

# FY25 Financial Aid Report

Board of Trustees - Administration & Finance Committee

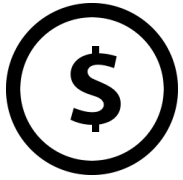
April 2, 2025



University of Massachusetts

Amherst • Boston • Dartmouth • Lowell • Medical • Law

# UMass is committed to access and affordability



**\$422 million:** Annual financial aid generated by UMass tuition pricing/free aid strategy, up 79% over the past decade



Despite sticker price, on average tuition & mandatory costs net price is ~**\$6K** for in state undergraduates – free for families under \$75K income



**77%** of University-generated aid goes to in state students, well above their 71% share of total enrollment



On a per student basis University-generated aid has grown almost **2X** as fast as net tuition & fee revenue



Depending on campus, **28% to 54%** of in state undergraduates, or ~**18k** students, receive Pell Grants - financial need consistently remains large



UMass strategy has succeeded in holding average student debt at graduation relatively flat for a decade at **\$31,424** - a real decline in debt in inflation-adjusted dollars

# University-generated Aid



# Understanding components of free financial aid

University-generated aid is primarily awarded to students as grants, scholarships, and credits.

## Free Financial Aid

- **Waivers/Credits** – targeted and need-based discounts that directly reduce a student's bill
- **Grants/Scholarships** – financial aid to students which does not have to be repaid
  - UMass-generated aid (**\$422M**) includes institutional financial need-based programs and merit aid such as Chancellor's Scholarships awarded based on strong academic achievement and personal achievement
  - Federal aid (**\$111M**) such as Federal Pell Grants awarded based on financial need
  - State aid (**\$108M**) such as MASSGrant Plus awarded based on financial need

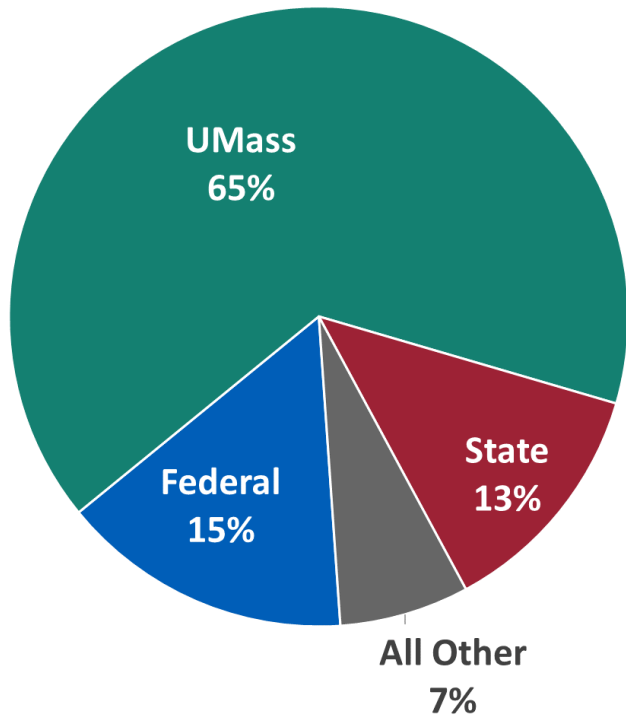
## Student Employment & Work Study

- On- or off-campus jobs to earn money to pay for school

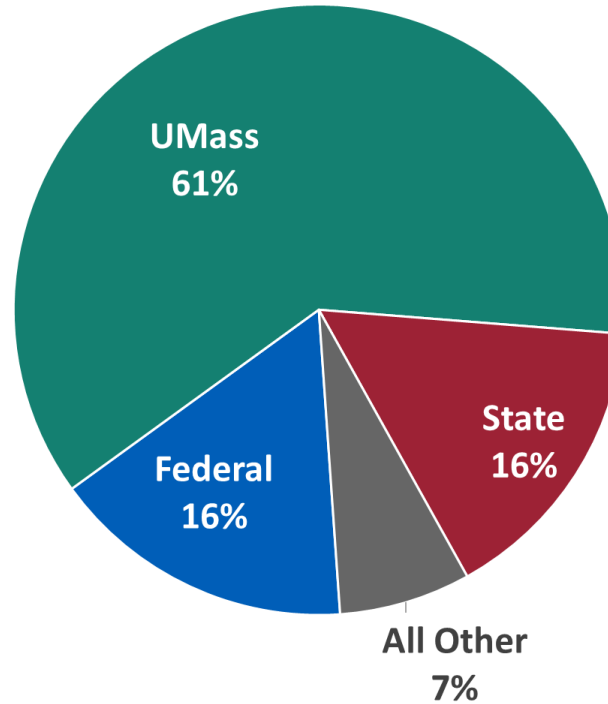
# Largest source of free aid is *University-generated aid*

MassGrant\* Plus expansion to UMass has significantly increased State share of free aid

FY2024 Projection = \$626M



FY2025 Projection = \$689M



## For Fiscal Year 2025:

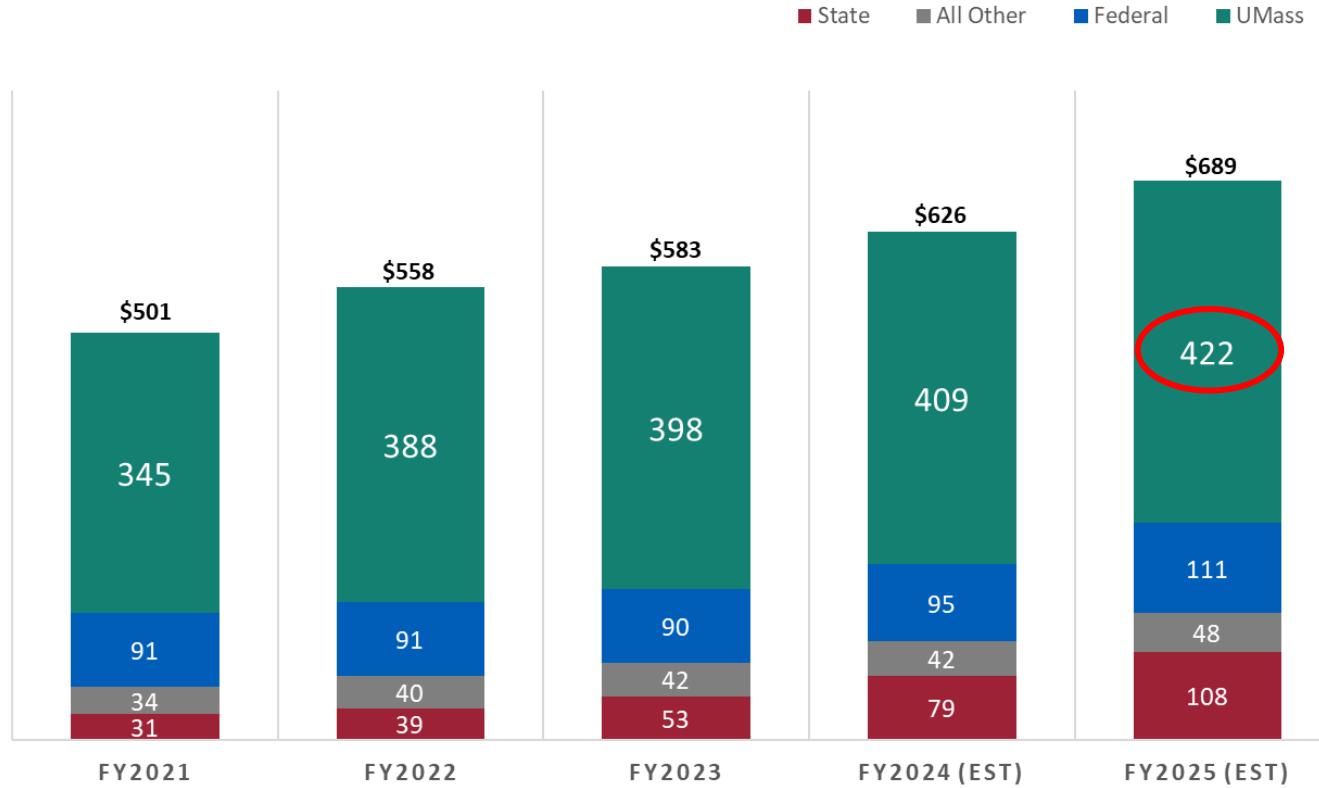
- 61% (\$422M) was University-generated financial aid, including grants, employment, scholarships & credits
- 16% (\$111M) Federal free aid, largely Pell grants<sup>(1)</sup>
- 16% (\$108M) State free aid<sup>(2)</sup>
- 7% (\$48M) Private free aid

**\*MassGrant:** State financial aid program that provides need-based financial assistance to undergraduate students who reside in Massachusetts; full time students attending Massachusetts four-year public colleges and universities, and full-time and part-time students attending Massachusetts public community colleges may be eligible for additional funding to help with the cost of tuition, fees and books

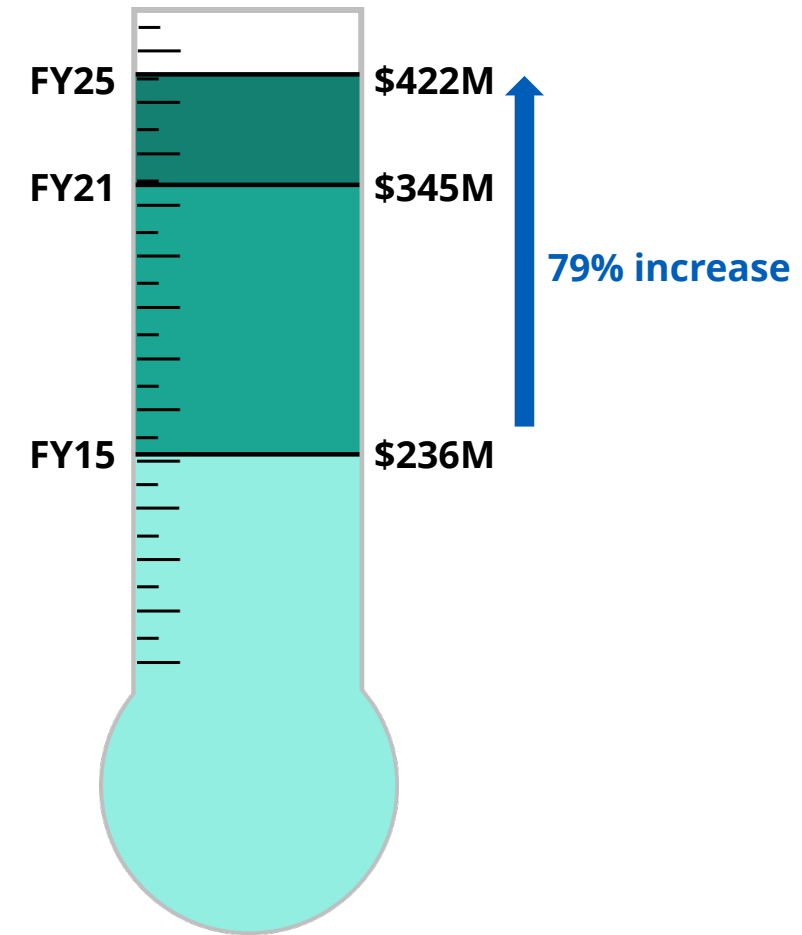
(1) Federal free aid includes Pell, SEOG; values may vary from other reporting on federal aid such as SEFA (2) Includes MassGrant Plus expansion funds for eligible students

# UMass has steadily increased University-generated aid

DOLLARS IN MILLIONS



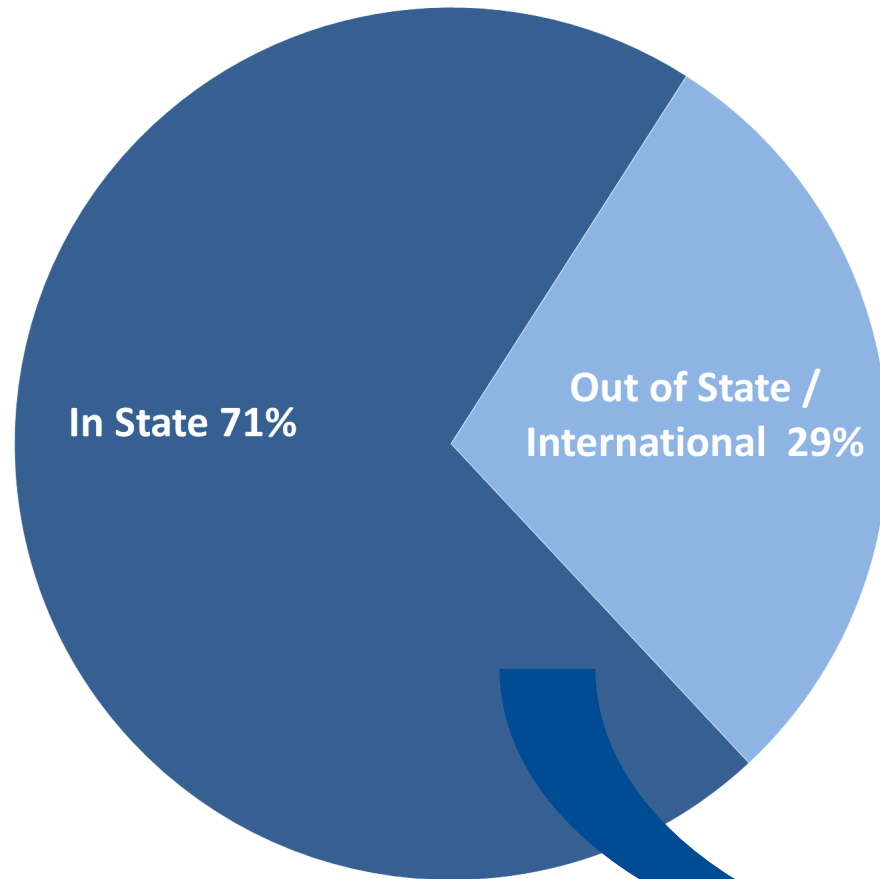
## University-Generated Aid



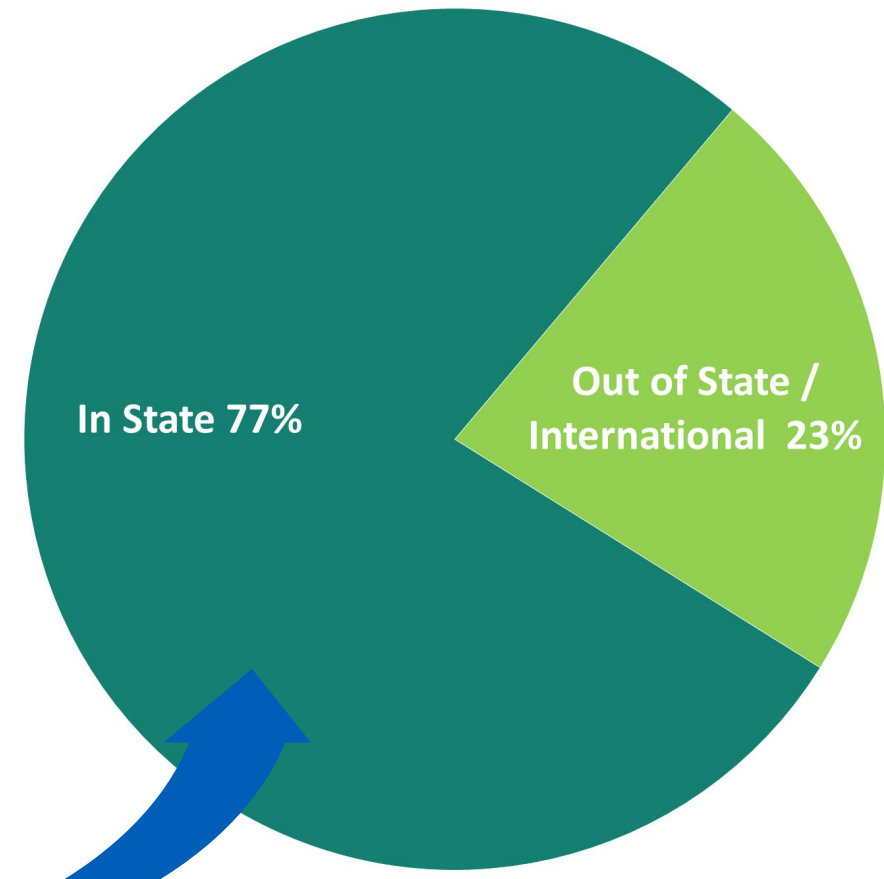
- University-generated financial aid grew **22%** in the last five years
- 79% growth in University-generated financial aid over 10 years compared to 34% growth in tuition & fee rates

# University-generated aid strongly benefits in state students

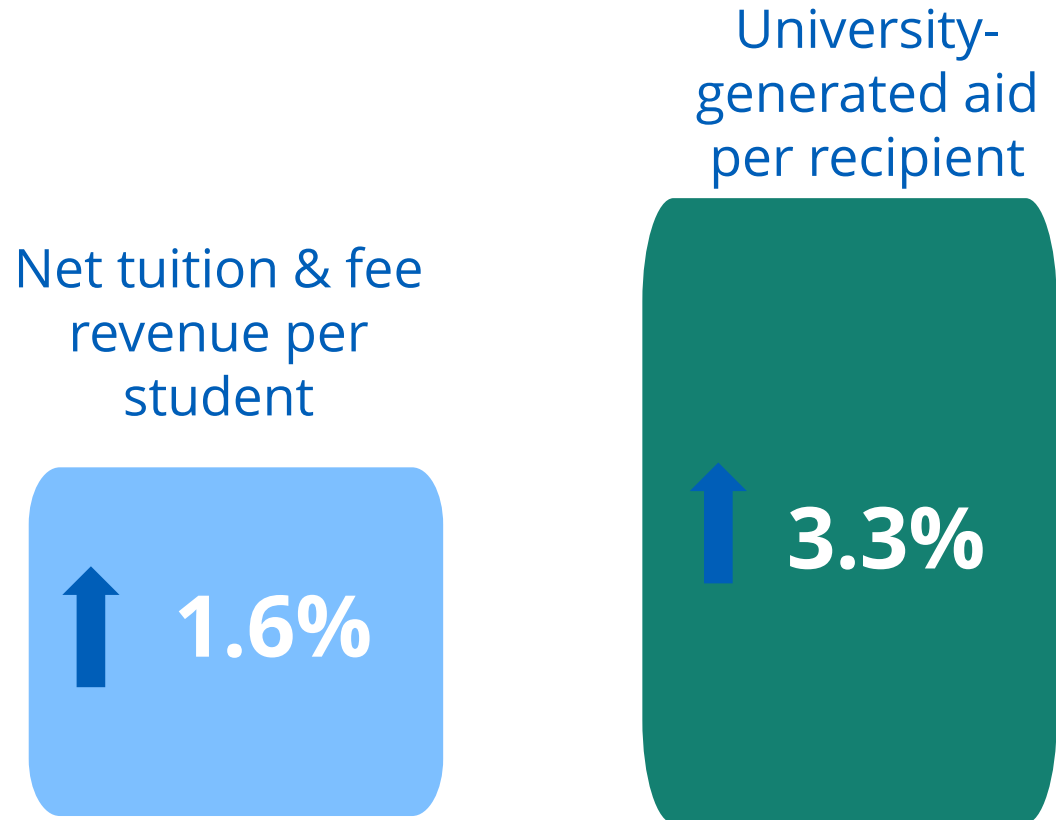
Shares of Total Enrollment



Who Receives University-Generated Aid?



# UMass has grown aid per student almost 2X as fast as tuition & fees revenue over the past year



- The rate of aid growth eclipsing tuition revenue growth is fueling affordability for students and families
- Tuition revenue remains the primary funding source for university-generated aid



# Accessibility & Affordability Analysis

# University is monitoring accessibility & affordability for students on many fronts



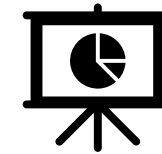
**Federal Student Aid:** gaining understanding of federal investment in financial aid and campus share of aid



**Tuition Free:** UMass providing free tuition for eligible students, leveraging aid awarded across source of financial aid



**SPARC:** Enhancements developed to better analyze data by key program and student residency



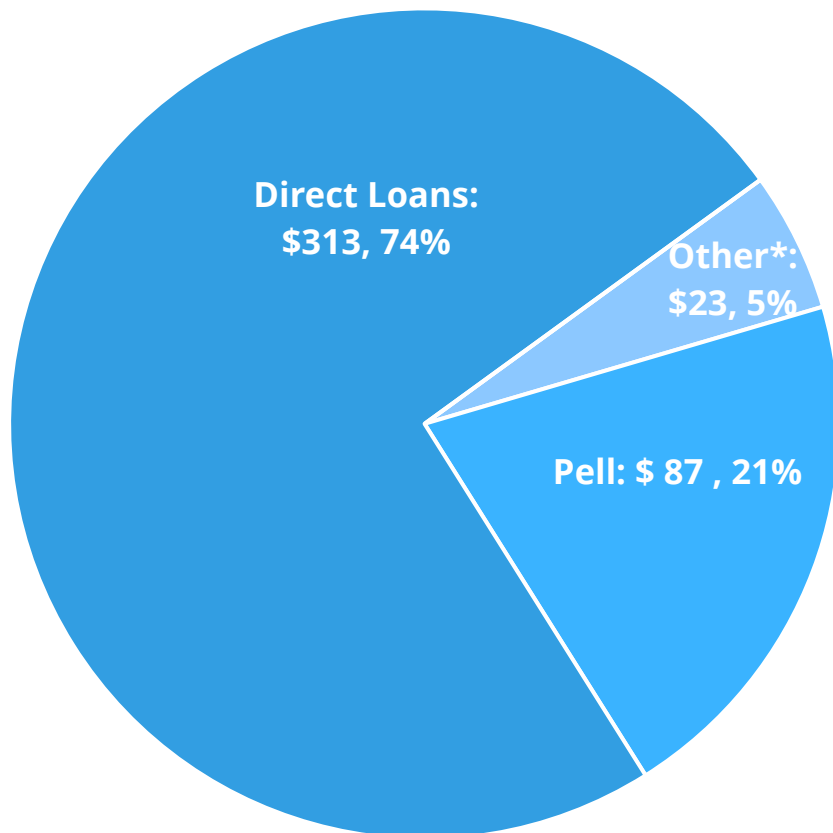
**Net Price Analysis:** Understanding financial aid investment on student's net price informs campus strategies on recruitment & retention



# Federal Student Aid by Campus and Award Type



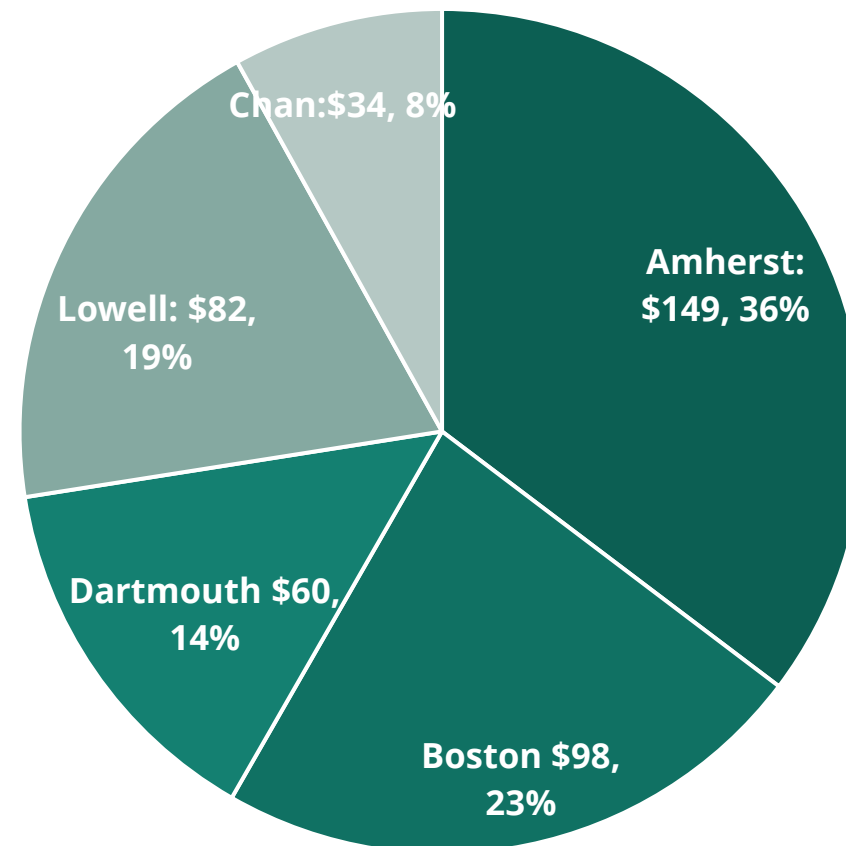
Annual Federal Student Financial Aid Revenue by Award Type: **\$423M**



\$ in millions



Annual Federal Student Financial Aid by Campus: **\$423M**



\$ in millions

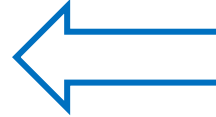


# SPARC – Financial Aid

SPARC enhancements included adding financial aid data for real-time analysis by campus users

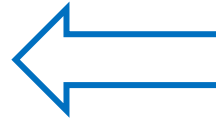
Total Financial Aid by Funding Source (\$ in Thousands)

	Undergraduate	Graduate
Campus	314,245	93,911
Community College Advantage	3	
High Demand Scholarship	7,384	
In Demand Scholarship	12,681	1,070
Campus - Other	294,177	92,841
Federal	96,110	2,409
Pell Grant	88,604	
SEOG	5,474	
Federal - Other	2,031	2,409
State	110,405	1,088
Mass Grant	27,331	
Mass Grant Plus	18,696	
Mass Grant Plus Expansion	34,063	



- Data available by aid program detailing financial aid by funding sources providing insight at a more granular level and focus on key high-impact financial aid programs

	In State	Out of State
Campus	216,382	107,338
Community College Advantage	3	
High Demand Scholarship	7,388	
In Demand Scholarship	14,279	28
Campus - Other	194,712	107,310
Federal	90,181	9,784
Pell Grant	81,805	8,022
SEOG	5,018	335
Federal - Other	3,359	1,427
State	111,219	1,088



- View of data by funding sources broken out by student residency
- Demonstrates the impact University-funded financial aid has on students specifically the significant investment for in state students





# UMass providing free tuition for eligible students

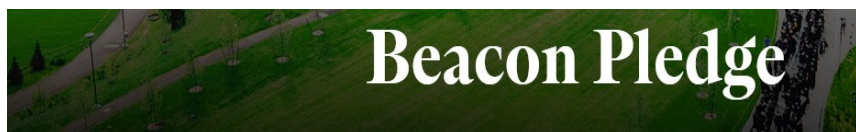
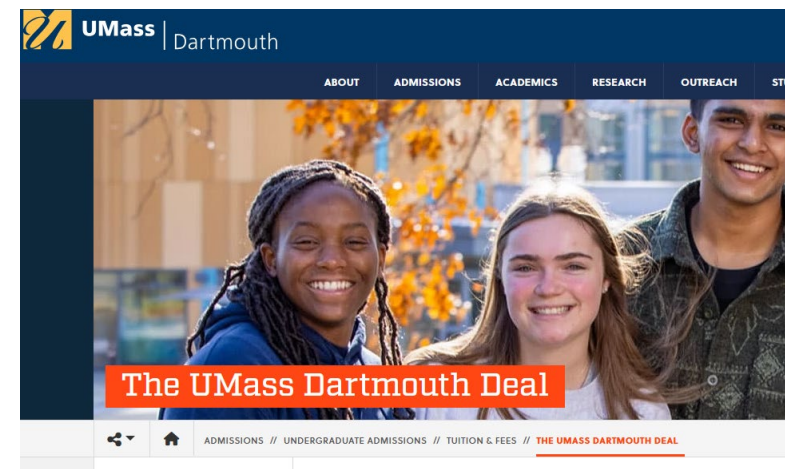
Announced campus-branded programs beginning Fall 2025 semester highlighting affordable UMass education

## How does it work?

Qualifying students will have free tuition & mandatory fees covered by federal, state, and University-generated aid<sup>(1)</sup>

## How do students qualify?

- MA resident who completed FAFSA or MASFA<sup>(2)</sup>
- Eligible to receive a Federal Pell Grant
- Family has an adjusted gross income of \$75,000 or less



**Free tuition for eligible students.  
Now at UMass Boston.**

If you're a Massachusetts resident with an adjusted gross income of \$75,000 or less, you may qualify to attend UMass Boston for \$0 in tuition and mandatory fees.

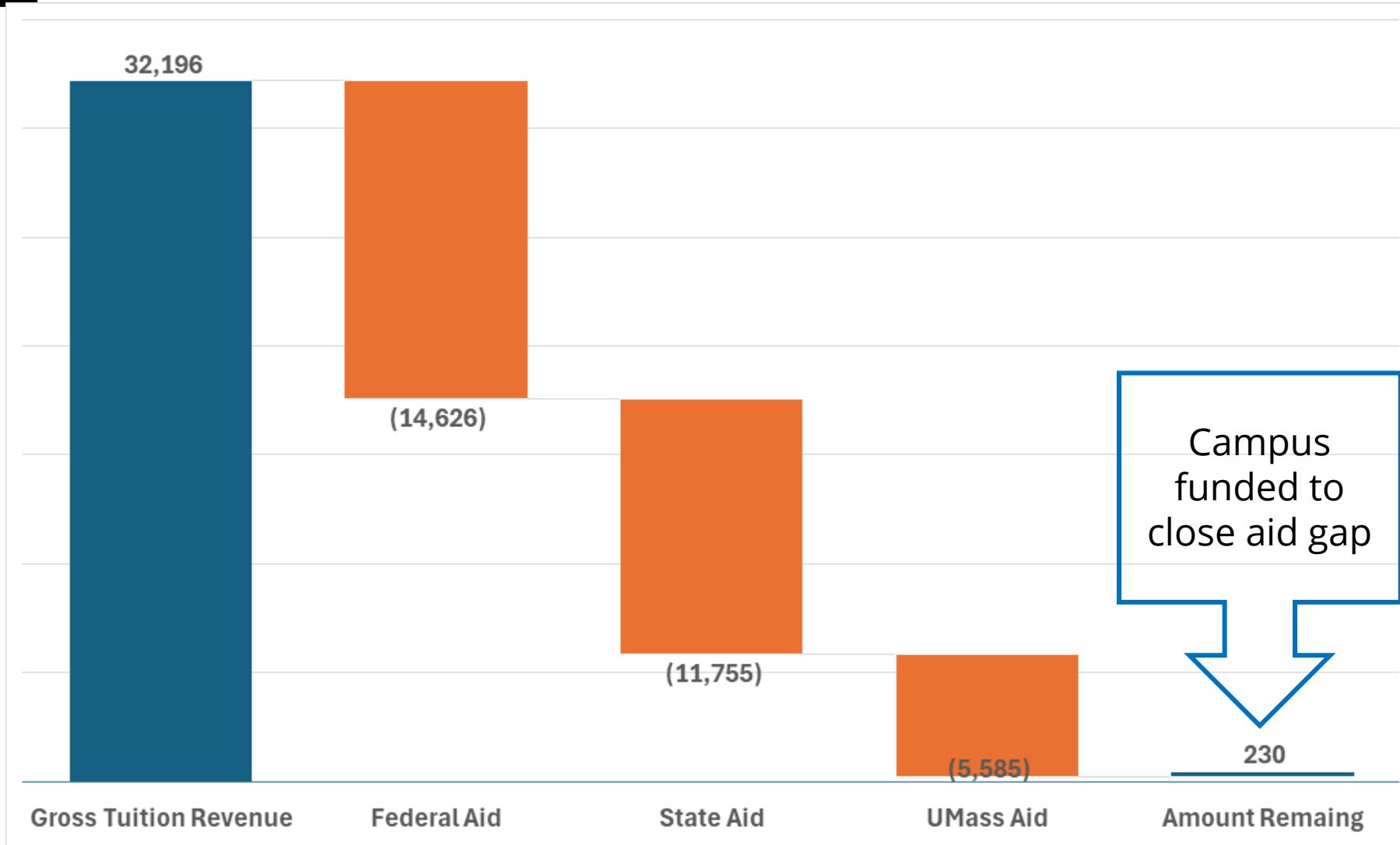
**Program is supported by other “free” financial aid from other sources such as:**

### **MassGrant Plus & Expansion**

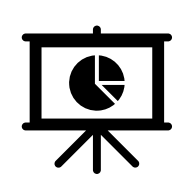
- UMass students became eligible in FY23 and over \$50 million allocated in FY25 to the University and awarded to students based on financial need
- Addresses student unmet need for tuition/fee and book costs after consideration of other non-loan financial aid; allowances for book & supplies based on need



# UMass free tuition program capitalizes on substantial financial aid investments from other sources of aid



The guarantee of free tuition & mandatory costs for students and families under income of \$75K is an important affordability initiative requiring modest additional investments



## Understanding financial aid investment on student's net price informs campus strategies on recruitment & retention

- UMass free tuition program demonstrates ability to maximize resources to benefit students when focused on data and value of all available resources
- Utilizing student data to better understand:
  - tuition revenue generated by academic career & residency
  - provide transparency to investments in student financial aid by exploring trends

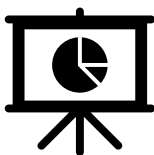
### Key Metrics for Analysis

Gross Tuition – the total amount of tuition & mandatory fees charged to an enrolled student before any financial aid applied

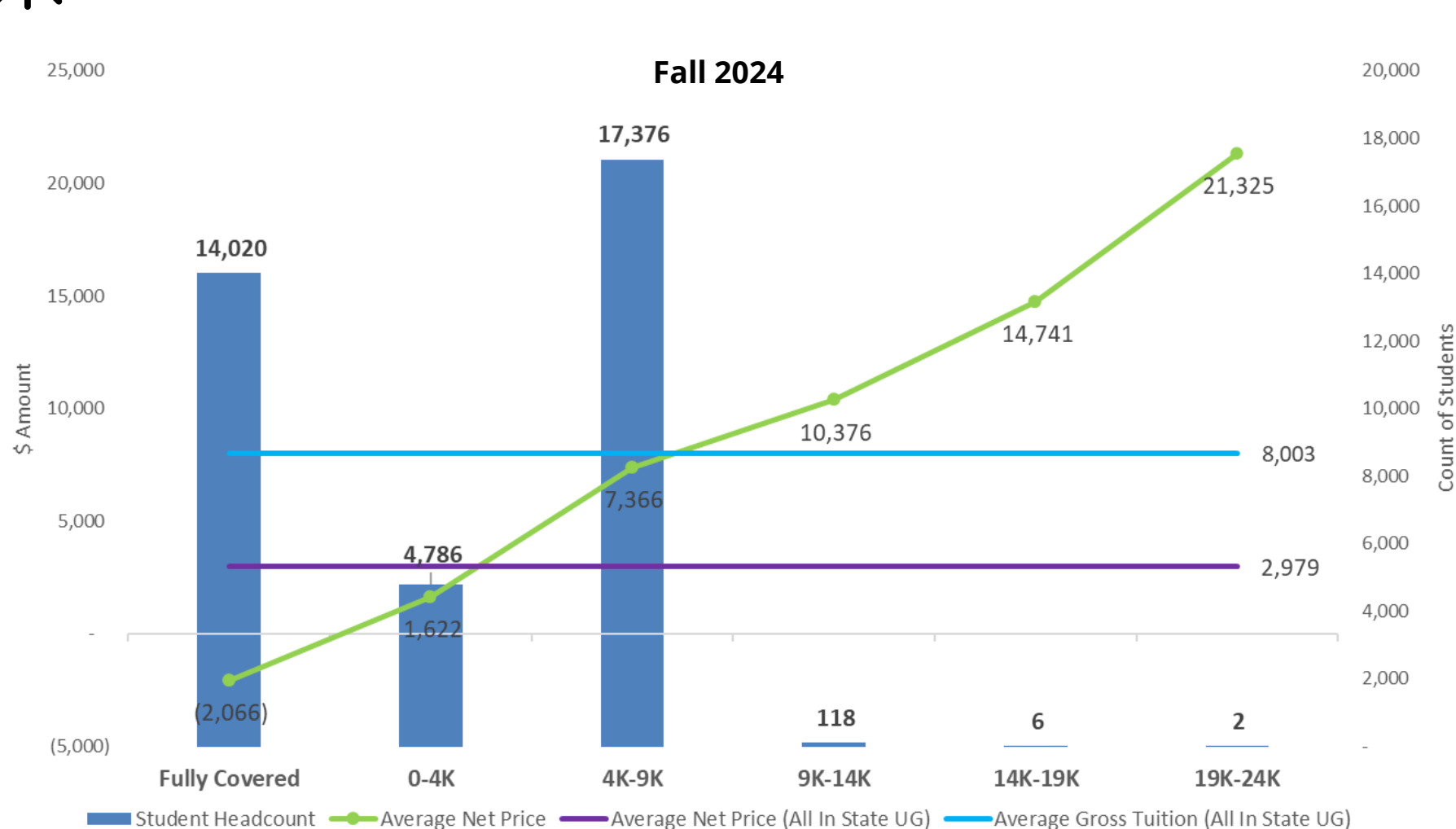
Net Tuition Revenue – the gross tuition revenue reduced by the amount of campus financial aid awarded to students



Net Price – the gross tuition revenue reduced by the total amount of financial aid awarded from any federal, state, campus sources; true price a student pays to UMass



# On average, In State Undergraduate students have an estimated annual net price of ~\$6K; more than 1/3<sup>rd</sup> receive free tuition & mandatory costs



Based on semester data:

**14,020 students**  
Fully covered by aid

**4,786 students**  
Net price range \$0K-\$4K;  
average net price for these  
students is **\$1,622**

**17,376 students**  
Net price range \$4K-\$9K;  
average net price for these  
students is **\$7,366**

**126 students**  
Net price range over \$9K

**For all students,**  
average net price is  
\$2,979 per semester  
and \$5,958 annually



# Key Takeaways

- ***UMass Investments in University-generated Financial Aid Continue to Grow***
  - Annual financial aid generated by UMass (**\$422M**) tuition pricing/free aid strategy, up 79% over the past decade; 3.2% growth over FY24
  - 77% of UMass aid goes to in state students, well above their 71% share of total enrollment
- ***State's investment in MassGrant Plus has significantly increased State share of free aid***
  - Increasing nearly 3X since FY22 to over \$108M; \$51M for MassGrant Plus in FY25
- ***On average, in state undergraduates have an estimated annual net price of ~\$6K***
  - More than 1/3<sup>rd</sup> of in state undergraduates receive free tuition & mandatory costs – qualifying students with family income under \$75K guaranteed to be fully covered
- ***Student debt remains flat in recent years but a real decline in inflation-adjusted dollars***
  - The average amount of debt at graduation for FY25 is \$31,424

# FY25 Financial Aid Report Appendices

Board of Trustees

Administration & Finance Committee

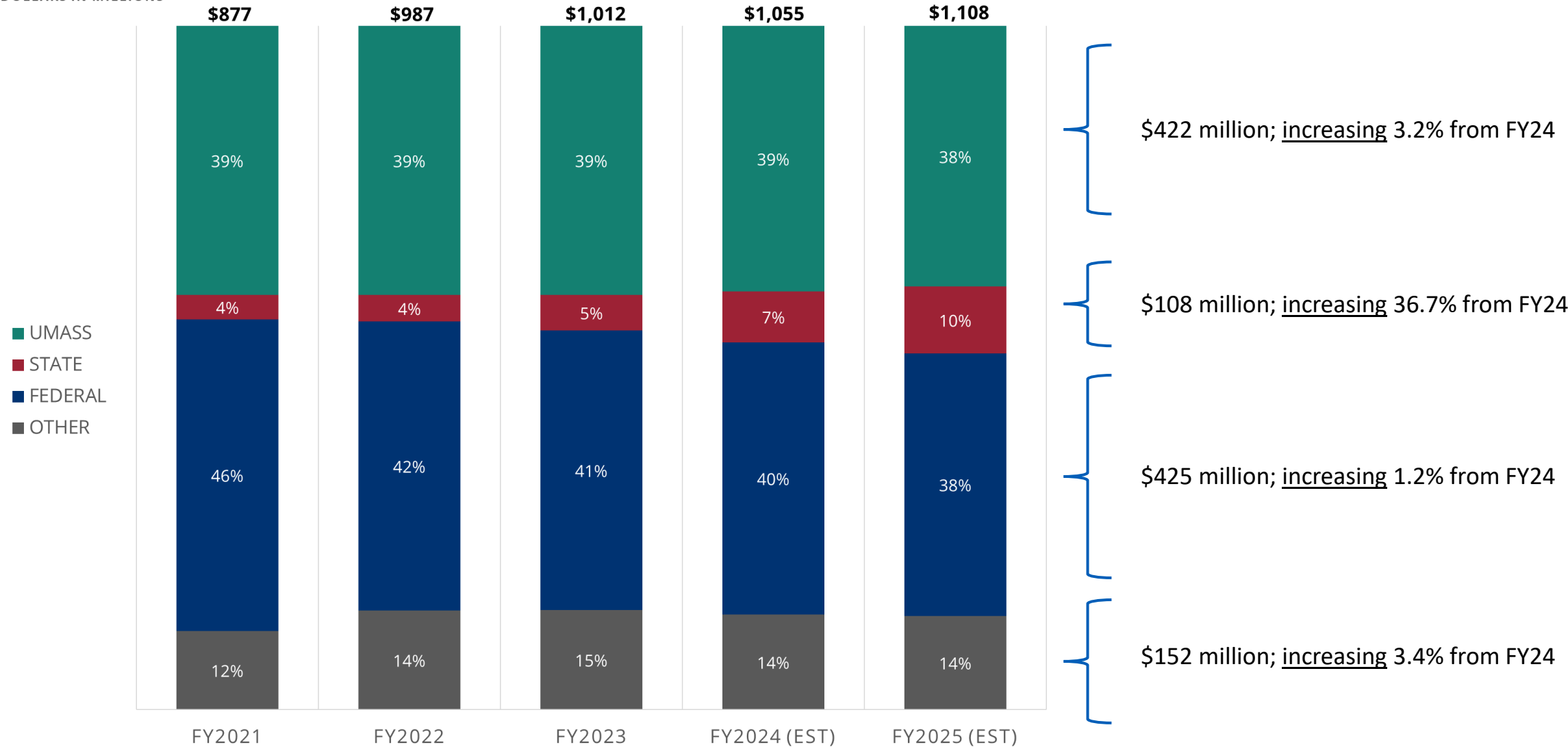
April 2, 2025



# Appendix 1. – University Data

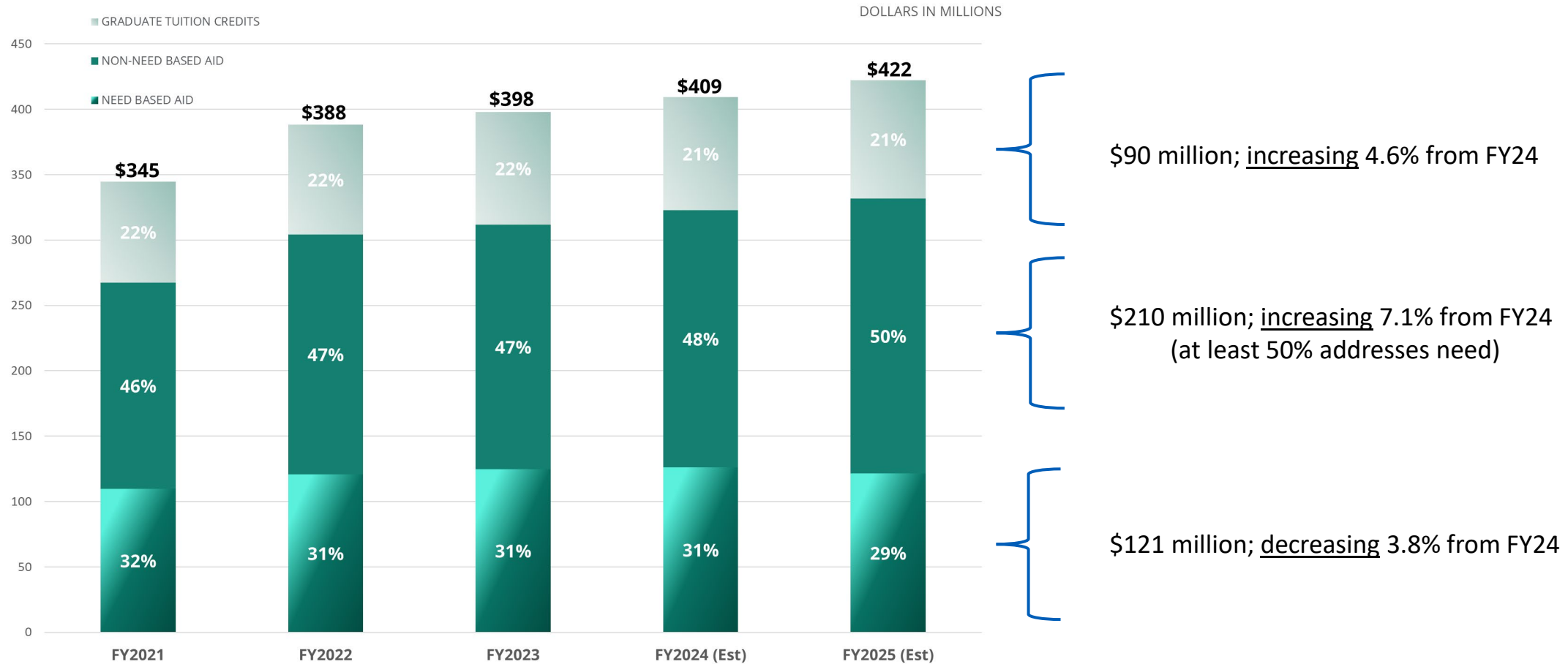
# Total Sources of Financial Aid including Free Aid and Loans

DOLLARS IN MILLIONS



# Total University-generated financial aid by categories

*University investment continues to grow; campuses balance the use of both need and merit programs to address financial need with at least 50% of merit aid addressing need.*

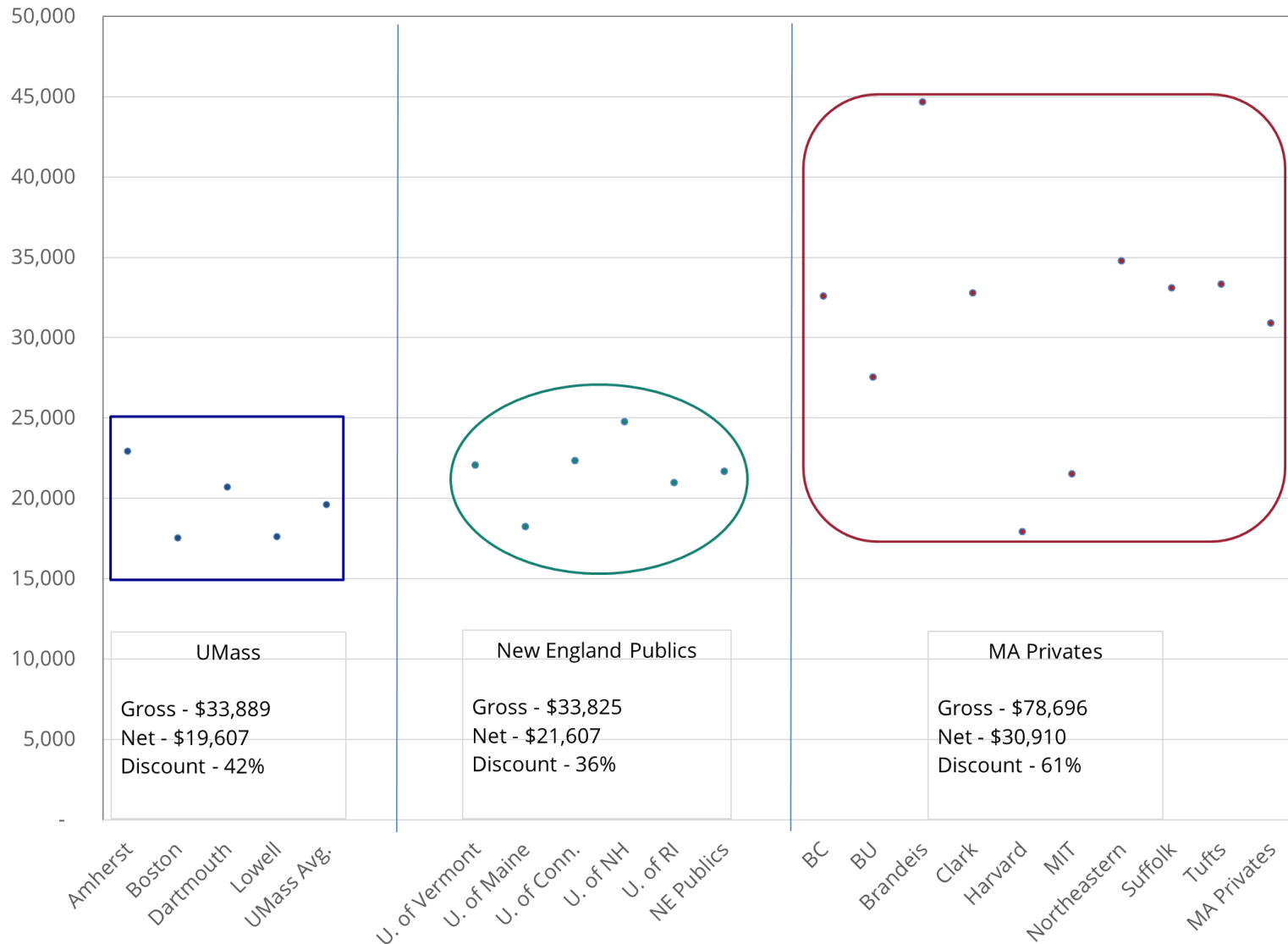


# Average Financial Aid Package: In-State Undergraduates with Need

- Students experience other costs on top of tuition & mandatory fees on their bill and the basis for designing their financial aid package
- Average campus Financial Aid package looks at costs of attendance (tuition, mandatory fees, housing, etc.) net of the Expected Family Contribution
- A Financial Aid Package may contain grants, loans, and work study to defray the cost of attendance
- Unmet need represents the difference between a student's financial aid award, their expected family contribution, and their cost of attendance

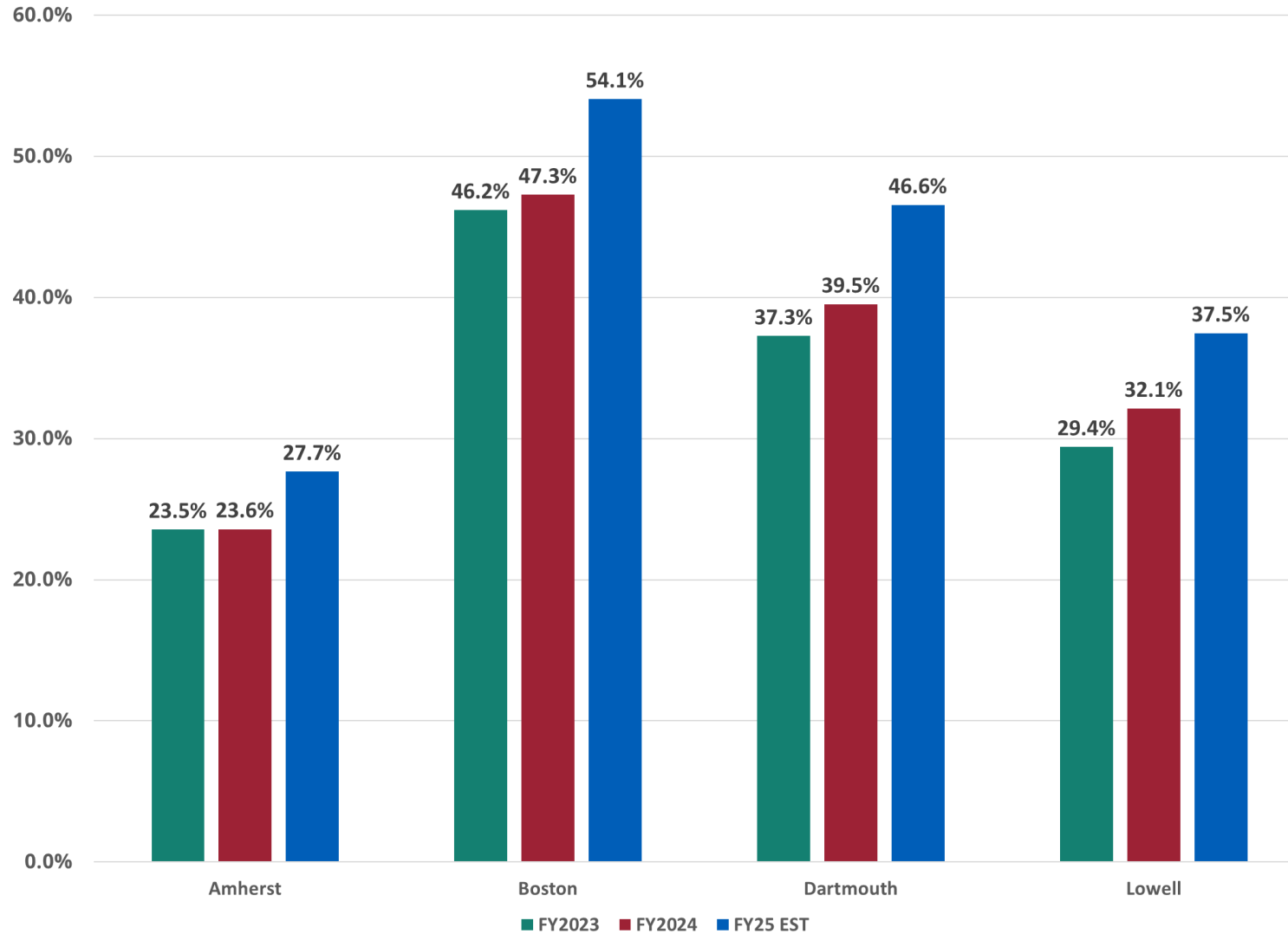
Federal Income Range	Average Financial Aid Package	Free Aid Award	% of package	Loan Award	% of package	Work Award	% of package	Average Unmet Need
Less than \$30,000	\$24,708	\$15,706	64%	\$6,744	27%	\$2,258	9%	\$4,054
\$30,000 - \$40,000	\$23,577	\$15,211	65%	\$6,067	26%	\$2,299	10%	\$3,868
\$40,001 - \$50,000	\$24,282	\$15,953	66%	\$6,003	25%	\$2,327	10%	\$3,159
\$50,001 - \$75,000	\$22,613	\$14,714	65%	\$5,556	25%	\$2,344	10%	\$2,483
\$75,001 - \$100,000	\$19,150	\$11,385	59%	\$5,610	29%	\$2,154	11%	\$1,935
Greater than \$100,000	\$11,473	\$5,124	45%	\$4,645	40%	\$1,704	15%	\$1,321

# UMass net price of Total Cost of Attendance remains competitive



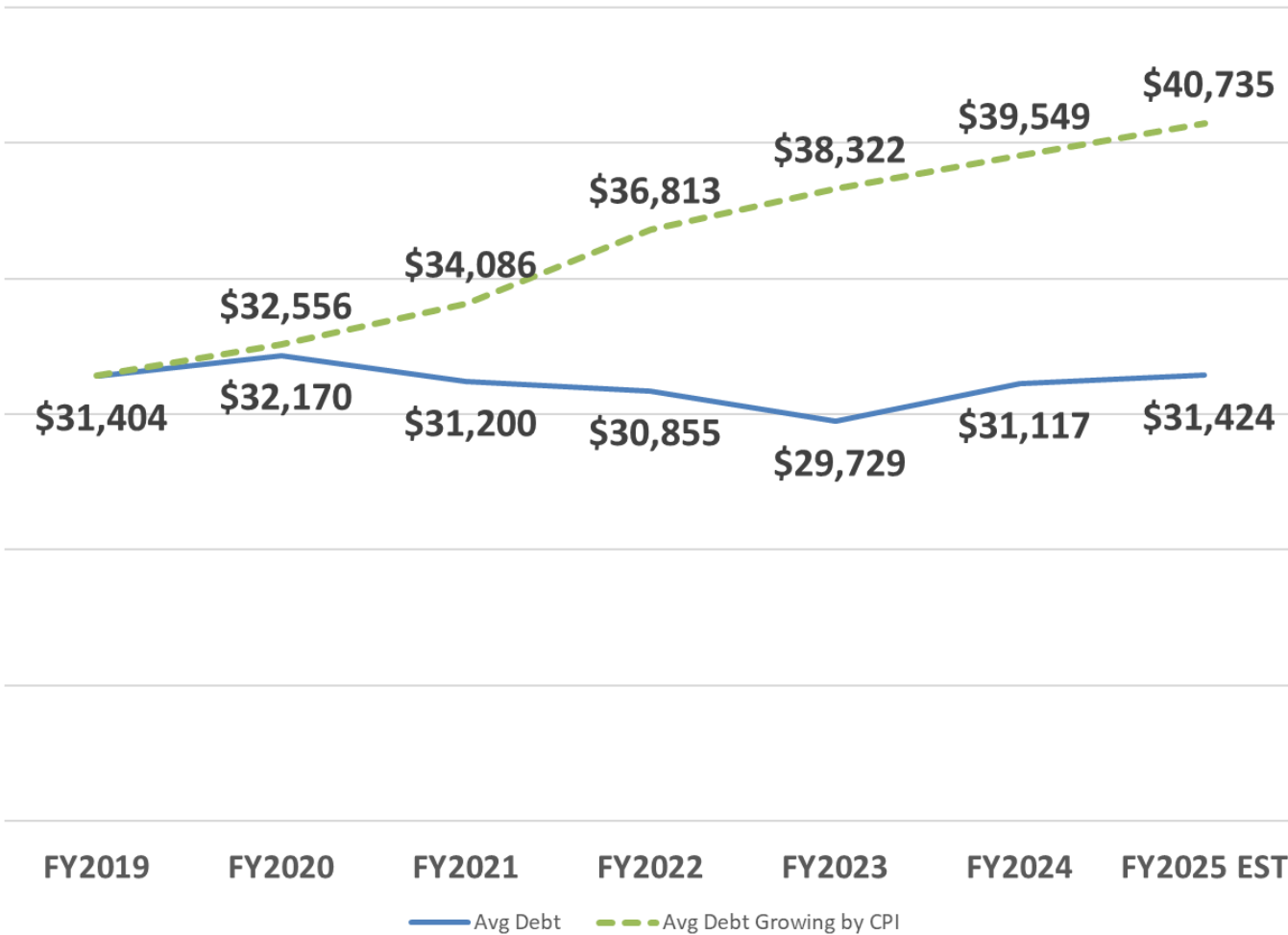
- Peer comparisons typically measure net price using total cost of attendance (vs University analysis focused on tuition & mandatory fees)
- Using total cost of attendance, average net price at UMass is less expensive than the average of private institutions in Massachusetts by over \$10K

# Percentage of In-State Undergraduates Receiving Pell Grants





# Average Undergraduate student debt has recently remained stable and remaining below inflation-adjusted dollars

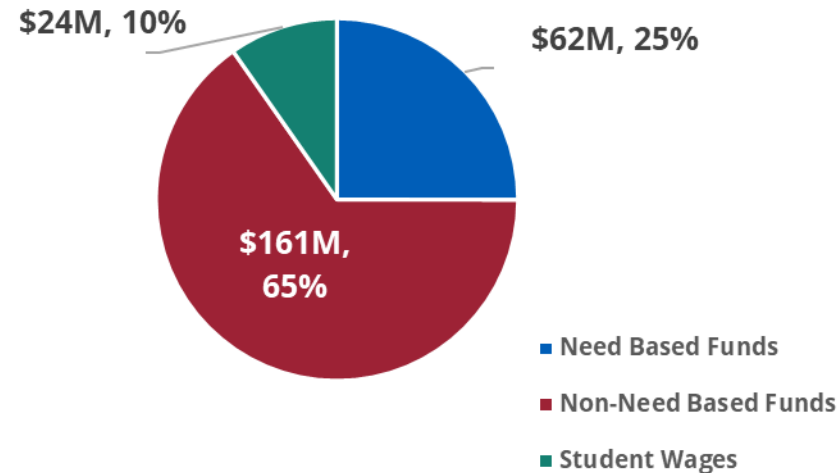


- The percentage of Undergraduates graduating with debt has declined **5%** since 2015
- In FY24, scholarship/grant aid in total exceeds student loan borrowing by **\$181M** illustrating the impact of free aid

# Appendix 2. – Campus Data

# Amherst

- Campus Funded Aid : FY24 = \$247 million



- FY24 Average Financial Aid Package – In-State Undergraduates with Need and all types of aid (Grant/loan/work)

Average Financial Aid Package	Average Unmet Need	Average Grant Award	Average Loan Award	Average Work Award
\$22,156	\$2,399	61%	31%	8%

- UG In-State Student Net Price

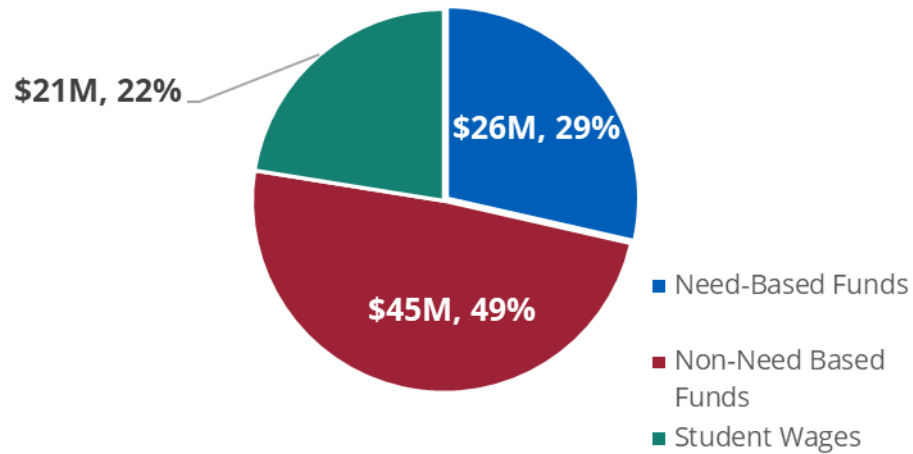
2022-2023	
Total Price	\$33,475
Average Net Price	\$22,954

- Student Debt

Amherst		
Year	% Graduating w/ Debt(3)	Cohort Avg Debt at Graduation(4)
2023 - 2024	54%	\$32,306
2022 - 2023	58%	\$29,764
2021 - 2022	60%	\$31,480
2020 - 2021	62%	\$31,623

# Boston

- Campus Funded Aid : FY24 = \$93 million



- FY24 Average Financial Aid Package – In-State Undergraduates with Need and all types of aid (Grant/loan/work)

Average Financial Aid Package	Average Unmet Need	Average Grant Award	Average Loan Award	Average Work Award
\$19,019	\$3,037	59%	27%	14%

- UG In-State Student Net Price

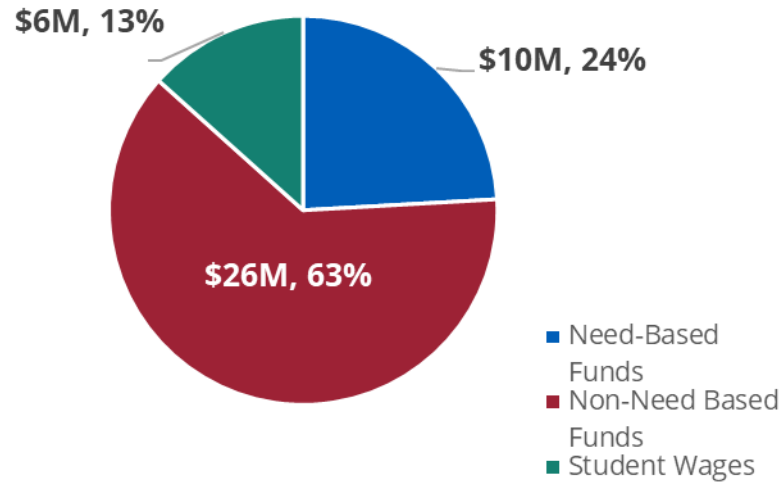
2022-2023	
Total Price	\$34,750
Average Net Price	\$17,554

- Student Debt

Boston		
Year	% Graduating w/ Debt <sup>(3)</sup>	Cohort Avg Debt at Graduation <sup>(4)</sup>
2023 - 2024	65%	\$27,233
2022 - 2023	65%	\$27,371
2021 - 2022	66%	\$27,117
2020 - 2021	58%	\$25,477

# Dartmouth

- Campus Funded Aid : FY24 = \$42 million



- FY24 Average Financial Aid Package – In-State Undergraduates with Need and all types of aid (Grant/loan/work)

Average Financial Aid Package	Average Unmet Need	Average Grant Award	Average Loan Award	Average Work Award
\$19,906	\$4,236	56%	35%	9%

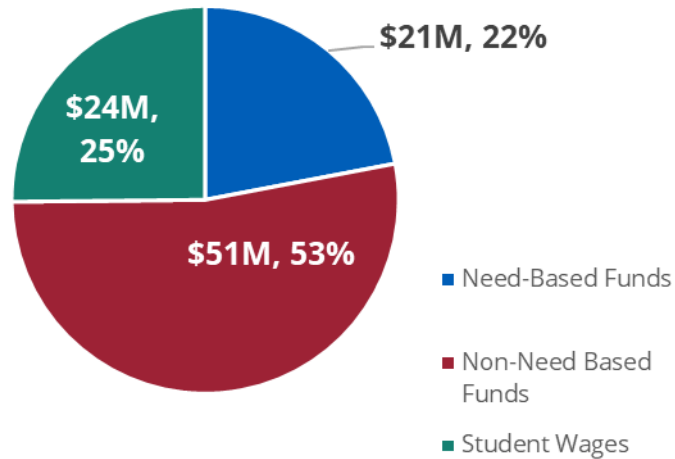
- UG In-State Student Net Price

2022-2023	
Total Price	\$34,519
Average Net Price	\$20,696

- Student Debt

Dartmouth		
Year	% Graduating w/ Debt(3)	Cohort Avg Debt at Graduation(4)
2023 - 2024	79%	\$32,370
2022 - 2023	80%	\$32,059
2021 - 2022	77%	\$31,651
2020 - 2021	83%	\$33,680

- Campus Funded Aid : FY24 = \$96 million



- FY24 Average Financial Aid Package – Instate Undergraduates with Need and all types of aid (Grant/loan/work)

Average Financial Aid Package	Average Unmet Need	Average Grant Award	Average Loan Award	Average Work Award
\$18,292	\$1,190	63%	24%	13%

- UG In-State Student Net Price

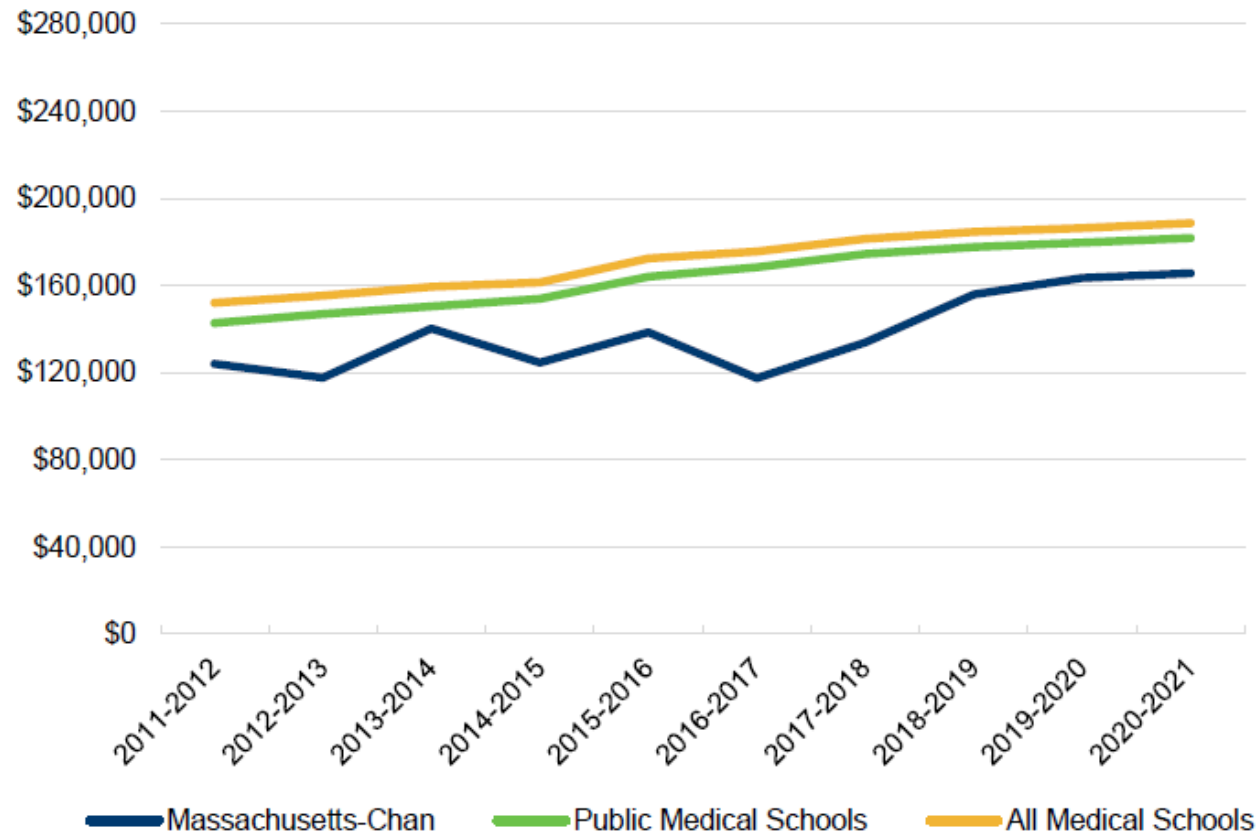
2022-2023	
Total Price	\$32,732
Average Net Price	\$17,624

- Student Debt

Lowell		
Year	% Graduating w/ Debt(3)	Cohort Avg Debt at Graduation(4)
2023 - 2024	71%	\$29,739
2022 - 2023	76%	\$30,316
2021 - 2022	74%	\$31,528
2020 - 2021	75%	\$33,297

# Chan Medical School

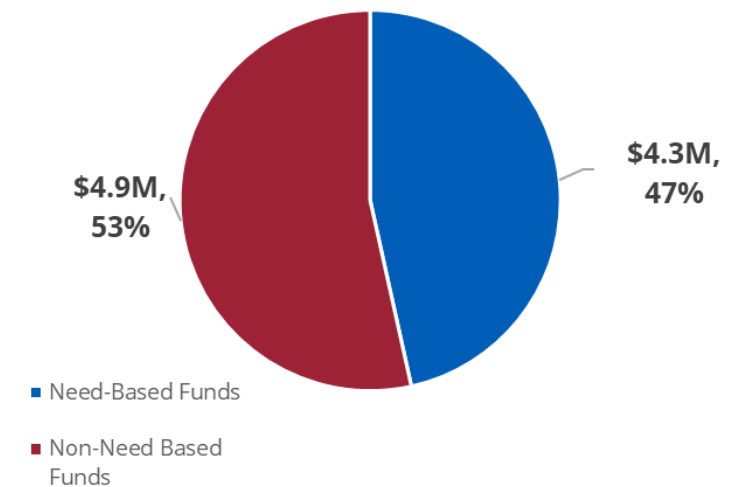
**Average Medical School Debt of Indebted Graduates**



**Percentage of Graduates with Medical School Debt**

Massachusetts-Chan	83.4%
Public Medical Schools	74.0%
All Medical Schools	72.2%

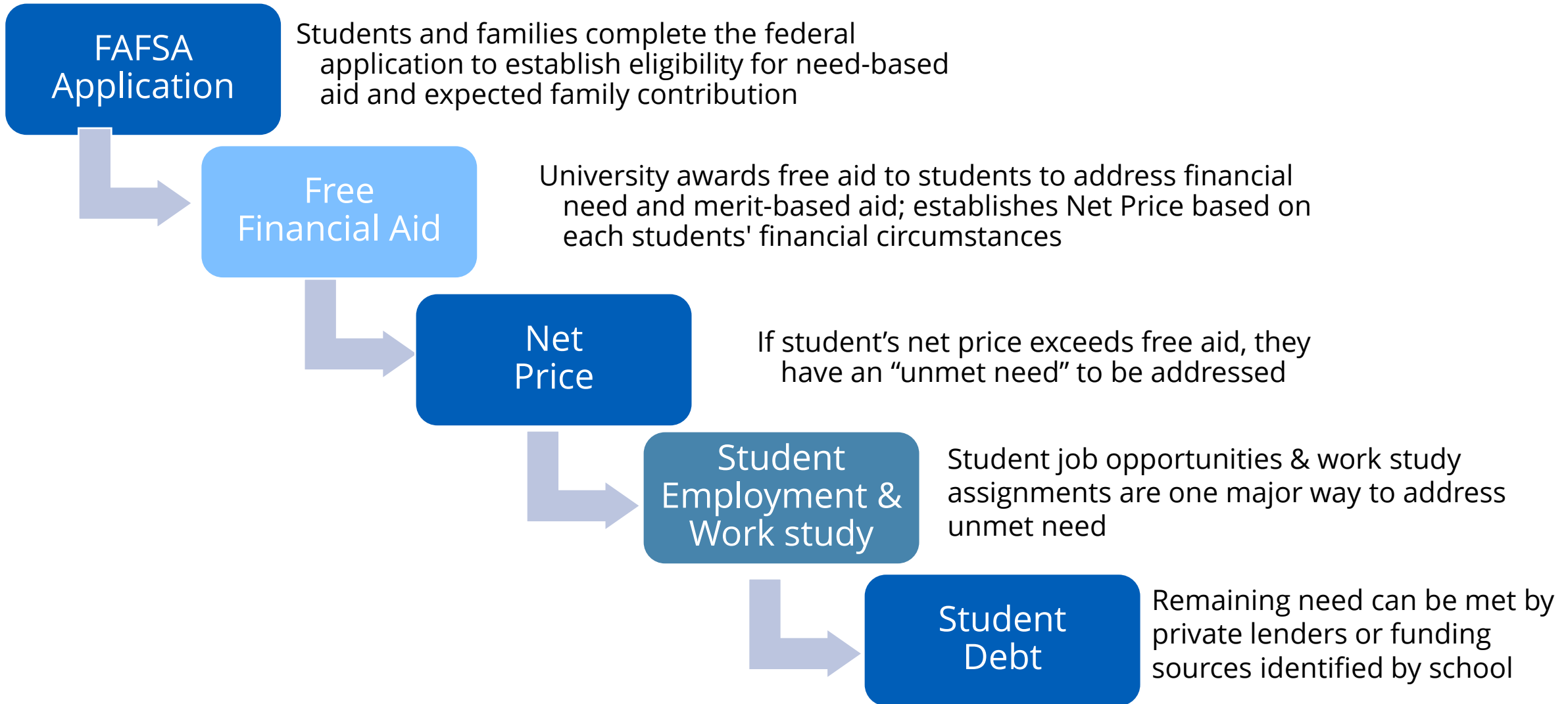
Institutional Aid : FY24 = \$9 million



# Appendix 3. - Definitions



# How you pay for college 101



# Types of Aid

- Grants/Scholarships – gift aid to students which does not have to be repaid
- Waivers/Credits – a discount provided through 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		
Mass Grant / Cash Grant	Need Based Waiver / Credit		

# Student Eligibility

- 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.