



# OREGON PROMISE

JUAN BÁEZ-ARÉVALO, DIRECTOR, OFFICE OF STUDENT ACCESS AND COMPLETION

October 12, 2017  
Presented to: HECC Commission

# LOW-COST COMMUNITY COLLEGE: THE OREGON PROMISE

The Oregon Promise program provides grants to support most community college tuition costs for recent high school graduates and GED recipients.

- Established by Senate Bill 81 (2015) to “provide a waiver of tuition for community college courses.”
- Grants apply after federal and state aid grant (i.e. “last dollar” model).
- Students may be eligible for up to 90 credits attempted (i.e. up to approximately two years at full-time, full-year enrollment).
- Grant sizes ranged from minimum of **\$1,000 to maximum of \$3,540 in 2017-18** (based on average community college tuition).

GOAL: To increase college enrollment, completion, and affordability for recent high school graduates and GED recipients.

# OREGON PROMISE GRANT: ELIGIBILITY CRITERIA



Be a recent Oregon high school graduate or GED recipient



Be an Oregon resident at least 12 months prior to attendance



Have 2.5 cumulative GPA or higher



Plan to attend an Oregon community college within 6 months of graduation



Must not have more than 90 college credits completed or attempted



Starting in 2017-2018, eligibility may be determined by the student's Expected Family Contribution (EFC). EFC limits are subject to change.

# 2017-19 FUNDING

\$8  
Million

The budget falls \$8 million short of the projected cost to award all eligible applicants in 2017-19.

\$40  
Million

**The state has invested \$40 million in the Oregon Promise Grant for the next two years (2017-2019).**



# HOW DOES THE EXPECTED FAMILY CONTRIBUTION (EFC) LIMIT AFFECT FALL 2017 APPLICANTS?

The EFC limit for new 2017-18 applicants is \$18,000.  
With this EFC limit, OSAC was able to award approximately 4 out of 5 eligible new applicants in Fall 2017.

Lower  
EFC



Middle  
EFC



Higher  
EFC



Highest  
EFC



# Does the EFC limit affect continuing/renewal recipients from last year?

NO. A student who received the Oregon Promise Grant in 2016-17 is not subject to the **EFC Limit** for renewal.

Students must still meet all other requirements for continued eligibility and renewal of the grant each year.

# How will the EFC limit affect future applicants?

The HECC will re-evaluate the **EFC limit** each year, but we expect the limit to remain relatively stable throughout 2017-19.

The HECC may decide to adjust or eliminate the **EFC limit** in future years, if sufficient funds are available.

# ADDITIONAL CHANGES: WAIVERS

OSAC has established a 6-month enrollment waiver process for rare circumstances:

- Student: serious illness/injury
- Immediate family member: serious illness, injury, or death
- Active military duty or training (including National Guard)
- Major natural disaster
- Service in certain career and technical student organizations relating to farming (including Future Farmers of America)

# OREGON PROMISE ADVISORY GROUP

- **Purpose:** To provide input and recommendations to OSAC staff in order to inform implementation and administrative considerations for the Oregon Promise Grant.
- **Quarterly meetings:** July 2017, October 2017
- **Discussion topics to-date:**
  - EFC limit considerations
  - Messaging to students
  - Student waivers



OREGON PROMISE  
GRANT:

COST CONTROL  
CALCULATIONS

# COST PROJECTIONS WITH EFC LIMIT

EFC Cutoff	Adjusted Gross Income Estimate	Total 2017-19 Est. Disbursements	# Full Time, Full Year Awards for 2017-19	Total Cost to Grandfather in 2016-17 Cohort	Avg. Cost per Student to Grandfather in 2016-17 Cohort
\$18,000	\$95,000 - \$105,000	\$ 39,600,843	20,119	\$ 4,452,479	\$ 3,268

## Assumptions:

- a. Tuition increases 5%/year in both 2017-18 and 2018-19
- b. Award maximums based on average CC tuition at 12 credits/term for full-time, full-year enrollment
- c. Total # in 2017-18 cohort increases 10% vs. 2016-17; no increase for 2018-19
- d. Grandfather in all 2016-17 recipients
- e. No awards above EFC cutoff for new cohorts
- f. Cost estimates with and without \$50/term copay
- g. Students eligible for up to 90 credits; # continuing recipients lower in subsequent years
- h. AGI Estimate range represents difference between families with 1 to 3 dependents. Additional dependents would increase the top-end estimate.

# FACTORS IN DETERMINING EFC LIMIT

## New Applicants

Over 10,700 applicants met all eligibility requirements. After the EFC limit 8,612 new applicants have been awarded for Fall 2017.

## Renewal Students

Approximately 4,500 recipients from 2016-17 are eligible for a renewal grant in 2017-18 (they are exempt from EFC limit).

## Tuition

Oregon Promise must account for annual tuition increases, making the second half of the biennium (2018-19) more costly than 2017-18 which experience an increased from 2016-17.

## Limitation: Available Data

Data are available only for the first year of the program, and student behavior in second year may vary. Program is still growing and adding additional student cohorts.

## 90 Credit Limit

Students may be eligible to receive funds until they reach a total of 90 college credits attempted (this may take more than 2 years).

# OREGON PROMISE: APPLICATION FUNNEL FALL 2017

OSAC processed 15,840 Oregon Promise applications for Fall 2017 (new community college students).

