2016 Financial Aid Report

Presentation
Committee on Administration and Finance
April 6, 2016
Highlights

- FY15 financial aid expenditures increased over 1%
  - Increase was primarily driven from Institutional sources
  - UMass institutional aid totaled $236.3M and grew 5% over FY14 to FY15 and is anticipated to grow another 8% over FY15 to FY16
  - Institutional aid is primarily scholarships and grants and minimal loans attributable to the Medical School
    - Federal aid decreased 2% from FY14 to FY15 due to need and non-need loan programs
    - State aid totaled $51.6M in FY15 and increased 5% from FY14 to FY15 driven by Need-based grants
- Institutional need based aid totals $93M for FY15 which consists of 95% grant or scholarship aid
- Although the University’s Net Price grew over the last three years it is at a level less than our Peer New England Land grants and other MA Private Institutions.
- Average percentage of Undergraduates graduating with debt declined 2% from FY14 to FY15 and is expected to decline an additional 1% from FY15 to FY16
Going Forward: challenging to increase aid at the rate needs are growing and within available funds as revenues remain relatively flat

The following slides #4-13 focus on aid to all UMass Students including Graduate and Undergraduate students and both In-State and Out-of-State students

Slides #15-22 provides analysis on the In-State Undergraduate student population
Growth in Financial Aid By Source

All Other includes private/alternative loans, work-study, and various grant and loan programs. FY12 increase in UMass Institutional Waivers, shown in brown above, was caused by inconsistent reporting of some institutional waivers in prior years which has now been consistently reported by campuses since FY12.
Total Aid to Students By Source of Funds - FY2006-FY2016 Estimate

- **FEDERAL**
  - FY2006: $69.3
  - FY2007: $95.5
  - FY2008: $88.6
  - FY2009: $50.3
  - FY2010: $47.6
  - FY2011: $130.0
  - FY2012: $192.6
  - FY2013: $209.6
  - FY2014: $224.8
  - FY2015: $236.3
  - FY2016 (EST): $255.8

- **STATE**
  - FY2006: $218.7
  - FY2007: $44.0
  - FY2008: $96.6
  - FY2009: $109.3
  - FY2010: $47.1
  - FY2011: $46.8
  - FY2012: $48.8
  - FY2013: $49.0
  - FY2014: $51.6
  - FY2015: $52.4

- **UMASS**
  - FY2006: $37.8
  - FY2007: $42.2
  - FY2008: $66.3
  - FY2009: $319.7
  - FY2010: $386.1
  - FY2011: $431.9
  - FY2012: $442.1
  - FY2013: $440.0
  - FY2014: $440.2
  - FY2015: $430.2
  - FY2016 (EST): $423.8

- **OTHER**
  - FY2006: $208.2
  - FY2007: $77.9
  - FY2008: $242.3
  - FY2009: $61.0
  - FY2010: $73.8
  - FY2011: $78.6
  - FY2012: $87.2
  - FY2013: $92.2
  - FY2014: $98.4
  - FY2015: $103.5
  - FY2016 (EST): $113.5
The University and the Federal Government are the Largest Sources of UMass Student Aid

- Excludes FY10 Fee Rebate; FY12 increase in UMass Aid to students was caused by inconsistent reporting of institutional waivers in prior years which is captured in more recent data.
Need-Based Aid From All Sources Including Institutional/Federal/State

Grants and loans are the two largest components of need-based aid.

- Grants and loans are the two largest components of need-based aid.

Data includes Undergraduate and Graduate Students: Decrease in need-based loans from FY12 to FY13 is due to the elimination of need-based federal loans for Graduate students. They are only eligible for non-need-based loans effective FY13.
Non-Need Based Aid From All Sources Including Institutional/Federal/State

Non-need Based aid is predominantly comprised of loans

Data includes Undergraduate and Graduate Students: Increases in non-need based loans from FY12 to FY13 due to the elimination of need-based federal loans for graduate students. They are only eligible for non-need based loans effective FY13.
UMass Continues to Increase Its Institutional Support of Financial Aid

- Increases in scholarship aid are attributed to meeting the campus recruitment goals for undergraduate and graduate students.
- FY16 includes $7M additional financial aid pending supplemental state funding.

This table provides a summary breakdown of the types of aid defined as need-based and non-need.

### Need-Based Aid

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016 (EST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarship</td>
<td>96%</td>
<td>96%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Institutional Employment</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Fee Waivers</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

### Non-Need Aid

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016 (EST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scholarship</td>
<td>24%</td>
<td>26%</td>
<td>29%</td>
<td>31%</td>
<td>34%</td>
</tr>
<tr>
<td>Graduate Waivers</td>
<td>63%</td>
<td>61%</td>
<td>58%</td>
<td>55%</td>
<td>53%</td>
</tr>
<tr>
<td>Athletic Scholarship</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Institutional Employment</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
UMass Provides Institutional Need-Based Financial Aid through various programs

FY 16 Estimate Need Based Institutional Aid by Type
Total = $104.95 Million

- Institutional Employment (Need Based), $2.35
- Fee Waivers, $2.40
- Scholarships and Grants, $100.20

Data includes Undergraduates and Graduate Students
UMass Need-Based Institutional Aid

Need Based Institutional Aid By Type - FY2012-FY2016 (EST)
(In Millions)

- FY2012: $86.12M
  - Scholarships and Grants: $82.83M
  - Institutional Employment (Need Based): $1.86M
  - Fee Waivers: $1.43M

- FY2013: $91.14M
  - Scholarships and Grants: $87.38M
  - Institutional Employment (Need Based): $1.87M
  - Fee Waivers: $1.90M

- FY2014: $92.87M
  - Scholarships and Grants: $88.64M
  - Institutional Employment (Need Based): $2.07M
  - Fee Waivers: $2.16M

- FY2015: $93.04M
  - Scholarships and Grants: $88.35M
  - Institutional Employment (Need Based): $2.37M
  - Fee Waivers: $2.32M

- FY2016 (EST): $104.95M
  - Scholarships and Grants: $100.20M
  - Institutional Employment (Need Based): $2.40M
  - Fee Waivers: $2.35M
UMass Provides Institutional Non-Need-Based Financial Aid through various programs

FY16 Estimate Non Need Based Institutional Aid by Type
Total = $150.80 Million

- Scholarships & Grants, $50.99
- Fee Waivers; Continuing Ed Tuition Waiver; Graduate Tuition & Fee Waivers, $79.34
- Athletic Waivers/Scholarships, $14.09
- Institutional Employment, $5.77
- Loans, $0.61

Data includes Undergraduates and Graduate Students
UMass Non-Need Based Institutional Aid

Non-Need Based Institutional Aid By Type - FY2012-FY2016 (EST) (In Millions)

- FY2012: $106.54M
- FY2013: $118.43M
- FY2014: $131.92M
- FY2015: $143.23M
- FY2016 (EST): $150.80M

Legend:
- Fee Waivers; Continuing Ed Tuition Waiver; Graduate Tuition & Fee Waivers
- Institutional Employment
- Loans
- Athletic Waivers/Scholarships
- Scholarships and Grants
- Slides #15-22 provides analysis on the In-State Undergraduate student population.
In-State Undergraduate Need-Based Aid

In-State Undergraduates Who Have Need & Received Aid

- Total In-State Undergraduate Enrollment

- The difference between the total in-State population & the population receiving aid is either:
  A. The student did not apply
  B. The student was determined to not have financial need

Overall, all students with need received some aid

Percentage of total In-State Undergraduate Students receiving any aid
Average Percentage of Student Need Met

- Need Met: the percentage of need that was met of students 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.
The discount rate is calculated by dividing the Total Institutional Grant Aid by the Gross Tuition & Fees. Total Institutional Grant Aid is the Total UMass Institutional Aid net of any institutional employment and loan aid provided by the University.
Percent of In-State Undergraduates Receiving Pell Grants
UMass FY15 Actual Financial Aid by Income For In-State Undergraduates with Need

<table>
<thead>
<tr>
<th>Federal Income Range</th>
<th>Financial Aid Applicants</th>
<th>Average Federal Income</th>
<th>Average Expected Family Contribution (EFC)</th>
<th>Average Need</th>
<th>Average Financial Aid Package</th>
<th>Average Unmet Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $30,000</td>
<td>9,845</td>
<td>$13,211</td>
<td>$639</td>
<td>$21,649</td>
<td>$18,478</td>
<td>$3,171</td>
</tr>
<tr>
<td>$30,000 - $40,000</td>
<td>2,384</td>
<td>$34,928</td>
<td>$2,021</td>
<td>$20,344</td>
<td>$17,424</td>
<td>$2,920</td>
</tr>
<tr>
<td>$40,001 - $50,000</td>
<td>2,093</td>
<td>$44,858</td>
<td>$2,936</td>
<td>$19,772</td>
<td>$16,954</td>
<td>$2,817</td>
</tr>
<tr>
<td>$50,001 - $75,000</td>
<td>4,641</td>
<td>$62,163</td>
<td>$5,483</td>
<td>$17,093</td>
<td>$14,849</td>
<td>$2,245</td>
</tr>
<tr>
<td>$75,001 - $100,000</td>
<td>3,730</td>
<td>$86,942</td>
<td>$10,204</td>
<td>$12,810</td>
<td>$11,231</td>
<td>$1,579</td>
</tr>
<tr>
<td>Greater than $100,000</td>
<td>5,512</td>
<td>$131,862</td>
<td>$15,937</td>
<td>$8,067</td>
<td>$7,233</td>
<td>$834</td>
</tr>
</tbody>
</table>

- Average Need is determined after the Expected Family Contribution (EFC) of each financial aid applicant is applied to the estimated cost of attendance. The financial aid package may contain as 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, provides information on the composition of an average financial aid package for the students.
Undergraduate Student Debt

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.

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Debt</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$27,571</td>
<td>73%</td>
</tr>
<tr>
<td>2013</td>
<td>$28,389</td>
<td>73%</td>
</tr>
<tr>
<td>2014</td>
<td>$29,922</td>
<td>75%</td>
</tr>
<tr>
<td>2015</td>
<td>$31,020</td>
<td>73%</td>
</tr>
<tr>
<td>2016 (EST)</td>
<td>$31,096</td>
<td>72%</td>
</tr>
</tbody>
</table>

FY12-FY16 estimate ALL UNDERGRADUATES

- Total Price shows the cost of an in-state undergraduate student living on campus
- Net Price shows the average cost after receiving grant or scholarship aid
- The percentage, in each bar, indicates the percentage of each metric to the MFI

Median Family Income in Massachusetts = $63,151

- UMass In-State: Total Price $26,007 (41%), Net Price $16,399 (26%)
- NE Public Land-Grant: Total Price $27,862 (44%), Net Price $18,510 (29%)
- MA Privates: Total Price $59,799 (95%), Net Price $26,770 (42%)

Source: Integrated Postsecondary Education Data System (IPEDS)
Median Family Income Source: U.S. Census Bureau Current Population Survey
Average Net Price

Net Price shows the average cost after receiving grant or scholarship aid.

The percentage, in each bar, indicates the percentage of each metric to the MFI.

Source: Integrated Postsecondary Education Data System (IPEDS)

**Financial Aid Literacy**

- **UMass Amherst**: The Amherst campus had 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. Feedback was very positive with students saying it was an eye opener. The campus is continuing to explore different ways to communicate financial literacy to students.

- **UMass Boston**: The Boston campus 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. Brochures and website are designed to provide students and families with information they need to make informed decisions about college costs and student loan borrowing.
Financial Aid Literacy

- **UMass Dartmouth**: Dartmouth participates in a number of on-campus and community outreaches. The Financial Aid Office regularly offers publications and presentations to students at Open Houses, Accepted Students Day, and other events throughout the academic year to better educate our students and families on both financial aid and student loan borrowing. In addition during the month of February, staff across campus wear bright orange shirts advertising our March 1st FAFSA priority date.

- **UMass Lowell**: Lowell provides front-line counseling, student and family presentations, and printed materials structured to include financial planning resources for students and families to build a sustainable financial plan. Outreach activities include financial aid nights, high school day seminars, and College Goal Sunday to educate the community on the financial aid process and how to build a financial plan for college. Members of the financial aid team present basic money management skills to students in many of the first-year seminar courses. The Lowell campus hopes to launch a dedicated website to include a Money Management component which will provide tools and tips on budgeting, spending and credit.
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.

The scenario outlined in these examples is an 18 year old in-state student living on-campus, who plans to apply for financial aid. The student has no dependents and is unmarried. The student is part of a family of three with one member of the family in college. The family income is in the $40,000-$49,999 range.
Campus Specific Data
FY 15 Average Financial Aid Package (In-State Undergrads with Need):

<table>
<thead>
<tr>
<th>Number of Financial Aid Applicants</th>
<th>Number of Applicants Determined to Have Need &amp; Receive Aid</th>
<th>Average Federal Income</th>
<th>Average Expected Family Contribution (EFC)</th>
<th>Average Need</th>
<th>Average Financial Aid Package</th>
<th>Average Unmet Need</th>
<th>Average Grant Award</th>
<th>Average Loan Award</th>
<th>Average Work Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,313</td>
<td>10,313</td>
<td>$73,465</td>
<td>$8,164</td>
<td>$17,974</td>
<td>$14,570</td>
<td>$3,404</td>
<td>$9,733</td>
<td>$7,967</td>
<td>$1,305</td>
</tr>
</tbody>
</table>

Average Percentage of Need Met: 82.4%

% Graduating with debt and debt $:

2014-2015 ACTUAL

70%

$31,958

Institutional Aid:

- Institutional Aid figures include Undergraduates and Graduate student aid
FY 15 Average Financial Aid Package (In-State Undergrads with Need):

<table>
<thead>
<tr>
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<th>Average Financial Aid Package</th>
<th>Average Unmet Need</th>
<th>Average Grant Award</th>
<th>Average Loan Award</th>
<th>Average Work Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,159</td>
<td>7,159</td>
<td>38,769</td>
<td>3,615</td>
<td>$ 15,903</td>
<td>$ 14,092</td>
<td>$ 1,811</td>
<td>$ 7,975</td>
<td>$ 7,011</td>
<td>$ 3,474</td>
</tr>
</tbody>
</table>

Average Percentage of Need Met: 90%

% Graduating with debt and debt $:

2014-2015 ACTUAL

66%

$ 28,368

Institutional Aid:

Boston Institutional Aid FY2015

$19.2M, 46%

$19.4M, 47%

$2.9M, 7%

Institutional Aid figures include Undergraduates and Graduate student aid
**Dartmouth**

- FY 15 Average Financial Aid Package (In-State Undergrads with Need):

<table>
<thead>
<tr>
<th>Number of Financial Aid Applicants</th>
<th>Number of Applicants Determined to Have Need &amp; Receive Aid</th>
<th>Average Federal Income</th>
<th>Average Expected Family Contribution (EFC)</th>
<th>Average Need of Recipients</th>
<th>Average Financial Aid Package</th>
<th>Average Unmet Need</th>
<th>Average Grant Award</th>
<th>Average Loan Award</th>
<th>Average Work Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,780</td>
<td>4,780</td>
<td>56,903</td>
<td>5,606</td>
<td>$ 17,352</td>
<td>$ 15,617</td>
<td>$ 1,735</td>
<td>$ 9,022</td>
<td>$ 7,574</td>
<td>$ 1,583</td>
</tr>
</tbody>
</table>

- Average Percentage of Need Met: 91%

- % Graduating with debt and debt $:
  - 2014 - 2015 ACTUAL
    - 84%
    - $ 31,926

- Institutional Aid:

  - Dartmouth Institutional Aid FY2015
    - $5.4M, 17%
    - $13.5M, 42%
    - $13.4M, 41%

- Institutional Aid figures include Undergraduates and Graduate student aid
Lowell

- FY 15 Average Financial Aid Package (In-State Undergrads with Need):

<table>
<thead>
<tr>
<th>Number of Financial Aid Applicants</th>
<th>Number of Applicants Determined to Have Need &amp; Receive Aid</th>
<th>Average Federal Income</th>
<th>Average Expected Family Contribution (EFC)</th>
<th>Average Need of Recipients</th>
<th>Average Financial Aid Package</th>
<th>Average Unmet Need</th>
<th>Average Grant Award</th>
<th>Average Loan Award</th>
<th>Average Work Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,953</td>
<td>5,953</td>
<td>59,333</td>
<td>6,183</td>
<td>$16,553</td>
<td>$14,319</td>
<td>$2,234</td>
<td>$7,813</td>
<td>$7,712</td>
<td>$3,045</td>
</tr>
</tbody>
</table>

- Average Percentage of Need Met: 90%

- % Graduating with debt and debt $:

<table>
<thead>
<tr>
<th>2014-2015 ACTUAL</th>
<th>81%</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,915</td>
<td></td>
</tr>
</tbody>
</table>

- Institutional Aid:

- Institutional Aid figures include Undergraduates and Graduate student aid
Medical School

FY 15 Average Financial Aid Package (In-State Graduates with Need):

<table>
<thead>
<tr>
<th>Number of Financial Aid Applicants</th>
<th>Number of Applicants Determined to Have Need &amp; Receive Aid</th>
<th>Average Federal Income</th>
<th>Average Expected Family Contribution (EFC)</th>
<th>Average Need of Recipients</th>
<th>Average Financial Aid Package</th>
<th>Average Unmet Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>489</td>
<td>489</td>
<td>$12,441</td>
<td>$20,876</td>
<td>$47,856</td>
<td>$39,433</td>
<td>$13,235</td>
</tr>
</tbody>
</table>

Institutional Aid:

<table>
<thead>
<tr>
<th>Average Grant Award</th>
<th>Average Loan Award</th>
<th>Average Work Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,462</td>
<td>$33,969</td>
<td>$-</td>
</tr>
</tbody>
</table>

% Graduating with debt and debt $:

<table>
<thead>
<tr>
<th>2014-2015 ACTUAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>61%</td>
</tr>
</tbody>
</table>

$115,772

Medical School Institutional Aid FY2015

- $1.2M, 36%
- $2.3M, 64%

Need-Based Funds
Non-Need Based Funds
**Important Financial Aid Terms**

- **Expected Family Contribution (EFC):** an estimate of the amount of money you (and your parents, if you are dependent) could reasonably contribute toward college costs. The EFC is the initial indicator of what types of grants and/or loans you may be eligible for. The information provided on the FAFSA is used by the federal processor to determine an EFC.

- **Need Based Financial Aid:** is awarded when you have demonstrated financial need. You have financial need when your EFC is less than your estimated cost of attendance.
  
  - **Pell Grants:** Awarded to full- and part-time undergraduate students who demonstrate exceptional need and are seeking their first bachelor’s degree. Awards are limited to the equivalent of 12 full-time semesters. Final eligibility determination is required.
  
  - **Mass Grant Program:** A need-based grant funded by appropriations from the Massachusetts Legislature for Massachusetts residents. Eligible undergraduate students must take at least 12 credits each term, be seeking their first bachelor’s degree and file the FAFSA by May 1, 2016. Award amounts are determined by the Massachusetts Department of Higher Education.
  
  - **University Awards:** Grants, tuition waivers, and scholarships that are funded through state appropriations, annual donor gifts, and other university revenue are awarded to full- and part-time eligible undergraduate students seeking their first bachelor’s degree who demonstrate need.
  
  - **Work Study:** This federally funded program provides students with funding to obtain part-time employment opportunities both on and off campus. Students typically work 10-15 hours per week and receive a bi-weekly paycheck.
  
  - **Federal Direct Subsidized Loans:** A low-interest loan funded by the federal government and available to eligible students enrolled at least half-time who complete the FAFSA. A credit check is not required to receive this loan. Subsidized loans are awarded based on demonstrated need. The government pays the interest while the student is in school.

- **Non-Need Based Financial Aid:** is awarded when you have no financial need, i.e. your EFC is greater than the cost of attendance

  - **University Awards:** Grants, tuition waivers, and scholarships that are funded through state appropriations, annual donor gifts, and other university revenue are awarded to full- and part-time eligible undergraduate students seeking their first bachelor’s degree. These awards are based on criteria other than financial need such as assisting students of academic or athletic merit, or other purposes and does not include stipends.
  
  - **Federal Direct Unsubsidized Loans:** Is a non-need based, low-interest loan funded by the federal government and available to degree-seeking students enrolled at least half-time who complete the FAFSA. A credit check is not required to receive this loan.
Thank You