Strengthening Student Aid in Texas: Rethinking the TEXAS Grant Academic Priority Standards

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Of first-year students who are accepted for enrollment at public four-year institutions and qualify for state grant aid through the Toward EXcellence, Access, and Success (TEXAS) grant, about one-third do not receive this funding. In allocating available funds, first priority goes to eligible returning students. Among initial-year students, first priority goes to those who meet both the January 15 priority deadline for applying and the academic priority requirements, which set standards for high school courses completed, grade point average, and class rank.

These priority rules have little impact at the most selective universities because virtually all admitted students meet the standards. But at less selective universities, students may well meet the criteria for admission without having the high school records the priority standards require.

No rationing mechanism that excludes eligible students with high levels of financial need is appealing, but it is worth evaluating the impact of the current rules and considering alternative allocation strategies. Excluding admitted students from aid programs because of their risk factors is likely to generate a self-fulfilling prophecy, as these students are more likely to fail without generous assistance.

Recommendations

If the grant program’s goal is increasing educational attainment among low- and moderate-income Texas students, as opposed to funding those most likely to succeed and maximizing graduation rates among grant recipients, the state might consider acceptance to the institution as the academic threshold for receiving state grant aid, without further differentiating among students based on high school performance.

If a student is accepted and enrolls at a university, it is in the interest of the students, the university, and the state to increase that student’s chances of success. Denying them state grant aid because of their level of academic preparation can only hurt their chances. A more effective strategy would be to provide the necessary financial and academic supports to increase students’ probabilities of success. Eliminating students with lower chances might increase the success rates for grant recipients, but it is likely to decrease overall success rates and the success rates of vulnerable students.
Evaluate the impact of the TEXAS grant academic priority standards using student-level data to examine the characteristics of students whom the standards exclude and the impact on college enrollment and success. The state should assess the higher education trajectories of TEXAS grant recipients who do and do not meet the academic standards and of those who are eligible but are denied aid because they do not meet the priority standards. Such an evaluation could provide evidence about which students enrolling in public four-year institutions are most likely to meet the academic priority standards and the characteristics of students whose college success is most influenced by the receipt of grant aid. It would also increase understanding of the extent to which the high schools where low-income and nonwhite students are concentrated provide the rigorous coursework required to meet the standards.

Consider alternative criteria for rationing state grant aid, as long as funds are not adequate to serve all eligible students. Students with the most limited resources—rather than those with the strongest academic preparation—might be first in line for aid.

Helping high-need students buy books and supplies and meet their living expenses might take priority over ensuring that all TEXAS grant recipients, regardless of ability to pay within the eligibility range, have their full tuition and fees covered by grant aid.

The state should weigh the appropriate balance between funding more students and providing larger grants to individual students.

Assess the impact of priority application deadlines on students who are transferring from associate programs. Some students are eligible for TEXAS grants after earning an associate degree or transferring from a two-year school where they received a Texas Educational Opportunity Grant award. These students may be more likely to submit their application materials after the priority deadline. Assess whether this deadline plays a significant role in the very small number of students who receive TEXAS grants through these pathways.

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