Undergraduate Financial Aid: Satisfactory Academic Progress & Changes in Funding Trends
What is Satisfactory Academic Progress (SAP)?

- To qualify for (Title IV funding) need-based financial aid students must be enrolled in a degree program and make Satisfactory Academic Progress (SAP) toward that degree

- SAP has three criteria:
  1. GPA Requirement: 2.0 for undergraduates (3.0 grads)
  2. Completion Rate (Pace): at least 67% of classes attempted must be completed with passing grades
  3. Maximum Time Frame: Students must complete a degree or certificate within 150% of the required coursework of their program (e.g. within 180 credit hours attempted for undergraduates in a 120 credit hour degree program)

- Change for SAP is that students are evaluated at the end of every semester instead of once a year
What Happens if a Student does not meet SAP?

• Step 1: Students are placed on Warning status after the first semester SAP standards are not met.

• Step 2: If after the Warning semester the student is still not making SAP the student is denied aid – the student may appeal and if approved is placed on Probation and receives aid. The student must include an Academic Action Plan (AAP) with the appeal.

• Step 3: Students on Probation must meet the requirement of the AAP by the end of the semester. If they do not their aid is denied. They may appeal again, but it is less likely that their appeal will be approved.
What was SAP Impact to WSU from Fall Term?

- Total Fall 2011 undergraduate headcount enrollment: 20,590
- Amount receiving Federal Aid: 14,486
- Undergraduates who had less than a 2.0 GPA in fall term: 4,586
- FTIACs with less than a 2.0 GPA in fall term: 625
- Number of Undergraduates who have less than a 2.0 cum GPA: 2,639
- Undergrads who were listed as "unsatisfactory" (means students were already given one semester warning) for winter term: 2,294
- Students who appealed: 756 (551 approved; 160 denied; 45 pending)
- Students not registered for winter: 1,236
- Students registered for winter w/o federal aid: 302
- Students enrolled in fall that are now on warning for winter: 1,499
Steps in Place to Help SAP Students

• Academic Appeals communication plans
• Distribution of student lists to departments and college
• Early Advising
• Additional customer services at Student Services Center
• Tools to assist students: academic action plan, plan of work, GPA calculator, Pace calculator
Undergraduate Financial Aid: Changes in Funding Trends
The effect of the economy has lead to a 44% increase in financial aid applications.

Financial aid has increased 45% in the last five years. 55% of this aid went to undergrads.
• Financial aid to undergraduates increased 62.5% over the last five years.

• 84% of undergraduates receive some type of aid.
Types of Financial Aid

Four Types of Aid

Grants - Scholarships - Loans - Work-Study

Aid by Type 2010-11

- Grant: 32% ($63 M)
- Scholarship: 12% ($23 M)
- Loan: 56% ($109 M)
- Work: 1% ($0.9 M)

Total aid: $109 M
Increases in Gift Aid

- Large increases in Pell Grants and BOG awards have increased need-based funding 142%
- Increased institutional merit awards have been offset by State and Federal merit aid decreases.
Equity Packaging Model

The equity packaging model for need based aid provides sufficient funding for tuition and fees without loans.
Debt Burden

• Wayne State undergraduates who borrow average $20,250 in cumulative debt
• State average is $25,675
• National average is $25,250
• Borrowing in some schools/colleges is more than in others. Need to consider projected earnings after graduation
Other Financial Aid Issues

- Changes in Pell timeframe
- Debt to degree measure $28,000
- Debt prior to enrollment causes students to reach loan maximums before graduating
- Taking longer than 6 years to graduate also causes students to reach loan maximums
- Moving to 3 year default rate calculation
- Interest rates increasing from 3.4% to 6.8%
- Loan subsidies gone for grad students 7/1/12
- Appropriations Act signed 12/23/12
- No loans for international students
Questions / Discussion