



Planning and Budgeting Brief

Date Prepared: June 9, 2009
Subject: Financial Aid Information for Student Associations and Representatives (per SSB 5734)

Following SSB 5734, the Board of Regents is to “consult with existing student associations or organizations with student undergraduate and graduate representatives regarding the impacts of potential tuition increases.” This is consistent with our current practice: students are involved in the process of developing tuition rates by the inclusion of ASUW and GPSS representatives in discussions as well as through the input of the student regent.

SSB 5734 also requires that the Regents provide data regarding “the percentage of students receiving financial aid, the sources of aid, and the percentage of total costs of attendance paid for by aid.” That information is provided in Tables 2 through 6 for the most recently finalized fiscal year (2007-08). In addition, each year the Regents consider estimates of any increases in unfunded need that are expected to result from tuition increases. That information is provided in Tables 7 through 9.

Much of the information provided here is shown both for all students and for students who demonstrate financial need. Financial need is determined using information provided by students when they apply for aid by filling out the Free Application for Federal Student Aid (FAFSA) form. On the basis of the information provided, the amount of money a year that a student or student’s family is expected to provide towards education (the Expected Family Contribution – EFC) is calculated. A student’s financial need is defined as the difference between the cost of attendance and the EFC.

The cost or price of attendance is defined as the total estimated expense to the student and student’s family associated with attending college during an academic year. These costs are estimated using federal guidelines. The estimated cost of attendance for in-state resident University of Washington undergraduates living away from home is shown in Table 1 for 2007-08, 2008-09, and 2009-10.

TABLE 1

University of Washington			
Undergraduate Resident Student Budget¹			
	2007-08	2008-09	Proposed 2009-10
Tuition & Fees	\$6,385	\$6,802	\$7,692
Books	\$1,008	\$1,035	\$1,035
Room & Board	\$8,337	\$8,640	\$8,946
Personal	\$2,265	\$2,265	\$2,265
Transportation	\$396	\$396	\$504
Total	\$18,391	\$19,138	\$20,442

¹Budget shown is for an undergraduate not living with parents. The budget is lower for students living with parents.

Table 2 shows the number and percentage of all students receiving scholarships, grants, or waivers; loans or work study; or any financial aid by student level and residency. Table 3 shows the same information for students demonstrating need.



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TABLE 2

2007-08 Number of students enrolled and receiving aid, by student level and residency		# Students Enrolled ¹	Receiving Scholarships, Grants, or Waivers		Receiving Loans or Work Study		Receiving Any Aid	
			#	%	#	%	#	%
Undergraduate	Resident	29,963	14,110	47.1%	11,167	37.3%	18,412	61.4%
Undergraduate	Non-Resident	5,747	1,346	23.4%	1,198	20.8%	2,022	35.2%
Graduate	Resident	7,489	4,187	55.9%	2,664	35.6%	5,401	72.1%
Graduate	Non-Resident	4,901	3,466	70.7%	1,107	22.6%	3,809	77.7%
Professional	Resident	1,335	963	72.1%	1,097	82.2%	1,195	89.5%
Professional	Non-Resident	631	453	71.8%	495	78.4%	561	88.9%
<i>Total</i>		<i>50,066</i>	<i>24,525</i>	<i>49.0%</i>	<i>17,728</i>	<i>35.4%</i>	<i>31,400</i>	<i>62.7%</i>

TABLE 3

2007-08 Number of students demonstrating need enrolled and receiving aid, by student level and residency		# Students Enrolled ¹	Receiving Scholarships, Grants, or Waivers		Receiving Loans or Work Study		Receiving Any Aid	
			#	%	#	%	#	%
Undergraduate	Resident	10,112	7,852	77.7%	7,083	70.0%	9,585	94.8%
Undergraduate	Non-Resident	867	456	52.6%	700	80.7%	798	92.0%
Graduate	Resident	2,308	1,459	63.2%	2,013	87.2%	2,238	97.0%
Graduate	Non-Resident	870	698	80.2%	688	79.1%	861	99.0%
Professional	Resident	1,031	836	81.1%	1,002	97.2%	1,019	98.8%
Professional	Non-Resident	360	318	88.3%	348	96.7%	358	99.4%
<i>Total</i>		<i>15,548</i>	<i>11,619</i>	<i>74.7%</i>	<i>11,834</i>	<i>76.1%</i>	<i>14,859</i>	<i>95.6%</i>

¹ Number of unique students enrolled in each student level and residency category during 2007-08 (excluding Summer).

Table 4 shows the amount of financial aid, in the form of scholarships, grants, or waivers, disbursed to students by student level and residency and by source of aid.

TABLE 4

2007-08 Scholarships, Grants, and Waivers by source to students, by student level and residency		Federal	State	UW Funds	Private	Total
Undergraduate	Resident	\$25.6M	\$35.2M	\$33.2M	\$12.7M	\$106.7M
Undergraduate	Non-Resident	\$2.9M	\$0.1M	\$6.6M	\$2.3M	\$12.0M
Graduate	Resident	\$8.3M	\$0.5M	\$18.4M	\$5.6M	\$32.7M
Graduate	Non-Resident	\$7.1M	\$0.6M	\$53.0M	\$4.8M	\$65.5M
Professional	Resident	\$0.5M	\$0.1M	\$6.6M	\$0.4M	\$7.6M
Professional	Non-Resident	\$0.3M	\$0.7M	\$8.4M	\$0.6M	\$10.1M
<i>Total</i>		<i>\$44.8M</i>	<i>\$37.1M</i>	<i>\$126.1M</i>	<i>\$26.4M</i>	<i>\$234.5M</i>

Table 5 shows the average percentage of the total cost of attendance covered by scholarships, grants, or waivers, by loans, by work study, or by the student or the student's family. This information is provided by student level and residency. Table 6 provides the same information for students who demonstrate need.

When the Regents consider changing tuition, they look at a number of factors, including the expected increase in unfunded need that will result from proposed increases in tuition. Unfunded need is the amount of need (cost of attendance less Expected Family Contribution) that remains after all aid funds are taken into account. Table 7 shows the total need, total scholarships, grants, and waivers meeting need, total loans and work study meeting need, and total



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TABLE 5

2007-08 Percentage of Cost of Attendance Paid for by Source of Payment							
All Students							
		# Students	Percentage of Cost of Attendance Paid for by:				
			Scholarships, Grants, Waivers	Loans	Work Study	Student/Family	Total
Undergraduate	Resident	29,963	22.6%	14.3%	0.4%	62.7%	100.0%
Undergraduate	Non-Resident	5,747	7.4%	9.8%	0.1%	82.7%	100.0%
Graduate	Resident	7,489	21.2%	20.6%	0.4%	57.8%	100.0%
Graduate	Non-Resident	4,901	38.8%	9.8%	0.2%	51.1%	100.0%
Professional	Resident	1,335	18.0%	53.4%	0.5%	28.1%	100.0%
Professional	Non-Resident	631	30.9%	39.3%	0.5%	29.2%	100.0%

TABLE 6

2007-08 Percentage of Cost of Attendance Paid for by Source of Payment							
Students Demonstrating Need							
		# Students	Percentage of Cost of Attendance Paid for by:				
			Scholarships, Grants, Waivers	Loans	Work Study	Student/Family	Total
Undergraduate	Resident	10,112	44.1%	23.6%	1.0%	31.3%	100.0%
Undergraduate	Non-Resident	867	13.9%	39.4%	0.5%	46.1%	100.0%
Graduate	Resident	2,308	21.1%	50.8%	1.2%	26.9%	100.0%
Graduate	Non-Resident	870	40.2%	34.6%	1.1%	24.0%	100.0%
Professional	Resident	1,031	19.8%	63.8%	0.6%	15.8%	100.0%
Professional	Non-Resident	360	43.1%	44.7%	0.8%	11.4%	100.0%

need unfunded after all aid for students demonstrating need estimated for 2008-09. Table 8 shows the estimate for 2009-10, and Table 9 shows the estimated increase from 2008-09 to 2009-10 in these figures given given the proposed tuition increases. To obtain an estimate of how much unfunded need is expected to increase *as a result of tuition increases*, the only increase in the cost of attendance assumed for the estimation is the tuition increase. Thus the level of unfunded need estimated and shown for 2009-10 will be an underestimate, as costs of attendance other than tuition and fees will also increase.

The only changes to financial aid that are assumed in the estimation are those planned for the Pell Grant and State Need Grant. Given the proposed tuition increases and changes to Pell and the State Need Grants, it is estimated that the tuition increases will lead to an increase of \$7.3 million in unfunded need.

The estimated increase in unfunded need presented above does not take into account grants and waivers the University provides. Under University policy, 4% of revenue is devoted to need and merit waivers, and state law mandates that 3.5% of net tuition revenue be used for financial aid as well. The aid funds determined by these policies increase as tuition increases. Table 10 shows the waiver and grant funds that will be generated, given the proposed tuition



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increases, by the continuation of current aid policies. As can be seen, a total of \$7 million in additional aid is expected from those sources.

TABLE 7

Estimate - 2008-09		# Students w Need	Total Need	Financial Aid Meeting Need	Loans and Work Study Meeting Need	Unfunded Need
Undergraduate	Resident	10,306	\$150.1M	\$79.1M	\$40.1M	\$30.9M
Undergraduate	Non-Resident	891	\$21.1M	\$3.7M	\$9.3M	\$8.0M
Graduate	Resident	2,347	\$54.8M	\$12.0M	\$29.5M	\$13.3M
Graduate	Non-Resident	886	\$30.5M	\$12.9M	\$11.2M	\$6.4M
Professional	Resident	1,036	\$37.5M	\$6.6M	\$23.3M	\$7.6M
Professional	Non-Resident	360	\$17.0M	\$8.4M	\$7.0M	\$1.6M
Total		15,826	\$311.0M	\$122.8M	\$120.4M	\$67.8M

TABLE 8

Estimate - 2009-10		# Students w Need	Total Need	Financial Aid Meeting Need	Loans and Work Study Meeting Need	Unfunded Need
Undergraduate	Resident	10,490	\$159.2M	\$85.1M	\$41.0M	\$33.1M
Undergraduate	Non-Resident	898	\$22.1M	\$3.9M	\$9.6M	\$8.6M
Graduate	Resident	2,368	\$56.9M	\$12.0M	\$30.2M	\$14.7M
Graduate	Non-Resident	888	\$31.9M	\$13.0M	\$11.5M	\$7.4M
Professional	Resident	1,038	\$39.3M	\$6.6M	\$23.6M	\$9.0M
Professional	Non-Resident	360	\$18.4M	\$8.5M	\$7.7M	\$2.2M
Total		16,042	\$327.8M	\$129.2M	\$123.6M	\$75.0M

TABLE 9

Estimated Increase 2008-09 to 2009-10		# Students w Need	Total Need	Financial Aid Meeting Need	Loans and Work Study Meeting Need	Unfunded Need
Undergraduate	Resident	184	\$9.1M	\$6.0M	\$1.0M	\$2.1M
Undergraduate	Non-Resident	7	\$1.0M	\$0.1M	\$0.2M	\$0.6M
Graduate	Resident	21	\$2.0M	\$0.1M	\$0.6M	\$1.4M
Graduate	Non-Resident	2	\$1.4M	\$0.1M	\$0.3M	\$1.0M
Professional	Resident	2	\$1.8M	\$0.0M	\$0.3M	\$1.5M
Professional	Non-Resident	0	\$1.4M	\$0.1M	\$0.7M	\$0.6M
Total		216	\$16.8M	\$6.4M	\$3.2M	\$7.3M

In addition, the legislation that allows an increase of 14% in undergraduate resident tuition requires that 1/7 of the revenue generated by the second 7% of that tuition increase be used for aid for undergraduate residents. This requirement will provide an additional \$1.5 million for aid for 2009-10. Thus the institutional aid funds generated by the tuition increases (\$8.5 million) exceed the expected increase in unfunded need resulting from the tuition increase.



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TABLE 10

Increases in Financial Aid Allocations for FY 2010			
<i>(Based on the Application of Current Financial Aid Policy and the Tuition Increases Proposed for FY</i>			
	<i>FY 2009 Adopted</i>	<i>FY 2010 Proposed</i>	<i>Difference</i>
<i>Undergraduate Merit/Need Waivers</i>	\$8.1M	\$9.0M	\$0.9M
<i>Undergraduate Financial Aid Grants</i>	\$8.3M	\$9.1M	\$0.8M
<i>Subtotal: Undergraduate Merit/Need Waivers & Grants</i>	\$16.4M	\$18.1M	\$1.7M
<i>Graduate Merit/Need Waivers</i>	\$3.9M	\$4.4M	\$0.4M
<i>Graduate Financial Aid Grants</i>	\$3.6M	\$3.9M	\$0.3M
<i>Subtotal: Graduate Merit/Need Waivers & Grants</i>	\$7.5M	\$8.2M	\$0.8M
<i>TA/RA Tuition Waivers</i>	\$49.8M	\$53.2M	\$3.4M
<i>Other Tuition Waivers</i>	\$12.4M	\$13.5M	\$1.1M
<i>Subtotal: Teaching/Research & Other Tuition Waivers</i>	\$62.2M	\$66.7M	\$4.6M
<i>Total - Need/Merit, TA/RA, and Other Waivers + University Grants</i>	<i>\$86.1M</i>	<i>\$93.1M</i>	<i>\$7.0M</i>

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