

Meeting of the
OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION
December 9, 2022

AGENDA ITEM #xx:

Reports.

SUBJECT: Academic Scholars Program 2021-2022 Year End Report.

RECOMMENDATION:

This item is an information item only.

BACKGROUND:

For 2021-2022, the State Regents allocated \$6,305,862 from appropriations made by the 2021 Oklahoma Legislature for the Academic Scholars Program, which was an increase of \$248,873 from 2020-2021. The program provides participants funding to use toward tuition, fees, room and board, and required textbooks or materials for up to four years of undergraduate and graduate study, at accredited institutions of higher education in Oklahoma.

To automatically qualify for the Academic Scholars Program, Oklahoma residents must have received the designation of National Merit Scholar, National Merit Finalist, or Presidential Scholar. Oklahoma residents may also qualify automatically by achieving a score in the top one-half percentile on the ACT or SAT. In addition, each public institution is authorized to award a certain number of freshmen scholarships to Institutional Nominees.

The annual award amounts for automatic qualifiers in the 2021-2022 academic year were \$5,500 for students attending a research university, \$4,000 for students attending a regional university, and \$3,500 for students attending a two-year college. The annual award amounts for Institutional Nominees were \$3,200 for students attending a research university, \$2,400 for students attending a regional university, and \$2,200 for students attending a two-year college. State system institutions also provide scholarship recipients a tuition waiver.

The State Regents have taken the following actions since 2012 in response to funding changes and policy priorities:

- 2012-2013 – Reduced nonresident student funding from the statutory maximum of twenty-five percent (25 percent) to twenty percent (20 percent).
- 2017-2018 – Reduced nonresident student funding from twenty percent (20 percent) to ten percent (10 percent).
- 2018-2019 – Reduced nonresident student funding from ten percent (10 percent) to zero percent (0 percent) and cut 80 Institutional Nominee slots (40 from the University of Oklahoma and 40 from Oklahoma State University).
- 2020-2021– The State Regents maintained the prohibition on funding for nonresident students but were able to increase the number of Institutional Nominee freshmen scholarship slots by 116. In addition, the State Regents increased the Institutional Nominee scholarship award amount by \$400 and added a third minimum eligibility criterion option for Institutional Nominee qualification.

- 2021-2022 – Due to a \$250,000 or 4 percent reduction in state appropriations for FY2021, 100 freshmen Institutional Nominee scholarship slots were cut for the 2021-2022 academic year.

POLICY ISSUES:

The statutory purpose of the program is to retain high-achieving Oklahoma students in the state for college. This agenda item also fulfills a statutory requirement to report the number of Academic Scholars Program participants who remain in Oklahoma within five years of leaving the program.

ANALYSIS:

Following are some highlights from the report:

- A total of 1,388 students at Oklahoma public and private colleges and universities were enrolled in the Academic Scholars Program in Fall 2021, a decrease of 103 students from 1,491 students enrolled for Fall 2020.
- The 2021 freshmen class totaled 345 students (166 “automatic qualifiers” and 179 Institutional Nominees), down 119 or 29 percent compared to 464 students in the 2020 freshmen class (220 “automatic qualifiers” and 244 Institutional Nominees).
- For Fall 2020, the National Merit Corporation reported 127 freshmen designated as National Merit Scholars enrolled in Oklahoma colleges, a decrease of 9 or 7 percent from 136 in Fall 2019.
- In the 2021-2022 fiscal year, total program expenditures were about \$5.8 million, a decrease of almost \$500,000 or 8 percent compared to fiscal year 2020-2021.
- On average, about 14 percent of participants lose the scholarship after one year in the program; about 73 percent of participants retain the scholarship through their fourth year of eligibility.
- Of the 1425 resident participants entering the program between 2014-2016, 83 percent (1,186) earned at least an associate degree from an Oklahoma institution within six years.
- The most recent data show that about 92 percent of the program’s graduates who are Oklahoma residents remain in the state one year after graduation. Five years after graduation, about 87 percent remain in the state.
- About 74 percent of the program participants attend three universities—the University of Oklahoma (41 percent), Oklahoma State University (27 percent), and the University of Tulsa (6 percent). The remaining participants are distributed among public regional universities (16 percent), public two-year colleges (8 percent), and other private universities (2 percent).
- Available data indicate that program participants generally come from higher income families. About 30 percent of participants did not apply for federal financial aid, indicating a lack of financial need or eligibility for federal student aid. Of the 70 percent of participants who reported parental income on the 2021-2022 federal student aid application, a little more than half reported a family income of \$100,000 or more.
- Participation rates for some ethnic minority students have remained small over the past 5 years. For 2021-2022, the ethnicity of participants was 71 percent white, 10 percent Asian, 4 percent Hispanic, 2 percent American Indian, 0.4 percent Black, and 13 percent not reporting/other.

The full Academic Scholars Program 2021-2022 Year End Report is available upon request as a supplement.