



Fewer Oregon college students getting need-based scholarships

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Bill Graves, The Oregonian

Oregon opportunity grants decline

The Legislature gave the Oregon Student Assistance Commission about \$101 million for the 2009-11 biennium to award need-based scholarships to Oregon students. But because of miscalculations, the commission spent \$20 million more than planned this year.

	2009-10	2010-11
Number of students receiving grants	43,100	20,700
Maximum grant for four-year colleges and universities	\$2,721	\$1,950
Maximum grant for community colleges	\$2,600	\$1,800



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Fewer than half as many Oregon college students will get state need-based scholarships next fall as this year, even though enrollment and tuition is expected to climb at the state's community colleges and universities.

The reduction in scholarships, known as **Oregon Opportunity Grants**, will force some students to choose between "crippling debt" or leaving school, said Emily McLain, a lobbyist for the Oregon Student Association, which represents students in the state's seven public universities.

"We don't want these budget cuts to be placed on the back of students," she said. "In real terms, the Opportunity Grant makes it possible for some students to go to school because taking on the equivalent in loans would be just unbearable."

Though an estimated 80,000 Oregon students qualify for the grants, only 20,700 will get them in the coming school year.

The Oregon Student Assistance Commission, the agency that oversees the grants, overcommitted in awarding grants to 43,100 students this year and spent \$20 million above its \$57 million budget. That means the commission has only \$24.5 million of its biennial budget left to pay for grants over the coming school year.

It limited grants next fall to the first 20,700 eligible applicants, which it had received by the end of January. It also reduced the maximum amount of a grant from \$2,710 to \$1,950 for those attending four-year colleges and from \$2,600 to \$1,800 for community college students.

Community college and university officials say the decline in financial aid will drive some students out of school and others deeper into debt.

The reductions come as tuition rises next year an average 6.2 percent at state universities, and between 2 percent and 12 percent for at least 14 of Oregon's 17 community colleges. Oregon's relatively low student financial aid

earned it an F grade for affordability by the National Center for Public Policy and Higher Education in 2008.

During the recession last decade, enrollment at colleges and universities dropped dramatically as the result of rising tuition and declining aid. But in this recession, more students are hanging on in school, even if it means taking on more debt, said John Wykoff, lobbyist for the Oregon Community College Association.

As enrollment climbs, four out of five community college opportunity grant applicants are turned down, Wykoff said.

A small increase in federal Pell Grants for low-income students will help offset the cuts in Opportunity Grants, but many students will take on additional debt, said Bob Kieran, the Oregon University System's assistant vice chancellor for research. "There is definitely going to be an income strata of students who will make a decision not to go to college right now."

The commission on Friday voted to ask the Legislature for an additional \$31 million in 2011-13 for a total of about \$131 million to offer grants for up to 46,000 students.

The Student Assistance Commission awarded too many grants this year because it overestimated student attrition -- the number of grant applicant who would decide not to enroll in the fall or drop out during the winter and spring terms, said Dennis Johnson before the commission accepted his resignation as executive director in April.

The assistance commission has put several controls in place to protect against future overcommitments, including early deadlines, no adjustments in grants and earlier information from colleges on enrollment trends, said Mike Marsh, the interim director of the commission.

Gov. Ted Kulongoski and his Reset Cabinet, a group of leaders studying ways to reorganize government, recommended Friday that the state find ways to expand financial aid for low-income students

"The Oregon Opportunity Grant program promises that with reasonable contributions from students and their families, we will do our part to make a college education affordable for every Oregonian with the desire and ability to pursue it," the governor said in a speech Friday to the City Club of Portland. "This is a promise we must deliver."

--**Bill Graves**

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