



ALASKA PERFORMANCE SCHOLARSHIP

OUTCOMES REPORT
JANUARY 2014



Respectfully Presented to the Alaska Legislature, Governor and Public by the ANSWERS Partner Organizations



Alaska Commission on Postsecondary Education
Alaska Department of Education & Early Development
Alaska Department of Labor and Workforce Development
University of Alaska

By Brian Rae
Assistant Director of Research & Analysis
Alaska Commission on Postsecondary Education

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
ALASKA PERFORMANCE SCHOLARSHIP STATISTICS AT A GLANCE	2
ALASKA PERFORMANCE SCHOLARSHIP THIRD ANNUAL OUTCOMES REPORT	3
CHARACTERISTICS OF ALASKA'S HIGH SCHOOL GRADUATES IN AY13, APS ELIGIBILITY AND USE	4
EXHIBIT 1. Percentage of AY13 Public High School Graduates, APS Eligibility and Use by Region	4
EXHIBIT 2. AY13 APS Eligibility and Acceptance by District / Region	5
EXHIBIT 3. AY13 Public High School Graduates, Eligibility and Recipients by Ethnicity and Gender	7
EXHIBIT 4. AY13 APS-Eligible Public High School Graduates by Award Level	8
EXHIBIT 5. AY13 Public High School Graduates' In-state and Out-of-state Attendance Patterns by Award Level ...	8
EXHIBIT 6. AY13 Public High School Graduates and APS-Eligible Graduates by Financial Status	9
EXHIBIT 7. APS Recipients and Postsecondary Attendance in Fall 2013 by Institution and Graduating Year, Public and Private/Homeschool	9
EXHIBIT 8. APS Expenditures by Students' Degree / Certificate Pursuit, Fall 2013	10
EXHIBIT 9. APS Expenditures by Students' Award Levels, AY14 Awards	11
EXHIBIT 10. APS Expenditures by Students' Enrollment Status, Fall 2013	11
ALASKA'S HIGH SCHOOL GRADUATES AND APS ELIGIBILITY, A THREE-YEAR OVERVIEW	12
EXHIBIT 11. WorkKeys-based Eligibility by Graduation Year	13
EXHIBIT 12. Percentage of APS-Eligible Public High School Graduates by Ethnicity and Gender, AY11-13	14
EXHIBIT 13. Percentage of APS-Eligible Public High School Graduates by Award Type, Graduation Year, and Level	14
EXHIBIT 14. Percentage of APS-Eligible Public High School Graduates Using the Scholarship by Award Level and Graduation Year	15
EXHIBIT 15. APS-Eligible Public High School Graduates' In-State and Out-of-State Attendance Patterns by Graduation Year and Award Level	16
EXHIBIT 16. Retention of AY11 Public High School Graduates Attending a Postsecondary Institution in Alaska the Fall Following Graduation by APS Eligibility	17
EXHIBIT 17. Retention of AY11 Public High School Graduates Attending a Postsecondary Institution Outside Alaska the Fall Following Graduation by APS Eligibility.	18
EXHIBIT 18. Retention of AY11 Public High School Graduates Not Enrolled the Fall Following Graduation by APS Eligibility	19
EXHIBIT 19. Fall 2011 APS Recipients and Continued Attendance by Various Attributes	19

APS RECIPIENTS ATTENDING THE UNIVERSITY OF ALASKA	21
EXHIBIT 20. UA First-Time Freshmen in Fall 2013 Taking Remedial Courses	21
EXHIBIT 21. High School Graduates Pursuing Postsecondary Education within One Year of Graduation	22
EXHIBIT 22. Average Credit Hours Attempted for APS Recipient and Non-Recipient First-Time Freshmen Starting in Fall 2011 and Fall 2012	23
EXHIBIT 23. College Persistence of Students Entering in Fall 2011 and 2012	24
APS RECIPIENTS' EMPLOYMENT AND EARNING PATTERNS	26
EXHIBIT 24. AY12 High School Graduates Receiving APS Award in Fall 2013, Percentage Working at Any Time During Academic Year, by Award Level	26
EXHIBIT 25. AY12 High School Graduates Receiving APS Award In Fall 2013, Percentage Working at Any Time During Academic Year, by Award Amounts	27
EXHIBIT 26. AY12 High School Graduates Receiving APS Award In Fall 2013, Percentage Working in Four Quarters During Academic Year, by Award Amounts	27
EXHIBIT 27. AY12 High School Graduates Receiving APS Award In Fall 2013, Average Earnings for Those Working in Four Quarters During Academic Year, By Award Amounts	28
CONCLUSION	29
APPENDIX A. Data Sources for the 2014 APS Outcomes Report	30
APPENDIX B. Determining APS Eligibility	31
EXHIBIT B1. APS Award Levels and Minimum Requirements.....	31
Receiving the Scholarship	32
APPENDIX C. Participating Institutions and Programs of Study	33
APPENDIX D. AY13 Alaska Public High School Graduates Attending Postsecondary Education by State Where Enrolled.....	35
APPENDIX E. Glossary	36
ACKNOWLEDGEMENTS.....	38

SUMMARY

In accordance with Alaska statute the departments of Education & Early Development (EED) and Labor and Workforce Development (DOLWD), the University of Alaska (UA), and the Alaska Commission on Post-secondary Education (ACPE) present the third annual report on the Alaska Performance Scholarship (APS). The scholarship has awarded over \$16.7 million to high school graduates beginning with the class of AY11, with more than 3,000 graduates having received the APS to pursue and continue their postsecondary education. An additional 4,000 are currently eligible to take advantage of the scholarship's benefits in the future.¹ Fifty of the state's 54 districts have graduated APS-eligible students, and graduates from 46 of these districts have used the scholarship to pursue their postsecondary studies².

Graduates in the class of AY13 had differing patterns in their eligibility to receive and their use of the scholarship the semester following their graduation when compared to prior years' classes. Changes in the APS eligibility requirements likely drove some of these differences, while others reflect recent graduates' ability to better plan their postsecondary education strategies to include the APS as compared to their peers in prior years.

Eligibility requirement changes included more course hours of study in the APS-required disciplines, but also included a decrease in the minimum WorkKeys scores required for eligibility to receive a career and technical (CTE) scholarship. Increases in the rigor of the curriculum required to become eligible for the APS likely kept increases in eligibility rates down, though the WorkKeys score modifications were the likely cause of an increase in the number of CTE-only eligible graduates in AY14.

AY13 APS-eligible high school graduates were better able to plan for receipt of the scholarship than were prior years' eligible graduates, which likely drove another change in their use of it. For the first year since its inception, Level 1 eligible graduates made use of the APS at a higher rate than Level 2 or 3 eligible graduates. Level 1 eligible graduates have always been more likely to attend a postsecondary institution than their level 2 or level 3 cohorts, but until this year they were much more likely to attend out of state.

The vast majority of APS recipients continue to pursue their postsecondary studies at one of the University of Alaska campuses, where most enroll on a full-time basis in pursuit of a bachelor's degree. They also require on average fewer hours of remedial studies than the overall population of new UA entrants, they enroll in more credit hours per semester, and they are more likely to continue their studies in the future than their non-eligible peers.

¹ APS-eligible graduates have up to six years following high school graduation to use their awards (e.g. 2011 graduates may use their APS through academic year 2016-17).

² There are 53 public school districts in Alaska plus the Mt. Edgecumbe boarding school in Sitka, which is managed by EED.

ALASKA PERFORMANCE SCHOLARSHIP STATISTICS AT A GLANCE

	AY12 Award Year	AY13 Award Year	AY14 Award Year	Total
Total Dollars Awarded*	\$2,982,449	\$5,653,223	\$8,072,476	\$16,708,148
Individuals Receiving**	930	1,710	2,320	3,011
Total and APS-Eligible Public High School Graduates (As of Nov. 21, 2013***)				
Total Graduates	8,062	7,980	7,859	23,901
APS Eligible	2,341	2,205	2,477	7,023
% APS Eligible	29.0%	27.6%	31.5%	29.4%
APS-Eligible High School Graduates by Award Level, Public & Private / Home Schooled (As of Nov. 21, 2013)				
Total APS Eligible	2,383	2,261	2,536	7,180
Level 1	945	924	1,221	3,090
Level 2	710	799	780	2,289
Level 3	728	538	535	1,801
APS Recipients, Public & Private / Home Schooled				
Fall Following Graduation	877	869	868	
Ever Received	1,101	1,017	868	

APS-Eligible and Recipient Public High School Graduates, by Region
(AY11 as of Nov. 14, 2011. AY12 as of Oct. 29, 2012, AY13 as of Nov. 21, 2013.)

	AY11 Graduates			AY12 Graduates			AY13 Graduates		
	Graduates	Eligible	Recipients	Graduates	Eligible	Recipients	Graduates	Eligible	Recipients
Far North	307	35	17	259	29	15	285	52	23
Interior	1,400	381	209	1,322	402	190	1,356	437	189
Southcentral	4,848	1,538	563	4,900	1,419	508	4,841	1,663	529
Southeast	903	269	77	878	238	70	815	228	74
Southwest	604	99	30	626	87	29	562	97	24

* AY12 and AY13 represent payments made to APS-eligible graduates. AY14 represents amount awarded for the academic year. Year-end refunds are expected to result in a modest decrease in the final amount paid.

** Unique count of individuals receiving in a single year, and a total count of individuals ever having received the APS.

*** Throughout this report, counts of students and dollar values awarded and paid are as of November 21, 2013 when data was extracted from the scholarship management system.

ALASKA PERFORMANCE SCHOLARSHIP THIRD ANNUAL OUTCOMES REPORT

The Alaska Performance Scholarship, or APS, is now in its third year of providing scholarships to recent high school graduates who meet the academic requirements and pursue qualifying postsecondary degrees or certificates within the state. Since its inception, APS has funded the postsecondary enrollments of 2,978 graduates, with the numbers growing each year as successive classes of graduates join the APS-eligible student pool.

This year's APS Outcomes Report diverges slightly from prior reports' format. As well as providing information about the most recent year's high school graduates, we can now begin to track the earliest APS recipients' academic progress over time. We can also make comparisons of three years of data for graduating classes and document any changes in eligibility to receive and use the scholarship.

The expedited roll-out of the Alaska Performance Scholarship, with the passage of enabling legislation in spring 2010 and the first awards beginning in fall 2011, gave little opportunity for those soon-to-be high school graduates to take potential APS eligibility into consideration relative to their postsecondary attendance planning. However, recent graduates have now had three years in which to do so.

The following section focuses on the AY13 high school graduating class, the most recent to join the ranks of APS-eligible graduates, followed by comparisons to prior years and an analysis of the longer-term outcomes for prior years' recipients. Additional information provided by the University of Alaska on recipients' performance at that institution and employment data from the Alaska Department of Labor and Workforce Development is contained in the report's final sections.

CHARACTERISTICS OF ALASKA'S HIGH SCHOOL GRADUATES IN AY13, APS ELIGIBILITY AND USE

When considering how the most recent graduates performed in terms of their APS eligibility and use, we will use many of the same measures from prior years' reports. The eligibility rate for recent graduates increased this year to 31.5%, though comparisons with prior years are made more difficult by changes in the eligibility rules applied to this year's graduating class.

Every region of the state posted increased eligibility for AY13 graduates, though regional patterns remained similar to earlier years. Graduates in the Southwest and Far North regions are less likely than graduates in other regions to become APS eligible, while those in Southcentral and Interior Alaska showed higher-than-average eligibility rates. (See Exhibit 1.) In terms of APS utilization, eligible students in the Interior and Far North regions led the state.

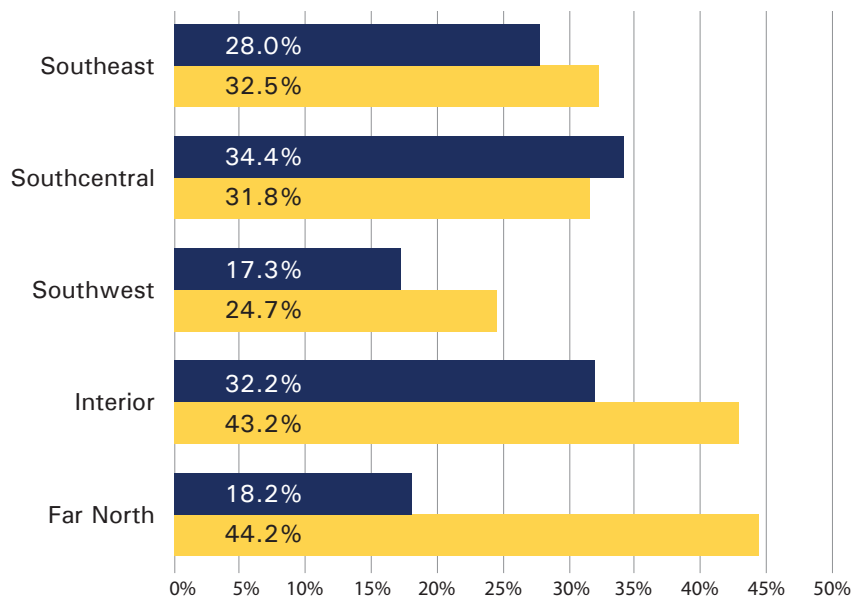
There remain distinct differences in eligibility rates across districts.

(See Exhibit 2.) For the graduating class of AY13, there were eight districts which had no APS-eligible graduates.³ One would expect the number of eligible graduates for very small districts to fluctuate widely across years due to their very small numbers, and there were 15 districts in Alaska which graduated ten or fewer students in AY13. Of the remaining districts, Cordova, Valdez and Chugach led the state in the percentage of graduates eligible to receive the APS, each with 50% or more. Bering Strait, Yukon Koyukuk, Petersburg and Northwest Arctic were at the other extreme, each with fewer than 20% of graduates eligible. As an example of how small districts' rates fluctuate across years, Petersburg had one of the highest eligibility rates in the state for AY12 graduates at 46%. Since its inception, four of Alaska's 54 school districts have yet to report at least one graduate who met APS eligibility requirements.

³ The Aleutians Region School District had no graduates in AY13 and was not included in these eight districts.

EXHIBIT 1

Percentage of AY13 Public High School Graduates, APS Eligibility and Use by Region



Key

- % of Region's Eligible Graduates
- % of Region's Eligible Graduates Accepting

AY13 APS Eligibility and Acceptance by District / Region

EXHIBIT 2

District / Region	Class of 2013 High School Graduates	APS-Eligible Graduates	Percent Eligible	APS Recipients	APS \$ Awarded
Alaska Gateway / Interior	13	6	46%	2	*
Aleutian Region / Southwest	-	-	-	-	-
Aleutians East / Southwest	16	*	*	*	*
Anchorage / Southcentral	3,040	1,166	38%	335	\$1,169,724
Annette Island / Southeast	18	*	*	*	*
Bering Strait / Far North	83	5	6%	3	*
Bristol Bay / Southwest	15	*	*	*	*
Chatham / Southeast	4	*	*	*	*
Chugach / Southcentral	22	11	50%	3	*
Copper River / Southcentral	26	12	46%	5	\$21,402
Cordova / Southcentral	21	12	57%	4	*
Craig / Southeast	18	8	44%	2	*
Delta-Greely / Interior	48	11	23%	3	*
Denali / Interior	17	*	*	*	*
Dillingham / Southwest	14	*	*	*	*
Fairbanks North Star / Interior	817	313	38%	142	\$514,796
Galena / Interior	269	89	33%	33	\$132,863
Haines / Southeast	26	8	31%	2	*
Hoonah / Southeast	6	*	*	*	*
Hydaburg / Southeast	3	*	*	*	*
Iditarod Area / Southwest	13	5	38%	2	*
Juneau / Southeast	337	83	25%	30	\$106,192
Kake / Southeast	7	*	*	*	*
Kashunamiut / Southwest	8	*	*	*	*
Kenai Peninsula / Southcentral	602	165	27%	60	\$227,068
Ketchikan Gateway / Southeast	149	41	28%	11	\$43,992
Klawock / Southeast	7	*	*	*	*

* District had four or fewer APS-eligible graduates, so information cannot be disclosed without potentially releasing personally identifiable information as defined by the Family Educational Rights and Privacy Act (FERPA). In districts with four or fewer APS recipients, award amounts are suppressed in order to not disclose the level of award earned by recipients.

" - " equals zero.

EXHIBIT 2
CONTINUED

District / Region	Class of 2013 High School Graduates	APS-Eligible Graduates	Percent Eligible	APS Recipients	APS \$ Awarded
Kodiak Island / Southwest	163	36	22%	7	\$24,374
Kuspuk / Southwest	11	*	*	*	*
Lake and Peninsula / Southwest	29	*	*	*	*
Lower Kuskokwim / Southwest	127	28	22%	7	\$24,075
Lower Yukon / Southwest	87	*	*	*	*
Matanuska-Susitna / Southcentral	1,086	273	25%	111	\$397,096
Mt Edgecumbe / Southeast	72	29	40%	6	\$16,415
Nenana / Interior	95	*	*	*	*
Nome Public Schools / Far North	32	14	44%	3	*
North Slope / Far North	81	17	21%	8	\$30,911
Northwest Arctic / Far North	82	15	18%	8	\$32,100
Pelican / Southeast	2	*	*	*	*
Petersburg / Southeast	36	6	17%	3	*
Pribilof / Southwest	8	*	*	*	*
Saint Mary's / Southwest	6	*	*	*	*
Sitka / Southeast	66	20	30%	3	*
Skagway / Southeast	6	*	*	*	*
Southeast Island / Southeast	21	9	43%	8	\$24,202
Southwest Region / Southwest	29	*	*	*	*
Tanana / Interior	1	*	*	*	*
Unalaska / Southwest	29	14	48%	6	\$20,593
Valdez / Southcentral	44	24	55%	11	\$40,420
Wrangell / Southeast	31	8	26%	1	*
Yakutat / Southeast	6	*	*	*	*
Yukon Flats / Far North	7	*	*	*	*
Yukon-Koyukuk / Interior	96	12	13%	7	\$33,292
Yup'it / Southwest	7	*	*	*	*
Statewide Public Schools Total	7,859	2,477	31.5%	839	\$3,017,417
Non-Public School Totals	N/A	59	N/A	29	\$116,515
<p>* District had four or fewer APS-eligible graduates, so information cannot be disclosed without potentially releasing personally identifiable information as defined by the Family Educational Rights and Privacy Act (FERPA). In districts with four or fewer APS recipients, award amounts are suppressed in order to not disclose the level of award earned by recipients.</p> <p>" - " equals zero.</p>					

Likewise, while we do see the percentages of eligible graduates across ethnic groups increased in all cohorts, the relative patterns of eligibility did not change – Caucasian graduates were most likely to become eligible to receive the APS, and Alaska Native/American Indian graduates were least likely to meet the scholarship eligibility requirements. (See Exhibit 3.)

Unfortunately, but consistent with national postsecondary attendance declines, a smaller percentage of recent APS-eligible graduates took advantage of it compared to prior years.⁴ Just over one-third of eligible 2013 graduates made

⁴ Fall 2013 postsecondary enrollments decreased 1.5% nationally from the previous fall based on data from the National Student Clearinghouse Research Center.

use of the scholarship, compared to 37.6% of AY12 graduates. The decline in recent graduates using the APS in the fall immediately following their graduation was particularly steep for Alaska Native and American Indian graduates. (For comparisons of eligibility rates by ethnicity and gender over time, see Exhibit 12.)

Since the scholarship’s inception, in each year more students have been eligible for a Level 1 award than either a Level 2 or Level 3. However, in prior years, Level 1 students were least likely to use the scholarship, though their postsecondary attendance rate was the highest of the three groups. For AY13 graduates, that trend reversed course. While the percentage of all AY13 APS-eligible graduates using the scholarship

EXHIBIT 3

AY13 Public High School Graduates, Eligibility and Recipients by Ethnicity and Gender

	Public School Graduates	Eligible		Recipients	
		Count	% of Graduates	Count	% of Eligible
Totals	7,859	2,477	31.5%	839	33.9%
Caucasian	4,427	1,713	38.7%	616	36.0%
AK Native/ American Indian	1,494	207	13.9%	55	26.6%
Asian	567	190	33.5%	57	30.0%
Hispanic	482	133	27.6%	54	40.6%
Two or more races	460	155	33.7%	40	25.8%
African American/ Black	271	53	19.6%	11	20.8%
Native Hawaiian/ Pacific Islander	158	26	16.5%	6	23.1%
Female	3,916	1,348	34.4%	441	32.7%
Male	3,943	1,129	28.6%	398	35.3%

fell in fall 2013, for the first time Level 1 eligible students using the scholarship immediately after graduation surpassed both the Level 2 and Level 3 graduates. (See Exhibit 4. For additional analysis of APS usage by eligibility levels, see Exhibit 13.)

As designed, the APS can, through the monetary benefits it provides, incent graduates to attend an in-state institution. However, there are still other incentives to lure the highest-achieving recent graduates outside of Alaska. Considering the population of all APS-eligible students, those at the top level have

consistently been the ones most likely to attend an out-of-state postsecondary institution, though the percentage of Level 1 eligible graduates remaining in state has increased significantly since the APS' inception. In AY13, APS Level 1 eligible graduates were nearly as likely to pursue their postsecondary studies at an in-state, participating institution as they were to pursue their studies outside of Alaska. (For additional analysis of changes in graduates' states of attendance, see Exhibits 15 through 17.)

Since the beginning of the APS, graduates deemed economically

EXHIBIT 4

AY13 APS-Eligible Public High School Graduates by Award Level, AY13

	Total Eligible	Recipients*	
		Count	Percent
Total	2,477	839	33.9%
Level 1	1,190	432	36.3%
Level 2	767	263	34.3%
Level 3	520	144	27.7%

* APS recipients in the fall semester immediately following graduation.

EXHIBIT 5

AY13 Public High School Graduates In-state and Out-of-state Attendance Patterns by Award Level, AY13

Headcounts and Percentages of AY13 Public School Graduates Attending Fall 2013

	AY13 Graduates	Attended in AK	Attended Outside	Not Found / Not Attending
Total / % of Total	7,859	2,180 / 28%	1,334 / 17%	4,354 / 55%
Not APS Eligible	5,382	1,143 / 21%	507 / 9%	3,732 / 69%
Total APS Eligible*	2,477	1,037 / 42%	827 / 33%	613 / 25%
Level 1	1,190	493 / 41%	513 / 43%	184 / 15%
Level 2	767	341 / 44%	203 / 26%	223 / 29%
Level 3	520	203 / 39%	111 / 21%	206 / 40%

*Counts in this table come from information provided by the National Student Clearinghouse, a national repository of postsecondary enrollment data. NSC data was matched to high school graduates' and APS recipients' data to determine enrollment patterns. Not all APS-eligible students attending an in-state institution received the scholarship. This most often occurred when the student enrolled in a degree program but was only eligible for a career or vocational certificate award. Otherwise-eligible students might not receive funds based on less than half-time enrollment, because they had no unmet costs of attendance after receiving other aid or failed to complete the Free Application for Federal Student Aid (FAFSA), which is the annual APS application.

disadvantaged by the Department of Education & Early Development's guidelines have been much less likely to become eligible for the scholarship than have non-disadvantaged students. (See Exhibit 6.) The situation remains unchanged for the class of AY13 graduates, with fewer than one in five economically-disadvantaged graduates meeting the APS eligibility requirements, versus nearly two in five of non-disadvantaged graduates. And, those economically disadvantaged students who did meet the requirements are

also slightly less likely to have made use of the scholarship the fall following their high school graduation.

Not surprisingly and in line with prior years' graduates' tendencies, the vast majority of APS recipients attend one of the University of Alaska institutions. Only 12 of the 868 AY13 graduates receiving the award in fall 2013 attended a non-UA postsecondary institution, and of the 2,164 total APS recipients in that term only 23 attended a different institution. (See Exhibit 7.)

EXHIBIT 6

AY13 Public High School Graduates and APS-Eligible Graduates by Financial Status

	Total AY13 Grads	% of Total Grads	APS Eligible	Eligible / Total	APS Recipients	Recipients / Eligible
Total Students	7,859	n/a	2,477	31.5%	839	33.9%
Economically Disadvantaged	2,654	33.8%	463	17.4%	138	29.8%
Not Disadvantaged	5,205	66.2%	2,014	38.7%	701	34.8%

EXHIBIT 7

APS Recipients and Postsecondary Attendance in Fall 2013 by Institution and Graduating Year, Public and Private/Homeschool

All Recipients in Fall 2013 by Year of Graduation

	Total AY13 Grads Receiving	Prior Years' Grads Receiving	Total Recipients
UA - Anchorage	492	749	1,241
UA - Fairbanks	321	469	790
UA - Southeast	43	67	110
Other Institutions	12	11	23
Grand Total	868	1,296	2,164

Also following the pattern of previous years was the recipients' pursuit of degrees versus certificates and the students' enrollment statuses. (See Exhibit 8.) Recipients were far more likely to enroll in a degree program versus pursuing a certificate, with the vast majority enrolled in a bachelor's degree program. We can expect these differences in expenditures by degree types to only increase, since in any given academic year a typical bachelor's degree program includes four or more years of recent high school graduates, compared to two or three years of recent graduates pursuing an associate degree or a certificate.

Enrollments in certificate programs also are likely to rise with the recent change in the WorkKeys eligibility requirements for career and technical education (CTE)

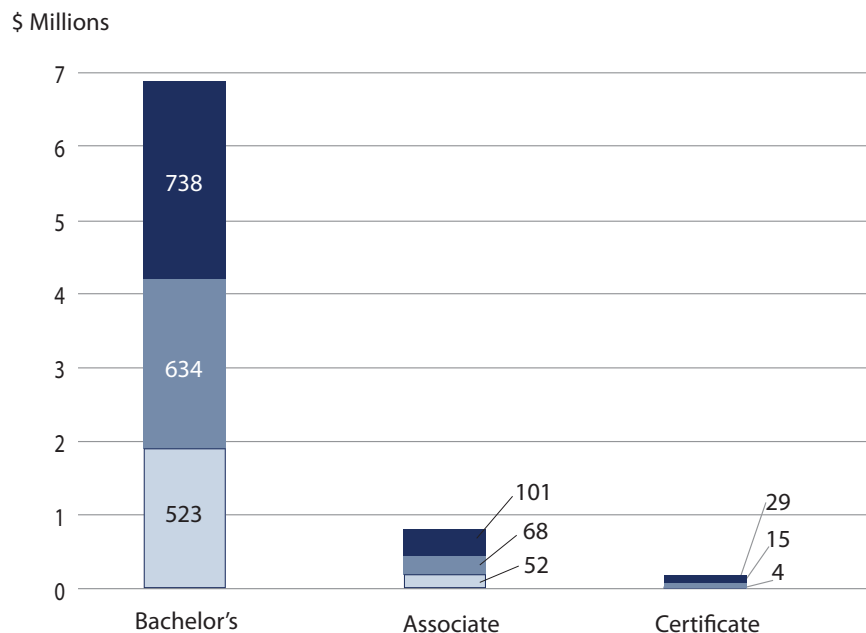
awards. Graduates in AY11 and AY12 had to score 5 or higher on each of the three WorkKeys tests used to determine APS eligibility – Locating Information, Reading for Information and Applied Math.⁵ Beginning in AY13 the eligibility threshold was amended to 13 points total, with no score below 4 on any of the tests. In AY12 168 graduates were APS eligible based solely on their WorkKeys scores. This year 534 public high school graduates became APS eligible based solely on these scores.

Expenditures also will increase if those students eligible for the top awards increase their enrollments at participating institutions, and if they persist in the pursuit of their degree. (See Exhibit 9 and Exhibit

⁵ Graduates who are eligible for a collegiate award based on ACT or SAT test scores are automatically eligible to receive an APS if enrolled in a certificate program.

EXHIBIT 8

APS Expenditures by Students' Degree / Certificate Pursuit, Fall 2013



Key	
	AY13 Graduates
	AY12 Graduates
	AY11 Graduates

14 for historical enrollment data.) For the AY14 academic year, in which approximately \$8,000,000 has been awarded, a total of 1,009 APS-eligible students at the top award level received funds.

Recipients also were more likely to enroll on a full-time basis. (See

Exhibit 10.) Because the scholarship is time-limited – a graduate has only six years of eligibility or maximum of eight semesters or 12 quarters of awards – there is an incentive for students to not delay attending a postsecondary institution, and to attend on a full-time basis.

EXHIBIT 9

APS Expenditures by Students' Award Levels, AY14 Awards

\$ Millions

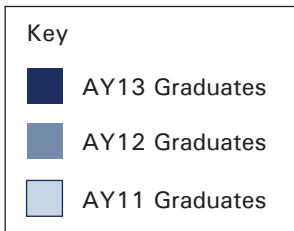
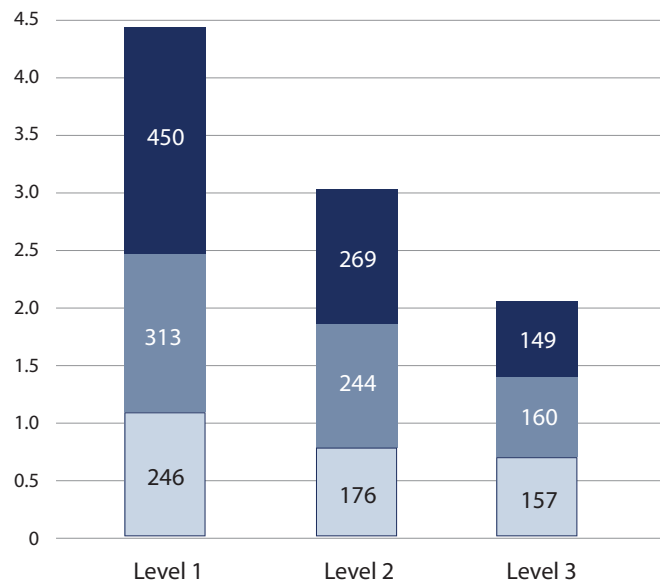
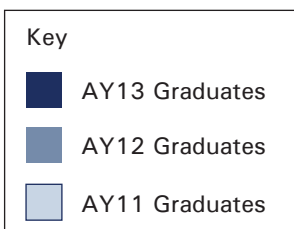
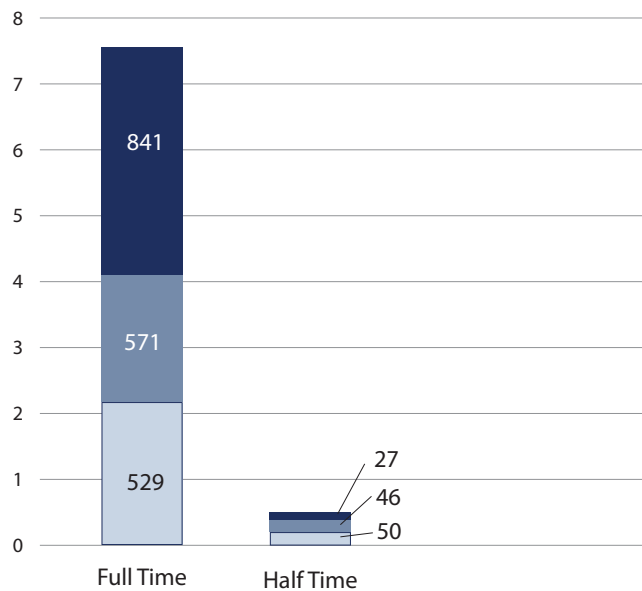


EXHIBIT 10

APS Expenditures by Students' Enrollment Status, Fall 2013

\$ Millions



ALASKA'S HIGH SCHOOL GRADUATES AND APS ELIGIBILITY

A THREE-YEAR OVERVIEW

During these first three years of the APS, certain trends in both eligibility and graduates' use of the scholarship have begun to emerge. As noted earlier, we see regional differences in graduates' eligibility and usage, and these differences have persisted since the scholarship's inception. Similarly, there are differences across ethnic groups and among graduates based on their economic situations. While it is important to look at each year's high school graduating class and identify such patterns, it is also important to identify how the scholarship might be changing students' behaviors and how it may be helping address differences in students' outcomes.

The APS is considered an "invitation to excellence" for Alaska's students, parents and educators. However, we are only beginning to be able to collect information to measure scholarship impacts. The first recipients, those AY11 high school graduates meeting all of the eligibility requirements, had very little time to affect their eligibility or to change their postsecondary education plans. The most recent class of APS-eligible graduates had the most extensive opportunity to modify their behaviors to meet APS requirements while in secondary school, and make appropriate plans for attending a participating Alaska institution after their graduation if they so desired. By comparing graduates' behaviors across the years, we can identify if students' behaviors were impacted.

One of the best impact indicators over time is high school graduates' ability to meet the APS eligibility requirements. However, such comparisons are made more difficult because of changes in the requirements in each of its first three years. It was understood at the scholarship's inception that not all schools may have offered or provided access to all of the courses needed in order to meet APS' rigorous curriculum requirements. Additionally not all high school seniors were aware the scholarship was potentially available to them, which may have impacted course selection. The curriculum requirements were phased in for both of these reasons, with the class of 2013 as the first needing to earn the final required number of units in each curriculum area.

Changes in WorkKeys score requirements and in the populations of students taking the tests also affected eligibility rates. The WorkKeys score changes that took effect this year have been addressed earlier. However, there have also been changes in the numbers of students taking the WorkKeys test. For graduates in AY11, WorkKeys testing in public high schools was optional. Beginning in AY11 all public school juniors have been required to take the WorkKeys tests which increased the pool of potentially eligible graduates from the AY12 graduating class. This year, with the required WorkKeys score amended to 13 total points and the mandate that all students take the test, the increased pool of test takers and lower eligibility score seemed the likely cause of both increased numbers and higher levels of CTE award eligibility for this year's class.⁶ (See Exhibit 11.)

⁶ WorkKeys test scores and rigorous curriculum requirements must be met to become eligible to receive a CTE award, and the student's GPA determines the award levels for which they then qualify.

We can only approximate the magnitude of the changes in CTE award eligibility. Students can become eligible for both the collegiate and the CTE awards at the same levels based on their college entrance exam scores. Because of this dual eligibility, and because districts do not report individual test scores for their graduates, we do not know how many collegiate-eligible graduates could have been CTE eligible based on their WorkKeys scores. We can, however, identify those students who were not eligible for a collegiate award but were eligible for a CTE award. In other words, those students whose eligibility was based solely on WorkKeys scores. Similarly, we can identify those students with dual eligibility but whose CTE eligibility level was higher than their collegiate eligibility levels. These students boosted their CTE award levels based on their GPA and WorkKeys scores.

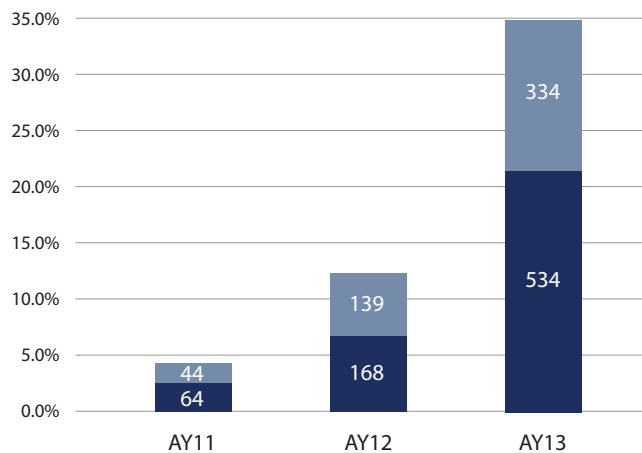
Very small numbers of students were eligible for the APS based solely on their WorkKeys scores during the first two years of the scholarship. For AY11 graduates, only 64 became APS eligible based on WorkKeys scores, and in AY12, the first class for which WorkKeys test taking was mandatory, that number was 168. For AY13 graduates, the number of graduates eligible only for a CTE award had risen to 534. These students accounted for 21.5% of all APS-eligible graduates in AY13.

We see a similar trend when identifying those graduates with higher levels of CTE awards versus collegiate awards. For AY11 graduates, only 44 had higher levels for CTE awards than for collegiate awards. This year 334 AY13 graduates qualified for higher CTE award levels based on the combination of their GPAs and WorkKeys scores.

As noted, AY11 graduates had very little time to sufficiently alter their course-taking pattern or to focus more effort on meeting APS' minimum GPA and rigorous curriculum requirements. In that first year of the scholarship, as the APS-eligibility curriculum requirements were being phased in, the eligibility rate for public high school graduates was 29%. (See Exhibit 12.) As eligibility requirements increased, there has been little change in the overall percentage of students eligible to receive the scholarship – AY12 graduates had the lowest percentage eligible

EXHIBIT 11

WorkKeys-based Eligibility by Graduation Year



Key

- WorkKeys Increased CTE Eligibility
- WorkKeys-only CTE Eligibility

at 27.6%, and this year's class had the highest at 31.5%, due in part to the increase in CTE award eligibility. However, some groups have seen notable improvements in eligibility rates over the first three years of the APS. Eligibility rates for American Indian/Alaska Native graduates have risen

sharply, from a low of 8.5% for AY11 graduates to 13.9% for AY13 graduates. And, while the numbers of Native Hawaiian/Pacific Islander graduates are quite small, the percentage of APS-eligible graduates has more than doubled over the same period.

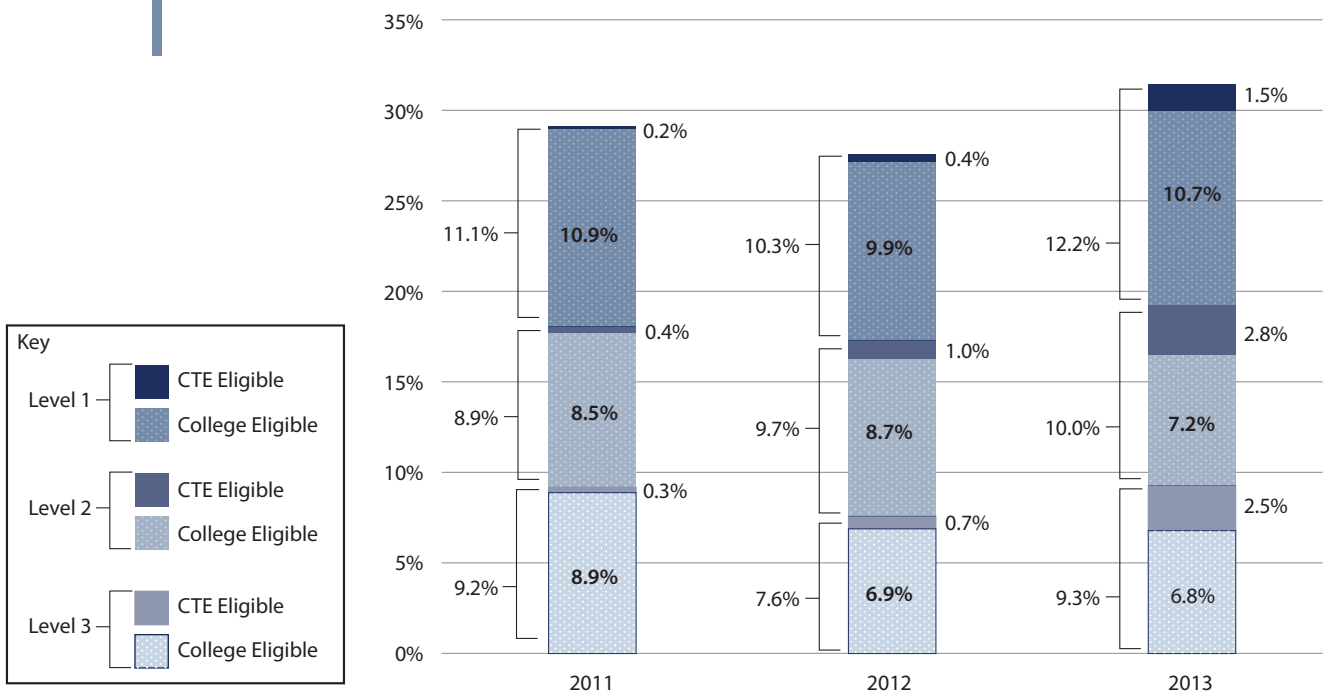
EXHIBIT 12

Percentage of APS-Eligible Public High School Graduates by Ethnicity and Gender, AY11 - AY13

	Percentage of Eligible Graduates		
	AY11	AY12	AY13
Statewide	29.0%	27.6%	31.5%
Caucasian	38.2%	35.6%	38.7%
African American / Black	17.1%	12.7%	19.6%
Hispanic	18.3%	23.9%	27.6%
Asian	25.4%	22.6%	33.5%
American Indian / Alaska Native	8.5%	10.5%	13.9%
Two or more races	27.9%	28.3%	33.7%
Native Hawaiian / Pacific Islander	7.1%	11.3%	16.5%
Female	31.4%	30.2%	34.4%
Male	26.7%	25.0%	28.6%

EXHIBIT 13

Percentage of APS-Eligible Public High School APS-Eligible Graduates by Award Type, Graduation Year, and Level



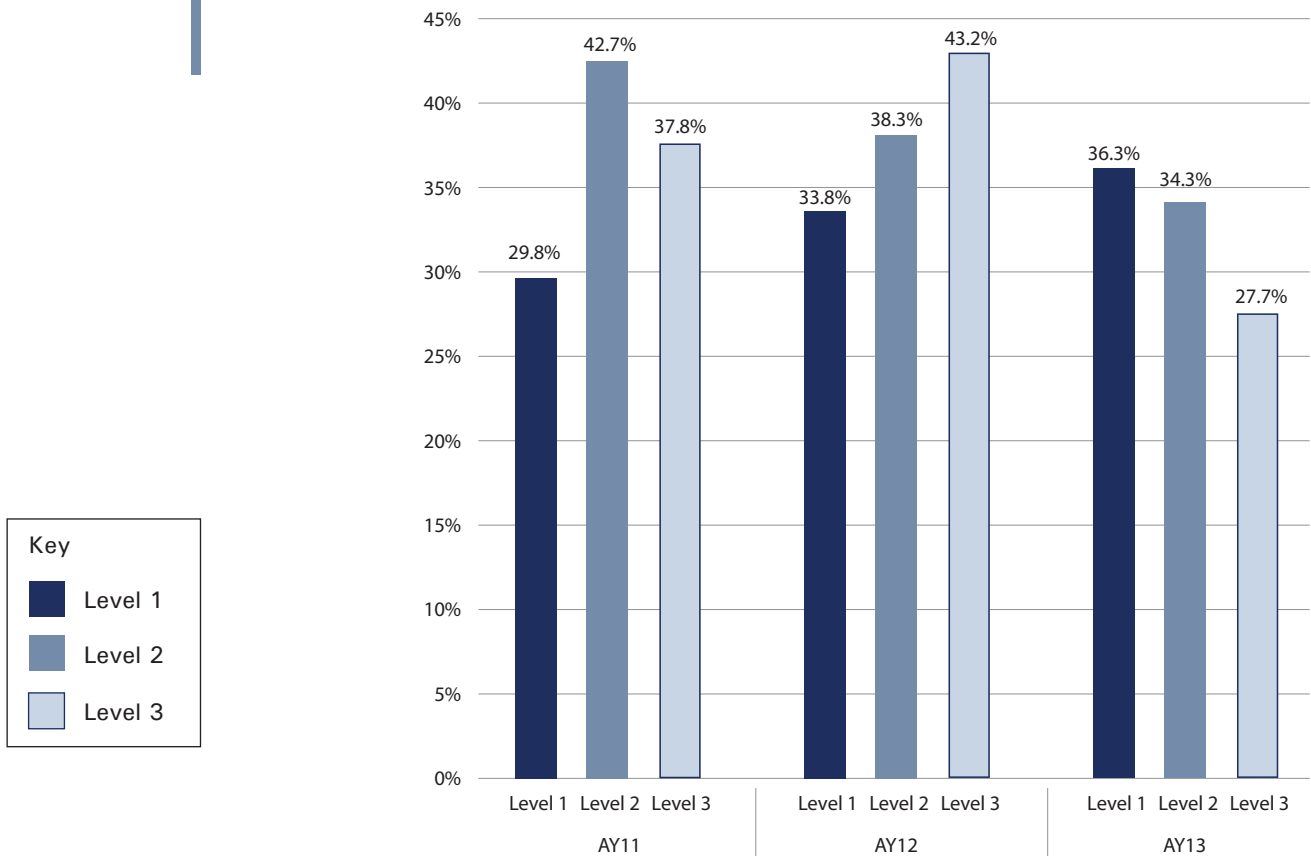
NOTE: College awards are applicable to either degree or certificate programs. For students meeting the WorkKeys score requirement, CTE award levels are based solely on graduates' high school GPA, and these awards are only applicable to a CTE certificate program.

While the overall APS eligibility rates have shown only modest change over time, the pattern of award levels has changed significantly. In AY11, just over 11% of graduates qualified for the highest award level, with only a very small percentage of graduates – 0.2% - eligible only for CTE awards. (See Exhibit 13.) The remainder

of the eligible graduates were split evenly between level 2 and 3. This year, 1.5% of graduates earned Level 1 CTE awards based solely on their WorkKeys/GPAs, and 2.8% and 2.5% of all graduates earned CTE awards based solely on their WorkKeys/GPAs at Levels 2 and 3, respectively.

EXHIBIT 14

Percentage of APS-Eligible Public High School Graduates Using the Scholarship by Award Level and Graduation Year



Key

- Level 1
- Level 2
- Level 3

Not only are more of the eligible graduates becoming eligible for the highest award levels, but a larger percentage of the Level 1 eligible students are making use of the scholarship. Exhibit 14 shows that for the first time since APS began, Level 1 eligible students from the class of 2013 are more likely to use the scholarship the fall following their graduation than are Level 2 or Level 3 eligible graduates.

Another positive impact indicator is students' propensity to pursue postsecondary education after graduation, and where they choose to pursue it. In general, postsecondary enrollments for the high school graduating class of 2013 fell nationwide, and Alaska was no exception.⁷ However this

⁷ The National Student Clearinghouse "Current Term Enrollment Report - Fall 2013" reported overall national enrollments dropped 1.5% between fall 2012 and fall 2013. For Alaska, the organization's data shows public high school graduates' postsecondary enrollments in the fall immediately following graduation fell from 3,658 for graduates in AY12 to 3,600 in AY13, a decline of 1.6%.

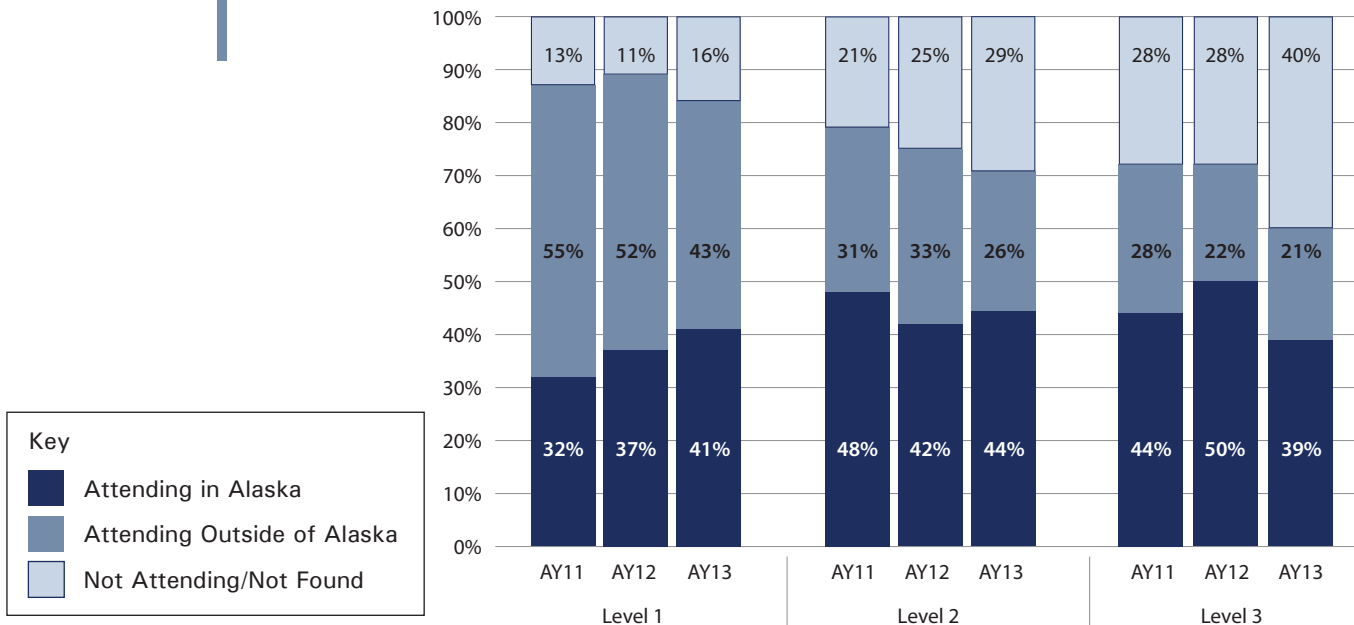
year's APS-eligible graduates have been more inclined to enroll in participating Alaska institutions compared to AY11 and AY12 graduates, who were more inclined to enroll elsewhere. (See Exhibit 15.)

This pattern is most marked with Level 1 eligible graduates. More than one-half of the AY11 Level 1 graduates enrolled in an out-of-state institution (55%) the fall subsequent to graduation, while fewer than one-third enrolled in Alaska. For the most recent class of graduates, nearly equal numbers enrolled in state as did outside the state. To the extent Alaska's top performing graduates were in the past inclined to attend an out-of-state institution rather than in Alaska, the APS may be reversing that trend.

Increasing postsecondary enrollments for recent graduates is one APS goal, but another is to increase student retention rates for greater progress toward and

EXHIBIT 15

APS-Eligible Public High School Graduates' In-state and Out-of-state Attendance Patterns by Graduation Year and Award Level



timely degree or certificate completion. Without an actual control group of graduates – students from the same graduating class with similar levels of academic achievement who did not receive the APS – it is difficult to prove the APS helps retain students or improves graduation rates. However, it is possible to contrast between APS-eligible graduates from AY11 and their classmates who followed similar academic pathways but did not qualify for the APS.

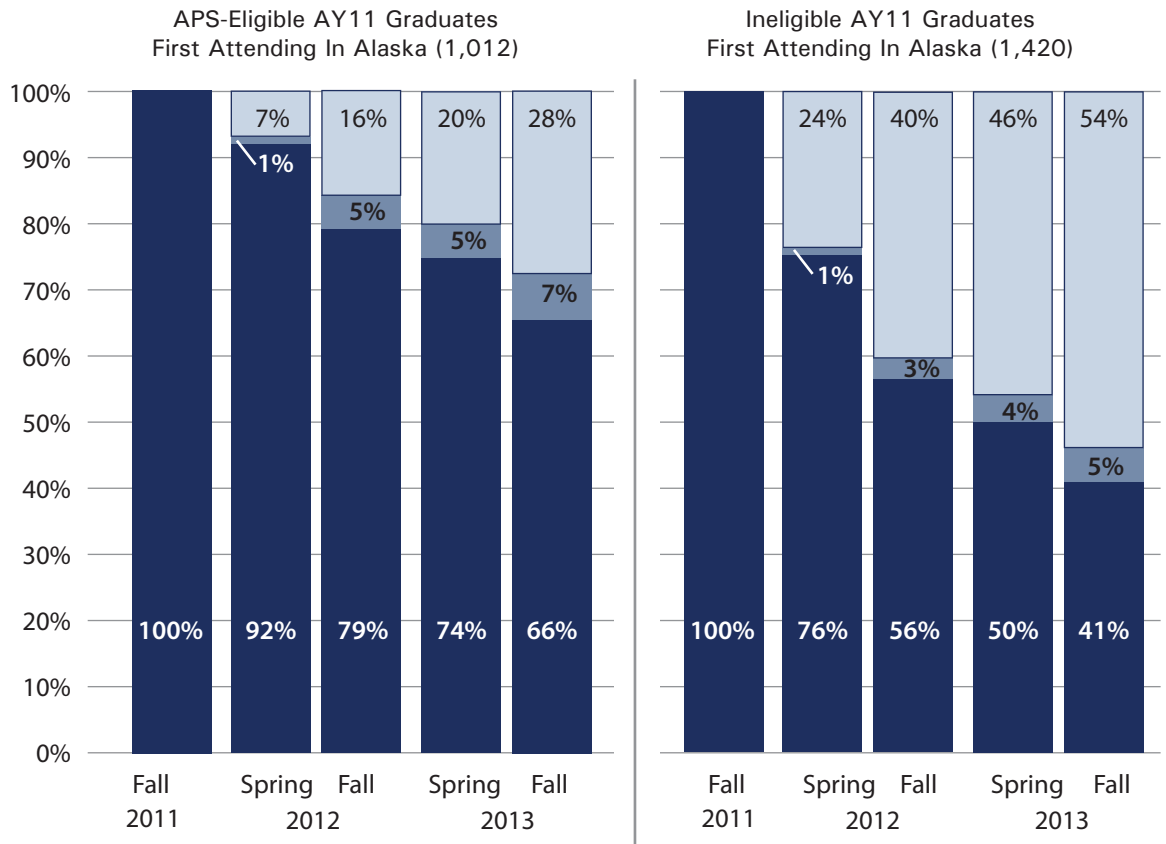
Obviously this is not a perfect comparison – APS-eligible graduates already have exhibited a tendency to excel in the classroom, while ineligible graduates have not demonstrated that same level of academic achievement.

Still, when considering those AY11 graduates who pursued postsecondary education within Alaska the fall following graduation, obvious differences do emerge. (See Exhibit 16.)

These two groups’ retention patterns were diverging as early as the second semester after postsecondary enrollment. While over 90% of APS-eligible graduates returned for the spring 2012 semester, only 76% of ineligible graduates did. By the following fall, combined in- and out-of-state APS-eligible student retention rates were over 80% compared to less than 60% for the other group, and by the third fall semester there was more than a 25 percentage point difference in retention rates.

EXHIBIT 16

Retention of AY11 Public High School Graduates Attending a Postsecondary Institution in Alaska the Fall Following Graduation by APS Eligibility



Key

- Attending in Alaska
- Attending Outside of Alaska
- Not Attending/Not Found

For AY11 graduates who attended a postsecondary institution outside of Alaska immediately following high school, a substantial segment of which had met the APS academic eligibility criteria in high school, a similar pattern emerged. (See Exhibit 17.) Nearly 90% of these APS-eligible AY11 graduates were found to still be enrolled in a postsecondary institution in fall 2013, with 76% continuing their enrollment at an out-of-state institution while 12% returned to Alaska for their studies. That compared to less than 60% of ineligible graduates first attending out-of-state.

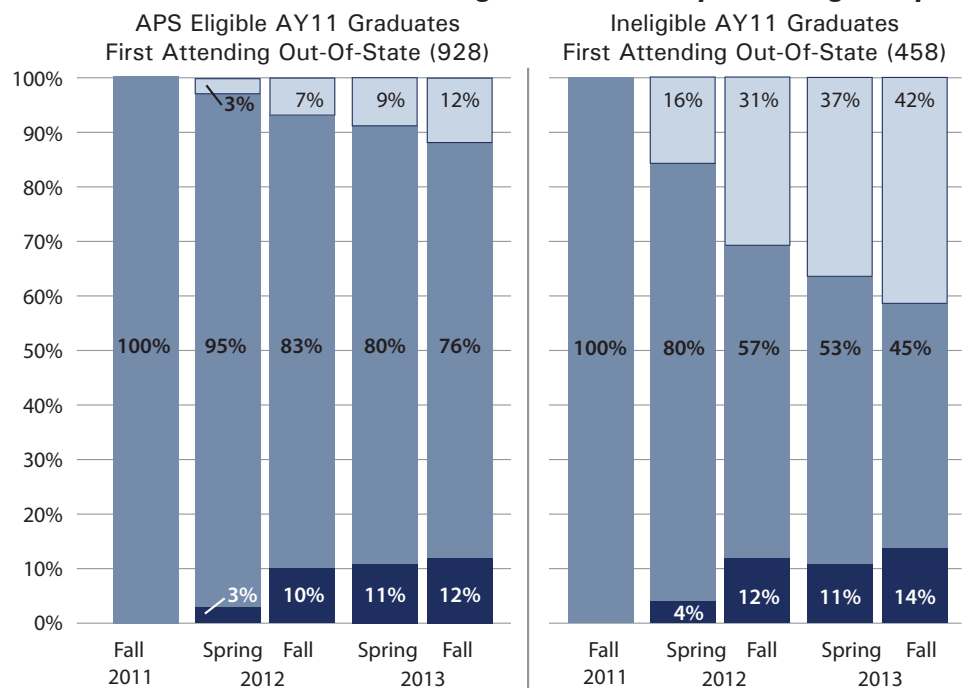
AY11 APS-eligible graduates attending outside of Alaska were more likely to remain in school than were their classmates who first attended an in-state institution. Much of this may be explained by the large percentage of AY11 Level 1 eligible graduates, the ones most likely to persist in their studies, attending an out-of-state institution.

The final group to consider is composed of high school graduates who were not found to be enrolled the fall following their graduation (not found in the National Student Clearinghouse database). For this population, the APS-eligible graduates were more likely than their ineligible peers to simply delay their postsecondary enrollment versus forgoing it altogether. (See Exhibit 18.) Over one-quarter of these eligible graduates were enrolled the second academic year following their high school graduation. The majority of these students attended an Alaska institution, with 16% attending an in-state and 12% attending an out-of-state institution. For ineligible graduates, the percentage enrolled hovered near 10% in each subsequent semester.

It is difficult to make direct comparisons across the populations of graduates in Exhibits 16 through 18. It appears obvious that APS-eligible graduates are more committed to their postsecondary

EXHIBIT 17

Retention of AY11 Public High School Graduates Attending a Postsecondary Institution Outside Alaska the Fall Following Graduation by APS Eligibility



Key

- Attending in Alaska
- Attending Outside of Alaska
- Not Attending/Not Found

pursuits, and thus are more likely to continue with their education over time. For those not attending immediately following high school, APS-eligible graduates are the ones most likely to enroll at a later date.

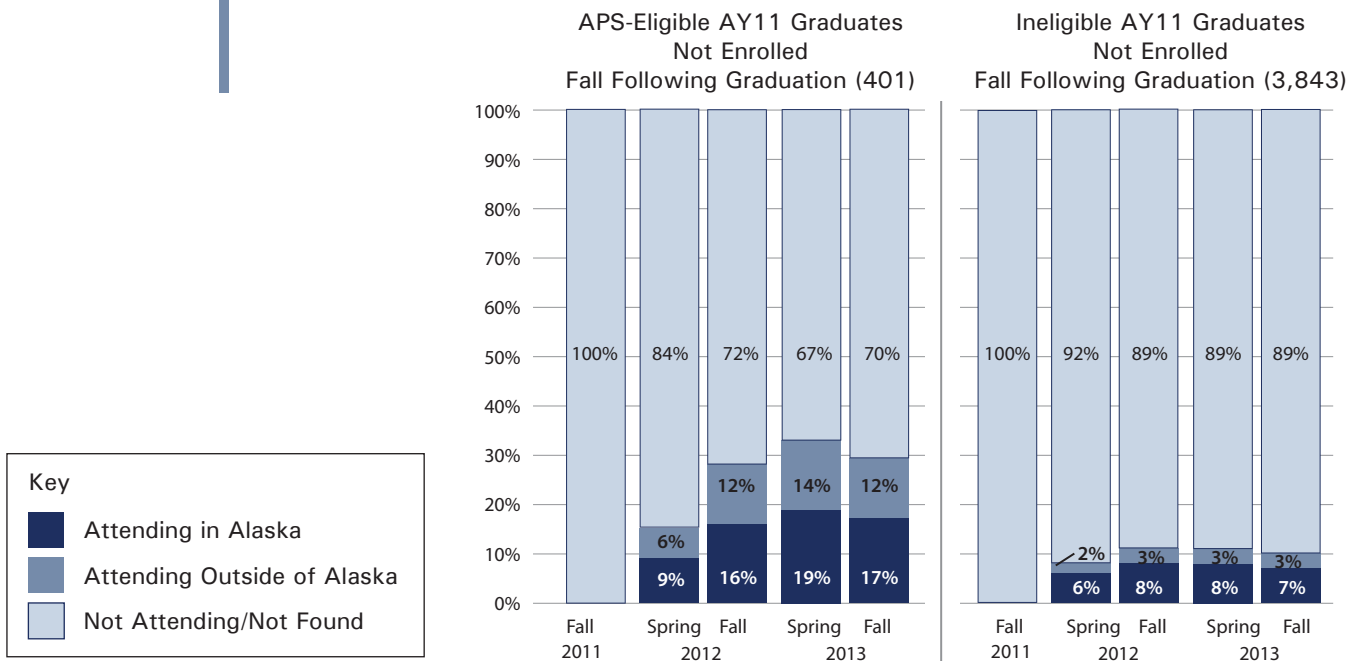
Still, we cannot say the monetary incentives provided by the APS alone drive these decisions. For example, those students attending an out-of-state institution receive no APS funds, though the APS-eligible students still have higher retention rates than ineligible students who also attend an out-of-state institution. In this instance, the common denominator appears to be APS-eligible students' history of higher academic achievement. To the extent the scholarship has incited high school students to take a rigorous curriculum and better prepare themselves for postsecondary studies prior to their graduation, then the scholarship is performing as planned, even though some percentage of students decide to

forgo, at least immediately, the scholarship's monetary incentives.

Nevertheless, it is difficult to conclude that more students are better prepared for postsecondary studies because of the APS. APS eligibility requirements have been modified and phased in over the still relatively short life of the APS. Eligibility rates have remained near the 30% range in each of the last three years, though they were the highest for the most recent class of graduates. More time must elapse before a clear eligibility trend will be discernable. Still, the data do show now that the percentage of students meeting the eligibility criteria has remained stable in spite of increasingly more rigorous course requirements. Also, as Exhibit 13 illustrates, within the pool of eligible graduates, a larger percentage are meeting the highest eligibility requirements, an indication the APS has affected student achievement. Finally, just as there are APS eligibility and

EXHIBIT 18

Retention of AY11 Public High School Graduates Not Enrolled the Fall Following Graduation by APS Eligibility



use differences across ethnic, gender, and economic subgroups and award levels, there also are differences in the continuing attendance patterns of recipients. Exhibit 19 looks at AY11 high school graduates receiving the scholarship in fall 2011 and tracks their continued postsecondary attendance over the next two years.⁸

In terms of regional differences, the Southwest region had the smallest percentage of fall 2011 APS recipients still enrolled at a postsecondary institution in fall 2013 at 63%. For all other regions

the percentage enrolled was close to the statewide average of 71.7%, and for the Far North region over 80% of APS recipients in fall 2011 were still enrolled at a postsecondary institution in fall 2013.

Not surprisingly, the pattern of continued attendance was quite predictable across the three APS eligibility levels. Graduates qualified for the scholarship based on their academic achievements while in high school, with the highest award levels going to the highest achievers. This tendency continued into their postsecondary studies. Over 84% of the top level recipients were still enrolled at an eligible institution in fall 2013, but only 64% of the lowest-level recipients were still enrolled.

⁸ Attendance data is provided by the National Student Clearinghouse, and includes enrollments at institutions in states outside of Alaska. A student was considered attending in a semester if they enrolled in any classes and were enrolled for at least 30 days. National Student Clearinghouse's database includes enrollment data from 3,500 colleges and universities, enrolling over 98% of all students in public and private U.S. institutions. The database lacks coverage on many CTE programs.

EXHIBIT 19

Fall 2011 APS Recipients and Continued Attendance by Various Attributes

	Fall 11	Spring 12	Fall 12	Spring 13	Fall 13	% Enrolled Fall 13
Statewide	845	803	706	693	606	71.7%
Far North	17	17	14	13	14	82.4%
Interior	196	183	168	162	140	71.4%
Southcentral	530	504	441	439	383	72.3%
Southeast	75	73	64	61	52	69.3%
Southwest	27	26	19	18	17	63.0%
Caucasian	661	630	555	550	475	71.9%
African American/Black	18	16	15	15	12	66.7%
Hispanic	33	31	27	27	21	63.6%
Asian/Native Hawaiian/Pacific Islander	50	46	38	38	36	72.0%
American Indian/Alaska Native	43	43	33	31	31	72.1%
Two or more races	40	37	38	32	31	77.5%
Female	461	442	389	382	343	74.4%
Male	384	361	317	311	263	68.5%
Not Economically Disadvantaged	752	716	631	630	549	73.0%
Economically Disadvantaged	93	87	75	63	57	61.3%
APS Level 1	276	271	253	250	234	84.8%
APS Level 2	297	281	238	233	197	66.3%
APS Level 3	272	251	215	210	175	64.3%

APS RECIPIENTS ATTENDING THE UNIVERSITY OF ALASKA

In fall 2013, 2,139 students enrolled within the UA system received the APS. Of those students, 842 were first-time freshmen. Of the remaining 1,297, 167 were new recipients who were not first-time freshmen and 1,130 were continuing APS recipients. This report focuses on new APS recipients enrolling for the first time in the fall semester, however about 4% of all new APS recipients enroll for the first time in the spring or summer semesters.

As shown in Exhibit 20 below, these 842 first-time freshmen APS recipients made up more than 25% of the incoming first-time freshmen at UA. In their first semester, the APS

recipients generally attempted more credit hours on average than non-recipients, with the recipients averaging 14.3 credit hours compared with 11.3. APS recipients are considerably less likely to need remedial coursework, 20.4% of APS recipients enrolling in remedial coursework, compared with 59.6% of the non-recipients. About one in five APS recipients took a developmental course versus three out of five non-recipients. The proportion of students in either group that require developmental coursework has remained about the same over the last three years.

APS recipients attending UA are more likely to pursue a bachelor's degree than non-recipients. As

EXHIBIT 20

UA First-Time Freshmen in Fall 2013 Taking Remedial Courses

	All First-Time Freshmen	Non-Recipients	Total APS Recipients	APS Recipients		
				Level 1	Level 2	Level 3
Total (Preliminary data)	3,191	2,349	842	434	262	146
Students Taking Remedial Courses	1,571	1,399	172	50	64	58
% of Total Headcount	49.2%	59.6%	20.4%	11.5%	24.4%	39.7%
Taking Remedial Math	1285	1,135	150	41	58	51
% of Total Headcount	40.3%	48.3%	17.8%	9.4%	22.1%	34.9%
Taking Remedial English	797	761	36	11	13	12
% of Total Headcount	25.0%	32.4%	4.3%	2.5%	5.0%	8.2%
Average Total Hours Attempted	12.1	11.3	14.3	14.7	14	13.5
Average Remedial Hours - Total	2.3	2.9	0.7	0.4	0.9	1.4
Average Remedial Hours - Math	1.2	1.5	0.6	0.3	0.7	1.1
Average Remedial Hours - English	1.0	1.3	0.1	0.1	0.2	0.3

Notes: Credit hour and headcount information is preliminary data derived from students' course enrollments, not completions, and is subject to change. Audit hours are not included. Whether a course is defined as remedial is dependent on the degree level of the student. A course that is remedial for a bachelor's degree student may not be so for a certificate-seeking student. APS-eligible students were identified by ACPE as of November 21. 167 new APS recipients were not identified as first-time freshmen and are not included in the table above.

seen in Exhibit 21 below, approximately 85% of recipients enrolled at UA from the high school graduating classes of AY12 and AY13 were enrolled as bachelor degree-seeking students within one year of graduating from high school. In comparison, only 66% of the total population of high school graduates enrolled at UA pursued a bachelor's degree within a year of completing high school. Since the numbers from AY13 do not yet include spring semester, these numbers may change in the future.

APS recipients continue to perform well after their entrance into UA. Data from the first class of APS-eligible high school graduates is shown in the top table of Exhibit 22. The 853 APS recipients in fall 2011 averaged more than 27 credits over the entirety of the 2012 academic year. This is particularly important because students who enroll in 15 credit hours per semester are more likely to stay on track to graduate

on time. The average number of credits actually increased for this cohort of students in AY13, rising to an average of almost 28 credits. This may correspond to the increased number of credit hours required to be considered a full-time student during the second year of APS receipt, from 12 hours per semester in recipients' first year to 15 hours in subsequent years.

UA has implemented a number of programs to support timely graduation by encouraging students to make conscious choices about their education, for example, the UA system's statewide Stay on Track campaign. Stay on Track urges students to do more than choose classes every semester by building a plan to get through college faster and at less cost. The campaign engages students through social media, contests, and other communication efforts and provides direct links to tools, advice from those working to graduate in four years, and

EXHIBIT 21

High School Graduates Pursuing Postsecondary Education within One Year of Graduation

	AY12		AY13	
	All	APS	All	APS
Total Degree/Certificate Seekers	2,470	914	2,093	841
Bachelor's Degree Seekers	1,631	783	1,392	712
Associate's Degree Seekers	770	117	632	110
Certificate Seekers	69	14	69	19
% Bachelor's Degree Seekers	66.0%	85.7%	66.5%	84.7%
% Associate Degree Seekers	31.2%	12.8%	30.2%	13.1%
% Certificate Seekers	2.8%	1.5%	3.3%	2.3%

Notes: High school graduates from the class of AY12 enrolled in summer 2012, fall 2012, or spring 2013. High school graduates from the class of AY13 enrolled in summer 2013 or fall 2013. Fall 2013 enrollment numbers are based on opening data. Non-degree seeking students are excluded. APS recipients are a subset of the total headcount.

suggestions for keeping one's self on track. UA's increased use of mandatory, targeted advising may also be positively impacting outcomes on this measure. UAF and UAS have mandatory advising in place; UAA does so for select student populations including APS recipients and UA Scholars.

The 984 UA students who received the APS for the first time in fall 2012 performed similarly in terms of credit hours attempted

with an average of almost 28.⁹ (See Exhibit 22, bottom table). Students with a higher award level typically attempt more credit hours. For fall 2011 recipients, those with a Level 1 award averaged 3.2 more credit hours in AY12 than those who received a Level 3, 28.9 hours compared to 25.7. This amounts to an entire extra class over the course of the year.

⁹ Note that not all of the first-time APS recipients in fall 2012 were first-time freshmen. See footnote to Exhibit 22 for more information.

EXHIBIT 22

Average Credit Hours Attempted for APS Recipient and Non-Recipient First-Time Freshmen Starting in Fall 2011

Award Level	AY12			AY13		
	Headcount	Credits Attempted	Avg. Terms Enrolled	Headcount	Credits Attempted	Avg. Terms Enrolled
Total	853	27.3	2.0	740	27.8	2.2
Level 1	281	28.9	2.0	260	30.1	2.2
Level 2	298	27.3	2.0	255	27.0	2.1
Level 3	274	25.7	2.0	224	26.1	2.1
Non-Recipient First-Time Freshmen	2,938	20.8	1.9	1,809	20.5	2

Average Credit Hours Attempted for APS Recipient and Non-Recipient First-Time Freshmen Starting in Fall 2012

Award Level	AY13		
	Headcount	Credits Attempted	Avg. Terms Enrolled
Total	984	27.6	2.0
Level 1	351	29.8	2.1
Level 2	357	27.0	2.0
Level 3	276	25.7	2.0
Non-Recipient First-Time Freshmen	2,563	20.4	1.8

Notes: APS recipient data as of November 21, 2013 and subject to change. Not all new APS recipients are first-time freshmen. In fall 2012, 116 new APS recipients were not first-time freshmen. Audit hours are not included. AY12 is summer 2011, fall 2011, and spring 2012. AY13 is summer 2012, fall 2012, and spring 2013.

PERSISTENCE OF FALL 2011 COHORT

Enrollment Status in AY13 (Any Semester)					
First-time APS Recipients in Fall 2011	Enrolled, Receiving APS	Enrolled, No Longer Receiving APS	Total Enrolled Any Time AY13	% Not Enrolled	% Graduated with any Degree
All APS Recipients, Fall 2011	71.5%	15.1%	86.6%	13.2%	0.1%
Pursuing Bachelor's Degree (84.3% of recipients)	72.7%	14.5%	87.2%	12.8%	0.0%
Pursuing Associate Degree/Certificate (15.7% of recipients)	64.9%	18.7%	83.6%	15.7%	0.7%
Non-Recipient First-Time Freshmen Enrolled Fall 2011			% Enrolled Non-Eligible	% Not Enrolled	% Graduated with any Degree
Total			61.6%	37.9%	0.5%
Pursuing Bachelor's Degree (46.3% of enrolled)			69.6%	30.4%	0.0%
Pursuing Associate Degree/Certificate (53.7% of enrolled)			54.8%	44.4%	0.9%

Enrollment Status in Fall 2013 (Preliminary AY14)					
First-time APS Recipients in Fall 2011	Enrolled, Receiving APS	Enrolled, No Longer Receiving APS	Total Enrolled Fall 2013	% Not Enrolled	% Graduated with any Degree
All APS Recipients, Fall 2011	50.8%	18.9%	69.6%	29.1%	1.3%
Pursuing Bachelor's Degree (84.3% of recipients)	54.0%	19.3%	73.3%	26.3%	0.4%
Pursuing Associate Degree/Certificate (15.7% of recipients)	33.6%	16.4%	50.0%	44.0%	6.0%
Non-Recipient First-Time Freshmen Enrolled Fall 2011			% Enrolled Non-Eligible	% Not Enrolled	% Graduated with any Degree
Total			38.3%	59.3%	2.4%
Pursuing Bachelor's Degree (46.3% of enrolled)			47.4%	52.1%	0.6%
Pursuing Associate Degree/Certificate (53.7% of enrolled)			30.5%	65.5%	4.0%

Notes: FY13 is defined as summer 2012, fall 2012, and spring 2013. FY14 is defined as summer 2013, fall 2013 and spring 2014. Fall data for FY14 is preliminary. New APS recipients who are not first-time freshmen are included. APS recipient data as of November 21, 2013. In Fall 2011, UA officially reported 854 new APS recipients, and in Fall 2012, UA officially reported 994 new APS recipients.

Finally, APS recipients are more likely to persist at UA, i.e. enroll at least one semester each year. Of the 853 fall 2011 recipients, almost 87% of them were enrolled at UA during AY13, with 71.5% maintaining continuing scholarship eligibility. (See Exhibit 23.) Almost 70% of the original cohort persisted to fall 2013, though for the entire academic year this number will likely increase since spring is not yet included. The fall 2012 cohort also showed a strong level of persistence with more than 81% of the students retained for AY14, though this number will likely increase once APS funds are awarded for the spring semester. In comparison, the retention rates for non-recipient first-time freshmen are more than 25 percentage

points less than the APS recipients after one year at only 55%.

Research shows that University of Alaska students who receive multi-year, larger dollar scholarship awards are more likely to graduate than students who receive smaller, sporadic awards over time, or no scholarship support. This relationship is true for students who are prepared for college as well as those who need to take developmental coursework. However the impact of multi-year, larger dollar scholarships on likelihood of timely graduation is greater for those who are better prepared for college.¹⁰

¹⁰ University of Alaska search study “Modeling Likelihood of Student Success Using Financial Aid Support with Student GPA and Preparedness” at www.alaska.edu/files/swbir/Thesis_summary_expanded.pdf

EXHIBIT 23
CONTINUED

College Persistence of Students Entering in Fall 2011 and Fall 2012

PERSISTENCE OF FALL 2012 COHORT

Enrollment Status in Fall 2013 (Preliminary AY14)					
First-time APS Recipients in Fall 2012	Enrolled, Receiving APS	Enrolled, No Longer Receiving APS	Total Enrolled Fall 2013	% Not Enrolled	% Graduated with any Degree
Total APS	67.2%	14.5%	81.7%	18.1%	0.2%
Pursuing Bachelor’s Degree (85.8% of recipients)	68.8%	14.2%	83.1%	16.9%	0.0%
Pursuing Associate Degree/ Certificate (14.2% of recipients)	57.1%	16.4%	73.6%	25.0%	1.4%
Non-Recipient First-Time Freshmen Enrolled Fall 2012			% Enrolled Non-Eligible	% Not Enrolled	% Graduated with any Degree
Total			54.5%	44.3%	1.2%
Pursuing Bachelor’s Degree (46.4% of enrolled)			63.9%	36.0%	0.1%
Pursuing Associate Degree/ Certificate (53.6% of enrolled)			46.4%	51.5%	2.1%

Source: Data supplied by UA Universities via UA Information Systems: UA Decision Support Database (DSD), Fall 2011-2012 Closing and Opening 2013. Compiled by UA Institutional Research & Analysis

APS RECIPIENTS' EMPLOYMENT AND EARNING PATTERNS

The APS appears to be influencing students' behaviors in secondary school, as demonstrated by consistent and slightly increasing levels of the percentage of students meeting the scholarship's more difficult eligibility criteria. Eligible students are also proving to be better prepared in their postsecondary pursuits, requiring less remediation, taking and passing more credit hours each semester, and persisting with their studies at higher rates than their non-eligible peers.

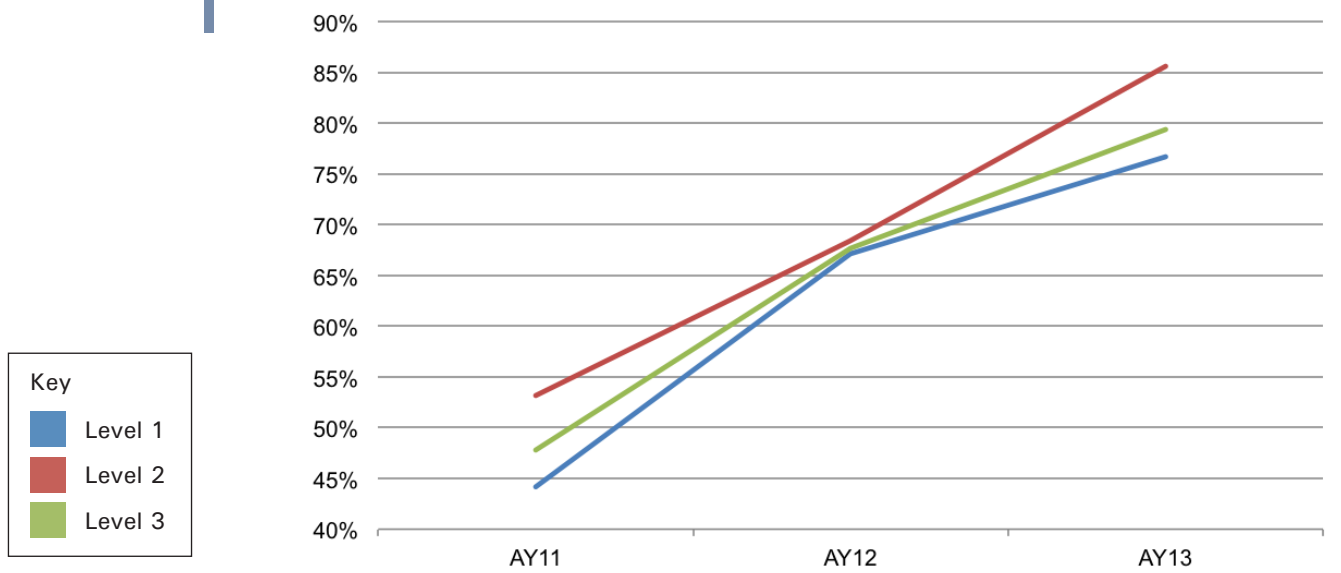
However, one important aspect of recipients' performance still remains to be measured: their transition into the workforce and ultimate success after completing their degrees and certificates. And, it is still too early to measure whether recipients eventually achieve that success. With most recipients pursuing bachelor's degrees, and the potential that students' six years of eligibility after high school will urge some to pursue advanced degrees, we are still several years away from measuring recipients' post-graduation success.

In last year's APS Outcomes Report, the Department of Labor and Workforce Development compiled data that provided insights into AY11 eligible graduates' employment and earnings experiences in high school and their first year of postsecondary school.

Data for AY12 graduates show similar patterns to last year's – about one-half of APS-eligible high school graduates worked at some time during their junior year, increasing to about two-thirds of AY12 graduates during their senior year. (See Exhibit 24.) In AY13, the first year of their postsecondary studies, those percentages rose again, though Level 1 recipients were less likely to have worked than were Level 2 or Level 3 recipients.

EXHIBIT 24

AY12 High School Graduates Receiving APS Award in Fall 2013, Percentage Working at Any Time During Academic Year, by Award Level



Last year we saw a distinct pattern in the percentages of AY11 graduate recipients working at any time during a year: the more a student eventually received in APS funds, the less likely they were to have worked in high school, and that pattern continued into their first year at a postsecondary institution. That same pattern did not hold true for AY12 graduates. Those receiving the largest amount of scholarship funds were

still less likely to be employed during both their high school and postsecondary years. (See Exhibit 25.) However, those receiving the second highest amount were the ones most likely to be employed in both their junior year and their first year at a postsecondary institution.

Two other trends seen in the employment and earning patterns of AY11 graduates were again

EXHIBIT 25

AY12 High School Graduates Receiving APS Award In Fall 2013, Percentage Working at Any Time During Academic Year, By Award Amounts

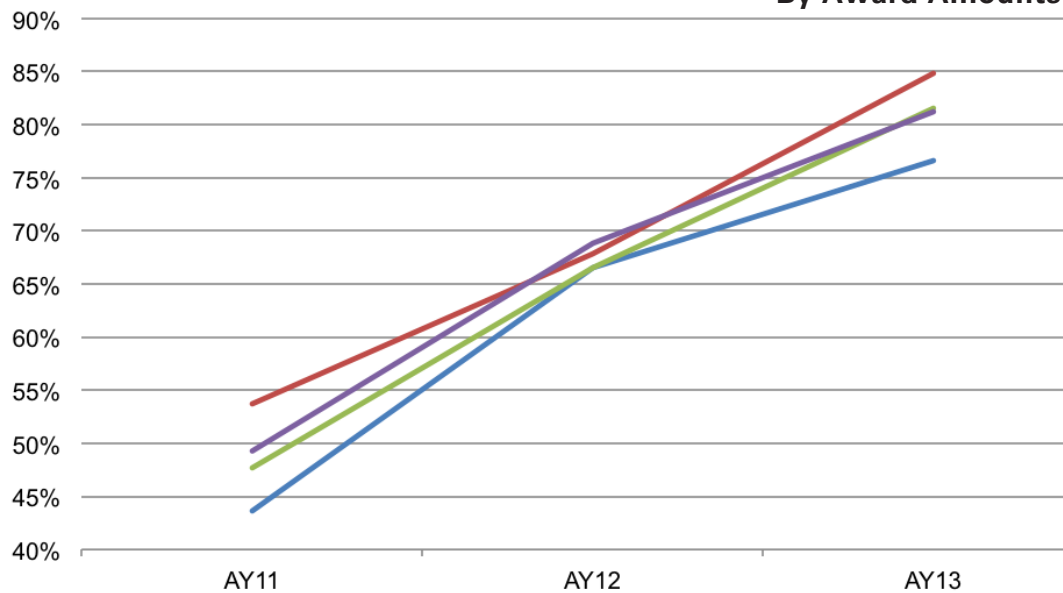
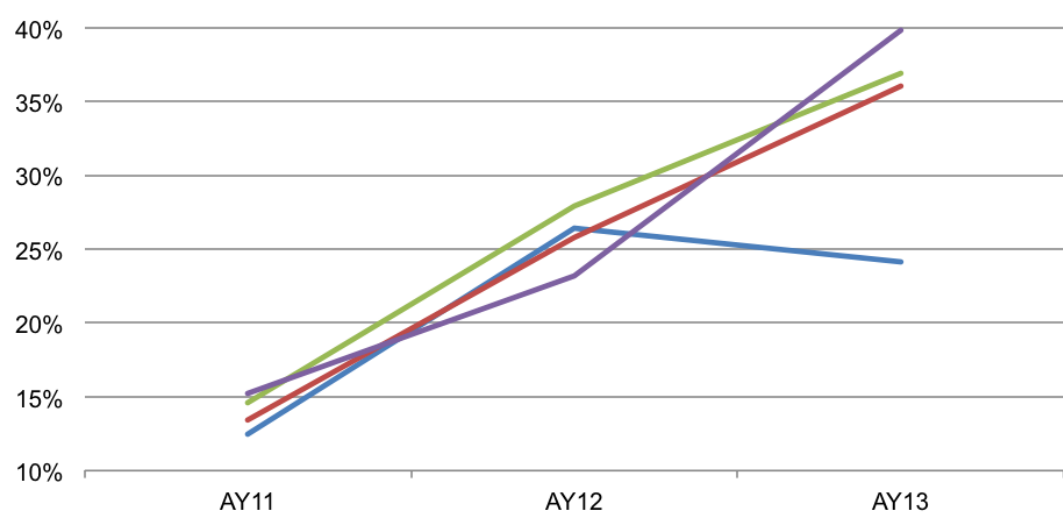


EXHIBIT 26

AY12 High School Graduates Receiving APS Award In Fall 2013, Percentage Working in Four Quarters During Academic Year, By Award Amounts

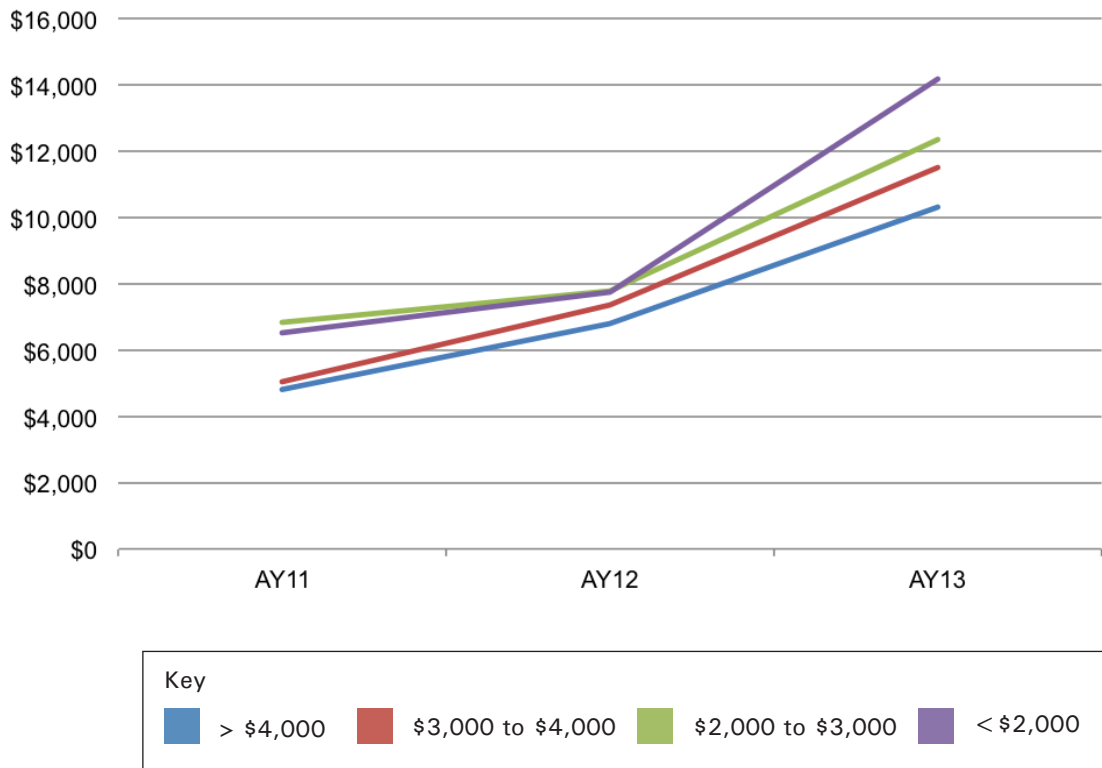


evident for AY12 graduates. Graduates receiving the greatest amount of scholarship funds were less likely to work in all four quarters during their first year of postsecondary studies, and those receiving the least amount were the ones most likely to have worked in all four quarters as shown in Exhibit 26. Also, the average earnings of recipients, an indicator of the number of hours recipients were working, was nearly 40% higher for graduates receiving less than \$2,000 compared to those receiving more than \$4,000 in scholarship funds. (See Exhibit 27.)

We will not be able to determine how wages of APS recipients compare to non-recipients until after they complete their postsecondary education and enter the workforce. However, this early wage record analysis indicates that receipt of the scholarship, and receipt of larger award amounts, does affect students' attachment to the workforce based on differences in average earnings and in the percentages working in all four quarters of the year. This may allow those recipients to focus more of their efforts toward their studies and less on working to pay for school.

EXHIBIT 27

AY12 High School Graduates Receiving APS Award In Fall 2013, Average Earnings for Those Working in Four Quarters During Academic Year, By Award Amounts



CONCLUSION

The pursuit of a degree requires a commitment of both time and money. While the APS is designed to encourage timely credential completion, it is still too soon to fully evaluate impact on timely completions. However, with the first class of APS-eligible graduates entering their third year of postsecondary studies, we are better able to measure how receipt of the scholarship may be affecting their progress toward their degree.

Eligible graduates from the classes of AY11 and AY12 have shown they were well-prepared to pursue a degree through important measures such as persistence, credit hours attempted and earned, and reduced need for remediation as compared to their non-eligible peers. High school graduates from the class of AY13 are expected to perform similarly, and those most recent graduates at the highest award level – students who have traditionally been most likely to pursue postsecondary studies – are becoming likely to do so in Alaska as compared to attending an out-of-state institution.

Receipt of the APS also appears to allow students to focus more time on their studies and less time on working to pay for school. As the APS amount increases, the percentage of recipients found in the workforce declines. And, for those recipients who do still work, their average earnings (and most likely the number of hours they work) decline as the scholarship amount increases.

APPENDIX A

Data Sources for the 2014 APS Outcomes Report

Information on high school graduates is available from several sources. EED maintains information on public school students in its K-12 data system, which is the primary source for information on socioeconomic and demographic information on APS-eligible public school students, and allows for comparing those eligible students to the student body as a whole. The EED public school graduates' data can be considered to be in its final form, with only minor updates or changes expected.

Private and home schooled high school graduates must apply for the APS through EED, and must provide evidence of having met the academic requirements to receive the scholarship. However, since not all private and home schooled students are required to provide information to EED, and their APS applications contain very little demographic and no socioeconomic information, we cannot compare the APS-eligible private and home schooled graduates to all non-public school students in the state. For that reason, several tables and charts presented in this report represent only public school graduates.

For students pursuing postsecondary education at one of the University of Alaska campuses, UA's student information system is the primary source of information about their progress toward attaining their degree or certificate. Incorporating the information on Alaska high school graduates provided by EED, the Institutional Research & Analysis (IRA) unit at UA provided characteristics of APS-eligible students, including findings on enrollments for students attending any UA school. Data included in this report was collected early in the fall semester, and will change once complete semester data becomes available.

DOLWD is able to link its labor force and wage data to high school and postsecondary graduates, a capability that provides valuable information on the effects of the APS. While it is well-documented that total lifetime earnings are closely tied to education, APS recipients are still only marginally attached to the workforce. At this time, the benefits of receiving APS funds are more likely associated with the students' abilities to focus their time and attention on their studies, versus having to earn an income in order to afford postsecondary education. Though it is still too soon to be certain how receipt of the APS affects students' labor force participation, some preliminary data is available for prior years' APS recipients and is presented in this report.

ACPE collects information on those students who complete the Free Application for Federal Student Aid (FAFSA), and collects additional information on students receiving the APS, as well as students receiving other grants and loans it administers. ACPE also contracts with the National Student Clearinghouse (NSC) to receive information on Alaska students and their pursuit of postsecondary education, either in or outside the state¹¹.

By combining the data available from these different sources, this third annual report provides additional information to create a profile of the state's most recent graduates, of APS-eligible students, and of APS recipients.

¹¹ NSC reports that it receives enrollment data on 98% of all U.S. higher education students from 3,500 postsecondary institutions. NSC is more likely to miss students in smaller schools and those pursuing certificates and vocational licenses. For Alaska, the NSC database contains information only from the UA system and Alaska Pacific University. Slight errors may occur with the algorithm to match students, which may result in reports not being consistently equal.

APPENDIX B

Determining APS Eligibility

For the high school graduating class of 2013, a student becomes eligible for the APS by:

maintaining a minimum high school GPA of 2.5 or higher;

achieving a minimum score on either the ACT or SAT college entrance exams to be eligible for a collegiate award, or achieving a minimum score on the WorkKeys examination to be eligible for a CTE award; and

completing one of the following rigorous core curriculum:

- completing four units each of language arts, social studies, mathematics and science,
- or completing four units of language arts and social studies, three units each of mathematics and science, and two units of world language

The APS rigorous curriculum is being phased in to give school districts time, if needed, to incorporate changes to meet the new requirements. Therefore curriculum requirements for the classes of 2011 and 2012 were less rigorous than ultimately established by the APS legislation. In 2013, to become eligible, all students must complete the APS requirements defined above.

If students met the rigorous curriculum requirements, their GPA and college entrance and standardized test scores were used to determine their APS award level and maximum scholarship amount. (See Exhibit B1.) A student is eligible only for the lowest award level based on their GPA and test scores. For example, consider a student with an SAT score of 1710 and a GPA of 2.6. Although the SAT score alone aligns with an APS Level 1 award, eligibility is determined based on the combination of score and GPA. In this example, the lower GPA drops the student's eligibility to a Level 3.

The type of standardized test the student takes affects the award type for which they are eligible. Scores from the two college entrance exams, the SAT and the ACT, can be used to determine a student's eligibility for both a collegiate award and a career/vocational award. In the example above, the student would be eligible to pursue either a degree or a certificate or vocational license and receive a Level 3 award. However, the WorkKeys test scores alone only can result in eligibility for a scholarship to pursue a certificate or vocational program. WorkKeys scores will not qualify a student for a collegiate award. To become eligible for a collegiate award, the student would need to take a college entrance exam.

APS Award Levels and Minimum Requirements

APS Award Level	Minimum GPA	Minimum Standardized Test Scores (only one test required)			Award Amounts
		Collegiate & Career/ Technical		Career/Technical Only	
		SAT	ACT	WorkKeys	
Level 1	3.5	1680	25	Combined score of	\$ 4,755
Level 2	3.0	1560	23	13 or higher, with	\$ 3,566
Level 3	2.5	1450	21	no score below 4	\$ 2,378

EXHIBIT B1

RECEIVING THE SCHOLARSHIP

To actually receive the APS, a student must:

submit a FAFSA or an approved alternative application no later than June 30 for the following academic year¹²;

enroll in a qualified postsecondary program at one of the 27 participating institutions, or pursue an approved certificate or vocational licensure program at one of six CTE institutions in the state;

enroll in:

at least 12 credit hours for each semester (total of 24 per academic year) to receive the full amount of their APS award during their freshman year, and 15 credit hours each semester (total of 30 per academic year) in subsequent years; or

at least 6 credit hours to receive a half-time award¹³; or

a qualifying clock-hour CTE program.

have an unmet cost of attendance¹⁴ of \$500 or more.

¹² For AY12 graduates, the FAFSA and alternative application deadlines were extended to December 15, 2012, because of the availability of funding to provide additional scholarships after the June 30 filing deadline. For AY13 graduates, the application deadline was extended to December 13, 2013.

¹³ Students pursuing graduate degrees have lower credit hour limit requirements.

¹⁴ The cost of attendance includes tuition, fees, books, required tools and supplies, room, board and transportation. To determine qualifying unmet cost of attendance, this amount is reduced by all other non-loan aid (scholarships, grants, etc.). If the unmet cost of attendance is less than \$500, a student does not receive any APS funds. If the unmet cost of attendance is greater than \$500 but less than the available APS award amount, the student receives up to the amount of the unmet cost of attendance.

APPENDIX C

Participating Institutions and Programs of Study

The following Alaska Postsecondary Institutions are approved to participate in the Alaska Performance Scholarship (APS) Program for the 2013-2014 academic year.

Generally, at regionally and nationally accredited institutions, a program resulting in a certificate, associate degree, bachelor's degree or higher is approved for the APS, with rare exceptions. This includes CTE programs offered at those institutions. Programs at CTE institutions are individually evaluated and approved for the APS. The list of approved programs at such institutions is included on page 34.

Regionally Accredited Institutions:	Website	Telephone Number
Alaska Bible College	www.akbible.edu	907-822-3201
Alaska Career College	www.alaskacareercollege.edu	907-563-7575
Alaska Christian College	www.akcc.org	907-260-7422
Alaska Pacific University	www.alaskapacific.edu	907-564-8342
Bristol Bay Campus-UAF	www.uaf.edu/bbc	800-478-5109
Charter College	www.chartercollege.edu	907-277-1000 Anchorage 907-352-1000 Wasilla
Chukchi Campus-UAF	www.uaf.edu/chukchi/	800-478-3402
Ilisagvik College	www.ilisagvik.edu	907-852-3333
Interior-Aleutians Campus-UAF	www.iac.uaf.edu	888-474-5207
Kenai Peninsula College-UAA	www.kpc.alaska.edu	907-262-0300
Ketchikan Campus-UAS	www.ketch.alaska.edu	907-225-6177
Kodiak College-UAA	www.koc.alaska.edu	907-486-4161
Kuskokwim Campus-UAF	www.bethel.uaf.edu/	800-478-5822
Matanuska-Susitna College-UAA	www.matsu.alaska.edu	907-745-9774
Northwest Campus-UAF	www.nwc.uaf.edu	907-478-2202
Prince William Sound Community College	www.pwsc.edu	907-834-1600
Sitka Campus-UAS	www.uas.alaska.edu	907-747-6653
UAF Community & Technical College	www.ctc.uaf.edu	877-882-8827
University of Alaska Anchorage	www.uaa.alaska.edu	907-786-1800
University of Alaska Fairbanks	www.uaf.edu	907-474-7211
University of Alaska Southeast-Juneau Campus	www.uas.alaska.edu	907-796-6457
Wayland Baptist University- Anchorage Campus	www.wbu.edu/colleges-in-anchorage	907-333-2277
Wayland Baptist University-Anchorage Ft. Richardson Army Post Site	www.wbu.edu/colleges-in-anchorage	907-428-1496
Wayland Baptist University- Eielson Air Force Base	www.wbu.edu/colleges-in-fairbanks	907-377-4398
Wayland Baptist University- Elmendorf Air Force Base	www.wbu.edu/colleges-in-anchorage	907-753-6416
Wayland Baptist University- Fort Wainwright	www.wbu.edu/colleges-in-fairbanks	907-356-2403
Wayland Baptist University-Wasilla Center (Valley Center)	www.wbu.edu/colleges-in-anchorage	907-373-4828

CTE Institutions	Website & Telephone Number	Approved Programs
Alaska Technical Center*	www.nwarctic.org/atc 907-442-3733	Administrative Assistant Millwright Maintenance Construction Technology Training Half-time Eligible Programs: Personal Care Attendant Certified Nursing Assistant
Amundsen Educational Center*	www.aecak.org 907-260-8041	Professional Medical Coding Professional Medical Coding (Residential)
AVTEC	www.avtec.edu 907-224-3322	Associate of Applied Science Nursing (Degree Program) Business and Office Technology Combination Welding Diesel/Heavy Equipment Technology Facility Maintenance Construction Facility Maintenance Mechanical Industrial Electricity Information Technology Plumbing and Heating Practical Nurse Professional Cooking and Baking Pipe Welding Structural Welding Qualified Member of the Engine Department (QMED) Oiler Half-time Eligible Programs: Nursing Assistant Master Not More than 200 Tons
Galena City School District Postsecondary Adult Programs*	postsec.galenaalaska.org 907-565-1205	Hairdressing (Full-time and Half-time eligible)
Northern Industrial Training*	www.nitalaska.com 907-357-6400	Half-time Eligible Programs: CET Heavy Equipment/ Truck Driver (CDL) NCCER Electrical Level I Program NCCER Pipefitting Program Professional Truck Driver Institute (PTDI) Truck Driver Program NCCER Welding Level I Program
Trend Setters	www.trendsettersAK.com 907-274-7150	Hairdressing

* Non-Title IV school. The Alternative Application is required for attendance at institutions that do not participate in Title IV federal aid programs because they are not eligible to receive FAFSA information.

APPENDIX D

**AY13 Alaska
Public
High School
Graduates
Attending
Postsecondary
Education
by State Where
Enrolled**

Headcount of Students Attending Outside Alaska By State and APS Award Levels					
State	Not Eligible	Level 1	Level 2	Level 3	Total
WA	59	81	30	15	185
OR	59	53	18	9	139
CO	36	49	18	11	114
AZ	38	29	31	7	105
CA	38	41	10	5	94
ID	24	29	12	4	69
MT	12	32	15	4	63
TX	25	13	5	5	48
MN	14	10	11	9	44
UT	23	11	4	4	42
NY	11	16	1	2	30
PA	11	10	1	5	27
NV	15	4	5		24
FL	13	4	2	2	21
MO	9	8	3	1	21
IL	7	6		3	16
MI	5	8	3		16
WY	7	4	4	1	16
AL	7	4	4		15
HI	8	3	3	1	15
MA	1	14			15
ND	7	5		2	14
NM	9	2		3	14
NC	6	6	1		13
OH	2	6	3	2	13
WI	6	5	1	1	13
GA	2	7	1	2	12
OK	7	4	1		12
VA	5	6	1		12
SD	4	1	3	2	10
Other - 19	37	42	12	11	102
Total	507	513	203	111	1334

Glossary¹⁵

Academic Year: A period of time schools use to measure a quantity of study. Academic years can vary from school to school and even from educational program to educational program at the same school, but for the Alaska Performance Scholarship the academic year begins on July 1st of any given year, and runs through June 30th. For example, the 2014 academic year (AY14) began on July 1, 2013 and runs through June 30, 2014.

Alaska Performance Scholarship (APS): The state's merit-based financial aid program, providing assistance to Alaska's high school graduates from the class of AY11 and more recent who met certain academic performance measures and who are attending qualifying postsecondary educational institutions in Alaska.

CTE Award: Funds provided to APS-eligible students to pursue a certificate at a participating institution. Graduates can become eligible for CTE awards based either on their SAT/ACT college entrance exam scores or their WorkKeys scores and GPA.

Certification (of student roster data): Certification is a process where a postsecondary institution verifies the data reported on a student's FAFSA, and confirms that the student has qualifying enrollment and unmet costs of attendance at that school.

Collegiate Award: Funds provide to APS-eligible students to pursue a degree, either a bachelor's or an associate, at a participating institution. Graduates become eligible for collegiate awards based on their SAT/ACT college entrance exam scores.

Costs of Attendance: For purposes of the APS, Alaska Administrative Code defines costs of attendance as the tuition, fees, books, required tools and supplies, room and board and transportation costs required to attend a participating postsecondary institution, in accordance with the standard budgets published by the institution. Costs differ based on students' dependency status, with independent students normally having higher calculated costs based on living off campus.

Dependency Status (Independent / Dependent): Federal financial aid regulations define an independent student as one of the following: at least 24 years old, married, a graduate or professional student, a veteran, a member of the armed forces, an orphan, a ward of the court, or someone with legal dependents other than a spouse. Independent students do not include their parents' income and asset information on their FAFSAs. A student who does not meet any of the criteria for an independent student is considered to be dependent. Dependent students are required to provide parent income and asset information on their FAFSAs.

¹⁵ Some definitions provided by the U.S. Department of Education, available at <http://studentaid.ed.gov/PORTALSWebApp/students/english/Glossary.jsp>, and by "FinAid! The SmartStudent Guide to Financial Aid," available at www.finaid.org.

Economically Disadvantaged: Information on economically disadvantaged/low income students is reported by school districts to the Alaska Department of Education & Early Development. Students are considered economically disadvantaged if they are eligible during any portion of the reporting period for free or reduced-price school meals under the department's Alaska Income Eligibility Guidelines for Free and Reduced Meals program.

Enrollment Status (full time, half time): For undergraduates, "full time" requires taking at least 12 credit hours during the recipient's first two semesters of the scholarship, and at least 15 hours per semester in subsequent semesters. "Half time" requires taking at least 6 credit hours in a semester during the first two semesters, then 7.5 hours in subsequent semesters. For graduate students, full time requires 10 credit hours, and 5 for half time. Students pursuing a certificate are considered: full time if attending 30 clock hours a week for at least 12 weeks; or, half time if attending 15 clock hours a week for at least six weeks.

Family Educational Rights and Privacy Act (FERPA): FERPA (20 U.S.C. § 1232g; 34 CFR Part 99) is a Federal law that protects the privacy of student education records. The law applies to all schools that receive funds under an applicable program of the U.S. Department of Education. FERPA gives parents certain rights with respect to their children's education records. These rights transfer to the student when he or she reaches the age of 18 or attends a school beyond the high school level. Students to whom the rights have transferred are "eligible students."

Free Application for Federal Student Aid, or FAFSA: Federal form used to apply for federal need-based aid, such as Pell Grants, federal student loans, and many state grants. Submitting a FAFSA by June 30th is one of the requirements for a student to receive an APS award, though the application date has been extended in past years.

National Student Clearinghouse (NSC): NSC is a non-profit organization that collects and stores students' enrollment and transcript data for more than 3,500 colleges and universities. NSC data allows us to determine how many students attended an out-of-state postsecondary institution.

Unmet Costs of Attendance: The student's costs of attendance minus all other non-loan and non-self-help aid for which a student is eligible. Non-loan aid includes UA Scholars awards, state and federal grants and other scholarships. The expected family contribution (EFC) identified on completion of the FAFSA is considered self-help and does not impact the Alaska Performance Scholarship amount a student may receive.

ACKNOWLEDGEMENTS

The Alaska Performance Scholarship Outcomes Report would not have been possible without the considerable efforts of staff in the research sections at each of the four partnering agencies. ACPE would like to acknowledge the following agencies and staff, and thank them for their contributions to this, the 2014 Alaska Performance Scholarship Outcomes Report.

ALASKA DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT'S ASSESSMENT, ACCOUNTABILITY & INFORMATION MANAGEMENT

Erik McCormick, Director
Shari Paul, APS Program Coordinator
Brian Laurent, Research Analyst
Eric Caldwell, Research Analyst

UNIVERSITY OF ALASKA'S SYSTEMWIDE INSTITUTIONAL RESEARCH & ANALYSIS

Gwendolyn Gruenig, Associate VP
Stephanie Virgo, Sponsored Programs Analyst

ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT'S RESEARCH & ANALYSIS SECTION

Rob Kreiger, State Programs Supervisor
Yuancie Lee, State Programs Economist

For more information about the Alaska Performance Scholarship,
or to contact ACPE, visit:

APS.alaska.gov



MISSION STATEMENT: Deliver outcomes information to Alaska stakeholders to assess, evaluate and improve the state's education and career development spectrum.