



2017 Financial Aid Report

Presentation
Committee on Administration & Finance
April 2017

Agenda

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- Financial Aid Overview
- UMass Investments in Financial Aid
- Students Receiving Financial Aid
- Financial Literacy and Student Debt
- Enrollment Management: Financial Aid Tool
- Regional Comparisons
- Appendix - Campus specific metrics

Highlights

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- ❑ FY16 total financial aid expenditures from all sources of funds increased 3.9% to **\$851 million**
- ❑ University Funded Aid:
 - University funded aid is 30% of the total financial aid to students and is primarily scholarships and grants.
 - **University funded aid totaled \$260.1M** in FY16 which represents 10% growth over FY15
 - **Projected to grow another 19.5% to \$311M** for FY17 from additional investments and the new treatment of tuition credits post tuition retention
 - Historic investment in financial aid over the past decade has grown University aid by over \$189.4 million or 268%.
- ❑ Federal aid, representing 50% of total available aid, decreased slightly in FY16; federally funded aid is provided mainly through loan programs.
- ❑ State aid increased slightly and represents 7% of available aid to students.
- ❑ Average percentage of Undergraduates graduating with debt declined 3% in FY16 and the University continues to invest in financial literacy across all campuses.

Sources and Categories of Financial Aid

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- ❑ Financial Aid is inherently a complex subject due to the various potential sources of aid provided to students:
 - ❑ Federal government
 - ❑ State
 - ❑ UMass
 - ❑ Private Non-Profits
 - ❑ Banks and Financial Institutions

- ❑ Financial Aid generally falls into the following categories:
 - ❑ Need Based Financial Aid - Awarded when a student demonstrates financial need based on completing the Free Application for Student Aid (FAFSA).
 - ❑ Non-Need-Based Financial Aid / Merit Aid - Awarded when a student meets certain eligibility requirements other than financial need (note: while this category is not constrained to students with demonstrated need, awards are made that address need).

The University and the Federal Government are the Largest Sources of UMass Student Aid

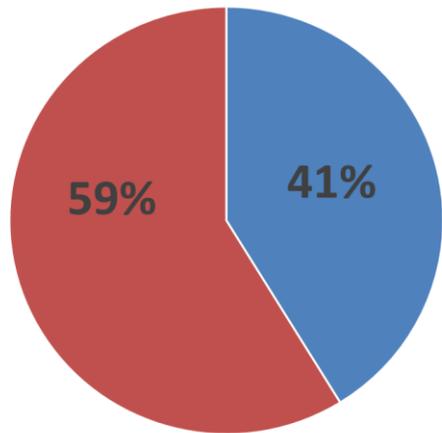


Categories of Aid (Need and Non-Need) From All Sources

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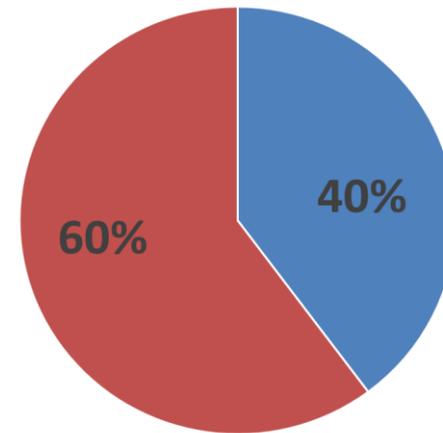
- The category of need based aid from all sources has remained relatively consistent at 40% of total aid from FY13 to FY16

FY2013
Total : \$786 Million



■ TOTAL NEED ■ TOTAL NON-NEED

FY2016
Total : \$851 Million



■ TOTAL NEED ■ TOTAL NON-NEED

Types of Aid

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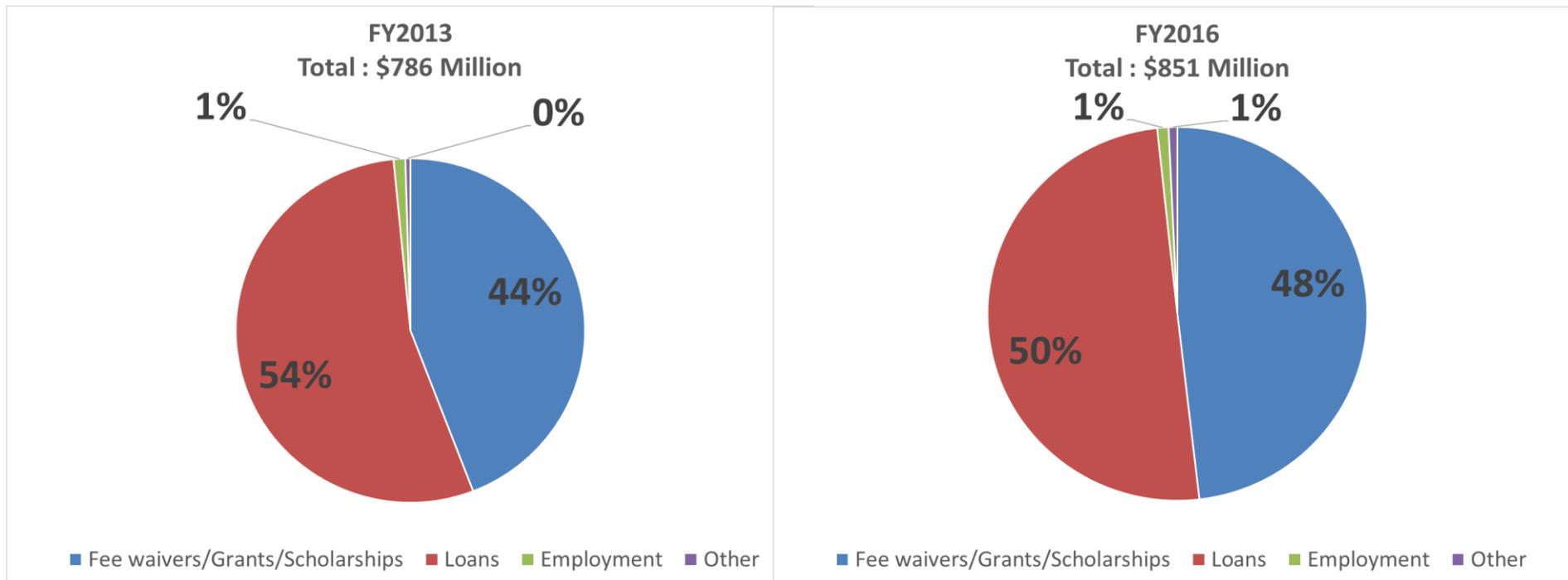
- Grants / Scholarships – gift aid to students which does not have to be repaid
- Waivers / Credits – a discount provided through various programs which is applied directly to a student’s bill without any financial transactions
- Loans – borrowed money from the federal government, financial institutions, or college which has to be repaid with interest
- Employment/Work Study -work program through which you earn money to help you pay for school or defray costs associated with your education

<u>Grants / Scholarships</u>	<u>Waivers / Credits</u>	<u>Loans</u>	<u>Employment</u>
Pell Grants	Adams Scholarship	Subsidized Loan Program	Institutional Employment
Academic Department Scholarships	Graduate Tuition Waiver / Credit	Unsubsidized Loan Program	Work Study
Chancellor’s Scholarship	National Guard Waiver	Perkins Loan	
Mass Grant / Cash Grant	Need Based Waiver / Credit		

Types of Aid (Grants, Loans, Employment) From All Sources

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- The type of aid provided specifically from grants has increased from 44% of total aid to 48% of total aid from FY13 to FY16.



Student Eligibility

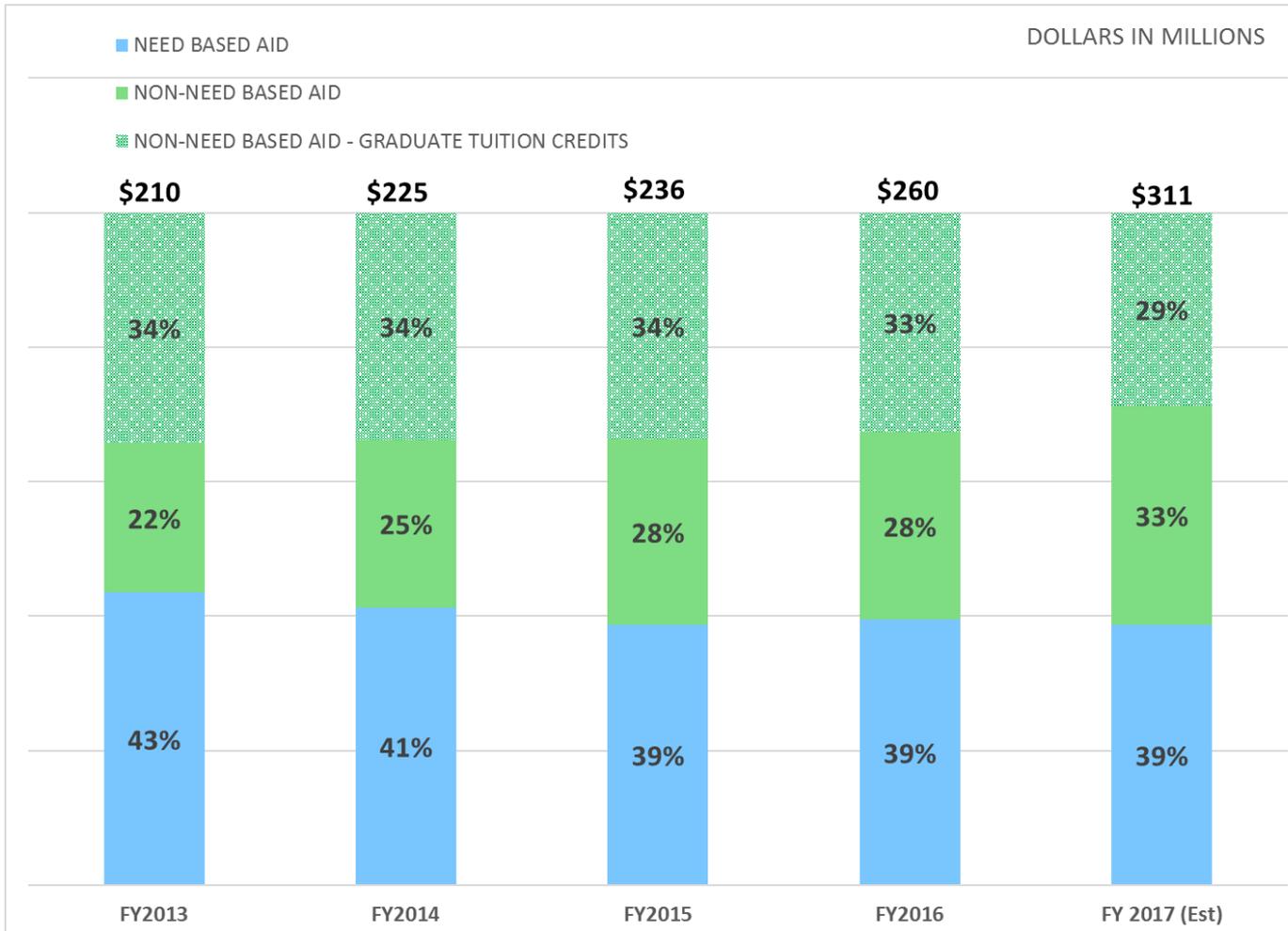
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- ❑ FAFSA is utilized to define financial need for students and families; calculating the Expected Family Contribution
- ❑ Within each source of funds, available financial aid is linked to specific eligibility requirements that vary by each program.
- ❑ For University funded aid, each institution will have different parameters against how funds are used to strategically assist students with the cost of education. The time limit on University funded aid varies and can be difficult to track due to student specific variables (i.e. part time students, transfer students, withdrawn students, etc.)
- ❑ All federal and state funded aid is mandated to monitor Satisfactory Academic Progress for all recipients.
- ❑ Federal aid like Pell Grants and Subsidized Direct Loan, are generally available for up to six full-time years at the undergraduate level.
- ❑ State aid including the Adams tuition credit, MASS Grant program, and some other tuition credits have a max of four full-time years.



University Funded Financial Aid

Categories of University Funded Financial Aid



- ❑ Investments in University funded programs continue to rise.
- ❑ FY17 includes tuition credit aid which was accounted as state aid prior to tuition retention.
- ❑ Graduate credits (formerly waivers) were broken out from Non-Need Aid.

Types of University Funded Financial Aid

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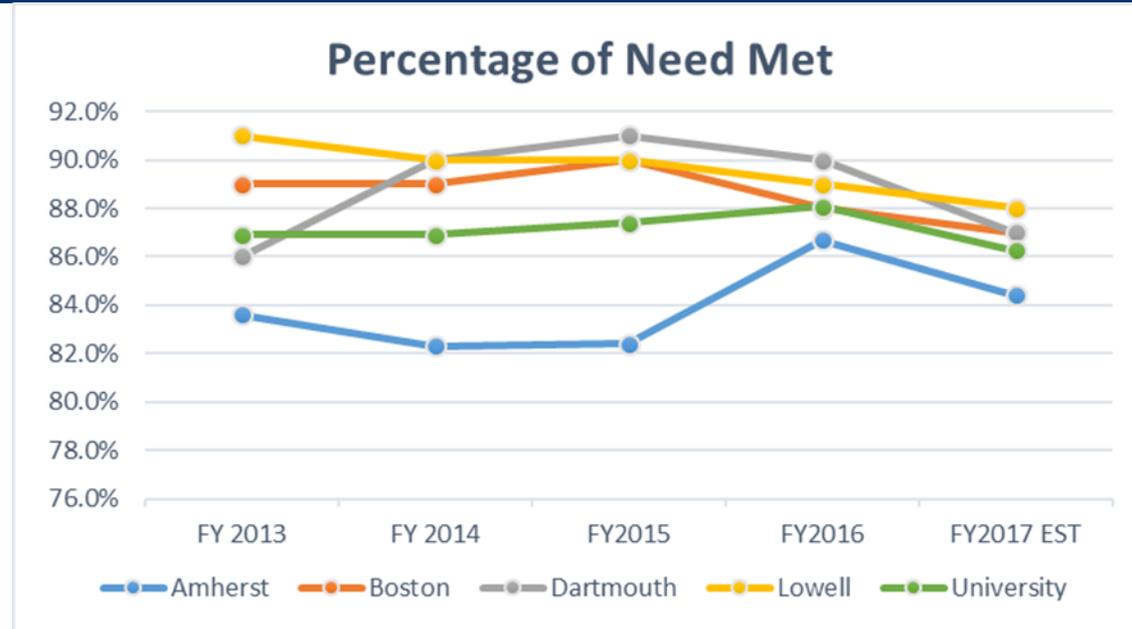
Need Based Aid	2013	2014	2015	2016	2017 (EST)
Scholarship/Grants	96%	95%	95%	95%	91%
Employment/Work Study	2%	2%	2%	2%	2%
Waivers/Credits	2%	2%	3%	2%	7%
Non-Need Based Aid	2013	2014	2015	2016	2017 (EST)
Scholarship/Grants	26%	29%	31%	34%	29%
Graduate Waivers/Credits	61%	58%	55%	53%	46%
Athletic Scholarship	9%	9%	9%	9%	8%
Waivers/Credits					12%
Employment/Work Study	4%	4%	4%	4%	3%
Loans/Other	1%	0%	0%	0%	2%

- This table provides a summary breakdown of the types of aid defined as need based and non-need based.
- The majority of University funded aid is “free” aid provided by scholarships, grants and tuition credits.
- Campuses have reviewed non-need aid recipients and determined more than half of this category of helps meet students’ need.
- The overall growth in aid serves to meet the needs of our student population and as enrollment management strategy to attract and retain students.

Percentage of Student Need Met

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–Need Met: the percentage of need that was met of in state undergraduates who were awarded any need based aid including grants, scholarships, loans, and work study from all sources.



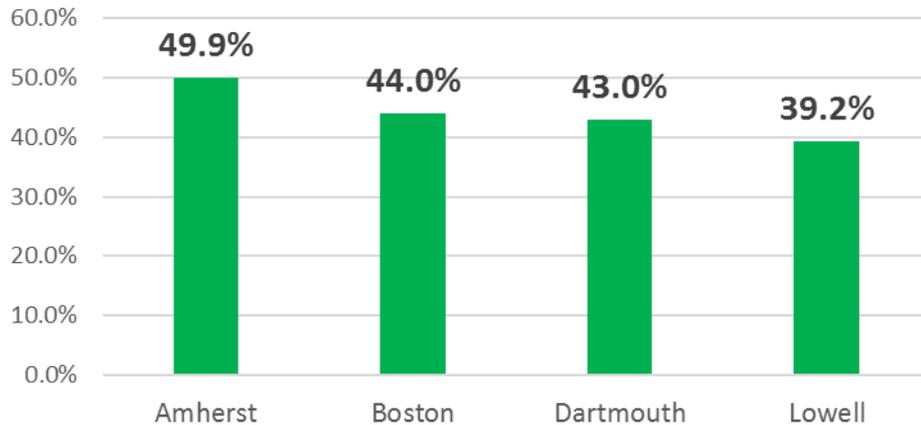
–Excludes any aid awarded in excess of need and any resources awarded to replace EFC such as parent, unsubsidized, and private loans.

Percentage of Need Met					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 EST
Amherst	83.6%	82.3%	82.4%	86.7%	84.4%
Boston	89.0%	89.0%	90.0%	88.0%	87.0%
Dartmouth	86.0%	90.0%	91.0%	90.0%	87.0%
Lowell	91.0%	90.0%	90.0%	89.0%	88.0%
University	86.9%	86.9%	87.4%	88.1%	86.3%

Student Need Met (Other Views)

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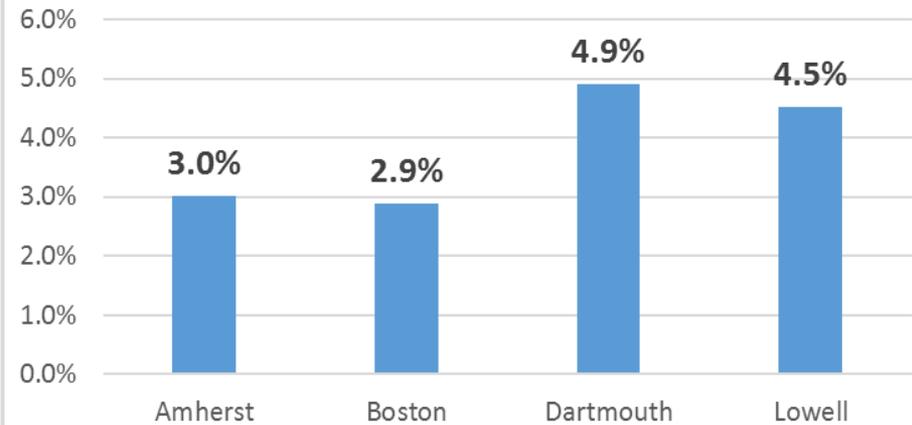
Percentage of Need Met Excluding Loans (In-State UG's) - FY16



–The chart above highlights by campus the percentage of need met when excluding loans for in-state undergraduate students.

–In later slides the Net Price is presented, this is widely viewed as a more appropriate measure of assessing need and with the ability to clearly compare against our peer groups.

Percentage of student's with 100% need met (In-State UG's) - FY16

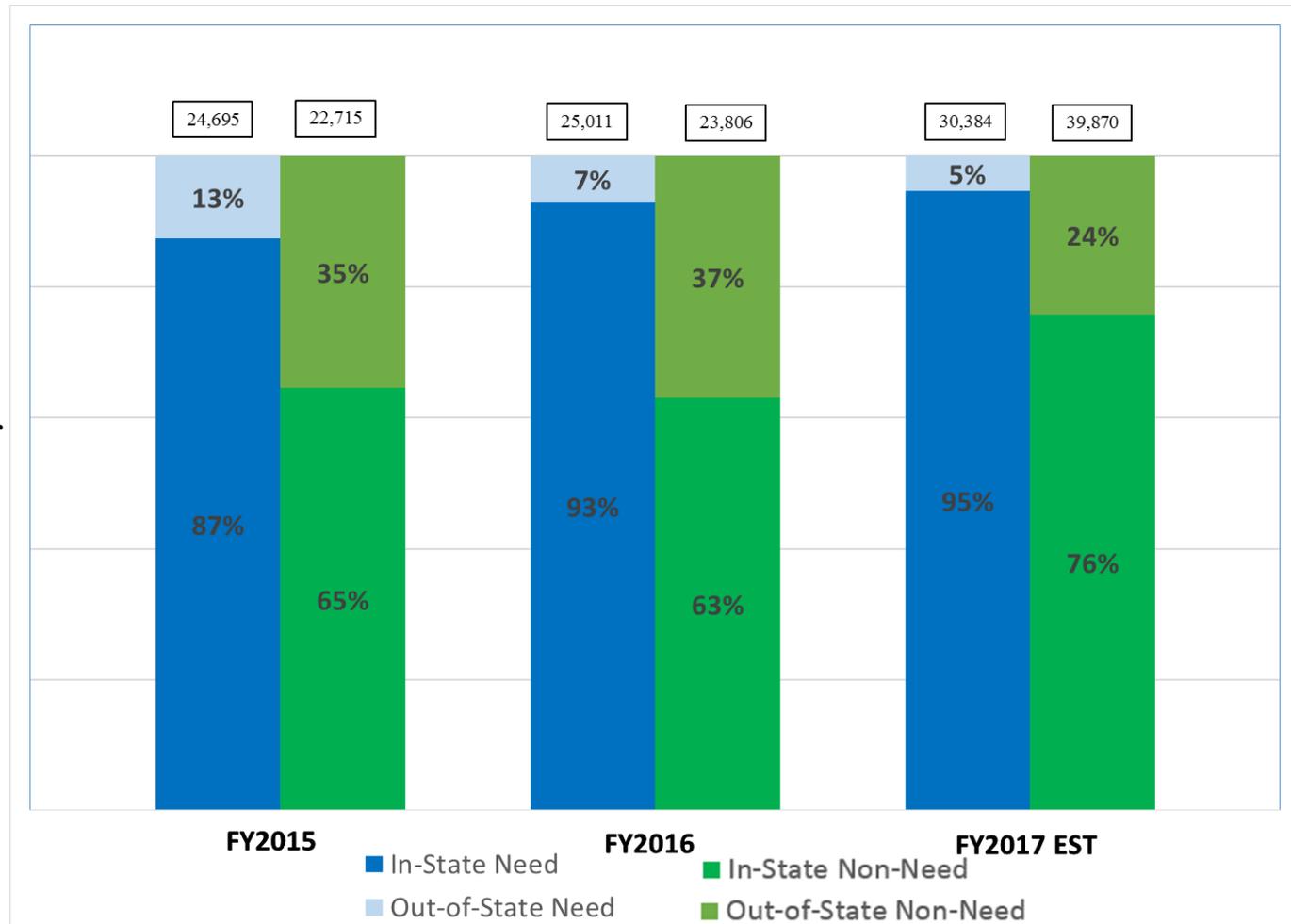


–The chart above denotes by campus the percentage of student's whose need was fully met.

–It is important to note that this metric can be a bit confusing and potentially misleading. It's possible that a student could have their tuition and fees fully covered by grant aid but since the cost of attendance includes living expense, books, etc. this student would be excluded from the metric.

University Funded Aid is Targeted to In-State Students

–Even though non-need based aid is awarded without consideration of financial need it often addresses a students’ unmet need



–Tuition retention implemented in FY17 which changed “waivers” from State to University funded programs causing the significant increase in non-need aid

UMass FY16 Financial Aid by Income For In-State Undergraduates with Need

Federal Income Range	Average Financial Aid Package	Average Unmet Need
Less than \$30,000	\$ 15,030	\$ 2,599
\$30,000 - \$40,000	\$ 14,417	\$ 2,416
\$40,001 - \$50,000	\$ 13,803	\$ 2,208
\$50,001 - \$75,000	\$ 12,403	\$ 1,872
\$75,001 - \$100,000	\$ 9,437	\$ 1,369
Greater than \$100,000	\$ 5,981	\$ 734

Average Grant Award	Average Loan Award	Average Work Award
52%	37%	10%
54%	36%	11%
53%	36%	11%
47%	41%	12%
39%	47%	14%
31%	51%	17%

- ❑ An average Financial Aid Package takes into account the costs of tuition & fees, room & board, transportation and other related costs and includes the Expected Family Contribution calculated from the student’s FAFSA resulting in a package which is specific to the needs of the student
- ❑ The Financial Aid Package may contain grant aid, loans, and work study to help defray the cost of attendance for each student. The Unmet Need represents the difference between a student’s need and their Financial Aid Package.
- ❑ The Average Grant Award, Average Loan Award, and Average Work Award, shown above right as a percentage of an average aid package, provides information on the composition of an average financial aid package for the students.

Financial Literacy Programs

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- As student debt continues to grow for students across all of higher education, it is becoming increasingly important to ensure that students understand the debt they elect to take on & the options afforded to them
- UMass Donahue Institute & UMass Online are collaborating to develop an online financial literacy resource to provide transparent information about financing college
 - Will be offered not only to UMass students but to all state university and community college students as well as MA high school students and families – Free of charge
 - Launching in September 2017, we will continue to engage other partners in this effort

Financial Literacy Programs

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UMass Amherst: Held two financial literacy events this year styled after the ‘Game of Life’. Students walk through a series of life stations each representing finance issues such as career, salary, taxes, student loan repayments and keep track of income and expenses through a simplified budget sheet.

UMass Boston: Offers workshops for students enrolled in student success programs and for other targeted audiences. In conjunction with Academic Support Services and Undergraduate Studies, financial aid staff participate in several annual “Renew Your FAFSA Workshop” days where we assist students with completing the FAFSA.

UMass Dartmouth: strives to provide financial education to all students. We recently initiated a new program to assist students with access to a variety of financial aid tools. The Financial Aid Street Team (FAST) provides opportunities for students to learn and understand financial aid. These opportunities include weekly tabling within the Campus Center to allow students to discover upcoming financial aid funding including scholarships.

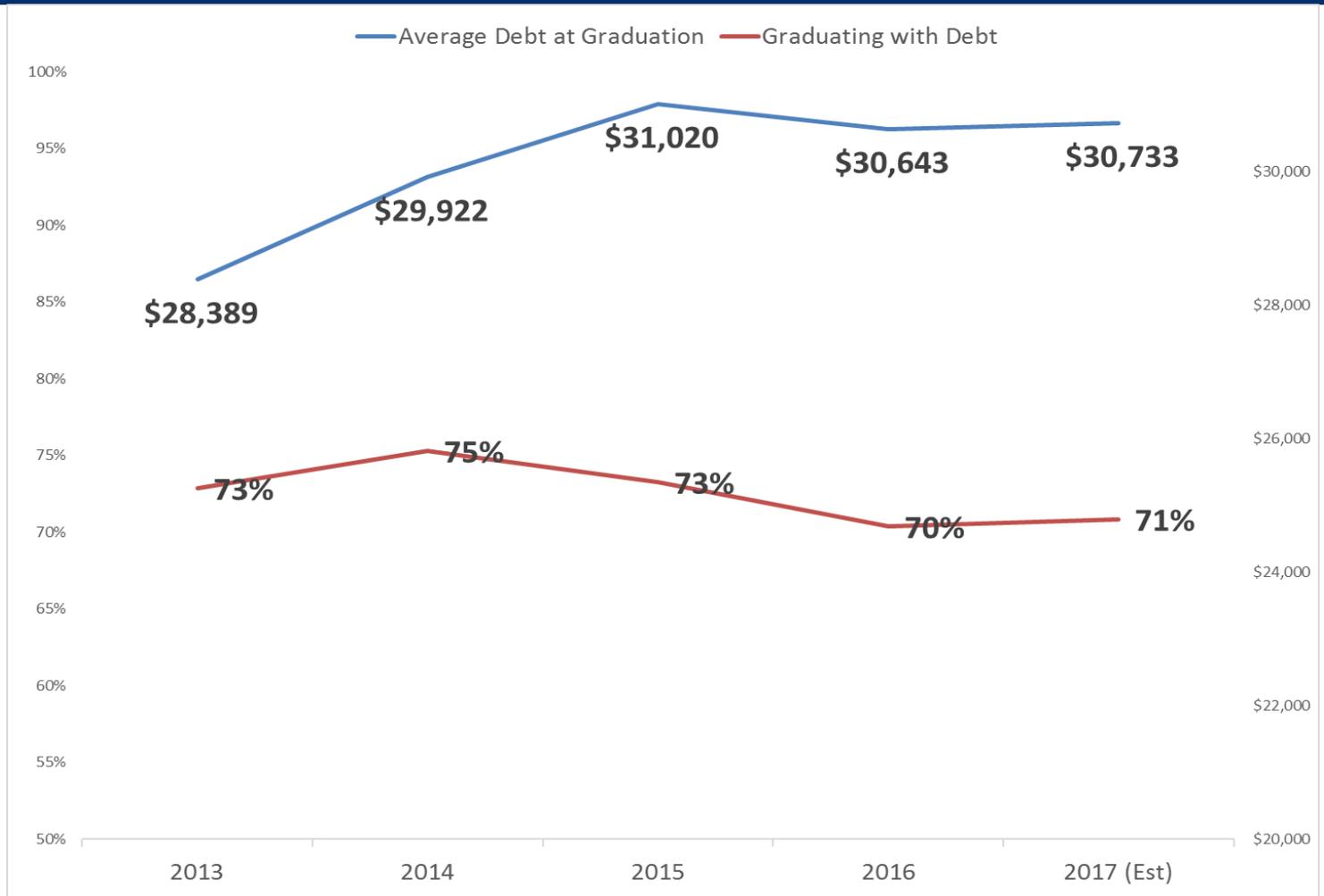
UMass Lowell: Provides financial planning resources, workshops, and online tools for students and families to build a sustainable financial plan. Outreach activities include financial aid nights, high school day seminars, and College Goal Sunday. Recently created a campus-wide Financial Wellness & Financial Planning Committee to develop an integrated financial wellness program that supports the long-term financial health of our students.

Undergraduate Student Debt

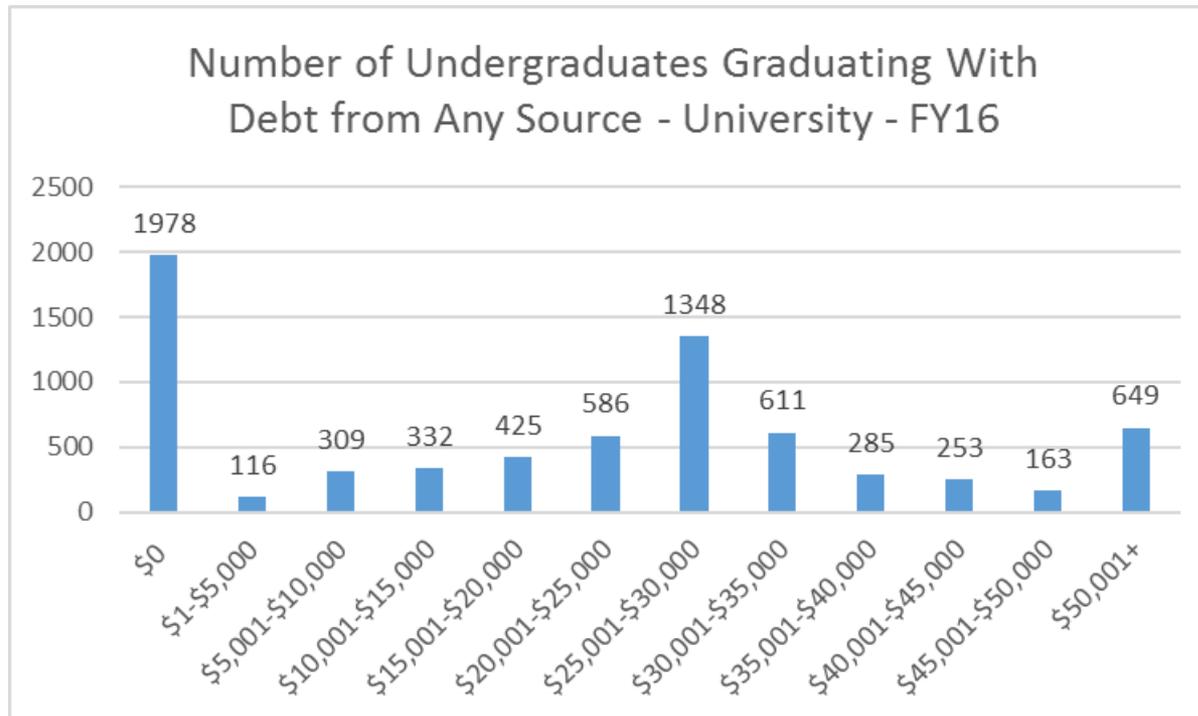
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–The dollar amount represents the average amount of debt for a student at graduation for undergraduate students who started as first-time students and received a bachelor's degree

–The percentage, found within the column, represents the percentage of undergraduates graduating with debt



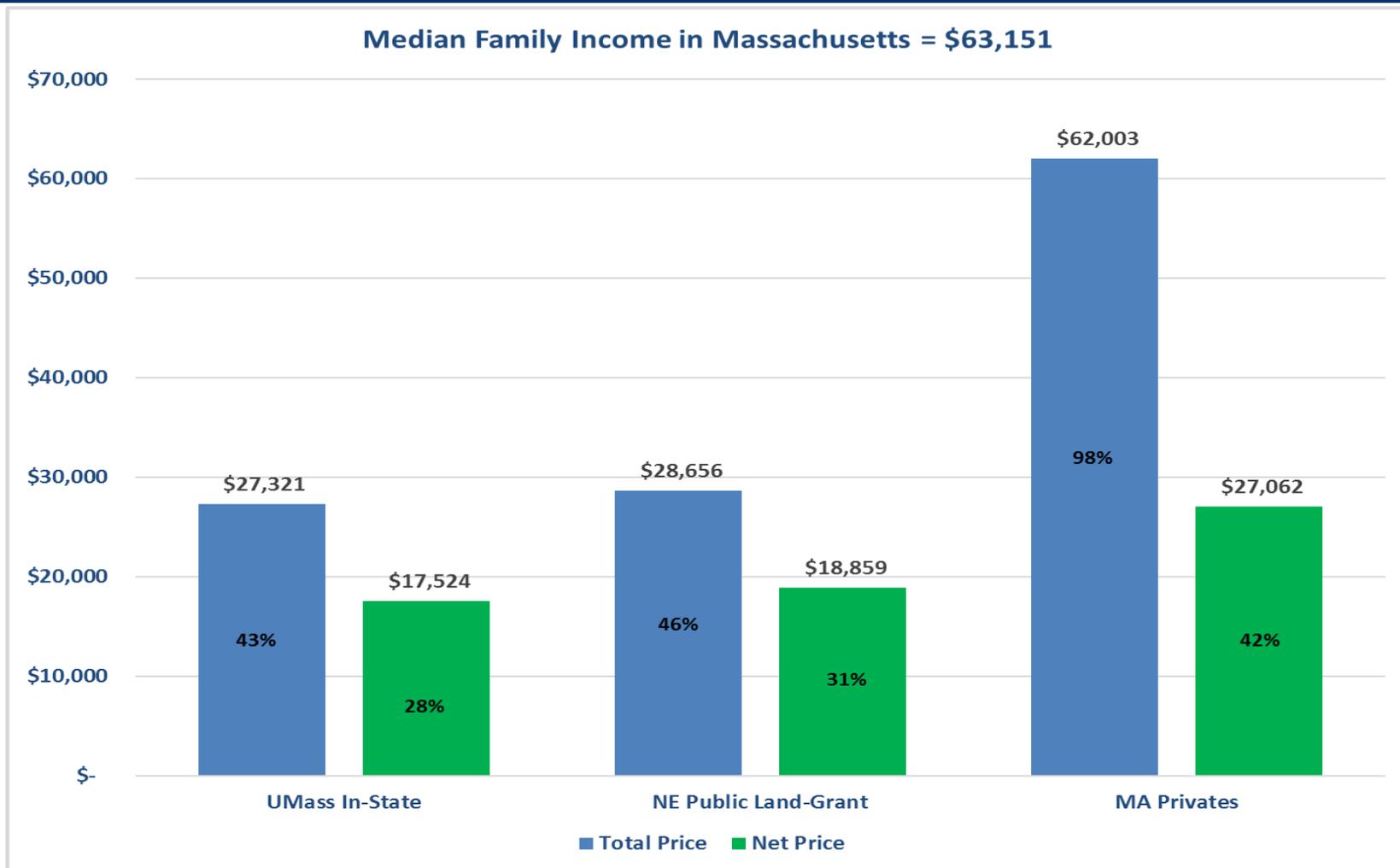
Debt Experience for One Cohort of Students



- \$30,643 was the average amount of debt an undergraduate student had at graduation in FY16; who started as first-time students and received a bachelor's degree
- The chart details the number of students graduating with debt based on the amount they owe at graduation in order to show the distribution of students within the debt ranges.
- 27% of undergraduate students graduating with debt owe between \$25,001 - \$30,000. 39% of undergraduate students graduate with no debt, the largest group of students within the debt range

-Note: Students included in this data are undergraduate students who started as first-time students and received a bachelor's degree

Total Price, Net Price, and Percentage of MFI are Lower than NE Peers and Privates



–Note: UMaine Net Price shown for FY15, FY16 figures not reported to IPEDS to date
 –Source: Integrated Postsecondary Education Data System (IPEDS); MFI Source: U.S. Census Bureau CPS (FY14)

Net Price Calculator

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Your Net Price Calculator Results

Congratulations on completing the University Of Massachusetts - Dartmouth Net Price Calculator! Below you will find a summary of the estimated costs for the 2016-2017 academic year and your estimated eligibility for student aid.

Estimates for the 2016-2017 Academic Year

Cost of attendance:

Tuition & Fees	+ \$13,993
Room & Board	+ \$11,622
Estimated Books & Supplies	+ \$1,200
Estimated Personal & Transportation	+ \$1,572

UMass - Dartmouth Total Cost **\$28,387**

Please note: Additional fees may be assessed based on student's program of study, housing preference, and other one time fees as applicable. Detailed cost information is available at www.umassd.edu/undergraduate/tuition/

Your Estimated Need:

Total Cost	\$28,387
Expected Family Contribution (EFC)	-\$5,500

Total Need **\$22,887**

Your estimated grants and scholarships:

Mass Access Grant	-\$1,700
Mass Need Based Tuition Waiver	-\$1,410
University Grant	-\$5,500

Total Grants and Scholarships **\$8,610**

Your Estimated Net Price **\$19,777**

–The Net Price Calculator is a tool available at all institutions. The tool provides students and families an opportunity to plug in their specific financial situation and determine a net price to attend a school after receiving grants and scholarships.



About the Student

Tell Us About Yourself

We'll help you make an informed decision about your education.

What is the student's name?

Prefix First M.I. Last Suffix

What is the student's address?

Address
 Apt./Unit Number
 Country United States ▾
 City
 State Select ▾
 Zip Code

What is the student's e-mail address?

What is the student's primary phone number?

Phone Number Type Select ▾
 Phone Number

Your contact information will allow us to send you information about academic and financial aid opportunities at University Of Massachusetts - Dartmouth. However, providing this information is optional.

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–The scenario outlined in this example is an in-state high school student living on-campus, who plans to apply for financial aid. The student has no dependents and is unmarried.

Financial Aid as an Enrollment Management Tool

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- At the December Committee of the Whole, EAB provided context around the changing enrollment environment
 - Enrollment and Financial Sustainability - Increased reliance on tuition to cover expense drivers
 - Challenging Demographics - High School graduates declining over the next decade
 - Increasing Competition - Higher Ed segments attempting to diversify offerings
 - Effective Enrollment Strategies - Targeting strategies for specific student types

What Other States Are Doing

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- New York Excelsior Scholarship
 - Proposed free tuition program in January 2017 to cover the gap in aid from other sources and the tuition cost for students with a family income up to a defined level
- Rhode Island Promise Scholarship
 - Proposed in January 2017 to pay for tuition costs at either two years of community college or the final two years of a four year program regardless of income level
- Maine Flagship Match Program
 - Competitive scholarship for out-of-state students to pay same tuition rate as their in-state flagship campus
- Tennessee & Oregon
 - Provide community college tuition free

Thank You

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