

Meeting of the
OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION
December 6, 2018

AGENDA ITEM #xx:

Reports.

SUBJECT: Academic Scholars Program 2017-2018 Year End Report.

RECOMMENDATION:

This item is an information item only.

BACKGROUND:

For 2017-2018, the State Regents allocated \$6,343,972 for the Academic Scholars Program, a reduction of \$411,442 or 6 percent from 2016-2017. Funding from the Academic Scholars Trust Fund was used to cover the 2017-2018 deficit. The program provides participants funding to use toward tuition, fees, room and board, and required textbooks or materials for up to 4 years of undergraduate and graduate study, at accredited institutions of higher education in Oklahoma.

To automatically qualify for the Academic Scholars Program, Oklahoma residents and nonresidents 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 all automatic qualifiers in the 2017-2018 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 \$2,800 for students attending a research university, \$2,000 for students attending a regional university, and \$1,800 for students attending a two-year college.

POLICY ISSUES:

This agenda item also fulfills a statutory requirement to report the number of Academic Scholars Program participants that remain in Oklahoma within 5 years of leaving the program.

ANALYSIS:

Following are some highlights from the report:

- ◆ A total of 2,500 students at Oklahoma public and private colleges and universities were enrolled in the Academic Scholars Program in Fall 2017, an increase of 70 students from 2,430 students enrolled for Fall 2016.

- ◆ The 2017 freshman class totaled 715 students (476 “automatic qualifiers” and 239 Institutional Nominees) compared to 729 students (490 “automatic qualifiers” and 239 Institutional Nominees) in the 2016 freshmen class.
- ◆ In Fall 2017, 365 freshmen were designated National Merit Scholars by the National Merit Corporation, an increase of 33 or 10 percent from 332 in Fall 2016.
- ◆ In 2017-2018, total program expenditures were \$11,175,400, an increase of \$454,175 compared to 2016-2017. The total was offset by nearly \$3.9 million in refunds to comply with the 10 percent non-resident participation limit. The net total expenditures were almost \$7.3 million.
- ◆ Since 2001, an average of 14 percent of program participants have lost the scholarship after 1 year in the program. On average, about 75 percent of participants retain the scholarship through their 4th year of eligibility.
- ◆ For the 2,023 participants entering into the program between 2010-2012, 76 percent (1,532) received at least an associate degree from an Oklahoma institution within 6 years.
- ◆ About 76 percent of all the program’s graduates remain in Oklahoma 1 year after graduation. The retention rate for Oklahoma residents in the program (82 percent) is significantly higher than for non-residents (57 percent).
- ◆ About 86 percent of the program participants attend 3 universities—the University of Oklahoma (61 percent), Oklahoma State University (19 percent) and the University of Tulsa (7 percent). The remaining participants attend public regional universities (7 percent), public two-year colleges (3 percent) and other private universities (3 percent). The 3 largest participating institutions also account for almost 93 percent of the total program expenditures.
- ◆ Available data indicates that program participants generally come from higher income families. Almost 39 percent of participants did not apply for federal financial aid, indicating a lack of financial need or eligibility for federal student aid. Of the 61 percent of participants that reported parental income on the 2017-2018 federal application, 85 percent reported a family income of \$50,000 or higher; 57 percent reported family income of \$100,000 or higher.
- ◆ Participation rates for ethnic minority students have remained small over the past 5 years; the rate for ethnic minority students in the program in 2017-2018 was 0.5 percent for Black students, 3 percent for Hispanic students, and 2 percent for American Indian students.

The full Academic Scholars Program 2017-2018 Year End Report is available upon request as a supplement.