



# Oregon

Theodore R. Kulongoski, Governor

## Oregon Student Assistance Commission

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### NEWS RELEASE

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### FOR IMMEDIATE RELEASE

## **Oregon Opportunity Grant Adjusted for Spring Term Award reductions affect disbursements for second semester and spring quarter at 2- and 4-year campuses**

Eugene, OR— At a special meeting of the Oregon Student Assistance Commission (OSAC) on December 10, 2009, the Commissioners approved a reduction to the Oregon Opportunity Grant awards for spring term to balance a projected budget shortfall in its \$57 million budget for 2009-10.

The increased demand for the grant exceeded the program's budget, which required the Commission to reduce awards by \$120 for students enrolled full time at 2- and 4-year Oregon colleges and \$60 for students enrolled at least half time. The award reduction affects second semester and spring quarter students who applied by the August 15 deadline and received fall term awards before the December 15 disbursement deadline date. This reduction will affect up to 38,000 Oregon college students.

OSAC has seen the number of applications from students who meet general grant eligibility requirements jump nearly 29% by the end of November 2009 compared to the same time in 2008. With more than six months remaining in the 2009-10 cycle, financial aid applications from community college students alone are up another 44% over last year and we're seeing far needier students enrolling than projected.

"The national recession and high unemployment rates are contributing factors to this surge in demand. More dependent students and older, married students with families applied for and were eligible for maximum awards than anticipated," OSAC Executive Director Dennis Johnson said. "Our focus remains on helping students who need financial assistance receive the aid they need to continue a post-secondary education."

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To help manage this shortfall and continue to serve students, the Commission will submit a request to the Interim Joint Committee on Ways and Means for a supplemental allocation of \$19.7 million in General Funds for the Oregon Opportunity Grant awards for the remainder of the 2009-11 biennium.

The Commission budgeted \$57 million for the 2009-10 academic year, but has authorized awards for a projected \$66.7 million. Of the requested \$19.7 million in additional funds, \$5 million would enable the Commission to replace the mid-year cuts students will face for second semester and spring quarter of the 2009-201 academic year. This additional investment would help retain students at a time when they have few alternatives in the job market and college costs are soaring. Approximately \$15 million of the request, if approved, will help fill the budget shortfall for the 2010-11 academic year.

“Oregon has made significant advances in increasing affordability for Oregon students and families over the last four years,” Johnson continued. “Despite the reduction to spring term awards, OSAC remains committed to working with the Governor and Legislature to help make a postsecondary education affordable and accessible to every Oregonian.”

OSAC encourages students and families to continue the process of applying for financial aid by filling out the Free Application for Federal Student Aid, known as the FAFSA, as soon as possible after January 1. The FAFSA is the application that determines eligibility for federal and state aid, including scholarships and other financial aid.

The OSAC board is appointed by the Governor to oversee the agency responsible for managing a variety of state-funded and privately-funded grant and scholarship programs, including the Oregon Opportunity Grant.

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