



UNIVERSITY
of HAWAII®

David Lassner
President

DEPT. COMM. NO. 243

December 22, 2022

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-Second State Legislature
Honolulu, Hawai'i 96813

The Honorable Scott Saiki, Speaker
and Members of the House of Representatives
Thirty-Second State Legislature
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, the University of Hawai'i is transmitting one copy of the Annual Report on the Hawai'i Promise Scholarship Program, FY 2022 (Section 304A-2102, Hawai'i Revised Statutes and Act 61, Session Laws of Hawai'i 2019) as requested by the Legislature.

In accordance with Section 93-16, Hawai'i Revised Statutes, this report may be viewed electronically at: <https://www.hawaii.edu/offices/government-relations/2023-legislative-reports/>.

Should you have any questions about this report, please do not hesitate to contact Stephanie Kim at 956-4250, or via e-mail at scskim@hawaii.edu.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Lassner'.

David Lassner
President

Enclosure

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UNIVERSITY OF HAWAI‘I SYSTEM ANNUAL REPORT



REPORT TO THE 2023 LEGISLATURE

Annual Report on the Hawai'i Promise
Scholarship Program, FY 2022

HRS 304A-2102
Act 61, SLH 2019

December 2022

**Annual Report to the 2023 Hawai'i Legislature on
The Hawai'i Promise Scholarship Program, FY 2022
HRS 304A-2102 and Act 61, SLH 2019**

Background

Hawai'i Promise is a state-funded scholarship program that ensures that residents with financial needs can afford a college education. Hawai'i Promise provides free in-state tuition for qualified University of Hawai'i Community College students with financial needs. For eligible students, Hawai'i Promise provides the "last dollar" to cover direct education costs (e.g., tuition, fees, books) that are not met by other forms of financial aid such as federal grants and scholarships from private foundations or other sources.

In 2017, the legislature appropriated \$1.8 million for the creation of the Hawai'i Promise Program for qualified students attending a community college via Act 49, Session Laws of Hawai'i (SLH) 2017 (supplemental budget bill). In 2018, Governor David Ige signed Act 14, which provided \$700,000 for fiscal year 2018-2019 to provide additional financial assistance for unmet direct educational costs to qualified students enrolled at any community college campus of the University of Hawai'i. Act 14 was later codified as section 304A-2102, Hawai'i Revised Statutes, which included a reporting requirement that would include the number of scholarships provided under the Hawai'i Community College Promise Program during the preceding year. In 2019, Act 61, SLH 2019 was signed into law which appropriated an additional \$700,000 for fiscal years 2019-2020 and 2020-2021.

Students are considered for the Hawai'i Promise when they submit their Free Application for Federal Student Aid (FAFSA), and they do not need to apply for the program separately. Eligible students must be qualified for Hawai'i resident tuition and be enrolled in at least six credits per term in a UHCC degree program. Hawai'i Promise scholarships are awarded as part of a student's financial package issued by their college.

Academic Year Expenditures

For the 2021-22 academic year, the University awarded and disbursed \$4,884,829 assisting 2,139 students from all seven UH Community Colleges who were eligible for the scholarship. The average award was \$2,284. Hawai'i Promise provided the "last dollar" to cover the gap between students' other sources of non-loan aid (e.g., federal grants, private scholarships) and the "direct education costs" (estimated cost of tuition, fees, books, supplies and transportation).

Hawai'i Promise Scholarships, 2021-22*

Campus	# of Recipients	Avg Award (\$)	Total Awarded (\$)
Hawai'i CC	211	\$2,265	\$477,886
Honolulu CC	250	2,430	607,518
Kapi'olani CC	534	2,256	1,204,941
Kaua'i CC	149	2,164	322,424
Leeward CC	574	2,149	1,233,239

Maui College	298	2,511	748,323
Windward CC	127	2,287	290,498
UHCC Total	2,139	\$2,284	\$4,884,829

* Awards as of 11/26/22.

Hawai'i Promise Scholarship Recipients

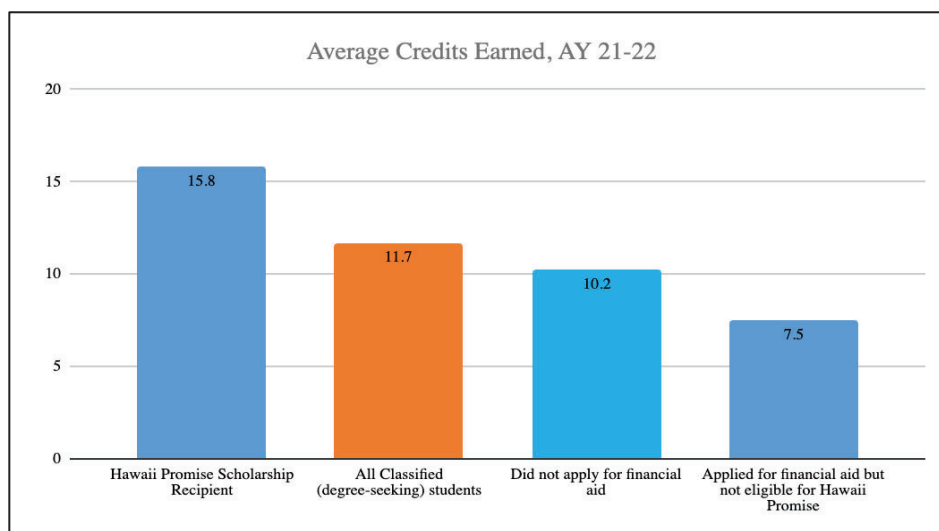
In 2021-22, the Hawai'i Promise program supported 2,139 UHCC students who had financial need. Average family income of Hawai'i Promise (HP) scholarship recipients was \$65,174 (Adjusted Gross Income), well below the state's median household income of \$83,102 (Census, 2020) and Aloha United Way's "ALICE" threshold of \$76,632 for a family of four with school age children (AUW, 2018). Thirty-six percent (36%) of HP Scholarship awardees were also Federal Pell Grant recipients, the federal program designed to assist college students from low-income households. Sixty-four percent (64%) of recipients did not receive federal Pell grants, indicating that Hawai'i Promise supported many students in a "gap" group who had financial need but did not qualify for a Pell grant.

Sixty percent (60%) Hawai'i Promise scholarships were awarded to students who identified as underrepresented at UH: Native Hawaiians, Filipinos, Pacific Islanders, American Indian or Alaskan Native, African American or Black, and Hispanic. These underrepresented ethnicity groups comprised 52% of overall UHCC enrollment in 2021-22, so these groups received a higher share of Hawai'i Promise scholarships awards.

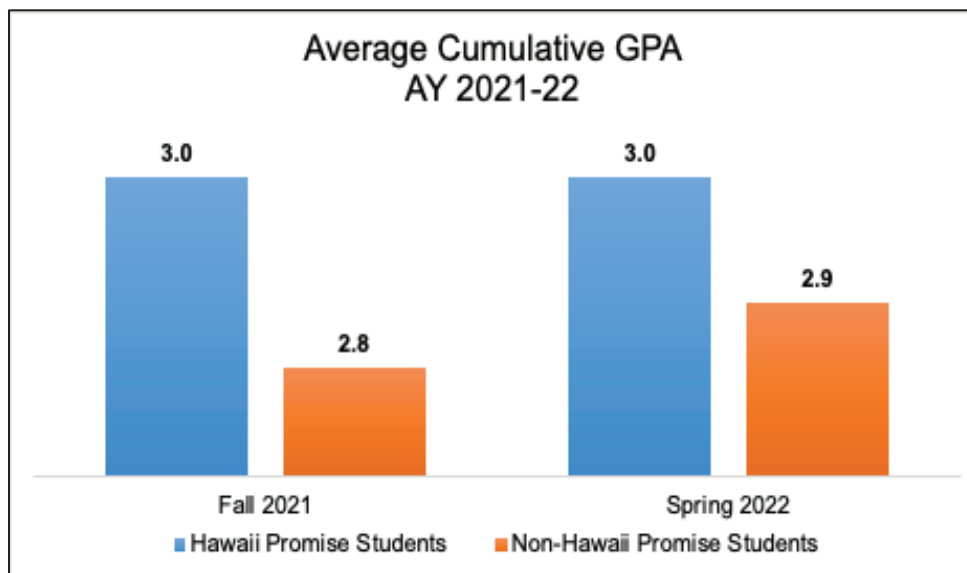
Hawai'i Promise Scholarship Impact

Results from Hawai'i Promise continue to be extremely positive.

- More credits earned:** In 2021-22, Hawai'i Promise recipients attempted and earned more credits than non-Hawai'i Promise awardees. More credits earned has academic and financial benefits to the student including reducing time to degree and increased likelihood of persistence and degree completion. This comparison held true relative to all degree seeking students, those who applied for financial aid but did not receive Hawai'i Promise, and those who did not apply for aid.



- **Better grades:** Hawai'i Promise recipients had higher passing rates than their peers, and they earned higher grades than their peers. In each term since Hawai'i Promise began, scholarship recipients have earned a 3.0 Grade Point Average (GPA) or better.



- **Higher persistence rates for full-time students:** Hawai'i Promise recipients were more likely to continue to be enrolled in UH than peers who did not receive Hawai'i Promise scholarships. Sixty nine (69%) of new Hawai'i Promise Scholarship recipients who enrolled full-time in Fall 2021 continued to be enrolled in Fall 2022, at a rate of eight percentage points higher than non-Hawai'i Promise students. One-year persistence rates were higher for full-time transfer students as well, 57% compared to 51%, for Hawai'i Promise recipients vs. non-Hawai'i Promise recipients.

Students who received Hawai'i Promise scholarships in prior years continue to be enrolled, meet transfer goals, and earn degrees and certificates at comparable rates to peers. For example, among students who received scholarships as new students in Fall 2019, 37% of students successfully transferred to another institution and/or graduated, which is on par with the success rates of their peers.

- **Higher persistence and completion rates for part-time students** For part-time students, Hawai'i Promise scholarship recipients returned at **higher rates** than their peers: 56% vs. 47%. Part-time Hawai'i Promise scholarship recipients graduate or continue to be enrolled at higher rates than their peers, which has been the case for all part-time student cohorts for the past five years.

Act 61 (2019) requested additional information about students not enrolled in the program and the impact the scholarship had on their ability to enroll, persist, and complete their college goals. Below is feedback provided by Hawai'i Promise recipients in November 2022 that addressed the impact of the scholarship.

"I am a Hawaii resident, full-time student, and I also take care of my 81 year old grandfather. The (Hawaii Promise) scholarship helped cut my work hours so I am able to still study and take care of my family, and balance it all. Mahalo nui for this scholarship."

"This scholarship is helping me to pursue my dream to become a nurse. Without this scholarship I would not have the opportunity to attend school."

"I wouldn't be able to attend college without the help of funding. It really helped me a lot in deciding to continue to attend classes. I'm very motivated to stay in school to finally get a degree to find a better job and career."

"Living in Hawai'i with children, financial concerns can be vital in decision making. During COVID-19, I experienced job loss and was concerned about many issues that have caused stress. With the Hawaii Promise Scholarship, it has allowed me to continue my education without the worries of financial hardship and importantly, allowing me to continue my education instead of stopping."

"I am trying to get my degree to become an elementary school teacher. Without the assistance, I would probably have to do something else, and I can see that Kona is in desperate need of teachers. I thank you sincerely and hope you will continue to help others who want to invest in our keiki's future!"

"The Hawaii Promise Scholarship helped me achieve my goals by allowing me to go to Leeward Community College fully paid for. I always thought tuition would be a burden on my parents, but with this scholarship this made me focus more on school. I'm able to set myself up out of school with more food and supplies I need. With this scholarship it encourages me more and pushes me to pursue my bachelors."

"The Hawai'i Promise Scholarship has helped me go back to college. As a mom of three children, continuing my education didn't seem possible because I do not have the extra money to pay for school and books. Without the help of this scholarship, I probably would not be where I am right now as dropping out was probable due to the expense. "

"I really appreciated this opportunity because the Hawai'i Promise Scholarship helped me to pay for school textbooks, supplies, and tuition. Because our daughter and I are college students, paying school tuition is extremely difficult. Therefore, I would not have been able to take classes if I had not received this scholarship."

"Hawaii Promise Scholarship helped me by providing financial support to my career. It helps me to pay for my classes every semester and tools I need for my career. Automotive Industry is an expensive career because you will need to buy your own tools to make money. This scholarship provides the support of having what you need. It pays for my tuition and whatever is left, it goes to the tools I need. I hope this scholarship will not stop and it will keep on going because it will help students finish college with a degree they wanted."

"All my life, I have never even thought of going to college. All the obstacles were in my mind, I'm not smart enough, and I cannot afford it, but the Hawaii Promise scholarship has helped me to take that step toward a better future for myself and my family. I will be graduating soon with an associate's degree, something I NEVER thought I could obtain,

and it is all because of programs like this one that help to give people like me that extra boost we need to succeed.”

Additional information requested follows:

(1) How many scholarship recipients would have enrolled in the university of Hawai'i community college system without the benefit of the program;

A survey to gather student feedback on Hawai'i Promise was emailed to all 2,139 students that received Hawai'i Promise in Academic Year 2021-22. The survey was administered in December 2022 and 245 survey responses were received. The student sample of 245 Hawai'i Promise Scholarship recipients (11.5% response rate) provides a picture of HP Scholarship students as a whole and is acceptable for educational purposes with a 95% confidence interval and a 6% margin of error.

The large majority of survey respondents reported that the Hawai'i Promise Scholarship provided positive benefit and impact to their ability to afford, decision to enroll, and likelihood to persist in the University of Hawai'i Community College System.

- **91% of respondents** Strongly Agreed or Agreed that the Hawai'i Promise Scholarship helped me decide that college was affordable this year;
- **87% of respondents** Strongly Agreed or Agreed that the Hawai'i Promise Scholarship helped me to make the decision to enroll in college this year;
- **91% of respondents** Strongly Agreed or Agreed that returning to college next semester depends on continuation of my financial aid including Hawai'i Promise Scholarship.

Conversely, only **2% of respondents** Disagreed or Strongly Disagreed that the Hawai'i Promise Scholarship helped to decide that college was affordable this year and **2% of respondents** Disagreed or Strongly Disagreed that returning to college next semester depended on continuation of their financial aid including Hawai'i Promise Scholarship.

Based on this sampling, it can be projected that 43 students (2% of AY 2021-2022 Hawai'i Promise recipients) would have enrolled in the University of Hawai'i Community College system without the benefit of the program. It is projected that 1,861 students (87% of AY 2021-2022 Hawai'i Promise recipients) enrolled within the University of Hawai'i community college system because of the benefits of the Hawai'i Promise program.

While Hawai'i Promise Scholarships are applied only to direct educational expenses (such as tuition), all respondents indicated that the Hawai'i Promise Scholarship enabled them to benefit in many ways to support their educational success.

The Hawai'i Promise Scholarship allowed me to:	Percent of Sample
<i>Purchase books or supplies that I could not afford</i>	81%
<i>Support my living expenses and basic needs, such as food or housing</i>	73%
<i>Take more classes/credits</i>	67%
<i>Reduce the amount of student loans I borrowed</i>	58%
<i>Reduce the amount of my work hours</i>	34%

(2) How many scholarship recipients begin a degree program but are unable to complete the program, despite receiving the benefit of a Hawai'i community college promise program scholarship;

In November 2022, an analysis was conducted to assess the outcomes of all Hawai'i Promise recipients since program inception (Fall 2017 - Fall 2022). A total of 8,190 unique recipients were assessed.

69% Success Rate (Degree Completion, Transfer, and/or Persistence)

- 2,538 students completed a UH certificate or degree;
- 255 students successfully transferred from UHCCs to UH four year institutions; and
- 2,893 students are still pursuing a UH degree program.

31% Stop-out Rate

- 2,504 students have some college experience but did not successfully transfer to a UH four-year, complete, or persist. It is possible that many of these students successfully transferred to a non-UH four-year institution, but the finalized transfer data was not available at the time of this report.
- It is noted that the 31% Hawai'i Promise stop-out rate compares favorably to the 45% national measure for not enrolled, no degree status within 6 years for students that begin at a public, 2-year institution according to the National Center for Education Statistics.

(3) The degree to which receipt of a Hawai'i community college promise program scholarship directly increases the likelihood that a recipient completes a degree program.

Hawai'i Promise recipients have higher "success rates" as measured by graduation at a community college, transfer to a baccalaureate program, and continued enrollment.

Overall success rates for first-time, full-time students were 42% for Hawai'i Promise recipients compared with 39% for non-Hawai'i Promise recipients. Hawai'i Promise recipients showed higher 150% time transfer rates and graduation rates in all three years Hawai'i Promise cohorts.