
North Dakota University System

2021 Annual Report ND Academic and Career & Technical Education Scholarships



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Report 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 test score requirements. This annual report provides detailed information about the scholarship program since inception.

- A total of 19,884 students have qualified for the ND Academic and CTE scholarships. [Table 1]
- Twenty-four percent of seniors have qualified for the scholarship since 2017, 21% since inception. [Table 1]
- North Dakota students have received more than \$66.0 million in scholarship disbursements. [Chart 1]
- Disbursements have been provided to all institution types in North Dakota.
 - 62% at state research universities
 - 14% at 4-year public universities
 - 12% at 2-year public universities
 - 12% at state private and tribal colleges and universities
- The average amount disbursed for cohorts 5-8 (\$6.9 million) outpaced the average disbursed for the first four cohorts (\$5.5 million), reflecting an increase in eligibility and usage of the scholarship awards. [Chart 1]
- Since inception, 17,651 students (89%) have received at least one payment of the scholarship. This equates to an average of \$3,741 per recipient.
- Awards of the CTE scholarship have outpaced the Academic scholarship the past two years. Of qualifying recipients, 58% received the Academic scholarship and 42% received the CTE scholarship since inception. [Chart 2 & Table 3]
- Scholarships are distributed across the state, with most of the recipients coming from the larger urban areas due to the higher number of students in these areas. [Chart 3]
- Of the 19,884 students eligible,
 - 8,587 (43%) still have remaining scholarship eligibility;
 - 5,117 (26%) have been paid in full at \$6,000;
 - 6,180 (31%) have been suspended from program for either not maintaining the required GPA or not fully utilizing the award within 6 years of high school graduation. [Chart 4]
- Disbursements in the 2021-23 biennium are expected to be \$16.1 million. Since inception, \$76.3 million has been appropriated to this scholarship program. [Table 2]
- Initial analysis shows that scholarship recipients are retained in ND at a higher rate than non-scholarship recipients. [Chart 5 and Table 4]

Program Overview

The ND Academic and ND Career & Technical Education (CTE) scholarships have been awarded to ND high school graduates since the 2010-11 academic year. The scholarships are designed to increase high school rigor and retain post-secondary 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 15.1-21-02.10.

Students who meet the requirements and who apply with the ND Department of Public Instruction are awarded a \$6,000 scholarship. Students can qualify for 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 eligibility criteria are met.

The 2021 Legislative Assembly made amendments to the eligibility criteria that reflect the dynamic nature of education.

SB2136:

- Eligibility added for students enrolled in vocational programs of study at clock-hour schools. Students enrolled in short-term career and technical programs at accredited ND institutions can now receive payment of their award.
- Modifies the CTE scholarship requirement whereby Integrated Math II or Integrated Math III may replace the Algebra II requirement and changes the General Education Teacher pathway from 3 credits to 2 credits.

SB2141:

- Adds the ability for students to qualify for the scholarship with not only ACT and WorkKeys scores, but also equivalent SAT scores.

HB1135:

- Adds language to allow students to qualify for the scholarship based on proficiency-based grades, provided these grades are the equivalent of a C grade or higher.

SB2289:

- Provides the broadest change to the program requirements since inception. This bill re-defines eligibility criteria for students to earn the scholarship, creating a new program called the ND scholarship. The new criteria align with Choice Ready requirements but are more rigorous than the Choice Ready requirements. Students that earn the scholarship will also graduate Choice Ready, but not all students that graduate Choice Ready will earn the scholarship. Students will be able to earn the Academic, CTE or the new ND scholarship through the 2024 graduating class. Beginning with the graduating class of 2025, all students will be evaluated for the ND scholarship criteria only.

HB1083:

- Waives the required letter grade of C or better for any class taken during the second semester of the 2019-20 school year. This one-time waiver acknowledges the potential impact on students due to the quick adjustment to distance learning at the beginning of the pandemic.

Program Administration

The program is jointly administered by the ND Department of Public Instruction (DPI) and the North Dakota University System (NDUS). Through the Administration and Data-Sharing Agreement, the agencies define their respective roles.

- DPI is responsible for the application process, including promotion and advertising, guidance and assistance to high schools, application creation and collection, verifying accuracy of application data, course work, and graduation requirements. DPI also notifies recipients of their initial scholarship eligibility.
- NDUS responsibilities include post-award activities, including student payment and eligibility communications, notifying financial aid offices of a recipient's scholarship eligibility, verifying eligibility prior to disbursement, distributing scholarship payments to institutions, 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:

1. Enroll full time at a qualifying institution of higher learning within North Dakota.
 - Full time enrollment for the purpose of the scholarship has the same meaning as is defined by the institution for financial aid purposes.
 - Students who still have scholarship eligibility and who do not require full time credits to graduate, may request a special exemption to waive 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. Students must request this override from the NDUS financial aid office.
2. Maintain a 2.75 minimum cumulative grade point average, or equivalent.
 - In addition to enrolling full time, students must maintain a minimum GPA, or equivalent grade (i.e., percentage-based grades), 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 GPA, or equivalent grade, falls below 2.75, the student will be given one probationary term to bring it back to the required minimum. The scholarship is permanently suspended if the student fails to meet the GPA requirement a second time.
3. Maintain program completion progress.
 - To qualify for a subsequent payment, students must establish their program completion progress by earning a minimum number of credits or clock hours.
 - Tracking earned credits or clock hours, rather than simply measuring current enrollment provides more assurance that students who receive payments under the scholarship are on track for a timely completion, and rewards students for completion rather than simply for enrollment.

- Tracking progress in this manner also provides flexibility in how and when students earn their credits or clock hours, such as dual credit in high school, summer coursework, and terms where enrollment exceeds the minimum requirement.
- Students who do not meet the progress requirements do not lose scholarship eligibility, but rather, must wait for the next payment until the minimum number of earned credits or clock hours has been attained.

Student Eligibility and Disbursement

Students may use the scholarship at the following accredited institutions within North Dakota. The 2021 Legislative Assembly amendments provide the opportunity for students to utilize the award at accredited ND career and technical institutions.

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
ND State College of Science
Williston State College

PRIVATE COLLEGES

Rasmussen University – 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

CAREER & TECHNICAL SCHOOLS (starting 7/1/21)

Josef’s School of Hair, Skin & Body (Fargo & Grand Forks)
Lynnes Welding Training (Fargo & Bismarck)
The Salon Professional Academy (Fargo)
The Hair Academy (Bismarck)

Twelve cohorts of ND resident students have worked during their high school career toward attainment of the Academic or CTE scholarships. Since program inception, 21% of high school seniors have qualified. The average over the past 5 years is 24% qualifying. This points toward an upward trend in eligibility. To-date, 19,884 students have qualified for the \$6,000 award. The 2021 cohort was the largest yet, with 1,903 eligible (Table 1).

Table 1 - ND High School Seniors Meeting the Scholarship Requirements			
Cohort	# Seniors	# Eligible	% Seniors Eligible
2021	8,081	1,903	24%
2020	7,874	1,861	24%
2019	7,962	1,882	24%
2018	7,723	1,865	24%
2017	7,752	1,784	23%
2016	7,856	1,669	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	95,598	19,884	21%

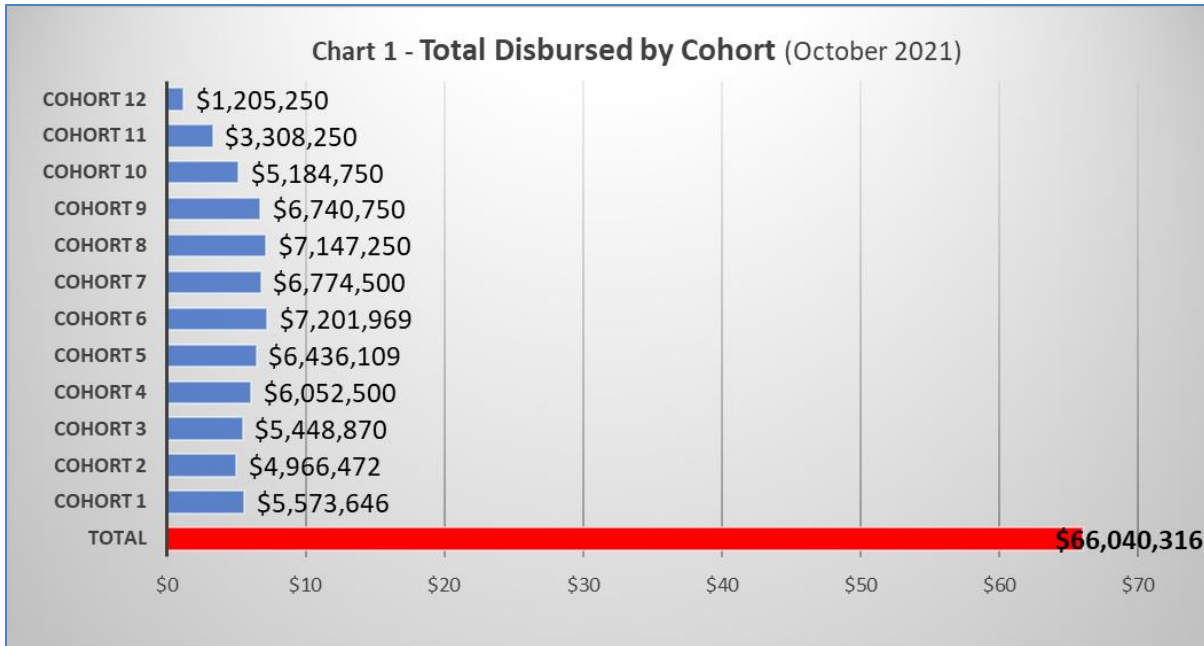
In addition to the number of eligible students increasing, usage of the scholarship is also showing an upward trend. The average total dollars disbursed for the first four cohorts was \$5.5 million. The subsequent four cohorts' disbursements total \$6.9 million, with students still earning the award in two of these cohorts. Both the increased qualifiers in high school and the rise in overall disbursements, point toward an increased program cost in the future as more students earn and take advantage of this award. Additionally, amendments to the program by the 2021 Legislative Assembly will have to be monitored to determine the impact, if any, on qualifying students and program expenses.

A shortfall to program funding in the 2019-21 biennium required the NDUS to request a transfer of \$2.5 million from the need-based ND state grant to cover the ND Academic and CTE scholarship commitments. The shortfall was the result of increased awards and disbursements, plus an underfunded appropriation level for the biennium. The ending 2019-21 biennial awards totaled just over \$14.8 million with carry-over of \$.4 million. The 2021 Legislative Assembly appropriated \$16.2 million to cover disbursements in 2021-22 and 2022-23. As of this report date, it is estimated that 2021-23 biennial awards will total \$16.10 million (Table 2).

Table 2	Biennial Scholarship Appropriation and Disbursement Levels (in millions)						
	2009-11	2011-13	2013-15	2015-17	2017-19	2019-21	2021-23
Appropriation (post-allotment)	\$3.00	\$10.00	\$10.00	\$13.10	\$12.00	\$12.00	\$16.20
Fund Transfer to Cover Shortfall	-	-	-	-	-	\$2.50	-
\$ Disbursed	\$1.87	\$6.97	\$11.19	\$12.68	\$14.70	\$14.84	\$16.10
Award Growth	-	273%	61%	13%	16%	1%	8%

*Est. as of October 2021

Awards disbursed as of October 2021 total \$66 million (Chart 1). A total of 17,651 students have received at least one disbursement of the scholarship since inception. This is an average of 89% of recipients utilizing the award, with an average award of \$3,741 per recipient. Disbursements in the fall 2021 semester, as of this report date, total \$3,803,250, paid to 5,071 students. This is a 1% increase from the same reporting period last year.



Distribution of Scholarship Awards

Of high school seniors qualifying for the scholarship, approximately 58% have received the ND Academic scholarship and 42% the CTE scholarship. While the number of ND Academic scholarships have outpaced the CTE scholarships, 2020 was the first year where the opposite was true. Academic scholarships have been on a decline while the CTE awards have increased over the past 2 years, as represented in Chart 2. Table 3 that follows shows the distribution by scholarship type for each cohort.

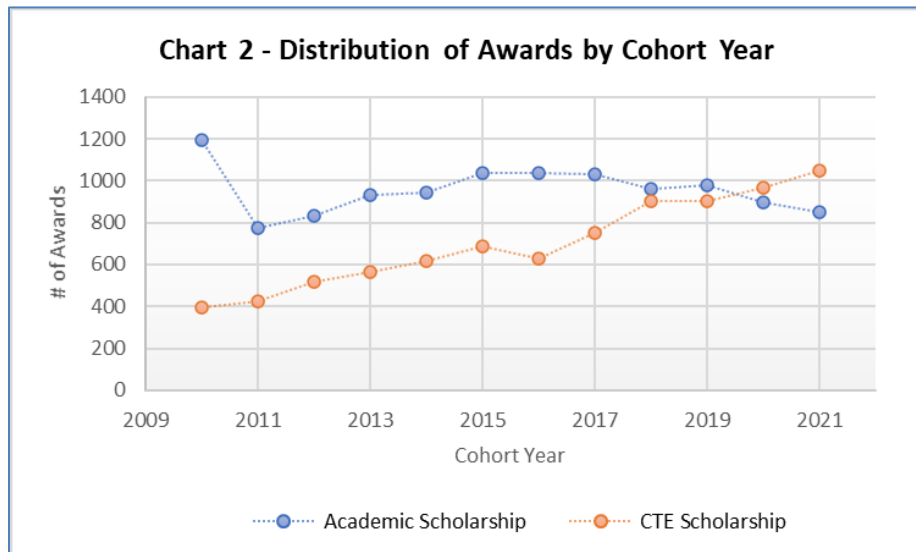
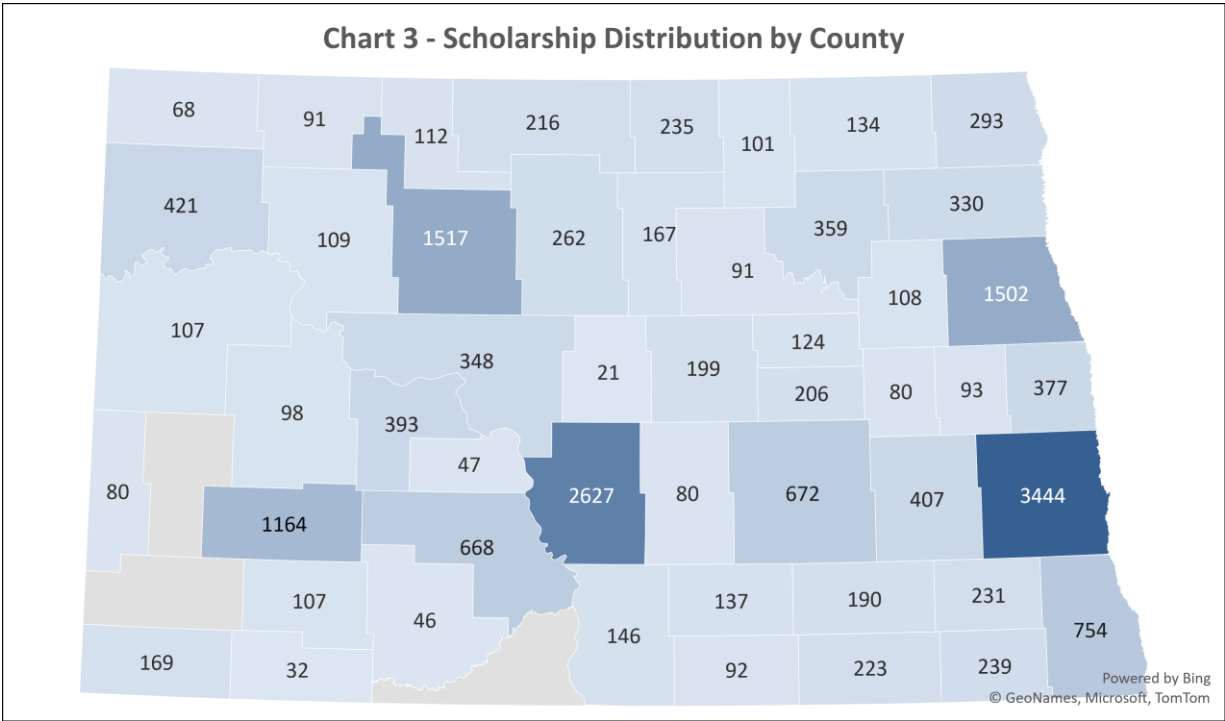


Table 3 – Eligibility by Scholarship Type		
Cohort Year	Academic Scholarship	CTE Scholarship
2021	853	1,050
2020	896	965
2019	979	903
2018	961	904
2017	1,032	752
2016	1,038	631
2015	1,036	688
2014	942	615
2013	932	567
2012	830	520
2011	777	424
2010	1,193	396
TOTAL	11,469 = 58%	8,415 = 42%

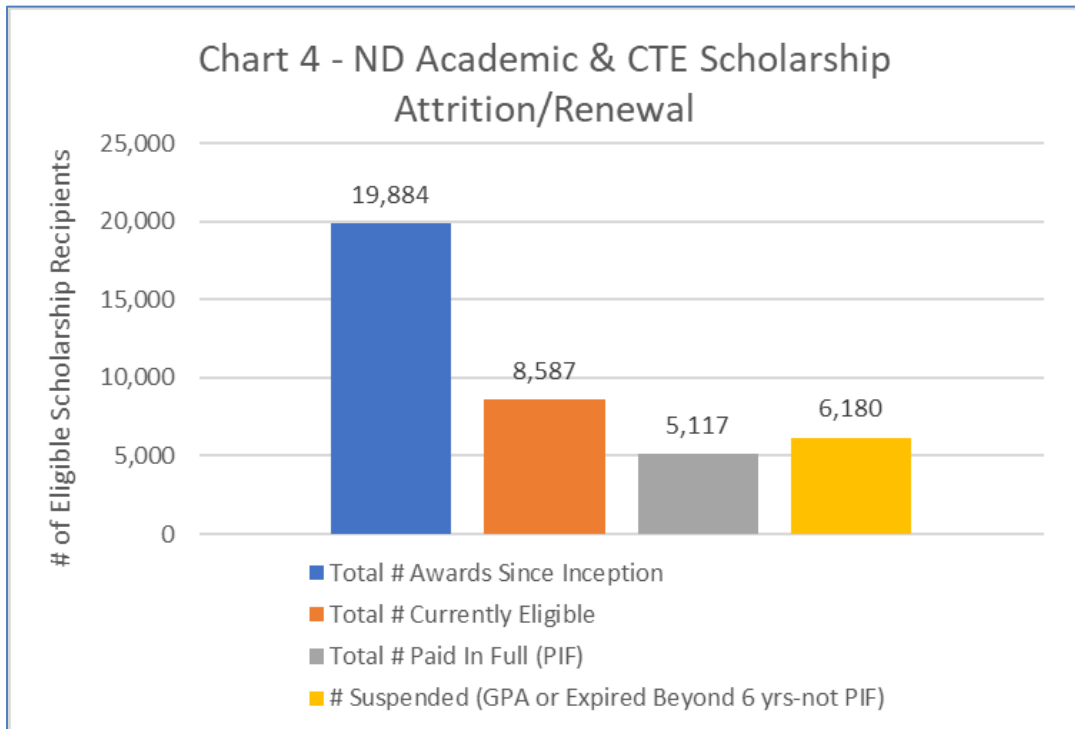
Distribution of scholarship eligibility across the state continues to be broad with concentration in urban areas. Only three ND counties have had zero recipients, and two of those (Billings and Slope) have not yielded seniors. Chart 3 reflects distribution of the awards since inception. Homeschool recipients are not captured in this chart.



Qualifying students can receive scholarship payment at any accredited public, private or tribal institution in the state. Approximately 62% of disbursements have been made at the state research universities, 14% at the public 4-year universities, 12% at public 2-year colleges, and the remaining 12% at state private and tribal colleges and universities.

Scholarship Usage and Student Retention

Scholarship eligibility can extend up to 6 years beyond high school graduation. The NDUS is currently tracking 8,587 students in 6 active cohorts. The first six cohorts have exceeded 6 years and are considered expired. Of the 19,884 awarded students, 5,117 (26%) have been paid in full at \$6,000, and an additional 6,180 (28%) no longer have eligibility. Students lose eligibility because of GPA, or if the scholarship is not fully utilized within 6 years of high school graduation.



ND Information Technology Dept. performed analysis on the first ten cohorts of scholarship recipients who graduated from 2010 to 2019. This analysis showed that:

- Students who earn the state scholarship are retained in North Dakota at a higher rate following high school graduation than non-recipients.
- Retention for either the Academic or the CTE scholarship is fairly consistent the first five years after high school graduation, however, beyond that, retention of CTE scholarship recipients is at a greater rate than Academic scholarship recipients.

Retention was evaluated by either enrollment in a NDUS institution and/or employment in ND. The data represents students who attended a NDUS institution immediately following high school graduation between 2010 and 2019. An important note is that the farther away from high school graduation, the fewer students are available to evaluate. As an example, in year 9, only 2010 graduates are evaluated as no other cohort has been out of high school for at least 9 years. Chart 5 and Table 4 show the outcome of the analysis.

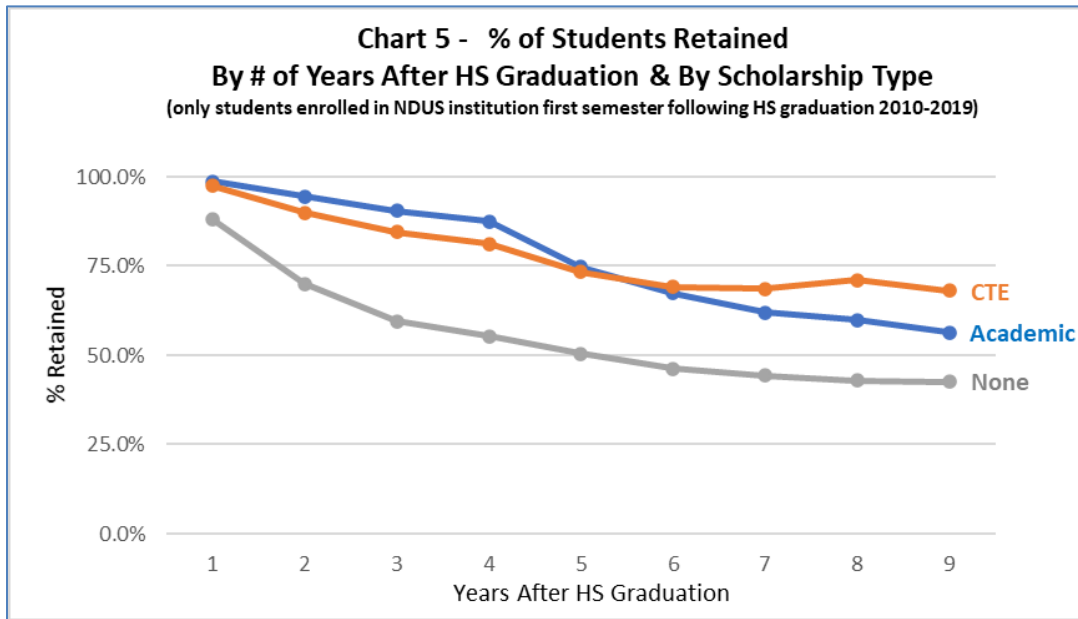


Table 4

# Years After Graduation	Academic Scholarship Recipients		CTE Scholarship Recipients		Not Receiving Academic or CTE Scholarship	
	# Students	% Retained	# Students	% Retained	# Students	% Retained
1	5,653	98.7%	4,034	97.4%	19,220	88.1%
2	5,005	94.5%	3,332	90.0%	17,479	70.1%
3	4,320	90.4%	2,733	84.6%	15,513	59.5%
4	3,620	87.5%	2,247	81.2%	13,577	55.4%
5	2,882	74.8%	1,707	73.3%	11,571	50.5%
6	2,205	67.4%	1,210	69.1%	9,576	46.3%
7	1,563	61.9%	751	68.6%	7,479	44.3%
8	975	59.9%	331	71.0%	5,289	42.9%
9	526	56.3%	116	68.1%	2,727	42.6%