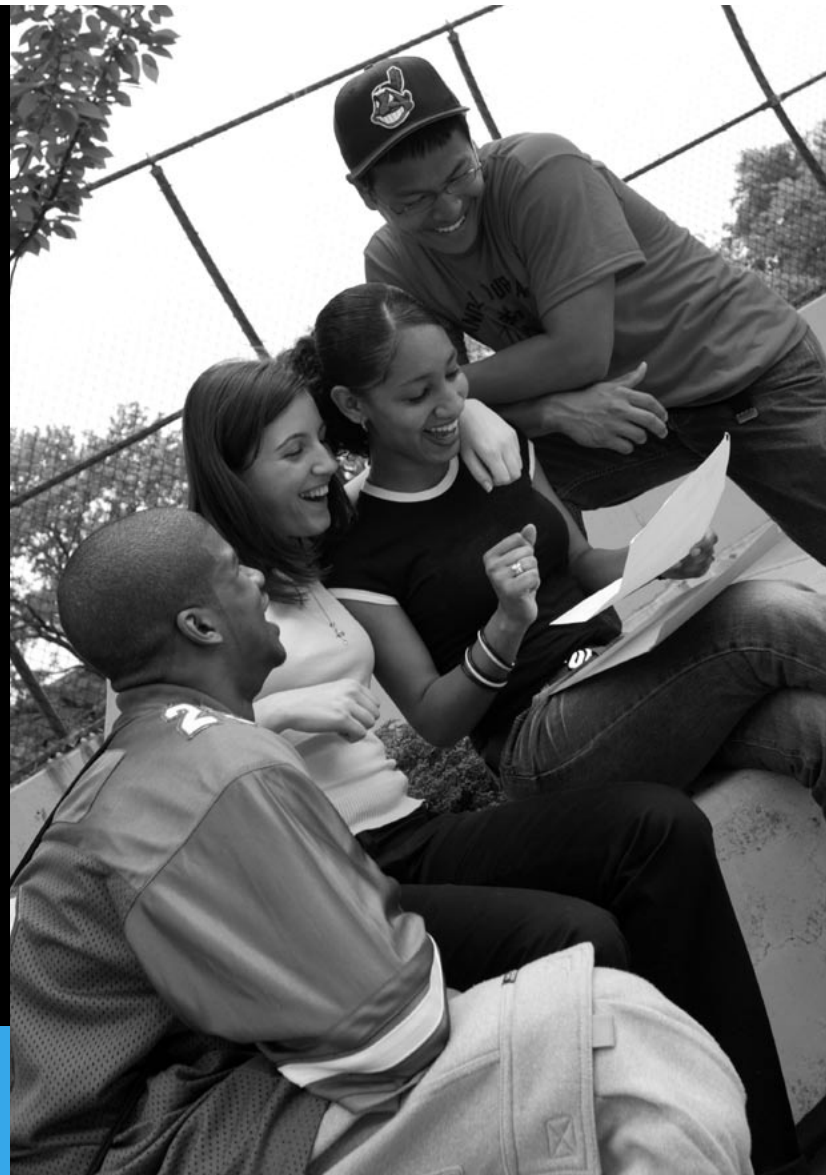
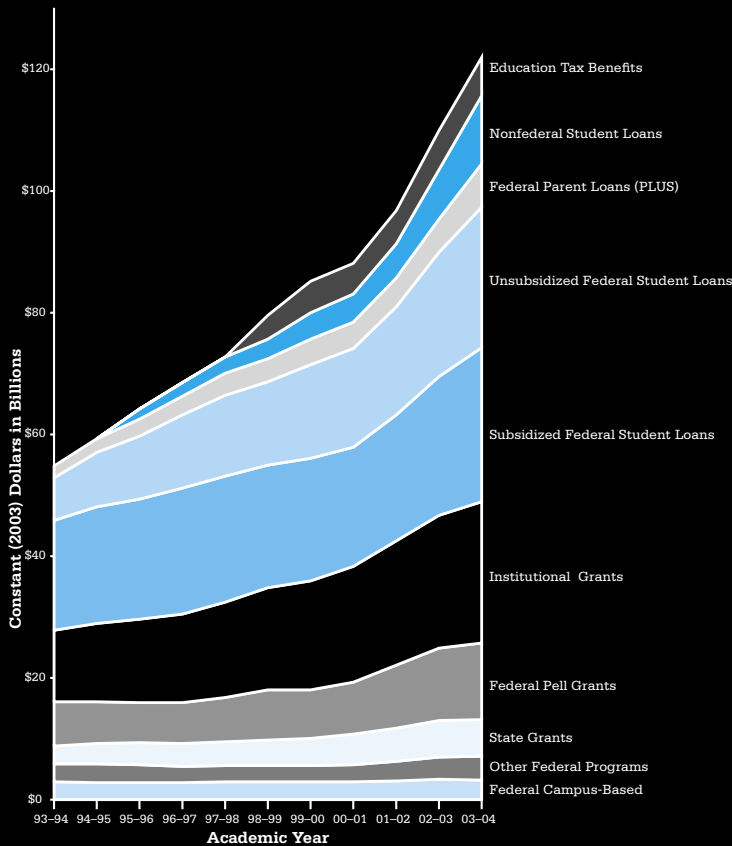


Trends in Student Aid 2004

Trends in Higher Education Series

FIGURE 1.

Ten-Year Trend-Line of Aid Used to Finance Postsecondary Education Expense, 1993-94 to 2003-04



Introduction

Trends in Student Aid presents annual data on the amount of financial assistance—grants, loans, work-study, and education tax benefits—distributed to students to help them pay for postsecondary education. The College Board began this data series in 1983 to track the value of student financial aid over time from federal, state, and institutional sources. In the intervening years, student financing has become more complex and the line between student aid and other sources of funds has become less clear-cut. This report counts federal education tax benefits and unsubsidized loans to students, including those from private commercial sources, as student aid and also includes information on educational savings accounts, in addition to more traditional forms of assistance.

For the first time this year, we are able to separate the financial aid awarded to undergraduate students from the funds received by graduate students. Tables 1 and 2 still report financial aid to all postsecondary students, but we report federal loans separately for graduate and undergraduate students in Table 4 and show the difference in the composition of aid for the two groups of students in Figure 5 and Table 6.

To put financial aid into context, we also provide selected data from *Trends in College Pricing*, including changes in undergraduate tuition and fees relative to changes in the incomes of families most likely to have children in college and to changes in grants, loans, and total aid per student (Figure 12). Additional information on college affordability is available in *Trends in College Pricing*.

Trends in College Pricing, released together with this report, presents data from the College Board's Annual Survey of Colleges on undergraduate charges for tuition, fees, room and board, and other estimated expenses related to attending colleges and universities. Although the most recent data in *Trends in Student Aid* are for the 2003-04 academic year, while the data in *Trends in College Pricing* extend to 2004-05, we publish the reports together to emphasize the relationship between how much colleges and universities charge and the assistance available to students to pay these charges. The net prices actually paid by students and families are more important for college access and affordability than the higher published prices.

Federal and State Roles

The federal government provides 67 percent of the direct aid to students as described in this survey. Federal matching funds also leverage state and institutional funds in the form of grants and work-study. Most federal spending on higher education is in the form of grants, loan guarantees and subsidies, and tax benefits for students and parents. The states, on the other hand, provide the bulk of their subsidies in the form of operating support for institutions of higher education, which is not covered by this survey. Overall, the federal government contributes about 12 percent of current fund revenues of colleges and universities, while state governments contribute twice that amount.

This year, the *Trends* reports are accompanied by a third publication, *Education Pays: The Benefits of Higher Education for Individuals and Society*. The new report documents monetary and nonmonetary benefits of higher education, both for individuals and for society as a whole. It also sheds light on the distribution of these benefits by examining both the progress and the persistent gaps in participation in postsecondary education.

As always, we continue to refine our coverage of programs and update previously reported statistics when better data become available. Therefore, this update replaces previous *Trends in Student Aid* publications.

Defining Student Aid

Students and their families pay only a fraction of the cost of higher education; the balance comes from a variety of sources. At public colleges and universities, tuition levels are significantly lower than institutional costs because state governments provide about \$60 billion per year in funding to colleges and universities. In recent years, the share of total costs covered by state appropriations has declined, while the share covered by tuition and fees has increased. Private colleges and universities charge significantly higher levels of tuition, but tuition is still almost always lower than the cost to the institution of educating students. It is subsidized primarily by revenues from private philanthropic sources. *Trends in Student Aid* does not address these general subsidies to students and their parents, which come from federal, state, institutional, and other private sources in a variety of forms including grants, loans, work-study, and tax relief.

This report includes federal education tax credits and savings from federal tuition and fee tax deductions in the student aid total, but does not measure any other tax benefits. It also counts unsubsidized loans to students, including those from private commercial sources, as student aid. Information on educational savings accounts is included, but neither these funds nor other personal resources used to finance college education are measured as part of student aid.

From the students' perspective, grant aid, which is a pure subsidy not requiring repayment, is most desirable and is the one form of aid that unambiguously increases the financial accessibility of college. Education tax credits, first available in 1998, and the tax savings arising from the federal tuition and fee deduction, which was implemented in 2002, are also pure subsidies.

In addition to grants and tax benefits, our measure of student aid includes virtually all education loans. About 37 percent of education loans come through the federal government's subsidized Stafford Loan Program. Although these funds must be repaid after students complete their education, they involve significant subsidies since the federal government pays the interest while the student is in school and subsidizes the interest throughout the life of the loans. The unsubsidized Stafford Loan Program has a much smaller subsidy component because interest accrues while the student is in school, but like the subsidized Stafford loans, these loans are guaranteed by the federal government and the interest rates are below market levels. Interest rates on Parent Loans to Undergraduate Students (PLUS) are also limited by statute. Alternative education loans from banks and other private lenders, on which students are increasingly relying, do not provide any subsidy to students. They are included in

our measure of total student aid because for students they substitute for other education loans. These loans generally must be certified by the financial aid office, and in some cases are included in the financial aid packages institutions award to students. However, they have grown more rapidly in proportionate terms than has any component of actual student aid. Federal, state, and institutional aid doubled over the decade from 1993-94 to 2003-04, after accounting for inflation. Including nonfederal loans, our measure of total aid increased by 122 percent. In reality, nonfederal loans are generally used to fill gaps left by traditional sources of student aid.

Work-study funds constitute only about 1 percent of student aid. These funds are actually subsidies to institutions, in the form of matching funds for student wages. However, they assure students of gainful employment and are included in the student aid packages colleges and universities award to students.

Tax benefits for higher education expenses have grown considerably in recent years. Although education tax credits and tax savings from the deduction for tuition and fees are the only subsidies of this form included in our total measure of student aid, students benefit from several other provisions of the tax code. In 2002, 6.7 million taxpayers claimed about \$4.5 billion in deductions for interest paid on student loans. Other exemptions from income taxation include: education benefits from employers; the interest on education savings bonds; returns on savings in Coverdell education savings accounts, 529 savings plans, and prepaid tuition programs; and work-related educational expenses. Figures 13 and 14 include information on assets in state-sponsored Section 529 college savings plans and prepaid tuition plans.

Need-Based and Non-Need-Based Aid

The student aid described in this report serves a variety of purposes. In the 1970s and 1980s, most aid programs were designed to increase access to college for students who would otherwise be unable to afford to enroll. In recent years, student aid programs have been focused increasingly on affecting students' choice of institutions, on rewarding academic achievement, and on reducing the financial strain on middle-income families. Our data on federal grant aid, almost all of which is need-based, and on education tax benefits, document this trend at the federal level. We also include information that separates state need-based and non-need-based grant aid. While the line between need-based and non-need-based institutional aid is blurrier, we do document non-need-based institutional aid and the changing distribution of institutional grants by income levels (Figure 11).

Student Debt

Since the early 1980s, this survey has tracked the growing reliance on borrowing for higher education. Last year we reported that over the past five years, from 1997-98 to 2002-03, grant aid had risen more rapidly than loan aid. However, the growth in borrowing has been particularly rapid for the past two years and in both 2002-03 and 2003-04, the rate of growth in grant aid slowed. As a result, the grant/loan ratio has declined since 2001-02. It is important to note that a disproportionate amount of the loan aid documented in this

report is used by graduate students. Graduate students receive a much lower proportion of available grant aid.

Although the proportions were equal in 2000-01, undergraduate students now receive slightly more funding in the form of loans than in grants. Private student loan programs have skyrocketed in recent years, and federal loans for parents have also increased rapidly. Unsubsidized student borrowing has grown more slowly, but, constitutes an increasing share of total federal Stafford loan volume. The loan volume estimates reported here do not include credit card financing, conventional consumer loans, or home equity loans and lines of credit. While home equity financing may be a financially sound decision for many families, this can rarely be said of credit card financing. Recent estimates suggest that as many as 25 percent of college students may be relying on credit card debt to help finance their education, but we have no way to document trends in this type of borrowing for inclusion in this report.

Limitations of the Data Collection

We are unable to include all of the forms of grant aid available to students, but the omissions are relatively small. Our measure does not include tuition assistance that students receive from their employers or scholarships from a variety of private sources. Our definition of student aid is, however, consistent over time, with private loans and education tax credits recent additions representing new forms of student financing. Precise data are available on federal student aid, but this is not the case for all of the funding sources on which we report. Data on institutional grant aid awarded to students are particularly lacking. We have used all of the information available to us to arrive at the best possible estimates, but these figures should be recognized as approximations.

Basic program statistics for all years in our database back to 1963-64 are available in the Appendixes. As always, we welcome reader comments and suggestions on ways to broaden the coverage and increase the usefulness of the *Trends in Student Aid* data series. Visit the College Board Web site at www.collegeboard.com and click on Educators for an electronic version of this document and the companion report, *Trends in College Pricing, 2004*.

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Highlights

Total Aid	<p>Students received over \$122 billion in financial aid for undergraduate and graduate study in 2003-04, an increase of 11 percent over the preceding year after adjusting for inflation. Total aid excluding nonfederal loans, which do not provide subsidies to students, totaled \$111 billion, an increase of 9 percent after adjusting for inflation. Grant aid, both overall and for undergraduate students, grew by 6 percent in inflation-adjusted dollars, while education loan volume rose by 16 percent. Grant aid per full-time equivalent student (FTE) grew 5 percent. The growth rate in loans per student was about 3 times the growth rate of grants per student, both overall and for undergraduate students (Tables 1, 2, and 7; Figure 1).</p>
10-Year Trend	<p>Over the past decade, total aid has increased by 122 percent in constant dollars. Grant aid has increased by 84 percent in real terms, while education loan volume has grown by 137 percent. Part of the increase in aid volume represents increased enrollments, but grants per FTE rose 64 percent in real terms, and loans per student rose 111 percent in constant dollars. While grant aid grew more rapidly than loans between 1996 and 2001, as it did between 1990 and 1993, this was not the case in 2002 and 2003. If private loans to students are excluded, total aid doubled over the decade from 1993-94 to 2003-04 (Tables 1, 2, 7; Figure 1).</p>
Loans vs. Grants	<p>In 2003-04, loans constituted 56 percent of aid, grants 38 percent, work 1 percent, and education tax benefits 5 percent. However, the composition of aid differs significantly for undergraduate and graduate students. Grants constitute 44 percent of undergraduate aid (down from 48 percent in 1993-94), but only 22 percent of the aid received by graduate students (down from 37 percent in 1993-94). Conversely, about half of the undergraduate aid is in the form of loans, whereas three quarters of the graduate student aid is loans (Table 6; Figure 5).</p>
Total Federal Aid and College Savings Plans	<p>The federal government provided more than \$81 billion in student aid during 2003-04, a real increase of 10 percent over the previous year. Seventy percent of this aid takes the form of loans. This compares to 64 percent of federal aid in 1992-93, but 78 percent in 1996-97, after full implementation of the unsubsidized Stafford loan program. This year's imbalance in the growth rates of loans and grants caused the portion of federal aid consisting of loans to increase from the 68 percent to which it had declined last year. Grants constitute 21 percent of federal aid and tax benefits now account for 8 percent.</p> <p>While most federal grant aid is need-based, and the Pell Grant program is the cornerstone of aid for low-income students, a decreasing portion of federal aid is distributed according to need. Combined, unsubsidized Stafford loans, federal loans to parents, and tax benefits now constitute 45 percent of total federal aid. While all of these programs make college more affordable for students and families, they are not directed at the lowest income students. Over 40 percent of the tax credit dollars and 76 percent of the tuition and fee deduction dollars accrue to taxpayers with incomes of \$50,000 or higher. Tax benefits for college savings are also unlikely to benefit low-income families significantly. While some of these tax provisions, including the tax credits, do have income limits, this is not the case for Section 529 college savings plans. These rapidly growing accounts now contain assets of \$54 billion and have an average value of about \$8,000 per account.</p> <p>The federal Leveraging Education Assistance Partnerships (LEAP) Program has declined 31 percent in real terms over the decade. This program, which provides matching funds to states for providing need-based grant aid, is a means by which the federal government creates incentives to states to increase their grant assistance to low-income students.</p>
Pell Grants	<p>Pell Grant funds increased by 6 percent between 2002-03 and 2003-04, after adjusting for inflation. This is the smallest real increase since 1999-2000. Funding has risen 60 percent in real terms since that year. In 2003-04 the \$12.7 billion in Pell Grants funded 5.1 million students with average grants of \$2,466. Because there was an estimated 7 percent increase in the number of Pell recipients in 2003-04, the average grant fell by 1 percent in constant dollars. This was the first decline in the inflation-adjusted value of the average Pell Grant since 1999-2000.</p> <p>The average grant has increased by 17 percent in real terms since 1999-2000. In 2003-04, the average Pell Grant covered 32 percent of tuition and commuter room and board at the average public two-year college, 23 percent of the total charges at the average four-year public institution, and 9 percent of the total charges at the average four-year private institution. The average Pell Grant covered 35 percent of public four-year charges in 1980-81. The maximum Pell award was \$50 higher in 2003-04 than in 2002-03, an increase of 1 percent, but a 1 percent decline after adjusting for inflation. Over the decade from 1993-94 to 2003-04, the maximum Pell Grant increased by 38 percent in real terms.</p> <p>The proportion of Pell Grants used by students in the for-profit postsecondary sector declined from 19 percent in 1992-93 to 12 percent in 1997-98, but had increased to 15 percent by 2002-03. Students in public two-year colleges and those in public four-year colleges each receive about one-third of total Pell Grant funds. Students in private four-year colleges and universities receive about one-half that amount.</p>

State Grant Programs	State grants, which constitute 5 percent of total student aid funds, increased by 99 percent in inflation-adjusted dollars between 1993-94 and 2003-04. This year's 2 percent real growth was the smallest annual increase since 1980. Ten years ago only about 10 percent of state grant dollars were awarded on criteria other than need but that proportion has now risen to 25 percent.
Institutional Aid	The approximately \$23 billion distributed by colleges and universities in the form of grant aid represents 19 percent of total student aid funds and about half of all grant aid received by full-time undergraduate students. Institutional grants doubled in constant dollars over the decade. About a quarter of the students enrolled in public colleges and universities and about 60 percent of those in private institutions receive institutional grant aid. Like state grants, institutional grants are increasingly concentrated on students in the upper half of the income distribution. The proportion of institutional grants based on merit increased at private institutions between 1992-93 and 1999-2000 and, in both sectors, aid rose most rapidly at the upper end of the income distribution over the 1990s.
Stafford Loans	<p>The average subsidized Stafford loan for undergraduate students declined 14 percent in inflation-adjusted dollars between 1993-94 and 2003-04. However, the 56 percent increase in the number of borrowers led to a 31 percent real increase in total subsidized loan volume. The average unsubsidized Stafford loan for undergraduates increased by 8 percent in inflation-adjusted dollars over the decade.</p> <p>Unsubsidized Stafford loans now constitute 48 percent of total Stafford loan volume, but only 43 percent of Stafford loans to undergraduates. Overall, including PLUS and other federal loans, the subsidized Stafford loan program has declined from 63 percent to 45 percent of total federal education loans over the past decade. (Tables 1, 2, and 4; Figure 3)</p> <p>Under the Ford Direct Student Loan Program (FDSLPL), students borrow directly from the federal government through the institutions they attend, instead of receiving their federally guaranteed Stafford loans from private lenders. The FDSLPL's share of federal loans has declined from a peak of 33 percent in 1997-98 to 23 percent in 2003-04 (Tables 1, 2; Appendix C, D).</p>
Parent Loans	The number of borrowers under the Parent Loans for Undergraduate Students (PLUS) program increased from 310,000 in 1993-94 to 735,000 in 2003-04. The average loan amount of \$8,839 represents a 54 percent increase over the decade, after adjusting for inflation (Tables 2 and 4).
Nonfederal Loans	Nonfederal borrowing reached \$11.3 billion in 2003-04, up 39 percent in real terms over the previous year, and 147 percent in three years. \$10.6 billion of these loans are private, while the remainder are state-sponsored. Borrowing through banks and other private lenders has increased from 5 percent to 11 percent of education loan volume over the past five years (Tables 1 and 2; Figure 4).
Aid per Student	<p>Full-time equivalent (FTE) enrollment at all postsecondary institutions increased by about 13 percent over the decade. Because of increased college enrollment rates, accompanied by changing demographics, a weak economy, and rising tuition levels, the proportion of students who require financial assistance to attend college has increased. The number of Pell recipients increased by 37 percent during the decade, the number of SEOG recipients rose by 16 percent, and the number of work-study participants is 51 percent higher than it was at the beginning of the decade. The number of federal education loans issued each year has increased by 125 percent for undergraduates and 193 percent for graduate students. The average total federal loan amount of \$3,957 per borrower for undergraduates represents a 2 percent decline in constant dollars over the decade, but the \$9,215 per borrower for graduate students is 12 percent higher in inflation-adjusted dollars than it was in 1993-94.</p> <p>Overall, including grants and loans from all sources, loans per FTE in 2003-04 averaged \$5,840, total grant aid per FTE was \$3,986, and federal education tax benefits provided \$540 per FTE. However, undergraduate and graduate students face very different financing situations. On average, undergraduates receive loans of \$4,343 per FTE, a 70 percent increase over the decade after adjusting for inflation, and \$3,872 in grant aid, a 60 percent increase over the decade. For graduate students, in contrast, the average grant amount is only \$583, less than 30 percent of the average loan amount per FTE (Tables 3, 4, and 7; Figure 6).</p>
Affordability Gaps	<p>During the decade from 1983-84 to 1993-94, inflation-adjusted tuition and fees rose 54 percent at public four-year institutions and 50 percent at private four-year institutions. In the decade since then, tuition growth was somewhat slower—44 percent in the public sector and 35 percent in the private sector. Over the entire time period the published price of college has significantly outpaced median income for families likely to have college-aged children. The percentage growth in total student aid per student was higher than the percentage increase in tuition and fees in both decades, but loans grew more rapidly than grants. Between 1993-94 and 2003-04, grant aid per FTE increased 64 percent, while loans per FTE rose 111 percent after adjusting for inflation.</p> <p>Median family income tells only part of the story, because the gap between the incomes of those at the top and the bottom of the income distribution has widened. Changes in median income relative to the price of college overstate the impact on affluent families and understate the impact on lower-income families.</p> <p>Because of the increasing amount of student aid available, including grants and tax benefits, the net price paid by students and families is significantly lower than the published tuition and fee levels. See <i>Trends in College Pricing</i> for details.</p>

Table 1. *Aid Used to Finance Postsecondary Education Expenses in Current Dollars (in Millions), 1993-94 to 2003-04*

Federally Supported Programs	Academic Year											10-Year*
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	Estimated	Preliminary	% Change
										02-03	03-04	
Grants												
Pell Grants	\$5,654	\$5,519	\$5,472	\$5,780	\$6,331	\$7,233	\$7,208	\$7,956	\$9,975	\$11,642	\$12,661	124%
SEOG	\$583	\$583	\$583	\$583	\$583	\$614	\$619	\$631	\$691	\$725	\$760	30%
LEAP	\$72	\$72	\$64	\$32	\$50	\$25	\$25	\$40	\$55	\$66	\$64	-12%
Veterans	\$1,192	\$1,256	\$1,303	\$1,279	\$1,347	\$1,484	\$1,491	\$1,644	\$1,883	\$2,243	\$2,365	98%
Military	\$405	\$419	\$438	\$455	\$463	\$498	\$534	\$561	\$654	\$891	\$981	142%
Other Grants	\$192	\$269	\$262	\$268	\$267	\$266	\$286	\$322	\$343	\$305	\$353	83%
Subtotal	\$8,099	\$8,119	\$8,121	\$8,397	\$9,040	\$10,120	\$10,163	\$11,155	\$13,601	\$15,872	\$17,184	112%
Federal Work-Study	\$771	\$757	\$764	\$776	\$906	\$913	\$917	\$939	\$1,032	\$1,097	\$1,218	58%
Loans												
Perkins Loans	\$919	\$971	\$1,029	\$1,022	\$1,062	\$1,070	\$1,101	\$1,144	\$1,239	\$1,460	\$1,201	31%
Subsidized Stafford	\$14,157	\$15,498	\$16,381	\$17,624	\$17,994	\$17,698	\$18,237	\$18,502	\$19,722	\$22,342	\$25,291	79%
(FDLP)	-	(\$1,099)	(\$4,967)	(\$5,634)	(\$6,013)	(\$5,946)	(\$5,722)	(\$5,442)	(\$5,403)	(\$5,971)	(\$6,150)	460%
(FFELP)	(\$14,157)	(\$14,399)	(\$11,414)	(\$11,990)	(\$11,980)	(\$11,752)	(\$12,515)	(\$13,060)	(\$14,320)	(\$16,371)	(\$19,140)	35%
Unsubsidized Stafford	\$2,029	\$7,281	\$8,674	\$10,320	\$11,606	\$12,169	\$14,027	\$15,192	\$17,080	\$19,970	\$23,105	1039%
(FDLP)	-	(\$481)	(\$2,436)	(\$3,060)	(\$3,608)	(\$3,706)	(\$3,978)	(\$4,008)	(\$4,211)	(\$4,771)	(\$4,903)	920%
(FFELP)	(\$2,029)	(\$6,801)	(\$6,237)	(\$7,260)	(\$7,999)	(\$8,463)	(\$10,049)	(\$11,184)	(\$12,869)	(\$15,198)	(\$18,202)	797%
PLUS	\$1,527	\$1,824	\$2,329	\$2,660	\$3,051	\$3,322	\$3,750	\$4,147	\$4,602	\$5,464	\$7,072	363%
(FDLP)	-	(\$164)	(\$722)	(\$836)	(\$960)	(\$1,113)	(\$1,184)	(\$1,254)	(\$1,321)	(\$1,633)	(\$1,920)	1073%
(FFELP)	(\$1,527)	(\$1,660)	(\$1,607)	(\$1,824)	(\$2,091)	(\$2,210)	(\$2,566)	(\$2,893)	(\$3,281)	(\$3,831)	(\$5,152)	237%
SLS	\$3,469	\$32	-	-	-	-	-	-	-	-	-	-
Other Loans	\$456	\$404	\$325	\$281	\$217	\$117	\$113	\$116	\$118	\$125	\$125	-73%
Subtotal	\$22,557	\$26,011	\$28,737	\$31,906	\$33,930	\$34,376	\$37,228	\$39,101	\$42,761	\$49,360	\$56,794	152%
Education Tax Benefits	-	-	-	-	-	\$3,377	\$4,772	\$4,851	\$5,205	\$6,298	\$6,298	86%
Total Federal Aid	\$31,428	\$34,887	\$37,622	\$41,079	\$43,876	\$48,786	\$53,080	\$56,046	\$62,598	\$72,628	\$81,494	159%
State Grant Programs	\$2,374	\$2,773	\$3,000	\$3,163	\$3,404	\$3,669	\$4,064	\$4,766	\$5,223	\$5,792	\$6,017	153%
Institutional Grants	\$9,312	\$10,350	\$11,337	\$12,419	\$13,600	\$14,941	\$16,366	\$17,904	\$19,572	\$21,333	\$23,253	150%
Total Federal, State, Inst Aid	\$43,114	\$48,009	\$51,959	\$56,662	\$60,880	\$67,396	\$73,510	\$78,717	\$87,393	\$99,752	\$110,764	157%
Nonfederal Loans	-	-	\$1,334	\$1,866	\$2,312	\$2,903	\$3,964	\$4,296	\$5,375	\$7,910	\$11,271	745%
(State-Sponsored)	-	-	(\$224)	(\$293)	(\$353)	(\$438)	(\$500)	(\$544)	(\$622)	(\$635)	(\$677)	203%
(Private Sector)	-	-	(\$1,110)	(\$1,574)	(\$1,959)	(\$2,465)	(\$3,464)	(\$3,752)	(\$4,753)	(\$7,275)	(\$10,594)	855%
Total Aid Used to Finance Postsecondary Expenses	\$43,114	\$48,009	\$53,293	\$58,528	\$63,192	\$70,299	\$77,474	\$83,013	\$92,768	\$107,663	\$122,035	183%

* Where programs have been in existence for less than 10 years, percent change is calculated based on the age of the program.

Note: Components may not sum exactly to totals due to rounding.

Table 2. *Aid Used to Finance Postsecondary Education Expenses in Constant (2003) Dollars (in Millions), 1993-94 to 2003-04*

Federally Supported Programs	Academic Year											10-Year* % Change
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	Estimated	Preliminary	
										02-03	03-04	
Grants												
Pell Grants	\$7,196	\$6,829	\$6,591	\$6,769	\$7,284	\$8,187	\$7,932	\$8,456	\$10,417	\$11,896	\$12,661	76%
SEOG	\$742	\$721	\$702	\$683	\$671	\$695	\$681	\$671	\$722	\$741	\$760	2%
LEAP	\$91	\$90	\$77	\$37	\$57	\$28	\$28	\$43	\$57	\$68	\$64	-31%
Veterans	\$1,518	\$1,554	\$1,569	\$1,498	\$1,549	\$1,680	\$1,641	\$1,748	\$1,966	\$2,292	\$2,365	56%
Military	\$515	\$518	\$527	\$533	\$532	\$564	\$587	\$596	\$683	\$910	\$981	90%
Other Grants	\$245	\$333	\$315	\$314	\$307	\$301	\$315	\$343	\$358	\$312	\$353	44%
Subtotal	\$10,308	\$10,045	\$9,782	\$9,834	\$10,401	\$11,455	\$11,183	\$11,856	\$14,204	\$16,219	\$17,184	67%
Federal Work-Study	\$982	\$937	\$920	\$909	\$1,043	\$1,034	\$1,009	\$998	\$1,078	\$1,122	\$1,218	24%
Loans												
Perkins Loans	\$1,169	\$1,201	\$1,239	\$1,196	\$1,222	\$1,211	\$1,211	\$1,216	\$1,294	\$1,492	\$1,201	3%
Subsidized Stafford (FDLP)	\$18,018	\$19,175	\$19,730	\$20,639	\$20,703	\$20,033	\$20,067	\$19,664	\$20,597	\$22,830	\$25,291	40%
(FFELP)	(\$18,018)	(\$17,815)	(\$13,748)	(\$14,041)	(\$13,784)	(\$13,302)	(\$13,771)	(\$13,880)	(\$14,954)	(\$16,729)	(\$19,140)	6%
Unsubsidized Stafford (FDLP)	\$2,582	\$9,009	\$10,447	\$12,085	\$13,354	\$13,775	\$15,435	\$16,146	\$17,837	\$20,406	\$23,105	795%
(FFELP)	(\$2,582)	(\$8,414)	(\$7,513)	(\$8,502)	(\$9,203)	(\$9,580)	(\$11,058)	(\$11,886)	(\$13,439)	(\$15,531)	(\$18,202)	605%
PLUS (FDLP)	\$1,943	\$2,257	\$2,805	\$3,115	\$3,511	\$3,760	\$4,127	\$4,408	\$4,806	\$5,583	\$7,072	264%
(FFELP)	(\$1,943)	(\$2,054)	(\$1,936)	(\$2,136)	(\$2,406)	(\$2,501)	(\$2,824)	(\$3,075)	(\$3,426)	(\$3,914)	(\$5,152)	165%
SLS	\$4,415	\$40	-	-	-	-	-	-	-	-	-	-
Other Loans	\$580	\$500	\$392	\$329	\$249	\$132	\$125	\$123	\$123	\$128	\$125	-78%
Subtotal	\$28,708	\$32,182	\$34,613	\$37,364	\$39,038	\$38,912	\$40,965	\$41,558	\$44,656	\$50,440	\$56,794	98%
Education Tax Benefits	-	-	-	-	-	\$3,823	\$5,251	\$5,156	\$5,436	\$6,436	\$6,298	65%
Total Federal Aid	\$39,998	\$43,163	\$45,315	\$48,106	\$50,481	\$55,223	\$58,408	\$59,567	\$65,374	\$74,216	\$81,494	104%
State Grant Programs	\$3,022	\$3,431	\$3,613	\$3,704	\$3,917	\$4,153	\$4,472	\$5,066	\$5,454	\$5,918	\$6,017	99%
Institutional Grants	\$11,852	\$12,805	\$13,656	\$14,544	\$15,648	\$16,912	\$18,009	\$19,029	\$20,439	\$21,800	\$23,253	96%
Total Federal, State, Inst Aid	\$54,872	\$59,399	\$62,583	\$66,355	\$70,046	\$76,288	\$80,889	\$83,662	\$91,267	\$101,934	\$110,764	102%
Nonfederal Loans	-	-	\$1,606	\$2,185	\$2,660	\$3,287	\$4,361	\$4,566	\$5,613	\$8,083	\$11,271	602%
(State-Sponsored)	-	-	(\$269)	(\$343)	(\$406)	(\$496)	(\$550)	(\$579)	(\$649)	(\$649)	(\$677)	151%
(Private Sector)	-	-	(\$1,337)	(\$1,843)	(\$2,254)	(\$2,790)	(\$3,812)	(\$3,988)	(\$4,964)	(\$7,434)	(\$10,594)	692%
Total Aid Used to Finance Postsecondary Expenses	\$54,872	\$59,399	\$64,190	\$68,540	\$72,706	\$79,575	\$85,250	\$88,229	\$96,880	\$110,018	\$122,035	122%

* Where programs have been in existence for less than 10 years, percent change is calculated based on the age of the program.

Note: Components may not sum exactly to totals due to rounding.

Figure 2. Growth of Federal, Institutional, and State Grant Dollars in *Constant (2003) Dollars*, 1996-97 to 2003-04

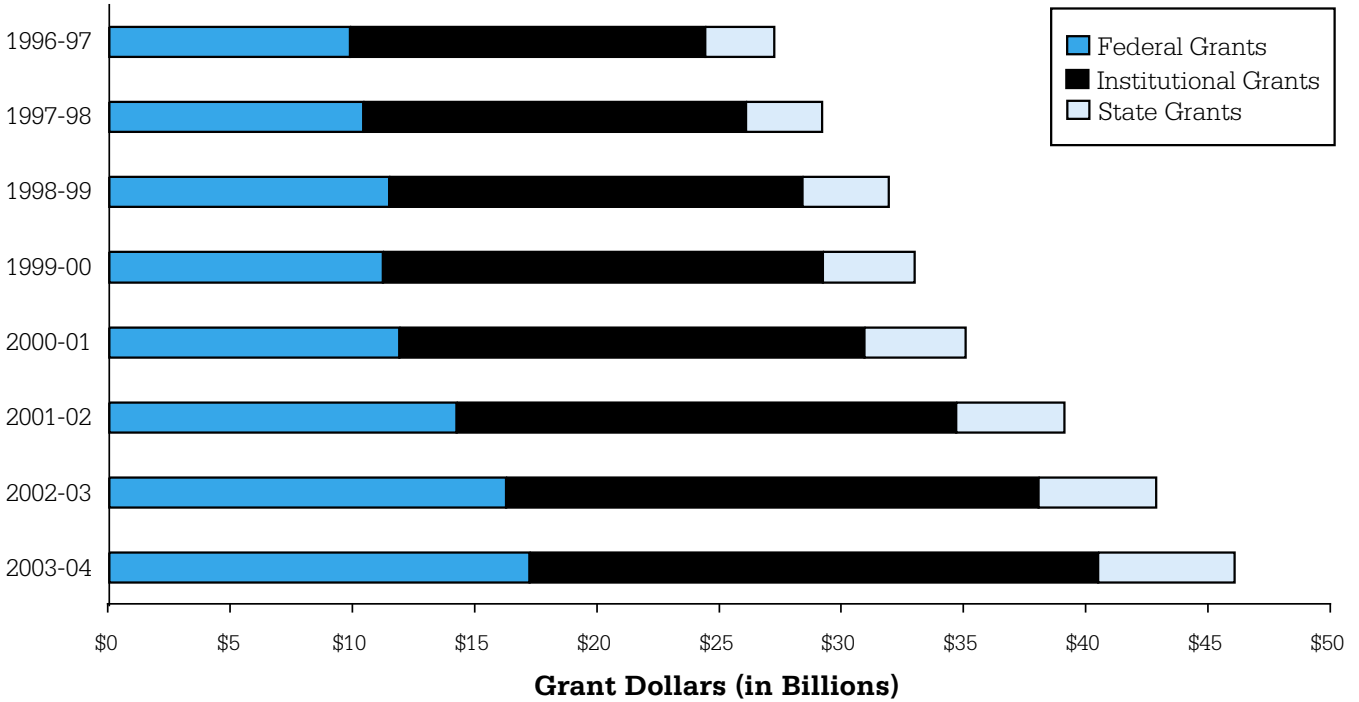


Figure 3. Growth of Stafford, PLUS, and Nonfederal Loan Dollars in *Constant (2003) Dollars*, 1996-97 to 2003-04

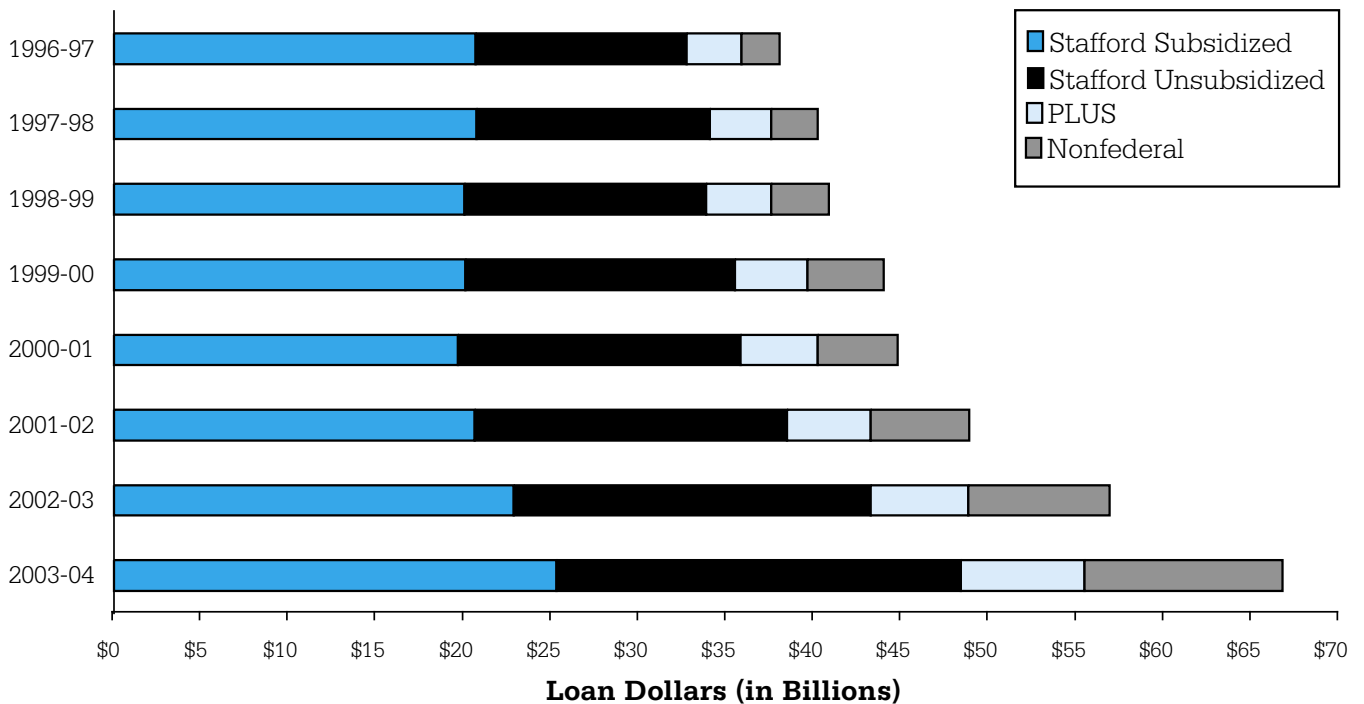


Table 3. Number of Recipients and Aid Per Recipient for Pell Grants, Campus-Based, and Education Tax Benefit Programs in Current and Constant (2003) Dollars, 1993-94 to 2003-04

	Academic Year											10-Year*		
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04			
Pell Grants													Estimated	
Recipients (000)	3,756	3,675	3,612	3,666	3,733	3,855	3,764	3,899	4,341	4,779	5,135			37%
Aid Per Recipient (Current)	\$1,506	\$1,502	\$1,515	\$1,577	\$1,696	\$1,876	\$1,915	\$2,040	\$2,298	\$2,436	\$2,466			
Aid Per Recipient (Constant)	\$1,916	\$1,858	\$1,825	\$1,847	\$1,951	\$2,124	\$2,107	\$2,169	\$2,400	\$2,490	\$2,466			29%
Federal SEOG														
Recipients (000)	1,068	1,057	1,083	1,191	1,116	1,163	1,170	1,174	1,295	1,355	1,236			16%
Aid Per Recipient (Current)	\$546	\$552	\$538	\$489	\$523	\$528	\$529	\$537	\$534	\$535	\$615			
Aid Per Recipient (Constant)	\$695	\$683	\$648	\$573	\$601	\$598	\$582	\$571	\$557	\$547	\$615			-11%
Federal Work-Study														
Recipients (000)	712	701	702	691	746	744	733	713	741	759	1,073			51%
Aid Per Recipient (Current)	\$1,084	\$1,081	\$1,087	\$1,123	\$1,215	\$1,228	\$1,252	\$1,318	\$1,394	\$1,446	\$1,135			
Aid Per Recipient (Constant)	\$1,379	\$1,337	\$1,310	\$1,315	\$1,398	\$1,390	\$1,377	\$1,401	\$1,455	\$1,477	\$1,135			-18%
Federal Perkins														
Recipients (000)	685	663	688	674	679	669	655	639	661	729	640			-7%
Aid Per Recipient (Current)	\$1,342	\$1,464	\$1,496	\$1,515	\$1,564	\$1,600	\$1,681	\$1,790	\$1,875	\$2,003	\$1,877			
Aid Per Recipient (Constant)	\$1,708	\$1,811	\$1,802	\$1,775	\$1,799	\$1,812	\$1,850	\$1,902	\$1,958	\$2,047	\$1,877			10%
Federal Education Tax Benefits														
Recipients (000)	-	-	-	-	-	4,653	6,437	6,815	7,282	10,002	N/A			115%
Aid Per Recipient (Current)	-	-	-	-	-	\$726	\$741	\$712	\$715	\$630	N/A			
Aid Per Recipient (Constant)	-	-	-	-	-	\$822	\$816	\$756	\$746	\$643	N/A			-22%

* Where programs have been in existence for less than 10 years, percent change is calculated based on the age of the program.

Note: Education tax credit amounts equal the dollar value of the credits. Tax deduction amounts are estimated tax savings from deductions claimed.

Figure 4. Estimated Student Aid by Source for Academic Year 2003-04
Current Dollars (in Billions)

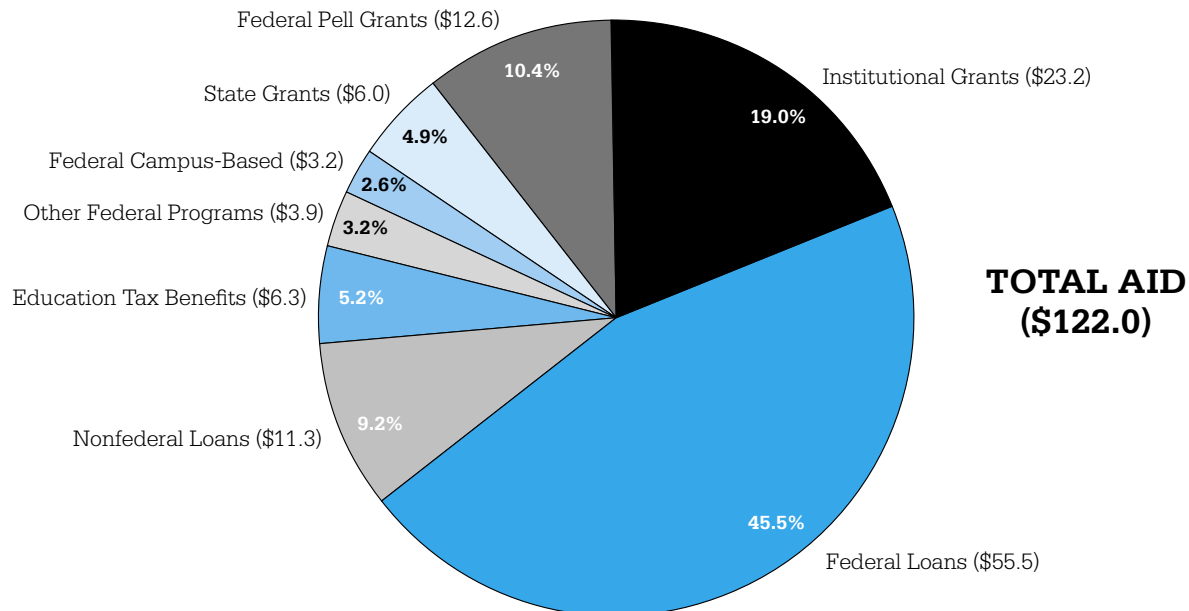


Table 4. Number of Borrowers, Number of Loans, Total Program Dollars, and Average Loan Amount for Federal Loan Programs in Current and Constant (2003) Dollars, 1993-94 to 2003-04

Undergraduate Students												
Academic Year												
											Estimated	10-Year
Stafford Subsidized	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Borrowers (000)	3,356	3,515	3,609	3,841	3,933	3,880	3,931	3,988	4,242	4,683	5,225	
# Loans (000)	3,763	3,892	3,967	4,237	4,338	4,264	4,293	4,367	4,675	5,166	5,769	53%
Total \$ Amount (000)	\$10,483	\$11,240	\$11,614	\$12,531	\$12,864	\$12,603	\$12,885	\$13,059	\$13,789	\$15,510	\$17,525	
Avg. Loan (Current)	\$2,786	\$2,888	\$2,928	\$2,957	\$2,965	\$2,956	\$3,002	\$2,990	\$2,950	\$3,002	\$3,038	
Avg. Loan (Constant)	\$3,545	\$3,573	\$3,526	\$3,463	\$3,412	\$3,346	\$3,303	\$3,178	\$3,081	\$3,068	\$3,038	-14%
Estimated												
Stafford Unsubsidized	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Borrowers (000)	590	1,469	1,689	1,941	2,135	2,186	2,423	2,606	2,899	3,225	3,630	
# Loans (000)	640	1,632	1,879	2,176	2,396	2,447	2,677	2,883	3,233	3,613	4,080	538%
Total \$ Amount (000)	\$1,517	\$4,425	\$5,227	\$6,190	\$6,997	\$7,207	\$8,259	\$9,046	\$10,141	\$11,592	\$13,355	
Avg. Loan (Current)	\$2,372	\$2,712	\$2,782	\$2,844	\$2,920	\$2,945	\$3,085	\$3,137	\$3,137	\$3,208	\$3,274	
Avg. Loan (Constant)	\$3,018	\$3,355	\$3,351	\$3,331	\$3,360	\$3,334	\$3,395	\$3,335	\$3,276	\$3,278	\$3,274	8%
Estimated												
PLUS	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Borrowers (000)	310	327	380	412	450	477	509	530	557	615	735	
# Loans (000)	337	348	402	437	479	509	543	566	599	666	800	137%
Total \$ Amount (000)	\$1,524	\$1,822	\$2,322	\$2,653	\$3,050	\$3,321	\$3,750	\$4,147	\$4,601	\$5,463	\$7,071	
Avg. Loan (Current)	\$4,519	\$5,230	\$5,770	\$6,068	\$6,363	\$6,528	\$6,906	\$7,321	\$7,682	\$8,198	\$8,839	
Avg. Loan (Constant)	\$5,752	\$6,471	\$6,949	\$7,107	\$7,321	\$7,389	\$7,599	\$7,781	\$8,023	\$8,378	\$8,839	54%
Estimated												
Total	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Loans (000)	4,256	5,311	5,677	6,193	6,518	6,542	6,863	7,124	7,698	8,523	9,590	125%
Total \$ Amount (000)	\$13,523	\$17,488	\$19,163	\$21,373	\$22,912	\$23,131	\$24,894	\$26,252	\$28,531	\$32,564	\$37,951	
Avg. Loan (Current)	\$3,178	\$3,293	\$3,375	\$3,451	\$3,515	\$3,536	\$3,627	\$3,685	\$3,706	\$3,821	\$3,957	
Avg. Loan (Constant)	\$4,044	\$4,074	\$4,065	\$4,042	\$4,044	\$4,002	\$3,992	\$3,916	\$3,871	\$3,904	\$3,957	-2%
Estimated												
Graduate Students												
Academic Year												
											Estimated	10-Year
Stafford Subsidized	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Borrowers (000)	547	537	665	698	686	681	717	724	772	874	987	
# Loans (000)	699	662	752	796	783	773	802	819	902	1,028	1,159	66%
Total \$ Amount (000)	\$3,674	\$4,258	\$4,767	\$5,093	\$5,129	\$5,095	\$5,352	\$5,442	\$5,933	\$6,832	\$7,765	
Avg. Loan (Current)	\$5,259	\$6,429	\$6,337	\$6,402	\$6,550	\$6,590	\$6,674	\$6,649	\$6,580	\$6,645	\$6,699	
Avg. Loan (Constant)	\$6,693	\$7,954	\$7,633	\$7,497	\$7,536	\$7,460	\$7,344	\$7,067	\$6,872	\$6,790	\$6,699	0%
Estimated												
Stafford Unsubsidized	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Borrowers (000)	103	394	472	525	540	550	616	628	685	794	914	
# Loans (000)	115	455	547	627	648	659	722	745	847	992	1,143	890%
Total \$ Amount (000)	\$512	\$2,857	\$3,446	\$4,130	\$4,609	\$4,962	\$5,768	\$6,146	\$6,939	\$8,378	\$9,750	
Avg. Loan (Current)	\$4,433	\$6,275	\$6,298	\$6,591	\$7,107	\$7,535	\$7,990	\$8,245	\$8,192	\$8,448	\$8,534	
Avg. Loan (Constant)	\$5,642	\$7,763	\$7,585	\$7,718	\$8,177	\$8,530	\$8,792	\$8,763	\$8,555	\$8,633	\$8,534	51%
Estimated												
Total	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	% Change
# Loans (000)	649	931	1,136	1,223	1,225	1,231	1,334	1,351	1,457	1,669	1,901	193%
Total \$ Amount (000)	\$4,186	\$7,114	\$8,213	\$9,223	\$9,738	\$10,057	\$11,120	\$11,588	\$12,872	\$15,210	\$17,516	
Avg. Loan (Current)	\$6,446	\$7,643	\$7,229	\$7,543	\$7,947	\$8,171	\$8,338	\$8,576	\$8,834	\$9,115	\$9,215	
Avg. Loan (Constant)	\$8,204	\$9,457	\$8,707	\$8,833	\$9,144	\$9,249	\$9,175	\$9,115	\$9,225	\$9,314	\$9,215	12%
Estimated												

Table 5. *Percentage Distribution of Aid from the Federal Pell, Campus-Based, Stafford Loan, and PLUS Programs by Type of Institution, 1992-93 to 2002-03*

	Academic Year											Change	
	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03		
Pell Grant												Estimated	10-Year
Public Institutions	62.0%	65.9%	67.8%	68.7%	69.0%	69.2%	68.9%	68.3%	68.0%	68.0%	67.7%		5.7%
Two-Year	(25.7%)	(30.0%)	(32.7%)	(32.7%)	(33.0%)	(32.8%)	(32.4%)	(33.4%)	(33.7%)	(35.0%)	(34.7%)		9.0%
Four-Year	(36.3%)	(35.9%)	(35.1%)	(36.0%)	(36.0%)	(36.4%)	(36.4%)	(34.8%)	(34.4%)	(33.0%)	(33.0%)		-3.3%
Private Institutions	19.5%	18.8%	19.0%	18.8%	18.5%	18.6%	18.6%	18.6%	18.3%	17.9%	16.9%		-2.6%
Proprietary Institutions	18.5%	15.3%	13.2%	12.5%	12.5%	12.2%	12.5%	13.1%	13.6%	14.2%	15.4%		-3.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	Estimated	
Campus-Based Programs												Estimated	Change
Public Institutions	49.1%	49.6%	50.1%	50.4%	50.8%	50.6%	50.5%	50.1%	49.9%	49.2%	49.0%		0.0%
Two-Year	(9.7%)	(9.6%)	(9.7%)	(9.6%)	(9.8%)	(9.9%)	(9.9%)	(9.8%)	(9.8%)	(9.8%)	(9.0%)		-0.7%
Four-Year	(39.4%)	(40.0%)	(40.4%)	(40.9%)	(41.1%)	(40.7%)	(40.5%)	(40.3%)	(40.1%)	(39.4%)	(40.1%)		0.7%
Private Institutions	45.5%	45.3%	45.5%	45.6%	45.1%	45.5%	45.5%	45.7%	45.9%	46.0%	45.7%		0.2%
Proprietary Institutions	5.5%	5.1%	4.4%	4.0%	4.1%	3.9%	4.0%	4.2%	4.2%	4.8%	5.3%		-0.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	Estimated	
Stafford Sub. Loans												Estimated	Change
Public Institutions	52.5%	52.0%	52.3%	53.4%	53.8%	53.8%	52.8%	51.1%	50.1%	49.3%	49.8%		-2.7%
Two-Year	(6.3%)	(6.1%)	(5.9%)	(5.8%)	(5.8%)	(5.8%)	(5.7%)	(5.5%)	(5.4%)	(5.7%)	(6.3%)		0.0%
Four-Year	(46.2%)	(45.9%)	(46.5%)	(47.5%)	(48.0%)	(48.0%)	(47.2%)	(45.6%)	(44.7%)	(43.6%)	(43.5%)		-2.7%
Private Institutions	37.6%	38.4%	38.9%	38.4%	37.8%	37.7%	37.6%	37.9%	38.2%	37.6%	35.8%		-1.8%
Proprietary Institutions	9.9%	9.5%	8.8%	8.2%	8.4%	8.5%	9.6%	10.4%	11.8%	13.1%	14.4%		4.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	Estimated	
Stafford Unsub. Loans												Estimated	Change
Public Institutions	66.3%	40.4%	44.1%	46.5%	47.3%	47.2%	46.1%	45.6%	45.1%	44.9%	45.0%		-21.3%
Two-Year	(6.7%)	(4.3%)	(4.9%)	(5.1%)	(5.0%)	(5.0%)	(4.7%)	(4.4%)	(4.4%)	(4.7%)	(5.3%)		-1.4%
Four-Year	(59.6%)	(36.1%)	(39.2%)	(41.5%)	(42.3%)	(42.2%)	(41.5%)	(41.2%)	(40.7%)	(40.2%)	(39.7%)		-19.9%
Private Institutions	29.0%	45.7%	43.0%	41.7%	41.2%	41.5%	41.5%	40.6%	40.8%	39.7%	37.9%		8.9%
Proprietary Institutions	4.7%	13.9%	12.9%	11.7%	11.5%	11.3%	12.4%	12.9%	14.1%	15.4%	17.1%		12.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	Estimated	
PLUS Loans												Estimated	Change
Public Institutions	41.4%	34.8%	36.4%	38.2%	38.6%	39.3%	39.7%	38.2%	36.9%	37.8%	39.1%		-2.3%
Two-Year	(2.9%)	(1.6%)	(1.2%)	(1.2%)	(1.1%)	(1.1%)	(1.1%)	(0.9%)	(1.0%)	(1.0%)	(1.0%)		-1.9%
Four-Year	(38.5%)	(33.3%)	(35.2%)	(36.9%)	(37.5%)	(38.3%)	(38.7%)	(37.3%)	(35.9%)	(36.8%)	(38.1%)		-0.4%
Private Institutions	42.1%	47.9%	50.3%	49.3%	48.9%	48.2%	46.3%	45.9%	46.2%	44.4%	43.5%		1.4%
Proprietary Institutions	16.5%	17.3%	13.4%	12.6%	12.5%	12.5%	14.0%	15.9%	16.9%	17.8%	17.4%		0.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	Estimated	

Note: Components may not sum exactly to totals due to rounding.

Table 6. Grant, Loan, Work-Study, and Education Tax Benefit Funding in Current Dollars (in Millions) and as a Percentage of Total Aid, 1993-94 to 2003-04

All Students (Current Dollars)												
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	10-Year* % Change
Grants	\$19,786	\$21,241	\$22,458	\$23,980	\$26,044	\$28,730	\$30,593	\$33,826	\$38,395	\$42,996	\$46,454	135%
Loans	\$22,557	\$26,011	\$30,071	\$33,772	\$36,242	\$37,279	\$41,192	\$43,398	\$48,135	\$57,271	\$68,065	202%
Work	\$771	\$757	\$764	\$776	\$906	\$913	\$917	\$939	\$1,032	\$1,097	\$1,218	58%
Ed. Tax Benefits	-	-	-	-	-	\$3,377	\$4,772	\$4,851	\$5,205	\$6,298	\$6,298	86%
Total	\$43,114	\$48,009	\$53,293	\$58,528	\$63,192	\$70,299	\$77,474	\$83,013	\$92,768	\$107,663	\$122,035	183%

All Students (Percentage)												
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	Estimated
Grants	46%	44%	42%	41%	41%	41%	39%	41%	41%	40%	38%	
Loans	52%	54%	56%	58%	57%	53%	53%	52%	52%	53%	56%	
Work	2%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	
Ed. Tax Benefits	-	-	-	-	-	5%	6%	6%	6%	6%	5%	
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

Undergraduate Students (Percentage)												
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	Estimated
Grants	48%	48%	47%	46%	46%	45%	44%	46%	47%	45%	44%	
Loans	50%	50%	51%	53%	52%	48%	48%	46%	46%	47%	49%	
Work	2%	2%	2%	2%	2%	2%	1%	1%	1%	1%	1%	
Ed. Tax Benefits	-	-	-	-	-	6%	7%	7%	6%	7%	6%	
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

Graduate Students (Percentage)												
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04	Estimated
Grants	37%	29%	26%	26%	26%	27%	27%	26%	25%	23%	22%	
Loans	62%	70%	73%	74%	73%	70%	70%	71%	72%	73%	75%	
Work	1%	1%	1%	1%	1%	1%	<1%	<1%	<1%	<1%	<1%	
Ed. Tax Benefits	-	-	-	-	-	2%	3%	3%	3%	3%	2%	
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

*Where programs have been in existence for less than 10 years, percent change is calculated based on the age of the program.

Note: Components may not sum exactly to totals due to rounding.

Figure 5. Grants vs. Loans, Growth and Percent Share of Total Aid, 1993-94 to 2003-04

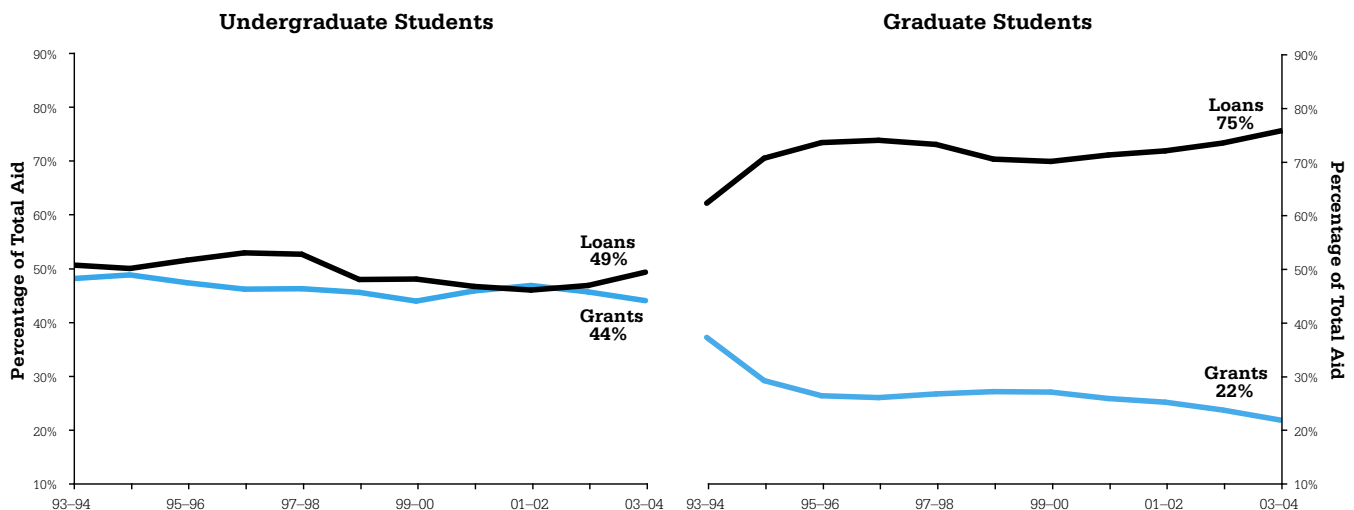


Table 7. Total Aid, Grant Aid, Loan Aid, and Education Tax Benefits per Full-Time Equivalent (FTE) Student in Constant (2003) Dollars, 1983-84 to 2003-04

	FTE	Total Aid (millions)	Avg. Aid per FTE	Grant Aid (millions)	Grant Aid per FTE	Loans (millions)	Loans per FTE	Education Tax Benefits	Education Tax Benefits per FTE
1983-84	9,166,398	\$28,357	\$3,094	\$15,215	\$1,660	\$15,098	\$1,647	-	-
1984-85	8,951,695	\$31,305	\$3,497	\$16,764	\$1,873	\$16,337	\$1,825	-	-
1985-86	8,943,433	\$32,330	\$3,615	\$17,925	\$2,004	\$16,318	\$1,825	-	-
1986-87	9,064,165	\$31,915	\$3,521	\$17,590	\$1,941	\$16,505	\$1,821	-	-
1987-88	9,229,736	\$35,623	\$3,860	\$18,233	\$1,975	\$19,590	\$2,123	-	-
1988-89	9,464,271	\$36,323	\$3,838	\$18,587	\$1,964	\$19,752	\$2,087	-	-
1989-90	9,780,881	\$36,381	\$3,720	\$19,376	\$1,981	\$19,139	\$1,957	-	-
1990-91	9,983,436	\$36,650	\$3,671	\$20,294	\$2,033	\$18,822	\$1,885	-	-
1991-92	10,360,606	\$39,968	\$3,858	\$22,704	\$2,191	\$20,016	\$1,932	-	-
1992-93	10,436,776	\$46,628	\$4,468	\$24,430	\$2,341	\$21,180	\$2,029	-	-
1993-94	10,351,415	\$54,872	\$5,301	\$25,182	\$2,433	\$28,708	\$2,773	-	-
1994-95	10,348,072	\$59,399	\$5,740	\$26,281	\$2,540	\$32,182	\$3,110	-	-
1995-96	10,334,956	\$64,190	\$6,211	\$27,050	\$2,617	\$36,219	\$3,505	-	-
1996-97	10,481,886	\$68,540	\$6,539	\$28,082	\$2,679	\$39,549	\$3,773	-	-
1997-98	10,615,028	\$72,706	\$6,849	\$29,965	\$2,823	\$41,698	\$3,928	-	-
1998-99	10,698,775	\$79,575	\$7,438	\$32,520	\$3,040	\$42,198	\$3,944	\$3,823	\$357
1999-00	10,943,609	\$85,250	\$7,790	\$33,664	\$3,076	\$45,327	\$4,142	\$5,251	\$480
2000-01	11,267,025	\$88,229	\$7,831	\$35,951	\$3,191	\$46,124	\$4,094	\$5,156	\$458
2001-02	11,402,000	\$96,880	\$8,497	\$40,097	\$3,517	\$50,269	\$4,409	\$5,436	\$477
2002-03	11,552,000	\$110,018	\$9,524	\$43,937	\$3,803	\$58,524	\$5,066	\$6,436	\$557
2003-04	11,654,000	\$122,035	\$10,472	\$46,454	\$3,986	\$68,065	\$5,840	\$6,298	\$540

Figure 6. Average Aid per Full-Time Equivalent Student, 1983-84 to 2003-04

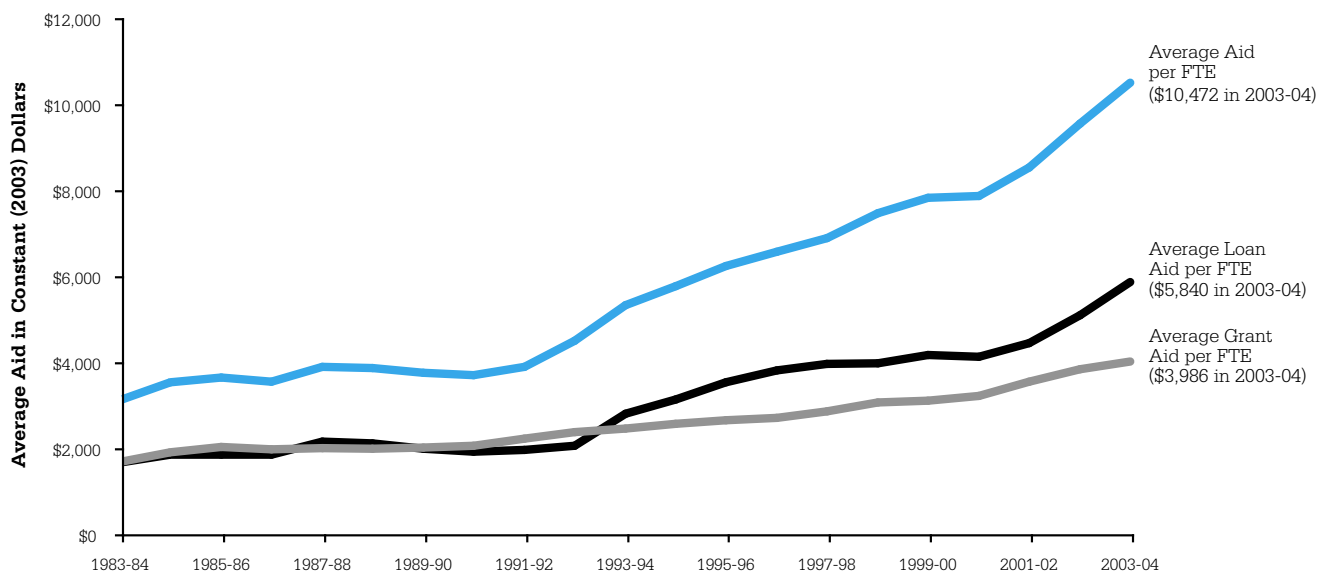
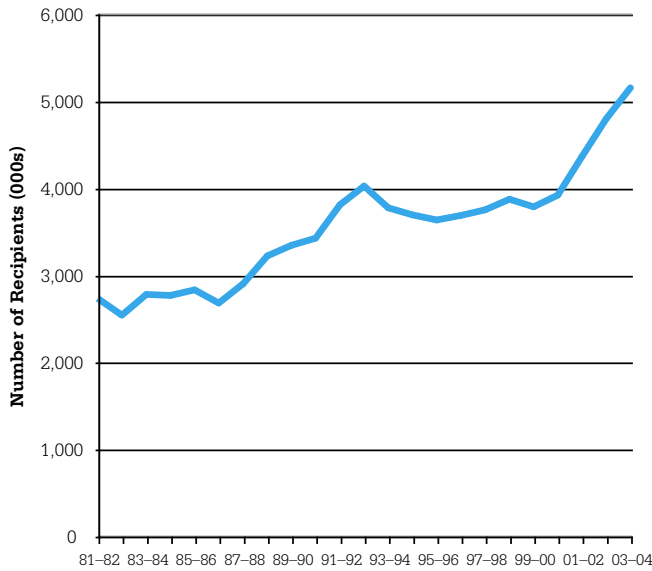


Table 8. Description of Federal Pell Grant Awards in Current and Constant (2003) Dollars, 1973-74 to 2003-04

	Expenditures (in millions)		Authorized Maximum Awards		Actual Maximum Awards		Actual Minimum Awards		Percent Cap on Costs	Number of Recipients (in thousands)	Percent of Recipients Independent
	Current	Constant	Current	Constant	Current	Constant	Current	Constant			
1973-74	\$48	\$200	\$1,400	\$5,873	\$452	\$1,896	\$50	\$210	50	176	13.3%
1974-75	\$358	\$1,364	\$1,400	\$5,328	\$1,050	\$3,996	\$50	\$190	50	567	21.9%
1975-76	\$926	\$3,199	\$1,400	\$4,837	\$1,400	\$4,837	\$200	\$691	50	1,217	29.8%
1976-77	\$1,475	\$4,799	\$1,400	\$4,554	\$1,400	\$4,554	\$200	\$651	50	1,944	38.3%
1977-78	\$1,524	\$4,671	\$1,800	\$5,516	\$1,400	\$4,290	\$200	\$613	50	2,011	38.5%
1978-79	\$1,541	\$4,405	\$1,800	\$5,146	\$1,600	\$4,574	\$50	\$143	50	1,893	36.7%
1979-80	\$2,357	\$6,100	\$1,800	\$4,658	\$1,800	\$4,658	\$200	\$518	50	2,538	33.8%
1980-81	\$2,387	\$5,442	\$1,800	\$4,104	\$1,750	\$3,990	\$150	\$342	50	2,708	40.6%
1981-82	\$2,300	\$4,723	\$1,900	\$3,902	\$1,670	\$3,430	\$120	\$246	50	2,709	41.9%
1982-83	\$2,421	\$4,637	\$2,100	\$4,023	\$1,800	\$3,448	\$50	\$96	50	2,523	45.9%
1983-84	\$2,797	\$5,179	\$2,300	\$4,259	\$1,800	\$3,333	\$200	\$370	50	2,759	47.5%
1984-85	\$3,053	\$5,430	\$2,500	\$4,446	\$1,900	\$3,379	\$200	\$356	50	2,747	48.6%
1985-86	\$3,597	\$6,172	\$2,600	\$4,461	\$2,100	\$3,603	\$200	\$343	60	2,813	50.4%
1986-87	\$3,460	\$5,799	\$2,600	\$4,357	\$2,100	\$3,520	\$100	\$168	60	2,660	53.9%
1987-88	\$3,754	\$6,109	\$2,300	\$3,743	\$2,100	\$3,417	\$200	\$325	60	2,882	57.5%
1988-89	\$4,476	\$6,994	\$2,500	\$3,907	\$2,200	\$3,438	\$200	\$313	60	3,198	57.9%
1989-90	\$4,778	\$7,129	\$2,700	\$4,029	\$2,300	\$3,432	\$200	\$298	60	3,322	59.0%
1990-91	\$4,935	\$7,007	\$2,900	\$4,117	\$2,300	\$3,265	\$100	\$142	60	3,405	61.1%
1991-92	\$5,793	\$7,842	\$3,100	\$4,197	\$2,400	\$3,249	\$200	\$271	60	3,786	61.5%
1992-93	\$6,176	\$8,115	\$3,100	\$4,073	\$2,400	\$3,153	\$200	\$263	60	4,002	62.1%
1993-94	\$5,654	\$7,212	\$3,700	\$4,720	\$2,300	\$2,934	\$400	\$510	-	3,756	59.2%
1994-95	\$5,519	\$6,860	\$3,900	\$4,847	\$2,300	\$2,859	\$400	\$497	-	3,675	59.3%
1995-96	\$5,472	\$6,615	\$4,100	\$4,957	\$2,340	\$2,829	\$400	\$484	-	3,612	58.5%
1996-97	\$5,780	\$6,797	\$4,300	\$5,057	\$2,470	\$2,905	\$400	\$470	-	3,666	57.6%
1997-98	\$6,331	\$7,255	\$4,500	\$5,157	\$2,700	\$3,094	\$400	\$458	-	3,733	56.6%
1998-99	\$7,233	\$8,156	\$4,500	\$5,074	\$3,000	\$3,383	\$400	\$451	-	3,855	55.3%
1999-00	\$7,208	\$7,985	\$4,500	\$4,985	\$3,125	\$3,462	\$400	\$443	-	3,764	55.5%
2000-01	\$7,956	\$8,527	\$4,800	\$5,144	\$3,300	\$3,537	\$400	\$429	-	3,899	56.2%
2001-02	\$9,975	\$10,364	\$5,100	\$5,299	\$3,750	\$3,896	\$400	\$416	-	4,341	57.1%
2002-03	\$11,642	\$11,912	\$5,100	\$5,219	\$4,000	\$4,093	\$400	\$409	-	4,779	57.5%
2003-04	\$12,661	\$12,661	\$5,100	\$5,100	\$4,050	\$4,050	\$400	\$400	-	5,135	58.0%

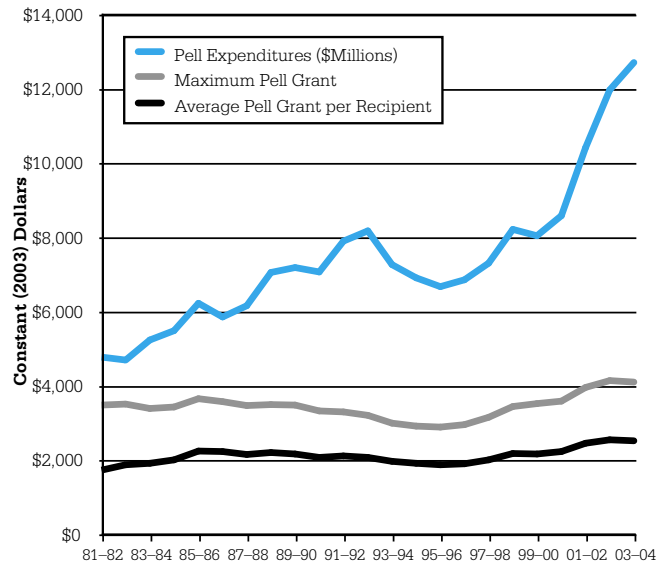
Pell Grants:

Figure 7. Number of Pell Grant Recipients, 1981-82 to 2003-04



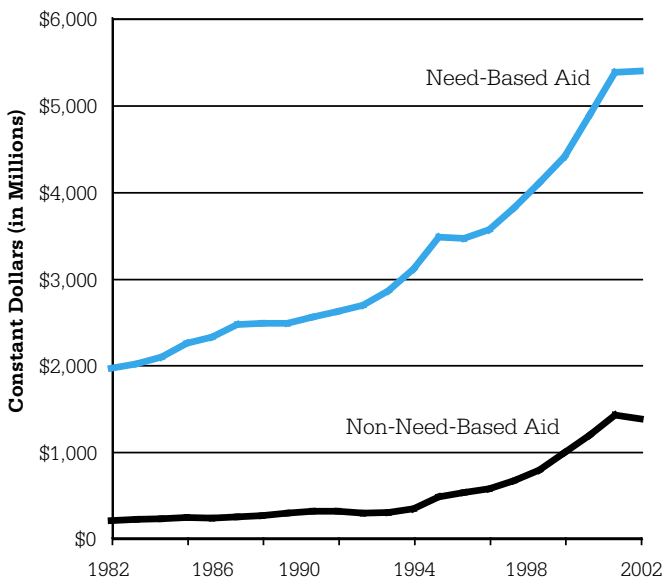
Source: Table 2, Table 3, and Table 8.

Figure 8. Total Pell Expenditures, Maximum Pell Grant, and Average Pell Grant in *Constant (2003) Dollars*, 1981-82 to 2003-04



State Grants:

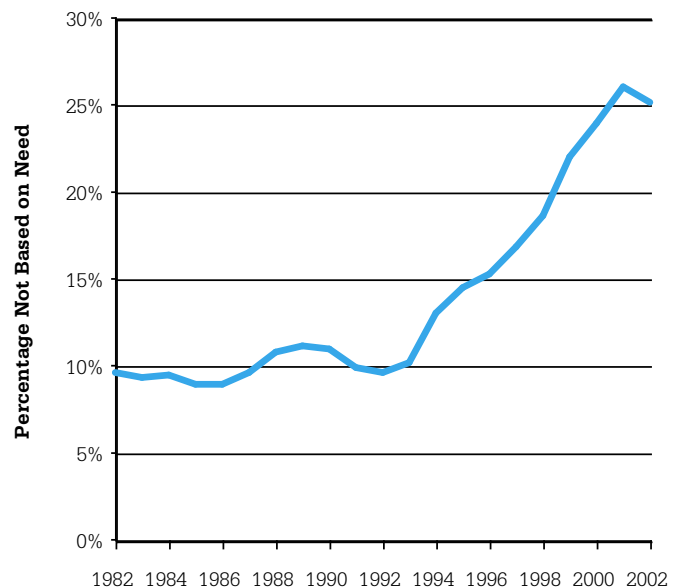
Figure 9. Total Need-Based and Non-Need-Based State Grant Aid in *Constant (2003) Dollars*, 1982 to 2002



Source: Based on annual survey of National Association of State Student Grant and Aid Programs (NASSGAP).

Notes: These data are based on undergraduate state grants, excluding Puerto Rico.

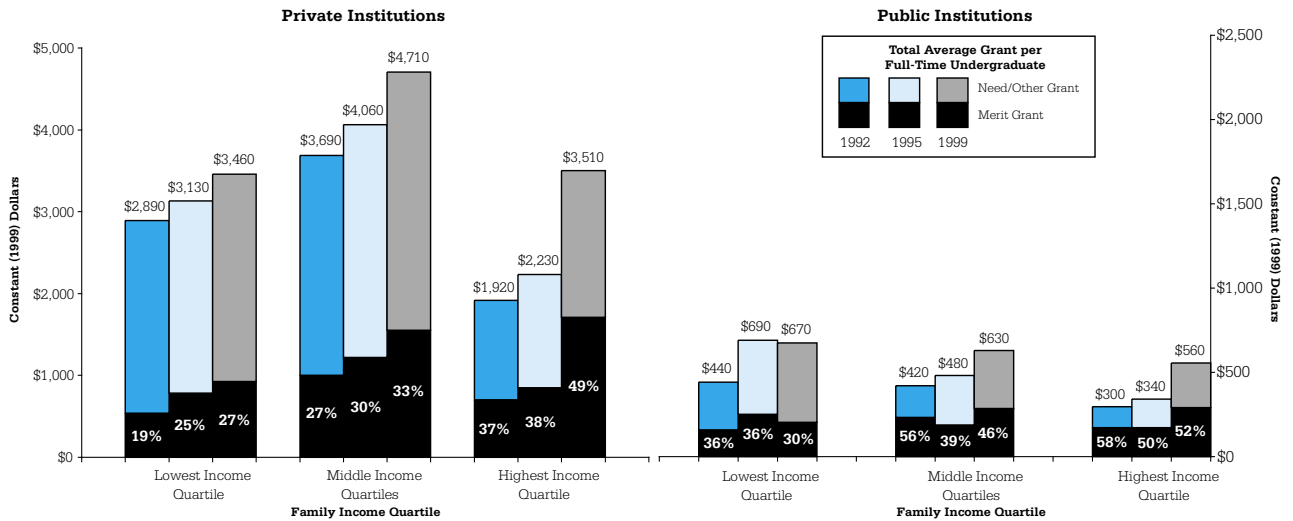
Figure 10. Percent of Total Undergraduate State Aid Not Based on Need, 1982 to 2002



Institutional Grants:

Figure 11. Institutional Grant Aid: Average Dollars per Student (Grants Based Exclusively on Merit and Total Grants) by Income Quartile, in *Constant (1999) Dollars*

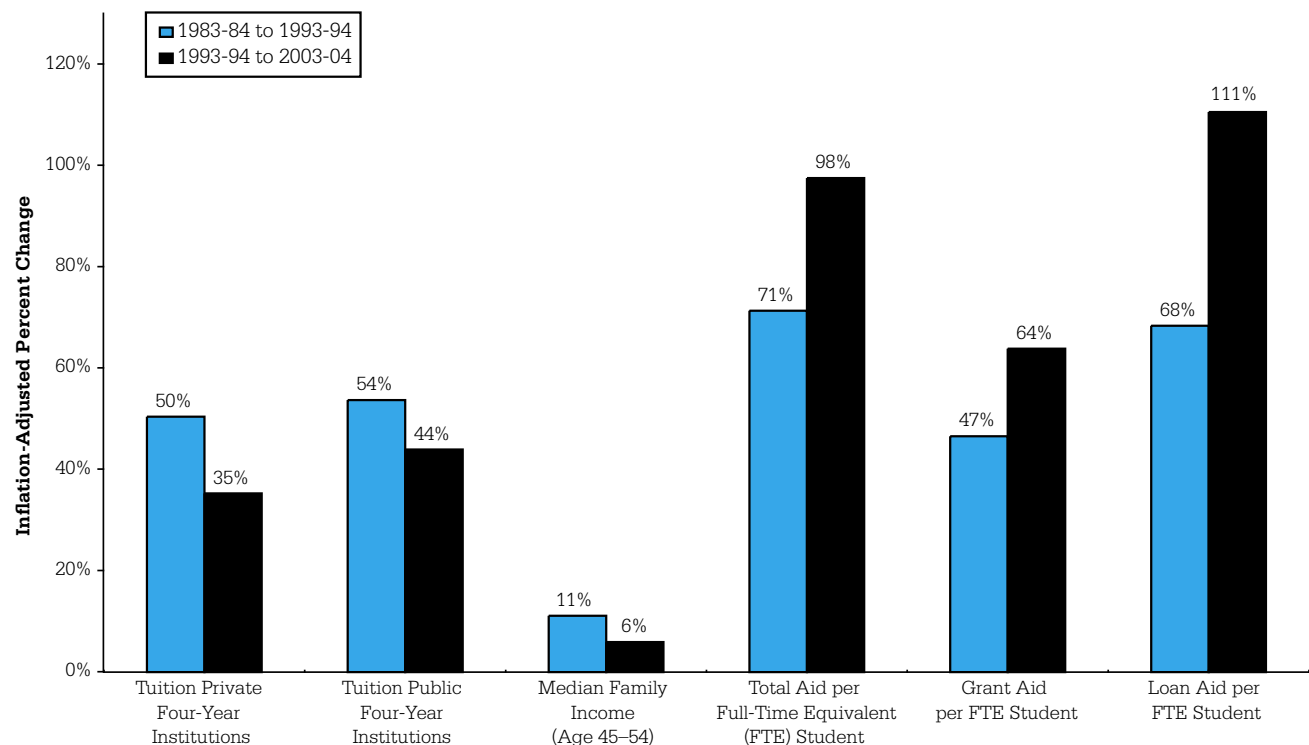
The bottom segment of each bar shows percent of grant aid based exclusively on academic or athletic merit, averaged across all full-time undergraduates in the sector. The upper segment shows need-based and other grant aid, and the entire bar represents average total grant aid per full-time student. Note that the scales on the two graphs differ. Overall, in public four-year institutions, merit-based aid constituted 51 percent of total institutional grant aid in 1992-93, 40 percent in 1995-96, and 43 percent in 1999-2000. In private four-year institutions, merit-based aid constituted 27 percent of total institutional grant aid in 1992-93, 30 percent in 1995-96, and 36 percent in 1999-2000.



Notes: Income definitions (in 1999 Dollars) for Lowest, Middle, and Highest quartiles: For parents of Dependent students: < \$31,000; \$31,000 to \$82,999; \$83,000 or more, respectively. For Independent students: < \$12,000; \$12,000 to \$47,999; \$48,000 or more, respectively.

Source: *What Colleges Contribute*, NCES 2003 (based on NPSAS data); Calculations by the authors.

Figure 12. Inflation-Adjusted Changes in Tuition, Family Income, and Student Aid, 1983-84 to 1993-94 and 1993-94 to 2003-04



College Savings Plans:

Figure 13. Total Assets in Section 529 College Savings Plans, 1996 to 2004

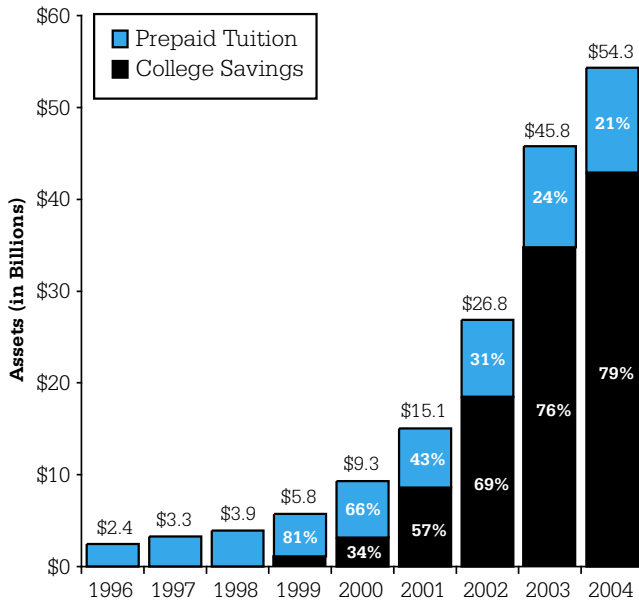
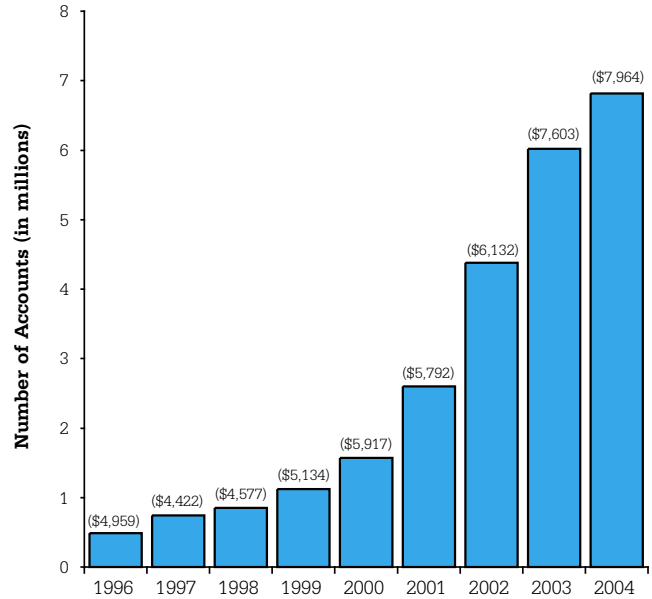
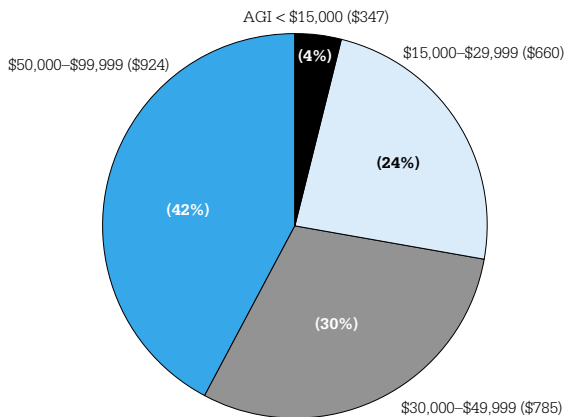


Figure 14. Number of Section 529 Accounts (With Average Savings), 1996 to 2004



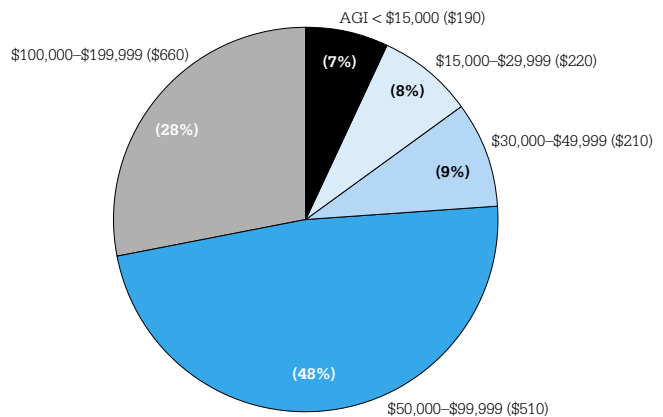
Note: Information on type of account is not available for years before 1999, although the majority were prepaid tuition plans. 2004 data are as of June 30, 2004.
Source: College Savings Plans Network (collegesavings.org), National Association of State Treasurers.

Figure 15. Federal Education Tax Credits: Distribution of Savings by Adjusted Gross Income Level, 2002



Source: Individual Income Tax Returns, Preliminary Data 2002, Table A; calculations by the authors.

Figure 16. Federal Tuition and Fee Deduction: Distribution of Savings by Adjusted Gross Income Level, 2002



Source: Individual Tax Returns, Preliminary Data 2002, Table A; calculations by the authors.

Appendix C

Number of Borrowers, Number of Loans, and Average Loan Amount for Federal Family Education Loan (FFEL) Programs in Current and Constant (2003) Dollars, 1993-94 to 2003-04

	Academic Year											10-Year % Change	
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04		
Stafford												Estimated	
# Borrowers (000)	3,902	3,831	2,975	3,065	3,058	3,009	3,157	3,293	3,601	4,075	4,701		
# Loans (000)	4,462	4,256	3,291	3,398	3,391	3,325	3,507	3,676	4,052	4,592	5,298		19%
Avg. Loan (Current)	\$3,173	\$3,383	\$3,468	\$3,529	\$3,533	\$3,535	\$3,569	\$3,552	\$3,534	\$3,565	\$3,613		
Avg. Loan (Constant)	\$4,038	\$4,186	\$4,178	\$4,132	\$4,064	\$4,001	\$3,927	\$3,776	\$3,691	\$3,643	\$3,613		-11%
												Estimated	
Unsubsidized Stafford													
# Borrowers (000)	693	1,744	1,525	1,679	1,786	1,831	2,091	2,293	2,609	2,991	3,515		
# Loans (000)	755	1,953	1,711	1,904	2,026	2,071	2,376	2,613	3,006	3,465	4,081		441%
Avg. Loan (Current)	\$2,687	\$3,481	\$3,645	\$3,813	\$3,948	\$4,085	\$4,229	\$4,280	\$4,281	\$4,386	\$4,460		
Avg. Loan (Constant)	\$3,419	\$4,307	\$4,391	\$4,466	\$4,543	\$4,625	\$4,653	\$4,549	\$4,471	\$4,482	\$4,460		30%
												Estimated	
PLUS													
# Borrowers (000)	311	300	262	278	303	310	338	359	385	417	521		
# Loans (000)	338	320	279	297	324	332	362	386	417	457	571		69%
Avg. Loan (Current)	\$4,518	\$5,180	\$5,756	\$6,148	\$6,449	\$6,652	\$7,080	\$7,486	\$7,862	\$8,391	\$9,014		
Avg. Loan (Constant)	\$5,751	\$6,409	\$6,932	\$7,200	\$7,419	\$7,530	\$7,791	\$7,957	\$8,211	\$8,575	\$9,014		57%
												Estimated	
SLS													
# Borrowers (000)	743	9	-	-	-	-	-	-	-	-	-		
# Loans (000)	882	10	-	-	-	-	-	-	-	-	-		
Avg. Loan (Current)	\$3,931	\$3,337	-	-	-	-	-	-	-	-	-		
Avg. Loan (Constant)	\$4,864	\$4,019	-	-	-	-	-	-	-	-	-		
												Estimated	
Total													
# Loans (000)	5,555	6,530	5,281	5,598	5,742	5,728	6,246	6,676	7,475	8,514	9,951		79%
Avg. Loan (Current)	\$3,189	\$3,501	\$3,647	\$3,764	\$3,844	\$3,915	\$4,024	\$4,065	\$4,076	\$4,158	\$4,270		
Avg. Loan (Constant)	\$4,058	\$4,331	\$4,392	\$4,408	\$4,423	\$4,431	\$4,428	\$4,320	\$4,257	\$4,249	\$4,270		5%

Source: U.S. Department of Education, Office of Postsecondary Education, National Student Loan Data System (NSLDS).

Appendix D

Number of Borrowers, Number of Loans, and Average Loan Amount for Ford Direct Student Loan (FDSL) Programs in Current and Constant (2003) Dollars, 1993-94 to 2003-04

	Academic Year											10-Year*	
	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04		
Stafford												Estimated	% Change
# Borrowers (000)	-	222	1,299	1,474	1,560	1,551	1,491	1,418	1,413	1,483	1,511		
# Loans (000)	-	298	1,428	1,635	1,730	1,713	1,588	1,509	1,524	1,602	1,630		446%
Avg. Loan (Current)	-	\$3,683	\$3,478	\$3,446	\$3,476	\$3,472	\$3,604	\$3,605	\$3,545	\$3,726	\$3,772		
Avg. Loan (Constant)	-	\$4,557	\$4,189	\$4,035	\$4,000	\$3,930	\$3,966	\$3,832	\$3,702	\$3,808	\$3,772		-17%
												Estimated	
Unsubsidized Stafford												% Change	
# Borrowers (000)	-	118	636	786	888	905	948	941	975	1,028	1,028		
# Loans (000)	-	134	715	899	1,019	1,034	1,022	1,016	1,074	1,140	1,141		754%
Avg. Loan (Current)	-	\$3,597	\$3,408	\$3,403	\$3,542	\$3,585	\$3,890	\$3,947	\$3,922	\$4,187	\$4,297		
Avg. Loan (Constant)	-	\$4,450	\$4,104	\$3,985	\$4,075	\$4,058	\$4,281	\$4,195	\$4,096	\$4,279	\$4,297		-3%
												Estimated	
PLUS												% Change	
# Borrowers (000)	-	27	119	134	147	167	171	171	172	197	214		
# Loans (000)	-	28	125	142	155	177	181	180	182	210	229		709%
Avg. Loan (Current)	-	\$5,797	\$5,792	\$5,895	\$6,185	\$6,293	\$6,556	\$6,967	\$7,268	\$7,779	\$8,400		
Avg. Loan (Constant)	-	\$7,172	\$6,976	\$6,904	\$7,116	\$7,124	\$7,214	\$7,405	\$7,590	\$7,949	\$8,400		17%
												Estimated	
Total												% Change	
# Loans (000)	-	460	2,268	2,676	2,904	2,923	2,791	2,705	2,780	2,952	3,000		552%
Avg. Loan (Current)	-	\$3,788	\$3,583	\$3,561	\$3,644	\$3,682	\$3,900	\$3,957	\$3,934	\$4,192	\$4,324		
Avg. Loan (Constant)	-	\$4,686	\$4,315	\$4,170	\$4,193	\$4,168	\$4,291	\$4,206	\$4,108	\$4,284	\$4,324		-8%

* Where programs have been in existence for less than 10 years, percent change is calculated based on the age of the program.

Source: U.S. Department of Education, Office of Postsecondary Education, National Student Loan Data System (NSLDS).

Notes and Sources

Table 1

Federally Supported Programs

Several of the federally supported programs include small amounts of funding from sources other than the federal government. For example, Federal Work-Study (FWS) includes contributions by institutions, although most of the funds in the program are federal. Perkins Loans (until 1987 called National Direct Student Loans or NDSL) are funded from federal and institutional capital contributions as well as collections from borrowers. Institutional matching funds required by the Supplemental Educational Opportunity Grant (SEOG) program since 1989-90 are reported under institutional grants.

LEAP. Formerly known as the State Student Incentive Grant (SSIG) program, the Leveraging Educational Assistance Partnerships monies reported under federally supported aid include federal monies only; the state share is included under the “state grants” category.

ICL. The Income Contingent Loan Program was discontinued after 1992-93.

FDSLPL. The Ford Direct Student Loan Program began disbursing loans in academic year 1994-95. It includes subsidized and unsubsidized Stafford Loans and Parent Loans for Undergraduate Students (PLUS). Under this program, loans are provided directly to students by the federal government, using funds from the U.S. Treasury. Data for the 2003-04 year are estimates based on data from the Policy, Budget, and Analysis Staff, U.S. Department of Education.

FFELP. The Federal Family Education Loan Program (until 1992 Guaranteed Student Loans), which includes Stafford subsidized, unsubsidized, and PLUS loans (also Supplemental Loans for Students, SLS, until 1994-95), relies on private sources of capital. Until SLS was created by the 1986 Amendments to the Higher Education Act, supplemental loans were provided to students under the Auxiliary Loans to Assist Students (ALAS) program. The SLS program was discontinued after the 1994-95 academic year.

SLS. 1994-95 was the last year of the SLS program. Independent students and dependent students whose parents are not eligible for PLUS loans are now offered unsubsidized Stafford loans instead.

Veterans. Benefits are payments for postsecondary education and training to veterans and their dependents authorized under Chapters 30, 31, 32, 34, 35, and 106

of the U.S. Code. Federal contributions to Chapter 34, the Veterans’ Educational Assistance portion of the Post-Korean Conflict Educational Assistance Programs, were terminated in 1990. After 1990, remaining eligible veterans were funded through Chapter 30.

Military. Expenditures for education are reported for three types of programs: the F. Edward Hebert Armed Forces Health Profession Scholarship Program, Reserve Officers’ Training Corps programs for the Air Force, Army, and Navy/Marines, and higher education tuition assistance for the active duty Armed Forces.

Other Grants. Includes Higher Education Grants for Indian Students, Fellowships for Indian Students (last funded in 1995-96), American Indian Scholarships, Indian Health Service Scholarships, National Science Foundation predoctoral fellowships (minority and general graduate), National Health Service Corps Scholarships, National Institutes of Health predoctoral individual awards, including Nursing Fellowships (Nursing funding ended in 1984-85), fellowships awarded through the Council on Legal Educational Opportunity (last funded in 1995-96), the Jacob K. Javits Fellowship Program, the Robert C. Byrd Honors Scholarship Program (last funded in 1994-95), and college grants provided to volunteers in the Americorps national service programs (funding began in 1994-95).

Other Loans. Includes amounts loaned under the Health Professions Student Loan Program, the Health Education Assistance Loan Program, and the Nursing Student Loan Program.

Education Tax Benefits. Data on education tax benefits are Internal Revenue Service estimates of the volume of Hope and Lifetime Learning Credits for tax years 1998 through 2002 as reported in Table 1: *Individual Income Tax Returns: Selected Income and Tax Items for Specified Tax Years, 1980–2001*, and Table A, *Individual Income Tax Preliminary Data 2002*. Estimates of tax benefits for 2002 and 2003 also include the federal tuition and fee deduction. Amounts deducted are reported by the IRS. Associated tax savings are estimated by the College Board based on the marginal tax rates applying to the average taxable income of the tax filers in each income bracket claiming the deduction. Amounts are attributed to the academic year beginning in the calendar year during which the tax benefit was claimed. For example, the tax benefits counted as student aid in 2002-03 are the amounts claimed on 2002 tax forms. Estimates for 2002 are carried over to 2003.

State Grant Programs

The state grant amount for 2003-04 is based on projections by the 20 states that award approximately 90 percent of state grant funds and estimates made by the College Board for the remaining 30 states and the District of Columbia. Previous data are updated using the National Association of State Student Grant and Aid Programs (NASSGAP) Annual Survey.

Nonfederal Loans

Estimates based on an informal College Board poll of the largest nonfederal loan sponsors; includes estimates of private and state-sponsored loan volume since 1995-96.

Institutional Grants

Estimates of institutional grant amounts are based on data from the 1992-93, 1995-96 and 1999–2000 National Postsecondary Student Aid Surveys (NPSAS), IPEDS data through FY 2001, data contained in NCES reports on institutional grant aid, and estimates from other researchers. These figures represent best approximations.

Table 2

Constant dollar figures are based on data from Table 1. See page 23 for a more complete explanation of constant dollar conversions.

Table 5

Four-year institutions include public institutions offering bachelor’s and/or graduate degrees. Two-year institutions include public institutions of any other program length from six months to three years. Proprietary refers to private for-profit institutions.

Table 6

Based on data from Tables 1 and 2. The grants category includes Pell Grants, SEOG, LEAP, Veterans Benefits, Military Expenditures, Other Grants, State Grant Programs, and Institutional Grants. Loans includes loans from all sources, whether subsidized or not. The work component is FWS and tax benefits include Hope and Lifetime Learning federal tax credits and estimated tax savings from the federal tuition and fee deduction. Pell and SEOG grants are exclusively for undergraduate students. Breakdown of state grants by undergraduate/graduate is based on data from NASSGAP. Other federal grants are assumed to go entirely to undergraduates. Breakdown of institutional grants by level of study is based on NPSAS data. Breakdown of federal loans is based on information provided by the U.S. Department of Education. Breakdown of private loans is based on reporting by the lenders.

Table 7

FTE data from Table 200, *Digest of Education Statistics 2002*. FTE data are for fall enrollment, all institutions. Enrollment data for 2002-03 and 2003-04 are based on

middle alternative projections from Table 22, *Projections of Education Statistics to 2012*, NCES.

Table 8

The 1992 reauthorization of the Higher Education Act eliminated the percent cap on college costs beginning in 1993-94. The constant dollar values reflect a fiscal year CPI adjustment.

Figure 1

Based on Tables 1 and 2.

Federal Campus-Based aid includes SEOG, FWS, and Perkins Loans.

Other Federal Programs include LEAP, Military and Veterans' aid, Other Grants, and Other Loans. Education Tax Benefits include federal Hope and Lifetime Learning credits and estimated tax savings from the federal tuition and fee deduction.

Figures 2 and 3

Based on data from Table 2.

Figure 4

Based on Table 1.

Figure 5

Based on Table 6 data.

Figures 7 and 8

Based on Tables 3 and 8.

Figures 9 and 10

Based on annual survey results of the National Association of State Student Grant and Aid Programs (NASSGAP).

Figure 11

Data on institutional grant aid by income levels are from the National Center for Education Statistics, *What Colleges Contribute: Institutional Aid to Full-Time Students Attending Four-Year Colleges and Universities*, NCES 2003-157.

Figure 12

Based on data from Tables 2, 7, and *Trends in College Pricing*.

Median family income data for the 45-54 age category are used because they are more representative of families with dependents in college. This statistic is not representative of independent students.

Figures 13 and 14

Data on assets in state savings plans and prepaid tuition plans were provided by the National Association of State Treasurers, College Savings Plans Network.

Figures 15 and 16

Distribution of education tax credits and tuition and fee deductions by adjusted gross income levels is from *Individual Income Tax Returns, Preliminary Data 2002*. Because the data are reported by income categories, some interpolation was required. Tax savings from the tuition and fee deduction are based on the marginal tax rates applicable to filers with the levels of 2002

taxable income associated with the returns on which the deduction was claimed.

Definitions

Academic year: July 1 to June 30

Federal fiscal year: October 1 to September 30

General Notes

- Details may not add to totals due to rounding.
- Aid is reported by the academic year in which it is awarded. When necessary, fiscal year data are converted to the academic year equivalents by reassigning the July through September expenditures.
- For a more detailed description of the programs and past trends, see *Trends in Student Aid: 1963 to 1983*.

A Note on Constant Dollar Conversion

The Consumer Price Index for all urban dwellers (the CPI-U) is used to adjust for inflation. Updated CPI data are available from the Bureau of Labor Statistics Web site (<http://stats.bls.gov/cpihome.htm>). The academic base year for 2003-04 was calculated using CPI data for the months inclusive of July 2003 to June 2004.

Formula for Constant Dollar Conversion

$$\begin{array}{r} \text{CONSTANT} \\ \text{(base year)} \\ \text{Dollars} \end{array} = \begin{array}{r} \text{CURRENT} \\ \text{year} \\ \text{dollars} \end{array} \times \frac{\text{CPI for the} \\ \text{base year}}{\text{CPI for the} \\ \text{current year}}$$

Consumer Price Indexes: (1982-84=100)

The CPI conversion table provides academic and calendar year CPI data. The factor column provides the user with a multiplication factor equal to that of CPI (base year) divided by CPI (current year), as illustrated in the right-hand side of the above equation. Multiplication of the current year figure by the associated factor will yield a constant-dollar result.

Sources

Consumer Price Index:

The Consumer Price Index (CPI) for current and past years is from the Bureau of Labor Statistics, U.S. Department of Labor.

Tables 1, 2, 3, 4, 5, 6, and 7:

Campus-Based Aid (FWS, Perkins, and SEOG)

U.S. Department of Education, Office of Postsecondary Education Policy, Budget, and Analysis staff, *Federal Campus-Based Programs Databook 2003* and *Federal Campus-Based Programs Distribution of Awards Annual*.

Federal Family Education Loan and Ford Direct Student Loan Programs.

Unpublished data from the U.S. Department of Education, Policy, Budget, and Analysis staff.

Institutional Aid

Estimates of institutional grant amounts are based on data from the 1992-93, 1995-96

Academic Year			Calendar Year		
Year	CPI	Factor	Year	CPI	Factor
1993	146.2	1.2727	1993	144.5	1.2734
1994	150.4	1.2372	1994	148.2	1.2411
1995	154.5	1.2045	1995	152.4	1.2072
1996	158.9	1.1711	1996	156.9	1.1728
1997	161.7	1.1505	1997	160.5	1.1460
1998	164.4	1.1319	1998	162.9	1.1295
1999	169.1	1.1004	1999	166.4	1.1055
2000	175.1	1.0628	2000	172.2	1.0683
2001	178.2	1.0443	2001	177.1	1.0389
2002	182.1	1.0219	2002	179.9	1.0227
2003	186.1	1.0000	2003	184.0	1.0000

and 1999-2000 National Postsecondary Student Aid Surveys (NPSAS), IPEDS data through FY 2001, data contained in NCES reports on institutional grant aid, and estimates from other researchers. These figures represent best approximations.

Military

F. Edward Hebert Armed Forces Health Profession Scholarship amounts were obtained from the Office of the Assistant Secretary for Defense (Health Affairs). ROTC program data were obtained separately from the Air Force, Army, and Navy program offices. The Education Policy Directorate of the Office of the Secretary of Defense provided Armed Forces tuition assistance amounts.

Other Grants and Loans

The data were collected through conversations and correspondence with the officials of the agencies that sponsor the programs.

Pell Grant Program

Unpublished data from Policy, Budget, and Analysis Staff, U.S. Department of Education. Other data from Pell Grant End of Year Reports.

Education Tax Benefits

Internal Revenue Service, *Selected Income and Tax Items for Specified Tax Years, 1980-2000*. *SOI Bulletin*, Winter 2001-2002 and *Individual Income Tax Preliminary Data 2002*.

LEAP and State Grant Programs 2003-04: Preliminary figures reported by 20 states with largest grant appropriations. Figures for remaining 30 states, the District of Columbia, and Puerto Rico were estimated by the College Board.

1988-89 to 2002-03: 20th through 34th *Annual Survey Reports* of the National Association of State Scholarship and Grant Programs.

Veterans Benefits

Benefits Program series (annual publication for each fiscal year), Office of Budget and Finance, U.S. Veteran's Administration and unpublished data from the same agency.

This report provides the most recent and complete statistics available on student aid in the United States. Detailed historical data are available in Gillespie and Carlson, *Trends in Student Aid: 1963 to 1983* (New York: The College Board, 1983) and annual *Trends in Student Aid* publications since 1983. Data here include updates of some previously published data, in addition to estimates for the academic year 2003-04

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The Washington Office of the College Board conducts and disseminates research relevant to public policy issues in education. The office is located at 1233 20th Street, NW, Suite 600, Washington, DC 20036-2375. Phone 202 741-4700.

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