



State Council of  
Higher Education for Virginia

# **Tuition Assistance Grants and Enrollment Trends**

**HJR 91 Subcommittee Meeting  
August 18, 2008**

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# SCHEV Presentation

- I. Introduction – Dan LaVista
- II. Overview of Virginia Tuition Assistance Grant (VTAG) Program – Lee Andes
- III. Overview of Enrollment Trends and Projections – Tod Massa



# Introduction

SCHEV staff was requested to provide:

- An overview of the TAG program, including its history and current enrollments; and
- An understanding of current enrollments, as well as projections and trends.



# Virginia's System of Higher Education

Widely regarded as one of the best in the nation.

Characterized by a diverse mix of institutions and offerings

- public and private
- two-year and four-year
- non-profit and for-profit
- liberal arts, applied, and professional offerings



# Virginia's System of Higher Education

**12<sup>th</sup> largest in the nation (total enrollment)**

## Fall 2007 Headcount Enrollment

	<u>Total</u>	<u>Undergrad</u>	<u>Grad</u>
Four-year Publics	202,184	150,889	51,295
Two-year Publics	168,414	168,414	0
Four-year Nonprofit Privates	79,073	56,755	22,318
For-profit Privates <small>(Fall 06)</small>	7,021	5,837	1,184
Out-of-state Nonprofits <small>(Fall 06)</small>	20,640	17,927	2,713



# Virginia's System of Higher Education

Somewhat unique in providing aid to in-state students attending private, non-profit institutions.

Virginia is one of seven states with non-need-based aid programs for residents attending primarily private institutions (Alabama, Florida, Georgia, North Carolina, Ohio, Virginia, Wisconsin).

Seven other states have need-based aid programs for residents attending private institutions (Arizona, Connecticut, Kansas, Kentucky, Michigan, Oklahoma, South Carolina).



## Key Facts from the HJ91 Resolution

### Virginia's Nonprofit Private Institutions:

- 31 institutions (including single-sex, historically Black, liberal arts, and graduate and professional)
- enroll almost 80,000 students and employ about 15,000 citizens



## Key Facts from the HJ91 Resolution

### Virginia's Nonprofit Private Institutions:

- about 25% of students are Pell Grant recipients (about 17% at public four-year institutions)
- about 21% of students are African-American (about 14% at public four-year institutions)





# Key Facts from the HJ91 Resolution

## Virginia's Nonprofit Private Institutions:

- contribute greatly to Virginia's critical needs by preparing and/or licensing large numbers of graduates in:
  - the health professions (about 31% of all health-related four-year degrees); and
  - the teaching profession (24 programs vs. 14 at public four-year institutions).



## Key Facts from the HJ91 Resolution

### Virginia's Nonprofit Private Institutions:

- make outstanding efforts to ensure that they are affordable and accessible to Virginia families.

*TAG and enrollment capacity are parts of the sector's affordability and accessibility equations.*



# **Virginia Tuition Assistance Grant (VTAG) Program**



# VTAG History

**Spring 1972 - Initial bill passed for the Tuition Assistance Loan Act**

**Aug. 1972 - Program deemed unconstitutional by Virginia Supreme Court**

**Spring 1973 - Revised bill passed**

**June 1973 - New program found to be constitutional**

**1974-75 - First loans made, \$400 per student**



# VTAG History

- Nov. 1974** - Constitution amended to allow for “grants” to students at private institutions
- 1976-77** - First time freshmen received a grant, all others continued to receive loans
- 1977-78** - Final year award provided as a loan
- 1980** - “Loan” dropped from program name
- 1984-85** - VTAG extended to graduate students
- 2002-03** - Funding reduced & undergrad/grad awards split



# Constitution of Virginia – Article VIII

## ***Section 11. Aid to nonpublic higher education.***

*The General Assembly may provide for loans to, and **grants to or on behalf of**, students attending nonprofit institutions of higher education in the Commonwealth whose primary purpose is to provide collegiate or graduate education and not to provide religious training or theological education. ... The General Assembly may also provide for the Commonwealth or any political subdivision thereof to contract with such institutions for the provision of educational or other related services.*

The amendment – ratified November 5, 1974 and effective January 1, 1975 – provided for "grants to or on behalf of" (in addition to loans to) students. It also added the final sentence regarding contracting with private nonprofit institutions.



# National Programs

Only seven states have non-need-based aid programs available primarily to students attending private institutions:

<u>State</u>	<u>2006-07 Awarded</u>	<u>Students</u>	<u>Max Award</u>
Alabama	\$2,678,580	6,791	\$1,200
Florida	\$94,445,831	36,295	\$3,000
Georgia	\$26,206,575	26,347	\$1,100
N. Carolina	\$53,896,557	33,088	\$1,950
Ohio	\$47,947,332	59,400	\$900
<b>Virginia</b>	<b>\$49,575,833</b>	<b>20,081</b>	<b>\$2,750</b>
Wisconsin	\$22,757,519	9,146	\$2,900



# National Programs

Seven other states have need-based aid programs available primarily to students attending private institutions:

<u>State</u>	<u>2006-07 Awarded</u>	<u>Students</u>	<u>Max Award</u>
Arizona	\$150,175	101	\$1,500
Connecticut	\$15,937,383	4,844	\$7,852
Kansas	\$15,026,426	9,593	\$3,000
Kentucky	\$31,406,000	12,620	\$2,900
Michigan	\$50,961,457	34,141	\$2,100
Oklahoma	\$2,411,000	1,462	\$2,000
S. Carolina	\$31,068,188	11,735	\$3,100





# VTAG Basic Requirements

- **Virginia domiciliary residency for at least 12 months**
- **Full-time enrollment at a participating private, accredited, non-profit Virginia institution**
- **Enroll in an eligible degree program**



# Purpose

The authorizing statute contains no explicit statement of purpose, providing only a general objective:

***“...to provide financial assistance in the form of loans (grants) to bona fide residents of Virginia who attend private...”***

VTAG functions as the counterpart to the tuition subsidy received by students at public institutions and thereby serves to increase educational options for Virginia residents considering private institutions.



## Appropriation and Recipient Growth (Five-year Increments)

<u>Year</u>	<u>Appropriation</u>	<u>Recipients</u>
1973-74	\$740,000	1,980
1979-80	\$6,147,000	11,959
1984-85	\$12,577,500	13,803
1989-90	\$19,485,000	13,899
1994-95	\$18,963,333	13,296
1999-00	\$39,993,797	15,663
2004-05	\$41,391,082	18,543
2007-08	\$59,505,933	21,256



# Award Growth (Five-year Increments)

<u>Year</u>	<u>Undergraduate Max Award</u>	<u>Graduate Max Award</u>
1973-74	\$400	-
1979-80	\$550	-
1984-85	\$975	\$975
1989-90	\$1,500	\$1,500
1994-95	\$1,460	\$1,460
1999-00	\$2,700	\$2,700
2004-05	\$2,500	\$1,900
2007-08	\$3,200	\$1,900



# Maximum Award Set by Statute

§ 23-38.14. *Maximum amount of tuition assistance per student.*

*The amount of tuition assistance, in the form of a grant pursuant to this chapter, which shall be available annually to a bona fide resident of Virginia attending a qualified private institution, as described in § 23-38.12, **shall not exceed in amount the annual average appropriation per full-time equivalent student for the previous year from the general fund of the state treasury for operating costs at two- and four-year public institutions of collegiate education in Virginia.***



## Max Award as Percentage of Tuition Subsidy

**The maximum VTAG award (\$3,200) in 2007-08 was 51.2% of the tuition subsidy. This percentage was:**

- higher than the average percentage (41.9%) between 1993-94 and 2006-07;
- significantly higher than the lowest percentage since 1993-94 (35.0% in 1995-96); and
- the highest percentage since 1993-94 (and the only instance during this period that it exceeded 50%).



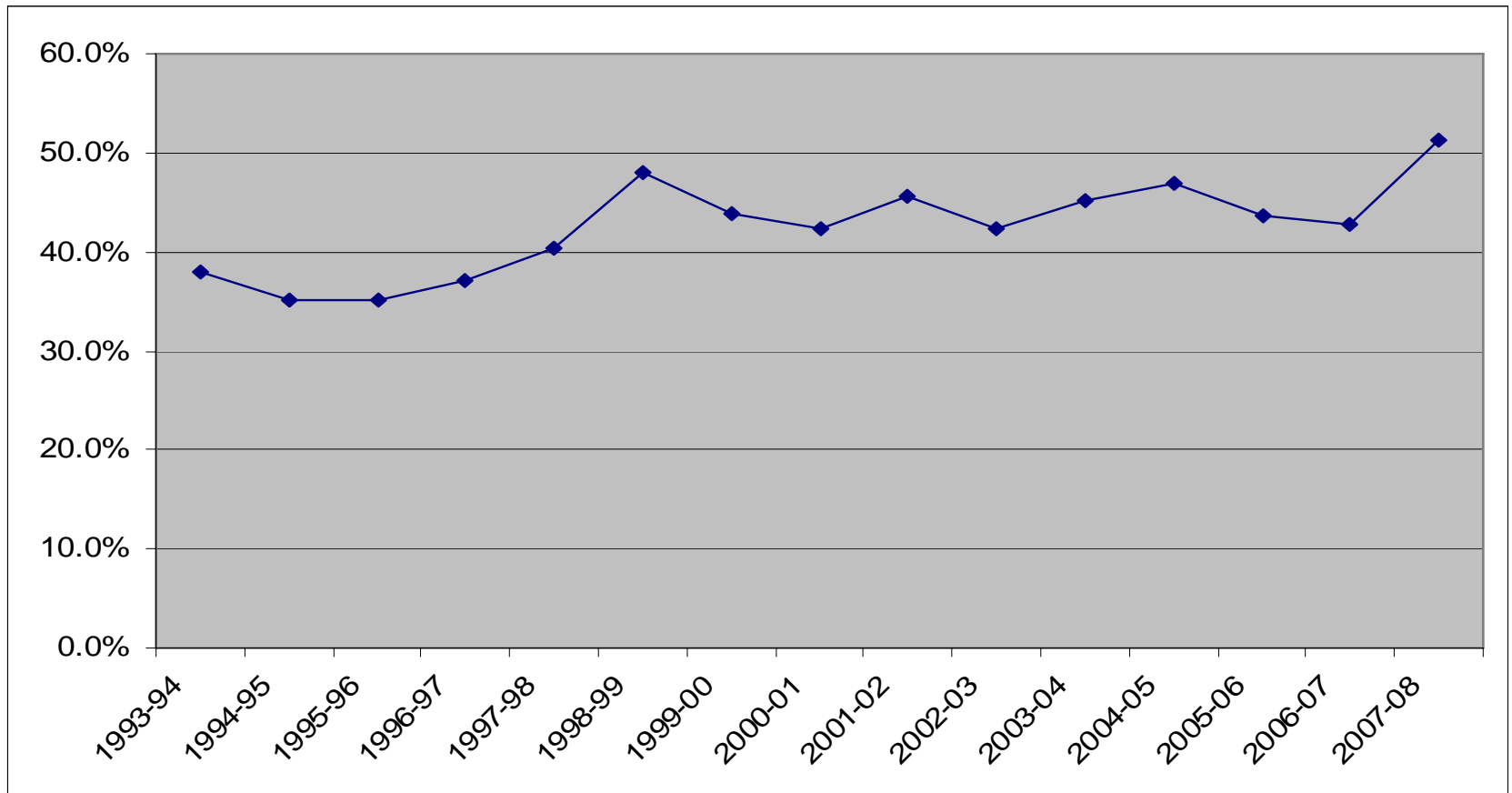
## The Commonwealth's Interest in Supporting Private Education

Private institutions provide valuable service to Virginia residents/students:

- Important role in access (enroll comparatively high percentages of low-income students)
- Small-college atmosphere (provide a more engaging environment for some students)
- Diverse academic options (offer unique/specialty as well as high-demand degree programs)
- Important role in affordability (provide substantial discounts & assistance to financially needy students)



# VTAG as a Percentage of the Average Tuition Subsidy for Public Institutions – 15 Yrs



TAG award as a percentage of the prior year tuition subsidy





# Getting the Word Out

## **Where students search for financial aid information:**

- On SCHEV's website
- In the 'Opportunities' brochure, which is free to students and sent to all Virginia high schools (100,000 per year)
- With many of the major scholarship search providers: Petersons, Fastweb, Broke Scholar, College Board, etc.
- SCHEV also provides information for direct inquiries

## **CICV and private institutions advertise and make TAG information available to students demonstrating interest in private education**

## **On the horizon:**

Federal 'College Access Challenge Grant' will be used to create website designed to

- Assist middle and high school students preparing for college
- Create marketing plan to expand college visibility and resources



# Virginia Enrollment Trends and Projections



# Enrollment Projections Background

## § 23-9.6:1. Duties of Council generally.

- 4. Review and approve or disapprove all enrollment projections proposed by each public institution of higher education. The Council's projections shall be in numerical terms by level of enrollment and shall be used for budgetary and fiscal planning purposes only. The Council shall develop estimates of the number of degrees to be awarded by each institution and include those estimates in its reports of enrollment projections. The student admissions policies for the institutions and their specific programs shall remain the sole responsibility of the individual boards of visitors.*

Approval/disapproval rests upon the Council's sense of reasonableness and consistency of enrollment targets with institutional goals and plans.



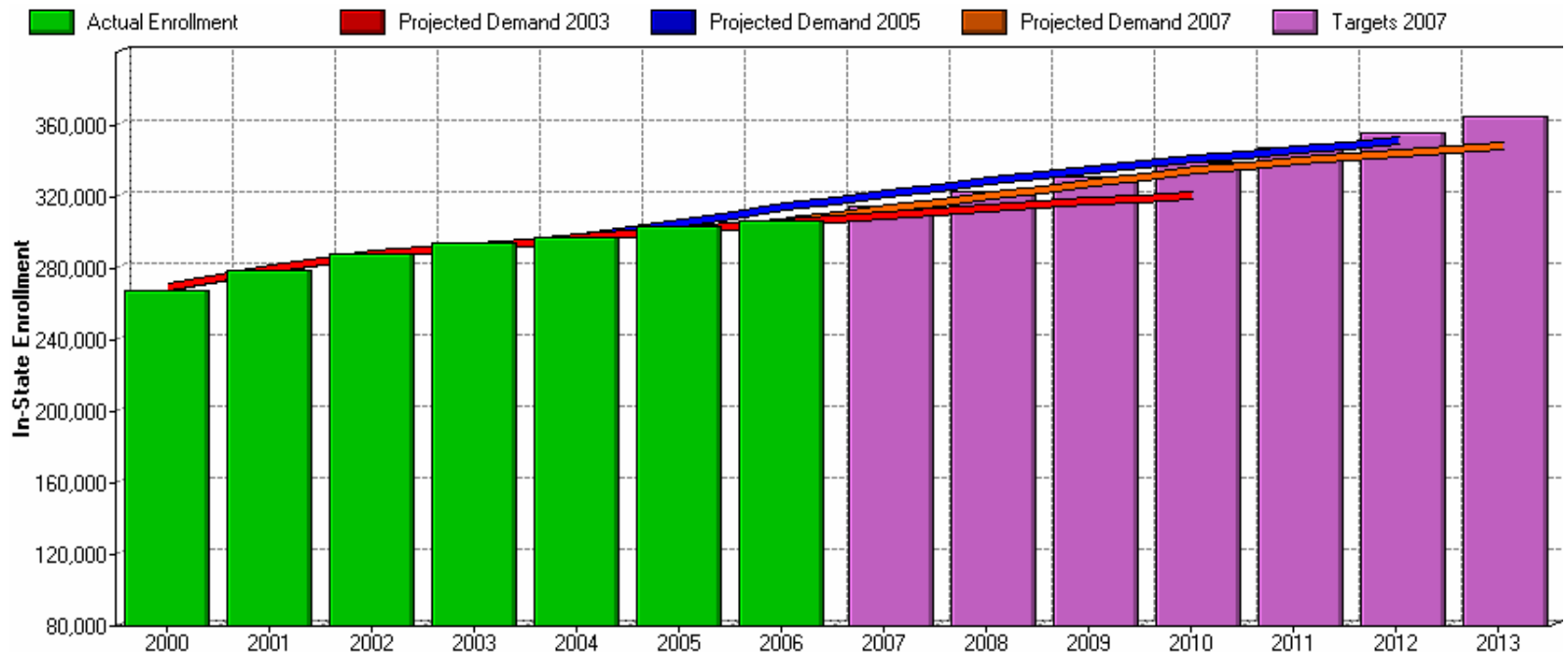
# Definitions

- Enrollment Targets – Projections of enrollment submitted by each institution that explicitly state institutional intent over a six year period. (Part of the Institutional Performance Standards)
- Enrollment projections – Generally speaking, new students plus previous year students minus drop-outs, stop-outs, and completers.
- Demand projections – Estimated demand for higher education enrollment based on historical patterns, population growth, projected high school graduates, & economic considerations. (Always developed by a third-party.)
- Estimates of Degree Awards – Projections of degrees awarded by institution and should be tightly linked to enrollment targets. (Part of the Institutional Performance Standards)



# Current Projections (2007)

- Overall, total in-state institutional enrollment targets exceed demand estimates.
- Total increase in enrollment targets of 58,303 (19%) in fall headcount enrollment between Fall 2006 and Fall 2013.
- Demand is estimated to increase by only 42,436 (14%) students over the same time period.





## What Projections and Targets Don't Tell Us

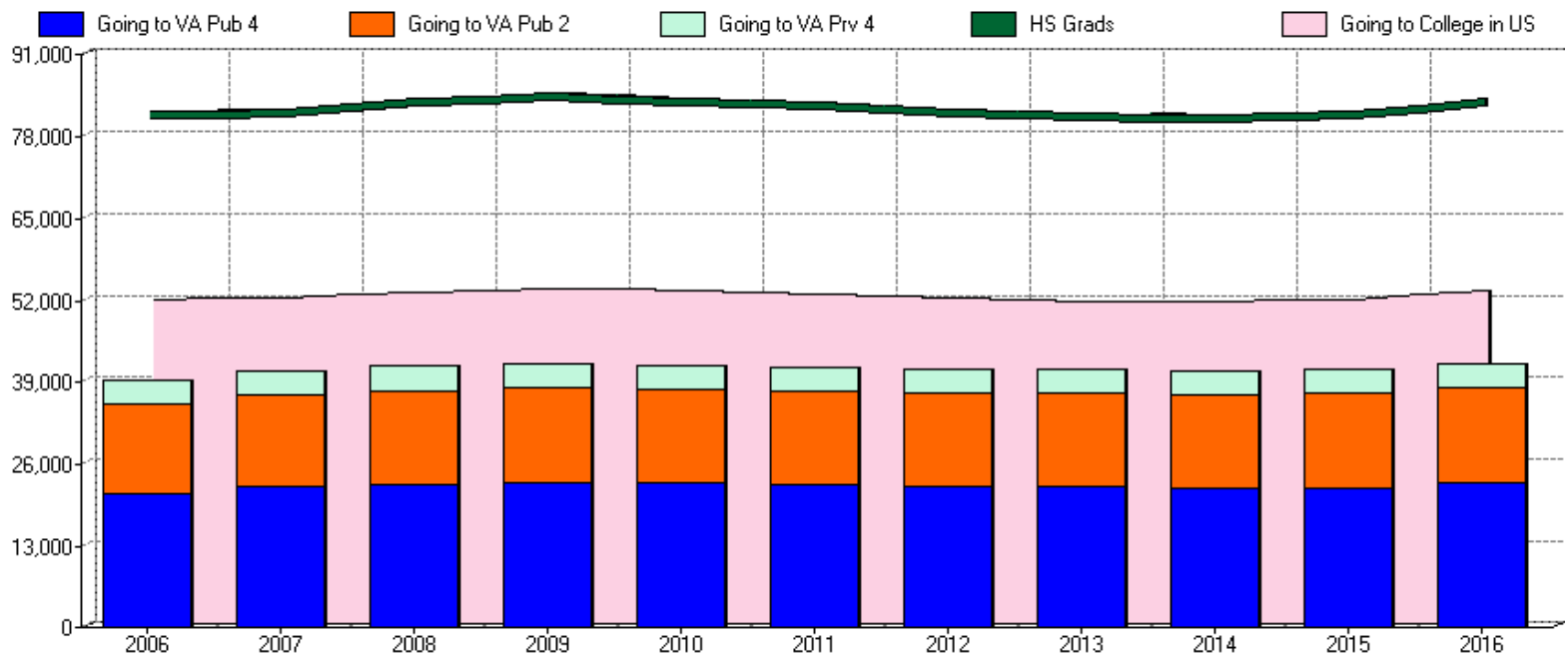
While we project supply in excess of demand, we are doing so at the top level...

- We don't know whether we will have enough spots for Artists or Engineers or Zoologists.
- We don't know whether the spots available will best match the type of students that will be finishing high schools.
- How many students will get their first-choice school, instead of their second or third?
- How many students will be able to enroll in the best school for their needs, background, and future success?



# High School Graduate and Attendance Projections

- HS graduates peak in 2009 with a slight decline and then mild rebound in 2016.
- Modest increases in the numbers of students likely to enroll in VA institutions, especially public four-years.
- Targets for first-time freshman at the public four-years exceed these projections in each year.





# Increasing Participation?

- The Council on Virginia's Future has set a goal of increasing postsecondary participation of 18-24 year-old high school graduates from 34% to 39%.
- Top state performance in this area was 42% in 2006.
- Achievement of either level of participation cannot be accomplished by the public institutions alone.





## A Role for Independent Colleges

Based on the current distribution of students and a base of 42,000 students between the ages of 18 and 24, Virginia's independent colleges would have to enroll an additional:

- 9,000 students to reach 39% participation by 2015;
- 13,000 students to reach 42% by 2015.

Again, based on current distributions:

- 5,000 of the 9,000 students would be Virginia residents;
- 7,000 of the 13,000 students would be Virginia residents.



# Current Efforts to Increase Participation

- Public institution goals under Restructuring:
  - Increasing enrollment of under-represented populations
  - Increased retention and graduation rates
  - Increased participation in K-12 and economic development
- P16 Council / Council on Virginia's Future
- GEAR-UP (Gaining Early Awareness and Readiness for Undergraduate Programs)
- College Access Challenge Grant
- National campaigns (e.g., KnowHow2Go.com)



# Enrollment Summary

- Virginia public institutions have set targets for growth across the system at a level sufficient to meet anticipated demand at current levels of participation.
- Institutional targets do not address the distribution of the “right” kind of seats or the desires of students for first- or second-choice schools.
- Looking forward, current levels of participation do not appear to satisfy policymakers nor ensure Virginia’s economic vitality.
- Beyond what is happening in Virginia, national efforts are developing that aim to increase adult degree attainment rates as well as the number of degrees awarded by one million per year.
- Achieving participation rates at levels near or equivalent to those of top states will require significant commitment by the Commonwealth with a likewise significant role for Virginia’s independent institutions.