999. Each recipient received, at a minimum, a federal Pell Grant, a work-study award and a GOS. The average GOS award during FY 2000 was \$3,100 per semester. Recipients are measured in cohorts. A cohort consists of GOS students who enroll as a first-time, full-time student in a specific semester. As of Spring 2001, four cohorts make up the

current GOS student population. Cohort 1 began in fall 1999, cohort 2 in Spring 2000, cohort 3 in Fall 2000 and cohort 4 in Spring 2001. Cohorts 1 and 3 comprise ninety-two percent of the total GOS population. Data for cohort 5 (fall 2001) are not yet available.

Sixty-two percent of GOS students are female. Half come from urban/suburban counties in Colorado while 44% are from a rural county. Although minority status was not a requirement for the GOS award, the population is diverse. Nearly half of the GOS students are from an ethnic origin other than White, non-Hispanic compared to the state's 75% White, non-Hispanic population. Table 3 reports the ethnic breakdown of the GOS population and for the state's population.

**Table 3: Ethnic Breakdown of GOS Population and the State of Colorado**

<b>Ethnic Origin</b>	<b>Cohort 1 Fall 1999</b>	<b>Cohort 2 Spring 2000</b>	<b>Cohort 3 Fall 2000</b>	<b>Cohort 4 Spring 2001</b>	<b>Total GOS</b>	<b>Colorado Population (2000)</b>
White, Non-Hispanic	41%	47%	53%	27%	48%	75%
Hispanic	39%	36%	25%	36%	31%	17%
Black, Non-Hispanic	7%	7%	8%	0%	7%	4%
Asian/Pacific Islander	3%	3%	7%	0%	5%	2%
American Indian/Alaskan Native	3%	5%	2%	0%	3%	1%
Unknown/Not Reported	7%	2%	5%	36%	6%	1%
<b>Total Number of Students</b>	<b>279</b>	<b>58</b>	<b>390</b>	<b>11</b>	<b>738</b>	<b>N/A</b>
<b>% Non-White</b>	<b>52%</b>	<b>51%</b>	<b>42%</b>	<b>36%</b>	<b>46%</b>	<b>N/A</b>

Source: The Colorado Commission on Higher Education and The U.S. Census Bureau (2000)

Ninety-six percent of recipients enrolled at public institutions. The majority enrolled at a public four-year institution. Table 4 shows the distribution of GOS students among two and four year, public and private, institutions.

**Table 4: Distribution of Governor's Opportunity Scholarship Recipients**

<b>Institution Type</b>	<b>Cohort 1 Fall 1999</b>	<b>Cohort 2 Spring 2000</b>	<b>Cohort 3 Fall 2000</b>	<b>Cohort 4 Spring 2001</b>	<b>Total GOS</b>
Public Two-Year	39%	53%	35%	45%	38%
Public Four-Year	57%	47%	61%	55%	68%
Private Two-Year	0%	0%	0%	0%	0%
Private Four-Year	4%	0%	4%	0%	4%

Source: The Colorado Commission on Higher Education, SURDS Enrollment and Undergraduate Application Files.

Academic progress and retention rates are important indicators in measuring student success. GOS students are required to maintain full-time status. Full-time is defined as 12 credit hours per semester. Table 5 presents cumulative credit hours completed through spring semester 2001 by each cohort. In Spring 2001, each cohort exceeded the minimum requirement of full-time enrollment. As an example, cohort 1, at the end of the Spring 2001 term, completed, on average, 48.46 credit hours. Cohort 3 completed 28.01 credit hours, significantly exceeding the 24 credit hour minimum. In addition to credit hours completed, academic progress is also measured by grade point average. Table 6 reflects cumulative grade point averages on a 0 to 4.0 scale. On average, cohorts 1, 2, and 3 earned a 2.7 GPA, the equivalent of a B-. Recipients in cohort 4 met the required 2.0 minimum GPA. It is important to note that cohort 4 comprises only 1% of the total population and only 1 semester's progress for this cohort is being reported at this time. Retention rates are a key measure of the program's success. The statewide retention rates for all first-time, full-time freshman, after one-year, is 66% according to the latest available Quality Indicator System data. Table 7 reports retention rates for the cohorts. One-year retention rates exist for GOS students in cohorts 1 and 2 at this time. After one-year, 66% of cohort 1 recipients were retained and 77% of cohort 2. Overall, GOS students are performing at or above their peers.

**Table 5: Average Credit Hours Completed by Cohort, Cumulative by Semester**

<b>Cohort</b>	<b>Fall 1999</b>	<b>Spring 2000</b>	<b>Fall 2000</b>	<b>Spring 2001</b>
<b>Cohort 1</b>	12.38	23.11	36.95	48.46
<b>Cohort 2</b>		10.88	26.03	37.31
<b>Cohort 3</b>			15.52	28.01
<b>Cohort 4</b>				18.96

Source: The Colorado Commission on Higher Education, SURDS Enrollment Files

**Table 6: Average Cumulative Grade Point Average by Cohort**

<b>Cohort</b>	<b>Fall 1999</b>	<b>Spring 2000</b>	<b>Fall 2000</b>	<b>Spring 2001</b>
<b>Cohort 1</b>	2.509	2.392	2.601	2.773
<b>Cohort 2</b>		2.423	2.662	2.717
<b>Cohort 3</b>			2.837	2.784
<b>Cohort 4</b>				2.164

Source: The Colorado Commission on Higher Education, SURDS Enrollment Files

**Table 7: Retention Rates by Cohort**

<b>Cohort</b>	<b>Spring 2000</b>	<b>Fall 2000</b>	<b>Spring 2001</b>
<b>Cohort 1</b>	88%	75%	66%
<b>Cohort 2</b>		79%	67%
<b>Cohort 3</b>			93%

Source: The Colorado Commission on Higher Education, SURDS Enrollment Files

## **Conclusion**

Data show the long-term benefits of acquiring a bachelor's degree are great. The knowledge-based economy, which sets the United States apart from the rest of the world, has made a college education more important than ever. Nearly 60 percent of jobs today require at least some college. This will only increase in the future. The baccalaureate degree is becoming the equivalent of a high school diploma in the old economy. Yet, students from low-income families do not pursue a post-secondary education. The most significant barrier to entry into higher education for these students is financial: they simply are not able to pay for college. Low-income families also do not view student loans as a way of overcoming that barrier. On the other hand, they do view grants and scholarships as incentives but find limited resources at both the federal and state levels.

Students from low-income families also face cultural issues as first generation attendees at institutions of higher learning. An important goal of the GOS program is to provide

assistance for students to not only enroll in an institution of higher education but also to provide counseling so that these students complete their program.

In order to narrow the gaps in postsecondary participation, persistence and degree completion, the Commission, in its master plan, has made student access an important goal. The state's financial aid system should ensure, at a minimum, that the decision of low-income students to attend an institution of higher education should not be constrained solely by unmet need. In order to achieve this, the Commission has refocused financial aid, in particular, need-based grants, toward those students who might not otherwise go to college without the assistance. The Governor's Opportunity Scholarship represents an effort by the Governor, the Colorado Commission on Higher Education and the General Assembly to change the post-secondary enrollment patterns of low-income students.

The Commission will continue to monitor this program and encourage institutions to support these goals. The Commission will partner with Colorado high schools, non-profit outreach organizations and the institutions to search out and encourage low-income students to enroll and complete post-secondary education. In addition, they will work with institutions to assure that each GOS student succeeds. An additional 300 GOS students entered Colorado institutions in the fall of 2001.