

**Department of Education**  
**STUDENT AID OVERVIEW**  
**Fiscal Year 2020 Budget Request**  
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## STUDENT AID OVERVIEW

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### Federal Student Aid Programs

(Higher Education Act of 1965, Title IV)

(dollars in thousands)

FY 2020 Authorization: Indefinite

Budget Authority:

	<u>2019</u>	<u>2020</u>	<u>Change</u>
<b>Grants and Work Study:</b>			
Pell Grants			
Discretionary funding	\$22,475,352	\$22,475,352	0
Mandatory funding	<u>7,127,000<sup>1</sup></u>	<u>7,292,000<sup>1</sup></u>	<u>165,000</u>
Subtotal, Pell Grants	29,602,352	29,767,352	165,000
Federal Supplemental Educational Opportunity Grants	840,000	0	-840,000
Federal Work Study	1,130,000	500,000	-630,000
Iraq and Afghanistan Service Grants	317	0	-317
TEACH Grants <sup>2</sup>	<u>33,039<sup>3</sup></u>	<u>29,901<sup>3</sup></u>	<u>-3,138</u>
Total, Grants and Work-Study	31,605,708	30,297,253	-1,308,455

NOTE: Table reflects discretionary and mandatory funding.

<sup>1</sup> Amounts appropriated for Pell Grants for 2019 and 2020 include mandatory funding provided in the Higher Education Act, as amended, to fund both the base maximum award and add-on award.

<sup>2</sup> TEACH Grants is operated as a credit program. Amounts reflect the new loan subsidy, or the net present value of estimated future costs.

<sup>3</sup> The FY 2019 amount includes a net upward reestimate of \$4.0 million due primarily to updated discount rates. The amount for FY 2020 reflects new loan subsidy.

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	<u>2019</u>	<u>2020</u>	<u>Change</u>
<b>Net Loan Subsidy, Loans<sup>1</sup></b>			
Federal Family Education Loans (FFEL)	1,562,603 <sup>2</sup>	-500,962 <sup>3</sup>	-2,063,565
Federal Direct Student Loans	-27,327,149 <sup>4</sup>	-483,522	-27,810,671

NOTE: Table reflects discretionary and mandatory funding.

<sup>1</sup> Total net subsidy in any fiscal year reflects the estimated net cost of the loan program for that fiscal year. It includes both positive and negative subsidies and upward and downward impacts of reestimates and modifications of existing loans. A negative subsidy occurs when the present value of cash inflows to the Government is estimated to exceed the present value of cash outflows. Negative subsidy is reported (as negative outlays) to a negative subsidy receipt account.

<sup>2</sup> Budget authority for FFEL does not include the FFEL Liquidating account. Amount for 2019 reflects a net upward reestimate of \$1.6 billion primarily due to revised assumptions related to prepayments and updated interest rate assumptions. This amount also includes reestimates related to the Ensuring Continued Access to Student Loans (ECASLA) Act.

<sup>3</sup> The 2020 amount includes a net downward modification to reflect the policy proposal to eliminate Account Maintenance Fees.

<sup>4</sup> Amount for 2019 includes a net upward reestimate of \$26.3 billion, primarily due to updated default and collection assumptions and increased borrower participation in higher-cost Income-Driven Repayment (IDR) plans. The 2019 amount also includes a modification of \$350 million to reflect a temporary expansion of Public Service Loan Forgiveness (TEPSLF) as passed by Congress in the Department's 2019 Appropriations Act.

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## FY 2020 BUDGET PROPOSAL

The Federal student aid programs provide grant, loan, and work-study assistance to help students afford a postsecondary education, find employment in today's workforce, and realize the lifelong benefits of a higher education. The Administration's fiscal year 2020 budget for the Federal student aid programs focuses on simplifying funding for college and addressing the needs of today's students. The request supports expanding Pell Grant eligibility for short-term programs and reforming the Federal Work Study (FWS) program to support workforce and career-oriented training opportunities for low-income undergraduate students. The request also includes proposals that address student debt by simplifying student loan repayment and redirecting inefficient loan subsidies to expedite debt relief for undergraduate borrowers struggling to repay. These proposals would support congressional efforts to reform the Higher Education Act (HEA) to address student debt, lower higher education costs, increase institutional accountability, encourage program completion, and reduce the complexity of student financial aid. The 2020 request makes available \$131 billion in new Federal student aid in fiscal year 2020, including over \$30 billion in Pell Grants and \$100 billion in student loans (excluding consolidation loans). Nearly 12 million students will use these resources in their efforts to complete postsecondary education.

This overview discusses the Administration's proposed package of initiatives and reforms that will not only better target aid to students, but will also improve student success. Current student aid programs are described in detail under the **Student Financial Assistance** account, the **TEACH Grants** account, and the **Student Loans Overview**. The administrative costs associated with the student aid programs are presented in the **Student Aid Administration** account.

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### **STUDENT AID REFORM PROPOSALS**

#### **Protect Pell Grants and Iraq and Afghanistan Service Grants**

Pell Grants are the foundation of low- and middle-income students' financial aid package to which other forms of aid are added. The Administration's 2020 budget would fully fund the Pell Grant program in 2020 and provide for a \$6,195 maximum award in 2020-2021, while ensuring the program remains on stable financial footing. The budget would also move the Iraq and Afghanistan Service Grants program to the Pell Grant program. This change will help to ensure the children of our fallen service members receive a full aid award, exempt from cuts due to sequestration, and without any other changes to the program's benefits or eligibility.

#### **Expand Pell Grant Eligibility to Short-Term Programs**

Americans are often unable to access education and training programs that would provide them with the skills needed to secure well-paying jobs in high-demand fields. Postsecondary programs that could help address this problem are often ineligible for federal student aid due to time and program length requirements. Federal law should facilitate, not impede, students getting the skills they need to secure well-paying jobs. To that end, the Administration's fiscal year 2020 budget proposes to expand Pell Grant eligibility to students enrolled in high quality short-term programs that lead to a credential, certification, or license in a high-demand field.

#### **Reduce the Risk of Improper Payments in Pell Grants**

One of the primary causes of improper payments in the Pell Grant program is failure to verify financial data accurately. To improve the accuracy of Free Application for Federal Student Aid (FAFSA) data, the budget proposes to except the Department from restrictions of Section 6103 of the Internal Revenue Code to authorize the Internal Revenue Service (IRS) to disclose tax return information directly to the Department for the purpose of administering certain federal aid programs. This exception would simplify and improve the accuracy of FAFSA filing by prepopulating certain fields. It would also allow borrowers to more easily recertify their income to stay enrolled in Income-Driven Repayment (IDR) plans. The budget also proposes to bar someone from receiving another Pell Grant if they have been awarded three consecutive Pell Grants without earning any credits. This will prevent the fraudulent practice of people going from school to school, enrolling long enough to receive a reimbursement but not pursuing any credits

#### **Reform Campus-Based Aid Programs**

Most of the roughly 6,000 institutions of higher education that participate in the Federal Pell Grant and/or Federal Student Loan programs also participate in one or more of the Federal Campus-Based Aid programs. While all institutions are eligible to participate in the campus-based programs, antiquated statutory formulas with stringent hold-harmless provisions have resulted in institutional allocations that are not well-targeted to the students who need the aid the most.

Consistent with the President's call to bolster effective workforce development programs, the Budget proposes to reform FWS from a model that mostly provides subsidized employment for campus-based jobs through federal aid for higher income undergraduate and graduate

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students. Instead, the Administration proposes to move FWS towards a program that supports workforce and career-oriented training opportunities for low-income undergraduate students. The fiscal year 2020 request also proposes to reform the institutional allocation formula in order to focus scarce funds to institutions based, in part, on the enrollment of Pell Grant recipients. Institutions could fund individual students through subsidized employment, paid internships, or other placements without limitation on the type of organization where the placement occurs, provided those placements are career or academically relevant. Schools could also serve groups of students through programs and initiatives that expose students to, or build preparedness for, careers.

The President's 2020 Budget also proposes to eliminate the Supplemental Educational Opportunity Grant (SEOG) program, which is largely duplicative with the Pell Grant program and does not effectively deliver need-based aid to the neediest students.

### **Student Loan Policies**

The Administration's fiscal year 2020 budget request addresses student debt by simplifying student loan repayment and redirecting inefficiencies subsidies in the student loan to prioritize debt relief for undergraduate borrowers.

All policies referenced for student loans would apply to loans originated on or after July 1, 2020, with an exception for students who borrowed their first loans prior to July 1, 2020 and are borrowing to complete their current course of study. These policies together would save approximately \$207 billion over ten years.

#### Simplify Student Loan Repayment and Student Loan Programs

In recent years, IDR plans, which offer borrowers the option of making affordable monthly payments based on factors such as income and family size, have grown in popularity. However, choosing and enrolling in the right repayment plan is overly complicated by the numerous statutory and regulatory repayment plans required to be offered to borrowers.

The Administration proposes to greatly simplify student loan repayment by consolidating five IDR plans into a single plan. The Single IDR plan would set a borrower's monthly payment at 12.5 percent of discretionary income, while eliminating the standard repayment cap to ensure that high-income, high-balance borrowers make payments commensurate with their income. Married borrowers who file separately would have their payments determined based on both their and their spouse's income. For borrowers with undergraduate student debt only, any balance remaining after 180 months of repayment would be forgiven. For borrowers with any graduate debt, any balance remaining after 30 years of repayment would be forgiven. To further improve and simplify loan repayment, the fiscal year 2020 budget request proposes auto-enrolling severely delinquent borrowers in an IDR plan and instituting a process for borrowers to consent to share income data for multiple years. To facilitate these program improvements, and to reduce improper payments, the Administration proposes to streamline the Department of Education's ability to acquire and verify applicants' income data held by the IRS.

While retaining teacher loan forgiveness programs in order to incentivize more high-quality teachers to teach in high-need schools and subjects, the fiscal year 2020 budget proposes

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eliminating inefficient subsidies to help put the Nation on a more sustainable fiscal path and prioritize expedited debt relief for undergraduate borrowers struggling to repay. These proposals include eliminating Public Service Loan Forgiveness, Subsidized Stafford loans, and the payment of Account Maintenance Fees to guaranty agencies.

### Reforming the HEA

The Trump Administration is committed to reforming higher education through legislation and regulatory reform to provide more Americans access to quality postsecondary education, to hold institutions accountable, and to help students and families make informed decisions regarding their educational options. The Administration looks forward to working with the Congress to encourage colleges, universities, and other educational institutions to offer every student an accessible, affordable, and innovative education tailored to their needs that prepares them for lifelong learning and success. The Administration's principles for reforming the HEA include:

- **Reorienting the Accreditation Process to Focus on Student Outcomes** – Accrediting agencies act as gatekeepers of Federal student aid. These agencies, together with their member institutions, develop the standards and criteria used to determine what constitutes “quality” in higher education and to ensure that students have the opportunity to achieve their educational goals. The Federal government and the public rely on accreditation as a signal that an accredited institution meets at least a minimum standard of quality and that Federal funds are flowing only to credible, legitimate, and quality institutions that pass the muster of accreditor peer review. Unfortunately, accreditors have shifted from their historical purpose—assuring the quality of educational delivery—to a more compliance-focused role that stifles innovation and mandates a “one-size-fits-all” approach focused on process rather than student outcomes. Accreditors must return to their primary purpose of ensuring educational quality without the Department of Education interfering in academic matters.
- **Increasing Innovation in the Education Marketplace** – Across every sector of the economy, American businesses develop new and innovative methods to provide goods and services in a more cost-effective manner. This spirit of innovation drives the strength of the American economy and labor market. Yet, the higher education system has been slow to adapt to the changing nature of work. Millions of jobs remain unfilled in part due to a lack of Americans with appropriate skills. To address these challenges and prepare Americans for the jobs of the future, the Administration supports policies that challenge higher education to embrace innovation and competition and that also protect students, parents and taxpayers.
- **Better Aligning Education to the Needs of Today’s Workforce** – The labor market demands of the 21st century drive more Americans than ever before to enroll in postsecondary education. Federal program requirements should encourage, rather than limit, partnerships between higher education providers and employers. Employers are most aware of the skills needed to succeed in the workplace. Moreover, there is no better place to learn these skills than on the job through apprenticeships, work-based learning, or career pathways. The Administration supports policies that enable Federal

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aid to support students pursuing postsecondary programs and experiences they need to secure well-paying jobs.

- **Increasing Institutional Accountability** – Investing in higher education generally provides strong value for students and taxpayers. However, some institutions consistently fail to deliver a quality education that enables students to successfully repay Federal student loans—leaving borrowers and taxpayers holding the bill. A better system would require postsecondary institutions accepting taxpayer funds to share a portion of the financial responsibility associated with student loans.
- **Accelerating Program Completion** – One of the most effective ways to reduce student debt is to help students complete their education more quickly. The Federal Student Aid programs should not discourage accelerated learning pathways, nor allow institutions to charge students to repeat courses previously taken at another institution or to “learn” in a classroom what they already know based on prior work, military, or educational experience.
- **Encouraging Responsible Borrowing** – Research shows a correlation between the availability of Federal student aid and increases in tuition.<sup>1</sup> The current system provides institutions of higher education with few incentives to control costs. This policy saddles parents and graduate students with debt without consideration of a borrower’s ability to repay. To address rising debt, the Administration supports common-sense limits on Federal student loans, as well as improved guidance to students regarding their ability to repay.
- **Simplifying Student Aid** – The current student loan system burdens students with debt and taxpayers with uncertainty about future costs. Under current law, many students have difficulty understanding and selecting the best repayment plan for their financial situation. The Administration proposes to greatly simplify student loan repayment by consolidating five IDR plans into a single plan.
- **Giving Prospective Students More Meaningful and Useful Information about Schools and Programs** – Providing prospective students with more information about the schools and programs they are considering will enable them to make better decisions about their education. Although the Department of Education currently provides students with useful institution-level data—such as annual costs, average earnings, and graduation rates—it fails to provide students the program-level data they need to make informed choices about potential careers and educational opportunities.
- **Supporting Returning Citizens** – Today, one in three American adults has some type of criminal record, and more than two million Americans are in prisons across the country. More than 95 percent of these prisoners will eventually leave prison and face

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<sup>1</sup> Luca et. al. “Credit Supply and the Rise in College Tuition: Evidence from the Expansion in Federal Student Aid Programs,” Federal Reserve Bank of New York Staff Reports, July 2015: [https://www.newyorkfed.org/medialibrary/media/research/staff\\_reports/sr733.pdf](https://www.newyorkfed.org/medialibrary/media/research/staff_reports/sr733.pdf)

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the challenge of reintegrating their lives. The Administration supports policies that will prepare inmates for release, as 77 percent of State inmates and 38 percent of Federal inmates are rearrested within five years of release.

- **Support Historically Black Colleges and Universities.** Historically Black colleges and universities (HBCUs) have made, and continue to make, extraordinary contributions to the general welfare and prosperity of our country. The Nation's more than 100 HBCUs serve more than 300,000 undergraduate, graduate, and professional students. These institutions are important engines of economic growth and public service, and they are proven ladders of intergenerational advancement. Congress should make permanent the President's Board of Advisors on Historically Black Colleges and Universities, and continue to recognize the importance of these institutions in advancing America's full human potential, strengthen the abilities of HBCUs to equitably participate in Federal programs, and foster public-private partnerships with HBCUs.

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### STUDENT AID PROGRAMS OUTPUT MEASURES

#### Aid Available to Students (dollars in millions)

<u>Output Measures</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Pell Grants	\$28,026	\$29,747	\$30,097
Supplemental Educational Opportunity Grants	1,131	1,131	0
Federal Work Study	1,239	1,239	548
Iraq and Afghanistan Service Grants	0.320	0.307	0 <sup>1</sup>
Subtotal, New Grant Aid	30,397	32,118	30,645
<b>New Student Loans:</b>			
Stafford Loans	21,223	21,372	13,304
Unsubsidized Stafford Loans	50,808	51,897	60,817
Parent PLUS Loans	13,018	13,614	14,204
Grad PLUS Loans	10,815	11,299	11,888
TEACH Grants <sup>2</sup>	<u>89</u>	<u>96</u>	<u>97</u>
Subtotal, New Student Loans	95,953 <sup>3</sup>	98,278 <sup>3</sup>	100,312 <sup>3</sup>
Total	126,350	130,395	130,957

NOTES: Detail may not add to total aid available due to rounding.

Shows total aid generated by Department programs, including institutional matching funds generated by the SEOG and Work-Study programs. Aid available may differ from appropriated amounts for a given fiscal year.

<sup>1</sup> Value in 2020 reflects policy to make Iraq and Afghanistan Service Grants part of the Pell Grant program.

<sup>2</sup> For budget and financial management purposes, this program is operated as a loan program under the Federal Credit Reform Act of 1990.

<sup>3</sup> Excludes loans issued to consolidate existing loans (Consolidation Loans), which total \$41.6 billion in 2018, \$45.3 billion in 2019, and \$46.4 billion in 2020.

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<b><u>Number of Student Aid Awards</u></b>			
(in thousands)			
<u>Output Measures</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Pell Grants	6,557	6,997	7,250
Supplemental Educational Opportunity Grants	1,700	1,700	0
Federal Work-Study	704	704	322
Iraq and Afghanistan Service Grants	N/A <sup>1</sup>	N/A <sup>1</sup>	0 <sup>2</sup>
Subtotal, New Grant Aid	8,961	9,401	7,572
New Student Loans:			
Stafford Loans	6,051	6,092	4,245
Unsubsidized Stafford Loans	8,019	8,102	10,047
Parent PLUS Loans	935	963	985
Grad PLUS Loans	602	617	633
TEACH Grants	<u>32</u>	<u>32</u>	<u>32</u>
Subtotal, New Student Loans	15,639 <sup>3</sup>	15,806 <sup>3</sup>	15,942 <sup>3</sup>
Total	24,600	25,207	23,514

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NOTE: Detail may not add to total due to rounding.

<sup>1</sup> N/A denotes number of recipients will not exceed 500.

<sup>2</sup> Value in 2020 reflects Budget policy to make Iraq and Afghanistan Service Grants part of the Pell Grant program.

<sup>3</sup> Excludes loans issued to consolidate existing loans.

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### **Number of Postsecondary Students Aided by Federal Student Aid Programs**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Unduplicated Count (in thousands)	10,718	11,011	11,850

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### Program Performance Information

#### PERFORMANCE MEASURES

This section presents selected program performance information, including, for example, the Government Performance Results Act (GPRA) goals, objectives, measures and performance targets and data; and an assessment of the progress made toward achieving program results. Achievement of program results is based on the cumulative effect of the resources provided in previous years and those requested in fiscal year 2020 and future years, as well as the resources and efforts invested by those served by this program.

Because Federal student assistance grant and loan programs rely on the same program data, performance indicators and strategies that apply to these programs are grouped here in the Student Aid Overview and are not repeated in justifications for the **Student Financial Assistance** program account or in the **Student Loans Overview**.

**Goal: To help ensure access to high-quality postsecondary education by providing financial aid in the form of grants, loans, and work-study in an efficient, financially sound, and customer-responsive manner.**

***Objective:** Ensure that low- and middle-income students will have the same access to postsecondary education that high-income students do.*

**Measure:** College enrollment rates: Postsecondary education enrollment rates will increase each year for all students, while the enrollment gap between low- and high-income and minority and non-minority high school graduates will decrease each year.

Year	Target: Total Percentage Enrolled	Actual: Total Percentage Enrolled
2015	68	69.2%
2016	68	69.8
2017	68	66.7
2018	68	
2019	68	
2020	68	

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Year	Target: Percentage point difference between White and Black high school graduates ages 16-24 enrolling immediately in college	Actual: Percentage point difference between White and Black high school graduates ages 16-24 enrolling immediately in college
2015	5.50	15.70%
2016	5.25	12.40
2017	5.25	9.70
2018	5.25	
2019	5.00	
2020	5.00	

Year	Target: Percentage point difference between White and Hispanic high school graduates ages 16-24 enrolling immediately in college	Actual: Percentage point difference between White and Hispanic high school graduates ages 16-24 enrolling immediately in college
2015	8.25	2.40%
2016	8.00	-2.30
2017	8.00	8.10
2018	8.00	
2019	7.00	
2020	7.00	

**Additional information:** The overall enrollment rate in postsecondary education following high school increased steadily from 2013 to 2016; however, it dipped below the target in 2017. The Department believes its commitment to the Student Financial Assistance programs and proposed reforms in the Administration’s fiscal year 2020 budget request will continue to encourage and allow more low-income students to enroll in postsecondary education programs—and provide them the means to remain in school—than would be the case in the absence of the Federal student financial assistance programs.

The gap between White and Black high school graduates enrolling in college immediately after high school reached 9.70 percentage points in 2017, above the target of 5.25 percentage points, but lower than the gap of 12.40 percentage points observed in 2016. In 2014, the percentage of high school graduates enrolled in college immediately after high school was higher for Black high school graduates than White high school graduates, leading to a reversal in the gap between these two groups for the first time.

After meeting or exceeding its targets in recent years, the metric that measures the gap between White and non-White Hispanic high school graduates who enroll immediately in college has increased to 8.10 percentage points in 2017, which was slightly above its target. In 2016, the percentage of Hispanic high school graduates enrolling in college immediately after high school was higher than the percentage of White high school graduates for the first time. The gap measured in 2014 and 2015, while reversed, was significantly lower than the targets in these years. The Department remains committed to furthering equal educational opportunity and will continue to pursue policies to support this important goal.

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Data for the measures above are taken from the Digest of Education Statistics<sup>1</sup> (Digest), published annually by the National Center for Education Statistics (NCES). Refer to the technical information provided in the Digest by NCES when interpreting year-to-year changes in the data.

**Objective:** Ensure that more students will persist in postsecondary education and attain degrees and certificates.

**Measure:** Graduation rate: Graduation rates for all full-time, degree-seeking students in 4-year and less than 4-year programs will improve, while the gap in graduation rates between minority and non-minority students will decrease.

Year	Target: Students graduating with a 4-year degree within 150 percent of the normal time required	Actual: Students graduating with a 4-year degree within 150 percent of the normal time required
2015	65	59.4%
2016	66	59.7
2017	66	60.4
2018	66	
2019	66	
2020	66	

Year	Target: Students graduating with a less-than-4-year degree within 150 percent of the normal time required	Actual: Students graduating with a less-than-4-year degree within 150 percent of the normal time required
2015	45	29.0%
2016	46	30.3
2017	46	31.6
2018	46	
2019	46	
2020	46	

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<sup>1</sup> <https://nces.ed.gov/programs/digest/>

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Year	Target: Percentage point difference between White and Black first-time, full-time students graduating with a 4-year degree within 150 percent of the normal time required	Actual: Percentage point difference between White and Black first-time, full-time students graduating with a 4-year degree within 150 percent of the normal time required
2015	15.8	23.8%
2016	15.6	24.4
2017	15.6	24.5
2018	15.6	
2019	15.6	
2020	15.6	

Year	Target: Percentage point difference between White and Hispanic first-time, full-time students graduating with a 4-year degree within 150 percent of the normal time required	Actual: Percentage point difference between White and Hispanic first-time, full-time students graduating with a 4-year degree within 150 percent of the normal time required
2015	8.6	9.6%
2016	8.5	9.4
2017	8.5	9.4
2018	8.5	
2019	8.5	
2020	8.5	

Year	Target: Percentage point difference between White and Black first-time, full-time students graduating with a less-than-4-year degree within 150 percent of the normal time required	Actual: Percentage point difference between White and Black first-time, full-time students graduating with a less-than-4-year degree within 150 percent of the normal time required
2015	5.2	8.4%
2016	5.1	9.2
2017	5.1	8.2
2018	5.1	
2019	5.1	
2020	5.1	

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Year	Target: Percentage point difference between White and Hispanic first-time, full-time students graduating with a less-than-4-year degree within 150 percent of the normal time required	Actual: Percentage point difference between White and Hispanic first-time, full-time students graduating with a less-than-4-year degree within 150 percent of the normal time required
2015	0.8	0.7%
2016	0.7	2.1
2017	0.7	2.6
2018	0.7	
2019	0.7	
2020	0.7	

**Additional Information:** The percentage of first-time, full-time degree-seeking students graduating with a 4-year degree within 150 percent of the normal time increased slightly from 59.7 percent in 2016 to 60.4 percent in 2017. The percentage of students completing a less-than-4-year degree increased from 30.3 percent in 2016 to 31.6 percent in 2017. The graduation rates for both 2- and 4-year degree levels observed in 2017 were below the targets established for this measure.

The completion gap between White and Black students who were enrolled in 4-year degree programs increased slightly from 2016 to 2017 (24.4 percentage points to 24.5 percentage points). The gap observed in 2017 remains larger than the targets established in 2017 and future years.

From 2016 to 2017, the difference between the percentages of White and Black students graduating from less-than-4-year degree programs within 150 percent of the normal time decreased by 1.0 percentage points to 8.2 percentage points — outside of the goal of 5.1 percentage points. In 2015, Hispanic students graduated within 150 percent of the normal time at less-than-4-year programs at a slightly lower rate than White non-Hispanic students (29.8 percent compared to 30.5 percent), but the gap increased in 2016 and 2017, with White non-Hispanic students graduating at a higher rate (by 2.1 percentage points and 2.6 percentage points, respectively, compared to Hispanic students).

Data for the measures supporting this objective are collected through the Graduation Rate Survey conducted as part of the annual Integrated Postsecondary Student Aid Study. The Department will continue to evaluate current performance measures and, where appropriate, revise these measures and goals.

### PROGRAM IMPROVEMENT EFFORTS

The Department is exploring ways to gather detailed program and student outcome data for program-specific measures that will provide reliable indicators of program effectiveness.

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### **EFFICIENCY MEASURES**

The Department is reassessing the efficiency measures for the individual student financial aid programs. The results of this reassessment will reflect proposed program changes and be incorporated into future budget requests.