Report to the Oregon Legislature:

Annual Evaluation of the Oregon Opportunity Grant, ORS 348.260

2023-24

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PREFACE

The Oregon Opportunity Grant (OOG) is the state's largest need-based financial aid program for postsecondary education. It enables students to pursue higher education at colleges and universities throughout Oregon. Launched in 1971, the program has helped hundreds of thousands of students continue their studies. Over time, the OOG has changed as eligibility rules, funding levels, and allocation procedures have evolved.

In 2015, House Bill 2407 instructed the Higher Education Coordinating Commission (HECC), which administers the program, to prioritize awards for students with the greatest financial need when available funds cannot cover all eligible applicants. The bill also required HECC to produce an annual evaluative report on the program, beginning in February 2020, regarding the academic success and performance of students receiving the OOG. This sixth annual report fulfills that requirement. It was produced by HECC's Office of Research and Data in coordination with the Office of Student Access and Completion (OSAC), the office that administers the grant. The findings here should be of interest to the governor, legislators, and other policymakers; students, families, and institutions; and others interested in postsecondary success and financial aid.

As Oregon's coordinating agency for postsecondary education, HECC develops policy, oversees the distribution of funding, and collaborates with public and private institutions to promote student success. The agency manages more than $2 billion in state higher education funding each year. For more about HECC, visit www.oregon.gov/highered; for information on student financial aid programs, visit www.oregonstudentaid.gov. General HECC inquiries may be sent to info.HECC@hecc.oregon.gov. Questions about this report should be directed to Amy Cox, Director of the Office of Research and Data, at amy.cox@hecc.oregon.gov.

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BACKGROUND AND REPORT

The Oregon Opportunity Grant (OOG) is the state's largest need-based financial aid program, designed to help low- and moderate-income Oregon residents pursue postsecondary education at community colleges, public universities, and private bachelor's degree-granting institutions. Eligibility is determined primarily by financial need as measured in the federal and state financial aid application. In 2022–23 and 2023–24, the program expanded substantially: the eligibility threshold was raised to a level above the federal Pell Grant, award sizes increased, and the maximum award was restructured to cover 75 percent of tuition at a public college or university.

This report examines the impact of the grant and the effects of those recent policy changes on student affordability and academic performance. The analysis centers on three questions: (1) Who receives an OOG? (2) What is the financial impact of the OOG on postsecondary affordability? and (3) What is the academic success and performance of OOG recipients? Because major program changes occurred across each of the last three years, the analyses focus on outcomes that can be measured within the same year: term-to-term retention, year-to-year retention, and credits earned. Graduation and employment outcomes will require more years after the policy changes to be examined and will be evaluated in future reports as cohorts progress. The report focuses on the 2023-24 academic year and follows the OOG program practice of using expected family contribution, EFC, as the index of financial need. We link data from institutional student records to data from financial aid applications for the analyses.

FINDINGS

In 2023-24, the OOG served nearly 40,000 Oregon students across public and private institutions. Expanded eligibility meant that nearly one in four Oregon students at public institutions received the OOG that year. As in previous years, it disproportionately reached groups underrepresented in higher education—students of color, older learners, and students from rural counties. This remained true even with the higher eligibility threshold.

Many Oregon students face significant affordability challenges in attending college or university. More than one-third of all students and more than half of low-income students could not cover their institution's cost of attendance even with financial aid, their EFC, most institutional aid, and an estimate of their earnings in 2023–24. The OOG helped cover this gap: it helped more than 6,000 students fully cover the cost of attendance at their institution and reduced shortfalls for thousands more. The higher EFC threshold and larger awards produced larger affordability gains than in many prior years, particularly at public universities. The number of Oregon university students facing unaffordable costs fell from 50 percent to 45 percent, and the number of university OOG recipients facing unaffordable costs fell from 68 percent to 59 percent. By contrast, community college students experienced worsening affordability in 2023-24: the share among community college students overall facing unaffordable costs rose from 25 percent to 28 percent, and the share of community college OOG recipients facing unaffordable costs rose from 42 percent to 48 percent.

OOG recipients in 2023-24 had academic performance that was generally as strong or stronger than other students, despite the greater barriers that low-income students face. These positive results maintain across comparisons with higher-income peers, the overall 2023–24 student population, and low-income cohorts from prior years. At community colleges, OOG recipients had higher term-to-term retention and year-to-year retention, and they earned more credits than higher-income students and students overall. At bachelor's degree-granting institutions, OOG recipients' retention and credit totals were consistently similar to those of other students.

Comparing these outcomes to earlier cohorts of low-income students gives an early indication of the impact of the recent changes to the program. Results show that retention was higher among OOG recipients in 2022-23 and 2023-24 than among comparable low-income students before the recent program expansions. This suggests that the larger grant size and possibly the higher EFC threshold implemented in these years are leading to greater academic success for low-income students than was possible without the grant. Students in the recent OOG cohorts earned about the same number of credits as low-income students in earlier years.

IMPLICATIONS

The findings have implications for policy and for educational and economic equity. The OOG continues to reach students who remain underrepresented in higher education and reduces financial barriers that often prevent them from remaining enrolled. Students with the OOG performed as well as or better than higher income students, a pattern that has held across years, measures, and policy changes. Expanded eligibility in 2022–23 and 2023–24 extended these benefits to more students, and early evidence suggests these expansions improved academic outcomes for many low-income students. However, about half of OOG recipients still lacked sufficient resources to cover the full cost of attendance, especially those from low income backgrounds. Further increases in grant size, particularly for the lowest income students, would strengthen the program's impact. Continued evaluation in the coming years will be necessary to fully assess the impacts of the policy changes on graduation rates and college and university affordability.

The benefits of these outcomes extend beyond college. Higher retention and credit progression lead to higher graduation rates, and postsecondary degrees contribute to greater economic stability for individuals, communities, and the state. Oregon faces a growing need for workers with postsecondary credentials, and expanding access and completion among first generation and underrepresented students is essential to meeting this need. The OOG's consistent positive outcomes, combined with the state's workforce needs all point toward sustaining and expanding the program for the benefit of both students and Oregon.

ACKNOWLEDGEMENTS

This report would not have been possible without many contributors. We offer deep thanks to the staff of the HECC Office of Student Access and Completion for their commitment to administering the Oregon Opportunity Grant and for their important contributions to this report. We are also grateful to our institutional partners; their support for students applying for and receiving the grant is a crucual part of the program's success. Above all, we thank the students who continue making progress twoard their educational goals despite the many challenges they face.

ABBREVIATIONS

EFC	Expected family contribution
FAFSA	Free Application for Federal Student Aid
HECC	Higher Education Coordinating Commission
HB	House Bill
OOG	Oregon Opportunity Grant
ORSAA	Oregon Student Aid Application
OSAC	Office of Student Access and Completion at the Higher Education Coordinating Commission
SAI	Student Aid Index

CHAPTER 1. INTRODUCTION

BACKGROUND

The Oregon Opportunity Grant (OOG) stands as the state's largest need-based, state-funded financial aid program, created to help Oregon students gain access to higher education. Since its establishment in 1971, the program has delivered essential financial assistance to hundreds of thousands of students working toward college and university degrees. The OOG has changed over time, with adjustments to how funds are allocated, to award amounts, and to eligibility rules. A significant milestone occurred in 2015 with the enactment of House Bill (HB) 2407 (Oregon Revised Statute, ORS, 348.260), which directed the Higher Education Coordinating Commission (HECC) to adopt priorities for awarding grants when available funding is insufficient to cover all eligible applicants. The law also mandates that the HECC produce an annual report assessing the OOG's effect on recipients' academic outcomes. This report is the sixth annual submission to the Legislative Assembly, detailing the program's implementation and results for the 2023–24 academic year.

The primary purpose of the OOG is to lower the cost of postsecondary education for Oregon residents. To be considered for the grant, students must file either the Free Application for Federal Student Aid (FAFSA) or the Oregon Student Aid Application (ORSAA). Each year, the HECC Office of Student Access and Completion (OSAC) reviews FAFSA/ORSAA submissions from roughly 200,000 undergraduate applicants who may qualify for the grant. Of those applicants, typically 30,000 to 40,000 students receive awards each year. This report summarizes characteristics of those recipients and analyzes their academic achievement.

THE PROGRAM

Eligibility for the Oregon Opportunity Grant

Eligibility rules and award amounts for the OOG have changed over its fifty-year history in response to variations in funding, shifts in legislative priorities, and updates to postsecondary education policy. At present, qualifying students may receive grants for up to four years (equivalent to 12 trimesters or eight semesters) of full-time enrollment; prorated awards are available for those enrolled part-time or for only part of an academic year. To qualify for the OOG, students must:

- Be an undergraduate student (no prior bachelor's degree).
- Be a U.S. citizen or eligible noncitizen.
- Be an Oregon resident for at least 12 months prior to the period of enrollment (exceptions made for some dependent students and out-of-state members of Native American tribes with traditional ties to Oregon). Undocumented students, including students with Deferred Action for Childhood Arrivals status, may be eligible if they meet certain additional requirements.
- Be enrolled at last half time (6 credit-hours/term or more).
- Attend a participating Oregon postsecondary institution (i.e., one that participates in federal Title IV programs and is a public or private bachelor's degree-granting institutions located and headquartered in Oregon).

- Have financial need, based on the difference between the institution's cost of attendance and the federal aid and financial resources of the student and the student's family, if applicable.

- Be enrolled in a course of study other than theology, divinity, or religious education.

To maintain OOG eligibility, students must meet their institution's satisfactory academic progress standards, have no federal student loan defaults, owe no federal grant refunds, and satisfy all Title IV federal eligibility requirements. For a guaranteed second-year award, students must fulfill all standard eligibility conditions, be first-time recipients, enroll at least half-time, and file a FAFSA or ORSAA for the next academic year by May 1. A new FAFSA or ORSAA is required each year to continue receiving the grant. Prior to 2021–22, students had to be enrolled at least half-time in the fall term to qualify; beginning fall 2021, increased funding allowed OSAC to waive that specific fall-term requirement so students can retain eligibility by enrolling at least half-time in any single term. The waiver is reviewed each academic term to determine whether it will continue.

Awarding Procedures and Amounts

OSAC evaluates student financial need using information from the FAFSA/ORSAA each year. For the 2023-24 academic year that is the focus of this report, financial need was based on the federally calculated Expected Family Contribution (EFC). OSAC awarded grants in EFC order, starting with students with an EFC of $0 and moving to higher EFCs until funds were exhausted.[1]

Over the last few years, the Oregon Legislative Assembly expanded funding for the OOG. At the same time, enrollment at many institutions had declined following the COVID-19 pandemic. As a result of both factors, the OOG program was both able to serve students with higher EFCs and award larger grants. In the last three years (2021-22 through 2023-24), the EFC eligibility threshold was raised, and in the last two years (2022-23 and 2023-24), the grant size increased as well. These changes and their implications for students are described in greater detail in the next chapter.

In 2024, the U.S. Department of Education revised the way it calculates and describes the level of financial need of students. It replaced the EFC with the Student Aid Index (SAI) to offer a clearer, more accurate measure of a student's financial circumstances and aid eligibility. These changes were implemented in the FAFSA for the 2024–25 academic year and are not reflected in this report.

PRIOR FINDINGS

In 2022-23, OOG recipients were disproportionately from marginalized groups—45 percent identified as students of color, 33 percent were age 25 or older, 62 percent were women, and 15 percent were from rural counties. They were also similar to prior low-income cohorts of students. In 2022-23, the program's expanded eligibility improved affordability: the percentage of students facing unaffordable costs fell from 40 percent in 2020–21 to 36 percent in 2022–23. Without OOG, an estimated 41 percent of students would have faced unaffordable costs in 2022–23. For low-income

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1 Because available funds and the number of students at different EFC levels vary each year, OSAC specifies the OOG EFC limit relatively close to the academic year. Similarly, OSAC is not able to predict the final deadline for submitting a FAFSA/ORSAA to receive a grant before funds are exhausted. Even when students received the OOG in prior years and filed the FAFSA early, they may not receive a grant in the next year, especially if their EFC is above the limit.

students, the program's effect was even greater, reducing the percentage of students facing unaffordable costs by 13 percentage points in 2022–23.[2]

New OOG recipients in 2022–23 showed academic outcomes comparable to or better than their peers. Community college students with an OOG had higher retention (82% fall to winter) and earned more credits than higher-income community college students, while students with the grant at public universities and private bachelor's degree-granting institutions had nearly identical retention and credit accumulation as their peers. Moreover, across multiple years, measures, and cohorts, the OOG consistently served underrepresented students, lowers cost barriers, and been associated with similar or better academic progress of low-income students compared to their higher-income peers.

These findings align with prior evaluations that affirm the OOG's effectiveness in improving both affordability and academic outcomes for students from marginalized communities. Nevertheless, limitations remain: despite expanded funding and eligibility, about half of OOG recipients in 2022–23 still faced unaffordable college costs, underscoring the need for even larger awards. The report also placed these results in the broader context of the longstanding barriers documented in related literature—financial pressures that persist even with public grants, the need for many students to work or support family, and challenges unique to first-generation students such as limited college preparation, difficulty navigating requirements, and cultural barriers.

CONTENT OF REPORT

Main Questions

ORS 348.260 directs the HECC to submit an annual evaluative report of the OOG to the Legislature. (maybe footnote or leave in as second sentence: This descriptive evaluation does not analyze causal relationships or the interplay of variables.) This sixth annual report assesses the OOG's effects on student academic success, performance, and affordability for the 2023–24 academic year. Specifically, the report answers the following questions, emphasizing the impacts of recently expanded eligibility and larger award amounts:

1. Who are the students awarded an OOG?
2. What is the financial impact of the OOG on postsecondary affordability?
3. What is the academic success and performance of students who received an OOG?

Data and Methods

To address these questions, we use two primary data sources: student records submitted to the HECC by colleges and universities, and FAFSA/ORSAA records submitted by students applying for financial aid. The student record data provide administrative details on demographics, enrollment,

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2 Higher Education Coordinating Commission. (2025). Report to the Oregon Legislature: Oregon Opportunity Grant Annual Evaluation, 2024. https://www.oregon.gov/highered/strategy-research/Documents/Reports/2025-Annual-Evaluation-Oregon-Opportunity-Grant.pdf.

and degree completion, while the FAFSA/ORSAA data include grant disbursements, student characteristics, EFC levels, and other financial aid information.

A central part of the OOG evaluation is comparing outcomes for OOG recipients with those of other student groups. Ideally, comparisons would be made with students who share the same income, academic background, and first-generation status but did not receive the OOG. However, identifying such students is not possible with the data available. Early reports therefore compared OOG recipients to low-income students whose EFCs fell just above the OOG eligibility cutoff but who were still eligible for the federal Pell Grant. Although not identical to OOG recipients, these students likely faced similar barriers and were therefore an informative comparison group. As OOG eligibility exceeded that of the federal Pell Grant over the last few years, this comparison is no longer meaningful. Accordingly, this report compares 2023–24 OOG recipients with other students enrolled that year and with aid recipients from previous years to evaluate the effects of expanded eligibility and larger awards. Specifically, we compare students receiving the OOG with students whose EFCs were above the OOG cutoff (middle- and upper-income students) and with all enrolled students regardless of FAFSA/ORSAA filing. To isolate the impact of changes in the EFC threshold and award size, we also compare OOG recipients from 2021–22 through 2023–24 with recipients from 2016–17 through 2020–21 who received the OOG or the Pell Grant. (See Figures 1 and 2.)

We assess the program's financial impact with a student affordability index that measures how the OOG affects the share of students facing unaffordable costs and how that effect changed after the EFC eligibility increase. We measure student success and performance with retention rates and credits earned. Because the program underwent a major change in 2023-24 (and each year since 2021-22), we use term-to-term retention, annual retention, and credits earned as markers of student success and performance, rather than graduation rates, which require more years of data after a major program change to assess. Term retention is the share of new students enrolled in fall term who are still enrolled in winter and spring terms, and annual retention is the share of new fall enrollees who return the next fall.[3] We calculate the number of credits earned over the year for all students, whether or not they were new students.

The remainder of this report is organized as follows. Chapter Two presents the findings, providing an overview of OOG recipients, then an analysis of the program's financial impact, and concluding with measures of student success and performance. Chapter Three summarizes the results and discusses their implications.

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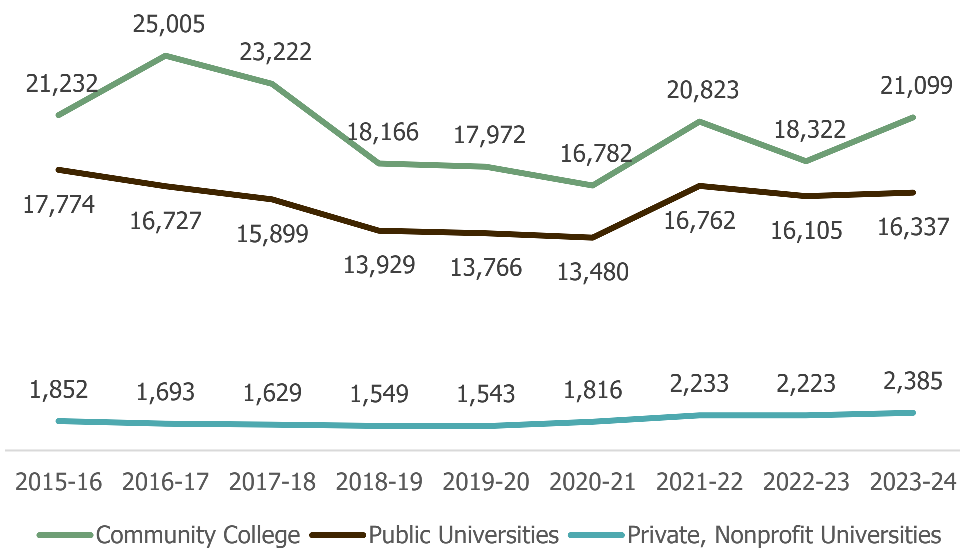
3 For annual retention, students may or may not have been enrolled in the winter and spring terms of the first year to be counted as having retained. If they enrolled in the fall of year one and are enrolled in the fall of year two, they are considered to have retained. Students who earn a credential before the following year are excluded from the rate.

CHAPTER 2. FINDINGS

WHOM DOES THE OREGON OPPORTUNITY GRANT SERVE?

Each year, tens of thousands of Oregon students receive the Oregon Opportunity Grant (OOG) to help cover college costs. As shown in Figure 1, the number of OOG recipients has shifted with statutory changes, funding levels, and enrollment trends. In 2023–24, 39,807 students enrolled at community colleges, public universities, and private bachelor's degree-granting institutions received the OOG. Expanded eligibility beginning in 2021-22 contributed to an increase in the number of students served, just as enrollments were still recovering from the COVID-19 pandemic.



Source: HECC analysis of student-level data. Data current as of January 2026.

Figure 1. Number of students receiving Oregon Opportunity Grant, by year and educational sector, 2015-16 through 2023-24.

Over the last three years, the OOG has served a broader group of students from low-income backgrounds. Before 2021-22, the OOG served only the lowest income students; the EFC threshold for the OOG was well below that for the federal Pell Grant (see Figure 2, below). In 2021-22, the program served a broader group of students, about the same as served the by Pell Grant. The OOG EFC threshold rose to $6,000 that year, marking the first time it exceeded the Pell Grant threshold (EFC of $5,846). Beginning in 2022-23, the OOG served an even wider group of students, those from income backgrounds just above the Pell Grant threshold. The OOG EFC threshold rose to $8,000 for 2022-23, compared to the Pell Grant maximum EFC of $6,206 for that year. The OOG continued to serve this broader group in 2023-24; the OOG EFC threshold remained at $8,000, while the Pell Grant maximum EFC was $6,656.

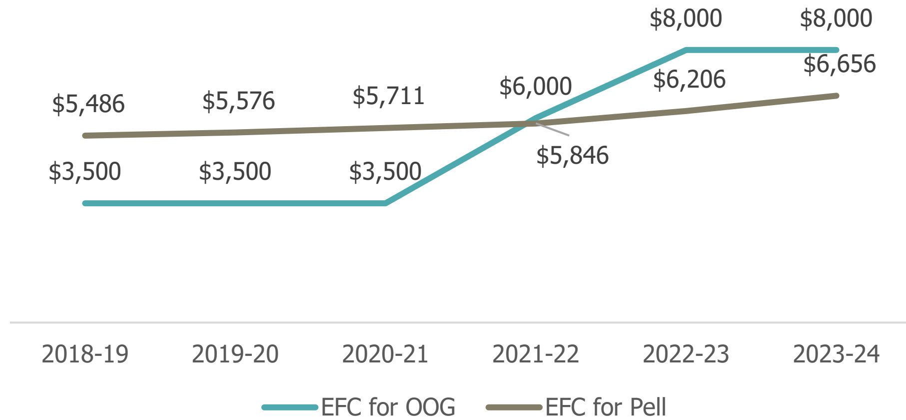
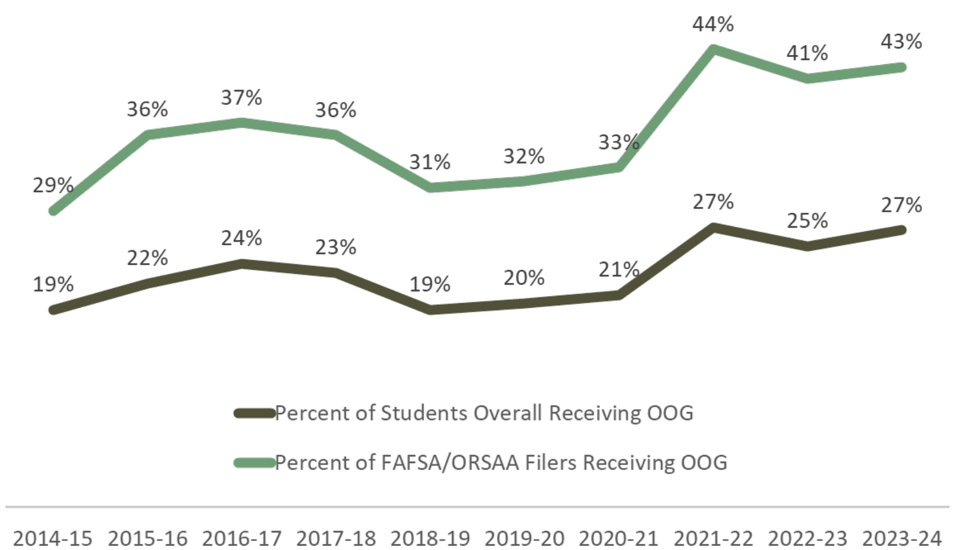


Figure 2. OOG Estimated Family Contribution (EFC) at Oregon's Community Colleges, Public Universities, and Private Bachelor's Degree-Granting Institutions, 2018-19 through 2023-24.

This expanded eligibility has meant that a greater portion of Oregon college and university students receive the OOG. Whereas 19 percent of Oregon students received the grant ten years ago, 27 percent received it in 2023-24 (see Figure 3 below). By sector, 31 percent of Oregon admitted undergraduates at the public universities received the grant in 2023-24, and 24 percent of Oregon students enrolled for credit at the community colleges received it. About two-thirds (63 percent) of this broader group of Oregon students applied for financial aid that year, and of those who applied, almost half (43 percent) received an OOG toward their studies.



Source: HECC analysis of student-level data. Data current as of January 2026.

Figure 3. Percentage of students overall and of students applying for financial aid who received Oregon Opportunity Grant, by year, 2014-15 through 2023-24.

How Do Students with an OOG in 2023-24 Compare to Other Students?

As in prior years, 2023–24 OOG recipients disproportionately came from backgrounds that have been marginalized in postsecondary education and training. Compared with students whose EFC exceeded the OOG cutoff, OOG recipients were more often students of color (46 percent vs. 39 percent) and older (35 percent vs. 15 percent). Relative to all for-credit and admitted Oregon college/university students, OOG recipients were also more likely to be students of color, older, and from rural areas. Table 2.1 details racial/ethnic and gender identities, age groups, and geographic backgrounds by OOG status.

Table 1. Characteristics of students with Oregon Opportunity Grant (OOG), students with an EFC above the OOG threshold, and all credential-seeking students 2023-24.

	Students with OOG	**Students with EFC above OOG threshold**	**Oregon students in general**
Number of Students	39,807	58,582	133,570
Race/ethnicity			
Asian American/Asian	6%	6%	6%
Black/African American	4%	3%	3%
Latino/a/x/Hispanic	27%	21%	22%
Native American/Alaska Native	1%	1%	1%
Native Hawaiian/Pacific Islander	1%	1%	1%
Two or more races	7%	7%	6%
White	51%	59%	59%
Not reported	3%	3%	2%
Gender			
Women	61%	59%	54%
Men	37%	40%	44%
Nonbinary	1%	1%	0%
Not reported	1%	1%	1%
Age			
24 and younger	65%	71%	85%
25 and older	35%	29%	15%
Geography			
Rural county	15%	14%	14%
Urban or mixed county	85%	8—6%	86%

Source: HECC analysis of student-level data.

Notes: "Oregon students in general" includes Oregon students at community colleges taking for-credit classes, Oregon admitted undergraduates at public universities, and Oregon admitted undergraduates who filed a FAFSA/ORSAA at private bachelor's degree-granting institutions.

Recent expansions to OOG eligibility (i.e., the higher EFC threshold) have made the demographic profile of OOG recipients similar to that of Pell Grant recipients. Table 2.2 compares characteristics of OOG recipients from 2021–22 through 2023–24 with earlier Pell Grant recipients (whose EFCs resembled the newer OOG cohort) and with earlier OOG recipients (who had lower EFCs and tended to come from the lowest-income backgrounds). Overall, the recent OOG cohorts are comparable to both prior Pell and earlier OOG recipients. The 2023–24 OOG group is slightly more likely to identify as Latino/a/x/Hispanic than earlier groups, while other racial/ethnic, gender, age, and geographic distributions remain similar. Thus, even with the higher eligibility threshold, the program continues to serve students from historically marginalized communities.

Table 2. Characteristics of students with Oregon Opportunity Grant (OOG) and Pell Grant between 2016-17 and 2020-21 and students with OOG in 2021-22 through 2023-24.

	Students with OOG, 2016-17 to 2020-21 (lowest income)	Students above OOG threshold but with Pell Grant, 2016-17 to 2020-21*	Students with OOG, 2021-22	Students with OOG, 2022-23	Students with OOG, 2023-24
Number of Students	--	--	39,818	36,650	39,821
Race/ethnicity					
Asian American/Asian	6%	5%	6%	6%	6%
Black/African American	4%	4%	4%	4%	4%
Latino/a/x/Hispanic	20%	20%	24%	26%	27%
Native American/Alaska Native	2%	2%	1%	1%	1%
Native Hawaiian/Pacific Islander	0%	1%	0%	1%	1%
Two or more races	6%	6%	6%	6%	7%
White	56%	58%	53%	52%	51%
Not reported	5%	5%	5%	3%	3%
Gender					
Women	61%	56%	62%	62%	61%
Men	39%	43%	37%	37%	37%
Nonbinary	0%	0%	0%	0%	1%
Not reported	1%	1%	1%	1%	1%
Age					
24 and younger	63%	63%	65%	67%	65%
25 and older	37%	37%	35%	33%	35%
Geography					
Rural county	16%	15%	14%	15%	14%
Urban or mixed county	76%	76%	78%	78%	79%
Not reported	8%	9%	8%	7%	7%

Source: HECC analysis of student-level data. Data current as of January 2026.

*Received Pell but not OOG

These findings indicate that the nearly 40,000 Oregon students who received an OOG award in 2023–24 were more likely than higher-income peers to come from communities underrepresented in postsecondary education and were similar to prior OOG cohorts. The next section describes the OOG's effect on college affordability.

AFFORDABILITY UNDER THE OREGON OPPORTUNITY GRANT

Covering Cost of Attending College or University

The OOG is designed to make college and university more affordable. In addition to reaching a broader range of students through raised EFC limits, the program also expanded the size of the grant over the last few years. (See Figure 4, below.) From 2021-22 to 2023-24, the maximum full-time grant went from $2,778 to $3,900 for community college students and from $3,612 to $7,524 for students at bachelor's degree-granting institutions. The biggest increase was in the last year, when the grant increased seven percent for community college students and 38 percent for students at bachelor's degree-granting institutions.

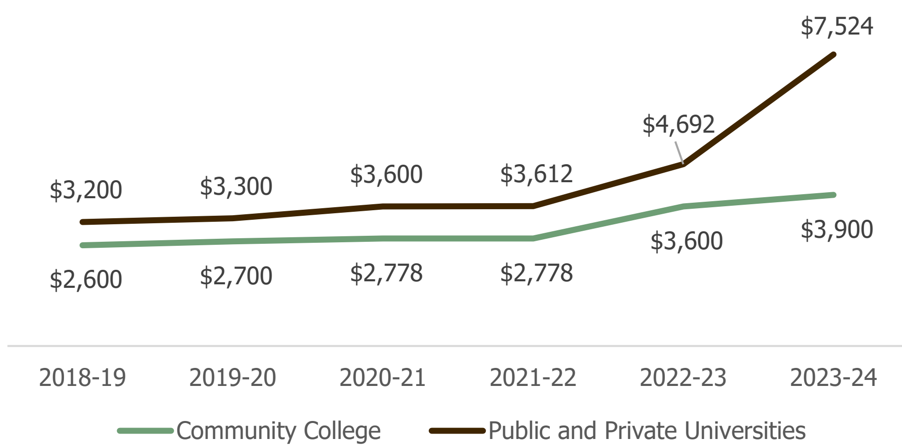
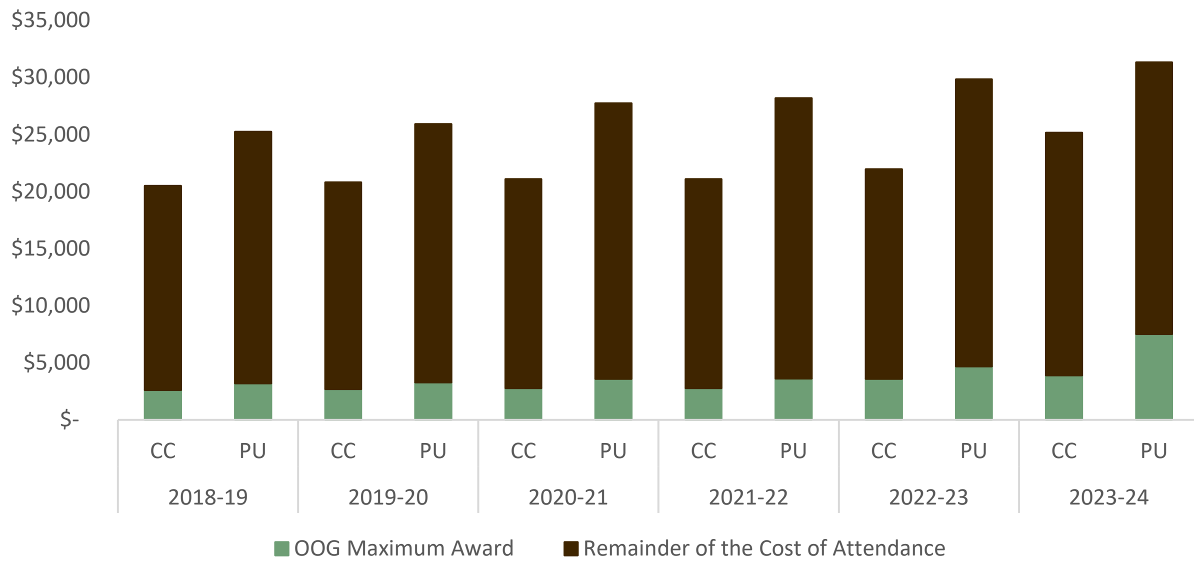


Figure 4. OOG Maximum Awards at Oregon's Community Colleges, Public Universities, and Private Bachelor's Degree-Granting Institutions, 2018-19 through 2023-24.

The steep increase in the award amounts for students at bachelor's degree-granting institutions reflects a policy change that defined the maximum OOG award as covering 75 percent of tuition at the public colleges and universities. Because the average tuition at the public universities is higher than the average tuition at the community colleges, this change affected the size of the university grants much more than the size of the college grants. (Award sizes at private bachelor's degree-granting institutions match the award sizes at the public universities.)

With these increases, the proportion of the costs to attend community colleges and public universities that the OOG maximum covers increased too. In 2018-19, the OOG covered 14.5 percent of the total cost of attendance at any community college or public university. By 2023-24, maximum OOG awards covered 16 percent of the cost of attendance at a community college and 24 percent of the cost of attendance at a public university. These increases meant students with the greatest need faced smaller gaps in affordability than previously, making higher education, especially at public universities, more accessible. (See Figure 5.)



Source: HECC analysis of student-level data.

Figure 5. OOG Maximum Award Share of Total Cost of Attendance at Oregon's Community Colleges and Public Universities, 2018-19 through 2023-24.

Measuring Affordability

We define college/university affordability as a student's ability to pay an institution's total cost of attendance. A student's ability to pay is estimated from their expected resources: federal and state grant aid, most institutional aid, the student's EFC reported on the FAFSA/ORSAA, and an estimate of student earnings.[4] The cost of attendance is taken from each institution's published annual figures and includes tuition and fees, room and board, books and supplies, transportation, and personal expenses. For each enrolled student at public universities and community colleges, we calculate affordability using their grant aid amount, EFC, and the institution's cost of attendance prorated to the student's enrolled credit hours. Students whose expected costs exceed their expected resources are classified as facing unaffordable costs. This affordability measure is available for Oregon students who attended a public university or community college and submitted a complete FAFSA/ORSAA.

Using this measure, more than one-third of Oregon students (35 percent) could not cover their institution's cost of attendance with expected resources in 2023–24. The gap is larger at public universities (45 percent) and smaller at community colleges (28 percent), reflecting differences in costs between sectors (see Table 2.3). Within each sector, affordability is slightly worse for most students of color than for White students and is relatively similar across geographic, gender, and age groups (see Appendix B). However, affordability differs markedly by income: more than twice as many lower-income students face unaffordable costs than middle- and upper-income students, even after receiving financial aid. Among recipients of the need-based OOG, 53 percent could not meet

4 Most institutional aid is awarded by universities, and we include institutional aid for university students. The estimate of student earnings is 90 percent of minimum wage for 15 hours per week and 48 weeks per year.

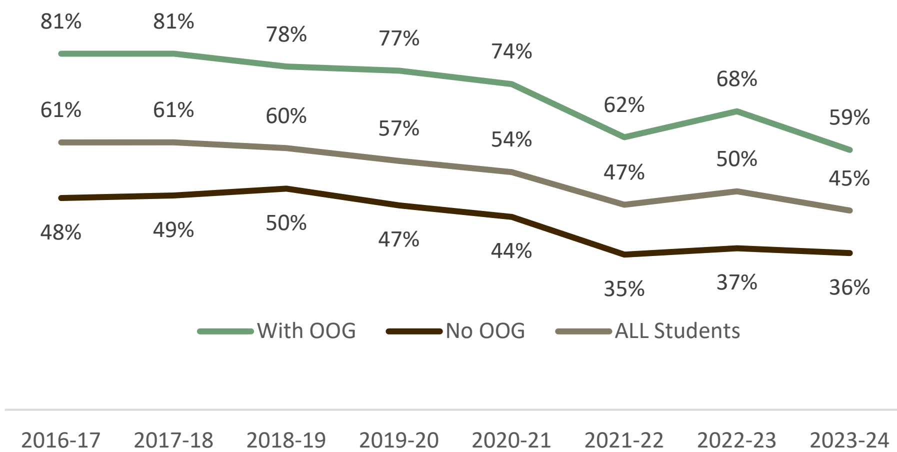
the cost of attendance with expected resources, compared with 24 percent of students with incomes above the OOG eligibility threshold.

Table 3. Estimated Percentage of Students Who Could Not Meet Cost of Attendance with Expected Resources, by Sector and Income Level, 2023-24.

Sector and Income Level	Percentage of students facing unaffordable costs
Statewide	**35%**
Low-income (OOG recipient)	53%
Middle/upper income (not OOG recipient)	24%
Community college	**28%**
Low-income (OOG recipient)	48%
Middle/upper income (not OOG recipient)	15%
Public university	**45%**
Low-income (OOG recipient)	59%
Middle/upper income (not OOG recipient)	36%

Source: HECC analysis of student-level data.

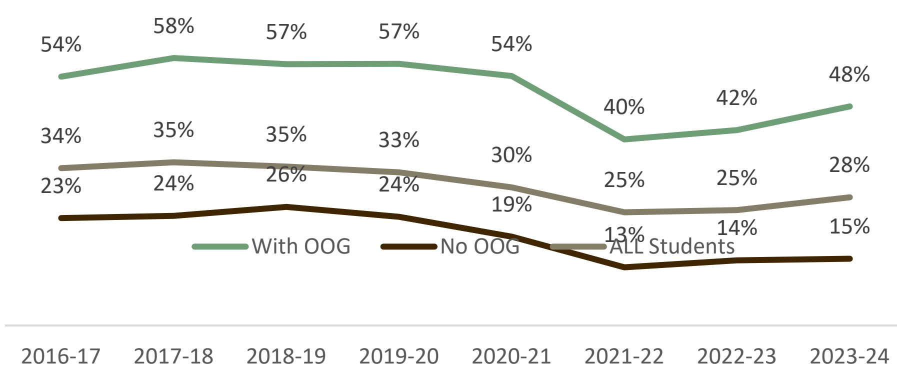
The OOG had a notable effect on affordability. In 2023–24 the maximum OOG award was intentionally changed to cover 75 percent of tuition at the public universities and community colleges. Between 2022–23 and 2023–24 the share of public university students unable to cover their cost of attendance fell from 50 percent to 45 percent for all students. While this improvement cannot be attributed to OOG alone, it closely aligns with a reduction in unaffordability among OOG recipients, whose share unable to meet costs dropped from 68 percent in 2022–23 to 59 percent in 2023–24. In comparison, the percent of students from middle and upper incomes who were unable to afford the cost of attendance declined only one percent. (See Figure 6.)



Source: HECC analysis of student-level data.

Figure 6: Percent of Public University Undergraduate Students Facing Unaffordable Costs, Overall and by Receipt of Oregon Opportunity Grant, 2016-17 through 23-24.

The share of community college students unable to afford the cost of attendance increased in 2023-24, with the burden falling disproportionately on the lowest-income students. Among community college OOG recipients, 42 percent faced unaffordable costs in 2022–23, rising to 48 percent in 2023–24. Among all community college students, the unaffordability rate rose by three percentage points between 2022–23 and 2023–24. For those in middle- or upper-income groups, the rate increased by one percentage point. (See Figure 7.)



Source: HECC analysis of student-level data.

Figure 7: Percent of Community College Students Facing Unaffordable Costs, Overall and by Receipt of Oregon Opportunity Grant, 2016-17 through 23-24.

The OOG made the cost of attending a community college or public university go from unaffordable to affordable for more than 6,000 students in 2023-24. Because of the OOG program, an estimated 6,299 additional students were able to cover the cost of attendance with their expected resources. Moreover, the expanded grant size in 2023-24 made this a much larger impact than in 2022-23, when the program enabled an estimated 4,300 more students to cover their cost of attendance. With a higher EFC threshold and notably larger award amounts at public universities, the OOG improved affordability for students there compared with prior years. At the community colleges, where the size of the OOG rose but not as much, affordability worsened.

STUDENT SUCCESS UNDER THE OREGON OPPORTUNITY GRANT

Retention and Credits Earned

Academic outcomes are just as important to the OOG story as financial access. This analysis focuses on single-year academic outcomes because of the significant program change that occurred in the 2023-24 year. Outcomes include term-to-term retention and year-to-year retention for new students, and credits earned in 2023-24 for all students, regardless of their year in school. For term-to-term retention, Oregon's community colleges and public universities operate on a three-term academic calendar, and we measure the proportion of new students who enroll in fall and return for winter and the proportion who continue into spring. Private bachelor's degree-granting institutions in Oregon generally use a two-term system, so term-to-term retention for those institutions is the proportion of fall students who return in spring. Year-to-year retention for all institutions is the share of new fall students who re-enroll the following fall, regardless of winter/spring enrollment. Future reports will include graduation rates, once cohorts with the higher EFC threshold and larger award size have had sufficient time to progress.

In 2023–24, the retention of students with the OOG was comparable to or higher than that of higher-income students and that of the overall student population. Table 4 shows retention rates for three groups of students: OOG recipients, students whose EFCs were above the OOG threshold, and all Oregon students, whether or not they filed a FAFSA/ORSAA. At community colleges, OOG recipients outperformed both higher-income students and all students on retention measures. At public universities and private bachelor's degree-granting instiuttions, OOG recipients' retention rates were similar to the rates for higher income students and students overall, though fall-to-fall retention was slightly lower. These patterns hold across the retention metrics examined.

Table 4. Percentage of new students enrolled in fall term who continued to winter term and to spring term and percentage enrolled in fall 2023 who were also enrolled in fall 2024, by sector and OOG status, 2023-24.

	Students with OOG	Students with EFC above OOG threshold	Oregon students in general
Enrolled fall and winter terms			
Community college	83%	76%	76%
Public university	94%	93%	93%
Private, nonprofit institution	N/A	N/A	N/A
Enrolled fall, winter, and spring terms			
Community college	67%	62%	62%
Public university	89%	89%	89%
Private, nonprofit institution	94%	95%	N/A
Enrolled fall 2023 and fall 2024			
Community college	63%	54%	52%
Public university	81%	83%	82%
Private, nonprofit institution	80%	82%	N/A

Source: HECC analysis of student-level data.

Notes: "Oregon students in general" includes students at community colleges taking for-credit classes, Oregon admitted undergraduates at public universities, and Oregon admitted undergraduates who filed a FAFSA/ORSAA at private bachelor's degree-granting institutions. All columns include new and returning students. Private institutions are on semester schedules, and their fall to spring semester retention is included in the rates for fall winter and spring terms.

Student credit accumulation in 2023–24 provides another view of academic success. Table 5 compares the number of credits that OOG recipients earned to the number of credits that their peers earned. As before, comparison groups are Oregon students with EFCs above the OOG limit and all Oregon students, whether or not they filed a FAFSA/ORSAA. At community colleges, OOG recipients earned slightly more credits than higher-income students and than all students, while at public universities and private bachelor's degree-granting institutions, credit totals were essentially the same across all student groups. Note that, on average, students at public universities earned more credits than those at private bachelor's degree-granting institutions because of the three-term academic calendar at the public universities.

Table 5. Average number of credits earned by students in 2023-24, by OOG status and educational sector.

	Students with OOG	Students with EFC above OOG limit	Oregon students in general
Community college	23	16	16
Public university	39	39	39
Private, nonprofit institution	27	28	N/A

Source: HECC analysis of student-level data.

Notes: "Oregon students in general" includes students at community colleges taking for-credit classes, Oregon admitted undergraduates at public universities, and Oregon admitted undergraduates who filed a FAFSA/ORSAA at private bachelor's degree-granting institutions. All columns include new and returning students. Public institutions have three terms in the academic year, with 90 credits required for an associate degree and 180 credits required for a bachelor's degree. The private institutions included in this analysis are on two-term schedules, with 120 credits required for a bachelor's degree.

To identify potential effects of the recent OOG expansion to higher EFC groups and the larger award sizes, we also compared retention and credits earned for recent and earlier cohorts of students. We compared the last three cohorts of OOG recipients to two comparison groups: (a) OOG recipients from 2016–17 through 2020–21 when the EFC threshold was lower (the lowest income group) and (b) Pell recipients from 2016–17 through 2020–21 who were not eligible for an OOG because, while they were still low-income, their EFC was above the OOG threshold. As earlier evaluations of the program described, students in the lowest income group (the OOG recipients from earlier years) faired better than their low-income peers who had just slightly higher incomes, i.e., those who received Pell Grants but were not eligible for an OOG as well.

As the program expanded to serve students at higher income levels, it included students in both of the low-income groups from previous years, plus additional students who had EFCs above Pell Grant eligibility, especially in the most recent two years, when OOG thresholds were well above the Pell Grant threshold. Because the two low-income groups from earlier cohorts had somewhat different academic performance, grouping them together later (as all OOG recipients) could result in academic outcomes that are somewhere in the middle, an average of sorts. Alternatively, the higher performance of the earlier OOG cohort could extend to the broader later cohorts as the benefit of additional funding supports students.

The results are shown in Table 6 below. The earlier cohorts are shown in columns A and B, and the higher EFC cohorts are shown in columns C, D, and E. Taken together, the program changes of the most recent two years appear to have the strongest impact. Outcomes for the first year of expansion (the 2021-22 cohort) are between those of the two low-income groups of earlier cohorts. Across all three sectors and the different measures, the retention rates of the 2021-22 cohort are between the retention rates of the two low-income groups of earlier cohorts. Note that only first-year students are included in each cohort.) However, the rates for the last two cohorts, when the EFC threshold rose again and the size of the grant expanded, retention rates rose across all three sectors and across all measures of retention. While these results reflect only three years of data and other factors are undoubtedly operating at the same time, the results do suggest that the larger grant size and possibly the higher EFC threshold that occurred in 2022-23 and 2023-24 are leading to improved retention among students.

Table 6. Percentage of new students enrolled in fall term and continued to winter term and to spring term and percentage enrolled in fall 2023 who were also enrolled in fall 2024, among students with Pell Grants and students with OOG between 2016-17 and 2020-21 and students with OOG in 2021-22 through 2023-24.

	A Students with OOG, 2016-17 to 2020-21	**B Students with Pell Grant but no OOG, 2016-17 to 2020-21**	**C Students with OOG, 2021-22**	**D Students with OOG, 2022-23**	**E Students with OOG, 2023-24**
Enrolled fall and winter terms					
Community college	85%	76%	80%	82%	83%
Public university	93%	88%	93%	94%	94%
Private, nonprofit inst.	N/A	N/A	N/A	N/A	N/A
Enrolled fall, winter, and spring terms					
Community college	69%	62%	64%	67%	67%
Public university	85%	79%	86%	88%	89%
Private, nonprofit inst.	94%	91%	91%	92%	94%
Fall-to-fall retention rate					
Community college	56%	52%	53%	57%	56%
Public university	79%	77%	78%	80%	81%
Private, nonprofit inst.	79%	79%	70%	79%	80%

Source: HECC analysis of student-level data.

We also compared the credits earned by recent OOG recipients with the credits earned by earlier groups. Here the differences are not as great the differences in retention rates. However, the most recent cohorts earn about as many credits as the high-performing OOG recipients from earlier years. See Table 7 below.

Table 7. Number of Credits Earned by Students in 2016-17 through 2020-21, 2021-22, 2022-23, and 2023-24, by OOG Status and Educational Sector.

	A Students with OOG, 2016-17 to 2020-21*	**B Students with Pell Grant but no OOG, 2016-17 to 2020-21**	**C Students with OOG, 2021-22**	**D Students with OOG, 2022-23**	**E Students with OOG, 2023-24**
Community college	25	19	22	23	23
Public university	38	36	38	38	39
Private, nonprofit institution	28	27	26	27	27

Source: HECC analysis of student-level data.

OOG recipients had higher retention rates than peers at community colleges and retention rates similar to other students at public universities and private nonprofit institutions. Similarly, OOG students outperformed higher-income and other peers at community colleges in the number of credits they earned, and they showed comparable results as their peers at bachelor's degree-granting institutions. Comparisons of 2023–24 OOG cohorts with earlier groups suggest that the expansions of the OOG in the most recent two years has led to stronger retention and credits earned than among low-income groups previously.

CHAPTER 3. CONCLUSION

SUMMARY

This report examined who the Oregon Opportunity Grant (OOG) program serves, how it affects college and university affordability, and the academic outcomes of participating students. It pays particular attention to students who received the grant in 2023-24 and to program changes that year.

The OOG served nearly 40,000 Oregon students in 2023-24. It maintained the record-high EFC eligibility set the year before, which was a 30-percent increase from 2021–22. In 2023-24, the size of the grant also grew, especially for students at bachelor's degree-granting institutions, as calculation of the maximum award changed to cover 75 percent of the average tuition at the community colleges and public universities. These expansions mean that nearly one out of three Oregon admitted undergraduates at the public universities and nearly one in four Oregon students enrolled for credit at the community colleges received an OOG in 2023-24.

Students with the OOG were disproportionately likely to come from groups that have been marginalized in postsecondary education—students of color, women, older learners, and those from rural counties. Relative to low-income cohorts from earlier years before the program expansion (both OOG and Pell recipients), 2023–24 OOG recipients were generally similar but somewhat more likely to be Latino/a/x/Hispanic and older.

The program enabled more than 6,299 students to fully meet the cost of attendance at their institution with their expected resources and reduced the shortfalls for thousands more. Low-income students face much larger affordability gaps than their middle- and upper-income peers, even after accounting for financial aid, expected family contribution (EFC), most institutional aid, and estimated student earnings. This gap would be even higher without the OOG:

By sector, the affordability gap is greater for public university students than for community college students. In 2023–24, increasing the size of the award and changing it to cover 75 percent of the cost of tuition at a public institution improved affordability, especially for many public university students. The percentage of public university students facing unaffordable costs fell from 50 percent to 45 percent in 2023-24, and it fell among OOG recipients there from 68 percent to 59 percent. This undoubtedly improved access, reduced reliance on loans and later debt, and supported academic performance and completion. However, community college students as a group saw affordability worsen: the percentage of community college students facing unaffordable costs rose from 25 percent to 28 percent, and it rose among OOG recipients there from 42 percent to 48 percent.

OOG recipients in 2023-24 generally had academic performance that was about as strong or stronger than other students, despite the greater barriers that low-income students face. These positive results maintain across comparisons with higher-income peers, the overall 2023–24 student population, and low-income cohorts from prior years. Because the program has changed in key ways each of the last three years, we evaluated academic performance with outcomes from the same year. At community colleges, OOG recipients had higher term-to-term retention and year-to-year retention, and they earned more credits than higher-income students and students overall. At bachelor's degree-granting institutions, OOG recipients' retention and credit totals were consistently similar to those of other students.

Comparing these outcomes to earlier cohorts of low-income students gives an early indicator of the impact of the recent changes to the program. Results show that retention was higher among OOG recipients in 2022-23 and 2023-24 than among comparable low-income students before the recent program expansions. This suggests that the larger grant size and possibly the higher EFC threshold implemented in these years are helping students remain in school and make progress toward completing a degree. Students in the recent OOG cohorts earned about the same number of credits as low-income students in earlier years.

IMPLICATIONS

These findings carry implications for policy and for educational and economic equity. The OOG's strong reach to groups that remain underrepresented in college and university, even with the higher eligibility threshold, supports not only these students, but the communities from which they come and the institutions that seek to serve all of Oregon.

The findings show a program that reaches students from communities that are underrepresented in postsecondary education, reduces financial barriers, and is associated with strong academic performance. Particularly noteworthy is that lower income students, who are more likely to be first generation college students and to face additional challenges in college, performed as well as or better than students from higher income backgrounds. These results mirror earlier evaluations and appear consistently across multiple academic measures, comparison groups, eligibility thresholds, award sizes, and years. Few programs demonstrate such stable, positive outcomes. The findings also align with national research showing that public grants, especially state financial aid, improve student success. The OOG's expanded eligibility in 2022–23 and 2023-24 extended this support to new groups of students, including many who were not able to receive a federal Pell Grant. We recommend continuing to monitor the impacts of these recent policy changes on students' later academic outcomes and affordability.

Although expanded eligibility reduced the number of students facing unaffordable costs, particularly at the public universities, about half of OOG recipients still lacked sufficient resources to cover the full cost of attendance. Expected resources for students are far less likely to cover the full cost of college for students from low-income backgrounds than for students from middle- and upper-income backgrounds. The findings shown here indicate that rising grant sizes improved affordability for low-income students and were associated with improved retention as well. We recommend continuing to expand the size of the grant, especially for the lowest income students.

The benefits of these outcomes extend well beyond students' time in college. Higher retention and credit progression lead to higher graduation rates, and postsecondary degrees contribute to greater economic and social stability for individuals, communities, and the state. Degree holders earn more, are less vulnerable during economic downturns, and contribute more in tax revenue. At the same time, Oregon is projected to need far more workers with postsecondary credentials in the coming decade than the number of Oregonians currently earning them. Meeting this need requires bringing more first generation and underrepresented students into higher education and supporting them through to completion. The OOG's positive outcomes directly support this goal.

The consistent academic performance of OOG recipients, the grant's demonstrated impact on affordability, and the state's growing need for a more educated workforce all point toward sustaining and expanding the OOG program. Students and the state will benefit.

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APPENDIX A. OREGON OPPORTUNITY GRANT AWARDING CRITERIA AND AMOUNTS

Table A.1. Average annual cost of attendance by sector and thresholds for receiving federal Pell Grants and OOG awards, 2012-13 through 2023-24.

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Average yearly cost of attendance, community colleges	$17,031	$17,374	$17,735	$18,223	$19,147	$19,893	$20,485	$20,796	$21,091	$21,124	$22,549	$25,154
Average yearly cost of attendance, public universities	$20,693	$21,192	$21,540	$22,263	$23,466	$24,474	$25,232	$25,908	$27,733	$28,177	$29,826	$31,325
Yearly maximum EFC to receive a Federal Pell Grant	$4,995	$5,081	$5,157	$5,198	$5,234	$5,328	$5,486	$5,576	$5,711	$5,846	$6,206	$6,656
Yearly awarding criteria limits, OOG	$70,000	$70,000	$70,000	$4,000	$3,500	$3,500	$3,500	$3,500	$3,500	$6,000	$8,000	$8,000
Yearly awarding criteria metric	Adjusted Gross Income			Expected Family Contribution								

Table A.2. Average OOG disbursement amounts, by sector, 2012-13 to 2023-24.

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Community colleges	$1,384	$1,404	$1,382	$1,429	$1,502	$1,533	$1,774	$1,835	$1,818	$1,996	$2,257	$2,462
Public universities	$1,766	$1,796	$1,762	$1,819	$1,909	$1,910	$2,766	$2,901	$3,083	$3,196	$3,678	$5,916
Private non-profit institutions	$1,768	$1,794	$1,775	$1,876	$1,985	$1,979	$2,889	$2,919	$3,321	$3,409	$3,860	$6,050

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Overall	$1,569	$1,600	$1,579	$1,639	$1,696	$1,714	$2,277	$2,364	$2,468	$2,642	$3,034	$4,194

Table A.3. Annual maximum OOG award amounts by sector from 2012-13 to 2023-24.

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Community college	$1,950	$2,000	$2,000	$2,100	$2,250	$2,250	$2,600	$2,700	$2,778	$2,778	$3,600	$3,900
Public university	$1,950	$2,000	$2,000	$2,100	$2,250	$2,250	$3,200	$3,300	$3,600	$3,612	$4,692	$7,524
Private, non-profit institutions	$1,950	$2,000	$2,000	$2,100	$2,250	$2,250	$3,200	$3,300	$3,600	$3,612	$4,692	$7,524

APPENDIX B. AFFORDABILITY RATE BY STUDENT CHARACTERISTICS.

Table B.1. Estimated percentage of students facing unaffordable costs, by student characteristic and sector, 2023-24.

Student Characteristics	Public University	Community College	Statewide
Statewide	45%	28%	35%
Income background			
Lower-income (OOG recipient)	59%	48%	53%
Middle/upper income (not OOG recipient)	36%	15%	24%
Racial/ethnic identity			
Asian American/Asian	51%	29%	42%
Black/African American	50%	29%	37%
Latino/a/x/Hispanic	50%	32%	39%
Native American/Alaska Native	23%	27%	26%
Native Hawaiian/Pacific Islander	45%	30%	36%
Multiracial	45%	28%	36%
White	43%	27%	34%
Geography			
Rural county	38%	25%	30%
Urban and mixed counties	46%	29%	37%
Gender			
Men	47%	28%	36%
Nonbinary	49%		49%
Women	44%	28%	36%
Age Group			
18-24	46%	26%	36%
25+	45%	30%	34%

Note: Affordability is better for Native American/Alaska Native students, than for other students because of the Oregon Tribal Student Grant, which covers the cost of attendance for students from Oregon's nine federally recognized tribes.

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