Thomas Jefferson:

“I was a revolutionary so that my children could farm and so their children could do art.”

• It is the successful finish that makes it an American Dream.
Scholarships as a means to address economic issues in your state

Jim Purcell

Arkansas Department of Higher Education

Western Interstate Commission for Higher Education
State Per Capita Personal Income v. Share of Adult Population with Bachelor's Degree or Higher (2007)

No state with a low proportion of Bachelor’s degrees has a high per capita income.

2008= 18.8%

2002= 19.7%

From 2000 to 2004, Oklahoma increased in the percent of bachelor’s degrees for Oklahomans age 25 and older from 20.2 to 22.2 and from 47th to 42nd in the state rankings.

Source: U.S. Census Bureau, ACS 2006
• 2 state approaches
  – **AR** – Targets most HS Students and adults
  – **OK** - Targets academic qualified low income from HS

• 2 local approaches
  – Local philanthropy – **Eldorado Promise**
  – Local tax -- **Tulsa Achieves**
    • possible state incentive
up to 50 percent of America’s adult population today lacks the advanced skills that are the foundation for most future high-paying jobs in today’s complex knowledge economy.
## Other State Rankings: Workforce

<table>
<thead>
<tr>
<th></th>
<th>Rank</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of People 21 to 64 Years Old With a Disability</td>
<td>4</td>
<td>19.1</td>
</tr>
<tr>
<td>Percent of People 25 Years and Over Who Have Completed High School (Includes Equivalency)</td>
<td>45</td>
<td>81.1</td>
</tr>
<tr>
<td>Percent of People 25 Years and Over Who Have Completed a Bachelor's Degree</td>
<td>49</td>
<td>19.3</td>
</tr>
<tr>
<td>Percent of People 25 Years and Over Who Have Completed an Advanced Degree</td>
<td>49</td>
<td>6.5</td>
</tr>
<tr>
<td>Employment/Population Ratio for the Population 16 to 64 Years Old</td>
<td>46</td>
<td>65.5</td>
</tr>
</tbody>
</table>

Arkansas has a working population with special needs, we have an uneducated workforce. What future will we build?
Other State Rankings -
Income

<table>
<thead>
<tr>
<th>Description</th>
<th>Rank</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Median Earnings for Female Full-Time, Year-Round Workers</strong> (In 2007 Inflation-Adjusted Dollars)</td>
<td>49</td>
<td>26,815</td>
</tr>
<tr>
<td><strong>Median Earnings for Male Full-Time, Year-Round Workers</strong> (In 2007 Inflation-Adjusted Dollars)</td>
<td>51</td>
<td>36,379</td>
</tr>
<tr>
<td><strong>Median Family Income</strong> (In 2007 Inflation-Adjusted Dollars)</td>
<td>49</td>
<td>47,021</td>
</tr>
<tr>
<td><strong>Median Household Income</strong> (In 2007 Inflation-Adjusted Dollars)</td>
<td>49</td>
<td>38,134</td>
</tr>
<tr>
<td>Percent of <strong>People Below Poverty Level</strong> in the Past 12 Months</td>
<td>4</td>
<td>17.9</td>
</tr>
</tbody>
</table>
State Per Capita Income, 2007

Source: US Bureau of Economic Analysis and Bureau of the Census
State Population Age 25 Years and Older with Bachelor’s Degree or Higher, 2007

Source: U.S. Census Bureau, 2007 American Community Survey
Some College – No 4-year Degree

Source: U.S. Census Bureau, 2007 American Community Survey
Percent of Children Under 18 Years Below Poverty Level

25.8% 3rd

8.8% 51st
(New Hampshire)

Source: U.S. Census Bureau, 2007 American Community Survey (Table R1704)
State Support for Higher Education

Unrestricted Educational & General Budget

Sources of Revenue

1980’s = 70%


State Appropriation 58.0% 54.3% 53.6% 51.7% 50.3% 50.9%
Tuition & Fees 6.1% 4.3% 5.2% 6.0% 6.8% 6.5%
Local Appropriation 0.9% 1.3% 1.5% 1.3% 0.9% 1.1%
Other 6.5% 6.8% 6.0% 5.2% 6.1% 5.8%
Institutional E@G Funded Scholarships are great for students receiving a scholarship, but expensive for those who do not receive the scholarship.
"If I could rest anywhere, it would be in Arkansas, where the men are of the real half-horse, half-alligator breed such as grows nowhere else on the face of the universal earth."

Davey Crockett
Percent 96-97 Arkansas 9th Grader’s Progression into High School and College (percent)

9th Grade Enrollment | High School Grads | Enrolled Directly into College | First-time Full-time Degree Seeking Cohort | Retained After 1 Year | Graduated Within 6 Years | With Associate Degree | With Bachelor Degree
---|---|---|---|---|---|---|---
100 | 71% | 28% | Fall 2000 College Freshmen
96-97 Arkansas 9th Grader's Progression into High School and College (number)

- 9th Grade Enrollment: 37,160
- High School Graduates: 27,335
- Enrolled Directly into College: 17,116
- First-time Full-time Degree Seeking Cohort: 15,172 (100%)
- Retained After 1 Year: 10,701 (71%)
- Graduated Within 6 Years: 5,817
- Graduated with Associate Degree: 1,493 (28%)
- Graduated with Bachelor Degree: 4,324
Competing Globally

- Arkansas high school graduates: 28,532
- How many high school graduates in Dallas/Fort Worth MSA? 40,906
- All of Texas: 240,485
- US: 3,152,000
- China: 9,500,000
Catching Up

• What can be done? What is possible? What are the issues?

• What is the solution?

• Will Arkansas seek to participate in the modern-global-technological society in a capacity other than being a provider of low-skilled cheap labor?
Arkansas ranks 7th in the growth of associate degrees since 1999-2000.
Arkansas ranks 11th in the growth of bachelor’s degrees since 1999-2000.
A new day for Scholarships in Arkansas... 

and how it will change higher education
3 Tools, 1 System

1: Find Financial Aid
You will be asked about your current status, academic plans, and financial situation. Based upon the information you provide, you will receive an indication of Arkansas financial aid that is available to YOU.

2: Apply
When you're ready, create your account and begin the Arkansas Universal Financial Aid Application to get the ball rolling. This system stores your information so you only have to enter it once!

3: Track Your Status
Based on your responses to the following questions, you will receive an indication of financial aid programs available to you. Following completion of these questions, you will be given the opportunity to set up an account, at which time these responses will become part of your application.

Are you a United States citizen?  ○ Yes  ○ No

Are you an Arkansas resident?  ○ Yes  ○ No

What is your current academic status? Please select one option below.

○ I will graduate from high school and go directly to college within 1 year after graduation.
○ I am a currently enrolled as an undergraduate college student.
○ I previously attended college and desire to re-enroll as an undergraduate college student.
○ I graduated from high school more than a year ago and desire to enroll as an undergraduate college student.
○ I have already earned a Bachelor’s degree.
○ I have successfully completed a General Educational Development (GED) test and have never enrolled as an undergraduate college student.
Thank you for taking the time to see what financial aid opportunities are available to you.

Based upon the information you submitted, you may qualify for the following programs:

<table>
<thead>
<tr>
<th>Scholarship</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic Challenge</td>
<td>2,500</td>
<td>Learn More</td>
</tr>
<tr>
<td>Go Opportunities Grant</td>
<td>1,000</td>
<td>Learn More</td>
</tr>
<tr>
<td>First year total</td>
<td>3,500</td>
<td></td>
</tr>
</tbody>
</table>

The information provided above is based upon what you submitted to us. Certain information will need to be verified. Based on the information provided you will need to:

- Complete the Free Application for Federal Student Aid (FAFSA) so we can verify your financial eligibility. Information from the FAFSA may be used to determine your eligibility for other types of financial aid.
- Request your high school counselor submit an electronic transcript.

Even if you do not qualify for need-based aid a FAFSA application is helpful. Many scholarships at the university and foundations use FAFSA information even though their award may not be need-based.

Are you ready to create your account and apply?
Your application has been submitted. As we receive your supporting information, we will send an email alerting you of your status. You may also login and check your profile page for status updates at anytime.

You will need to request the following items:

- Complete the Free Application for Federal Student Aid (FAFSA), [www.fafsa.ed.gov/](http://www.fafsa.ed.gov/).
- Request your high school counselor submit an electronic transcript.

Will automate the process as much as possible including transcript retrieval, ACT/SAT score submission.
Encouraging Student Participation

• Career coaches in the tier 4 counties
• Staffed from the area community colleges
• Coordinated at the state level by DCS
• Goals for this project include:
  – Increase in state financial aid applications
  – Increased college gong rate
  – Reduced remediation

TANF funds
Scholarship Criteria

• Encourage certain behavior:
  – Reward college preparation: Smart Core, ACT/SAT, good grades
  – Encourage enrollment and continued enrollment
  – Encourage graduation
  – **Encourage students near college graduation to finish**
  – **Encourage adults to enter or return to college**

• Lawful Resident, Arkansas resident for 1 year

• Designed to:
  – Be financially pragmatic until lottery revenues are maintained
  – Increase Arkansas’s % of adults with postsecondary credentials
  – Increase graduation rate
  – Increase graduates per year
  – Be Fair
Revised Academic Challenge

• Increase participation of direct-from-high-school students from 3,400 to 11,707 annually

• Increase total participation rate from 8,087 to 33,490
Arkansas Academic Challenge (Lottery) Scholarship

• 2 parts
  – Traditional
  – Non traditional
Academic Challenge Scholarship (Lottery Scholarship)

• Scholarships awarded under the Academic Challenge Part 2 will begin Fall 2010
• NO INCOME REQUIREMENT
• Aligned with Smart Core (college/work ready curriculum)
• Basic eligibility criteria
  – Traditional Students
    • Accepted for admission at an approved institution of higher education as a full-time student in a program of study that leads to a baccalaureate degree, associate degree, qualified certificate or a nursing school diploma
    • Applicant must complete the FAFSA
Academic Challenge Scholarship (Lottery Scholarship)

– Traditional Student requirements (cont..)

Must meet one of the following criteria:

• Graduate from an Arkansas public high school, successfully complete the **Smart Core** curriculum and achieve a **2.5 high school GPA OR obtain a 19 on the ACT**

• If student graduates from an Arkansas public high school that is identified as a school in which 20% or more of the students received a letter grade of “B” or higher but did not score proficient of higher on the end-of-course assessment, the student must achieve a **2.5 high school GPA AND obtain a 19 on the ACT OR score proficient** on all state-mandated end-of-course assessments
Continued Eligibility

• Complete all remedial course work in the first 30 hours after receiving the scholarship
• Maintain 2.5
• Completed 27 semester hours in year 1, 30 in year 2, etc
• Renewed up to BA/BA/BAS or 130 semester hours in 8 semesters, whichever happens first.
• Declare major after 66 hours

- Encourages students to develop necessary skills for future success
- Encourages timely graduation
- Encourages timely graduation
- Controls cost
Academic Challenge Scholarship
(Lottery Scholarship)

– Nontraditional Students

• Accepted for admission at an approved institution of higher education as a full-time or part-time student in a program of study that leads to a baccalaureate degree, associate degree, qualified certificate or a nursing school diploma

• Applicant must complete the FAFSA
Limited Funds for Nontraditional Students

- Majority of Scholarship funds are targeted to students directly out of high school
- Nontraditional student funding:
  - **8 Million** for 2010-2011 (about 15% of the projected 53 million of lottery revenue)
  - In future years, ADHE will recommend more or less depending on usage of the scholarship and lottery revenue
Prioritization of Nontraditional Student Applicant for the Scholarships

A.C.A. §6-85-204

(11) "Nontraditional student" means a student who is not a traditional student;

(17) "Traditional student" means a student who will enter postsecondary education as a full-time first-time freshman within twelve (12) months after graduating from high school and remains continuously enrolled as a full-time student.

Thus, Nontraditional students includes all these subgroups:

- Delayed
- Returner
- Earn-In
Distribution of funds to nontraditional students

Student applies for the Arkansas Academic Challenge via the universal application

Indicates they are desiring to attend a CC or University

Different buckets of funds

CC students would compete with CC students

University Students would compete with University Students

Delayed: 1/3
1. Priority given to those not requiring remediation
2. ACT/SAT/Compass or equivalent score
3. Financial Need (EFC)

Returning: 1/3
1. Priority given to those Nearest to Completion
2. Completed or not requiring remediation
3. Enrolled/Admitted in workforce critical-needs program
4. College GPA
5. Financial Need (EFC)

Earn-In: 1/3
1. Priority given to those Nearest to Completion
2. At a Univ - a nontrad transfer with AA/AS/AAS
3. Completed or not requiring remediation
4. Enrolled/Admitted in workforce critical-needs program
5. College GPA
6. Financial Need (EFC)

$$\text{divided equally among nontraditional categories}$$
Oklahoma's Promise
Oklahoma Higher Learning Access Program

Information provided by Bryce Fair,
Director of Financial Aid at the
Oklahoma State Regents for Higher
Education
Bachelor Degree Attainment by Age 24, by Family Income

Oklahoma’s Promise Enrollment Requirements

- Students must enroll during the 8th, 9th, or 10th grade
- Family income may not exceed $50,000 at the time of enrollment
Requirements for Scholarship Eligibility

- Complete 17-unit core curriculum based on college admission requirements
- Graduate from high school (home school students also eligible)
- 2.5 cumulative GPA in the required core
- 2.5 cumulative GPA overall
Core Curriculum – 17 Units
(Based on College Admission Core)

• 4 – English
• 2 – Lab Science (3 units for 2010 grads)*
• 3 – Math
• 3 – History & Citizenship Skills
• 2 – Foreign language or computer technology
• 2 – additional units from any subjects above (1 unit for 2010 grads and after)*
• 1 – Fine Arts or speech

*Consistent with ACE high school graduation requirements.
College Requirements to Maintain Scholarship Eligibility

• 2.0 GPA for courses taken through the sophomore year
• 2.5 for courses taken as a junior and thereafter
• Any student suspended for more than one semester for conduct reasons will lose the scholarship permanently.
Value of the Scholarship

• Pays the equivalent of public college tuition; can be used at private colleges and for career-tech programs that qualify for college credit.

• Pays only for the actual hours enrolled; no minimum enrollment required.

• Good for up to five years or the completion of a baccalaureate degree
OKPromise High School Enrollment
(By Graduation Year)

As of 08-22-08

10th Grade*

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual</th>
<th>Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>1,442</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>2,418</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>5,882</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>7,187</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>7,753</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>8,181</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>9,526</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>9,836</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>9,800</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>10,000</td>
<td></td>
</tr>
</tbody>
</table>
High School Students Completing OKPromise Requirements (by Grad Year)

As of 9-24-08
High School Requirement Completion Rates

1998: 56.9%
1999: 59.7%
2000: 60.8%
2001: 61.3%
2002: 67.2%
2003: 71.7%
2004: 70.3%
2005: 69.2%
2006: 69.2%
2007: 65.8%

$24,000
$32,000
$50,000
Ethnicity – 2007 HS Completers

2007 OKPromise

2007 HS Seniors

White  Amer. Ind  African Amer.  Hispanic  Asian  n/a

65%  12%  8%  6%  3%  0%

64%  19%  9%  6%  2%  0%
Gender Trends
OKPromise High School Grads, 1999-2007

OK H.S. Seniors: 50% Female, 50% Male
Geographic Distribution Trends
OKPromise High School Grads, 1999-2007

“Urban” is defined as the 5 most populous counties— Oklahoma, Tulsa, Cleveland, Canadian, and Comanche.
OK-Promise Enrollment as % of 10th-Grade Enrollment, By School Size

# of students in 10th-grade class

- **2004**
- **2005**
- **2006**
High School GPA’s for All Courses

OK Promise

OK Seniors

'96 '97 '98 '99 '00 '01 '02 '03 '04 '05 '06 '07

2.89 2.92 3.00 2.97 2.99 3.00 3.00 3.00 3.00 3.00 3.00 3.00

3.49 3.55 3.51 3.48 3.47 3.49 3.49 3.49 3.47 3.46 3.45 3.42

OK Promise
OK Seniors
ACT Scores
2001-2007

20.5  20.6  21.0  20.9  21.0  20.9  20.5  20.7

2001  2002  2003  2004  2005  2006  2007
## Foster Care Students - DHS

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enrolled</strong></td>
<td>142</td>
<td>258</td>
<td>371</td>
<td>412</td>
</tr>
<tr>
<td><strong>Completed Requirements</strong></td>
<td>27</td>
<td>41</td>
<td>52</td>
<td>?</td>
</tr>
<tr>
<td><strong>% Completers</strong></td>
<td>19%</td>
<td>16%</td>
<td>14%</td>
<td>?</td>
</tr>
</tbody>
</table>
College-Going Rates Compared to All Oklahoma HS Graduates

- OKPromise Completers: 80%, 80%, 79%, 80%, 76%, 79%, 81%, 82%, 82%, 82%
- OK HS Grads: 58%, 57%, 55%, 55%, 58%, 56%, 58%, 59%, 58%
College Remediation Rates

- OK Promise
- Ok. HS Grads
Full-Time College Enrollment*

*OK Promise students enrolled in 12 hours or more per fall or spring semester; all undergraduates enrolled in 10 hours or more.
College Freshman – GPA of at least 2.0

88% 87% 86% 86% 84% 87% 89%
73% 72% 73% 73% 70% 72% 70%
2000 2001 2002 2003 2004 2005 2006

OK Promise All Students
College Freshman to Sophomore Persistence Rates

87% 83% 83% 91% 90% 86% 87%

1998 1999 2000 2001 2002 2003 2004 2005

OK Promise  All Students
Degree Completion Rates
Classes of 1998 to 2002
(Degrees earned through 2006-07)

<table>
<thead>
<tr>
<th>Year</th>
<th>OK Promise</th>
<th>All Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-Yr (2002)</td>
<td>37.8%</td>
<td>40.3%</td>
</tr>
<tr>
<td>6-Yr (2001)</td>
<td>43.4%</td>
<td>50.7%</td>
</tr>
<tr>
<td>7-Yr (2000)</td>
<td>45.2%</td>
<td>54.8%</td>
</tr>
<tr>
<td>8-Yr (1999)</td>
<td>48.8%</td>
<td>56.3%</td>
</tr>
<tr>
<td>9-Yr (1998)</td>
<td>51.2%</td>
<td>62.4%</td>
</tr>
</tbody>
</table>
Cost Projections
(In $ millions, by fiscal year, varying tuition rates)

Assumes 3% annual increase in high school OK Promise enrollment; 67% requirement completion rate.
Scholarship Recipient Projections

Assumes 3% annual increases in OK Promise high school enrollment through 2010 class and 2% thereafter; assumes 67% completion rate of high school requirements for scholarship eligibility.
Providing students in Tulsa County the opportunity to attend college based on their ability to achieve, not on their ability to pay.

Goals:

• Increase the number of Tulsa County residents with higher education degrees
• Increase the number of skilled professionals available in the Tulsa job market;
• Encourage students to graduate high school
• Encourage community involvement through service learning/community service.

Books provided by local philanthropy

Tulsa Achieves is a gap-funding program:
meaning that funds are applied to tuition and fees after all state, federal and private and grants are applied. If there is a remaining balance, Tulsa Achieves will pay the rest so there is no cost to the student.

• 2009 = 1507
• 2008 = 1467
• 2007 = 1357
4,628 – Number of students in the district, reflecting an enrollment increase of over four percent since announcement of the Promise.

28 – The number of states, from which families have moved to attend school in El Dorado. Additionally, families from 10 foreign countries have chosen El Dorado.
civic involvement

volunteer activity by education levels

blood donation by education level, 1994:

Ever Participated in Assistance Programs

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School Diploma</td>
<td>24.3%</td>
</tr>
<tr>
<td>High School Diploma</td>
<td>10.2%</td>
</tr>
<tr>
<td>Some College &amp; Bachelor’s Degree or More</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

Source: Postsecondary Education Opportunity, May 28, 1997, pg 47.
government

incarceration rates by education levels

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Percentage Incarcerated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than High School Diploma</td>
<td>1.9%</td>
</tr>
<tr>
<td>High School Diploma</td>
<td>1.2%</td>
</tr>
<tr>
<td>Some College</td>
<td>0.3%</td>
</tr>
<tr>
<td>B.A. or Higher</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

Percent Below Poverty Threshold, 2004

- Less Than High School Diploma: 32%
- High School Diploma: 15%
- Some College: 10%
- B.A. or Higher: 4%

Census Bureau
economic unemployment rates and education level, 2004

Source: Employment Policy Institute
Quality of Life
Home Ownership

Census Bureau, American Housing Survey for the United States: 2005
Seatbelt Use while intoxicated, 1990

- 80%
- 60%
- 40%
- 20%
- 0%

Percentage donating blood

- Less Than High School Diploma: 39%
- High School Diploma: 41%
- Some College: 52%
- B.A. or Higher: 66%
- 78%

Source: American Journal of Public Health
Average family income by educational attainment, 2003

Source: Postsecondary Education Opportunity, 2005
# Economic Impact of Education on Individuals: Lifetime Earnings

## Table: Estimated Lifetime Earnings Compared to High School Graduates

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Estimated Lifetime Earnings</th>
<th>Difference Compared to High School Graduate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 9th grade</td>
<td>$976,350</td>
<td>-$478,903</td>
</tr>
<tr>
<td>High school dropout</td>
<td>1,150,698</td>
<td>-304,555</td>
</tr>
<tr>
<td>High school graduate</td>
<td>1,455,253</td>
<td>0</td>
</tr>
<tr>
<td>Some college, no degree</td>
<td>1,725,822</td>
<td>270,569</td>
</tr>
<tr>
<td>Associate degree</td>
<td>1,801,373</td>
<td>346,120</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>$2,567,174</td>
<td>$1,111,921</td>
</tr>
<tr>
<td>Master's degree</td>
<td>2,963,076</td>
<td>1,507,823</td>
</tr>
<tr>
<td>Doctorate</td>
<td>3,982,577</td>
<td>2,527,324</td>
</tr>
<tr>
<td>Professional degree</td>
<td>5,254,193</td>
<td>3,798,940</td>
</tr>
</tbody>
</table>

Source: Federal Reserve Bank of Dallas, 2005
Nearly all economic growth and prosperity for individuals, families, cities, states, and the country is now driven by college educated workers.

Those individuals, families, cities, states and – increasingly—countries with the most education are prospering, while those with the least higher education are experiencing relative and often absolute economic decline.

--Postsecondary Education OPPORTUNITY, June 2005.
At the end of WWII, the U.S. made a bold decision to invest in the future of its economy by providing $1.9 billion annually to the education of returning veterans of the war. This commitment to human capital helped enable the WWII generation to become the “greatest generation.”

Possibly, Arkansas’s greatest generation is at the schoolhouse door waiting for the opportunity to propel Arkansas into the global economy.