



The Oregon Promise: Report from Year Three

Higher Education
Coordinating Commission
December Meeting

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Senate Bill 81 established the Oregon Promise program in 2015

State grant that covers the average cost of tuition at an Oregon community college

- Covers the average cost of up to 12 credits per term until students earn 90 credits. Accelerated learning credits are counted toward the 90-credit limit.
- If tuition cost is covered by other grant aid, Oregon Promise offers a minimum \$1,000 grant for other needs

Award amounts depend on remaining financial need after other state and federal grant: “last dollar” program

To be eligible, students must:

- Be an Oregon graduate from an Oregon high school or General Educational Development (GED) test graduate
- Have graduated from high school with a cumulative grade point average (GPA) of at least 2.5 or with a GED test grade of 145
- Enroll in college within six months of high school graduation/GED completion
- Have earned no more than 90 college credits

SB 1032 (2017): gave authority to HECC to consider expected family contribution (EFC) as needed to control program costs

- In 2017-18 grants were limited to students with EFCs of \$20,000 or less

Senate Bill 81 established the Oregon Promise program in 2015

To apply, students:

- File a Free Application for Federal Student Aid (FAFSA) or Oregon Student Aid Application (ORSAA)
- Complete Oregon Promise Application

To accept the grant, students:

- Enroll in an Oregon community college within 6 months of HS graduation
- Enroll in at least 6 credits
- Accept any other federal or state grants offered
- Contribute a \$50 co-pay each term

To maintain eligibility, students:

- Be continuously enrolled for at least 6 credits fall, winter, and spring terms
- File a complete FAFSA/ORSAA application by published deadline
- Have earned fewer than 90 college credits, including those for accelerated learning

Oregon Promise has been underway for over two years, with a third cohort in fall 2018

Cohort 1 Began college 2016-17

34,678 high school graduates

19,223 applicants

10,863 awards

6,971 Oregon Promise students

Cohort 2 Began college 2017-18

35,380 high school graduates

15,840 applicants

8,869 awards
(2,172 not awarded because of EFC limit)

5,674 Oregon Promise students

Cohort 3 Began college 2018-19

N/A high school graduates

16,028 applicants

10,598 awards

5,943 Oregon Promise students

Senate Bill 81 (2015) mandates a biennial report that answers five questions

What are the enrollment and financial impacts on colleges and universities?

What are the completion rates for Oregon Promise students?

How much federal aid did Oregon Promise students receive?

What is the financial impact on school districts?

What is the overall success rate and financial impact of the Oregon Promise?

Did Oregon Promise expand enrollment? Did Oregon Promise increase federal aid?

What are the enrollment and financial impacts on colleges and universities?

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What is the financial impact on school districts?

What is the overall success rate and financial impact of the Oregon Promise?

The rise in high school graduates' enrollment in public institutions has not sustained

High school graduates' enrollment in public institutions rose and then fell

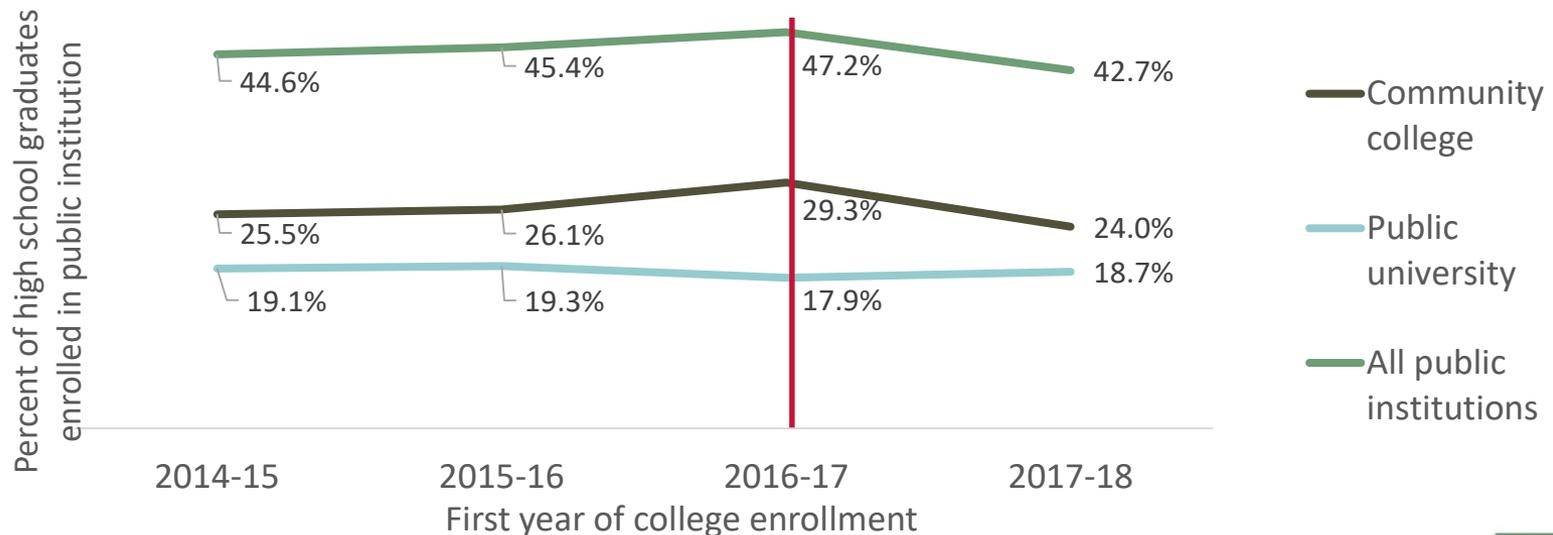
▲ **3.8** percentage points in the first year of Oregon Promise

▼ **4.5** percentage points in the second year of Oregon Promise

Community colleges: ▲ 3.2 percentage points and then ▼ 5.3 percentage points

Public universities: ▼ 1.4 percentage points and then ▲ 0.8 percentage points

Some of the second year decline is artificial, reflecting data limitations

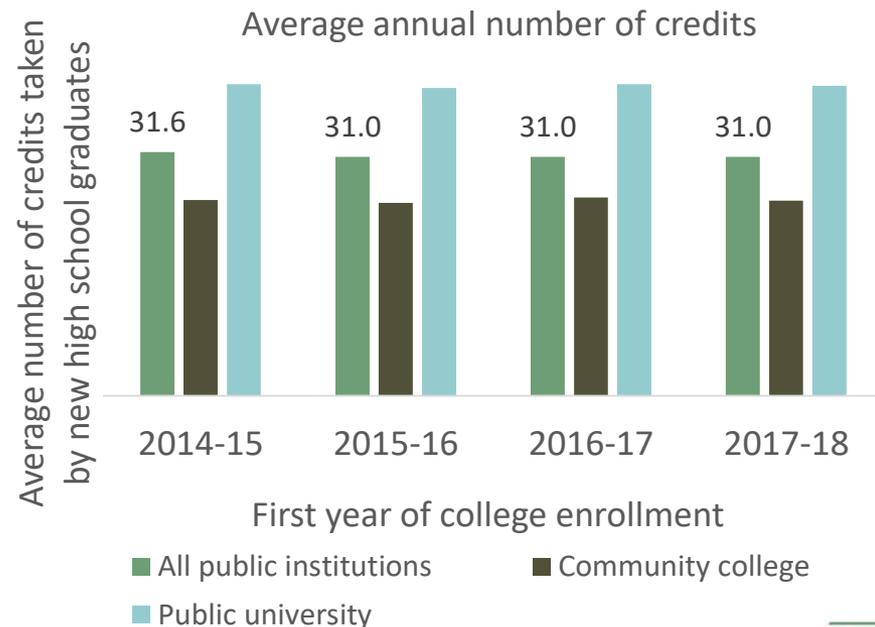


Continuous enrollment and credit loads have not increased either

New high school graduates were enrolled an average of two terms per year both before and after the Oregon Promise

The number of credits new high school graduates took was nearly constant before and after the Oregon Promise

New high school graduates at community colleges and at public universities all enrolled for two terms, on average

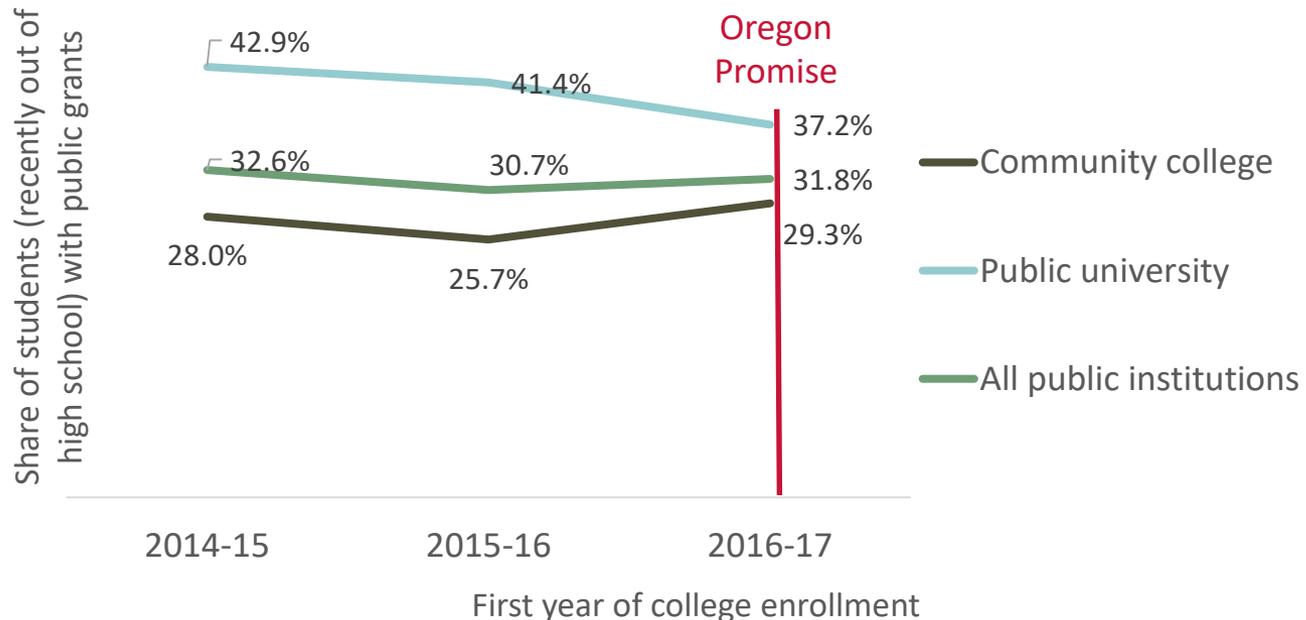


More students receive federal and state support under Oregon Promise

The proportion of new college students (those just out of high school) with federal or state aid rose slightly in the first year of the Oregon Promise, by 1.1 percentage points. This does not include the Oregon Promise grants.

Community colleges: students with public grants rose 3.6 percentage points

Public universities: students with public grants fell 4.2 percentage points

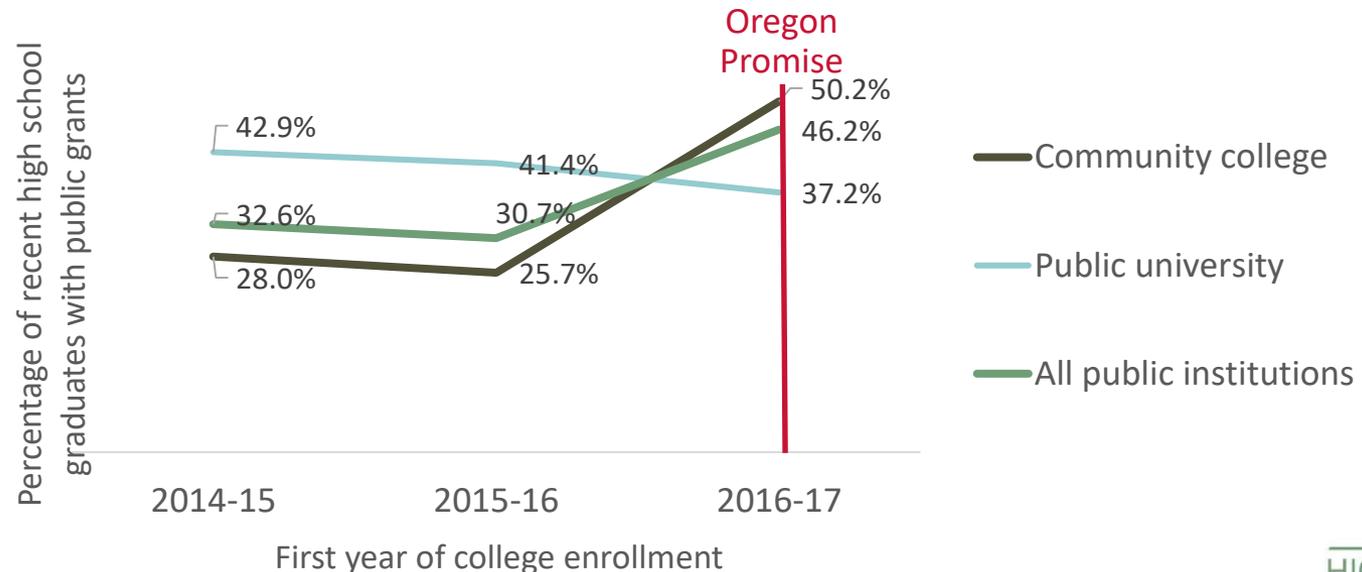


If we include the Oregon Promise grants, the increase is even sharper

The share of new college students (those just out of high school) with federal or state aid—including Oregon Promise grants—rose 15.5 percentage points in the first year of the Oregon Promise

At community colleges, almost twice as many new high school graduates had a federal or state grant as before the Oregon Promise

At public universities, this share fell 4.2 percentage points



Did Oregon Promise increase the college completion rates?

What are the enrollment and financial impacts on colleges and universities?

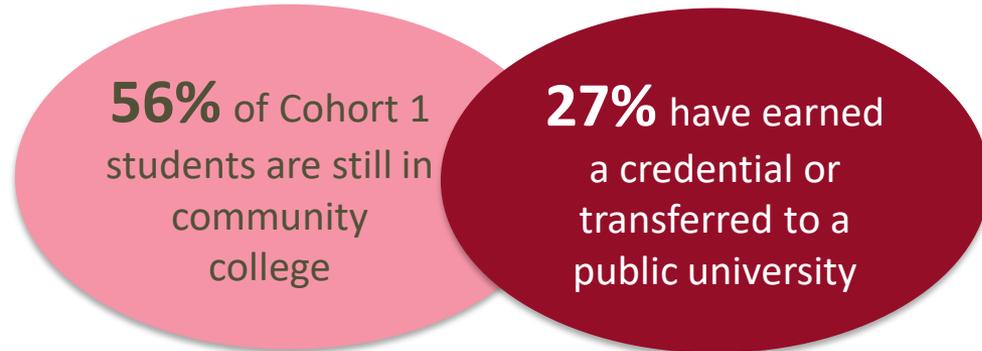
What are the completion rates for Oregon Promise students?

How much federal aid did Oregon Promise students receive?

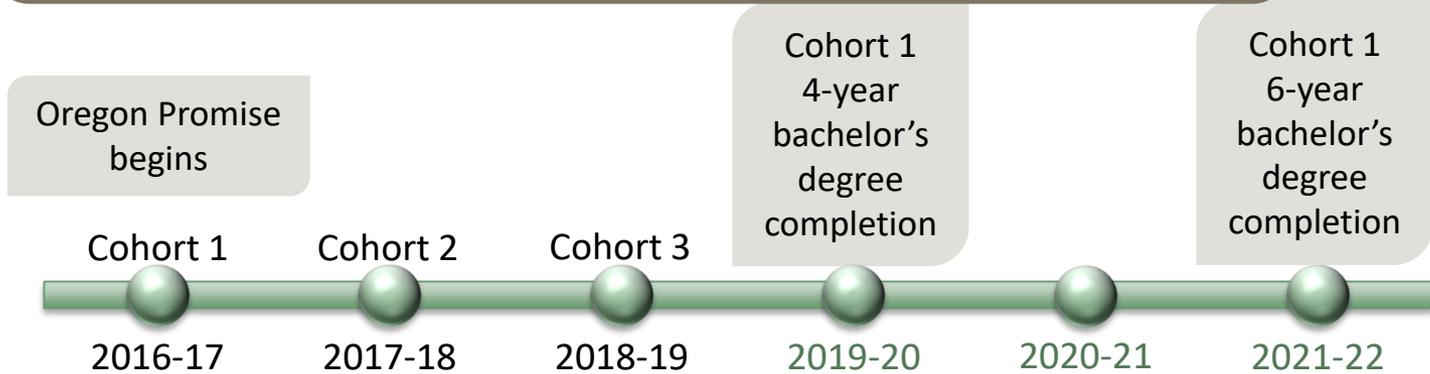
What is the financial impact on school districts?

What is the overall success rate and financial impact of the Oregon Promise?

Most Oregon Promise students are still enrolled, with completions just beginning



A fuller understanding of completion rates will begin in 2020, when we can begin to combine bachelor's degree completions with associate degree and career certificate completions



Most Oregon Promise students have positive outcomes: credentials, transfer, continuation

2018 outcomes of Oregon Promise students by cohort

	Cohort 1 (third year)	Cohort 2 (second year)
Earned associate degree	852	56
Earned career certificate	209 — 27%	38 — 4%
Transferred to public university	1,274	216
without credential	830	192
with credential	444	24
Still enrolled at community college	3,896	4,581
with Oregon Promise	806	2,792
without Oregon Promise	3,090	1,789
No longer enrolled in public inst.	2,701	1,071

83% of Cohort 1
85% of Cohort 2
students had earned a credential, transferred, or were still enrolled in community college in 2018

However, Oregon Promise does not appear to have raised completion rates

High school graduates had very similar two-year outcomes before and after the Oregon Promise

	Before Oregon Promise (2014-15 grad)	After Oregon Promise (2015-16 grad)
Earned associate degree	2.4%	3.1%
Earned career certificate	0.7% -10.1%	0.8% -10.3%
Transferred to public university	8.2%	7.9%
without credential	7.0%	6.4%
with credential	1.2%	1.5%
Still enrolled at community college	38.3%	39.7%

Is the “last dollar” design leading to more federal aid?

What are the enrollment and financial impacts on colleges and universities?

What are the completion rates for Oregon Promise students?

How much federal aid did Oregon Promise students receive?

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What is the overall success rate and financial impact of the Oregon Promise?

By design, Oregon Promise students who are eligible for federal grants take them

About half of Oregon Promise students had Pell grants

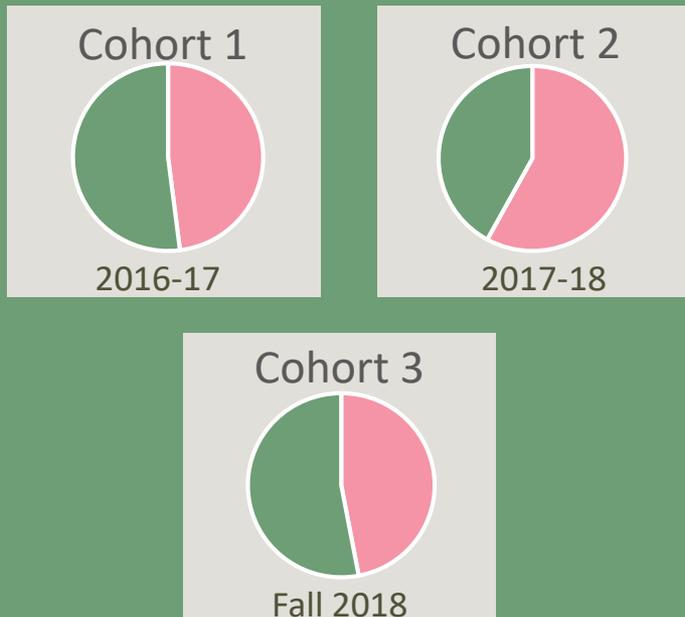
	2016-17	2017-18	Fall 2018
Students	3,346	6,028	6,821
Avg. grant	\$4,781	\$4,883	\$5,012
Total dollars	\$16M	\$29M	\$11M

The federal Pell grant

- Primary federal program for student financial aid, with awards ranging from \$613 to \$6,095 (2018-19)
 - Eligibility primarily based on financial need and U.S. citizenship
 - Most grants go to students with family incomes of \$30,000 to \$60,000
 - Students must have expected family contributions (EFCs) below \$5,488
- Oregon Promise students are **4% - 8%** of all Oregon students with Pell grants

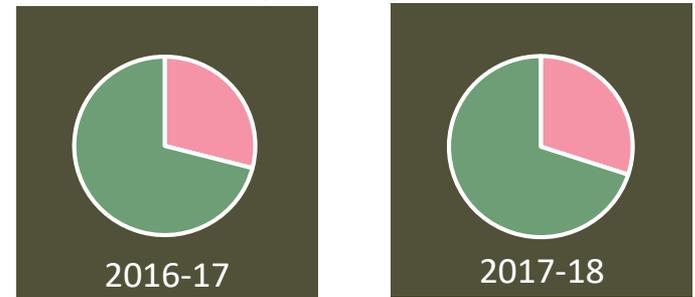
As a result, Oregon Promise students are more likely than others to have Pell grants

About half of Oregon Promise students had Pell grants in their first year



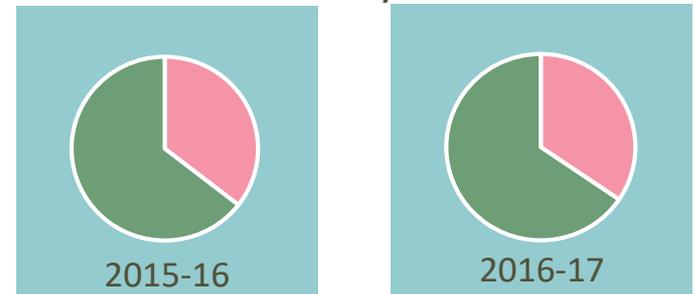
Recent high school graduates with Pell grants in first year

Community college students



Pell
No Pell

Public university students



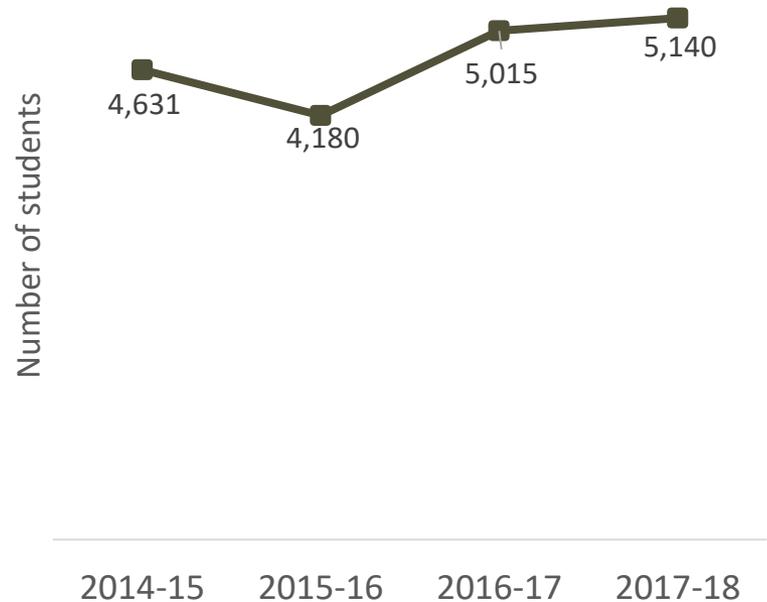
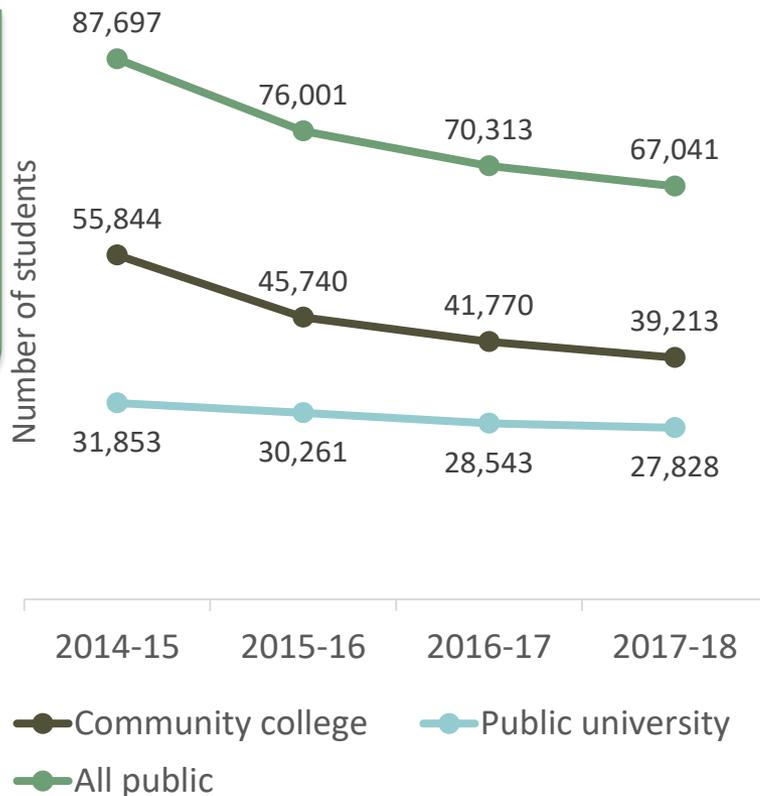
This was a goal of the program's "last dollar" design

The Pell grants among Promise students have mitigated a broader decline in students with Pell

Statewide, the number of students with Pell grants has decreased...

...while Pell grants among community college students just out of high school have risen

FAFSA applications have been declining nationwide as the economy has rebounded



What is the statewide financial impact?

What are the enrollment and financial impacts on colleges and universities?

What are the completion rates for Oregon Promise students?

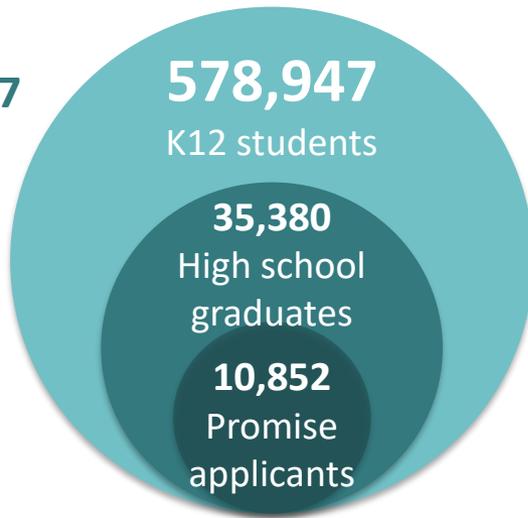
How much federal aid did Oregon Promise students receive?

What is the financial impact on school districts?

What is the overall success rate and financial impact of the Oregon Promise?

Oregon's 197 school districts range widely in size and Oregon Promise participation

2016-17



K12 students in each district

0 to 47,859

High school graduates in each district

0 to 2,487

Oregon's 197 school districts are grouped into 19 Educational Service Districts (ESDs)



1	Clackamas ESD
2	Columbia ESD
3	Douglas ESD
4	Grant County ESD
5	Harney ESD
6	High Desert ESD
7	InterMountain ESD
8	Jefferson ESD
9	Lake ESD
10	Lane ESD
11	Linn Benton Lincoln ESD
12	Malheur ESD
13	Multnomah ESD
14	North Central ESD
15	NW Regional ESD
16	Region 18 Wallowa ESD
17	South Coast ESD
18	Southern Oregon ESD
19	Willamette ESD

Source: Oregon Department of Education.

<https://www.oregon.gov/ode/schools-and-districts/reportcards/Documents/rptcard2017.pdf>

20 <https://www.oregon.gov/ode/about-us/Documents/Oregon%20ESD%20Map.pdf>

Oregon Promise offers a route to college across the state

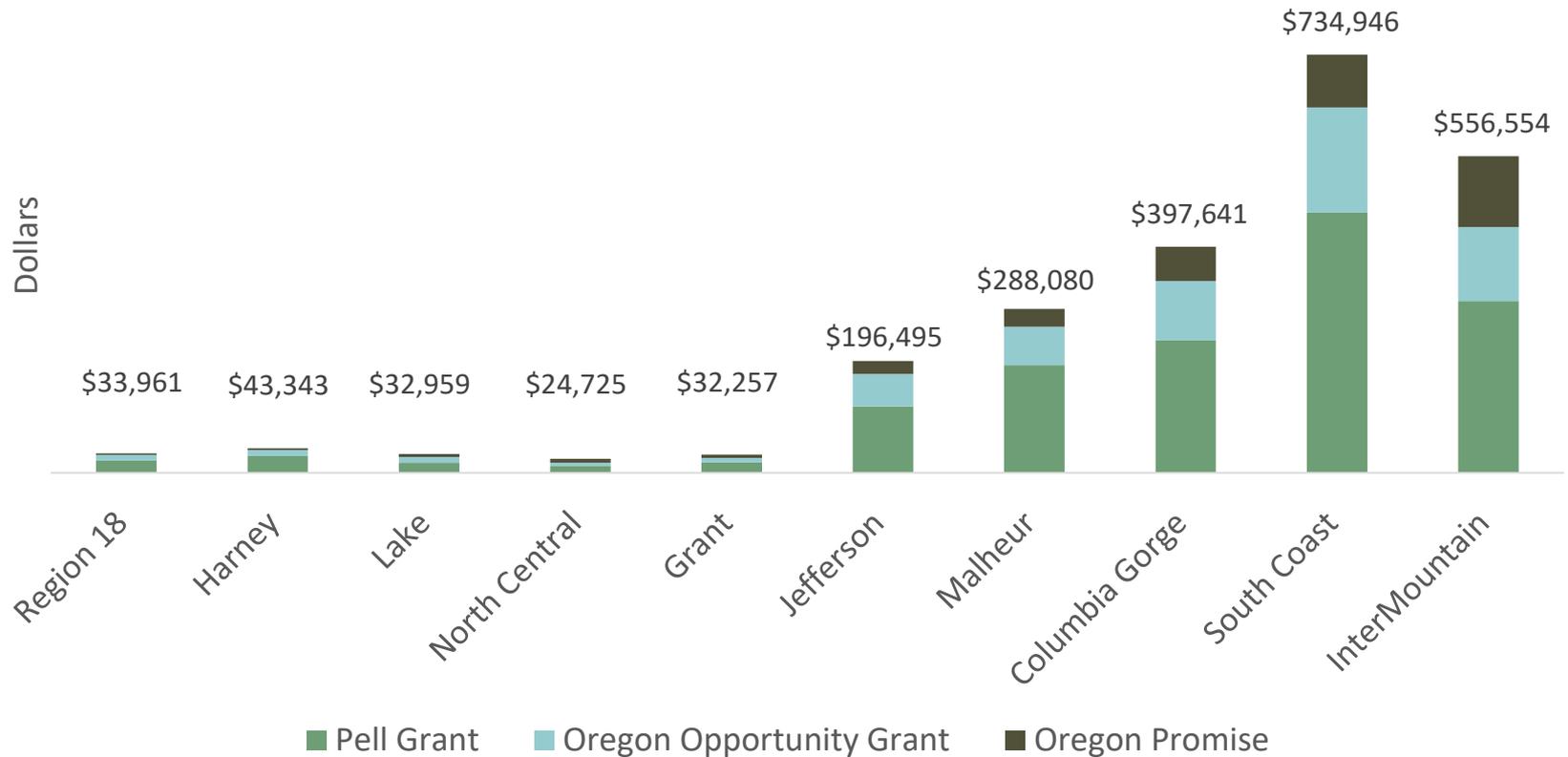
Oregon Promise students have been from every Educational Service District each year

Educational Service District	Cohort 1 2016-17	Cohort 2 2017-18	Cohort 3 fall 2018
North Central	4	6	8
Grant	5	5	9
Harney	9	11	7
Region 18	11	5	5
Lake	27	10	8
Jefferson	46	31	38
Malheur	58	66	54
Columbia Gorge	151	83	90
South Coast	187	155	153
InterMountain	189	150	154

Educational Service District	Cohort 1 2016-17	Cohort 2 2017-18	Cohort 3 fall 2018
Douglas	233	185	180
High Desert	389	321	301
Lane	472	382	488
Southern Oregon	541	471	422
Linn Benton Lincoln	542	398	421
Clackamas	694	528	543
Multnomah	925	725	659
Northwest Regional	962	805	927
Willamette	1073	916	1045
Unknown	453	421	431

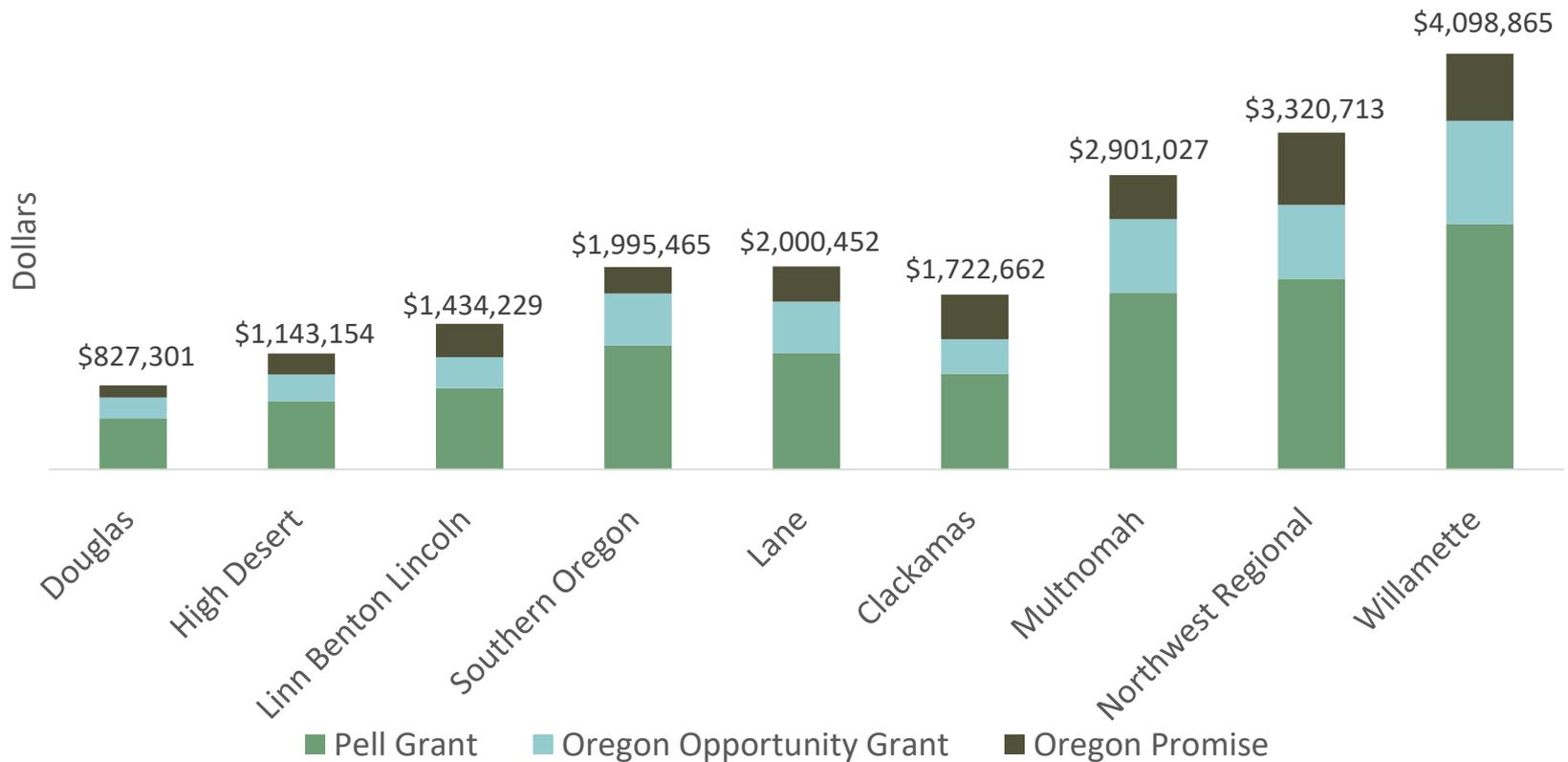
Federal and state grants are awarded to Oregon Promise students in each ESD

Fall 2018 grant dollars among Oregon Promise students, by ESD



Federal and state grants are awarded to Oregon Promise students in each ESD

Fall 2018 grant dollars among Oregon Promise students, by ESD



Have students succeeded in the program? Has the program succeeded?

What are the enrollment and financial impacts on colleges and universities?

What are the completion rates for Oregon Promise students?

How much federal aid did Oregon Promise students receive?

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What is the overall success rate and financial impact of the Oregon Promise?

We can look at overall success at the student and program levels

Student success

- How many students maintained eligibility into a second year?
- How many students continued in the program through completion (credential or transfer to a four-year university)?

Program equity success

- Did the equity gaps narrow, widen, or remain the same under Oregon Promise?

Student success: Most students completed requirements and maintained eligibility

Course load

- Among those enrolled for three terms:
 - 95 percent enrolled full-time in at least one term
 - 71 percent enrolled full-time in all three terms
- Students take 11 credits per term, on average

Term requirements

- 88 percent of fall students enrolled in winter
- 76 percent of fall students enrolled three consecutive terms

73% of fall students in Cohorts 1 and 2

- ✓ Enrolled for 3 terms
- ✓ Enrolled in at least 6 credits each term

27% of Cohort 1 students:

- ✓ Earned a credential without transfer: 9%
- ✓ Transferred to a public university: 18%

This is comparable to rates before the Oregon Promise

However, a large minority did not fulfill requirements, usually missing a term

27% of students did not complete all requirements

- 94 percent of those who did not complete all requirements missed one or more terms of enrollment
- 98 percent of students who missed a term had not yet reached the 90-credit limit

Reason for denial of second-year grant	Number of students
Not consecutively enrolled in prior year ¹	2,947
Attempted 90 or more total college credits	286
First year experience not met	996
FAFSA/ORSAA filed late ²	179
Rejected FAFSA	265
Total	4,673

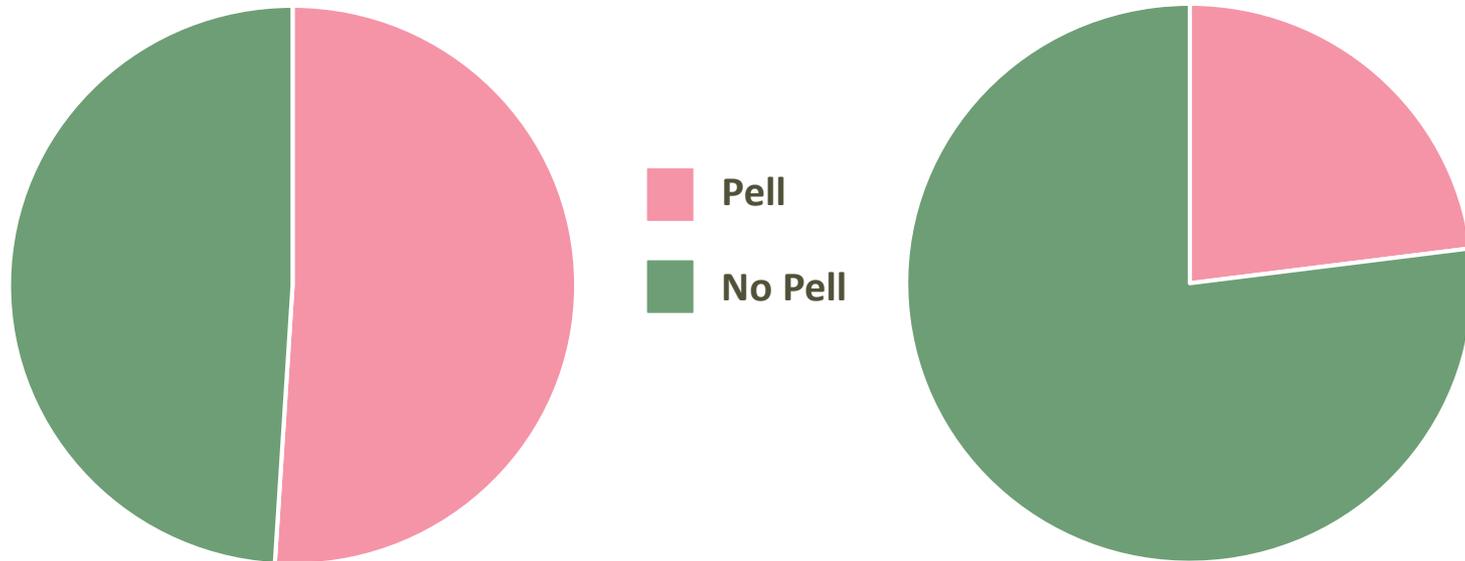
Applications can be denied for more than one reason

The program alone is not enough to maintain enrollment for many students

Program success: Did it reduce equity gaps? Most dollars go to higher-income students

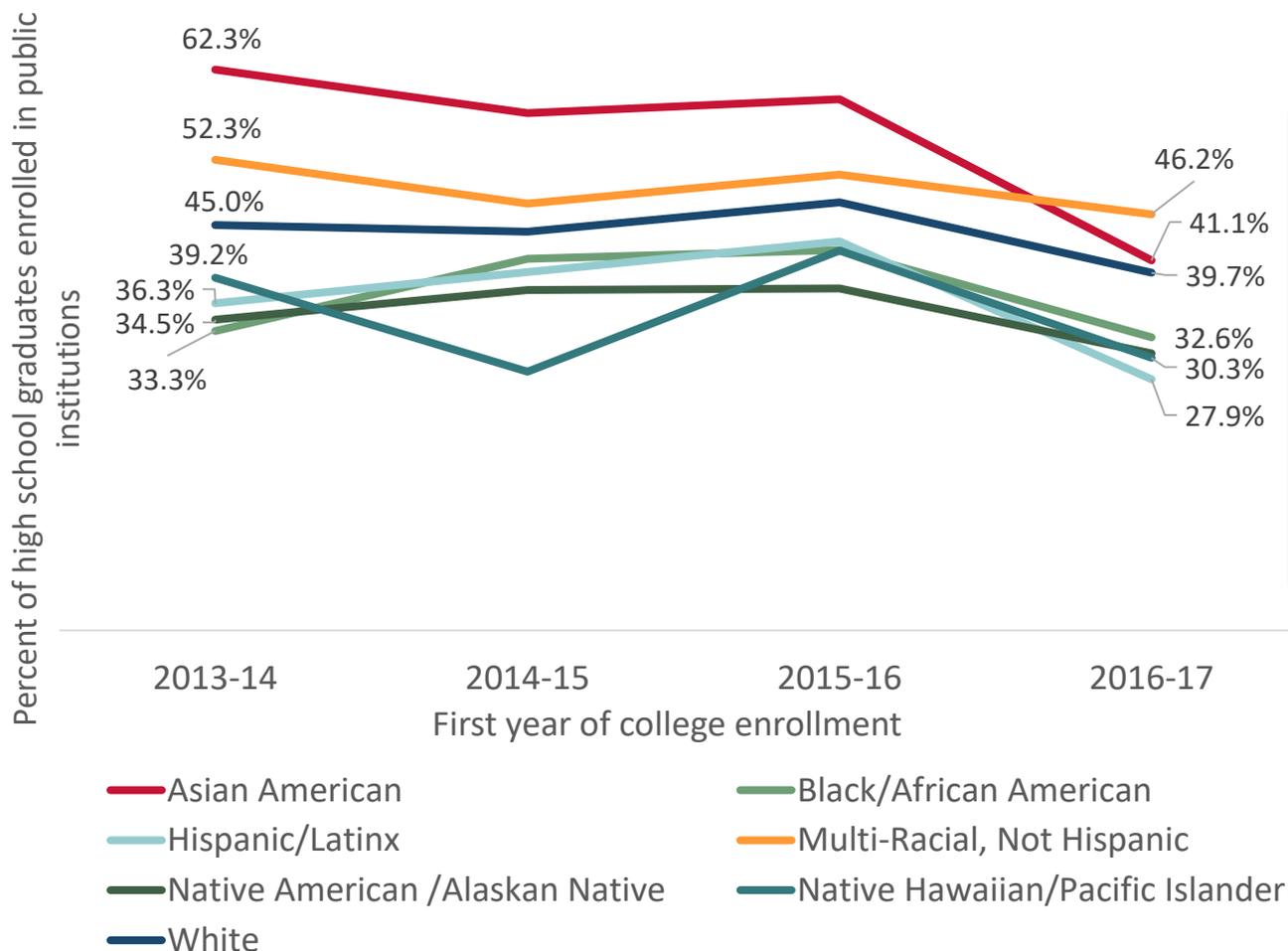
Students with Pell grants are about half of all Oregon Promise students...

...while 77 percent of Oregon Promise dollars go to higher-income students



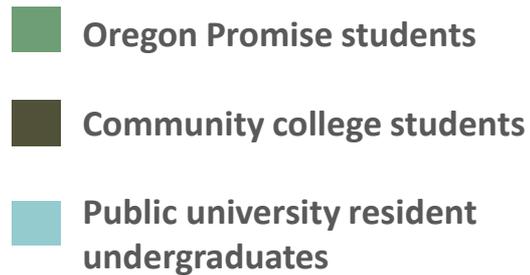
This design could still support equity if a rising tide lifts all boats...

Program success: Did it reduce equity gaps? Racial/ethnic gaps in enrollment closed slightly

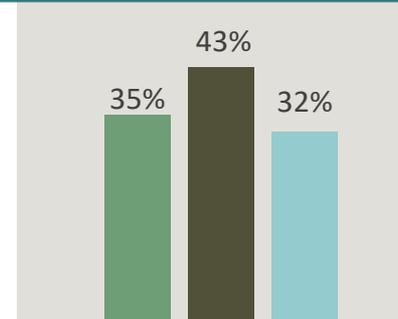


Racial/ethnic differences in high school graduates' enrollment in a community college or public university are mostly similar before and after the Oregon Promise

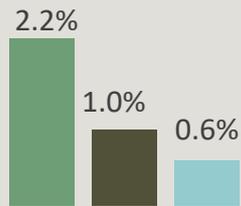
Finally, Oregon Promise has fewer GED and first-generation students than other groups



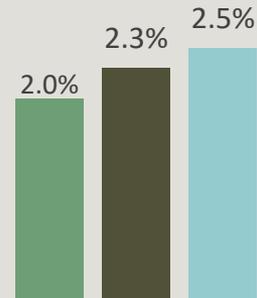
First-generation college



ORSAA filers



GED completers



Overall financial impact: Program costs and benefits

- The State's investment of \$53M in the Oregon Promise was accompanied by \$80M in federal Pell grants for students
- This \$80M in federal student support includes an estimated \$13M beyond what we expected from Pell rates before the Oregon Promise

State investment in
Oregon Promise

\$53M

Federal Pell grants

\$67M

\$13M

Additional Pell
grants above
expected

Long-term returns on investment will be clearer when we can measure increased earnings and tax benefits of any expanded degree and certificate attainment. These impacts will be measurable in the next several years.

Key Findings

Policy impact	Key findings
Enrollment	<ul style="list-style-type: none"> • Expansion of access seen after first year has not sustained • Overall enrollment impact difficult to determine from two conflicting years • Oregon Promise shows statewide participation, demonstrating regional representation and access across the state
Completion	<ul style="list-style-type: none"> • Initial rates of completion and transfer are comparable to pre-program rates • Full analyses of completion not available until bachelor's degrees complete
Equity	<ul style="list-style-type: none"> • Universal nature of program provides access, but there is little evidence of increasing access for most underrepresented groups • ORSAA students are more represented than among community college or university students in general
Financial	<ul style="list-style-type: none"> • Increased Pell funding into state, contrasting national and statewide decline in FAFSA applications • Recent high school graduates enrolled in college are more likely to receive public grant aid

Implications

State investment in a last-dollar program expands federal aid to students

- How else can we encourage FAFSA filing?

The lack of clear increases in enrollment and completion raises questions about program efficacy

- Continued observation is needed to untangle the effects of economic growth, program changes, and limited data
- Additional analyses will examine whether some groups have consistent increases in enrollment and completion

Participation in this universal program has been statewide, but it has not closed equity gaps

- Further analyses will examine different impacts across groups and whether changes to program requirements might affect groups differently