
2013-2014
STUDENT FINANCIAL ASSISTANCE REPORT

HAGERSTOWN COMMUNITY COLLEGE

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Introduction

This report is a summary of all forms of financial assistance provided to HCC students. Financial assistance consists of federal grants and loans, state grants, HCC Foundation scholarships, community and institutional scholarships, campus employment, third party billing, tuition discounting, as well as other miscellaneous sources.

This year, FY14, we saw a decrease in the amount of total financial aid awarded to HCC students. The total amount of assistance had increased by 17% from approximately \$18 million in FY11 to almost \$21 million in FY13 (\$17,900,301 to \$20,897,685). The amount has decreased to \$19,135,931 for FY14, less than what was awarded overall in FY12. However, the number of recipients has increased slightly over last year from 4,095 to 4,103. We saw an increase in state assistance and foundation scholarships, but a decrease in all other funding sources.

The percentage of aid from the federal government has dropped slightly from 86% in FY13 to 85% in FY14. There was a decrease in funding from the Pell grant from FY13 to FY14 of \$721,218. The percentage of change from FY13 to FY14 has shown a decrease in not only the amount of federal aid awarded, but also in the number of students who qualified to receive it. The number of FAFSA's filed has not decreased significantly, but the number of federal financial aid awards granted to HCC students decreased from 6,566 in FY13 to 6,179 for FY14, a difference of 387 students.

This report holds information about recent financial aid regulation changes that will help explain the numbers summarized above. HCC is concerned that continued financial difficulties are prohibiting students from enrolling and completing their degrees and credentials.

Financial Aid

Financial Aid by Award Year	FY12	FY13	FY14
Federal Government: Title IV*	\$16,715,618.00	\$18,074,952.00	\$16,356,788.00
State MD Assistance**	\$406,279.00	\$383,746.00	\$421,290.00
Foundation Scholarships	\$316,268.00	\$327,037.00	\$345,951.00
Opportunity Fund	\$157,131.00	\$128,074.00	\$99,302.00
Civic Scholarships	\$256,732.00	\$244,253.00	\$221,898.00
Federal Grants: Non-Title IV	\$726,765.00	\$907,146.00	\$911,330.00
Miscellaneous	\$692,742.00	\$832,477.00	\$779,372.00
<i>(HCC Institutional Student Aides Tuition Waivers, JTSR Vouchers)</i>			
TOTAL FA AND SCHOLARSHIPS	\$19,271,535.00	\$20,897,685.00	\$19,135,931.00
TOTAL AWARDS	8102	8583	8569
UNDUPLICATED FA RECIPIENTS	3760	4095	4103

***Sources of Fed. Gov. Aid**

Pell Grant	\$7,269,384.00	\$7,642,455.00	\$6,921,237.00
Supplemental Ed Opportunity Grant	\$72,041.00	\$78,700.00	\$93,934.00
Federal Work Study	\$64,399.00	\$111,915.00	\$82,596.00
Stafford Student Loans	\$9,291,665.00	\$10,230,543.00	\$9,225,881.00
Parent Loan or PLUS	\$18,129.00	\$11,339.00	\$33,140.00

**** Sources of MD State Scholarships**

Need Based Grants	\$328,201.00	\$321,364.00	\$352,006.00
Delegate Scholarship	\$35,575.00	\$29,237.00	\$33,324.00
Senatorial Scholarship	\$35,300.00	\$28,950.00	\$27,712.00
Occupational Scholarships	\$2,000.00	\$3,000.00	\$2,000.00
Miscellaneous Scholarships	\$5,203.00	\$1,195.00	\$6,248.00

Financial Aid Distribution by Type

	2012	2013	2014
Federal Government (Title IV)	\$16,715,618.00	\$18,074,952.00	\$16,356,788.00
Percentage	87%	86%	85%
# of Awards	6185	6566	6179
# Students	3096	3256	2955
MHEC: Office of Student Financial Aid	\$406,279.00	\$383,746.00	\$421,290.00
Percentage	2%	2%	2%
# of Awards	538	551	524
# Students	453	446	457
Foundations Scholarships	\$316,268.00	\$327,037.00	\$345,951.00
Percentage	2%	2%	2%
# of Awards	434	482	525
# Students	318	348	407
Opportunity Funds	\$157,131.00	\$128,074.00	\$99,302.00
Percentage	1%	1%	1%
# of Awards	363	359	718
# Students	363	359	711
Civic Scholarships	\$256,732.00	\$244,253.00	\$221,898.00
Percentage	1%	1%	1%
# of Awards	566	251	242
# Students	530	199	191
Federal Grants: Non-Title IV	\$726,765.00	\$907,146.00	\$911,330.00
Percentage	4%	4%	5%
# of Awards	524	731	1298
# Students	308	484	991
Miscellaneous	\$692,742.00	\$832,477.00	\$779,372.00
Percentage	3%	4%	4%
# of Awards	287	452	447
# Students	267	432	414

Student Workers

Financial assistance for Hagerstown Community college students may come in the form of on-campus employment. Both students and the college benefit from hiring student workers. Employed students receive financial assistance in the form of wages earned and higher retention rates, and the college benefits from an extended work force.

There are two main categories of student employees: College Work-Study (CWS) and Student Workers. Eligible students receive work study funds as part of their need-based financial aid award package awarded primarily through the federal government. Student Workers are funded by the College institutional budget.

FY14 represents the tenth year of allocating student workers through a centralized process based on institutional priorities. Student worker hours are requested during the unit planning process. Senior administrators then prioritize student worker hour requests as a part of their review of other resources such as equipment, technology, and staffing. Subsequently, the executive officers receive a total number of student workers hours to distribute among the administrators in their divisions.

The following chart illustrates the growth in hours and expenditures for Student Workers in FY14 compared to FY 06 through FY 14 data:

Year	CWS Hours	% of CWS Hours	Cost for CWS	Student Worker Hrs	% of Stu Worker Hrs	Cost for Student Workers
FY06	8,127	17%	\$62,343	39,488	82.9%	\$242,790
FY07	9,284	22.9%	\$74,453	31,319	77.1%	\$260,264
FY08	6,108	12.8%	\$53,378	41,523	87.2%	\$400,068
FY09	7,063	12.9%	\$64,574	47,804	87.1%	\$479,404
FY10	9,269	13.7%	\$83,553	58,401	86.3	\$545,923
FY11	9,553	12.2%	\$88,510	68,855	87.8%	\$614,502
FY12	7,329	8.7%	\$64,339	77,283	91.3%	\$727,906
FY13	11,968	13.7%	\$112,042	75,558	86.3%	\$713,081
FY14	8,944	11.3%	\$82,595	70,233	88.7%	\$659,682

Data provided by S. Lynn Willard in payroll; prepared by Barbara Lease, Human Resources Operations Specialist, 11/24/14.

The following chart illustrates the number of CWS students in FY14 compared to FY06 through FY14 data.

Year	CWS #	CWS %	Student Worker #	Student Workers %
FY06	32	21.3%	111	74%
FY07	40	23%	130	74.7%
FY08	25	17%	118	80.3%
FY09	27	15%	153	85%
FY10	60	20.5%	232	79.5%
FY11	57	17.1%	277	82.9%
FY12	45	13%	301	87%
FY13	45	12.4%	317	87.6%
FY14	37	14.2%	224	85.8%

Data prepared by Barbara Lease, Human Resources Operations Specialist, 11/24/14

In conclusion, the student worker system appears to be working well and meeting student and institutional needs.

Foundation Scholarships

The HCC Foundation currently awards financial assistance to students enrolled in credit programs only. Foundation Scholarship awards include: Foundation General at a maximum of \$750 per semester (Students enrolled for less than six (6) credit hours, do not receive financial assistance from the Foundation); Named; Faculty/Foundation Scholarship for Academic Excellence (“Merit”); Booster Club; Discretionary (\$7,500/annually to the Director of Student Financial Aid to be used at her discretion for students who do not complete a Foundation scholarship application); and the JTSR Program (\$6,000/annually).

The HCC Foundation offers need-based scholarships for students enrolled in the Early College ESSENCE program. We continue to educate the counselors regarding the availability and criteria for these scholarships.

You will note that the percentage of assistance under Section B of the report sometimes provides a number greater than the number of students reported throughout the report. This is because some students receive more than one Foundation scholarship.

Under Section C., the total number of applications received includes those that are considered ineligible under existing guidelines. These would include applications that are not complete, have grade point averages too low, or were received after the deadline. The total number of applications includes Foundation applications, students receiving JTSR funding, Discretionary, Booster, and some miscellaneous awards not chosen by the Foundation, but paid by the Foundation.

Foundation Scholarships

cae 12/08/2014

A. Scholarship Awards ¹

	FY12		FY 13		FY 14	
1. No. of HCC students awarded	317		325		394	
Total dollars awarded	\$316,248		\$302,116		\$319,582	
2. Sioda/No. of transfer students awarded	9		10		12	
Sioda direct pay to transfer college and student	\$50,111		\$69,932		\$76,793	
Total Students Awarded	326		335		406	
Total Dollars Awarded	\$366,359		\$372,048		\$396,375	
3. % of students awarded per program of study						
<u>Program of Study – Major</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
A&B – AAS Accounting & Business	5	1.6%	4	1.2%	10	2.5%
ADA - Certificate-Administrative Assistant	1	0.3%	0	0.0%	3	0.8%
ADA - Letter-Administrative Assistant	0	0.0%	2	0.6%	0	0.0%
ADJ – AAS Administration of Justice	8	2.5%	13	4.0%	4	1.0%
AEGT - Certificate AET: Geothermal Energy Installation & Service	3	0.9%	0	0.0%	3	0.8%
AET- AAS Alternative Energy Technology	2	0.6%	3	0.9%	1	0.3%
AESW - Certificate AET: Solar & Wind Installation & Service	2	0.6%	3	0.9%	0	0.0%
AJP - Certificate/Police Services	2	0.6%	0	0.0%	0	0.0%
ASC- AA Arts and Sciences	3	0.9%	8	2.5%	6	1.5%

ASC- AS Arts and Sciences	5	1.6%	8	2.5%	9	2.3%
BIO – AS Biology	7	2.2%	6	1.8%	11	2.8%
BUS – AS Business Administration	22	6.9%	16	4.9%	28	7.1%
BTC – AAS Biotechnology	0	0.0%	0	0.0%	3	0.8%
CAD – AAS Computer Aided Design	0	0.0%	0	0.0%	1	0.3%
CAD - Certificate/Computer Aided Design	0	0.0%	0	0.0%	0	0.0%
CCNA - Certificate/CCNA Preparation	0	0.0%	0	0.0%	1	0.3%
CCP - Letter/Childcare Professional	0	0.0%	0	0.0%	0	0.0%
CCP - Certificate/Childcare Professional	1	0.3%	0	0.0%	0	0.0%
CHM – AS Chemistry	1	0.3%	3	0.9%	3	0.8%
CMA - Letter/Certified Medicine Aide	0	0.0%	0	0.0%	0	0.0%
CSA - Certificate/Customer Service Assistant	0	0.0%	0	0.0%	0	0.0%
CSA - Letter Customer Service Assistant	0	0.0%	0	0.0%	1	0.3%
CSC – AS Computer Science	0	0.0%	1	0.3%	7	1.8%
CTI - Certificate Computed Tomography Imaging	1	0.3%	2	0.6%	3	0.8%
CVT – AAS Commercial Transportation Administration	0	0.0%	0	0.0%	1	0.3%
CYB - AAS Cybersecurity	1	0.3%	1	0.3%	1	0.3%
CYB – AS Cyber security	1	0.3%	1	0.3%	2	0.5%
DHY - AAS Dental Hygiene	0	0.0%	0	0.0%	1	0.3%
DLA – Certificate Dental Assisting	4	1.3%	1	0.3%	1	0.3%
DEV- EMP Employee Development	1	0.3%	0	0.0%	0	0.0%
ECE – AAS Early Childhood & Primary Grades Education	4	1.3%	6	1.8%	5	1.3%
ECH – AAT Early Childhood Education	6	1.9%	7	2.2%	9	2.3%
EDU – AS Education	7	2.2%	7	2.2%	7	1.8%
EGR – AS Pre-engineering	2	0.6%	5	1.5%	6	1.5%
ELE - AAS Elementary Teaching	4	1.3%	7	2.2%	4	1.0%
EMT - Certificate EMT-I to EMT-P Bridge	0	0.0%	0	0.0%	1	0.3%
ENE – AAT English Education	0	0.0%	1	0.3%	1	0.3%
ENG – AA English	4	1.3%	5	1.5%	1	0.3%
FIT - Letter-Fitness Training	0	0.0%	0	0.0%	2	0.5%
FLA – AA Foreign Language	0	0.0%	1	0.3%	0	0.0%

FLE- Foreign Language Educations	0	0.0%	0	0.0%	0	0.0%
FMT-Certificate/Facilities Maintenance Technology	0	0.0%	0	0.0%	0	0.0%
GDC - Letter GDT: Computer Graphic Artist	0	0.0%	0	0.0%	0	0.0%
GDT – AAS Graphic Design Technology	5	1.6%	7	2.2%	3	0.8%
GDT - AA Graphic Design Technology	0	0.0%	0	0.0%	2	0.5%
GDT - Certificate/Graphic Design Technology	1	0.3%	0	0.0%	0	0.0%
GSA - General Studies (Arts & Science)	0	0.0%	0	0.0%	0	0.0%
GST – AA General Studies	46	14.5%	59	18.2%	32	8.1%
HIE - History Education	1	0.3%	0	0.0%	0	0.0%
HIS – History	2	0.6%	0	0.0%	0	0.0%
HPL – AA Health, Physical Education & Leisure	7	2.2%	6	1.8%	6	1.5%
HPL - Certificate/Health, Physical Education & Leisure	0	0.0%	0	0.0%	0	0.0%
HPL - Letter/Health, Physical Education & Leisure	2	0.6%	1	0.3%	0	0.0%
HST - AAS Human Services Technician	1	0.3%	3	0.9%	3	0.8%
HST - Letter Human Services Technician	4	1.3%	1	0.3%	0	0.0%
HSV – AS Human Services	3	0.9%	3	0.9%	4	1.0%
HVAC - Letter Heating, Ventilation and Air Cond/Plumbing	0	0.0%	0	0.0%	1	0.3%
IND - Certificate Industrial Technology	1	0.3%	0	0.0%	0	0.0%
INT - AAS Industrial Technology	0	0.0%	1	0.3%	0	0.0%
IPC – AAS Digital Instrumentation and Process Control	0	0.0%	1	0.3%	0	0.0%
IPL - Certificate/Instructional Paraprofessional Language	1	0.3%	0	0.0%	0	0.0%
IPS - Certificate/Instructional Paraprofessional Science	1	0.3%	0	0.0%	0	0.0%
ISCF – AAS IST: Option in Computer Forensics	0	0.0%	1	0.3%	1	0.3%
ISCS- AAS Computer Support Specialist	3	0.9%	1	0.3%	2	0.5%
ISCS- Certificate-Computer Support Specialist	1	0.3%	0	0.0%	0	0.0%
ISDP - AAS Simulation Digital Entertainment: Programming	0	0.0%	0	0.0%	1	0.3%
ISNA - AAS Network Administration	0	0.0%	2	0.6%	3	0.8%
ISN1 – AAS Opt Networking Technology, Track 1	1	0.3%	0	0.0%	0	0.0%
ISN2 – AAS Opt Networking Technology, Track 2	1	0.3%	1	0.3%	0	0.0%
ISNT - Certificate/Networking Technology	1	0.3%	0	0.0%	0	0.0%

ISOS - Certificate	0	0.0%	0	0.0%	0	0.0%
ISPR - Information System Technology - Programming	1	0.3%	0	0.0%	0	0.0%
IST1 Letter /Information System Tech-Technician Specialist I	1	0.3%	0	0.0%	0	0.0%
MAM - Letter/Mammography	0	0.0%	1	0.3%	0	0.0%
MAT- AA Mathematics	3	0.9%	1	0.3%	1	0.3%
MCR - Certificate/Medical Coding	1	0.3%	1	0.3%	4	1.0%
MDA – AAS Medical Assistant	3	0.9%	2	0.6%	1	0.3%
MDA - Certificate/Medical Assistant	1	0.3%	1	0.3%	6	1.5%
MET – AAS Mechanical Engineering Technology	1	0.3%	0	0.0%	5	1.3%
MGT - Certificate-Management	1	0.3%	1	0.3%	1	0.3%
MGT - Letter-Management	3	0.9%	1	0.3%	2	0.5%
MGT – AAS Management	0	0.0%	2	0.6%	0	0.0%
MMC – AAS Option/Management Marketing	1	0.3%	2	0.6%	2	0.5%
MMC - Certificate/Management Marketing	1	0.3%	1	0.3%	2	0.5%
MOA - Certificate/Medical Office Assistant	0	0.0%	0	0.0%	0	0.0%
MRI - Certificate-Magnetic Resonance Imaging	0	0.0%	1	0.3%	0	0.0%
MUE -Music Education	0	0.0%	0	0.0%	1	0.3%
MUS – Music	0	0.0%	0	0.0%	0	0.0%
NDG.NOM - Non-Degree/No Major	0	0.0%	0	0.0%	1	0.3%
NGA - Letter/Certified Nursing/Geriatric Assistant	2	0.6%	1	0.3%	0	0.0%
NUR – AS Nursing	26	8.2%	22	6.8%	1	0.3%
PES – AAS Paramedic Emergency Services	0	0.0%	1	0.3%	30	7.6%
PES - Certificate Paramedic Emergency Services	0	0.0%	0	0.0%	1	0.3%
PHR-Certificate/Pharmacy Technician	5	1.6%	1	0.3%	1	0.3%
PHT - Letter/Pharmacy Technician	0	0.0%	1	0.3%	0	0.0%
PLB - Certificate/Phlebotomy	2	0.6%	1	0.3%	0	0.0%
PLB - Letter-Phlebotomy	0	0.0%	1	0.3%	2	0.5%
PNU - Certificate/Pre-nursing	19	6.0%	20	6.2%	0	0.0%
PNU - AS Nursing	19	6.0%	20	6.2%	18	4.6%
POL –AA Political Science	2	0.6%	1	0.3%	1	0.3%
PPE - AAS Paramedic Emergency Services	1	0.3%	0	0.0%	1	0.3%

PPE - Certificate/Paramedic Emergency Services	0	0.0%	0	0.0%	1	0.3%
PPH – AS Pre-Pharmacy	0	0.0%	1	0.3%	0	0.0%
PPN - Certificate-Pre Practical Nursing	2	0.6%	3	0.9%	2	0.5%
PRA – AAS Pre-radiography	11	3.5%	5	1.5%	7	1.8%
PRN - Certificate/Practical Nursing	3	0.9%	5	1.5%	1	0.3%
PSC – AA Paralegal Studies	4	1.3%	3	0.9%	2	0.5%
PSC - Certificate/Paralegal Studies	1	0.3%	2	0.6%	3	0.8%
PSY – AA Psychology	9	2.8%	7	2.2%	8	2.0%
PTA - TRK Physical Therapist Assistant	0	0.0%	0	0.0%	0	0.0%
RAD – AAS Radiography	12	3.8%	10	3.1%	9	2.3%
SBT - Certificate Small Business Technology	1	0.3%	0	0.0%	0	0.0%
SDE – AAS IST: Option in Simulation and Digital Entertainment	3	0.9%	0	0.0%	0	0.0%
SIM – AAS IST: Simulation and Digital Entertainment	0	0.0%	1	0.3%	0	0.0%
SOC – AA Sociology	2	0.6%	1	0.3%	4	1.0%
SP - Letter/Sports Officiating	0	0.0%	0	0.0%	0	0.0%
SPC - Letter Sports Coaching	0	0.0%	1	0.3%	2	0.5%
THR – AA Theater	0	0.0%	3	0.9%	2	0.5%
TRK - Certificate-Commercial Vehicle Transportation Specialist	1	0.3%	2	0.6%	0	0.0%
TRK MLT - Medical Laboratory Technology collaboration w/ Allegany College	0	0.0%	0	0.0%	0	0.0%
VAE - Visual Arts Education	1	0.3%	0	0.0%	0	0.0%
VAR – AA Visual Arts	2	0.6%	2	0.6%	1	0.3%
UND – AS Undecided ***** (see note)	11	3.5%	18	5.5%	69	17.5%
WBD - Web Design	0	0.0%	0	0.0%	0	0.0%
WBM-Certificate/Web Applications Development	1	0.3%	0	0.0%	0	0.0%
WEB – AAS WEB and Multimedia Development	1	0.3%	1	0.3%	1	0.3%
Totals	317	100.0%	325	100.0%	394	100.0%

	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
4. % of students receiving awards - 21 years of age and under	135	41.4%	166	49.6%	219	55.6%
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
5. % of students receiving awards - 22 years of age and above	182	55.8%	159	47.5%	175	44.4%
	317	97.2%	325	97.0%	394	100.0%
B. % of Assistance - Need-based vs. Merit-Based						
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
Need-Based Assistance	172	54.3%	292	64.2%	257	65.2%
Merit-Based Assistance	145	45.7%	163	35.8%	137	34.8%
Totals	317	100.0%	455	100.0%	394	100.0%
C. Students We Cannot Award						
	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
Non-applicants receiving misc awards: JTSR, Athletes, Discretionary, etc. ²	118		98		128	
Total no. of Foundation applications received ²	363		313		379	
Ineligible ³	32	7%	30	7%	41	8%
Awarded	296	62%	299	73%	394	78%
Not awarded	153	32%	82	20%	72	14%
Total no. of ESSENCE applications received	37		47		0	* See Note
Ineligible	14	38%	21	45%	0	"
Awarded	21	57%	26	55%	0	"
Not awarded	2	5%	0	0%	0	

	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>	<u>No.</u>	<u>%</u>
Non-applicants receiving misc awards: JTSR, Athletes, Discretionary, etc.	118		98		128	
Total no. of all applications received	400		360		379	
Ineligible	46	9%	51	11%	41	8%
Awarded	317	61%	325	71%	394	78%
Not awarded	155	30%	82	18%	72	14%

¹ Includes:

Foundation General

Named Foundation

Faculty/Foundation Scholarship for Academic Excellence ("Merit")

Athletics: General and Names

Discretionary

JTI

ESSENCE/Early College

² Includes: Foundation applications and students receiving JTSR, Discretionary, Athletics and some miscellaneous awards not chosen by the Foundation, but paid by the Foundation.

³ Ineligible under Foundation Guidelines: Incomplete, No FAFSA, GPA Too Low, Received Late/After Deadline, etc.

UND – AS Undecided category FY14 increase due to previous ESSENCE student who have not declared a major.

* ESSENCE application process eliminated FY14

Sponsor Billing, Tuition Discounting, and Waivers

Sponsor billings, tuition discounts, and waivers account for a substantial portion of student financial support. Sponsor billings are those in which someone other than the student is financially responsible. This includes Tuition Rate Agreements (TRA). TRA's are agreements in which county-based employers provide tuition reimbursement to their employees. Out-of-County and Out-of-State students are charged at the In-County rate. Most of these bills are paid by employers as part of their employee tuition reimbursement programs. Other third parties include Veterans Affairs, Vocational Rehabilitation, Workforce Investment Act, National Guard and other military branches.

Hagerstown Community College provides a variety of tuition discounts and waivers to our students. Some of these are mandated by the Annotated Code of Maryland (COMAR). In other instances, COMAR provides Boards of Trustees the authority to set discounted tuition rates.

Any resident of Maryland who is retired from the work force by reason of total and permanent disability who enrolls at a community college in a class that has at least 10 regularly enrolled students is exempt from payment of tuition. In order to receive this exemption, an individual must provide certification from the Social Security Administration or the Railroad Retirement Board that they receive disability or retirement benefits under the Social Security Act or the Railroad Retirement Act.

The Senior Citizen discount provides a tuition waiver for any Maryland resident who is 60 years old or older enrolls in any class. Additionally, any full-time classified employee of Hagerstown Community College who enrolls, during nonworking hours, will receive a tuition waiver.

The College's ESSENCE program continues to be successful. This program is designed to give high academic achievers the opportunity to earn up to twelve college credits while still in high school or home school. In-County residents receive a 50% tuition discount while Out-of-County and Out-of-State residents receive a 25% discount.

Senate Bill 740 – The College and Career Readiness and Completion Act of 2013 was signed by Governor O’Malley on May 16, 2013. Under the law, HCC may not charge tuition to dually enrolled students (defined as a “student enrolled in a public high school in the State while enrolled in a public institution of higher education in the State.”) However, Local Boards of Education are responsible for the tuition costs and can recoup a percentage of the costs from the students. HCC has entered into a MOU with the Washington County Board of Education to act as the billing agent for these students. Under the MOU, HCC is allowed to keep the reduced tuition and fees received from these students, as well as bill the Board of Education additional amounts based on type of student. HCC continues to operate its ESSENCE program in conjunction with SB 740 guidelines.

The Maryland Higher Education Commission through the Planning and Academic Affairs Division is authorized to designate programs as “Health Manpower Shortage Programs.” This designation permits students to attend any public community college in the state, irrespective of their county of residence, at in-county tuition and fee rates. MHEC would then reimburse the community colleges the difference between the out-of-county and county tuition rates. The fiscal year 2011 enactment of the Budget, Finance and Reconciliation Act (BFRA) made changes to the Health Manpower Shortage programs funding model. After years of successfully addressing the workforce shortage needs of the State, these programs are no longer fully funded. Instead an allocation in the State budget will be designated and colleges are to be reimbursed on a prorated basis. This has left the community colleges with a significant debt as a result of past balances of which the State has not fully reimbursed the community colleges from previous fiscal years.

The following data summarizes the number of students benefitting from programs currently in place at HCC. The number of students may include duplicates as many students take courses in multiple semesters.

	FY12		FY13		FY14	
	# of Students	Tuition Discount	# of Students	Tuition Discount	# of Students	Tuition Discount
Tuition Rate Agreements	372	\$272,609	470	\$389,536	371	\$349,057
Maryland National Guard/Active Military/Dependents	13	\$6,901	20	\$9,964	26	\$14,448
Dream Act	0	0	0	0	7	\$10,396
Social Security Waivers	112	\$81,782	56	\$39,220	53	\$38,734
Senior Citizens	107	\$51,294	121	\$55,650	140	\$62,702
Employees/Employee Dependents	106	\$76,632	87	\$56,922	91	\$66,019
Dual Enrollment/ ESSENCE*	1,022	\$244,505	1,088	\$270,475	1,244	\$235,522**
Health Manpower	104	\$46,574	123	\$59,820	201	\$101,626
TOTAL	1,836	\$780,297	1,965	\$881,587	2,133	\$977,909

From fiscal year 2013 to 2014 the number of students receiving tuition discounts increased approximately 9% with the dollar amount of the discounts increasing by 11%.

** Note that SB 740 did not take effect until FY14 and thus the tuition discount number for FY14 is not truly comparable to prior years. The tuition discount amount for FY14 includes the SB 740 discount amount and the College's supplemental scholarships to these students, less amounts billed Washington County Public Schools for partial reimbursement.

Impact of Federal Financial Aid Regulations on HCC Retention and Completion Efforts

Overview

Recent federal government regulations for Pell Grants, guaranteed student loans and satisfactory academic progress have negatively impacted HCC's overall enrollment and retention rates.

Students have been significantly limited in the amount of time they have to complete a Bachelor's degree with assistance from Pell grants and there have been changes in what the Estimated Family Contribution (EFC) number means for receiving federal aid. The satisfactory academic progress (SAP) process requires students to pass 70% of their attempted coursework cumulatively or their financial aid will be in jeopardy.

As you can imagine, this is especially challenging for students at an open enrollment institution. We know approximately 75% of our students arrive under-prepared for college level work and that many have external challenges they are juggling along with their studies. All of these changes combined have made it very difficult for HCC students to persist with their schooling due to financial hardship.

Estimated Family Contribution (EFC)

Beginning in the 2012/2013 award year, the automatic zero EFC number was reduced from \$30,000 to \$23,000 for both dependent (still includes Mom and Dad's info on FAFSA) and independent students. Beginning with FY 2013, a family or student whose yearly income was \$23,000 or less received an automatic zero EFC. A zero EFC means the student qualifies for full Pell and other financial aid opportunities. This change eliminated those families who had been in the \$23,000 to \$30,000 income range from receiving an automatic zero EFC on their FAFSA, which meant they were not guaranteed full financial aid benefits.

HCC had 1,347 auto zero students FY 2012 before the income guidelines for the automatic zero were reduced. After the new income guidelines were implemented in FY 2013 HCC had 1,055 automatic zero students. Last year, FY 2014 HCC had 1,056 automatic zero students. Two

hundred ninety two fewer students were eligible for the automatic zero in FY 2014. Once the automatic zero EFC number was reduced from \$30,000 to \$23,000, 22% fewer HCC students were eligible for the automatic zero or full aid benefits.

Pell Grants

At first glance, the changes made to Pell looked promising. The 2012 federal appropriation legislation did not touch the HEA section 401 (b)(7) providing for an automatic increase to the appropriated Federal Pell Grant maximum award. The amount of Pell awarded to students has increased from a max award of \$4,860 per academic year in FY 2012 to \$5,730 per academic year beginning 2014/2015.

Those students who qualified for maximum Pell were granted more dollars but there was a catch. A big one. The number of semesters students qualified to receive Pell was reduced from 18 to 12 for full-time students. This was particularly difficult for community college students who first needed to obtain their associate degree before moving on to their bachelor's degree. Many HCC students are unable to pursue a true full-time schedule of 15 credits per term which would allow them to graduate in two years. The more semesters a student spends at HCC, the less time they will have Pell available to them at their four-year institution. This is a primary reason why we are pushing the "15 to Finish" campaign to encourage more students to take more classes per semester.

Academic planning is important if students want to receive enough Pell Grant money to pay for both the associates and the bachelor's degrees. If students want to receive Pell Grant while working on a bachelor's degree after leaving HCC, students should only enroll in courses that will count toward their HCC degree.

There are currently nine (9) students who completed a financial aid application (FAFSA) and listed HCC as the only school they wanted to attend, but were ineligible for Pell Grant and are not currently enrolled at the college. One of these students ran out of eligibility at the end of the

2014 spring semester before achieving her academic goals. She had three semesters remaining, and was unwilling to borrow student loans to continue her education. As an out-of-state student the scholarship money she is eligible for did not cover half of her bill.

HCC has 194 students who have already used over half of their lifetime eligibility for Pell Grants. Twenty five of these students are in their final year of Pell Grant eligibility and will not be receiving Pell Grant after this year. Of these 25 students three graduated from HCC over five years ago and have returned to further their education, hopefully they will achieve their academic goals this year. Eight of the 25 are not close to completing their degree, need over 30 credits to finish and their Pell eligibility will run out at the end of the 2015 spring semester.

Another change meant students are no longer permitted to receive three full time semesters of Pell money during an academic year, allowing students to receive additional Pell Grant during the summer semester(s). Currently students are allowed to receive two full time semesters of Pell. They use the annual eligibility during the fall and spring semester, consequently they are not eligible for additional money in the summer. This means those students who receive a refund check from the fall and spring must save that money to pay for their summer classes. The realistic expectation is that students are spending that money on rent, gas and other living expenses, not on tuition that will be due months from when they receive the check.

It is difficult to measure the impact the elimination the third semester of Pell eligibility had on HCC's enrollment. There are many factors that affect if a student will attend during the summer semester. In 2011 prior to the 2012 appropriation legislation that eliminated summer Pell, HCC enrolled 2,589 students (headcount) during the summer semester. During the 2012 summer semester after the appropriation legislation HCC enrolled 2,401 students (headcount). This is 188 fewer students than the year before, or a 7% fewer students. Earlier, in February of 2012 Planning and Institutional Effectiveness and Student Financial Aid estimated the impact of the way summer Pell eligibility would be approximately 177 fewer students.

Finally, students who were identified as Ability to Benefit (ATB) were no longer qualified to receive Title IV funds, including Pell and loans. Ability to Benefit students received a passing

score the HCC placement test (Accuplacer) but did not have a high school diploma or GED. Beginning July 1, 2012 students who do not have a high school diploma, GED or recognized state equivalent are not eligible to receive Federal Student Aid: Pell Grant, other Federal Grants and Federal Student / Parent Loans.

Student Loans (Stafford Loans)

There are two types of guaranteed Stafford Student Loans, subsidized and unsubsidized. Subsidized loans are the most affordable because the government pays the interest while the student is still in school. Because of this benefit, the amount of subsidized loans is smaller than that of unsubsidized. Students may borrow a maximum subsidized loan of \$3,500 their freshman year, \$4,500 their sophomore year and \$5,500 their junior and senior year. These amounts are the same for both dependent and independent students.

Unsubsidized loans accrue interest the entire time the student is attending school. Currently, dependent students (under 24 with Mom and Dad's information included) may borrow an additional \$2,000 of unsubsidized loans annually and independent student (24 and over, not required to use parent information) can borrow an additional \$4,000 of unsubsidized loans annually.

If a dependent student qualifies for both unsubsidized and subsidized loans, the total amount they are permitted to borrow is still \$5,500 for their freshman year, \$6,500 for their sophomore year and \$7,500 for their third and fourth years. They must use a combination of the two types of loans to reach that amount. Independent students qualify for \$9,500 their freshman year, \$10,500 their sophomore year and \$12,500 for their junior and senior year. The lifetime max for dependent students is \$31,000 and the amount for independent students is \$57,500.

Subsidized loans are only available to students up to 150% of their enrolled academic program. Once a student has remained in school beyond that timeframe, only unsubsidized loans are available as long as they haven't reached their max amount. A part-time student may remain a freshman for two academic years and borrow twice as freshman. This same student may also borrow twice as a sophomore. This student would four years to complete their associate degree

(a two year program). 150% of a two year associate degree program is three years; consequently the student is only eligible for subsidized loans for the academic year. The last year (fourth year) will be unsubsidized loan only.

Our chief concern about student loans is the student's ability to be responsible with the money. This responsibility starts immediately with the student's decision on how to spend the dollars they receive in a refund check. The total tuition and fees for a full-time student per semester at HCC is \$1,797 for in-county, \$2,712 for out-of-county and \$3,492 for out-of-state. Doing the quick math, you can see that a full-time dependent student who qualifies for full Pell would receive \$2,275 per semester. Students who choose to borrow on top of their Pell money might also be able to receive another \$2,750 per semester. Added together, this equals \$5,025 or \$3,228 more than their tuition and fee charges (for an in-county, dependent student). An in-county independent student may borrow \$4,750 on top of the full Pell award, which leaves them with a refund check of \$5,228.

We recognize that many of our students are using their refund checks to pay for living expenses, which is why the money is made available. However, many students are using the money for things that are not school-related. Ultimately, we can't control the decisions that are made by our students, but we wish to better educate them on financial literacy and the responsibility they will have for the rest of their lives if they choose to borrow money to attend college. Student loans cannot be vacated by bankruptcy, they can only be eliminated by the death of the student. Students must understand the consequences of borrowing and follow the rules for receiving any dollars to attend college. We will continue to do our best to educate them now for the future.

SUMMARY

This report recognizes the continuing challenge HCC students have to finance their educations. HCC has seen an enrollment drop that began in the fall of 2013 and has continued into the current fiscal year. There are many factors that have contributed to this enrollment decline and these declines are happening at community college state and nationwide. Based on the data presented in this report, we believe the changes to federal financial aid, especially the change in zero EFC calculations and the reduction in the maximum time frame for the Pell grant has greatly impacted our population.

As federal “free” money continues to disappear, we are concerned that we will see two extreme types of student borrowing emerge. We currently have students that refuse to borrow money to attend school, even when the amount to be borrowed is minimal. They choose to forgo classes altogether rather than take out a student loan. The other extreme is students who do not understand that borrowing beyond what is necessary can lead to default and a damaged credit score. We strive to teach all students about financial aid and encourage them to borrow and spend wisely. We attempt to clarify for them what they will be expected to do to maintain their aid and what they will be required to pay back at the end of their schooling.

Even though overall enrollment is down, HCC has not seen a comparative decline in the number of students seeking financial aid. The number of students awarded saw a slight increase even though the total amount of dollars awarded saw a significant decrease of over \$1,000,000. HCC will continue to follow government regulations and communicate all of the changes to our students as they occur. We will also continue our financial literacy and completion campaigns to help as many of our students graduate as possible.