

### **Funding Recommendation: Oregon Opportunity Grant**

When compared to other states, Oregon falls far below the national average of state- provided financial aid per resident undergraduate FTE. The percentage of a student's average Cost of Attendance covered by the maximum Oregon Opportunity Grant has decreased by 37% since 2009. Over the same time period, the number of eligible students has increased by 177%, while the annual Opportunity Grant budget has decreased, not adjusted for inflation, by 31%.

- Based on 2013-2014 data, Oregon ranks 32<sup>nd</sup> in Student Grant Dollars Awarded per Undergraduate FTE at \$323.38.
- For the same school year, the all-states average of Student Grant Dollars Awarded per Undergraduate FTE was \$705.27.
- For the 2013-2014 school year, Oregon's undergraduate population was 169,143.
- To serve that population of students while meeting the all-states average awarded, The State of Oregon would need to award \$110,291,484 in grant funding per year, unadjusted for inflation. If \$20 million per year were to be dedicated to continuation of the Oregon Promise, Opportunity Grant funding per year would account for \$90,281,484, unadjusted for inflation.
- The biennial cost of the Opportunity Grant at this level, including a 5% increase for inflation between 2013-2014 and the 2017-2019 biennium would be \$189,591,116. This is roughly \$48.7 million more than the 2015-2017 biennial appropriation; a 34% increase.
- The current maximum Opportunity Grant is \$2,250. A 6.7% increase for cost inflation would result in a maximum grant of \$2,400. Even at this higher award level, the budgetary increase in the grant would enable the state to serve about 16,400 more full-time students per biennium, or 32,800 more half-time students.
- The 2017-2019 initial staff budget recommendation for the Oregon Opportunity Grant is \$189,591,116.