2024-25 NEVADA PROMISE SCHOLARSHIP REPORT

July 2025



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The Nevada Promise Scholarship Program

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EXECUTIVE SUMMARY

The Nevada Promise Scholarship (NPS) is a state-supported financial aid program established by the Nevada State Legislature for Nevada high school graduates to attend community college at a substantially reduced cost. As a last-dollar scholarship, the NPS covers up to three years of the base registration and certain other mandatory fees not covered by other state and federal aid received by the student.

The NPS program is modeled after other state-funded "Promise" programs, such as the Tennessee Promise, although these programs vary state by state in their requirements and funding models. Its premise is similar to other programs in that the NPS operates on a last-dollar model, funding only the remainder of base registration and certain other mandatory fees after other forms of gift aid (state and federal financial aid) are applied. Similar to other Promise programs, students must fill out an initial application and meet additional eligibility requirements. For NPS this includes enrollment in a minimum of 12 credits each fall and spring semester immediately following high school graduation, as well as completing community service and meeting with a community mentor each semester. In addition, applicants eligible to do so must file the Free Application for Federal Student Aid (FAFSA) annually.

The number of applicants increased by 4.3 percent in 2024-25 compared to the prior year (Table 1). Likewise, in 2024-25 the number of students awarded increased 3.6 percent, with 1,500 students receiving an NPS disbursement, as compared to 1,448 in 2023-24 (Table 3). In 2024-25, NPS recipients who identify as part of a historically minoritized race or ethnicity were similarly represented in comparison to the overall student population at three of the four participating institutions (Table 5).

Finally, because 2018-19 was the first academic year of the NPS program, there have been substantial increases in the number of students who have earned a certificate or degree from the first three recipient cohorts. As of August 2024, 51.5% of recipients in the Year One NPS cohort earned a certificate or degree, including four students who have gone on to earn a master's degree at an NSHE institution (Table 7).

REPORTING REQUIREMENT

This report is written to satisfy the reporting requirements outlined in *Nevada Revised Statutes* (NRS) 396.9685. Accordingly, information is provided on the number of applicants in the program and community service hours completed. The remainder of the report focuses on metrics regarding recipients of awards, including the total cost associated with awards of NPS, cohort graduation rates for students who received a scholarship, and the scholarship retention rate as defined in NRS. Additional information on Year Seven recipients has also been provided for context, namely race/ethnicity.

BACKGROUND

The Nevada Promise Scholarship (NPS) is a state-supported financial aid program created during the 2017 Session of the Nevada State Legislature pursuant to Senate Bill 391 (Chapter 461, Statutes of Nevada 2017). The NPS provides funds to cover up to three years of course registration and certain other mandatory fees to eligible students at a Nevada System of Higher Education (NSHE) community college after other forms of gift aid have been applied, including the state-supported Governor Guinn Millennium Scholarship and Silver State Opportunity Grant, and federal student aid such as the Pell Grant. The NPS aims to ensure all Nevada graduating seniors, regardless of income or high school academic performance, can attend an NSHE community college with financial assistance. Program requirements are designed to reduce costs to the state by requiring applicants eligible to do so to complete the FAFSA in order to leverage available federal student aid. Participants must also meet with mentors, complete a certain number of community service hours, and attend informational meetings, including a campus orientation.

In 2019 the Nevada State Legislature approved <u>Senate Bill 350</u> (Chapter 218, *Statutes of Nevada 2019*), which transferred administration of the NPS program from NSHE's individual community colleges to the Board of Regents. This change helped establish statewide consistency across institutions and provided the flexibility necessary to effectively implement the program. This bill also made several revisions to student eligibility requirements, including:

- Reducing the number of community service hours required from participants and revising when such community service must be completed;
- Combining the requirements to attend separate training and orientation meetings into a single meeting requirement;
- Removing the requirement for students to submit annual renewal applications;
- Waiving the 12-credit requirement during a student's last semester prior to graduation; and
- Extending program eligibility to students prohibited by federal law from completing the FAFSA.

Further, Senate Bill 350 created an awarding priority whereby students eligible to submit the FAFSA would be awarded first, while students prohibited by federal law from completing the FAFSA would be awarded only if funds remained. However, this awarding priority was eliminated in 2021 with the Legislature's approval of <u>Senate Bill 347</u> (Chapter 542, *Statutes of Nevada 2021*).

Policy governing NPS can be found in the Board of Regents' *Handbook*, <u>Title 4</u>, <u>Chapter 18</u>, and the *NSHE Procedures and Guidelines Manual*, <u>Chapter 11</u>.

INITIAL ELIGIBILITY

The NPS program requires applicants to complete several steps beginning in their senior year of high school to be eligible for an NPS award. Students must submit the NPS application and complete the FAFSA, or an alternative form for those prohibited by federal law from completing the FAFSA. By requiring FAFSA completion for students who are eligible to do so, the state reduces the cost of the program by leveraging federal and state financial aid to the greatest extent possible. Participants are also required to give back to the community through mandatory community service, attend a training session, and meet with an assigned mentor.

Eligible institutions are the four NSHE community colleges:

- College of Southern Nevada (CSN);
- Great Basin College (GBC);
- Truckee Meadows Community College (TMCC); and
- Western Nevada College (WNC).

To be eligible for an NPS award, a student must attend an eligible institution and:

- Be classified as a Nevada resident for tuition purposes;
- Must not have previously completed an associate degree or bachelor's degree;
- Must have:
 - o Obtained a diploma from a public or private high school located in Nevada;
 - Obtained a diploma from a public high school located in a county that borders Nevada and accepts students who are residents of Nevada; or
 - Successfully completed the high school equivalency assessment selected by the State Board of Education pursuant to NRS 390.055 before 20 years of age;
- Complete the NPS application;
- Complete the FAFSA, or, if the student is prohibited by law from completing the FAFSA, complete an alternative form provided by NSHE;
- Before enrolling in a community college, participate in one training meeting related to financial aid, the FAFSA, and college orientation;
- Meet at least once with a mentor assigned to the student before the first semester of enrollment and at least twice during each academic year while in the program;
- Complete at least eight hours of community service during the last year of high school;
- Submit all information deemed necessary by the community college to determine the student's eligibility for gift aid;
- Enroll in at least 12 credit hours that apply to the student's chosen program of study, with an exception for lower enrollment provided for the last semester if fewer than 12 credits are required to graduate;
- Meet institutional Title IV Financial Aid Satisfactory Academic Progress requirements; and
- Have not already received the scholarship for three (3) academic years.

CONTINUING ELIGIBILITY

Students who receive an NPS award remain eligible for future semesters for up to a total of three academic years, providing they continue to meet Title IV Financial Aid Satisfactory Academic Progress (SAP) requirements and enroll in at least 12 credits. An exception to the credit requirement is provided in a student's last semester if fewer than 12 credits are needed to graduate. Students become ineligible for the NPS program upon obtaining their first associate or bachelor's degree or after receiving the scholarship for three years. Students must also meet with a mentor at least once and complete a minimum of eight hours of community service each fall and spring semester. The FAFSA, or an alternative form if the student is prohibited from completing the FAFSA, must be completed every year of program participation to maintain eligibility.

PROGRAM APPLICANTS

High school students must complete the NPS application on or before October 31 of their senior year. As part of the application, students designate the participating institution they plan to attend. The number of applicants increased by 4.3 percent in 2024-25 compared to 2023-24 (Table 1).

TABLE 1: PROGRAM APPLICANTS - 2018-19 TO 2024-25

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
CON	0.005	40.404	0.004	4.000	0.007	40.004	44.504
CSN	9,085	10,431	9,901	4,900	9,087	10,984	11,584
GBC	357	402	518	325	514	719	878
TMCC	1,780	1,889	2,169	1,612	2,315	2,612	2,507
WNC	644	808	1,114	610	1,117	1,117	1,127
Total	11,866	13,530	13,702	7,447	13,033	15,432	16,096

Note: figures are for new program applicants only. While renewal applications were required for the 2019-20 year, they are excluded here for comparison purposes

COMMUNITY SERVICE

Community service is required for initial and continuing eligibility for NPS recipients. For 2018-19, applicants were required to complete 20 hours of community service prior to receiving an award, and 20 additional hours each year to maintain eligibility. In subsequent years, Senate Bill 350 (Chapter 218, Statutes of Nevada 2019), reduced the number of community service hours to be completed during high school to 8, and 8 per semester thereafter. During 2024-25, the program saw a 28 percent increase in community service hours completed as compared to the prior year. This was primarily due

to an increase in new applicants as well as an increase in students who completed more than 8 hours of community service from the applicant group.

TABLE 2: COMMUNITY SERVICE HOURS PERFORMED BY NPS APPLICANTS - 2018-19 TO 2024-25

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
CSN	91,461	23,502	22,832	9,027	23,758	23,652	37,125
GBC	3,355	3,677	2,178	2,189	1,406	4.227	4,774
ТМСС	27,140	13,980	10,321	11,393	12,216	15,288	15,554
WNC	10,368	5,647	4,179	2,942	4,983	7,345	7,226
Total	132,324	46,806	39,510	25,551	42,363	50,512	64,679

Note: Year 2018-19 data include all community service hours performed by applicants prior to the first year of the program.

HOW THE AWARD IS CALCULATED

As a last-dollar program, the NPS award is calculated by subtracting gift aid for which the student is eligible from the total amount of registration and certain other mandatory fees.

- Gift aid is defined in state law as funds from the Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Governor Guinn Millennium Scholarship (GGMS), and Silver State Opportunity Grant (SSOG).
- The registration and mandatory fees eligible for coverage by NPS are defined by NRS 396.9634 as the "registration fee assessed per credit and mandatory fees assessed per credit that are approved by the Board of Regents and charged to all students by a community college. The term does not include special course fees or fees charged for specific programs of study, books or supplies, even if such fees are considered necessary for enrollment."

An otherwise eligible student who receives enough gift aid to pay registration and other mandatory fees covered by the program is not eligible for an award under the NPS program. The last dollar awarding model of the NPS program keeps state expenditures relatively low and allows for limited funds to reach more participants. This approach, however, prevents most low-income students from receiving NPS awards. Many of the most financially needy students already receive gift aid from federal or state sources and are therefore not eligible for NPS awards, even if they meet all other program requirements. As there is no income limit to program participation, middle- and high-income students who neither qualify for state and federal need-based aid nor for aid under the Governor Guinn Millennium Scholarship (GGMS) or Silver State Opportunity Grant (SSOG) receive the most funding from the NPS program.

RECIPIENTS

Academic Year 2018-19 marked the initial period during which NPS awards were made. Table 3 indicates the number of students awarded and Table 4 the dollars awarded by institution for the first seven award years of the program. The number of students awarded in 2024-25 increased by 3.6 percent over the prior year and is likely attributable to an increase in applicants combined with stable program participation by continuing students. The total dollars awarded also increased by 16.2 percent due to the increase in program participation paired with an increase in registration fees.

TABLE 3: NUMBER OF STUDENTS AWARDED - 2018-19 TO 2024-25

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
CSN	466	592	670	580	594	743	730
GBC	68	89	127	93	107	109	152
ТМСС	202	333	429	432	433	440	486
WNC	76	116	169	133	139	156	132
Total	812	1,130	1,395	1,238	1,273	1,448	1,500

TABLE 4: TOTAL DOLLARS AWARDED - 2018-19 TO 2024-25

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
CSN	\$994,179	\$1,219,623	\$1,298,853	\$1,278,802	\$1,342,633	\$1,691,879	\$1,891,684
GBC	\$194,957	\$219,036	\$315,975	\$262,900	\$354,741	\$343,639	\$548,955
TMCC	\$423,641	\$697,058	\$843,140	\$983,998	\$984,433	\$1,060,411	\$1,260,120
WNC	\$143,834	\$250,349	\$336,189	\$301,337	\$323,697	\$370,303	\$327,454
Total	\$1,756,610	\$2,386,065	\$2,794,157	\$2,827,037	\$3,005,504	\$3,466,232	\$4,028,213

It is important to note that due to COVID-19 related budget cuts under <u>Assembly Bill 3</u> (Chapter 5, *Statutes of Nevada 2020*), in Spring 2021 the NPS account did not have sufficient funds to cover the base registration and certain other mandatory fees for all 2020-21 participants already awarded. To prevent a mid-year reduction in NPS award amounts, the NSHE community colleges used institutional financial aid dollars to cover the gap in state funding of \$346,516. Subsequently, in 2024-25, the NPS biennial allocation was not sufficient to cover remaining registration and mandatory fees for all eligible students. A total of \$65,980 was used from institutional financial aid dollars to ensure all NPS eligible students received their full awards for the year. Institutional funds are not included in the figures provided in Tables 3 and 4.

In 2024-25, NPS recipients who identify as part of a historically minoritized race or ethnicity were similarly represented in comparison to the overall student population at three of the four participating institutions (Table 5).

TABLE 5: RECIPIENTS BY RACE/ETHNICITY - 2024-25

		American Indian or Alaska Native	Asian	Black or African American	Hispanic	Native Hawaiian or Other Pacific Islander	Two Races or More	White	Historically Minoritized NPS	Historically Minoritized Institution†
CS	N	0.0%	9.3%	3.7%	40.7%	0.4%	9.9%	36.0%	64.0%	75.6%
GE	BC	0.0%	0.7%	0.0%	37.5%	0.0%	1.3%	57.2%	40.8%	46.1%
TM	CC	0.0%	5.1%	1.2%	42.6%	0.0%	5.3%	45.7%	54.3%	53.1%
W	NC	0.0%	1.5%	0.8%	28.8%	0.8%	3.0%	63.6%	35.4%	47.7%

NOTE: Percentages exclude unknown race/ethnicity categories. Historically minoritized categories include all ethnicities included in the table except White. Percentages may not total 100 due to rounding. †IPEDS, Fall 2024.

In prior reports, data showing Nevada Promise Scholarship recipients by income level was provided. However, beginning with the 2024-25 FAFSA, the FUTURE Act (Focusing Undergraduate Talent by Unlocking Resources for Education Act, Public Law 116-91) enabled direct data sharing between the Internal Revenue Service (IRS) and the U.S. Department of Education (ED); consequently, total income is considered federal tax information (FTI). According to guidance from ED, FTI is considered Controlled Unclassified Information (CUI). CUI is subject to strict confidentiality rules and cannot be disclosed outside of awarding and administration of student aid programs.

SCHOLARSHIP RETENTION AND GRADUATION RATES OF NPS RECIPIENTS

"Scholarship retention rate" is defined in NRS 396.9685 as "the percentage of students who received a scholarship for the academic year immediately preceding the academic year to which a report pursuant to Subsection 10 pertains who did not graduate by the end of that academic year and who also received a Nevada Promise Scholarship for the academic year to which the report pertains" (Table 6). The scholarship retention rate is not applicable in 2018-19, as this was the first year in which NPS awards were distributed.

TABLE 6: SCHOLARSHIP RETENTION RATES OF NPS RECIPIENTS - 2019-20 TO 2024-25

	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Scholarship						
Retention Rate	32.9%	41%	43.2%	44.4%	39.5%	37.8%

NOTE: per NRS 396.9685, scholarship retention rate is calculated as percentage of students who received a scholarship the previous academic year and did not graduate with an associate degree or higher who also received a scholarship for the academic year to which the report pertains.

Because 2018-19 was the first academic year of the NPS program, there have been substantial increases in the number of students who have earned a certificate or degree from the early recipient cohorts. As of August 2024, 51.5% of recipients in the 2018-19 NPS cohort earned a certificate or degree, including four students who have gone on to earn a master's degree at an NSHE institution (Table 7). No graduation rate is available yet for the 2024-25 cohort.

TABLE 7: GRADUATION RATE OF NPS RECIPIENTS - 2018-19 TO 2023-24[†]

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Skills Certificate	41	43	44	50	46	47
Certificate of Achievement	8	11	15	8	8	13
Associate Degree	226	291	353	283	149	22
Bachelor's Degree	139	107	58	8	1	
Master's Degree	4	1				
Earned Degree or Certificate by 8/2023	51.5%	40.2%	33.7%	28.2%	16.1%	5.7%

Note: graduates are unduplicated by highest credential earned and may move into a higher certificate or degree category as reporting years progress.

CONCLUSION

Approved by the Nevada State Legislature in 2017, with initial awards made to students during the 2018-19 Academic Year, the NPS program is the most recently established state-supported financial aid program. It joins two other programs: the Governor Guinn Millennium Scholarship (1999), a merit-based program that funds students with a wide range of family income levels, and the Silver State Opportunity Grant (2015), a need-based program that deliberately targets funding to low-income students who are college ready. The NPS is neither merit- nor need-based and, due to its last-dollar design, tends to benefit students in the middle- to upper-income ranges, as shown in previous reports.

During 2021 Session, the Nevada State Legislature approved <u>SB 128</u> (Chapter 324, *Statutes of Nevada 2021*), which directs the State Treasurer to "contract with one or more qualified independent consultants to conduct a study concerning the effectiveness of publicly funded scholarship and grant programs in this State...". The <u>State-Funded Financial Aid Programs in Nevada</u> study performed by the Kenny Guinn Center for Policy Priorities was released in August of 2022. This study analyzed positive student outcomes of state-funded financial aid recipients and non-recipients. The study concluded that NPS recipients complete programs of study at a higher rate than non-NPS recipients regardless of award amount, but that this effect is relatively small. It hypothesizes that some of the requirements of the NPS program may be likely to encourage students to think about

[†]Graduates are reported by cohort based on first semester of NPS award. Only degrees and certificates earned on or after a student's first year of NPS award are included.

higher education earlier during their academic careers and to connect with their campus and community. However, the study also found that students from minoritized racial and ethnic populations were underrepresented compared to the wider student population. More broadly, the study concluded that all state-funded financial aid programs show some positive student outcomes, recommending that Nevada policymakers and state agencies collaborate to determine how Nevada will shape its financial aid programs, including whether to focus on college access for all students or promoting access for students meeting merit, income, or other qualifying criteria.