FROM THE DIRECTOR

On behalf of the Financial Aid Office (FAO), I am pleased to present the annual report for the 2013-14 academic year. Four functional departments (Accounting, Counseling, Operations, and Systems) within our office contributed to achieve our goal of providing access, recruitment, and retention at the University of Utah, by processing applications and delivering financial assistance totaling over $189 million, in the form of grants, work-study, and loans.

The economy and amount of funds available from Federal, State and Institutional sources had an impact on the amount of aid disbursed to students for this past academic year. As the economy improves, some students are less likely to qualify for some grant aid and demand for some loans have decreased. Nonetheless, students’ demand for financial assistance continues to remain strong. Grant disbursements decreased by approximately two hundred thousand dollars, and the loan programs reduced by about 9 million dollars from the previous year. Considerable time, effort, and budget dollars were expended this year to train personnel and implement enhancements designed to improve student access to financial aid.

The following employees either received degrees or contributed to for institutional, state, regional and national organizations:

- Emilie Hereth: Masters of Library Science (Emporia State University)
- Amy Capps: Past UASFAA President
- John Curl: UASFAA President-Elect
- Chelsea Spring: UASFAA Secretary/Treasurer
- Stephanie Charles: Diversity Council
- Krista Burton: RMASFAA Program Committee
- Marc Gangwer: RMASFAA Program Committee

Each year, financial aid administrators and other members of the profession anxiously await the publication of the national and local default rates. According to data released by the U.S. Department of Education, the rate at which University of Utah student borrowers defaulted on student loans for the 2011 fiscal year is 3.9%, the same rate as the previous year. The Department of Education has transitioning from a 2-year to a 3-year cohort default rate. The university’s 3-year default rate for the 2010 cohort was also 3.9%. The University of Utah’s percentage continues to remain below both the national and state levels. Table 1 illustrates Cohort default rates for current and previous years.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>National</td>
<td>13.70%</td>
<td>14.70%</td>
</tr>
<tr>
<td>National 4-Yr Public</td>
<td>8.90%</td>
<td>9.30%</td>
</tr>
<tr>
<td>Utah</td>
<td>11.40%</td>
<td>11.90%</td>
</tr>
<tr>
<td>University of Utah</td>
<td>3.90%</td>
<td>3.90%</td>
</tr>
</tbody>
</table>
Key Activities

The main focus for the Financial Aid Office at the University of Utah consists of helping students gain eligibility, maintain eligibility and, in some cases, regain eligibility for Federal, State and Institutional financial aid. The following are key activities our office provides:

- Outreach presentations to student, parents and others
- Provide Information to student and parents through email and mail
- One-on-one meetings with students and parents
- Assist with application completion
- Determination of eligibility for Federal, State and Institutional Aid
- Award Aid to eligible students
- Maintain compliance with Federal, State requirements for participation in programs
- Review appeals for exception to policy regarding Federal Aid
- Disburse funding to students

Goals

As the economy improves overall, the population of students that utilizes our services changes as fewer qualify for grants and less loan funds are requested. Some factors outside our control will impact the following numbers. However, many students still must gain Federal, State and Institutional Aid to attend the University of Utah. We have focused our goals on helping to shape the entering class of students and trying to provide seamless navigation through the process.

Our first goal relates to shaping the class through increasing the number of application received for the overall student population, undergraduate population, entering freshman and entering transfer.

Number of FAFSA Applications
The numbers reported for entering freshman and entering transfer student are for students that were admitted to the university. They do not reflect any student that was denied admission. The numbers for 2013/2014 reflect a complete year, while the numbers for 2014/2015 will increase throughout the year. It is interesting to note that entering transfer student apply at a great rate than entering freshman. While the percentage of undergraduate to overall application increased this year over last year, the percentage of entering freshman and entering transfers is less. However, we anticipate that entering transfer number will increase throughout the year.

Our next goal was to increase the number of first generation student who submit the FAFSA. Again, 2013/2014 reflects an entire year, while 2014/2015 will increase over the year.

Number of FAFSA Application for First-Generation Students

The data illustrates that we have more first generation students who are entering transfer than entering freshman.
Our next goal relates to increasing number of Pell Grant recipients and need-based Grant recipients. Pell Grants is the largest fund that is available to eligible grant funding. However, students may still be needy while not qualifying for Pell Grant funding. Consequently, we have also included other grant funds in the second chart. While we may be able to increase the number of applications, Federal, State and Institutional budgets constraints may restrict the funding of these students.

### Pell Grant Eligible Applications

![Bar chart showing Pell Grant eligible applications for 2013/2014 and 2014/2015 for UG Applications, Entering Freshman, and Entering Transfer.]

### Need-Based Eligible Applications

![Bar chart showing need-based eligible applications for 2013/2014 and 2014/2015 for UG Applications, Entering Freshman, and Entering Transfer.]

Again, we anticipate that as the year progresses the number of eligible application will increase and the number of student in each category will increase. The entering freshman will not change a great deal due to the fact that most entering freshman enter the institution during fall semester while entering transfers student will enter each term.
The following table will show the disbursment totals for the past two complete award years as it relates to grants, work study and loans:

<table>
<thead>
<tr>
<th></th>
<th>Grants</th>
<th>Work Study</th>
<th>Federal Loans</th>
<th>Alternative Loans</th>
<th>Institutional Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/2014</td>
<td>$35,839,031</td>
<td>$1,433,811</td>
<td>$137,430,497</td>
<td>$12,291,200</td>
<td>$2,135,500</td>
</tr>
<tr>
<td>2012/2013</td>
<td>$36,039,263</td>
<td>$1,407,502</td>
<td>$147,899,000</td>
<td>$10,538,180</td>
<td>$343,875</td>
</tr>
</tbody>
</table>

The loan decrease relates to fewer students being qualifying for Pell Grant. The Pell Grant totals were about 3 million less than the year before. The other grants actually increased over the previous year. Fewer Federal Loan funds were requested last year over the year before.

Our next goals related to helping to provide seamless navigation for the students. Some of these will have data while other will not at this time.

Our first goal relates to the elimination of the Uform. The Uform is an institutional form that helps our office package a student with aid based on the data provided by the student. Traditionally, our office has requested that a student complete a FAFSA and the Uform to be awarded. For 2015/2016, our office will not require the Uform and we will rely on data from FAFSA and other sources to package the student properly. This will eliminate time for the student and confusion regarding the Uform.

The next goal relates to encouraging students to sign up for direct deposit for their financial aid remainder checks. Some students receive aid in excess of tuition charges. Therefore, they receive a remainder check. If a student requests to have it direct deposited into his/her bank account it eliminates days from the process and eliminates a number of cost associated with producing checks. During this past year, we made it possible for students to sign up for direct deposit while completing their financial aid award letters. During the 2013/2014 award year 549 students signed up for direct deposit while completing their award letters. For the 2014/2015 award year 4,498 have completed the request. This is a substantial increase and represents cost savings for the institution, but also represents the student having access to the remainder check days quicker than a paper check.

The next goal was to provide data for students to provide Financial Needs Analysis through the self-service of CIS. Over the past several years, more and more agencies are requiring Financial Needs Analysis from our school to access resources for the student. Much of the increase has come from housing agencies that provide low income housing. Our office developed an on-line Financial Needs Analysis that a student can print for the agency. This reduces time the student has traditionally had to wait for our office to produce the form. Consequently, they can access the data and provide to the agency in real time.

Our next goal relates to assisting our student who graduate or leave the institution to stay out of default on their student loans. As has been illustrated our default rate is relatively low, but we want to provide all of our student with the necessary information to avoid the crippling impact of defaulting on student loans. Consequently, during the past year, our office has contracted with UHEAA (Utah Higher Education Assistance Authority) to communicate and provide resources to our students who are delinquent on their student loans. Hopefully, in the coming years, we will see our default rate begin to lower.

Finally, we will begin providing walk in appointment for students and parents. During the past several years, we have provided walk in appointments the first few weeks of each semester. We have received very positive feedback from students, parents and staff. Unfortunately, we have not had the staff to maintain that throughout the year. However, we feel we may now have the resources to provide this service year around for our students. We hope to begin this for Spring Semester 2015.
Plan for the Future

Over the coming months, our office will have a number of opportunities to encourage students and parents to apply for aid through the FAFSA. We want to encourage all who are eligible to apply to complete the FAFSA. We plan to continue to have a Financial Aid Awareness week that we started last year. We will be looking for partners (ASUU) to assist with this event. We will continue to look for other partners and opportunities to help more students complete the application. This will not only require our current staff to conduct the events, but also funding to provide a quality event.

The previous data shows that transfer students tend to have greater need and tend to be first generation. Consequently, we will begin to provide some more targeted communications to this population. Hopefully, we will be able to help guide them through the process that may differ from their previous school. While, we can send these students emails, they may need other materials to assist them.

As we move to walk in appointments, we want to survey our students and parents who take advantage of this service. We hope to develop a survey that we can send to these students the week following their visit. The results will provide us key data to determine our focus and training for our counselors.

The Perkins Loan fund is scheduled to cease this academic year. Not only will it eliminate about 4 to 5 million in funds from our students, but it will also decrease the operating funding for our office. Approximately $200,000 in funds will be lost from our budget with the elimination of the Perkins Loan fund. At this point in time, it is unlikely that the program will continue beyond this year. The US Congress will have to enact specific legislation for it to continue.