

Living Up to Expectations? Trends in the Monetary Award Program (MAP) FY1991 to FY2000

The Monetary Award Program (MAP) helps remove financial barriers preventing Illinois residents from pursuing higher education by providing tuition and fee assistance at Illinois institutions for Illinois undergraduate residents who are financially needy. Over the ten-year period examined, MAP appropriations have increased substantially but the need for MAP has increased even more. The “affordability gap,” the gap between average tuition and fees and the amount of the average MAP award, has increased over the decade from \$1,520 to \$2797. The gap varies by sector. Community college tuition and fees are nearly completely covered; public university students face a gap of about \$900 and private school students experience a gap of about \$11,000. As coverage goes down, the percentage of student loans in financial aid package increases. The financial aid “package” at public universities is now 50 percent loans, up from 35 percent ten years ago.

Introduction

The Monetary Award Program (MAP) helps remove financial barriers preventing Illinois residents from pursuing higher education by providing tuition and fee assistance at Illinois institutions for Illinois undergraduate residents who are financially needy. The level of support provided to students is based on the annual cost of their education and the financial resources they have available, subject to limitations on the maximum MAP grant that can be paid.

*More students
are applying
for MAP
grants ...*

Since its inception in 1967, MAP has been encumbered with certain expectations about what the program can do, where it can be used, and who can receive it. This paper attempts to enumerate these expectations and evaluate the progress made toward meeting them over the past ten years.

*MAP dollars
are being
stretched
further than
ever.*

MAP Applications are Increasing

More students are applying for MAP grants. In FY2000, total applications topped 418,000 and announced applications (those students who met the basic criteria for consideration) rose to more than 280,000. The increase in applications does not necessarily indicate an increase in need because any student may apply, even those with incomes sufficient to cover the cost of their education. However, more students truly in need are applying, as evidenced by the 23 percent increase in eligible applicants (those students meeting the need analysis requirements.) In 2000, the number of eligible students rose to over 194,000.

Appropriations for MAP have Increased

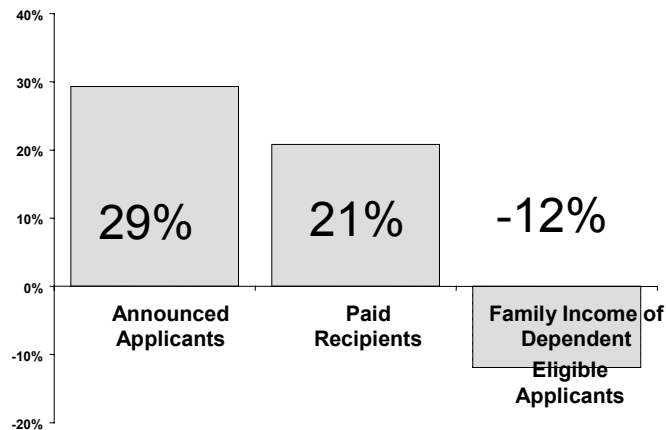
Appropriations for MAP have increased to almost \$337 million in 2000, a real increase of nearly 47 percent. A cursory look at the numbers – a 23 percent increase in students in need and a 47 percent increase in real appropriations – would indicate that new student need is being adequately, even generously, met. However, buried in these statistics are two realities: (1) MAP dollars are stretched further than ever - it is more difficult today than it was ten years ago to qualify for aid, and (2) even with the increase in appropriations, the gap between college aid and college costs is growing.

Some students who would have received aid ten years ago are now being denied any MAP award at all.

To keep MAP awards effective, i.e., provide sufficient money to make college possible for low income students, the maximum and average awards have to increase enough to off-set college cost increases of 44 percent. Because the number of eligible students has increased 23 percent over the decade, increasing funding at the same rate as tuition and fees increases has not been sufficient to maintain a constant level of support. To enable the average MAP award to be increased to meet, at least partially, rising tuition and fee costs and to allocate these awards to the neediest students, the eligibility requirements for MAP awards have been toughened over time. The result: needy students are now turned away who would have qualified under the MAP formula components in place ten years ago.

For example, the average family income, as measured in constant dollars, of a dependent MAP recipient ten years ago was almost \$31,000; today it is just over \$27,000, a 12 percent decline (Figure 1.)

**Figure 1: Growth in MAP Applicants and Recipients
From FY1991 to FY2000**



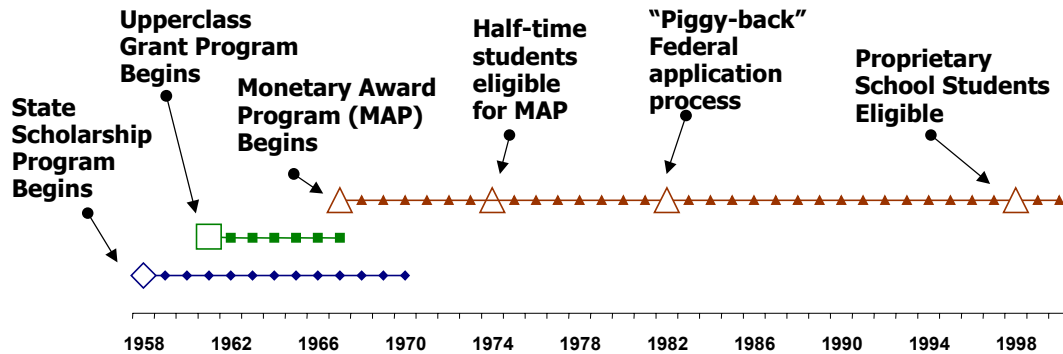
The remainder of this paper takes a look back at the past decade to see how these changes came about, assesses what they mean for access and choice for low income students in Illinois, and determines what is needed in the future for MAP to continue to be successful at expanding educational opportunities for lower-income families.

Evolution of MAP

Although the focus of this report is on the changes in the MAP program over the last ten years, Table 1 provides a synopsis of the evolution of MAP, which has its origins in the State Scholarship Program begun in 1958 and the Upperclass Grant Program begun in 1961. The problems identified and the purpose of the awards remain the same today as they have throughout the program:

“... the problem of motivation to attend college is a complex one, and financial considerations are only one factor. Scholarships are needed ... to encourage the student of limited means to make a difficult choice, to incur an almost inevitable sacrifice. In few cases will it be possible to say that a scholarship made it possible for a student to go to college in the sense that without it he [or she] could not have gone. The scholarship will operate most effectively to achieve the objectives of the program where they simply shift the balance of considerations and encourage the student to make the choice which is so important to state and national welfare ...”

Table 1: Milestones in the Development and Administration of MAP



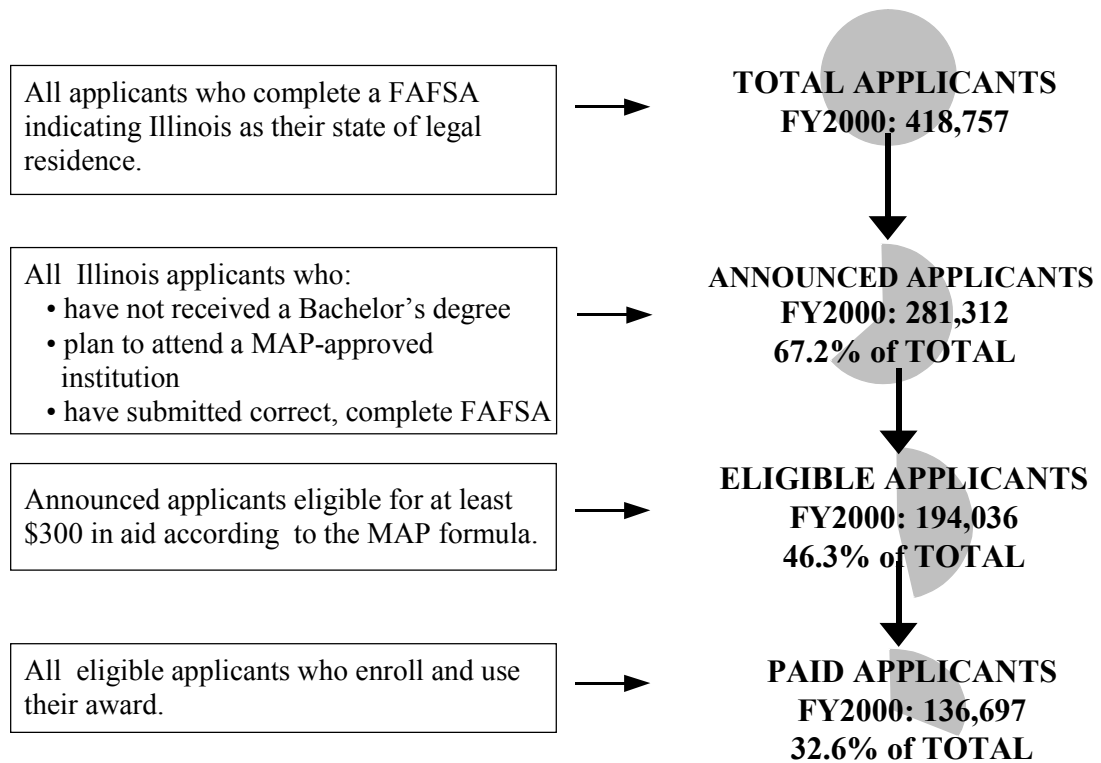
Date	Initiatives and Other Milestones	Purpose and Result
1958-1970	State Scholarship Program	To provide aid to academically promising undergraduate students with financial need.
1961-1967	Upperclass Grant Program	Provided need-based non-merit financial aid to upperclass undergraduate students.
1967-present	Monetary Award Program (MAP)	An expansion of the need-based Upperclass Grant Program to all undergraduate students.
1974	Students who enroll on a half-time (6 hours) basis became eligible to apply for MAP and the entitlement cap increased to 10 semesters or 15 quarters	Program expansion to accommodate more students including those who can only attend part-time or those who must enroll more than four years to complete.
1982-1983	Decision to use Pell Grant processing system to collect applicant data thereby eliminating a separate MAP grant application form	65 percent increase in MAP application volume as a result of the no cost, one form aid application process using a federally-approved application.
1998-present	Students attending proprietary institutions granting degrees could apply for MAP	The number of MAP eligible students at proprietary institutions has risen dramatically as the program has been phased-in.

A Few Definitions

From nearly 419,000 total applicants, 137,000 (33 percent) actually received a MAP award of at least \$300 in FY2000.

Throughout this report, several terms are used to define application volume. **Total applicants** is a count of the total number of unduplicated applicants during a specific year who indicate Illinois as their state of legal residence on their Free Application for Federal Student Aid (FAFSA.) **Announced applicants** are applicants who meet the basic criteria for consideration: they are Illinois residents who have not received a Bachelor's degree; who plan to attend a MAP-approved institution; and who have submitted a completed FAFSA and are therefore capable of having their MAP eligibility calculated and announced. **Eligible applicants** are announced applicants with computed financial aid of at least \$300 according to the MAP formula, and **paid applicants** are those eligible applicants who actually enroll in school and use their award. It is a winnowing process - from nearly 419,000 applicants, only 137,000 (33 percent) actually received a MAP award of at least \$300 in FY2000 (Figure 2.)

Figure 2: Application Terms



A Word about Proprietary Institutions

Legislation enacted in 1997 granted eligibility to students effective in 1997-1998 attending degree-granting proprietary institutions that: (1) maintain an accredited status with the North Central Association of Colleges and Universities; (2) have been approved for at least three years by the Illinois Board of Higher Education (IBHE) to operate and offer degrees in Illinois; and (3) enroll a majority of their students in degree programs. The legislation provided for the phase-in of eligibility over three years. Eligibility in the first year of implementation, 1997-1998, was limited to all first-time freshmen and first-time applicant transfer students with an Associate degree. In the second year (FY1998-1999), eligibility was limited to eligible freshmen students, transfer students who had attained an Associate degree, as well as students who received a grant under the first year of the phase-in. In the third year (FY1999-2000), all students attending proprietary institutions meeting the institutional eligibility criteria stated above were eligible for award consideration.

Treatment of Inflation

Several tables summarize figures in both current (nominal) and constant (real) dollars. The Consumer Price Index (CPI) was used to adjust for inflation and to determine constant dollars using 2000 as the base year for constant dollar conversion. Throughout the paper, most constant dollar conversions are made using the CPI for the academic year preceding the end of the state fiscal year (e.g. the academic year for 1999-2000 was determined from the monthly CPI indices from July 1999 through June 2000.)

Trends in the Components of MAP

This section discusses trends in the basic components of MAP: trends in state appropriations, application volume and applicant characteristics, number and size of actual awards, and college tuition and fees.

Trends in MAP Appropriations

Between FY1991 and FY2000, State MAP appropriations increased by \$157.1 million (88.1 percent), representing a real increase of 47 percent.

Figure 3 and Figure 4 summarize appropriations in current and constant 2000 dollars from FY1991 to FY2000. The state allocation to MAP has increased by \$157.1 million (88.1 percent) from \$178.3 million in FY1991 to \$335.5 million in FY2000. Spending authority for the Leveraging Educational Assistance Partnership (LEAP) Program remained relatively stable until FY1997, and then declined as a result of efforts to eliminate the program. LEAP spending authority to Illinois decreased by \$2.7 million (60 percent), from \$4.2 million in FY1996 to \$1.5 million in FY2000. Between

FY1991 and FY2000, the total MAP appropriation, which includes LEAP spending authority, increased by \$155.4 million (85.6 percent); after adjusting for inflation, the increase was \$107.5 million (46.8 percent.)

Figure 3: MAP Appropriations in Constant Dollars, FY1991-FY2000

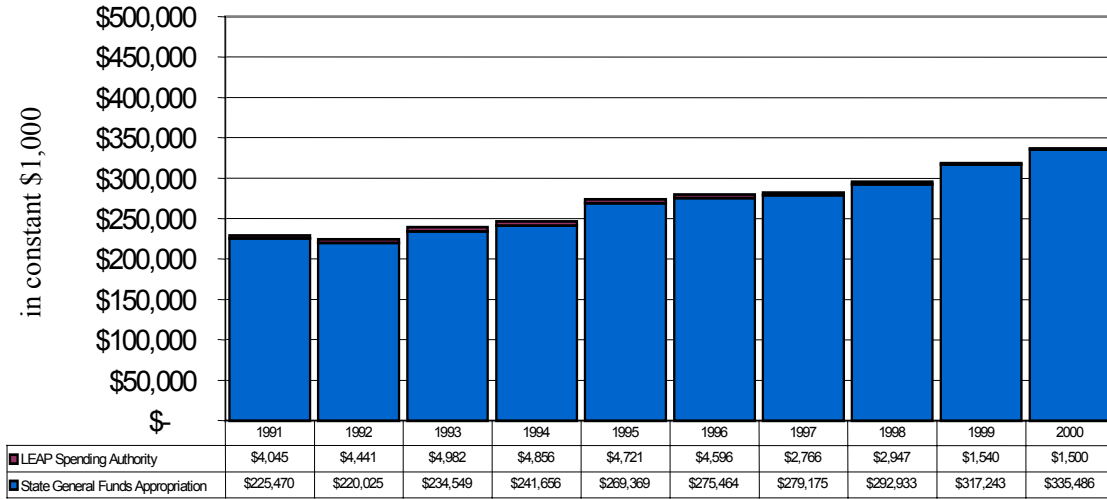
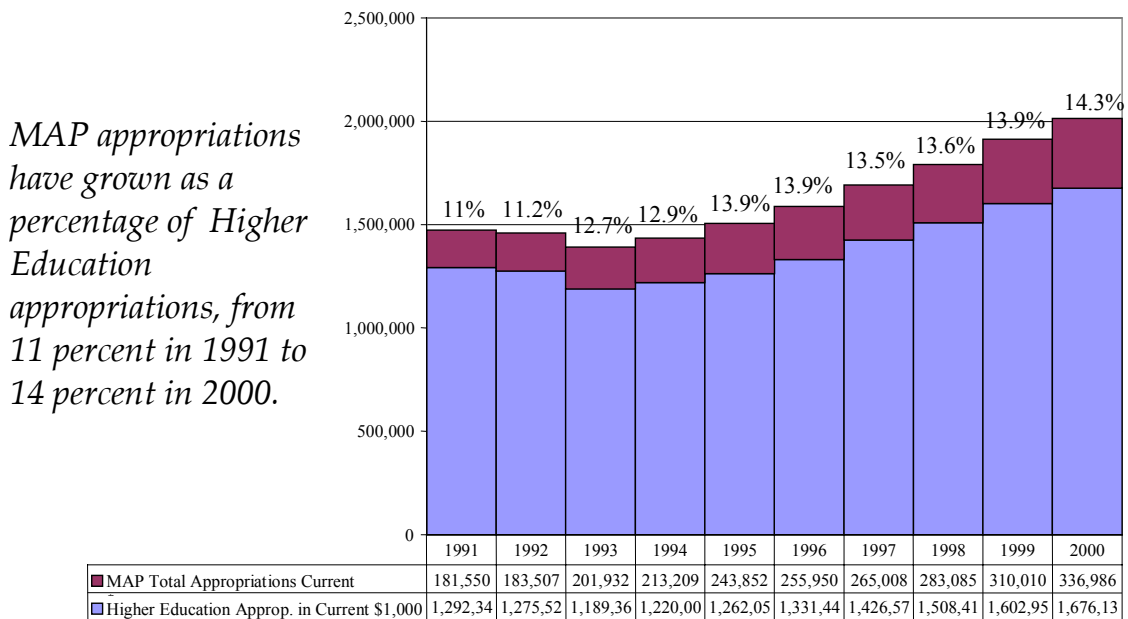


Figure 4 shows the proportion of Higher Education appropriations devoted to MAP. The fraction has gradually increased over time, from 11 percent in 1991 to 14.3 percent in 2000.

Figure 4: MAP Appropriations and Total Appropriations, FY1991-FY2000



Trends in Application Volume

Application volumes are up. Between FY1991 and FY2000, the number of announced applicants increased by almost 30 percent; the number of eligible applicants increased about 23 percent; and the number of paid students increased nearly 21 percent. Proprietary school students became eligible for MAP in 1998; by 2000, over 12,000 announced applications were from students in proprietary schools.

Table 2: Application Volume FY1991-FY2000

Fiscal Year	Total Applications	Announced Applications	Announced as a percent of Total	Total Eligible	Eligible as a percent of Announced	Total Paid	Paid as a percent of Eligible
1991	320,141	216,952	67.8 %	158,224	72.9 %	113,206	71.5 %
1992	353,071	237,339	67.2 %	171,510	72.3 %	114,755	66.9 %
1993	366,425	249,059	68.0 %	179,925	72.2 %	110,251	61.3 %
1994	378,680	254,190	67.1 %	191,912	75.5 %	123,141	64.2 %
1995	378,996	249,169	65.7 %	187,665	75.3 %	127,209	67.8 %
1996	388,788	255,017	65.6 %	188,242	73.8 %	129,983	69.1 %
1997	400,056	259,863	65.0 %	190,609	73.3 %	127,607	66.9 %
1998	408,413	266,568	65.3 %	193,480	72.6 %	127,039	65.7 %
1999	412,213	275,043	66.7 %	194,985	70.9 %	136,456	70.0 %
2000	418,757	282,065	67.4 %	194,036	68.8 %	136,697	70.4 %
Change 1991-2000	98,616 30.8%	65,133 30.0%		35,812 22.6%		23,491 20.8%	

Announced Applications

As shown in Table 2, between FY1991 and FY2000, announced application volume increased by over 65,000 applications, or 30 percent. The largest percentage increase in application volume occurred during the economic recession of the early 1990's when announced application volume increased to over 249,000 applicants by 1993. Application volume leveled off until 1996 but has increased steadily since then and in FY2000 had reached over 282,000.

Many factors contribute to higher application volume: increased awareness of the program, more high school graduates, and a greater need for assistance as college costs continued to increase faster than the income of most families. Also contributing to an increase in announced volume in FY1998 was the extension of MAP eligibility to approved degree-granting

While announced application volume increased nearly 30 percent between FY1991 and FY2000, the number of eligible students increased by only 23 percent during the same time period.

proprietary institutions for first-time freshmen and first-time transfer students with Associate degrees.

Table 3 summarizes the distribution of announced applicants by school type since FY1991. While the number of announced applicants has increased at all school types, announced applicant growth rates at private colleges have exceeded those at public universities and community colleges. Announced applications at proprietary schools have increased significantly over the past three years as eligibility was expanded to additional class levels.

Table 3: Announced Applicants by School Type FY1991-FY2000

Fiscal Year	Public University		Community College		All Private		Proprietary		Total Applicants
	Applicants	Percent	Applicants	Percent	Applicants	Percent	Applicants	Percent	
1991	75,773	34.9%	81,591	37.6%	59,588	27.5%	-	-	216,952
1992	80,491	33.9%	95,633	40.3%	61,215	25.8%	-	-	237,339
1993	83,353	33.5%	102,277	41.1%	63,429	25.5%	-	-	249,059
1994	86,579	34.1%	99,980	39.3%	67,631	26.6%	-	-	254,190
1995	85,912	34.5%	96,613	38.8%	66,644	26.7%	-	-	249,169
1996	88,433	34.7%	98,181	38.5%	68,403	26.8%	-	-	255,017
1997	91,013	35.0%	99,216	38.2%	69,634	26.8%	-	-	259,863
1998	93,938	35.2%	98,397	36.9%	71,367	26.8%	2,866	1.1%	266,568
1999	94,382	34.3%	96,924	35.2%	73,901	26.9%	9,836	3.6%	275,043
2000	95,381	33.8%	99,280	35.2%	75,130	26.6%	12,274	4.4%	282,065
Change 1991-2000	19,608 25.9%		17,689 21.7%		15,542 26.1%		12,274		65,113 30.0%

Eligible Applicants

While announced application volume increased 30 percent between FY1991 and FY2000, the number of eligible students increased by only 23 percent during the same time period.

Although more dollars are available, more students truly in need are applying for aid, as evidenced by the 23 percent increase in eligible applicants (those students meeting the need analysis requirements) over the past ten years (Table 2.) By FY1999, the number of eligible students rose to over 194,000.

Much of that 23 percent increase occurred in FY1994 largely due to expanded eligibility as a result of Federal Methodology (FM.) The change to FM had several impacts on the number and characteristics of eligible and paid applicants. Assets were generally not required to be reported for families with income under \$50,000 nor was home equity considered an asset

in need calculations. Further, students' incomes were assessed at 50 percent, down from 70 percent with the previous methodology. These changes expanded the pool of eligible students. As a result, more stringent family contribution multipliers and an EFC cutoff were put in place in the MAP formula, effectively eliminating the higher income applicants from consideration. So while the pool of eligible applicants was expanding, the average income of the pool fell. The median income of eligible MAP applicants actually decreased 11.9 percent for dependent students and 0.5 percent for independent students over the same period.

Further, even though the number of eligible applicants is increasing, in recent years the proportion of eligible students relative to those who are announced is not. That ratio has ranged from a high of 75 percent in FY1994 to the current low of 69 percent in FY2000.

Paid Applicants

Eligible students must enroll before they can become paid recipients. As shown in Table 2, the number of paid recipients increased by almost 21 percent from FY1991 to FY2000, driven largely by the increase in eligible students. The proportion of eligible students who were paid recipients declined to a low of 61 percent in FY1993, trended upward to 69 percent in FY1996 and decreased slightly in FY1997-98. By FY1999 and FY2000 the proportion had rebounded to 70 percent, primarily due to a much-improved economy that allowed ISAC to process applications throughout the end of the school year.

Paid applicant levels vary due to other factors, as well. A large proportion of MAP applicants is made up of older students and these older students are more likely to have other obligations, such as family responsibilities or labor market opportunities, that affect their decision to enroll. A primary factor causing the decline in the percent of enrolled eligible students between FY1990 and FY1993 was the suspension of application processing. Suspended eligible applicants do not become paid recipients, regardless of their enrollment status.

Suspended Applications

The number of suspended eligible applicants increased substantially from FY1991 through FY1993 but has since declined. No financially eligible applicants were excluded from consideration in FY2000.

When appropriated funds are insufficient to meet the needs of eligible applicants, the Commission further limits the number of paid students by suspending award announcements. Table 4 provides an overview of suspensions for MAP since FY1991.

The number of suspended eligible applicants increased substantially from FY1991 through FY1993 during an economic recession in Illinois. In FY1991, approximately 9,000 eligible applicants could not receive a MAP

award because award announcements were suspended before their applications were received by ISAC. In FY1992, the number of suspended eligible applicants more than doubled to approximately 19,000. In FY1993, the number of suspended eligible applicants increased to almost 34,000.

Table 4: Volume of Suspended Applicants, FY1991-FY2000

Fiscal Year	Total Eligible Applicants	Number of Suspended Eligible Applicants	Percent Suspended
1991	158,224	9,006	5.7 %
1992	171,510	19,406	11.3 %
1993	179,925	33,935	18.9 %
1994	191,912	5,439	2.8 %
1995	187,665	0	0.0 %
1996	188,242	5,271	2.8 %
1997	190,609	12,393	6.5 %
1998	193,480	10,449	5.4 %
1999	194,985	5,194	2.7 %
2000	194,036	0	0.0 %

Effective in FY1994, the Commission enacted Priority Processing Guideline Dates for MAP that excluded continuing students who applied after October 1 from MAP eligibility. Just over 5,400 continuing students applied after the October 1 Priority Date in FY1994. In FY1995, funding was sufficient to pay students eligible under the Guideline Dates, as well as continuing students who applied after October 1. Between FY1996 and FY2000, the Commission again suspended eligible first-time applicants as well as excluded continuing students who applied after the October 1 deadline. FY1997 and FY1998 also saw a large number of suspensions and exclusions but in FY1999, only continuing students after October were excluded and all eligible MAP applicants were processed in FY2000.

Trends in Applicant Characteristics

Dependency and School Type

Table 5 shows the distribution of applicants by dependency status and school type and indicates that a larger percentage of applicants were dependent in FY2000 than in FY1991. In FY1991, 48.4 percent of the applicants were independent. By FY1992, the number of independent applicants had surpassed the number of dependent applicants; over half (50.2 percent) of the applicants were independent. This trend continued with approximately half of all applicants being independent, until FY1997, when independent applicants began to decrease.

Table 5: Announced Applicants by Dependency Status and School Type, FY1991-FY2000

Fiscal Year	Dependent					Independent				
	Public University	Community College	All Private	Proprietary	Total	Public University	Community College	All Private	Proprietary	Total
1991	23.8 %	11.9 %	15.9 %	-	51.6 %	11.1 %	25.7 %	11.6 %	-	48.4 %
1992	22.7 %	12.3 %	14.8 %	-	49.8 %	11.3 %	27.9 %	11.0 %	-	50.2 %
1993	22.0 %	12.5 %	14.4 %	-	48.9 %	11.8 %	28.3 %	11.0 %	-	51.1 %
1994	22.5 %	13.1 %	14.9 %	-	50.5 %	11.5 %	26.5 %	11.5 %	-	49.5 %
1995	22.8 %	12.8 %	15.2 %	-	50.8 %	11.8 %	25.6 %	11.8 %	-	49.2 %
1996	22.0 %	12.6 %	14.4 %	-	49.0 %	11.5 %	28.4 %	11.1 %	-	51.0 %
1997	23.9 %	14.1 %	16.2 %	-	54.0 %	11.2 %	24.0 %	10.8 %	-	46.0 %
1998	24.4 %	14.2 %	16.4 %	0.6 %	55.4 %	10.8 %	22.7 %	10.5 %	0.5 %	44.6 %
1999	24.3 %	14.2 %	16.7 %	1.5 %	56.8 %	10.1 %	20.8 %	10.2 %	2.1 %	43.2 %
2000	24.1 %	14.4 %	17.2 %	1.2 %	57.5 %	9.4 %	20.4 %	10.1 %	2.5 %	42.4 %

Trends in Award Amounts

Since FY1991, the average announced award, as measured in constant dollars, increased 20 percent while the average paid award increased 17 percent overall. The average announced award increased 37 percent for students attending public universities, increased 34 percent for students attending community colleges, and increased 4 percent for students attending private institutions.

Announced Eligible Awards

Table 6 shows the number of announced eligible awards, total announced dollars, and the average announced award from FY1991 to FY2000. The total number of awards has increased by nearly 23 percent since FY1991, while announced dollars for eligible students have increased by 79 percent. The average announced award, as measured in current dollars, increased 52 percent from FY1991 to FY2000; in constant 2000 dollars, the average announced award increased only 20 percent.

Table 6: Average Announced Award in Current and Constant Dollars, FY1991-FY2000

Fiscal Year	Announced Eligible Awards	Announced Eligible \$	Average Announced Award Current \$	Average Announced Award Constant \$
1991	158,224	\$313,596,823	\$ 1,982	\$ 2,506
1992	171,510	\$333,346,912	\$ 1,944	\$ 2,377
1993	179,925	\$379,532,843	\$ 2,109	\$ 2,502
1994	191,912	\$397,753,540	\$ 2,073	\$ 2,396
1995	187,665	\$446,254,137	\$ 2,378	\$ 2,673
1996	188,242	\$462,674,899	\$ 2,458	\$ 2,689
1997	190,609	\$484,878,006	\$ 2,544	\$ 2,706
1998	193,480	\$523,997,445	\$ 2,708	\$ 2,831
1999	194,985	\$556,283,929	\$ 2,853	\$ 2,934
2000	194,036	\$582,968,469	\$ 3,004	\$ 3,004
Change 1991-2000	35,812	\$143,352,308	\$ 1,022	\$ 499
Percent Change	22.6%	78.6%	51.6%	19.9%

The announced award is the award amount a student would be eligible for if he or she enrolled on a full-time basis (at least 12 credit hours per term) for the regular academic year. Because many students do not enroll on a full-time basis or do not enroll at all for the term, the average paid award is lower than the announced award as shown in Table 7. As shown in Table 8, in 2000, community college paid awards were only 55 percent of the announced award. Many community college students attend less than full time or for less than a full academic year, and receive only some portion of the announced award. Private institution paid awards were 82 percent of the announced award, indicating that more private school students attend full time, full year.

Tables 7 and 8 show the average announced and the average paid award by sector in current and constant dollars, respectively. As shown in Table 8, the average announced award and the average paid award, as measured in constant 2000 dollars, increased 37 and 31 percent, respectively, for students attending public universities, increased 34 and 28 percent for students attending community colleges, and increased 4 percent for students attending private institutions.

**Table 7: Mean Paid Award and Average Announced Award by Sector
in Current Dollars, FY1991-FY2000**

Fiscal Year	Public University		Community College		Private Institutions		Proprietary Schools	
	Mean Announced Award Current \$	Mean Paid Award Current \$	Mean Announced Award Current \$	Mean Paid Award Current \$	Mean Announced Award Current \$	Mean Paid Award Current \$	Mean Announced Award Current \$	Mean Paid Award Current \$
1991	\$ 2,003	\$ 1,647	\$ 906	\$ 516	\$ 3,348	\$ 2,750	-	-
1992	\$ 2,006	\$ 1,636	\$ 960	\$ 551	\$ 3,271	\$ 2,668	-	-
1993	\$ 2,331	\$ 1,957	\$ 1,062	\$ 642	\$ 3,368	\$ 2,843	-	-
1994	\$ 2,486	\$ 1,935	\$ 1,029	\$ 588	\$ 3,238	\$ 2,629	-	-
1995	\$ 2,786	\$ 2,131	\$ 1,232	\$ 684	\$ 3,686	\$ 2,984	-	-
1996	\$ 2,901	\$ 2,243	\$ 1,279	\$ 712	\$ 3,782	\$ 3,059	-	-
1997	\$ 3,046	\$ 2,353	\$ 1,316	\$ 745	\$ 3,883	\$ 3,171	-	-
1998	\$ 3,221	\$ 2,486	\$ 1,429	\$ 804	\$ 4,025	\$ 3,311	\$3,847	\$ 2,779
1999	\$ 3,251	\$ 2,539	\$ 1,441	\$ 805	\$ 4,234	\$ 3,450	\$4,105	\$ 2,477
2000	\$ 3,463	\$ 2,729	\$ 1,531	\$ 837	\$ 4,416	\$ 3,628	\$4,276	\$ 2,743
Change 1991-2000	\$ 1,460 72.9%	\$ 1,082 65.7 %	\$ 625 69.0%	\$ 321 62.2%	\$ 1,069 31.9%	\$ 878 31.9 %	\$4,276	\$ 2,743

**Table 8: Mean Paid Award and Average Announced Award by Sector
in Constant Dollars, FY1991-FY2000**

Fiscal Year	Public University			Community College			All Private			Proprietary		
	Mean Announced Award Constant \$	Mean Paid Award Constant \$	Paid/Ann. %	Mean Announced Award Constant \$	Mean Paid Award Constant \$	Paid/Ann. %	Mean Announced Award Constant \$	Mean Paid Award Constant \$	Paid/Ann. %	Mean Announced Award Constant \$	Mean Paid Award Constant \$	Paid/Ann. %
1991	\$ 2,532	\$ 2,082	82.2%	\$ 1,145	\$ 652	56.9%	\$ 4,232	\$ 3,477	82.2%	-	-	
1992	\$ 2,454	\$2,001	81.5%	\$ 1,174	\$ 674	57.4%	\$ 4,001	\$ 3,263	81.6%	-	-	
1993	\$ 2,765	\$2,321	83.9%	\$ 1,260	\$ 762	60.5%	\$ 3,996	\$ 3,372	84.4%	-	-	
1994	\$ 2,874	\$2,237	77.8%	\$ 1,190	\$ 680	57.1%	\$ 3,744	\$ 3,040	81.2%	-	-	
1995	\$ 3,131	\$2,395	76.5%	\$ 1,385	\$ 769	55.5%	\$ 4,143	\$ 3,354	81.0%	-	-	
1996	\$ 3,174	\$2,454	77.3%	\$ 1,399	\$ 779	55.7%	\$ 4,138	\$ 3,347	80.9%	-	-	
1997	\$ 3,241	\$2,503	77.2%	\$ 1,400	\$ 793	56.6%	\$ 4,131	\$ 3,374	81.7%	-	-	
1998	\$ 3,367	\$2,598	77.2%	\$ 1,494	\$ 840	56.2%	\$ 4,206	\$ 3,461	82.3%	\$ 4,021	\$ 2,905	72.2%
1999	\$ 3,343	\$2,611	78.1%	\$ 1,482	\$ 828	55.9%	\$ 4,354	\$ 3,548	81.5%	\$ 4,221	\$ 2,547	60.3%
2000	\$ 3,463	\$2,729	78.8%	\$ 1,531	\$ 837	54.7%	\$ 4,416	\$ 3,628	82.2%	\$ 4,276	\$ 2,743	64.1%
Change 1991-2000	\$ 931 36.8%	\$ 647 31.1 %		\$ 386 33.7%	\$ 185 28.3%		\$ 184 4.4%	\$ 151 4.4 %		\$ 4,276	\$ 2,743	

MAP Claims and Enrollment Patterns

The proportion of recipients attending public universities has decreased 2.6 percent, while the share of MAP funds paid to students at public universities has increased by 1.3 percent over the past decade. Community colleges maintained a constant proportion of recipients but saw an increase in paid awards to their students of 2 percent. Private colleges' paid awards dropped by 4 percent but their share of recipients increased by 2.5 percent.

Appropriations levels, changes in application volume and applicant type, variance in the rate of college cost increases at different school types, the level of the maximum award, and the Commission's MAP allocation formulas have resulted in changes in the distribution of MAP claims and recipients by school type over the past decade.

As shown in Table 9, the proportion of recipients attending public universities between FY1991 and FY2000 decreased from 35.0 percent to 32.4 percent, while the proportion of MAP funds paid to students attending public universities increased from 35.8 percent to 37.1 percent. During the same time period, community colleges have seen claims increase from 10.8 percent to 12.8 percent while recipients have remained fairly constant – 33.7 percent in FY1991 and 32.7 percent in FY2000. The increase in the proportion of claims paid to students at public institutions offsets a decline in the proportion of claims paid to students at private institutions. The percent of claims paid to students at those institutions dropped from 53.4 percent in FY1991 to 46.1 percent in FY2000. Some of this decline at private institutions can be attributed to the inability of the maximum award to keep pace with increases in tuition and fees. Had the maximum award kept pace with these increases, the proportion of MAP funds paid to students at private institutions would have been higher.

Table 9: MAP Claims/Recipients by School Type FY1991-FY2000

Fiscal Year	Distribution of MAP Funds				Distribution of MAP Recipients			
	Public University	Community College	All Private	Proprietary	Public University	Community College	All Private	Proprietary
1991	35.8 %	10.8 %	53.4 %	-	35.0 %	33.7 %	31.3%	-
1992	36.6 %	11.5 %	51.9 %	-	35.7 %	33.2 %	31.1%	-
1993	39.3 %	11.2 %	49.5 %	-	36.6 %	31.6 %	31.8%	-
1994	41.6 %	12.1 %	46.3 %	-	36.1 %	34.4 %	29.5%	-
1995	39.3 %	12.7 %	48.0 %	-	34.8 %	34.9 %	30.3%	-
1996	38.9 %	12.6 %	48.5 %	-	34.0 %	34.9 %	31.1%	-
1997	40.0 %	12.2 %	47.8 %	-	35.1 %	33.8 %	31.1%	-
1998	40.3 %	11.8 %	47.0 %	0.9 %	35.7 %	32.4 %	31.2%	0.7 %
1999	38.0 %	11.8 %	47.1 %	3.1 %	33.6 %	32.8 %	30.7%	2.9 %
2000	37.1 %	11.5 %	46.1 %	5.3 %	32.4 %	32.7 %	30.3%	4.6 %

Trends in Tuition and Fees

Since FY1991, tuition and fees, as measured in constant dollars, increased 37 percent at private institutions, 37 percent at public universities, and 31 percent at community colleges. Average tuition and fees at degree-granting proprietary institutions in FY2000 were \$8,441, up from \$7,553 in FY1998.

Table 10 summarizes weighted mean tuition and fees faced by students at different school types in current and constant dollars from FY1991 to FY2000. Measured in constant dollars, weighted mean tuition and fees have increased 37 percent at private institutions, 37 percent at public universities, and 31 percent at community colleges.

Table 10: FTE Weighted Mean Tuition and Fees by Sector in Current and Constant Dollars FY1991-FY2000

Fiscal Year	Public University		Community College		All Private		Proprietary	
	Mean Tuition & Fees Current \$	Mean Tuition & Fees Constant \$	Mean Tuition & Fees Current \$	Mean Tuition & Fees Constant \$	Mean Tuition & Fees Current \$	Mean Tuition & Fees Constant \$	Mean Tuition & Fees Current \$	Mean Tuition & Fees Constant \$
1991	\$ 2,410	\$ 3,047	\$ 954	\$ 1,206	\$ 8,916	\$ 11,272	-	-
1992	\$ 2,538	\$ 3,104	\$ 1,038	\$ 1,270	\$ 9,599	\$ 11,741	-	-
1993	\$ 2,901	\$ 3,441	\$ 1,108	\$ 1,314	\$ 10,271	\$ 12,183	-	-
1994	\$ 3,134	\$ 3,624	\$ 1,201	\$ 1,389	\$ 10,797	\$ 12,483	-	-
1995	\$ 3,303	\$ 3,713	\$ 1,259	\$ 1,415	\$ 11,467	\$ 12,889	-	-
1996	\$ 3,434	\$ 3,757	\$ 1,323	\$ 1,448	\$ 12,145	\$ 13,289	-	-
1997	\$ 3,629	\$ 3,861	\$ 1,370	\$ 1,458	\$ 12,859	\$ 13,681	-	-
1998	\$ 3,817	\$ 3,990	\$ 1,452	\$ 1,518	\$ 13,797	\$ 14,421	\$ 7,553	\$ 7,894
1999	\$ 3,942	\$ 4,054	\$ 1,506	\$ 1,549	\$ 14,658	\$ 15,073	\$ 7,921	\$ 8,145
2000	\$ 4,160	\$ 4,160	\$ 1,576	\$ 1,576	\$ 15,428	\$ 15,428	\$ 8,441	\$ 8,441
Change 1991-2000	\$ 1,750 72.6 %	\$ 1,113 36.5 %	\$ 622 65.2%	\$ 370 30.7%	\$ 6,512 73.0 %	\$ 4,156 36.9%	\$ 8,441	\$ 8,441
Change 1998-2000	\$ 343 9.0%	\$ 170 4.3%	\$ 124 8.5%	\$ 58 3.8%	\$ 1,631 11.8%	\$ 1,007 7.0%	\$ 888 11.8%	\$ 547 6.9%

Note: FTE = Full-Time Equivalent

MAP Purchasing Power

MAP was designed to provide sufficient funding to enable low-income students to enroll in college – to offer just enough incentive to encourage them to make the difficult decision to forego current income and become college students.

Sufficient funding has two components: total dollars (the size of the grant “pie”) and the allocation of those dollars that go to each group of recipients (the slices of the grant pie.) If the total dollars are insufficient then some potential recipients may be excluded from eligibility or the funds provided may be insufficient inducement. However, even sufficient funding, improperly allocated, can result in insufficient inducement for some MAP recipients. The remainder of this paper reviews some of the historical size and allocation issues associated with MAP award administration and attempts to answer such questions as: What does MAP “buy” today? And, more importantly, has MAP’s purchasing power been maintained over the past decade for all groups of recipients?

The Historical Purchasing Power of MAP and What it Buys Today

MAP awards do not always stretch as far as they used to. For enrolled MAP recipients at public universities, the FY2000 level of support, as measured by the average announced award as a percentage of weighted mean tuition and fees, has been maintained at 83 percent for the past ten years. However eligible applicants attending private colleges saw their level of support fall from 38 percent to 29 percent. Community college support has risen from 95 percent to 97 percent of tuition and fees. The cumulative impact has been a reduction in support overall, from 62 percent in FY1991 to 52 percent in FY2000.

Overall, MAP purchasing power has declined since FY1991.

Table 11 shows the decrease in overall tuition and fee coverage of the MAP award from 62 percent in FY1991 to 52 percent by FY2000. The table also shows students in some sectors (those in community colleges and public universities) are doing better than others (those in private institutions) in meeting their tuition and fee expenses with MAP awards. Coverage of tuition and fees by average announced MAP awards ranges from a high of 97 percent at community colleges to a low of 29 percent at private schools for those students who receive MAP awards.

Reporting MAP award coverage as percentages masks the affordability gap – the actual number of dollars a student is “short” when trying to pay his or her tuition and fees. And, even if the percentage increases in announced awards equal or exceed the percentage increases in tuition and fees, the affordability gap can increase.

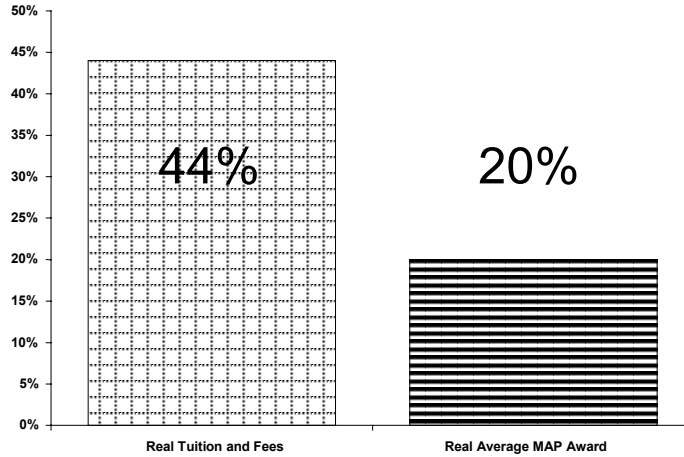
Table 11: Average Announced Awards as a Percent of Weighted Mean Tuition and Fees FY1991-FY2000

Fiscal Year	Public University			Community College			All Private			All Schools		
	Average Announced Award Current \$	Mean Tuition & Fees Current \$	Award as % of Tuition & Fees	Average Announced Award Current \$	Mean Tuition & Fees Current \$	Award as % of Tuition & Fees	Average Announced Award Current \$	Mean Tuition & Fees Current \$	Award as % of Tuition & Fees	Average Announced Award in Current \$	Mean Tuition & Fees Current \$	Award as % of Tuition & Fees
1991	\$ 2,003	\$ 2,410	83.1%	\$ 906	\$ 954	95.0%	\$ 3,348	\$ 8,916	37.5%	\$ 1,982	\$ 3,185	62.2%
1992	\$ 2,006	\$ 2,538	79.0%	\$ 960	\$ 1,038	92.5%	\$ 3,271	\$ 9,599	34.1%	\$ 1,944	\$ 3,378	57.5%
1993	\$ 2,331	\$ 2,901	80.4%	\$1,062	\$ 1,108	95.8%	\$ 3,368	\$10,271	32.8%	\$ 2,109	\$ 3,676	57.4%
1994	\$ 2,486	\$ 3,134	79.3%	\$1,029	\$ 1,201	85.7%	\$ 3,238	\$10,797	30.0%	\$ 2,073	\$ 3,990	51.9%
1995	\$ 2,786	\$ 3,303	84.3%	\$1,232	\$ 1,259	97.9%	\$ 3,686	\$ 11,467	32.1%	\$ 2,378	\$ 4,245	56.0%
1996	\$ 2,901	\$ 3,434	84.5%	\$1,279	\$ 1,323	96.7%	\$ 3,782	\$ 12,145	31.1%	\$ 2,458	\$ 4,519	54.4%
1997	\$ 3,046	\$ 3,629	83.9%	\$1,316	\$ 1,370	96.1%	\$ 3,883	\$ 12,859	30.2%	\$ 2,544	\$ 4,789	53.1%
1998	\$ 3,221	\$ 3,817	84.4%	\$1,429	\$ 1,452	98.4%	\$ 4,025	\$ 13,797	29.2%	\$ 2,708	\$ 5,079	53.3%
1999	\$ 3,251	\$ 3,942	82.5%	\$1,441	\$ 1,506	95.7%	\$ 4,234	\$ 14,658	28.9%	\$ 2,853	\$ 5,443	52.4%
2000	\$ 3,463	\$ 4,160	83.2%	\$1,531	\$ 1,576	97.1%	\$ 4,416	\$ 15,428	28.6%	\$ 3,004	\$ 5,801	51.8%
Change 1991-2000	\$ 1,460 72.9%	\$ 1,750 72.6%		\$ 625 69.0%	\$ 622 65.2%		\$ 1,069 31.9%	\$ 6,512 73.0%		\$ 1,022 52.0%	\$ 2,616 82.1%	

The Affordability Gap

Today there is an "affordability gap" (the gap between the average MAP award and the average cost of college tuition and fees at MAP-approved institutions) of \$2,797, up 84 percent from 10 years ago.

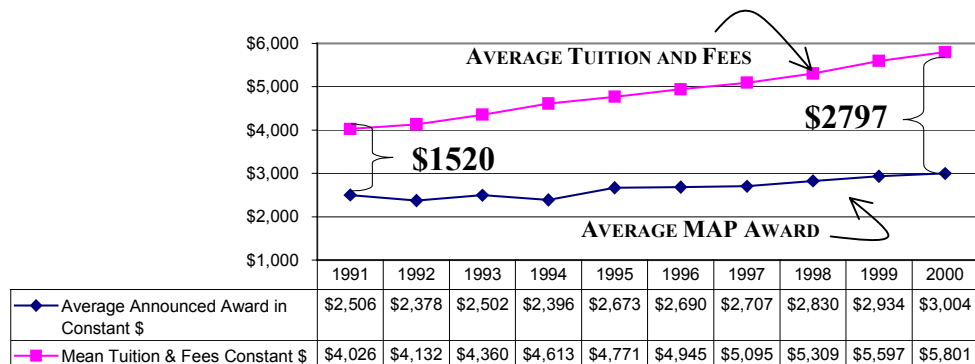
Figure 5: Real Percentage Increase in College Tuition and Fees and Real Percentage Increase in Average Announced MAP Award FY1991 to FY2000



Real MAP appropriations increased by 47 percent in the last decade and part of the funds were used to increase the maximum and average MAP awards (the rest went to fund more applicants, particularly at proprietary schools.) While the announced eligible award has increased 20 percent to \$3,004, real mean tuition and fees are up as well, over 44 percent, to \$5,801 (Figure 5.) This translates into an "affordability gap" (the gap between the average announced MAP award and the cost of college) of \$2,797, an increase of 84 percent from 10 years ago (Figure 6.) Therefore, even if MAP appropriations are increasing at the same rate as college costs, *the affordability gap is increasing also, at the same rate.*

Figure 6: The Affordability Gap

The "Affordability Gap" widens even as MAP appropriations increase ...



Even if MAP appropriations increase at the same rate as college costs, the affordability gap will also increase, at the same rate.

A simple example illustrates this effect in Figure 7. Assume that MAP appropriations are \$1 million, the average award is \$1,000 and the average cost of college tuition and fees is \$2,000. The affordability gap is \$1,000. Increase both the MAP appropriations and college tuition and fees by 50 percent, and hold the number of students receiving awards constant. MAP appropriations rise to \$1.5 million, the average award goes to \$1,500, and tuition and fees increase to \$3,000. The affordability gap is now \$1,500, an identical increase of 50 percent. In this simple example, to keep the affordability gap the same in both years, it would be necessary to double the increase in MAP appropriations when increasing tuition and fees by 50 percent. Even larger increases in MAP would be required to reduce the gap.

Reality is, of course, more complicated than the simple example. The number of students receiving awards has increased, actual awards depend in part on the tuition and fees to which they are being applied, and the actual growth rates of MAP appropriations and college tuition and fees are not identical. But the outcome resembles the simple example. Over the past decade college costs have risen 44 percent while MAP appropriations have increased 47 percent. We know from the simple example that the affordability gap should increase by about 45 percent as a result of these changes. But an increase in eligible students heightens the effect further by reducing the growth in the average award. The result is an average affordability gap that has increased 84 percent in the past ten years.

Figure 7: Calculating the Affordability Gap

Why “Keeping Up” Doesn’t Keep Up at All

Simple Example	Appropriation	Number of Students	Average Award	College Costs	Affordability Gap
Year 1	\$1,000,000	1000	\$1,000	\$2,000	\$1,000
Year 2	\$1,500,000	1000	\$1,500	\$3,000	\$1,500
% change	50%	0%	50%	50%	50%
1991-2000 Comparison	MAP Appropriation	Number of Students	Average Award	College Costs	Affordability Gap
1991	\$229,515,400	113206	\$2,506	\$4,026	\$1,520
2000	\$336,985,800	136697	\$3,004	\$5,801	\$2,797
% change	47%	21%	20%	44%	84%

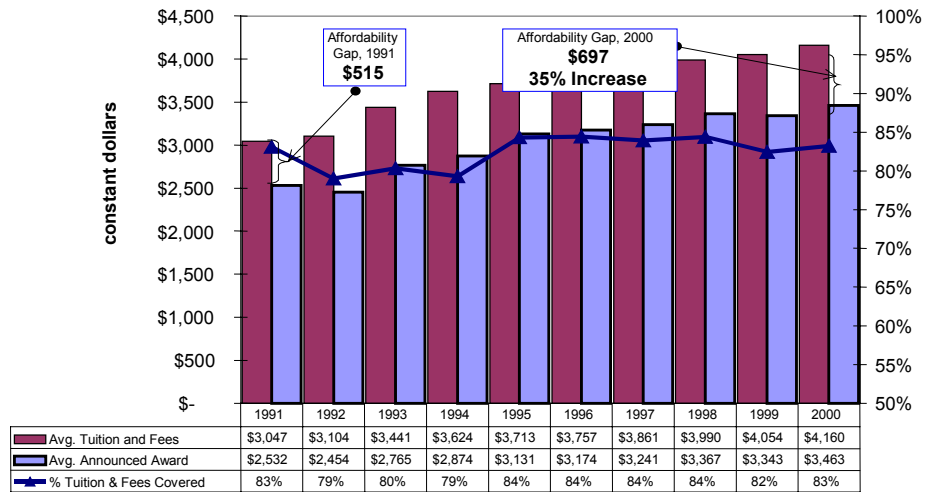
The actual level of the affordability gap faced by students varies considerably by institution type. Community college students experience the smallest and decreasing gap in terms of dollars, while private college students have the largest, and most rapidly increasing, gap to bridge.

MAP Purchasing Power at Public Institutions

For announced eligible applicants at public institutions, MAP coverage of tuition and fees (purchasing power) was measured at 83 percent both in FY1991 and FY2000. This percentage declined somewhat to 79 percent in 1994 and then rebounded into the low eighties thereafter. At community colleges, the average announced award in FY1991 was equal to 95 percent of the weighted mean tuition and fees. This average peaked at 98 percent in FY1995. Currently the average announced award at community colleges is equal to 98 percent of tuition and fees.

As real average announced awards to students in public universities increased about 37 percent during the past decade, average tuition and fees at public universities also increased at about that rate – 37 percent. As public universities have maintained an 83 percent tuition and fee coverage rate, the award appears to be matching tuition and fee increases. Therefore, it would appear that the previous levels of affordability are being maintained. As shown in Figure 8, however, in FY1991 the difference between the average announced award and the average tuition and fees at a public university in constant dollars was \$515. In FY2000, the gap had increased to \$697, about a 35 percent increase, closely matching the 37 percent increases in the average announced award and weighted average tuition and fees, similar to the “simple example” shown in Figure 7.

Figure 8: Change in Average Announced Awards and Public University Tuition and Fees from 1991-2000

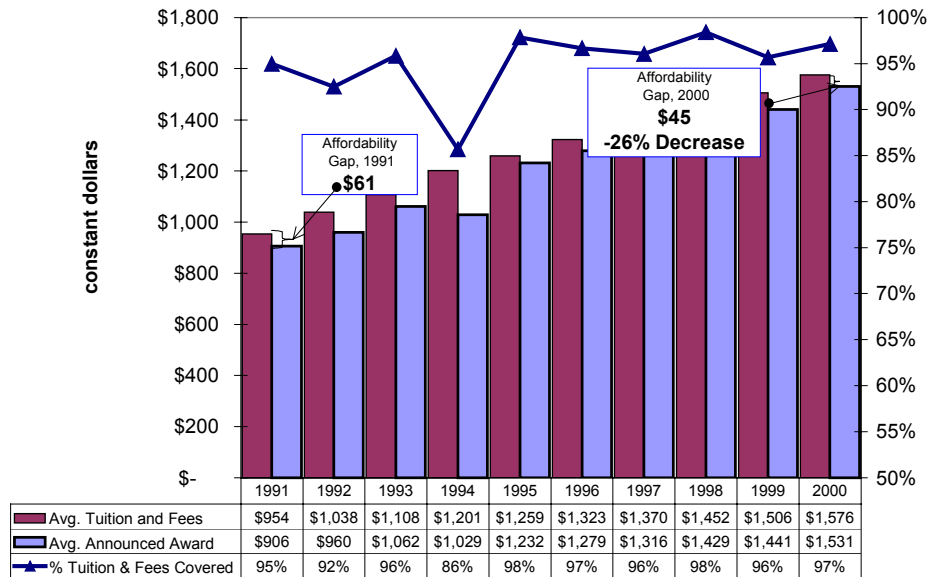


In FY1993, the affordability gap at public universities also increased when some students began to have their MAP eligibility limited by the maximum award. The number of students attending public institutions whose MAP eligibility was affected peaked in FY1994 when tuition and fees

at the Chicago and Urbana campuses of the University of Illinois exceeded the maximum award. In FY1995, when the maximum award was increased by \$300, the average announced award again exceeded 80 percent of the average tuition and fees at public universities.

Students attending community colleges traditionally have had most of their tuition and fees covered by MAP grants and the percentage increases in MAP have kept pace with tuition and fee increases. From FY1991 to FY2000, real tuition and fee increases of 65 percent have been met with a 69 percent increase in the average announced award and MAP coverage is at an all time high of 97 percent of average tuition and fees. As shown in Figure 9, the affordability gap for community colleges is small, and decreasing. In 1991 the gap was \$61; by 2000, it had decreased to \$45.

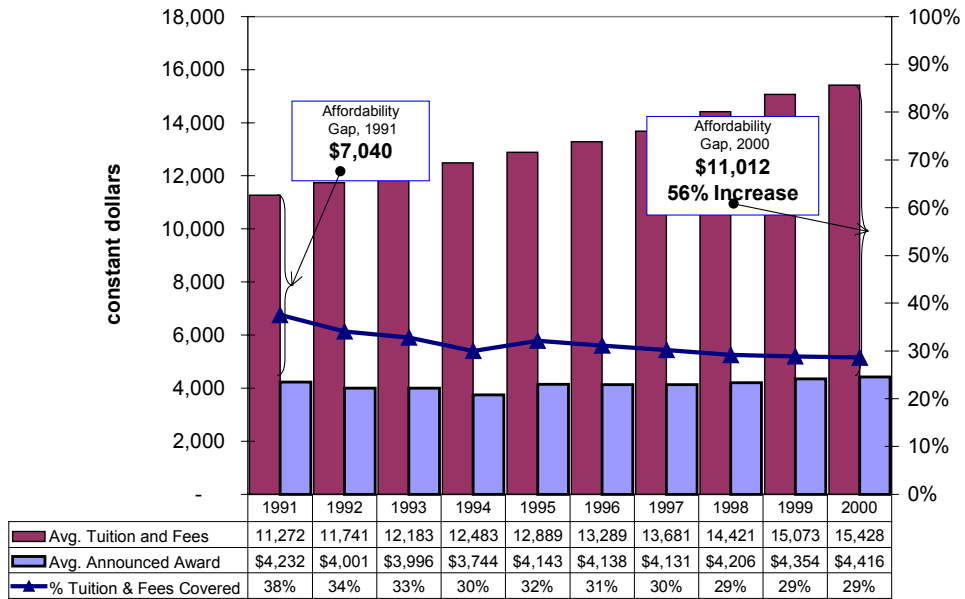
Figure 9: Change in Average Announced Awards and Community College Tuition and Fees from 1991-2000



MAP Purchasing Power at Private Institutions

For students attending private institutions, the situation is much different. The average announced MAP award covered about 38 percent of weighted mean tuition and fees in FY1991. In FY2000, the average announced MAP award covered less than 29 percent of tuition and fees (Figure 10.) While real tuition and fees at private schools increased 37 percent over the decade, the real average announced award only increased 4 percent resulting in a dramatic loss of purchasing power. In 1991, the affordability gap was over \$7,000; by 2000, the gap had grown to more than \$11,000, a 56 percent increase.

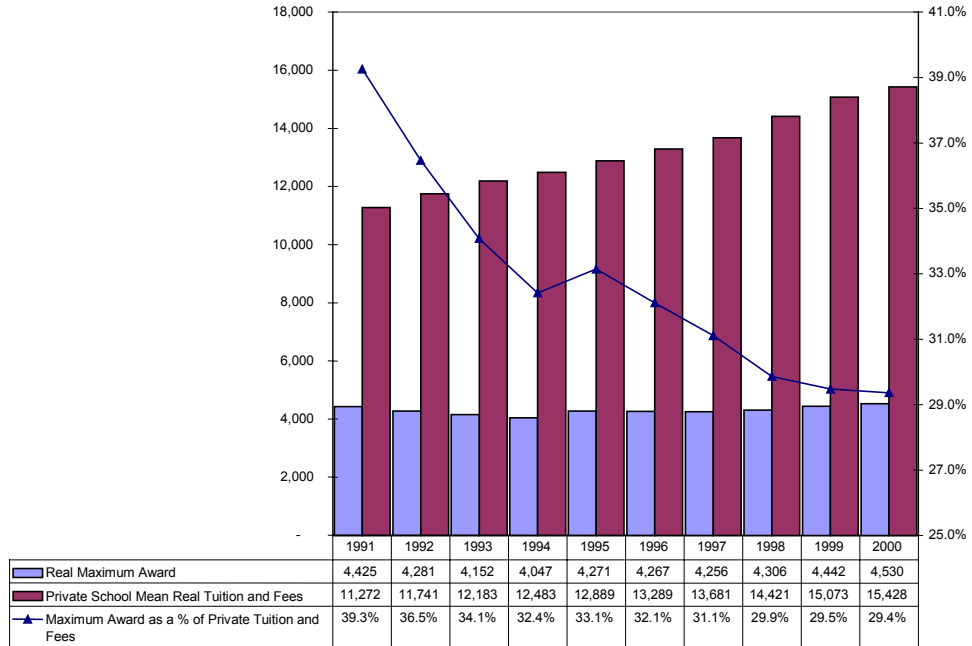
Figure 10: Change in Average Announced Awards and Private Institution Tuition and Fees from 1991-2000



Between FY1995 and FY2000, MAP purchasing power has decreased steadily for students at private institutions. This decline is largely a result of the inability of the maximum award to keep pace with tuition and fee increases. The maximum award primarily affects students at private institutions that have tuition and fee costs exceeding the maximum. During these five years, ISAC has continually sought funding to increase the maximum award to a level consistent with projected tuition and fee increases. Actual increases in the maximum, however, were less than ISAC requested and did not keep pace with tuition and fee increases at any school type except community colleges. As a result, the coverage of average private tuition and fees by the maximum award has decreased from 39.3 percent in FY1991 to 29.4 percent in FY2000, a 25 percent loss of purchasing power.

Figure 11 shows the maximum award compared to the weighted mean tuition and fees at private institutions from FY1991 to FY2000. It is notable that the nominal maximum award remained at \$3,500 for four years, FY1991 to FY1994 (the graph shows it declining in real terms.) During those four years, MAP purchasing power declined from 39.3 percent to 32.4 percent at private institutions.

Figure 11: Maximum MAP Grant Awards as a Percentage of Private College Tuition and Fees (constant dollars)



Closing the affordability gaps that exist in some sectors is critical to insuring access to college for low-income students. If the individual MAP awards are too small relative to tuition and fee costs, low-income students will be denied access to college or will have to incur large debts just to continue to attend, jeopardizing completion rates.

Is there anything else available that can help bridge the affordability gap? Not federal aid - in FY1991, the average real Federal Pell award was \$1,543; in FY2000 it had risen to \$2,070. The maximum Pell award increased from \$2,300 to \$3,300 during the same period. However, according to the U.S. Department of Education, the maximum award now covers only 15 percent of the costs of a four-year private college and 39 percent of a four-year public institution. These percentages are down from 17 and 44 percent in FY1991 and are far below the 38 percent and 78 percent of the costs the maximum grant covered in FY1975, shortly after the inception of the Pell grant program.

A reasonable place to look for funds to fill the affordability gap would be the student's family - discretionary family income would provide the extra dollars to fill in the gap. The next section discusses the income of MAP eligible students. After Federal grant aid, state grant aid and contributions from families, what remains is a patchwork quilt of small incentive and merit programs (such as scholarships for teachers, campus-based scholarships and other similar programs) and student loans. Student

loans, discussed briefly at the end of this paper, are an increasing share of a student's financial aid package.

MAP Eligibility by Income

Real median family income of announced MAP applicants has increased by 18.7 percent for dependent students and 24.3 percent for independent students over the past decade; however, the median income of eligible applicants decreased 11.9 percent and 0.5 percent, respectively, over the same period.

Adjusted Gross Income of MAP Recipients

Figure 12 shows the median adjusted gross income (AGI) of parents of dependent students in constant 2000 dollars. The Consumer Price Index (CPI) was used to adjust for inflation and to determine the median income in constant dollars using 2000 as the base year for constant dollar conversion. Since need analysis is based on calendar year income preceding the academic year, 1989 income is used to assess eligibility for the 1990-1991 academic year (FY1991.)

The income of parents of dependent announced applicants, as measured in constant dollars, increased from \$42,454 to \$50,413 (nearly 19 percent) from 1989 to 1998. The percentage of applicants whose parents reported taxable earnings also increased from 89 percent in 1989 to 95 percent in 1998.

However, for eligible students, parental income declined by nearly 12 percent, from \$30,888 to \$27,214 as measured in constant dollars. This decline is primarily attributable to increases in the assessment rates for parental resources used in the MAP formula which were implemented in FY1994 and the inability of the cost of living allowance to keep pace with college cost increases. The EFC cutoff was also first imposed in the MAP formula in FY1994. As a result, in terms of constant 2000 dollars, the median parental income of eligible dependent applicants declined \$3,674 (11.9 percent) from \$29,615 in FY1993 to \$26,913 in FY1994. Between FY1993 and FY1994, the lowest multiplier used to assess the Adjusted Available Income (AAI) of dependent applicants' parents was increased from 33 percent to 40 percent and the subsequent multipliers were also increased. Since FY1994, the Commission has progressively reduced the lowest AAI assessment rate from 40 percent back to 32 percent in FY2000. This progress has not completely offset the reduction of MAP eligibility caused by the initial increase in the assessment rates in FY1994 because of the impact of insufficient increases in the cost of living allowance and the continued existence of the EFC cutoff.

Figure 12: Median Adjusted Gross Income (AGI) in Constant Dollars by Dependency Type

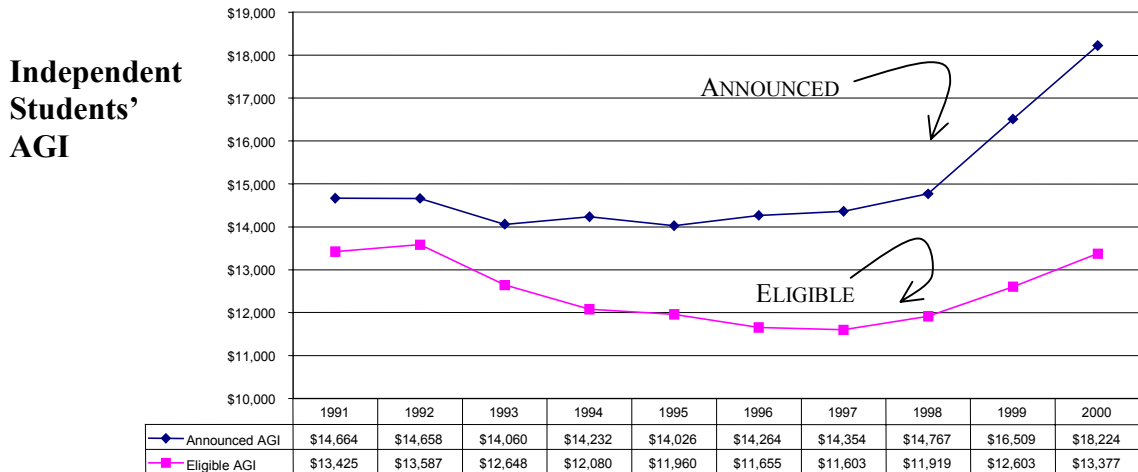
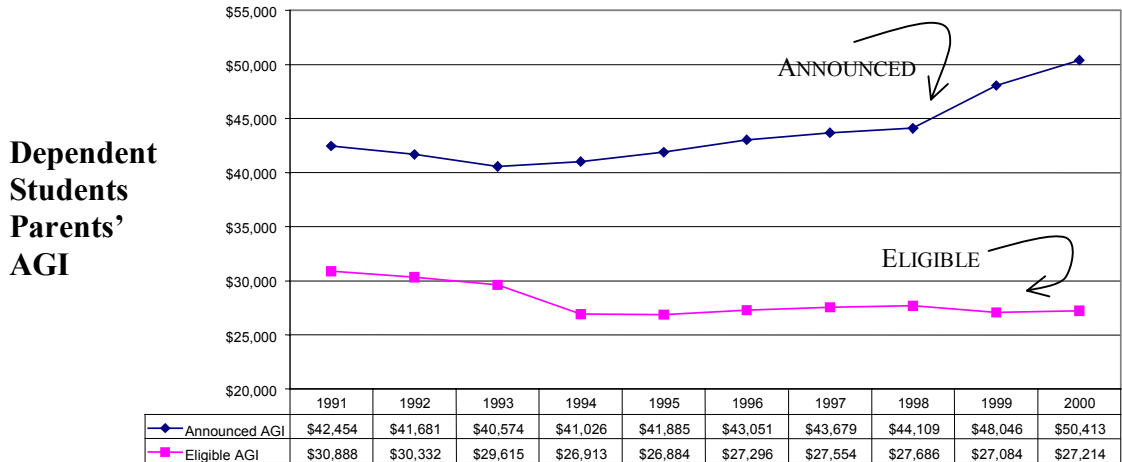


Figure 12 also shows the median adjusted gross income of independent students in constant dollars. In calendar year 1989, announced independent students had a median AGI of \$14,664 (in constant dollars.) By 1998, this median AGI had risen to \$18,224, an increase of about 24 percent. In 1989, 72 percent of the independent applicants reported having earned income and in 1998, 88 percent of the independent applicants reported having earned income. The income of eligible independent applicants, however, has remained relatively constant, decreasing by 0.4 percent in constant dollars since 1989, from \$13,425 to \$13,377.

For eligible dependent students, parental income declined by nearly 12 percent.

Is Anyone Left Out?

Comparisons of the percent of eligible students from year to year can be difficult, as eligibility is subject to changes in the MAP formula, changes in federal need analysis methodology, as well as changes in family income.

An estimate, however, of the number of additional students who would have been eligible for aid in FY2000 under a formula similar to that used in FY1991 was made. Students were added to the FY2000 eligible pool of applicants until the average income of the group rose to meet the 1991 levels. This yields a rough estimate of 7,500 students who are no longer eligible for aid. If about 70 percent of these students had received the average paid MAP award of \$2,383 and enrolled in college, the amount of extra dollars needed in FY2000 would have been about \$12.5 million or about 4 percent of the total MAP appropriation in FY2000.

How Important is MAP?

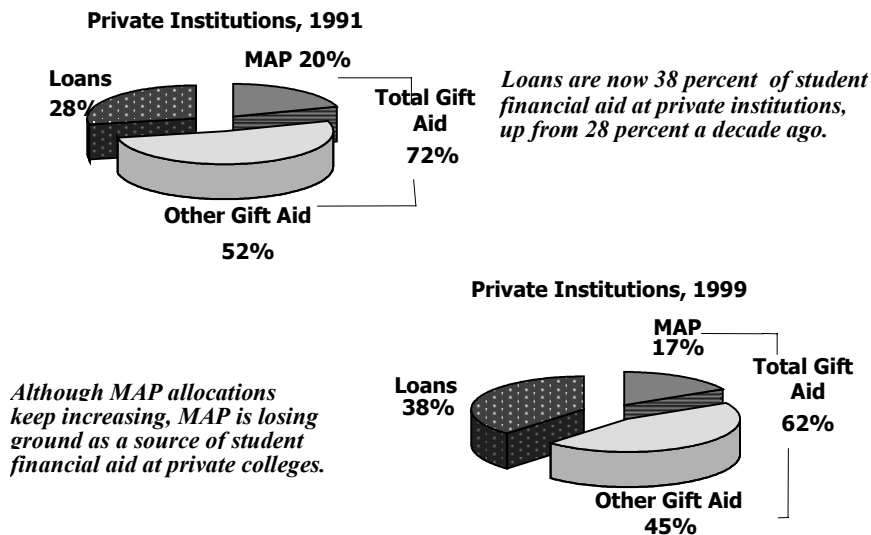
As tuition and fees have increased dramatically in Illinois over the past decade, outstripping gains in household incomes, financial aid becomes even more crucial in ensuring access to college. MAP is an important part of many students' financial aid packages.

The income of eligible independent applicants has decreased by 0.4 percent.

Importance of MAP at Private Institutions

Students attending different types of colleges rely on MAP in differing degrees. As shown in Figure 13, based on data from the Illinois Board of Higher Education Data Book, students in private institutions saw their gift aid (grants such as MAP and Pell, as well as other grant and scholarship aid from the state and institutions) drop significantly over the decade from 72 percent to 62 percent of the aid package. The MAP contribution declined also, representing 3 percent of the 10 percent decline in gift aid.

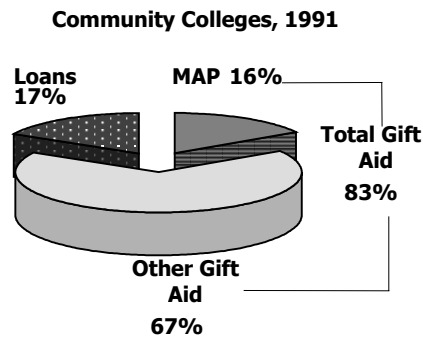
Figure 13: Composition of Financial Aid to Students in Private Institutions



Importance of MAP at Community Colleges

In contrast, community college students receive the bulk of their student aid in the form of gift aid and the percentage of gift aid in the community college aid package has increased from 83 percent to 88 percent. MAP's share has grown slightly, from 16 percent to 18 percent of the student aid available to community college students (Figure 14.)

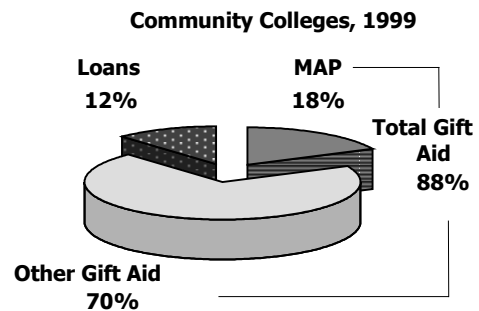
Figure 14: Composition of Financial Aid to Students in Community Colleges



Gift aid to community colleges has increased as a percentage of total student financial aid.

MAP's share has increased over time as well ...

Grant aid including MAP covers a far larger portion of costs at community colleges than at other institutions.

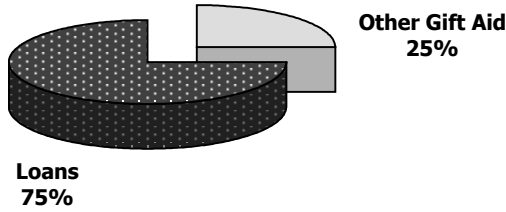


Importance of MAP at Proprietary Institutions

Ten years ago MAP awards were not available to students attending any proprietary institution. Today the award is given to students attending three proprietary schools and now amounts to 4 percent of the gift aid available to all proprietary school students (Figure 15.) This increase in MAP assistance has helped maintain the proportion of gift aid available to students attending these for-profit institutions. Since grant aid to this group is already small (25 percent in 1991 declining to 20 percent in 2000), MAP is important to insure access to proprietary colleges.

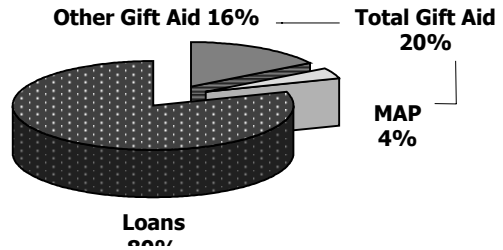
Figure 15: Composition of Financial Aid to Students in Proprietary Institutions

Proprietary Institutions, 1991



In 1991, MAP was unavailable to students in proprietary institutions ...

Proprietary Institutions, 1999



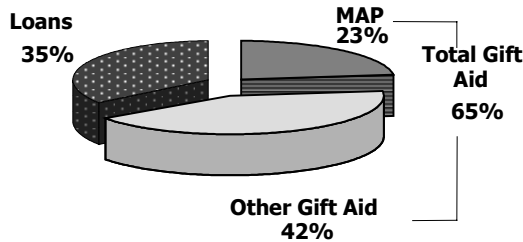
By 1999, MAP grants supplied 4 percent of the gift aid available to these students.

Importance of MAP at Public Universities

The students who saw the biggest shift in the composition of aid available to them were those in public universities (Figure 16.) In the past decade, loans increased from 35 percent to 50 percent of the student loan package, with a concomitant decrease in gift aid, from 65 percent in FY1991 to 50 percent in FY2000. Four percent of the drop in gift aid came from a declining share of MAP funds.

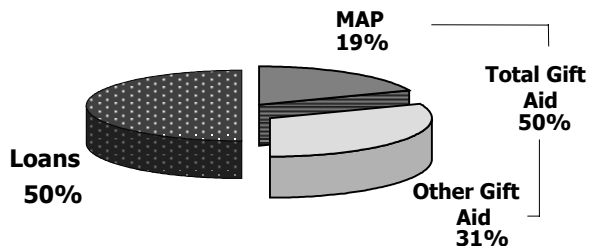
Figure 16: Composition of Financial Aid to Students in Public Universities

Public Universities, 1991



Loans now make up 50% of the student aid received at public universities, up from 35% in 1991 ...

Public Universities, 1999



While yearly increases in MAP assistance help, grant aid as a percentage of student aid declined sharply in 10 years for students in public universities.

Out of all the types of higher education institutions: public universities, private institutions, community colleges and proprietary institutions, only community colleges saw the percent of MAP aid in the student aid package increase. MAP appropriations have increased each year and the average MAP grant awarded has increased. But the modest increases provided have been wiped out by rapidly rising college costs at public universities, and private and proprietary institutions.

Conclusion

This review of MAP data over the past ten years indicates that appropriations have increased significantly for the program and, as a result, Illinois' grant program continues to be the second single largest in the country in terms of funding. Even with these increased appropriations, however, additional funding has not been sufficient to keep pace with need. Need may be measured by a number of factors, including the number of applicants for aid, the relative wealth and/or financial need of those applicants, and the college costs they face. During the early 1990's, recessionary conditions led to increased demand at a time when state revenues were also detrimentally affected by the recession. While increases in the appropriation were provided, they were directed primarily toward covering increased college costs. The inability to fund growing application volume, therefore, resulted in the dramatic increase in suspended applications seen during this time.

MAP appropriations have increased each year and the average MAP grant awarded has increased. But this modest increase has been wiped out by rapidly rising tuition and fees at public universities, private and proprietary institutions.

While the economy stabilized in FY1997 through FY2000, there continued to be increased need for the program. The continued need was due to several factors: increased awareness, an increased number of high school graduates, and a greater need for assistance as college costs continued to increase faster than the income of most families. In addition, funding of the program was expanded in FY1998 to provide MAP eligibility to students at degree-granting proprietary institutions, resulting in further increased application volume.

Generally, between FY1991 and FY2000, funding for the program has been such that a fairly consistent level of support has been provided for students electing to attend community colleges and public universities. Funding has also allowed increases in the number of students to whom awards could be provided at those institutions. Similarly, the number of students receiving awards at private institutions has remained steady, although the level of support provided to these students—as measured by the average paid award in comparison to average private institution tuition and fees - has declined. However, the percentages hide growing “affordability gaps” between the dollars needed for tuition and fees at public universities and private institutions and the average announced MAP awards.

Commencing with the FY1994 award year, the use of the Federal Methodology (FM) significantly expanded eligibility. In order to respond to

this expanded eligibility within the MAP appropriation, the Commission utilized additional formula rationing which eliminated awards for some previously eligible students. Although eligibility was eliminated for some students, other lower-income students became MAP-eligible primarily due to the exclusion of assets from consideration in the Federal Methodology. Therefore, while the average median income of eligible students declined in constant dollars, the number of total recipients still increased by 13,000 between FY1993 and FY1994. Since FY1994, the average paid award and the number of paid recipients have both increased steadily, as increases in appropriations allowed the Commission to mitigate some of the impacts of the rationing mechanisms instituted in FY1994.