

## 1.5 Financial Aid

### **Increase need-based financial aid in order to improve access to higher education for Nebraskans with limited financial means.**

The 2003 LR 174 Higher Education Task Force recommended increasing need-based financial aid as a means of improving access to higher education for Nebraskans with limited financial resources. Since 2003, Nebraska has increased the amount of state funds allocated for need-based financial aid, thereby making progress toward the goal of improving access to higher education within the state.<sup>21</sup>

Financial aid is even more important today than it was in 2003 as increasing college costs make it more difficult for many Nebraskans to be educated beyond high school. While there are several sources of need-based financial aid available to students, the amount available has not kept up with increasing costs and the corresponding need for more financial aid. This can be illustrated in several ways.

#### **Number of Students Not Served by Nebraska's State Grant Program**

First, Nebraska allocates state general and lottery funds to a financial aid program called the Nebraska Opportunity Grant (NOG) program. This program was previously called the Nebraska State Grant (NSG) program, with the name change becoming effective for the 2010–2011 academic year. In the following discussion, for the sake of simplicity, the grants awarded through the NSG and NOG programs are referred to as Nebraska state grants.

Nebraska state grants are awarded to students who are residents of Nebraska, have not earned a bachelor's, graduate or professional degree, have high financial need, and who are attending eligible Nebraska colleges and universities. As the following discussion illustrates, Nebraska has significantly increased the amount of funding available for state grants to college students. However, the amount of available funding for financial aid continues to be insufficient to meet the needs of an increasing number of students who are eligible to receive state assistance. As a result, only about a third of the students who are eligible for state-funded financial aid receive state grants.

Figure 1.5.1 illustrates how the amount of available funding for state grants has significantly increased since 2005–2006. For the 2005–2006 academic year, the state allocated \$9,417,065 for grant aid to students attending public and private institutions in Nebraska. For 2015–2016, the state allocated \$16,833,918 to assist students from low-income families attend higher education institutions in Nebraska, an increase of 78.8%. For the 2016–2017 academic year, the amount of available state funding for grant aid increased to \$16,948,302, or 0.7% above the amount allocated for 2015–2016. As a result, available state funding for state grants awarded in 2016–2017 is 80.0% higher than the state appropriated for student financial aid in 2005–2006.

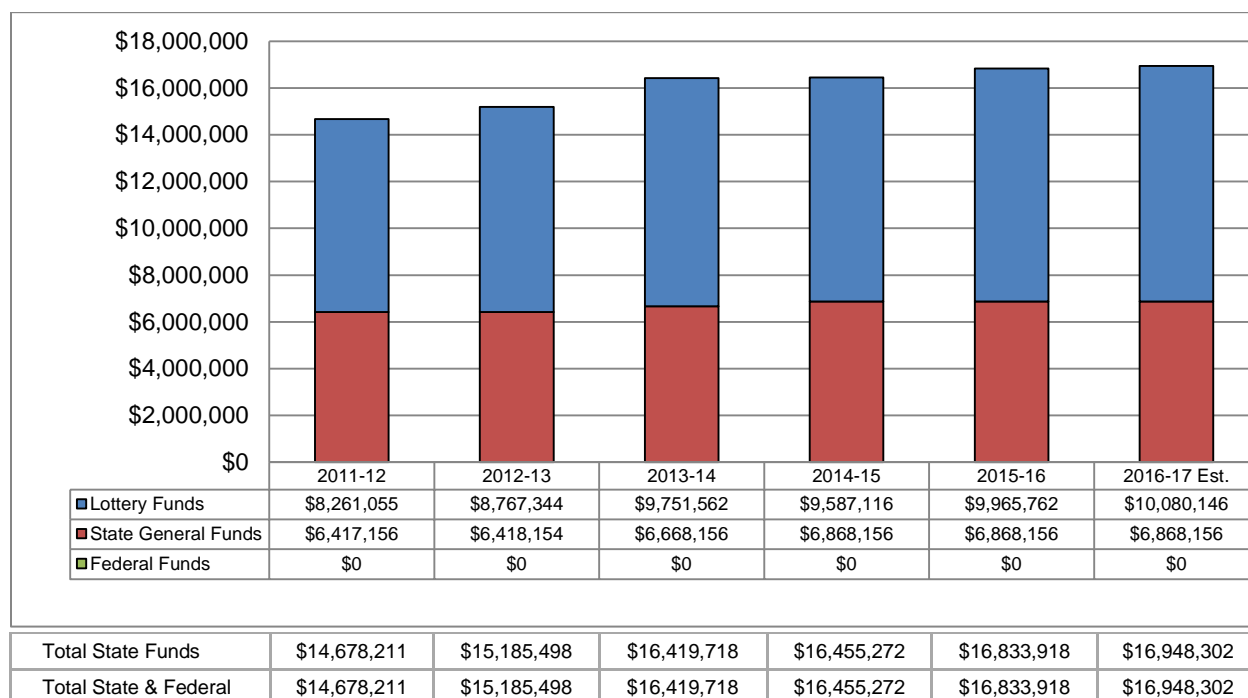
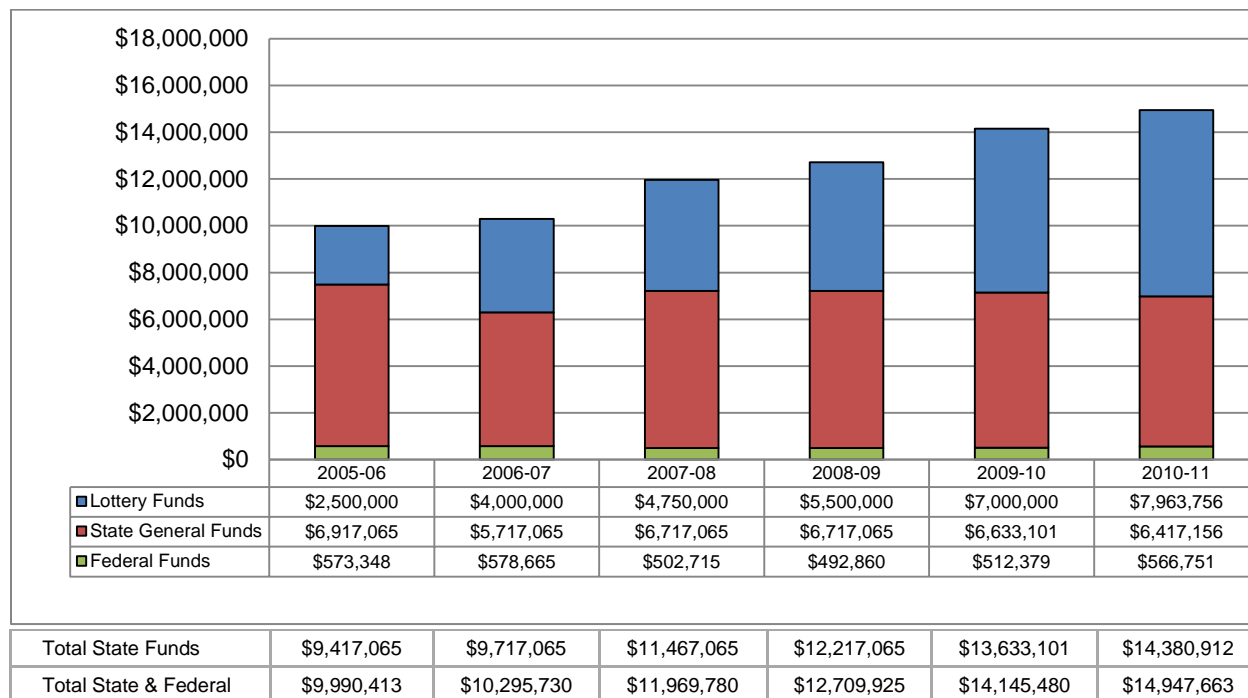
Between 2005–2006 and 2016–2017, allocation of lottery funds for state grants increased 303.2%, from \$2,500,000 in 2005–2006 to \$10,080,146 in 2016–2017. Meanwhile, appropriations for state grants from the state's general fund decreased 0.7%, from \$6,971,065 to \$6,868,156. Over the same period, federal funding decreased from \$573,348 in 2005–2006 to \$566,751 in 2010–2011 and was eliminated in 2011–2012.

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<sup>21</sup> For more information on tuition, fees, and financial aid, see the *2016 Tuition, Fees, and Financial Aid Report*, available on the Commission's website at [ccpe.nebraska.gov/reports](http://ccpe.nebraska.gov/reports).

**Figure 1.5.1**

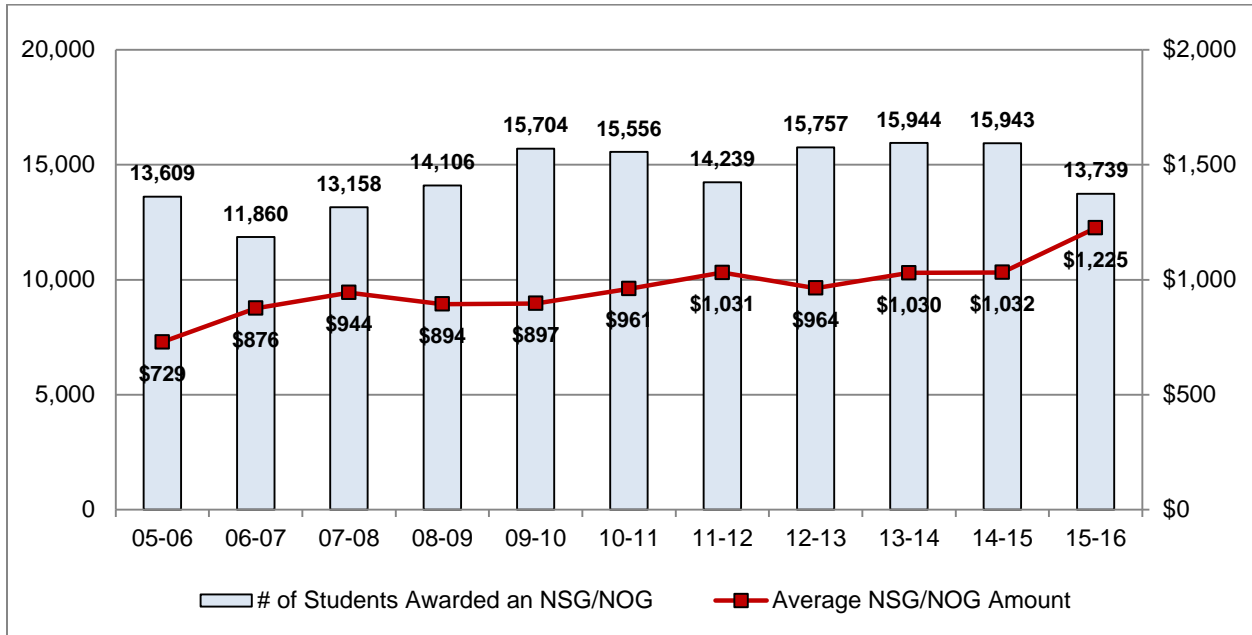
**Sources and Amounts of Available Funding  
for the Nebraska Opportunity Grant Program  
2005–2006 through 2016–2017**



Data source: Nebraska's Coordinating Commission for Postsecondary Education, *2016 Tuition, Fees, and Financial Aid Report*, supplemented with CCPE records, February 2017.

Between 2005–2006 and 2015–2016, as shown in [Figure 1.5.2](#), the number of students who received state grants increased 1.0%, from 13,609 to 13,739, and the average awarded grant increased 68.1%, from \$729 to \$1,225.<sup>22</sup>

**Figure 1.5.2**  
**Number of Students Who Received**  
**Nebraska Opportunity Grants (NOGs) and the Average Grant Awarded**  
**2005–2006 through 2015–2016**



Data source: Nebraska’s Coordinating Commission for Postsecondary Education, *Nebraska Opportunity Grant Year-End Report*, 2006 through 2016.

Unfortunately, as shown in [Figure 1.5.3](#), many students who are eligible for state grants do not receive them. In 2015–2016, for example, 13,739 students received state grants. However, based upon expenditure reports submitted to the Commission by each institution, it is estimated that an additional 28,788 students qualified for state grants but did not receive them due to insufficient available funding.

Furthermore, the percentage of eligible students who receive state grants has decreased. In 2005–2006, 50.5% of the students who were eligible for state grants received them. In 2015–2016, only 32.3% of the eligible students received state grants. This decrease is due to state funding not keeping pace with the increases in the numbers of eligible students.<sup>23</sup>

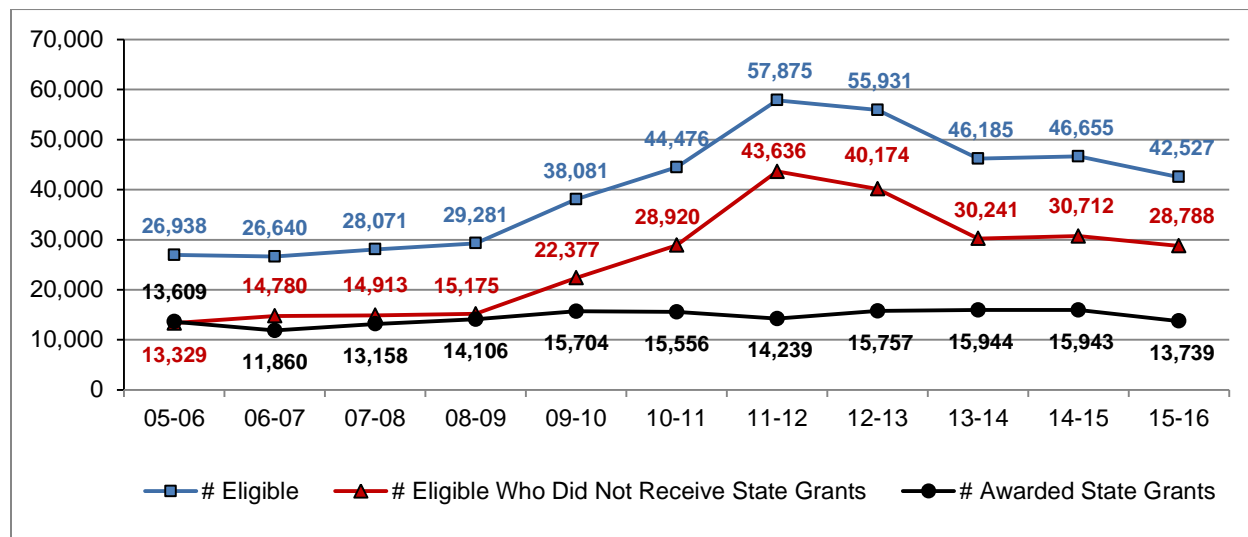
See [Table A8.1](#) and [Table A8.2](#) in [Appendix 8](#) for supporting data and for additional information about the numbers and amounts of Nebraska state grants awarded by sector.

<sup>22</sup> The maximum award a student could receive has been 25% or 50% of the tuition and mandatory fees charged by UNL to a full-time, Nebraska-resident undergraduate student, depending on the year. In 2005–2006, the maximum award was at the 50% level, or \$2,634. For 2015–2016, the maximum award was at the 50% level, or \$4,034.

<sup>23</sup> Part of the increase beginning in 2010–2011 in the number of students eligible to receive Nebraska Opportunity Grants is likely due to the expansion of Pell Grant eligibility.

Figure 1.5.3

**Number of Students Eligible to Receive Nebraska Opportunity Grants Compared to the Number of Students Awarded a Nebraska Opportunity Grant 2005–2006 through 2015–2016**



Data source: Nebraska's Coordinating Commission for Postsecondary Education, *Nebraska Opportunity Grant Year-End Report and Unmet Need Report*, 2016.

**Other Evidence of Unmet Need for Financial Aid**

Although state funding of financial aid has increased significantly since 2005–2006, there is a substantial amount of unmet financial need in Nebraska, including the need not met by state grants. The Commission estimates the annual unmet financial need of all Nebraskans who are eligible for Pell Grants by subtracting the total amount of financial aid, excluding work-study or PLUS (parent loan for undergraduate students), from the total cost of attending Nebraska colleges and universities for all Pell-Grant-eligible students.<sup>24</sup> Using this formula, which includes subsidized and unsubsidized loans as financial aid, the Commission estimates the unmet need of Nebraskans was nearly \$153 million in 2009–2010 and almost \$211 million in 2015–2016, as a result of the significant increase in the number of Nebraskans eligible for financial aid.<sup>25</sup> (The Commission estimates the unmet need of Nebraskans in 2005–2006 was nearly \$131 million.)

An indicator of the increased difficulty in meeting the financial needs of students is that students and their families are covering an increasing percentage of the costs of education for all sectors of Nebraska's public postsecondary institutions. For details, see pages 26–29 of the Commission's *2016 Tuition, Fees, and Financial Aid Report*.

Finally, students are borrowing at higher levels. As illustrated in Figure 1.5.4, the amount students borrowed to attend Nebraska's public postsecondary institutions rose 35.5%, from \$228,782,902 in 2005–2006 to \$309,955,311 in 2015–2016.<sup>26</sup> The number of loan recipients increased 11.1%, from 52,955 in 2005–2006 to 58,823 in 2015–2016, while the number of originated loans increased 14.9%, from 58,751 to 67,511, in 2015–2016.

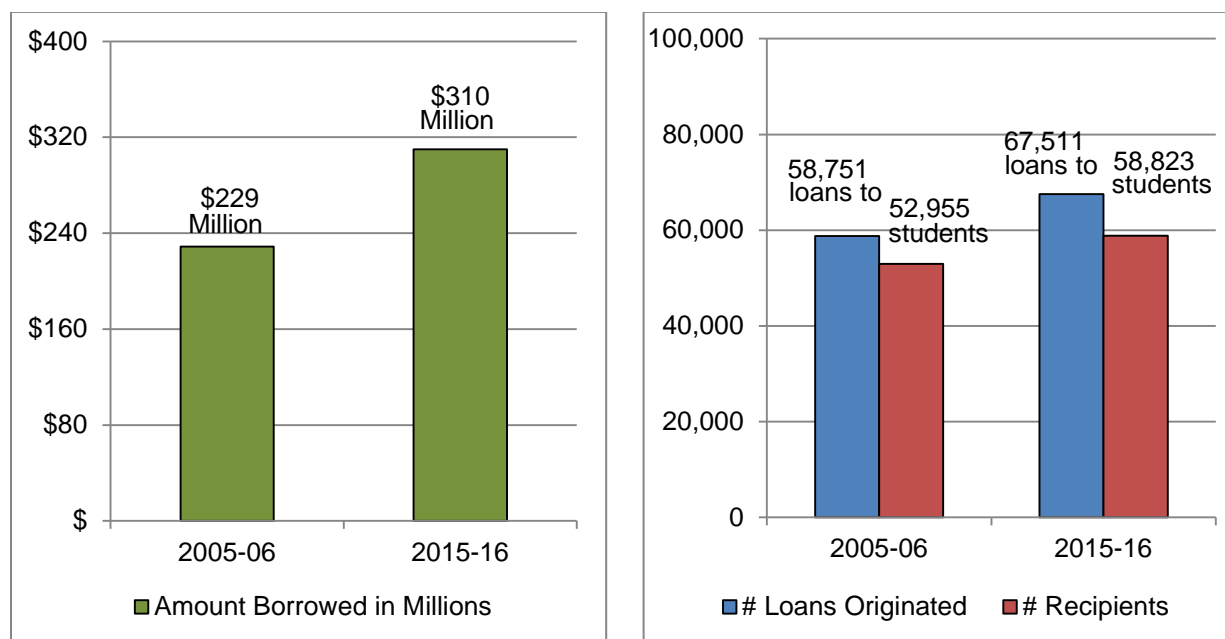
<sup>24</sup> Cost of attendance includes tuition and mandatory fees, room and board, and books and supplies.

<sup>25</sup> For details regarding these estimates, see the Commission's *2016 Tuition, Fees, and Financial Aid Report*, available on the Commission's website at [ccpe.nebraska.gov/reports](http://ccpe.nebraska.gov/reports).

<sup>26</sup> Originated loans, including fees.

Figure 1.5.4

**Level of Student Borrowing to Attend Nebraska’s Public Colleges and Universities  
2015–2016 Compared to 2005–2006**



Data sources: U.S. Department of Education Office of Postsecondary Education, December 2016; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, December 2016.

*Need-Based Financial Aid*

In addition to the Nebraska Opportunity Grant, financial aid is provided through a system of tuition waivers at the Nebraska state colleges and the institutions constituting the University of Nebraska. However, tuition waivers may or may not be need-based, depending on how each institution decides to allocate them.

The State of Nebraska also funds the Access College Early (ACE) Scholarship Program. Initiated in fall 2007, ACE scholarships are awarded to eligible low-income Nebraska high school students who take college courses for credit from qualified postsecondary institutions while the students are still in high school.

In fall 2011, the ACE Plus program was initiated. This program was fully funded by the federal College Access Challenge Grant (CACG) and was designed to provide financial aid to Nebraska college students who received ACE scholarships while they were in high school. Award year 2015–2016 was the final year of this program due to federal funding being discontinued.

Since Nebraska’s state grant program has been the primary source of state-funded, need-based financial aid for Nebraska residents who are attending postsecondary institutions within the state, the analysis in this section focuses primarily on the changes in the funding of Nebraska’s state grant program that occurred between 2005–2006 and 2015–2016. In the analysis of the Nebraska’s state grant program, other sources of need-based aid also are discussed to present a complete picture of the amount of financial aid available to Nebraskans. The last part of this section focuses on the growth of the Access College Early (ACE) Scholarship Program and the college continuation rates of ACE scholarship recipients.

## **The Nebraska State Grant Program and Other Sources of Title IV Financial Aid**

The Nebraska state grant program was one of several programs based on or administered under the guidelines of Title IV of the U.S. Higher Education Act between 2005 and 2015.<sup>27</sup> These programs provide financial aid to students attending postsecondary institutions in Nebraska and include the following federal programs (see Explanatory Note A8.1 in Appendix 8 for definitions of all of the financial aid programs listed below):

- Academic Competitiveness Grant (ACG)
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Work-Study (FWS)
- Iraq and Afghanistan Service Grant (IASG)
- National Science and Mathematics Access to Retain Talent (SMART) Grant
- Perkins Loans
- PLUS Loans
- PLUS Loans for Graduate and Professional Degree Students (Grad PLUS)
- Subsidized (Sub) and Unsubsidized (Unsub) Stafford Loans
- Teacher Education Assistance for College and Higher Education Grant (TEACH)

Federal Pell Grants are awarded to undergraduates who have not yet earned bachelor's degrees and who demonstrate high financial need. Nebraska state grants are awarded to Nebraska-resident students who demonstrate high financial need and attend eligible Nebraska postsecondary institutions.

### **Funding of Awarded State Grants**

- The majority of the funding for Nebraska's state grants has come from the state through the Nebraska Lottery and the state's general fund. From 2005–2006 through 2010–2011, the remaining funding came from the federal government through its regular and special Leveraging Educational Assistance Partnership (S/LEAP) authorizations. In 2011–2012, the Nebraska state grant program became entirely dependent on state funding.
- As shown in Table 1.5.1, \$9,344,247 in general state funds accounted for 94.2% of the \$9,917,595 awarded through Nebraska state grants in 2005–2006.
- Between 2005–2006 and 2015–2016, state funding increased \$7,111,025, or 76.1%.
- In total, the amount of funding awarded through the state grant program increased 65.9%, from \$9,917,595 in 2005–2006 to \$16,833,918 in 2015–2016.

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<sup>27</sup> The Academic Competitiveness Grant and National Science and Mathematics Access to Retain Talent (SMART) Grant were eliminated after the 2010–2011 academic year.

**Table 1.5.1**  
**Amounts of Nebraska and Federal Funding**  
**Awarded through the Nebraska State Grants Program**  
**2005–2006 through 2015–2016**

Academic Year	State Funding	% of Total	Federal Funding	% of Total	Total Funding
<b>Nebraska State Grant (NSG)</b>					
2005–2006	\$9,344,247	94.2%	\$573,348	5.8%	\$9,917,595
2006–2007	\$9,809,558	94.4%	\$578,665	5.6%	\$10,388,223
2007–2008	\$11,919,109	96.0%	\$502,715	4.0%	\$12,421,824
2008–2009	\$12,118,524	96.1%	\$492,860	3.9%	\$12,611,384
2009–2010	\$13,580,674	96.4%	\$512,379	3.6%	\$14,093,053
<b>Nebraska Opportunity Grant (NOG)</b>					
2010–2011	\$14,380,912	96.2%	\$566,751	3.8%	\$14,947,663
2011–2012	\$14,678,211	100.0%	\$0	0.0%	\$14,678,211
2012–2013	\$15,185,498	100.0%	\$0	0.0%	\$15,185,498
2013–2014	\$16,419,718	100.0%	\$0	0.0%	\$16,419,718
2014–2015	\$16,455,272	100.0%	\$0	0.0%	\$16,455,272
2015–2016	\$16,833,918	100.0%	\$0	0.0%	\$16,833,918
\$ Change Since 2005–2006	\$7,111,025		-\$573,348		\$6,537,677
% Change Since 2005–2006	76.1%		-100.0%		65.9%
Data source: Nebraska's Coordinating Commission for Postsecondary Education, <i>2016 Tuition, Fees, and Financial Aid Report</i> , supplemented with CCPE records, December 2016.					

### **Nebraska State Grants as a Percentage of All Title IV Financial Aid**

Between 2005–2006 and 2014–2015, Nebraska's state grants represented only a small percentage of the total Title IV financial aid awarded through all of the eligible postsecondary institutions in Nebraska. [Table 1.5.2](#) compares the total amount of financial aid awarded to students attending Nebraska colleges and universities in 2014–2015, the latest year for which federal data for all Nebraska institutions are available, to financial aid awarded in 2005–2006.<sup>28</sup>

- A total of \$846,481,397 Title IV financial aid was awarded to students at Nebraska's postsecondary institutions in 2014–2015, an increase of 61.7% from 2005–2006.
- Nebraska's state grants were equivalent to 1.9% of the total Title IV financial aid awarded to students attending Nebraska postsecondary institutions in 2005–2006 and 2014–2015.

<sup>28</sup> The interest on a Perkins Loan or a subsidized loan is paid by the federal government while the student borrower is in college. Therefore, this interest is comparable to a grant in the sense that it does not have to be repaid. For the sake of clarification, the amounts reported in this section are for the actual amounts borrowed, *not including interest*.

**Table 1.5.2**  
**Total Title IV Federal and State Financial Aid**  
**Awarded at All Eligible Nebraska Postsecondary Institutions**  
**2014–2015 Compared to 2005–2006**

Type of Financial Aid Awarded	2005–2006		2014–2015		% Change in Funding
	Total Funding	% of Funding	Total Funding	% of Funding	
<b>Grants</b>					
Pell Grant	\$60,830,794	11.6%	\$139,126,836	16.4%	128.7%
FSEOG	\$6,443,781	1.2%	\$5,773,587	0.7%	-10.4%
IASG	\$0	0.0%	\$5,311	0.0%	
TEACH	\$0	0.0%	\$1,096,336	0.1%	
NE State Grants	\$9,917,595	1.9%	\$16,455,272	1.9%	65.9%
FED Work-Study	\$6,324,929	1.2%	\$5,606,024	0.7%	-11.4%
<b>Loans</b>					
Perkins Loans	\$17,308,038	3.3%	\$10,639,299	1.3%	-38.5%
Sub Loans	\$169,637,725	32.4%	\$144,132,681	17.0%	-15.0%
Unsub Loans	\$187,132,928	35.8%	\$376,835,788	44.5%	101.4%
Grad PLUS	\$148,369	0.0%	\$68,828,709	8.1%	46290.2%
PLUS Loans	\$65,647,626	12.5%	\$77,981,554	9.2%	18.8%
<b>Total Grants and Loans</b>	<b>\$523,391,785</b>	<b>100.0%</b>	<b>\$846,481,397</b>	<b>100.0%</b>	<b>61.7%</b>
<p><i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; IASG = Iraq and Afghanistan Service Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants; Sub = subsidized loans; Unsub Loans = unsubsidized loans. IASG grants and TEACH grants were not available in 2005–2006. See <a href="#">Explanatory Note A8.1</a> in <a href="#">Appendix 8</a> for information about each of the programs included in this analysis. Data sources: U.S. Department of Education Office of Postsecondary Education, December 2016; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, December 2016.</p>					

### **Nebraska State Grants as a Percentage of Title IV Financial Aid Awarded at Nebraska Public Institutions**

- The amounts of federal funding for all types of Title IV financial aid that were awarded to students at all of Nebraska’s eligible postsecondary institutions in 2015–2016 are not yet available. However, the amount of aid awarded through each Title IV program to students attending the state’s *public* institutions in 2015–2016 is available to compare to the amount awarded in 2005–2006.
- A total of \$430,251,575 Title IV financial aid was awarded to students at Nebraska’s *public* postsecondary institutions in 2015–2016, an increase of \$135,231,147 (45.8%) from 2005–2006.
- As shown in [Table 1.5.3](#), Nebraska state grants accounted for 2.8% of the total financial aid awarded by Nebraska’s public institutions in 2015–2016, up from 2.1% in 2005–2006.



**Table 1.5.3**  
**Total Title IV Federal and State Financial Aid**  
**Awarded at Nebraska Public Postsecondary Institutions**  
**2015–2016 Compared to 2005–2006**

Type of Financial Aid Awarded	2005–2006		2015–2016		% Change in Funding
	Total Funding	% of Funding	Total Funding	% of Funding	
<b>Grants</b>					
Pell Grant	\$44,314,668	15.0%	\$94,405,560	21.9%	113.0%
FSEOG	\$2,907,442	1.0%	\$2,913,594	0.7%	0.2%
IASG	\$0	0.0%	\$5,382	0.0%	
TEACH	\$0	0.0%	\$300,150	0.1%	
NE State Grants	\$6,087,995	2.1%	\$12,004,584	2.8%	97.2%
FED Work-Study	\$3,757,976	1.3%	\$3,455,308	0.8%	-8.1%
<b>Loans</b>					
Perkins Loans	\$9,169,446	3.1%	\$7,211,686	1.7%	-21.4%
Sub Loans	\$96,980,670	32.9%	\$81,585,826	19.0%	-15.9%
Unsub Loans	\$95,493,965	32.4%	\$163,455,808	38.0%	71.2%
Grad PLUS	\$3,274	0.0%	\$9,637,251	2.2%	294257.1%
PLUS Loans	\$36,304,993	12.3%	\$55,276,426	12.8%	52.3%
<b>Total Grants and Loans</b>	<b>\$295,020,429</b>	<b>100.0%</b>	<b>\$430,251,575</b>	<b>100.0%</b>	<b>45.8%</b>
<p><i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; IASG = Iraq and Afghanistan Service Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants; Sub = subsidized loans; Unsub Loans = unsubsidized loans. IASG grants and TEACH grants were not available in 2005–2006. See <a href="#">Explanatory Note A8.1</a> in <a href="#">Appendix 8</a> for information about each of the programs included in this analysis. Data sources: U.S. Department of Education Office of Postsecondary Education, December 2016; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, December 2016.</p>					

### **Need-Based Financial Aid (Excluding Loans) Awarded at Nebraska’s Public Institutions**

#### *Title IV Aid (Excluding Loans):*

- As shown in [Table 1.5.4](#), of the \$113,084,578 awarded through grants or the work-study program in 2015–2016, 10.6% was awarded through the Nebraska state grant program, compared to 10.7% in 2005–2006.
- State funds accounted for 100% of the \$12,004,584 awarded in state grants to students enrolled at public institutions in 2015–2016. Since 2011–2012, no federal funds have been available for funding the state grant program.
- Total federal funding of grants and work study increased by 93.6%, from \$52,210,470 in 2005–2006 to \$101,079,994 in 2015–2016.
- Between 2005–2006 and 2015–2016, state funding of state grants increased by 147.1%, from \$4,857,611 to \$12,004,584. The state funded portion of the Nebraska state grants

program increased from being equivalent to 8.5% of the total Title IV financial aid, excluding loans, awarded through Nebraska public institutions in 2005–2006 to equaling 10.6% in 2015–2016.

**Table 1.5.4**  
**Total Need-Based Financial Aid (Excluding Loans)**  
**Awarded at Nebraska Public Postsecondary Institutions**  
**2015–2016 Compared to 2005–2006**

Type of Need-Based Financial Aid	2005–2006		2015–2016		% Change
	\$ Awarded	% of Total	\$ Awarded	% of Total	
<b>Title IV Aid (Excluding Loans)</b>					
Nebraska State Grants (NSG / NOG)					
State-Funded	\$4,857,611	6.7%	\$12,004,584	7.9%	147.1%
Federal-Funded	\$1,230,384	1.7%	\$0	0.0%	-100.0%
Total NE State Grant	\$6,087,995	8.4%	\$12,004,584	7.9%	97.2%
Federal Title IV					
Pell Grant	\$44,314,668	61.2%	\$94,405,560	62.2%	113.0%
FSEOG	\$2,907,442	4.0%	\$2,913,594	1.9%	0.2%
IASG	\$0	0.0%	\$5,382	0.0%	
TEACH	\$0	0.0%	\$300,150	0.2%	
Federal Work Study	\$3,757,976	5.2%	\$3,455,308	2.3%	-8.1%
Total Federal Title IV	\$50,980,086	70.4%	\$101,079,994	66.6%	98.3%
<b>Total Title IV Aid (Excluding Loans)</b>	<b>\$57,068,081</b>	<b>78.8%</b>	<b>\$113,084,578</b>	<b>74.5%</b>	<b>98.2%</b>
<b>Other Need-Based Aid (Excluding Loans)</b>					
University of Nebraska	\$13,203,085	18.2%	\$32,534,054	21.4%	146.4%
NE State College System	\$559,346	0.8%	\$1,453,500	1.0%	159.9%
NE Community Colleges	\$1,595,003	2.2%	\$4,806,385	3.2%	201.3%
<b>Total Other Need-Based Aid (Excluding Loans)</b>	<b>\$15,357,434</b>	<b>21.2%</b>	<b>\$38,793,939</b>	<b>25.5%</b>	<b>152.6%</b>
<b>Total Need-Based Aid (Excluding Loans)</b>	<b>\$72,425,515</b>	<b>100.0%</b>	<b>\$151,878,517</b>	<b>100.0%</b>	<b>109.7%</b>
<p><i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; IASG = Iraq and Afghanistan Service Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants; Sub = subsidized loans; Unsub Loans = unsubsidized loans. IASG grants and TEACH grants were not available in 2005–2006. See Explanatory Note A8.1 in Appendix 8 for information about each of the programs included in this analysis. Data sources: U.S. Department of Education Office of Postsecondary Education, December 2016; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, December 2016.</p>					

*Other Need-Based Aid (Excluding Loans):*

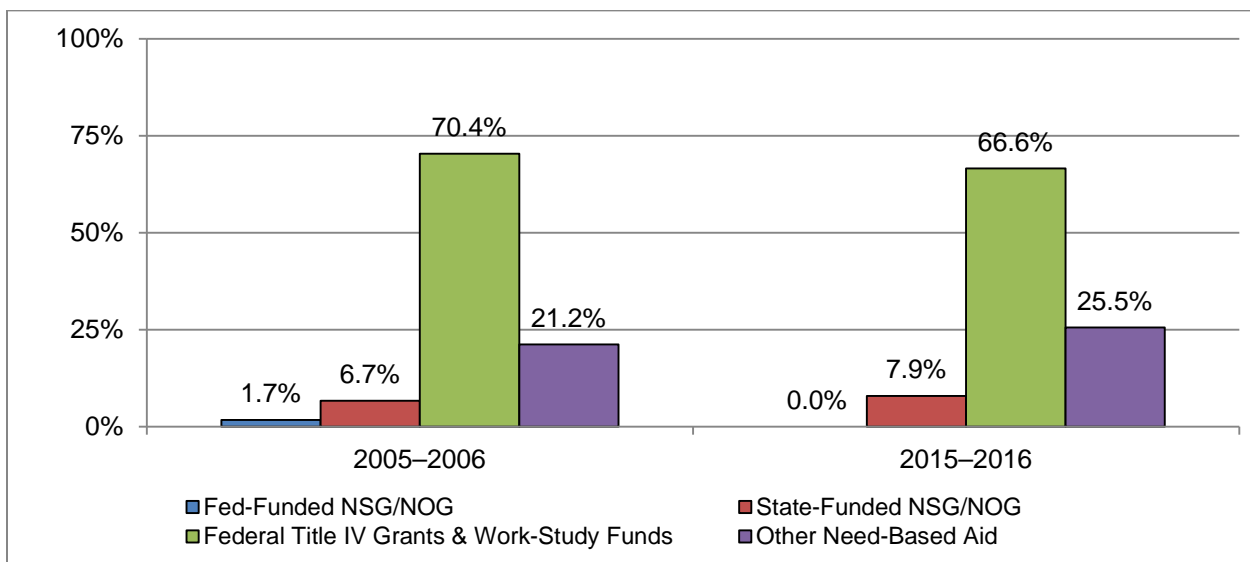
Although Title IV-related programs are the primary source of need-based financial aid, other institution-based programs are available to assist students. Programs available through the state’s public institutions are funded by the institutions and private sources. In addition, state funding is provided through need-based tuition waivers offered by the Nebraska state colleges and the institutions constituting the University of Nebraska.

- As shown in [Table 1.5.4](#), the total amount of need-based financial aid, not including Title IV aid, provided to students by Nebraska’s public institutions increased 152.6% from \$15,357,434 in 2005–2006 to \$38,793,939 in 2015–2016.
- Between 2005–2006 and 2015–2016, the amount of other need-based aid provided by the University of Nebraska increased 146.4%, while the amount of other need-based aid provided by the Nebraska State College System increased 159.9%, and the amount of other need-based aid awarded by Nebraska’s six community colleges increased 201.3%.

*Total Need-Based Aid (Excluding Loans):*

- The total amount of need-based financial aid provided to students attending Nebraska’s public institutions, including Title IV programs and other need-based aid, but excluding loans, increased 109.7% from \$72,425,515 in 2005–2006 to \$151,878,517 in 2015–2016.
- As illustrated in [Figure 1.5.5](#), the state-funded portion of the Nebraska state grants program accounted for 6.7% of all of the need-based aid awarded by Nebraska public institutions in 2005–2006, excluding loans, compared to 7.9% in 2015–2016.

**Figure 1.5.5**  
**Total Need-Based Financial Aid (Excluding Loans)**  
**Awarded by Public Nebraska Postsecondary Institutions**  
**2015–2016 Compared to 2005–2006**



*Note.* Data sources: U.S. Department of Education Office of Postsecondary Education, December 2016; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, December 2016.

## Access College Early (ACE) Scholarship Program

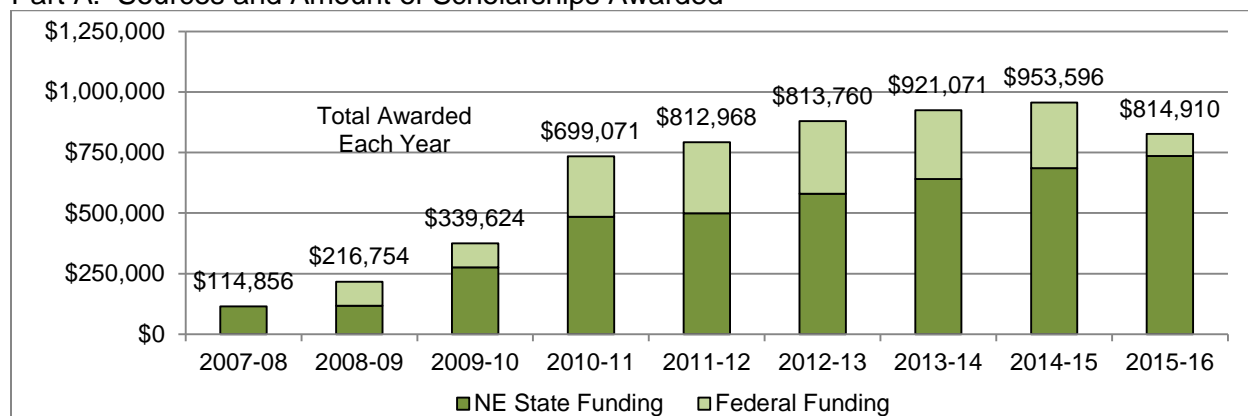
The State of Nebraska funds the Access College Early (ACE) Scholarship Program, which was started in fall 2007. ACE scholarships are awarded to eligible low-income Nebraska high school students who take courses for credit from postsecondary institutions while the students are in high school. These courses are typically dual enrollment courses, which are offered for both high school and college credit, but some are college courses offered only for college credit. [Figure 1.5.6](#) illustrates the growth of the ACE Scholarship Program.

- In 2007–2008, 363 ACE scholarships totaling \$114,856 were awarded to 294 Nebraska high school students from 110 high schools. These students registered for 1,698 credit hours at 11 Nebraska colleges and universities.
- In 2015–2016, 3,575 ACE scholarships totaling \$814,910 were awarded to 1,894 Nebraska high school students from 204 high schools. These students registered for 12,195 credit hours at 17 Nebraska colleges and universities. A total of \$945,600 is appropriated for ACE scholarships for 2016–2017.

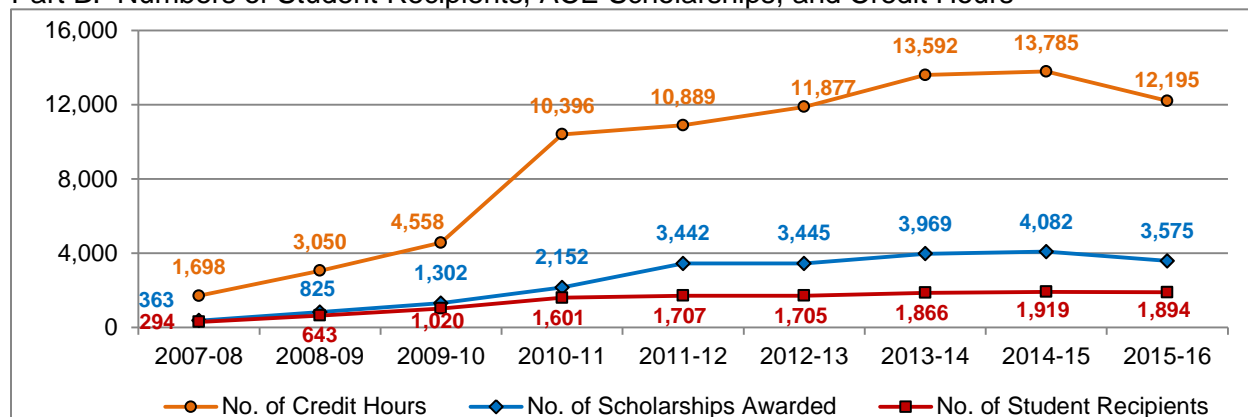
**Figure 1.5.6**

### Growth of the Nebraska Access College Early (ACE) Scholarship Program 2007–2008 through 2015–2016

#### Part A: Sources and Amount of Scholarships Awarded



#### Part B: Numbers of Student Recipients, ACE Scholarships, and Credit Hours



*Note.* In academic years 2007–2008 and 2010–2011 through 2014–2015, eligible students were allowed to apply for scholarships for as many courses as they wanted to take. In 2008–2009 and 2009–2010, scholarships were limited to funding only one course per term per eligible student, so that a student could receive scholarships for a maximum of two or three courses during the school year, depending on whether courses were taken on a semester or quarter basis. Since 2015–2016 eligible students have been limited to two courses per term. Data source: Nebraska's Coordinating Commission for Postsecondary Education, December 2016.

## **College Continuation Rates of ACE Scholarship Recipients**

Since 2009, the Coordinating Commission has conducted research to determine how many of the high school seniors who receive ACE scholarships continue on to college compared to other low-income and non-low-income graduates of Nebraska's public high schools.

For this research, a college continuation rate is defined as the percentage of high school graduates who were enrolled in college within one year of their high school graduation. For example, for the high school seniors who received ACE scholarships during 2014–2015, the college continuation rate is the percentage of these students who were enrolled in college any time between June 1, 2015, and May 31, 2016. Throughout this summary, the terms college continuation rate and college-going rate are used interchangeably.

Using student records and summary reports from the Nebraska Department of Education (NDE) and enrollment records from the National Student Clearinghouse (NSC), the Commission calculates the college continuation rates by gender for the high school seniors who were ACE scholarship recipients.

The Commission then compares the college continuation rates for the seniors who received ACE scholarships while attending public high schools to the college continuation rates for other low-income and non-low-income graduates of Nebraska's public high schools.

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.<sup>29</sup>

Since the Commission relies on college enrollment records from the NSC, students who continue on to college at non-NSC-reporting institutions are classified as not continuing on to college. As a result, college continuation rates reported here are underestimated to some degree. (See Section 1.1.c of this report for further information on college continuation rates.)

Students who were homeschooled or attended nonpublic (private) high schools are not included in this phase of the research because the NDE does not have sufficient records for the Commission to compute college continuation rates for nonpublic high school students by income status.

### **Profile of Nebraska High School Seniors Who Received ACE Scholarships**

Since 2007–2008, the number of ACE scholarships awarded to high school seniors has steadily increased. However, as total funding for the ACE scholarship program has increased, more scholarships have been awarded to students during their freshman, sophomore, or junior year of high school. As a result, the percentage of ACE scholarships awarded to recipients during their senior year of high school decreased from 74.8% in 2007–2008 to 59.1% in 2014–2015.

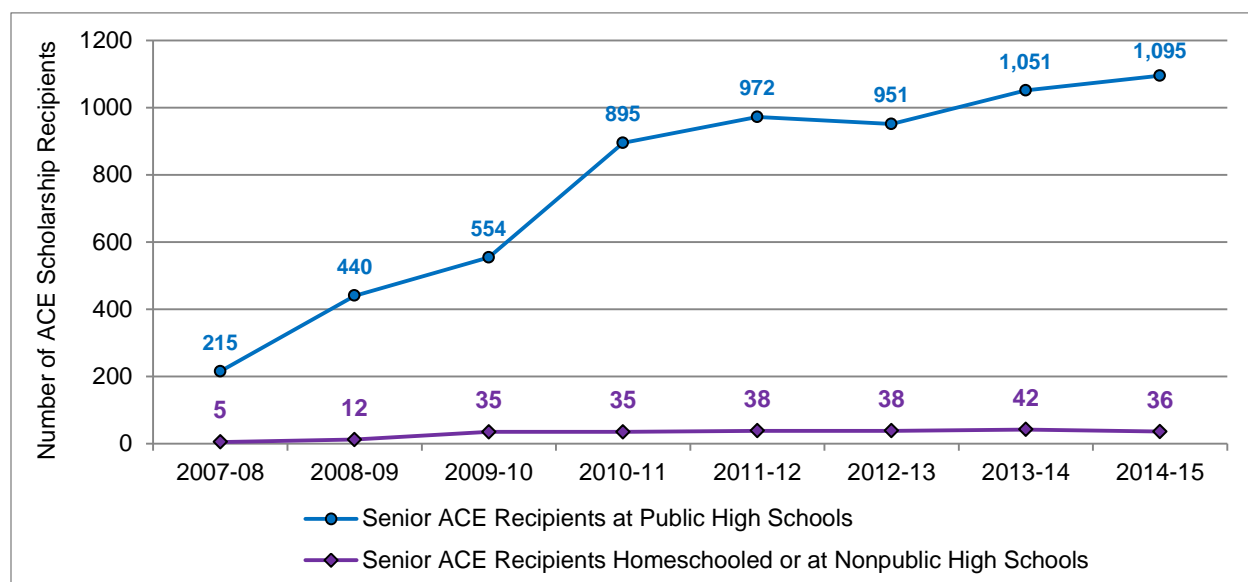
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<sup>29</sup> Non-low-income students for this study include at least some students who live in low-income households but who did not apply for free or reduced-price school lunches. Since participation in the free or reduced-price school lunch program 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.

- As shown in [Figure 1.5.7](#), the number of seniors who received ACE scholarships while attending *public* high schools increased from 215 in 2007–2008 to 1,095 in 2014–2015. The number of senior ACE recipients who were homeschooled or attended nonpublic high schools increased from only five students in 2007–2008 to 36 students in 2014–2015.
- Seniors who received ACE scholarships while attending *nonpublic* high schools accounted for 3.2% of the seniors who received ACE scholarships in 2014–2015, up from 2.3% in 2007–2008.
- As evidenced in [Appendix 8 \(Part 1 of Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h\)](#), among high school seniors who received ACE scholarships between 2007–2008 and 2014–2015, significantly more females received scholarships than their male classmates. Females accounted for 65.9% of the senior scholarship recipients in 2007–2008 and 60.7% in 2014–2015.

**Figure 1.5.7**

**Number of High School Seniors Who Received Access College Early (ACE) Scholarships by Type of School Attended: 2007–2008 through 2014–2015**



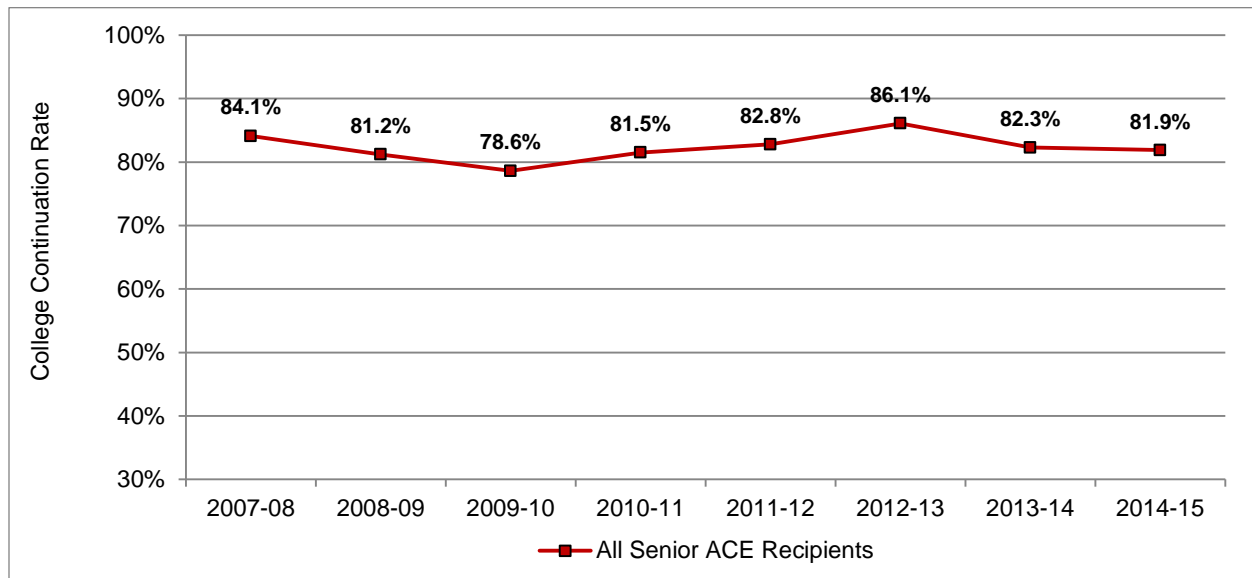
Note. See [Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h](#) in [Appendix 8](#) for supporting data. Data source: Nebraska’s Coordinating Commission for Postsecondary Education, May 2016.

**College Continuation Rates for Nebraska ACE Scholarship Recipients**

- From the first year of the program in 2007–2008 to the third year in 2009–2010, the college continuation rates of ACE scholarship recipients decreased as the number of awarded ACE scholarships increased. As shown in [Figure 1.5.8](#), the college continuation rate for *all seniors* who received ACE scholarships decreased from 84.1% for students who graduated in 2007–2008 to 78.6% for those who finished high school in 2009–2010.
- Since 2009–2010, the college-going rate for ACE scholarship recipients steadily increased to a high of 86.1% in 2012–2013 and has since decreased to 81.9% for 2014–2015 graduates.

Figure 1.5.8

**College Continuation Rates for All High School Seniors  
Who Received Access College Early (ACE) Scholarships  
2007–2008 through 2014–2015**



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h in Appendix 8 for supporting data. Data sources: Nebraska’s Coordinating Commission for Postsecondary Education (numbers of ACE recipients), May 2016; National Student Clearinghouse (college continuation data), May 2016.

*College Continuation Rates by School Type*

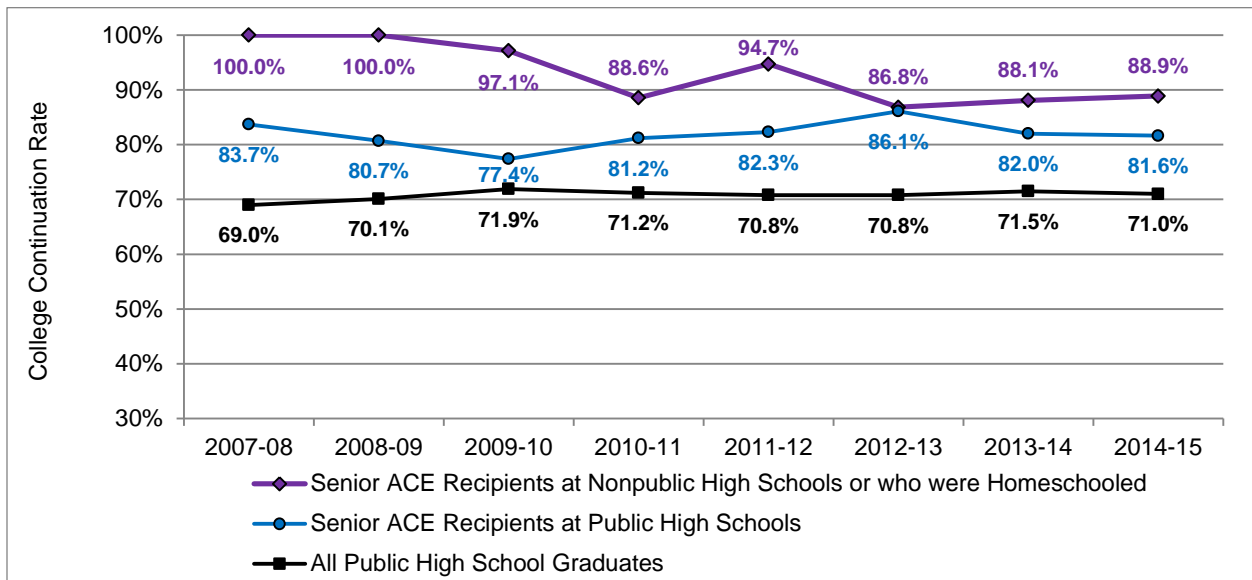
- As shown in [Figure 1.5.9](#), the college-going rate for ACE scholarship recipients who were homeschooled or attended nonpublic (private) high schools decreased from 100.0% of the graduates in 2007–2008 to 88.9% of those in the graduating class of 2014–2015. While the college-going rate for these ACE scholarship recipients appears to have dramatically decreased in 2010–2011 and 2012–2013, it is important to remember this cohort has historically consisted of only five to 42 students per year.
- The college-going rate for ACE scholarship recipients at Nebraska’s *public* high schools decreased from 83.7% among the seniors who received scholarships in 2007–2008 to 81.6% for the class of 2014–2015.
- [Figure 1.5.9](#) also shows that college continuation rates of the *public* high school recipients of ACE scholarships have consistently been significantly higher than the statewide college continuation rates for all graduates of Nebraska’s public high schools.

*College Continuation Rates by Gender*

- For a number of years, the college-going rates of male high school graduates have been lower than the rates of their female classmates. However, as shown in [Figure 1.5.10](#), the college continuation rate for male ACE scholarship recipients in 2007–2008 was 85.3%, compared to a slightly lower rate of 83.4% for the female recipients that year.
- The college continuation rate for male ACE scholarship recipients in 2014–2015 was 79.5%, compared to a rate of 83.4% for the female recipients in 2014–2015.

**Figure 1.5.9**

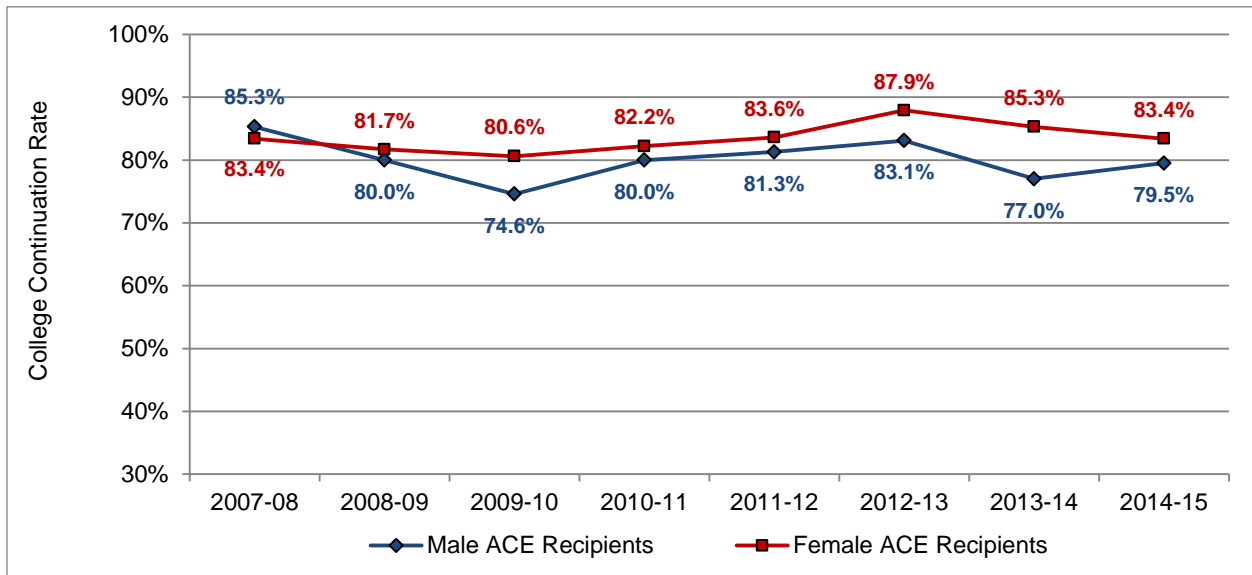
**College Continuation Rates for High School Seniors Who Received Access College Early (ACE) Scholarships by Type of School Attended: 2007–2008 through 2014–2015**



*Note.* See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h in Appendix 8 for supporting data. Data sources: Nebraska’s Coordinating Commission for Postsecondary Education (numbers of ACE recipients), May 2016; National Student Clearinghouse (college continuation data), May 2016.

**Figure 1.5.10**

**College Continuation Rates for High School Seniors Who Received Access College Early (ACE) Scholarships by Gender: 2007–2008 through 2014–2015**



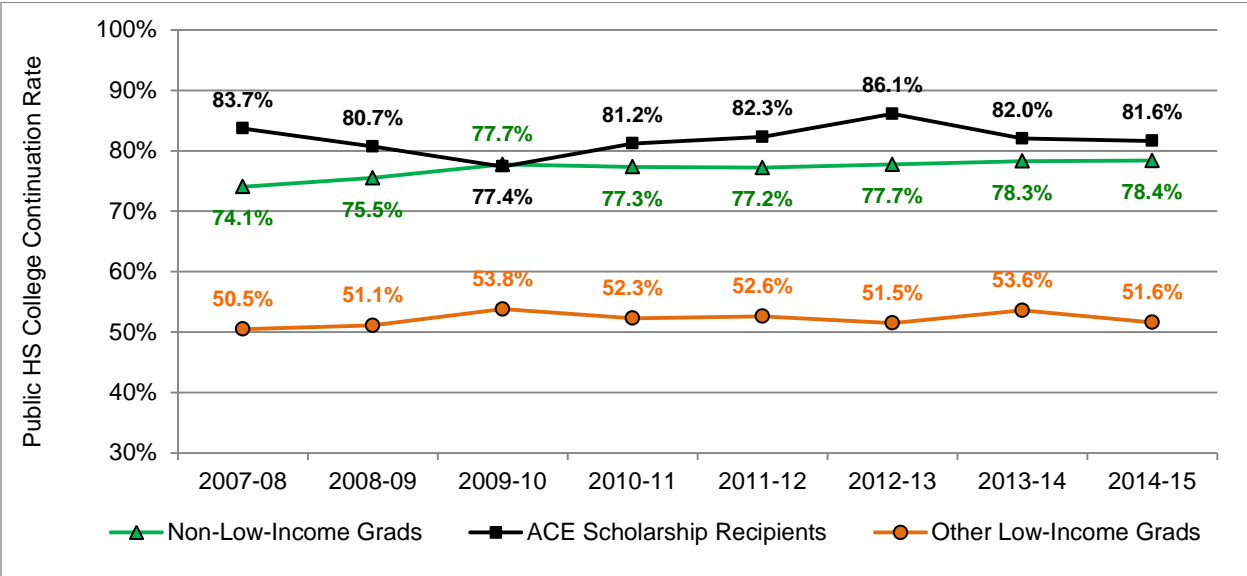
*Note.* See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h in Appendix 8 for supporting data. Data sources: Nebraska’s Coordinating Commission for Postsecondary Education (numbers of ACE recipients), May 2016; National Student Clearinghouse (college continuation data), May 2016.



*College Continuation Rates by Household Income*

- As shown in [Figure 1.5.11](#), college continuation rates of ACE scholarship recipients have been higher than, or about equal to, the rates for non-low-income graduates of the state’s public high schools.
- College continuation rates for ACE scholarship recipients were significantly higher than the college-going rates for other low-income students who graduated from Nebraska’s public high schools between 2007–2008 and 2014–2015.<sup>30</sup>
- Specifically, 81.6% of the 2014–2015 public high school seniors who received ACE scholarships continued on to college, compared to 78.4% of their classmates from non-low-income households and 51.6% of the other low-income public high school students who graduated the same year.

**Figure 1.5.11**  
**College Continuation Rates for Public High School Seniors**  
**Who Received Access Early (ACE) Scholarships**  
**and Other Graduates of Nebraska Public High Schools**  
**by Student Income Status: 2007–2008 through 2014–2015**



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h in Appendix 8 for supporting data. Data sources: Nebraska’s Coordinating Commission for Postsecondary Education (numbers of ACE recipients), May 2016; National Student Clearinghouse (college continuation data), May 2016; and Nebraska Department of Education (numbers of low-income and non-low-income graduates) April 2016.

<sup>30</sup> To calculate the college continuation rates for other low-income graduates, the recipients of ACE scholarships were assumed to be included among the male and female low-income graduates reported by the Nebraska Department of Education 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.

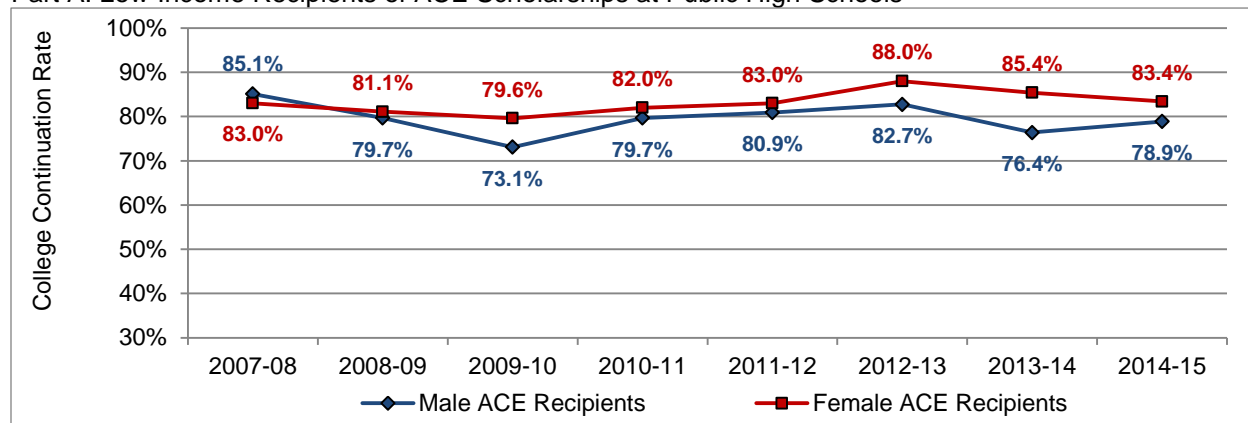
### *College Continuation Rates by Gender and Household Income*

- Females accounted for about two-thirds of the public high school seniors who received ACE scholarships between 2007–2008 and 2014–2015.
- In comparison, females accounted for about half of the low-income and non-low-income students who graduated from Nebraska’s public high schools between 2007–2008 and 2014–2015.
- Even though males accounted for about half of all the students who graduated from Nebraska’s high schools between 2007–2008 and 2014–2015, fewer males than females continued on to college after high school graduation.
- The three charts constituting [Figure 1.5.12](#) directly compare the college continuation rates of the male and female students within each of the three sub-groups of seniors who graduated from Nebraska’s public high schools between 2007–2008 and 2014–2015.
- As shown in [Part A of Figure 1.5.12](#), in 2007–2008, the college continuation rate for the male recipients of ACE scholarships was 2.1 percentage points *higher* than the college continuation rate for female ACE recipients (85.1% vs. 83.0%). For the class of 2014–2015, the college continuation rate for male ACE recipients was 4.5 percentage points *lower* than the rate for female ACE recipients (78.9% vs. 83.4%).
- As evidenced in [Part B of Figure 1.5.12](#), the college-going rate for other low-income females in the class of 2007–2008 was 53.3%, or 10.3 percentage points higher than the 43.0% college-going rate for other low-income males. For the class of 2014–2015, the gap between males and females from other low-income households had dropped to 7.6 percentage points, with 55.4% of the females going on to college, compared to 47.8% of the males.
- As shown in [Part C of Figure 1.5.12](#), the college-going rate for female graduates from non-low-income households was 6.4 percentage points higher than the college continuation rate for non-low-income males for the class of 2007–2008 (77.3% vs. 70.9%). For the non-low-income graduates from the class of 2014–2015, the college continuation rate for females was 10.1 percentage points higher than the college continuation rate for males (83.5% vs. 73.4%).
- College continuation rates for both male and female ACE scholarship recipients from 2007–2008 to 2014–2015 were significantly higher than the comparable college-going rates for male and female graduates from other low-income households.
- Male and female ACE scholarship recipients have generally had similar or higher college-going rates than their male and female classmates from non-low-income households, with the exception of the ACE scholarship recipients in 2009–2010.
- *Male and female recipients of ACE scholarships consistently continue on to college at rates that are higher than, or close to, the college-going rates of their non-low-income classmates.* However, the consistent gap between the college-going rates of male and female graduates, regardless of scholarship availability or household income, suggests other factors need to be identified and addressed to increase the college-going rates of the young men who graduate from Nebraska’s public high schools.

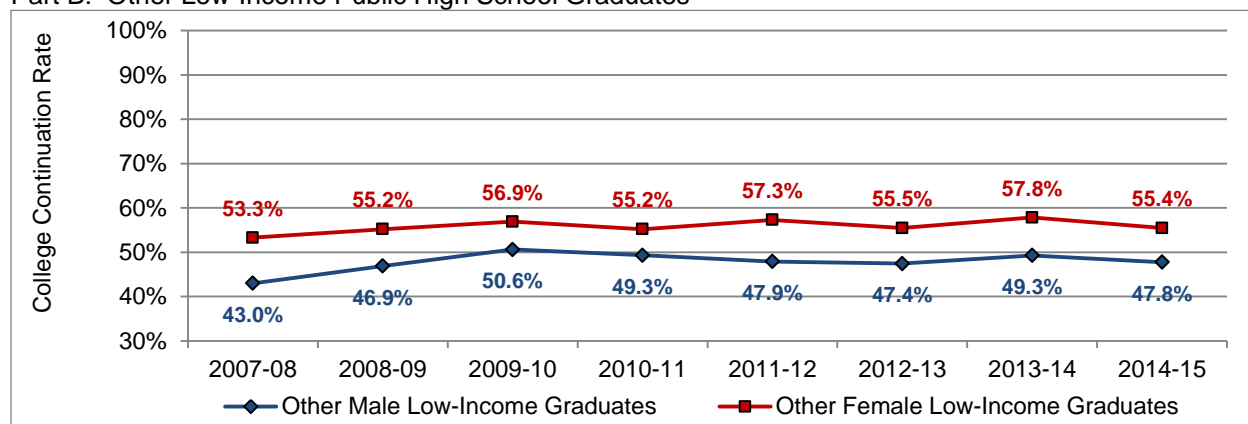
Figure 1.5.12

**College Continuation Rates for Public High School Seniors Who Received Access College Early (ACE) Scholarships and Other Graduates of Nebraska Public High Schools by Student Income Status and Gender: 2007–2008 through 2014–2015**

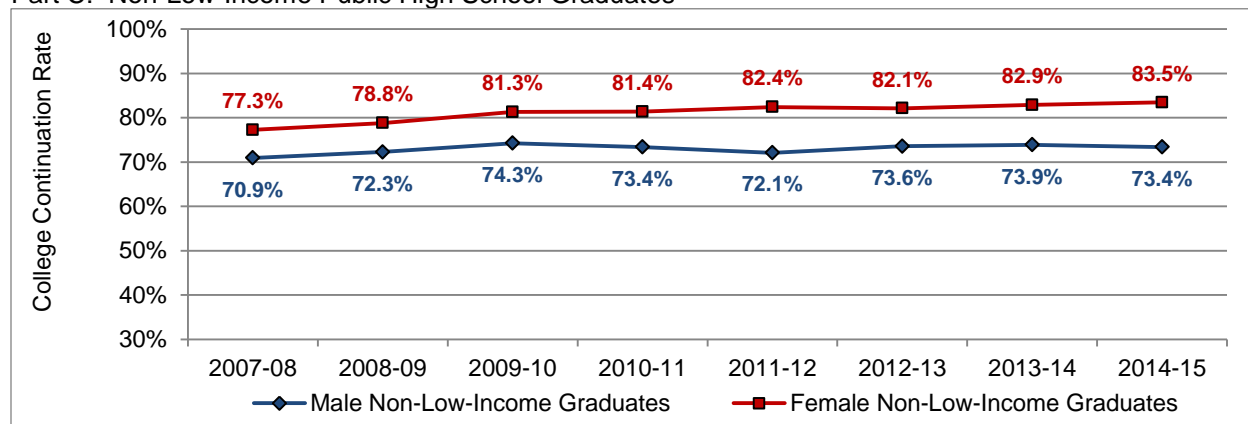
Part A: Low-Income Recipients of ACE Scholarships at Public High Schools



Part B: Other Low-Income Public High School Graduates



Part C: Non-Low-Income Public High School Graduates



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, A8.4.g, and A8.4.h in Appendix 8 for supporting data. Data sources: Nebraska’s Coordinating Commission for Postsecondary Education (numbers of ACE recipients), May 2016; National Student Clearinghouse (college continuation data), May 2016; and Nebraska Department of Education (numbers of low-income and non-low-income graduates) April 2016.

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