IOWA COLLEGE STUDENT AID COMMISSION

PERFORMANCE REPORT

Performance Results Achieved for Fiscal Year 2003 - 2004

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INTRODUCTION

This is a report of the Iowa College Student Aid Commission goals and results for the fiscal year 2003 – 2004. The report is organized with an outline of the Commission vision, mission, and core functions. The vision is essentially to advocate for Iowa students and to administers scholarship, grant, loan and other related programs to help Iowa students finance their education expenses at the colleges and universities of their choice. The three core functions of *education*, *resource management*, and *research/information* are designed to support the vision and provide a means for its implementation. The *education* core includes the scholarship and grant programs administered by the Commission, while the *resource management* function includes portfolio management of funds necessary for operation as the Iowa guarantor for the Federal Family Education Loan Program. The *research* function supports both *education* and *resource management* by collecting and disseminating higher education data and special analyses.

The pages that follow include a narrative of measures selected for each core function, followed by a table that includes summary information for each agency service, product and activity.

AGENCY OVERVIEW

**Vision:** The Iowa College Student Aid Commission advocates for Iowa students and administers scholarship, grant, loan and other related programs to help students finance education expenses at colleges and universities of their choice.

**Mission:** The mission provides guiding principles that lead employees toward achievement of the vision.

* The Iowa College Student Aid Commission will be a leading voice advocating on behalf of Iowa students for:
* state scholarship and grant programs and services which promote access to, and choice among, Iowa NCA accredited colleges and universities, and
* education loans and services which promote access to, and choice among, colleges and universities, and by
* encouraging academic and financial planning for postsecondary education.
* The Commission will gather data that supports this advocacy role and share the data with state and federal public policy makers.
* The Commission will actively pursue partnerships and strategic alliances to fulfill its mission.
* The Commission will use leading edge technology to provide high quality and proactive programs and services to financial aid administrators and lenders for the benefit of students and parents.
* The Commission will be the primary administrator of state scholarships and grants, federal loan guarantees, and other related programs in Iowa.
* The Commission will strive to maintain a well financed student loan program that meets long term financial obligations and supports its mission.

**Core Functions:**

The agency’s core functions refine the mission into three general groups.

* Education (through the administration of scholarship, grant and loan programs)
* Resource Management (to ensure effective and efficient administration of the education function)
* Research Analysis and Information Management (to support policy-development and advocacy for higher education student aid)

PERFORMANCE PLAN RESULTS

## CORE FUNCTION

**Name:** Education

**Description:** The Iowa College Student Aid Commission promotes postsecondary education for Iowa students and families by administering a variety of scholarship, grant and forgivable loan programs.

**Why we are doing this:** Studies of the effect of college attendance suggest that those who have graduated from college experience greater income, and more healthy, productive lives. A study by the College Board indicated that in 2003 the average person working full-time in the United States, having a four-year degree earned 62% more than the average worker with a high school education. While earning more, those with college educations experience about one-third the average unemployment of individuals who did not graduate from high school. A longitudinal study by the College Student Aid Commission showed that income for State of Iowa Scholars, Iowa Tuition Grant, and Vocational-Technical Tuition Grant recipients is substantially greater than the estimates for individuals with high school diplomas across all 17 years of the study timeframe.

**What we're doing to achieve results:** The Iowa College Student Aid Commission administers State funded student aid programs that provide access to the college or university most suited to each student’s educational needs, as it promotes higher education participation.

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| ***Results***   |  |  | | --- | --- | | ***Performance Measure****:* Average aid per student including scholarship, grant and loan assistance.  ***Performance Target****:* The current performance target is $6,750.  ***Data Source****:* Follow-up survey of college and university financial aid administrators, with data available in the first quarter of each year. |  |   goal_gray_btm |
| **Data reliability:** College and university officials have completed the survey of financial aid each year for the last 15 years. Officials are familiar with the process and the requested data. Data are reviewed by Commission staff before the annual estimate is released. When finalized, data are considered to be reasonably indicative of the total assistance provided to students at Iowa colleges and universities. |
| **Why we are using this measure:** The average aid per student indicates Iowa families’ access to student financial aid. The average is consistent with the Commission’s role as an advocate for sufficient levels of student aid to provide access to higher education opportunities in Iowa. |
| **What was achieved:** Average aid per student is dependent upon the total financial aid available to students and the enrollment of students. Financial aid from all sources is determined by a survey conducted in the Fall of each year after completion of the fiscal year to be reported. The data for 2004 are arriving at the Commission and are expected to be available in the first quarter of 2005. |
| **Analysis of results:** An analysis of the results will be available when the data are complete. |
| **Resources used:** The funds included in the measurement are provided from Federal, State and Institutional sources.  **Services, products and activities summary:** The following table presents targets and outcomes for the services, products, and activities (SPAs) within the Education core function. |

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| **Core Function** | **Outcome Measure(s)** | **Outcome Target** | **Outcome** | **Comments** |
| **Desired Outcome(s):** |  |  |  |  |
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| **CF:** Education |  |  |  |  |

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| Families will have access to student financial aid | Average aid per student | Scholarship, grant, employment and loan sources of $6,750 per student. | $6,750 | Update will be available after completion of a survey of colleges and universities. |
| Families will not have to assume unreasonably high student loan debt. | Average scholarship, grant and work-study assistance per student  Average debt upon graduation | Scholarship and grant sources of $2,700 per student.  Average debt upon graduation of $20,000 | $2,700  $20,000 | Update will be available after completion of a survey of colleges and universities.  Update will be available after completion of a survey of colleges and universities |
| Students who excel in high school will receive meaningful recognition. | Average scholarship  Number of students attaining established scholastic standards  Number of scholars attending recognition event | Scholarship award of $400.  One percent increase in the number of scholars (12 scholars)  Have scholars attend annual recognition ceremony. | $394  1,135  464 | Students from Iowa high schools are selected for recognition as Iowa Scholars. Four hundred sixty-four were recognized at an event in Des Moines. |
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| **Services, Products, Activities** | **Performance Measures** | **Outcome Target** | **Outcome** | **Comments** |

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| **Core Function:** Education |  |  |  |
| Byrd Scholarship | Number of awards  Average award | 273 awards  Average award $1,500 | 273  $1,500 | The federally funded Robert C. Byrd Honors Scholarships follow a competitive selection process designed to reward students who demonstrate the highest levels of academic achievement and leadership. |
| PRIMECARRE | Number of awards  Average award | 20 awards  Average award $15,000 | 19 awards  Average award of $15,789 |  |
| Stafford Loan Program (GSL) | Number of borrowers  Average loan | 55,000 borrowers  Average loan $5,250 | 66,480 borrowers  Average loan  $5,640 | Growth due to increase in market share, rising cost of education and processing cycles of the Commission’s largest college and university clients. |
| Paul Douglas Teaching Scholarship | Number of awards  Average award |  |  | No additional awards are being made in this federal program. |
| Teacher Shortage Forgivable Loan | Number of awards  Average award | 500 awards  Average award $2,828 | 541 awards  Average award  $2,722 | Forgivable loan recipients agree to teach in Iowa shortage areas for at least five years. The program encourages education students to remain in Iowa after graduation. Additional awards were made because the U. S. Department of Education provided an additional $250,000. |
| Teacher Shortage Repayment |  | Included with Teacher Shortage Forgivable Loans |  |  |
| FIE Teacher Grant |  | Included with Teacher Shortage Forgivable Loans |  |  |

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| **Services, Products, Activities** | **Performance Measures** | **Outcome Target** | **Outcome** | **Comments** |

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| Leveraging Education Assist Partnership | Number of awards  Average award |  | Not Applicable | Funding from this federal program enhances state efforts under the Iowa Grant program. Iowa did not receive LEAP funds in 2003-2004 because state funding for need-based programs did not meet federal maintenance of effort requirements. |
| National Guard Benefits Program | Number of awards  Average award | 950 awards  Average award $1,340 | 752 awards  Average award  $1,384 | Funding for the Iowa National Guard Educational Assistance program demonstrates Iowa’s commitment to the men and women who serve in national security positions. Participants are eligible for educational assistance at Iowa Regent universities, Independent colleges and universities and Community Colleges. Awards were below projected because of recent troop deployments. |
| ACE Opportunity Grant | Number of awards  Average award | 125 awards  Average award $1,700 | 188 awards  Average award  $1,450 | The ACE program assists students at Iowa community colleges. Beginning in FY 2004-2005 the funds were combined with Vocational-Technical Tuition Grants to provide an increased number of awards for students in vocational programs. |
| Physician Recruitment | Number of awards  Average award | 8 awards  Average award $39,542 | 8 awards  Average award  $37,764 | Osteopathic physicians in this program provide a minimum of two years of service in underserved communities. |
| Iowa Grants | Number of awards  Average award | 2,615 awards  Average award $510 | 2,260 awards  Average award  $456 | Iowa Grants are awarded to students at Regent universities, independent colleges and universities, and community colleges. Recipients are those with the greatest need. The awards decreased below projections because of the loss of federal LEAP dollars. |
| Chiropractic Forgivable Loans | Number and value of awards | Not Applicable |  | These loans are no-longer funded. |

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| **Services, Products, Activities** | **Performance Measures** | **Outcome Target** | **Outcome** | **Comments** |

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| Foster Care Grant Program | Number of awards  Average award | 27 awards  Average award $3,074 | 28 awards  Average award  $2,737 | Foster Care Grants are provided from agency resources and federal funds available through the Department of Human Services. Twenty-eight students were served because one student who had previously withdrawn, returned to full-time attendance during this academic year. |
| Tuition Grant Program Standing | Number of awards  Statutory maximum award | Statutory maximum award of $4,000 for 16,000 students. | Actual maximum of $3,550, average of $2,829 for 15,976 students. | Iowa Tuition Grants provide access to educational opportunities and choice among programs for students at Iowa Independent colleges and universities. |
| Voc Tech Grant Standing | Number of awards  Average award | 2,770 awards  Average award $860 | 2,642 awards  Average award  $653 | Vocational Technical Tuition Grants provide assistance to students at Iowa Community Colleges who are pursuing vocational and career-option training. Programs include nursing, computer programming, and other industrial skills. Awards were below the projected amount because of a restatement and reinforcement of the definition of eligible programs. |
| College Work-Study Program | Number of awards  Average award | Not Applicable |  | The Iowa Work-Study program was not funded in 2003-2004. |
| Osteopathic Loans | Number of awards  Average award | 124 awards  Average award $2,000 | 121 awards  Average award  $2,000 | The Osteopathic forgivable loan program allows students at Des Moines University to receive loan forgiveness if they agree to practice in Iowa for at least two years after graduation. The total number of awards is dependent upon the number of Iowa resident students accepted at Des Moines University. |

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| **Services, Products, Activities** | **Performance Measures** | **Outcome Target** | **Outcome** | **Comments** |

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| Public/Private Partnership  (Farm Bureau) | Number of awards  Average Award | 88 awards  Average award of $1,000 | 181 awards  Average award of $1,133 | The outcome includes a methodology adjustment so the number now reflects the total of all students participating in the program. |
| TEB State Fair  Scholarship | Number of awards  Average award  Fund balance  Annual income for new awards | Five scholarships $930 average  Fund balance of at least 67,538  Annual income of $4,650 | Five scholarships  $930 average  Fund balance of $68,636  Annual income of $2,973 | This program recognizes Iowa students who have strong academic and leadership credentials, and who have made significant contributions to the Iowa State Fair. The program is funded from private contributions. |

PERFORMANCE PLAN RESULTS

## CORE FUNCTION

**Na****me:** Resource Management

**Description:** The Iowa College Student Aid Commission is able to promote and administer student funds for postsecondary education by effectively and efficiently administering it student loan guaranty agency resources.

**Why we are doing this:** Students receiving State scholarship and grant assistance need the assurance that all funds intended to assist them have been made available in a timely efficient and effective manner. Students using student loans need the reassurance of knowing that student loans will be available during their college years, and that repayment counseling will be available, if needed after graduation. Graduate borrowers in repayment receive counseling and collections assistance as needed, to help them to meet their student loan obligations. Fee income from the operation of the guaranty agency is available to the Commission for use in programs that affect student loan policies.

**What we're doing to achieve results:** The Iowa College Student Aid Commission monitors key indicators of ongoing scholarship and grant administration, and student loan processes.

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| ***Results***   |  |  | | --- | --- | | ***Performance Measure****:* Federal student loan program reserve fund ratio.    ***Performance Target****:* The performance target is 0.9%.  ***Data Source****: System reports from ICSAC data processor and state accounting system.* |  |   goal_gray_btm |
| **Data reliability:** System reports are managed by the Commission data processor, Sallie Mae Servicing, Inc., the largest guarantor servicer center in the country. System reports have a high degree of reliability. Fund balances are reconciled against the state on-line accounting system. |
| **Why we are using this measure:** Federal student loan statutes set the minimum reserve requirement for participating guarantors at 0.25%. |
| **What was achieved:** The Commission reserve ratio continues to be greater than the minimum requirement. |
| **Analysis of results:** The Commission is managing the gradual reduction of its federal student loan reserve ratio by continuing the long-held policy of waiving guarantee fees assessed to borrowers for Commission services. Within the next three to four years, the Commission anticipates the need to charge a modest guarantee fee (less than one-half of one percent) to maintain adequate reserves. |
| **Resources used:** Federal Student Loan Reserves.  **Services, products and activities summary:** The following table presents targets and outcomes for the services, products, and activities (SPAs) within the Resource Management core function. |

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| **CF:** Resource Management |  |  |  |  |
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| Effectively administer funds to avoid second semester award cuts. | Reserve fund ratio  Commitment less attrition  Second semester award adjustment | 1%  0%  0% | 1%  0%  2% | The second semester award adjustment occurred because more students were eligible and there was a reduction in the state appropriation. |
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| Maintain sound student loan operation that provides sufficient resources to sustain agency operations and minimize student charges. | Federal Student Loan Program Fund Ratio  Student Charges  Market Share | 1.0% at FY-end  Zero  35 Iowa colleges and universities | 0.98% at FY-end  Zero  35 Iowa colleges and universities | The Commission maintained a strong reserve fund ratio throughout FY 2003 – 2004, permitting the extension of its policy to waive the allowable one percent guarantee fee chargeable to student loan borrowers. The fee waiver saved Iowans nearly $3.75 million if FY 2003 – 2004 |
| Students, parents, financial aid administrators, and lenders have access to a wide array of quality services made possible by utilizing technology to its fullest potential. | Number and scope of new and expanded web-based products and services. | One new product/service  Two expanded products/services | One new product/service  Two expanded products/services | The Commission launched its new school-based software, called “iSBS”, in FY04. iSBS allows college and university financial aid officials to transmit electronic loan application and change data to the Commission in a secured environment from their desk-top PCs |

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| **Services, Products, Activities** | **Performance Measures** | **Outcome Target** | **Outcome** | **Comments** |

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| **Core Function:** Resource Management |  |  |  |

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| Stafford Loan Program Administration | Operating Fund Reserve Ratio (Fund Balance / Total Outstanding Portfolio)  New Loan Volume (Net)  Total Defaulted Loan Collections  Loan Rehabilitations | 1.0% at FY-End  $310 million  $35.5 million  $5.5 million | 1.06% at FY-End  $375 million  $35.0 million  $7.2 million | FY2003 - 2004 loan volume exceeded the previous year by over 27 percent, helping the Commission maintain a healthy operating fund reserve ratio. Loan rehabilitations increased 16 percent, with 918 borrowers benefiting from this program in FY2003 – 2004. |
| Default Reduction Account | Default Claims Paid  Default Aversion Cures | Reduce by 5%  Increase Common Cure Rate from 88% to 90% | Increased by 6%  88.4% | Steady growth in new loan volume is slowly driving up default claims, however default aversion cures are up slightly. |
| Scholarship and Grant Admin | Scholarship and grant expenditures | $295,000 | $299,503 | The change is due to a combination of salary adjustments and appropriation level adjustments. |
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PERFORMANCE PLAN RESULTS

## CORE FUNCTION

**Name:** Research Analysis and Information Management

**Description:** The Iowa College Student Aid Commission is able to advocate for, and administer student aid funds by effectively and efficiently collecting, distributing and utilizing higher education data.

**Why we are doing this:** Effective and efficient administration is dependent upon the ability of the organization to gather and utilize data-based decision-making techniques. Effective public policy development and advocacy are dependent upon the availability of objective data from the organization’s external and internal environments.

**What we're doing to achieve results:** Commission research staff coordinate state and national higher education data to make needed objective data available to Iowa policy-makers. The Commission maintains an Iowa higher education database from which reports are generated and published in the *Information Digest of Postsecondary Education in Iowa*. Data from the Special studies of existing databases and the administration of special surveys target important areas of needed data. The reports are available on the internet at <http://www.iowacollegeaid.org/researchers/index.html>. Information from the external databases, surveys and internal process control functions are an essential part of the management process and goal to maintain a strong guaranty agency and an effective administration of scholarship and grant programs.

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| ***Results***   |  |  | | --- | --- | | ***Performance Measure****:* Number of Information Digests available on the internet.    ***Performance Target****: Publish an information Digest on-line at* [*http://www.iowacollegeaid.org/researchers/index.html*](http://www.iowacollegeaid.org/researchers/index.html)*.*    ***Data Source****:* Commission Staff. |  |   goal_gray_btm |
| **Data reliability:** Data published in the *Information Digest* vary in both availability and reliability. Implementation of new reports, including the new report on student loan debt require several years of development and testing. Data for established reports like the summaries of student financial aid have been collected for many years, with some series’ dating to 1976. Data in long-term series’ are known to be highly reliable. |
| **Why we are using this measure:** Availability of the *Information Digest* reflects availability of a wide variety of objective data about higher education activity in the state of Iowa. |
| **What was achieved:** Publication of the *Information Digest* was suspended for several years as the Commission staff upgraded and reconfigured the higher education database using new Microsoft™ software systems. The goal of the reconfiguration process was to make the publication widely available on-line. At the same time, Commission staff created new on-line survey forms for all higher education surveys administered by the Commission. Development of the new surveys was intended to make the process more timely, efficient and reliable. Both the publication and the on-line form development projects were completed during the FY 2002-2003 year. |
| **Analysis of results:** The intended results were achieved. |
| **Resources used:** Federal Student Loan Program/State Administrative Funds.  **Services, products and activities summary:** The following table presents targets and outcomes for the services, products, and activities (SPAs) within the Research Analysis and Information Management core function. |

| **Services, Products, Activities** | **Performance Measures** | **Outcome Target** | **Outcome** | **Comments** |
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| **Core Function:** Research Analysis and Information Management |  |  |  |

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| Higher education database | Availability and publication of higher education data collection and storage infrastructure | Have an on-line data entry system in place by September, 2003  Publication by December 2003 | On-line data entry system is in place and publication has been completed | The on-line data entry system is available at <http://www.iowacollegeaid.org/researchers/index.html> |
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| Information Digest | Publication of annual digest | Publication by December, 2003 | Publication completed | Publications are available at <http://www.iowacollegeaid.org/researchers/index.html> |
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| Research Report(s) supporting advocacy role. | Publish longitudinal study report  Publish other pertinent studies | Publish at least one study that addresses current or emerging student aid and higher education issues | Study published on the internet | Publications are available at <http://www.iowacollegeaid.org/researchers/index.html> |

AGENCY CONTACTS

Copies of Iowa College Student Aid Commission Performance Report are available on the Iowa College Student Aid Commission web site at [www.iowacollegeaid.org](http://www.iowacollegeaid.org) Copies of the report can also be obtained by contacting Dr. Keith Greiner at 515-242-3390.

Iowa College Student Aid Commission

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