

# 2010-11 Financial Aid Report

*NEVADA SYSTEM OF HIGHER EDUCATION*

PREPARED BY THE OFFICE OF ACADEMIC AND STUDENT AFFAIRS  
JUNE 2012

University of Nevada, Las Vegas  
University of Nevada, Reno  
Nevada State College  
College of Southern Nevada  
Great Basin College  
Truckee Meadows Community College  
Western Nevada College  
Desert Research Institute

# BOARD OF REGENTS

---

Dr. Jason Geddes, Chairman

Mr. Kevin J. Page , Vice Chairman

Mr. Mark Alden

Mr. Robert J. Blakely

Dr. Mark W. Doubrava

Mr. James Dean Leavitt

Dr. Jack Lund Schofield

Mr. Michael B. Wixom

Dr. Andrea Anderson

Mr. Cedric Crear

Mr. Ron Knecht

Mr. Kevin C. Melcher

Mr. Rick Trachok

Scott Wasserman, Chief Executive Officer and Special Counsel to the Board of Regents

## OFFICERS OF THE NEVADA SYSTEM OF HIGHER EDUCATION

---

Daniel Klaich, Chancellor

Ms. Lynn Mahlberg, President  
Great Basin College

Dr. Carol Lucey, President  
Western Nevada College

Dr. Michael Richards, President  
College of Southern Nevada

Dr. Neal Smatresk, President  
University of Nevada, Las Vegas

Dr. Marc Johnson, President  
University of Nevada, Reno

Mr. Bart Patterson, President  
Nevada State College

Dr. Maria Sheehan, President  
Truckee Meadows Community College

Dr. Stephen Wells, President  
Desert Research Institute

Copies of this report may be accessed electronically at:

<http://system.nevada.edu/Nshe/index.cfm/newsroom/reports/>

## Table of Contents

Executive Summary.....	3
Highlights .....	3
NSHE Total Financial Aid.....	6
NSHE Financial Aid by Category .....	7
NSHE Financial Aid by Source .....	8
Need-based Aid .....	10
Pell Grants.....	11
Student Loans .....	13
Nevada Financial Assistance Programs.....	14
Regents Higher Education Opportunity Grant .....	15
Regents Service Program .....	16
Governor Guinn Millennium Scholarship.....	17
Examining Student Need.....	19
The Federal Student Aid Climate.....	20
Appendix A: RHEOA Awarding Methodologies.....	22

### List of Figures

Figure 1-NSHE Total Financial Aid Disbursed, 2006-07 to 2010-11 .....	6
Figure 2-NSHE Financial Aid Disbursed by Category, 2010-2011 .....	7
Figure 3-NSHE Financial Aid Disbursed by Source, 2010-11 .....	8
Figure 4-NSHE Percent Grant Aid from Federal Sources, 2009-10 to 2010-11 .....	8
Figure 5-NSHE Total Aid Disbursed by Type, 2006-07 to 2010-11 .....	10
Figure 6-NSHE Average Annual Pell Grant Disbursements, 2006-07 to 2010-11 .....	11
Figure 7-NSHE Total Number of Pell Grant Recipients, 2006-07 to 2010-11 .....	12
Figure 8-NSHE Total Loan Disbursements, 2006-07 to 2010-11 .....	13
Figure 9-Regents Higher Education Opportunity Award, 2006-07 to 2010-11.....	15
Figure 10-Millennium Scholarship Total Disbursements, 2006-07 to 2010-11 .....	17
Figure 11-NSHE Total Number of FAFSA Applicants 2008-09 to 2010-11 .....	18

### List of Tables

Table 1-NSHE Total Aid Disbursed by Institution, 2006-07 to 2010-11.....	6
Table 2-NSHE Total Aid Disbursed by Category, 2006-07 to 2010-11 .....	7
Table 3-NSHE Total Aid Disbursed by Source, 2006-07 to 2010-11 .....	9
Table 4-NSHE Long and Short Term Institutional Loans, 2010-11 .....	13
Table 5-Nevada Program Disbursements, 2010-11.....	14
Table 6-Regents Higher Education Opportunity Award Disbursements, 2010-11.....	15
Table 7-Regents Service Program Disbursements, 2010-11 .....	16
Table 8-Millennium Scholarship Eligible Students and Activated Awards .....	17
Table 9-NSHE Financial Aid Recipients and Average Disbursed Amount, 2010-11.....	18
Table 10-NSHE Unmet Need for FAFSA Filers, 2010-11 .....	19

# 2010-11 FINANCIAL AID REPORT

---

## Executive Summary

The mission of the Nevada System of Higher Education is to provide higher education services to the citizens of the State at an excellent level of quality consistent with the state's resources. The NSHE Board of Regents and its eight institutions strive to ensure that no student is denied a college education due to an inability to afford the cost of attendance. Yet, Nevada continues to rank 49<sup>th</sup> in the nation in the number of low-income students attending college. The cost of attending college is out of reach for many students and families, and financial aid plays a critical role in bridging this gap.

A strong financial aid system is an essential component for assuring access to education and ensuring student persistence and graduation. In order to monitor and measure progress in available financial aid programs, NSHE System Administration produces an annual financial aid report. The information provided in this report is critical for monitoring the impact of financial aid on the Master Plan goals of the Board of Regents, particularly those related to student access and success.

The *2010-11 Financial Aid Report* includes information on the amount of financial assistance provided to students attending institutions within the NSHE. The data in this report are provided by the financial aid directors at each NSHE institution. Each fall, institutions submit a detailed expenditure report for each financial aid program administered. In addition to that information, trend analyses are conducted on a rolling five-year period. Comparisons to national data are made where appropriate, with source citations.

## Highlights

In 2010-11 total aid disbursed to students reached its highest level ever at \$544 million. This represents an 86 percent increase from 2006-07 levels, and a nearly 11 percent increase from 2009-2010. TMCC, at 279 percent, realized the greatest five-year increase in total aid disbursed, while NSC, at 51 percent, realized the greatest one-year increase. Just as in past years, in 2010-11 loans comprised the largest proportion (46 percent) of aid disbursed at NSHE institutions, while grants saw the greatest (201 percent) five-year increase. Breaking down the increase in grants between 2009-10 and 2010-11, the majority of additional dollars (\$24 million/68 percent) came from increases in Pell Grant, with notable increases in the Regents Higher Education Opportunity Grant (\$6.9 million/19 percent) and Veterans Education Benefits (\$3 million/8 percent). Of the total grants from all sources disbursed in 2010-11 by NSHE institutions, 90 percent of grant recipients received 82 percent of need-based dollars.

For the first time since the inception of the Governor Guinn Millennium Scholarship program in 2000-01, the Regents Higher Education Opportunity Award (RHEOA) comprised a greater percentage of Nevada state financial assistance to students than the merit-based scholarship program, at 43 percent versus 35 percent. In April 2010 the Board of Regents approved a policy mandating a goal for increased allocations to student financial assistance. The policy establishes target amounts to be achieved by 2022-23, requiring the distribution of at least 10 percent of the total registration fee to be dedicated to student financial assistance at the community colleges (lower division) and at least 15 percent of the total registration fee to be dedicated to student financial assistance for all other institutions (including upper-division at the community colleges), net the amounts distributed to other fee categories. Of these funds, at least 80 percent of undergraduate dollars must be awarded as need-based, and for graduate students the requirement is at least 50 percent.

Due to this policy, as well as a commitment by institutions to increase need-based financial assistance to students, the last few award years have seen increases throughout the NSHE in the amount of state grant assistance, in particular the need-based category. Even with these increases, however, when looking at financial assistance received by NSHE students, grants from federal sources constituted 84 percent of dollars, which is considerably higher than the national average, at 46 percent. So, while Nevada has come far in terms of increasing its grant assistance, it still has a way to go before it can claim to support higher education students as well as other U.S. states.

In 2009-10 the percentage of need-based aid disbursed to NSHE students increased for the first time in 6 years. 2010-11 saw another increase in percentage of need-based aid, this time by 23 percent. As mentioned above, a large portion of this increase is due to the Pell Grant, which increased by 27 percent for NSHE, as compared to 16 percent nationally. Likewise, of the 84 percent of grant aid from Federal sources disbursed to NSHE students, 80 percent came from Pell Grant, compared to 71 percent nationally. Of note, 57 percent of Pell Grant dollars were awarded to NSHE community college students, compared to 32 percent nationally (College Board, *Trends in Student Aid 2011*).

Loans again made up the largest portion (46 percent) of financial aid to NSHE students in 2010-11. This is true nationwide as well, although loan growth slowed considerably in 2010-11. For NSHE students, total loan disbursements increased from the prior year by 9.2 percent while the increase nationally was only two percent. Regardless, loans continue to be one of the primary options for students to gaps in covering their full cost of attendance, and for some students loans are the only way to finance their higher education. Of course, the drawback to student loans is the debt burden after graduation. In fact there has been a great deal of media coverage in the past months of student loan debt and the impacts it is having on our national economy. Loans are particularly burdensome for those students who do not graduate and therefore carry additional debt without a higher income.

As mentioned previously, the Governor Guinn Millennium Scholarship program was displaced in 2010-11 from its historical spot as the largest Nevada financial assistance program. Since 2000, the percentage of eligible scholars who have activated their

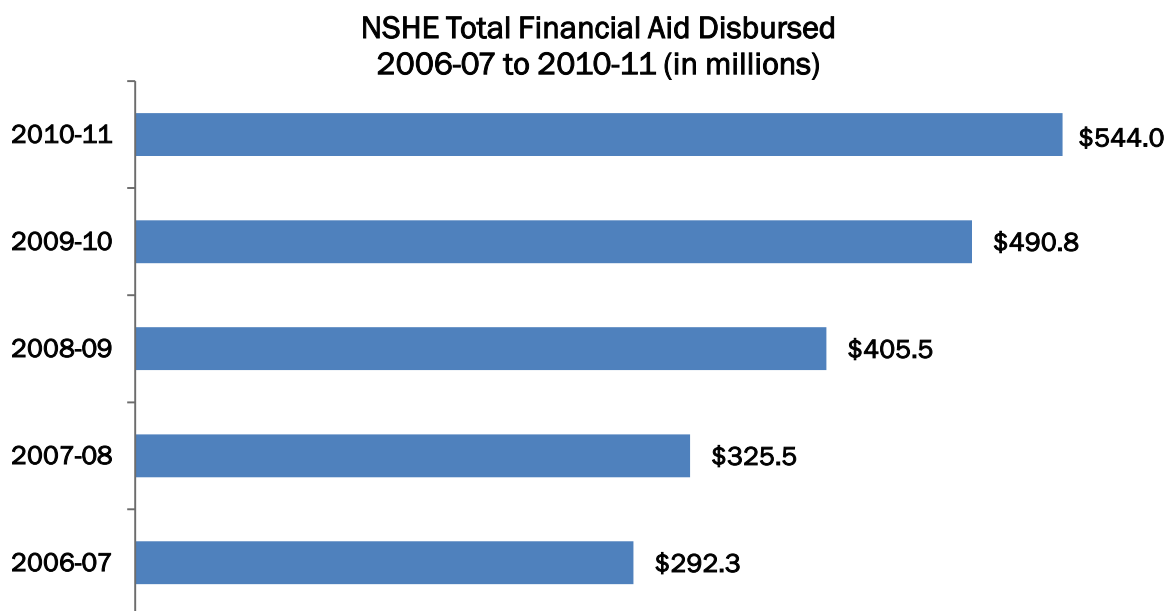
awards has dropped steadily, from an initial high of 77 percent, to a low of 62 percent in 2010. At the same time, both initial and continuing eligibility requirements have been narrowed considerably since the program's inception. Also important to note, the amount of the Millennium award has remained static at \$80/\$60/\$40 per credit (university/state college and upper division community college/lower division community college), and in 2005, the maximum award was capped at 12 credits. In the face of ever-increasing tuition and fees, the value of the Millennium scholarship has been on the decline, as has its ability to influence students to participate in higher education in Nevada.

Given the economic difficulties and budget cuts Nevada experienced over the last several years, it is no surprise that NSHE institutions continued in 2010-11 to experience large increases in the percentage of students filing the Free Application for Federal Student Aid (FAFSA). In 2009-10, 60 percent of enrolled NSHE students filed a FAFSA, which was an increase over prior years, and for 2010-11 this figure increased to 80 percent. It is important to note that simply filling out the FAFSA is not the only step to receive financial aid. For many students, institutions are unable to certify eligibility because they have failed to complete their financial aid. For many others, there simply are not enough funds to go around to all applicants, let alone fully cover documented need. In 2010-11 the total unmet need System-wide was \$242.9 million. This figure represents the unfunded gap that students must manage to make up on their own to cover the cost of education, after their family contribution and all aid sources are subtracted from the Cost of Attendance (COA).

## NSHE Total Financial Aid

The total amount of financial aid awarded and disbursed to students continued to increase during 2010-11 (Figure 1). The increase from the prior year calculated at nearly 11 percent, with the increase from five years prior at 86 percent.

Figure 1.



All institutions experienced an increase in total aid disbursed in 2010-11. TMCC, at 279 percent, realized the greatest five-year increase while NSC, at 51 percent, realized the greatest one-year increase (Table 1).

Table 1.

**NSHE Total Aid Disbursed by Institution  
2006-07 to 2010-11 (in millions)**

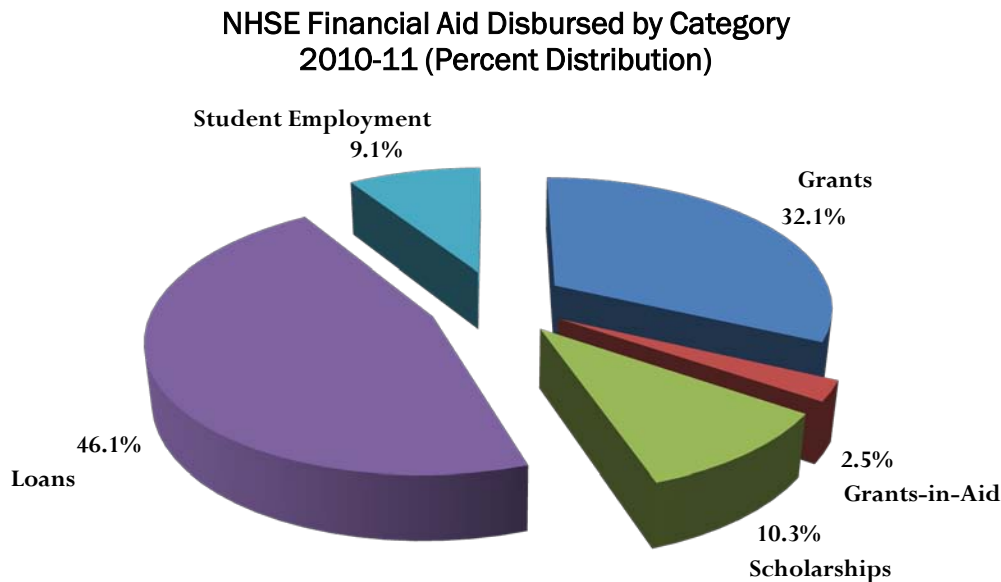
	2006-07	2007-08	2008-09	2009-10	2010-11	1-Year Change	5-Year Change
CSN	28.4	39.5	67.7	82.5	89.7	8.8%	216.4%
GBC	3.5	4.1	4.5	6.3	6.8	7.8%	97.1%
NSC	4.3	5.5	7.0	9.7	14.7	51.2%	237.3%
TMCC	10.7	13.2	21.1	32.8	40.6	23.5%	278.8%
UNR	94.4	100.2	114.4	120.7	134.9	11.8%	42.9%
UNLV	145.2	156.5	182.5	222.8	239.7	7.6%	65.1%
WNC	5.9	6.3	8.2	16.0	17.6	10.2%	199.1%
<b>Total</b>	<b>\$292.3</b>	<b>\$325.5</b>	<b>\$405.5</b>	<b>\$490.8</b>	<b>\$544.0</b>	<b>10.8%</b>	<b>86.1%</b>

Note: Percent calculations are based on actual and not rounded figures, and therefore may differ if using the rounded figure only.

## NSHE Financial Aid by Category

Although grants increased from 28 percent to 32 percent of total aid disbursed between 2009-10 and 2010-11, the distribution of aid by category presented a picture similar to the prior year (Figure 2). In 2009-10, loans comprised 47 percent of total; grants 28 percent; scholarships 12 percent; student employment 10 percent and grants-in-aid 3 percent.

Figure 2.



In 2010-11 the greatest increase from five years prior was in the grants category at 200 percent (Table 2). Only grants and loans showed a one-year increase.

Table 2.

**NSHE Total Aid Disbursed by Category  
2006-07 to 2010-11 (in millions)**

	2006-07	2007-08	2008-09	2009-10	2010-11	1-Year Change	5-Year Change
Grants	58.0	65.0	95.8	138.1	174.4	26.2%	200.8%
Grants-in-Aid*	11.3	12.0	12.7	14.0	13.5	-3.5%	19.4%
Scholarships	51.5	60.5	59.6	59.4	56.0	-5.7%	8.7%
Loans	132.8	144.2	188.0	229.6	250.6	9.2%	88.8%
Student Employment	38.8	43.7	49.4	49.7	49.5	-0.4%	27.7%
<b>Total</b>	<b>\$292.3</b>	<b>\$325.5</b>	<b>\$405.5</b>	<b>\$490.8</b>	<b>\$544.0</b>	<b>10.8%</b>	<b>86.1%</b>

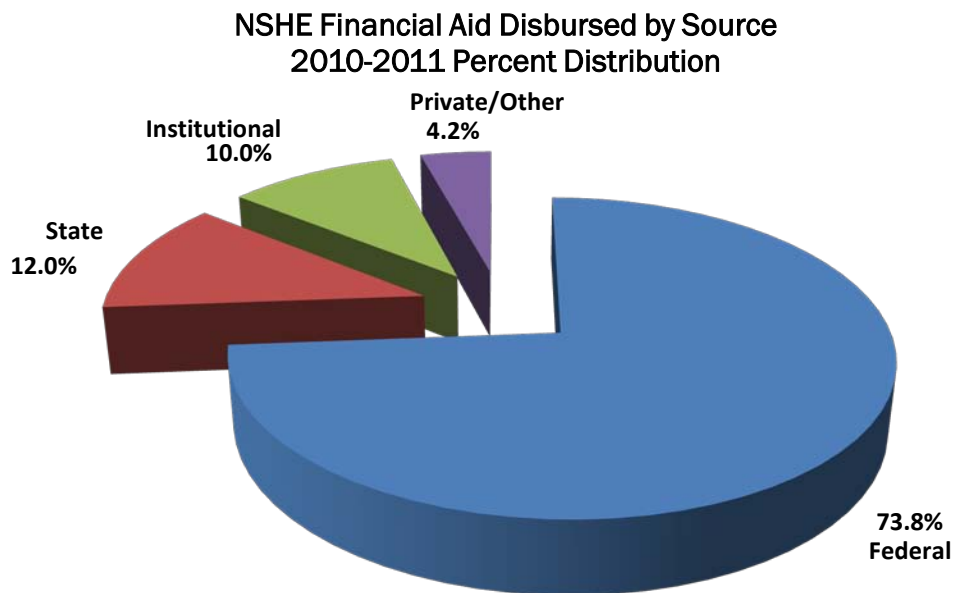
\*For 2007-08 and prior Faculty/Staff/Dependent grants-in-aid are included in figure.



## NSHE Financial Aid by Source

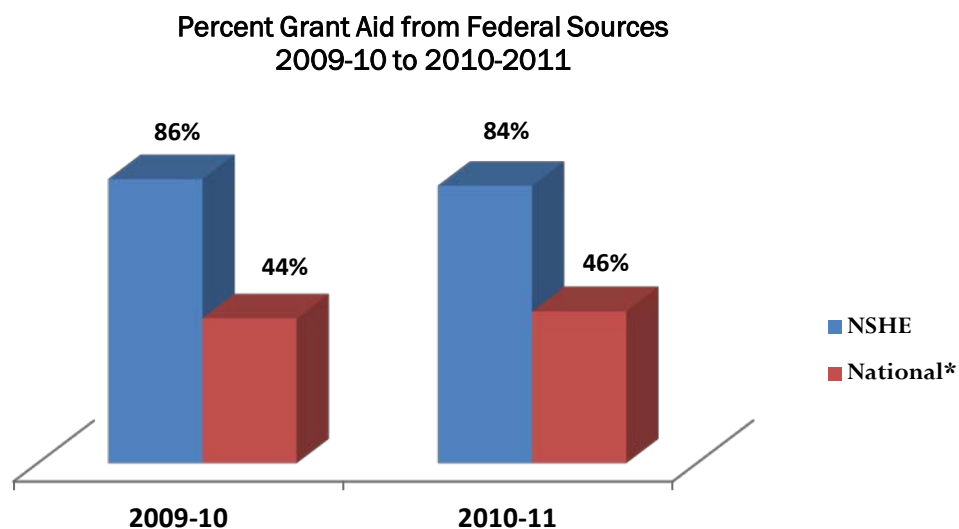
The distribution of financial aid by source in 2010-11 also closely resembled the distribution in 2009-10, although the Federal percentage increased by two percent (Figure 3). In 2009-10 Federal sources comprised 72 percent of all aid; state 13 percent; institutional 11 percent; and private/other 4 percent.

Figure 3.



Despite efforts by the NSHE to direct student fee revenue to financial assistance, a majority of grant aid to students continued to come from Federal sources (Figure 4).

Figure 4.



\*College Board, Trends in Student Aid 2010 and Trends in Student Aid 2011.

When considering NSHE total aid disbursed by source, both the greatest five-year increase and the greatest one-year increase came from federal sources (Table 3). As mentioned elsewhere in this report, most of this increase can be attributed to the Pell Grant program. The Post-9/11 Veterans Educational Assistance Act of 2008 (Post-9/11 GI Bill) also contributed to the increase in Federal Grant dollars to NSHE students in 2010-11, due to the increased number of Post-9/11 veterans. This trend is expected to continue as more troops are withdrawn from the Middle East.

Table 3.

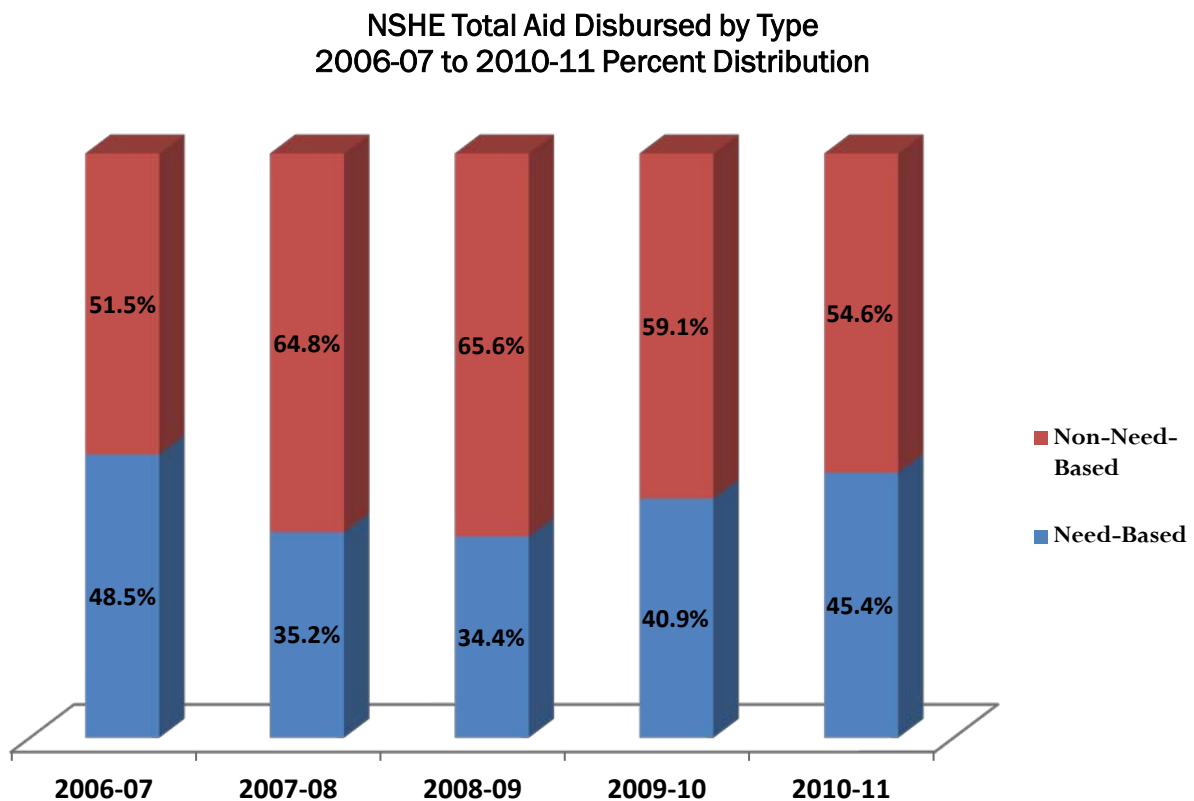
**NSHE Total Aid Disbursed by Source  
2006-07 to 2010-11 (in millions)**

	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>1-Year Change</b>	<b>5-Year Change</b>
Federal	175.3	191.1	266.3	352.9	401.4	13.7%	129.0%
State	61.3	56.3	65.5	64.3	65.2	1.4%	6.3%
Institutional	41.2	55.2	47.9	51.6	54.6	5.8%	32.4%
Private/Other	14.5	22.9	25.7	22.1	22.9	3.5%	58.2%
<b>Total*</b>	<b>\$292.3</b>	<b>\$325.5</b>	<b>\$405.5</b>	<b>\$490.8</b>	<b>\$544.0</b>	<b>10.8%</b>	<b>86.3%</b>

## NSHE Need-Based Aid

In 2009-10 the percentage of need-based aid disbursed to NSHE students increased for the first time in 6 years. 2010-11 saw another increase in percentage of need-based aid, this time by 23 percent, reflected in a higher proportion of total aid that was need-based (Figure 5). As mentioned previously, a large portion of this increase is due to the Pell Grant, which increased by 27 percent for NSHE, as compared to 16 percent nationally. Likewise, of the 84 percent of grant aid from Federal sources disbursed to NSHE students, 80 percent came from Pell Grant, compared to 71 percent nationally. Of note, 57 percent of Pell Grant dollars were awarded to NSHE community college students, compared to 32 percent nationally (College Board, *Trends in Higher Education 2011*).

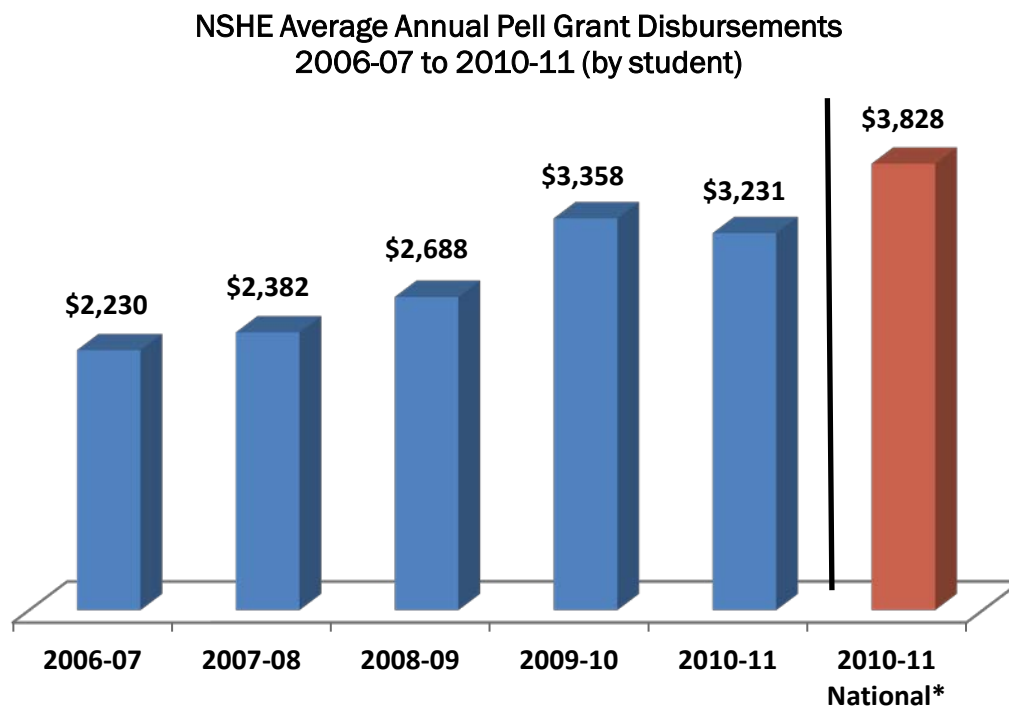
Figure 5.



## NSHE Pell Grants

Often the Pell Grant is discussed in terms of the maximum award, although the average award both among NSHE students and nationally is lower (Figure 6). In 2010-11 the maximum Pell Grant was the same as for 2009-10: \$5,550 annually. In order to be eligible for the maximum award, students must attend full-time (12 credits per semester) and must have a zero Estimated Family Contribution (EFC), as calculated by the Federal government and based on student FAFSA data. Having a zero EFC means, in effect, that the family has no financial resources it can contribute toward the student's Cost of Attendance (COA). It is also important to understand that even students with a zero EFC have no Pell dollars available to them in the summer if they receive a full-time award in both fall and spring. Students who have more than a zero EFC may still qualify for Pell, but at a reduced rate, even if they attend full-time.

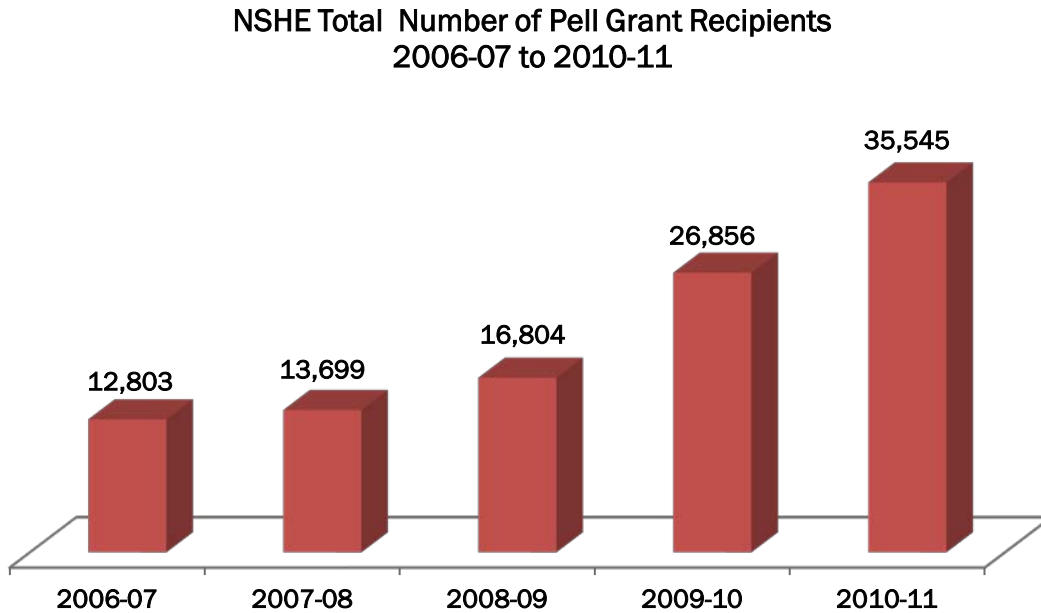
Figure 6.



\*College Board, *Trends in Student Aid 2011*

By far the largest federal grant program, the Pell Grant accounted for nearly \$34.8 million dollars in aid to students nationally (71 percent of all Federal grants). While the Pell Grant maximum award increased in the last decade, its value as a percentage of tuition and fees and room and board decreased nationally. In 1991-92, Pell Grant covered 44 percent of these expenses nationally as opposed to 32 percent in 2010-11 (College Board, *Trends in Student Aid 2011*). The most recent one-year increase in NSHE total number of Pell Grant recipients was 32 percent and the two-year increase was 112 percent (Figure 7).

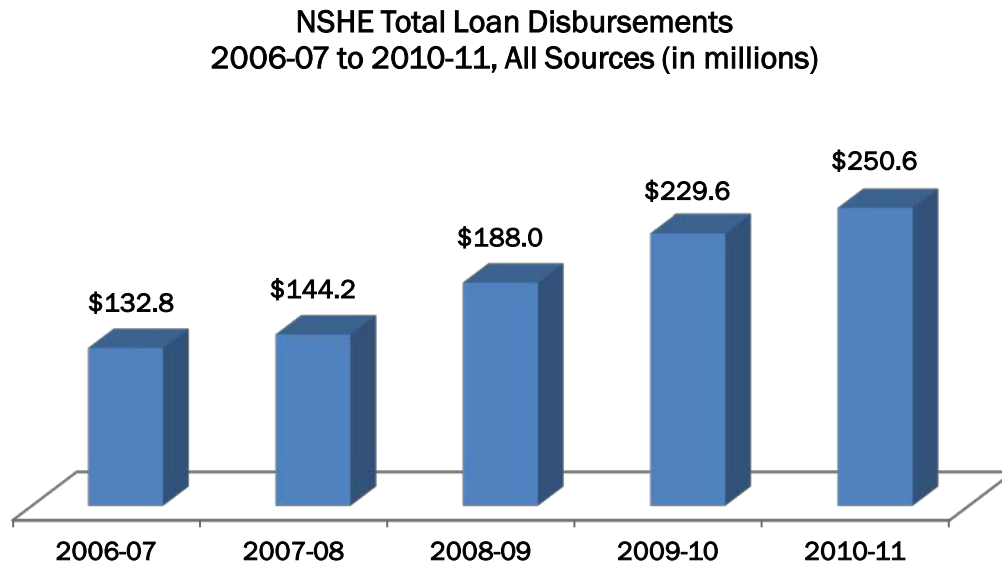
Figure 7.



## Student Loans

For NSHE students, total loan disbursements from all sources increased from the prior year by 9 percent while the increase nationally was only two percent. The rate of growth in loan disbursements slowed in 2010-11, to 9 percent as compared to 22 percent and 30 percent in 2009-10 and 2008-09, respectively.

Figure 8.



Five of the seven NSHE institutions make available to students long- and/or short-term loans that are institutionally-funded. In accordance with Board of Regents policy (*Handbook*, Title 4, Chapter 10, Section 21), institutions must report annually on such loans. The following table meets that mandate and provides information regarding NSHE loan disbursements.

Table 4.

### NSHE Long and Short Term Institutional Loans 2010-11

	Total Outstanding June 30, 2010	Total Outstanding June 30, 2011	Total Awarded	Total Repayments	Total Written Off	% Written Off
GBC	5,201	4,551	621	1,271	0	0.0%
TMCC	309,548	286,436	28,900	29,759	22,253	7.2%
UNLV	3,473,468	3,339,719	561,509	393,747	34,114	1.0%
UNR	7,676,328	1,171,945	1,239,234	1,240,875	69,976	0.9%
WNC	0	0	7,334	7,834	0	0.0%
<b>Total</b>	<b>\$11,464,545</b>	<b>\$4,802,651</b>	<b>\$1,837,598</b>	<b>\$1,673,486</b>	<b>\$126,343</b>	<b>1.1%</b>

## Nevada Student Financial Assistance Programs

Since the inception of the Millennium Scholarship program in 2000, the balance of state aid has been merit-based, but in 2010-11 that balance shifted. In 2010-11 the Regents Higher Education Opportunity Award (RHEOA) comprised a greater percentage of Nevada state financial assistance to students than the merit-based scholarship program (Table 6). As explained previously, this shift can be attributed to three essential causes: a Board policy change requiring a percent of registration fees be dedicated to financial assistance for students; a concerted effort by institutions to increase need-based aid for students; and a decline in the utilization of the Millennium Scholarship.

Table 5.

### Nevada Program Disbursements 2010-11 (in millions)

	Disbursement	% Total
LEAP	0.3	0.5%
Regents' Higher Education Opportunity Award	30.1	43.4%
Nevada Grants-in-Aid	13.5	19.4%
Regents' Service Program	1.3	1.9%
Millennium Scholarship	24.1	34.7%
<b>Total</b>	<b>\$69.3</b>	<b>100%</b>

## Regents Higher Education Opportunity Award

The majority Regents Higher Education Opportunity Award (RHEOA) disbursements made to students in 2010-11 were in the form of grants, although some campuses award RHEOA-funded scholarships and work study. According to Board policy, at least 80 percent of RHEOA disbursements to undergraduates must be need-based, and at least 50 percent of RHEOA disbursements to graduate students must be need-based. See Appendix A for details on how each NSHE institution awards RHEOA funds.

Table 6.

**Regents Higher Education Opportunity Award Disbursements  
2010-11**

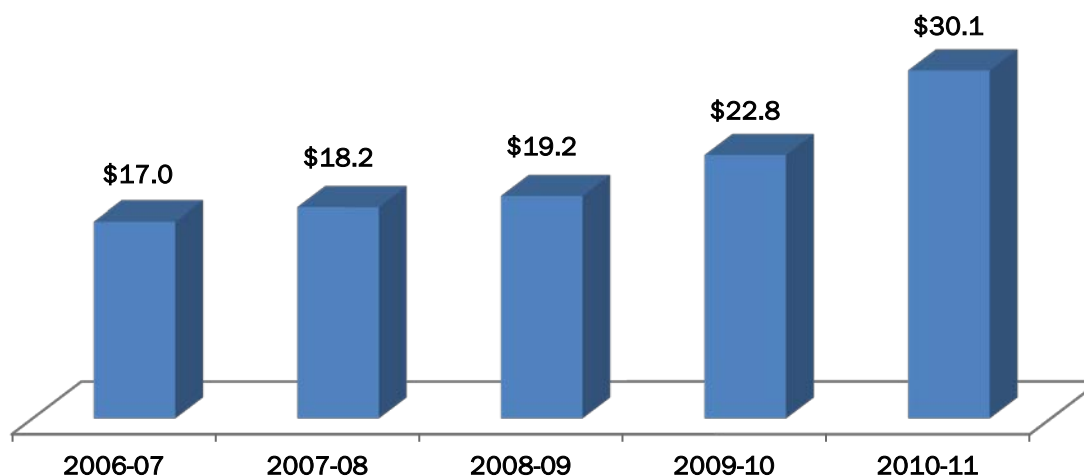
	CSN	GBC	NSC	TMCC	UNLV	UNR	WNC	NSHE
<b>Grants</b>	3,064,466	297,711	577,691	530,920	12,097,634	7,835,101	316,731	24,720,254
<b>Scholarships</b>	285,904	0	61,755	0	1,091,015	1,967,750	0	3,406,424
<b>Work Study</b>	418,325	0	53,070	446,577	511,991	369,030	145,434	1,944,427
<b>Total</b>	<b>\$3,768,694</b>	<b>\$297,711</b>	<b>\$692,516</b>	<b>\$977,497</b>	<b>\$13,700,641</b>	<b>\$10,171,881</b>	<b>\$462,165</b>	<b>\$30,071,105</b>

Note: Includes both State-Supported and Fee-Generated RHEOA funds.

Regents Higher Education Opportunity Award (RHEOA) disbursements increased by 77 percent over the last five-year period. The increase in the last year was 32 percent.

Figure 9.

**Regents Higher Education Opportunity Award  
Total Disbursements  
2006-07 to 2010-11 (in millions)**





## Regents Service Program

According to Board policy, institutions must report on the Regents Service Program annually. The Regents Service Program (RSP) was established by the Board of Regents "...so that NSHE students can make a contribution to the critical needs of the community" (*Handbook*, Title 4, Chapter 18, Section 8). Designed primarily as a work program with priority given to literacy and P-16 programs, awards are targeted to students with a high level of skill or knowledge. The following table indicates the number of students that participated in the RSP and total dollars disbursed.

Table 7.

### Regents Service Program Disbursements 2010-11

	Students	Disbursements
CSN	206	610,326
GBC	14	31,639
NSC	12	24,994
TMCC	30	115,380
UNLV	59	328,642
UNR	63	222,708
WNC	28	56,237
<b>Total</b>	<b>412</b>	<b>\$1,389,926</b>

## Governor Guinn Millennium Scholarship

The Governor Guinn Millennium Scholarship program has been adjusted in recent years through increasingly rigorous initial and continuing eligibility requirements in an effort to maintain the longevity of the Millennium Scholarship Trust Fund. These requirements, along with the declining value of the scholarship in the face of registration fee increases, have resulted over time in a reduced percentage of students who activate their scholarships and are able to maintain eligibility.

Table 8.

### Governor Guinn Millennium Scholarship Eligible Students and Activated Awards

	Class of					
	2000	2006	2007	2008	2009	2010
High School GPA Requirement	3.0	3.1	3.25	3.25	3.25*	3.25*
NV Public High School Graduates	12,953	16,367	17,080	18,715	20,082	20,901
MS Eligible Graduates	7,359	8,745	8,174	8,790	8,450	9,117
% Eligible	56.8%	53.4%	47.9%	47.0%	42.1%	43.6%
Activated Scholarships**	5657	6229	5721	6019	5687	5682
% Eligible who Activated	76.9%	71.2%	70.0%	68.5%	67.3%	62.3%

\*GPA Requirements plus completion of the Millennium Core Curriculum

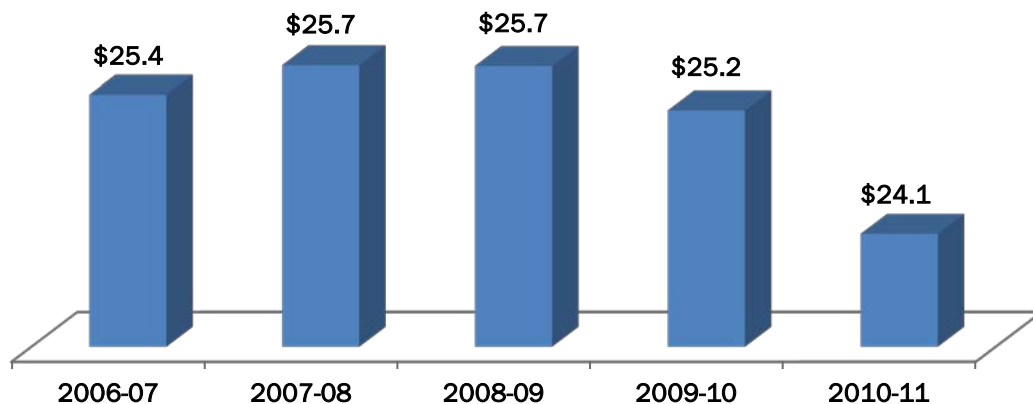
\*\*Students may activate their scholarship at any time within the 6-year eligibility window.

Source: NV State Treasurer's Office; NV Department of Education

After remaining relatively static for four years, from 2009-10 to 2010-11 total Millennium disbursements dropped 5 percent.

Figure 10.

### Governor Guinn Millennium Scholarship Total Disbursements (in millions) 2006-07 to 2010-11



## Financial Aid Applicants and Recipients

The fact that only 43 percent of the NSHE population received aid in 2010-11 despite such high application numbers is an indication that there is more student need than available dollars to award.

Table 9.

**NSHE Financial Aid Recipients and Average Disbursed Amount  
2010-11**

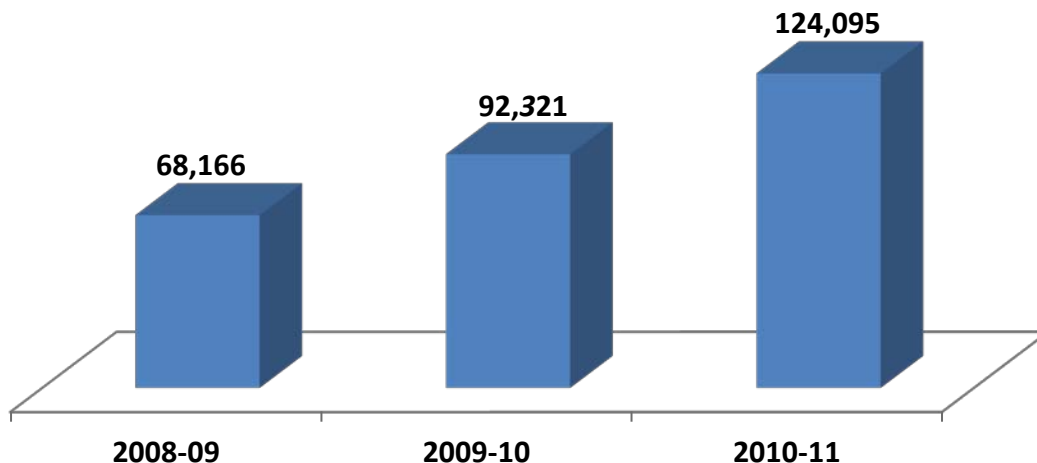
	<b>Students Receiving Aid</b>	<b>Annual Average Disbursement</b>	<b>Unduplicated Headcount*</b>	<b>% Total Population Receiving Aid</b>
CSN	18,010	4,983	61,662	29.2%
GBC	1,494	4,553	5,195	28.8%
NSC	2,027	7,231	4,415	45.9%
TMCC	8,529	4,756	18,405	46.3%
UNLV	20,033	11,967	36,235	55.3%
UNR	12,490	10,797	21,029	59.4%
WNC	3,591	4,913	7,851	45.7%
<b>Total</b>	<b>66,174</b>	<b>\$8,221</b>	<b>154,792</b>	<b>42.8%</b>

Note: Annual unduplicated headcount figures are as reported by each institution to IPEDS and do not correspond to the official headcount figures reported that are for a single semester and are unduplicated across the System. Aid is from all sources: federal, state, institutional and private. Not all financial assistance requires the FAFSA.

Overall for NSHE, the number of students submitting a FAFSA increased by more than a third between 2008-09 and 2009-10 and then again between 2009-10 and 2010-11.

Figure 11.

**NSHE Total Number of FAFSA Applicants  
2008-09 to 2010-11**



## Examining Student Need

In attempting to get a handle on the need of NSHE students, one method is to examine unmet need System-wide. However, before looking at the numbers, it is important to understand how unmet need is determined. Unmet need is calculated on a per-student basis for FAFSA filers by beginning with institutional cost of attendance (COA) and subtracting EFC and all financial assistance received. COA is institutionally-defined according to specific Federal Student Aid guidelines and generally includes allowances (or actual expenses) for tuition and fees, books and supplies, room and board, transportation and personal expenses. Institutional unmet need is the total of remaining need for all students who are awarded aid and enroll at least one term (Table 10).

Table 10.

### NSHE Unmet Need for FAFSA Filers 2010-11

	Average Unmet Need Per Student	Total Unmet Need (in millions)
CSN	\$5,977	\$75.8
GBC	\$2,010	\$4.9
NSC	\$4,754	\$5.3
TMCC	\$6,155	\$49.1
UNLV	\$6,203	\$66.9
UNR	\$6,554	\$39.7
WNC	\$5,499	\$1.3
<b>NSHE</b>	-----	<b>\$242.9</b>

## The Federal Student Aid Climate

Reading the information in this report regarding the increases in and high percentages of Federal Student Aid (FSA) to NSHE Students, it is easy to lose sight of the fact that the Federal government has made a number of recent policy changes that will result in a scaling back of aid to students. There is some debate on the national level whether these changes are evidence of a shifting of perception of higher education from a public good to a private good or simply a result of a difficult economy and budgetary climate, but, regardless, students have already begun feeling the effects and will continue to do so during 2012-13.

The Pell Grant Program is the best-known and largest of the Federal Student Aid grant programs. It is designed to assist students from low-income families in paying for higher education. Until 2011-12 the program experienced some years of expansion, both in terms of student eligibility and award amounts. This is reflected in the large increases seen for the last few years by NSHE institutions. For 2012-13 the maximum award of \$5,550 remains unchanged, but eligibility for the grant narrowed in three ways. First, the maximum EFC at which students qualify for the Pell Grant was reduced. Second, fewer students will likely qualify for a zero EFC due to the reduction of an income threshold. Third, and probably of greatest impact to students overall, Federal policy now limits students to 12 full-time semesters or its equivalent. This new rule applies to all students, regardless of when they received their first Pell Grant, which means that going into the Fall 2012 term there are students all over the nation who are already maxed out on their Pell Grant eligibility. Only time will reveal how these policy changes will impact Nevada's students.

Other federal grants included in this report have been discontinued recently. Beginning July 1, 2011, the Academic Competitiveness Grant (ACG) Program, which provided an additional grant to academically-qualified Pell Grant recipients in the first two years of college, was eliminated. During the same period, the Leveraging Educational Assistance Partnership (LEAP) Program, which matched state grant funds dollar-for-dollar, was also eliminated. Neither of these programs were large programs, but they do result in a loss of Federal funds to students.

On the Federal Direct Stafford Loan front, several changes were made to the program that will make taking a loan more expensive for students in the long run, although eligibility while attending school has not been affected. All changes take place beginning July 1, 2012. First, the Federal subsidy of the six-month grace period between a student leaving school and beginning repayment has ended for all students. Likewise, the up-front interest rebate contingent on borrowers making their first 12 payments on time has been discontinued. Also impacting all Direct Loan borrowers who receive a loan after June 30, 2012, the 2007 federal law reducing interest rates on Direct Loans to 3.4 percent is set to expire, which means the interest rate would revert to 6.8 percent. There is still a chance that the reduction will be extended, but at the time of this writing no legislation has passed. Finally, for graduate and professional students, eligibility for subsidized loans will come to an end, and they will only be able to access Federal Direct Unsubsidized Stafford Loans, regardless of EFC.

In terms of overall FSA eligibility, a major policy change will take effect July 1, 2012. In the past, students who did not have a high school diploma or GED had alternate paths to demonstrate their "ability to benefit" for FSA programs: take a basic skills test or complete six college credits. The alternative paths will no longer be allowed for students who begin their first program of study in postsecondary education on or after July 1, 2012. This change is expected to have a considerable impact on new community college students. In Nevada, the effects of this new federal regulation are exacerbated by the fact that recent federal guidance dictates students with the Nevada Adjusted Diploma cannot be considered to meet FSA eligibility requirements and will need to take the GED if they wish to apply for financial assistance.

## Appendix A: Regents Higher Education Opportunity Award Awarding Methodologies

According to the *Handbook* (Title 4, Chapter 18, Section 9), each NSHE institution has the flexibility to structure their disbursements in Student Access aid as needed for their particular population, provided they follow the 80/20 need-based vs. non-need-based requirement established by the Board of Regents. Listed below are the various institutional approaches to awarding Student Access aid. Funds distributed under Student Access aid are known as the Regents Higher Education Opportunity Award (RHEOA).

### UNR

#### State Supported

Funds were initially split 80 percent need-based and 20 percent scholarships. The funds were allocated to undergraduate and graduate students based on the percentage breakdown from the prior fall semester. All need-based funds were awarded based on cost of attendance, EFC and remaining need. A portion of the state funded funds were used to meet the Federal Supplemental Educational Opportunity Grant (FSEOG) matching requirement. FSEOG recipients were awarded from the highest need to the lowest need. For 2010-11 \$3000 was the maximum fall/spring award for full-time undergraduate students and \$4000 was the maximum for full-time graduate students. The awards were prorated for part-time enrollment. All graduate funds are used to make need-based awards. The non-need-based funds are used in a combination with other dollars to fund the Presidential Scholarship.

#### Fee Generated

Funds were split 80 percent need-based and 20 percent scholarships. Grad/undergrad allocations were done at the time the fees were collected. All need-based funds were awarded based on cost of attendance, EFC and remaining need. A portion of the funds were allocated for low-income students living in the residence halls. Students were awarded from the highest need to the lowest need. For 2010-11, \$3000 was the maximum fall/spring award for full-time undergraduate students and \$4000 for full-time graduate students. The awards were prorated for part-time enrollment. The non-need-based funds were used to fund scholarships for both graduate and undergraduate students, including a portion allocated to fund international students. This allocation was based on percent enrolled the prior fall semester.

### UNLV

UNLV awarded RHEOA proportionally to graduate and undergraduate students primarily by EFC level. Most of the funds were utilized as grant awards, followed by employment awards, and finally scholarships. RHEOA funds were used to meet scholarship matching requirements for the Latin Chamber of Commerce, Hispanic Employment Program, American Indian Affairs and GEAR UP. Students received amounts that varied from

\$200 to \$5,000 depending upon their level of need, matching requirement, or scholarship pledge.

### **NSC**

RHEOA funds were awarded based on need to students with a 2.0 or higher GPA, enrolled half-time, three-quarter-time or full-time and based on EFC depending upon student residency status. The annual minimum was \$250 and the annual maximum was \$2,000.

### **CSN**

Funds were awarded primarily on a need-basis to students with an EFC of less than 7000, on a first come, first served basis. Attrition dollars were targeted to Nursing, Education and STEM majors. Funds were also used for Book Vouchers enabling needy students to access course materials for the first day of class. Lastly, funds were used to meet Federal matching requirements for TRIO grants, FSEOG and Federal Work Study.

### **GBC**

RHEOA was awarded to students based primarily on EFC. However, students in desperate need of financial assistance who met all other eligibility requirements were awarded on a case-by-case basis, regardless of EFC. GBC did not use RHEOA funds to award special populations.

### **TMCC**

Funds were awarded to students with specific EFC ranges that were determined at the beginning of the award year in order to assist TMCC's diverse student population. A portion of RHEOA funds were also committed to the student employment program in the form of work study, which supports student retention. On an individual case basis, students with unusual or extenuating circumstances were awarded although they did not fit the normal institutional guidelines.

### **WNC**

WNC awarded RHEOA grants and work study by lowest EFC and highest need.