

November 5, 2014

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Pell Grants

Issue

The Federal Pell Grant Program provides need-based grants to low-income undergraduate students to promote access to higher education. A Federal Pell Grant, unlike a loan, does not have to be repaid. Pell Grants are a large and very important source of funding for higher education expenses for thousands of Utah students. In 2013-14, over 113,000 Utah students statewide received Pell funds totaling nearly \$406 million for an average grant of \$3,592. High demand from students and Federal budget challenges place Pell Grants under continual funding pressure.

Background

For many students, a Pell Grant provides a foundation of financial aid to which other student aid, such as work-study and student loans, is added to meet educational costs. Congress sets the Pell Grant award amount and the need-based formula to determine students' Pell eligibility. The 2013-14 maximum Pell Grant is \$5,645 while the minimum is \$582.

Students must apply annually for a Pell Grant and generally receive half of their Pell Grant award per semester. Eligibility for a Pell Grant is determined by a Congressionally-approved formula which takes into account income, assets, family size, and other factors. Pell Grant eligibility is limited to the equivalent of 12 semesters of full-time study. Students are not required to use their 12 semesters of eligibility consecutively but must maintain satisfactory academic progress, generally defined as at least a C average.

As reported to the Board last year the number of Pell Grant recipients and dollars awarded to Utah students was expected to stabilize after the sharp increases in those numbers since 2008. Both the number of recipients and dollar amounts decreased this past year from the 2012-13 award year. The number of Utah Pell Grant recipients decreased 5.8%, and dollar volume decreased 4.0% which followed the national trend (see Attachment 1). Such stabilization has historically occurred as the economy recovers and employment opportunities improve.

For the Utah System of Higher Education (USHE) institutions during 2013-14, the largest amount of Pell Grant dollars was received by students studying at Utah Valley University at \$47.7 million followed by Salt Lake Community College at \$39.3 million and Utah State University at \$36.8 million. Students studying at USHE institutions received 54% of the total Pell Grant dollar amount for 2013-14 followed by 29% at the private, non-profit institutions, and 16% at the for-profit, proprietary schools (see Attachment 2).

Pell Grant appropriations exceeded \$32 billion nationwide in 2013-14 and remain a significant resource for students to help meet the challenge of paying for college. Proposals to reform the Pell Grant and other federal aid programs will continue to be examined as Congress prepares to reauthorize the Higher Education Act of 1965 in the coming year.

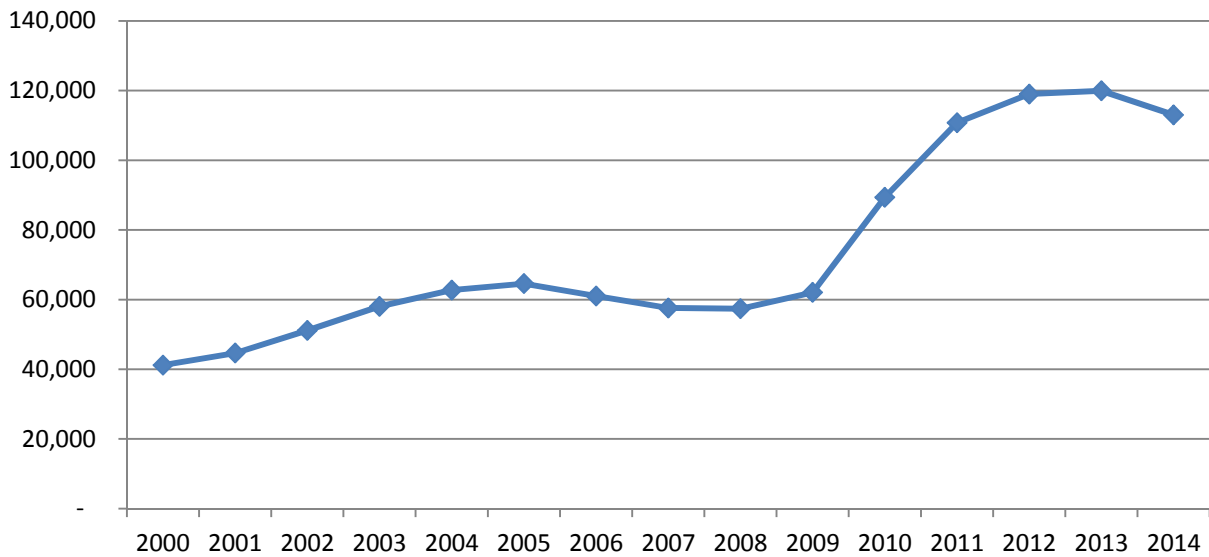
Commissioner's Recommendation

This is an information item. No action is needed.

David L. Buhler
Commissioner of Higher Education

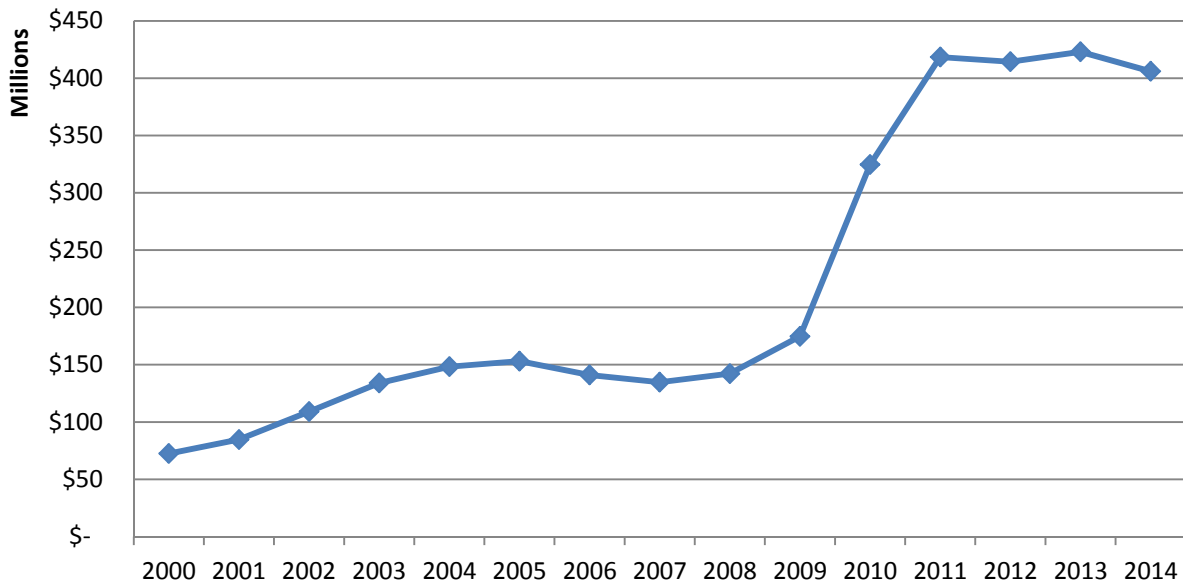
DLB/DAF
Attachments

Pell Grant
Recipients
at Utah-Headquartered Institutions
Award Years 2000-2014



Award Year	Recipients	% Change
2000	41,177	-
2001	44,657	8.5%
2002	51,144	14.5%
2003	58,036	13.5%
2004	62,730	8.1%
2005	64,577	2.9%
2006	61,033	-5.5%
2007	57,580	-5.7%
2008	57,370	-0.4%
2009	62,054	8.2%
2010	89,367	44.0%
2011	110,765	23.9%
2012	118,975	7.4%
2013	119,931	0.8%
2014	113,014	-5.8%

Pell Grant
Dollar Amount
at Utah-Headquartered Institutions
Award Years 2000-2014



Award Year	Total \$ Volume	% Change
2000	\$ 72,512,563	-
2001	\$ 84,713,786	16.8%
2002	\$ 109,047,540	28.7%
2003	\$ 134,069,185	22.9%
2004	\$ 148,293,463	10.6%
2005	\$ 153,111,221	3.2%
2006	\$ 141,027,093	-7.9%
2007	\$ 134,766,936	-4.4%
2008	\$ 142,206,175	5.5%
2009	\$ 174,749,179	22.9%
2010	\$ 324,609,284	85.8%
2011	\$ 418,448,369	28.9%
2012	\$ 414,365,347	-1.0%
2013	\$ 423,032,504	2.1%
2014	\$ 405,982,843	-4.0%

Utah 2013-2014 Award Year Pell Grant Volume by School

Disbursements through June 30, 2014

As of July 7, 2014

		School	YTD Recipients	YTD Disbursements	
USHE PUBLIC		DIXIE STATE UNIVERSITY	4,527	\$ 16,727,272	
		SALT LAKE COMMUNITY COLLEGE	13,171	\$ 39,319,518	
		SNOW COLLEGE	1,516	\$ 5,557,540	
		SOUTHERN UTAH UNIVERSITY	3,055	\$ 12,213,763	
		UNIVERSITY OF UTAH	8,342	\$ 31,428,701	
		UTAH STATE UNIVERSITY	10,000	\$ 36,793,787	
		UTAH VALLEY UNIVERSITY	13,432	\$ 47,747,379	
		WEBER STATE UNIVERSITY	8,330	\$ 28,808,524	
		Total Public	62,373	\$ 218,596,484	54%
PUBLIC APPLIED TECHNOLOGY COLLEGES		BRIDGERLAND APPLIED TECHNOLOGY COLLEGE	296	\$ 897,953	
		DAVIS APPLIED TECHNOLOGY COLLEGE	388	\$ 923,667	
		DIXIE APPLIED TECHNOLOGY COLLEGE	88	\$ 300,618	
		MOUNTAINLAND APPLIED TECHNOLOGY COLLEGE	143	\$ 401,457	
		OGDEN WEBER APPLIED TECHNOLOGY COLLEGE	591	\$ 1,412,929	
		SOUTHWEST APPLIED TECHNOLOGY COLLEGE	69	\$ 200,310	
		UINTAH BASIN APPLIED TECHNOLOGY COLLEGE	44	\$ 168,121	
			Total Applied Technology Colleges	1,619	\$ 4,305,055
PRIVATE-NONPROFIT		BRIGHAM YOUNG UNIVERSITY	11,117	\$ 45,958,053	
		LATTER DAY SAINTS BUSINESS COLLEGE	859	\$ 3,043,188	
		MIDWIVES COLLEGE OF UTAH	77	\$ 261,089	
		WESTERN GOVERNORS UNIVERSITY	18,435	\$ 65,971,163	
		WESTMINSTER COLLEGE	621	\$ 2,466,401	
		Total private-nonprofit	31,109	\$ 117,699,894	29%
PROPRIETARY		ACAYDIA SCHOOL OF AESTHETICS	29	\$ 106,665	
		AMERICAN BEAUTY ACADEMY	40	\$ 139,006	
		AMERITECH COLLEGE	1,184	\$ 4,586,907	
		AVEDA INSTITUTE PROVO	123	\$ 480,357	
		BARBER SCHOOL (THE)	72	\$ 251,005	
		BONNIE JOSEPH ACADEMY OF COSMETOLOGY & BARBERING	23	\$ 89,606	
		BROADVIEW UNIVERSITY	811	\$ 2,580,051	
		CAMEO COLLEGE OF ESSENTIAL BEAUTY	154	\$ 516,003	
		CAREERS UNLIMITED	82	\$ 276,682	
		EAGLE GATE COLLEGE	877	\$ 3,070,357	
		EVANS HAIRSTYLING COLLEGE	22	\$ 84,661	

School		YTD Recipients	YTD Disbursements
PROPRIETARY	EVANS HAIRSTYLING COLLEGE OF CEDAR CITY	35	\$ 126,558
	EVEREST COLLEGE	923	\$ 3,043,366
	FRANCOIS D. COLLEGE OF HAIR SKIN & NAILS	49	\$ 162,152
	HAIRITAGE HAIR ACADEMY	32	\$ 125,926
	HEALING MOUNTAIN MASSAGE SCHOOL	53	\$ 236,504
	MANDALYN ACADEMY	55	\$ 198,320
	MARINELLO SCHOOL OF BEAUTY	79	\$ 270,083
	MEDSPA ACADEMIES	119	\$ 369,694
	MYOTHERAPY COLLEGE OF UTAH	46	\$ 124,362
	NEUMONT UNIVERSITY	218	\$ 903,992
	NIGHTINGALE COLLEGE	102	\$ 361,640
	PAUL MITCHELL THE SCHOOL - PROVO	1,104	\$ 4,117,728
	PAUL MITCHELL THE SCHOOL - SALT LAKE CITY	434	\$ 1,674,531
	PAUL MITCHELL THE SCHOOL - LOGAN	36	\$ 146,425
	PROVO COLLEGE	447	\$ 1,427,107
	RENAISSANCE ACADEMIE	88	\$ 329,550
	SHERMAN KENDALL'S ACADEMY OF BEAUTY ARTS & SCIENCES	43	\$ 157,969
	SHERMAN KENDALL'S ACADEMY OF BEAUTY ARTS & SCIENCES	28	\$ 102,668
	SKIN INSTITUTE (THE)	10	\$ 22,682
	SKIN SCIENCE INSTITUTE OF LASER & ESTHETICS	69	\$ 214,145
	SKINWORKS SCHOOL OF ADVANCED SKINCARE	55	\$ 187,345
	STEVENS HENAGER COLLEGE	7,639	\$ 29,888,324
	TAYLOR ANDREWS ACADEMY OF HAIR DESIGN	133	\$ 494,434
	TAYLOR ANDREWS ACADEMY-ST. GEORGE	100	\$ 366,607
TOP NAILS & HAIR BEAUTY SCHOOL	55	\$ 198,065	
UTAH COLLEGE OF MASSAGE THERAPY	2,221	\$ 7,000,820	
VISTA COLLEGE	323	\$ 949,113	
Total proprietary		17,913	\$ 65,381,411

16%

TOTALS	113,014	\$ 405,982,843
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Pell Grant

Dollar Volume by School Type

2013-14 Award Year

