



Oregon State
University

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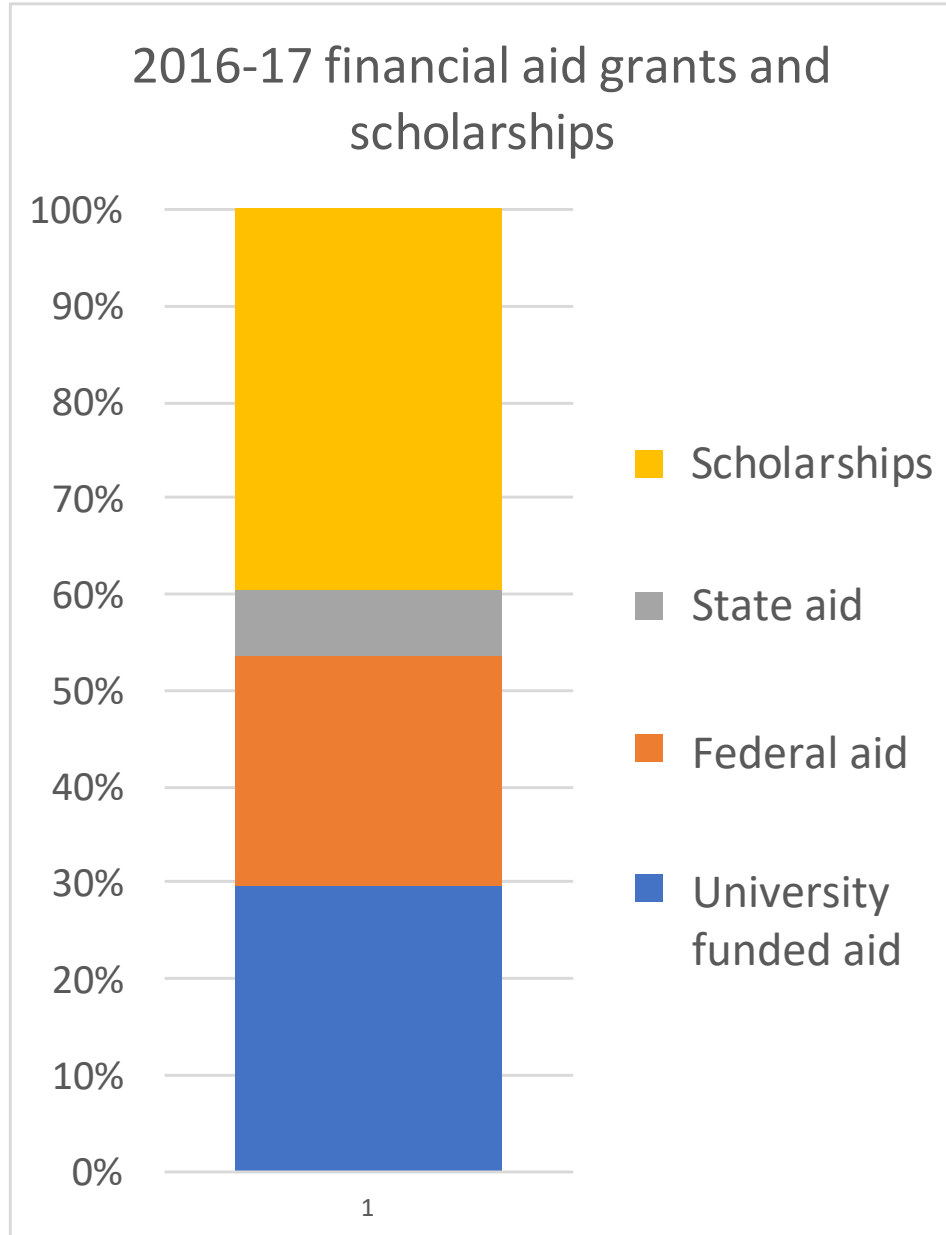
Financial Aid Trends and Long-term Strategies



Overview

- **Some brief background**
 - How much financial aid does OSU award?
 - How much does the state contribute in financial aid?
 - What is OSU's current distribution of financial aid?
- **Key questions**
 - What should Oregon State's financial aid goals be?
 - What is an appropriate balance between need-based and merit-based financial aid?
 - How do these responses inform an overall financial strategy?
- **Discussion**

Financial Aid overall



In 2016-17, OSU awarded \$127 million in grant and scholarship awards.

Institutional aid and private scholarship aid are growing much more rapidly than governmental aid. (*This doesn't include federal loans administered by OSU, or private loans.*)

How much does the state contribute in financial aid?

Public investment

- Has grown by 47% since 2012
- \$5,959 per full-time equivalent student in Oregon vs. U.S. average of \$7,642 per student

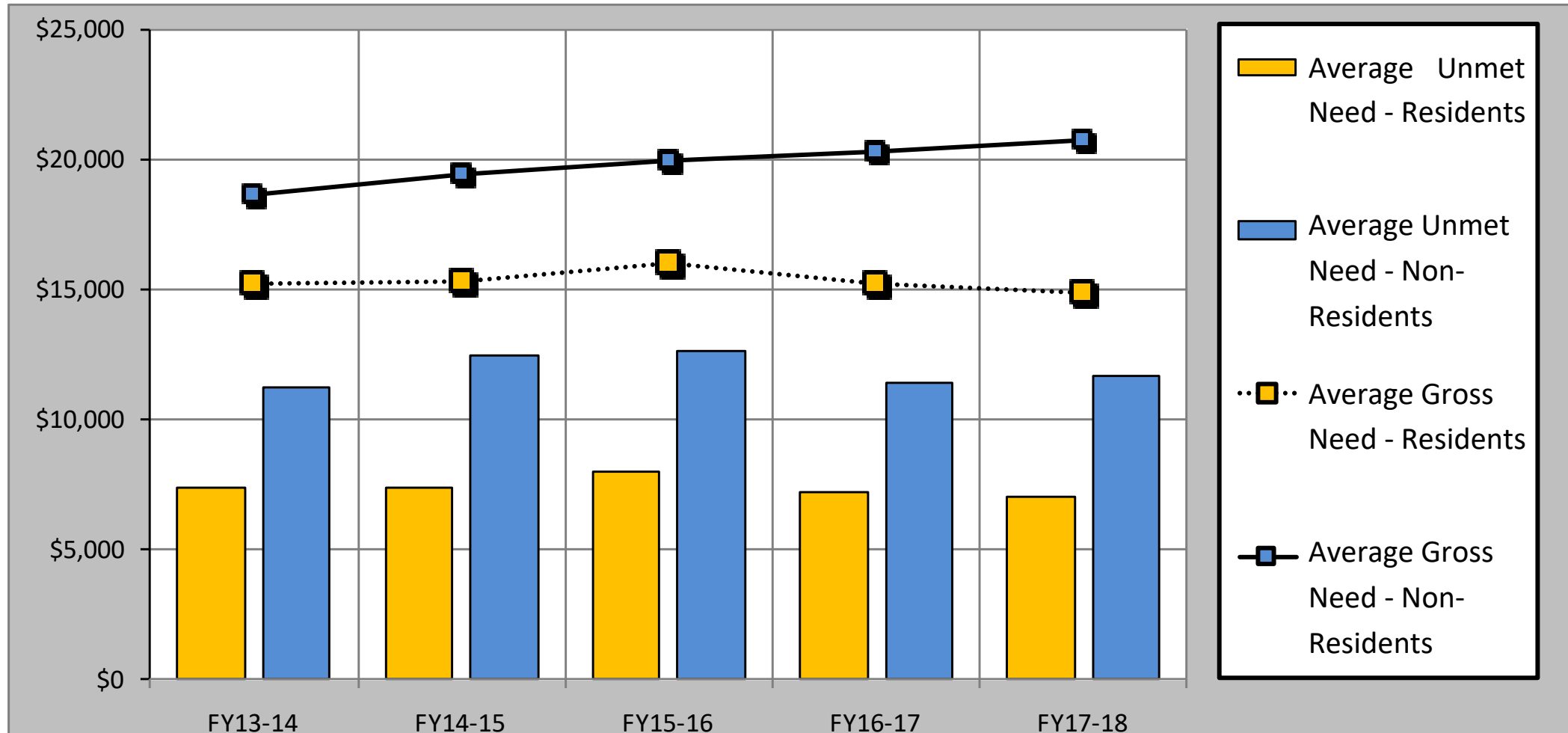
State financial aid

- Has grown by 39% since 2008
- \$549 per full-time equivalent student in Oregon vs. the U.S. average of \$683

For Fiscal Year 2017 from <http://www.sheeo.org/shef>

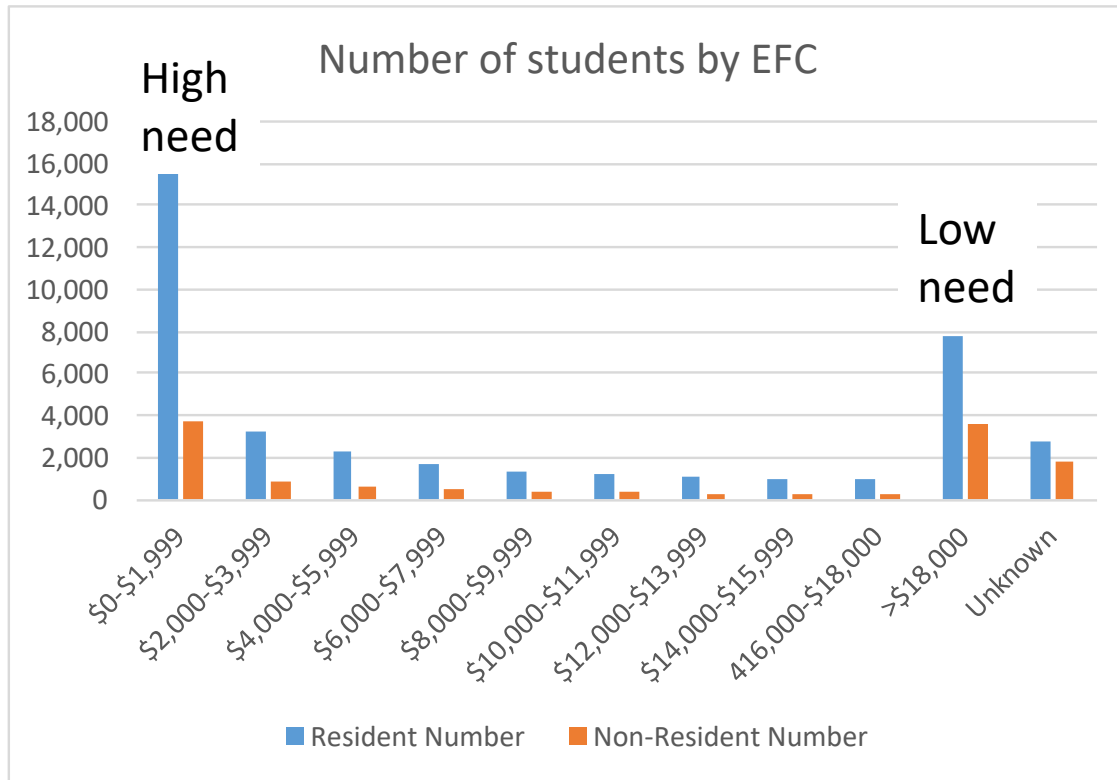
What does OSU's unmet financial need look like?

Note: Cost of attendance is about \$26,000 for resident undergraduate students; \$45,000 for non-residents.



Current mix of merit and need-based grant aid?

OSU's undergraduate students have a bimodal distribution of need (as measured by Expected Family Contribution or EFC):



Undergraduate student mix of merit and need-based aid by source of grant or scholarship aid:

	Merit	Need
Institutional waiver	31%	69%
Scholarship aid	31%	69%
Federal grants	0%	100%
State grants	0%	100%

What is the debt profile for OSU graduates?

For undergraduate students graduating in 2016-17, who started OSU as freshmen:

- Graduates starting as true freshmen: 2,814
- With debt at graduation: 1,611 or 57%
- Without debt at graduation: 1,203 or 43%
- Average level of indebtedness upon graduation: \$26,134
- Median level of indebtedness upon graduation: \$24,742
 - Median family income in Oregon in 2015 was \$54,018 (U.S. average \$55,775)
 - Nationally, high student debt (over \$40,000) is more characteristic of graduate and professional students (43%) than undergraduates (10%)
 - In 2012, 73% of students at private for-profit colleges and universities borrowed vs. 51% at public four-year universities
 - Average per student borrowing was 41% higher for students in private for-profit colleges than those at four-year public universities

Key questions:

- **What are OSU's financial aid goals?**
 - Attendance is free?
 - All unmet need met? An average % of unmet need met?
 - Some level of debt assumed or appropriate?
 - How to weigh trade-offs with other needs?
- **What is the right mix of merit versus need-based financial aid?**
 - How important are the goals of access, affordability, and increasing the number of high-achieving students who choose OSU?
 - Where should financial aid resources be focused to meet those goals?
- **What should OSU's financial aid strategy be going forward?**
 - Goals for various types of financial aid?
 - Timelines for change?
 - What else does the Board need to inform a policy decision?

Discussion and questions?