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## ABSTRACT

In view of the large post-secondary enrollments of two-year colleges, and the heavy enrollment of students from low and moderate income families, their participation in institutionally administered federal financial assistance programs appears disproportionately low. The application, state allotment, and allocation procedures do not inherently militate against programmatic participation by two-year institutions, but many community colleges simply do not apply for funds. Furthermore, two-year institutions participating in the campus-based programs are probably not requesting funds commensurate with the actual needs of their students. For comparison purposes, this paper presents an estimate of the distribution of funds under the new Basic Educational Opportunity Grant Program which promises direct aid to students, with figures for the actual federal allocations for institutionally administered financial assistance programs (Supplemental Educational Opportunity Grants, College Work-Study Program, and National Direct Student Loans). At full funding of all eligible undergraduates, students in public two-year institutions should receive relatively more funds in the Basic Educational Opportunity Grant Program (27 percent) than they receive through the three campus-based programs (13 percent).  
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# Distribution of Federal Student Assistance: The Enigma of the Two-Year Colleges

Lawrence E. Gladieux

June 1975

A Policy Study  
from the Washington Office  
of the  
College Entrance Examination Board

The College Entrance Examination Board is a nonprofit membership organization that provides tests and other educational services for students, schools, and colleges. The membership is composed of more than 2,000 colleges, schools, school systems, and education associations. Representatives of the members serve on the Board of Trustees and advisory councils and committees that consider the Board's programs and participate in the determination of its policies and activities.

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# **Distribution of Federal Student Assistance: The Enigma of the Two-Year Colleges**

**Lawrence E. Gladioux**

College Entrance Examination Board, New York, 1975

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The data and analysis for this study were originally developed in response to a request from the Task Force on Student Aid of the American Association of Community and Junior Colleges. Although the analysis focuses on the participation of two-year colleges in federal student aid programs, the overall data presented in the paper should be of interest to all types of institutions.

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The opinions expressed herein do not necessarily reflect a position or policy of the U.S. Office of Education or The Ford Foundation and official endorsement by the U.S. Office of Education or The Ford Foundation should not be inferred. Moreover, the work presented herein does not necessarily reflect a policy or position of the College Entrance Examination Board.

## Summary and findings

This paper examines the distribution of federal funds to postsecondary education institutions under three United States Office of Education student assistance programs--Supplemental Educational Opportunity Grants (SEOG), College Work-Study Program (CWS), and National Direct Student Loans (NDSL)--concentrating on the participation of two-year colleges in these programs.

Allocations for the academic year 1974-75 show that public institutions received nearly 60 percent of total funds under the three programs and private nonprofit institutions received 33 percent. Proprietary schools accounted for the remaining 6 or 7 percent. About 77 percent of all funds went to four-year institutions (public and private), compared with less than 16 percent for two-year schools (public and private).

Two-year institutions received 17 percent of 1974-75 allocations under Supplemental Educational Opportunity Grants, 10 percent under National Direct Student Loans, and 21 percent under College Work-Study. This pattern and the overall percent of funds--approximately 16 percent--received by two-year institutions have remained virtually unchanged since 1971-72.

The two-year colleges' relative participation in these "campus-based" (or institutionally administered) programs appears disproportionately low in view of the number of accredited two-year colleges (1,141), their share of postsecondary enrollments (over 25 percent of total full-time equivalent), and their heavy enrollment of students from low- and moderate-income families (approximately 53 percent of all first-time, full-time freshmen from families with incomes of less than \$10,000). Even after considering the lower costs of attendance at two-year colleges, preliminary estimates indicate that 20 to 25



percent of all student financial need for full-time students in higher education is in two-year institutions.

To identify factors that might hamper participation by two-year institutions and their students, the paper analyzes the application, state allotment, and institutional allocation procedures that characterize the campus-based programs. The basic finding is that these procedures do not inherently militate against participation by any particular sector of postsecondary education (except perhaps proprietary institutions to some degree). Neither the Office of Education panel process by which institutional requests are reviewed and adjusted nor the statutory state allotment formulas explains the apparent relative underfunding of community colleges in campus-based federal student aid programs.

Instead, the explanation seems to rest with the community colleges themselves. Many two-year institutions simply do not apply for one or more of the programs. For 1974-75, of all the accredited two-year colleges, approximately 220 did not file applications for Supplemental Educational Opportunity Grants; nearly 500 failed to apply for National Direct Student Loans; and 140 did not request College Work-Study funds. There may be several reasons for such nonparticipation--lack of matching funds required for federal programs (or legal constraints on such use of local funds), a reluctance to take on loan collections in the case of NDSL, administrative understaffing in community colleges, lack of professionalism, and sometimes lack of perception of student financial needs. Even when tuition charges are zero or very low, the student still must finance other costs associated with attending college--room and board or expenses related to commuting, books and supplies, and incidental costs. Because of their long tradition of low student charges, some community colleges may tend to

think that student aid is not their concern, but rather something for higher priced four-year institutions to worry about. But their students do have substantial needs and in too many cases are effectively denied potential opportunities for federal assistance simply because of the institution's failure to apply for an allotment of funds.

Furthermore, those two-year institutions that do participate in the campus-based programs may not be requesting as much money as they should because of the underestimation of the actual costs of attendance, particularly for commuting students. Two-year institutions participating in the campus-based programs are probably not requesting funds commensurate with the actual needs of their students.

Finally, for comparison purposes, this paper presents an estimate of the distribution of funds under the new Basic Educational Opportunity Grant Program by type and control of institution. In contrast to the campus-based programs, in which the number of students eligible to receive assistance depends in large measure on the funds allocated to individual institutions, the Basic Grant program promises to aid eligible students regardless of where they live or attend college. The results show that two-year public institutions are likely to account for more funds under the Basic Grant program than under the campus-based programs. At full funding of all eligible undergraduates, part time and full time, students in public two-year institutions should receive relatively more funds in the Basic Grant program (27 percent of the total) than they receive at present in the campus-based programs (13 percent of the total).

## Introduction

Aid to students is now the principal mechanism of federal support for postsecondary education. Nearly 90 percent of United States Office of Education spending for postsecondary education--and approximately three-fourths of the total federal investment in this field (excluding research)--is in the form of student assistance. The Office of Education's expenditures for student aid are concentrated in: (1) the three "campus-based" or institutionally administered student aid programs--Supplemental Educational Opportunity Grants (SEOG), College Work-Study (CWS), National Direct Student Loans (NDSL); (2) aid distributed directly to students--Basic Educational Opportunity Grants (BEOG); and (3) the Guaranteed Student Loan Program (GSLP). Still other major sources of student support exist outside the Office of Education--the G.I. Bill, Social Security education benefits, the Law Enforcement Education Program, the Bureau of Indian Affairs' Higher Education Program, and health professions' student assistance.

This analysis focuses on the Office of Education's campus-based programs--SEOG, CWS, NDSL. In particular, it examines the distribution of funds under these programs among differing types of institutions. Such distribution is critical in determining which students will have an opportunity to receive federal benefits under these programs. Unlike the recently enacted Basic Educational Opportunity Grant Program, which promises to aid eligible students regardless of where they live or attend college, the number of students eligible to receive assistance under SEOG, CWS, and NDSL depends in large measure on the funds allocated to individual institutions.

This analysis was prompted by the concern of junior and community colleges that their share of funds under the campus-based programs was inordinately low considering the number of two-year colleges,

their share of total postsecondary enrollments, and their heavy enrollment of students from low- and moderate-income families. The question arises: Are there features of the application and state and institutional allocation process that hamper participation by two-year institutions and their students in these programs?

A description of federal allocations for the academic year 1974-75 will set the background for a discussion of this process and its possible effects on two-year colleges relative to other types of institutions. The paper will also present a comparison between the distribution of funds under the campus-based programs and an estimated distribution of Basic Educational Opportunity Grants to students at differing types of institutions:

#### Allocations for 1974-75

Table 1 presents the actual federal allocations for each campus-based program and the combined total for all programs for the academic year 1974-75.<sup>1</sup>

As Table 1 indicates, of the \$766 million appropriated for use in the academic year 1974-75, public higher education institutions received nearly 60 percent of the total funds and private nonprofit institutions received 33 percent. Proprietary schools accounted for the remaining 6 to 7 percent. Excluding the proprietary and public vocational-technical categories, about 77 percent of all funds went to four-year institutions (public and private), compared with less than 16 percent for two-year schools (public and private).

1. Funds for these allocations were appropriated in December 1973 as part of the fiscal 1974 Labor-HEW Appropriations Bill and were allocated to institutions in late spring 1974 for expenditure in the academic year 1974-75 (fiscal 1975). Thus these programs are forward funded by one year.

Table 1. Allocations for campus-based student aid programs (SEOG, CWS, NDSL) for academic year 1974-75 by type of institution (in millions)

Institution Type and control	SEOG		CWS		NDSL		All campus- based student aid	
	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
Public	\$127.3	60.5%	\$180.4	66.9%	\$151.2	52.9%	\$458.9	59.9%
University and 4-year*	95.7	45.5	126.4	46.9	128.8	45.1	350.9	45.8
2-year	29.3	13.9	48.6	18.0	21.6	7.5	99.5	13.0
Vocational/technical	2.3	1.1	5.4	2.0	.8	.3	8.5	1.1
Private	69.1	32.9	80.6	29.9	105.3	36.8	255.0	33.3
University and 4-year*	63.5	30.2	72.9	27.0	99.4	34.7	235.8	30.8
2-year	5.6	2.7	7.7	2.9	5.9	2.1	19.2	2.5
Proprietary*	13.9	6.6	8.7	3.2	29.5	10.3	52.1	6.8
Total allocations**	\$210.3		\$269.7		\$286.0		\$766.0	

NOTE: Detailed figures may not add because of rounding.

\*This table combines the "university" and "other 4-year" categories because the Office of Education last year changed its working definition of a university for purposes of reporting data on student aid allocations. As a result the category "other 4-year institutions" (particularly public) shows a precipitous drop from the year 1972-73. Since the change is strictly one of definition and could be misleading, this table collapses the two categories. In some subsequent tables, however, the data for universities and other 4-year institutions are presented separately.

\*\*The dollar amounts in this and subsequent tables were obtained from the Office of Education, Division of Student Assistance Program Support Branch.

By individual program--SEOG, CWS, and NDSL--the picture is much the same. Public and private four-year institutions predominate in each. Private four-year institutions fare especially well under the NDSL program. For proprietary schools, participation is heaviest in NDSL and least in the College Work-Study Program. The pattern for two-year colleges is just the reverse--they participate most extensively in the work-study program, claiming 21 percent of work-study allocations but accounting for less than 10 percent of NDSL funds.

Proprietary schools receive close to 7 percent of SEOG funds, even though they have been eligible for SEOG only since the passage of the Education Amendments of 1972.

#### Comparisons with 1971-72

Table 2 shows the allocation of campus-based student aid funds to two-year institutions, both public and private, in 1971-72 and 1974-75. The relative participation of two-year colleges in these programs has remained virtually unchanged.

Table 2. Allocation of funds in the campus-based programs to 2-year institutions (in percent)

	SEOG	CWS	NDSL	Total
1971-72	15%	24%	10%	16.3%
1974-75	17	21	10	15.5

The percentage of SEOG funds allocated to two-year institutions during this period has increased, but their share of CWS funds has decreased. For the three programs combined, the percentage of funds received by two-year institutions has declined slightly.

Total dollar allocations to two-year institutions under the three programs rose 3 percent between 1971-72 and 1974-75, from \$115 million to \$119 million. This compares with an 8 percent overall rise in federal allocations for the three programs over the same period.

#### Four factors determining allocations

In the campus-based student aid programs, federal funds are distributed to postsecondary institutions which in turn distribute the funds to eligible students. Financial aid officers determine students' eligibility according to federal guidelines and institutional policies. Federal law requires that each dollar of supplemental grants (SEOGs) be matched by institutional and other resources, including other federal resources. Also, institutions must supply 20 percent of the wages received by work-study participants and 10 percent of National Direct Student Loans. Even with this combined effort, appropriations historically have been insufficient to cover the needs of all students eligible for federal student assistance.

In the determination of allocations to institutions, four factors are important--(1) the number of institutions applying, (2) institutional requests, (3) panel-approved requests, and (4) state allocation formulas.

#### Number of institutions

In the fall of each year, institutions file applications for funds to be used in the campus-based programs during the following academic year. These applications--the so-called "tripartite" form--collect information describing the institution's student body (particularly its economic characteristics), the institutional resources committed to student aid, distribution of previous federal student aid funds, and

estimates of need for new funding. The number of institutions applying for Supplemental Educational Opportunity Grants, College Work-Study funds, and National Direct Student Loan funds has risen steadily as eligibility requirements have been broadened, and as institutions have acquired resources with which to match federal contributions. Increased knowledge and sophistication about the programs have also helped to augment institutional participation.

#### Institutional requests

On its application, an institution estimates and requests the funds necessary to aid all eligible students (within the institution's ability to cover federal matching requirements).

#### Panel-approved requests

Applications are then reviewed by panels of federal officials and financial aid officers in each of the 10 federal regions. The panels determine whether the institutional requests seem reasonable in light of past uses of funds and prospective needs. An appeals process is available for institutions that feel the panel has been unfair in its assessment.

#### State allocations

Statutory formulas determine the amount of funds each state receives. Under current law, 10 percent of appropriated funds in each program may be distributed to states at the discretion of the Commissioner of Education. For the remaining 90 percent of funds, the state allocation formula is different for each program. SEOG funds are distributed on the basis of full-time equivalent students in each state but the NDSL



formula is based on full-time students. The CWS formula involves a weighting of postsecondary students, high school graduates, and children under 18 from impoverished families. These formulas determine the amount of funds available to be distributed to institutions in each state under each program. Each institution in turn receives a fraction of the state allocation equal to its share of total panel-approved requests. Thus, if a state's allocation is 60 percent of its approved requests, each institution in that state will receive 60 percent of its approved request. Traditionally, the percentage of requests filled for each program differs considerably from state to state causing great inequities among states, institutions, and therefore individual students in differing states.<sup>2</sup> The provision setting aside 10 percent of the funds in each program for distribution by the Commissioner is designed to ameliorate these inequities, but the gaps from state to state remain wide.<sup>3</sup>

2. For example, in 1973-74 some states received as little as 42.6 percent of their requests for Supplemental Educational Opportunity Grants, although one state received 100 percent; for National Direct Student Loans one state received as little as 18.1 percent and three states 100 percent; for College Work-Study some states received as little as 45.2 percent, others as much as 79 percent. See Table 9 on page 22 for each state's percentage of panel-approved requests in each of the three programs.

3. Under SEOG and CWS the Commissioner used the 10 percent set-aside to bring a number of states that would have been funded at very low levels up to at least a minimum percentage of their panel-approved requests. Thus in 1973-74, 24 states were funded at 42.6 percent of their SEOG requests and 19 states at 45.2 percent of their CWS requests. The 10 percent set-aside has not yet been implemented under NDSL because the appropriation for this program in fiscal years 1973 and 1974 did not exceed the fiscal 1972 level. When the set-aside provision was written into the law by the Education Amendments of 1972, Congress stipulated that no state could receive less than it had in fiscal year 1972 as a result of the set-aside; in effect, this has meant that the set-aside does not become operational until the appro-

## Number of applicant institutions

The enigma of institutional participation in the campus-based programs is the low participation by the two-year sector. According to the American Association of Community and Junior Colleges, there are 1,141 accredited two-year institutions in the nation, and presumably they are all eligible for participation in federal student assistance programs. For 1974-75, however, approximately 220 two-year colleges did not file applications for SEOG, nearly 500 failed to apply for NDSL, and 140 did not request CWS funds.

One study estimates that for 1971-72 the number of two-year institutions participating in CWS was 784.<sup>4</sup> Of these, slightly more than 60 percent applied for all three programs, 27 percent applied for CWS and one other program, and about 13 percent applied only for CWS--clearly the most popular program among the two-year institutions. Comparatively, over 95 percent of four-year institutions that participated in the CWS program also participated in the other two programs.

These data clearly demonstrate some missed opportunities. Many two-year institutions simply do not apply for one or more of the programs. There may be a number of reasons for such nonparticipation--lack of matching funds required for the federal programs<sup>5</sup> (or legal

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priation goes above the 1972 level. Because Congress has approved \$321 million for NDSL in fiscal year 1975 (to be allocated in academic year 1975-76), exceeding the 1972 level by \$35 million, the 10 percent set-aside in NDSL will be implemented in the coming year.

4. Evaluation Report on the College Work-Study Program by the Bureau of Applied Social Research, Columbia University, 1973.

5. Many institutions are perhaps unaware that the requirements for matching federal funds under the student aid programs (and certain other federal higher education programs) may be waived by the Commissioner if the applicant institution qualifies as a "developing institution" under criteria set forth in Title III of the Higher Education Act. Title III defines a developing institution as an institution

constraints on such use of local funds), a reluctance to take on the task of loan collections in the case of NDSL, administrative understaffing of the community colleges, lack of professionalism and sophistication, and sometimes lack of perception of student financial needs. Even when tuition charges are zero or very low, the student still has other costs associated with attending a higher education institution—room and board or expenses related to commuting, books and supplies, and incidental costs. Because of their long tradition of low student charges, some community colleges tend to think of student aid as outside their concern, something for higher priced four-year institutions to worry about. But their students do have substantial needs and in too many cases are effectively denied opportunities for federal assistance simply because of the institutions' failure to apply for an allotment of funds.

### **Institutional requests**

Furthermore, the two-year institutions that do participate in the campus-based programs may not be requesting as much money as they should. Public and private two-year colleges enroll over 25 percent of all students (full-time equivalent) in postsecondary education, and every source of available data on the income distribution of enrolled students indicates that lower-income students tend to be concentrated in the community colleges. For example, the American Council on Education's The American Freshman: National Norms for Fall 1973 indicates that two-year colleges enroll approximately 53 percent of all first-time, full-time freshmen who come from families with incomes of less

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that, among other things, "is, for financial or other reasons, struggling for survival and isolated from the main currents of academic life."

than \$10,000, compared with 33 percent for four-year colleges and 14 percent for universities. Even after considering the lower costs of attendance at two-year colleges, preliminary estimates of the College Entrance Examination Board indicate that 20 to 25 percent of all student financial need for full-time students in higher education is in two-year institutions. Yet, as Table 3 indicates, two-year institutions accounted for less than 16 percent of the institutional requests for funding in the academic year 1974-75. This, of course, may be due to the lack of participation of eligible two-year institutions mentioned above. But at least a part of the explanation may be that two-year colleges underestimate the actual costs of attending, particularly for commuter students. Two-year institutions participating in the campus-based programs may not be requesting funds commensurate with the actual needs of their students.

#### Application review and allocation process

Are those two-year institutions that do apply disadvantaged by the O.E. panel review process and by the impact of state allocation formulas?

Table 3 presents data on institutional requests, amounts recommended by panels, and actual allocations for the three campus-based programs. These data clearly indicate that the impact of panel review cutbacks and state allocation formulas falls fairly equally among all types of institutions. The one exception is the proprietary school category--panels consistently reduce the requests of proprietary institutions by a larger percentage (45 to 50 percent on the average) than for all other institutions (15 to 25 percent on the average). Omitting the proprietary schools, there are only negligible differences in the percentage cuts applied by panels to two- and four-year public and private institutions.

Table 3. Distribution of institutional requests, panel recommendations, and institutional allocations for the campus-based student aid programs (SEOG, CWS, and NDSL) for academic year 1974-75 by type of institution (in thousands)

Institution Type and control	Institutional requests		Panel recommendations		Institutional allocations	
	Total funds	Percent of requests	Total funds	Percent of requests	Total funds	Allocations as a percent of Panel recommendations
Total	\$1,919,346	80.8%	\$765,993	39.9%	49.4%	
All public	1,096,708	84.9	458,863	41.8	49.3	
University	695,078	86.2	297,324	42.8	49.7	
Other 4-year	127,456	80.6	53,548	42.0	52.1	
2-year	252,010	84.0	99,505	39.5	47.0	
Vocational-technical	22,164	79.6	8,486	38.3	48.1	
All private	597,962	84.2	255,003	42.7	50.6	
University	284,074	83.2	114,910	40.5	48.6	
Other 4-year	262,157	86.7	120,915	46.1	53.2	
2-year	51,731	77.1	19,178	37.1	48.1	
Proprietary	224,676	51.8	52,127	23.2	44.8	

2-year institutions requested 15.8 percent of total requests, received 16.2 percent of total amount recommended by panels, and received 15.5 percent of total allocations.

Similarly, there is nearly perfect consistency among institutional types in the percentage of panel-approved amounts that are actually funded. This figure hovers around 50 percent for all types of institutions, including proprietary schools. This demonstrates that the state allocation formulas, which set the share that each state receives and determine the percentage of amounts recommended by the panel that can be funded in each state, do not have a disproportionately adverse effect on any particular sector of postsecondary education. (However, it should be stressed again that state allocation formulas do have a different, and often inequitable impact on individual institutions and on individual students in different states.)

Table 4 summarizes the experience of two-year institutions in the allocation process for Supplemental Educational Opportunity Grants, College Work-Study, and National Direct Student Loans. In all three programs, the two-year sector maintains a fairly consistent percentage of total requests, panel-approved amounts, and actual amounts received. Tables 6, 7, and 8 (pages 19 to 21) provide more detailed information on the participation of all types of institutions in each of the three programs.

Table 4. Two-year institutions' share of requests, panel-approved requests, and allocations in the campus-based student aid programs for academic year 1974-75 (in percent)

2-year institutions' share	SEOG	CWS	NDSL	Total of all three programs
Total institutional requests	17.2	21.5	10.0	16.6
Total panel-approved requests	17.7	21.8	9.7	16.7
Total allocations	16.6	20.9	9.5	15.5

This analysis suggests that neither the panel review process (even though two-year institutions are reportedly underrepresented on the Office of Education panels) nor the state allotment procedures explains the apparent relative underfunding of community colleges in "campus-based" federal student aid programs.

### Comparison of distribution of Basic Grant funds and campus-based funds

Table 5 compares an estimate of the distribution of Basic Grant funds by type and control of institution with the distribution of funds under the campus-based programs. The first column estimates Basic Grant distribution assuming full funding for all eligible undergraduates, part time and full time. The second column illustrates the distribution of the campus-based student aid funds.

The results show that students in public two-year institutions should receive through the Basic Grant program relatively more funds (27 percent of the total) than they receive at present in the campus-based programs (13 percent of the total).

It should be emphasized that the distribution of BEOG funds shown in Table 5 is hypothetical. It assumes not only full funding of the program but also equal rates of participation by eligible students in different types of institutions.

Available evidence about the actual operation of the Basic Grant program in its first two years of existence suggests that students in two-year colleges are participating at lower rates than might be expected. In 1973-74, Basic Grant awards were restricted to freshmen and in 1974-75 to freshmen and sophomores--restrictions that should presumably inflate the share of program funds received by two-year college students. A rough estimate indicates that students in two-year public colleges should have accounted for about 40 percent of

Table 5. Estimated distribution of Basic Grant funds and campus-based student aid by type of institution (in percent)

	Column 1 Estimated distribution of Basic Grants at full funding	Column 2 Total allocation for SEOG, CWS, and NDSL
Public	71%	59%
4-year	44	46
2-year	27	13
Private*	23	33
Proprietary and vocational- technical	6	8
Total	100	100

\*Because of limitations in the data base used for estimating the distribution of Basic Grants, private 2-year and 4-year institutions are collapsed into one category in this table. Because of their relatively small enrollments, the private 2-year institutions' share of Basic Grant funds would be quite low in any event, probably not exceeding 2 or 3 percent.

BEOG funds in 1974-75. Yet preliminary data show they actually received only about 25 percent of the money. According to the same data, public four-year institutions received 40 percent of BEOG funds in 1974-75, compared with a projected share of 35 percent; and private institutions received 25 percent, compared with a projected 15 percent.

One factor tending to screen out two-year college students is that Basic Grants in 1973-74 and 1974-75 were also restricted to full-time students. Only beginning in 1975-76 will part-time students (who enroll heavily in two-year institutions) become eligible for the program.



However this change will probably not bring about a major shift in the distribution of total Basic Grant funds.

Perhaps the greatest influence on actual student participation rates and thus on the distribution of BEOG funds in the program's first two years has been the relative strength of financial aid administration among institutions. Trained, well informed financial aid administrators who can counsel and encourage students to apply for the program have probably had as much to do with relative participation rates on different campuses as anything else. Thus it may well be that until the Basic Grant program becomes better known and understood, the distribution of Basic Grant funds will not be far different from the pattern that exists under the campus-based programs. The estimate presented in Table 5 illustrates what the Basic Grant distribution should look like when the Basic Grant program matches the original Congressional intent of helping needy students regardless of where they live or attend college.

#### A final note

This research underlines the importance of upgrading administration of student aid at community colleges. Not only are the campus-based programs clearly dependent on institutional initiative and follow-through, but, participation in the Basic Grant program, at least during its infancy, also seems to be closely related to institutional capability in this area. Many two-year institutions are penalizing themselves and their students by not devoting more systematic attention and greater staff resources to the management of student assistance, the fastest growing type of federal aid to postsecondary education.

Table 6. Supplemental Educational Opportunity Grants: Requests, panel recommendations, and allocations by type of institution

Institution Type and control	Institutional requests (in thousands)		Panel recommendations (Percent of requests)		Total federal allocations (Percent of panel recommendations)			
	Initial	Renewal	Initial	Renewal	(Percent of requests)	(Percent of panel recommendations)		
Total	\$360,985	\$211,922	\$572,907	78.0%	83.6%	80.1%	36.7%	45.8%
All public	194,290	133,137	327,427	84.3	83.9	84.1	38.9	46.2
University	189,272	88,649	197,921	87.3	83.7	85.7	40.4	47.1
Other 4-year	20,460	18,905	39,365	75.9	84.1	79.9	40.4	50.2
2-year	58,440	24,296	82,737	82.5	83.9	82.9	35.5	42.8
Vocational-technical	6,117	1,287	7,404	76.1	89.9	78.5	30.9	39.3
All private	96,197	74,210	170,406	84.6	85.4	85.0	40.5	47.7
University	38,960	27,690	66,650	83.7	86.5	84.9	39.8	46.9
Other 4-year	45,683	41,933	87,616	87.4	84.7	86.1	42.2	49.0
2-year	11,552	4,587	16,139	77.0	85.7	79.5	34.5	43.5
Proprietary	70,498	4,575	75,074	51.6	46.4	51.3	18.5	36.2

671 2-year public institutions requested 14.4 percent of total requests, received 15 percent of total amount recommended by panels, received 14 percent of total allocations.

252 2-year private institutions requested 2.8 percent of total requests, received 2.8 percent of total amount recommended by panels, received 2.7 percent of total allocations.

923 2-year public and private institutions requested 17.2 percent of total requests, received 17.7 percent of total amount recommended by panels, received 16.6 percent of total allocations.

Table 7. College Work-Study Program: Requests, panel recommendations, and allocations by type of institution

Institution Type and control	Institutional requests, federal share (in thousands)	Panel recommendations (Percent of requests)	Actual federal allocations (Percent of requests)	(Percent of panel recommendations)
Total	\$614,234	86.1%	43.9%	51.0%
All public				
University	403,865	88.7	44.7	50.3
Other 4-year	233,948	89.9	45.3	50.4
2-year	44,036	85.4	46.4	54.2
Vocational-technical	112,901	88.5	43.1	48.7
Total	12,980	80.1	41.5	51.8
All private				
University	176,518	87.0	45.7	51.5
Other 4-year	78,944	85.2	42.6	49.9
2-year	78,552	90.2	50.0	55.4
Proprietary	19,021	80.9	40.7	50.3
Total	33,851	50.2	25.7	51.3

(999 participating 2-year institutions)

734 2-year public institutions requested 18.4 percent of total requests, received 18.9 percent of total amount recommended by panels, received 18.0 percent of total allocations,

265 2-year private institutions requested 3.1 percent of total requests, received 2.9 percent of total amount recommended by panels, received 2.9 percent of total allocations.

999 2-year public and private institutions requested 21.5 percent of total requests, received 21.8 percent of total amount recommended by panels, received 20.9 percent of total allocations.

Table 8. National Direct Student Loans: Requests, panel recommendations, and allocations by type of institution

Institution Type and control	Institutional requests, federal capital contribution (in thousands)	Panel recommendations (Percent of requests)	Actual federal allocations (Percent of requests)	(Percent of recommendations)
Total	\$732,208	76.9%	39.1%	51.3%
All public	365,416	81.3	41.4	50.9
University	263,209	83.1	42.3	50.9
Other 4-year	44,055	76.5	39.4	51.5
2-year	56,372	76.7	38.2	49.9
Vocational-technical	1,780	80.1	46.0	57.5
All private	251,040	81.7	42.0	51.4
University	138,479	81.2	39.6	48.7
Other 4-year	95,989	84.5	46.7	55.2
2-year	16,572	70.4	35.3	50.8
Proprietary	115,752	52.5	25.5	53.4

465 2-year public institutions requested 7.7 percent of total requests, received 7.7 percent of total amount recommended by panels, received 7.5 percent of total allocations.

184 2-year private institutions requested 2.3 percent of total requests, received 2.1 percent of total amount recommended by panels, received 2.1 percent of total allocations.

649 public and private 2-year institutions requested 10.0 percent of total requests, received 9.7 percent of total amount recommended by panels, received 9.5 percent of total allocations.

Table 9. Percentage of panel-approved requests allocated to each state in each of the three campus-based student aid programs for 1973-74

State	SEOG	CWS	NDSL
Alabama	42.6%	47.0%	36.0%
Alaska	42.6	45.2	31.2
Arizona	53.0	68.5	50.5
Arkansas	45.1	69.0	100.0
California	43.5	45.2	44.1
Colorado	43.7	45.2	45.7
Connecticut	62.2	67.4	50.5
Delaware	54.8	74.1	63.2
District of Columbia	42.6	45.2	41.9
Florida	53.9	72.1	63.1
Georgia	42.6	74.0	57.8
Hawaii	100.0	73.3	100.0
Idaho	61.1	47.5	99.3
Illinois	42.6	45.2	48.4
Indiana	42.6	68.3	39.4
Iowa	42.6	56.8	40.0
Kansas	50.6	57.7	69.4
Kentucky	44.3	72.4	71.0
Louisiana	42.6	67.9	73.7
Maine	42.6	45.2	18.1
Maryland	47.0	65.9	51.4
Massachusetts	42.8	45.2	34.5
Michigan	42.6	46.5	49.9
Minnesota	42.6	45.2	37.5
Mississippi	42.6	55.8	57.9
Missouri	52.2	57.9	65.7
Montana	44.4	45.2	91.8
Nebraska	50.2	65.9	88.2
Nevada	54.6	45.2	56.8
New Hampshire	42.6	45.2	23.1
New Jersey	48.1	67.0	56.5
New Mexico	42.6	53.3	52.6
New York	42.6	50.9	42.8
North Carolina	42.6	61.6	61.2
North Dakota	42.6	45.2	33.5

Ohio	42.6	63.5	50.5
Oklahoma	42.7	49.6	61.4
Oregon	43.8	45.2	43.8
Pennsylvania	53.7	71.1	62.0
Rhode Island	42.9	45.2	30.4
South Carolina	42.6	78.9	51.4
South Dakota	42.6	49.9	39.8
Tennessee	43.7	64.6	57.8
Texas	48.8	63.6	96.6
Utah	66.8	60.8	100.0
Vermont	42.6	45.2	35.2
Virginia	47.9	64.3	62.2
Washington	42.6	45.2	36.6
West Virginia	42.6	45.2	73.3
Wisconsin	42.6	45.2	37.4
Wyoming	43.8	45.2	71.3

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