



# Financial Aid for Texas Students

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Fall, 2008



**In 2006-2007**

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**616,000+** students received aid at TX  
nonprofit institutions

**\$5,300,000,000+** was received.



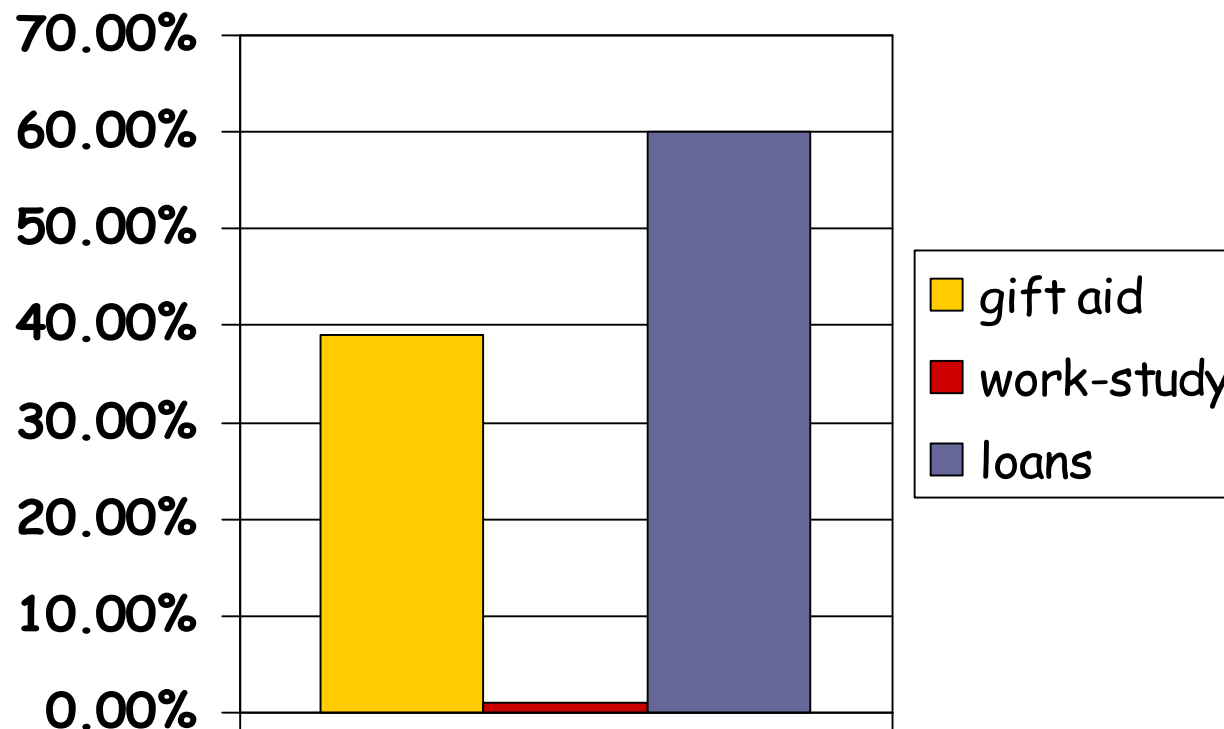
# Major Programs, 2006-7

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- Subsidized Staff. Lns. \$1,204,748,774
- Unsub. Staff. Loans \$1,167,057,638
- Pell Grants \$ 850,608,118
- Other Grants/Schol. \$ 185,484,430
- TEXAS Grants \$ 175,037,505
- Categorical Aid \$ 154,275,061
- TX Public Ed. Grants \$ 129,340,225

# Aid by Type - 2006-2007

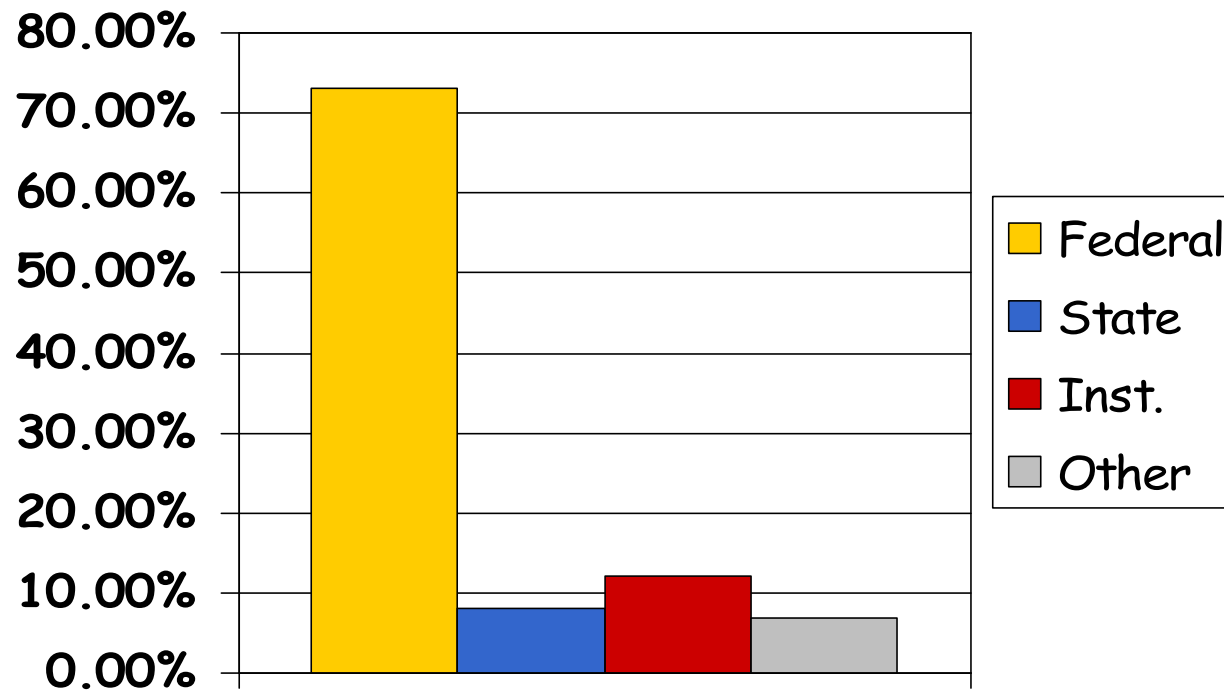
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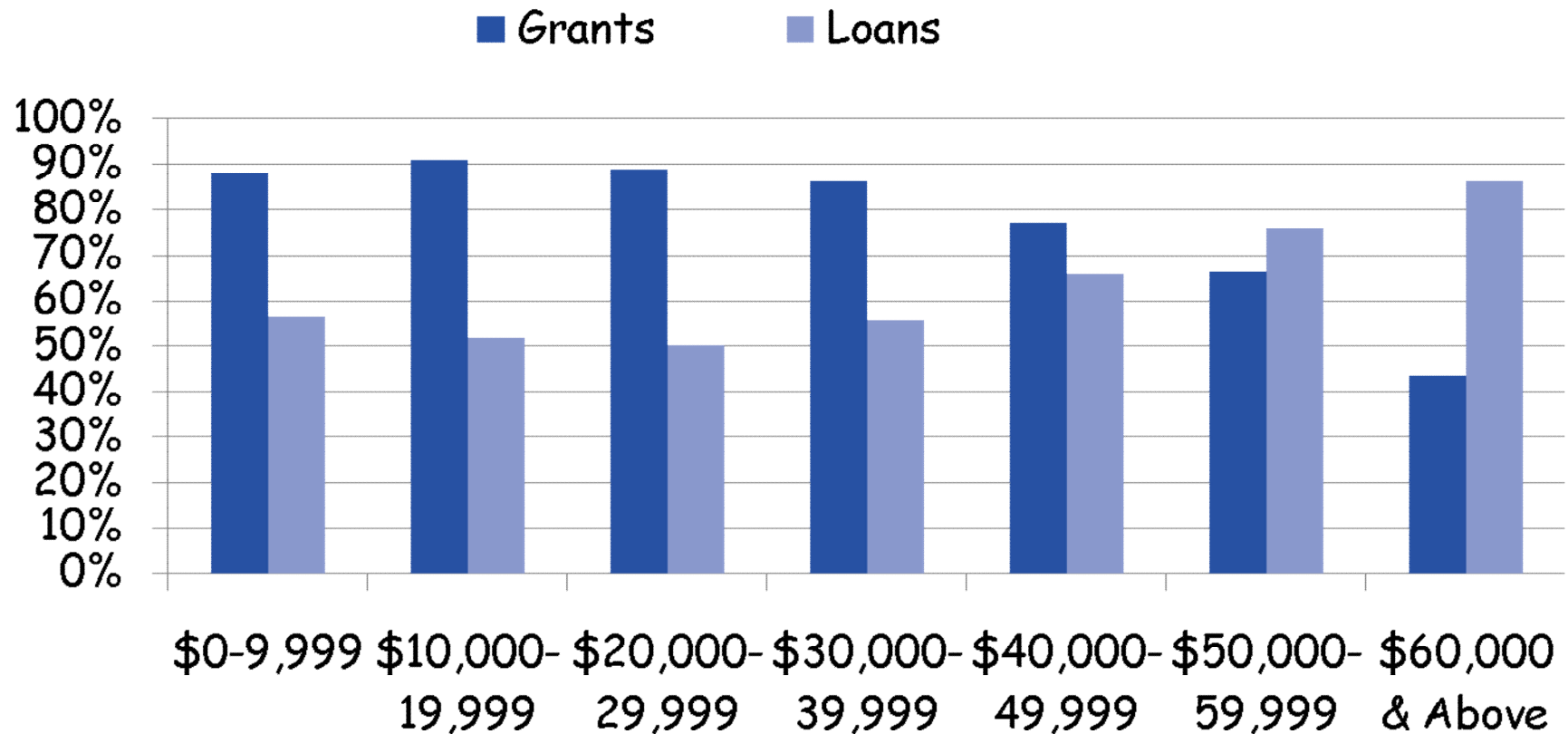


# Aid by Source 2006-2007

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# Loans and Grants by Income





# Qualifying for Need-Based Aid

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Need-based aid is awarded on the basis of the gap that exists between the student's resources (including those from the family) and the cost of attending College, or "need".

$$\frac{\text{Cost of Attendance} - \text{Family Contribution}}{\text{Need}}$$



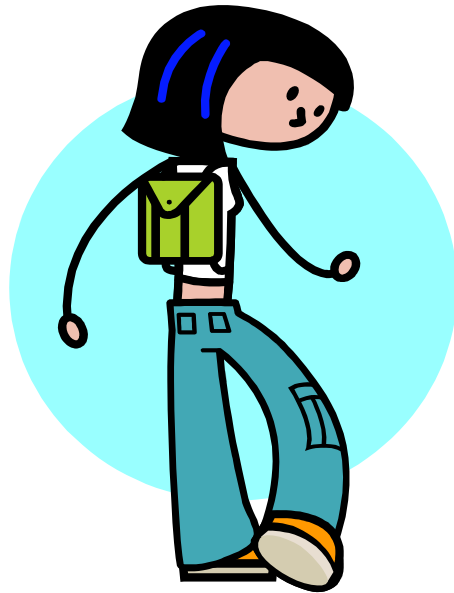
# Cost and Family Contribution

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- Cost of Attendance includes
  - Direct costs (tuition, fees and books/supplies)
  - Indirect costs (living expenses)
  
- Family Contribution is derived from information provided through the Free Application for Federal Student Aid (FAFSA) and is released only to the institutions named by the student on the form.

# Applying for Aid<sub>1</sub>

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## The Student

1. Completes FAFSA or TASFA
2. Has results made available to school
3. Completes paperwork prior to Priority Deadline

# Applying for Aid<sub>2</sub>

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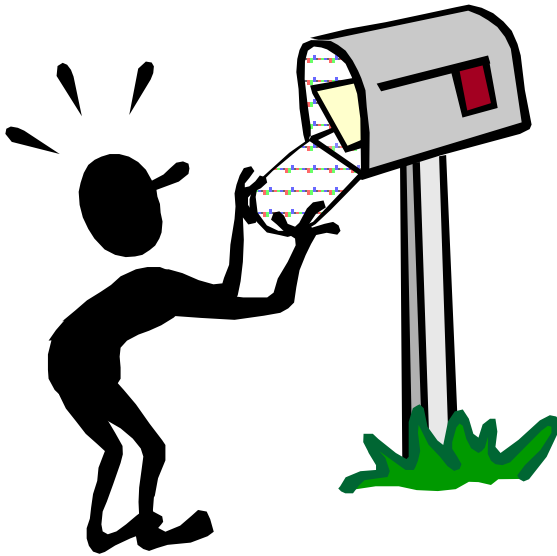


## The Institution

1. Calculates need
2. Compares students to program requirements
3. Identifies viable programs and amounts
4. Sends award letter

# Applying for Aid<sub>3</sub>

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## The Student

1. Receives award letter
2. Accepts or rejects the offered aid
3. Notifies college of acceptance or rejection of offer

# Applying for Aid<sub>4</sub>

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## The Institution

1. Holds funds for the student
2. Acquires loan guarantee (if applicable)

# Applying for Aid<sub>5</sub>

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## The Student



Receives his funds  
or the funds are  
applied to his/her  
account at the  
college



# State and Federal Aid

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The vast majority of state and federal aid is distributed through the process just described -

1. on the basis of the FAFSA (or TASFA), and
2. through the financial aid office.



This keeps families from having to apply separately for each award.



# Non-Need-Based Gift Aid

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Includes

- Merit-based scholarships
- Tuition and/or fee exemptions
- Waivers of non-resident tuition

These programs do not require financial need  
but can impact eligibility for need-based aid.

They are not awarded using the FAFSA.



# New from the 80th Legislature<sub>1</sub>

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- Tuition Rebates - exclude ROTC hours
- Hazlewood Exemption (children of vets)
  - Add children of vets rated as 100 % unemployable due to service-related injury
  - Allow the concurrent use of state & fed benefits
- “Taps” vouchers for students in grades 6-12



# New from the 80th Legislature<sub>2</sub>

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- Early HS Graduation Scholarships
  - Majority of HS in TX (not all)
  - US citizen or otherwise lawfully in the state
  - Award if graduate within 46 months (rather than 45 months) with 30 SCH
- New Engineering Scholarship Program for engineering students (08-09 - freshmen & sophomores)



# New from the 80th Legislature<sub>3</sub>

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- Recommended curriculum required for top 10% admissions (or high SAT/ACT scores)
- Student Work-study Mentorship Program expanded to help with outreach centers in school districts
- Limit on the number of courses a student can drop without penalty



# Trends in State Aid

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The state subsidizes students enrolled in public institutions. Tuition and fees only cover a portion of the total costs to provide education. Therefore, to control costs, state aid policies:

- Encourage students to be efficient
- Penalize students for inefficiency



# A Push for Efficiency

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- Dual enrollment
- AP credits
- International Baccalaureate Programs
- Early High School Graduation Scholarship
- Tuition Rebates



# Penalties for Inefficiency

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- ❑ Loss of state aid eligibility after XX years or YY semester credit hours (SCH)
- ❑ Full-cost tuition if repeating a class for the 3<sup>rd</sup> time
- ❑ Full-cost tuition once you have completed 30 SCH beyond your undergraduate degree plan
- ❑ Limit to 6 dropped classes without impact on GPA



# Major State Programs

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# Early H.S. Graduation Scholarships

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- Students graduating on/after 6/15/07 must:
  - Be citizen of US or lawfully living in the U.S.;
  - Complete grades 9-12 in
    - ≤ 36 months with at least RHSC (\$2000); bonus for 15 SCH college credit (\$1000);
    - ≤ 41 months with RHSC (\$500); bonus for 30 SCH college credit (\$1000);
    - ≤ 46 months with RHSC; bonus for 30 SCH college credit (\$1000);
  - Complete majority of high school in Texas;
  - Graduate from a Texas public high school; and
  - Meet Selective Service Requirements.
  - Have 6 years from graduation to use award.



# TEXAS Grants

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## Requirements

- TX residency
- Entering undergrad
- HS graduation with RHSC or ADP within 16 months of college enrollment
- No bachelor's degree
- EFC  $\leq$  \$4000
- $\frac{3}{4}$ -time enrollment
- No drug conviction
- Selective Svce. Reg.

## To continue:

- End of 1<sup>st</sup> year - inst academic progress
- Thereafter, overall GPA of 2.5; 75% completion rate/year and 24 credit hours completed/year

Eligibility ends when receive BA, reach 150 hours or 5 yrs for 4-yr plans; 6 yrs for 5-yr plans



# TX Public Educational Grants

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## Requirements

- Enroll at public institution
- Financial need
- Selective Service Registration

## Continuation

- Not an entitlement, but renewal award may occur at institution's discretion
- No statutory end to student eligibility



# Tuition Equalization Grants

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## Requirements

- ❑ Enroll in private, non-profit institution
- ❑ Full-time enrollment
- ❑ Texas resident or National Merit Finalist
- ❑ Not receiving athletic scholarship
- ❑ May be undergraduate or graduate
- ❑ Selective Service Reg.

## Continuation

- ❑ Not required. Is at discretion of institution.
- ❑ Requires at least 2.5 GPA and completion of at least 24 hrs/year (ugr); 18 hrs/yr (grad)

Eligibility ends for undergrads at 5 yrs for 4-year degrees; 6 yrs for 5-yr plans

# Educational Aide Exemption Pgm. for ISD Employees

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## Requirements

- ❑ Enroll in public institution
- ❑ Texas resident
- ❑ Show financial need (FASFA or AGI)
- ❑ Have been employed full-time as Ed. Aide for 1 of past five years or as Sub. Teacher 180 days in past five years
- ❑ Currently employed by school dist
- ❑ Selective Service Reg.

## Requirements, con't.

- ❑ Enroll in courses leading to teacher certification

## Continuation

- ❑ Meet academic progress requirements of institution
- ❑ Remain employed by a public school district

Eligibility ends with receipt of teaching certificate.



# Exemptions

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- Are awarded to special populations
- Must be applied for through the college (other than EHS and Educational Aides)
- Include programs for persons who are:
  - Blind or Deaf
  - TANF recipients
  - Valedictorians
  - Foster Care
  - Adopted
  - Dual enrolled
  - Middle/high school students playing "Taps"
  - Children of deceased/disabled veterans, peace officers, firefighters, MIAs, POWs & others



# For More Information

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- Contact us at 1-800-242-3062 or 512-427-6340
- Financial Aid Hotline 1-888-331-8881 (offers bilingual operators)
- <http://www.collegefortexans.com/paying/geninfo.cfm>
- [grantinfo@thecb.state.tx.us](mailto:grantinfo@thecb.state.tx.us)