

Report and Recommendations of SBHE 5-4 Work Plan Objective's Committee Relative to Affordability

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REPORT OVERVIEW

The State Board of Higher Education's work plan for 2007-08 required that the System "work with financial aid officers, the Bank of North Dakota, and others, such as NDUS councils, as appropriate, to identify unmet needs and barriers to student financial access to college."

This report shows that three high priority areas were identified as barriers to college and need to be addressed. They are the need for: 1) increased State Grant funding; 2) greater financial aid awareness, i.e., develop a financial literacy, student communication, and marketing plan; and 3) a stronger general fund base support of core functions of the North Dakota University System.

There is strong evidence that students are having to borrow more to assist with paying for their cost of education. This trend results in the following: increases time-to-degree, increases non-completion rates, influences career choices, raises concern about possible increases in loan default rates, creates financial challenges for students after graduation as they attempt to balance repayment of student loans with other living expenses. As a result, the committee recommends a multi-prong approach to enhance family and student planning and savings and to encourage the State of North Dakota to provide additional funding to increase needs-based financial aid and to allow campuses to limit tuition rate increases.

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Purpose of Report

The purpose of this report was to examine and identify unmet needs and barriers to current and future North Dakota University System students' financial access to college.

Introduction

An important companion document to the State Board of Higher Education's strategic plan is its annual operating plan. The purpose of an annual operating plan is to implement that portion of the strategic plan to be accomplished during the coming year. Specifically, it includes objectives and action steps, which, when completed, will help achieve the long-range goals. One of the Board's objectives for 2007-08 was: "ensure an efficient, responsive, and accountable system of higher education, both individually and collectively." Within this objective one of the suggested action steps was to "work with financial aid officers, the Bank of North Dakota, and others, such as NDUS councils, as appropriate, to identify unmet needs and barriers to student financial access to college."

A committee comprised of a student, two student affairs vice presidents, one high school counselor, the director of student loans at the Bank of North Dakota, two financial aid directors, and one administrative affairs vice president met several times to discuss and identify barriers to college access. The three high priority areas identified, in order, were: 1) Increase State Grant funding for full-time students; 2) Develop a financial literacy, student communication and marketing plan; and 3) Encourage state to pick up a larger portion of the cost of education. The committee's foundation for each priority and their recommendations follow.

PRIORITY ONE

Increase State Grant funding for full-time students.

Background Information

The State Board of Higher Education is authorized to administer the North Dakota Student Financial Assistance Program, also referred to as the State Student Incentive Grant (SSIG) or State Grant Program. This state needs-based financial aid program was implemented in 1973 and the intent of the program is to assist full-time students with the cost of attending an eligible public, private non-profit or tribal North Dakota postsecondary institution.

The State Grant Program provided an \$800 non-repayable grant for 2007-08 to qualified North Dakota residents pursuing undergraduate degrees at North Dakota's public, private and tribal colleges. The annual grants increased from \$600 to \$800 in 2007-08. Prior to 2007-08, the annual State Grant amount was \$600 for over 15 years.

Funding History

Figure 1 provides a history of State Grant funding in total and by specific funding source (i.e., general fund and other funds, which includes federal and Minnesota reciprocity funds).

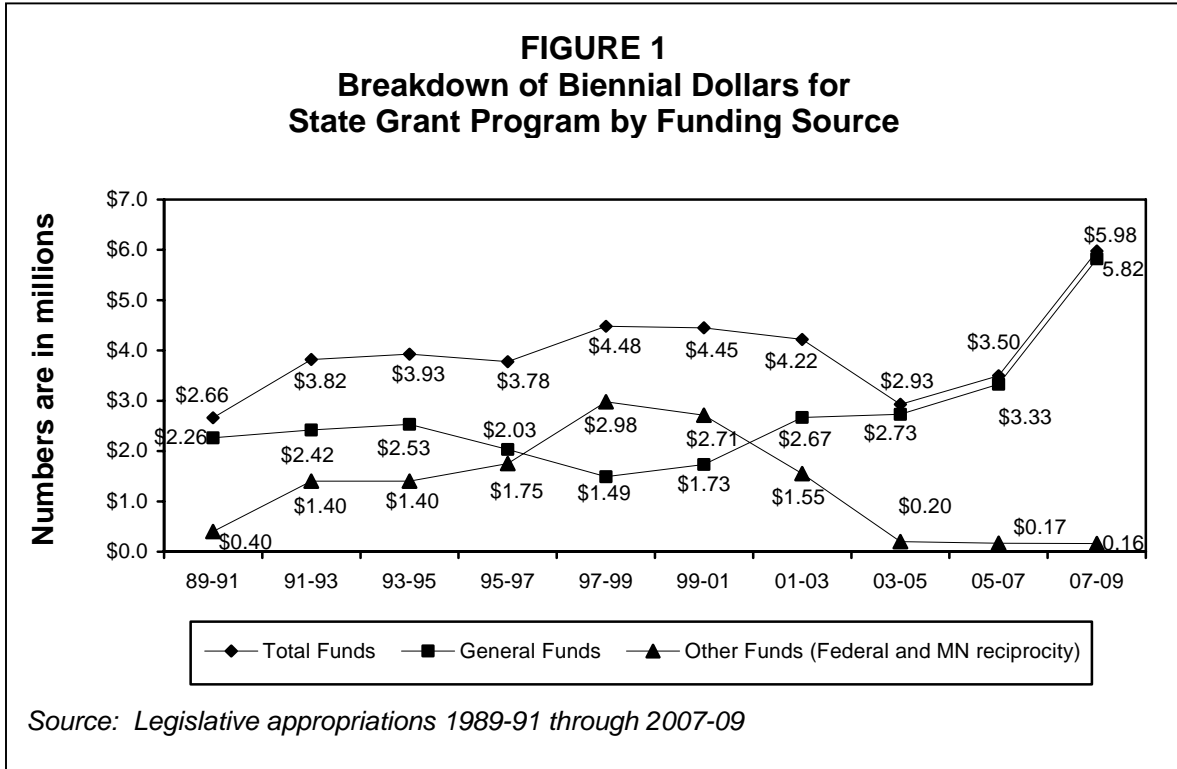
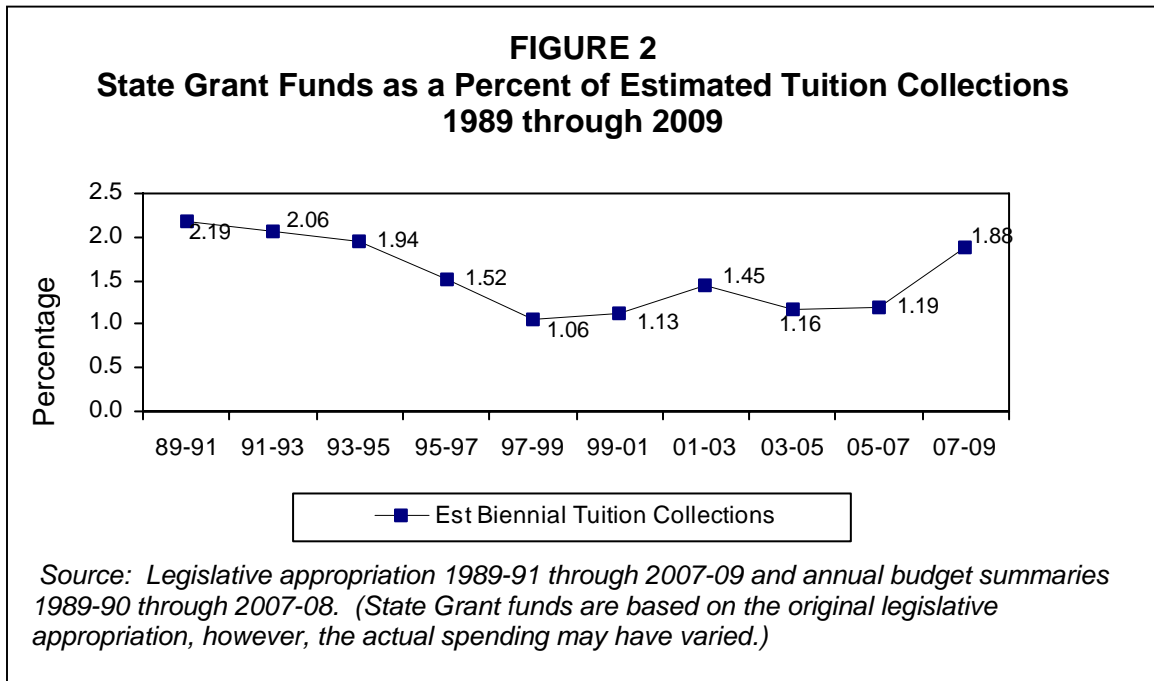


Figure 2 shows the State Grant Program funding as a percent of estimated biennial tuition collections. State funding to support the program is currently equivalent to 1.88 percent of estimated biennial tuition collections, down from more than 2 percent in 1989-91.



The State Grant Program historically has been funded by a combination of state general funds, Minnesota reciprocity funding and federal funds. Because of reduced and eliminated Minnesota reciprocity funds in recent years, the State Grant Program has been challenged with meeting the federal maintenance-of-effort (MOE) requirement for this program. Under federal law, states are required to meet or exceed the MOE requirement to ensure continued federal funding. The MOE requirement is the average expenditure of non-federal dollars for the past three years.

Since inception of the SSIG Program, there has not been a direct link between tuition increases/collections and funding for the State Grant Program. As a result, over time tuition and other costs have increased more significantly than grant funding and therefore, SSIG funding as a percent of overall tuition collections has declined.

It should be noted, though, that as a result of State general fund appropriation decreases to the North Dakota University System, students have had to pick up more of the cost of their education through tuition increases and without additional needs-based financial aid, students have more debt, more self-help aid in the form of jobs or loans or they chose not to attend college.

The data in Table 1 suggests that students continue to demonstrate a significant amount of unmet need and are applying for State Grant Program funding in record numbers. In 2007-08, more than 33,000 students applied; roughly 20,000 of them showed unmet need according to the program calculations. Of the 20,346 students who

qualified, only 4,076 students (more than 20 percent) received the \$800 annual grants, because of the limited availability of program funding. Students who have unmet needs of \$5,964 or less did not receive program support due to lack of funding.

TABLE 1					
History of State Grants Awarded					
Year	# Applicants	# Applicants Showing Need	# Grants Awarded	% Eligible Students Funded	Ran Out of Funds at Unmet Need Figure of
1998-99	29,545	21,576	3,604	16.7%	\$4,058
1999-00	30,778	21,237	3,711	17.5%	\$4,000
2000-01	31,967	18,294	1,382*	7.6%	\$5,800
2001-02	33,046	20,369	2,379	11.7%	\$5,934
2002-03	35,156	24,492	2,600	10.6%	\$6,076
2003-04	30,255	21,930	2,275	10.4%	\$6,047
2004-05	37,167	19,431	2,700	13.9%	\$6,025
2005-06	33,864	20,368	2,494	12.2%	\$5,926
2006-07	33,297	20,055	3,392	16.9%	\$6,003
2007-08 (est.)	33,580	20,346	4,076	20.0%	\$5,964
* The number of awards were cut back drastically for 2000-01, in anticipation of decreasing Minnesota reciprocity and federal funds.					
<i>Source: NDUS Office, State Grant statistics</i>					

There are a significant number of qualified applicants who do not receive any state-funded, needs-based aid because adequate funds are not available; however, students may be eligible for both state needs-based aid and/or other federal needs-based financial aid such as the Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loans, College Work-study and student loans.

TABLE 2							
Purchasing Power of North Dakota's State Grant							
Relative to Tuition at NDUS Institutions							
1989-90 to 2007-08 Comparison							
1	2	3		4		5	
Year	Amount of State Grant	UND/ NDSU Tuition	(Col. 2/3)	4-Year Colleges	(Col. 2/4)	2-Year Colleges	(Col. 2/5)
1989-90	\$600	\$1506	40%	\$1182	51%	\$1152	52%
2007-08*	\$800	\$5019	16%	\$3886	21%	\$2959	27%
% increase/ decrease in purchasing power from 1989-90 to 2007-08		(24%)		(30%)		(25%)	
* Used average tuition costs by institution type							

How North Dakota's State Grant Program Compares Nationally

The following shows how North Dakota's State Grant Program compares to other states (Source: *2005-06 Academic year – 36th Annual Survey Report on State-Sponsored Student Financial Aid, National Association of State Student Grant and Aid Programs (NASSGAP)*).

1. Estimated total number of awards per enrollment

- North Dakota
 - Ranks 48 out of 52
 - 7.2%

 - National average 29.7%

Based upon 2005-06 NASSGAP data, North Dakota would need to make approximately 12,600 awards (per year) to reach the national average of 29.7 percent, which would require approximately 8,500 additional awards per year.

2. Total state grant dollars per population (ranking includes Washington, D.C. and Puerto Rico)

- North Dakota
 - Ranks 46 out of 52
 - \$2.93

 - National average \$23.45

Based upon 2005-06 NDAAGAP data, North Dakota would need an additional \$13 million (per year) in State Grant funds to reach the national average of \$23.45

3. Total state grant dollars per population age 18-24

- North Dakota
 - Ranks 47 out of 52
 - \$24.92

 - National average \$237.00

Based upon 2005-06 NASSGAP data, North Dakota would need approximately \$17 million (per year) in State Grant funds to reach the national average of \$237.00

COMMITTEE RECOMMENDATIONS FOR PRIORITY ONE:

The committee recommends the SBHE make needs-based financial aid funding for the 2009-11 biennium a high priority by:

- requesting additional funding to assist all State Grant applicants who demonstrate unmet need of \$800 or greater and who meet all other state and/or federal eligibility requirements. The projected additional dollars needed above the 2007-09 adjusted SSIG appropriation is \$14 million for the 2009-11 biennium. This level of funding would support approximately 7,850 additional students per year.
- at a minimum, requesting additional funding to assist all State Grant applicants who meet the priority deadline date of March 15 and who meet all other state and/or federal eligibility requirements. Projected additional dollars needed above the 2007-09 adjusted SSIG appropriation is \$6.3 million for the 2009-11 biennium. This level of funding would support approximately 3,350 additional students each year.

Additionally the committee recommends:

- that beginning in 2009-10 the yearly SSIG grant amount increase at the same percentage rate as average biennial tuition increases at NDUS institutions. Thus, for the 2009-11 biennium, the grant award would increase from an estimated of \$800 in 2008-09 to \$840 in 2009-10 to \$882 in 2010-11.
- the SBHE seek a statutory change to increase the State Grant maximum amount from \$1000 to \$2000. This statutory change would provide the SBHE the long-term flexibility to increase the SSIG grant amount, should substantial additional dollars be appropriated.

PRIORITY TWO

Develop a financial literacy, student communication and marketing plan

Presently, there are several opportunities students and parents have available to learn about financial aid opportunities (e.g., family financial aid nights, Project Vital Link publications, free federal publications, high school counselors/principals, College Goal Sunday events). Even so committee members indicated they hear from parents and students that the financial aid process is confusing and overwhelming. For the first time, North Dakota participated in a national event known as, College Goal Sunday. Eight North Dakota sites were selected based on population, size, and financial demographics. The College Goal Sunday focuses on assisting students from low-income, first-generation higher education, or minority households and assist(s) them with completing the Free Application for Federal Student Aid (FAFSA) form. At this first-time event, 473 families attended. Survey results (See Appendix 1), completed by students who attended this event indicate: 1) 32% will be the first in their family to attend college; 2) 39% indicated

financial aid was the biggest factor that may prevent them from attending college; 3) 68% responded that parents helped them the most to get ready for college; 4) 73% responded that paying expenses most concerned them about attending college; and 66% responded that a teacher or high school counselor helped them receive the most information on financial aid.

COMMITTEE RECOMMENDATIONS FOR PRIORITY TWO:

The committee recommends that:

- The SBHE consider recommending to the joint boards (i.e., DPI, ESPB, CTE, and NDUS) development of a joint plan and proposal for enhancing financial literacy (age appropriate) education curriculum options, not only for students, but to expand information dissemination in this area to parents. Financial literacy can be broadly designed to encourage savings by individuals at all age levels, thru raising awareness of the cost of college, sources available to cover the cost, and better education and financial planning.
- The NDUS office work with Student Loans of ND, and other partnering agencies, to expand the *Design Your Future* publication and distribution (to lower grade levels) and to include additional information on financial literacy.

PRIORITY THREE

Encourage the state to pick up a larger share of the cost of education

For many years, North Dakota was fortunate to promote low tuition as a form of financial aid. Over the past several years, state general fund dollars have not been sufficient to cover the increasing cost of education. Therefore, students have picked up a larger share of the cost of education. As part of the long-term finance plan, the SBHE established state/student share funding targets. The information in the following table demonstrates that students are picking up a substantially larger share of the cost of education when compared to their funding targets and without parallel increases in needs-based financial aid, students have more debt, more self-help aid in the form of jobs or loans or they chose not to attend college.

TABLE 3
State (State Appropriations) and Student (Net Tuition and Fees) Shares
Compared to Target Shares Per Long-Term Financing Plan

	<u>State Share (State Appropriations)</u>			<u>Student Share (Net Tuition & Fees)</u>		
	<u>2003-05</u>	<u>2005-07</u>	<u>Target</u>	<u>2003-05</u>	<u>2005-07</u>	<u>Target</u>
	<u>Bienn.</u>	<u>Bienn.</u>		<u>Bienn.</u>	<u>Bienn.</u>	
BSC	50%	49%	75%	50%	51%	25%
DSU	56%	49%	70%	44%	51%	30%
LRSC	50%	50%	75%	50%	50%	25%
MaSU ¹	70%	68%	70%	30%	32%	30%
MiSU	58%	53%	65%	42%	47%	35%
MiSU-B	73%	69%	75%	27%	31%	25%
NDSCS	66%	61%	75%	34%	39%	25%
NDSU ²	42%	38%	60%	58%	62%	40%
UND ³	42%	40%	60%	58%	60%	40%
VCSU ¹	73%	65%	70%	27%	35%	30%
WSC	65%	65%	75%	35%	35%	25%
NDUS						
Average	48%	44%		52%	56%	

¹ Technology revenues subtracted from tuition revenues: Mayville \$1,203,401 (2003-05) and \$1,243,728 (FY 2005-07); Valley City \$1,672,387 (2003-05) and \$1,017,171 (FY 2005-07).

² NDSU state appropriations reduced for: HECN and ConnectND \$6,940,288 (2003-05) and \$7,881,414 (FY 2005-07); Ag Extension and Experiment \$52,460,500 (2003-05) and \$54,718,376 (FY 2005-07); and flood appropriations \$1,700,000 (2003-05) and \$289,092 (2005-07).

³ UND state appropriations reduced for: HECN, ConnectND, IVN and ODIN \$11,952,482 (2003-05) and \$12,502,911 (FY 2005-07); and flood appropriations \$1,571,000 (2003-05) and \$2,069,727 (FY 2005-07).

Data Source: IPEDS Fall 2003 and Fall 2004 Enrollment Data, NDUS Long-Term Finance Plan and FY 2004, FY 2005, FY 2006 and FY 2007 NDUS audited financial statements.

NDUS Average State and Student Shares

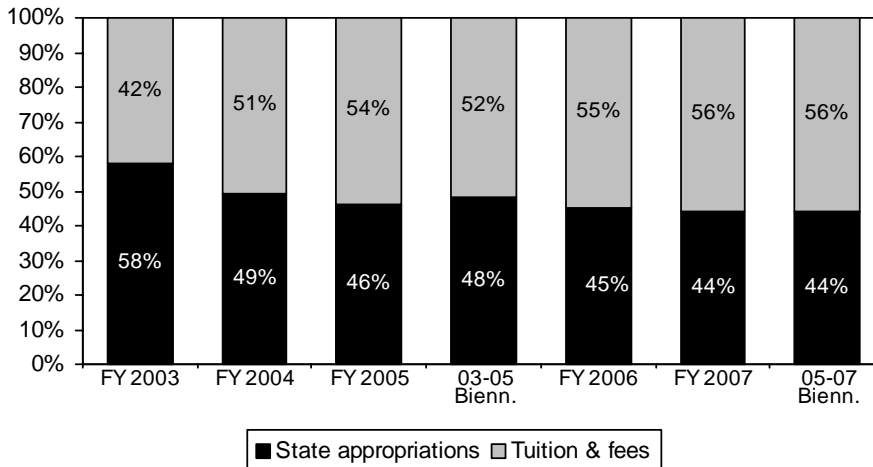
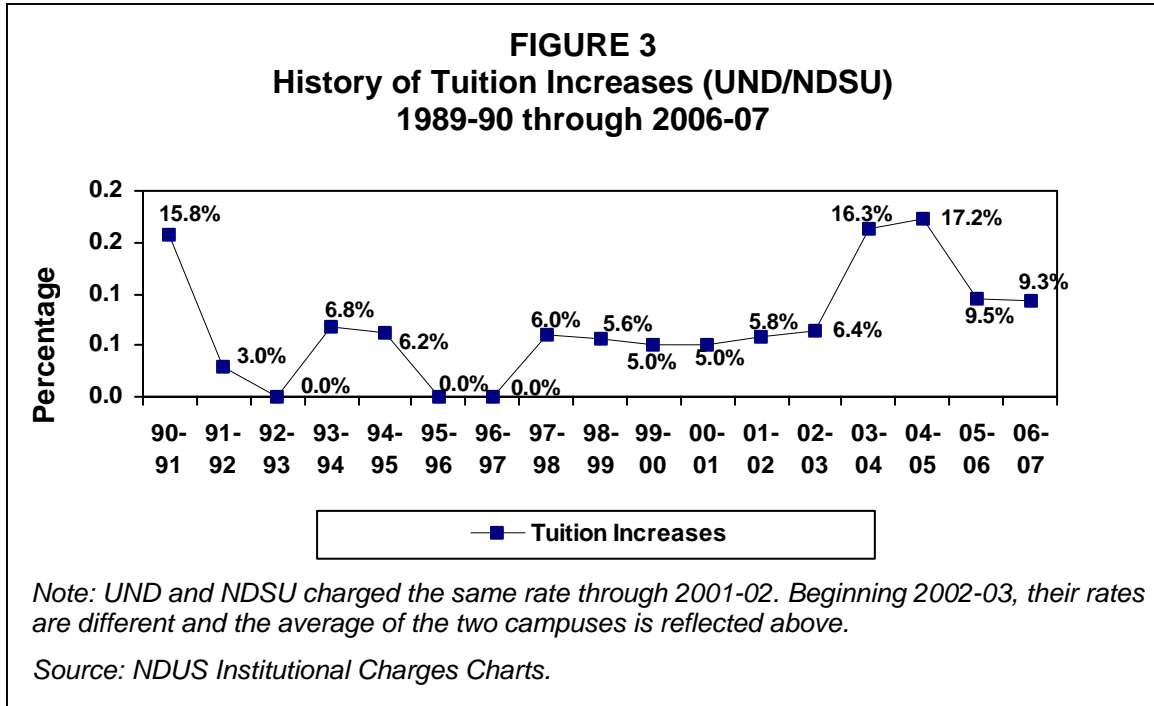


Figure 3 provides information on tuition rate increases for UND and NDSU from 1990-91 to 2006-07.



Historically, tuition and fee rates at all NDUS institutions except the 2-year campuses, have been less than their regional counterparts. Average tuition and fee increases at NDUS institutions were significantly higher than their regional counterparts in 2004-05, 2005-06 and 2006-07. As a result, the gap between tuition and fee rates at all NDUS institutions, except the 2-year campuses, and their regional counterparts has narrowed significantly, and the gap at the 2-year campuses has increased significantly since 2003-04. This pattern reversed slightly in 2007-08, when average tuition and fee increases at NDUS institutions ranged from 5.3-6.3 percent. Their regional counterparts' increases averaged 6.0-8.4 percent.

Committee members recognize that the purchasing power of all grant type financial aid, including federal and State Grant aid, has decreased through the years as a result of increased cost of attendance and steady or no growth in needs-based financial aid.

Student Loan Indebtedness

With supporting documentation from Appendices 2 and 3, Table 4 shows the average grant funding from all sources of funds for students who attend NDUS campuses has continued to increase during the past 18 years from 4.3 percent at MaSU, VCSU, DSU, and MiSU to 29.5 percent at the two-year campuses. However, loan borrowing during the same period has increased at a more rapid pace of 236 percent at the four-year campuses to 405 percent at the doctoral institutions.

TABLE 4
History of Loan and Grant/Campus Based Financial Aid
1989-90 to 2006-07
(Millions of Dollars)

	89-90	99-00	03-04	06-07	18 year change 89-90 to 06-07		8 year change 99-00 to 06-07	
Doctoral (UND and NDSU)								
Loan	\$19.3	\$56.4	\$86.2	\$97.4	\$78.1	405%	\$41.0	72.7%
Grant	\$16.7	\$16.5	\$23.6	\$19.8	\$3.1	18.6%	\$3.3	20.0%
Four-Year (MiSU, MaSU, VCSU, and DSU)								
Loan	\$7.6	\$16.1	\$21.2	\$25.5	\$17.9	236%	\$9.4	58.4%
Grant	\$6.9	\$6.9	\$9.4	\$7.2	\$3	4.3%	\$3	4.3%
Two-Year (BSC, NDSCS, LRSC, WSC, and MiSU-BC)								
Loan	\$5.3	\$12.9	\$19.8	\$24.7	\$19.4	366%	\$11.8	91.5%
Grant	\$6.1	\$7.1	\$9.6	\$7.9	\$1.8	29.5%	\$8	11.3%
<i>See Appendix 2 and 3 for source details</i>								

A typical UND or NDSU bachelor's completer in 1989-90 graduated with an average federally insured student loan indebtedness of \$8,500 to \$9,500 compared to the same student graduating in 2006-07 with average indebtedness of \$17,000 to \$22,000. The average monthly payment for loan indebtedness of \$17,000 to \$22,000 would be between \$195 and \$253 per month. Additionally, NDUS institutions are reporting for 2007-08, that their students borrowed in excess of \$49 million in non-federally insured (alternative loans) student loans. Thus, compounding their total loan indebtedness upon graduation.

According to recent survey results from the ND Student Association Student Affairs Committee, listed financial aid as the number one problem (or barrier) that student's face. (See Appendix 4 for Survey Results)

The most recent information from the National Postsecondary Student Aid Study (NPSAS), a nationally representative survey conducted by the U.S. Department of Education's National Center for Education Statistics, shows that in 2003-2004, more than 65 percent of all bachelor's degree recipients graduated with some federal student loan debt. The median amount borrowed at public institutions was \$17,120.

COMMITTEE RECOMMENDATION FOR PRIORITY THREE:

The committee recognizes and strongly encourages:

- the SBHE to support progress toward the state/student share targets outlined in the NDUS Long-Term Finance Plan as part of the 09-11 budget request, thereby limiting the continued shifting of costs from the state to the student. As a result, the institutions would be able to minimize the level of tuition rate increases, which will help students and families to avoid additional student loan indebtedness.

OTHER PRIORITIES IDENTIFIED:

The committee also identified the following lower priority areas but chose to focus on the earlier high-priority areas identified:

- Explore a new needs-based financial aid program for other than full-time students. Even though the committee recognizes the financial need of part-time students, they are reluctant to suggest expanding the program to assist part-time students, until the needs of the full-time students are adequately met, since they understand the state's resource limitations.
- Explore a new merit-based financial aid program for students with ACT scores between 24-28.
- Explore developing a financial aid program targeted to North Dakota's workforce needs.
- Study the relationship of financial need and the lack of needs-based aid has on college completion rates.
- Discourage the notion of setting aside a portion of tuition collections to fund needs-based aid.

IMPLICATIONS/IMPACTS/OUTCOMES OF BARRIERS

The following outcomes are likely to occur if funding levels for needs-based financial aid and state general fund base support for the North Dakota University System increases, which in turn would help limit tuition rate increases. This would cause students to borrow less and may have the following direct positive impact:

- As students' ability to pay becomes less difficult, enrollments would be positively impacted as students can afford to attend and stay in college
- Students take less time to graduate since they will not need to work as much while enrolled to help support themselves
- Increased financial aid would lessen students' likelihood of stopping-in and out of college because of lack of funding which potentially increases student loan defaults at post-secondary institutions. Ultimately, students who end up in a loan default may become discouraged and decide never to pursue a postsecondary education
- Lessen the loan default rates as students graduate sooner
- Lessen the loan indebtedness to students and their families
- Place less pressure on campuses and foundations to fund needs-based student aid
- Lessen possible changes in occupation/program choices to reduce overall educational costs and to seek high paying jobs needed to address increasing debt

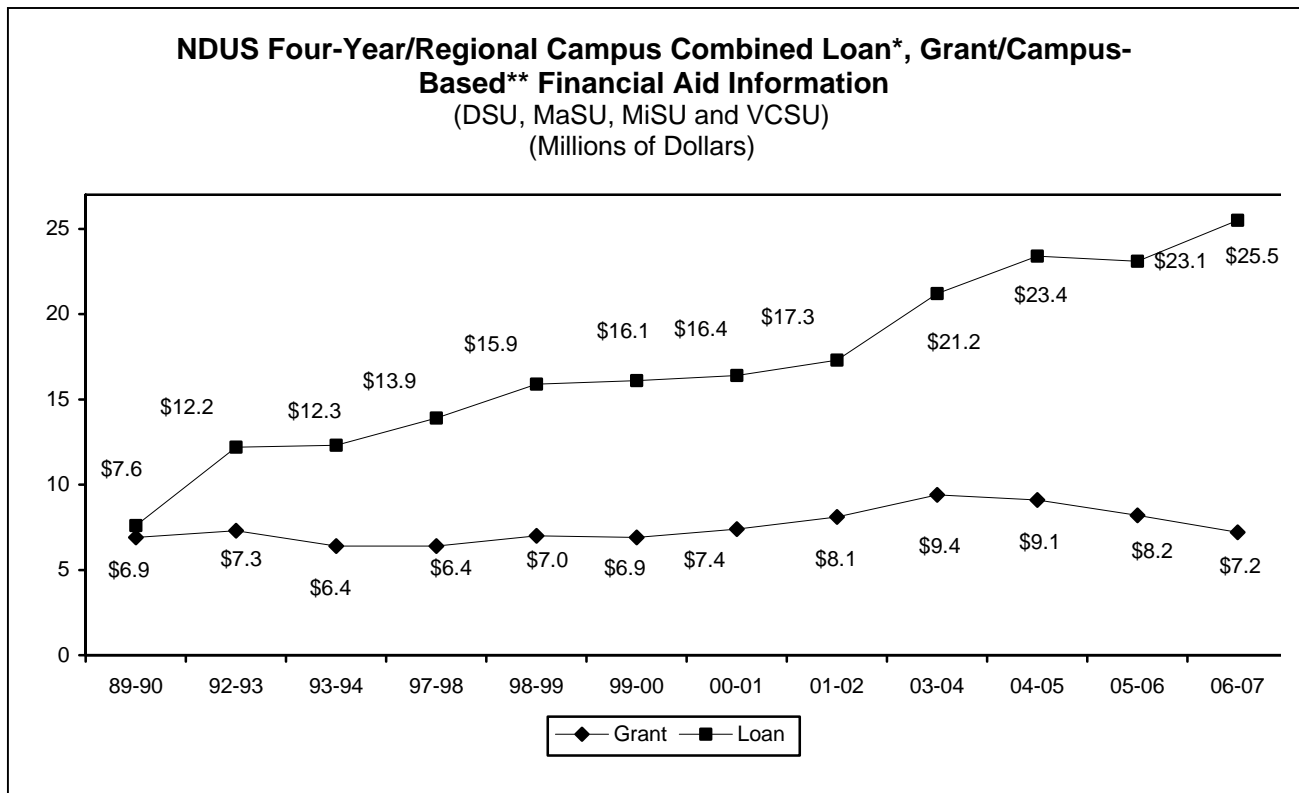
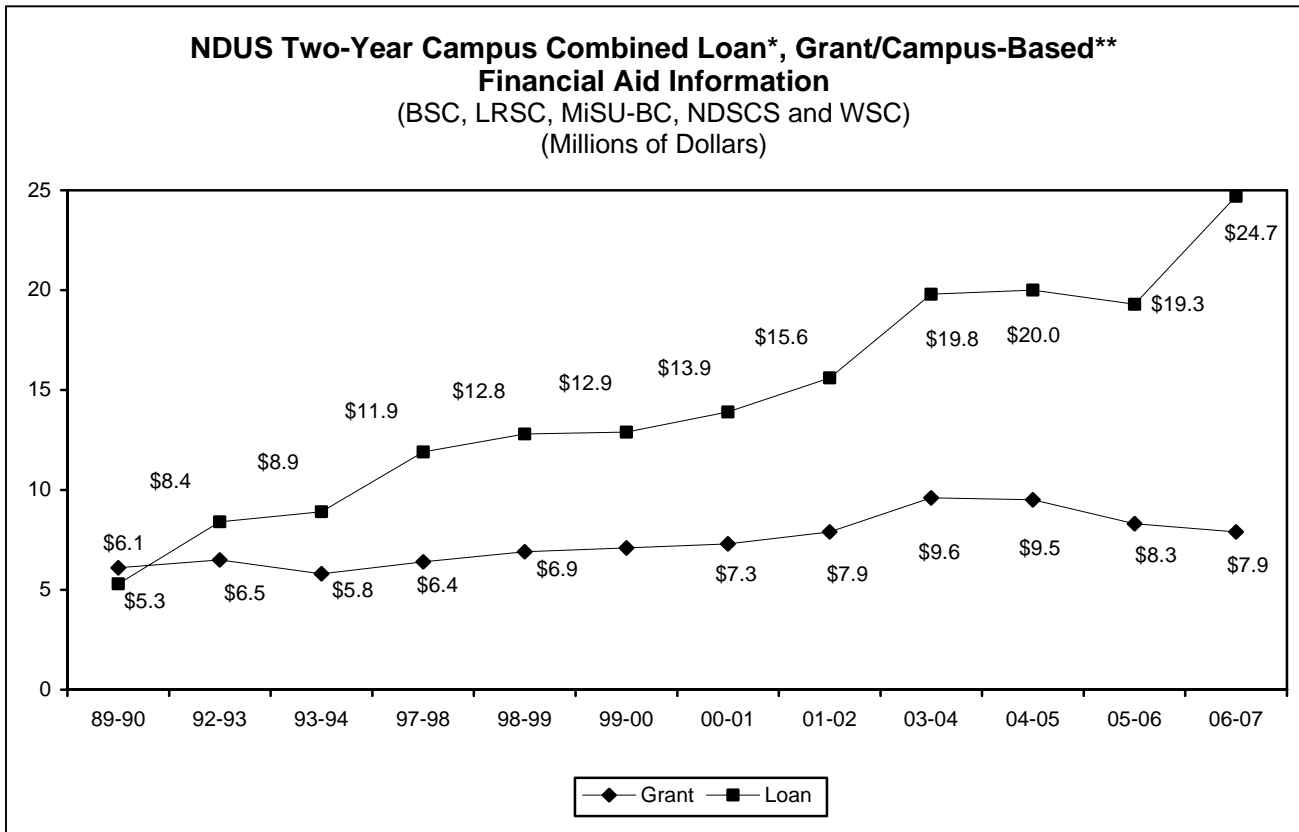
College Goal Survey Results

Totals			Belcourt	Bismarck	Dickinson	Fort Totten	Fort Yates	Minot	New Town	Grand Forks
1.) Are you the first member of your family who will attend college?										
32%	102	a. Yes	0	22	27	20	3	24	6	
68%	218	b. No	4	35	62	23	12	66	16	
320		TOTAL SCHOLARSHIP SURVEYS COMPLETED	4	57	89	43	15	90	22	0*
468		TOTAL FAMILIES REPORTED BY SITES (does NOT account for multiple attendees per family)	64	63	95	45	16	94	26	65
2.) What factors might prevent you from attending college? (circle all that apply)										
39%	124	a. Financial aid	0	20	46	21	6	26	5	
3%	11	b. Grades	0	3	3	1	0	2	2	
8%	24	c. Family support	0	6	6	6	1	3	2	
3%	9	d. Other _____ (be specific) <i>i.e. transportation, child care, having to work, death</i>	0	0	1	4	1	0	3	
60%	191	e. Nothing, I am definitely going to go	4	38	43	20	8	65	13	
3.) Who has helped you the <u>most</u> to get ready for college? (circle one)										
68%	217	a. Parents	3	45	63	19	5	66	16	
19%	62	b. Teachers or High School Counselor	0	12	16	7	3	21	3	
3%	11	c. Friends	0	0	3	5	2	1	0	
6%	20	d. Family members other than parents	1	1	5	5	4	3	1	
4%	12	e. Other _____ (be specific) <i>i.e. Myself, girlfriend/spouse, college staff, job counselor</i>	0	0	1	7	1	1	2	
4.) What concerns you <u>most</u> about attending college? (circle one)										
4%	12	a. Fitting in	0	4	3	3	0	1	1	
73%	234	b. Paying expenses	0	41	67	28	10	73	15	
22%	69	c. Getting good grades	3	12	16	11	4	17	6	
1%	4	d. Other _____ (be specific) <i>i.e. being bored, learning, where to live, playing basketball</i>	1	0	1	1	0	1	0	
5.) Who helped you receive information on financial aid? (circle all that apply)										
66%	211	a. Teachers or High School Counselor	1	45	61	24	7	62	11	
28%	91	b. College Student Services Offices	2	9	26	19	3	23	9	
20%	63	c. Other _____ (be specific) <i>i.e. friends, parents, family member, online, College Goal Sunday, National Guard, BND, Voc Rehab, tribal higher ed office, direct mail</i>	0	15	13	7	5	19	4	
13%	43	d. I did it on my own	1	7	13	2	2	15	3	
6.) What other college related concerns do you have? <i>i.e. housing, transportation, paying other expenses, knowing what field to go into, college prep, grades, where to attend/college location, scholarships & help for minorities, daycare, meeting people, being able to graduate. Applying to dorm, food, choosing a major, living on my own/supporting myself, goals/achievements, getting loans, having debt after college, the challenge, sports, transferring credits, roommates, being away from home, that I won't be able to pay for all my college</i>										

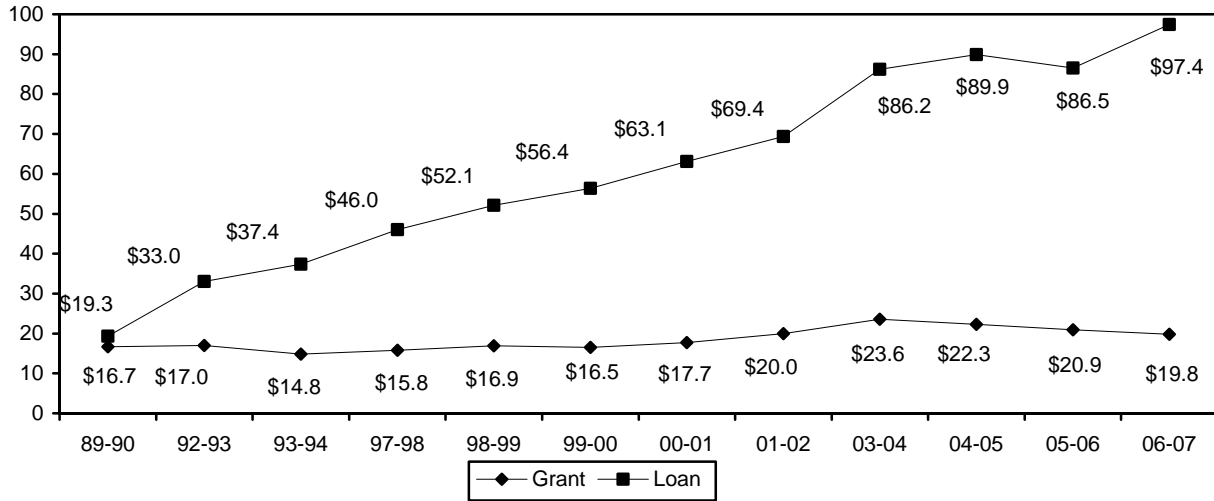
Student survey forms were not returned by site personnel. Thus, results are not available.

Student survey forms were not made available to the Grand Forks site by organizers. Thus, survey results could not be gathered.

* Scholarship survey forms were not available at Grand Forks site due to weather and planning



NDUS Doctoral Campus Combined Loan*, Grant/Campus-Based
Financial Aid Information
(NDSU and UND)
(Millions of Dollars)**



* Federal Stafford (subsidized) Loan, Federal Unsubsidized Stafford Loan, Supplemental Loans for Students, Federal Parent Loan for Undergraduate Students

** *Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Perkins Loan, Federal College Work-Study Program*

The majority of information used in Appendices 2-3 was gathered from the following sources: (1) a federal campus reporting form entitled, "Fiscal Operations Report and Application to Participate," (2) Student Loans of North Dakota (SLND), and (3) the Education Assistance Corporation (EAC) for academic years 1989-90, 1992-93, 1993-94, 1997-98, 1998-99, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06 and 2006-07. SLND and EAC guarantee over 90 percent of all student loan volume for University System students.

Appendix 3

NDUS Two-Year Campus Average Student Loan Indebtedness by Year
(BSC, LRSC, MiSU-BC, NDSCS and WSC)

Year	Loan Amount Borrowed	Number of Borrowers by Year	Number of Borrowers/Total Headcount Enrollment	Average Annual Loan
1989-90	\$ 5.3 million	2,821	42%	\$1,878
1992-93	\$ 8.4 million	3,598	55%	\$2,334
1993-94	\$ 8.9 million	4,053	62%	\$2,195
1997-98	\$11.9 million	4,987	72%	\$2,386
1998-99	\$12.8 million	5,386	77%	\$2,376
1999-00	\$12.9 million	5,505	77%	\$2,343
2000-01	\$13.9 million	5,924	82%	\$2,346
2001-02	\$15.6 million	6,626	84%	\$2,354
2002-03	\$17.2 million	7,190	86%	\$2,392
2003-04	\$19.8 million	7,744	87%	\$2,556
2004-05	\$20.0 million	6,475	72%	\$3,089
2005-06	\$19.3 million	6,213	71%	\$3,106
2006-07	\$24.7 million 28.0% (increase)	6,822 9.8% (increase)	77%	\$3,621 16.6%
Increase from 1989-90 to 2006-07	\$19.4 million 366%	4,001 142%		\$1,743 92.8%

NDUS Four-Year Campus Average Student Loan Indebtedness by Year
(DSU, MaSU, MiSU and VCSU)

Year	Loan Amount Borrowed	Number of Borrowers by Year	Number of Borrowers/Total Headcount Enrollment	Average Annual Loan
1989-90	\$ 7.6 million	3,897	56%	\$1,950
1992-93	\$12.2 million	4,572	64%	\$2,668
1993-94	\$12.3 million	4,716	63%	\$2,608
1997-98	\$13.9 million	5,100	75%	\$2,725
1998-99	\$15.9 million	5,579	82%	\$2,849
1999-00	\$16.1 million	5,724	82%	\$2,812
2000-01	\$16.4 million	5,877	84%	\$2,790
2001-02	\$17.3 million	6,111	83%	\$2,830
2002-03	\$17.7 million	5,968	77%	\$2,966
2003-04	\$21.2 million	6,803	84%	\$3,116
2004-05	\$23.4 million	6,130	74%	\$3,817
2005-06	\$23.1 million	5,906	72%	\$3,911
2006-07	\$25.5 million 10.4% (increase)	6,047 2.4% (increase)	77%	\$4,217 7.8%
Increase from 1989-90 to 2006-07	\$17.9 million 236%	2,150 55.2%		\$2,267 116%

NDUS Doctoral Campus Average Student Loan Indebtedness by Year
(NDSU and UND)

Year	Loan Amount Borrowed	Number of Borrowers by Year	Number of Borrowers/Total Headcount Enrollment	Average Annual Loan
1989-90	\$19.3 million	8,392	39%	\$2,299
1992-93	\$33.0 million	11,398	53%	\$2,895
1993-94	\$37.4 million	11,495	54%	\$3,253
1997-98	\$46.0 million	13,603	69%	\$3,381
1998-99	\$52.1 million	14,850	75%	\$3,508
1999-00	\$56.4 million	15,707	78%	\$3,590
2000-01	\$63.1 million	18,060	86%	\$3,493
2001-02	\$69.4 million	19,080	86%	\$3,637
2002-03	\$77.1 million	20,275	86%	\$3,803
2003-04	\$86.2 million	20,839	86%	\$4,136
2004-05	\$89.9 million	19,727	78%	\$4,557
2005-06	\$86.5 million	18,753	75%	\$4,613
2006-07	\$97.4 million 12.6% (increase)	19,198 2.4% (increase)	77%	\$5,073 10.0% increase
Increase from 1989-90 to 2006-07	\$78.1 million 405%	10,806 129%		\$2,774 121%

The majority of information used in Appendices 2-3 was gathered from the following sources: (1) a federal campus reporting form entitled, "Fiscal Operations Report and Application to Participate," (2) Student Loans of North Dakota (SLND), and (3) the Education Assistance Corporation (EAC) for academic years 1989-90, 1992-93, 1993-94, 1997-98, 1998-99, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, and 2006-07. SLND and EAC guarantee over 90 percent of all student loan volume for University System students.

**Survey Results from Student Affairs Committee
of the North Dakota Student Association**

February 2008

(Unedited)

What barriers to students face that would prevent them from attending college? (Financial situation, financial aid too confusing, don't meet minimum requirements.)

Students said that financial aid was the number one problem. Some of the other reasons included not meeting the minimum requirements, and financial aid was too confusing.

Is the financial aid process too confusing for students and parents?

It was said that it can be. They thought it would be nice if there was more information for parents and returning students. That it was easier when doing it the first time. They also commented that financial aid looks at parents income and many times they don't help with the costs and that the criteria was too hard (I am assuming this means the criteria for qualifying for financial aid).

What is the amount of debt college students leave with?

They listed no number but said it depends on the year in school, if the student goes to grad school or professional school.

Is there enough communication with students and parents about scholarships and financial aid? How can this be better?

They asked for more information about scholarships and if possible more scholarships. They also said that more communication with parents about scholarships was important, as well as with students.

Is there a particular group of students that seem underserved in terms of financial aid? (Part time, non-traditional, middle class, transfer)

They believed all students listed seemed underserved. They commented on international students, whose fees and tuition are much higher. The same goes for out-of-state students. They also brought up students with bad credit, who had no co-signers. They are prevented from getting loans and this could prevent them from attending college.