

Enrollment Requirements in State Financial Aid: 50-State Analysis

Introduction

Several states, most notably Indiana, have taken approaches to entice students to enroll full-time through state financial aid dollars. To inform the consideration of state aid policy options in this area, this analysis examines the variety of ways that states address enrollment requirements in financial aid policy. The analysis provides a comparison to other state approaches to the issue of enrollment followed by several questions for states to consider moving forward.

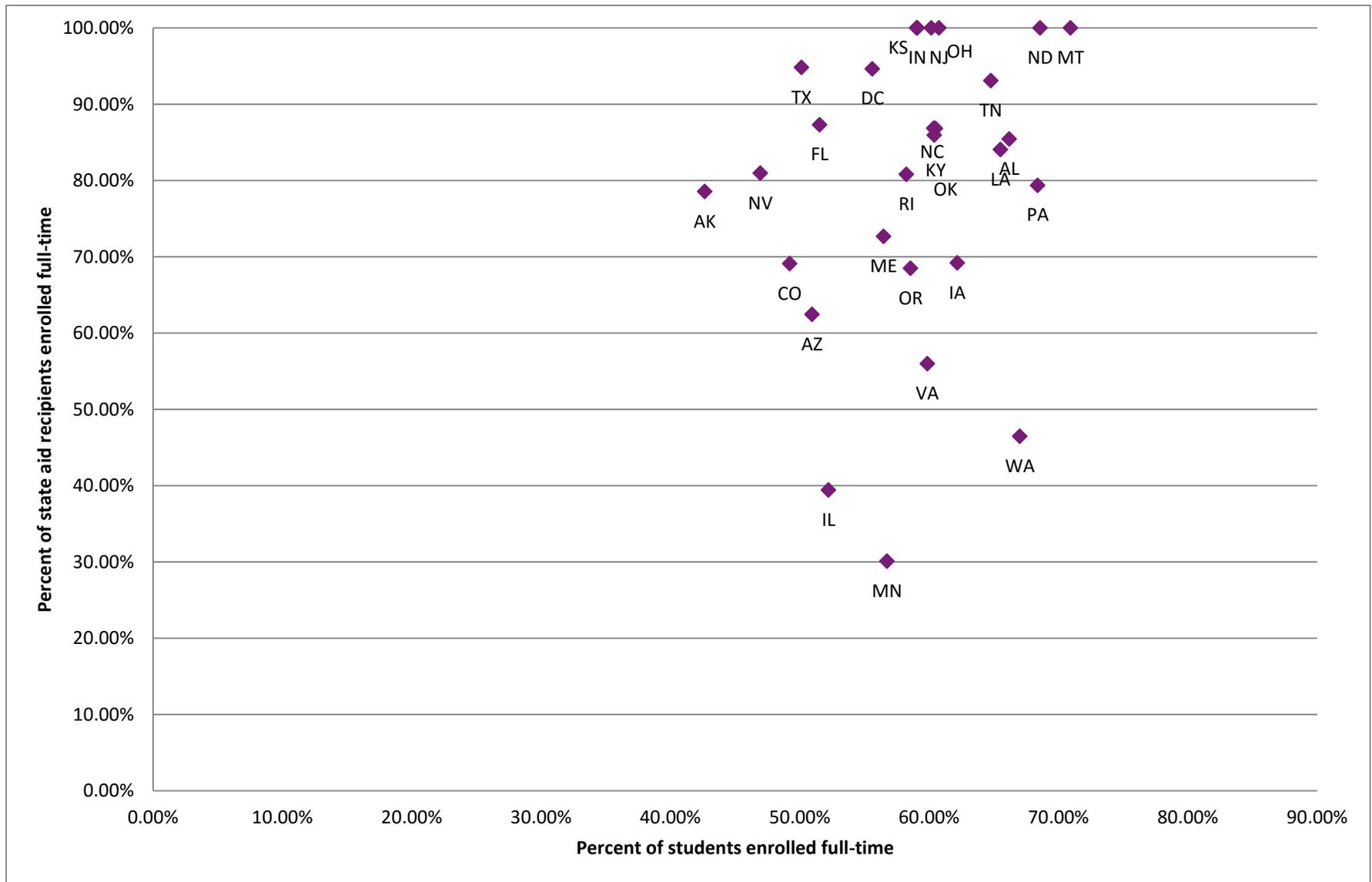
National Perspective

Across the country, part-time enrollment is common; nearly six in ten students enrolled in public postsecondary education in the fall of 2013 enrolled part-time.ⁱ In general, state financial aid policies provide a large degree of flexibility to award part-time students. According to the Education Commission of the States' 50-state financial aid database, half of the major programs across the country allow flexibility in statute or regulation for awarding full or part time students. Twenty-nine programs explicitly require full-time enrollment, most commonly defined as a minimum of 12 credit hours per term.ⁱⁱ

However, the financial aid policy structures in place across the states generally contrast with actual awarding behaviors. In practice, states tend to privilege awarding full-time students. Figure 1 illustrates the disconnect between the overall population of part-time students within states and the proportion of part-time students who are receiving state-funded financial aid. Each of the state programs represented in this figure allow flexibility within statute and/or regulation to award part-time students. However, the majority of these state programs disproportionately award students who are enrolled full-time.

For example, in fall 2013, 68.4% of students enrolled in public institutions in Pennsylvania were enrolled full-time. While the two largest aid programs within the state allow flexibility for full- or part- time enrollment, 79.4% of the program recipients enrolled full-time. In contrast, while just over 50% of students in public institutions enrolled full-time in Illinois, only 39.4% of the state's aid recipients enrolled full-time. This illustrates that full-time students are overrepresented in the population of state aid recipients in Pennsylvania, while they are underrepresented within the Illinois program.

Figure 1. Percentage of public postsecondary students enrolled full-time in Fall 2013 and percentage of state aid recipients in flexible aid programs who enrolled full-time in 2013



*California, Connecticut, Georgia, Massachusetts, Michigan, Utah, and Wisconsin have been excluded due to insufficient data. Sources: National Association for State Student Grant and Aid Programs (NASSGAP) and Digest of Education Statistics [Table 304.35](#)

The evidence from the twenty-eight states represented in Figure 1 suggests that the enrollment requirements put into policy play a role in determining how students are ultimately awarded. At the same time, other factors are likely at play after policies are put in place that influence how state aid programs serve students at varying enrollment intensities. The following state policy examples illustrate how several of these states' enrollment requirements are constructed within statute and regulation.

State Policy Examples

Each of the state examples below allow flexibility within statute and/or regulation to award part-time students. However, data on recipients' enrollment patterns suggest that the level at which part-time students are ultimately included within state financial aid programs varies.

Exclusive of Part-Time Students in Practice

The TEXAS Grant program statutes and regulations specify that students must enroll for at least three-fourths of a full course load to be eligible for the grant.^{iii,iv} As such, 94.8% of TEXAS Grant recipients enrolled full-time in 2013, while only half of the overall population of students within the state of Texas opted to enroll full-time in the fall of 2013. In this case, policy is specifically exclusive of the majority of part-time students.

In contrast, policy in New Jersey is written such that part-time students are included, however, in practice, part-time students do not receive funds. New Jersey administrative code provides the flexibility to award part-time students with the approval of the Higher Education Assistance Authority and based on the level of appropriated funds within the Tuition Aid Grant program.^v According to 2013 data, however, 100% of the recipients in the Tuition Aid Grant program were enrolled full-time, which is defined as a minimum of 12 credit hours.^{vi} Therefore, while the New Jersey approach is more flexible than the TEXAS Grant, the results in practice are fairly similar.

Inclusive of Part-Time Students in Practice

Within the state of Iowa, 62.2% of students enrolled in public postsecondary institutions enrolled full-time. The two largest financial aid programs within the state - the Iowa Tuition Grant program and the National Guard Educational Assistance program - allow students the flexibility to enroll full- or part-time. Iowa code specifies that full-time students are enrolled in a minimum of 12 credit hours, while part-time students are enrolled in a minimum of six.^{vii} In practice, 69.2% of students receiving funds from either program enrolled full-time. Both of the unique financial aid programs in Iowa contribute to this average. Within the National Guard program, only 20% of students enrolled full-time, while 72% of students enrolled in the broader-based program enrolled full-time.

Within Illinois' Monetary Award Program (MAP), 39.5% of recipients enrolled full-time. Over the whole public postsecondary student population, just over 52% of students enrolled full-time. Within the statutes for MAP, students must be residents of Illinois and demonstrate financial need.^{viii} Within regulation, specific guidance for calculating a student's award duration based on enrollment intensity is specified.^{ix} While students can receive prorated awards for part-time enrollment, students lose eligibility after 75 paid credit hours at the freshman or sophomore level, or 135 total credits.

The data from states allowing flexibility in enrollment intensity, coupled with these state examples, suggests that other features of state financial aid program design outside of explicit statute or regulation impact the proportion of part-time students that will ultimately be included within state financial aid programs. In New Jersey, the additional approval process and concerns about funding adequacy may be precluding part-time student eligibility. On the other hand, in Iowa and Illinois, flexible programs allow a greater degree of inclusion for specific populations of part-time students.

Conclusion and Next Steps

Overall, states are showing an increasing interest in linking state financial aid to student outcomes, which has prompted concern about enrollment intensity requirements. Current policy structures in place across the states suggest a certain degree of flexibility in policy for part-time students, however, data on student recipients demonstrates an existing preference for awarding students who enroll full-time. Together with research finding that financial aid policy alone may not be enough to incent student enrollment and completion^{x, xi}, nationally, the potential for financial aid requirements to close completion and attainment gaps on its own may be limited. This impact will certainly vary by state context, therefore, states may consider several questions surrounding incentivizing full-time enrollment in policy:

- What do enrollment patterns for students in your state currently look like?
- If incentives are built in to policy intended to promote full-time enrollment, can the program's budget bear a greater population of full-time students? What impact would this have on current expenditures for part-time students?
- Will students face additional tuition charges when enrolling full-time, and will these be fully met through an increase in financial aid?
- If an enrollment requirement is in place, should it be codified in statute as a fixed number of credit hours, or should these specific requirements be left to the regulatory process? What could implications be for postsecondary programs that do not measure progress in credit hours?

About the Data Utilized in this Analysis

The quantitative data presented in this report are drawn from the annual survey of the National Association of State Student Grant and Aid Programs (NASSGAP). NASSGAP is a survey completed by state agency staff tasked with financial aid program administration from across the states. Publicly available data spanning from 2004-2014 were obtained through the online NASSGAP annual survey query tool. The specific procedures for obtaining this data are outlined below.

From the [custom query tool](#) available from www.nassgap.org, select “Create New Query.” Select the “Survey Data” category, then the “Program Questions” data source, and click “Next.” To construct the data utilized in this report, check the following variables for inclusion in the query:

- 1) State Name
- 2) Survey Year
- 3) Program Name
- 4) Expand the Expenditures and Recipients category and select the following variables:
 - a. Program type (grant and scholarship)
 - b. Year
 - c. Program name
 - d. Dollars Awarded To Full Time Undergraduates
 - e. Full Time Undergraduate Recipients
 - f. Dollars Awarded To Half Time Undergraduates
 - g. Half Time Undergraduate Recipients
 - h. Dollars Awarded To Under Half Time Undergraduates
 - i. Under Half Time Undergraduate Recipients
 - j. Total Dollars Awarded To Undergraduates
 - k. Total Undergraduate Recipients

Once the variables for the query have been selected, click next. The next prompt will populate the survey years displayed in your query. Select the radio button for 2013. Click next.

The next prompt will allow you to sort and order your data fields. No edits were made on this screen for the purposes of this brief. Click next.

The final screen provides the query output in HTML, Excel, or SQL formats. All of the data presented in this report can be replicated by downloading the query output as an Excel file.

A list of states allowing part-time flexibility in financial aid policy was created from the Education Commission of the States’ 50-state financial aid database. This database reviewed policies for the two largest state financial aid programs by state in 2013. The data are populated from ECS staff reading of state statutes and regulations.

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- ⁱ “Table 304.35: Total fall enrollment in public degree-granting postsecondary institutions, by attendance status, sex, and state or jurisdiction: 2012 and 2013,” National Center for Education Statistics, https://nces.ed.gov/programs/digest/d14/tables/dt14_304.35.asp (accessed November 19, 2015).
- ⁱⁱ “50-State Financial Aid Database,” Education Commission of the States, <http://www.statefinancialaidredesign.org> (accessed November 19, 2015).
- ⁱⁱⁱ [Tex. Educ. Code Ann. § 56.301-311](#)
- ^{iv} [TAC Title 19-1-22-L](#)
- ^v [New Jersey Admin. Code §9A:9-3.5](#)
- ^{vi} [New Jersey Admin. Code §9A:9-3.4](#)
- ^{vii} [Iowa Code §261.9-261.16, 261.25](#)
- ^{viii} [Ill. Rev. Stat. ch. 110 § 947/35](#)
- ^{ix} [23 Illinois Administrative Code Ch. XIX, Sec. 2700](#)
- ^x Nicholas Hillman and Erica Lee Orians, “Financial Aid’s Role in Meeting State College Completion Goals,” *Association for Education Finance and Policy* (2013): 349-363
- ^{xi} Eric Bettinger, “Financial Aid: A Blunt Instrument for Increasing Degree Attainment,” in *Getting to Graduation: The Completion Agenda in Higher Education*, 157-174 (Baltimore, MD: Johns Hopkins University Press, 2012).