

January 2009

Annual Report on State Financial Aid Programs: 2007-08 Accounting, 2008-09 Estimates, and Notable Events and Activities

Summary

The state of Washington has a longstanding commitment to postsecondary education opportunities for all students, regardless of income. The purpose of this report is to provide the members of the Higher Education Coordinating Board with:

1. An overview of state, federal, and institutional financial aid in Washington.
2. A description of notable events and activities during the past year.
3. A detailed accounting of state aid program expenditures in the 2007-08 academic year and projected spending for the 2008-09 academic year.
4. A separate review of the GEAR UP program activity.

Overview of State, Federal, and Institutional Aid Programs

In 2007-08, a total of \$1.62 billion was provided to about 135,000 needy Washington students from state, federal, and other sources. This is about a \$10 million and 3,000 student increase from 2006-07.

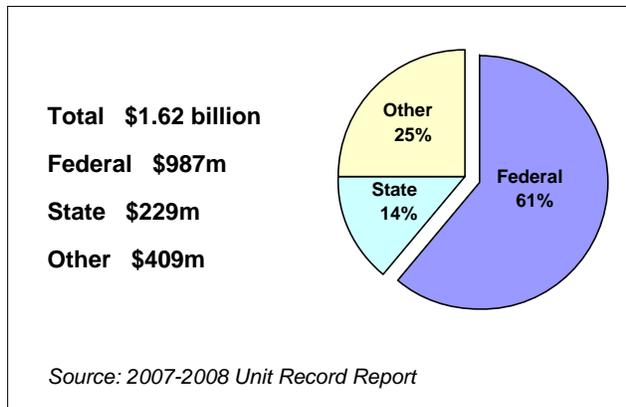
This aid took the form of grants, work study awards, and loans. As in previous years, the federal government provided the majority of the aid. About 76 percent of the federal aid was in the form of loans.

The figures in Charts 1 and 2 represent state, federal, institutional, and other private sources of financial aid disbursed to Washington students for the 2007-08 academic year, as reported on the Unit Record Report. The Unit Record Report includes all aid received by needy students at the 68 colleges and universities currently participating in the State Need Grant program.

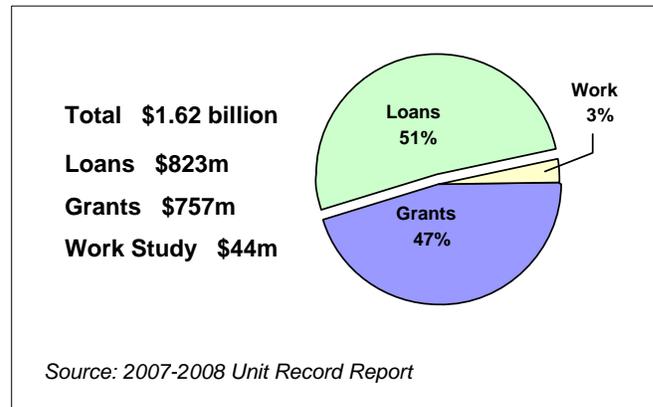
This report does not address alternative financing methods such as private loans, credit card debts, or federal tax credits that may be used by some students and their families. This report also does not routinely capture data about aid based solely on merit.

Sources and Types of Aid to Needy Students in Washington (2007-08 academic year)

**Chart 1
Financial Aid by Source**



**Chart 2
Financial Aid by Type**



State Student Aid Funding in Perspective

In 2007-08, about \$216 million in state aid was disbursed through programs administered by the Board. About 82,800 students attending 99 colleges and universities received some form of state assistance. In 2008-09, \$236 million is available for state aid programs administered by the Board.

More than 88 percent of state aid is in the form of grants and scholarships. The remaining 12 percent is in the form of work study and a small percent representing forgivable loan programs and scholarships.

While it is difficult to adequately compare states to each other, the National Association of State Student Grant and Aid Programs (NASSGAP) supplies one measure of relative effort. According to the latest NASSGAP survey, Washington ranks fifth in the nation in terms of state student grant aid funding per undergraduate enrollment. This is one position lower than in the previous year. Above Washington are New York, New Jersey, Pennsylvania, and Illinois. Among the Global Challenge states, Washington ranks second only to New Jersey.

Implementation of New Program Features

State Need Grant

Less-than-Halftime Pilot Project Update

For the 2007-08 academic year, the Legislature expanded the SNG less-than-halftime pilot program to include all 68 participating schools. All but a few of the schools reported serving less-than-halftime students during 2007-08.

In the first year of the expanded pilot program (2007-08) 1,982 students received funds totaling \$500,000 – the limit specified in the 2007-09 budget proviso. However, 1,124 eligible students remained un-served due to lack of funding. The cost of funding these additional students is \$310,000.

Most of the students eligible for a less-than-half-time award (77%) enrolled for two or more terms during 2007-08. A majority (85%) of less-than-half-time students enrolled less-than-half-time for a single term while enrolling half-time or greater the remaining terms. This indicates that most students enroll at a less-than-half-time rate temporarily. Few students enroll at a less-than-half-time rate for prolonged periods of time.

There are demographic differences between the less-than-half-time students and the regular SNG program students. The most notable difference between the less-than-half-time population enrollment and the regular SNG population enrollment was in the community and technical college sector (80% vs. 59%). Private vocational schools have limited demand for less-than-half-time enrollment and consequently have the smallest percentage of this population.

In November 2008 the Board delivered a detailed report to the Legislature on the pilot program. The report supports the Board's initial recommendations from its 2006 study. The primary recommendation is that less-than-half-time student eligibility be made a permanent feature of the regular SNG program.

The 2008 Legislative report also suggests that the statute pertaining to the exclusion of child support income for these students be made permissive instead of mandatory. Institutions are concerned about their ability to comply with this requirement when computing less-than-half-time student eligibility. Adopting this recommendation will resolve the concern.

State Work Study

Future Teacher High-Demand Internships

The legislature appropriated \$500,000 to fund work-study internships for prospective teachers. This program provides an opportunity for eligible students to gain direct experience in secondary school math or science classrooms. The goal is to better prepare students to make sound decisions about pursuing a teaching career and accepting other forms of dedicated aid such as the Future Teachers Conditional Scholarship.

In the initial year of the program, nine institutions, including four community colleges, were chosen for funding through a competitive application process. In 2008-09, 10 projects have been awarded to nine institutions.

In 2007-08, 68 students participated in the High Demand program and earned more than \$116,000 in SWS wages. For 2008-09, approximately 150 students will participate and earn about \$350,000 in SWS wages.

It is expected that the full appropriation will be expended by the end of 2008-09 fiscal year.

Teacher Conditional Loans

The Alternative Routes and Future Teachers Conditional Scholarship programs both received expanded funding for the 2007-09 biennium.

The Future Teachers Conditional Scholarship

The Future Teachers Conditional Scholarship program expanded from \$750,000 in 2006-07 to \$1,000,000 per year for the biennium. This funds about 225 new awards for the biennium. Despite this funding increase applications for the program far surpass the supply of awards.

Alternative Routes to Teaching Expansion Programs

The Alternative Routes to Teaching program expanded from \$1,008,000 in 2006-07 to \$4,733,000 in 2008-09. Some of the funding increase is meant for two new routes pertaining to paraprofessionals and educator retooling. These programs are administered by the Professional Educator's Standards Board. The HECB is the fiscal agent.

The Educator Re-tooling program is one of two new programs within Alternative Routes to Teaching. It is used to support teachers who add endorsements in shortage areas such as math, science, special education and bilingual education. Unemployed Washington certified Elementary Education teachers may also receive funding to add Middle Level Math and Science endorsements. About 500 teachers are expected to take advantage of this program by the end of the biennium.

The Para-Pipeline program is the second new program. This program was established for classified instructional employees (paraprofessionals) with a minimum of three years district experience and a letter of support, who wish to earn a Direct Transfer Agreement Math Education AA degree. Once an AA degree is earned, individuals will participate in a two year alternative route program at City University preparing to teach mathematics and special education or ESL. Only about seven para-professionals have taken advantage of this program for the 2007-09 biennium.

New Program Implementation Update

College Bound Scholarship

This program is intended to help improve the aspirations of younger students and families who otherwise might not consider college as an option because of cost. The scholarship provides the assurance of four years of tuition, fees, and funds for books to certain low-income students who sign a pledge during their seventh or eighth grade year. By so doing, these students promise to graduate from high school with at least a 2.0 grade point average and demonstrate good citizenship. Students whose families are eligible for free or reduced-price lunches may apply.

In its first year of operation, nearly 16,500 middle school students and their families applied for the scholarship. The scholarship will be awarded in coordination with the State Need Grant program. The first awards will be paid out in fall 2012, to students who currently are in middle school.

The Board conducted an extensive statewide promotional campaign that included two major sign up events sponsored by the Tacoma and Spokane school districts. The campaign also included multiple personal presentations by staff as well as multiple mailings of brochures and letters to superintendents, principals, and other school personnel.

The success of the first-year sign up campaign was also the result of the Board's strong, inclusive partnerships with the K-12 system, including the Washington Principal's Association, Washington Association of School Administrators, Office of the Superintendent of Public Instruction, and others. Other partners included college access programs such as GEAR UP, the College Success Foundation, TRIO, and foster youth-serving organizations.

An online application and program web site was developed, along with promotional materials. The 2008 Legislature granted an extension to the 8th graders in 2007-08 to sign-up in the 2008-09 academic year.

Passport to College Promise Program for Foster Youth

This six-year pilot program is designed to encourage and help foster youth prepare for, attend, and successfully complete college. The program will provide foster youth and foster parents with educational planning tools, college support services, and scholarship assistance.

The program also includes an incentive grant for institutions that provide special student services for foster youth. The first scholarships and incentive grants were awarded during the 2008-09 academic year.

A landmark data exchange program was developed between the Board and Department of Social and Health Services (DSHS) to verify eligible students. The data exchange is critical to the state's outreach efforts to promote student aspiration for college. Over 300 students have been identified and determined eligible at the time of this report. This slightly exceeds the early assumption about the number of students who could be identified.

A statewide training for institutions was offered in partnership with the DSHS, College Success Foundation and Casey Family Programs. Institutions have access to a secure web site to determine if students are eligible for Passport and request funding. In collaboration with an advisory committee, rules were developed for Passport regarding student eligibility and packaging the award.

Outreach materials were developed for students and for their foster parent providers. Funding has also been used to enhance the state's dedicated web site for foster youth, www.independence.wa.gov with information about Passport and college funding.

GET Ready for Math and Science Conditional Scholarship Program

This public-private partnership funds four-year need-based, conditional scholarships for the purpose of providing high school students who excel in math and science with an incentive to major in those subjects while in college. In exchange, scholarship recipients commit to work in a math or science occupation in Washington for three years after completing their baccalaureate degree.

The program is funded through state appropriations matched by an equal amount of private contributions. The College Success Foundation (CSF) is the non-profit partner that is both the “program administrator” as well as the entity responsible for raising the private match. The Board and CSF, working with an advisory committee have drafted policies regarding acceptable course work and professions.

In 2007-08 about \$1,250,000 in private contributions were matched by an equal amount of state monies. The Board purchased GET units, which will fund the scholarships. The first application cycle is planned for April of 2009. Payments to students will begin in fall 2010.

Scholarship Clearinghouse

A coalition of private, non-profit, scholarship providers are working together to create a centralized web-based source of scholarship information for Washington students. The HECB will host the clearinghouse upon its completion in fall 2009.

To date the Coalition has raised over \$500,000 in private funds for the development of a scholarship database and an advertisement-free website where students can search for scholarships. Development of the programming, database, and website will begin December 2008. The project is about eight months behind its original schedule however it is on track for delivery and use by students for fall 2009.

New aid programs administered by other agencies

Opportunity Grant

The State Board for Community and Technical Colleges administers the Opportunity Grant. Approximately \$8,197,172 in grants was awarded to 3,871 low-income students enrolled in high-demand degree programs at Washington’s community and technical colleges during the 2007-08 academic year. An additional \$500,000 was also awarded to 159 students enrolled at eight private career colleges. Additional information can be obtained by contacting staff at the State Board for Community and Technical Colleges.

The Federal Academic Competitiveness Grant (ACG) and SMART Grant

These federal grants programs were newly implemented in 2006-07. The ACG is offered to Pell-eligible students during their freshman and sophomore years, if they complete a rigorous program of study in high school. About 4,649 students received about \$3.65 million in 2007-08.

The SMART grant is offered to upper division college students majoring in science, math, or critical foreign language programs. About 1,526 students received about \$4.54 million in 2007-08.

WHEFA student loan proposal

In the 2007 legislative session the Washington Higher Education Facilities Authority (WHEFA) received permission to use about \$80 million in tax exempt state bonds to fund lower-cost, private student loans. However, the WHEFA board has placed development of the private loan program on hold pending the recovery of the bond market.

Other Major Activities

Enhancements to the Unit Record Report

During 2008, the Student Financial Aid Workgroup and a technical subcommittee agreed to a number of changes to the Unit Record. The changes include adding fields to accommodate new aid programs such as Passport to College Promise Program for Foster Youth and disaggregating current fields so that HECB can better address questions from the legislature and other stakeholders about specific types of aid. These enhancements will go into effect beginning with the submission of the 2008-09 report in fall 2009.

Federal College Access Challenge Grant

The HECB was directed by Gov. Gregoire to administer the \$1.1 million in College Access Challenge Grant (CACG) money received by Washington in FY 2008-09. The goals of the CACG include helping schools provide information to low-income, first-generation college, and minority students and families about financial aid and the college application process. Efforts include support for the College Bound Scholarship program to increase sign-ups and provide support to students.

The following four non-profit organizations will receive funds to help prepare more low-income students for college: the College Success Foundation, Community Foundation of North Central Washington, Metropolitan Development Council, and Northwest Education Loan Association.

The CACG funding is for a two-year period ending on June 30, 2010.

IT system conversions

As part of the on-going improvement of information systems at the HECB, additional programs and functionality are being converted from the main-frame applications to the HECB's Portal. Converting systems to the web-based portal increases reliability and efficiency for schools and provides cost savings for the Board.

The Future Teachers Conditional Scholarship Program has been fully converted and Health Professions is currently being worked on. An improved payment/reporting program has been developed for private institutions in the State Need Grant program as well.

State Need Grant Repayment Policy

The HECB staff and Student Financial Aid Workgroup have collaborated on a new uniform state grant repayment policy. Prior to this, repayment policies varied from one institution to another and were sometimes confused with tuition refunds and federal repayment requirements.

The new guidance:

1. Applies to both SNG and Educational Opportunity Grant program.
2. Ensures that repayments are calculated in the same way among all schools and that students are being treated equitably for state grant repayment purposes.
3. Eliminates confusion with federal repayment policies.
4. Allows grant amounts to be fully earned at 50 percent of the term.
5. Will be mandatory for all schools starting in 2009-10 academic year.

Research Activities

Financial Aid Outreach and Awareness Study

Student aid staff is engaged in an on-going project to evaluate the extent to which quality information about the student aid application process and programs is readily available and accessible to Washington citizens.

As part of this effort, 47 financial aid office directors responded to a survey about their efforts to conduct financial aid workshops and events. During the 2007-08 academic year, 41 colleges and universities hosted or participated in more than 440 events.

Most of these events were targeted to high school students and their parents. During these events, financial aid office staff discussed the types and sources of financial aid and how to apply. Good publicity, effective presenters, ample materials, and adequate time for making personal contact most often characterized a successful event.

Most directors indicated a need and desire to engage in more outreach activities but are unable to do so because of limited staff and funds. Fourteen directors indicated that they denied at least 37 requests to participate in an outreach event primarily due to staffing constraints. Additional funds are also needed to pay for printing and travel expenses.

In 2009, HECB staff will continue to assess and pinpoint where there are gaps in the delivery of student aid information.

Unmet Need Study

One measure of affordability is the extent to which sufficient financial aid covers the calculated need of students. Need is the difference between a student's cost-of-attendance and the student's (and family's) ability to pay for those costs on his or her own. In many ways this seems to be an intuitive standard for assessing the adequacy of aid programs. However, because of substantial data limitations, an accurate picture of unmet need for all students is difficult to ascertain.

The primary data source is the HECB's annual Unit Record Report. This is the report from each institution of student-level data for all recipients of need-based aid.

The data limitations are most often found for part-time students and for those enrolled for less than a full academic year. Fewer problems with the data exist for students enrolled full-time for the entire academic year.

In preparation for more in-depth analyses, HECB student aid staff has conducted a preliminary review of the Unit Record data as a source for calculating unmet need. In 2007-08, about 62,500 undergraduate students, or about 52 percent of all undergraduate students who received need-based financial aid, enrolled full-time for a full year. The calculated need of this population was an estimated \$1.03 billion. Approximately 90% or \$927 million of their need was met through financial aid programs. About 10 percent of the demonstrated financial need was left unmet.

Student loans comprised 41% of the financial aid received by these undergraduates. About 59% of the need was met through grants and work study. This need met-by-aid result and the amount met by grant and work aid is virtually the same as the previous year's percentages.

However, this analysis does not explain how these students managed that unmet portion. It also does not address the adequacy of assistance for students enrolled at part-time rates or for a partial

year. Therefore, in 2009, staff plans to collaborate with aid administrators throughout the state to develop and conduct a study that will focus on gaining a sharper understanding of the extent to which the financial needs of all students are being met or are left unmet.

State Financial Aid Expenditures by Program

Table 1 provides a program-by-program accounting of state student aid programs.

Table 1 State Financial Aid Program Funding and Recipients
2007-08 & 2008-09

Public Purpose	Program	2007-08		2008-09	
		Total Dollars Expended ¹	Actual # of Recipients	Total Dollars Available ¹	Estimated # of Recipients
<i>Opportunity for Equitable Access</i>	State Need Grant Need-based grant for up to five years of study for low-income undergraduates whose current income is 70 percent or less of median family income	\$182 million	70,085	\$195 million	71,000
	State Work Study Part-time work for financially needy undergraduate and graduate students	\$20.7 million	9,438	\$21.8 million	9,549
	Educational Opportunity Grant Need-based grant for transfer students in their junior and senior years of college	\$2.9 million	1,361	\$2.9 million	1,361
	Passport to College Promise Program for Foster Youth Comprehensive scholarships and support program for eligible former foster youth	n/a	n/a	\$566,687	120
<i>Affordability & Merit</i>	Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) Scholarships Provides scholarships to needy or disadvantaged students who participate in an early awareness and outreach program	\$1.3 million	464	\$1.4 million	420
	American Indian Endowed Scholarship Endows a fund from which annual scholarships for financially needy undergraduate students with close social and cultural ties to American Indian community	\$16,984	17	\$24,100	17
<i>Merit</i>	Washington Scholars Four-year merit scholarships to three high school students from each of the 49 state legislative districts who are in the top 1% of their class	\$2.4 million	412	\$2.8 million	422
	Washington Award for Vocational Excellence² Two-year merit scholarship for three vocational students from each of the 49 state legislative districts for outstanding achievement in vocational/technical education	\$953,051	275	\$1.2 million	280
<i>Targeted to</i>	Health Professional Loan Repayment Provides loan repayment assistance to licensed primary care health professionals	\$2.9 million	213	\$3.7 million	224
	Alternative Routes to Teaching² Helps school districts recruit teachers in subject matter & geographic shortage areas	\$1.2 million	292	\$4.7 million	600

Employment Shortages	Future Teachers Conditional Scholarship³ Conditional loans or repayments toward federal student loans for students pursuing teaching certificates or current teachers pursuing additional endorsement in select, high-demand subject areas	\$910,362	171	\$1 million	170
	Health Professional Scholarship³ Provides scholarships to students training to become primary care health professionals	\$218,667	41	\$562,500	62
	WICHE Professional Student Exchange Conditional loans to study optometry or osteopathy, programs not offered in Washington	\$221,900	14	\$331,400	13
Other	Washington Center Scholarships Provides financial support for student to participate in internships in Washington, D.C.	\$60,000	15	\$60,000	15
Total		\$216 million		\$236 million	

¹ Includes federal LEAP and SLEAP funds, but does not include other activities assigned to the Board's oversight, but are only indirectly related to aid for students. Please see the next section.

² The HECB is the fiscal agent for these programs. Washington Award for Vocational Excellence is administered jointly with the Workforce Training and Education Coordinating Board. The Alternative Routes to Teacher Certification program is administered by the Professional Educator Standards Board.

³ While in most cases the annual expenditure is closely related to the annual appropriation, for some programs the expenditure represents funds appropriated from previous years as well. Examples of this are the Future Teachers and Health Professional Conditional Scholarship programs. In these examples current year appropriations are committed to eligible students for the anticipated duration of their academic program which may extend over multiple years.

In 2007-08, the Higher Education Coordinating Board also was responsible for administering activities that indirectly benefit students, including:

- The **Community Scholarship Matching Grant**, provided \$200,000 of state monies to 100 community-based 501(c)(3) organizations. The monies were used as matching dollars for scholarship raised by the organizations. In addition per budget proviso, \$46,000 was provided to the Northwest Dollars for Scholars organization for its work to develop community-based scholarship programs.
- The **College Assistance Migrant Program**, provided \$24,990 in state funds to supplement the federal CAMP program at four colleges. The funds are used for educational services to migrant and seasonal farm workers and their children.
- The **Child Care Grant Program**, provided \$75,000 to four-year public institutions to help promote high-quality, accessible, and affordable child care for students. A separate program for the two-year public institutions was administered by the State Board for Community and Technical Colleges.

Fund Utilization

HECB staff strives to achieve a 100 percent expenditure of appropriated aid each year. This was achieved for the state's major grant and work programs.

The Board has the authority to transfer limited amounts between certain programs and the flexibility to carry unexpended funds forward into the next fiscal year. However, for the 2007-09 biennia, budget provisos instruct the Board to transfer certain unexpended student aid monies into the State Education Trust Account (SETA, RCW 28B.92.140).

The SETA account can be used to fund awards for any needy student but the first priority is to fulfill the state's scholarship commitment to GEAR UP students. A review of the GEAR UP program is provided in Appendix C.

Table 2 represents the transfer and carry forward of funds at the conclusion of the 2007-08 year:

Table 2 Transfers for 2007-08

Transfers	Amount
State Need Grant to State Education Trust Account	\$1,430,610
State Need Grant to State Work Study	\$195,029
State Work Study to Educational Opportunity Grant	\$1,140
Washington Scholars to State Education Trust Account	\$125,315
Washington Award for Vocational Excellence to State Education Trust Account	\$105,948

Table 3 Carry Forward into 2008-09

Program	Amount
State Need Grant	\$0
Educational Opportunity Grant	\$0
Washington Scholars	\$112,045*
State Work Study	\$147,018*
Washington Award for Vocational Excellence	\$10,000*

**The carry forward amounts for these programs originated in 2006-07 and therefore were not subject to the 2007-09 budget proviso that instructs unexpended funds be deposited into SETA. The SWS carry forward includes \$133,658 in "High Demand" project funds which also were not subject to the SETA requirement.*

Award Amounts by Program

Tables 4A and 4B display the value of the award for each program. The value of the 2007-08 awards in the State Need Grant, Washington Scholars, Washington Award for Vocational Education, and Future Teachers programs kept pace with public sector tuition and fee increases. The value of awards in all other programs remained relatively unchanged compared to the previous year.

**Table 4A Maximum Award Amounts by Program
2008-09**

<i>Program</i>	<i>Award Range</i>
Alternative Routes to Teaching	\$3,000 - \$8,000
American Indian Endowed Scholarship	\$1,000 - \$2,000
Educational Opportunity Grant	\$2,500
GEAR UP	\$4,000
Health Professional Loan Repayment	up to \$25,000
Health Professional Scholarship	\$1,000 - \$16,000
State Work Study	The award may not exceed the student's need

**Table 4B Maximum Award Amounts by Program & Sector
2008-09**

<i>Sector</i>	<i>Future Teachers</i>	<i>State Need Grant</i>	<i>Scholars / WAVE</i>
Research	\$6,648	\$6,000	\$6,720
Comprehensive	\$4,788	\$4,416	\$4,843
Private Four-Year	\$6,648	\$6,234	\$6,720
Community & Technical Colleges	\$2,736	\$2,554	\$2,730
Proprietary	n/a	\$2,554	\$6,720

Appendix A**State Need Grant Program Update****Overview**

Included in this update of the State Need Grant (SNG) program's expenditures and activities is a summary of the 2007-08 disbursements and a report on 2008-09 funding, expenditures, and activities to date. This appendix also includes a history of State Need Grant expenditures and a breakdown of 2007-08 institutional expenditures, along with the most recent estimate of how much each institution will spend in 2008-09.

2007-08 Summary

In 2007-08, the Higher Education Coordinating Board had a total of \$182 million available, including about \$1.3 million in federal matching funds, for SNG awards to students (Table 5). The funding allowed the HECB to serve 70,085 students. The legislature has continued its support of increasing funding in the state financial aid programs to keep pace with tuition and fee increases for the last 16 years. All or nearly all of the general funds appropriated to the SNG program have been fully expended for the last several years and staff anticipates this trend will continue (Table 6).

Table 5 **State Need Grant Budget Summary**
2007-08

State Appropriation	\$180,977,000
Federal LEAP/SLEAP Funds	\$1,258,779
SNG Available for Grants	\$182,235,779
Carry Forward SNG	\$0

Table 6 **State Need Grant Percent of General Fund Expended**
FY 2001-02 through FY 2008-09
(in millions)

Year/Biennium	General Fund State Appropriation	Percent Expended
FY 2001-02	\$ 90.6	100%
FY 2002-03	\$104.9	99%
FY 2003-04	\$111.6	100%
FY 2004-05	\$124.9	100%
FY 2005-06	\$153.3	99%
FY 2006-07	\$166.1	100%
FY 2007-08	\$181.5	100%
FY 2008-09	\$193.8	n/a

SNG award amounts vary by sector, and as a percentage of tuition. The grant awards ranged from 98 percent of tuition at the community colleges to 89 percent of tuition at the public research institutions (Table 7). The governor and legislature provided sufficient funding to raise grant amounts to cover all public sector tuition increases on a dollar-for-dollar basis. However, there was no significant progress in closing the gaps between the total tuition costs and the grant award amounts. Additionally, schools reported the fewest number of eligible, but unserved students in the program over the last few years. The equivalent of 550 full-time SNG eligible went unserved due to lack of funds. This represents less than one percent of the total eligible population of students. Most of the unserved students were late enrollers and summer students.

Table 7 State Need Grant Awards as a Percent of Public Tuition
by Sector 2007-08

Sector	Maximum SNG Award	Average Tuition	Tuition less SNG	SNG Award as % of Tuition
Research	\$5,564	\$6,224	\$660	89%
Comprehensive	\$4,188	\$4,563	\$375	92%
CTC/Private Voc	\$2,502	\$2,676 ¹	\$174	93% ¹
Private Four-year	\$5,798	\$6,224 ²	\$426	93% ²

¹The community college amounts represent the tuition and award at 15 credits, only. The CTC sector has for the past several years been implementing a credit-by-credit tuition policy. Therefore there is a different tuition and SNG award for each credit level between 12 and 15 credits. In the CTC sector the average SNG award covers 97 percent of all full-time tuitions between 12 and 15 credits.

²The maximum tuition and fees that can be recognized for students in private four-year institutions is limited to the value of tuition and fees at the public four-year research institutions.

Student Profile

The following table profiles the students who received a State Need Grant award during the 2007-08 academic year. Approximately 71 percent of SNG recipients enrolled full-time during the fall semester and 62 percent of SNG recipients were considered to be financially independent from their parents, based on federal criteria. In addition, 46 percent of all SNG recipients were over the age of 23.

Table 9 State Need Grant Student Profile
2007-08

Age Categories		Students with Families	
< 21	36%	Married	15%
21 - 23	18%	Married with Children	10%
> = 24	46%	Single Parents	20%
<i>Median age = 23</i>			
Gender		Race/Ethnicity	
Female	62%	American Indian	3%
Male	38%	Asian/Pacific Islander	13%
		Black	8%
		Hispanic	9%
Dependent Students		Other/Unknown	9%
% Dependent	38%	White	57%
Average Parent Income	\$30,574		
Independent Students			
% Independent	62%		
Average Income	\$15,558		

Source: 2007-08 Unit Record Report

2008-09 SNG Update

For the 2008-09 academic year, the HECB has \$195 million, including about \$1.2 million in federal matching funds, available for grants to students at 68 participating institutions (Table 10). HECB staff expects to serve about 71,000 students. Included in this appendix is a table showing the breakdown of funding for each institution in 2008-09, known as an institution's "reserve" (Tables 11 & 12).

The legislature expanded less-than-half-time eligibility to students at all participating SNG schools. An annual appropriation of \$500,000 was provided for each year of the 2007-09 biennium.

Estimated Growth in Eligible Students for 2008-09

For the 2008-09 year institutions are reporting significant increases in their enrollments. Somewhat surprisingly, many private four-year and two-year institutions are reporting a slight reduction in the enrollment of eligible students while most public two-year and four-year institutions are reporting significant increases in demand.

It is anticipated that the enrollment of SNG eligible students will also grow. Based on an early November 2008 report from the participating colleges, it appears that the eligible SNG population will grow by 4,000 or more students before the end of the academic year. Given current funding most of these students are likely to be left unserved.

Table 10 State Need Grant Budget Summary
2008-09

State Appropriation	\$193,758,000
Federal LEAP/SLEAP Funds	\$1,222,827
SNG Available for Grants	\$194,980,827
Carry Forward SNG (est.)	\$ 0

Table 11 State Need Grant, by Sector
2007-08 Awards & 2008-09 Reserves

Sector	2007-08		2008-09
	Amount Awarded	Served FTEs ¹	Amount Reserved ²
Research	\$54,351,243	11,168	\$60,374,318
Comprehensive	\$34,194,545	9,170	\$36,239,304
Private Four-Year	\$21,669,082	4,172	\$23,563,177
Community & Technical Colleges	\$66,422,682	29,291	\$70,529,220
Private Career	\$3,969,687	1,749	\$3,934,290
Total	\$180,607,239	55,550	\$194,640,309

¹Full-time equivalent enrollment, not actual headcount.

²Includes matching federal LEAP funds and excludes Less-Than-Half-Time Pilot Project
Source: 2007-08 Portal General Ledger and 2007-08 SNG Final Interim Report

**Table 12 (Cont.) State Need Grant, by Institution
2007-08 Awards & 2008-09 Reserves**

	2007-08		2008-09
	Amount Awarded	Served FTEs ¹	Amount Reserved ²
Community & Technical Colleges			
Bellevue Community College	\$1,998,789	893	\$2,107,708
Big Bend Community College	\$1,492,262	677	\$1,605,979
Cascadia Community College	\$389,988	175	\$410,552
Centralia College	\$1,283,101	569	\$1,333,596
Clark College	\$3,528,757	1,568	\$3,840,195
Columbia Basin College	\$2,366,404	1,080	\$2,715,376
Edmonds Community College	\$2,704,476	1,150	\$2,739,871
Everett Community College	\$1,868,906	797	\$1,942,406
Grays Harbor College	\$999,235	440	\$1,036,292
Green River Community College	\$1,936,698	880	\$2,065,310
Highline Community College	\$2,463,488	1,128	\$2,669,324
Lower Columbia College	\$1,867,857	797	\$1,943,621
North Seattle Community College	\$1,201,638	517	\$1,214,017
Northwest Indian College	\$316,934	128	\$322,570
Olympic College	\$1,670,519	746	\$1,777,911
Peninsula College	\$883,409	383	\$909,338
Pierce College	\$2,079,275	935	\$2,294,712
Seattle Central Community College	\$2,499,458	1,100	\$2,609,480
Shoreline Community College	\$1,668,976	753	\$1,695,303
Skagit Valley College	\$1,535,591	673	\$1,660,048
South Puget Sound Community College	\$1,831,328	783	\$2,008,944
South Seattle Community College	\$1,098,011	501	\$1,180,931
Spokane Community College	\$6,883,148	2,905	\$7,129,209
Spokane Falls Community College	\$4,560,230	1,941	\$4,763,992
Tacoma Community College	\$2,816,569	1,331	\$3,206,402
Walla Walla Community College	\$1,609,240	720	\$1,702,638
Wenatchee Valley College	\$2,543,024	1,108	\$2,574,375
Whatcom Community College	\$1,198,112	542	\$1,303,710
Yakima Valley College	\$3,269,502	1,501	\$3,572,237
Bates Technical College	\$977,577	421	\$1,024,407
Bellingham Technical College	\$927,039	425	\$1,058,837
Clover Park Technical College	\$1,967,053	859	\$2,038,670
Lake Washington Technical College	\$866,636	395	\$936,643
Renton Technical College	\$757,836	322	\$777,908
Seattle Vocational Institute	\$361,618	148	\$356,708

¹Full-time equivalent enrollment, not actual headcount

²Includes matching federal LEAP funds and excludes Less-Than-Half-Time Pilot Project

Source: 2007-08 Portal General Ledger and 2007-08 SNG Final Interim Report

**Table 12 (Cont.) State Need Grant, by Institution
2007-08 Awards & 2008-09 Reserves**

Proprietary	2007-08		2008-09
	Amount Awarded	Served FTEs ¹	Amount Reserved ²
Art Institute of Seattle	\$1,178,351	524	\$1,145,426
Clare's Beauty School	\$104,922	42	\$106,577
Divers Institute of Technology	\$48,169	20	\$49,241
Everest College (formerly Bryman)	\$352,462	149	\$367,091
Gene Juarez Academy	\$445,391	193	\$401,416
Glen Dow Academy	\$166,773	73	\$172,433
Interface Computer School	\$182,713	76	\$190,980
International Air Academy	\$77,176	33	\$83,897
ITT Technical Institute-Seattle	\$202,069	88	\$185,372
ITT Technical Institute-Spokane	\$672,084	316	\$655,849
Perry Technical Institute	\$539,578	235	\$576,008

¹Full-time equivalent enrollment, not actual headcount

²Includes matching federal LEAP funds and excludes Less-Than-Half-Time Pilot Project

Source: 2007-08 Portal General Ledger and 2007-08 SNG Final Interim Report

In the 2007-09 biennium, \$4.75 million per year was appropriated for the expansion of SNG eligibility to student from families with incomes between 66 percent and 70 percent of the state's Median Family Income. Despite this change and the increased appropriation, the gaps between the award and tuition are expected to remain essentially unchanged for 2008-09 (Table 13).

**Table 13 State Need Grant Awards as a Percent of Public Tuition,
by Sector, 2008-09**

Sector	Max. SNG Award	Avg. Tuition	Tuition less SNG	SNG Award as % of Tuition
Research	\$6,000	\$6,647	\$647	90%
Comprehensive	\$4,416	\$4,782	\$366	92%
CTC/Private Voc	\$2,554 ¹	\$2,730 ¹	\$176	94% ¹
Private Four-year	\$6,234	\$6,647 ²	\$413	94% ²

¹The community college amounts represent the tuition and award at 15 credits, only. The CTC sector has for the past several years been implementing a credit-by-credit tuition policy. Therefore there is a different tuition and SNG award for each credit level between 12 and 15 credits. In the CTC sector the average SNG award covers 97 percent of all full-time tuitions between 12 and 15 credits.

²The maximum tuition and fees that can be recognized for students in private four-year institutions is limited to the value of tuition and fees at the public four-year research institutions.

Appendix B

State Work Study Program Update

Overview

Included in this update on the State Work Study (SWS) program are detailed expenditures for fiscal year 2007-08, a summary of student earnings by institution, and descriptions of current and planned activities.

During 2007-08, 9,438 students earned \$26.4 million, through the State Work Study program. With an increase in funding, the program expects to serve an additional one hundred students in 2008-09.

The State Work Study program is a form of *self-help* designed to assist a broader band of disadvantaged students than the State Need Grant program and to complement grant and scholarship aid. As a result, any financially needy student is eligible for work study rather than being limited to just students with the lowest family incomes.

State Work Study award amounts are determined by the student's institution based on each student's demonstrated financial need. The employer pays the student and is reimbursed for a portion of the student's earnings, typically between 65 and 80 percent. Currently, 55 institutions and approximately 3,000 employers contract to participate in the State Work Study program.

2007-08 Background and Summary

In 2007-08, 9,438 students earned more than \$26.4 million through the State Work Study program. The employer matches accounted for about \$6.5 million of this total. The remainder came from state appropriations and a small amount of federal matching dollars (\$318,194). The average earnings were nearly \$2,800 per student.

All or nearly all of the general funds appropriated to the SWS program have been fully expended for the last several years. Staff anticipates this trend will continue due to stable or decreased funding for the Federal Work Study program.

As college costs increase and the number of needy students grows, the ratio of needy students being served by the program has declined. During 1997-98, one in 12 financially needy students received a State Work Study award. The most recent ratio stands at one state work study award for every 14 financially needy students.

Tables 14, 15, 16, and 17 provide additional details about program operations and expenditures and a list of student earnings by sector and institution.

Table 14 SWS Program Operations, 2007-08

Resources:	
Total Wages Earned	\$26,409,440
State Portion of Wages	\$19,886,460
Employer Match	\$6,522,980
Percent of Employer Match	25%
Funding Sources:	
SWS Appropriation	\$20,318,000
SFA Transfer	193,889
Federal Funds	\$318,194
Prior Year Carry Forward	\$16,112
Total	\$20,846,195
Expenditures:	
State Portion of Wages	\$19,886,460
Grants to Institutions	\$218,847
Admin. Allowance to Public Inst.	\$390,690
HECB Administration	\$203,180
Total	\$20,699,177
Carry Forward to 2007-08	\$147,018*

*Includes SWS High Demand Carry Forward (\$133,658)

**Table 15 State Work Study Percent of General Fund Expended
FY 2001-02 through FY 2008-09**

Year/Biennium	General Fund State Appropriation	Percent Expended
FY 2001-02	\$17.4 million	100%
FY 2002-03	\$17.04 million	100%
FY 2003-04	\$17.0 million	100%
FY 2004-05	\$17.9 million	100%
FY 2005-06	\$17.9 million	99%
FY 2006-07	\$19.4 million	100%
FY 2007-08	\$20.3 million	100%
FY 2008-09	\$21.3 million	n/a

**Table 16 Earnings of State Work Study Students
by Sector & Institution, 2007-08**

Sector ¹	Amount Earned	# Students ²	Avg. Earnings
Public Four-Year	\$7,720,478	2,928	\$2,637
Private Four-Year	\$8,606,065	2,824	\$3,047
Community & Technical Colleges	\$10,082,897	3,705	\$2,721
Total	\$26,409,440	9,438	\$2,798

¹ For-profit institutions are not eligible to participate

² Students who transfer between sectors are counted in each sector; the total is an unduplicated count

Source: 2007-08 Unit Record Report

Table 17 Earnings of State Work Study Students, by Institution, 2007-08

	Amount Earned	# of Students
Research		
University of Washington	\$1,987,483	512
Washington State University	\$1,972,900	1,160
Comprehensive		
Central Washington University	\$1,194,049	352
Eastern Washington University	\$888,577	294
The Evergreen State College	\$491,955	200
Western Washington University	\$1,185,514	410
Private Four-Year		
Antioch University	\$13,967	7
Bastyr University	\$228,697	171
Cornish College of the Arts	\$370,245	179
Gonzaga University	\$1,892,402	484
Heritage University	\$192,642	82
Northwest University	\$129,187	27
Pacific Lutheran University	\$1,048,396	312
Saint Martin's University	\$149,128	48
Seattle Pacific University	\$1,038,038	283
Seattle University	\$1,781,628	430
University of Puget Sound	\$923,774	335
Walla Walla University	\$244,066	71
Whitman College	\$230,390	235
Whitworth University	\$363,505	160
Community & Technical Colleges		
Bellevue Community College	\$217,153	90
Big Bend Community College	\$294,711	128
Cascadia Community College	\$62,791	34
Centralia College	\$111,833	35
Clark College	\$856,091	263
Columbia Basin College	\$442,144	153
Edmonds Community College	\$281,428	84
Everett Community College	\$282,772	135
Grays Harbor College	\$112,457	45
Green River Community College	\$5,091	3
Highline Community College	\$179,069	93
Lower Columbia College	\$787,124	314
North Seattle Community College	\$282,561	105
Northwest Indian College	\$23,220	13
Olympic College	\$109,161	21
Peninsula College	\$127,933	58
Pierce College	\$282,468	79
Seattle Central Community College	\$173,125	70
Shoreline Community College	\$282,687	100
Skagit Valley College	\$144,005	60
South Puget Sound Community College	\$195,266	57
South Seattle Community College	\$111,231	47
Spokane Community College	\$1,134,248	318
Spokane Falls Community College	\$697,062	279
Tacoma Community College	\$833,585	210
Walla Walla Community College	\$129,561	42
Wenatchee Valley Community College	\$246,577	143
Whatcom Community College	\$346,529	116
Yakima Valley College	\$343,909	183
Bates Technical College	\$186,600	79
Bellingham Technical College	\$151,163	75
Clover Park Technical College	\$294,830	117
Lake Washington Technical College	\$197,275	64
Renton Technical College	\$119,997	83
Seattle Vocational Institute	\$19,260	14

Source: 2007-08 Unit Record Report

State Work Study High Demand Projects

The State Work Study High Demand program, established during the 2007 legislative session and implemented in fall 2007, provides eligible students with teaching experiences in secondary school math and/or science classrooms.

In the initial year of the program, nine institutions (including four community colleges) operated ten projects across the state. A total of 68 students earned \$116,342 in SWS wages while gaining valuable classroom experience. For 2008-09, approximately 150 students will participate and earn about \$350,000 in SWS wages.

1. Central Washington University
2. Clark College
3. Eastern Washington University (2 projects)
4. Everett Community College
5. Lower Columbia College
6. Pacific Lutheran University
7. Seattle Central Community College
8. The Evergreen State College
9. Walla Walla Community College

State Work Study Community Service Projects

For over a decade, the State Work Study program has funded colleges to conduct more than a hundred Community Service Projects. In 2007-08 about \$400,000 in SWS funds were earned by students working in these projects.

The projects address pressing community needs across a wide range of service areas including: literacy advancement, first generation and ethnic minority outreach, elementary and middle school tutoring, community health and mental health care, drug education and public safety, and environmental improvement. Below is a table of the participating schools and project titles.

School Name	Project Title
Big Bend Community College	Counting on Literacy
Central Washington University	Expanding CWU Student Work-Study Participation to Environmental, Educational, Community Health, & Social Service Non-Profit Agencies
Clark College	Discover Vancouver's Historic Reserve
Eastern Washington University (4 projects)	<ul style="list-style-type: none"> • Exercise Self Management Program for Under-served Patients with Cardiovascular Disease • Project SELECT (Serving the Early Literacy Educational Needs of Children through Tutoring) • Science Ambassador Program: An Evidence Based Practice • Smile Spokane: It All Starts Here
Heritage University	Hand in Hand
Tacoma Community College	DAWN Project – A Domestic Abuse Network
The Evergreen State College	Evergreen Student Community Action Coordinators Project
University of Washington	Civic Fellows Project
Whatcom Community College	Developing Sustainable Communities

State Work Study Employers

Integral to the program are the participating employers. They not only provide jobs and earnings, but opportunities for students to build workplace skills and test career choices. More than 40 percent of the state work study students' dollars are earned in off-campus placements. Approximately 3,000 off-campus employers contract annually to accept State Work Study-eligible students. They include private for-profit, private non-profit and public and federal employers. Many provide opportunities in high-demand job areas.

Following are examples of off-campus State Work Study employers, by type of business:

Private For-Profit

- Amazon
- American Express Financial Services
- Law Office of William Harris
- Mid Columbia Engineering
- Northwest Medical Group
- Pullman Family Dentistry
- State Farm Insurance
- Sylvan Learning Center
- Zymogenetics

Private Non-Profit

- American Red Cross
- Big Brothers Big Sisters
- Boys and Girls Clubs
- Camp Fire USA
- Fred Hutchinson Cancer Research Center
- Salvation Army
- Seattle Children's Museum
- Seattle Institute for Biomedical Clinical Research
- Tulalip Tribe
- Washington Contemporary Ballet

Public / Federal Employers

- City of Seattle
- Government Accountability Services
- Kennewick General Hospital
- King County
- Pierce County Alliance
- School Districts-Seattle and Spokane Public School Districts
- State Agencies (e.g., DSHS, Fish & Wildlife)
- Timberland Regional Library
- U.S. Forest Service

2008-09 Update

For 2008-09, with an increase of \$1,022,000 in the appropriation, the HECB has \$21.8 million available for student wages from state and federal sources to serve an estimated 9,549 students. Staff anticipates that all funds will be fully expended again this year.

State Work Study High Demand

Project Directors gathered in October for a HECB-sponsored “lessons learned” meeting that focused on successful experiences from year one. The key lessons focused on proven recruitment strategies for eligible students, building effective relationships with institutional student employment offices and faculty departments, and methods for ensuring quality placements at local schools. The 07-09 biennial investment made in this program is poised to compound as institutions continue to strengthen individual projects in these areas.

State Work Study Community Service Projects

In 2008-09, five community service projects were funded at approximately \$150,000 and will employ nearly fifty SWS students. This year’s projects will focus on community improvements in the areas of health care, early education outreach, community service infrastructure improvement, local business sustainability, and other community needs.

School Name	Project Title
Clark College	Vancouver National Historic Reserve
Eastern Washington University	Smile Spokane - It All Starts Here
Heritage University	Hand in Hand
The Evergreen State College	Evergreen Student Community Action Coordinators Project
Whatcom Community College	Developing Sustainable Communities

Appendix C

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)

Overview

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) is a federal funded program administered by the Higher Education Coordinating Board. Washington's GEAR UP program encourages low-income middle and high school students to stay in school, study hard, have high expectations, and go to college. The Board conducts the program in partnership with the Office of the Governor, the University of Washington, College Success Foundation, and a number of local community organizations.

According to a 2008 study by the Social and Economic Sciences Research Center at Washington State University, "GEAR UP students have more positive outcomes on virtually all measures of enrollment, persistence, and degree attainment."

- First year college enrollment rates were substantially higher than the comparison group (72% vs. 45%).
- GEAR UP students persisted into the second year of college at higher rates by about four percentage points.
- Credential attainment within the five year period was proportionately greater among the GEAR UP students by over 65%.

In 2005, the state of Washington received a new six-year \$21 million federal grant. The new program focuses on preparing 1,000 low-income seventh graders across the state for college success by providing intensive tutoring, mentoring, and college/career planning information throughout their middle and high school years.

Included in this update are measures of student success, a summary of the 2007-08 scholarship disbursements by sector for GEAR UP Grant I (1999-2005), and an update on new activities.

2007-08 Summary

The Washington State GEAR UP's Scholars Project sites are located in:

Bellingham	Okanagan
Federal Way	Inchelium
Monroe	Quincy
Vancouver	Wapato
West Valley	Wenatchee
Everett	East Wenatchee

GEAR UP provides several key enrichment activities for participating students. The program continues to enjoy a very high student and family participation rate in these activities.

- 88 percent of students received tutoring, homework assistance, and/or academic enrichment activities
- 86 percent of students and 65 percent of parents received counseling, advising, academic planning, and/or career counseling services
- 70 percent participated in college visits and/or college student shadowing opportunities and achieved measurable success
- 83 percent of students were performing at or above grade level in English or Language Arts classes
- 82 percent of students were performing at or above grade level in math classes

Currently, more than 400 students receive college scholarships as a result of participation in Washington State's GEAR UP program. The maximum scholarship award amount is \$4,000. Following is a breakdown, by sector, of the scholarships awarded.

Table 19 **GEAR UP Grant I (1999-2005)**
Scholarship Recipients by Sector, 2007-08

Sector	Amount Paid	# of Students
Public Four-Year	\$510,161	159
Private Four-Year	\$129,560	39
Community & Technical Colleges	\$661,274	254
Private Vocational	\$27,663	12
Total	\$1,328,658	464

Building Outreach and Access Networks

One of the primary goals of the Washington State GEAR UP program is to engage in outreach activities throughout the state, region, and nation. Some of the major activities completed during 2007-08 include the following:

- The Washington State GEAR UP program hosted the second annual GEAR UP Regional Conference in Vancouver in the fall of 2008. About 300 participants from Washington, Oregon, Nevada, Wyoming, Idaho, and Montana attended the two-day conference intended to create collaborations among states.
- The Washington State GEAR UP program organized statewide GEAR UP directors meetings to formulate policy for the GEAR UP community and to coordinate college awareness and readiness campaigns.
- The Washington State GEAR UP has developed a new web site with information that guides students, parents, school personnel in their preparation for post-secondary

education. The web site will include interactive elements and combine fun and education in getting the information to the target student population. The site can be found at: www.gearup.wa.gov.

- Working with other partners, the Washington State GEAR UP plays an important role in helping grassroots campaigns for national college access programs such as College Goal Sunday and KnowHow2GO.

“GEAR UP For Student Success” – A State Funded Expansion

In 2007, Washington became the first state to create a state-funded model to expand GEAR UP services beyond the federal programs. In the 2007-09 biennium, the HECB awarded \$2.15 million in “Student Success” grants to 25 school districts. These are districts in which the majority of their student population is eligible for the free and reduced lunch program.

By targeting the high poverty districts lacking structured college awareness and preparation programs, GEAR UP served 3,400 students in a cohort of the Class of 2011. Each school demonstrated the ability and willingness to collaborate with the state’s higher education institutions, businesses, and community-based organizations to address the needs of its student population. These organizations work together to raise high school graduation and college going rates.

The participating schools provide tutoring and mentoring services to prepare students academically for postsecondary education; provide college awareness and college experience to students and their families; and offer financial aid and college admissions information and assistance to students and their families. A summary of accomplishments is in the table below.

The GEAR UP for Student Success participating school districts are: Aberdeen, Blaine, Bremerton, Cape Flattery, Ephrata, Finley, Grand Coulee Dam, Grandview, Kettle Falls, Klickitat, Mansfield, Naselle-Grays River, Ocean Beach, Pateros, Raymond, Rosalia, Shelton, South Bend, Spokane, Tekoa, Toppenish, Wahkiakum, White Pass, Willapa Valley, and Wilson Creek School Districts. This chart indicates the first year, base-line activity summary:

<i>GEAR UP For Student Success Year 1 Activity Summary for February 1 through June 30, 2008</i>			
Category	Total Activities	Total Hours	Total Participants*
Student Activities	199	2,193	14,653
Averages per school district	8	88	
Family Activities	81	355	2,767
Averages per school district	3	14	
Staff Activities	148	773	1,927
Averages per school district	6	31	
Grand Total	428	3,321	19,347
Cost per student, n = 3,400 \$220.68			

**Participants numbers are total for all activities and include some duplication.*