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COLORADO COMMISSION ON  
 **HIGHER  
EDUCATION**

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ACCESS TO HIGH-QUALITY, AFFORDABLE EDUCATION FOR ALL COLORADANS

**FINANCIAL AID REPORT**  
**2005-2006**  
NOVEMBER 22, 2006

## FINANCIAL AID REPORT

### **BACKGROUND**

Faced with annual higher education cost increases, students and families – both nationally and in Colorado – combine various personal, state, institutional and federal resources to pay the costs of their higher education. For most students and families, the actual costs associated with attending college go beyond traditional tuition and fee expenses. Housing, books & supplies, food, and transportation are typically more costly than the actual tuition and often underestimated or overlooked when determining the amount of funds needed to attend college.

Some families save for college, putting resources aside early in specifically designated savings programs, such as state 529 savings plans (named for the IRS section under which they are regulated) and Coverdell education savings accounts, which offer some tax advantages and individually managed mutual funds or savings programs parents themselves manage.

Borrowing (perhaps the single largest tool used by many families) continues to be a significant resource for many students attending Colorado's colleges and universities. Through federally supported programs – the Stafford loan program, available to students through the Federal Family Education Loan Program and the William D. Ford (direct lending) program and the Perkins loan program (a federal-institution partnership) – the industry continues to grow as more students borrow larger amounts to meet rising college costs. Besides these federal programs, a large and ever-growing private loan market – often offering loans at higher interest rates and requiring borrower credit qualification – helps students meet their education costs. Few data sources track these loans or the number of parents, who borrow against the equity in their homes, use home equity credit lines, personal lines or credit or borrow against their retirement or insurance portfolios to finance college costs for their children. In addition, credit cards continue to play an increasing role in helping parents and students pay education expenses, although good data to determine how much credit card debt can be attributed to higher education expenses is not available.

Table 12 and 13 at the end of this report shows the cumulative debt of students graduating with associates and baccalaureate degrees in Colorado over the past three fiscal years. The debt load of Colorado students is slightly lower than the national average but remains a key component in evaluating the cost of attending an institution of higher education.

Federal student aid, anchored by the federal Pell grant program and various loan programs, continues to be the single largest aid resource for most students. However, there has been a more significant shift in the amount of institutional aid available for students in the past Fiscal Year. This is the result of requiring institutions to place 20% of all tuition revenue above CPI in institutional financial aid available for students. Most of these programs require students' parents to qualify based on income information under state and federal need-based aid calculations.

Grants and scholarships play a major role for some students. Many scholarships are specifically tied to achievement goals, student abilities (athletic or musical, for example), specific group membership, and competitions for the students seeking the awards or other specific criteria, such

as the choice of fields of study. The following table is a breakdown of the sources of student aid in Colorado for Fiscal Year 2006. It illustrates the increasing importance of institutional aid for Colorado students and continued reliance on loans.

**Table 1: Sources of Aid in Fiscal Year 2006**  
**Data Collected by the Colorado Commission on Higher Education**

Type of Aid	Amount of Aid
Institutional	\$ 250,881,750
Federal	\$ 174,974,969
State	\$ 79,890,039
Loans	\$ 834,562,469
Other	\$ 67,636,141
Total	\$ 1,407,945,368

The amount of aid a student receives is determined almost universally by aggregating all the parent and student personal resources reasonably available for college costs, subtracting those resources from the total cost of attending a specific institution, and then attempting to put together a “package” of resources from multiple sources to meet a particular student’s “need.”

Students in low-income and some middle-income families often qualify for the federal Pell grants, a first choice for many financial aid offices in packaging aid for students. After subtracting the Pell grant funds, an aid officer next examines whether the student might qualify for a Colorado Student Grant at the Level I (awarded up to 150% of Pell eligibility), which ranges from a minimum award at Level 3 of \$250 to a maximum award at Level 1 of \$5,000. While students who qualify for the Pell grant are guaranteed an amount of funds, the Colorado Student Grant is not guaranteed for all level 1 students and awarding depends on a variety of factors. Taking a subsidized federal loan, an advantage for students in lower income groups since the interest rate is subsidized by the federal government and not an accruing cost to the borrower, would likely meet the next need segment. Once subsidized borrowing is factored into the equation, aid officers often turn to institutional resources to help students. This aid can be specific grant or scholarship aid from the school’s foundation, tuition and fee discounting or other types of resources available to the institution. More often in recent years, students bring aid with them into the institution as well (Daniels scholars, Boettcher Foundation scholars, National Merit Scholarships and Corporate-sponsored scholarships).

For many students whose families are in the middle and upper income categories Pell grants, Colorado grants and subsidized Stafford are unavailable because the families exceed income thresholds. For these students institutional aid often is the starting point to begin packaging. A parent PLUS loan or an unsubsidized Stafford loan are typically the first elements of an aid package. PLUS loans require credit qualification and are debt accruing to the parent. Unsubsidized Stafford loans are student debt. If the loan packages – these are capped by federal law for students annually – do not meet costs, institutions may look at tuition discounting for these students, depending on income levels, or other institutional aid resources. Private loans are then a resource suggested by financial aid offices to these students and their parents. If the student meets academic criteria, a merit award is possible from, the limited state pool of aid or

institutional resources. Parents of these students are most likely to use available tax credits to help defray the costs of the borrowing they do to meet year-to-year higher education costs.

## **COLORADO FINANCIAL AID RESOURCES**

Student financial aid seeks to provide equal opportunity to otherwise qualified students whose personal or family resources are insufficient to cover the cost of attending college. A primary goal of the Colorado Commission on Higher Education is to expand student access to Colorado's institutions of higher education. For Fiscal Year 2007, General Fund support for all financial aid increased by \$12,180,782 from the prior year. However, even with this increase, financial aid funding levels are still below the Fiscal Year 2003 appropriation. Since Fiscal Year 2003, General Fund support for financial aid decreased by \$14.3 million, from \$91.0 million to \$76.7 million in Fiscal Year 2006 and then back up to \$88.9 million in Fiscal Year 2007. Due to the decreases in state revenues in previous fiscal years, state support for financial aid declined at a time when Colorado's residents were facing increasing tuition costs. The state is now just beginning to recover from the decreases in financial aid. In Fiscal Year 2005, decreases were taken in need-based aid to offset one time funding and merit was reduced to offset increases in mandatory programs that had significant cost increases including the National Guard Tuition Assistance Program and the Law/Fire Dependent Tuition Assistance Program. In Fiscal Year 2007, need-based aid increased \$9.5 million and the mandatory payment for the Native American Tuition Assistance program increased \$ 335,189, while merit aid remained at \$1.5 million down nearly 5 million from Fiscal Year 2005.

Colorado student financial aid is appropriated by the state legislature and allocated by the Colorado Commission on Higher Education to eligible public, private and proprietary colleges and universities. Institutions allocate financial aid awards to the students. There is a variety of aid available to students based on various criteria including need, merit, work-study, categorical and entitlement programs. The various state-funded programs are described below.

### **Need-Based Aid:**

The majority of state financial aid dollars are in the form of need-based grants. Need is determined by subtracting a student's expected family contribution from total cost of attendance. Expected family contribution is a commonly used indicator of a student's ability to pay. It is primarily based upon a family's income but is adjusted for the number of family members, other financial assets and number of family members in college. Expected family contribution is the amount that the parents and the student are expected to contribute to cover the cost of attending college. The total cost to attend college includes tuition and fees, room and board, books and supplies, and travel expenses for students who do not live within reasonable commuting distance. If the cost to attend college exceeds the student's expected family contribution then the student is eligible for financial aid. The difference between the student's calculated need and the amount of the financial aid awards that he/she receives is the student's unmet need. Need-based aid programs assist Colorado resident students who cannot otherwise afford to attend college.

## Merit-Based Scholarships:

The primary purposes of the state's merit-based aid programs are to recruit and retain outstanding students in Colorado. The Colorado Undergraduate Merit and Colorado Graduate Fellowship programs are provided to recognize outstanding student achievements. A student's financial circumstances are not a factor in the award decision and only the student's performance (as measured by grade point average or test scores) or recognized talents in a specific area (such as drama, music, and athletics) are considered. A minimum 3.5 GPA is required for award renewal. The Colorado Graduate Fellowship program has been discontinued until the merit aid appropriation is restored to the 2003 level of \$14.9M.

## Work-Based Aid:

Work-study allows students to earn funds while attending an institution of higher education. It is considered a form of "self-help" assistance, since the student is earning money to help meet educational costs. In Colorado, work-study allocations can be used for students with or without a documented financial need. Colorado statutes requires that no less than 70% of the Colorado work-study funds to be awarded to students with demonstrated financial need and up to 30% may be awarded to students on a basis other than financial need.

## State-funded Categorical and Entitlement Programs:

There are three federal programs requiring a matching state appropriation for participation: the Perkins Student Loan Program, certain Health Profession Loans and the Leveraging Educational Assistance Partnership Program. Colorado provides the required match so that Colorado students may receive the benefits of these programs. The Law Enforcement/POW/MIA Dependents Tuition Assistance program is a tuition, fee and room and board assistance program for dependents of deceased or permanently disabled members of the National Guard, law enforcement officers, firefighters, prisoners of war and military personnel missing in action who were residents of Colorado. The awards are based on statutory guidelines, which were developed in recognition of service to the state. The Native American Tuition Assistance Program is an entitlement program. Pursuant to an agreement with the federal government, Native American students may attend Fort Lewis College without paying tuition.

Increasing costs combined with decreasing grant aid resources in recent years have combined to create potential barriers for students from both low-income and middle-income families in Colorado. Historically, the Colorado General Assembly has provided average annual increases in funding for student aid programs of between 8 percent and 9 percent allowing financial aid increases to out pace tuition increases and open access to Coloradans. The reductions over the last several years have eroded that progress. The graph below illustrates the percentage of tuition increases over the past five years in relationship to the percentage increases/decreases in state financial aid funding over the same time period.

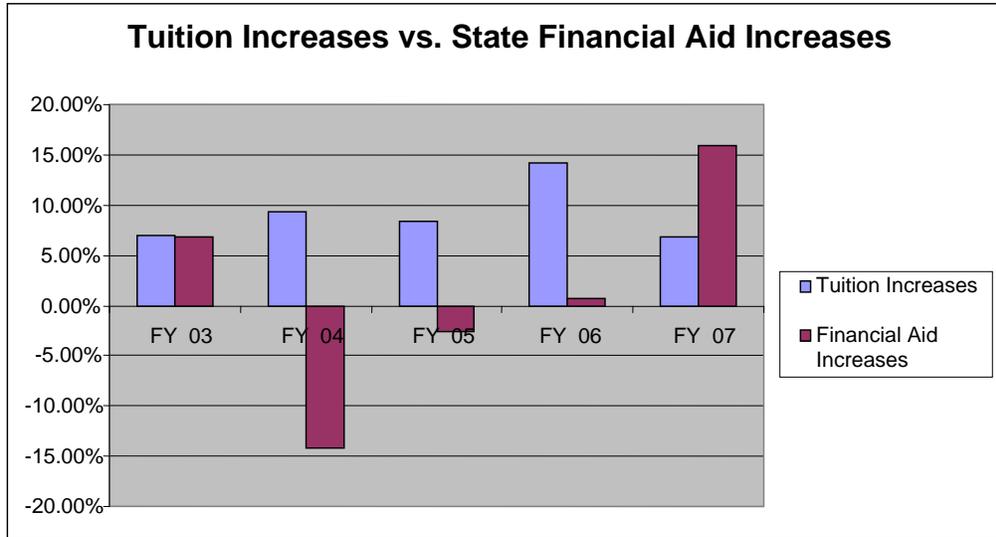


Table 2 below reflects five- and ten-year changes in financial aid allocations in the Long Bill. While the total amount of financial aid has increased by 37% over the last decade it has decreased slightly in the last five Fiscal Years. It is important to recognize that the peak allocation of \$91 million was provided in Fiscal Year 2003 and for Fiscal Year 2006 the total amount of aid was \$78.4 million. Allocations for need based aid continue to increase while the work-study allocation has remained stagnant in the past few years.

**Table 2: Colorado State Funded Student Assistance Programs - Total Appropriations from the Long Bill**

Fiscal Year	Need-Based Grants	Merit-Based Scholarships	Work-Based Aid	Categorical Programs	Total State Aid
1997	27,356,431	12,340,481	12,277,985	5,360,322	57,335,219
1998	30,489,141	12,726,591	12,707,714	5,883,699	61,807,145
1999	34,109,277	13,217,490	13,702,484	6,162,131	67,191,382
2000	38,423,152	13,826,078	14,248,944	6,513,899	73,012,073
2001	42,199,077	14,371,810	14,811,367	7,177,010	78,559,264
2002	47,598,002	14,874,498	15,359,754	7,424,066	85,256,320
2003	51,550,101	14,874,498	16,612,357	7,983,044	91,020,000
2004	46,002,682	6,877,309	15,030,062	8,230,701	76,140,754
2005	45,935,202	6,434,287	15,003,374	8,794,891	76,167,754
2006	50,627,088	1,500,000	15,003,374	11,305,122	78,435,584
5-Yr Change FY 02 to 06	6%	-90%	-2%	52%	-8%
10-Yr Change FY 97 to 06	85%	-88%	22%	111%	37%

The peak allocation for need based aid was provided for Fiscal Year 2007, with need-based aid receiving just over \$52 million. The peak allocation for work-based aid was Fiscal Year 2003 receiving \$16.6 million. Over the decade state need-based aid has shown substantial growth, representing the Commission's policy to increasingly focus on providing aid to lower income students from families with incomes at 150% of the Pell eligibility levels established by the U.S.

Department of Education. This will continue to be a top priority as Colorado implements the new state need based aid program in Fiscal Year 2008. This change in policy, since 1999, also establishes the basis of why total merit-based aid has declined during the five-year period by 53% from its peak of \$14.8 million to 6.4 million in Fiscal Year 2005 and ultimately 1.5 million for merit aid in Fiscal Year 2006.

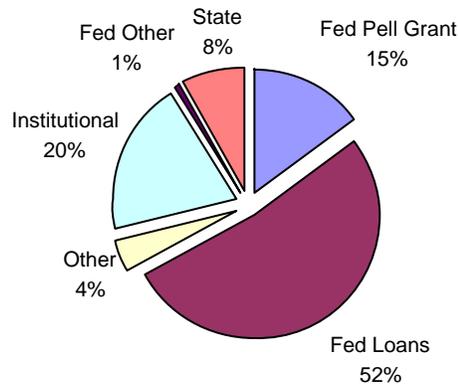
Categorical program aid is the only area of financial aid that has increased during each of the last ten years. It is divided into four different programs and was allocated \$11.3 million in Fiscal Year 2006:

- The Law Enforcement/POW/MIA Dependents Tuition Assistance program—this program assists dependents of deceased or permanently disabled military, law enforcement officers or firefighters; The Fiscal Year 2006 original allocation for this program was \$214,401. However, there was a supplemental that increased the allocation to \$364,922.
- The Leverage Educational Assistance Partnership Program—this program is a required federal match, where the state matches the dollars available on a two-for-one basis. The total allocation in Fiscal Year 2006 was \$3,376,350 with the General Fund portion totaling \$2,076,350 and the federal allocation of \$1,300,000.
- The Native American Tuition Assistance Program— this program provides full tuition assistance to Native American students attending Ft. Lewis College. It continues to drive the greatest increases in categorical programs in the state reflecting both increasing tuition costs and student population. The Fiscal Year 2006 allocation was 7,299,164

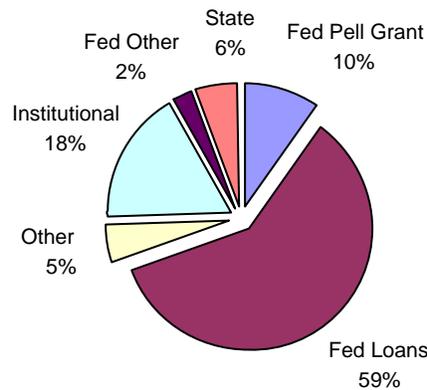
## **Sources of Financial Aid Provided to Colorado's Students**

The following charts illustrate the sources of financial aid distributed to Colorado students in Fiscal Year 2005 and Fiscal Year 2006. In both years, the dependence on federal loans accounts for more than half of the total assistance. In addition, the largest increase came in federal loans which rose back to the Fiscal Year 2004 level of around 60%. State aid as a share of all sources of financial aid decreased from 8% in 2005 to 6% in 2006.

### Fiscal Year 2005 Sources of Student Financial Assistance



### Fiscal Year 2006 Sources of Student Financial Assistance



At the national level, according to the most recent data from College Board's publication, *Trends in Student Aid 2005*, Pell as a source of funding for students increased 3% in 2004-05, after growing in the previous three years at an annual rate of about 8%.

Table 3 shows the six-year historical expenditures in all student aid categories. Total financial aid expenditures for Colorado, a calculation that includes federal financial aid sources, institutional aid, state aid and private financial aid resources increased 55% from 2001 to 2006. The increasing total reflects an increase in institutional aid by over 100% in the last five years

and shows a 58% increase for Colorado students in relying on federal student loans. During this same time period, State aid increased a minimal 2%.

**Table 3: Total Expenditures on Student Financial Aid**

Fiscal Year	Federal Pell Grant	Federal Loans	Federal Other	State	Institutional	Other	Total
2001	90,902,507	529,211,031	32,446,997	78,384,486	122,568,334	52,510,244	906,023,599
2002	103,298,385	520,756,694	32,015,464	86,274,653	134,543,758	59,676,273	936,565,227
2003	126,585,894	634,957,192	33,108,532	92,750,785	148,408,762	75,402,858	1,111,214,023
2004	143,906,521	735,276,655	32,178,873	80,968,637	137,255,420	65,928,279	1,195,514,385
2005	151,545,541	817,466,069	32,658,968	78,152,438	194,265,627	42,430,273	1,316,518,916
2006	141,403,386	834,562,469	33,571,583	79,890,039	250,881,750	67,636,141	1,407,945,368
% Change 01-06	56%	58%	3%	2%	105%	29%	55%

On a national basis, research indicates a growing reliance for students on loans both federal and private. (Private loans that are not part of the federal Title IV program where interest rates are established by the Department of Education based on Congressional formulas) Private loans often require credit-worthiness on the part of the student borrower. Rates generally are significantly higher and students often do not have the ability to defer payments or take advantage of other benefits available to student borrowers through the Stafford or Ford loan programs. The College Board report estimates that private loans now account for 22% of all higher education loan volume.<sup>1</sup>

In Colorado, Pell growth in dollars increased 56% from 2001 to 2006. However, there was a decrease in dollars awarded from Fiscal Year 2005 to Fiscal Year 2006. This decrease coincides with declining enrollments of Pell eligible students at institutions across the state. Because of the declining enrollment numbers, the number of Pell student's awards and the average award also decreased over the same time period. In addition, other federal aid – which consists of ROTC scholarships, the federal health worker and nursing scholarships, the Bureau of Indian Affairs scholarships, etc. –increased slightly, reflecting fewer students participating in federal categorical programs. Table 4 shows the federal student aid expenditures over the last five years.

**Table 4: Federal Student Aid Expenditures**

Fiscal Year	Federal Pell Grant	Federal Loans	Federal Other	Total Federal
2001	90,902,507	529,211,031	32,446,997	652,560,535
2002	103,298,385	520,756,694	32,015,464	656,070,543
2003	126,585,894	634,957,192	33,108,532	794,651,618
2004	143,906,521	735,276,655	32,178,873	911,362,049
2005	151,545,541	817,466,069	32,658,968	1,001,670,578
2006	141,403,386	834,562,469	33,571,583	1,009,537,438
% Change 01-06	56%	58%	3%	55%

<sup>1</sup>College Board, *Trends in Student Aid 2005*, 2.

Table 5 shows the growth of the number of students served by the Pell grant program in Colorado over the past several years. In Fiscal Year 2006, there were 258,064 students participating in federal aid programs, up by 34%. However, the number of federal loans taken out still continues to increase at a faster rate of 41% over the same time period. In addition, participation in other federal aid declined by 8%.

**Table 5: Number of Students Receiving Federal Student Aid**

<b>Fiscal Year</b>	<b>Federal Pell Grant</b>	<b>Federal Loans*</b>	<b>Federal Other</b>	<b>Total Federal</b>
2001	45,753	127,978	18,627	192,358
2002	48,267	127,578	18,926	194,771
2003	55,368	151,005	19,242	225,615
2004	61,000	169,540	18,626	249,166
2005	64,102	183,568	18,544	266,214
2006	60,649	180,263	17,152	258,064
% Change 01-06	33%	41%	-8%	34%
*Figures include number of total loans not necessarily number of students				

Table 6 shows the average aid award per student in each of the federal student aid categories. Again the slight decline in Pell Grant amounts coincides with the declining Pell enrollees. None of the other federal aid programs decreased in a similar manner during the five-year period. Reauthorization legislation – being considered as part of the current Congressional budget process – has been stalled, and the Higher Education Act has been continued for several years at the levels under which the old act expired.

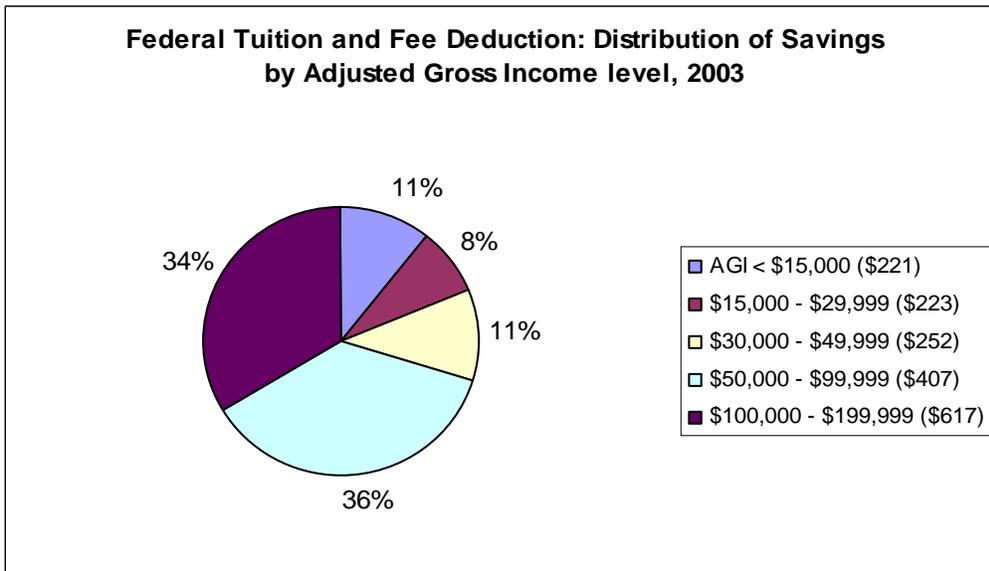
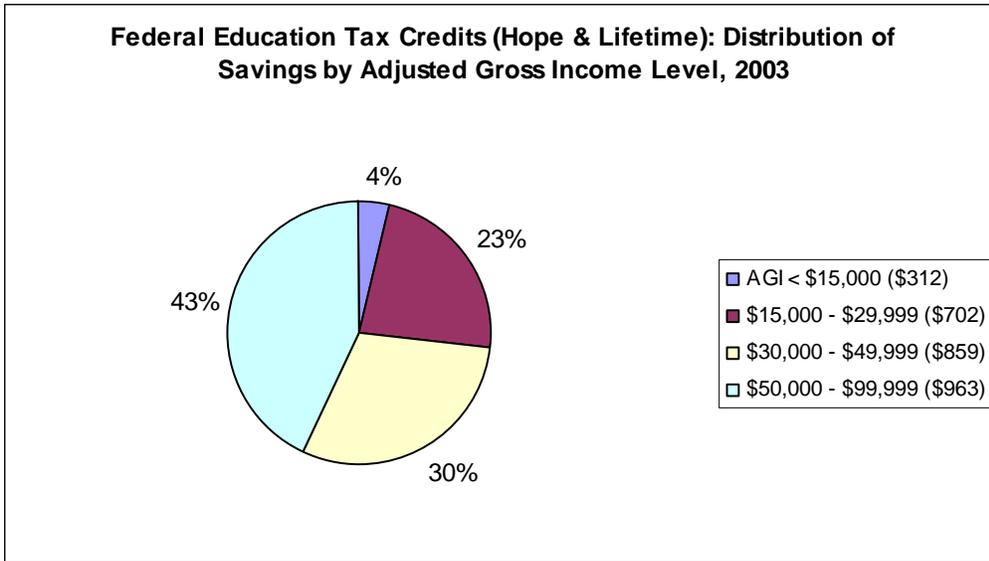
**Table 6: Average Federal Student Aid Expenditure Per Student**

<b>Fiscal Year</b>	<b>Federal Pell Grant</b>	<b>Federal Loans</b>	<b>Federal Other</b>	<b>Total Federal</b>
2001	1,987	4,135	1,742	3,392
2002	2,140	4,082	1,692	3,368
2003	2,286	4,205	1,721	3,522
2004	2,359	4,337	1,728	3,658
2005	2,364	4,453	1,761	3,763
2006	2,332	4,630	1,957	3,912
% Change 01-06	17%	12%	12%	15%

## **Federal Education Tax Credits and Deductions**

In addition to traditional forms of student assistance, the federal government provides financial assistance through education tax credits and tax deductions to students, and their families, attending a postsecondary institution. These tax credits and deductions reduce the amount of federal income tax owed. There are three types of federal education benefits: Hope credits, Lifetime Learning credits and tuition and fees deductions. Students and families that owe no taxes or receive grant aid to cover their entire tuition and fees are not eligible for these benefits. In addition, there are income limits on these benefits that target them primarily to assist middle-income students and their parents, a group that is unlikely to receive need based grants. Unlike traditional types of aid, higher education institutions don't know and therefore can't report the

dollar value of these tax benefits. There is however general national data that may provide some insight into Colorado. According to the National Center for Education Statistics, for the 2003 - 2004 academic year about one half of all undergraduates are estimated to have received federal education tax benefits. While the total number of students receiving tax benefits is important to look at, it is all important to look at who receives the benefits in terms of income level. The following graphs<sup>2</sup> show the distribution of tax credit savings and deductions by income level at the national level. Only approximately 4% of all tax credit savings went to the lowest income individuals while 11% of all tuition and fee deductions were taken by the lowest income students and families.

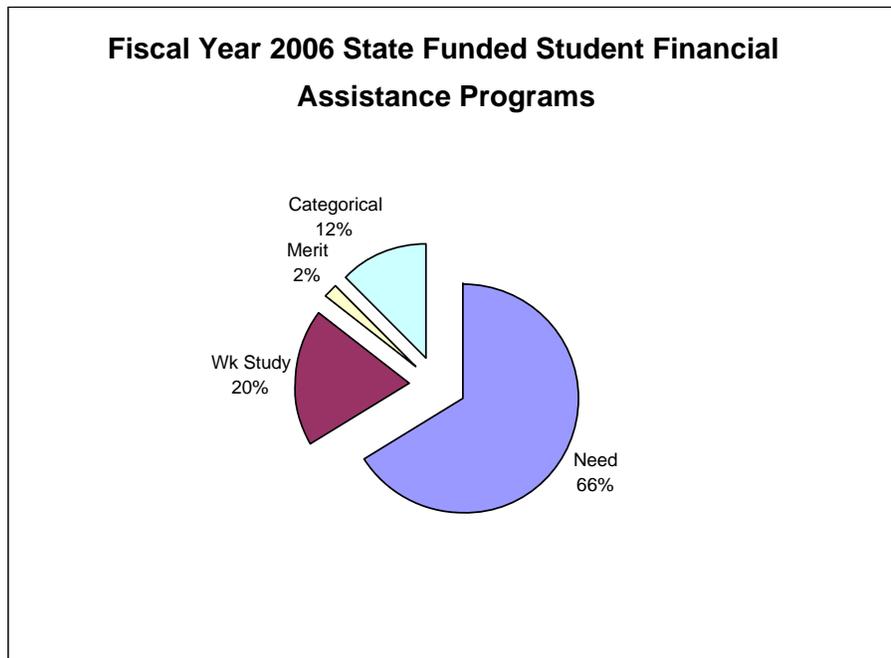


<sup>2</sup> College Board, *Trends in Student Aid 2005*

Tax credits and deductions are less likely than other forms of aid to benefit the lowest income students, who will most likely have the greatest need, primarily because they are only available to students and families who have positive tax liabilities.

## Distribution of State Aid

As displayed in Table 2 near the beginning of the report, total state financial aid resources have decreased by 8% since Fiscal Year 2001. Of the funds available in Fiscal Year 2007 67% was awarded to students based on need calculations. The need-based aid pool includes the funds awarded to students receiving the Governor’s Opportunity Scholarships. The graphs below show the distribution of state-appropriated financial aid in Fiscal Year 2006 and Fiscal Year 2007. Compared to previous years, the pie chart demonstrates the decline in work-based aid and the increase in need-based aid and categorical programs as a share of total state aid.



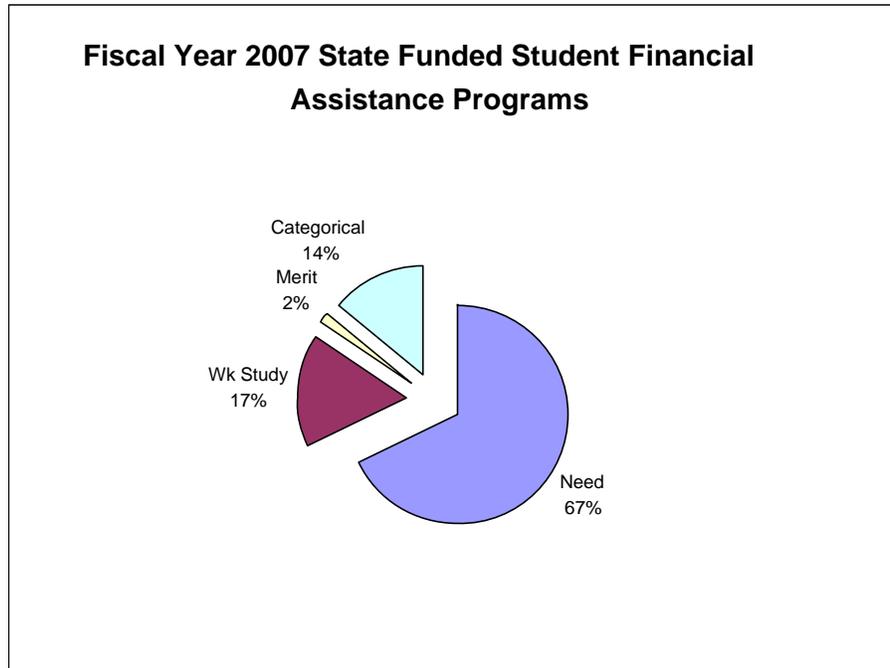


Table 7 shows the six-year picture in terms of actual dollars. Although significant increases in total financial aid are evident in the early part of the decade, the declines since the 2003 peak year lowered the total state aid by 6% since 2001. State work study, however, increased by 3% and categorical aid by 40% over the period.

**Table 7: Colorado State Student Aid Expenditures**

Fiscal Year	State Need-Based Grant	State Merit	State Work Study	State Categorical	Total State
2001	38,399,077	14,312,568	14,712,660	5,312,928	72,737,233
2002	41,598,002	14,829,970	16,112,295	5,502,980	78,043,247
2003	43,756,452	14,879,906	17,544,699	6,161,020	82,342,077
2004	39,977,824	6,894,905	16,491,207	7,159,894	70,523,830
2005	37,651,993	6,460,706	15,711,106	7,813,433	67,637,238
2006	44,285,061	1,497,959	15,111,267	7,423,434	68,317,721
% Change 01-06	15%	-90%	3%	40%	-6%

Although total need-based dollars actually increased between 2005 and 2006, the numbers of students served by those appropriations actually declined by 6% since Fiscal Year 2001 – again a reflection of the decline in financial aid appropriations at the beginning of the decade and policy changes to ensure more aid for students with the greatest need.

**Table 8: Number of Students Receiving Colorado State Student Aid**

Fiscal Year	State Need-Based	State Merit	State Work Study	State Categorical	Total State
2001	30,617	11,653	8,439	712	51,421
2002	30,040	12,306	8,468	1,024	51,838
2003	30,842	10,552	8,887	1,010	51,291
2004	26,811	5,415	8,278	742	41,246
2005	25,508	5,363	7,875	776	39,522
2006	28,832	1,383	8,247	774	39,236
% Change 01-06	-6%	-88%	-2%	9%	-24%

As expected, with the overall reduction in the past several years in merit aid appropriations, the number of students receiving and the average merit award have also declined by 88% and 12%. It likely reflects smaller awards to those students who still received merit awards. Table 8 shows a slight decline in the total number of students receiving state-appropriated aid over the past year despite an increase in the funds available.

Table 8 does demonstrate that declining appropriations clearly have resulted in fewer students overall receiving any type of aid – a 24% decline in real numbers of students served in all state aid programs between the 2001 and 2006 academic years.

**Table 9: Average Award Colorado Student Aid Expenditures**

Fiscal Year	State Need-Based	State Merit	State Work Study	State Categorical	Total State
2001	1,439	1,228	1,743	7,462	11,872
2002	1,659	1,205	1,903	5,374	10,141
2003	1,756	1,410	1,974	6,100	11,240
2004	1,491	1,273	1,992	9,649	14,406
2005	1,476	1,205	1,995	10,069	14,745
2006	1,536	1,083	1,832	9,591	14,042
% Change 01-06	7%	-12%	5%	29%	18%

Average aid awards for state-appropriated financial aid have increased 18% in the six-year time period despite a slight decline in the average award amount from Fiscal Year 2005 to Fiscal Year 2006. As Table 9 clearly demonstrates, need-based aid awarded on a per-student-average did increase slightly from Fiscal Year 05 to 06. Although it did decline on a per-student basis from the 2003 high in both 2004 and 2005, it still exceeds the averages in the early part of the decade.

Since 1999, CCHE has consistently followed a policy of focusing financial aid to students in the lowest income quartile. These policy changes reflect an effort to ensure access to higher education for students from the state's poorest families as costs continue to increase. CCHE will continue to target funds toward students with the greatest need as we move forward in Fiscal Year 2008 with the new, recently adopted, need based aid program—known as Colorado's College Responsibility Program. The program will replace the existing need based aid program over a four year period and represents a significant change in how state need based aid is awarded. Some of the highlights of the program are as follows:

- All level 1 students (150% of Pell eligibility) will receive a minimum amount of financial aid regardless of when they apply.
- All Level 1 students will receive a standard amount regardless of the institution they are attending.
- Minimum award will transfer across institutions.
- Institutions have the flexibility to award above minimum amount but are required to meet minimum for all eligible students.

## Distribution of Institutional Aid

For many Institutions, institutional aid plays a significant role in financial aid packaging and has had an increased importance over the past few years. Those institutions with greater endowment or foundation resources clearly have an advantage in their ability to package institutional aid for students. However, all institutions reallocate some internal resources– whether from tuition paid by students, College Opportunity Fund payments, fee-for-service payments received or institutional aid. Institutions are required under Colorado law to provide 20% of any increased tuition revenues over inflation funding to need-based financial aid.

This aid clearly allows institutions to ensure that students whose resources simply do not stretch to cover college costs are able to attend. Schools may discount tuition for those students or provide direct institutional grants to them. Tables 10 and 11 below, show the growth in the amount of institutional aid for Colorado institutions and the number of students receiving the aid during the first part of the decade. Total institutional aid has increased 105% since Fiscal Year 2001. As one would expect, the total number of students receiving institutional aid has also had a significant increase in the past several years. Institutions with significant institutional aid resources primarily focus aid on needy students who may have not qualified for a Pell grant or for state aid but are still in need financial resources to attend college.

**Table 10: Institutional/Other Aid Expenditures**

Fiscal Year	Institutional Aid	Other Aid	Total
2001	122,568,334	52,510,244	175,078,578
2002	134,543,758	59,676,273	194,220,031
2003	148,408,762	75,402,858	223,811,620
2004	137,255,420	36,854,544	174,109,964
2005	194,265,627	42,430,273	236,695,900
2006	250,881,750	66,341,391	317,223,141
% Change 01-06	105%	26%	81%

**Table 11: Number of Students Receiving Institutional/Other Student Aid**

<b>Fiscal Year</b>	<b>Institutional Aid</b>	<b>Other Aid</b>	<b>Total</b>
2001	45,877	15,995	61,872
2002	45,598	17,316	62,914
2003	45,060	19,592	64,652
2004	45,089	18,176	63,265
2005	47,689	25,638	73,327
2006	70,006	20,869	90,875
% Change 01-06	53%	30%	47%

Total non-appropriated resources– which include scholarships awarded through the institutions’ foundations or other similar programs rose 26% over the period. However, the total numbers of students served through these financial aid resources increased 30% in that time period.

**For Table 12, Average Student Debt Loan at Graduation-Associates Degree**

<b>Institution</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Adams State College	12,035	6,244	8,488
Aims Community College	9,498	8,305	8,784
Arapahoe Community College	9,785	9,149	9,955
Colorado Mountain College	9,287	8,613	8,573
Colorado Northwestern Community College	9,214	9,950	11,482
Community College of Aurora	10,974	9,194	10,254
Community College of Denver	10,271	9,385	11,260
Front Range Community College	9,572	9,863	10,408
Lamar Community College	6,936	6,194	7,582
Mesa State College	12,240	8,651	9,681
Morgan Community College	6,400	7,873	7,549
Northeastern Junior College	6,453	5,135	6,077
Otero Junior College	7,723	7,805	8,191
Pikes Peak Community College	9,768	8,241	7,847
Pueblo Community College	11,630	10,538	10,984
Red Rocks Community College	11,505	8,591	8,706
Trinidad State Junior College	6,790	6,387	8,293

LOANS INCLUDED: Federal Stafford Loans Unsubsidized; Federal Perkins Loan; Federal Stafford Loans Subsidized; Federal Health Profession Loans; Other Loans

**For Table 13, Average Student Debt Loan at Graduation-Baccalaureate Degree**

<b>Institution</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Adams State College	16,580	15,646	16,699
Colorado School of Mines	16,714	15,591	16,103
Colorado State University	16,997	16,570	17,623
Colorado State University - Pueblo	18,702	18,746	20,485
Fort Lewis College	16,272	15,963	15,925
Mesa State College	16,927	17,047	17,763
Metropolitan State College of Denver	19,906	19,502	19,636
University of Colorado - Boulder	19,126	19,607	18,105
University of Colorado - Colorado Springs	17,518	17,793	16,525
University of Colorado at Denver	17,468	21,719	21,552
University of Colorado Health Sciences Center*	35,553		
University of Northern Colorado	16,628	15,905	16,744
Western State College	16,620	18,872	15,956

LOANS INCLUDED: Federal Stafford Loans Unsubsidized; Federal Perkins Loan; Federal Stafford Loans Subsidized; Federal Health Profession Loans; Other Loans

\* Combined with UCD for 2005 and 2006