

Financial Aid Policy Amendment

Q. Why is it important to extend the MAP Supplemental Financial Aid grants for Illinois resident undergraduates from the current maximum of 9 semesters (4 ½ years)?

A. Extending MAP Supplemental Financial Aid grants for University of Illinois resident undergraduates from the current maximum of 9 semesters will give the campuses the flexibility to assist a relatively small cohort of students with financial need to continue their education and graduate from the University. This is a racially diverse group of students, but it is disproportionately minority and it includes many first generation college students. Many of these students have family obligations and many of them work full or part-time while attending the University. They are “persistent students” who continue to make satisfactory progress toward degree completion, although at a slower pace than the traditional student. The University has a substantial investment in these students by the time they complete 9 semesters. Extending the time limit for MAP Supplemental Financial Aid will maximize that investment, help these students reach their goal of graduating from the University, and thus support the University’s goal of maximizing graduation rates.

Q. Why is it important to approve a temporary extension to a 10th semester now?

A. The first cohort of students subject to this policy limitation will complete its ninth semester in Fall 2007. It would be important for those who cannot expect to finish in this ninth semester to know now whether they will be eligible for aid in Spring 2008.

Q. What percentage of U of I students graduate in 4 years? 5 years? 6 years?

A. A table of graduation rates for UIC and UIUC is presented below. The first cohort of UIS first-time freshmen has not reached 6 years and cannot be calculated. UIS’s first 5-year graduation rate is 56.0% with 6.9% still enrolled.

FRESHMEN GRADUATION AND RETENTION RATES: PERCENT
GRADUATED OR STILL ENROLLED FOUR, FIVE, AND SIX YEARS
UIC AND UIUC FALL 2000 COHORT

	UIC			UIUC		
	4 Year	5 Year	6 Year	4 Year	5 Year	6 Year
All Students						
% Graduated	18.7%	40.8%	49.3%	60.9%	79.2%	81.7%
% Still Enrolled	40.2%	15.6%	5.7%	20.7%	2.4%	0.9%
Number in Cohort	2,843	2,843	2,843	6,132	6,132	6,132

Q. How many students (estimated) would be served by extending the MAP Supplemental Financial Aid grants?

A. The campuses would like the flexibility to give need-based grants to motivated students who extend their studies beyond 9 semesters. It would not be automatic.

UIC expects to award approximately 300 9th-semester grants in Fall 2007 and would expect approximately 225 10th-semester grants in spring 2008.

UIUC expects to award fewer than 80 9th-semester grants and would expect a much smaller number for a 10th semester.

UIS would have a very small number of students, estimated at perhaps 10 students eligible for 10th-semester grants.

Q. What is the estimated cost of extending the MAP Supplemental Financial Aid grants for Illinois undergraduates?

A. The real net cost is problematic to calculate because this financial aid is a matter of discount or foregone revenue rather than discretionary expenditure. These students bring with them Pell and MAP grants which are applied to their tuition and fees; if the students drop out, those revenues are lost. The estimate below is calculated as though this were a simple discretionary expense.

For UIC, with the largest number of expected 10th-semester students with high need, the estimated cost for the 10th semester is slightly over \$405,000 (~225 students @ ~\$1800). Because actual expenditures at UIC have been significantly below budget, UIC can accommodate this increase without incrementing the budgeting formula.

UIUC and UIS would like the flexibility to extend awards to selected students, but also would not increment the current formula.