

THINKING ABOUT STATE GRANT AID

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FINANCIAL AID: THE GOALS

- Reducing financial barriers to college education
- Standard focus is on access
- Access is a means to an end
- Focus should also be on success, educational attainment, improved opportunities throughout life

BALANCING PERSPECTIVES

STUDENTS

- Institutional choice
- Timing
- Manageable work and loans
- Earning degrees of value

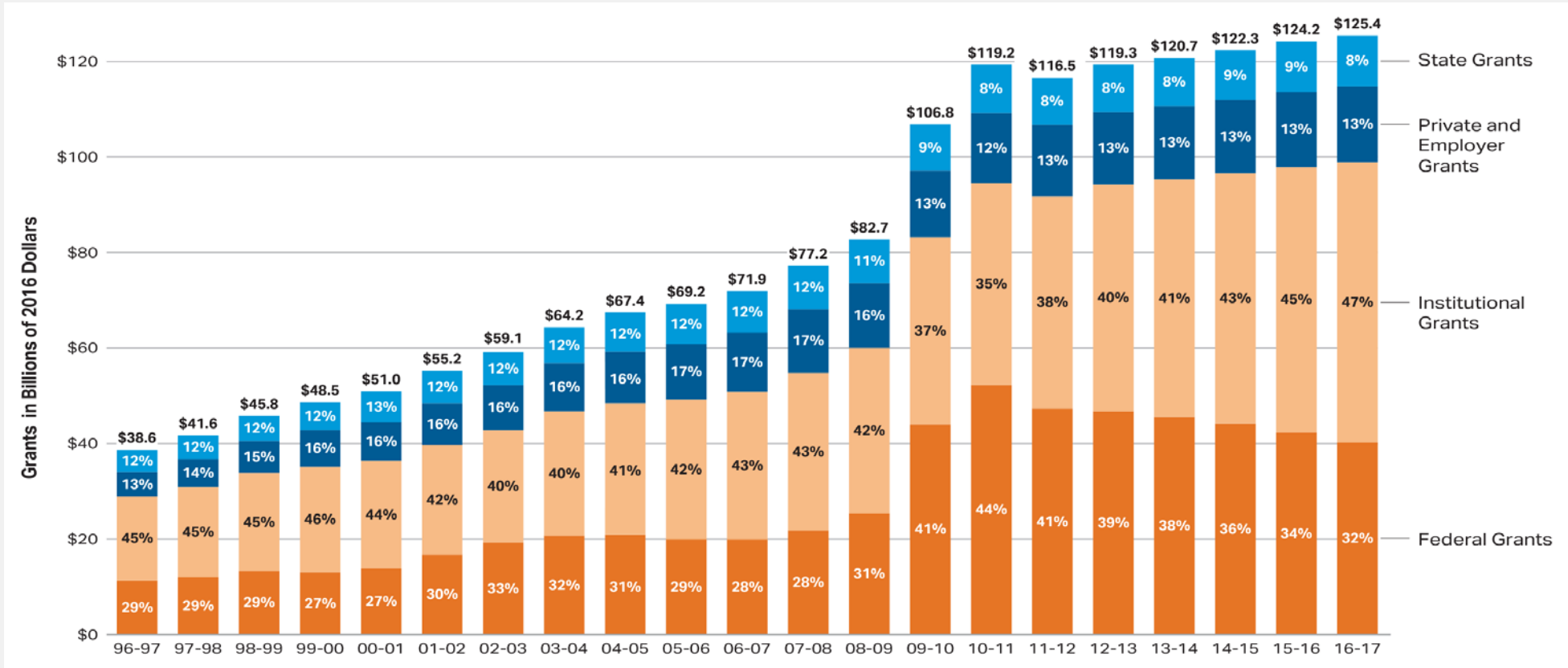
INSTITUTIONS

- Student success
- Bottom Line
- Shaping the class

THE STATE

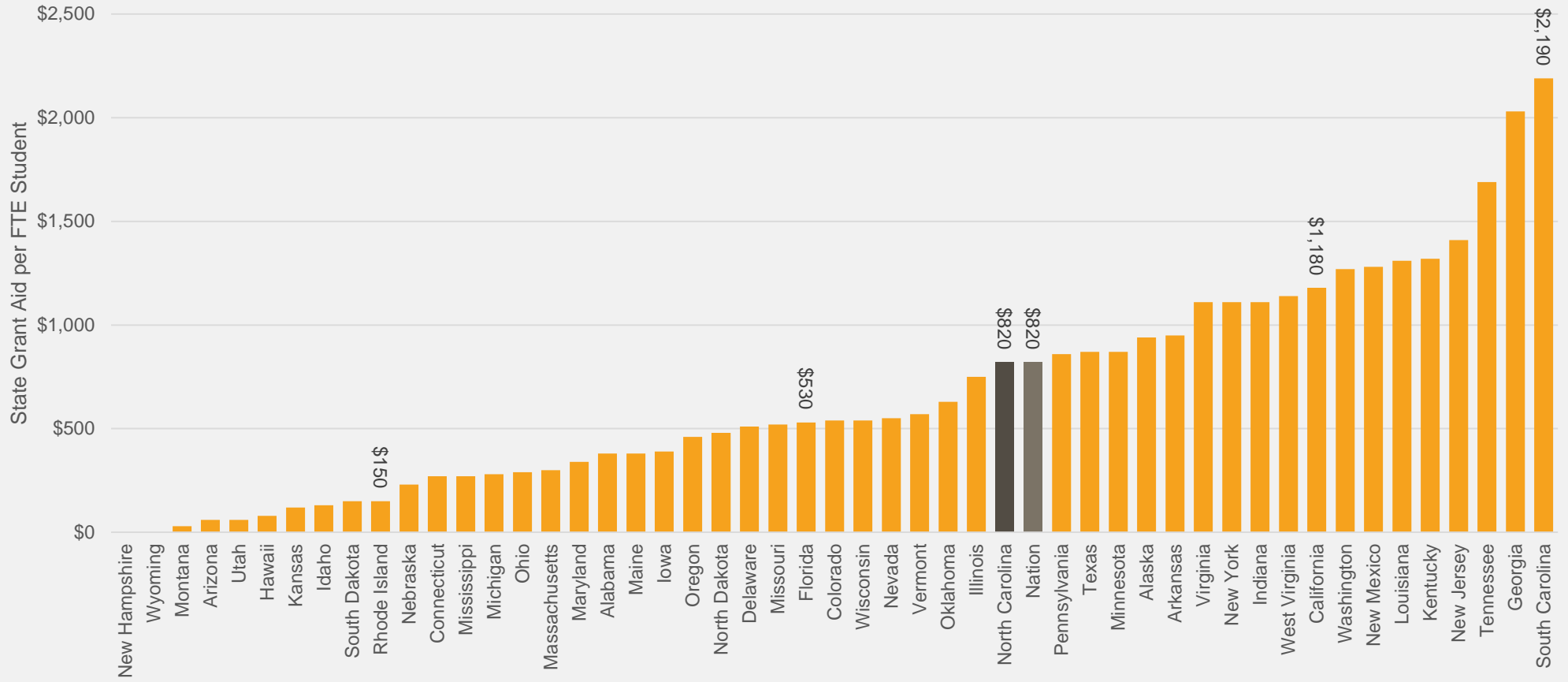
- More productive labor force
- More financial independence for population
- Reduced poverty and inequality

TOTAL GRANT AID IN 2016 DOLLARS BY SOURCE OF GRANT, 1996-97 TO 2016-17



Source: The College Board, Trends in Student Aid 2017, Figure 3.

STATE GRANT AID PER FULL-TIME EQUIVALENT (FTE) UNDERGRADUATE STUDENT, 2016-17

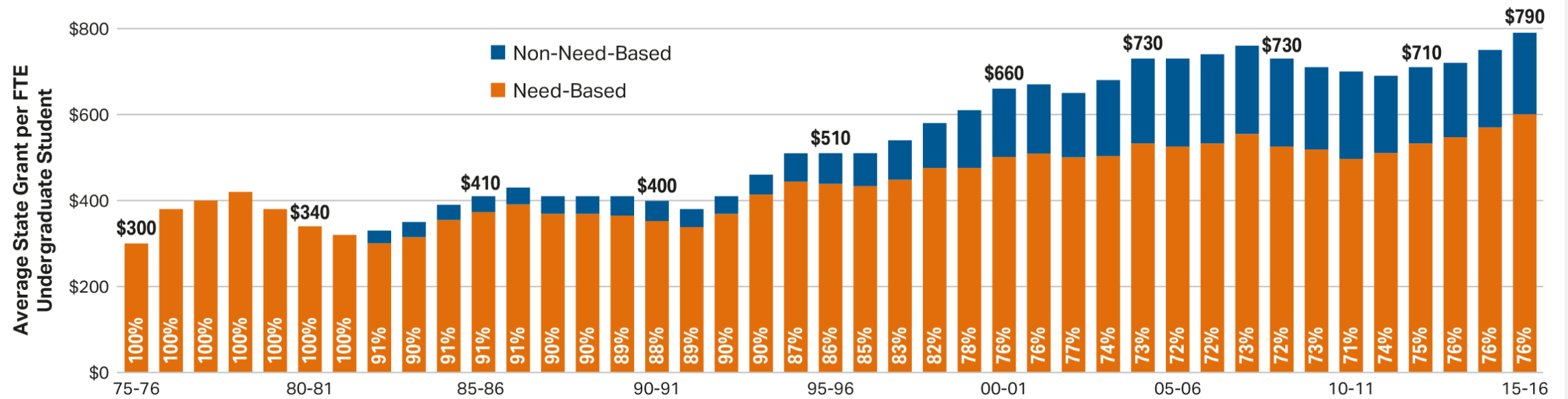


Source: NASSGAP

ELIGIBILITY CRITERIA

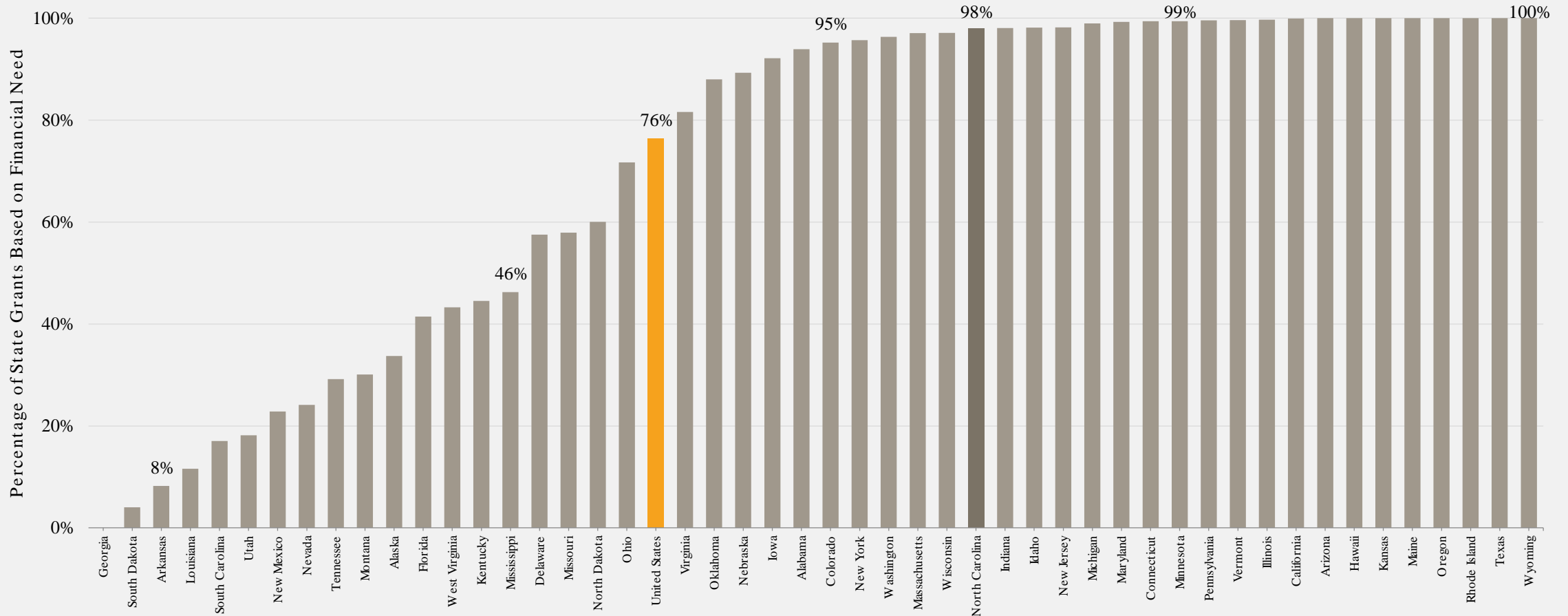
- Need
- Income, assets
- Age
- Institution
- Degree program
- Academic history
- Academic progress

NEED-BASED AND NON-NEED-BASED STATE GRANTS PER FULL-TIME EQUIVALENT (FTE) UNDERGRADUATE STUDENT IN 2015 DOLLARS, 1975-76 TO 2015-16



Source: The College Board, Trends in Student Aid 2017, Figure 19A.

NEED-BASED STATE GRANT AID AS A PERCENTAGE OF TOTAL UNDERGRADUATE STATE GRANT AID BY STATE, 2016-17



Source: NASSGAP

OTHER POLICY ELEMENTS

- Application process
- Simplicity: number of programs, complexity of system, process
- Predictability
- Equity (distribution of benefits, relationship to federal aid, cliff effects)
- Efficiency (incentives for students and institutions, impact on behaviors and outcomes, targeting of aid)

EVALUATING AND STRENGTHENING AID PROGRAMS

- Focus on equity *and* efficiency
- Beyond Need and Merit: Incentives for academic progress vs. rewarding preparation
- Are state grant programs targeting adequate funds to students whose outcomes improve because of the aid?
- Who is left out?
- Do students, families, teachers, counselors, etc. understand the programs?