

North Dakota University System

2019 Annual Report ND Academic and Career & Technical Education Scholarships



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Executive Summary

The ND Academic and ND CTE scholarships are state merit-based awards aimed at increasing high school rigor and retaining college students in North Dakota. High school students can receive up to \$6,000 under the program by completing specific high school curriculum and fulfilling grade point average and testing score requirements. This annual report provides detailed information about the scholarship program since its inception in 2009.

- The state has committed over \$96 million in scholarships to 16,099 students. [Table 1]
- North Dakota students have received more than \$51 million in scholarship disbursements. [Chart 2] The majority of these award were made at the research institutions (63%), with an additional 14% at public four-year, 12% at public two-year and the remaining 11% at the private and tribal colleges in the state. [Chart 3]
- 20% of graduating seniors have been awarded a scholarship since inception. Over the last three years, an average of 24% of seniors have qualified. [Table 1]
- 16,099 seniors have qualified for the scholarship over the span of 10 cohorts. [Table 1]
 - 9,703 (60%) received the Academic scholarship. [Chart 1]
 - 6,396 (40%) received the Career & Technical Education scholarship. [Chart 1]
- Scholarships are distributed across the state, with most of the recipients coming from the larger urban areas. [Table 2]
- The top scholarship-producing counties as a percentage of seniors are Logan (45%), Towner (40%), Foster (39%) and Eddy, Wells and Richland (37%). [Table 2]
- Approximately 51% of total awardees remain eligible for the scholarship. [Table 3; Chart 4]
 - 3,495 (22%) students have been paid in full at \$6,000.
 - 1,724 (11%) have been suspended from program for not maintaining academic progress based on cumulative GPA.
 - 2,595 (16%) scholarships expired (beyond 6 years) without receiving the full award of \$6,000.
 - 8,285 (51%) are still currently eligible for payment under the scholarship program.
- Based on historical projections, the number of students qualifying, as well as the disbursement of awards to eligible students is expected to grow. [Table 5 and 6]

Current Year Highlights:

- 1,868 (23%) of 2019 high school seniors qualified for the scholarships. This is the largest cohort since the scholarship was first awarded.
- 49 counties reported at least one scholarship recipient.
- 5,025 students attending ND institutions of higher education as full-time students received a scholarship disbursement in fall 2019. This is nearly the same as the same reporting period in 2018. [Table 4]
- Scholarships recipients received payments at the following institutional categories in fall 2019. [Table 4]
 - \$2.34 million (62%) at the state research universities, slightly down from 2018;
 - \$.54 million (14%) at public four-year universities, an increase from 2018;
 - \$.48 million (13%) at two-year public, an increase from 2018;
 - \$.39 million (10%) at private institutions, unchanged from 2018;
 - \$.01 million (.4%) at tribal colleges, unchanged from 2018.

Program Overview

Two merit-based scholarships have been awarded to high school seniors since 2009, the North Dakota Academic scholarship and the North Dakota Career & Technical Education (CTE) scholarship. The scholarships are designed to increase high school rigor and retain college-bound students in North Dakota. Specific high school curriculum, grade point average and testing score requirements are required to earn these merit-based scholarships. The program is authorized in N.D.C.C. § 15.1-21-02.4 through 15.1-21-02.9.

Students who meet the requirements and who apply with the ND Department of Public Instruction are awarded a \$6,000 scholarship, either the ND Academic or the CTE scholarship. Awards may not exceed \$750 per semester or \$500 per quarter. Recipients have up to 6 years following high school graduation to fully utilize the scholarship at a qualifying North Dakota institution. The scholarship may be used for graduate/professional studies and summer terms, provided all other eligibility criteria are met.

Program Administration

The ND Academic and ND CTE scholarships are administered jointly by the ND Department of Public Instruction (DPI) and the North Dakota University System (NDUS). Through the Agency Administrative Agreement, DPI is responsible for the application process, including advertising, application, verifying accuracy of applications (includes ACT and WorkKeys scores, high school grade point average (GPA), course work, and graduation requirements), and notifying recipients of their initial scholarship eligibility.

NDUS is responsible for post-award activities, including student communications, notifying financial aid offices of a recipient's scholarship eligibility, verifying eligibility prior to disbursement, distributing scholarship payments to respective colleges and universities, tracking student transfers, verifying eligibility requirements for renewal purposes, and maintaining fiscal files and reporting.

Disbursement Requirements

To qualify for a disbursement under the scholarship program, students must meet all the following requirements:

- Enroll full time at a qualifying institution of higher learning within North Dakota;
- Maintain a 2.75 cumulative grade point average, based on a 4.00 scale; and
- Maintain degree progress.

Full time enrollment for the purpose of the scholarship has the same meaning as is defined by the institution for financial aid purposes. Prior to 2017, full time was set at a minimum of 15 credits per term, with very few exceptions. The 2017 Legislative Assembly modified this requirement for greater flexibility. As a condition of changing the 15-credit rule, however, "degree progress" requirements were instituted.

Degree progress is measured by cumulative credits earned. To qualify for a subsequent payment, students must have earned a minimum number of cumulative credits. Tracking earned credits rather than simply measuring enrollment provides more assurance that students who receive payments under the scholarship are on track to graduate timely, and rewards students for completion rather than simply for enrollment. Additionally, tracking earned credits provides flexibility in how and when students earn their credits, such as dual credit in high school, summer coursework, and terms where enrollment exceeds the minimum requirement. Students who do not meet the degree progress requirements do

not lose scholarship eligibility, but rather, must wait for the next payment until the minimum number of earned credits has been attained. Degree progress is defined as follows for the purposes of scholarship eligibility.

Anticipated Payment #	# of cumulative credits earned needed to qualify for the payment
Payment #1	n/a – Must enroll “full time”
Payment #2	n/a – Must enroll “full time”
Payment #3	Must have earned 24 cumulative credits
Payment #4	Must have earned 39 cumulative credits
Payment #5	Must have earned 54 cumulative credits
Payment #6	Must have earned 69 cumulative credits
Payment #7	Must have earned 84 cumulative credits
Payment #8	Must have earned 99 cumulative credits

In addition to enrolling full time and maintaining degree progress, students must maintain a 2.75 cumulative GPA for renewal of the scholarship. This criterion is monitored following each term in which a disbursement of the scholarship is made for a student. If a student’s cumulative GPA falls below 2.75, the student will be given one probationary term to bring the cumulative GPA to 2.75 or higher. The scholarship will be suspended if the student fails to meet the GPA requirement following the probationary term.

The 2019 Legislative Assembly added a special exemption category for students in their final semester to graduate. Students who still have scholarship eligibility and who do not require full time credits to graduate, may request a special exemption to override the full-time requirement. This exception only applies to the student’s final semester to graduate and may only apply once over the lifetime of the scholarship. Student must request this override from the NDUS to have it apply. In fall 2019, this change benefited 9 students.

Students may use the scholarship at the following institutions within North Dakota. Qualifying institutions must be accredited, and procedure further defines eligible institutions as those offering programs of at least two years in length.

STATE RESEARCH UNIVERSITIES

North Dakota State University
University of North Dakota

STATE 4-YEAR UNIVERSITIES

Dickinson State University
Mayville State University
Minot State University
Valley City State University

TWO-YEAR STATE COLLEGES

Bismarck State College
Dakota College at Bottineau
Lake Region State College
North Dakota State College of Science
Williston State College

PRIVATE COLLEGES

Rasmussen College – Fargo
Trinity Bible College
University of Jamestown
University of Mary

TRIBAL COLLEGES

Cankdeska Cikana Community College
Nueta Hidatsa Sahnish College
Sitting Bull College
Turtle Mountain Community College
United Tribes Technical College

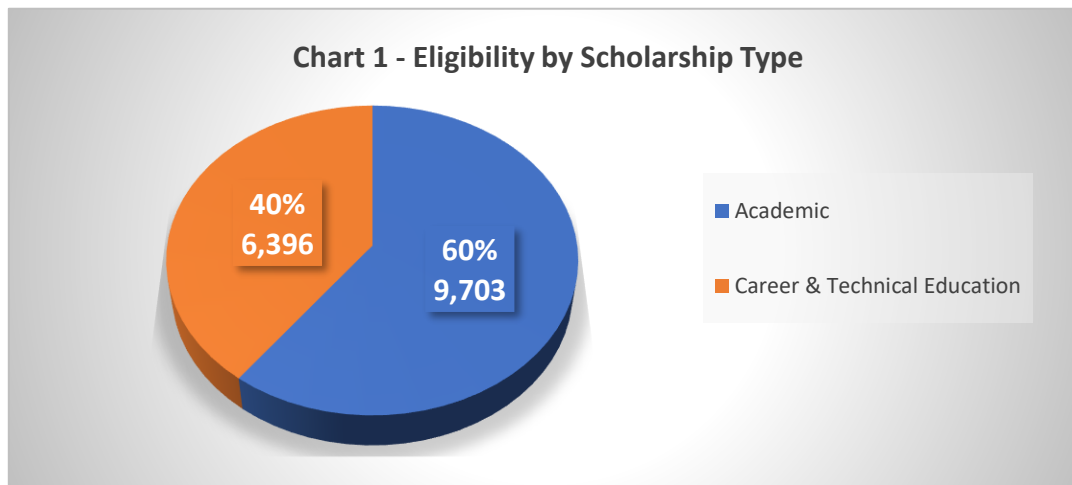
Student Eligibility

Awards under the ND Academic and CTE scholarships have been made since the 2010-11 academic year. Since that time, ten cohorts of high school seniors have worked during their high school career toward attainment of the scholarships. Since inception, 20 percent of high school seniors have qualified. A more recent three-year average shows that 24 percent of seniors have qualified, as is reflected in the following chart. This points toward an upward trend in eligibility. To-date, 16,099 students have qualified for the \$6,000 award, which translates into a state commitment of \$96.6 million.

Table 1			
High School Seniors Meeting the Scholarship Requirements			
Cohort	# of Total Seniors State-Wide	# of Student Awarded the Scholarship	% of Seniors Eligible
2019	7,962	1,868	23%
2018	7,723	1,861	24%
2017	7,752	1,782	23%
2016	7,856	1,668	21%
2015	7,839	1,724	22%
2014	7,768	1,557	20%
2013	8,398	1,499	18%
2012	7,994	1,350	17%
2011	8,674	1,201	14%
2010	7,677	1,589	21%
TOTAL	79,643	16,099	20%

Distribution of Scholarships

Approximately 60 percent of recipients qualify for the ND Academic scholarship and 40 percent for the CTE scholarship. While the number of ND Academic scholarship has outpaced the CTE scholarships by up to a 3:1 margin, the number has been nearly equal in the past two years. In 2018, 958 Academic scholarships and 903 CTE scholarships were awarded. In 2019, 968 Academic scholarship and 900 CTE scholarships were awarded.

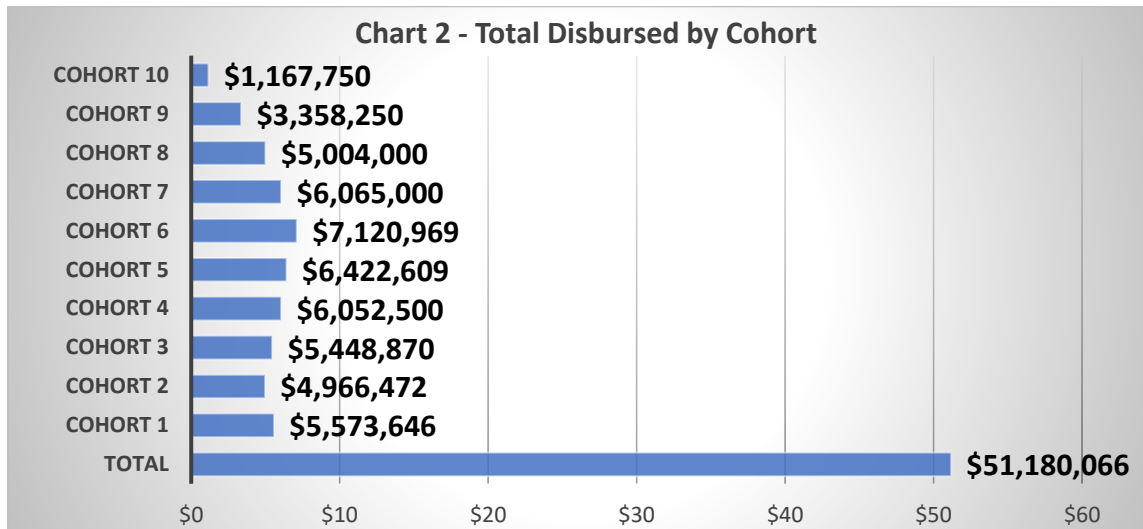


Distribution of the scholarship eligibility across the state is broad but awards are more concentrated in urban areas. Only three counties have had zero recipients, and two of those (Billings and Slope) have not produced seniors (DPI-reported data.) The top six scholarship-producing counties as a percentage of seniors are Logan (45%), Towner (40%), Foster (39%) and Eddy, Wells and Richland (37%). The most recipients come from the urban center counties of Cass, Burleigh, Grand Forks, Ward, and Stark.

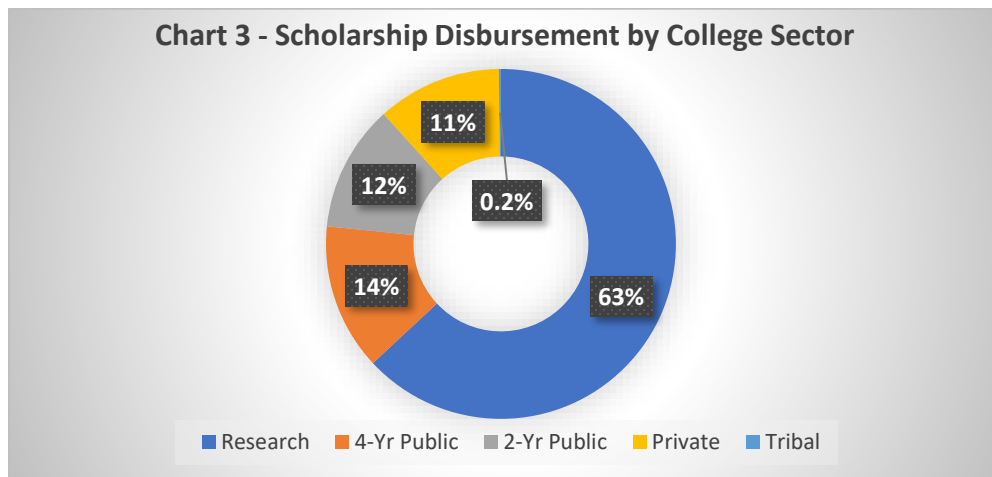
County	# of Senior by County (DPI reported)	# Academic Recipients	# CTE Recipients	Total Recipients	% of Seniors Qualifying
ADAMS	214	7	15	22	10%
BARNES	1,238	166	147	313	25%
BENSON	830	19	53	72	9%
BILLINGS	0	0	0	0	0%
BOTTINEAU	684	70	105	175	26%
BOWMAN	443	66	63	129	29%
BURKE	228	20	49	69	30%
BURLEIGH	10,015	1,469	610	2,079	21%
CASS	17,798	2,306	489	2,795	16%
CAVALIER	410	33	66	99	24%
DICKEY	629	89	94	183	29%
DIVIDE	209	12	48	60	29%
DUNN	355	17	63	80	23%
EDDY	267	54	46	100	37%
EMMONS	490	62	50	112	23%
FOSTER	445	97	77	174	39%
GOLDEN VALLEY	262	23	45	68	26%
GRAND FORKS	6,697	854	370	1,224	18%
GRANT	235	14	24	38	16%
GRIGGS	297	34	24	58	20%
HETTINGER	334	30	62	92	28%
KIDDER	300	32	33	65	22%
LAMOURE	464	49	101	150	32%
LOGAN	276	5	118	123	45%
MCHENRY	728	86	123	209	29%
MCINTOSH	301	41	30	71	24%
MCKENZIE	819	48	26	74	9%
MCLEAN	1,171	127	149	276	24%
MERCER	1,021	158	174	332	33%
MORTON	3,211	309	233	542	17%
MOUNTRAIL	973	41	49	90	9%
NELSON	361	43	52	95	26%
OLIVER	156	25	11	36	23%
PEMBINA	887	117	104	221	25%
PIERCE	492	101	40	141	29%
RAMSEY	1,469	147	128	275	19%
RANSOM	725	73	113	186	26%
RENVILLE	439	59	32	91	21%
RICHLAND	1,769	323	332	655	37%
ROLETTE	2,259	78	116	194	9%
SARGENT	556	100	97	197	35%
SHERIDAN	91	11	8	19	21%
SIOUX	536	0	0	0	0%
SLOPE	0	0	0	0	0%
STARK	3,273	463	504	967	30%
STEELE	280	29	52	81	29%
STUTSMAN	2,137	301	239	540	25%
TOWNER	206	36	46	82	40%
TRAILL	1,021	156	145	301	29%
WALSH	1,268	159	118	277	22%
WARD	6,793	694	524	1,218	18%
WELLS	444	69	96	165	37%
WILLIAMS	3,137	270	83	353	11%
Other (Homeschool)	Unknown	111	20	131	-
TOTAL	79,643	9,703	6,396	16,099	20%

Disbursements of Scholarships

As of this report date, NDUS has disbursed a total of \$51,180,066 in scholarship dollars since program inception. This equates to 51 percent of the total state-committed dollars. The disbursements were provided to 14,316 individual students, which means 89 percent of all eligible (16,099) recipients received at least one payment.



Students can utilize the scholarship at all the state colleges and universities, state tribal colleges and four private institutions in North Dakota. Approximately 63 percent of disbursements have been made at the state research universities, 14 percent at the public 4-year universities, 12 percent at public 2-year colleges, and the remaining 11 percent at the state private and tribal colleges and universities.



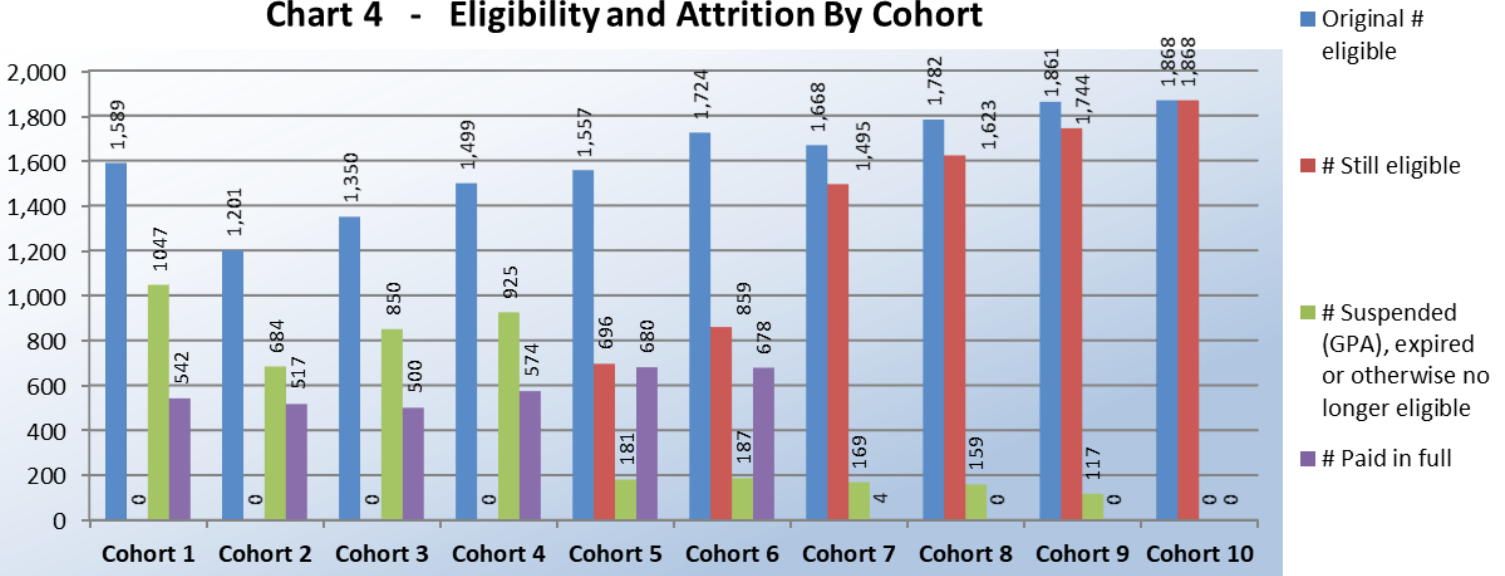
Since the scholarship can only be used for 6 years beyond high school graduation, eligibility for the first four cohorts has now expired. Of these four expired cohorts, 5,137 (91%) students who initially qualified for the scholarship, received a disbursement on the award and 2,133 (38%) received the full \$6,000 award.

Scholarship Attrition and Continuing Eligibility

The NDUS is currently tracking 8,285 students in 6 cohorts that have continuing eligibility under the scholarship program. The first four cohorts have exceeded 6 years and are considered expired under this program. A total of 3,495 (22%) of the initial 16,099 eligible have received full payment of \$6,000 under the scholarship. An additional 1,724 (11%) have not met the GPA requirements of the scholarship and have been suspended, and 2,595 (16%) have expired (beyond 6 years) but were not paid in full or suspended.

Table 3 Scholarship Attrition & Continuing Eligibility		
Total Scholarships Awarded		16,099
Suspended Scholarships	#	1,724
	%	11%
Paid Full \$6,000	#	3,495
	%	22%
Expired (past 6 yrs) but NOT Paid in Full or Suspended	#	2,595
	%	16%
Still Eligible	#	8,285
	%	51%

Chart 4 - Eligibility and Attrition By Cohort



Current Year Awards

The 2019 cohort of new scholarship recipients (1,868) is the largest group of recipients since program inception. Forty-nine counties in the state produced scholarship recipients. The 2019 cohort of ND Academic and CTE scholarship awardees accounted for 23% of total high school seniors. These new recipients received 40% of the total funds awarded in fall 2019 at ND colleges and universities.

Fall 2019 disbursements totaled \$3,768,500. These dollars were paid to 5,025 students, with most awards disbursed to the two state research universities (62%.) The public 4-yr and public 2-yr institutions accounted for between 13% - 14% of total awards; private institutions 10%, and tribal colleges accounted for just under .5% of total awards. This distribution is consistent with prior years.

2019-20 Awards (as of fall 2019)												
Table 4	Research		4-Yr Public		2-Yr Public		Private		Tribal		TOTAL	
	# and \$(in millions)	% of total \$	# and \$(in millions)	% of total \$	# and \$(in millions)	% of total \$	# and \$(in millions)	% of total \$	# and \$(in millions)	% of total \$	# and \$(in millions)	% of total \$
Academic Scholarship	2,142	43%	296	6%	169	3%	319	6%	2	0.04%	2,928	58%
	\$1.61		\$.22		\$.13		\$.24		\$.002		\$2.20	
CTE Scholarship	977	19%	429	9%	474	9%	201	4%	16	0.32%	2,097	42%
	\$.73		\$.32		\$.36		\$.15		\$.012		\$1.57	
TOTAL	3,119	62%	725	14%	643	13%	520	10%	18	0.36%	5,025	
	\$2.34		\$.54		\$.48		\$.39		\$.014		\$3.77	

Scholarship Projections and Appropriation Levels

Over the past 3 years, an average of 985 seniors annually have earned the ND Academic scholarship and 852 the CTE scholarship, which equates to an average of 24% of all graduating seniors.

In the 2019-21 biennium, disbursements are projected to be \$15.6 million, which is an increase of 6% from the previous biennium. Historical program data indicates the number of qualifying students and resulting expenditures will continue to increase.

As reported to the 2019 Legislative Assembly, a \$2.8 million shortfall is anticipated for the 2019-21 biennium. The NDUS 2021-23 appropriation request will ask that additional funds be provided through a deficiency appropriation or another budget method.

Biennium Scholarship Expenses (in millions)								
Table 5	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21 est.	2021-23 est.	2023-25 est.
Academic	\$1.43	\$4.88	\$7.46	\$8.21	\$9.12	\$9.13	\$9.82	\$10.06
CTE	\$.44	\$2.09	\$3.73	\$4.47	\$5.58	\$6.47	\$7.11	\$7.21
Total	\$1.87	\$6.97	\$11.19	\$12.68	\$14.70	\$15.60	\$16.93	\$17.27
% Change	-	273%	61%	13%	16%	6%	9%	2%

Scholarship Appropriations (in millions)								
Table 6	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23	2023-25
Appropriations	\$3.00	\$10.00	\$10.00	\$13.13	\$12.02	\$12.02		