Student Financial Assistance Policy - 2002

Goal 8: To help ensure access to high-quality postsecondary education by providing financial aid in the form of grants, loans, and work-study in an efficient, financially sound and customer-responsive manner.

Objective 8.1 of 3: Ensure that low and middle income students will have the same access to postsecondary education that high income students do.

Indicator 8.1.1 of 4: Percentage of unmet need: Considering all sources of financial aid, the percentage of unmet nee especially for low-income students, will continuously decrease.

Targets and Performance Data

Total for Undergraduates

Year	Actual Performance	Performance Targets
1995	23	
1996	23	
1997	22	
1998	21.20	
1999	20.80	
2000	21.20	

Low Income Undergraduates

Year	Actual Performance			Performance Targets		
	Dependent	Independent With kids	Independent Without kids	Dependent	Independent With kids	Independent Without kids
1996	46.30	54.70	52.50			
1997	44.50	51.60	49			
1998	42.90	51.10	49			
1999	41.80	50.20	48.50			
2000	43.10	60.60	46.20			

Assessment of Progress

Status: Target not met

Progress: No 2001 or 2002 data.

Explanation: Unmet need as a percentage of total cost of attendance was estimated to decrease slightly in each year with somewhat larger decreases for low-income students. Since 1995-96, unmet need is estimated to have decreased 2 percentage points for undergraduates overall and 4 or more percentage points for low-income undergraduates.

Sources and Da Quality

Source: Other
Other: Record/File.
Sponsor: Natio Postsecondary Student Aid Stu

Data Available: January 2005
Validated By: C Site Monitoring I ED.

Limitations: NPSAS data are collected only every four years

Indicator 8.1.2 of 4: College enrollment rates: Postsecondary education enrollment rates will increase each year for a students, while the enrollment gap between low- and high-income and minority and nonminority high school graduat will decrease each year.

Targets and Performance Data

The percentage of high school graduates ages 16-24 enrolling immediately in college - Total

Year	Actual Performance	Performance Targets
1994	61.90	
1995	61.90	
1996	65	

Assessment of Progress

Status: Unable to judge

Progress: No 2002 data. Some progress is being made in reducing the enrollment gap

Sources and Da Quality

Frequency: Annually.
Collection Peri 2002
Data Available: April 2003
Validated By: C Site Monitoring I ED.

1997	67	
1998	65.60	
1999	62.90	
2000	63.30	
2001	61.70	

Income

Year	Actual Performance			Performance Targets		
	Low	High	Difference	Low	High	Difference
1994	44	78.40	42.20			
1995	41.20	83.40	36.50			
1996	41.50	78	35.10			
1997	47.10	82	26.60			
1998	50.60	77.30	25.10			
1999	50.90	76	28.70			
2000	48.50	77.10	32			
2001	47.80	79.80	32			

Race

Year	Actual Performance					Performance Targets				
	Black	White	Hispanic	Difference between Black and White	Difference between White and Hispanic	Black	White	Hispanic	Difference between Black and White	Difference between White and Hispanic
1994	51.30	64.50	55.70	13.20	8.90					
1995	52.40	64.30	55	11.90	9.30					
1996	52.90	67.40	51.60	14.50	15.90					
1997	55.40	68.20	57.60	12.80	10.50					
1998	58.80	68.50	55.30	9.80	13.30					
1999	59.80	66.30	51.90	6.50	14.40					
2000	58.60	65.70	47.40	7.10	18.30					
2001	56.30	64.20	48.60	7.90	15.60					

between low- and high-income students but progress is not being made in increasing the overall enrollment rate or reducing the gap between minority and nonminority students.

Explanation: There was a statistically significant increase in the overall enrollment rate from the 1994-95 period to the 1997-98 period. However, since then enrollment rates have fallen significantly (back to the 1994-95 levels), indicating a lack of overall progress. Prior year data has been updated from previous reports to reflect more complete information.

Limitations: Sn subgroup sampl sizes for low-income and minority student lead to large yea fluctuations in enrollment rates Three-year weighted averag are used to smo out these fluctuations.

Indicator 8.1.3 of 4: Targeting of Pell Grants: Pell Grant funds will continue to be targeted to those students with the greatest financial need: at least 75 percent of Pell Grant funds will go to students below 150 percent of poverty level.

Targets and Performance Data

The percentage of Pell Grant funds going to students below 150 percent of the poverty line.

Year	Actual Performance	Performance Targets
1997	82	
1998	80	
1999	78	75
2000	78	75
2001		75
2002		75

Assessment of Progress

Status: Unable to judge

Explanation: Increases in the maximum award without other changes in the formulas used to award Pell grants will tend to lower the percentage of funds going to the neediest students.

Sources and Da Quality

Source: Other **Other:** Record/File. **Sponsor:** Pell Grant Applicant/Recipi File.

Frequency: Annually. **Collection Peri** 2001 - 2002 **Data Available:** March 2003 **Validated By:** C Site Monitoring I

ED.

Indicator 8.1.4 of 4: Federal debt burden: The median Federal debt burden (yearly scheduled payments as a percenta of annual income) of borrowers in their first full year of prepayment will be less than 10 percent.

Targets and Performance Data	Assessment of Progress	Sources and Da Quality
The median federal debt burden of students in their first full year of repayment.	**Status:** Unable to judge **Explanation:** As a general rule, it is believed that an educational debt burden of 10 percent or greater will negatively affect a borrower's ability to repay his or her student loan and to obtain other credit such as a home mortgage. We expect the 2001 and 2002 median debt burden rate to remain well below 10 percent.	**Additional Sou Information:** National Studen Loan Data Syste (NSLDS) and Internal Revenu Service (IRS) records. **Frequency:** Annually. **Collection Peri** 2000 - 2001 **Data Available:** August 2003 **Validated By:** C Site Monitoring I ED. **Limitations:** To overcome limitations with t data from the Social Security Administration (SSA) that were previously used, we switched to I data on househo income for 1998 and future years The IRS data m slightly understa debt burden for married borrowe where both individuals have student loans.

Year	Actual Performance	Performance Targets
1998	7.10	
1999	6.48	
2000	6.38	

Objective 8.2 of 3: Ensure that more students will persist in postsecondary education and attain degrees and certificates.

Indicator 8.2.1 of 1: Completion rate: Completion rates for all full-time, degree-seeking students in 4-year and less tha year programs will improve, while the gap in completion rates between minority and non-minority students will decre

Targets and Performance Data	Assessment of Progress	Sources Data Qu
The percentage of full-time degree seeking students completing a 4-year degree within 150% of the normal time required.	**Status:** Unable to judge **Explanation:** There was a decrease in	**Addition Source Informat** Graduati Rate Sur (GRS)

Year	Actual Performance	Performance Targets
	DifferenceDifference between between Black and White and	DifferenceDifference between between Black and White and

	Total	Black	White	Hispanic	White	Hispanic	Total	Black	White	Hispanic	White	Hispanic
1997	52.50	35.50	55.50	39.10	20	16.40						
1998	52.60	34.50	55.80	39.10	21.30	16.70						
1999	53	35.80	56	40.90	20.20	15.10						
2000	52.40	35.70	55.40	41.50	19.70	13.90						

The percentage of full-time degree seeking students completing a less than 4-year program within 150% of the normal time required.

Year	Actual Performance						Performance Targets					
	Total	Black	White	Hispanic	Difference between Black and White	Difference between White and Hispanic	Total	Black	White	Hispanic	Difference between Black and White	Difference between White and Hispanic
1997	30.90	22.80	32.60	26.20	9.80	6.40						
1998	32.20	25.10	33.80	29.90	8.70	3.90						
1999	34.40	29.50	35.30	32.50	5.80	2.80						
2000	32.70	26.50	34	30.10	7.50	3.90						

degree of completion rates in both 4-year and less than 4-year programs between 1999 and 2000. The decrease in completion of 4-year programs was the result of a reduction of almost one percentage point in the degree completion rate for white students because both Black and Hispanic students showed slight increases in the completion of 4-year degrees. Prior year data has been updated from previous reports to reflect more complete information.

Frequen Annually **Collectio Period:** 2002 **Data Availabl** March 20 **Validate** On-Site Monitorin ED.

Limitatio Postsecc institution not requi report graduatic rates unt 2002. However were voluntaril submitte institution represen 87 perce 4-year students 77 perce 2-year students. Investiga whether proxy for graduatic rates for student a recipients be obtair from administr records.

Objective 8.3 of 3: Ensure that taxpayers will have a positive return on investment in the federal student financial assistance programs.

Indicator 8.3.1 of 1: Return on investment: The benefits of the student aid programs, in terms of increased tax revenues, will continue to exceed their costs.

Targets and Performance Data

Return on Investment

Year	Actual Performance			Performance Targets		
	Low	Best	High	Low	Best	High
1996	1.30	2.90	6.70			
1997	1.30	2.80	6.50			
1998	1.30	2.90	6.70			
1999	1.40	3.10	7.10			

Assessment of Progress

Status: Unable to judge

Progress: Low: A pessimistic set of assumptions leading to a low-end estimate of the return on investment. Best: The set of assumptions that we believe best captures the return on investment. High: An optimistic set of assumptions leading to a high-end estimate of the return on investment.

Sources and Data Quality

Source: Non-NCES Survey/Research

Additional Source Information: March Current Population Survey (CPS) and Beginning Post Secondary (BPS) study with imputations from the National Postsecondary Student Aid Study

2000	1.50	3.30	7.70	
2001	1.60	3.40	8	

Explanation: The estimated return on investment is calculated in the following manner: 1) The discounted present value of tax revenue and welfare benefits is calculated for different educational attainment levels. 2) Under the "best" scenario, 90 percent of the revenue differential calculated in step 1 is assumed to be caused by obtaining more education.

(NPSAS) and High School and Beyond (HS&B). Behavioral assumptions were derived, where feasible, from meta-analyses conducted by Leslie and Brinkman in their 1988 book, *The Economic Value of Higher Education*.

Frequency: Annually.
Collection Period: 2002 - 2003
Data Available: March 2003
Validated By: On-Site Monitoring By ED.

Limitations: A number of assumptions and imputations are required to estimate the return on investment. By providing high and low estimates, one can assess the sensitivity of the results to the assumptions used. Prior year data has been updated from previous reports to reflect more complete information.