

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.²¹

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 program (NOG). This program was previously called the Nebraska State Grant program (NSG), 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.

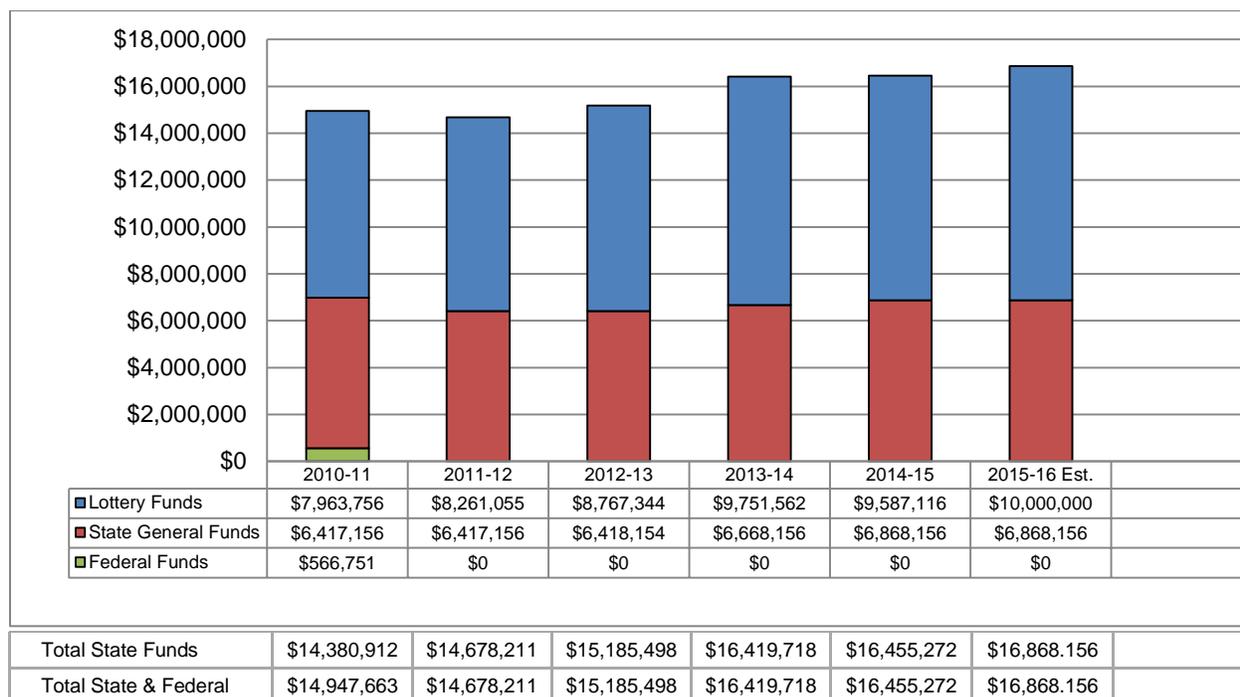
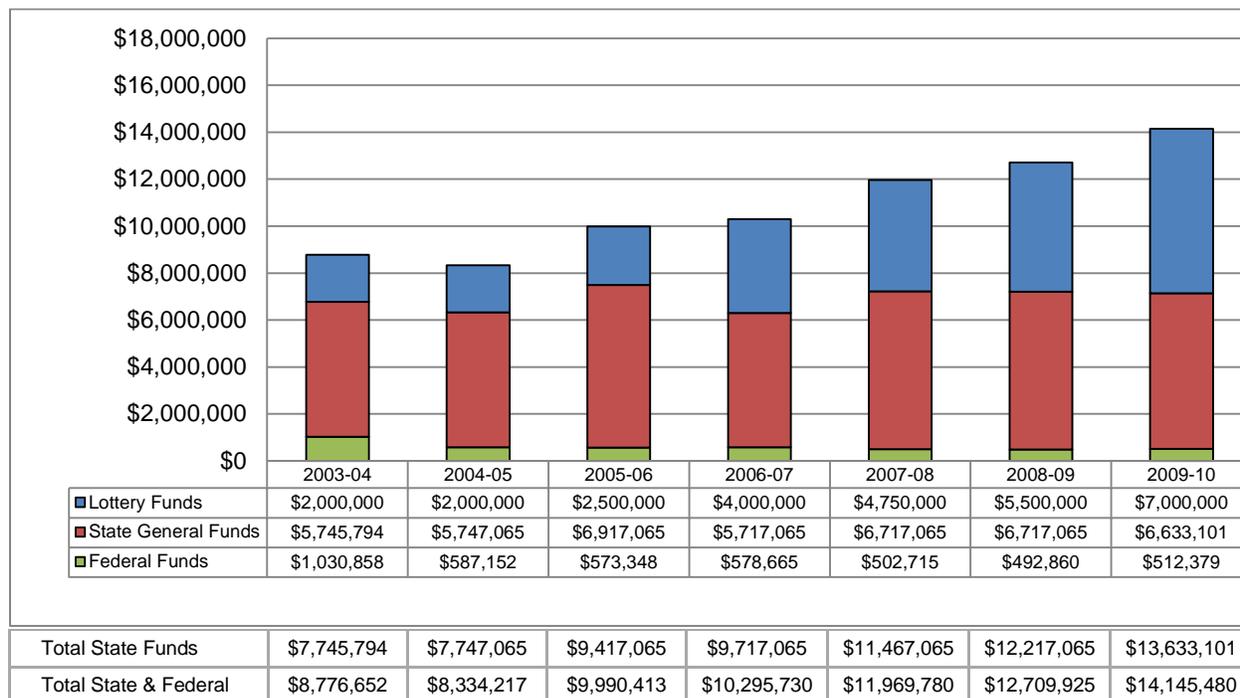
Figure 1.5.1 illustrates how the amount of available funding for state grants has significantly increased since 2003–2004. For the 2003–2004 academic year, the state allocated \$7,745,794 for grant aid to students attending public and private institutions in Nebraska. For 2014–2015, the state allocated \$16,455,272 to assist needy students in attending higher education institutions in Nebraska, an increase of 112.4%. For the 2015–2016 academic year, the amount of available state funding for grant aid was increased to \$16,868,156, or 2.5% above the amount allocated for 2014–2015. As a result, available state funding for state grants awarded in 2015–2016 is 117.7% higher than the state appropriated for student financial aid in 2003–2004.

Increasing the allocation of lottery funds from \$2,000,000 in 2003–2004 to \$10,000,000 in 2015–2016 accounted for 87.7% of the total increase in state appropriations for the state grant program. Increasing appropriations from the state's general fund from \$5,745,794 in 2003–2004 to \$6,868,156 in 2015–2016 accounted for only 12.3% of the increased appropriations.

²¹ For more information on tuition, fees, and financial aid, see the *2014 Tuition, Fees and Financial Aid Report*, available on the Commission's website at ccpe.nebraska.gov/reports.

Over the same period, federal funding decreased from \$1,030,858 in 2003–2004 to \$566,751 in 2010–2011 and was eliminated in 2011–2012. Total funding for 2015–2016 is \$1,920,493, or 12.8%, higher than for 2010–2011.

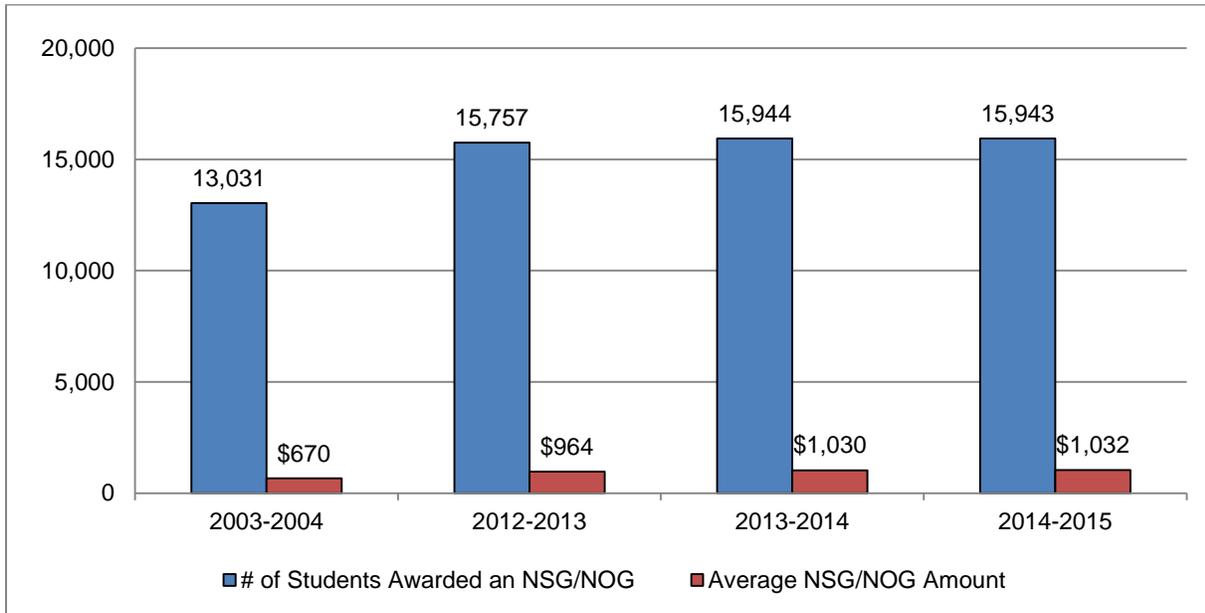
Figure 1.5.1
Sources and Amounts of Available Funding
for the Nebraska Opportunity Grant Program
2003–2004 through 2015–2016



Data source: 2014 Tuition, Fees and Financial Aid Report, Nebraska's Coordinating Commission for Postsecondary Education, September 16, 2014, supplemented with CCPE records, December 2015.

Between 2003–2004 and 2014–2015, as shown in [Figure 1.5.2](#), the number of students who received state grants increased 22.3%, from 13,031 to 15,943, and the average awarded grant increased 54.0%, from \$670 to \$1,032.²²

Figure 1.5.2
Number of Students Who Received
Nebraska Opportunity Grants (NOGs) and the Average Grant Awarded
2012–2013 through 2014–2015 Compared to 2003–2004 Baseline



Data source: Nebraska Opportunity Grant Expenditure Reports, September 2004 and November 2015.

Unfortunately, as shown in [Figure 1.5.3](#), many students who are eligible for state grants do not receive them. In 2014–2015, for example, 15,943 students received state grants. However, based upon expenditure reports submitted to the Commission by each institution, it is estimated that an additional 30,712 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 2003–2004, 46.2% of the students who were eligible for state grants received them. In 2014–2015, only 34.2% 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.²³

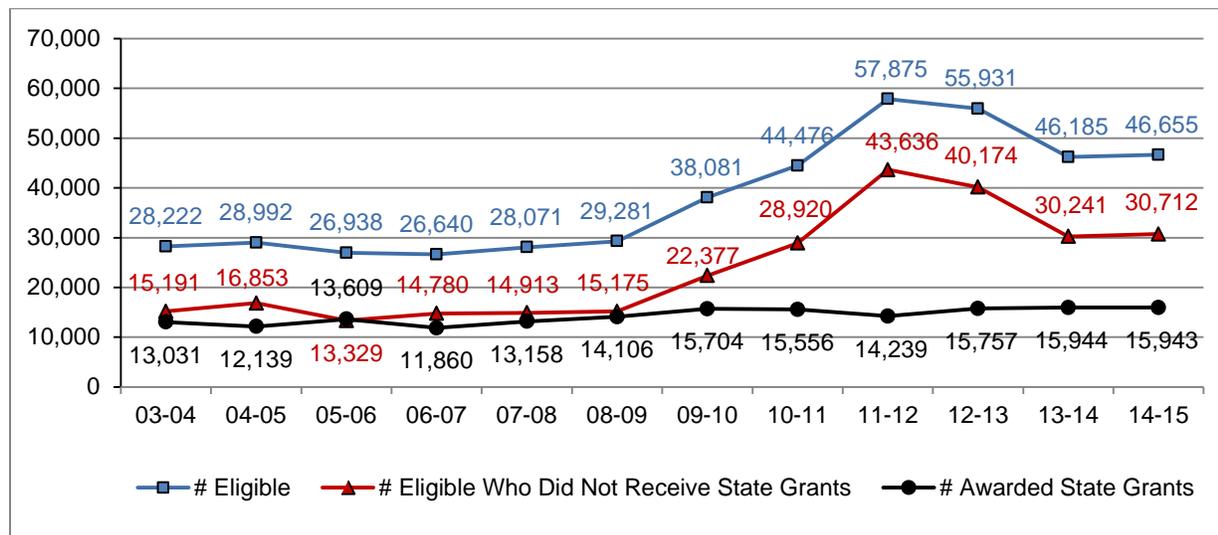
See [Table A8.1](#) and [Table A8.2](#) in [Appendix 8](#) for supporting data and for additional information about the numbers and amounts of Nebraska state grants awarded by sector.

²² 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 2003–2004, the maximum award was at the 25% level, or \$1,032. For 2014–2015, the maximum award was at the 50% level, or \$3,987.

²³ 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 2003–2004 through 2014–2015



Data source: Nebraska Opportunity Grant Expenditure Report and Unmet Need Report, November 2015.

Other Evidence of Unmet Need for Financial Aid

Although state funding of financial aid has increased significantly since 2003–2004, 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.²⁴ 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 over \$227 million in 2014–2015, as a result of the significant increase in the number of Nebraskans eligible for financial aid.²⁵

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 17–21 of the Commission’s *2014 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 50.9%, from \$208,953,401 in 2003–2004 to \$315,330,377 in 2014–2015.²⁶ The number of loan recipients increased 9.1%, from 56,182 in 2003–2004 to 61,319 in 2014–2015, while the number of originated loans increased 19.6%, from 59,698 to 71,380, in 2014–2015.

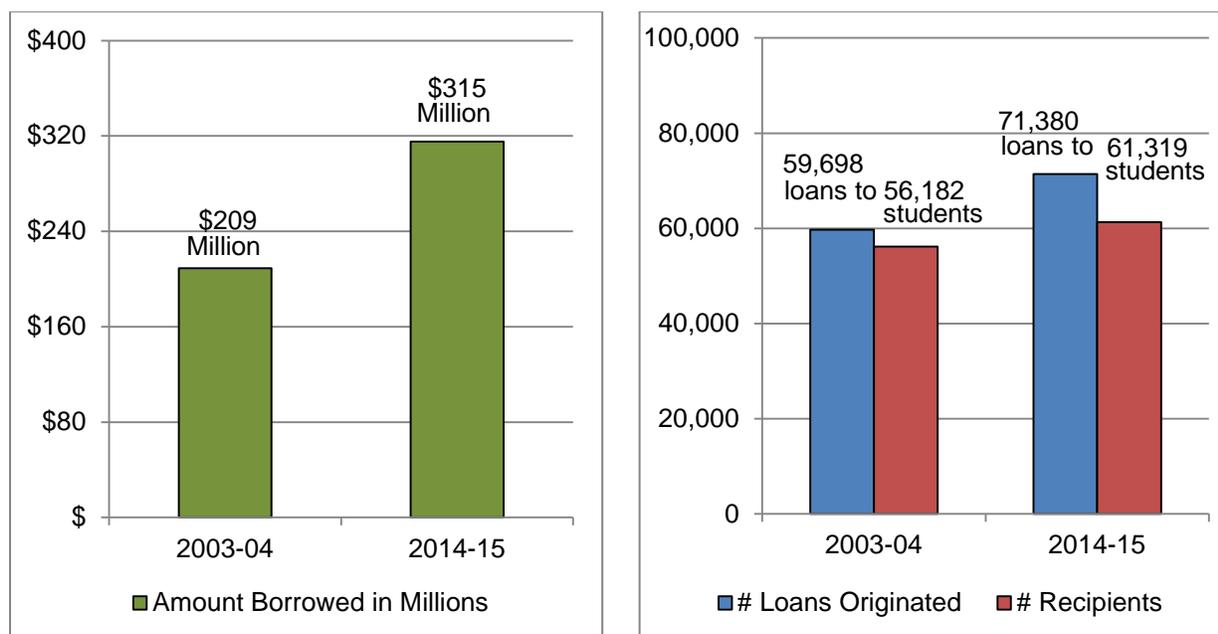
²⁴ Cost of attendance includes tuition and mandatory fees, room and board, and books and supplies.

²⁵ For details regarding these estimates, see the Commission’s *2014 Tuition, Fees and Financial Aid Report*, available on the Commission’s website at ccpe.nebraska.gov/reports.

²⁶ Originated loans, including fees.

Figure 1.5.4

**Level of Student Borrowing to Attend Nebraska’s Public Colleges and Universities
2014–2015 Compared to 2003–2004 Baseline**



Data sources: U.S. Department of Education Office of Postsecondary Education, December 2015; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, October 2005 and November 2015.

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 is fully funded by a federal College Access Challenge Grant (CACG) and is designed to provide financial aid to Nebraska college students who received ACE scholarships while they were in high school. Award year 2015–2016 is 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 2003–2004, which is this report’s baseline year, and 2014–2015. 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, the college continuation rates of ACE scholarship recipients, and the funding and profiles of ACE Plus 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 2003 and 2014.²⁷ 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 2003–2004 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, \$7,704,305 in general state funds accounted for 88.2% of the \$8,735,163 awarded through Nebraska state grants in 2003–2004.
- Between 2003–2004 and 2014–2015, state funding increased \$8,750,967, or 113.6%.
- In total, the amount of funding awarded through the state grant program increased 88.4%, from \$8,735,163 in 2003–2004 to \$16,455,272 in 2014–2015.

²⁷ 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
2003–2004 through 2014–2015

| Academic Year | State Funding | % of Total | Federal Funding ^a | % of Total | Total Funding |
|---|---------------|------------|------------------------------|------------|---------------|
| Nebraska State Grant (NSG) | | | | | |
| 2003–2004 | \$7,704,305 | 88.2% | \$1,030,858 | 11.8% | \$8,735,163 |
| 2004–2005 | \$7,749,542 | 93.0% | \$587,152 | 7.0% | \$8,336,694 |
| 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 |
| Nebraska Opportunity Grant (NOG) | | | | | |
| 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 |
| \$ Change Since 2003–2004 | \$8,750,967 | | -\$1,030,858 | | \$7,720,109 |
| % Change Since 2003–2004 | 113.6% | | -100.0% | | 88.4% |
| Data sources: U.S. Department of Education Office of Postsecondary Education and Nebraska's Coordinating Commission for Postsecondary Education, October 2005–2015. | | | | | |
| ^a Many states were unable to participate in the federal funding program in the 2003–2004 academic year. Therefore, those that were able to participate, like Nebraska, received extra funding. In the 2004–2005 academic year, many of the states that could not participate in the previous year were able to return to the program, which reduced the amount of funding to the other participating states. | | | | | |

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

Between 2003–2004 and 2013–2014, 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 2013–2014, the latest year for which federal data for all Nebraska institutions are available, to financial aid awarded in 2003–2004 (the baseline for this report).²⁸

²⁸ 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*.

- A total of \$813,743,249 Title IV financial aid was awarded to students at Nebraska's postsecondary institutions in 2013–2014, an increase of 57.9% from the 2003–2004 baseline amount of \$515,291,402.
- Nebraska's state grants were equivalent to 2.0% of the total Title IV financial aid awarded to students attending Nebraska postsecondary institutions in 2013–2014, up from 1.7% in 2003–2004.

Table 1.5.2
Total Title IV Federal and State Financial Aid
Awarded at All Eligible Nebraska Postsecondary Institutions
2013–2014 Compared to 2003–2004 Baseline

| Type of Financial Aid Awarded | 2003–2004 | | 2013–2014 | | % Change in Funding |
|-------------------------------|----------------------|---------------|----------------------|---------------|---------------------|
| | Total Funding | % of Funding | Total Funding | % of Funding | |
| Grants | | | | | |
| Pell Grant | \$69,346,101 | 13.5% | \$142,922,316 | 17.6% | 106.1% |
| FSEOG | \$6,443,781 | 1.3% | \$5,506,915 | 0.7% | -14.5% |
| IASG | \$0 | 0.0% | \$5,238 | 0.0% | |
| TEACH | \$0 | 0.0% | \$929,023 | 0.1% | |
| NE State Grants | \$8,735,163 | 1.7% | \$16,419,718 | 2.0% | 88.0% |
| FED Work-Study | \$6,324,946 | 1.2% | \$5,976,704 | 0.7% | -5.5% |
| Loans | | | | | |
| Perkins Loans | \$17,308,038 | 3.4% | \$10,406,009 | 1.3% | -39.9% |
| Sub Loans | \$172,737,524 | 33.5% | \$152,723,702 | 18.8% | -11.6% |
| Unsub Loans | \$175,722,228 | 34.1% | \$354,154,654 | 43.5% | 101.5% |
| Grad PLUS | \$0 | 0.0% | \$51,690,895 | 6.4% | |
| PLUS Loans | \$58,673,621 | 11.4% | \$73,008,075 | 9.0% | 24.4% |
| Total Grants and Loans | \$515,291,402 | 100.0% | \$813,743,249 | 100.0% | 57.9% |

Note. 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, TEACH grants, and Grad PLUS loans were not available in 2003–2004. 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 2015; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, October 2005 and November 2015.

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 2014–2015 are not yet available. However, the amount of aid awarded through each Title IV program to students attending the state’s *public* institutions in 2014–2015 is available to compare to the amount awarded in 2003–2004.
- A total of \$447,390,837 Title IV financial aid was awarded to students at Nebraska’s *public* postsecondary institutions in 2014–2015, an increase of \$210,509,871 (88.9%) from the 2003–2004 baseline amount of \$236,880,966.
- As shown in [Table 1.5.3](#), Nebraska state grants accounted for 2.6% of the \$447,390,837 in financial aid awarded by Nebraska’s public institutions in 2014–2015, up from 2.1% in 2003–2004.

| Table 1.5.3 Total Title IV Federal and State Financial Aid Awarded at Nebraska <u>Public</u> Postsecondary Institutions 2014–2015 Compared to 2003–2004 Baseline | | | | | |
|--|----------------------|-----------------|----------------------|-----------------|------------------------|
| Type of Financial Aid Awarded | 2003–2004 | | 2014–2015 | | % Change in Funding |
| | Total Funding | % of Funding | Total Funding | % of Funding | |
| Grants | | | | | |
| Pell Grant | \$45,879,222 | 19.4% | \$106,963,175 | 23.9% | 133.1% |
| FSEOG | \$2,646,427 | 1.1% | \$3,020,115 | 0.7% | 14.1% |
| IASG | \$0 | 0.0% | \$5,311 | 0.0% | |
| TEACH | \$0 | 0.0% | \$1,096,336 | 0.2% | |
| NE State Grants | \$4,970,800 | 2.1% | \$11,505,016 | 2.6% | 131.5% |
| FED Work-Study | \$3,882,831 | 1.6% | \$3,143,296 | 0.7% | -19.0% |
| Loans | | | | | |
| Perkins Loans | \$9,040,645 | 3.8% | \$6,327,211 | 1.4% | -30.0% |
| Sub Loans | \$79,755,942 | 33.7% | \$85,813,241 | 19.2% | 7.6% |
| Unsub Loans | \$70,478,573 | 29.8% | \$167,041,647 | 37.3% | 137.0% |
| Grad PLUS | \$0 | 0.0% | \$8,830,397 | 2.0% | |
| PLUS Loans | \$20,226,526 | 8.5% | \$53,645,092 | 12.0% | 165.2% |
| Total Grants and Loans | \$236,880,966 | 100.0% | \$447,390,837 | 100.0% | 88.9% |
| <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, TEACH grants, and Grad PLUS loans were not available in 2003–2004. 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 2015; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, October 2005 and November 2015.</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 \$125,733,249 awarded through grants or the work-study program in 2013–2014, 9.2% was awarded through the Nebraska state grants program, compared to 8.7% in 2003–2004.
- State funds accounted for 100% of the \$11,505,016 awarded in state grants to students enrolled at public institutions in 2014–2015. Since 2011–2012, no federal funds have been available for funding the state grants program.
- Total federal funding of grants and work study increased by 115.6%, from \$52,992,590 in 2003–2004 to \$114,228,233 in 2014–2015.
- Between 2003–2004 and 2014–2015, state funding of state grants increased by 162.3%, from \$4,386,690 to \$11,505,016. The state funded portion of the Nebraska state grants program increased from being equivalent to 7.6% of the total Title IV financial aid, excluding loans, awarded through Nebraska public institutions in 2003–2004 to equaling 9.2% in 2014–2015.

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.

- The total amount of need-based financial aid, not including Title IV aid, provided to students by Nebraska's public institutions increased 208.4% from \$12,513,302 in 2003–2004 to \$38,596,959 in 2014–2015.
- Between 2003–2004 and 2014–2015, the amount of other need-based aid provided by the University of Nebraska increased 223.3%, while the amount of other need-based aid provided by Nebraska's six community colleges increased 168.1% and the amount of other need-based aid awarded by the Nebraska State College System increased 101.0%.

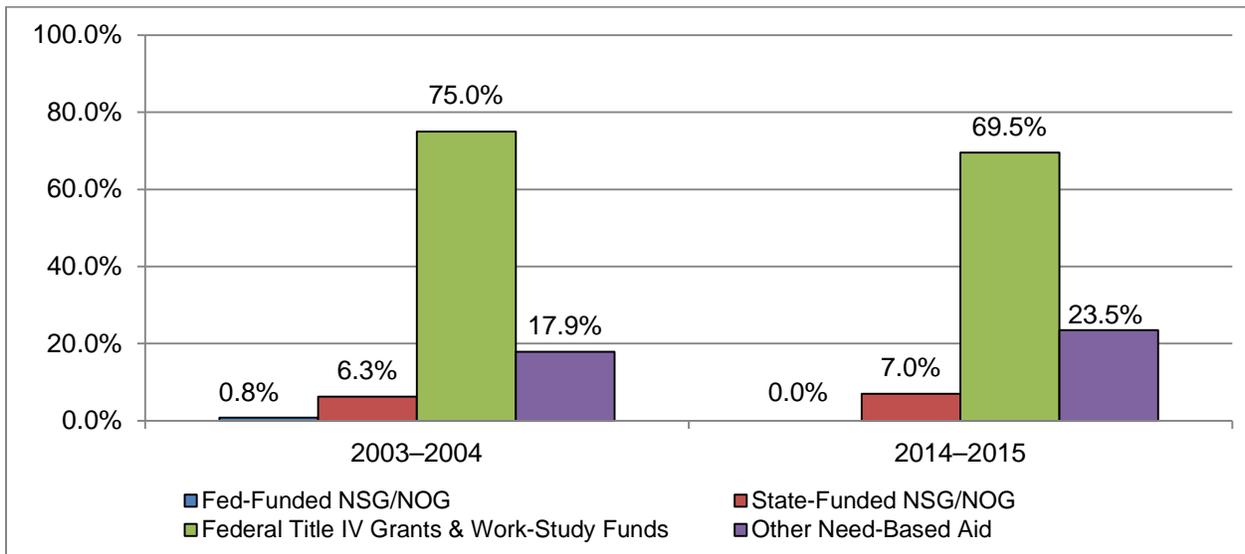
Total Need-Based Aid (Excluding Loans):

- 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 135.1% from \$69,892,582 in 2003–2004 to \$164,330,208 in 2014–2015.
- As illustrated in [Figure 1.5.5](#), the state-funded portion of the Nebraska's state grants program accounted for 6.3% of all of the need-based aid awarded by Nebraska public institutions in 2003–2004, excluding loans, compared to 7.0% in 2014–2015.

**Table 1.5.4
Total Need-Based Financial Aid (Excluding Loans)
Awarded at Nebraska Public Postsecondary Institutions
2014–2015 Compared to 2003–2004 Baseline**

| Type of Need-Based Financial Aid | 2003–2004 | | 2014–2015 | | % Change |
|--|---------------------|--------------|----------------------|--------------|---------------|
| | \$ Awarded | % of Total | \$ Awarded | % of Total | |
| Title IV Aid (Excluding Loans) | | | | | |
| Nebraska State Grants (NSG / NOG) | | | | | |
| State-Funded | \$4,386,690 | 6.3% | \$11,505,016 | 7.0% | 162.3% |
| Federal-Funded | \$584,110 | 0.8% | \$0 | 0.0% | -100.0% |
| Total NE State Grant | \$4,970,800 | 7.1% | \$11,505,016 | 7.0% | 131.5% |
| Federal Title IV | | | | | |
| Pell Grant | \$45,879,222 | 65.6% | \$106,963,175 | 65.1% | 133.1% |
| FSEOG | \$2,646,427 | 3.8% | \$3,020,115 | 1.8% | 14.1% |
| IASG | \$0 | 0.0% | \$5,311 | 0.0% | |
| TEACH | \$0 | 0.0% | \$1,096,336 | 0.7% | |
| Federal Work Study | \$3,882,831 | 5.6% | \$3,143,296 | 1.9% | -19.0% |
| Total Federal Title IV | \$52,408,480 | 75.0% | \$114,228,233 | 69.5% | 118.0% |
| Total Title IV Aid (Excluding Loans) | \$57,379,280 | 82.1% | \$125,733,249 | 76.5% | 119.1% |
| Other Need-Based Aid (Excluding Loans) | | | | | |
| University of Nebraska | \$9,843,307 | 14.1% | \$31,819,530 | 19.4% | 223.3% |
| NE State College System | \$567,739 | 0.8% | \$1,141,244 | 0.7% | 101.0% |
| NE Community Colleges | \$2,102,256 | 3.0% | \$5,636,185 | 3.4% | 168.1% |
| Total Other Need-Based Aid (Excluding Loans) | \$12,513,302 | 17.9% | \$38,596,959 | 23.5% | 208.4% |
| Total Need-Based Aid (Excluding Loans) | \$69,892,582 | | \$164,330,208 | | 135.1% |
| <p><i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; IASG = Iraq and Afghanistan Service Grant; NOG = Nebraska Opportunity Grant; NSG = Nebraska State Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants. IASG grants and TEACH grants were not available in 2003–2004. 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 2015; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, October 2005 and November 2015.</p> | | | | | |

Figure 1.5.5
Total Need-Based Financial Aid (Excluding Loans)
Awarded by Public Nebraska Postsecondary Institutions
2014–2015 Compared to 2003–2004 Baseline



Note. NOG = Nebraska Opportunity Grant; NSG = Nebraska State Grant. The Nebraska State Grant program was in effect from 2003–04 through 2009–10. In 2010–11, the program was renamed the Nebraska Opportunity Grant. Data sources: U.S. Department of Education Office of Postsecondary Education, December 2015; Nebraska DAS Supplements, and Nebraska CCPE Supplementals, October 2005 and November 2015.

Access College Early (ACE) Scholarship Program

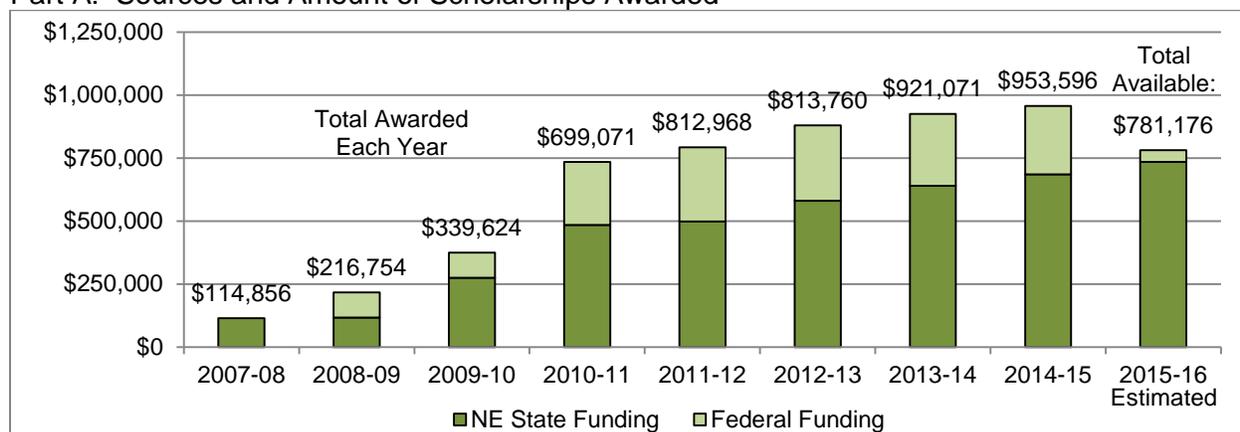
The State of Nebraska funds the Access College Early (ACE) Scholarship Program, which was started in fall 2007. ACE scholarships are awarded to eligible low-income Nebraska high school students who take courses for credit from postsecondary institutions while the students are in high school. These courses 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. Using state and federal funds, the program has grown steadily since its inception.

- 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 2014–2015, 4,082 ACE scholarships totaling \$953,596 were awarded to 1,919 Nebraska high school students from 211 high schools. These students registered for 13,785 credit hours at 18 Nebraska colleges and universities.

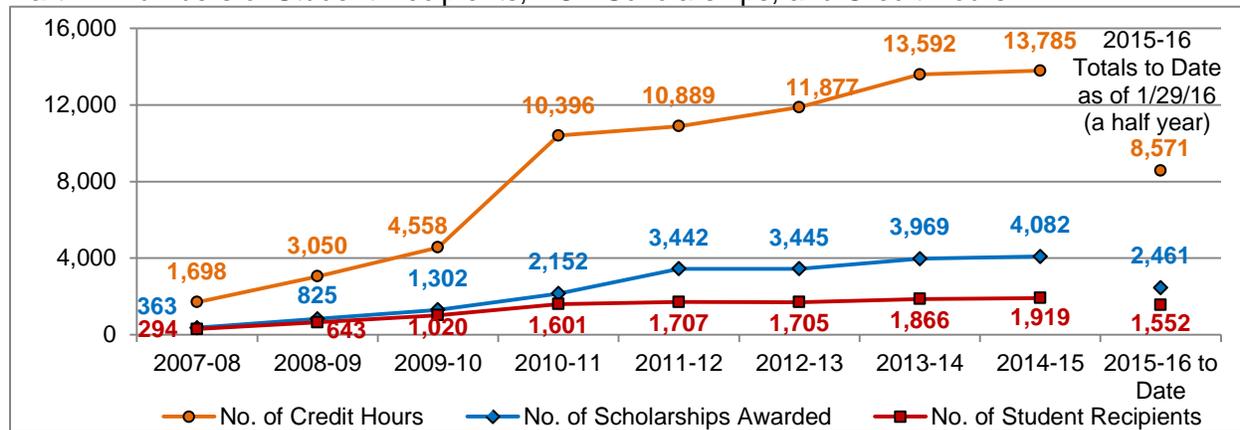
Figure 1.5.6

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

Part A: Sources and Amount of Scholarships Awarded



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



Note. \$538,086 has been awarded for the 2015–16 academic year as of January 29, 2016. Academic year 2015–16 available funding includes \$735,000 in Nebraska state funding and an estimated \$46,176 in federal funding. See [Table A8.3](#) in [Appendix 8](#) for supporting data. Data source: Records maintained by Nebraska's Coordinating Commission for Postsecondary Education, January 2016.

Research on the 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 2013–2014, the college continuation rate is the percentage of these students who were enrolled in college any time between June 1, 2014, and May 31, 2015. 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.²⁹

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

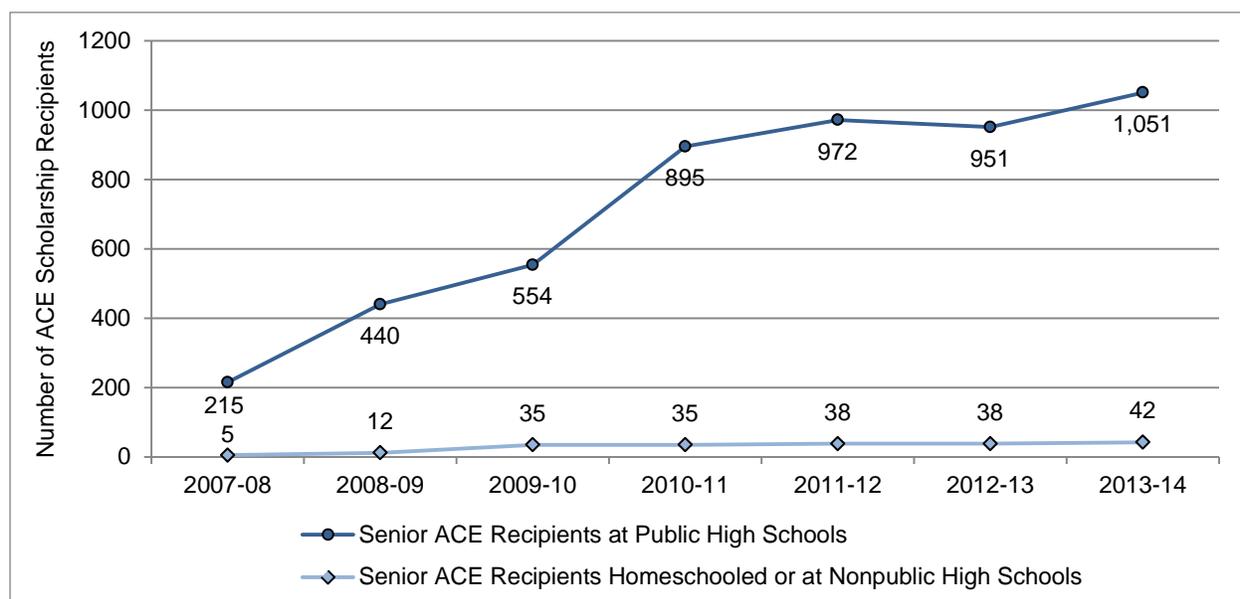
Since 2007–2008, the number of ACE scholarships awarded to high school seniors has steadily increased. However, as total funding for the ACE scholarship program has increased, more scholarships have been awarded to students during their freshmen, sophomore, or junior year of high school. As a result, the percentage of ACE recipients who received scholarships during their senior year decreased from 74.8% in 2007–2008 to 58.6% in 2013–2014.

²⁹ 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 1,051 in 2013–2014. The number of senior ACE recipients who were homeschooled or attended nonpublic high schools increased from only five students in 2007–2008 to 42 students in 2013–2014.
- Seniors who received ACE scholarships while attending *nonpublic* high schools accounted for 3.8% of the seniors who received ACE scholarships in 2013–2014, up from 2.3% in 2007–2008.
- As evidenced in [Appendix 8 \(Part 1 of Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, and A8.4.g\)](#), among high school seniors who received ACE scholarships between 2007–2008 and 2012–2013, significantly more females received scholarships than their male classmates. Females accounted for 65.9% of the senior scholarship recipients in 2007–2008 and 62.9% in 2013–2014.

Figure 1.5.7

Number of High School Seniors Who Received Access College Early (ACE) Scholarships by Type of School Attended: 2007–2008 through 2013–2014



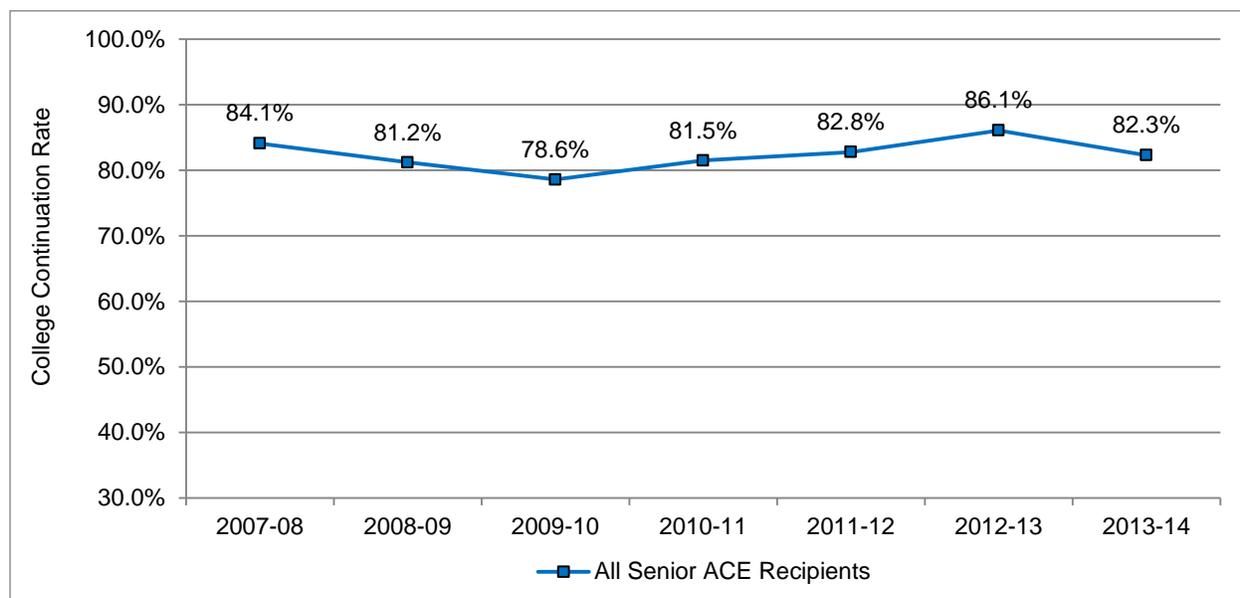
Note. See [Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, and A8.4.g](#) in [Appendix 8](#) for supporting data. Data source: Nebraska ACE Scholarship Program records, Nebraska's Coordinating Commission for Postsecondary Education, January 2016.

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 rates 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.
- The college-going rate for ACE scholarship recipients has since increased to 82.3% among the 2013–2014 graduates.

Figure 1.5.8

**College Continuation Rates for All High School Seniors
Who Received Access College Early (ACE) Scholarships
2007–2008 through 2013–2014**



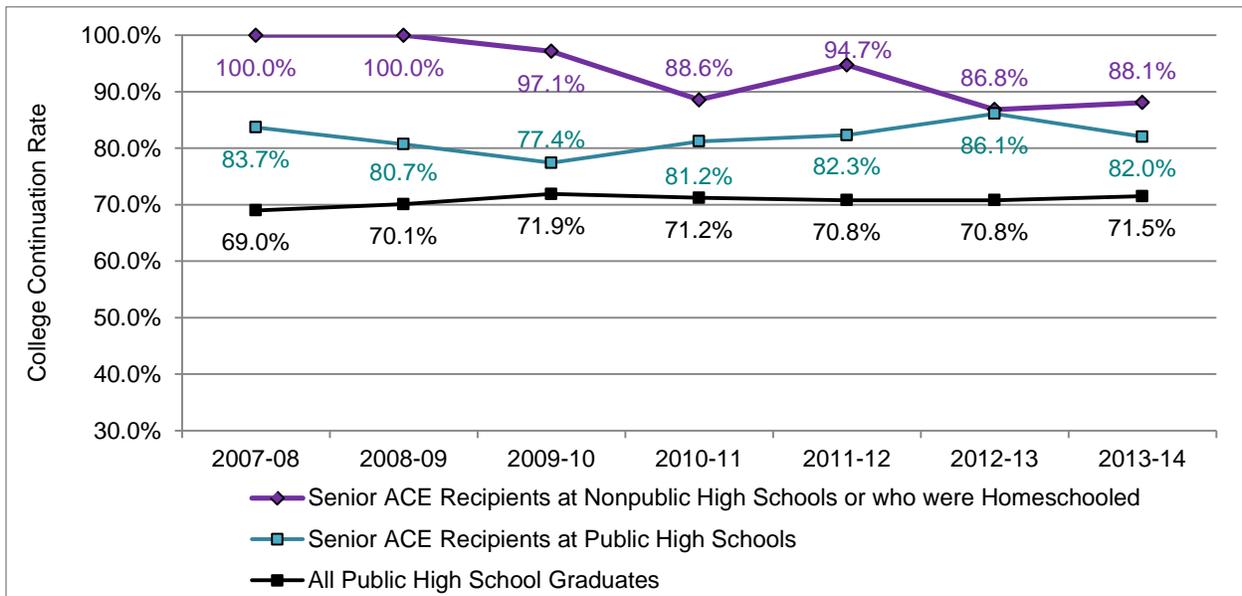
Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, and A8.4.g in Appendix 8 for supporting data. Data sources: Nebraska ACE Scholarship Program records maintained by Nebraska’s Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July 2009, April 2010, March 2011, March 2012, August 2013, April 2014, and August 2015.

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 88.1% of those in the class of 2013–2014. 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 77.4% for the class of 2009–2010. However, the college-going rate has since increased to 82.0% for 2013–2014 recipients.
- [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.

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 2013–2014**



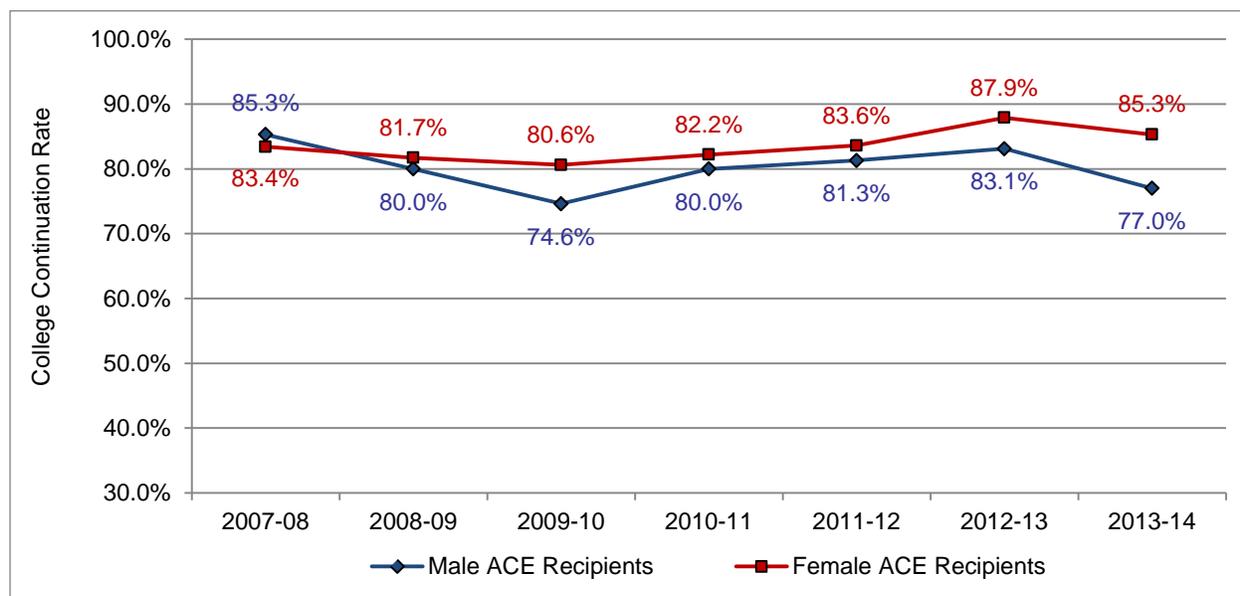
Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, and A8.4.g in Appendix 8 for supporting data. Data sources: Nebraska ACE Scholarship Program records maintained by Nebraska’s Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July 2009, April 2010, March 2011, March 2012, August 2013, April 2014, and August 2015.

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 2013–2014 was 77.0%, compared to a rate of 85.3% for the female recipients in 2013–2014.

Figure 1.5.10

**College Continuation Rates for High School Seniors
Who Received Access College Early (ACE) Scholarships
by Gender: 2007–2008 through 2013–2014**



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, and A8.4.g in Appendix 8 for supporting data. Data sources: Nebraska ACE Scholarship Program records maintained by Nebraska’s Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July 2009, April 2010, March 2011, March 2012, August 2013, April 2014, and August 2015.

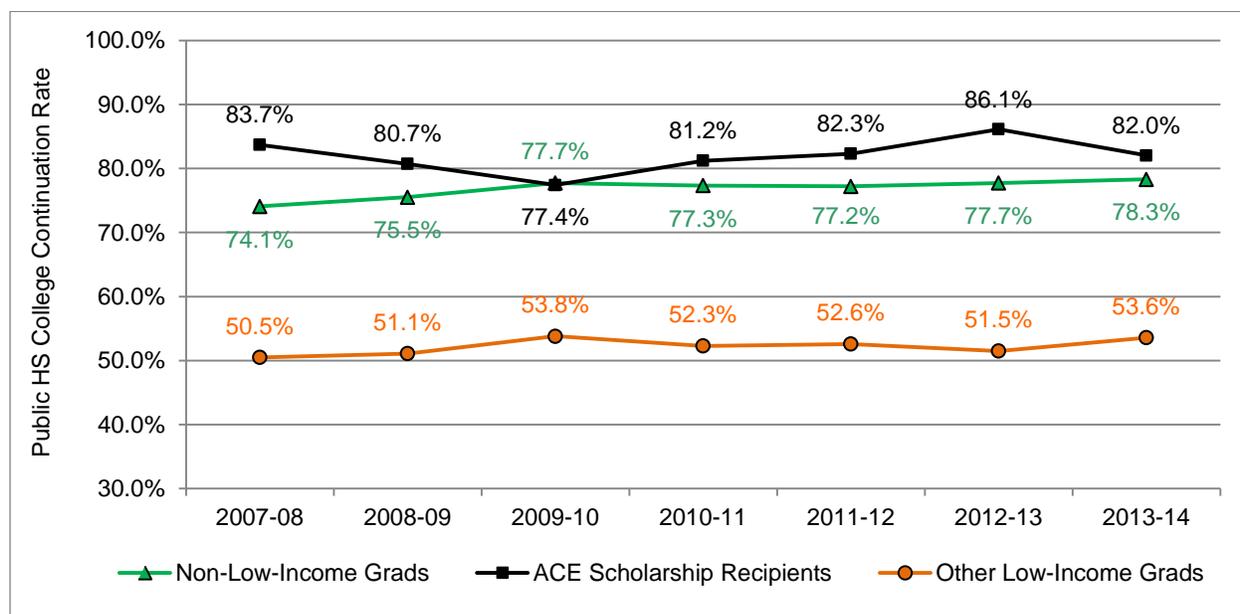
College Continuation Rates by Household Income

- 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 2013–2014.³⁰
- Specifically, 82.0% of the 2013–2014 public high school seniors who received ACE scholarships continued on to college, compared to 78.3% of their classmates from non-low-income households and 53.6% of the other low-income public high school students who graduated the same year.

³⁰ 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.

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 2013–2014



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, A8.4.f, and A8.4.g in Appendix 8 for supporting data. Data sources: Nebraska ACE Scholarship Program records maintained by Nebraska’s Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July 2009, April 2010, March 2011, March 2012, August 2013, April 2014, and August 2015.

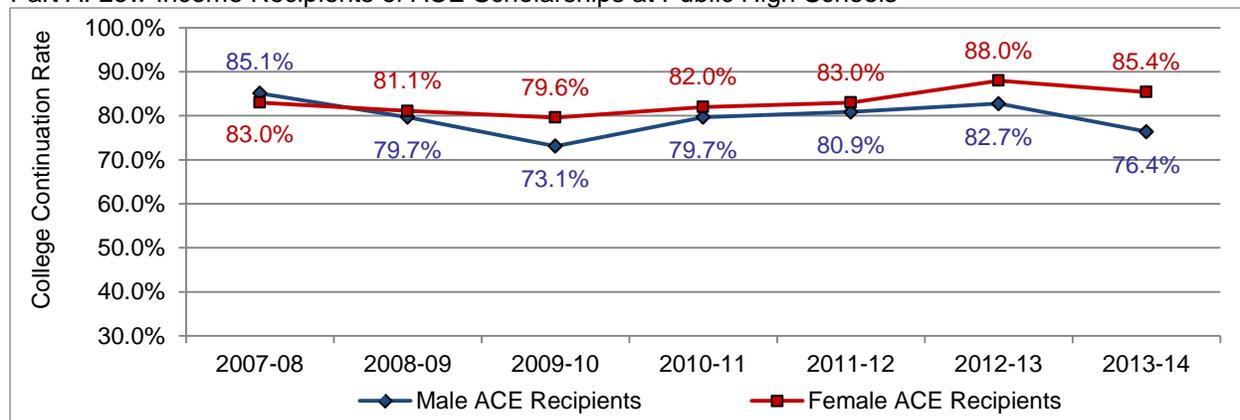
College Continuation Rates by Gender and Household Income

- Females accounted for about two-thirds of the public high school seniors who received ACE scholarships between 2007–2008 and 2013–2014.
- 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 2013–2014.
- Even though males accounted for about half of all the students who graduated from Nebraska’s high schools between 2007–2008 and 2013–2014, 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 2013–2014.
- 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 2013–2014, the college continuation rate for male ACE recipients was 9.0 percentage points *lower* than the rate for female ACE recipients (76.4% vs. 85.4%).

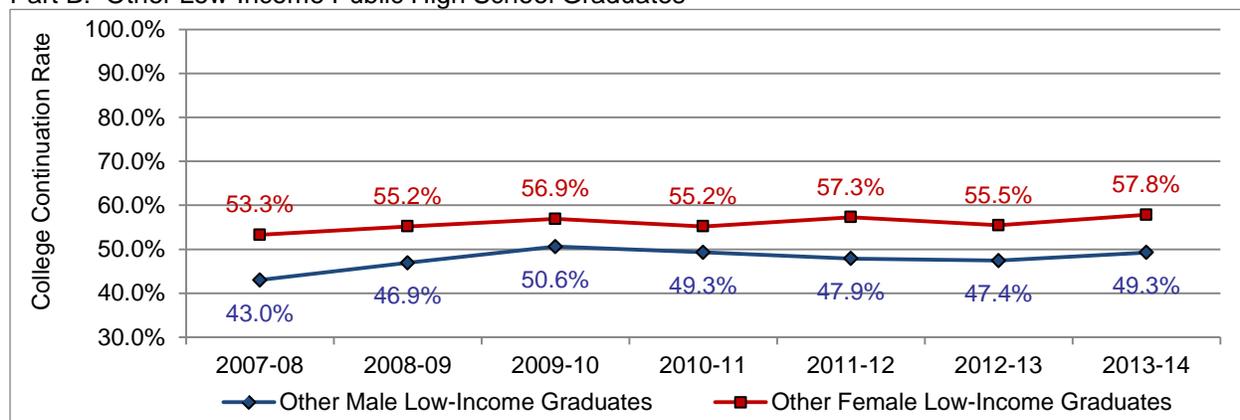
Figure 1.5.12

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 2013–2014

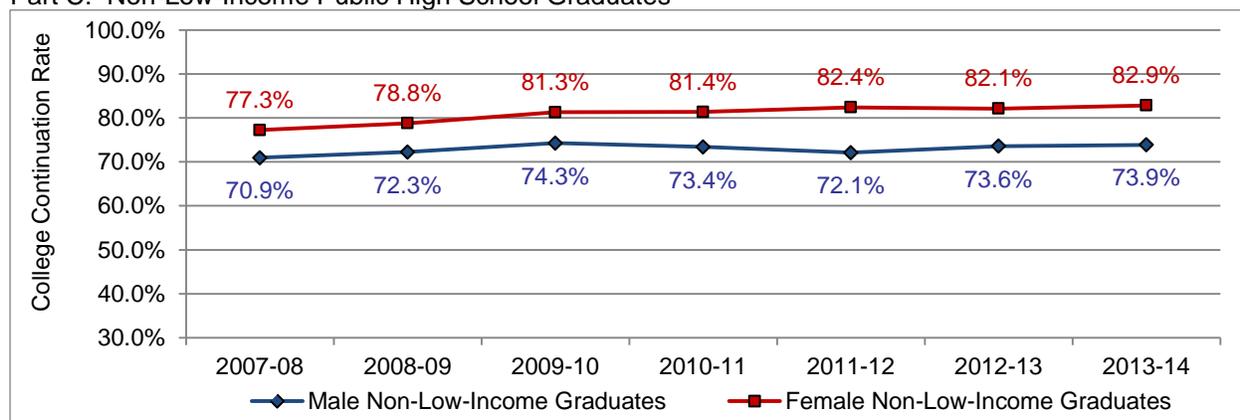
Part A: Low-Income Recipients of ACE Scholarships at Public High Schools



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, and A8.4.g in Appendix 8 for supporting data. Data sources: Nebraska ACE Scholarship Program records maintained by Nebraska's Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July 2009, April 2010, March 2011, March 2012, August 2013, April 2014, and August 2015.

- 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 2013–2014, the gap between males and females from other low-income households had dropped to 8.5 percentage points, with 57.8% of the females going on to college, compared to 49.3% 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 2013–2014, the college continuation rate for females was 9.0 percentage points higher than the college continuation rate for males (82.9% vs. 73.9%).
- College continuation rates for both male and female ACE scholarship recipients from 2007–2008 to 2012–2013 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 had 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.

2014 ACE Scholarship Recipient Survey

While the college continuation rates for ACE scholarship recipients are over 50% higher than the rates for other low-income Nebraska public high school graduates, not all ACE recipients continue on to college. Between 2007–2008 and 2012–2013, 5,283 high school seniors received ACE scholarships and 4,360 continued on to college within a year of high school graduation according to the National Student Clearinghouse (NSC). In other words, 923 of the students who received an ACE scholarship during their senior year of high school did not continue on to college.

To gain insight into why recipients sometimes do not continue on to college, the 2014 ACE Scholarship Recipient Survey was conducted by the Coordinating Commission. Students who received one or more ACE scholarships while seniors during the academic years of 2011–2012 or 2012–2013, and did not continue on to college within one year of high school graduation, were surveyed.

A total of 89 students completed the survey (response rate = 29.0%). Surprisingly, 49 respondents reported they had continued on to college within a year of their high school graduation. Specifically, 67.2% of the 2011–2012 respondents and 33.3% of the 2012–2013 respondents reported continuing on to college within one year of their high school graduation, despite the fact that NSC data indicated that none of these students continued on to college within one year of high school graduation. The impact of this is that rather than having a college-going rate of 84.4% for the combined cohorts, the survey results show that the actual college-going rate was at least 86.9%.

While National Student Clearinghouse data is not perfect (not all postsecondary institutions are required to submit data to NSC, both students and schools can put directory blocks on their information at the NSC, and data matching issues sometimes arise because of name misspellings/birth date errors), their coverage is estimated to be 95%. It is suspected that many of the ACE recipients failed to match because of name misspellings and/or birth date errors. Beginning with the 2012–2013 academic year, the Commission converted its ACE Scholarship application from a paper form to an online form, and it appears as though this change has helped to reduce matching errors attributable to data entry errors.

The college continuation rates presented in the preceding portion of this report were not corrected to account for ACE recipients who stated they had continued on to college for two reasons. First, these were self-reports of continuing on to college and were not verified with the postsecondary institutions. Second, the survey was conducted with only two out of six senior classes. Altering college continuation rates for these two classes would make trend analyses invalid.

Some other important findings of the study include:

- For the 2011–2012 cohort, an additional eight respondents reported continuing on to college within one to two years after high school graduation. (Since the survey was conducted in the summer of 2014, it is unknown how many of the 2012–2013 cohort continued on to college within one to two years of high school graduation.)
- 93.1% agreed (33.3%) or strongly agreed (59.8%) that dual-enrollment was beneficial.
- 87.5% felt prepared (53.4%) or very prepared (34.1%) to take college-level courses when they graduated from high school.
- For respondents who had not yet continued on to college, 93.5% stated that completing a college degree is a goal of theirs.

The ACE Plus Scholarship Program

The ACE Plus scholarship program was initiated by the Commission in 2011–2012 to provide assistance to first- and second-year college students who were Access College Early (ACE) scholarship recipients prior to graduating from high school.

To be eligible for the first-year award, a student must have:

- Received an ACE scholarship;
- Received a GPA of 2.0 or better on a 4.0 scale for all completed ACE-funded courses taken while in high school; and
- Enrolled in a postsecondary educational institution as a full-time student

To be eligible for the second-year award, a student must have:

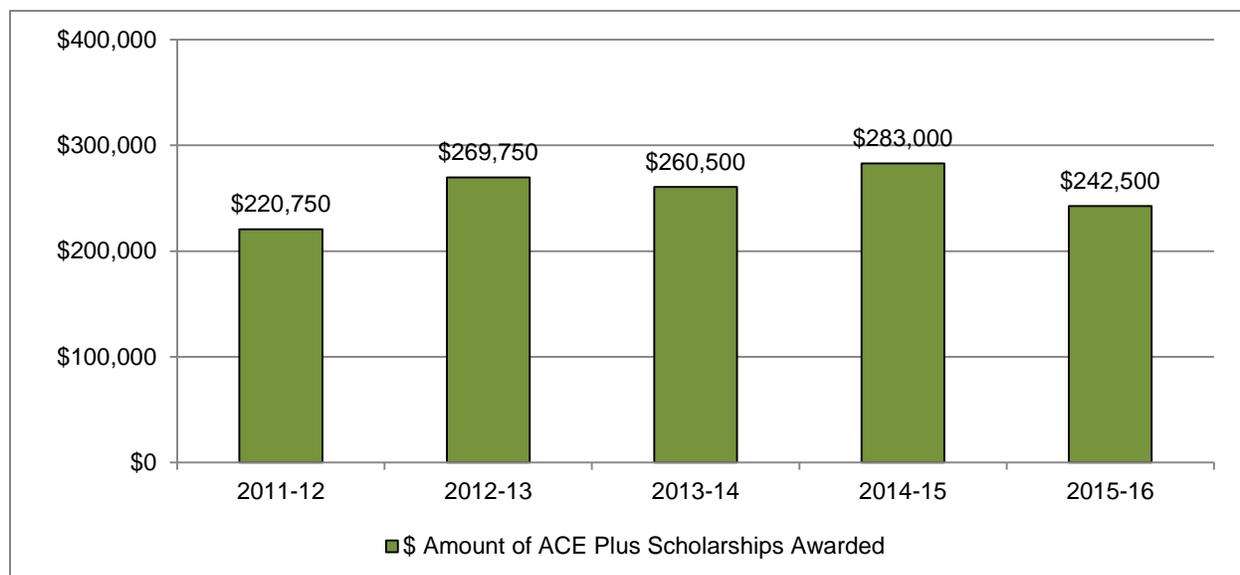
- Met all the requirements for a first-time award (above); and
- Received a GPA of 2.0 or better on a 4.0 scale during the first year of college

ACE Plus Funding

- The ACE Plus scholarship was initially funded with \$223,000 of a federal College Access Challenge Grant (CACG). Of the \$223,000, a total of \$220,750 was awarded in scholarships for the 2011–2012 academic year (see [Figure 1.5.13](#)).
- For 2015–2016, \$242,500 in federal CACG funding was awarded for ACE Plus scholarships. No funding is available for the ACE Plus program in 2016–2017.
- For the 2011–2012 academic year, awards for first-year college students were \$500, while second-year students received awards of \$1,250. Since 2012–2013, awards for first-year college students were still \$500, but the scholarships for second-year students were reduced to \$1,000 so that ACE Plus scholarships could be awarded to more students.

Figure 1.5.13

Amount Awarded for ACE Plus Scholarships for 2011–2012 through 2015–2016

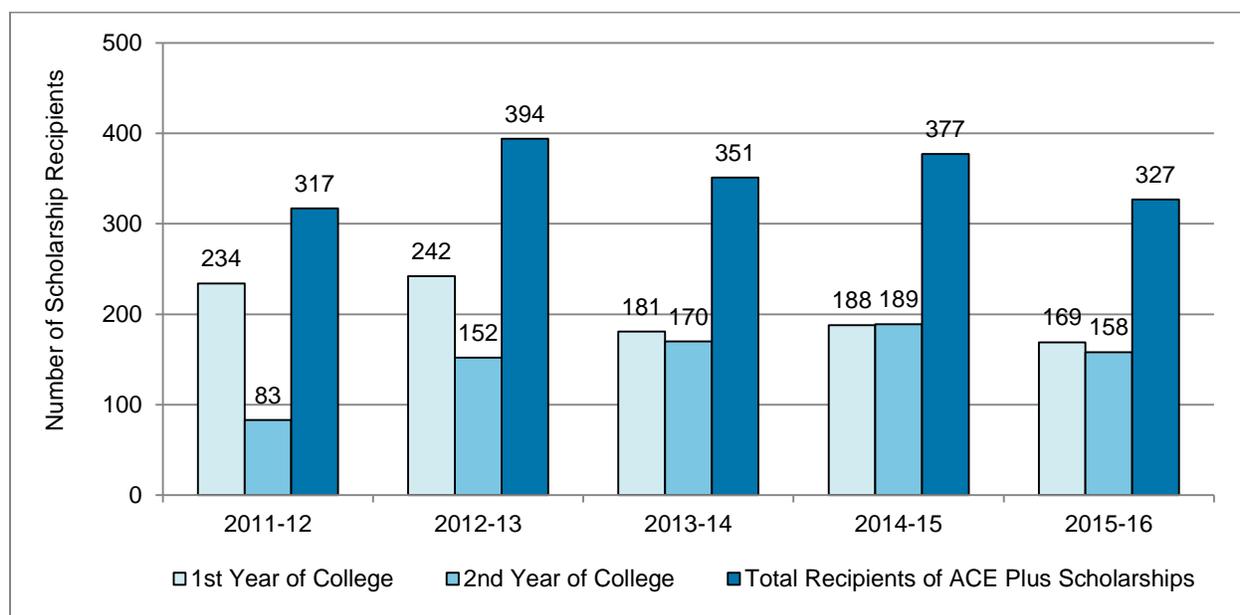


Data source: Nebraska's Coordinating Commission for Postsecondary Education, November 2015.

ACE Plus by Year in College

- As shown in [Figure 1.5.14](#), a total of 317 ACE Plus scholarships were awarded for the 2011–2012 academic year. Of the 317 scholarships awarded, 234 (73.8%) went to first-year students and 83 (26.2%) were awarded to second-year students.
- Of the 327 scholarships awarded for 2015–2016, 169 (51.7%) were awarded to first-year students, while second-year students received 158 (48.3%) of ACE Plus scholarships.

Figure 1.5.14
Recipients of ACE Plus Scholarships by Year in College
2011–2012 through 2015–2016



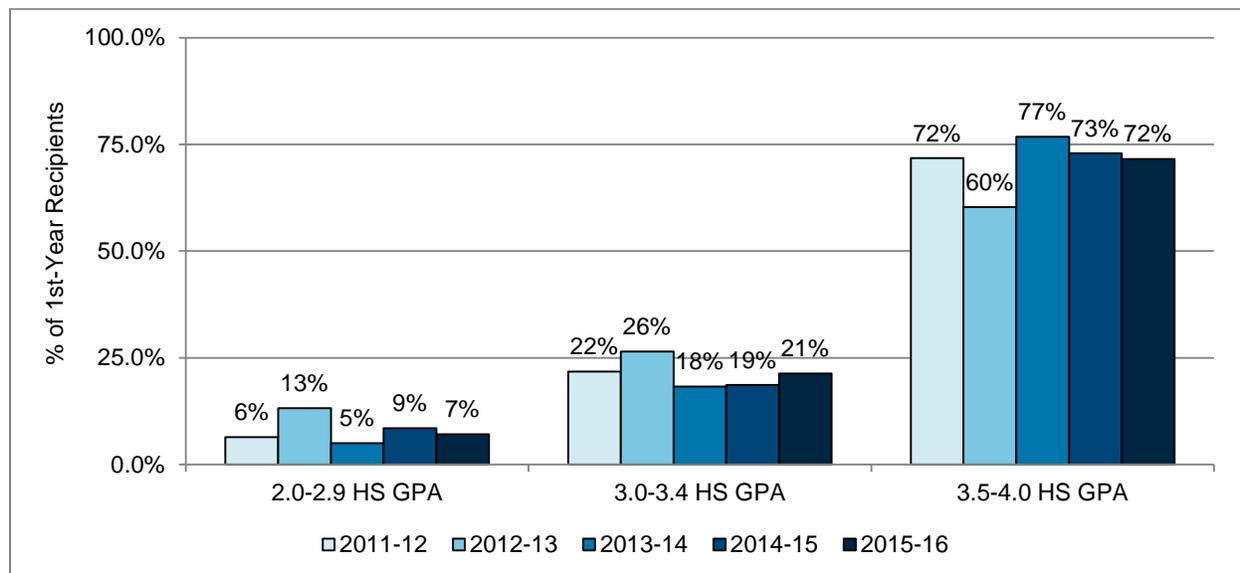
Note. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska's Coordinating Commission for Postsecondary Education, November 2015.

ACE Plus by Student GPA

- The academic success of the students who received ACE Plus scholarships is illustrated in [Figure 1.5.15](#) and [Figure 1.5.16](#).
- Since inception of the ACE Plus program in 2011–2012, more than 85% of the students who received ACE Plus scholarships for their first year of college reported a high school grade-point average (GPA) of 3.0 or higher, and at least 60% reported a GPA between 3.5 and 4.0. (See [Figure 1.5.15](#).)
- In addition, since the program began in 2011–2012, over 80% of students who received ACE Plus scholarships for their second year of college finished their first year in college with a GPA of 3.0 or higher. Roughly 50% or more earned first year GPAs in the range of 3.5 to 4.0. (See [Figure 1.5.16](#).)

Figure 1.5.15

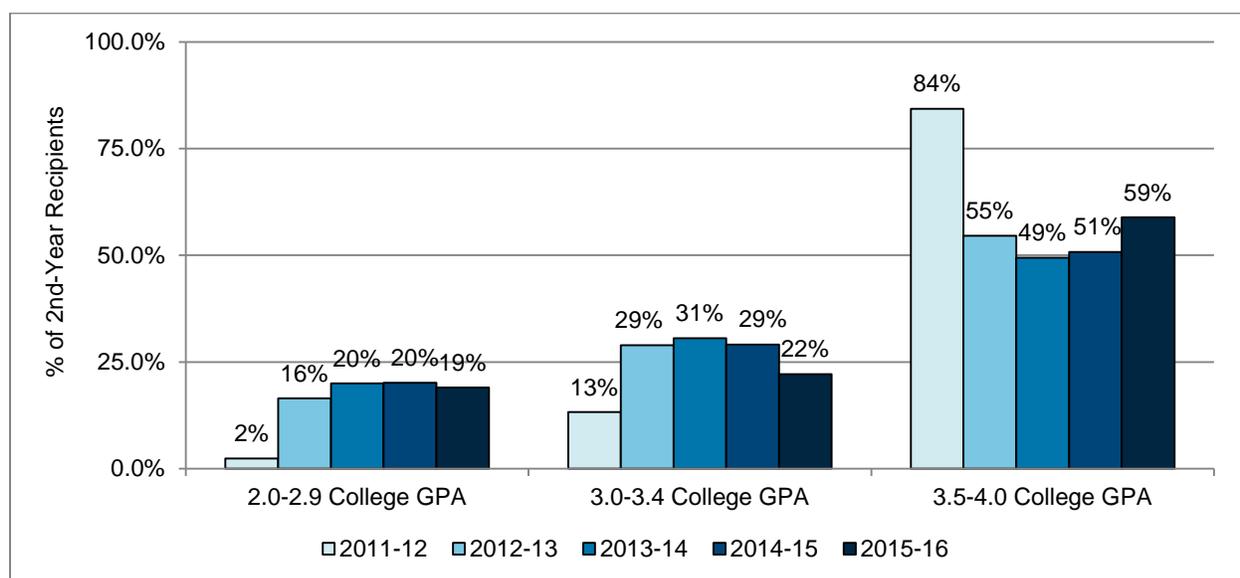
**High School Grade-Point Average (GPA) of Students Who Received ACE Plus Scholarships for Their First Year of College
2011–2012 through 2015–2016**



Note. High school GPA is equal to the student's unweighted high school GPA, unless the student's transcript only contained a weighted GPA. GPAs greater than 4.0 were rounded to 4.0. For 2011–12, 2012–13, and 2013–14: high school GPA was self-reported by the student at the time of his/her ACE Plus application. For 2014–15 and 2015–16: high school GPA was obtained by Commission staff from the student's unofficial high school transcript. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska's Coordinating Commission for Postsecondary Education, November 2015.

Figure 1.5.16

**Freshmen Year (College) Grade-Point Average (GPA) of Students Who Received ACE Plus Scholarships for Their Second Year of College
2011–2012 through 2015–2016**



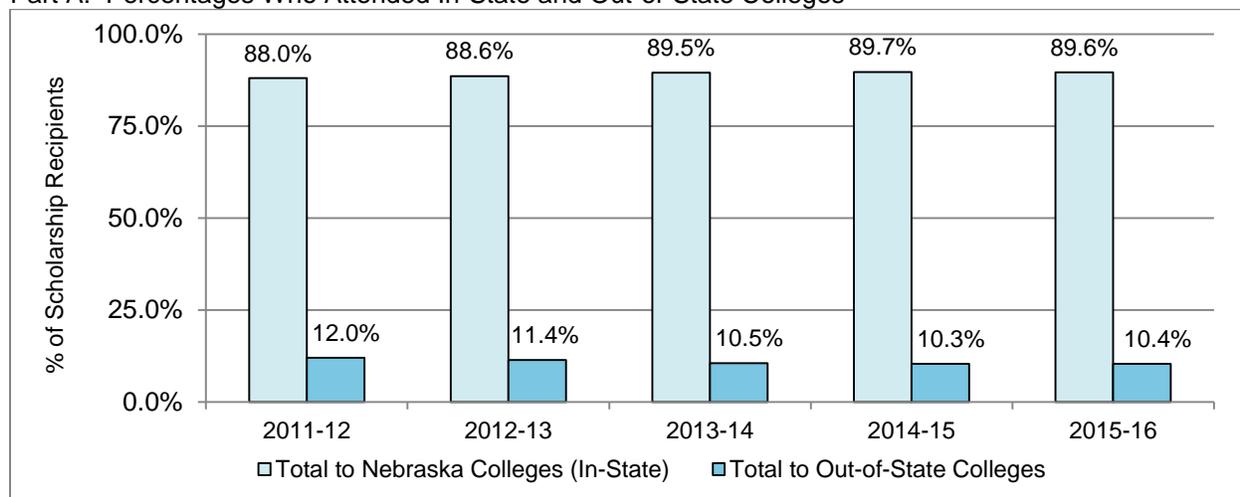
Note. College GPA was obtained by Commission staff from the student's unofficial college transcript. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska's Coordinating Commission for Postsecondary Education, November 2015.

ACE Plus by In-State and Out-of-State and by Sector within Nebraska

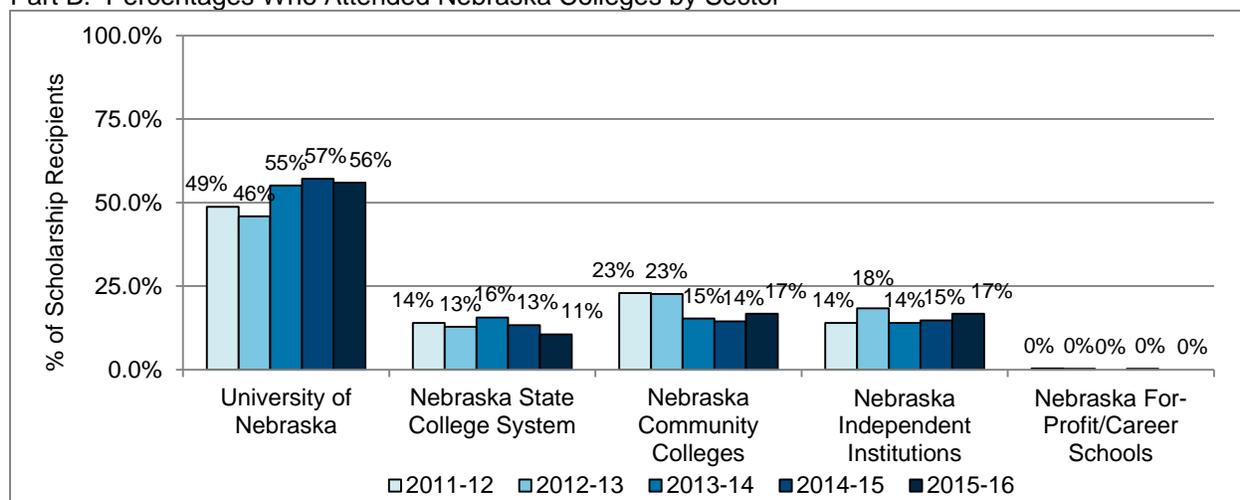
- As shown in [Figure 1.5.17](#), 89.6% of the ACE Plus scholarship recipients went to college in Nebraska in 2015–2016, while 10.4% attended out-of-state schools. (The federal funds that support this program cannot be restricted to students attending in-state institutions.)
- In 2015–2016, of the 293 ACE Plus recipients who attended Nebraska colleges, 56% attended institutions constituting the University of Nebraska, 11% enrolled at Nebraska’s state colleges, 17% attended Nebraska’s community colleges, 17% went to independent (not-for-profit) schools and 0% attended for-profit/career schools.

Figure 1.5.17
ACE Plus Scholarship Recipients Who Attended
Nebraska and Out-of-State Institutions
2011–2012 through 2015–2016

Part A: Percentages Who Attended In-State and Out-of-State Colleges



Part B: Percentages Who Attended Nebraska Colleges by Sector



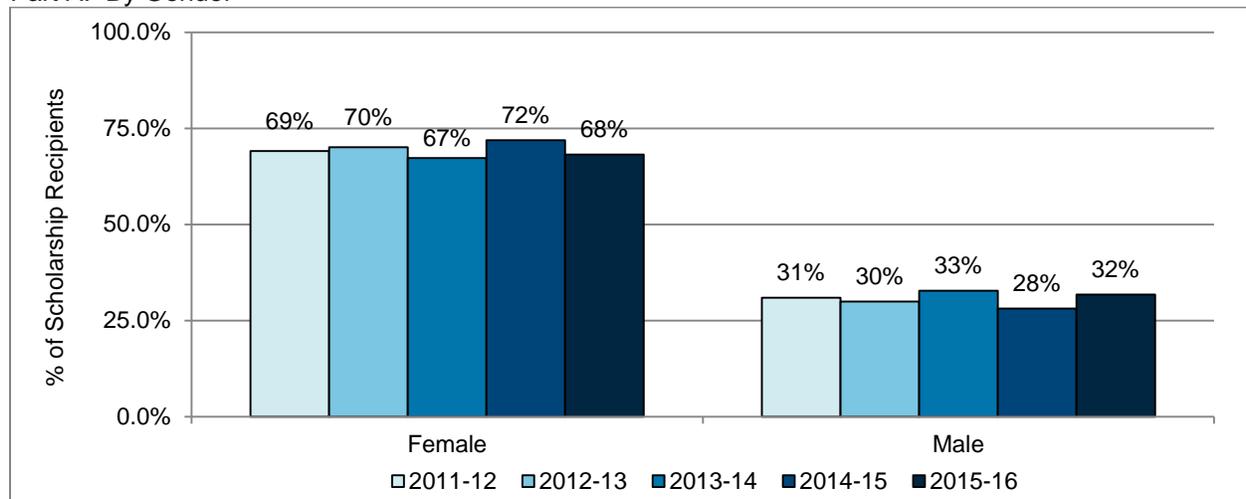
Note. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska’s Coordinating Commission for Postsecondary Education, November 2015.

ACE Plus by Gender and Race/Ethnicity

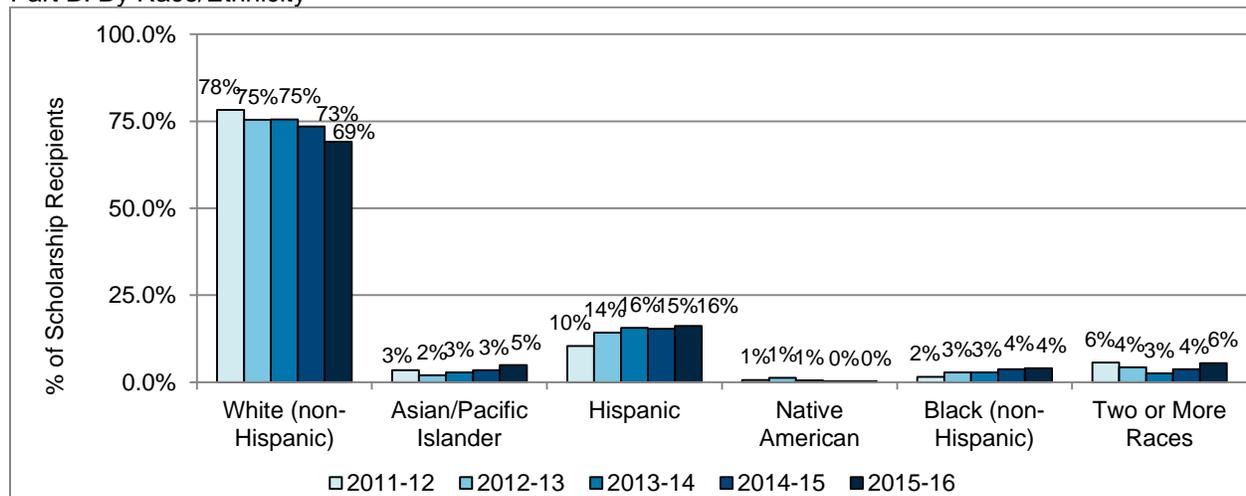
- As shown in [Figure 1.5.18](#), 68% of the 2015–2016 ACE Plus scholarships were awarded to females.
- 69% of the ACE Plus scholarships were awarded to white non-Hispanics in 2015–2016, while the remaining 31% of the ACE Plus scholarships were awarded to minority students.

Figure 1.5.18
ACE Plus Scholarship Recipients by Gender and Race/Ethnicity
2011–2012 through 2015–2016

Part A: By Gender



Part B: By Race/Ethnicity



Note. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska’s Coordinating Commission for Postsecondary Education, November 2015.

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