

# OREGON OPPORTUNITY GRANT: PHASE 2 PRESENTATION

*HOUSE BILL 2407*  
*HOUSE BILL 5024*

PRESENTED TO: JOINT COMMITTEE ON WAYS AND  
MEANS, SUBCOMMITTEE ON EDUCATION



May 12, 2015

BEN CANNON, Executive Director, Higher Education Coordinating Commission;  
BOB BREW, Executive Director,  
Office of Student Access and Completion (OSAC)

# 1971 – The Oregon Need Grant



# OREGON LEGISLATURE – 1971

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It is the intention of the Legislative Assembly to establish two types of student aid programs for those enrolled in community colleges and institutions of higher education.

The need grant program shall be based on the student's financial situation.

The scholastic grant program will be based on the student's financial need and his academic aptitude and achievement.

# 1999 – The Oregon Opportunity Grant



# BASIC ELIGIBILITY REQUIREMENTS

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Be an Oregon resident and a U.S. citizen or eligible noncitizen. (Members of Native American tribes with traditional ties to Oregon may be considered Oregon residents.)

Be an undergraduate student with no prior baccalaureate degrees.

Be enrolled at least half time (i.e., at least 6 credit-hours) at a participating Oregon-based postsecondary institution (community colleges; public universities, including Oregon Health Sciences University; 4-year private nonprofit universities).

# BASIC ELIGIBILITY REQUIREMENTS – CONT.

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Have demonstrated financial need, based on financial resources of the student and student's family, if applicable, as reported on the FAFSA.

Have no defaults on federal student loans and owe no refunds on federal student grants.

Meet all federal Title IV eligibility requirements regarding Selective Service registration and drug-selling convictions.

# OTHER BASICS

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The grant is available for up to 4 years (12 quarters or 8 semesters) at full-time, full-year enrollment.

Awards are prorated for half-time or partial-year enrollment.

Students must maintain satisfactory academic progress, as defined by the school attended.

Students must reapply annually by filing a Free Application for Federal Student Aid.

Students who are enrolled in courses leading to degrees in theology, divinity, or religious education are not eligible.

In years with limited funding, only students who are enrolled at least half time fall term retain eligibility for the grant.

# OOG INCOME LIMITS PRIOR TO 2008-09

Acad Year	Dependent (family = 4)	Independent with Dependents (family = 2)	Single Independent (family = 1)	Median Family Income (MFI) percentages*		
				Dep	Indep	Single
1999-00	\$34,680	\$15,720	\$6,580	75%	75%	35%
2000-01	\$40,670	\$18,430	\$7,690	75%	50%	35%
2001-02	\$39,090	\$17,720	\$7,400	75%	50%	28%
2002-03	\$39,090	\$17,720	\$8,130	74%	47%	30%
2003-04	\$30,820	\$19,050	\$8,740	55%	50%	30%
2004-05	\$31,340	\$19,330	\$8,890	55%	50%	30%
2005-06	\$32,510	\$20,100	\$9,220	55%	50%	30%
2006-07	\$33,100	\$20,460	\$9,390	55%	50%	30%
2007-08	\$33,600	\$25,900	\$9,600	55%	50%	30%



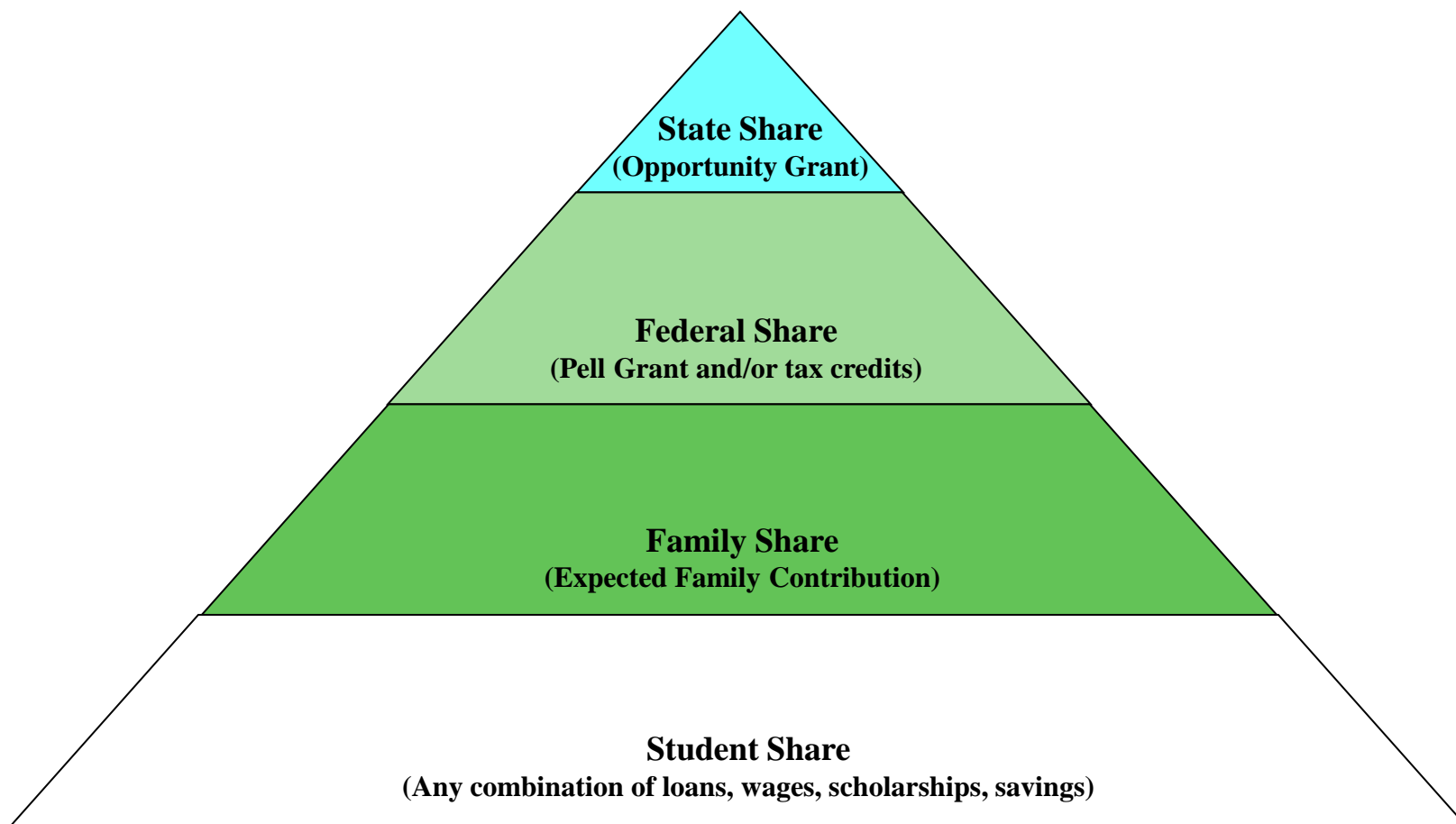
2007 –

# The Shared Responsibility Model

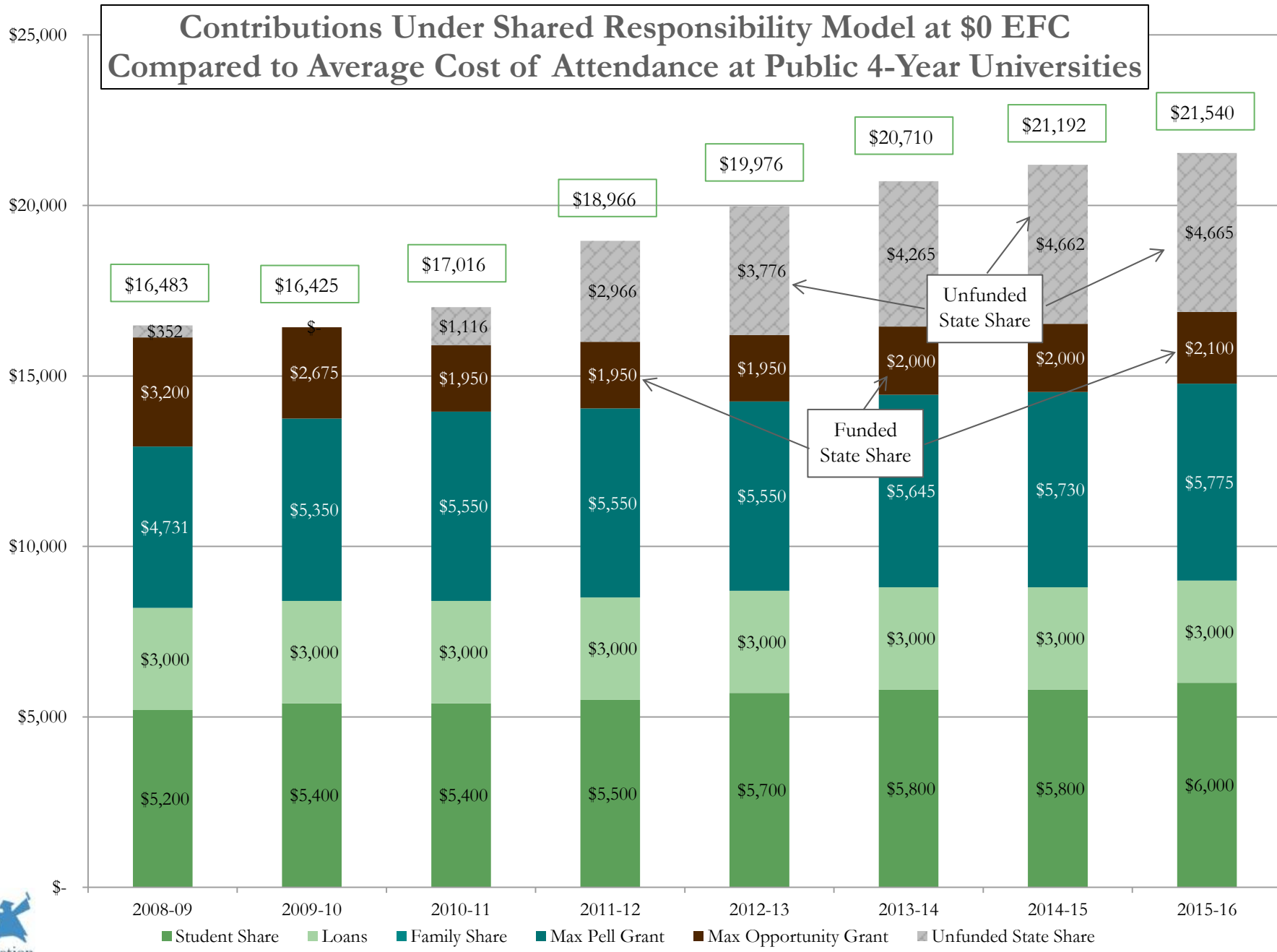


# SHARED RESPONSIBILITY MODEL

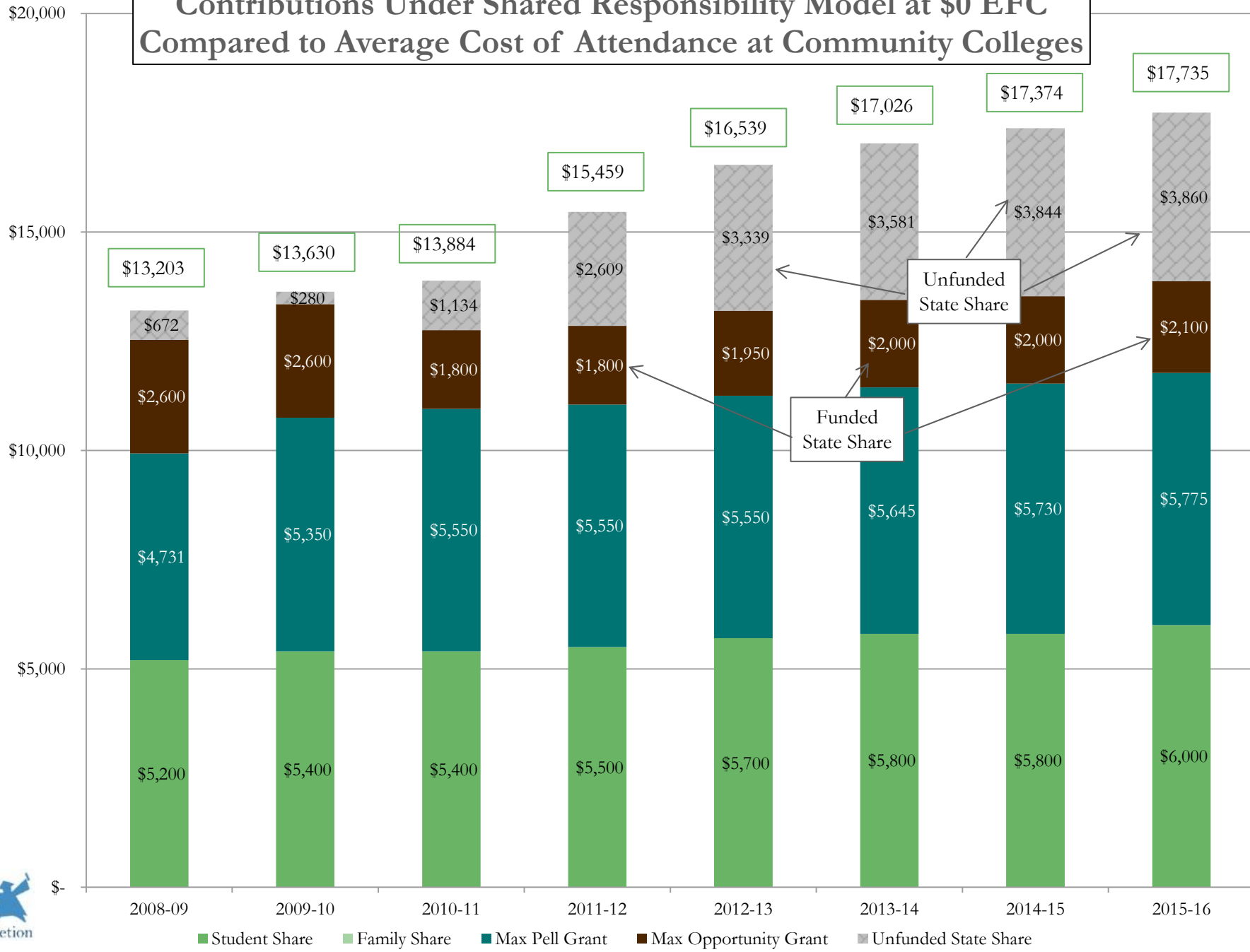
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# Contributions Under Shared Responsibility Model at \$0 EFC Compared to Average Cost of Attendance at Public 4-Year Universities



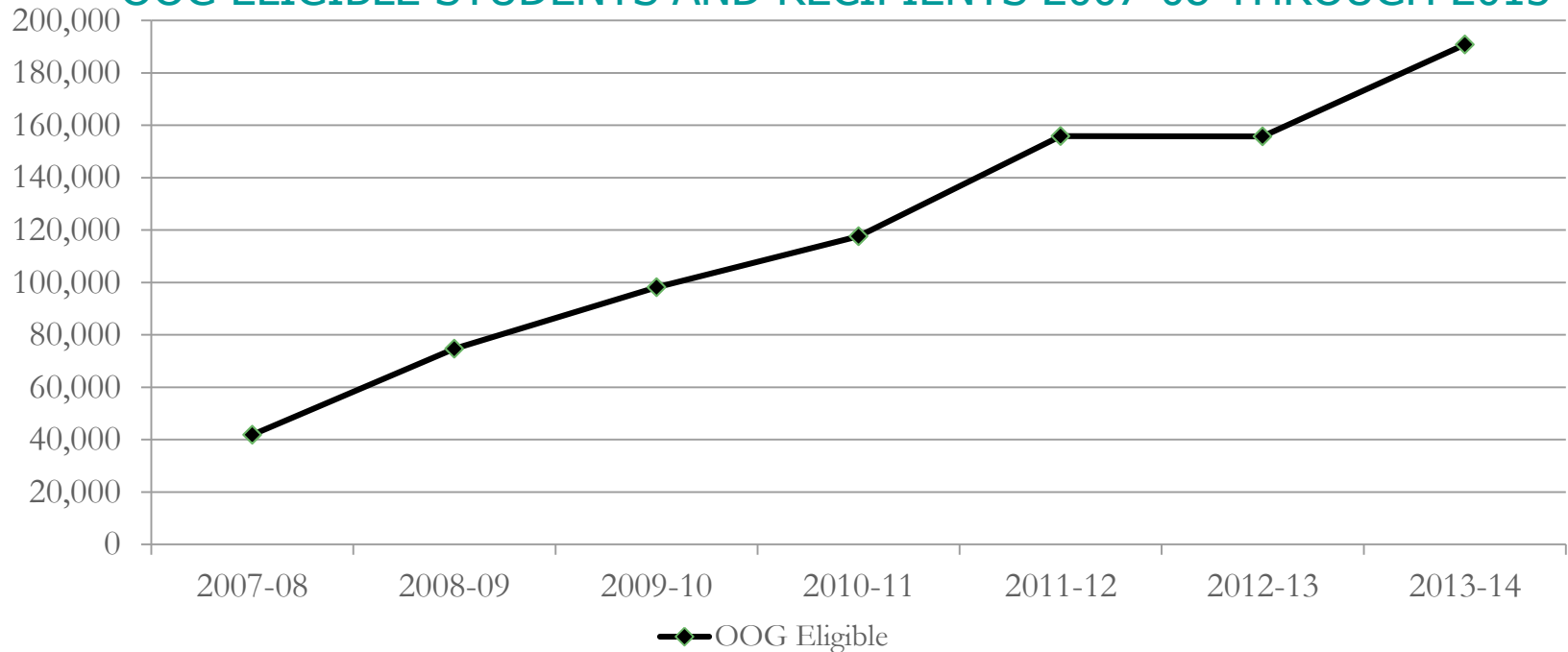
# Contributions Under Shared Responsibility Model at \$0 EFC Compared to Average Cost of Attendance at Community Colleges



# OPPORTUNITY GRANT: FUNDING DOES NOT MATCH ELIGIBILITY

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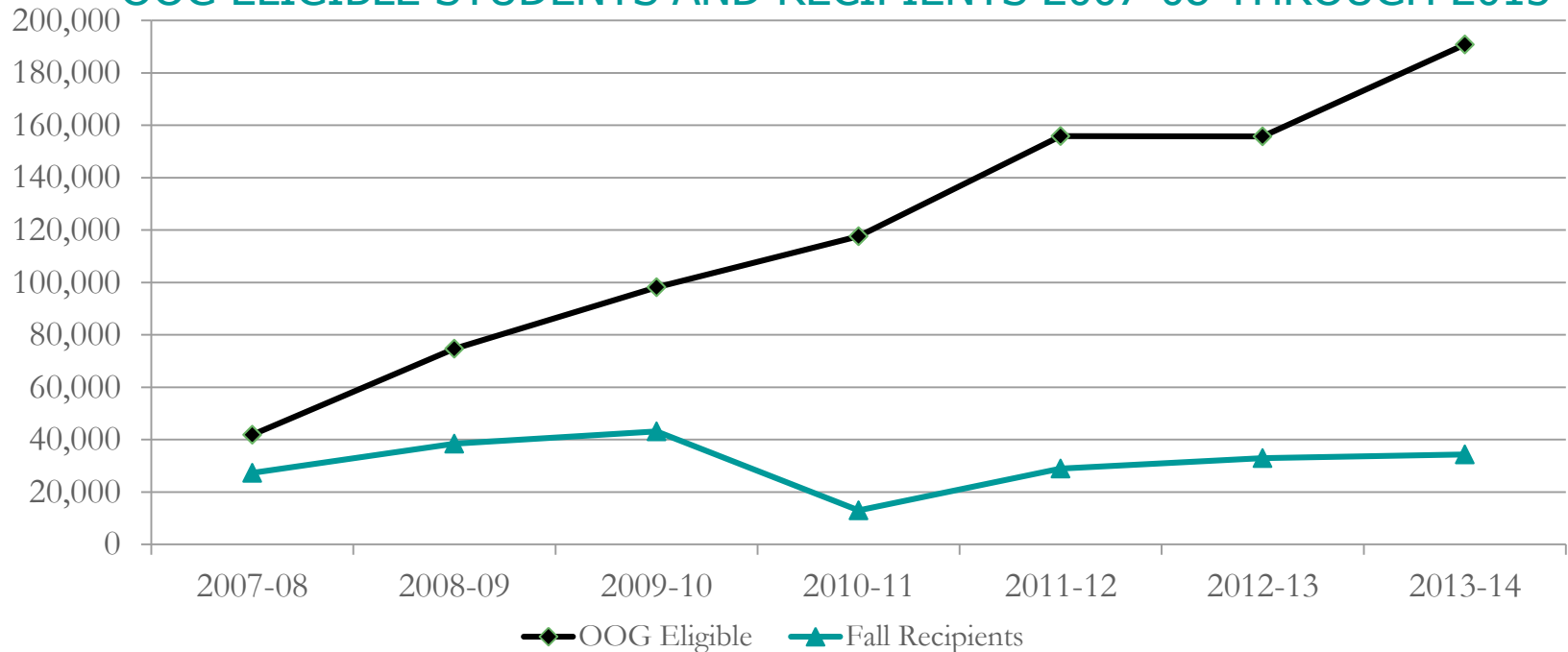
## OOG ELIGIBLE STUDENTS AND RECIPIENTS 2007-08 THROUGH 2013-14



	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>OOG Eligible</b>	<b>41,874</b>	<b>74,694</b>	<b>98,206</b>	<b>117,592</b>	<b>155,855</b>	<b>155,800</b>	<b>190,860</b>

# OPPORTUNITY GRANT: FUNDING DOES NOT MATCH ELIGIBILITY

OOG ELIGIBLE STUDENTS AND RECIPIENTS 2007-08 THROUGH 2013-14



	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
OOG Eligible	41,874	74,694	98,206	117,592	155,855	155,800	190,860
Fall Recipients	27,356	38,467	43,136	12,969	28,914	32,924	34,329

# 2015 – Proposed Opportunity Grant Redesign



# WORK GROUP ANALYSIS

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## Work group closely reconsidered the program elements of the Opportunity Grant in light of:

- Longstanding access vision for the program
- 40-40-20 goals and completion agenda of the State
- Promoting the ability of underserved students to access the grant
- Rewarding success and completion
- State and institutional aid relationship
- Underfunded Shared Responsibility Model
- Concern for integrity of the current model given limited funding
- Lack of predictability for students in current OOG methodology, (i.e. first-come first-served)



# WORK GROUP RECOMMENDATIONS

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Increase predictability  
of the Grant to support  
persistence and  
completion.

Strategically target the  
Grant to focus on  
improving access and  
completion for the most  
financially needy students.

# INCREASED PREDICTABILITY

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Establish a **rolling application deadline** ending first-come, first-served eligibility.

Provide a **two-year guarantee** for eligible students with a “meaningful” grant amount that varies based on the **circumstances of the student** and the amount of aid needed to influence the student’s ability to pursue education beyond the secondary level.

Funding beyond the first year would be determined based on the student meeting **progress and achievement benchmarks**.

# TARGETED USES

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Eligibility will continue to be based on each student's **financial need** and demographic data as reported in the FAFSA.

The \$70,000 income cap will be amended and a **new index** set for need eligibility.

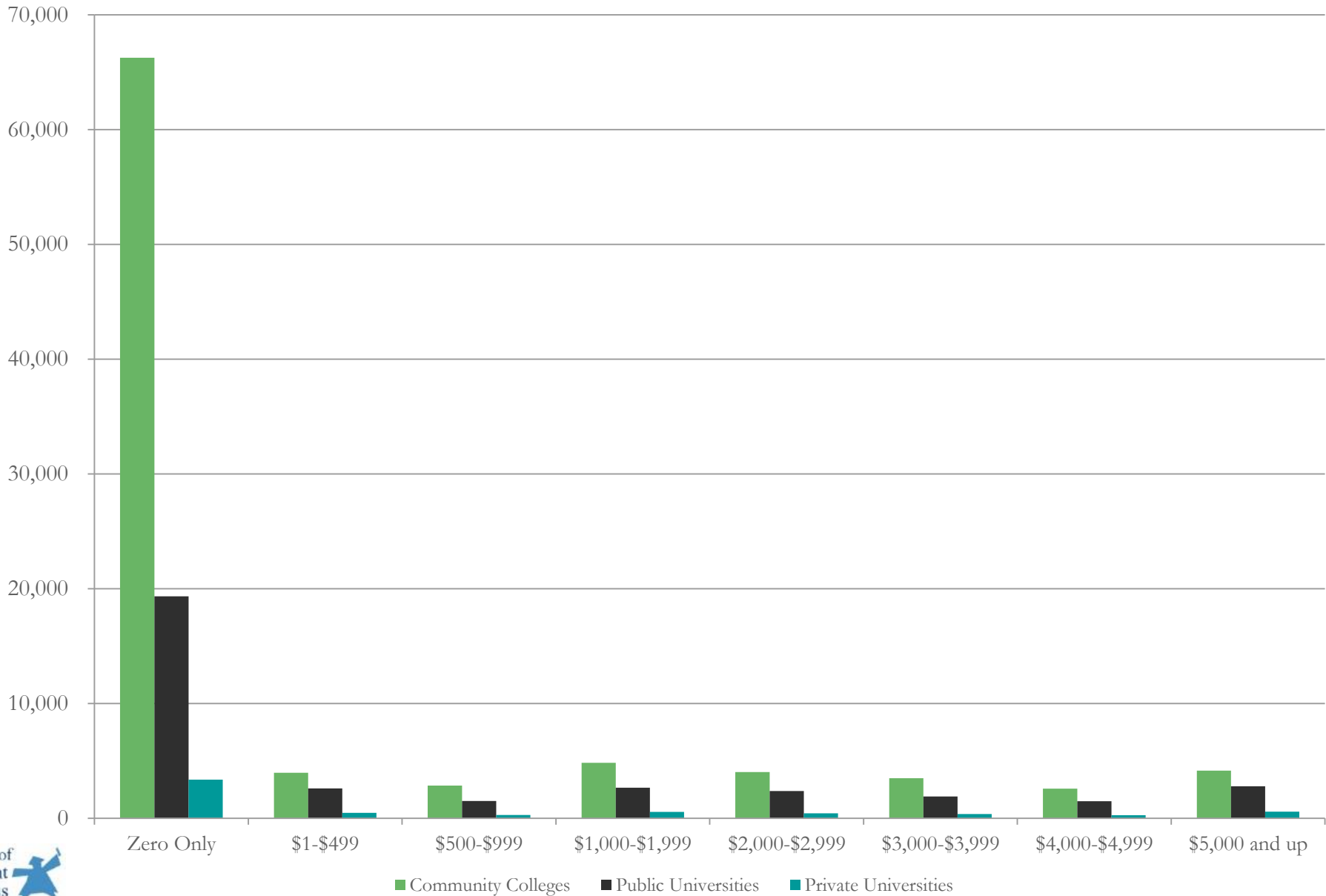
When funding levels are insufficient, the grant will be awarded to students with **highest need first**, with special focus to underrepresented racial and ethnic groups.

Underserved student status will be based on the definitions in the OEIB **Equity Lens**.

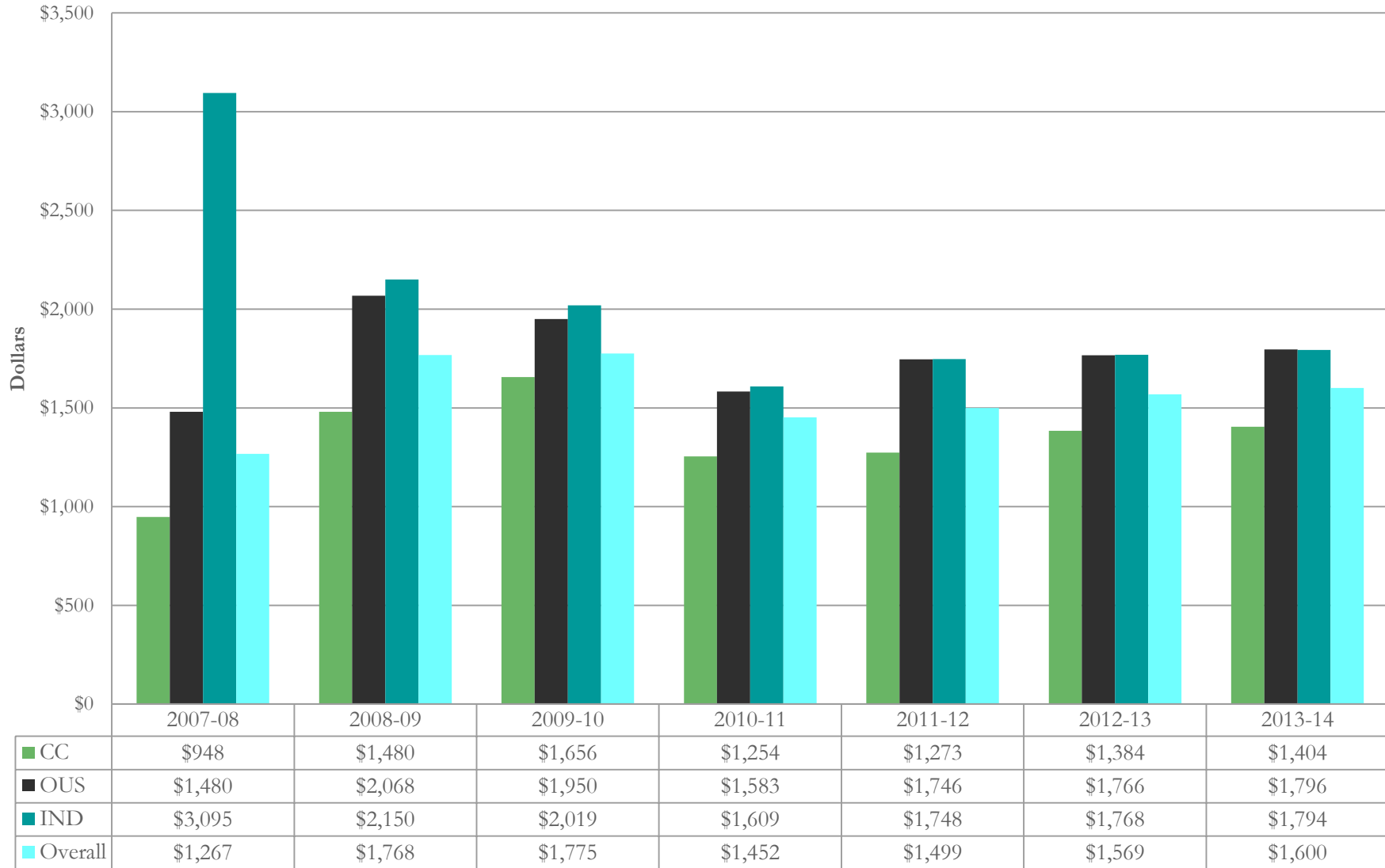
The other initial eligibility criteria remain the same.

# Number of Eligible Applicants by Expected Family Contribution

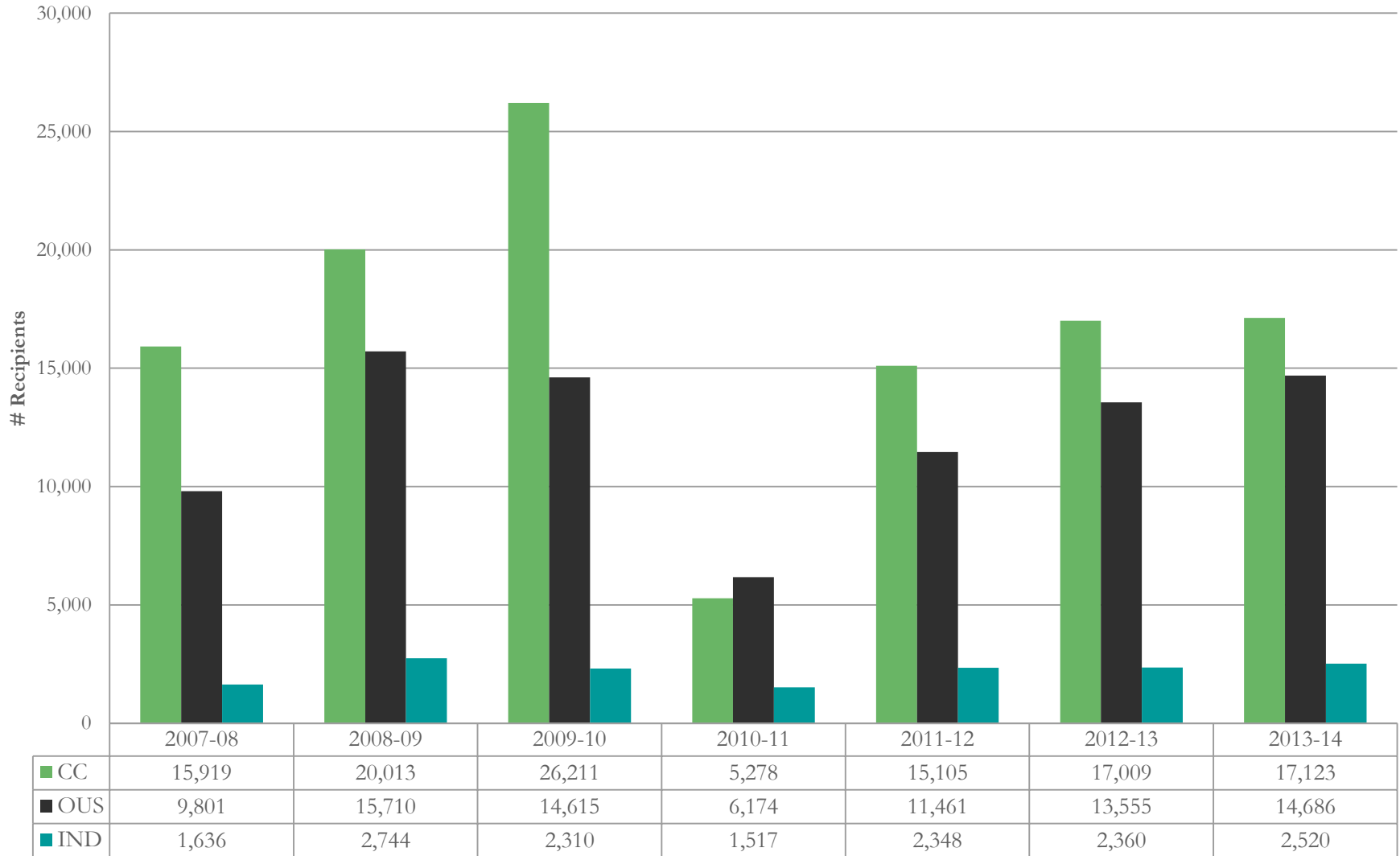
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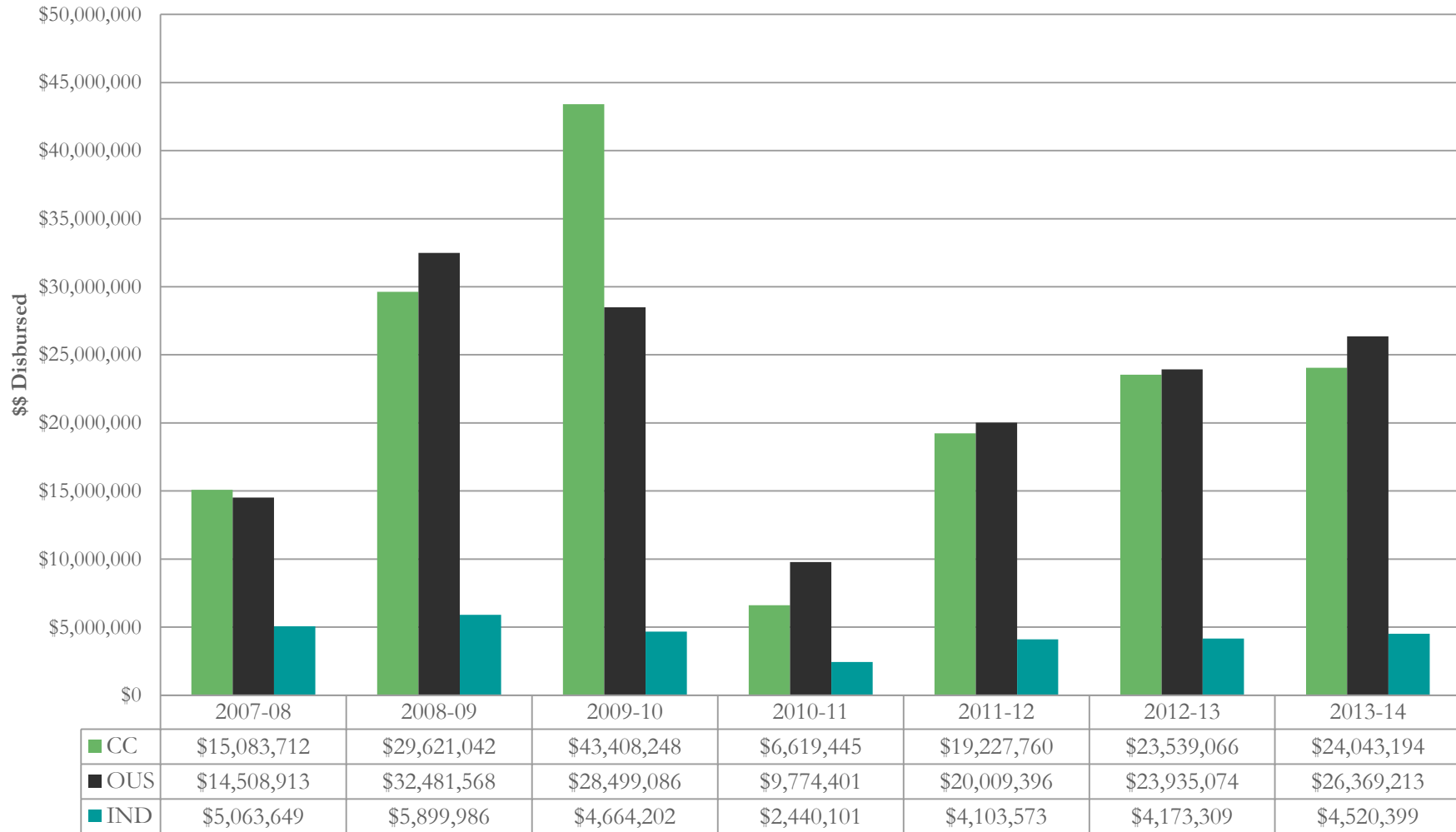
## Oregon Opportunity Grants Average Grant Dollars Disbursed per Recipient



## Oregon Opportunity Grant Number of Recipients by Sector



## Oregon Opportunity Grant Grant Dollars Disbursed by Sector



# DESIGN TEAM RECOMMENDATIONS

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Students with greatest **financial need** (i.e. Expected Family Contribution of \$0) will receive first priority for grant awards.

Guaranteed **renewal** of grant in second year for students who continue to meet eligibility requirements.

Students in **years three and four** may still receive the Grant, although higher academic standards may be established.

If **additional funds** are available after all \$0 EFC students are served, additional students will be awarded grants based on their Expected Family Contribution.

**Eliminates early deadline** and “first-come, first-served.”



# BUDGET AND AWARD IMPLICATIONS

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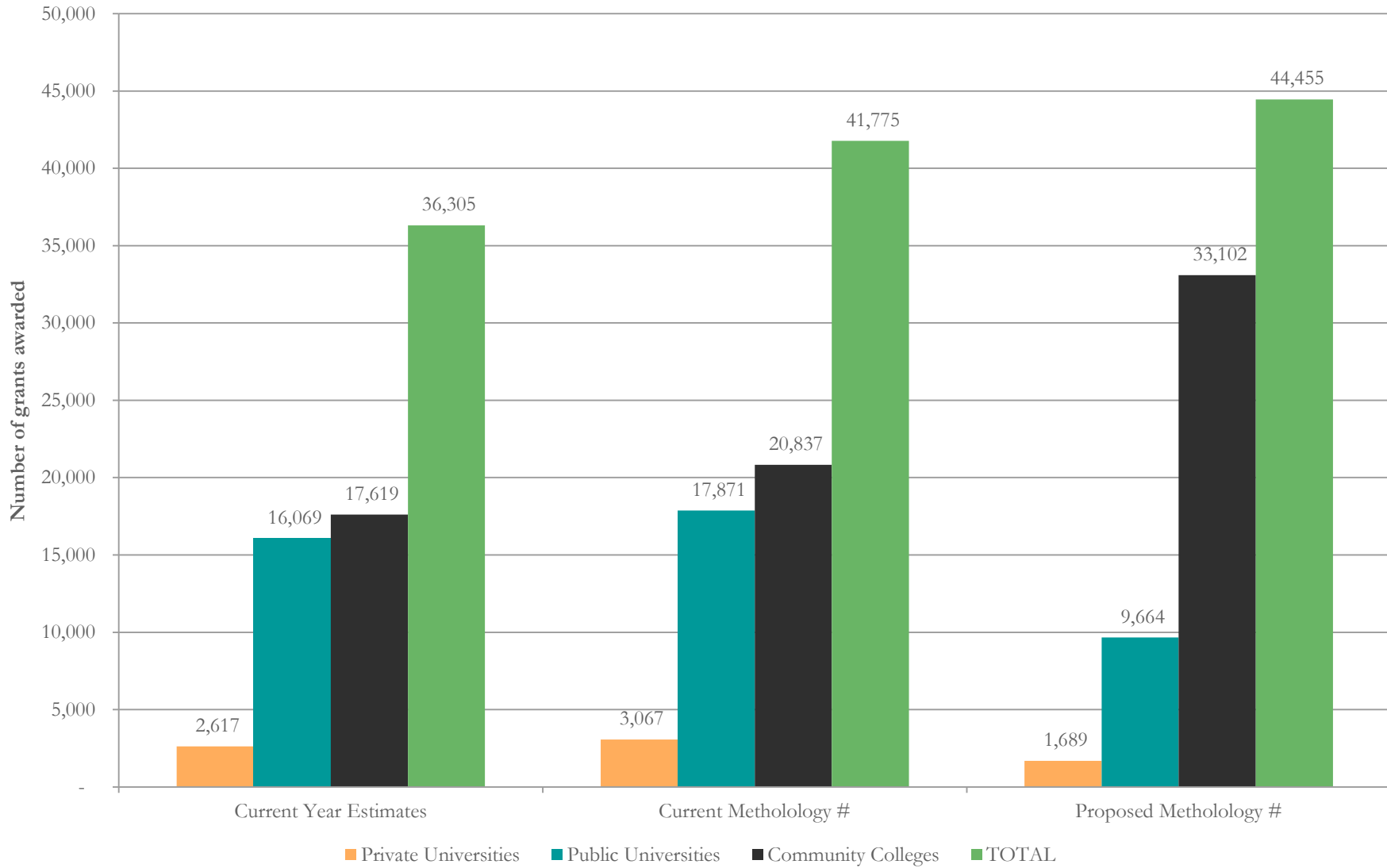
Governor's Recommended Budget is \$143,263,216, which is an increase of 22% above the Current Service Level of \$117,328,768.

At the current maximum grant level of \$2,100 per full-time student per year, the actual average grant award is \$1,680.

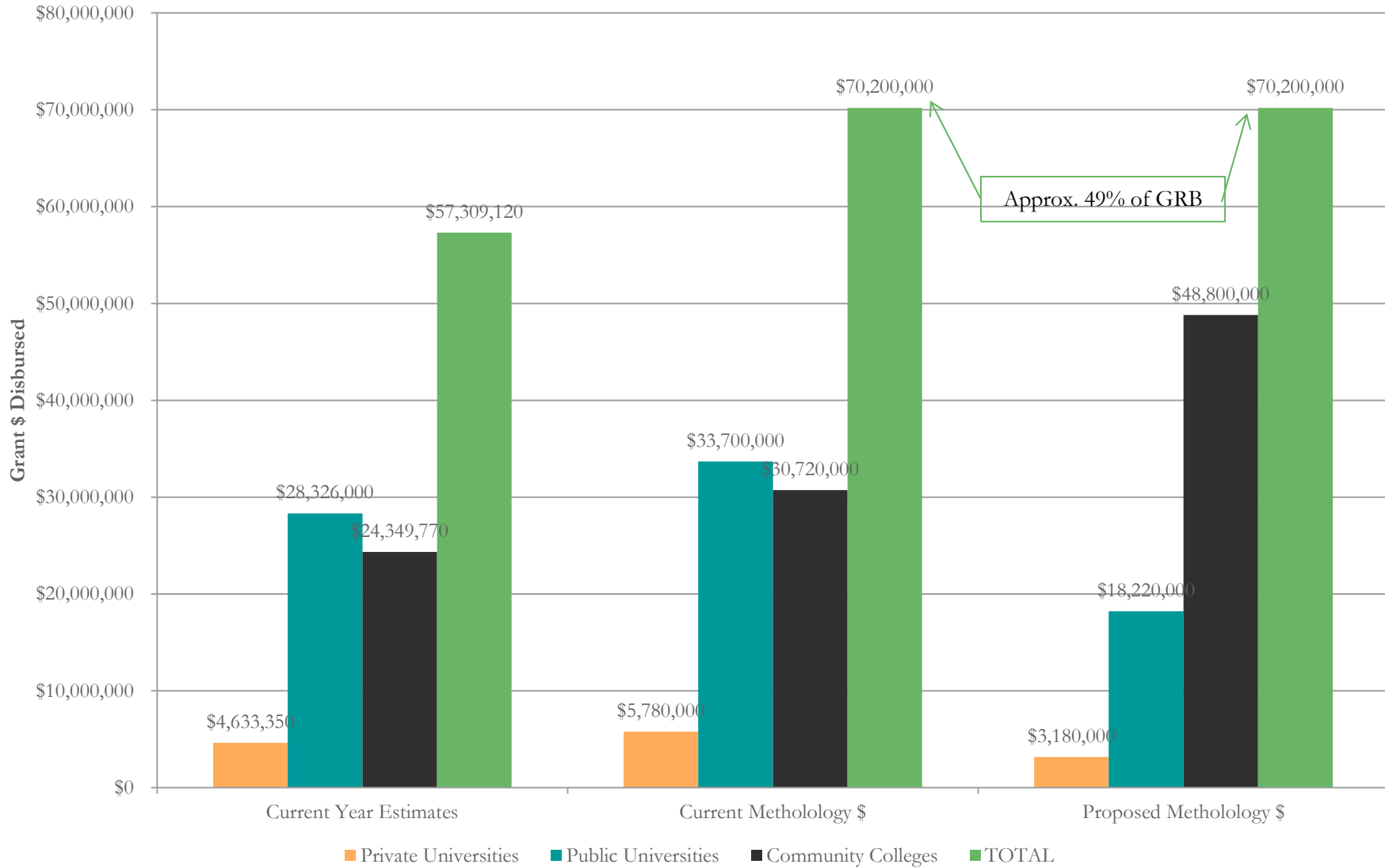
Using the **current methodology** and this funding level, we estimate we could serve about 85,280 students over the biennium (42,640/year). Current biennium served about 67,800 (33,900/year).

Under the **proposed methodology** and this funding level, we estimate we could serve about 90,720 students over the biennium (45,360/year) with a maximum grant level of \$2,100 per full-time student per year and an actual average grant award of \$1,579.

# Grant Recipients by Sector - Current and Proposed Methodology



# Grant Dollars Disbursed by Sector - Current and Proposed Methodology



# 2015 – Fifteen to Finish Proposal



# FIFTEEN TO FINISH

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Federal definition of “Full-time Student” is 12 credit hours per term or semester.

A student attending four years of university at the Federal full-time rate will accumulate 144 quarter hours or 96 semester hours.

The Opportunity Grant is only available for four years of full-time, full-year study.

Most Bachelor degree programs require at least 180 quarter hours or 120 semester hours to graduate.

To graduate in four years, a student would need to average 15 credits per quarter or semester.

There are additional costs to increasing from 12 to 15 hours, in tuition, time, and workload.

# FIFTEEN TO FINISH GOAL

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The Higher Education Coordinating Commission and the Executive Director of OSAC will develop a pilot supplemental grant that will recognize and incentivize students who consistently complete an average of 15 credit hours per quarter/semester.

This supplemental grant will recognize and support the extra effort and costs necessary to support this level of coursework.

The standard requirements and qualifications for the Oregon Opportunity Grant will not be affected.

Students attending at the full-time or half-time standards for the Opportunity Grant will not be affected.