

## Appendix 8

### Financial Aid Programs

#### Explanatory Note A8.1 Definitions of Federal and State Title IV Financial Aid Programs

The following are definitions of the types of federal and Title IV financial aid programs available to Nebraska postsecondary students:

- **Federal Pell Grant:** Federal Pell Grants are awarded to undergraduates who have not earned a bachelor's degree and who demonstrate high financial need. Pell Grants do not have to be repaid. The award range for Pell Grants for the award year 2005–06 was \$400 to \$4,050.
- **Federal Supplemental Educational Opportunity Grant (FSEOG):** Undergraduate students with exceptional need and who have not received a bachelor's degree are eligible to receive the FSEOG. FSEOG awards can range from \$100 to \$4,000 and do not have to be repaid, but awards are subject to the availability of funds at a student's institution.
- **Nebraska State Grant (NSG):** State grants are awarded to Nebraska-resident, Pell Grant-eligible students attending eligible Nebraska postsecondary institutions to assist with the students' educational expenses. Funding for the grant comes from both the federal government through its Special Leveraging Educational Assistance Partnership Program authorizations and from the state through the Nebraska Lottery and the state's general fund. Because this program is based on Pell Grant eligibility, students must demonstrate financial need to receive a Nebraska State Grant.
- **Academic Competitiveness Grants (ACGs):** Created under the Higher Education Reconciliation Act of 2005, ACGs are need-based but limited to students who have demonstrated academic achievement. To receive an ACG, a student must be a college freshman or sophomore, a U.S. citizen, Pell Grant-eligible and have completed a program of rigorous high school course work as defined by their state and recognized by the U.S. Secretary of Education. ACGs provide additional funds of up to \$750 for first-year college students and up to an additional \$1,300 for second-year students who are enrolled full time and maintain a 3.0 GPA in college. Institutions began to award these grants beginning in the 2006–2007 academic year.
- **National Science and Mathematics Access to Retain Talent (SMART) Grants:** Created under the Higher Education Reconciliation Act of 2005, SMART grants are need-based but limited to students majoring in specified fields who maintain B averages in college. To receive a SMART grant, a student must be a third- or fourth-year college student; a U.S. citizen; Pell Grant-eligible; enrolled full time; majoring in a designated science, technology, mathematics, or critical language; and maintaining a 3.0 GPA. Students who meet these criteria will automatically receive up to \$4,000 in additional financial aid. Institutions began to award SMART grants beginning in the 2006–2007 academic year.
- **Federal Work-Study (FWS):** The FWS provides on- and off-campus jobs for graduate and undergraduate students who demonstrate financial need. Work-study amounts awarded vary from institution to institution.

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## Explanatory Note A8.1 Continued

Definitions of the types of federal and Title IV financial aid programs available to Nebraska postsecondary students, continued:

- **Teacher Education Assistance for College and Higher Education (TEACH) Grants:** The TEACH grant program was established under the College Cost Reduction and Access Act (CCRAA) to benefit current and prospective teachers. Beginning in 2008-2009, students may be awarded up to \$4,000 per academic year. Undergraduate and post-baccalaureate students may receive up to a total of \$16,000, while graduate students may receive up to \$8,000. Eligible students must be currently completing or planning to complete coursework necessary to begin a career in teaching. There are, however, graduate degree alternatives for teachers or retirees with experience in a teacher shortage area. To be considered for a grant, a student must have a score above the 75<sup>th</sup> percentile on an admissions test, such as SAT, ACE or GRE and at least a 3.25 GPA. Students must sign an understanding of terms document to certify that they understand the terms of the grant and the teaching service requirements. The student must teach full time for at least four years within eight years of completing the program at a Title I school as a highly qualified teacher and/or in a specified subject area (mathematics, science, foreign language, bilingual education, special education, reading or another "high need" field. If service is not met, the grant must be repaid as an unsubsidized direct Stafford Loan with interest from the date(s) of original disbursement.
- **Perkins Loan:** Perkins Loans are fixed, low-interest (5%) loans available to graduate and undergraduate students with financial need. Undergraduate students may borrow up to \$4,000 per year, and graduate students may borrow up to \$6,000 per year, depending on the availability of funds at their institution.
- **Subsidized (Sub) and Unsubsidized (Unsub) Stafford Loans:** Stafford Loans are available to undergraduate and graduate students. Students must demonstrate financial need in order to qualify for a Subsidized Stafford Loan, where the federal government pays the interest while the student is in school. Unsubsidized Stafford Loans are available to all students, but borrowers are responsible for the interest while in school. Loan limits for Stafford Loans range from a maximum of \$5,500 to \$20,500 depending on grade level and dependency status.
- **PLUS Loans for Graduate and Professional Degree Students (GRAD PLUS):** Graduate and professional degree students eligible to borrow under the PLUS loan program up to their cost of attendance minus other estimated financial assistance. The terms and conditions applicable to Parent PLUS also apply to PLUS loans for graduate and professional students. Applicants must apply for their annual loan maximum eligibility under the Federal Subsidized and Unsubsidized Stafford Loan Program before applying for a Graduate/Professional PLUS loan.
- **PLUS Loans:** PLUS loans are available to the parents of dependent undergraduate students. These loans are not need-based. Parents may borrow up to the student's cost of attendance, less any other financial aid received.

Students must demonstrate financial need to be considered for all aid programs listed above except for the TEACH, the Unsubsidized Stafford Loan, the GRAD PLUS and the PLUS. Financial need is the difference between the student's costs to attend his or her respective institution and the ability of the family to contribute toward college costs. That ability is determined through completing the Free Application for Federal Student Aid (FAFSA). For example, if the cost of attendance is \$8,000 and the student's contribution is \$1,000, the student demonstrates a need of \$7,000.

**Table A8.1  
Nebraska State Grants (NSG) Awarded by Sector  
2008–2009 Compared to 2003–2004 Baseline<sup>1</sup>**

	<b>2003–04</b>	<b>2008–09</b>	<b>% Change</b>
<b>Nebraska Public Institutions</b>			
Number of Nebraska-Resident, Pell Grant-Eligible Students	21,373	21,705	1.6%
Number of Students Awarded an NSG	8,740	9,392	7.5%
Percent of Nebraska-Resident, Pell Grant-Eligible Students Awarded an NSG	40.9%	43.3%	
Total NSG Awarded	\$4,970,800	\$7,924,272	59.4%
Average NSG Award	\$569	\$844	48.4%
<b>Independent Colleges &amp; Universities</b>			
Number of Nebraska-Resident, Pell Grant-Eligible Students	3,837	3,859	0.6%
Number of Students Awarded an NSG	2,674	2,534	-5.2%
Percent of Nebraska-Resident, Pell Grant-Eligible Students Awarded an NSG	69.7%	65.7%	
Total NSG Awarded	\$2,559,826	\$2,580,159	0.8%
Average NSG Award	\$957	\$1,018	6.4%
<b>Private Career Schools</b>			
Number of Nebraska-Resident, Pell Grant-Eligible Students	3,012	3,717	23.4%
Number of Students Awarded an NSG	1,617	2,180	34.8%
Percent of Nebraska-Resident, Pell Grant-Eligible Students Awarded an NSG	53.7%	58.6%	
Total NSG Awarded	\$1,204,537	\$2,106,953	74.9%
Average NSG Award	\$726	\$966	33.1%
<b>Total Nebraska State Grants Awarded</b>			
Number of Nebraska-Resident, Pell Grant-Eligible Students	28,222	29,281	3.8%
Number of Students Awarded an NSG	13,031	14,106	8.2%
Percent of Nebraska-Resident, Pell Grant-Eligible Students Awarded an NSG	46.2%	48.2%	
Total NSG Awarded	\$8,735,163	\$12,611,384	44.4%
Average NSG Award	\$668	\$894	33.9%
<sup>1</sup> Data Source: Nebraska State Grant Expenditure Reports, September 2004 and September 2009.			

**Table A8.2  
Nebraska State Grants (NSG) Awarded by Sector and Income of Recipient  
2008–2009 Compared to 2003–2004 Baseline<sup>1</sup>**

As shown in this table, students who reported incomes of \$0 to \$19,999 received the highest percentage of state grants in each sector, with the exception of students attending independent colleges and universities in 2003–2004.

Higher Education Sector and Income Level of NSG Recipients	2003–2004		2008–2009		% Change in No. of Recipients
	No. of Recipients	% of Recipients	No. of Recipients	% of Recipients	
<b>Nebraska Public Institutions</b>					
\$0 to \$19,999	4,398	50.3%	4,507	48.0%	2.5%
\$20,000 to \$39,999	3,079	35.2%	3,016	32.1%	-2.0%
\$40,000 or higher	1,263	14.5%	1,869	19.9%	48.0%
Total	8,740	100.0%	9,392	100.0%	7.5%
<b>Independent Colleges and Universities</b>					
\$0 to \$19,999	946	35.4%	992	39.1%	4.9%
\$20,000 to \$39,999	1,147	42.9%	875	34.5%	-23.7%
\$40,000 or higher	581	21.7%	667	26.3%	14.8%
Total	2,674	100.0%	2,534	100.0%	-5.2%
<b>Private Career Schools</b>					
\$0 to \$19,999	1,353	83.7%	1,752	80.4%	29.5%
\$20,000 to \$39,999	202	12.5%	361	16.6%	78.7%
\$40,000 or higher	62	3.8%	67	3.1%	8.1%
Total	1,617	100.0%	2,180	100.0%	34.8%
<b>Total Nebraska State Grants Awarded</b>					
\$0 to \$19,999	6,697	51.4%	7,251	53.6%	8.3%
\$20,000 to \$39,999	4,428	34.0%	4,252	32.9%	-4.0%
\$40,000 or higher	1,906	14.6%	2,603	13.5%	36.6%
Total	13,031	100.0%	14,106	100.0%	8.2%

<sup>1</sup>Data Sources: Nebraska State Grant Expenditure Reports, September 2004 and September 2009.

**Table A8.3  
College Continuation Rates  
for High School Seniors Who Received  
Access College Early (ACE) Scholarships in 2007–2008  
by Gender and Type of High School Attended**

Type of High School Attended	No. of 2007–2008 High School Seniors Who Received ACE Scholarships <sup>1</sup>	No. of Senior Scholarship Recipients Who Enrolled in College <sup>2</sup>	College Continuation Rate <sup>3</sup>
<b>Females</b>			
Public	141	123	87.2%
Nonpublic (Private)	4	4	100.0%
<b>Total</b>	<b>145</b>	<b>127</b>	<b>87.6%</b>
<b>Males</b>			
Public	74	65	87.8%
Nonpublic (Private)	1	1	100.0%
<b>Total</b>	<b>75</b>	<b>66</b>	<b>88.0%</b>
<b>Total</b>			
Public	215	188	87.4%
Nonpublic (Private)	5	5	100.0%
<b>Total</b>	<b>220</b>	<b>193</b>	<b>87.7%</b>

<sup>1</sup>Data Source: Records of the 2007-2008 ACE scholarship recipients maintained by Nebraska's Coordinating Commission for Postsecondary Education, July 21, 2009.

<sup>2</sup>Data Source: National Student Clearinghouse, July 21, 2009.

<sup>3</sup>The college continuation rate is the number of 2007-2008 ACE scholarship recipients who were seniors in high school, divided by the number who were enrolled in college on or before May 31, 2009.

**Table A8.4  
Percentage Distributions  
of Public High School Seniors Who Received Access Early (ACE) Scholarships  
and Other 2007–2008 Graduates of Nebraska Public High Schools  
by Gender and Student Income Status<sup>1</sup>**

Gender	ACE Scholarship Recipients		ACE Scholarship Recipients Who Continued to College	
	n	%	n	%
Female	141	65.6%	123	65.4%
Male	74	34.4%	65	34.6%
Total	215	100.0%	188	100.0%
Gender	Other Low-Income High School Graduates		Other Low-Income High School Graduates Who Continued to College	
	n	%	n	%
Female	2,282	52.3%	1,210	55.2%
Male	2,082	47.7%	984	44.8%
Total	4,364	100.0%	2,194	100.0%
Gender	Non-Low-Income High School Graduates		Non-Low-Income High School Graduates Who Continued to College	
	n	%	n	%
Female	7,654	49.5%	5,913	51.6%
Male	7,803	50.5%	5,536	48.4%
Total	15,457	100.0%	11,449	100.0%
Gender	Total Number of 2007–2008 High School Graduates		2007–2008 High School Graduates Who Continued College	
	n	%	n	%
Female	10,077	50.3%	7,246	52.4%
Male	9,959	49.7%	6,585	47.6%
Total	20,036	100.0%	13,831	100.0%

<sup>1</sup> Low-income students are defined as students who are approved to receive free or reduced-price school lunches. Non-low-income students are students who are not approved for free or reduced-price school lunches. The non-low-income students include at least some students who live in low-income households, but who do not apply for free or reduced-price school lunches. Since participation in the free or reduced-price school lunch program is the only indicant of household income in the student records maintained by the Nebraska Department of Education, low-income students in the non-low-income category cannot be identified and excluded for the purposes of analysis.

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**Table A8.4 Continued**

Data Sources: Nebraska's Coordinating Commission for Postsecondary Education and National Student Clearinghouse records for ACE scholarship recipient records, July 15, 2009, and Nebraska Department of Education and National Student Clearinghouse enrollment records for all low-income and non-low-income Nebraska public high school graduates, April 7, 2009.

National Student Clearinghouse records do not include students who enrolled in small private Not-for-profit colleges or for-profit colleges and career schools that do not submit enrollment Records to the Clearinghouse.

To determine the numbers of other low-income graduates, the 2007–2008 recipients of ACE scholarships were assumed to be included among the male and female low-income graduates that the Nebraska Department of Education reported to the Coordinating Commission. The numbers of other low income graduates were determined by subtracting the numbers of male and female ACE scholarship recipients from the total numbers of male and female low income graduates reported by the Nebraska Department of Education.

**Table A8.5  
College Continuation Rates  
for Public High School Seniors Who Received Access Early (ACE) Scholarships  
and Other 2007–2008 Graduates of Nebraska Public High Schools  
by Gender and Student Income Status<sup>1</sup>**

Student Category	No. of 2007–2008 High School Graduates	No. of Graduates Who Enrolled in College	College Continuation Rate <sup>4</sup>
<b>Females</b>			
ACE Scholarship Recipients	141	123	87.2%
Low Income Graduates	2,282	1,210	53.0%
Non-Low Income Graduates	7,654	5,913	77.3%
<b>Total</b>	<b>10,077</b>	<b>7,246</b>	<b>71.9%</b>
<b>Males</b>			
ACE Scholarship Recipients	74	65	87.8%
Low Income Graduates	2,082	984	47.3%
Non-Low Income Graduates	7,803	5,536	70.9%
<b>Total</b>	<b>9,959</b>	<b>6,585</b>	<b>66.1%</b>
<b>Total</b>			
ACE Scholarship Recipients	215	188	87.4%
Low Income Graduates	4,364	2,194	50.3%
Non-Low Income Graduates	15,457	11,449	74.1%
<b>Total</b>	<b>20,036</b>	<b>13,831</b>	<b>69.0%</b>

<sup>1</sup>Low-income students are defined as students who are approved to receive free or reduced-price school lunches. Non-low-income students are students who are not approved for free or reduced-price school lunches. The non-low-income students include at least some students who live in low-income households, but who do not apply for free or reduced-price school lunches. Since participation in the free or reduced-price school lunch program is the only indicant of household income in the student records maintained by the Nebraska Department of Education, low-income students in the non-low-income category cannot be identified and excluded for the purposes of analysis.

Data Sources: Nebraska's Coordinating Commission for Postsecondary Education and National Student Clearinghouse records for ACE scholarship recipient records, July 15, 2009, and Nebraska Department of Education and National Student Clearinghouse enrollment records for all low-income and non-low-income Nebraska public high school graduates, April 7, 2009.

National Student Clearinghouse records do not include students who enrolled in small private Not-for-profit colleges or for-profit colleges and career schools that do not submit enrollment Records to the Clearinghouse.

The college continuation rate is the number of graduates, divided by the number who continued on to college, based on Clearinghouse records.

To determine the numbers of other low-income graduates, the 2007–2008 recipients of ACE scholarships were assumed to be included among the male and female low-income graduates that the Nebraska Department of Education reported to the Coordinating Commission. The numbers of other low income graduates were determined by subtracting the numbers of male and female ACE scholarship recipients from the total numbers of male and female low income graduates reported by the Nebraska Department of Education.