



WASHINGTON STUDENT  
**ACHIEVEMENT COUNCIL**  
EDUCATION › OPPORTUNITY › RESULTS

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## Our Mission:

Inspire and foster  
excellence in  
educational attainment.



**Creativity & Imagination**

**Innovation & Ingenuity**

**Technology & Invention**

**Diversity & Access/Affordability**

**Standards & Quality/ Outcomes**

**Investments & Accountability**

**Strategic Planning & Systems Alignment**

10/2/2013

Washington Student Achievement Council

*We can make no better investment in our future than education.*



# Challenges

# Five Challenge Areas

Readiness

Access & Affordability

Capacity, Quality & Success

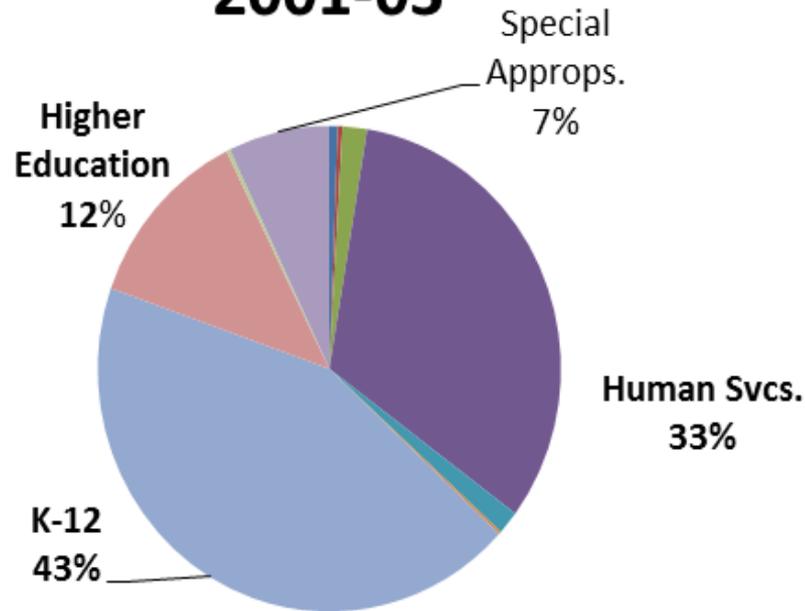
Technology

Accountable & Sustainable Funding

# Higher Education Funding Trends

10/2/2013

## State Spending by Functional Area, 2001-03

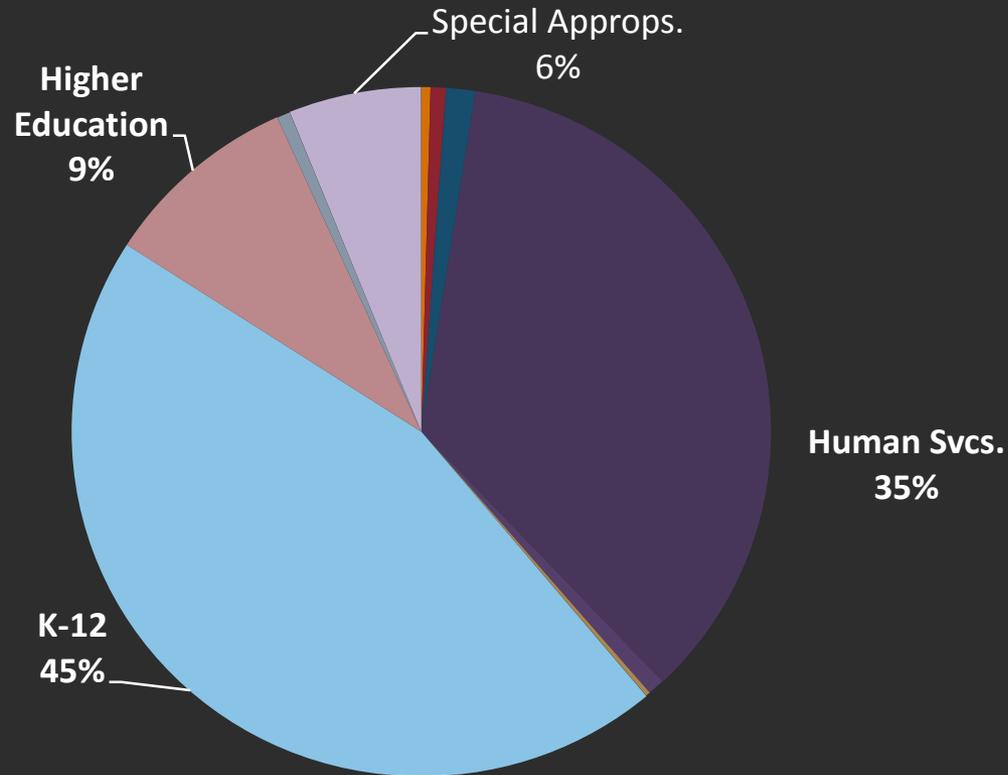


Washington Student Achievement Council

# Higher Education Funding Trends

10/2/2013

**State Spending by Functional Area, 2013-15**

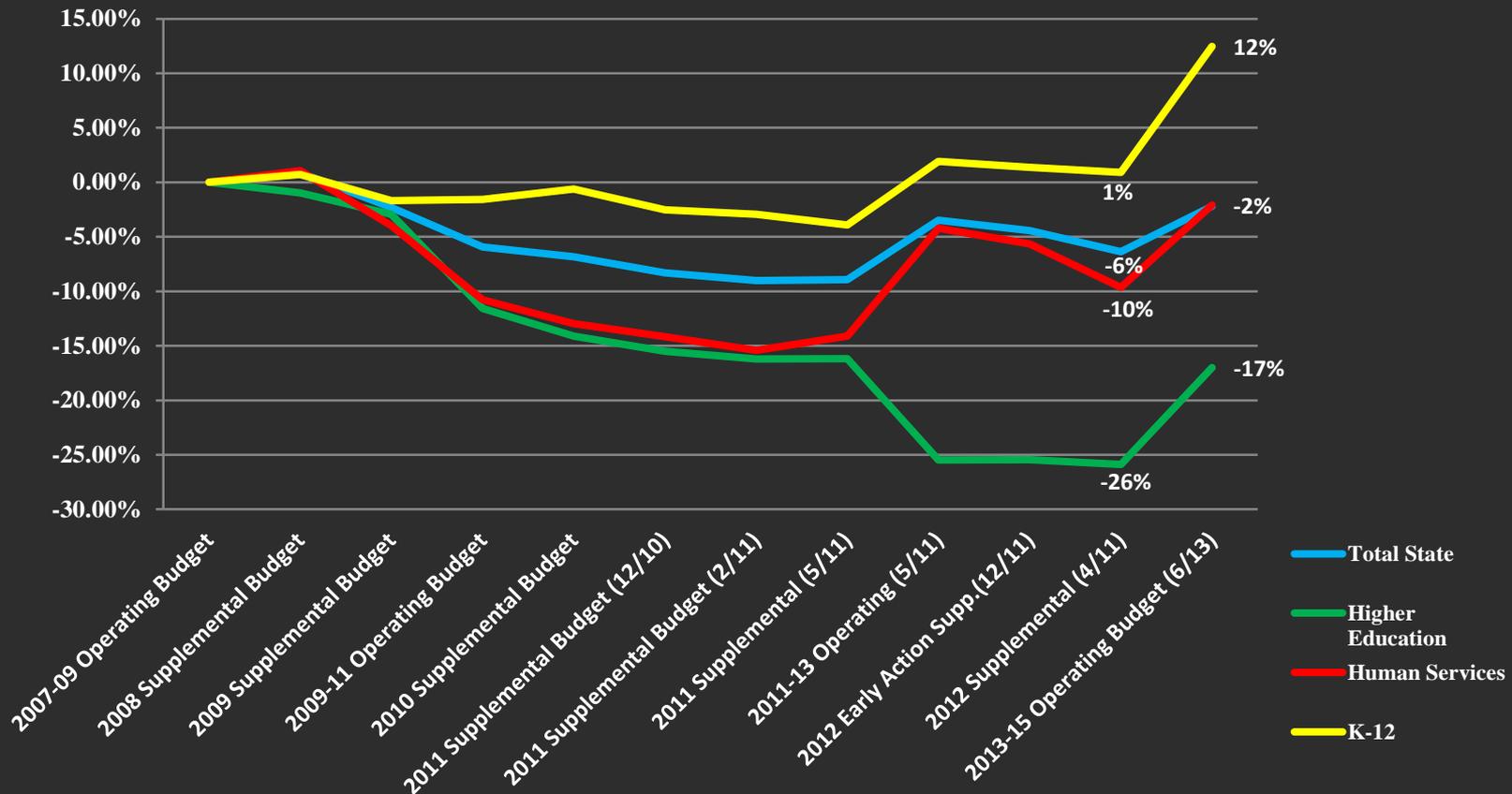


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# Higher Education Budget Components

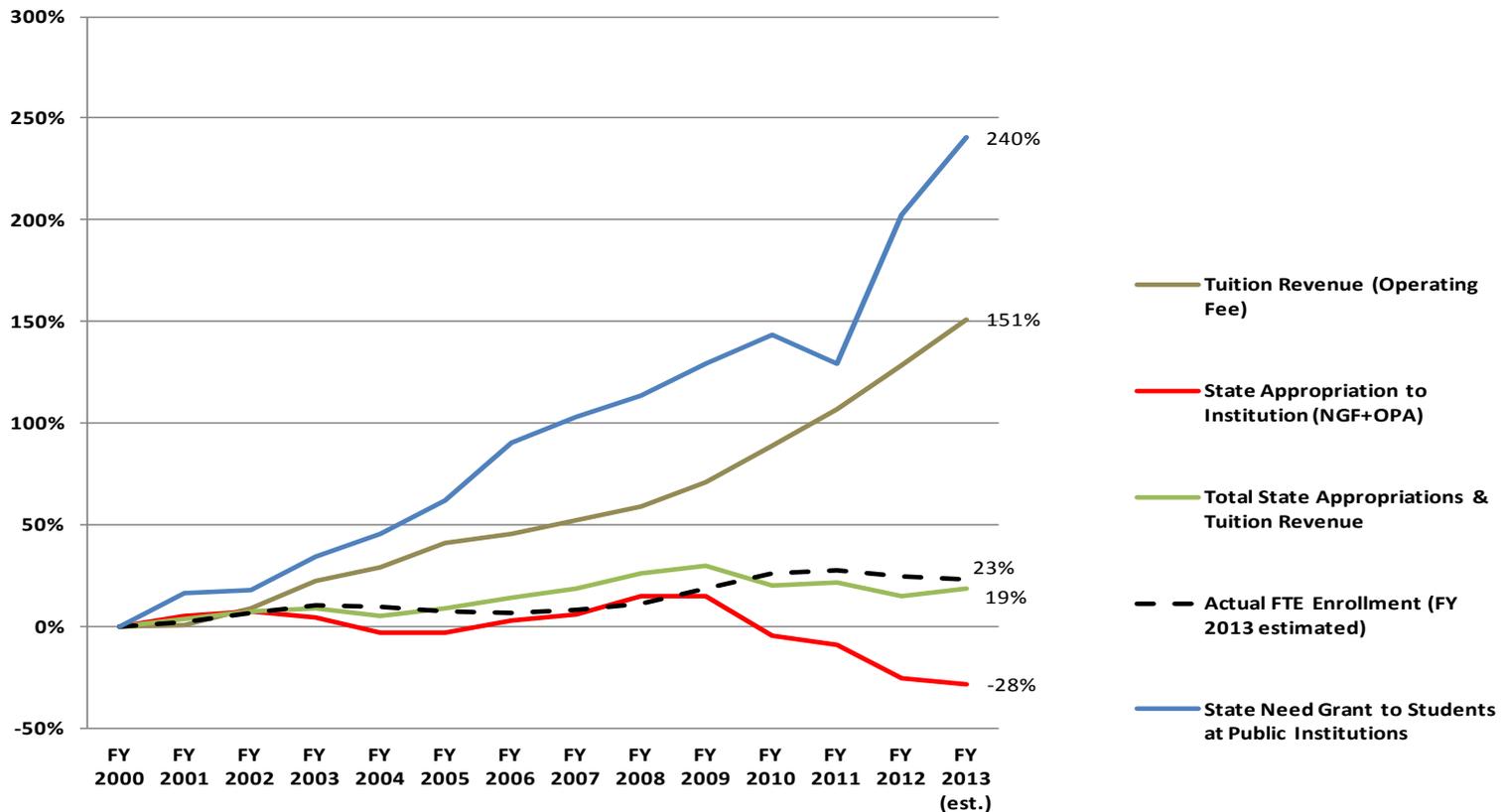
## Major State Budget Components by Percent Change in Near General Fund Biennial Appropriations: 2007-09 to 2013-15

(Higher Education includes: Opportunity Pathway Account and HECB/WSAC Appropriations)



# Change in Higher Education Budget Components

**All Public Institutions**  
**Funding and Enrollment Trends: Percent Change from FY 2000**  
*Constant (FY 2000) Dollars*



# Access and Affordability

## Higher Education in Washington

### ***Costs rise & aid dollars are stretched***

- Student share of total cost
- Tuition increases over time
- Total aid offered to needy students
- State's strong commitment to financial aid
- Financial aid applications increasing
- Annual student loan debt and debt at graduation
- Eligible State Need Grant students not receiving grants
- College Bound Scholarship pipeline of low-income students



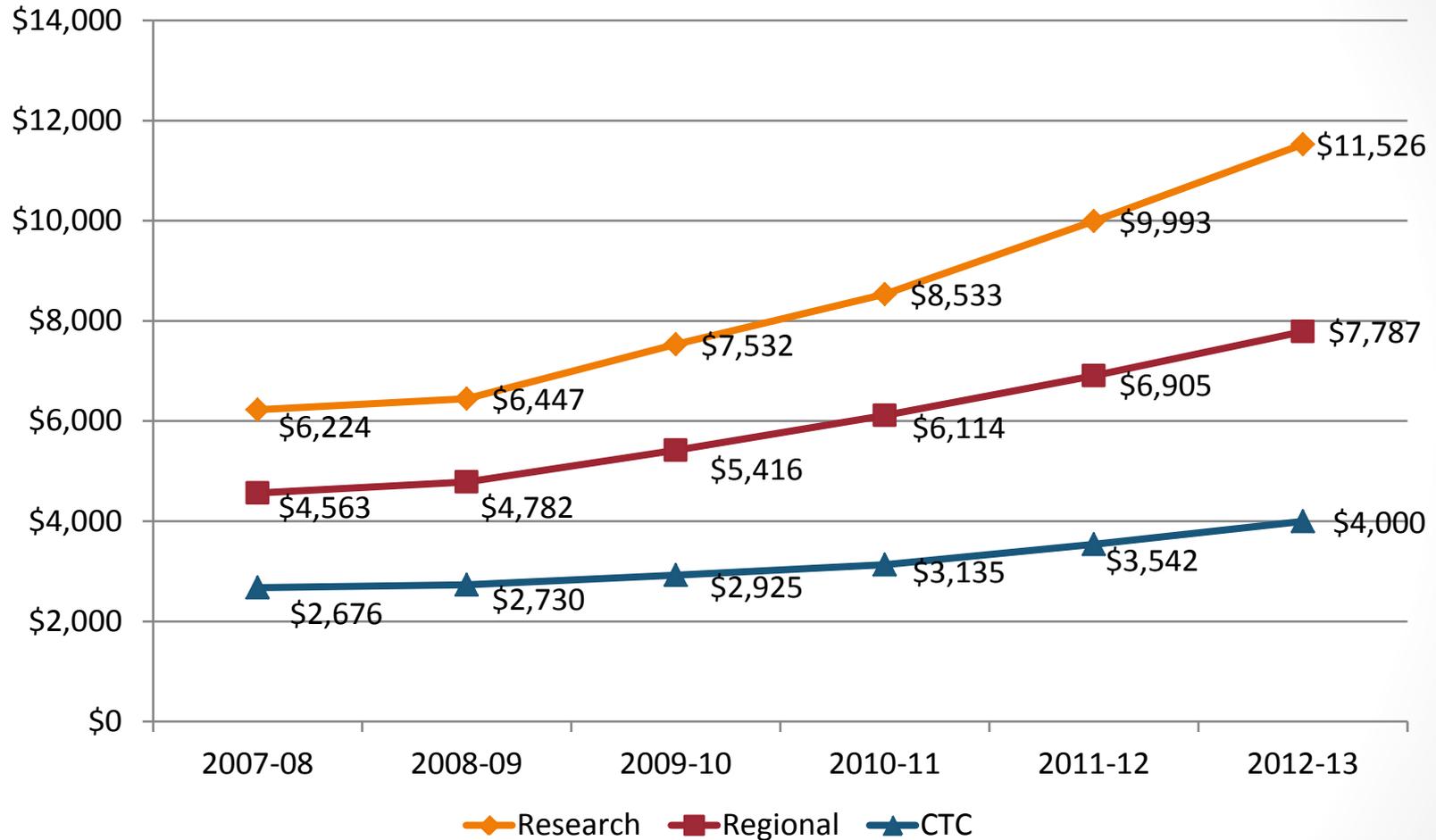
### ***A great option for Washington families***

- Guaranteed Education Tuition (GET) program helps families plan ahead and save

# Students now cover the majority of cost

- The state subsidizes the total cost of instruction.
- The state covered 74% of total cost in 2000 compared to 44% in 2013.
- Students are now paying the majority of the cost of instruction at public two-year and four-year colleges and universities.

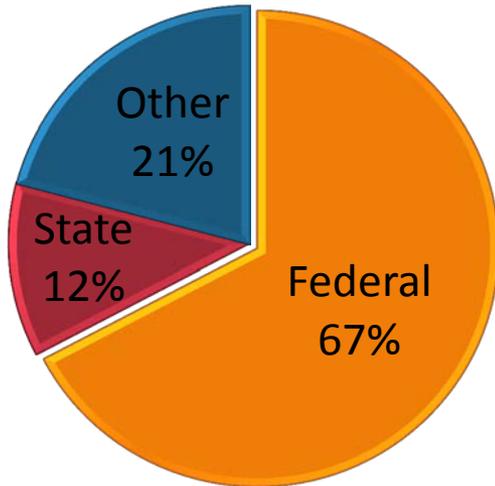
# Public tuition nearly doubles in 5 years



Legislature holds tuition flat for 2013-14

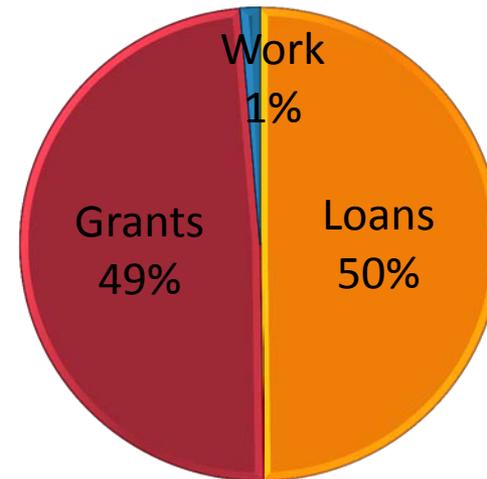
# Assistance by source and type

## Financial Aid by Source 2011-12



Federal: \$1.7 B  
Other: \$536 M  
State: \$303 M

## Financial Aid by Type 2011-12



Loans: \$1.3 B  
Grants: \$1.3 B  
Work Study: \$35 M

- \$2.6 billion provided to needy Washington students in 2011-12
- \$1.7 billion provided to needy undergraduate Washington students

Note: "Need" eligibility is determined by subtracting the expected family financial contribution from the total cost of attendance for the student.

Source: The 2011-12 Unit Record Report includes all aid received by students receiving need-based aid at SNG institutions.

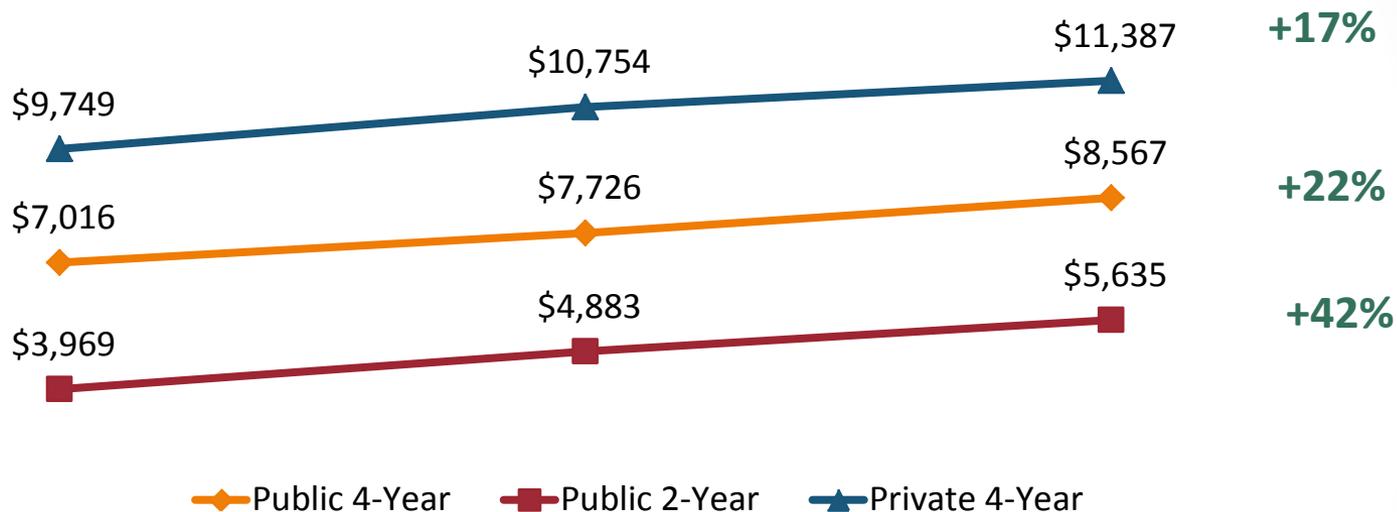
# Washington has historical commitment to strong financial aid programs

## 2013-14 Estimated Expenditures

- **State Need Grant** – Washington ranks 1<sup>st</sup> of all states in need-based grant funding per undergraduates - \$303 million
- **College Bound Scholarship** – an early commitment of aid to middle school students from low-income families - \$24 million
- **State Work-Study** – while reduced, 5,500 students and 1,000 employers participate - \$7.8 million

# Borrowing increasing in recent years

## Annual Average Loan Amounts by Sector (Includes Student and Parent Loans)



Year	Public 4-Year	Public 2-Year	Private 4-Year
2005-06	n= 28,792	n= 19,557	n= 9,904
2008-09	n= 28,736	n= 22,294	n= 9,058
2011-12	n= 38,261	n= 35,900	n= 11,169
	+32%	+84%	+13%

Resident undergraduate need-based aid recipients. Includes Federal Perkins, Stafford, Parent PLUS Loans and Private Loans.

# Debt upon graduation increasing

Year of graduation and average total loan amounts borrowed by Washington undergraduate residents:

- 2006 \$17,954
- 2007 \$18,771
- 2008 \$18,987
- 2009 \$19,780
- 2010 \$22,101
- 2011 \$22,244

Average indebtedness increased by **24%** from 2006 to 2011.

The percentage of graduates who borrow has remained fairly constant - **56%** in 2011

# Student debt – crisis vs. opportunity?

- The number of students borrowing and the average amounts borrowed has increased.
- Federal loans have low interest rates and flexible repayment options.
- Only about half of graduates now leave college with debt.
- Loans are sometimes the only option for middle and upper income students.

# More students are asking for need-based assistance

## Free Application for Federal Student Aid (FAFSA)

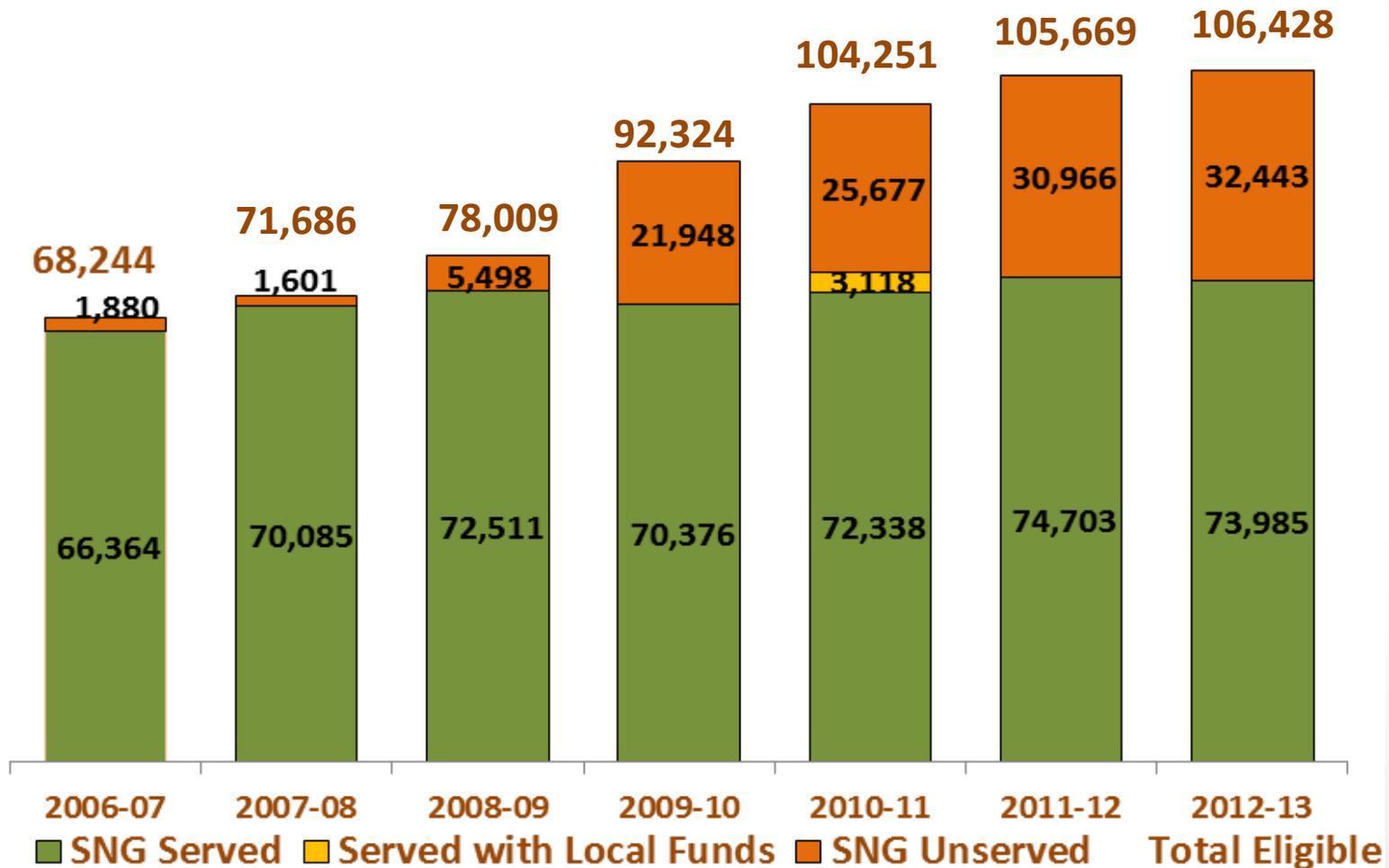
- 2008-09 308,744
- 2012-13 451,144



46% increase in four years

Numbers of FAFSA applications submitted by Washington residents

# Eligible student demand outstrips funding in State Need Grant

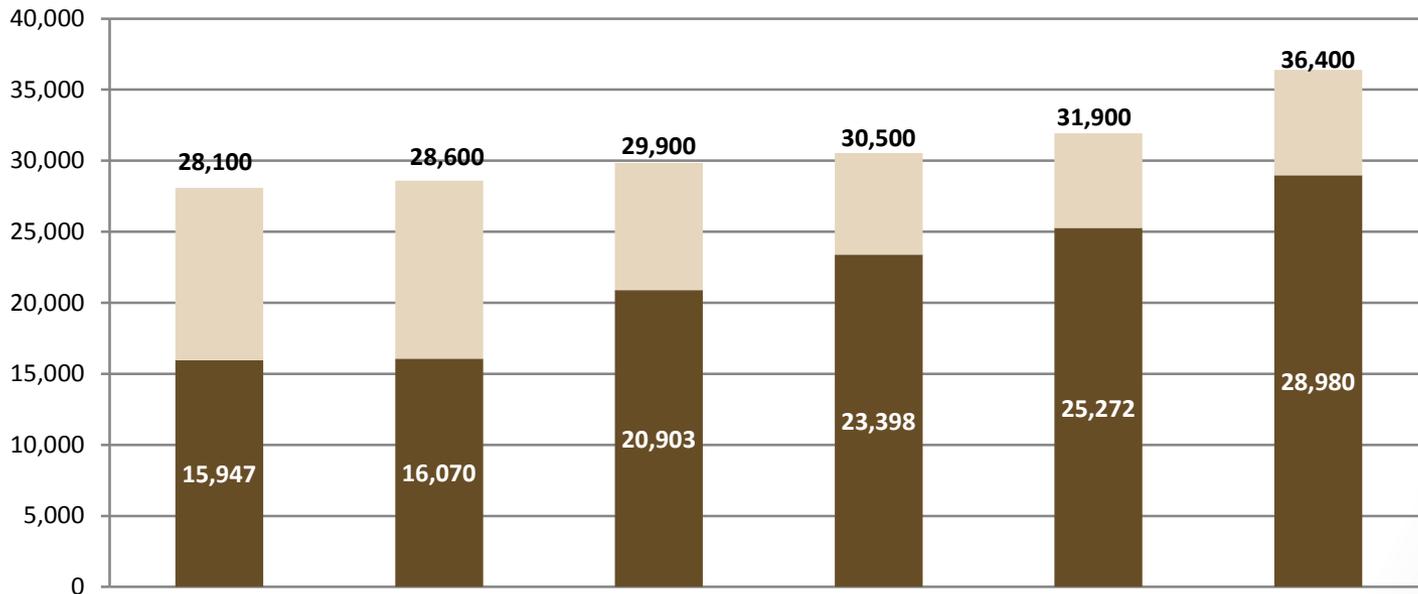


# College Bound Scholarship encourages students to “dream big”



**151,600 Applications Submitted 2007 to 2013**

Student eligible for free/reduced price lunches  
Applications submitted during 7<sup>th</sup> and 8<sup>th</sup> grade



Percent that applied	57%	56%	70%	77%	79%	80%
First applied	2007	2007	2008	2009	2010	2011
First year in college	2012	2013	2014	2015	2016	2017

# GET offers vehicle for families to save

- **Washington's 529 plan** with tax-free growth and withdrawals.
- **State-backed guarantee** – payout based on WA's highest resident undergraduate public tuition at time of attendance.
- **Over 152,000 accounts opened** – current assets >\$2.55 billion.
- **Average amount saved per GET account** – almost 2 years worth of tuition at WA's highest priced public university
- **Has helped more than 32,000 students** attend college in all 50 states and 14 foreign countries (though 77% use GET in-state).
- **Often only option** for middle income families who don't qualify for other financial aid. Best suited for families with young children.

