



# **Update on 2005-06 State Financial Aid Program Activity and 2006-07 Estimates**

**December 2006**

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# 2005-06 State Financial Aid Program Activity and 2006-07 Estimates

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**November 2006**

## **Update on 2005-06 State Financial Aid Program Activity and 2006-07 Estimates**

### **Executive Summary**

The state of Washington has a longstanding commitment to higher education opportunity for all students, regardless of income, through its state financial aid programs. The purpose of this report is to provide the members of the Higher Education Coordinating Board (HECB) with an overview of state and federal financial aid in Washington, an update on state financial aid spending for the 2005-06 academic year and projected spending for the 2006-07 academic year. It also is intended to fulfill a requirement added by the 2006 Legislature that the board report program outcomes to the Legislature.

### **Overview of State, Federal, and Institutional Aid Programs**

In 2005-06, a total of \$1.48 billion in need-based aid was provided from all sources to about 135,000 Washington students. This aid took the form of grants, work study awards, and loans from federal, state, and institutional sources. As in previous years, the federal government provided the majority of the aid. About 77 percent of all federal aid was in the form of loans.

The figures in Charts 1 and 2 represent state, federal, institutional, and other private sources of financial aid disbursed to Washington students for the 2005-06 academic year, as reported on the Unit Record Report. The Unit Record Report includes figures supplied by the 71 colleges and universities that currently participate in state aid programs. Unit Record figures were only recently reported to the HECB and have not yet been fully analyzed. As a result, these figures may change slightly when verified.

Not included in these amounts are federal and institutional aid disbursed by colleges and universities that do not participate in state aid programs (e.g., University of Phoenix and City University) and other financing methods used by students and families, such as private loans, credit card debt and the impact of federal tax credits

## Sources and Types of Aid to Needy Students in Washington, 2005-06

Chart 1:

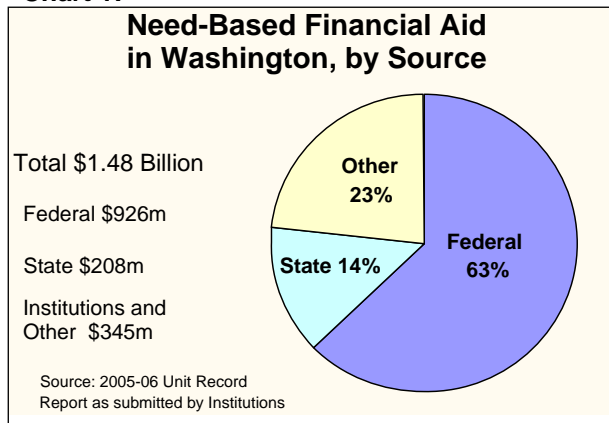
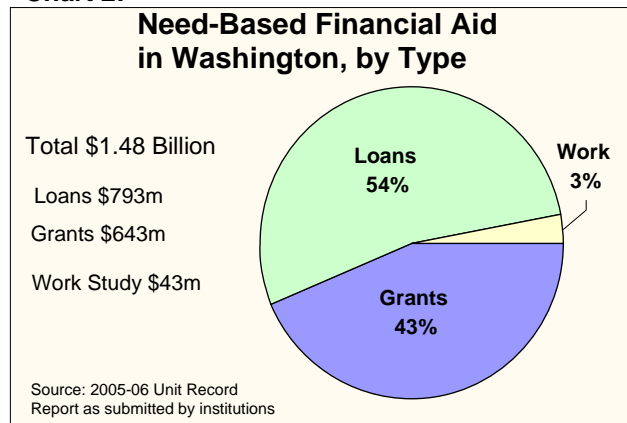


Chart 2:



## State Student Aid Programs

Washington currently ranks eighth in the nation in providing need-based aid to students. New York provides 2.28 times as much aid per enrolled student as Washington, and 1.57 times as much as the next ranking state, New Jersey. Washington is positioned slightly behind five other states, including Pennsylvania, Illinois, Indiana, Minnesota and Tennessee. Within the top ten, Washington is slightly ahead of Vermont and California.

Among Washington Learns' "Global Challenge States", Washington ranks second after New Jersey, in the amount of aid per enrolled student. On this same measure, California, Connecticut, Massachusetts, Virginia, Maryland and Colorado follow.

In 2005-06, the governor and legislature appropriated, and the board disbursed, about \$188 million in state assistance through 19 programs. More than 76,000 students attending 99 colleges and universities received some state assistance. The Washington Promise Scholarship program was discontinued at the end of 2005-06, reducing the number of programs administered by the HECB and the number of students served by student financial aid programs.

In 2006-07, the board is administering 18 student financial aid programs totaling about \$201 million. More than 88 percent of state aid is in the form of grants and scholarships. The remaining 12 percent is in the form of work study or conditional loans that can be completely forgiven in exchange for specific service. The State Need Grant and State Work Study programs are the largest. These two need-based programs, along with the smaller Educational Opportunity Grant, are intended to promote equitable access to higher education for all low- and middle-income students. Other programs are designed to award academic merit; promote student commitments to specific health professions or teaching fields; or serve other public policy purposes.

## State Student Aid Funding

The outcomes contained in this report reflect several changes to student financial aid funding that occurred during 2005-06 and 2006-07. The governor and legislature provided funding for the State Need Grant program to increase student awards by an amount equal to the dollar for dollar increases in public sector tuition. In addition, the governor and legislature funded the board's long-standing goal of boosting the median family income cutoff from 55 percent to 65 percent, extending the grant to about 10,000 additional students. However, the board's recommendation to close the gap between the State Need Grant award amounts and full cost of public sector tuition was not funded. The awards continue to range between 88 percent and 95 percent of public sector tuition.

For the first time, the governor and legislature provided funding to keep pace with the impact of tuition increases and new enrollments in the State Work Study program, similar to its actions in the State Need Grant program. However, no progress was made in restoring the historic ratio of one work study recipient for every 12 needy students. The current ratio is one work study recipient for every 17 needy students.

The 2005-07 budget also saw the Future Teachers Conditional Scholarship program receive its first regular biennial appropriation since 1995. Both the Future Teachers Conditional Scholarship Program and the Alternate Routes to Teaching programs also benefited from a supplemental appropriation for 2006-07.

The Promise Scholarship program, the state's largest merit-based award, was terminated effective with the 2005 graduating high school class. The program ceased all operations as of June 30, 2006. As a result, more than 3,700 students will no longer be counted as receiving state aid in 2006-07. The Washington Scholars program saw its awards reduced from three recipients to two recipients per legislative district for the biennium. The savings from these two merit programs were used to enhance need-based aid.

For the first time, the governor and legislature provided a small appropriation in 2006-07 to help stabilize funding for scholarships to students who participated in the state's first Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) program. Prior to the appropriation, all scholarships have been funded through the State Education Trust Account. The governor and legislature also provided funding for Leadership 1000, a program that pairs private benefactors with economically disadvantaged students.





## Other Notable Events

### State Need Grant Less-Than-Half Time Pilot Project

In the 2005 legislative session, the governor and legislature authorized \$500,000 of the State Need Grant appropriation to conduct a pilot study to evaluate the need for and cost of extending the program to students who attend college less than half time. Legislation specifically limited the study to students taking a four- or five-credit course load. The pilot project is in its second and final year. The board expects to take action on the study report as a separate item on its November 2006 meeting, in time to deliver it to the legislature in December 2006.

### Foster Care Endowed Scholarship

This scholarship was created by the 2005 Legislature to help former foster youth attend college. A \$75,000 annual state appropriation must be matched by private dollars to create the endowment that will be used to fund scholarships. Board staff established an advisory committee. Committee members are developing and implementing fundraising strategies. A recent example is that the scholarship is now listed as a charity in the state's Combined Fund Drive.

### Participating Institutions

Two schools participating in the State Need Grant program have closed: Henry Cogswell College in Everett, and Court Reporting Institute in Seattle. The board's ongoing monitoring activities identified the risk of closure in advance. Staff were able to work closely with the institutions and ensure no funds were left owing either to students or to the state. In addition, North Idaho College, eligible to participate due to a reciprocity agreement, chose to discontinue its participation in the program. DigiPen Institute of Technology in Redmond entered the State Need Grant program in February of 2006, and is expected to serve about 40 students in 2006-07.

### School and Employer Visits

The HECB strengthened its training and oversight efforts by reorganizing the division to allow for the creation of a new position to coordinate outreach efforts. Since January, five staff members have visited more than 30 schools and employers to provide training and review compliance activities of participants in the State Need Grant and State Work Study programs. In addition to reviewing programs, staff have shared best practices and lessons learned with the financial aid community, and have developed training materials. Staff will continue to visit the remainder of the schools and more employers throughout the 2006-07 academic year.

## State Financial Aid Program Expenditures by Program

Table 1 shows a program-by-program accounting of all state student aid programs, followed in turn by a more detailed accounting of the two largest state programs, the State Need Grant and State Work Study programs.

**Table 1 – State Financial Aid Program Funding and Recipients 2005-06 and 2006-07**

Public Purpose	Program	2005-06		2006-07	
		Total Dollars Expended	Actual Number of Recipients	Total Dollars Available	Estimated Number of Recipients
<b>Opportunity for Equitable Access</b>	<b>State Need Grant</b> <ul style="list-style-type: none"> <li>Need-based grant for up to five years of study</li> <li>Lowest-income undergraduates</li> <li>Current income cut-off: 65 percent of median family income (MFI).</li> </ul>	\$153.9 million	66,198	\$167.7 million	66,200
	<b>State Work Study</b> <ul style="list-style-type: none"> <li>Part-time work for financially needy undergraduate &amp; graduate students</li> </ul>	\$18.2 million	9,297	\$19.4 million	9,900
	<b>Educational Opportunity Grant</b> <ul style="list-style-type: none"> <li>Need-based grant for junior and senior year of college</li> </ul>	\$2.8 million	1,216	\$2.9 million	1,216
<b>Affordability and Merit</b>	<b>Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) Scholarships</b> <ul style="list-style-type: none"> <li>Provides scholarships to needy or disadvantaged students who participated in an early awareness and outreach program</li> </ul>	\$1,087,098	350	\$1,209,000 (Funded by a \$75,000 approp. & \$1,134,000 & deposits to SET)	400
	<b>Foster Care Endowed Scholarship</b> <ul style="list-style-type: none"> <li>Endows a fund from which annual scholarships may be awarded to former foster care youth.</li> </ul>	\$75,000	N/A	\$75,000	TBD
	<b>American Indian Endowed Scholarship</b> <ul style="list-style-type: none"> <li>Annual scholarships for financially-needy undergraduate students with close social and cultural ties to American Indian community</li> </ul>	\$8,300 (Funded by Endowment Earnings)	14	\$19,575 (Funded by Endowment Earnings)	12
	<b>Washington Promise Scholarship</b> <ul style="list-style-type: none"> <li>Two-year merit scholarship</li> <li>Must meet both merit and income criteria</li> </ul>	\$4.3 million	3,765	0	0
<b>Merit</b>	<b>Washington Scholars</b> <ul style="list-style-type: none"> <li>Four-year merit scholarship</li> </ul>	\$2.3 million	452	\$2.4 million	420
	<b>Washington Award for Vocational Excellence</b> <ul style="list-style-type: none"> <li>Two-year merit scholarship</li> </ul>	\$869,618	284	\$963,400	295

<b>Targeted to Employment Shortages</b>	<b>Health Professional Loan Repayment</b> <ul style="list-style-type: none"> <li>Provides loan repayment assistance to licensed primary care health professionals</li> </ul>	<b>\$2.9 million</b>	<b>67</b>	<b>\$2.8 million</b>	<b>55</b>
<b>Targeted to Employment Shortages</b>	<b>Alternative Routes to Teaching (through OSPI)*</b> <ul style="list-style-type: none"> <li>Helps school districts recruit teachers in subject matter and geographic shortage areas</li> </ul>	<b>\$492,000</b>	<b>78</b>	<b>\$1,008,000</b>	<b>126</b>
	<b>Future Teachers Conditional Scholarship Program*</b> <ul style="list-style-type: none"> <li>Conditional loans or repayments toward federal student loans for students pursuing teaching certificates or current teachers pursuing additional shortage subject endorsements</li> </ul>	<b>\$267,754</b> (Separate fund & account; payments not from general fund)	<b>57</b>	<b>\$750,000</b>	<b>84</b>
	<b>Health Professional Scholarship Program</b> <ul style="list-style-type: none"> <li>Provides scholarships to students training to become primary care health professionals</li> </ul>	<b>\$240,916</b>	<b>46</b>	<b>\$237,500</b>	<b>44</b>
	<b>WICHE Professional Student Exchange</b> <ul style="list-style-type: none"> <li>Conditional loans to study optometry or osteopathy, which are not offered in Washington</li> </ul>	<b>\$199,300</b>	<b>13</b>	<b>\$204,300</b>	<b>13</b>
<b>Other</b>	<b>Washington Leadership 1000 Scholarship Fund Program*</b> <ul style="list-style-type: none"> <li>Funds to match benefactors with disadvantaged students</li> </ul>	<b>N/A</b>	<b>N/A</b>	<b>\$500,000</b> (Funds provided to foundation)	<b>TBD</b>
	<b>Community Scholarship Matching Grant</b> <ul style="list-style-type: none"> <li>Provides matching grants to community-based 501(c)(3) organizations raising money for their own scholarships</li> </ul>	<b>\$246,000</b> (Funds awarded to non-profit organizations, not students)	<b>100</b>	<b>\$246,000</b>	<b>100</b>
	<b>WICHE Dues</b> <ul style="list-style-type: none"> <li>Maintains access to exchange programs and research</li> </ul>	<b>\$108,000</b>	<b>N/A</b>	<b>\$113,000</b>	<b>N/A</b>
	<b>Health Professionals Outreach</b> <ul style="list-style-type: none"> <li>Provides funds to contract with Department of Health to conduct outreach activities to potential health professionals</li> </ul>	<b>\$100,000</b>	<b>N/A</b>	<b>\$100,000</b>	<b>N/A</b>
	<b>Child Care Grants</b> <ul style="list-style-type: none"> <li>Promotes high-quality, accessible and affordable child care for students attending college</li> </ul>	<b>\$75,000</b> (Funds awarded to institutions, not students)	<b>4</b>	<b>\$75,000</b>	<b>4</b>
	<b>Washington Center Scholarships</b> <ul style="list-style-type: none"> <li>Provides financial support for student to participate in internships in Washington, D.C.</li> </ul>	<b>\$60,000</b>	<b>15</b>	<b>\$60,000</b>	<b>15</b>
	<b>College Assistance Migrant Program</b> <ul style="list-style-type: none"> <li>Supplemental federal funds that allow college to provide services to migrant and seasonal farm workers and their children</li> </ul>	<b>\$25,000</b> (Funds provided to authorized CAMP sites)	<b>4</b>	<b>\$25,000</b>	<b>4</b>
	<b>Total</b>		<b>\$188 million</b>		<b>\$201 million</b>

Note: Includes state general fund, education legacy trust, and federal LEAP and SLEAP funds.

\*Some or all of these funds were appropriated by the 2006 Legislature and were not reflected in the agency's strategic plan.

## Transfers and Carry Forward Activity

In 2005, the Legislature recognized that the effort necessary to ensure financial aid appropriations were fully spent created an administrative burden on the institutions and the HECB. In many cases, the final push to "close the books" did not change amounts received by students, but instead impacted how much of the money already received by students was recorded in accounting records as coming from state aid programs versus institutional aid funds.

Rather than continue this practice, the 2005 Legislature created a separate fund, allowing a small portion of unused financial aid funds to be carried forward from one fiscal year to the next. Appropriations for the State Need Grant, State Work Study, the Educational Opportunity Grant, Washington Scholars and Washington Award for Excellence (WAVE) are deposited in the fund.

In a separate action, the 2006 Legislature allowed the board additional flexibility to transfer monies among several financial aid programs. Included was the authority to transfer up to one percent of the State Need Grant program and unexpended monies from the Promise program to the State Education Trust Account. Monies in the account are currently used to fund scholarships to students who participated in the state's first Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) program. In doing so, the Legislature also specified that:

*“By December 1<sup>st</sup> of each fiscal year, the board shall submit a report to the legislature detailing the outcomes from the previous year and a progress report on the current year for each of the student aid programs listed in this section: (a) the number of students served; (b) the award amount provided to students by sector; (c) the total amount spent; and (d) an explanation for any variation between the amount listed in the subsections and the amount expended.”*

As a result, the board made the following transfers and carry forward of funds at the conclusion of the 2005-06 year. Carry forward in the State Need Grant program represents about 1/10<sup>th</sup> of one percent of the appropriation. Carry forward in State Work Study program represents about 2/10<sup>th</sup> of one percent of the appropriation.

**Table 2 – Transfers for 2005-06**

<b>Transfers</b>	<b>Amount</b>
State Need Grant to State Education Trust fund	\$703,153
Promise to State Education Trust fund	\$457,863
Agency administrative savings to pay GEAR UP Scholarships	\$274,056
Agency administrative savings to pay WAVE student awards	\$40,618
Washington Scholars to pay WAVE student awards	\$35,000

**Table 3 – Carry Forward (name the fund) into 2006-07**

<b>Program Carry Forward</b>	<b>Amount</b>
State Need Grant	\$99,408
Educational Opportunity Grant	\$70,231
Washington Scholars	\$37,596
State Work Study	\$37,539

There were carry forward funds in two other accounts. The Health Professional Repayment and Scholarship program account in the amount of \$54,351. And, in the Four-Year Student Childcare in Higher Education account in the amount of \$25,601.

### **Award Amounts by Program**

Table 4 displays the value of the award for each program. The value of the 2006-07 awards in the State Need Grant, Washington Scholars, and Washington Award for Vocational Education programs kept pace with public sector tuition and fee increases. The value of awards in all other programs remained relatively unchanged compared to the previous year.

Table 4 – 2006-07 Award Amounts, by Program

PROGRAM	AWARD AMOUNTS 2006-07
<b>State Need Grant</b>	<u>Maximum Awards</u> Community/Tech \$2,450 Private Career \$2,450 Comprehensive \$3,970 Research Univ. \$5,156 Indep. Col./Univ. \$5,390
<b>State Work Study</b>	Determined by institutional packaging policy and student need \$2,000 - \$5,000
<b>Educational Opportunity Grant</b>	<u>Maximum Award</u> \$2,500
<b>American Indian Endowed Scholarship</b>	Renewal awards \$2,000 New awards \$1,500
<b>Washington Scholars</b>	<u>Maximum Awards</u> Community/Tech \$2,586 Comprehensive \$4,393 Research Univ. \$5,887 Indep. Col./Univ. \$5,887
<b>Washington Award for Vocational Excellence</b>	<u>Maximum Awards</u> Community/Tech \$2,586 Private Career \$5,887 Comprehensive \$4,393 Research Univ. \$5,887 Indep. Col./Univ. \$5,887
<b>Health Professional Scholarship</b>	Award amounts vary by eligible profession \$4,000 to \$10,000
<b>WICHE Professional Student Exchange</b>	Optometry \$13,600 Osteopathy \$17,000
<b>Future Teachers Conditional Scholarship</b>	<u>Maximum Awards</u> Community/Tech \$2,586 Comprehensive \$4,350 Research Univ. \$5,826 Indep. Col./Univ. \$5,826
<b>Alternative Routes to Teaching</b>	\$8,000
<b>Health Professional Loan Repayment</b>	Award amounts mirror federal standard Maximum \$25,000
<b>Community Scholarship Matching Grant</b>	\$2,000
<b>Child Care Grants</b>	Grant amounts are based on proposals made by institutions.
<b>Foster Care Endowed Scholarship</b>	TBD
<b>Washington Center Scholarships</b>	\$4,000
<b>College Assistance Migrant Program</b>	\$6,250
<b>Gaining Early Awareness and Readiness for Undergraduate Programs – Grant One</b>	\$4,000

Note: Unit Record information reflects preliminary 2005-06 data.

**Appendix A****State Need Grant Program Update****Overview**

Included in this update of the State Need Grant (SNG) program's expenditures and activity is a summary of the 2005-06 disbursements and a report on 2006-07 activity to date. Currently, 69 institutions participate in the State Need Grant program. This appendix includes a history of State Need Grant expenditures and a breakdown of 2005-06 institutional expenditures, along with the most recent estimate of how much each institution will spend in 2006-07, known as the institution's "reserve".

**2005-06 Summary**

In 2005-06, the Higher Education Coordinating Board had a total of \$154.7 million available, including about \$1.4 million in federal matching funds, for awards to students. The funding allowed the board to serve 66,198 students (Table 5).

In 2005-06, the income eligibility cutoff was increased to 65 percent of the state's median family income (MFI), or about \$45,000 for a family of four. The grant award amounts vary by sector. As a percentage of tuition, the grant awards ranged from 95.2 percent of tuition at the community colleges to 87.7 percent of tuition at the public research institutions (Table 6). The governor and legislature provided sufficient funding to raise grant amounts to cover all public sector tuition increases on a dollar-for-dollar basis. However, there was no significant progress in closing the gaps between the total tuition costs and the grant award amounts.

Over the past few years there has been a substantial increase in the number of State Need Grant-eligible students enrolling in post-secondary education. At the end of the 2004-05 year, colleges and universities reported that about 6,000 eligible students were unserved due to a lack of funding. In 2005-06, despite a \$26.7 million increase in funding and serving over 10,000 additional students, colleges and universities still reported that about 3,000 eligible students from families with incomes up to 65 percent MFI were unserved due to a lack of funds.

**Table 5 – State Need Grant Percent of General Fund Expended**

<u>Year/Biennium</u>	<u>General Fund – State Appropriation</u> <i>(in millions)</i>	<u>Percent Expended</u>
FY 2001-02	\$90.6	100.0%
FY 2002-03	\$104.9	99.9%
FY 2003-04	\$111.6	100.0%
FY 2004-05	\$124.9	100.0%
FY 2005-06	\$153.3	99.9%
FY 2006-07	\$166.1	N/A

## 2006-07 Estimates

For the 2006-07 academic year, the HECB has \$167.7 million, including about \$1.4 million in federal matching funds, available for grants to students (Table 7). HECB staff expects to serve about 66,000 students. Included in this appendix is a table showing the most recent estimate of how much each institution will spend in 2006-07, known as the institution's "reserve" (Table 8). The legislature also authorized \$500,000 of the State Need Grant's 2005-07 biennial appropriation to be used to fund a pilot study on the topic of making awards to students who enroll less-than-halftime (Table 9).

The HECB will continue to serve students up to the 65 percent income cutoff level. The gaps between the award and tuition are expected to remain essentially unchanged for 2006-07 (Table 6).

Institutions that participate in the State Need Grant program are required to submit quarterly interim reports detailing their expenditures and the eligibility of their enrolled students. Based on the early November report, it appears the State Need Grant program will again be 100 percent expended by the end of the 2006-07 academic year (Table 6).

The governor and the legislature provided more funding in 2006-07 than was provided for 2005-06, in order to keep pace with tuition increases. Early estimates show that this funding level may be sufficient to reduce the unserved student population by a few thousand. However, the analysis indicates that there will again be more State Need Grant-eligible students than the program appropriation can serve.



**Table 6 – State Need Grant Awards as a Percentage of Tuition**

2005-06				
Sector	SNG Award Amounts	Average Sector Tuition*	Difference Between SNG Award and Tuition	SNG Award as a Percentage of Tuition
Research	\$4,774	\$5,446	\$672	87.66%
Comprehensive	\$3,724	\$4,108	\$384	90.65%
CTC/Private Voc	\$2,328	\$2,445	\$117	95.21%
Private 4 Year	\$5,008	\$5,446	\$438	91.96%

\*The maximum grant for State Need Grant recipients at private four-year colleges is limited to the value of tuition and fees at the public four-year research institutions. Therefore, the tuition recognized for private four-year colleges is the same as the public research sector.

2006-07				
Sector	SNG Award Amounts	Average Sector Tuition*	Difference Between SNG Award and Tuition	SNG Award as a Percentage of Tuition
Research	\$5,156	\$5,822	\$666	88.56%
Comprehensive	\$3,970	\$4,350	\$380	91.26%
CTC/Private Voc	\$2,450	\$2,586	\$136	94.74%
Private 4 Year	\$5,390	\$5,822	\$432	92.58%

\*The maximum grant for State Need Grant recipients at private four-year colleges is limited to the value of tuition and fees at the public four-year research institutions. Therefore, the tuition recognized for private four-year colleges is the same as the public research sector.

**Table 7 – 2006-07 State Need Grant Budget Summaries**

2005-06 Summary		2006-07 Summary	
State appropriation	\$153,301,000	State appropriation	\$166,253,860
Federal LEAP/SLEAP funds	\$1,436,883	Federal LEAP/SLEAP funds	\$1,443,070
SNG total available for grants	\$154,737,883	SNG total available for grants	\$167,696,930
Carry Forward SNG	\$99,408*	Uncommitted SNG	\$0

Note: Of the carry forward, \$93,860-was from the less-than-halftime pilot study.

Table 8 – State Need Grant Reserves by College or University

State Need Grant	2005-06 Year-end Statistics		2006-07 Reserves
Sector	SNG Amount Awarded to Students (includes matching federal LEAP funds and TRIO)	Served FTEs	SNG amount reserved for students (includes matching federal LEAP funds)
Research	\$42,898,179	9,638	\$ 46,503,800
Comprehensive	\$ 28,618,460	8,144	\$ 31,879,351
Reciprocity (no participating schools in 2006-07)	\$ 9,894	5	\$ 0
Private Four-year	\$ 17,087,994	3,650	\$ 20,168,129
Community and Technical	\$ 61,250,922	27,015	\$ 64,348,958
Private Career	\$ 4,069,875	1,797	\$ 4,177,832
<b>Total</b>	<b>\$ 153,935,324</b>	<b>50,249</b>	<b>\$167,078,070</b>
<b>Research</b>			
University of Washington	25,802,623	5833	27,126,898
Washington State University	17,095,556	3805	19,376,902
<b>Comprehensive</b>			
Central Washington University	8,047,960	2283	8,665,806
Eastern Washington University	8,099,445	2310	9,568,610
The Evergreen State College	4,209,929	1180	5,012,657
Western Washington University	8,261,126	2371	8,632,278
<b>Reciprocity</b>			
North Idaho College (no longer in program)	9,894	5	0
<b>Private Four-year</b>			
Antioch University	298,433	68	327,011
Bastyr University	263,389	53	272,141
Cornish College of the Arts	681,821	143	695,964
Gonzaga University	2,239,721	392	1,895,378
Heritage University	1,825,467	466	2,291,964
Northwest College of Art	719,468	17	79,159
Northwest University	2,640,803	150	1,051,203
Pacific Lutheran University	1,162,641	584	2,960,282
Saint Martin's University	1,543,365	247	1,538,372
Seattle Pacific University	2,153,053	331	1,722,470
Seattle University	610,112	454	3,627,301
University of Puget Sound	788,697	130	719,395
Walla Walla College	206,687	166	801,124
Whitman College	1,676,587	42	253,941
Whitworth College	76,998	365	1,739,277
Henry Cogswell (no longer in program)	175,752	37	0
Digipen	25,000	5	193,147

Table 8 (cont.) – State Need Grant Reserves by College or University

State Need Grant	2005-06 Year-end Statistics		2006-07 Reserves
Sector	SNG Amount Awarded to Students (includes matching federal LEAP funds and TRIO)	Served FTEs	SNG amount reserved for students (includes matching federal LEAP funds)
<b>Community and Technical</b>			
Bellevue Community College	1,869,907	840	1,987,222
Big Bend Community College	1,403,236	621	1,401,741
Cascadia Community College	354,475	164	370,105
Centralia College	1,145,851	513	1,179,276
Clark College	3,100,344	1411	3,211,356
Columbia Basin College	1,922,826	862	2,062,852
Edmonds Community College	2,422,756	1021	2,560,552
Everett Community College	1,778,082	750	1,911,761
Pierce College	1,866,865	819	1,924,878
Grays Harbor College	901,758	408	906,529
Green River Community College	1,797,124	830	1,976,944
Highline Community College	2,335,088	1015	2,647,611
Lower Columbia College	1,629,239	711	1,627,372
South Puget Sound Community College	1,770,459	762	1,894,176
Olympic College	1,648,030	698	1,625,900
Peninsula College	782,902	360	827,751
Seattle Central Community College	2,183,345	977	2,349,973
North Seattle Community College	1,134,211	510	1,143,698
South Seattle Community College	1,094,834	489	1,114,077
Shoreline Community College	1,397,520	647	1,433,242
Skagit Valley College	1,614,882	737	1,737,566
Spokane Community College	6,260,398	2659	6,525,649
Spokane Falls Community College	4,179,321	1740	4,081,297
Tacoma Community College	3,050,759	1317	3,300,885
Walla Walla Community College	1,589,268	707	1,638,373
Wenatchee Valley College	2,226,196	996	2,363,435
Whatcom Community College	1,132,397	546	1,255,898
Yakima Valley College	3,098,557	1409	3,452,432
Northwest Indian College	308,966	125	304,628
Bates Technical College	1,014,209	457	1,033,713
Bellingham Technical College	587,219	273	693,587
Clover Park Technical College	1,701,930	759	1,775,918
Lake Washington Technical College	766,749	365	821,993
Renton Technical College	796,378	356	824,448
Seattle Vocational Institute	384,843	161	382,120
<b>Proprietary</b>			
ITT Technical Institute-Seattle	368,393	165	359,849
ITT Technical Institute-Spokane	600,498	259	567,018
Divers Institute of Technology	44,620	19	44,143
International Air Academy	83,490	36	94,318
Interface Computer School	203,316	84	211,865
Crown College	66,464	30	68,906
Gene Juarez Academy	223,088	100	221,659
Bryman College	657,615	291	676,266
Art Institute of Seattle	1,133,926	508	1,228,363
Perry Technical Institute	319,468	143	433,716
Court Reporting Institute (no longer in program)	107,908	48	0
Clare's Beauty School	100,713	43	108,786
Glen Dow Academy	160,377	71	162,943

**Table 9 - Less-Than-Halftime Pilot Program 2005-06 Expenditures / 2006-07 Reserves**

<b>Institution</b>	<b>Expenditures 05-06</b>	<b>Served Heads</b>	<b>Unserved Heads</b>	<b>2006-07 Reserves</b>
Clark College	\$29,971	147	10	\$15,000
Columbia Basin College	\$31,584	140	7	\$27,000
Highline Community College	\$20,055	96	59	\$49,305
Pacific Lutheran University	\$17,688	30	0	\$48,487
Peninsula College	\$6,590	33	0	\$46,853
South Puget Sound Community College	\$26,357	124	44	\$58,022
Spokane Community College	\$4,188	21	0	\$15,000
Spokane Falls Community College	\$17,858	81	0	\$15,000
The Evergreen State College	\$1,849	8	0	\$25,333
<b>Totals</b>	<b>\$156,140</b>	<b>680</b>	<b>120</b>	<b>\$300,000</b>

Note: Unspent 2005-06 funds of \$93,860 were carried over into the 2006-07 reserves. \$43,860 is being held to distribute to schools that exhaust their existing reserves.

**Appendix B****State Work Study Program Update****Overview**

Included in this update on the State Work Study (SWS) program's expenditures and activity is a summary of 2005-06 year-end student earnings for each participating institution. In 2005-06, 9,297 students earned \$23.2 million. An additional \$500,000 went to institutions for special projects. With an increase in funding of \$1,130,000 for 2006-07, the program expects to serve about 500 more students.

Currently, 55 institutions and approximately 3,000 employers contract to participate in the State Work Study program.

The State Work Study program is designed to assist a broader band of disadvantaged students than the State Need Grant program. As a result, it includes any financially needy student, rather than being limited to the lowest-income students. The assistance is meant to complement grant and scholarship aid.

State Work Study award amounts are determined by the student's institution based on the student's demonstrated financial need. The employer pays the student and is then reimbursed for a portion of the student's earnings, usually between 65 and 80 percent.

**2005-06 Background and Summary**

Students earned more than \$23.2 million through the State Work Study program in 2005-06. The employer matches accounted for about \$5.4 million of this total. A school-by-school table lists student earnings and the number of students served (Table 10). In 2005-06, the Higher Education Coordinating Board had a total of \$17.9 million available, including about \$.3 million in federal matching funds, for awards to students. The funding allowed the board to serve 9,297 students (Table 11).

As college costs increase and the number of needy students grows, the ratio of needy students being served by the program has declined. As recently as 1997-98, one in 12 financially needy students received a State Work Study award. Currently, this ratio stands at one state work study award for every 17 financially needy students.

In 2005-06, just over half the participating students met the definition of an "independent" student. Under federal financial aid rules, these independent students do not have to include their parents' income when calculating their financial need. Independent students are typically older, have families of their own, or are former foster care youth. These students had an average family income of \$12,300. The remaining State Work Study participants are considered "dependent" students. In 2005-06, their family incomes averaged \$41,500 for a family of four. The median age of all State Work Study recipients was 23. Sixty six percent of the students were female, and 36 percent reported themselves as being in an ethnic or racial minority.

The intent of the program is to serve a broad spectrum of financially-eligible students. The program places a priority on serving Washington residents, mostly undergraduates, while at the same time serving some graduate students and some non-resident students. State Work Study students on average earn about 15 percent of their cost to attend college (Table 12).

## 2006-07 Update

For 2006-07, with an increase of \$1,130,000 in the appropriation, the HECB has \$19.4 million available for student wages from state and federal sources. We estimate serving about 9,900 students and assume that all funds will be fully expended again.

**Table 10 – 2005-06 Earnings of State Work Study Students, by Institution**

<b>Sector</b>	<b>SWS Amount Earned by Students</b>	<b>Recipients</b>
Public Four-year Institutions	\$6,541,798	2,873
Private Four-year Institutions	\$8,138,310	2,841
Community & Technical Colleges	\$8,492,358	3,583
<b>Total</b>	<b>\$23,172,466</b>	<b>9,297</b>
<b><i>Public Four-Year</i></b>		
University of Washington	\$1,739,004	487
Washington State University	\$1,881,139	1,286
Central Washington University	\$777,065	244
Eastern Washington University	\$765,103	326
The Evergreen State College	\$275,069	124
Western Washington University	\$1,104,418	406
<b><i>Private Four-Year</i></b>		
Antioch University	\$31,593	7
Bastyr University	\$206,752	140
Cornish College of the Arts	\$246,424	158
Henry Cogswell College	\$33,739	13
Heritage University	\$186,927	66
Gonzaga University	\$1,801,260	506
Northwest University	\$149,849	38
Pacific Lutheran University	\$932,076	306
Saint Martin's University	\$233,902	73
Seattle Pacific University	\$1,003,873	338
Seattle University	\$1,748,590	430
University of Puget Sound	\$868,112	269
Walla Walla College	\$202,954	72
Whitman College	\$237,445	216
Whitworth College	\$488,716	209

Table 10 (cont.) - 2005-06 Earnings of State Work Study Students, by Institution

Sector	SWS Amount Earned by Students	Recipients
<b>Community &amp; Technical Colleges</b>		
Bellevue Community College	\$202,666	70
Big Bend Community College	\$236,842	112
Cascadia Community College	\$104,565	43
Centralia College	\$108,394	38
Clark College	\$468,215	217
Columbia Basin College	\$354,320	121
Edmonds Community College	\$264,396	81
Everett Community College	\$133,462	74
Pierce College	\$184,296	101
Grays Harbor College	\$120,013	46
Green River Community College	\$18,038	7
Highline Community College	\$228,368	111
Lower Columbia College	\$784,749	313
South Puget Sound Community College	\$158,052	48
Olympic College	\$93,876	26
Peninsula College	\$83,215	37
Seattle Central Community College	\$200,744	65
North Seattle Community College	\$284,969	134
South Seattle Community College	\$101,304	45
Shoreline Community College	\$261,754	104
Skagit Valley College	\$110,005	69
Spokane Community College	\$933,871	282
Spokane Falls Community College	\$621,093	317
Tacoma Community College	\$685,078	225
Walla Walla Community College	\$105,347	29
Wenatchee Valley Community College	\$213,740	132
Whatcom Community College	\$315,625	120
Yakima Valley College	\$199,479	135
Northwest Indian College	\$17,297	10
Bates Technical College	\$251,081	97
Bellingham Technical College	\$80,203	77
Clover Park Technical College	\$241,389	116
Lake Washington Technical College	\$162,513	70
Renton Technical College	\$131,313	89
Seattle Vocational Institute	\$26,440	22
<b>2005-06 Program Operations</b>		
<b>Resources:</b>		
State Appropriation	\$17,911,000	
Employer Match	\$5,493,303	
Federal Funds	\$362,902	
<b>Total</b>	<b>\$23,767,205</b>	
<b>Expenditures:</b>		
Student Wages	\$23,172,466	
Grants to Institutions	\$93,459	
Admin. Allowance to Public Inst.	\$352,894	
HECB Administration	\$110,847	
<b>Total</b>	<b>\$23,729,666</b>	
<b>Carry Forward</b>	<b>\$37,539</b>	

Source: 2005-06 UR &amp;HECB Program History Files

**Table 11 – State Work Study Percent of General Fund Expended**

Year/Biennium	General Fund – State Appropriation (in millions)	Percent Expended
FY 2001-02	\$16.3	99.9%
FY 2002-03	\$17.4	100.0%
FY 2003-04	\$17.0	100.0%
FY 2004-05	\$17.0	100.0%
FY 2005-06	\$17.9	99.9%
FY 2006-07	\$19.0	N/A

Source: FA History All Programs-Expenditure Detail

**Table 12 – 2005-06 Earnings of State Work Study Students by Sector**

Sector	Average Cost to Attend	SWS Average Earning Amounts	Number of Recipients
Public Four-year Institutions	\$16,120	\$2,277	2,873
Community & Technical Colleges	\$13,620	\$2,370	3,583
Private Four-year Institutions	\$34,904	\$2,886	2,841

## State Work Study Employers

Integral to the program are the participating employers. They not only provide jobs and earnings, but also opportunities for students to build workplace skills and test career choices.

Almost 45 percent of the State Work Study students work in off-campus jobs. Nearly 3,000 off-campus employers contract annually to accept State Work Study-eligible students. They include private for-profit, private non-profit, and public and federal employers. Many provide opportunities in high-demand sectors of employment.

The following are examples of off-campus State Work Study employers, by business type:

Private For-profit (2,000)	Private Non-profit (600)	Public/Federal Employers (300)
Amazon	American Red Cross	City of Seattle
American Express Financial Services	Big Brothers Big Sisters	Federal Home Loan
Law Office of William Harris	Boys and Girls Clubs	Government Accountability Services
Merrill Lynch Financial Services	Camp Fire USA	Kennewick General Hospital
Mid Columbia Engineering	Fred Hutchinson Cancer Research Center	King County
Northwest Medical Group	Salvation Army	Pierce County Alliance
Pullman Family Dentistry	Seattle Children's Museum	School Districts-Seattle and
State Farm Insurance	Seattle Institute for Biomedical Clinical Research	Spokane Public School Districts
Sylvan Learning Center	Tulalip Tribe	Timberland Regional Library
Zymogenetics	Washington Contemporary Ballet	U.S. Forest Service
		Washington State Agencies