

## 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>22</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 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 2013–2014, the state allocated \$16,419,718 to assist needy students in attending higher education institutions in Nebraska, an increase of 112.0%. For the 2014–2015 academic year, the amount of available state funding for grant aid was increased to \$16,468,156, or 0.3% above the amount allocated for 2013–2014. As a result, available state funding for state grants awarded in 2014–2015 is 112.6% 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 \$9,800,000 in 2014–2015 accounted for 89.4% 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 \$6,668,156 in 2014–2015 accounted for only 10.6% of the increased appropriations.

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<sup>22</sup> 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 [www.ccpe.ne.gov/PublicDoc/Ccpe/Reports/tuition-and-fees/default.asp](http://www.ccpe.ne.gov/PublicDoc/Ccpe/Reports/tuition-and-fees/default.asp)

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. Consequently, total funding for 2014–2015 is \$1,520,493, or 10.2%, higher than for 2010–2011.

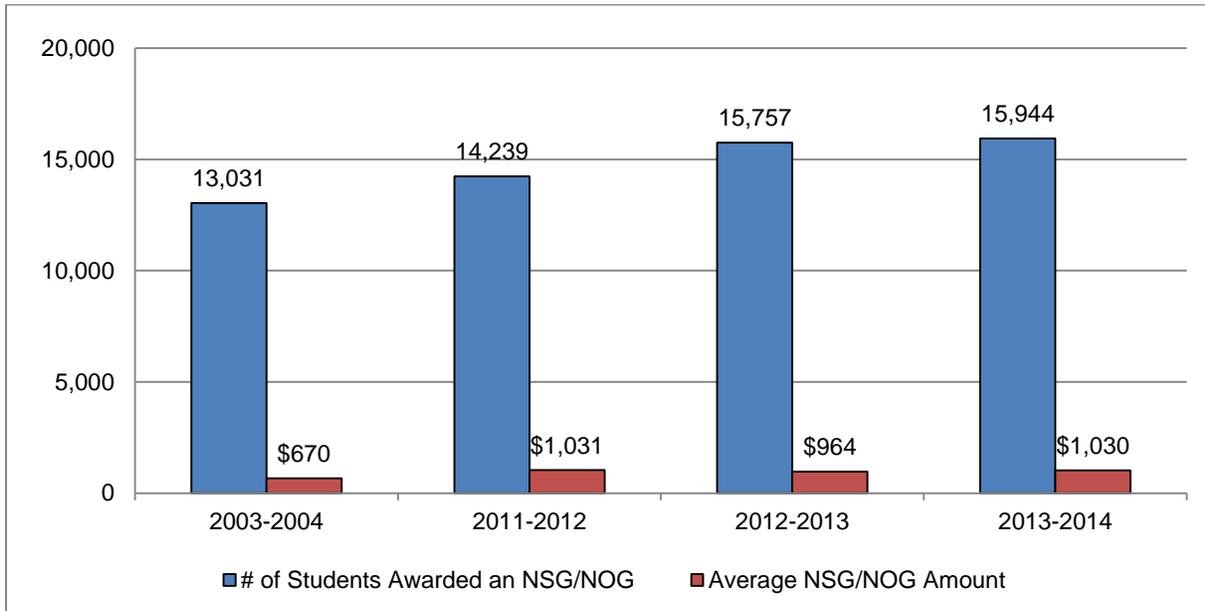
**Figure 1.5.1**  
**Sources and Amounts of Available Funding**  
**for the Nebraska Opportunity Grant Program**  
**2003–2004 through 2014–2015**



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

Between 2003–2004 and 2013–2014, as shown in [Figure 1.5.2](#), the number of students who received state grants increased 22.4%, from 13,031 to 15,944, and the average awarded grant increased 53.7%, from \$670 to \$1,030.<sup>23</sup>

**Figure 1.5.2**  
**Number of Students Who Received**  
**Nebraska Opportunity Grants (NOGs) and the Average Grant Awarded**  
**2011–2012 through 2013–2014 Compared to 2003–2004 Baseline**



Data source: Nebraska Opportunity Grant Expenditure Reports, September 2004 and October 2014.

Unfortunately, as shown in [Figure 1.5.3](#), many students who are eligible for state grants do not receive them. In 2013–2014, for example, 15,944 students received state grants. However, based upon expenditure reports submitted to the Commission by each institution, it is estimated that an additional 30,241 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 2013–2014, only 34.5% 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>24</sup>

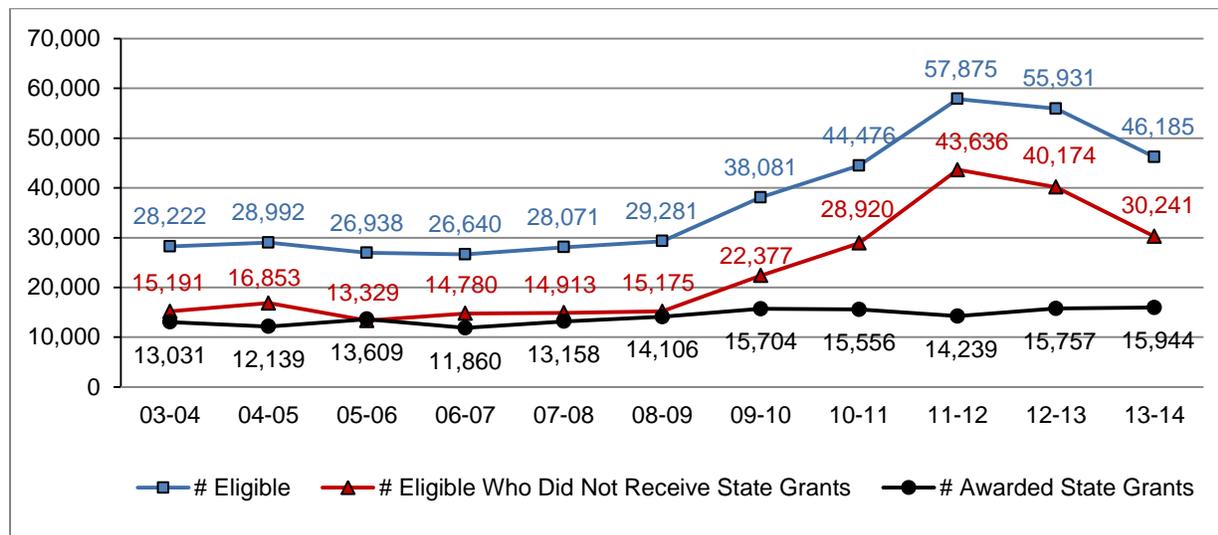
See [Table A8.1](#) and [Table A8.2](#) in [Appendix 8](#) for supporting data and for additional information about the numbers and amounts of Nebraska state grants awarded by sector.

<sup>23</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 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.

<sup>24</sup> Part of the increase beginning in 2010–11 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 2013–2014**



Data source: Nebraska Opportunity Grant Expenditure Report and Unmet Need Report, October 2014.

**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, from the total cost of attending Nebraska colleges and universities for all Pell-Grant-eligible students.<sup>25</sup> Using this formula, which includes subsidized and unsubsidized loans as financial aid, the Commission estimates the unmet need of Nebraskans was probably more than \$150 million in 2009–2010 and \$220 million in 2012–2013, as a result of the significant increase in the number of Nebraskans eligible for financial aid.<sup>26</sup>

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 54.9%, from \$208,953,401 in 2003–2004 to \$323,604,358 in 2013–2014.<sup>27</sup> The number of loan recipients increased 16.0%, from 56,182 in 2003–2004 to 65,148 in 2013–2014, while the number of originated loans increased 25.7%, from 59,698 to 75,045, in 2013–2014.

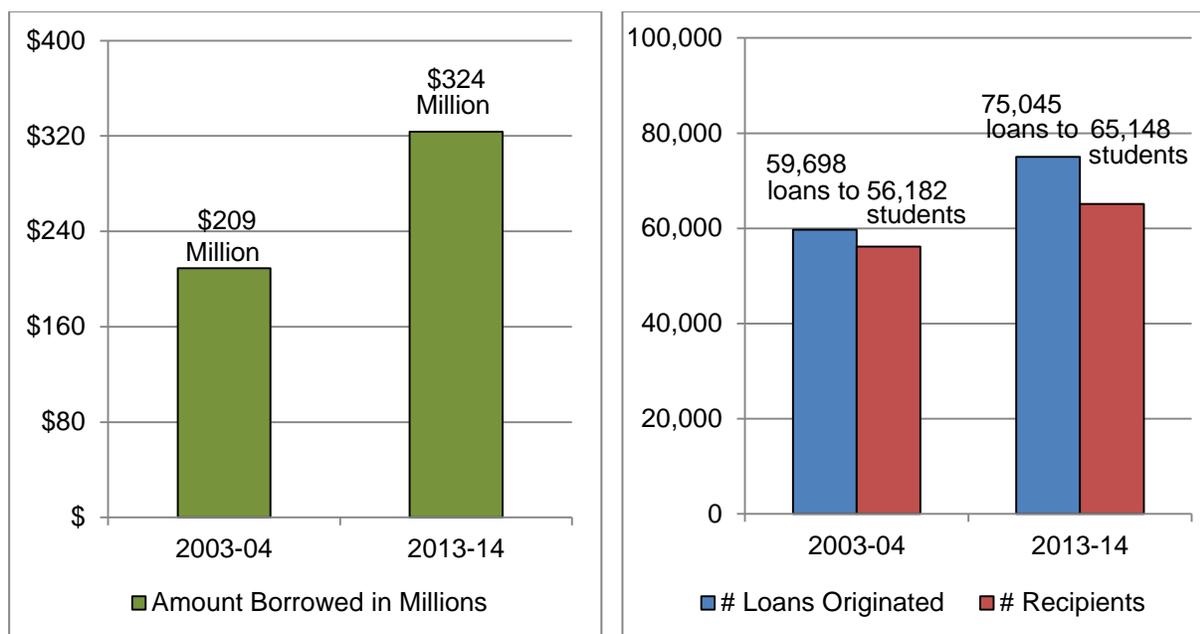
<sup>25</sup> Cost of attendance includes tuition and mandatory fees, room and board, and books and supplies.

<sup>26</sup> For details regarding 2009–2010 estimates, see the Commission’s *2012 Tuition, Fees and Financial Aid Report*. For details regarding 2012–2013 estimates, see the *2014 Tuition, Fees and Financial Aid Report*. Both reports are available at: [www.ccpe.ne.gov](http://www.ccpe.ne.gov).

<sup>27</sup> Originated loans, including fees.

Figure 1.5.4

**Level of Student Borrowing to Attend Nebraska's Public Colleges and Universities  
2013–2014 Compared to 2003–2004**



Data sources: U.S. Department of Education Office of Postsecondary Education, January 2015; Nebraska CCPE Supplements, October 2014.

*Need-Based Financial Aid*

In addition to the Nebraska Opportunity Grant, the state provides financial aid 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 tuition waivers.

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.

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 2013–2014. 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 2013. 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)<sup>28</sup>:

- Academic Competitiveness Grant (ACG)
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- Federal Work-Study (FWS)
- 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 2013–2014, state funding increased \$8,715,413, or 113.1%. (See [Figure 1.5.1](#) for the breakdown of lottery funds, the state general fund, and federal funds.)
- In total, the amount of state and federal funding awarded through the state grant program increased 88.0%, from \$8,735,163 in 2003–2004 to \$16,419,718 in 2013–2014.

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<sup>28</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**  
**2003–2004 through 2013–2014**

Academic Year	State Funding	% of Total	Federal Funding <sup>a</sup>	% of Total	Total Funding
<b>Nebraska State Grant (NSG)</b>					
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
<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
\$ Change Since 2003–2004	\$8,715,413		-\$1,030,858		\$7,684,555
% Change Since 2003–2004	113.1%		-100.0%		88.0%
Data sources: U.S. Department of Education Office of Postsecondary Education and Nebraska's Coordinating Commission for Postsecondary Education, October 2005–2014.					
<sup>a</sup> 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 2012–2013, 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 2012–2013, 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).

- A total of \$848,280,115 Title IV financial aid was awarded to students at Nebraska’s postsecondary institutions in 2012–2013, an increase of 64.6% from the 2003–2004 baseline amount of \$515,291,402.
- Nebraska’s state grants were equivalent to 1.8% of the total Title IV financial aid awarded to students attending Nebraska postsecondary institutions in 2012–2014, up from 1.7% in 2003–2004.<sup>29</sup>

<b>Table 1.5.2 Total Title IV Federal and State Financial Aid Awarded at All Eligible Nebraska Postsecondary Institutions 2012–2013 Compared to 2003–2004 Baseline</b>					
Type of Financial Aid Awarded	2003–2004		2012–2013		% Change in Funding
	Total Funding	% of Funding	Total Funding	% of Funding	
<b>Grants</b>					
Pell Grant	\$69,346,101	13.5%	\$148,736,859	17.5%	114.5%
FSEOG	\$6,443,781	1.3%	\$5,587,292	0.7%	-13.3%
TEACH	\$0	0.0%	\$913,101	0.1%	
NE State Grants	\$8,735,163	1.7%	\$15,185,498	1.8%	73.8%
FED Work-Study	\$6,324,946	1.2%	\$5,860,596	0.7%	-7.3%
<b>Loans</b>					
Perkins Loans	\$17,308,038	3.4%	\$8,666,586	1.0%	-49.9%
Sub Loans	\$172,737,524	33.5%	\$163,823,519	19.3%	-5.2%
Unsub Loans	\$175,722,228	34.1%	\$376,308,574	44.4%	114.1%
Grad PLUS	\$0	0.0%	\$53,508,539	6.3%	
PLUS Loans	\$58,673,621	11.4%	\$69,689,551	8.2%	18.8%
<b>Total Grants and Loans</b>	\$515,291,402	100.0%	\$848,280,115	100.0%	64.6%
<p><i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants; Sub = subsidized loans; Unsub Loans = unsubsidized loans. Grad PLUS loans and TEACH grants were not available in 2003–2004. 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, Nebraska DAS Supplements, and Nebraska CCPE Supplements, October 2005 and October 2014.</p>					

<sup>29</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*.

**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 2013–2014 are not yet available. However, the amount of aid awarded through each Title IV program to students attending the state’s *public* institutions in 2013–2014 is available to compare to the amount awarded in 2003–2004.
- A total of \$454,783,195 Title IV financial aid was awarded to students at Nebraska’s *public* postsecondary institutions in 2013–2014, an increase of \$217,902,229 (92.0%) from the 2003–2004 baseline amount of \$236,880,966.
- As shown in [Table 1.5.3](#), Nebraska state grants accounted for 2.5% of the \$454,783,195 in financial aid awarded by Nebraska’s public institutions in 2013–2014, up from 2.1% in 2003–2004.

<b>Table 1.5.3 Total Title IV Federal and State Financial Aid Awarded at Nebraska Public Postsecondary Institutions 2013–2014 Compared to 2003–2004 Baseline</b>					
Type of Financial Aid Awarded	2003–2004		2013–2014		% Change in Funding
	Total Funding	% of Funding	Total Funding	% of Funding	
<b>Grants</b>					
Pell Grant	\$45,879,222	19.4%	\$107,408,314	23.6%	134.1%
FSEOG	\$2,646,427	1.1%	\$2,863,152	0.6%	8.2%
TEACH	\$0	0.0%	\$324,884	0.1%	
NE State Grants	\$4,970,800	2.1%	\$11,322,929	2.5%	127.8%
FED Work-Study	\$3,882,831	1.6%	\$3,180,059	0.7%	-18.1%
<b>Loans</b>					
Perkins Loans	\$9,040,645	3.8%	\$6,079,499	1.3%	-32.8%
Sub Loans	\$79,755,942	33.7%	\$92,556,881	20.4%	16.1%
Unsub Loans	\$70,478,573	29.8%	\$173,211,838	38.1%	145.8%
Grad PLUS	\$0	0.0%	\$9,000,674	2.0%	
PLUS Loans	\$20,226,526	8.5%	\$48,834,965	10.7%	141.4%
<b>Total Grants and Loans</b>	<b>\$236,880,966</b>	100.0%	<b>\$454,783,195</b>	100.0%	92.0%
<p><i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants; Sub = subsidized loans; Unsub Loans = unsubsidized loans. Grad PLUS loans and TEACH grants were not available in 2003–2004. 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, Nebraska DAS Supplements, and Nebraska CCPE Supplements, October 2005 and October 2014.</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 \$125,099,338 awarded through grants or the work-study program in 2013–2014, 9.1% was awarded through the Nebraska state grants program, compared to 8.7% in 2003–2004.
- State funds accounted for 100% of the \$11,322,929 awarded in state grants to students enrolled at public institutions in 2013–2014. 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 114.7%, or by \$60,783,819 from \$52,992,590 in 2003–2004 to \$113,776,409 in 2013–2014.
- Between 2003–2004 and 2013–2014, state funding of state grants increased \$6,936,819, or by 158.1%, from \$4,386,690 to \$11,322,929. 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 9.1% in 2013–2014.

### *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 143.1% from \$12,513,302 in 2003–2004 to \$30,420,772 in 2013–2014.
- Between 2003–2004 and 2013–2014, the amount of other need-based aid provided by Nebraska's six community colleges increased 193.9%, while the amount of other need-based aid provided by the University of Nebraska increased 133.3% and the amount of other need-based aid awarded by the Nebraska State College System increased 124.1%.

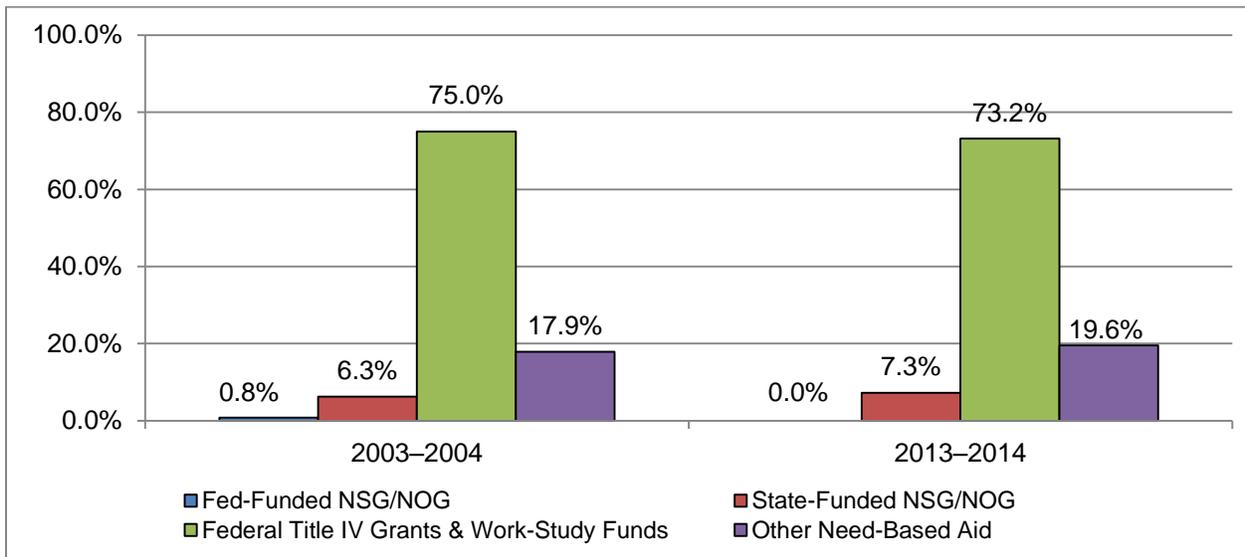
### *Total Need-Based Aid (Excluding Loans):*

- 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 122.5% from \$69,892,582 in 2003–2004 to \$155,520,110 in 2013–2014.
- 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 7.3% in 2013–2014.

**Table 1.5.4**  
**Total Need-Based Financial Aid (Excluding Loans)**  
**Awarded at Nebraska Public Postsecondary Institutions**  
**2013–2014 Compared to 2003–2004 Baseline**

Type of Need-Based Financial Aid	2003–2004		2013–2014		% Change
	\$ Awarded	% of Total	\$ Awarded	% of Total	
<b>Title IV Aid (Excluding Loans)</b>					
Nebraska State Grants (NSG / NOG)					
State-Funded	\$4,386,690	6.3%	\$11,322,929	7.3%	158.1%
Federal-Funded	\$584,110	0.8%	\$0	0.0%	-100.0%
Total NE State Grant	\$4,970,800	7.1%	\$11,322,929	7.3%	127.8%
Federal Title IV					
Pell Grant	\$45,879,222	65.6%	\$107,408,314	69.1%	134.1%
FSEOG	\$2,646,427	3.8%	\$2,863,152	1.8%	8.2%
TEACH	\$0	0.0%	\$324,884	0.2%	
Federal Work Study	\$3,882,831	5.6%	\$3,180,059	2.0%	-18.1%
Total Federal Title IV	\$52,408,480	75.0%	\$113,837,507	73.2%	117.1%
<b>Total Title IV Aid (Excluding Loans)</b>	<b>\$57,379,280</b>	<b>82.1%</b>	<b>\$125,099,338</b>	<b>80.4%</b>	<b>118.0%</b>
<b>Other Need-Based Aid (Excluding Loans)</b>					
University of Nebraska	\$9,843,307	14.1%	\$22,969,319	14.8%	133.3%
NE State College System	\$567,739	0.8%	\$1,272,484	0.8%	124.1%
NE Community Colleges	\$2,102,256	3.0%	\$6,178,969	4.0%	193.9%
<b>Total Other Need-Based Aid (Excluding Loans)</b>	<b>\$12,513,302</b>	<b>17.9%</b>	<b>\$30,420,772</b>	<b>19.6%</b>	<b>143.1%</b>
<b>Total Need-Based Aid (Excluding Loans)</b>	<b>\$69,892,582</b>		<b>\$155,520,110</b>		<b>122.5%</b>
<i>Note.</i> FSEOG = Federal Supplemental Educational Opportunity Grant; NOG = Nebraska Opportunity Grant; NSG = Nebraska State Grant; TEACH = Teacher Education Assistance for College and Higher Education Grants. TEACH Grants were first awarded in 2008–09. Data sources: U.S. Department of Education Office of Postsecondary Education, January 2015, Nebraska DAS Supplements and Nebraska CCPE Supplements, October 2005 and October 2014.					

**Figure 1.5.5**  
**Total Need-Based Financial Aid (Excluding Loans)**  
**Awarded by Public Nebraska Postsecondary Institutions**  
**2013–2014 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, January 2015; Nebraska DAS Supplements and Nebraska CCPE Supplements, October 2005 and October 2014.

## Access College Early (ACE) Scholarship Program

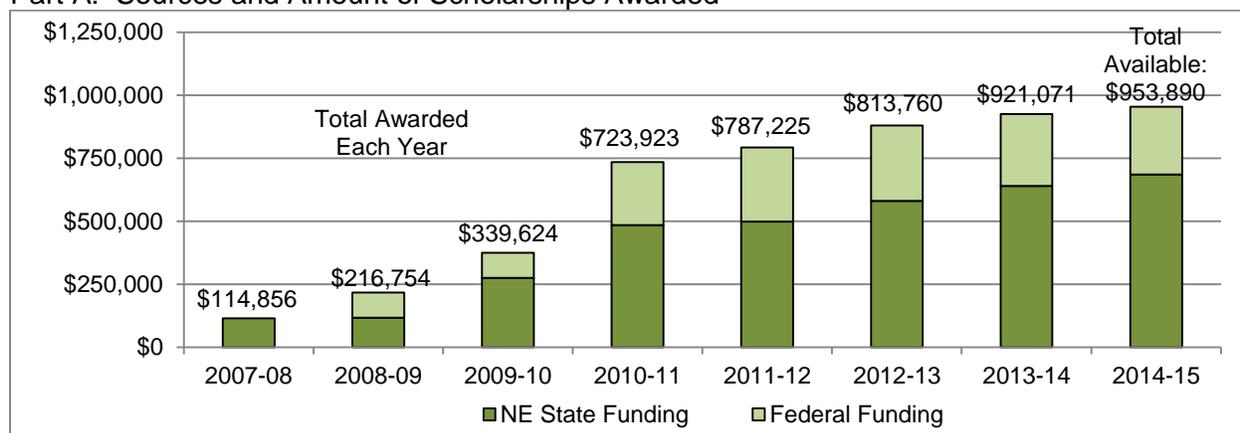
The State of Nebraska funds the Access College Early (ACE) Scholarship Program, which was started in fall 2007. ACE scholarships are awarded to eligible low-income Nebraska high school students who take courses for credit from postsecondary institutions while the students are in high school. These courses 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 2013–2014, 3,969 ACE scholarships totaling \$921,071 were awarded to 1,866 Nebraska high school students from 217 high schools. These students registered for 13,592 credit hours at 20 Nebraska colleges and universities.

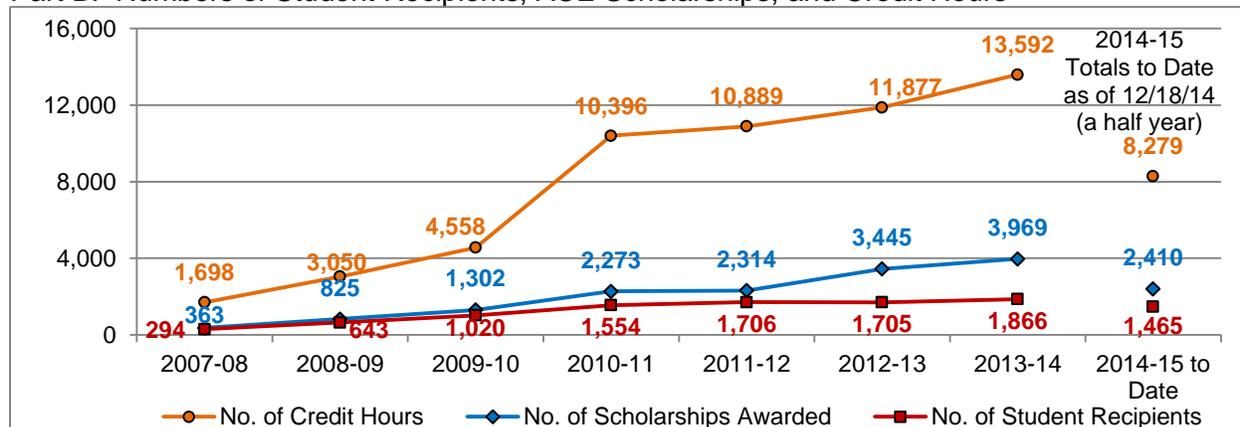
Figure 1.5.6

### Growth of the Nebraska Access College Early (ACE) Scholarship Program 2007–2008 through 2014–2015 to Date

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



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



Note. \$573,880 has been awarded for the 2014–15 academic year as of December 18, 2014. See [Table A8.3](#) in [Appendix 8](#) for supporting data. Data source: Records maintained by Nebraska's Coordinating Commission for Postsecondary Education, August 2011, January 2013, January 2014, and December 2014.

## **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 2012–2013, the college continuation rate is the percentage of these students who were enrolled in college any time between June 1, 2013 and May 31, 2014. 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, 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>30</sup> (See Section 1.1.c of this report for further information.)

Students who were homeschooled or attended nonpublic (private) high schools were 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 57.9% in 2012–2013.

- 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 951 in 2012–2013. The number of senior ACE recipients who were homeschooled or attended nonpublic high schools increased from only five students in 2007–2008 to 38 students in 2012–2013.

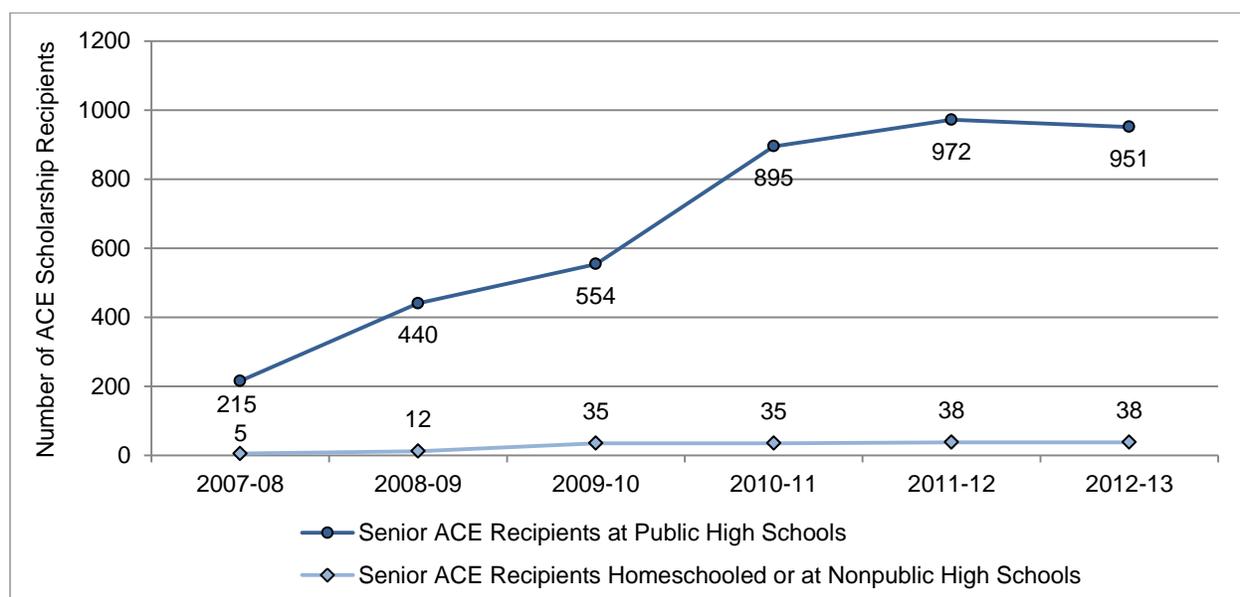
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<sup>30</sup> Non-low-income students for this study include at least some students who live in low-income households but who did not apply for free or reduced-price school lunches. Since participation in the free or reduced-price school lunch program 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.

- Seniors who received ACE scholarships while attending *nonpublic* high schools accounted for 3.8% of the seniors who received ACE scholarships in 2012–2013, 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](#), and [A8.4.f](#)), 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 64.1% in 2012–2013.

**Figure 1.5.7**

**Number of High School Seniors Who Received Access College Early (ACE) Scholarships by Type of School Attended: 2007–2008 through 2012–2013**



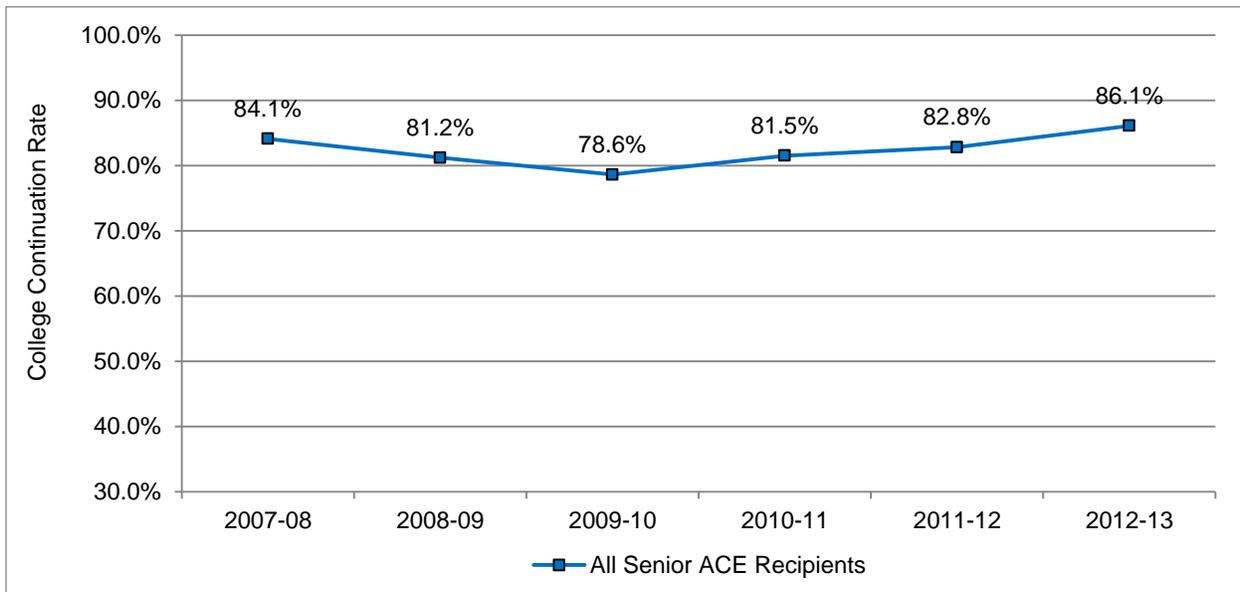
*Note.* See [Tables A8.4.a](#), [A8.4.b](#), [A8.4.c](#), [A8.4.d](#), [A8.4.e](#), and [A8.4.f](#) in [Appendix 8](#) for supporting data. Data source: Nebraska ACE Scholarship Program records, Nebraska’s Coordinating Commission for Postsecondary Education, February 2015.

**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.
- However, the college-going rate for ACE scholarship recipients has since increased to 86.1% among the 2012–2013 graduates. This compares to 70.8% for Nebraska’s overall college-going rate for 2012–2013.

Figure 1.5.8

**College Continuation Rates for All High School Seniors  
Who Received Access College Early (ACE) Scholarships  
2007–2008 through 2012–2013**



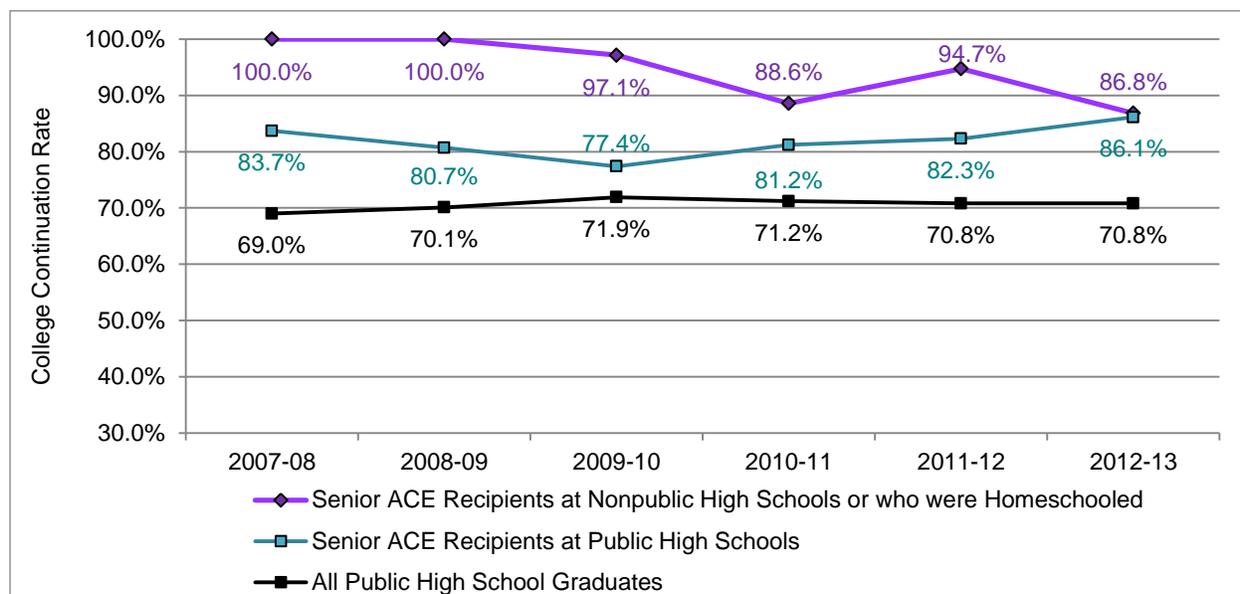
Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, and A8.4.f in Appendix 8 for supporting data. Data source: Nebraska ACE Scholarship Program records maintained by Nebraska’s Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July,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

*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 86.8% of those in the class of 2012–2013. 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 38 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 86.1% for 2012–2013 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 2012–2013**



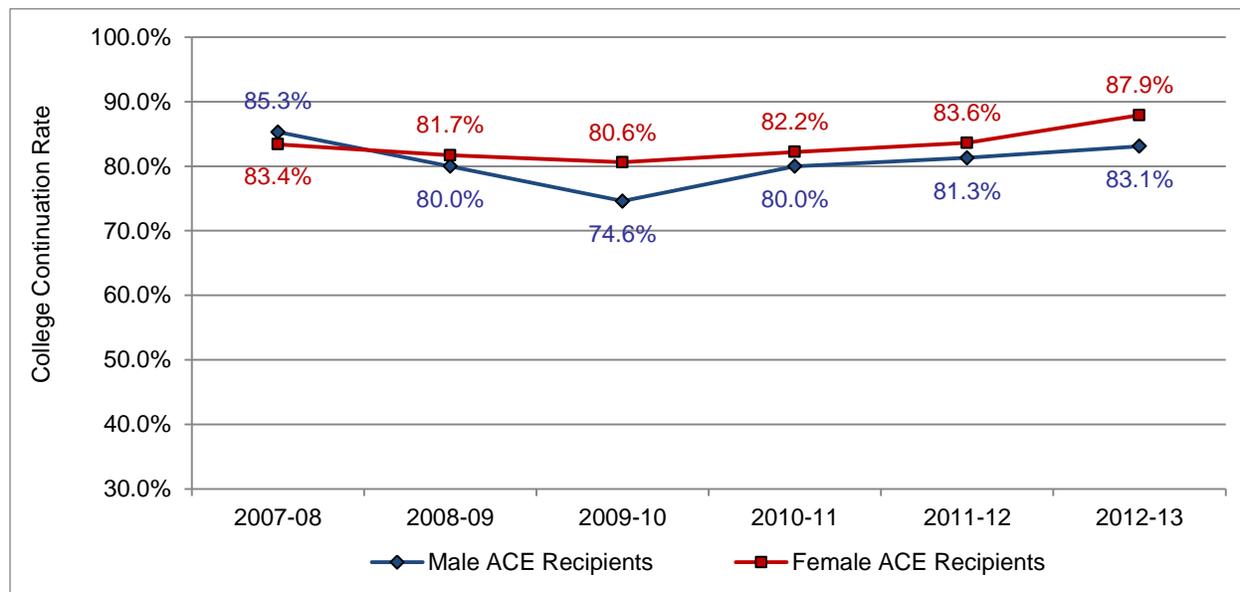
Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, and A8.4.f in Appendix 8 for supporting data. Data source: Nebraska ACE Scholarship Program records maintained by Nebraska’s Coordinating Commission for Postsecondary Education and enrollment records from the National Student Clearinghouse, July,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

*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 2012–2013 was 83.1%, compared to a rate of 87.9% for the female recipients in 2012–2013.

Figure 1.5.10

**College Continuation Rates for High School Seniors  
Who Received Access College Early (ACE) Scholarships  
by Gender: 2007–2008 through 2012–2013**



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, and A8.4.f in Appendix 8 for supporting data. Data source: 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, and April 2014.

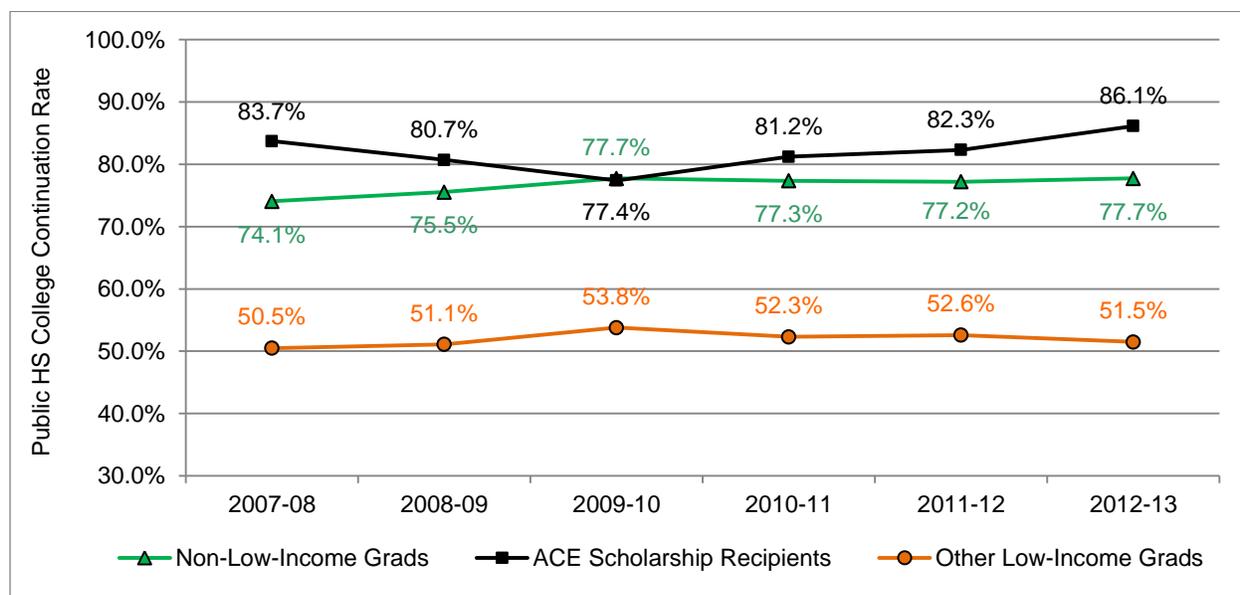
*College Continuation Rates by Household Income*

- 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. In effect, these scholarships have enabled low-income students to continue on to college at rates that are higher than, or at least equal to, the rates for their non-low-income classmates.<sup>31</sup>
- 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 2012–2013.
- Specifically, 86.1% of the 2012–2013 public high school seniors who received ACE scholarships continued on to college, compared to 77.7% of their classmates from non-low-income households and 51.5% of the other low-income public high school students who graduated the same year.

<sup>31</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.

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 2012–2013**



Note. See Tables A8.4.a, A8.4.b, A8.4.c, A8.4.d, A8.4.e, and A8.4.f in Appendix 8 for supporting data. Data source: 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, and April 2014.

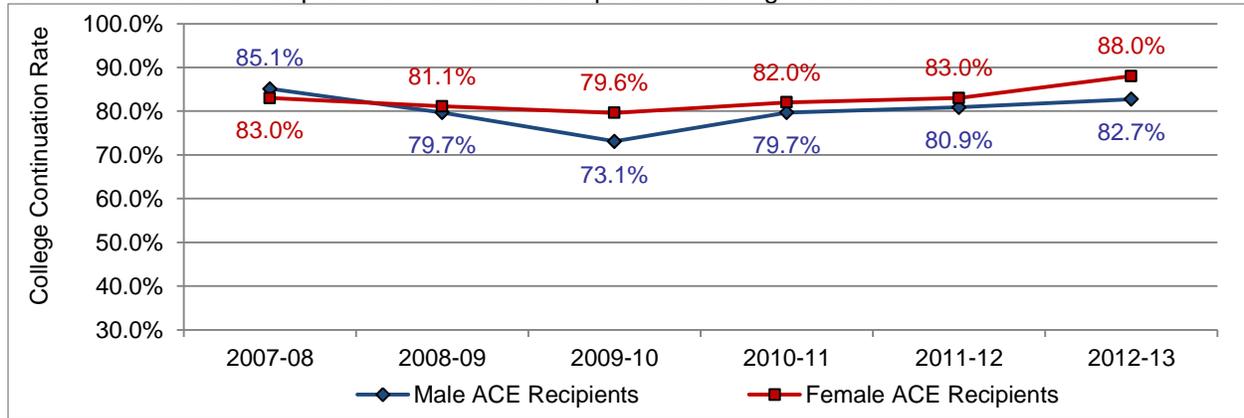
*College Continuation Rates by Gender and Household Income*

- Females accounted for about seven out of ten public high school seniors who received ACE scholarships between 2007–2008 and 2012–2013.
- 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 2012–2013.
- Even though males accounted for about half of all the students who graduated from Nebraska’s high schools between 2007–2008 and 2012–2013, 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 2012–2013.
- 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 2012–2013, the college continuation rate for male ACE recipients was 5.3 percentage points *lower* than the rate for female ACE recipients (82.7% vs. 88.0%).

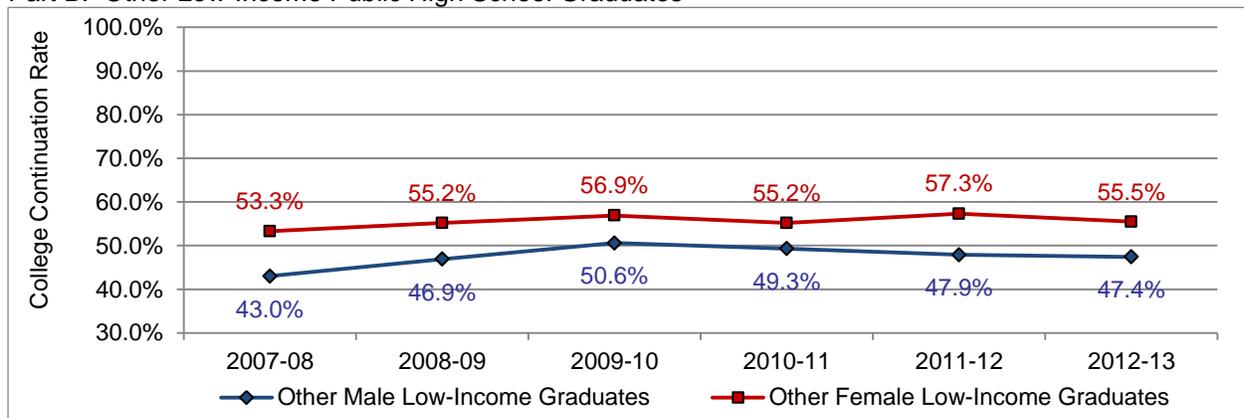
Figure 1.5.12

**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 2012–2013**

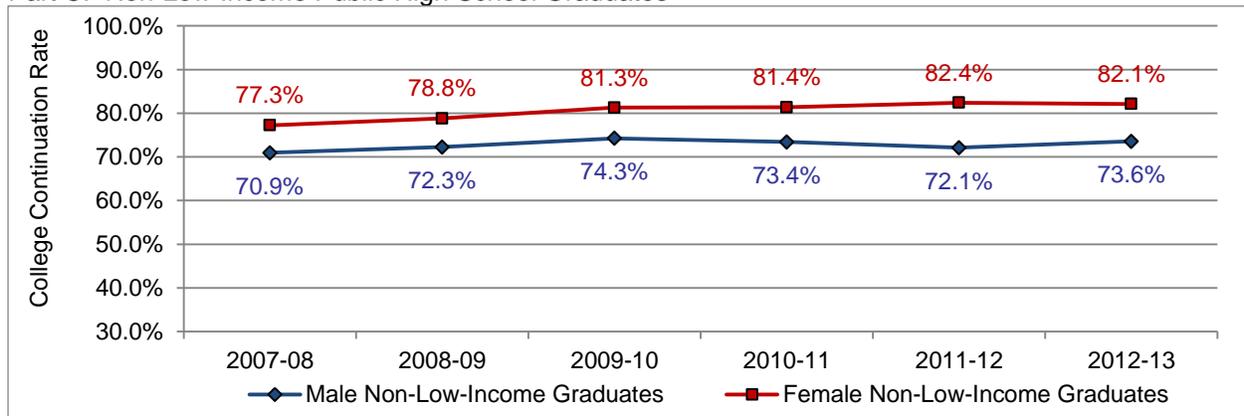
Part A: Low-Income Recipients of ACE Scholarships at Public High Schools



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, and A8.4.f in Appendix 8 for supporting data. Data source: 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, and April 2014.

- 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 2012–2013, the gap between males and females from other low-income households had dropped to 8.1 percentage points, with 55.5% of the females going on to college, compared to 47.4% of the males.
- As shown in Part C of Figure 1.5.12, the college-going rates for female graduates from non-low-income households were 6.4 percentage points higher than the college continuation rates 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 2012–2013, the college going rates for females was 8.5 percentage points higher than the college going rates for males (82.1% vs. 73.6%).
- College-going 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.
- *There is strong evidence that the ACE scholarship program has enabled male and female low-income students to 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 high school graduates, not all ACE recipients continue onto college. Between 2007–2008 and 2012–2013, 4,190 high school seniors received ACE scholarships and 3,461 continued onto college within a year of high school graduation according to the National Student Clearinghouse (NSC). In other words, 729 of the students who received an ACE scholarship during their senior year of high school did not continue onto college.

To gain insight into why recipients sometimes do not continue onto college, the 2014 ACE Scholarship Recipient Survey was conducted by CCPE. Students who received one or more ACE scholarships while seniors during the academic years of 2011–2012 or 2012–2013, and did not continue onto 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 onto college within one year of their high school graduation, despite the fact that NSC data indicated that none of these students continued onto 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 onto college for two reasons. First, these were self-reports of continuing onto 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 onto 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 2012–13 cohort continued onto 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**

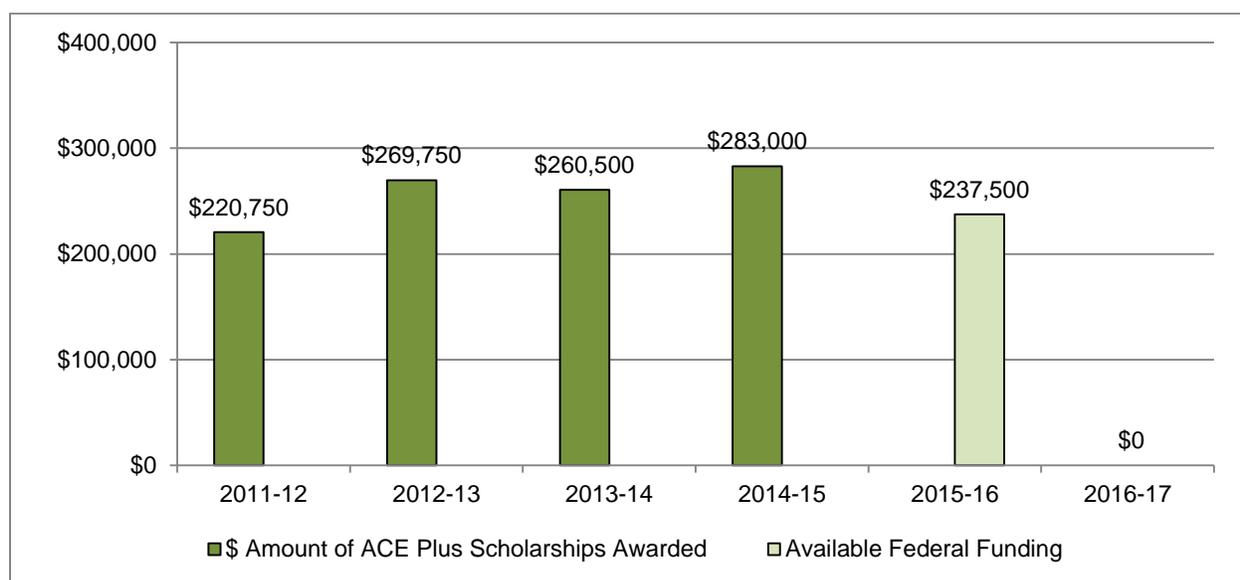
The ACE Plus scholarship program was initiated by the Commission in 2011–2012 to provide assistance to first- and second-year college students who were Access College Early (ACE) scholarship recipients prior to graduating from high school. A student does not have to receive an ACE Plus scholarship for their first year of college in order to qualify for a scholarship for their second year in college. However, to qualify for an ACE Plus scholarship, a student must have taken at least one college course while in high school that was funded by the ACE scholarship program and be enrolled full time in college for a full academic year. In addition, they must have earned at least a 2.0 GPA in ACE courses while in high school and maintain at least a 2.0 GPA during their first year of college in order to qualify for a second-year scholarship.

### *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.
- For 2014–2015, \$283,000 in federal CACG funding was awarded for ACE Plus scholarships. As shown in [Figure 1.5.13](#), the ACE Plus budget for 2015–2016 is \$237,500, again funded through CACG. No funding is available for the ACE Plus program in 2016–2017.
- The first awards of ACE Plus scholarships were made in July and August 2011 for the 2011–2012 academic year. Awards for first-year college students were for \$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 2014–2015 and Amount of Funding Available for 2016–2017**

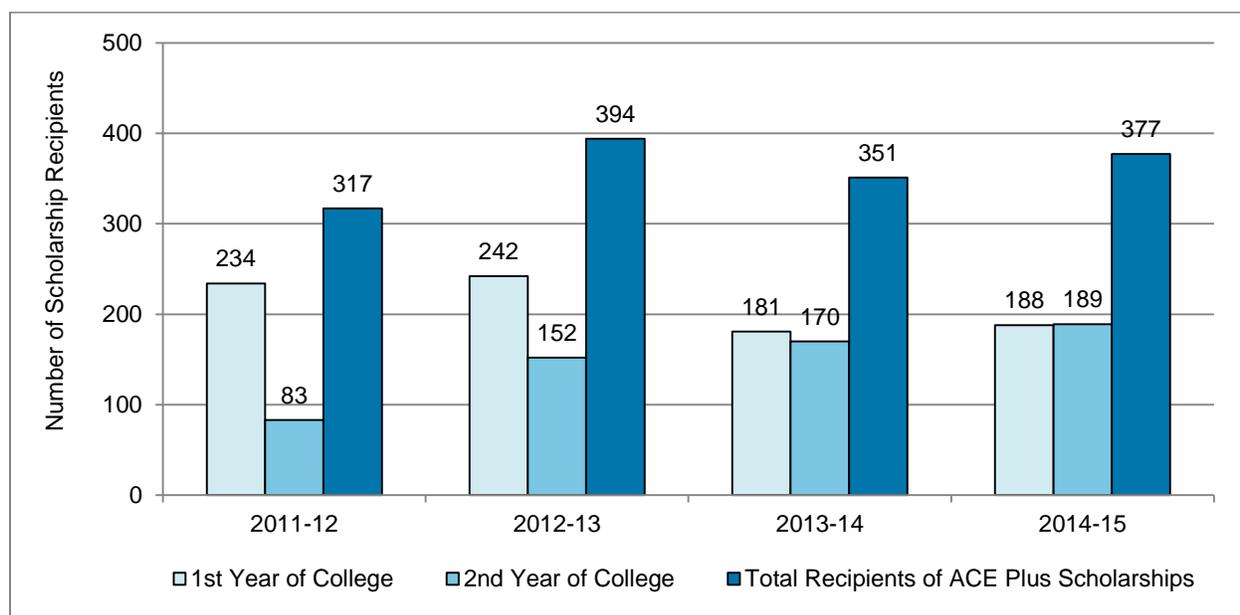


Data source: Nebraska's Coordinating Commission for Postsecondary Education, November 2014.

### 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 377 scholarships awarded for 2014–2015, 188 (49.9%) were awarded to first-year students, while second-year students received 189 (51.1%) of ACE Plus scholarships.

**Figure 1.5.14**  
**Recipients of ACE Plus Scholarships by Year in College**  
**2011–2012 through 2014–2015**



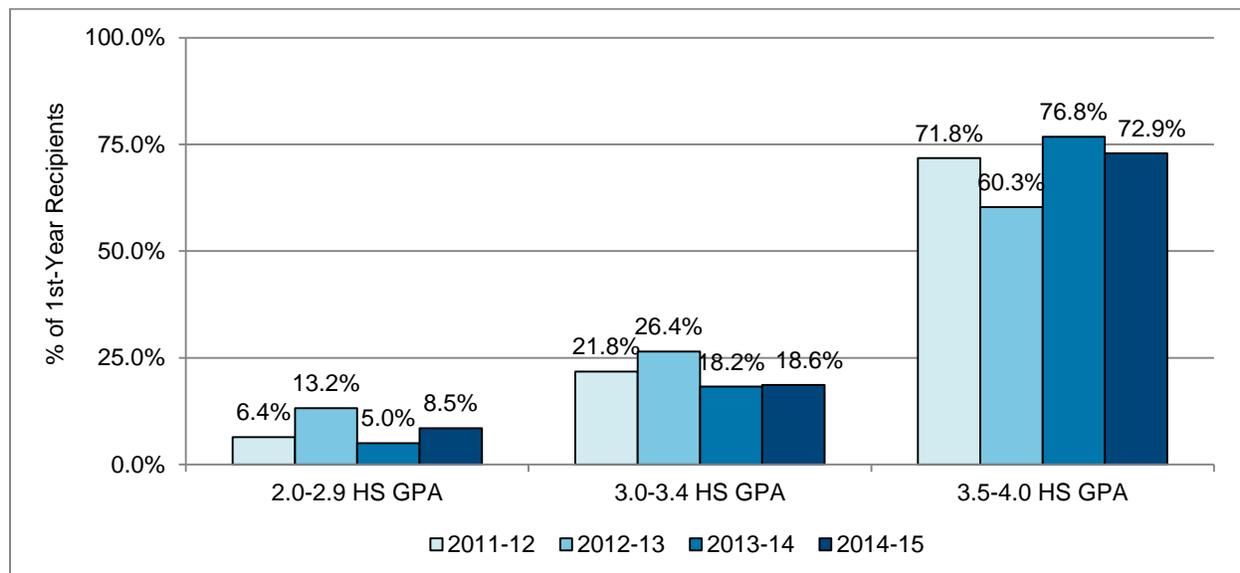
Note. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska’s Coordinating Commission for Postsecondary Education, November 2014.

### 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**

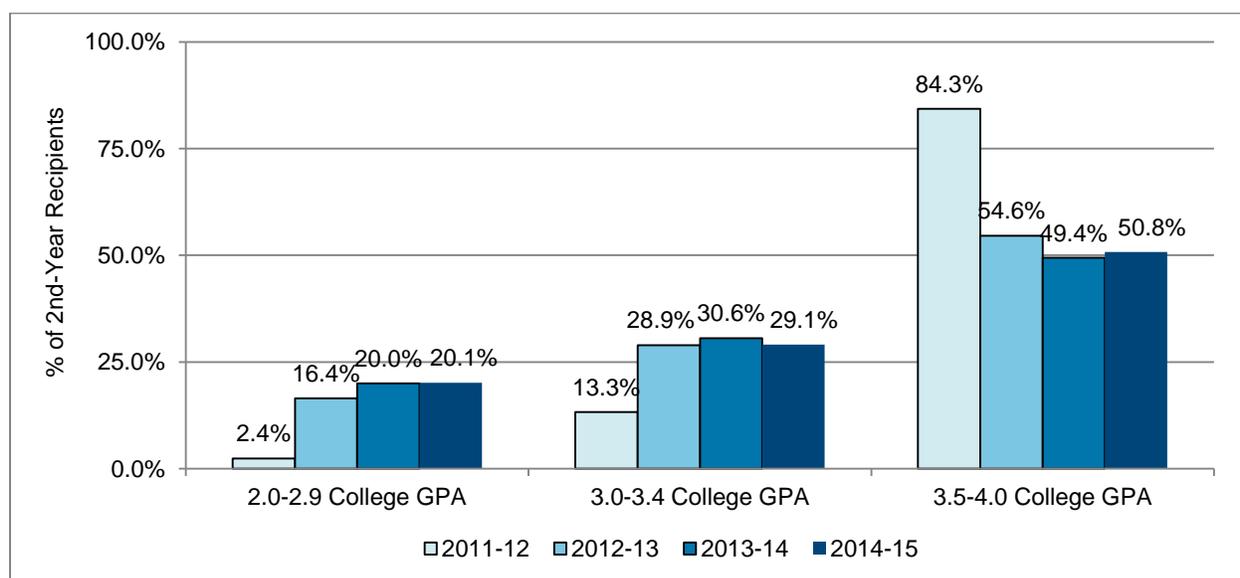
**High School Grade-Point Average (GPA) of Students Who Received ACE Plus Scholarships for Their First Year of College  
2011–2012 through 2014–2015**



*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: 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 2014.

**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 2014–2015**



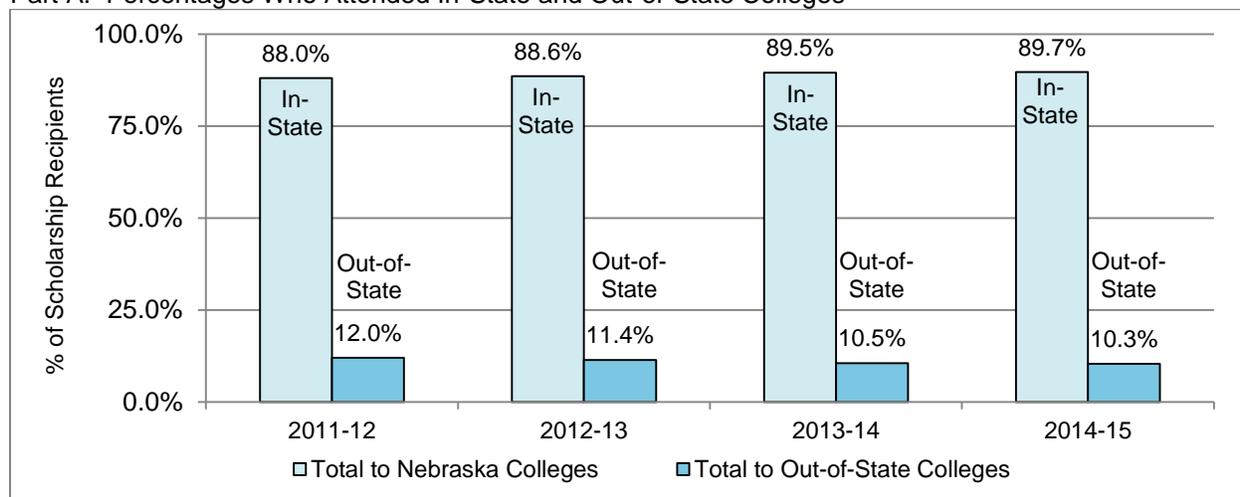
*Note.* College GPA was obtained by Commission staff from the student's unofficial college transcript. See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska's Coordinating Commission for Postsecondary Education, November 2014.

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

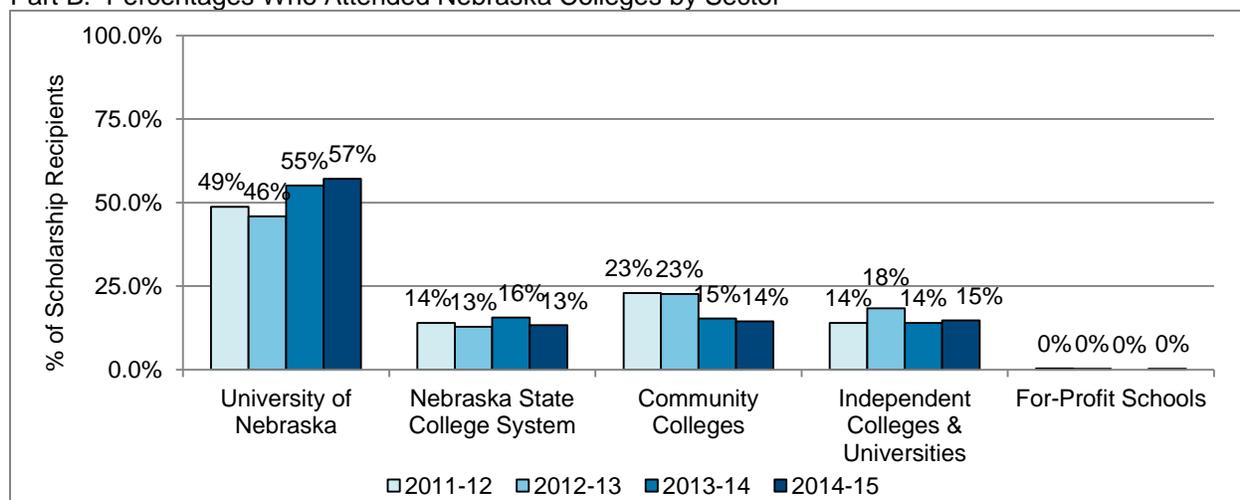
- As shown in [Figure 1.5.17](#), 89.7% of the ACE Plus scholarship recipients went to college in Nebraska in 2014–2015, while 10.3% attended out-of-state schools. (The federal funds that support this program cannot be restricted to students attending in-state institutions.)
- In 2014–2015, of the 338 ACE Plus recipients who attended Nebraska colleges, 57% attended institutions constituting the University of Nebraska, 13% enrolled at Nebraska’s state colleges, 14% attended Nebraska’s community colleges, 15% went to independent (not-for-profit) schools and less than 1% attended for-profit/career schools.

**Figure 1.5.17**  
**ACE Plus Scholarship Recipients Who Attended Nebraska and Out-of-State Institutions 2011–2012 through 2014–2015**

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



Part B: Percentages Who Attended Nebraska Colleges by Sector



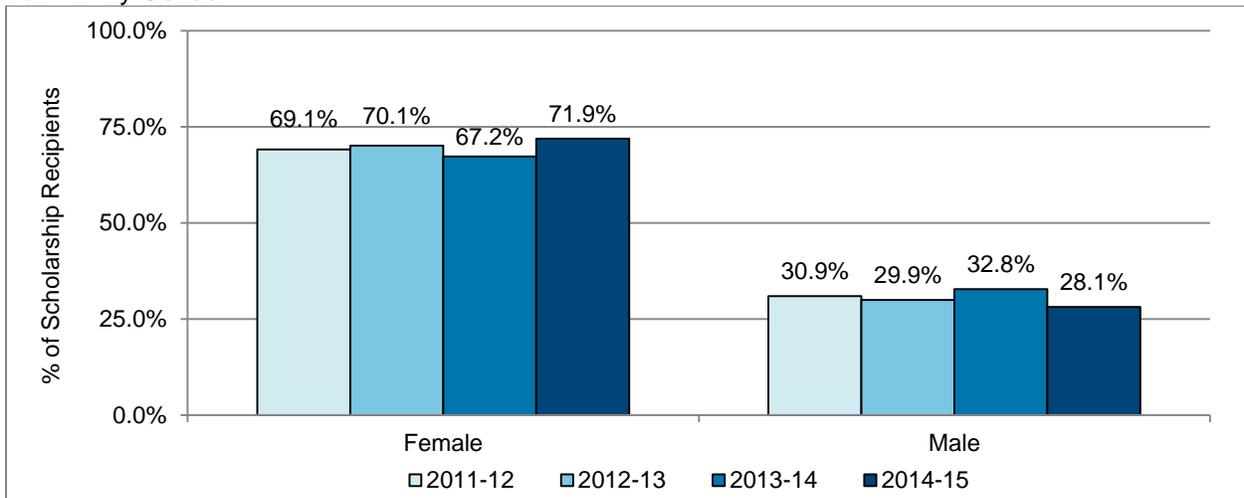
*Note.* See [Table A8.5](#) in [Appendix 8](#) for supporting data. Data source: Nebraska’s Coordinating Commission for Postsecondary Education, November 2014.

### ACE Plus by Gender and Race/Ethnicity

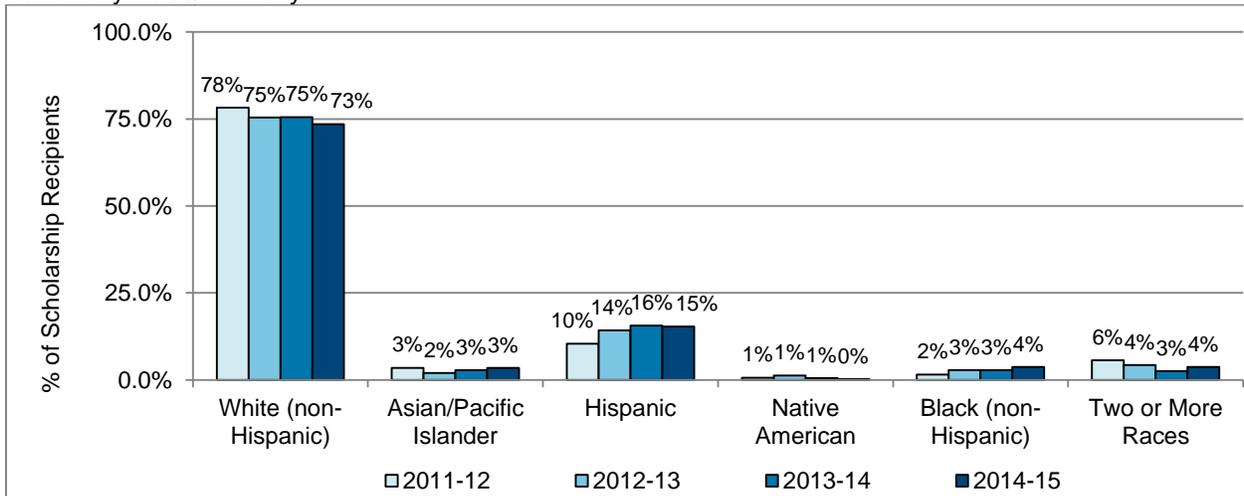
- As shown in [Figure 1.5.18](#), 71.9% of the 2014–2015 ACE Plus scholarships were awarded to females.
- 73% of the ACE Plus scholarships were awarded to white non-Hispanics in 2014–2015, while the remaining 27% of the ACE Plus scholarships were awarded to minorities or students of two or more races.

**Figure 1.5.18**  
**ACE Plus Scholarship Recipients by Gender and Race/Ethnicity**  
**2011–2012 through 2014–2015**

#### 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 2014.

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