

**BOARD OF REGENTS
BRIEFING PAPER
Silver State Opportunity Grant Program**

BACKGROUND & POLICY CONTEXT OF ISSUE:

The 2015 Legislature passed [Senate Bill 227](#) to create the Silver State Opportunity Grant Program (SSOG Program), a state-supported financial aid program, for the purpose of awarding need-based grants to eligible low-income students who are college-ready in order to pay for a portion of the cost of education at a community college or state college within the Nevada System of Higher Education (NSHE). This unique program is based on a shared responsibility model and guided by a philosophy for awarding grant aid that is based on the total cost of attendance (tuition and fees, books and supplies, room and board, and other living expenses) being shared by partners (the state, federal government, family, and the student). The bill sets forth the eligibility criteria for a grant from the SSOG Program and requires the Board of Regents adopt regulations to administer the program, including prescribing the methodology for calculating costs and the amount of the award, and establishing the process by which a student may meet the 15 credit-hour requirement under the bill.

Based on testimony during the legislative session and in consultation with the Financial Aid Directors at the NSHE community colleges and Nevada State College, System staff developed a policy for the Board's consideration to govern the administration of the SSOG Program. As required under the proposed policy, the Chancellor will establish procedures governing the more detailed operation of the SSOG Program.

SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

To comply with the passage of Senate Bill 227, amend *Title 4, Chapter 18* of the *Handbook* to create a new section establishing the Silver State Opportunity Grant Program and specifying the policies governing the award of grants under the program at each community college and state college. In addition, delete current *Section 10* (Nevada State Nursing Loan Program) under *Title 4, Chapter 18*, as this program is no longer in operation. (See attached policy proposal.)

IMPETUS (WHY NOW?):

This proposal is brought forward to establish in Board policy the Silver State Opportunity Grant in response to S.B. 227, which was passed by the 2015 Legislature and is effective on passage and approval for purposes of adopting regulations and performing administrative tasks necessary to carry out the provisions of the bill, and on July 1, 2015, for all other purposes.

BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- This proposed policy is required for institutions to administer the Silver State Opportunity Grant Program (SSOG Program).
- Adoption of the policy will provide immediate guidance for students and administration at NSHE community colleges and Nevada State College to award grants to eligible, low-income students.
- Due to the limited dollars available in federal, state and institutional financial aid programs, financial aid covered only 55.4% of total need for NSHE students in 2012-13. The SSOG Program will help meet the critical financial needs of NSHE students and allow them to focus more on the completion of their degree.
- Consistent with the Board's completion agenda and the "15 to Finish" campaign, the eligibility criteria for the SSOG Program includes students enrolling in a program of study, demonstrating proficiency for placement into college-level English and mathematics courses, and enrolling in 15 credit-hours during a semester.

POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

None have been presented at this time.

ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

None have been presented at this time.

COMPLIANCE WITH BOARD POLICY:

- Consistent With Current Board Policy: Title # _____ Chapter # _____ Section # _____
- X Amends Current Board Policy: Title # 4 Chapter # 18 Section # 10 and *new Section 10*
- Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
- Other: _____

X Fiscal Impact: Yes _____ No X

Explain: The SSOG Program is funded through a state appropriation of \$2.5 million in each year of the 2015-2017 biennium.

POLICY PROPOSAL
TITLE 4, CHAPTER 18, *new* SECTION 10

Silver State Opportunity Grant Program
Additions appear in *boldface italics*; deletions are [~~stricken~~ and bracketed]

Section 10. Silver State Opportunity Grant Program

The provisions of this Section are applicable to the Silver State Opportunity Grant Program (SSOG Program) pursuant to Chapter 396 of NRS. The SSOG Program was created by the State of Nevada for the purpose of awarding need-based grants to eligible low-income students who are college-ready in order to pay for a portion of the cost of education at a community college or state college within the Nevada System of Higher Education.

Each community college and state college shall award grants under the SSOG Program according to policies established herein.

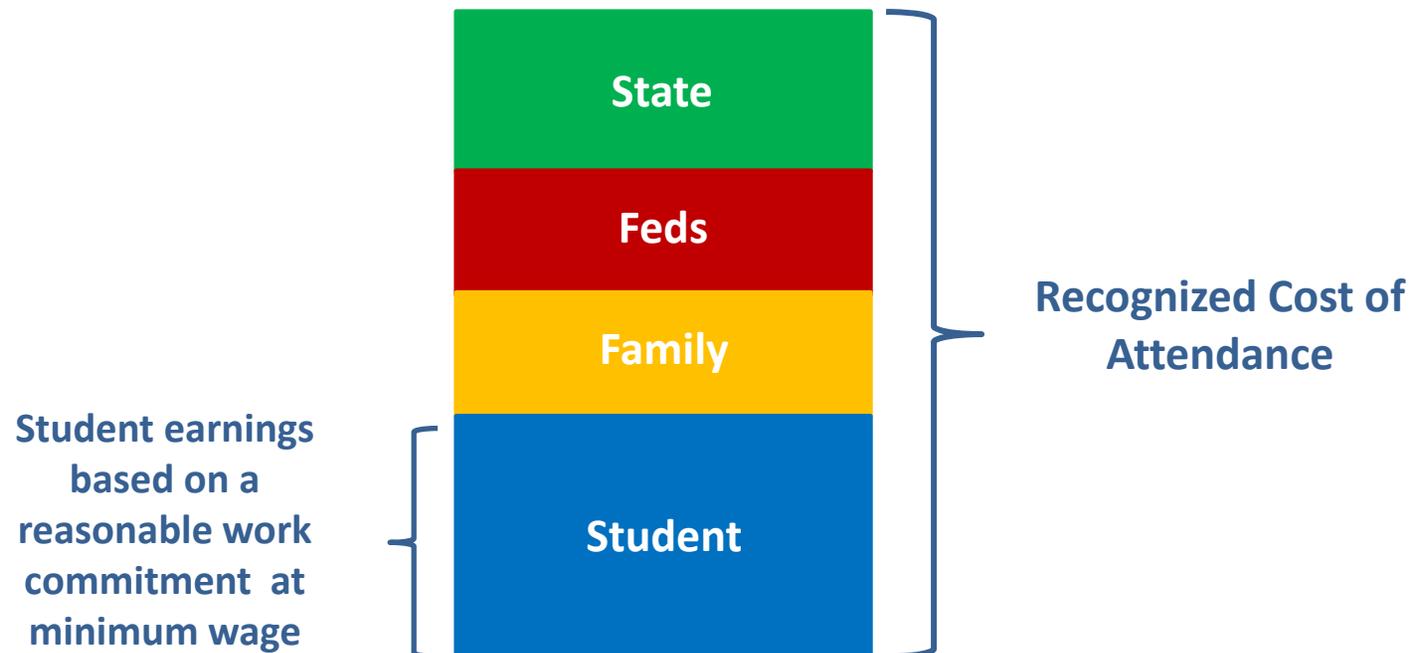
- 1. Eligibility Requirements – To be eligible for the SSOG Program, a student must:***
 - a. Enroll in at least 15 credit hours each semester of award at a community college or state college;***
 - b. Be enrolled in a program of study leading to a degree or certificate;***
 - c. Be placed into college-level English and mathematics courses in accordance with Title 4, Chapter 16, Section 1; and***
 - d. Be classified as a resident in accordance with Title 4, Chapter 15; and***
 - e. Complete the Free Application for Federal Student Aid (FAFSA).***
- 2. Cost of Attendance***
 - a. Each community college and state college establishes an annual Cost of Attendance (COA) according to the provisions of 20 U.S.C. §108711. For the purpose of the SSOG Program, this COA shall be recognized as the official COA.***
 - b. Under no circumstances shall the grant received under the SSOG Program, along with other financial assistance received, exceed institutional COA.***
- 3. Amount of the SSOG Award***
 - a. The maximum amount of the grant each student is eligible to receive shall not exceed the amount equal to the student's COA minus the amounts determined for the student contribution, family contribution, and federal contribution, as defined and calculated pursuant to this Section.***
 - b. Grant awards are subject to the limits of the funds available for the SSOG Program.***
 - c. The Chancellor shall establish procedures for determining the apportionment and distribution of funds between eligible institutions and the actual amount of the grant awarded to students who meet all eligibility requirements pursuant to this Section.***
- 4. Student Contribution***
 - a. The Chancellor or his designee shall determine on an annual basis, no later than March 1, a standard student contribution that will be:***
 - i. Used by each community college and state college in the calculation of all grants awarded under the SSOG Program; and***
 - ii. Calculated by determining what a student could earn by working at minimum wage a reasonable number of hours during the school year and over the summer. This calculation should in no way be construed as requiring a student to seek or obtain employment as a condition of eligibility for the SSOG Program.***

Senate Bill 227

The Silver State Opportunity Grant

Senate Bill 227: Shared Responsibility Model (SRM) for State-Supported Financial Aid

The SRM is a philosophy for awarding grant aid that is based on the **total cost of attendance** (tuition and fees and living expenses) being shared by **partners** (the state, feds, family, and the student).



Source: States in the Driver's Seat: Leveraging State Aid to Align Policies and Promote Access, Success and Affordability. WICHE, 2014.

Silver State Opportunity Grant Eligibility Criteria (Section 3)

- Enrolled full-time – 15 credits
- Enrolled in a program of study leading to a degree or certificate
- College Ready – evidenced by placement in to a college level course pursuant to the Board of Regents' placement policy (*Title 4, Chapter 16, Section 1*)
- Nevada resident
- Complete the Free Application for Federal Student Aid (FAFSA)

EXAMPLES: How the SRM will work in practice

	Very Low Income Student (0 EFC)	Working Poor Student (very small EFC)	Working Poor Student (small EFC)
Annual Cost of Education ¹	\$17,751	\$17,751	\$17,751
Student Contribution ²	- \$8,000	- \$8,000	- \$8,000
Family Contribution ³	- \$0	- \$4,000	- \$6,000
Federal Contributions ⁴	- \$5,730	- \$1,780	- \$0
State Contribution (SRM grant)	\$4,021 /year or \$2,010.50 /Fall & Spring semester	\$3,971 /year or \$1,985.50 /Fall & Spring semester	\$3,751 /year or \$1,875.50 / Fall & Spring semester

¹ Cost of Education (Section 5.1) based on federal methodology and includes tuition and fees, books and supplies, room and board, and other living expenses for students attending full-time during the fall and spring semesters and living off campus. Examples provided here are based on currently reported average costs for community colleges for 2014-15.

² As the principal beneficiary, the student is expected to contribute toward his/her own education costs. Sources may include earnings, savings, borrowing, or scholarships. The student share will be determined by the Board of Regents based on the expectation of a reasonable work commitment (Section 5.2). In this example we assumed a work commitment of 15 hours per week during 9 months of school and 40 hours per week during 3 months of summer at \$8.25 (min. wage), less federal income tax (10 percent).

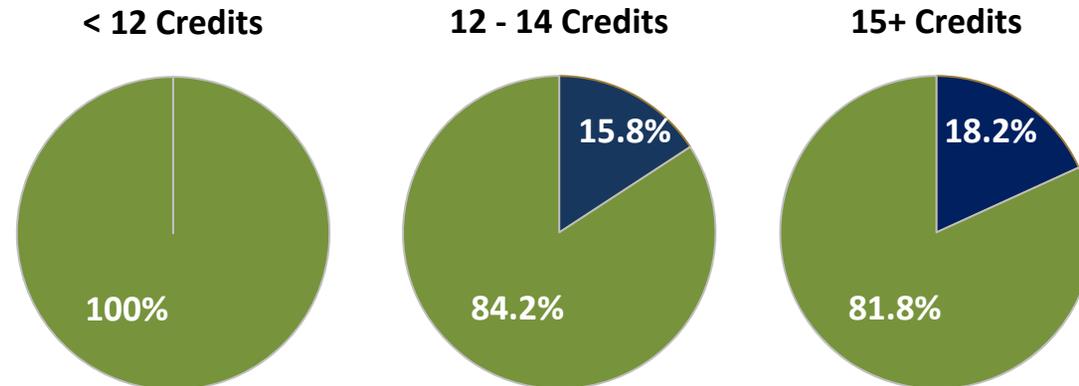
³ Expected Family Contribution (Section 5.2) determined under federal methodology and based on data provided in completing the Free Application for Federal Student Aid (FAFSA)

⁴ In practice, the federal contribution will include the Pell Grant, the Supplemental Educational Opportunity Grant, and the federal TEACH Grant. Example is based on 2014-15 Pell Grant eligibility (full-time attendance assumed).

Graduation Rates

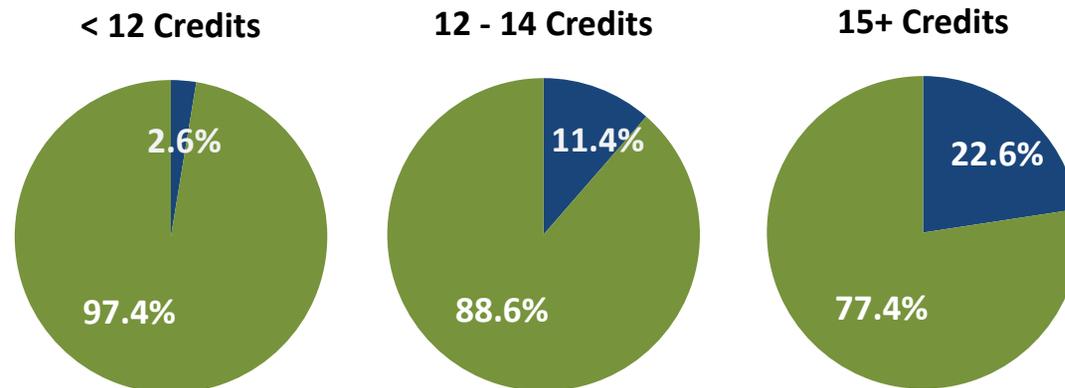
Graduation Rates by Credit Load

Nevada State College – Fall 2004 Cohort



NOTE: Fall 2004 cohort, first-time, degree-seeking students, who earned a bachelor's degree within 200% time to degree at a 4-year institution. Enrollment load based on first term.

NSHE 2-Year Institutions – Fall 2008 Cohort



■ % Graduated
 ■ % Not Graduated

NOTE: Fall 2008 cohort, first-time, degree seeking students who earned a certificate or associates degree at a community college within 200% time to degree. Enrollment load based on first term.

How Accessible are Nevada's Access Institutions?

Nevada:

Among the Lowest in the Nation for
2-Year College Participation Rates
for Students from Low Income Families

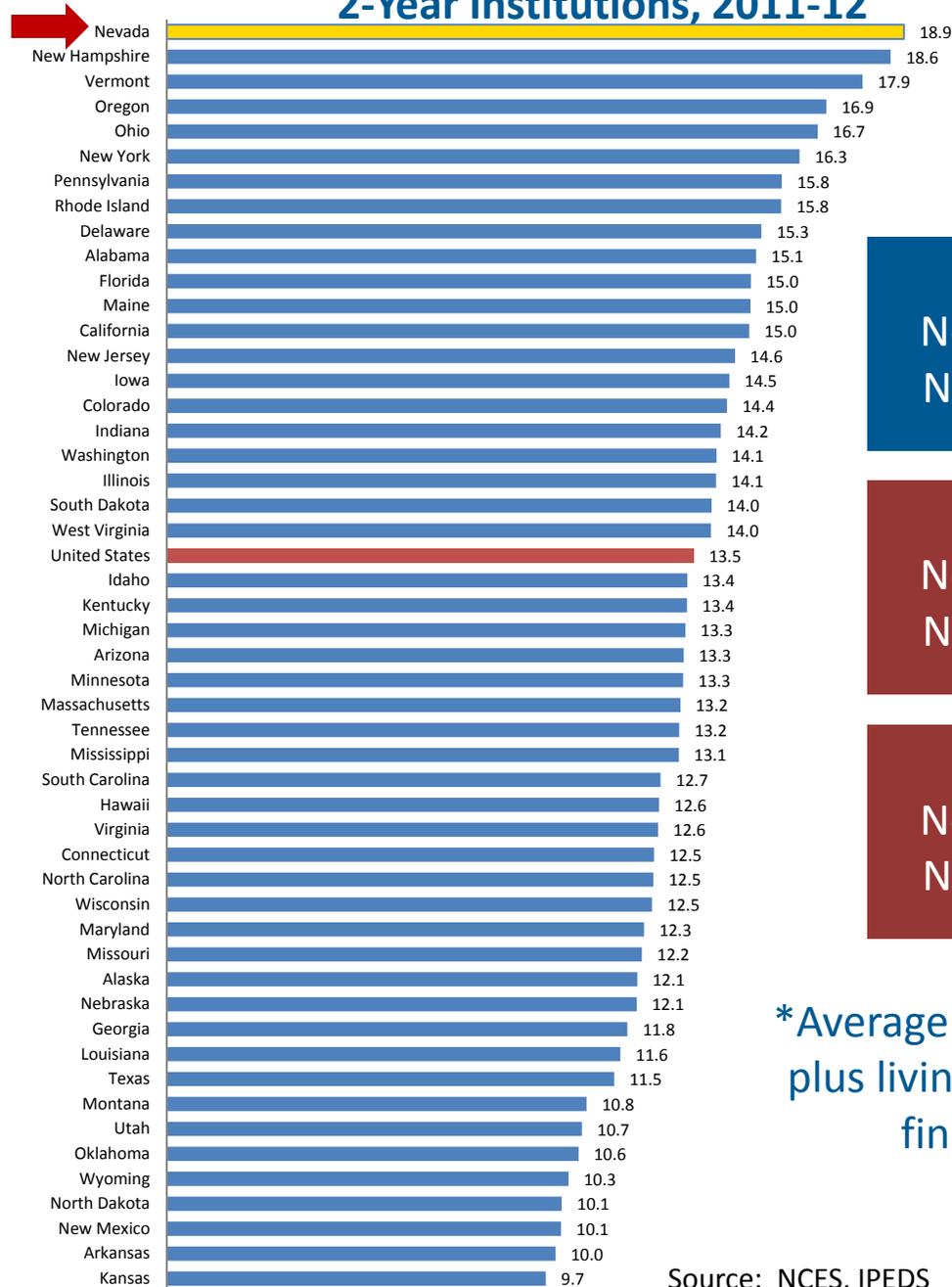
Select Participation Rates: 2-Year Institutions, 2012

Florida	5.2%
District of Columbia	5.9%
Nevada	6.4%
West Virginia	7.1%
Utah	7.4%
South Dakota	7.8%
2-Year U.S. Rate	15.0%

Source: Postsecondary Education Opportunity, September 2013

Access and Affordability

Percent of Median Family Income Needed to Pay for College* 2-Year Institutions, 2011-12



2011-12
Nevada: 18.9%
Nation: 13.5%

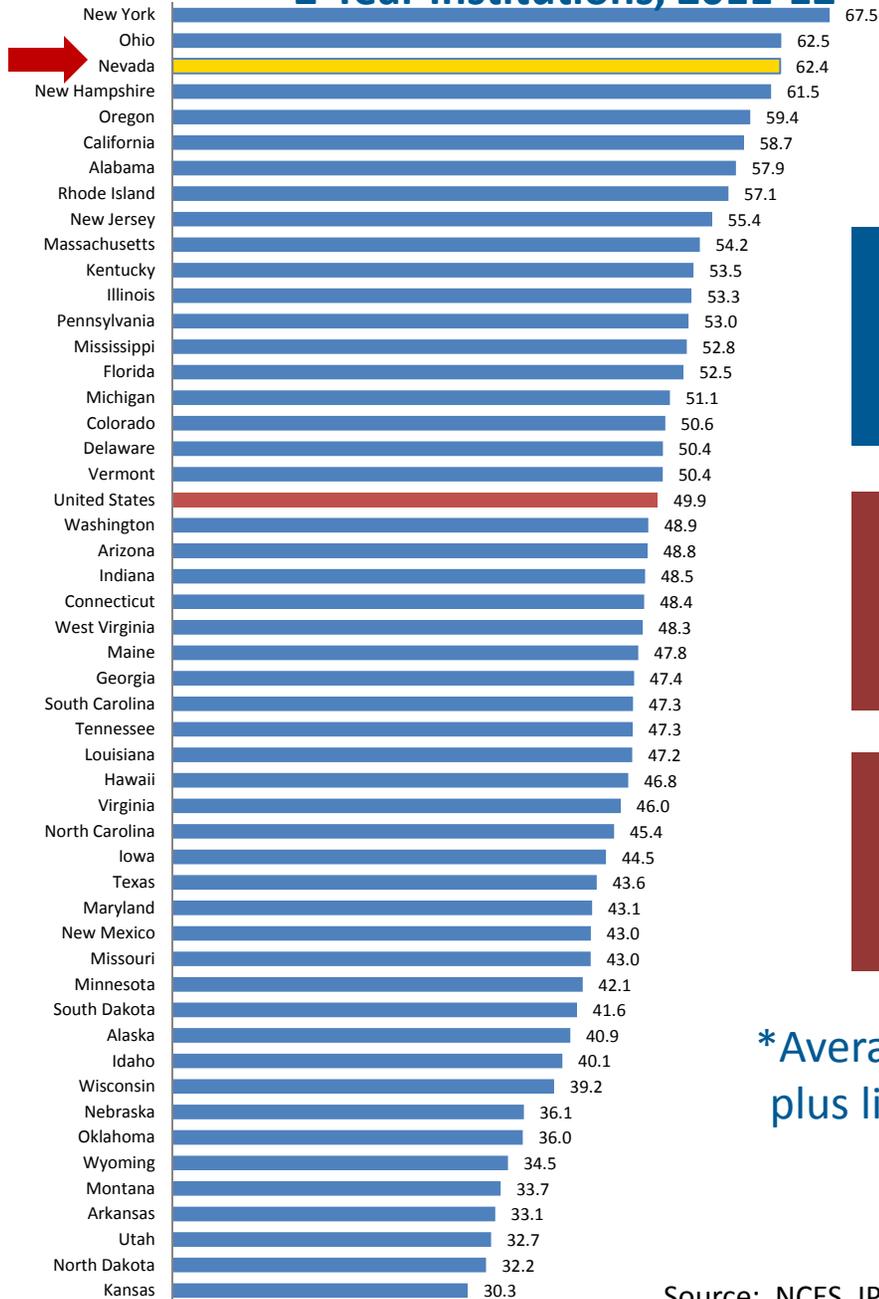
2008-09
Nevada: 16.8%
Nation: 12.9%

2006-07
Nevada: 14.7%
Nation: 12.4%

*Average tuition and fees plus living expenses less financial aid

Source: NCES, IPEDS

Percent of Income from the Lowest Quintile Needed to Pay for College* 2-Year Institutions, 2011-12



2011-12
Nevada: 62.4%
Nation: 49.9%

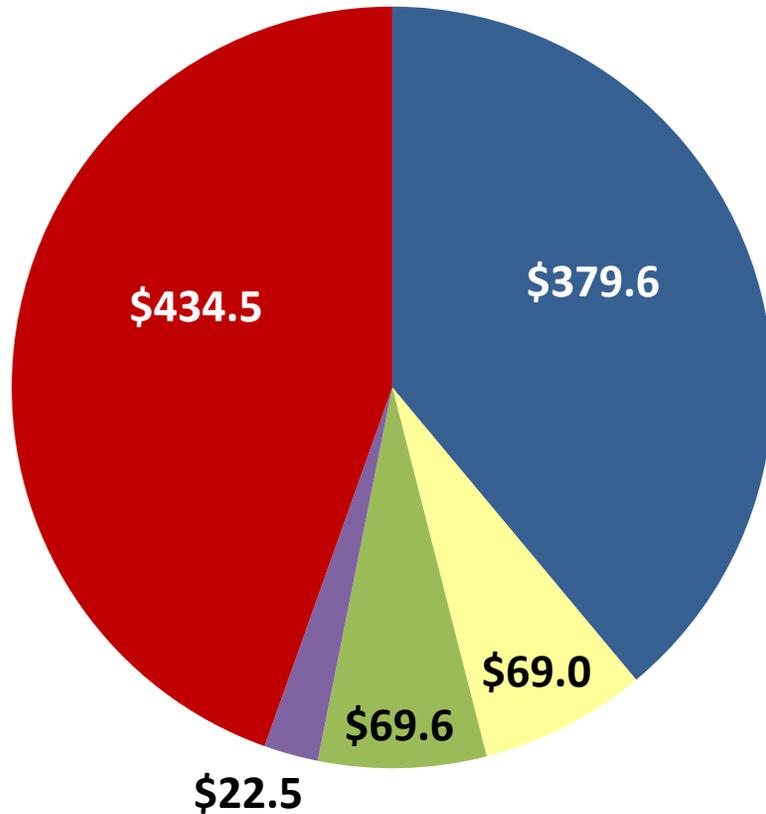
2008-09
Nevada: 53.4%
Nation: 46.4%

2006-07
Nevada: 45.3%
Nation: 42.8%

*Average tuition and fees plus living expenses less financial aid

Source: NCES, IPEDS

NSHE Total Financial Aid Disbursed and Unmet Need, 2012-13 (in millions)



Due to the limited dollars available in federal, state and institutional financial aid programs, financial aid covered *only 55.4% of total need* for NSHE students in 2012-13.

- Federal
- State
- Institutional
- Private/Other
- Unmet Need

*Total unmet need for NSHE students at all seven NSHE institutions. Based on FAFSA filers who received at least one disbursement. Does not include FAFSA filers who did not receive aid or students who did not complete a FAFSA. Amount of loans reported does not include loans that were offered but not accepted.

Unmet Financial Need