

# **A Review of ISAC's Service Recognition Programs**

*The Illinois Student Assistance Commission (ISAC) provides financial aid to veterans and members of the Illinois National Guard, as well as the dependents of police, fire, or correctional officers killed or disabled in the line of duty, through its nonneed-based service recognition programs. Available data indicate most recipients of aid under these programs are enrolled full time at the undergraduate level and are completing undergraduate course work. The programs help the Illinois National Guard with recruitment efforts, assist veterans accessing training needed to reenter the civilian economy, and commemerate the service of police, fire, and correctional officers by providing educational benefits to their dependents.*

The Illinois Student Assistance Commission (ISAC) administers several state-funded, student financial aid programs which are not based on financial need. These "nonneed-based programs" have been categorized as: 1) merit award programs which include the State Scholar Program and the Merit Recognition Scholarship Program; 2) teacher shortage programs which include the David A. DeBolt Teacher Shortage Scholarship Program, the Minority Teachers of Illinois Program, and the Special Education Teacher Tuition Waiver Program; 3) savings and investment incentive programs which currently include only the College Savings Bond Bonus Incentive Grant (BIG) Program; and, 4) service recognition programs which include the Illinois National Guard (ING) Grant Program, Illinois Veteran Grant (IVG) Program, the Grant Program for Dependents of Police or Fire Officers, and the Grant Program for Dependents of Correctional Officers. The Grant Program for Dependents of Police or Fire Officers and the Grant Program for Dependents of Correctional Officers are known collectively as the dependents grant programs. Based on a recommendation by the Illinois Board of Higher Education (IBHE), ISAC's service recognition programs were reviewed to see if they were meeting their statutory intent, if there were alternative means to achieving the purposes of the programs and if current program funds could be reallocated to programs making awards based on financial need.

## **Illinois National Guard (ING) Grant Program**

### **Background**

The Illinois National Guard (ING) Program pays tuition and fees for undergraduate or graduate study at Illinois public colleges, universities, and community colleges for qualified persons who have served in the Illinois National Guard. To be eligible for the ING Program, an applicant must have completed at least one year in the Illinois National Guard and be presently attending monthly drills and summer encampments as an enlisted person or

officer ranked not higher than captain; comply with federal Selective Service registration requirements; and, not be in default on any student loan guaranteed by ISAC.

*ING benefits can be used at public universities and community colleges.*

ING benefits may be used at all Illinois public universities and community colleges, and are applicable to both graduate and undergraduate enrollment. There are no minimum credit hour enrollment requirements and benefits are applicable to both credit and noncredit courses. Recipients must maintain a grade point average acceptable at the institution they are attending. Benefits are limited to the equivalent of four years or eight semesters of full-time enrollment. ISAC's rules state that if a student is eligible for both an ING and the states need-based Monetary Award Program (MAP) grant, the ING benefits must be used first. A student cannot decline ING benefits in favor of using MAP.

The ING Program is subject to annual appropriations from the Illinois General Assembly, however, it has been declared an entitlement program by the Illinois Attorney General. This means that regardless of the funding appropriated by the State, ING applicants who are accepted at approved institutions cannot be denied benefits under the program. When approved State funding for the program is insufficient to pay all benefit claims, the involved public institutions must cover the tuition and fee costs for program participants. This type of funding shortfall for regular claims has not occurred since FY1993, but can represent a significant unfunded burden on the participating public institutions. It should be noted that some institutions are disproportionately affected by funding shortfalls due to higher enrollment of ING recipients. ISAC budget requests attempt to recommend sufficient funding levels to avoid such shortfalls. A detailed appropriation history, including the number of recipients by sector, is shown in Table 1.

|                                  | FY1996      | FY1997      | FY1998      | FY1999      | FY2000      |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Budget Information</b>        |             |             |             |             |             |
| Final Appropriation              | \$3,800,000 | \$3,800,000 | \$3,919,700 | \$3,900,000 | \$4,050,000 |
| Claims                           | \$3,417,808 | \$3,396,878 | \$3,909,680 | \$3,897,976 | \$4,046,830 |
| <b>Payout by School Type</b>     |             |             |             |             |             |
| <i>Public Universities</i>       |             |             |             |             |             |
| Dollars                          | \$2,503,110 | \$2,493,764 | \$2,838,644 | \$2,797,715 | \$2,946,539 |
| Number of Claims                 | 1,312       | 1,327       | 1,462       | 1,254       | 1,251       |
| <i>Public Community Colleges</i> |             |             |             |             |             |
| Dollars                          | \$914,698   | \$903,114   | \$1,071,036 | \$1,100,261 | \$1,100,291 |
| Number of Claims                 | 1,135       | 1,161       | 1,328       | 1,199       | 1,176       |
| Total Number of Claims           | 2,447       | 2,488       | 2,790       | 2,453       | 2,427       |

## Program Impact

In order to gather information about ING recipients and the impact of the ING Program, a random sample of 600 ING recipients were surveyed in the spring of 2000. Recipients returned 310 of the surveys for a response rate of 53 percent, allowing for undeliverable mail. No important differences were observed between respondents and nonrespondents however care should always be used in generalizing the characteristics or opinions of survey respondents. The survey population was chosen from recipients of the ING benefit in the fall of 1999. The survey included questions on program awareness, educational goals, and current course work and solicited general demographic information such as age and gender.

*Men comprise a higher percentage of National Guard members than of college students as a whole.*

About 69 percent of ING survey respondents were male and 31 percent female. The median age of survey respondents was 22.0 years, and about 30 percent of respondents were age 25 years or older. About 81 percent of respondents were white, 9 percent were black, 7 percent were Hispanic, and 3 percent were from all other racial classifications combined. These demographic data, along with data about Illinois students in general from the IBHE and information about the composition of the Illinois National Guard as a whole, are shown in Table 2. As shown in the table, the ING survey respondents were more likely to be male, less likely to be a minority, and were on average slightly younger than Illinois students as a whole. Although not included in the table, the percentage of ING survey respondents who were male minorities appears slightly lower than the overall enrollment percentage of male minorities in Illinois. Additional survey data indicates about 20 percent of respondents were married, and of these about 70 percent indicated they had dependents other than a spouse. Of the survey respondents who were not married, about nine percent indicated

**Table 2- Fall 1999 ING Survey Respondent Demographic Information**

|                                  | ING Survey Respondents | Illinois College Students* | Illinois National Guard |
|----------------------------------|------------------------|----------------------------|-------------------------|
| <i>Gender</i>                    |                        |                            |                         |
| Men                              | 69%                    | 44%                        | 83%                     |
| Women                            | 31%                    | 56%                        | 17%                     |
| <i>Age</i>                       |                        |                            |                         |
| Median Age                       | 22.0                   | 23.3                       | N/A                     |
| Percent 25 or older              | 30%                    | 41%                        | N/A                     |
| <i>Race/Ethnicity</i>            |                        |                            |                         |
| White                            | 81%                    | 68%                        | 81%                     |
| Black                            | 9%                     | 13%                        | 14%                     |
| Hispanic                         | 7%                     | 12%                        | 1%                      |
| All other racial classifications | 3%                     | 7%                         | 4%                      |

\* Excludes precollegiate and continuing education students.

they had dependents other than a spouse. About 28 percent of survey respondents were from households where neither parent had any college experience.

*Enlistees use their ING benefits within a relatively short period after enlistment.*

As stated previously, ING recipients must have been in the National Guard for at least one year to obtain eligibility for ING benefits. Most persons enlist for a term of four to eight years. Persons receiving the ING benefit in the fall of 1999, the period covered by the survey, would have had to have enlisted in the National Guard by fall of 1998. As shown in Table 3, about 13 percent of ING survey respondents enlisted in 1998 and about 63 percent enlisted within the past 4 years. This suggests enlistees are more likely to use their ING benefit within a relatively short time period after enlistment. On average, ING recipients responding to the survey have about 5.5 years left to serve on their enlistment. More than 44 percent of those responding anticipate remaining in the Guard for 3 or fewer years. A database analysis indicates about 78 percent of all ING recipients are in the Army National Guard and 22 percent are in the Air National Guard. About 2 percent of all ING recipients are officers and about 98 percent are enlisted personnel. This information is provided in Table 3.

Those receiving a survey were asked to indicate the degree to which they agreed or disagreed with a series of statements concerning why they enlisted in the National Guard. Survey respondents were more likely to have indicated they enlisted in the Guard because of the educational benefits available to them after

**Table 3- Fall 1999 ING Survey Respondent and ING Recipient Service Data**

|   | Percent of Total |
|---|------------------|
| <i>Year first enlisted in the National Guard</i>    |                  |
| 1998  | 13%              |
| 1997  | 30%              |
| 1996  | 19%              |
| 1995  | 15%              |
| 1994 or prior year                                  | 23%              |
| <i>Anticipated years of Guard service remaining</i> |                  |
| 2 or fewer  | 27%              |
| 3   | 17%              |
| 4   | 14%              |
| 5   | 7%               |
| 6 or more   | 35%              |
| Mean  | 5.5 years        |
| <i>Branch of Guard service</i>                      |                  |
| Army  | 78%              |
| Air   | 22%              |
| <i>Rank</i>   |                  |
| Enlisted  | 98%              |
| Officer   | 2%               |

**Table 4- ING Survey Respondent Enlistment Reason**

| <i>I enlisted in the National Guard because...</i>                        | <u>Mean Rating</u> |
|---|--------------------|
| I knew educational benefits would be available to me after service.       | 4.44               |
| I wanted to serve my country.   | 4.05               |
| It offered a second income.   | 3.73               |
| Serving active duty in the regular armed forces was rewarding experience. | 3.41               |
| It offered the specialized training I wanted.                             | 3.31               |
| It offered a primary source of income.                                    | 2.63               |
| I didn't know what else to do.  | 2.10               |

Means are on a 5 point scale where 5= Strongly Agree, 4= Agree, 3= Neither Agree or Disagree, 2= Disagree, 1= Strongly Disagree.

service or out of a desire to serve their country and were less likely to have indicated they enlisted because the Guard offered a primary source of income or because they don't know what else to do. This information is shown in Table 4.

*Most ING recipients are enrolled full time.*

ING recipients selected to receive a survey were all enrolled in the fall of 1999. About 14 percent of the respondents to the survey, however, indicated they were not enrolled in the spring 2000 term when they received the survey. About 74 percent of those responding to the survey who were enrolled in the fall of 1999 were enrolled full time, 13 percent were enrolled half time, 9 percent were enrolled quarter time, and 4 percent were enrolled on a less-than-quarter-time basis. This information is shown in Table 5.

**Table 5- ING Survey Respondent Enrollment Levels**

| Enrollment level | Fall 1999 | Spring 2000 |
|------------------|-----------|-------------|
| 12 hours or more | 74%       | 62%         |
| 6-11 hours       | 13%       | 15%         |
| 3, 4, or 5 hours | 9%        | 8%          |
| 1 or 2 hours     | 4%        | 1%          |
| Not enrolled     | --        | 14%         |

*More than 80 percent of ING recipients take undergraduate course work.*

Database analysis indicates about 43 percent of ING recipients who were enrolled in the fall of 1999 were enrolled at public community colleges and about 57 percent were enrolled at public universities. The two-year institutions with the largest ING enrollments for fall 1999 were Lincoln Land Community College, Illinois Central College, and Parkland College. The four-year institutions with the largest ING enrollments for fall 1999 were Southern Illinois University at Carbondale, the University of Illinois at Urbana-Champaign, and Western Illinois University. About 81 percent of ING survey respondents were undergraduates, 12 percent were graduates, and 7 percent were at another class level or were unsure about their class level. About 82 percent of survey respondents indicated they were taking undergraduate course work, about 6 percent were taking graduate course work, about 6 percent were taking preparatory or remedial course work, about 1 percent were taking non-credit course work, and about 5 percent were taking courses at another level or were unsure about the level of course work they were taking. The most common fields of study identified by those responding to the survey were business management and administrative services, education, and computer sciences. This information is shown in Table 6.

**Table 6- ING Survey Respondent and ING Recipient Enrollment Information**

|   | Percent of Total |
|---|------------------|
| <i>Institution Type</i>                             |                  |
| Public Community College                            | 43%              |
| Public University                                   | 57%              |
| <i>Class Level</i>                                  |                  |
| Freshman/Sophomore                                  | 41%              |
| Junior/Senior                                       | 40%              |
| Graduate/Professional                               | 12%              |
| Unsure or Other                                     | 7%               |
| <i>Level of Most Recently Completed Course Work</i> |                  |
| Preparatory/Remedial                                | 6%               |
| Introductory (100 and 200 level)                    | 42%              |
| Upper Division (300 and 400 level)                  | 40%              |
| Graduate/Seminar (500 level and beyond)             | 6%               |
| Non-credit  | 1%               |
| Unsure or none of the above                         | 5%               |
| <i>Most Common Fields of Study</i>                  |                  |
| Business and Administrative Services                | 18%              |
| Education   | 11%              |
| Computer Sciences                                   | 8%               |
| Biological Sciences                                 | 6%               |
| Health Professions (except nursing)                 | 6%               |
| All other fields                                    | 48%              |
| Undecided   | 3%               |

Surveyed ING recipients were asked to agree or disagree with a series of statements concerning their decision to go to college. Those responding were more likely to have decided to go to college to get a better job and to be able to make more money and were less likely to have decided to go to college because a mentor or role model encouraged them or because they could not find a job. This information is shown in Table 7.

| <b>Table 7- ING Survey Respondent Reason for Enrollment</b>                                    |             |
|--|-------------|
| <i>In deciding to go to college, how important to you was each of the following reasons?</i>   | Mean Rating |
| To be able to get a better job   | 2.90        |
| To be able to make more money  | 2.76        |
| To learn more about things that interest me  | 2.70        |
| To gain a general education and appreciation of ideas  | 2.63        |
| To enter into a specific career  | 2.52        |
| To become a more cultured person   | 2.24        |
| A mentor/role model encouraged me to go  | 1.76        |
| I could not find a job   | 1.27        |
| Means are on 3 point scale where 3= Very Important, 2=Somewhat Important, and 1= Not Important |             |

### **Program Need**

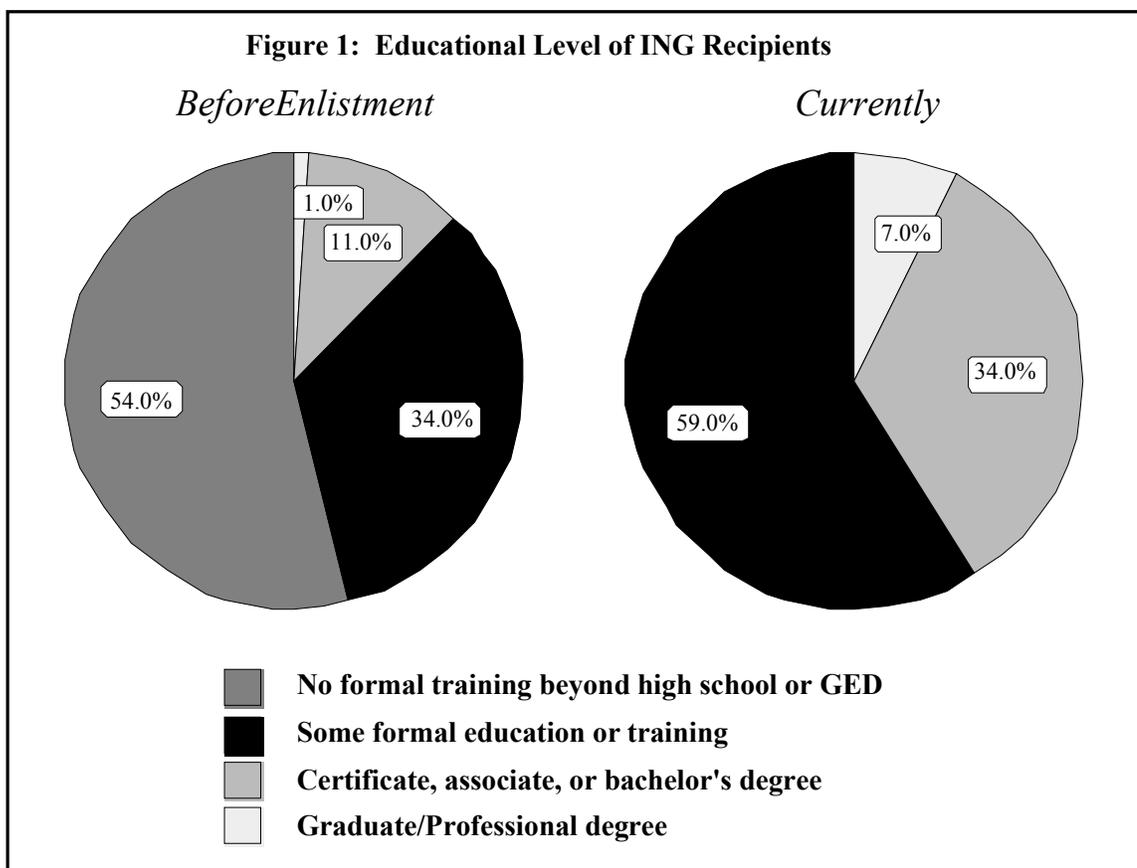
Although the authorizing legislation for the ING Program does not provide an explicit purpose for the program, a review of floor debates in the Illinois General Assembly and other information indicates the primary purpose for creating the program was to provide a recruitment incentive for the Illinois National Guard. A secondary purpose was to increase the educational level of Guard members. A 1994 study of the ING Program concluded that the program was meeting its purposes and did serve as both a recruitment tool and a way to increase the educational level of Guard members.

Discussion with National Guard staff indicate the ING Program is currently one of the primary recruiting tools for the Guard. Data from the National Guard indicate about 50 percent of new enlistees have no prior military service, meaning they did not serve in the United States armed forces prior to National Guard enlistment. Anecdotal information from National Guard

*Survey and anecdotal evidence indicate a significant portion of National Guard enlistees are aware of the ING program and consider it in their enlistment decision.*

members suggests a substantial portion of the new enlistees without prior military service enlist in the National Guard explicitly to access the potential education benefits. Survey responders indicated they were aware of the ING Program before initiating National Guard service and most felt ING was an important factor in their decision to enlist. About 84 percent of those responding to the survey indicated they were aware ING might help them with college expenses before they enlisted and about 79 percent indicated that knowledge of program benefits was an important factor in their decision to enlist.

Those receiving an ING survey were asked to indicate the highest education level they had completed prior to enlisting in the Guard and to indicate the highest education level they have currently completed. About 54 percent of respondents indicated they had no formal education beyond high school or a GED before enlisting in the Guard. All of those persons have, however, now received ING benefits and have completed at least some formal education or training beyond the high school level. About 12 percent of respondents had a certificate, associate, or bachelor's degree before they enlisted in the Guard. About 34 percent of those responding indicated they now had a certificate, associate, or bachelor's degree, as shown in Figure 1.



*About 30 percent of survey respondents said they would not have obtained their current level of education without the ING Program.*

Fully 50 percent of ING survey respondents indicated they plan to obtain a bachelor's degree. About 63 percent of respondents felt ING helped with their education, but asserted they would have completed their current level of education without it. About 30 percent of respondents, however, say they would not have obtained their current level of education without the ING Program.

About 50 percent of survey respondents indicated they had annual incomes of less than \$25,000. Additional database analysis indicates about 44 percent of fall 1999 ING recipients filed the Free Application for Federal Student Aid (FAFSA). Of the fall ING recipients who filed the FAFSA, about 61 percent were classified as dependent students, 12 percent were classified as independents with dependents, and 27 percent as independents without dependents. Those classified as dependents had a mean Expected Family Contribution (EFC) of \$8,387, those classified as independents with dependents had a mean EFC of \$2,912, and those classified as independents without dependents had a mean EFC of \$3,416. The EFC is a measure of the family's ability to pay for college based on income, assets, family size, number in college, and income tax obligations. The EFC does not represent a required contribution from the family, but is a contribution expectation that cannot be replaced with need-based grant aid. Approximately 9 percent of dependent ING recipients who filed a FAFSA had EFC's of \$0, meaning no family contribution would be expected. In total, 23 percent of fall 1999 ING recipients would have been eligible for an estimated \$1.2 million in MAP assistance. This information suggests that while ING recipients may have somewhat more financial resources than MAP recipients as a whole, there are ING recipients with financial need. The ING Program may, therefore, serve as a recruitment tool and a method to improve the educational levels of Guard members as stated above, but may also effectively assist these needy students. Comparative EFC information is shown in Table 8.

|                         | Mean EFC | Percent with Zero EFC's |
|-------------------------|----------|-------------------------|
| <i>ING Recipients</i>   |          |                         |
| Dependent               | \$ 8,387 | 9%                      |
| Ind. With Dependents    | \$ 2,912 | 52%                     |
| Ind. Without Dependents | \$ 3,416 | 17%                     |
| <i>MAP Applicants</i>   |          |                         |
| Dependent               | \$ 6,534 | 15%                     |
| Ind. With Dependents    | \$ 1,043 | 62%                     |
| Ind. Without Dependents | \$ 3,699 | 27%                     |

*National Guard enlistment and ING program claims have held steady in recent years.*

## **Program Issues**

Although there is some variability in the available data, the number of claims for ING benefits has been holding relatively steady at between 2,400 and 2,500 claims annually in recent years. National Guard staff indicate that the number of Illinois National Guard personnel has also been holding relatively steady at about 13,000 members over the same time period and is expected to remain steady for the immediate future. For the past two fiscal years, however, total dollars claimed have increased as a percentage of the program appropriation. While funding has been sufficient to pay all regular ING claims, appropriated funds have been insufficient to pay all late and all out-of-district claims at community colleges. As with regular claims, institutions must cover late and out of district expenses if state funding is not available. Late and out-of-district claims are part of the benefit to which Guard members are entitled and institutions cannot pass these charges on to individual ING recipients. As tuition and fees continue to increase, commensurate increases in program appropriations may be needed to continue to cover these obligations.

When they initially enlist or reenlist, National Guard members choose different enlistment packages and options. One popular enlistment option is the "Six by Two" plan, in which an enlistee commits to six years service in the Guard on active status and two years service on inactive status. Other common plans are the "Eight by Zero" and the "Four by Four" plans, in which an enlistee commits to eight and four years, respectively, of service on active status. Active status means the individual attends drills one weekend per month throughout the course of the year and participates in 15 days of active duty training once a year, usually in the summer months. Inactive status means individuals attend a yearly training assembly called a muster, but do not participate in monthly drills or annual active duty training. A recently adopted ISAC rules change limits ING Program eligibility to Guard members on active status. Previously, Guard members were eligible for the ING benefit regardless of status designation. This change may serve as an incentive for National Guard enlistments with longer periods of active status. Under the new rule, a Guard member opting for a "Four by Four" enlistment package, for example, and intending to utilize the ING Program, might only have three years to use the benefit before moving to inactive status and losing program eligibility.

## **Illinois Veteran Grant (IVG) Program**

### **Background**

The Illinois Veteran Grant (IVG) Program pays tuition and fees for undergraduate or graduate study at Illinois public colleges, universities, and community colleges for qualified Illinois veterans. To be eligible for the Illinois Veteran Grant Program an applicant must have served at least one year of active duty in the United States armed forces. This includes service in the Army, Air Force, Navy, Marine Corps, or Coast Guard. An applicant must have received a discharge which was characterized as honorable, have been an Illinois resident six months prior to entering service, and returned to Illinois to establish residency

within six months of leaving the service or within six months after a spouse's discharge from service. Persons on current active duty in Illinois may also be eligible for IVG benefits.

*IVG is an entitlement program, meaning qualified applicants cannot be denied benefits.*

IVG benefits may be used at all Illinois public colleges, universities, and community colleges and are applicable to both graduate and undergraduate enrollment. There are no minimum credit hour enrollment requirements and benefits are applicable to both credit and noncredit courses. Recipients must maintain a grade point average acceptable at the institution they are attending. Benefits are limited to the equivalent of four academic years of full-time enrollment. Applicants who are in default on a student loan guaranteed by ISAC may receive only one term of assistance. ISAC's rules state that if a student is eligible for both an IVG and a Monetary Award Program (MAP) grant, the IVG benefits must be used first. A student cannot decline IVG benefits in favor of using MAP. Current members of the Illinois National Guard are not eligible for IVG benefits.

The IVG Program is subject to annual appropriations from the General Assembly, however it has been declared an entitlement program by the Illinois Attorney General. This means that regardless of the funding appropriated by the State, IVG applicants who are accepted at approved institutions cannot be denied benefits under the program. When approved State funding for the program is insufficient to pay all benefit claims, the involved public institutions must cover the program's costs. This type of funding shortfall has not occurred in several years, but can represent a significant unfunded burden on the participating public institutions. It should be noted that some institutions are disproportionately

| <b>Table 9- Illinois Veteran Grant (IVG) Program Appropriation and Expenditure History</b> |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
| <b>Budget Information</b>  | FY1996       | FY1997       | FY1998       | FY1999       | FY2000       |
| Final Appropriation  | \$22,700,000 | \$21,800,000 | \$21,800,000 | \$22,000,000 | \$21,750,000 |
| Claims   | \$20,172,910 | \$20,223,794 | \$20,009,093 | \$19,724,406 | \$18,792,083 |
| <b>Payout by School Type</b>   |              |              |              |              |              |
| <i>Public Universities</i>   |              |              |              |              |              |
| Dollars  | \$13,903,942 | \$13,760,124 | \$13,506,923 | \$12,517,642 | \$11,498,945 |
| Number of Claims   | 5,824        | 5,453        | 5,227        | 4,785        | 4,245        |
| <i>Public Comm. Colleges</i>   |              |              |              |              |              |
| Dollars  | \$6,268,968  | \$6,463,670  | \$6,502,170  | \$7,206,764  | \$7,293,138  |
| Number of Claims   | 10,186       | 9,571        | 9,081        | 8,504        | 8,329        |
| Total Number of Claims   | 16,010       | 15,024       | 14,308       | 13,289       | 12,574       |

affected by funding shortfalls due to higher enrollment of IVG recipients. ISAC budget requests annually attempt to recommend sufficient funding levels to avoid such shortfalls. A more detailed appropriation history including the number of recipients is shown in Table 9.

### Program Impact

In order to gather information about IVG recipients and the impact of the IVG Program, a random sample of 600 IVG recipients were surveyed in the spring of 2000. Recipients returned 271 of the surveys for a response rate of 54%, allowing for undeliverable mail. No important differences between respondents and non-respondents in the sample were identified, however, care should always be used in generalizing the characteristics or opinions of the survey respondents. The survey included questions on program awareness, educational goals, and current course work and solicited general demographic information such as age and gender.

*Men comprise a higher percentage of IVG recipients than of college students as a whole.*

About 86 percent of IVG survey respondents were male and 14 percent were female. The average age of survey respondents was 34.1 years, and about 76 percent of respondents were age 25 years or older. About 85 percent of survey respondents were white, 14 percent black, and 1 percent of another racial classification. About 6 percent were Hispanic or Latino of any race. These demographic data, along with comparable data about Illinois students in general from the IBHE and information about the composition of the United States armed forces, are shown in Table 10. As shown in the table, IVG survey respondents were more likely to be male and were on average considerably older than the general student population. Although not included in the table, the percentage of

|   | IVG Survey Respondents | Illinois Students* | United States Armed Forces Active Duty |
|---|------------------------|--------------------|--|
| <i>Gender</i>   |                        |                    |  |
| Men   | 86%                    | 44%                | 86%                                    |
| Women   | 14%                    | 56%                | 14%                                    |
| <i>Age</i>  |                        |                    |  |
| Median age  | 29                     | 23.3               | N/A                                    |
| Percent 25 or older   | 76%                    | 41%                | N/A                                    |
| <i>Race/Ethnicity</i>   |                        |                    |  |
| White   | 82%                    | 68%                | 72%                                    |
| Black   | 15%                    | 13%                | 20%                                    |
| Hispanic  | 2%                     | 7%                 | N/A                                    |
| All other racial classifications  | 1%                     | 12%                | 8%                                     |
| *Excludes precollegiate and continuing education students.<br>Armed forces gender data from 1998, racial data from 1995. Department of Defense. |                        |                    |  |

IVG survey respondents who are male minorities appears comparable to the overall enrollment percentage of male minorities in Illinois. About 45 percent of IVG survey respondents were married and of these, about 64 percent indicated they had dependents other than a spouse. Of the survey respondents who were not married, about 18 percent indicated they had dependents other than a spouse. About 39 percent of IVG survey respondents recipients were from households where neither parent had any college experience.

Approximately 11 percent of IVG survey respondents first served in the armed forces after 1994, 54 percent first served between 1985 and 1994, 14 percent first served between 1975 and 1984, and 21 percent first served before 1975. About 39 percent of survey respondents served in the Army, 26 percent in the Navy, 20 percent in the Marine Corps, 15 percent in the Air Force, and less than 1 percent in the Coast Guard. Nearly 12 percent of survey respondents indicated they currently serve in the Reserves or the National Guard. This information is shown in Table 11.

| <b>Table 11- IVG Survey Respondent Service Data</b>          |                |
|--|----------------|
| <i>Year first served in armed forces</i>                     | <b>Percent</b> |
| After 1994   | 11%            |
| 1985 to 1994   | 54%            |
| 1975 to 1984   | 14%            |
| Prior to 1975  | 21%            |
| <br><i>Branch of service</i>                                 |                |
| Army   | 39%            |
| Navy   | 26%            |
| Marine Corps   | 19%            |
| Air Force  | 15%            |
| Coast Guard  | 1%             |
| <br><i>Currently serve in the Reserves or National Guard</i> |                |
| Yes  | 12%            |
| No   | 88%            |

Those surveyed were asked to indicate the extent to which they agreed or disagreed with a series of statements concerning why they served in the armed forces. Responders were more likely to have served in the armed forces because of a desire to serve their country or because of the educational benefits available to them after service and were less likely to have served because their friends joined or because they were drafted. This information is shown in Table 12. IVG recipients selected to receive a survey were all enrolled in the fall of 1999. About 19 percent of the respondents to the survey, however, indicated they were not enrolled in the spring 2000 term when they received the survey. About 55 percent of respondents enrolled in the fall of 1999 were enrolled full time, about 23 percent were enrolled half time, about 16 percent were enrolled quarter time, and

**Table 12- IVG Survey Respondent Service Reason**

| <i>I served in the armed forces because...</i>                      | Mean Rating |
|---|-------------|
| I wanted to serve my country.                                       | 4.22        |
| I knew educational benefits would be available to me after service. | 4.08        |
| It offered a primary source of income.                              | 3.58        |
| It offered the specialized training I wanted.                       | 3.35        |
| I didn't know what else to do.                                      | 2.87        |
| My friends joined.  | 2.41        |
| I was drafted.  | 2.22        |

Means are on a 5 point scale where 5= Strongly Agree, 4= Agree, 3= Neither Agree or Disagree, 2= Disagree, 1= Strongly Disagree.

**Table 13- IVG Survey Respondent Enrollment Levels**

| Enrollment level | Fall 1999 | Spring 2000 |
|------------------|-----------|-------------|
| 12 hours or more | 55%       | 47%         |
| 6-11 hours       | 23%       | 19%         |
| 3, 4, or 5 hours | 16%       | 12%         |
| 1 or 2 hours     | 6%        | 3%          |
| Not enrolled     | --        | 19%         |

*About 64 percent of IVG recipients attend community colleges and about 36 percent attend public universities.*

about 6 percent were enrolled on a less-than-quarter-time basis. This information is shown in Table 13. Payment information available for FY1999 indicates about 64 percent of IVG recipients as a whole were enrolled at public community colleges and about 36 percent were enrolled at public universities. The two-year institutions with the largest IVG enrollments for fall 1999 were the City Colleges of Chicago, Southwestern Illinois College, and the College of DuPage. The four-year institutions with the largest IVG enrollments for fall 1999 were Southern Illinois University at Carbondale, the University of Illinois at Chicago, and Northern Illinois University. About 75 percent of IVG survey respondents were undergraduates, 11 percent graduates, and 14 percent were at another class level or unsure about their class level. About 76 percent of survey respondents were taking undergraduate course work, about 7 percent were taking graduate course

work, about 4 percent were taking preparatory or remedial course work, about 5 percent were taking non-credit course work and about 8 percent were taking courses at another level or were unsure about the level of course work they were taking. The most common fields of study for those responding to the survey were business management and administrative services, computer sciences, and education. This information is shown in Table 14.

**Table 14- IVG Survey Respondent and IVG Recipient Enrollment Information**

|   |     |
|---|-----|
| <i>Institution Type</i>                             |     |
| Public Community College                            | 64% |
| Public University                                   | 36% |
| <i>Class Level</i>                                  |     |
| Freshman/Sophomore                                  | 39% |
| Junior/Senior                                       | 36% |
| Graduate/Professional                               | 11% |
| Unsure or Other                                     | 14% |
| <i>Level of Most Recently Completed Course Work</i> |     |
| Preparatory/Remedial                                | 4%  |
| Introductory (100 and 200 level)                    | 45% |
| Upper Division (300 and 400 level)                  | 31% |
| Graduate/Seminar (500 level and beyond)             | 7%  |
| Non-credit  | 5%  |
| Unsure or none of the above                         | 8%  |
| <i>Most Common Fields of Study</i>                  |     |
| Business and Administrative Services                | 19% |
| Computer Sciences                                   | 13% |
| Education   | 9%  |
| Engineering   | 6%  |
| Liberal Arts  | 6%  |
| Vocational/technical                                | 6%  |
| All Other   | 38% |
| Undecided   | 3%  |

Surveyed IVG recipients were asked to indicate the extent to which they agreed or disagreed with a series of statements concerning their decision to go to college. Responses indicated they were more likely to have decided to go to college to get a better job or to learn more about things which interest them and less likely to have decided to go to college because a mentor or role model encouraged them or because they could not find a job. This information is shown in Table 15.

**Table 15- IVG Survey Respondent Reason for Enrollment**

*In deciding to go to college, how important to you was each of the following reasons?*

|   | Mean Rating |
|---|-------------|
| To be able to get a better job                        | 2.81        |
| To learn more about things that interest me           | 2.72        |
| To enter into a specific career                       | 2.68        |
| To be able to make more money                         | 2.67        |
| To gain a general education and appreciation of ideas | 2.58        |
| To become a more cultured person                      | 2.26        |
| A mentor/role model encouraged me to go               | 1.66        |
| I could not find a job                                | 1.32        |

Means are on 3 point scale where 3= Very Important, 2=Somewhat Important, and 1= Not Important.

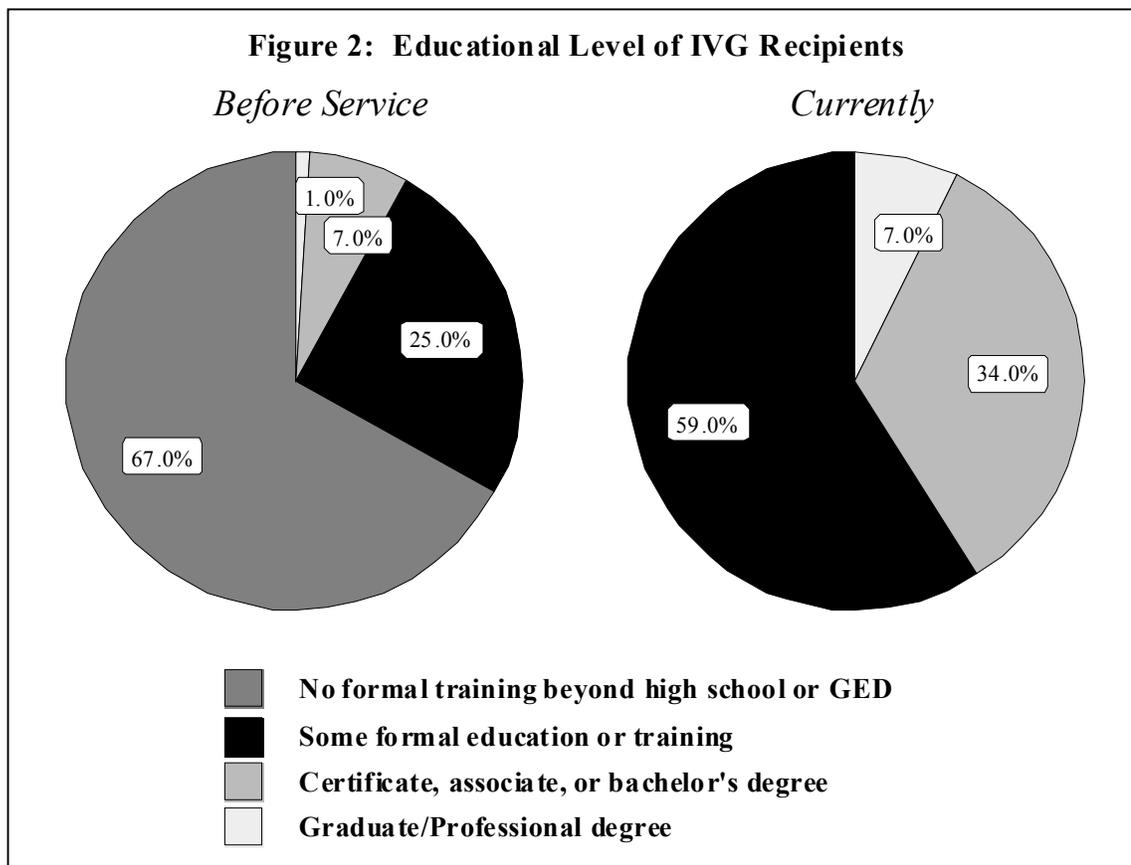
### **Program Need**

The IVG Program was originally administered by the Illinois Department of Veteran's Affairs and was most recently transferred to ISAC in 1987. The authorizing legislation for the program does not provide an explicit purpose for the program, however, discussion with Department of Veteran's Affairs staff indicates the original purpose for creating the program was to serve as a reward for service and as a readjustment benefit for veterans reentering civilian society. The benefit was intended to allow veterans to pursue any additional training needed to enter the workforce. Department of Veteran's Affairs staff feel the program currently functions primarily as a recruiting tool and as an incentive for considering military service.

Discussion with armed forces recruiting staff in Illinois confirm IVG is used as a recruiting incentive. Several United States Air Force recruiting staff members, for example, indicated all armed forces recruiters are aware of the IVG Program and explain the availability of benefits to potential recruits. Several of the service branches will pay up to 75 percent of the tuition and fee costs incurred for education undertaken by persons on active duty. A common recommendation made by recruiters to potential recruits who are interested in the educational benefits offered by the armed forces is to utilize the 75 percent co-pay benefits available from their service branch while on active duty in order to complete as much college as possible, and then, after discharge from the service,

*Armed services recruiters use the availability of educational benefits, such as IVG, as a recruiting tool.*

**Figure 2: Educational Level of IVG Recipients**



utilize federal educational benefits and IVG in tandem to continue with postsecondary training or complete a degree. It should be noted, however, that the impact of post-military service educational benefits as a recruiting tool has been lessened in some areas of the country. In testimony from February 2000 before the Subcommittee on Personnel of the Committee on Armed Services of the United States Senate, armed services recruiters indicated that in some States, for example Georgia, the existence of comprehensive state-funded scholarships to in-state schools for most recent high school graduates limits the ability of post-service educational benefits to effectively attract recruits. Additional testimony indicated that the availability of financial assistance to address the costs of college will still remain an integral part of the recruiting messages presented by all branches of the service.

*Nationwide, only about 3 percent of active duty armed services enlisted personnel have a college degree.*

IVG respondents indicated they were not aware of the IVG Program before initiating military service and the existence of the program was not an important factor in their decision to enlist. About 63 percent of those responding to the survey indicated they were not aware IVG might help them with college expenses before they enlisted. Of those who were aware of the program before enlistment, 35 percent indicated that knowledge of the program was an important factor in their decision to enlist, 38 percent said it was not an important factor in their decision to enlist, 22 percent didn't remember whether they knew about or considered IVG in making an enlistment decision, and 5 percent were drafted and did not make an enlistment decision. About 39 percent of survey respondents felt IVG helped with their education, but asserted they would have completed their

*Montgomery G.I. Bill benefits are complemented by tuition and fee payments available from the IVG program.*

current level of education without it. Importantly, however, about 50 percent of respondents felt they would not have obtained their current level of education without the IVG Program.

Those surveyed were asked to indicate the highest education level they had completed prior to enlisting in the armed forces and to indicate the highest education level they had currently completed. About 67 percent of respondents indicated they had no formal education beyond high school or a GED before their military service. By definition, all persons responding to the survey had received IVG benefits and had completed at least some formal education or training beyond the high school level. As shown in Figure 2, about 7 percent of survey respondents indicated they had a certificate, associate, or bachelor's degree before their military service while about 34 percent stated they now have a certificate, associate, or bachelor's degree. The Department of Defense estimates only about 3 percent of active duty armed forces enlisted personnel nationwide have a college degree. About 50 percent of IVG survey respondents indicated they currently plan to obtain a bachelor's degree. About 37 percent of respondents said they would have planned to obtain a bachelor's degree without the IVG Program.

One of the federal educational benefits available to veterans is the Montgomery G. I. Bill (MGIB). The MGIB pays a fixed amount per month for qualified veterans enrolled in a qualified postsecondary institution. Benefits are not paid for summer months or other periods of non-enrollment. Currently the program provides benefits of up to \$536 per month for persons enrolled full-time who served for at least three years. MGIB benefits can be used for educational costs, living expenses or other costs at the discretion of the beneficiary. The number of persons utilizing the MGIB nationwide has held steady at about 265,000 for the last several years. Staff at the Illinois Department of Veteran's Affairs indicate that while the MGIB provides an important benefit to veterans, it does not meet all of the costs incurred in pursuing postsecondary training opportunities. Veteran's Affairs staff point out that benefits from the MGIB are not paid up-front which can create cash flow issues for veterans considering enrollment, with the effect of limiting higher education access. They feel having tuition and fees paid at the outset by the IVG Program is a much needed complement to programs like the MGIB and is essential in ensuring educational opportunities for veterans.

*About one-third of fall 1999 IVG recipients also applied for other financial aid.*

Data from 1998 from the United States Department of Veteran's Affairs indicate there are about 1 million veterans in Illinois. This represents about 4 percent of the total of about 25 million veterans nationwide. There are about 11,000 Illinois veterans who received benefits under the MGIB in 1998. This represents about 3.8 percent of the 290,000 veterans nationwide currently receiving benefits under the MGIB and suggests Illinois veterans use the MGIB benefit at about the same rate as veterans nationwide.

About 44 percent of IVG survey respondents indicated they had annual incomes of less than \$25,000. Additional database analysis indicates about 34 percent of fall 1999 IVG recipients filed the FAFSA. Of those who filed a FAFSA, less than 1 percent were classified as dependents, about 32 percent were classified as independents with dependents and about 67 percent were classified as independents without dependents. Those classified as dependents had a mean

EFC of \$7,830, those classified as independents with dependents had a mean EFC of \$2,217, and those classified as independents without dependents had a mean EFC of \$4,471. Approximately 42 percent of fall 1999 IVG recipients who filed a FAFSA and were classified as independents with dependents had EFC's of \$0, meaning no family contribution would be expected. Approximately 26 percent of IVG recipients who filed a FAFSA and were classified as independents without dependents had EFC's of \$0. In total, 26 percent of fall 1999 IVG recipients would have been eligible for an estimated \$7.3 million in MAP assistance. This information suggests that not only may it be appropriate for the state to award student financial aid to IVG recipients as a reward for service or as a recruitment tool, but that a portion of IVG recipients may also be financially needy. Comparative EFC information is shown in Table 16.

|   | Mean EFC | Percent with Zero EFC |
|---|----------|-----------------------|
| <i>IVG Recipients (who filed a FAFSA)</i> |          |                       |
| Dependent                                 | \$ 7,830 | 0%                    |
| Ind. With Dependents                      | \$ 2,217 | 43%                   |
| Ind. Without Dependents                   | \$ 4,471 | 26%                   |
| <i>MAP Applicants</i>                     |          |                       |
| Dependent                                 | \$ 6,534 | 15%                   |
| Ind. With Dependents                      | \$ 1,043 | 62%                   |
| Ind. Without Dependents                   | \$ 3,699 | 27%                   |

### **Program Issues**

The annual number of IVG recipients has been falling since 1994. It is unclear whether this trend is due to demographic factors such as the aging of the veteran population, economic factors which result in fewer overall college enrollments for this cohort, or is linked to the decrease in the overall active duty strength of the armed forces. A comparison of the number of IVG participants for 1994 through 2000 and the active duty strength of the armed forces is shown in Table 17.

Despite falling participation, IVG Program spending has held relatively steady. ISAC's Program Services staff indicate that, in addition to the ordinary tuition and fee increases experienced in all ISAC's aid programs, this may be due to changes in the course and program selection patterns of IVG recipients. Unlike ING and several other ISAC programs, IVG has a history of providing payments for different tuition and fee levels for a number of eligible programs of study. The ING Program, for example, relies on a fixed rate per credit hour enrollment to calculate benefits for eligible programs at a participating institution. The IVG Program allows institutions to use different rates for different courses and

**Table 17- IVG Recipients and US Military Strength**

|                       | IVG Recipients | Annual Percentage Change | Number of Active Duty Personnel | Annual Percentage Change |
|-----------------------|----------------|--------------------------|---------------------------------|--------------------------|
| 1994                  | 17,330         | --                       | 1,610,490                       | --                       |
| 1995                  | 16,533         | -4.6%                    | 1,518,224                       | -5.7%                    |
| 1996                  | 16,010         | -3.2%                    | 1,471,722                       | -3.1%                    |
| 1997                  | 15,024         | -6.2%                    | 1,438,562                       | -2.3%                    |
| 1998                  | 14,308         | -4.8%                    | 1,406,780                       | -2.2%                    |
| 1999                  | 13,289         | -7.1%                    | 1,385,703                       | -1.5%                    |
| 2000                  | 12,574         | -5.4%                    | --                              | --                       |
| Average annual change |                | -5.2%                    |                                 | -3.0%                    |

*IVG benefits can be used for non-credit and non-standard course work, making IVG attractive for those taking professional computer certification courses, for example.*

programs. Because assistance from the IVG Program can also be used for non-credit or non-standard courses, this means IVG can provide full benefits for relatively expensive course work, such as computer network certification and other short-duration professional certification courses. Financial assistance for these courses may not be otherwise available because the programs may not be approved for Federal Title IV aid or because the students enrolled in the courses may not be considered "degree seeking." Some of these courses, especially the computer professional certification courses, may be especially attractive to veterans who are building on military training and experience and who desire course work which can lead to quick reentry into the civilian work force.

## **Dependents Grant Programs**

### **Background**

The phrase "dependents grant programs" refers to the Grant Program for Dependents of Police or Fire Officers and the Grant Program for Dependents of Correctional Officers. The dependents grants provide grant assistance for the spouse and children of Illinois police, fire, or correctional officers who are killed, or sustain an injury resulting in permanent disability, in the line of duty. Applicants for a dependents grant must be a natural child, a legally adopted child, child in the legal custody, husband, or wife of a police, fire, or correctional officer at time the officer was killed or permanently disabled in the line of duty. An applicant must be a United States citizen or an eligible noncitizen, however, applicants are not required to have established legal residency in the State of Illinois. To receive benefits, applicants must be enrolled at least half time at an approved Illinois higher education institution and be making satisfactory academic progress toward a degree or certificate. Applicants for assistance do not need to demonstrate financial need.

*The dependents grant programs are entitlements, meaning an eligible applicant cannot be denied benefits.*

A police, fire, or correctional officer is considered permanently disabled for purposes of determining an applicant’s eligibility for grant aid if a mental or physical condition exists which is reasonably certain to continue throughout the lifetime of the Officer and which results in a 90 to 100 percent inability to perform any substantial or material duties previously discharged. The total annual aid awarded to a student through the dependents programs at a public institution is not to exceed the cost of tuition and fees at that institution. Benefits are limited to the full-time equivalent of eight semesters or twelve quarters of payment for all undergraduate and graduate study. The amount of aid to students at private institutions is to be sufficient to pay tuition and fees provided the award amount does not exceed the maximum amount payable to a student enrolled in the most expensive comparable program at a public institution. The dependents grants have been determined to be entitlement programs, meaning qualified applicants are entitled to the benefits and cannot be held liable for tuition and fees. The appropriation, actual expenditures, and the number of recipients for FY1994 through FY2000 for the combined programs are shown in Table 16. Discussions with ISAC's Program Services staff indicate most dependents grants recipients are enrolled full time at the undergraduate level.

**Table 16: Dependents Grants Appropriation and Spending**

| Year   | Appropriation | Expenditures | Number of Recipients |
|--------|---------------|--------------|----------------------|
| FY1994 | \$ 95,000     | \$ 73,546    | 33                   |
| FY1995 | \$ 95,000     | \$ 62,900    | 31                   |
| FY1996 | \$ 95,000     | \$ 70,273    | 30                   |
| FY1997 | \$ 95,000     | \$ 74,817    | 28                   |
| FY1998 | \$ 97,900     | \$ 85,432    | 30                   |
| FY1999 | \$ 150,000    | \$ 123,971   | 40                   |
| FY2000 | \$ 150,000    | \$ 148,894   | 47                   |
| FY2001 | \$ 150,000    | --           | --                   |

**Program Need**

The authorizing legislation for the Grant Program for Dependents of Police or Fire Officers and the authorizing legislation for the Grant Program for Dependents of Correctional Officers do not provide an explicit purpose for either of the programs. Legislative debates and transcripts concerning the original purpose of the legislation are not available for the Grant Program for Dependents of Police or Fire Officers. Legislative debates and transcripts regarding the Grant Program for Dependents of Correctional Officers indicate the program was intended to provide a benefit to survivors of correctional officers who "have made the supreme sacrifice" or who have been disabled in the line of duty. The benefit was to be provided "not because the people are rich or poor but because of what they sacrificed."

*The number of correctional facilities and correctional officers in the state is expected to grow in the near future.*

There are approximately 37,000 police officers and 47,000 fire officers in Illinois. These figures have remained steady over the past several years. There are about 10,000 correctional officers in the state and this number is expected to increase over the next two years as additional correctional facilities are opened. There were three Illinois police officer deaths and three Illinois fire officer deaths in the line of duty in 1999. No corrections officers were killed in the line of duty. Information regarding disabled officers was not available.

### **Program Issues**

*Benefits for dependents of police and fire officers are available from multiple sources.*

In addition to the Grant Program for Dependents of Police or Fire Officers, there are currently at least three other sources of postsecondary education financial assistance for dependents of Illinois police officers who are killed or disabled in the line of duty. A recently adopted Illinois statute (820 ILCS 320/15) specifies that "the State shall waive certain educational expenses which children of the deceased [firefighter, law enforcement, correctional, or correctional probation officer] incur while obtaining a vocational-technical certificate or an undergraduate education at a State supported institution." The law (625 ILCS 5/3-644) also provides for Police Memorial Committee license plates. A portion of the fee from the sales of the plates is required to be deposited in the Police Memorial Committee fund, a special fund created "for maintaining a memorial statue, holding an annual memorial commemoration, and giving scholarships to children of police officers killed in the line of duty." Finally, dependents of Illinois police officers killed in the line of duty automatically qualify to participate in the Illinois Police Corps Program, a federally-funded program administered at Western Illinois University. The Police Corps Program provides scholarships to persons pursuing a law enforcement career who agree to work for a law enforcement agency for four years after receiving assistance.

*Dependents benefits could be expanded to include dependents of persons employed in other than security positions and dependents of local correctional officers.*

There are also multiple sources of assistance for dependents of Illinois fire officers killed in the line of duty. In addition to the waiver provisions of 820 ILCS 320/15 mentioned previously, 625 ILCS 5/3-634 provides for Illinois Fire Fighters' license plates. A portion of the revenue from sales of the plates is to be deposited in the Illinois Fire Fighters' Memorial Fund. Monies in the Illinois Fire Fighters' Memorial Fund are to be used for the construction of a fire fighters' memorial. The memorial has been constructed and it is unclear if additional revenue from plate sales and renewals remains in the fund. Although not explicitly in the law, it has been suggested that the General assembly may utilize any revenues remaining in the fund to provide scholarships to the children of fire fighters killed in the line of duty.

Staff from the Illinois Department of Corrections (DOC) have expressed interest in expanding eligibility for the Grant Program for Dependents of Correctional Officers to include any DOC employee killed or disabled in the line of duty. Currently, program eligibility is limited to an employee of the DOC "assigned to a security position with the Department" with "responsibility for inmates of any correctional institutions under the jurisdiction of the Department." DOC staff feel that most DOC employees, and not just those in security positions, are exposed to inmates and are responsible for some aspect of inmate care on a daily basis. DOC staff assert teachers, food service workers, counselors,

and medical personnel all work closely with inmates and operate under risks similar to those faced by persons in security positions.

Interest has also been expressed in expanding eligibility for the Grant Program for Dependents of Correctional Officers to include local correctional officers, specifically those employed at county jails. In addition to increases in the total number of persons incarcerated at the state level, there have been significant increases in local jail populations. Local corrections officers may be responsible for similar inmate populations and face many of the same risks as state corrections officers. Local correctional authorities often have extensive responsibility for supervising persons in their communities under programs such as electronic monitoring, home detention, and work release.

## Conclusions

This review suggests the nonneed-based service recognition programs are meeting their intent. The ING Program serves as a recruitment incentive for the Illinois National Guard and helps to increase the educational level of Guard members. The IVG Program rewards veterans for military service and provides them with an educational benefit that can help them reenter the civilian economy. The dependents grants continue to provide awards to spouses and children of Illinois police, fire, and correctional officers killed or disabled in the line of duty.

One of the purposes of the process of reviewing ISAC administered nonneed-based programs was to determine if there were alternative means to achieving the purpose of the programs and if current program funds could be reallocated to programs making awards based on financial need. One possible method to do this would be to add a need-based component to the current service recognition programs. It may be the case, however, that adding a need-based component to programs designed to recognize and reward the service of veterans, National Guard members, and police, fire, and correctional officers would be considered inconsistent with the purposes of those programs.

Because several programs currently exist at the state level which address the educational expenses of dependents of police and fire officers, consideration may need to be given to combining or clarifying the various scholarship benefits available. A single benefit program might allow for more efficient administration and help the state serve the target population more effectively. Consideration should also be given to expanding dependents grants eligibility to include all Illinois Department of Corrections Employees and to include local correctional officers.

*ISAC's service recognition programs meet their purposes and are of benefit to the populations they serve.*