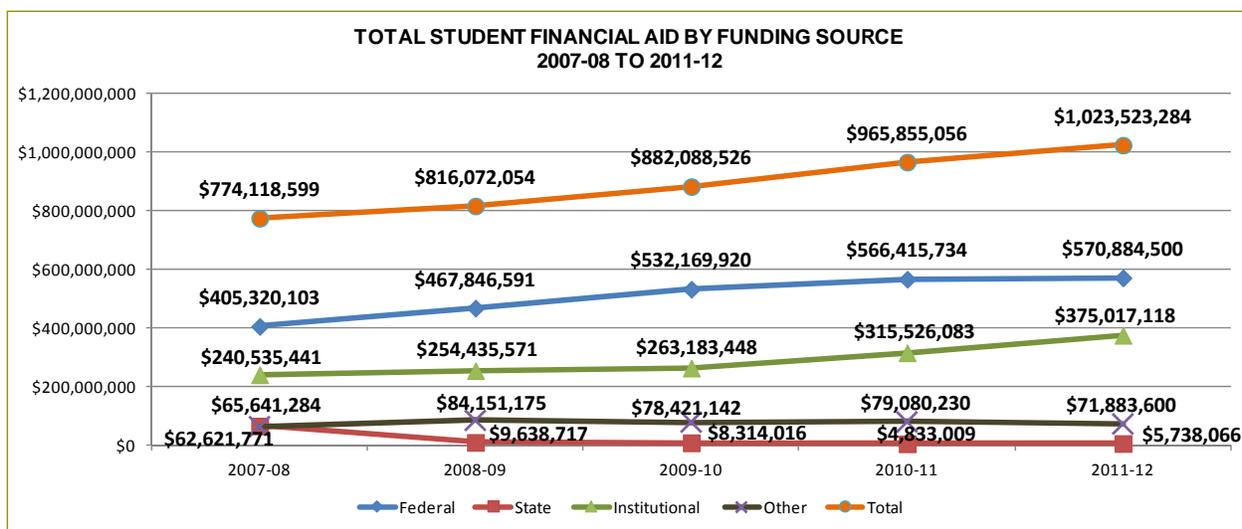


Contact: Diana Gonzalez

**ANNUAL STUDENT FINANCIAL AID REPORT**

**Action Requested:** Receive the annual governance report on student financial aid.

**Executive Summary:** This annual report describes the volume of student financial aid awarded at the Regent universities. Financial aid, in the form of grants, loans, and on-campus employment, is available to all eligible Regent university students. In 2011-12, the total amount of financial aid awarded to students<sup>1</sup> at the public universities was \$1,023,523,284;<sup>2</sup> this represents an increase of \$57,668,228 (+6.0%) from the prior year. Between 2007-08 and 2011-12, the total amount of financial aid awarded to students at the public universities increased by \$249,404,685 (+32.2%).



- ❖ Of the total financial aid awarded in 2011-12, \$570,884,500 (55.8%) came from federal funds, \$5,738,066 (0.6%) came from state<sup>3</sup> funds, \$375,017,118 (36.6%) came from institutional funds, and \$71,883,600 (7.0%) came from other<sup>4</sup> funds.
- ❖ Furthermore, \$349,760,828 (34.2%) was in the form of grants/scholarships; \$198,071,722 (19.4%) was in the form of employment; and \$475,690,734 (46.4%) was in the form of loans.<sup>5</sup> The graph on the following page describes the funding types and sources of student financial aid.

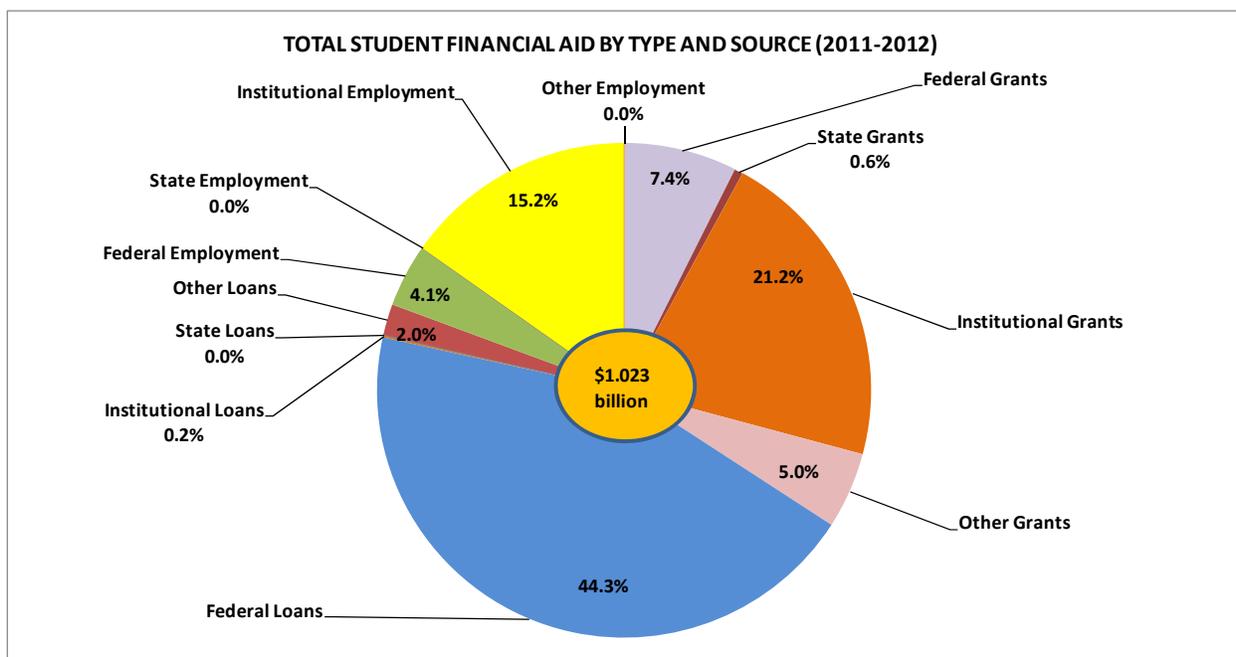
<sup>1</sup> Includes undergraduates and graduates.

<sup>2</sup> Data source: Student Financial Aid Annual Reports, Iowa College Student Aid Commission, 2011-12.

<sup>3</sup> State funds included \$3,366,558 (58.6%) designated for specific purposes, such as National Guard Education Benefits and Vocational Rehabilitation Grants.

<sup>4</sup> Private grants, scholarships, loans, etc.

<sup>5</sup> Includes PLUS loans.



◆ Trends/Issues.

- ### Between 2001-02 and 2011-12, total borrowing per FTE student for undergraduate and graduate students in the country increased by 55% in inflation-adjusted dollars. Undergraduate borrowing increased by 49% per FTE student.<sup>7</sup>
- ### Increases in the Pell Grant program have not kept pace with tuition increases. In 2002-03, the maximum Pell Grant covered 98.0% of average public four-year tuition and fees; in 2012-13, it covered only 64.0%.<sup>8</sup> According to the U.S. Department of Education, Iowa has the eighth highest gap between Pell Grants and the total cost of education. The \$5,550 maximum Pell Grant in 2011-2012 was about equal to the 1976-77 maximum grant of \$1,400 after adjusting for inflation; however, the number of recipients in 2011-12 was five times as high as it was in 1976-77.<sup>8</sup>
- ### The Iowa Grant Program is the only need-based state program; however, this program is not limited to students attending the public universities. Furthermore, sufficient funding has not kept pace with the resources needed by the Iowa Grant Program which has affected the ability of students to access the public universities. In 2011-12, the total funding for the program was \$293,471 which represents a decrease of \$25,663 (-8.0%) from the prior year and less than 0.1% of all grant/scholarship programs. There were 319 students who received this award in 2011-12, which represents a decrease of 191 students (-37.5%); the average award was \$920, which represents an increase of \$298 (+47.9%) from the prior year due to the reduced number of awardees.

<sup>7</sup> Trends in Student Aid 2012, College Board.

<sup>8</sup> Trends in Student Aid 2012, College Board.

- ### Loans continue to play a major role in the student financial aid packages of Regent university students. However, studies have shown that loans typically do not promote college enrollment; loans influence a student's choice of college especially when income and race/ethnicity are considered.<sup>9</sup>
- ### The interest subsidy during the six-month grace period of subsidized Stafford loans was eliminated; interest rates on subsidized Stafford loans are expected to increase from 3.4% to 6.8% on July 1, 2013.
- ### Students have assumed more reliance on employment while in school. According to the most recent federal statistics, "77.7% of all full-time undergraduates worked in 2003-04 and they averaged 25.7 hours week. The vast majority of students (91%) worked off-campus."<sup>10</sup> However, studies have shown that working more than 20 hours per week can impede students' progress toward graduation and limit some aspects of their academic experience.<sup>11</sup>
  - ⇒ Students who work on-campus at the Regent universities work approximately 12-15 hours per week. The universities do not track off-campus employment of students.
- ### Loss of funding for the Iowa Work-Study Program<sup>12</sup> continues to limit the opportunities for on-campus student employment. This is contrary to research that has shown that students who work on-campus have higher retention and persistence rates than students who work off-campus. The Iowa Work-Study Program was not funded for FY 2011 or FY 2012.
- ### There is potential federal legislation to eliminate or significantly reduce future federal Pell Grants for currently eligible students.
- ### The following are concerns resulting from sequestration:
  - ⇒ Campus-based programs, such as Work-Study and SEOG<sup>13</sup>, were cut from the University of Iowa and Iowa State University; minimum funding was allocated for the University of Northern Iowa.
  - ⇒ Federal allocation for the campus-based Perkins Loan program was previously eliminated.
  - ⇒ There was a 12.6% reduction in the TEACH grant program. At UNI, for example, future teachers will be cut by \$504 per student with a total loss of \$324,072 in one year.
  - ⇒ The TRIO Program<sup>14</sup> is projected to lose 5% of its funding. The Federal TRIO Programs are educational opportunity outreach programs designed to motivate and support students from disadvantaged backgrounds.

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<sup>9</sup> "A Research Agenda for Study of Indebtedness and College Enrollment," Project on Student Debt.

<sup>10</sup> "ACE Issue Brief, May 2006.

<sup>11</sup> Student employment at the Regent universities is limited to 20 hours per week.

<sup>12</sup> Approximately \$2 million was appropriated each year prior to 2001-02. Between 2001-02 and 2004-05, \$0 was appropriated for state work-study; no state work-study funds have been appropriated since 2008-09 other than \$3,000 in 2009-10.

<sup>13</sup> Supplemental Educational Opportunity Grant.

<sup>14</sup> Upward Bound Program; Support Services; Talent Search Program.

- ⇒ The Direct Loan origination fee increases student loans from 1% to 1.051% and parent loans from 4% to 4.204%. The origination fee increases will also have an effect on programming costs for the universities.
- ⇒ The Iraq-Afghanistan Service Grants were reduced by 37.8%.
- ☛ In 2010-11, approximately 92% of Iowa need-based state grants were awarded to students attending private, not-for-profit and private, for-profit institutions which makes Iowa unique among the other states.<sup>15</sup>
- ☛ Although the maximum Pell Grant is the most frequently cited grant program, only about 25% of recipients currently qualify for the maximum.<sup>16</sup> In 2011-12, the maximum Pell Grant award was \$5,550; the average national Pell Grant award was \$3,685. At the Regent universities, the average Pell Grant award was \$3,610.

The Student Financial Aid Report addresses the Board of Regents Strategic Plan priorities of “access, affordability, and student success; and “educational excellence and impact” and Goal #1 – “Iowa’s public universities shall be affordable to all academically qualified Iowa residents.”

**Highlights:**

**STUDENT FINANCIAL AID SUMMARY BY TYPE AND FUNDING SOURCE  
2009-10 to 2011-12**

<b>Regent Total</b>	<b>Federal</b>	<b>State</b>	<b>Institutional</b>	<b>Other</b>	<b>Total</b>
<b>Grants/Scholarships</b>					
2009-10	\$64,250,695	\$8,311,016	\$134,865,222	\$41,416,242	\$248,843,175
2010-11	\$72,370,427	\$4,833,009	\$163,882,009	\$46,032,100	\$287,117,545
<b>2011-12</b>	<b>\$75,657,092</b>	<b>\$5,738,066</b>	<b>\$217,253,542</b>	<b>\$51,112,128</b>	<b>\$349,760,828</b>
<b>Loans</b>					
2009-10	\$422,581,646	\$0	\$2,228,534	\$36,960,298	\$461,770,478
2010-11	\$450,889,882	\$0	\$2,102,785	\$33,005,654	\$485,998,321
<b>2011-12</b>	<b>\$453,061,240</b>	<b>\$0</b>	<b>\$1,867,460</b>	<b>\$20,762,034</b>	<b>\$475,690,734</b>
<b>Employment</b>					
2009-10	\$45,337,579	\$3,000	\$142,515,200	\$44,602	\$187,900,381
2010-11	\$43,155,425	\$0	\$149,541,289	\$42,476	\$192,739,190
<b>2011-12</b>	<b>\$42,166,168</b>	<b>\$0</b>	<b>\$155,896,116</b>	<b>\$9,438</b>	<b>\$198,071,722</b>
<b>Grand Total</b>					
2009-10	\$532,169,920	\$8,314,016	\$279,208,956	\$78,421,142	\$898,514,034
2010-11	\$566,415,734	\$4,833,009	\$315,526,083	\$79,080,230	\$965,855,056
<b>2011-12</b>	<b>\$570,884,500</b>	<b>\$5,738,066</b>	<b>\$375,017,118</b>	<b>\$71,883,600</b>	<b>\$1,023,523,284</b>

- ◆ Grants/Scholarships. In 2011-12, a total of \$349,760,828 (34.2%) was awarded in the form of grants and scholarships; this is an increase of \$62,643,283 (+21.8%) from the prior year. Of the total grants and scholarships awarded in 2011-12, 62.1% came from institutional funds; 21.6% came from federal funds; 14.6% came from other funds; and 1.7% came from state funds.

<sup>15</sup> NASSGAP, 2010-11.

<sup>16</sup> Trends in Student Aid 2012, College Board.

- ◇ Employment. In 2011-12, a total of \$198,071,722 (19.4%) was awarded in the form of on-campus employment; this is an increase of \$5,332,532 (+2.8%) from the prior year. Of the total amount awarded in 2011-12, 78.7% came from institutional funds; 21.3% came from federal funds; and less than 0.01% came from other funds.
- ◇ Loans. In 2011-12, a total of \$475,690,734 (46.4%) was awarded in the form of loans; this is a decrease of \$10,307,587 (-2.1%) from the prior year. Of the total loans awarded in 2011-12, 95.2% came from federal funds; 0.0% came from state funds; 4.4% came from other funds; and 0.4% came from institutional funds.

Between 2009-10 and 2011-12, there were significant changes in student financial aid by **funding source**.

- ◇ Federal funds increased by \$38,714,580 (+7.3%) during that three year period.
- ◇ State funds decreased by \$2,575,950 (-31.0%).<sup>17</sup>
- ◇ Institutional funds increased by \$95,408,162 (+34.1%).
- ◇ Other funds, such as private grants and scholarships, decreased by \$6,537,542 (-8.3%).

**TOTAL STUDENT FINANCIAL AID BY FUNDING SOURCE  
2009-10 to 2011-12**

	<b>Federal</b>	<b>State</b>	<b>Institutional</b>	<b>Other</b>	<b>Total</b>
<b>2009-10</b>					
Amount & % Change	\$532,169,920 (+13.7%)	\$8,314,016 (-13.7%)	\$279,608,956 (+9.9%)	\$78,421,142 (-6.8%)	\$898,514,034 (+10.1%)
Awards & % Change	108,030 (+9.9%)	3,235 (-16.3%)	70,841 (-0.9%)	20,455 (-13.2%)	202,561 (+2.7%)
Avg. Award & % Change	\$4,926 (+3.5%)	\$2,570 (+72.1%)	\$3,947 (+10.9%)	\$3,834 (+7.4%)	\$4,436 (+7.2%)
<b>2010-11</b>					
Amount & % Change	\$566,415,734 (+6.4%)	\$4,833,009 (-41.9%)	\$315,526,083 (+12.8%)	\$79,080,230 (+0.8%)	\$965,855,056 (+7.5%)
Awards & % Change	108,893 (+0.8%)	2,713 (-16.1%)	76,077 (+7.4%)	21,056 (+2.9%)	208,739 (+3.0%)
Avg. Award & % Change	\$5,202 (+5.6%)	\$2,228 (-13.3%)	\$4,132 (+4.7%)	\$3,756 (-2.0%)	\$4,627 (+4.3%)
<b>2011-12</b>					
Amount & % Change	\$570,884,500 (+0.8%)	\$5,738,066 (+18.7%)	\$375,017,118 (+18.9%)	\$71,883,600 (-9.1%)	\$1,023,523,284 (+6.0%)
Awards & % Change	108,759 (-0.1%)	1,845 (-32.0%)	96,773 (+27.2%)	22,067 (+4.8%)	229,444 (+9.9%)
Avg. Award & % Change	\$5,249 (+0.9%)	\$3,110 (+39.6%)	\$3,875 (-6.2%)	\$3,257 (-13.3%)	\$4,460 (-3.6%)

<sup>17</sup> Previously, the Commission recorded IMAGES awards as state funds.

Between 2009-10 and 2011-12, there were major changes in student financial aid by **funding type**.

- ◆ Grant/scholarship funds increased by \$100,917,653 (+40.6%) during that three year period.
- ◆ Employment funds increased by \$10,171,341 (+5.4%).
- ◆ Loan funds increased by \$13,920,256 (+3.0%).

**TOTAL STUDENT FINANCIAL AID BY FUNDING TYPE  
2009-10 to 2011-12**

	<b>Grants/Scholarships</b>	<b>Employment</b>	<b>Loans</b>	<b>Total</b>
<b>2009-10</b>				
Amount & % Change	\$248,843,175 (+11.5%)	\$187,900,381 (+26.5%)	\$461,770,478 (+3.9%)	\$898,514,034 (+10.8%)
Awards & % Change	84,215 (+5.9%)	35,299 (-8.4%)	83,047 (+4.9%)	202,561 (+2.7%)
Avg. Award & % Change	\$2,955 (+5.2%)	\$5,323 (+38.2%)	\$5,560 (-1.0%)	\$4,436 (+7.2%)
<b>2010-11</b>				
Amount & % Change	\$287,117,545 (+15.4%)	\$192,739,190 (+2.6%)	\$485,998,321 (+5.2%)	\$965,855,056 (+7.5%)
Awards & % Change	91,550 (+8.7%)	33,974 (-3.8%)	83,215 (+0.2%)	208,739 (+3.0%)
Avg. Award & % Change	\$3,136 (+6.1%)	\$5,673 (+6.6%)	\$5,840 (+5.0%)	\$4,627 (+4.3%)
<b>2011-12</b>				
Amount & % Change	\$349,760,828 (+21.8%)	\$198,071,722 (+2.8%)	\$475,690,734 (-2.1%)	\$1,023,523,284 (+6.0%)
Awards & % Change	110,582 (+20.8%)	35,499 (+4.5%)	83,363 (+0.2%)	229,444 (+9.9%)
Avg. Award & % Change	\$3,162 (+0.8%)	\$5,579 (-1.7%)	\$5,706 (-2.3%)	\$4,460 (-3.6%)

- ◆ Undergraduate Aid. In 2011-12, a total of \$662,540,201 was awarded to undergraduates at the Regent universities; this is an increase of \$47,831,998 (+7.8%) from the prior year. Undergraduate aid represents 64.7% of the total financial aid awarded in 2011-12.
  - ◆ Of the total amount awarded to undergraduates, 57.8% came from federal funds, 0.7% came from state funds, 33.1% came from institutional funds, and 8.4% came from other funds.
  - ◆ In 2011-12, a total of \$275,892,928 (41.6%) was awarded in the form of grants and scholarships; this is an increase of \$52,978,913 (+23.8%) from the prior year.
  - ◆ In 2011-12, a total of \$52,139,097 (7.9%) was awarded in the form of on-campus employment; this is an increase of \$2,163,531 (+4.3%) from the prior year.

☛ In 2011-12, a total of \$334,508,176 (50.5%) was awarded in the form of loans; this is a decrease of \$7,310,446 (-2.1%) from the prior year.

**TOTAL UNDERGRADUATE FINANCIAL AID BY FUNDING SOURCE  
2009-10 to 2011-12**

	<b>Federal</b>	<b>State</b>	<b>Institutional</b>	<b>Other</b>	<b>Total</b>
<b>2009-10</b>					
Amount & % Change	\$350,748,282 (+11.1%)	\$7,502,680 (-16.3%)	\$143,440,338 (+2.6%)	\$64,569,289 (-8.1%)	\$566,260,589 (+5.3%)
Awards & % Change	89,969 (+12.0%)	2,914 (-15.8%)	52,375 (-4.2%)	17,255 (-9.6%)	162,513 (+3.2%)
Avg. Award & % Change	\$3,899 (-1.7%)	\$2,575 (-0.6%)	\$2,739 (+7.1%)	\$3,742 (+1.6%)	\$3,484 (+2.1%)
<b>2010-11</b>					
Amount & % Change	\$381,092,054 (+8.7%)	\$4,064,402 (-45.8%)	\$165,446,444 (+15.3%)	\$64,105,303 (-0.7%)	\$614,708,203 (+8.6%)
Awards & % Change	91,034 (+1.2%)	2,435 (-16.4%)	55,969 (+6.9%)	17,667 (+2.4%)	167,105 (+2.8%)
Avg. Award & % Change	\$4,186 (+7.4%)	\$2,166 (-15.9%)	\$2,934 (+7.1%)	\$3,628 (-3.0%)	\$3,679 (+5.6%)
<b>2011-2012</b>					
Amount & % Change	\$382,683,742 (+0.4%)	\$4,858,347 (+19.5%)	\$219,576,957 (+32.7%)	\$55,421,155 (-13.5%)	\$662,540,201 (+7.8%)
Awards & % Change	89,526 (-1.7%)	1,497 (-38.5%)	76,831 (+37.3%)	18,794 (+6.4%)	186,648 (+11.7%)
Avg. Award & % Change	\$4,274 (+2.1%)	\$3,245 (+49.8%)	\$2,857 (-2.6%)	\$2,948 (-18.7%)	\$3,549 (-3.5%)

☛ In 2011-12, of the total amount awarded to undergraduates, 41.6% was in the form of grants/scholarships, 7.9% was in the form of employment, and 50.5% was in the form of loans.

- ⇒ The average financial aid award to undergraduate students at the Regent universities was \$3,549, which represents a decrease of \$130 (-3.5%) from the prior year.
- ⇒ The average undergraduate grant/scholarship award was \$2,936, which represents an increase of \$17 (+0.6%) from the prior year.
- ⇒ The average undergraduate loan award was \$4,776, which represents a decrease of \$134 (-2.7%) from the prior year.
- ⇒ The average undergraduate employment award was \$2,301, which represents a decrease of \$65 (-2.7%) from the prior year.

UNDERGRADUATE STUDENT FINANCIAL AID BY FUNDING TYPE  
2009-10 to 2011-12

	Grants/Scholarships	Employment	Loans	Total
<b>2009-10</b>				
Amount & % Change	\$197,027,195 (+17.0%)	\$46,693,609 (-11.6%)	\$322,539,785 (+1.9%)	\$566,260,589 (+10.5%)
Awards & % Change	70,787 (+5.9%)	21,982 (-15.9%)	69,744 (+8.0%)	162,513 (+3.2%)
Avg. Award & % Change	\$2,783 (+10.5%)	\$2,124 (+5.0%)	\$4,624 (-5.7%)	\$3,484 (+2.1%)
<b>2010-11</b>				
Amount & % Change	\$222,914,015 (+13.1%)	\$49,975,566 (+7.0%)	\$341,818,622 (+6.0%)	\$614,708,203 (+8.6%)
Awards & % Change	76,360 (+7.9%)	21,125 (-3.9%)	69,620 (-0.2%)	167,105 (+2.8%)
Avg. Award & % Change	\$2,919 (+4.9%)	\$2,366 (+11.4%)	\$4,910 (+6.2%)	\$3,679 (+5.6%)
<b>2011-12</b>				
Amount & % Change	\$275,892,928 (+23.8%)	\$52,139,097 (+4.3%)	\$334,508,176 (-2.1%)	\$662,540,201 (+7.8%)
Awards & % Change	93,959 (+23.0%)	22,650 (+7.2%)	70,039 (+0.6%)	186,648 (+11.7%)
Avg. Award & % Change	\$2,936 (+0.6%)	\$2,301 (-2.7%)	\$4,776 (-2.7%)	\$3,549 (-3.5%)

◆ The national average financial aid to undergraduate students who received aid in 2011-12 was \$13,218.<sup>18</sup> In 2011-12, the average financial aid to Regent university undergraduate students who received aid was \$12,893<sup>19</sup> which was a decrease of \$1,106 (-7.9%) from the prior year.

◆ In 2011-12, there were 48,910 undergraduates<sup>20</sup> who received some type of financial aid at the Regent universities which was an increase of 3,484 students (+7.7%) from the prior year. Of the total number of undergraduates who received aid, 71.2% received some type of grant/scholarship; 68.2% received some type of loan;<sup>21</sup> and 41.9% received some type of employment aid.

◆ The national average grant/scholarship award to undergraduate students in 2011-12 was \$6,932.<sup>15</sup> In 2011-12, the average grant/scholarship award to Regent university undergraduate students was \$6,588 which was an increase of \$158 (+2.5%) from the prior year.

◆ The national average loan award to undergraduate students in public four-year institutions was \$6,600 in 2007-08.<sup>22</sup> In 2011-12, the average loan award to Regent university undergraduate students was \$7,673<sup>23</sup> which was a decrease of \$6 (-0.1%) from the prior year.

<sup>18</sup> Trends in Student Aid 2012, College Board.

<sup>19</sup> Student College Aid Commission survey data, 2011-12; unduplicated count of students.

<sup>20</sup> This is an unduplicated headcount.

<sup>21</sup> This includes PLUS; it is 67.6% without PLUS.

<sup>22</sup> NPSAS, 2007-08.

<sup>23</sup> Loan amounts exclude PLUS. If PLUS loans are included, the average loan award is \$10,459.



- ◇ Default Rates.<sup>29</sup> The Higher Education Opportunity Act of 2009 created a new calculation of cohort default rates. It extended the time from a two-year to a three-year cohort. The FY 2009 three-year national cohort default rate was 13.4%. The three-year default rate for the state of Iowa was 16.6%. The national three-year default rate for public four-year institutions was 7.9%.<sup>30</sup>
  - ☛ For the University of Iowa, the FY 2009 three-year default rate was 2.9%; for Iowa State University, it was 4.0%; and for the University of Northern Iowa, it was 4.2%.<sup>28</sup>
  
- ◇ Tuition Set-Aside. Board of Regents tuition policy §8.02C-5i requires that a minimum of 15% of gross tuition proceeds be set aside annually by each Regent university for student financial aid. Each university has exceeded the minimum requirements during the last several years.

**TUITION SET-ASIDE<sup>31</sup> BY INSTITUTION AND EDUCATIONAL LEVEL  
2009-10 to 2011-12**

	<b>Undergraduate</b>	<b>Graduate &amp; Professional</b>	<b>Total</b>	<b>Percent of Total Tuition</b>
<b>2009-10</b>				
SUI	\$33,854,208	\$25,874,792	\$59,729,000	19.9%
ISU	\$41,790,448	\$13,208,575	\$54,999,023	23.5%
UNI	\$10,841,026	\$1,952,603	\$12,793,629	17.9%
<b>2010-11</b>				
SUI	\$40,021,195	\$28,927,805	\$68,949,000	20.6%
ISU	\$48,507,903	\$12,576,324	\$61,084,227	23.7%
UNI	\$12,351,370	\$2,006,902	\$14,358,272	18.7%
<b>2011-12</b>				
SUI	\$46,375,890	\$29,687,110	\$76,063,000	20.8%
ISU	\$56,778,154	\$12,825,981	\$69,604,135	23.9%
UNI	\$12,824,284	\$1,981,533	\$14,805,817	18.4%

- ◇ The table on the following page describes the distribution of tuition set-aside funds to undergraduates who demonstrated need in 2011-12. There were 14,122 Iowa residents who demonstrated need; this is an increase of 616 students (+4.6%) from the prior year. Iowa residents who demonstrated need received \$38,734,415; this was an increase of \$3,736,423 (+10.7%) from the prior year.
  - ☛ At SUI, 61.0% of all undergraduates who received tuition set-aside funds demonstrated need; 51.0% of those who demonstrated need were Iowa residents. Approximately 73% of all undergraduate tuition set-aside funds were awarded to students who demonstrated need; 40% of those funds were awarded to Iowa residents who demonstrated need.

<sup>29</sup> Source: U.S. Department of Education.

<sup>30</sup> Since this was the first year to calculate the three-year cohort default rates, there are no comparative data from prior years.

<sup>31</sup> Funds distributed through the Student Financial Aid Department.

- ### At ISU, approximately 73% of all undergraduates who received tuition set-aside funds demonstrated need; 72% of those who demonstrated need were Iowa residents. Approximately 73% of all undergraduate tuition set-aside funds were awarded to students who demonstrated need; 43% of those funds were awarded to Iowa residents who demonstrated need.
- ### At UNI, approximately 85% of all undergraduates who received tuition set-aside funds demonstrated need; 91% of those who demonstrated need were Iowa residents. Approximately 83% of all undergraduate tuition set-aside funds were awarded to students who demonstrated need; 71% of those funds were awarded to Iowa residents who demonstrated need.

**UNDERGRADUATE TUITION SET-ASIDE BY INSTITUTION, NEED, AND RESIDENCE  
2009-2010 to 2011-2012**

	<b>SUI</b>	<b>ISU</b>	<b>UNI</b>	<b>TOTAL</b>
<b>2009-10</b>				
Demonstrated Need Total	\$25,177,027 (5,685)	\$28,694,730 (8,584)	\$7,093,771 (3,277)	\$60,965,528 (17,546)
<b>Resident</b>	<b>\$12,122,916</b> <b>(3,957)</b>	<b>\$12,181,263</b> <b>(6,354)</b>	<b>\$5,378,881</b> <b>(3,016)</b>	<b>\$29,683,060</b> <b>(13,327)</b>
Nonresident	\$13,054,111	\$16,513,467	\$1,714,890	\$31,282,468
Did Not Demonstrate Need Total	\$8,677,181 (2,316)	\$13,095,718 (3,676)	\$3,747,255 (1,189)	\$25,520,154 (7,181)
<b>Resident</b>	<b>\$2,091,218</b> <b>(622)</b>	<b>\$3,433,998</b> <b>(2,023)</b>	<b>\$2,388,957</b> <b>(992)</b>	<b>\$7,914,173</b> <b>(3,637)</b>
Nonresident	\$6,585,963	\$9,661,720	\$1,358,298	\$17,605,981
Total Undergraduate TSA	\$33,854,208	\$41,790,448	\$10,841,026	\$86,485,682
<b>2010-11</b>				
Demonstrated Need Total	\$29,807,458 (4,413)	\$35,035,873 (9,673)	\$8,645,688 (4,265)	\$73,489,019 (18,351)
<b>Resident</b>	<b>\$13,208,820</b> <b>(2,399)</b>	<b>\$15,063,356</b> <b>(7,109)</b>	<b>\$6,725,816</b> <b>(3,998)</b>	<b>\$34,997,992</b> <b>(13,506)</b>
Nonresident	\$16,598,638	\$19,972,517	\$1,919,872	\$38,491,027
Did Not Demonstrate Need Total	\$10,213,737 (2,553)	\$13,472,030 (3,577)	\$3,705,681 (1,102)	\$27,391,448 (7,232)
<b>Resident</b>	<b>\$2,017,421</b> <b>(632)</b>	<b>\$3,295,371</b> <b>(1,899)</b>	<b>\$2,287,902</b> <b>(905)</b>	<b>\$7,600,694</b> <b>(3,436)</b>
Nonresident	\$8,196,316	\$10,176,659	\$1,417,779	\$19,790,754
Total Undergraduate TSA	\$40,021,195	\$48,507,903	\$12,351,369	\$100,880,467
<b>2011-12</b>				
Demonstrated Need Total	\$33,956,939 (4,497)	\$41,517,526 (10,691)	\$10,670,944 (4,556)	\$86,145,409 (19,744)
<b>Resident</b>	<b>\$13,460,286</b> <b>(2,295)</b>	<b>\$17,670,539</b> <b>(7,694)</b>	<b>\$7,603,590</b> <b>(4,133)</b>	<b>\$38,734,415</b> <b>(14,122)</b>
Nonresident	\$20,496,653	\$23,846,987	\$3,067,354	\$47,410,994
Did Not Demonstrate Need Total	\$12,418,949 (2,870)	\$15,260,628 (3,965)	\$2,153,340 (777)	\$29,832,917 (7,612)
<b>Resident</b>	<b>\$2,005,431</b> <b>(634)</b>	<b>\$3,696,352</b> <b>(2,044)</b>	<b>\$1,732,420</b> <b>(691)</b>	<b>\$7,434,203</b> <b>(3,369)</b>
Nonresident	\$10,413,518	\$11,564,276	\$420,920	\$22,398,714
Total Undergraduate TSA	\$46,375,890	\$56,778,154	\$12,824,284	\$115,978,328

The following statements apply to the three Regent universities.

**Student Financial Aid Awarding Philosophies.**

- ◇ Federal, state, university, and private financial aid is awarded to as many students as possible who qualify and meet all required application priority dates and deadlines.
- ◇ Students who demonstrate the greatest financial need will receive the most amount of financial aid and will receive priority consideration for need-based grants and scholarships.
- ◇ All financial aid combined cannot exceed the student's cost of attendance.

**Student Financial Aid Department Priorities.**

- ◇ Ensure that department priorities are consistent with university strategic plans, including providing access to those with financial need; enrolling well-qualified and prepared students; facilitating the enrollment of a diverse student population; recruitment of high achieving students; and awarding philosophies that promote persistence and timely graduation.
- ◇ Develop and implement financial literacy programs that help educate students about sound budgeting and spending practices.
- ◇ Advocate at the federal and state levels for adequate and enhanced financial aid to help meet increasing higher education costs as well as related living expenses.
- ◇ Develop university policies and procedures that comply with federal rules and regulations and state administrative codes.
- ◇ Develop university policies and procedures that simplify and streamline the application for and delivery of all sources and types of financial aid.
- ◇ Make affordability and access a high priority and create opportunities to minimize and reduce annual student borrowing and debt upon graduation.

**Institutional Student Financial Aid Initiatives.**

- ◇ Maintaining and enhancing university financial aid websites that respond to parent and student needs.
- ◇ Maintaining and enhancing websites that allow prospective and currently enrolled students to assess accurately the net costs of attending Iowa public universities using a Net Price Calculator.
- ◇ Enhancing efforts to be responsive to students who are applying for financial aid and have special financial circumstances.

- ◇ Enhancing financial aid programs and analyzing their effectiveness for access and affordability.
- ◇ Providing parents with relevant information about the federal PLUS loan and ensuring that private educational loans are loans of last resort. Providing additional counseling when informing students about private loans.
- ◇ Implementing the use of the new federal financial aid shopping sheet to communicate net cost to parents and students.

### **Institutional Concerns Related to Financial Aid.**

The following issues and concerns reflect requirements from the latest federal laws and regulations.

#### Federal Loans

- ◇ Increased default rates for all schools that resulted from extending two-year cohort default rates to three-year default rates.
- ◇ Potential federal legislation to eliminate in-school interest subsidies for undergraduate students.
- ◇ Future changes in repayment plans, particularly those that may result in automatic payroll deductions for all students.

#### Federal Funding

- ◇ Potential federal legislation that would eliminate or significantly reduce future federal Pell grants for currently eligible students.
- ◇ Potential federal legislation that would eliminate or significantly reduce funding for the federal campus-based programs (federal work-study, Perkins loans, SEOG).

#### State Funding

- ◇ Additional reductions in the Iowa Grant and All Iowa Opportunity Scholarship Programs.
- ◇ Continued zero funding of the Iowa Work-Study Program.
- ◇ State authorization and full funding of the new need-based Iowa Grant for resident undergraduates attending Iowa public universities.

#### Institutional

- ◇ Adequate staffing for the Office of Student Financial Aid.
- ◇ Developing and implementing financial literacy programs on campus, in particular for new first-time and new transfer students.

- ◇ Complying with federal program integrity regulations, including new satisfactory academic progress requirements.
- ◇ Implementing the use of the new federal “shopping sheet” and required updates to the net price calculator.
- ◇ Implementing required changes related to veterans’ assistance programs.
- ◇ Added emphasis on financial aid counseling.
- ◇ Other external demands related to accountability.
- ◇ Responding to a new federal Higher Education Act.
- ◇ Collaborative efforts with institutional foundations for new and enhanced fund raising priorities for merit and need-based scholarships.

**TOTAL UNDERGRADUATE STUDENTS AT THE REGENT UNIVERSITIES  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10 <sup>32</sup>	12,722	16,164	10,469	7,852	6,357	825	20,574	22,521	11,294
2010-11 <sup>33</sup>	12,578	16,084	10,532	8,598	7,020	859	21,176	23,104	11,391
<b>2011-12<sup>34</sup></b>	<b>12,215</b>	<b>16,552</b>	<b>10,535</b>	<b>9,349</b>	<b>7,791</b>	<b>872</b>	<b>21,564</b>	<b>24,343</b>	<b>11,407</b>

**NUMBER AND PERCENT OF UNDERGRADUATES WHO RECEIVED FINANCIAL AID  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10	10,494 (82.5%)	14,110 (87.3%)	9,080 (86.7%)	4,902 (62.4%)	4,919 (77.4%)	624 (75.6%)	15,396 (74.8%)	19,029 (84.5%)	9,704 (85.9%)
2010-11	10,486 (83.4%)	14,201 (88.3%)	9,220 (87.5%)	5,488 (63.8%)	5,413 (77.1%)	618 (71.9%)	15,974 (75.4%)	19,614 (84.9%)	9,838 (86.4%)
<b>2011-12</b>	<b>9,505 (77.8%)</b>	<b>14,661 (88.6%)</b>	<b>9,010 (85.5%)</b>	<b>6,732 (72.0%)</b>	<b>6,013 (77.2%)</b>	<b>596 (68.3%)</b>	<b>16,237 (75.3%)</b>	<b>20,674 (84.9%)</b>	<b>9,606 (84.2%)</b>

**NUMBER AND PERCENT OF UNDERGRADUATES WHO RECEIVED LOAN AID  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10	7,820 (61.5%)	10,930 (67.6%)	7,591 (72.5%)	3,129 (39.8%)	2,843 (44.7%)	329 (39.9%)	10,949 (53.2%)	13,773 (61.2%)	7,920 (70.1%)
2010-11	7,783 (61.9%)	10,964 (68.2%)	7,613 (72.3%)	3,453 (40.2%)	3,077 (43.8%)	314 (36.6%)	11,236 (53.1%)	14,041 (60.8%)	7,927 (69.6%)
<b>2011-12</b>	<b>7,081 (58.0%)</b>	<b>11,102 (67.1%)</b>	<b>7,287 (69.2%)</b>	<b>3,681 (39.4%)</b>	<b>3,429 (44.0%)</b>	<b>334 (38.3%)</b>	<b>10,762 (49.9%)</b>	<b>14,531 (59.7%)</b>	<b>7,621 (66.8%)</b>

<sup>32</sup> Source: Fall 2009 Enrollment Report – undergraduate students.

<sup>33</sup> Source: Fall 2010 Enrollment Report – undergraduate students.

<sup>34</sup> Source: Fall 2011 Enrollment Report – undergraduate students.

**PERCENT OF UNDERGRADUATES WHO GRADUATED WITH DEBT  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10	71.0%	74.3%	78.8%	29.0%	56.4%	53.8%	60.0%	70.4%	77.4%
2010-11	67.2%	74.8%	77.1%	50.6%	53.1%	100.0%	61.2%	69.6%	77.7%
<b>2011-12</b>	<b>68.0%</b>	<b>73.7%</b>	<b>77.6%</b>	<b>47.0%</b>	<b>51.9%</b>	<b>53.7%</b>	<b>59.0%</b>	<b>67.9%</b>	<b>76.5%</b>

**PERCENT OF UNDERGRADUATES WHO GRADUATED WITHOUT DEBT  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10	33.6%	25.7%	21.2%	51.7%	43.6%	46.2%	40.0%	29.6%	22.6%
2010-11	32.8%	25.2%	22.9%	49.4%	46.9%	0.0%	38.8%	30.4%	22.3%
<b>2011-12</b>	<b>32.0%</b>	<b>26.3%</b>	<b>22.4%</b>	<b>53.0%</b>	<b>48.1%</b>	<b>46.3%</b>	<b>41.0%</b>	<b>32.1%</b>	<b>23.5%</b>

**AVERAGE DEBT LOAD FOR THOSE WHO GRADUATED WITH DEBT<sup>35</sup>  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10	\$24,453	\$28,804	\$25,916	\$28,057	\$32,604	\$21,270	\$25,515	\$29,475	\$25,735
2010-11	\$24,652	\$29,035	\$25,435	\$27,294	\$30,603	\$27,878	\$25,446	\$29,324	\$25,523
<b>2011-12</b>	<b>\$25,415</b>	<b>\$28,940</b>	<b>\$23,496</b>	<b>\$28,218</b>	<b>\$32,032</b>	<b>\$27,762</b>	<b>\$26,296</b>	<b>\$29,573</b>	<b>\$23,575</b>

<sup>35</sup> Excludes PLUS loans.

**AVERAGE NEED-BASED DEBT LOAD FOR THOSE WHO GRADUATED WITH DEBT  
2009-10 to 2011-12**

	RESIDENT			NONRESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
2009-10	\$11,282	\$13,148	\$13,067	\$11,746	\$13,353	\$10,640	\$11,414	\$13,182	\$12,981
2010-11	\$11,706	\$13,670	\$12,962	\$12,089	\$13,353	\$13,629	\$11,823	\$13,615	\$12,983
<b>2011-12</b>	<b>\$11,752</b>	<b>\$13,899</b>	<b>\$12,560</b>	<b>\$12,061</b>	<b>\$14,145</b>	<b>\$14,780</b>	<b>\$11,845</b>	<b>\$13,947</b>	<b>\$12,639</b>

## GLOSSARY

Direct Lending Schools. Students are able to borrow directly through the school to receive their federal student loans. The Health Care and Education Reconciliation Act of 2010 now requires all post-secondary institutions participating in Title IV programs to be direct lending schools. The three Regent universities have participated in the direct lending program since 1994-1995.

Expected Family Contribution (EFC). This is the amount that the student and his/her family are expected to contribute toward the student's education. If the EFC is below a certain amount, the student may be eligible for a Federal Pell Grant. The EFC data elements may be adjusted under certain circumstances, e.g., the EFC may be adjusted to consider the family's elementary and secondary tuition expenses, their medical and dental expenses not paid by insurance, unusually high child care expenses, a family member's recent unemployment, or other changes in a family's income, a family's assets, or a student's status.

Federal Pell Grant. A Federal Pell Grant, unlike a loan, does not have to be repaid. Only undergraduate students who have not earned a bachelor's or professional degree are eligible for a Pell Grant.

Campus-Based Federal Programs. These include the Federal Work-Study (FWS), Federal Supplemental Educational Opportunity Grant (FSEOG), and Perkins Loans. These programs are all need-based. The funds are distributed to institutions based on a complex formula, and the institutions allocate them to students with financial need. An FSEOG does not have to be repaid. FSEOG awards are based on the availability of funds at the school. The student can receive between \$100 and \$4,000 a year, depending on the date of application, level of need, funding level of the school, and school's financial aid office policies. Institutions must contribute 25% of the award amounts.

Subsidized Loan. A subsidized loan is awarded on the basis of financial need. The student will not be charged any interest before beginning repayment or during authorized periods of deferment. The federal government subsidizes the interest during these periods.

Types of Loans. There is a variety of loan programs available to students and their parents.

- ◆ Federal Perkins Loan is a low-interest loan for students with exceptional financial need.
- ◆ Federal Stafford Loan is a simple interest, government guaranteed, no collateral loan.
- ◆ Federal PLUS (Parent Loan for Undergraduate Students) is a simple interest, government guaranteed, no collateral loan; parents are eligible for the PLUS if they meet the minimum government credit requirements.
- ◆ Private Loan is a non-federal loan offered by a private lending institution to cover educational costs. Borrowers must meet credit underwriting criteria of the financial institution to qualify. Both fixed-rate and variable-rate loans are available; interest accrues during the entire time of enrollment and repayment; deferments and discharges are at the lender's discretion.

Unmet/Overmet Financial Need. Unmet/overmet financial need is calculated by subtracting the expected family contribution (EFC) and the assistance (grants, scholarships, loans, and employment) provided by the institution or other sources from the cost of attendance (tuition, fees, books, and room and board).

Unsubsidized Loan. An unsubsidized loan is not awarded on the basis of need. The student will be charged interest from the time the loan is disbursed until it is paid in full.

Work-Study Funds. Work-study funds come from federal and state programs in which a maximum of 75% of the wages is covered by the federal or state program. The federal government covers 100% of the wages for students who are employed as tutors in America Reads<sup>36</sup> and America Counts<sup>37</sup> Programs. The federal government covers 75% of the wages for students who are employed in community-based organizations; the employing organization covers the other 25% of the wages.

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<sup>36</sup> Federal initiative to improve elementary students' reading skills.

<sup>37</sup> Federal initiative to improve elementary students' math skills.