

The Governor's Opportunity Scholarship Results from The First Cohort

Executive Summary

- College participation rates among Colorado's low-income students are lower than the national average.
- The Colorado Commission on Higher Education initiated the Governor's Opportunity Scholarship program in an attempt to change the enrollment and graduation patterns of low-income students.
- In FY 2000, 287 students are participating in the Governor's Opportunity Scholarship program and it is estimated that 84% will continue as sophomores in FY 2001.
- The majority of the GOS students are from an ethnic origin other than White, Non-Hispanic.

THE COLORADO COMMISSION ON HIGHER EDUCATION THE GOVERNOR'S OPPORTUNITY SCHOLARSHIP RESULTS FROM THE FIRST COHORT

The Governor's Opportunity Scholarships allowed 287 Coloradans to attend institutions of higher learning in 2000. The program is designed to assist students who would not otherwise seek postsecondary educational opportunities. An important part of the program is to track the progress of the scholarship recipients. The purpose of this report is 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; people in households with decreasing incomes have lower educational attainment levels. In 1997, according to the U.S. Census Bureau average income for a high school graduate was \$21,680 while a college graduate earned \$40,695.

**Table 1: Average Annual Income for Persons 18 Years and Over
by Educational Attainment**

Educational Attainment	Average Annual Income (1997)
High School Graduate	\$21,680
Some College	\$24,916
Associates Degree	\$29,749
Bachelor's Degree	\$40,695
Master's Degree	\$52,771
Ph.D.	\$79,346
Professional Degree	\$93,714

Source: Tom Mortenson, Postsecondary Education OPPORTUNITY, March 2, 2000

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 (21%) than the national average. In Colorado, only 21% of low-income students go on to college. Colorado

rate (21%) than the national average. In Colorado, only 21% of low-income students go on to college. Colorado's thriving economy will not benefit low-income residents unless enrollment patterns change.

Table 2: Estimated Chance for College by Family Income Quartile (1998)

Income Quartile	Chance for College	Chance for Completion by Age 24
Top	81.8%	57.1%
Third	66.9%	21.1%
Second	52.3%	15.2%
Bottom	35.7%	4.8%

Source: Tom Mortenson, Postsecondary Education OPPORTUNITY, April 12, 2000

Colorado Snapshot

In 1998, there were approximately 34,000 low-income high school students according to the Colorado Department of Education. The Department defines "low income students" as those who participate in the federal free and reduced lunch program. Of these, 7140 are estimated to enroll in postsecondary institutions. Of the 7140, only 5% or 350 students will complete a bachelor's degree before the age of 24 while in Colorado generally, 34% or approximately 117,000 residents over the age of 25 have at least a bachelor's degree.

To increase college participation among low-income students, 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 learning at no cost.

The purpose of the program is to provide financial and counseling support to low-income students by giving 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 Colorado residents. 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 year (FY2000) 31 public and private institutions provided assistance to 287 students at a cost of \$1.8 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, and the process of applying may be overwhelming to families unfamiliar with the system. 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 postsecondary career to determine the effect of the GOS and measure the academic performance and retention rates.

First Year Recipients

Two hundred eighty-seven GOS recipients enrolled in Colorado institutions of higher education for fall semester, 1999. Each received, at minimum, a federal Pell Grant, a work-study award and a GOS. The average GOS award was \$3100 per semester.

Sixty percent of GOS students are female. GOS students range from 16 to 44 years of age and on average are 20. I 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. Most GOS students are from an ethnic origin other than white, non-Hispanic compared to the state's 89% white, non-Hispanic population.

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

Ethnic Origin	Total GOS Student Population	GOS at 2-Year Institutions	GOS at 4-Year Institutions	Colorado Population (1997)
White, Non-Hispanic	41%	45%	39%	79%
Hispanic	42%	35%	46%	13%
Black, Non-Hispanic	7%	7%	7%	4%
Asian/Pacific Islander	3%	3%	3%	2%
American Indian/Alaskan Native	3%	3%	3%	1%
Unknown/Not Reported	4%	8%	2%	1%
Total Number of Students	279	101	178	N/A
% Non-White, Non-Hispanic	55%	48%	60%	N/A

Source: The Colorado Commission on Higher Education (fall 1999) and The U.S. Census Bureau (1997)

Ninety-seven percent of recipients enrolled at public institutions. Table 4 shows the distribution of GOS students among the various types of institutions and governing boards.

Table 4: Distribution of Governor's Opportunity Scholarship Recipients

Governing Board	Number of GOS Students FY 2000 Fall Semester Cohort	Percent of GOS Students FY 2000 Fall Semester Cohort
Colorado School of Mines	4	1%
Vocational Schools	8	3%
Private Non-Profit Colleges	8	3%
Local District Colleges	8	3%
Regents of the Univ. of Colorado	17	6%
State Colleges of Colorado	30	10%
State Board of Agriculture	52	18%
University of Northern Colorado	67	23%

Colorado Community College System	93	32%
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Source: The Colorado Commission on Higher Education, SURDS Enrollment and Undergraduate Application Files.

Retention rates and grade point averages are important indicators in measuring student success and will be tracked by the Commission. Sixty-one percent of recipients completed 12 or more credit hours during the fall semester. The average number of credit hours completed was 12 hours. Fifty-eight percent earned at least a 2.0 grade point average and 30% earned at least a B average. Table 5 compares the GOS recipients with first-time freshmen from the participating Colorado institutions. On average, the GOS students completed more credit hours than the first-time freshman population. However, the GOS students earned lower averages in their GPAs. GOS students who do not meet the credit hour or grade point average requirement are given a probationary semester. The freshmen-to-sophomore retention rate within the GOS population is estimated to be 84% compared to a freshmen-to-sophomore retention rate of 70% for all degree-seeking students enrolled in public colleges and universities in Colorado. First semester statistics suggest that GOS students need assistance in maintaining a 2.0 grade point and completing 12 hours. The Commission will be working with institutions to ensure that GOS recipients are meeting the minimum criteria to maintain their scholarship.

Table 5: GOS Recipients Compared to First-Time Freshman Population

Population	Student Type FY 2000 Fall Semester	Average Credit Hours Completed	Average G.P.A.
All Students	GOS Recipient	11.5 Hours	2.06
	First-Time Freshman	10.9 Hours	2.60
2-Year Students	GOS Recipient	10.0 Hours	2.13
	First-Time Freshman	11.1 Hours	2.35
4-Year Students	GOS Recipient	12.2 Hours	2.03
	First-Time Freshman	10.8 Hours	2.74

Conclusion

Data show the long-term benefits of acquiring a bachelor's degree are great. Yet, students from low-income families do not pursue a postsecondary education. The largest 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 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.

It appears to be good public policy to broaden the postsecondary educational opportunities for this income group by refocusing 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 Colorado Commission on Higher Education and the General Assembly to change the postsecondary enrollment patterns of low-income students.

The Commission will continue to monitor this program and encourage institutions to support these goals. CCHE will work with institutions to assure that GOS students succeed. A second group of approximately 300 students will be enrolled at Colorado institutions in the fall 2000. The Commission will work with institutions to assure continuing funding.