A wide-angle, high-angle photograph of a busy indoor event, likely a career fair or expo. Numerous people are walking through aisles lined with white-clothed tables. Some people are standing at the tables, while others are in motion. The floor is a reddish-brown color, and the overall atmosphere is one of a large-scale public gathering.

FY 20 Testimony before Senate Education Committee

February 26, 2019

Marilyn Cargill, VP for Financial Aid Programs, and
Thomas A. Little, General Counsel
Vermont Student Assistance Corporation



VSAC opens the doors to education:

- Provides career and education counseling to over 6,600 students of all ages.
- Administers the \$20 million Vermont State Grant program for low-income Vermonters.
- Administers 150 scholarship programs worth \$5 million annually – just for Vermonters.
- Administers Vermont's 529 college savings plan, with 21,000 accounts worth \$372 million. Vermonters used over \$31 million in FY18 to cover education costs.
- Cost to Vermont taxpayers: \$0.

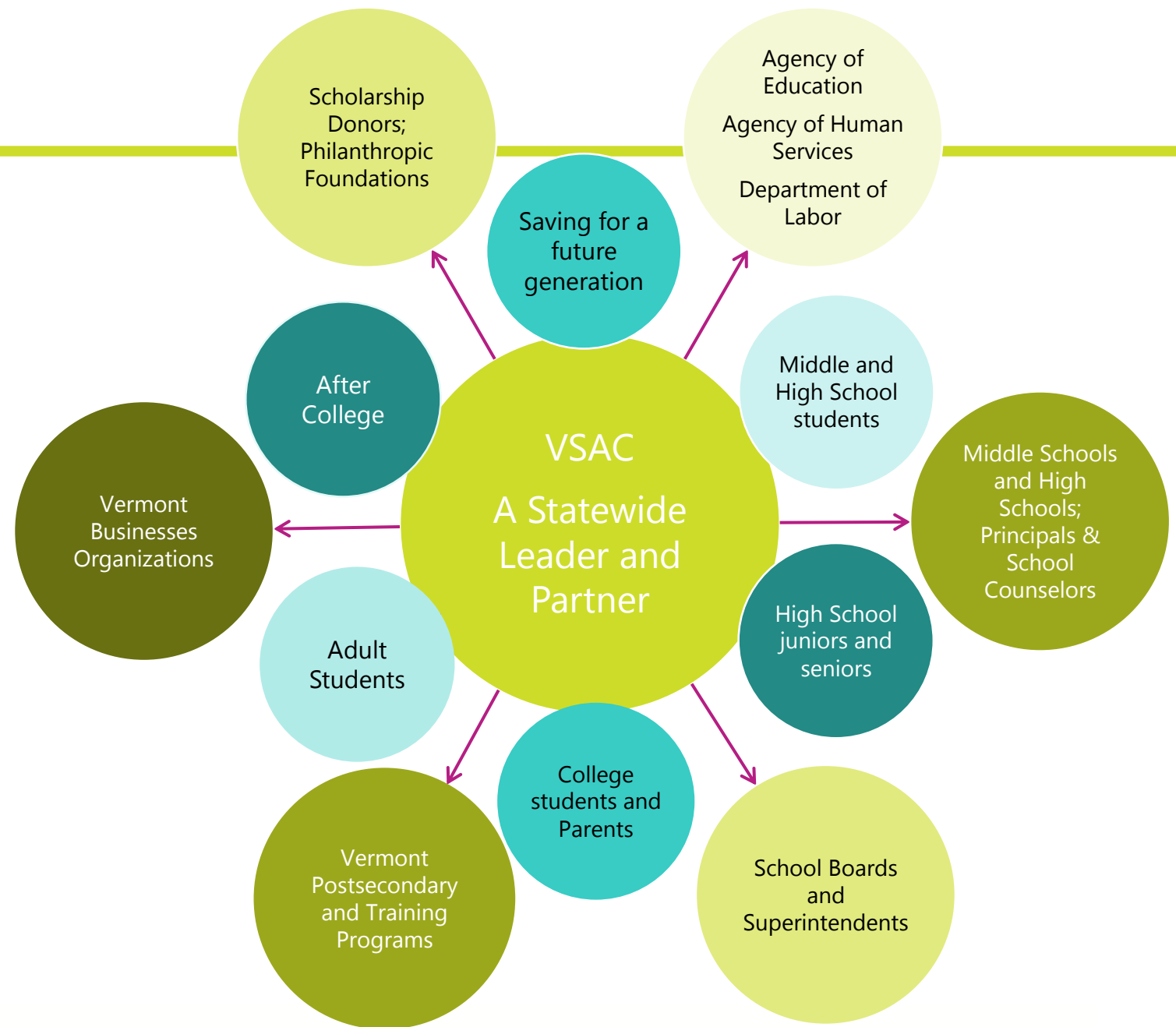


Since 1965:

- VSAC has awarded 500,000 grants worth more than \$561 million for full-time, part-time and nondegree study.
- VSAC has helped award more than 64,300 scholarships worth over \$119 million.
- VSAC has made \$6.1 billion in education loans to help students finance their postsecondary educations.
- VSAC has awarded over \$178 million in borrower benefits since 1995.
- VSAC outreach counselors have worked with over 120,000 Vermonters, one-on-one, to provide education and career counseling.
- Vermont families have withdrawn over \$166 million from Vermont's 529 investment plan to cover education costs.



Creating opportunities
for all Vermont students,
but especially for those
—of any age—
who believe that
the doors to
education and training
are closed to them.



VSAC's FY20 Budget Request

- Level funding of base General Fund appropriation for the grant program: \$19,414,588.
- \$1 Million to expand the Nondegree program which assists adult learners who seek to improve their education and training.
- \$494,500 from Next Generation Fund, for nondegree grants.
- \$200,000 for the Aspirations Project services, at up to four high schools in regions throughout the state.
- Increase the Dual Enrollment stipend for books and travel by \$13,000, for a total of \$85,000.

Vermont State Grant programs

FY18

In the 2017-2018 academic year (FY 2018), VSAC awarded 12,476 need-based education grants to students attending school full- or part-time, or enrolled in nondegree courses of study.

FY18 VSAC Appropriation: \$19,909,088

VT Grant Program	Grant Awards
Full-time	8,028
Part-time	2,768
Nondegree	1,680

Vermont nondegree grant program: a brief history

1982: The Vermont General Assembly creates the first nondegree grant program in the country; applicants needed to be receiving unemployment benefits to receive a grant.

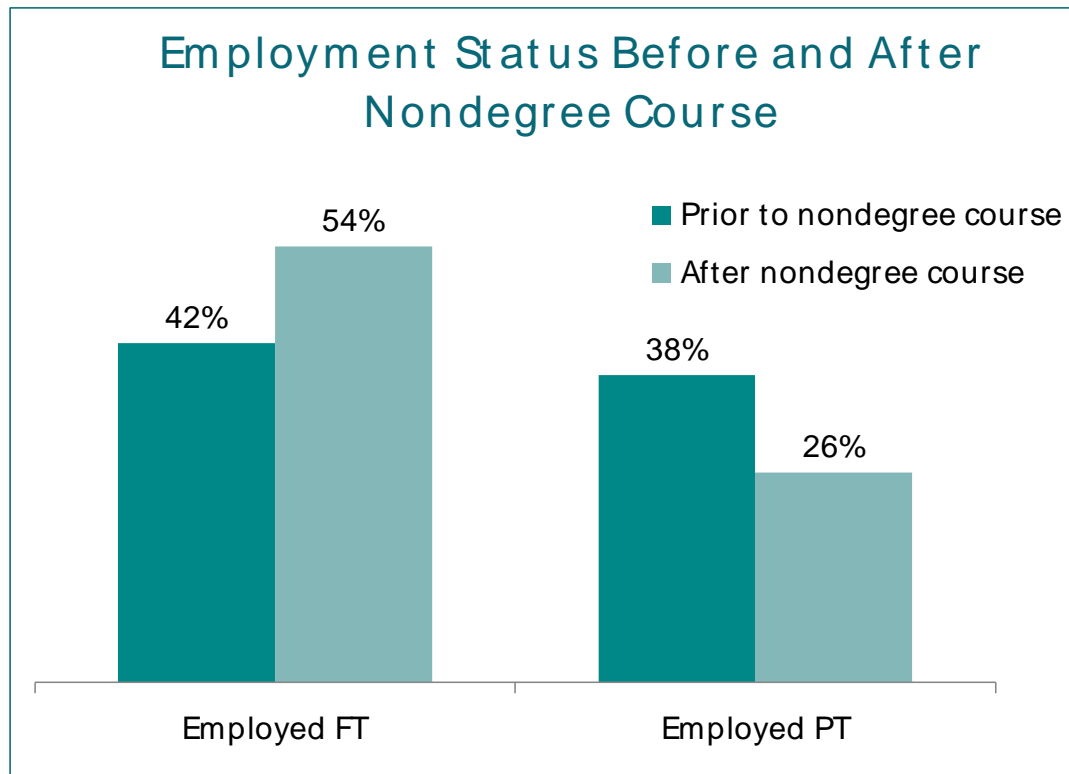
1984: The program is expanded to include under-employed Vermonters, opening up the program to applicants who are working but not receiving a livable wage and to applicants from families receiving state assistance.

2018: More than 38,600 nondegree grants awarded since the inception of the program. The nondegree grant has nearly doubled the numbers of awards over the last decade.

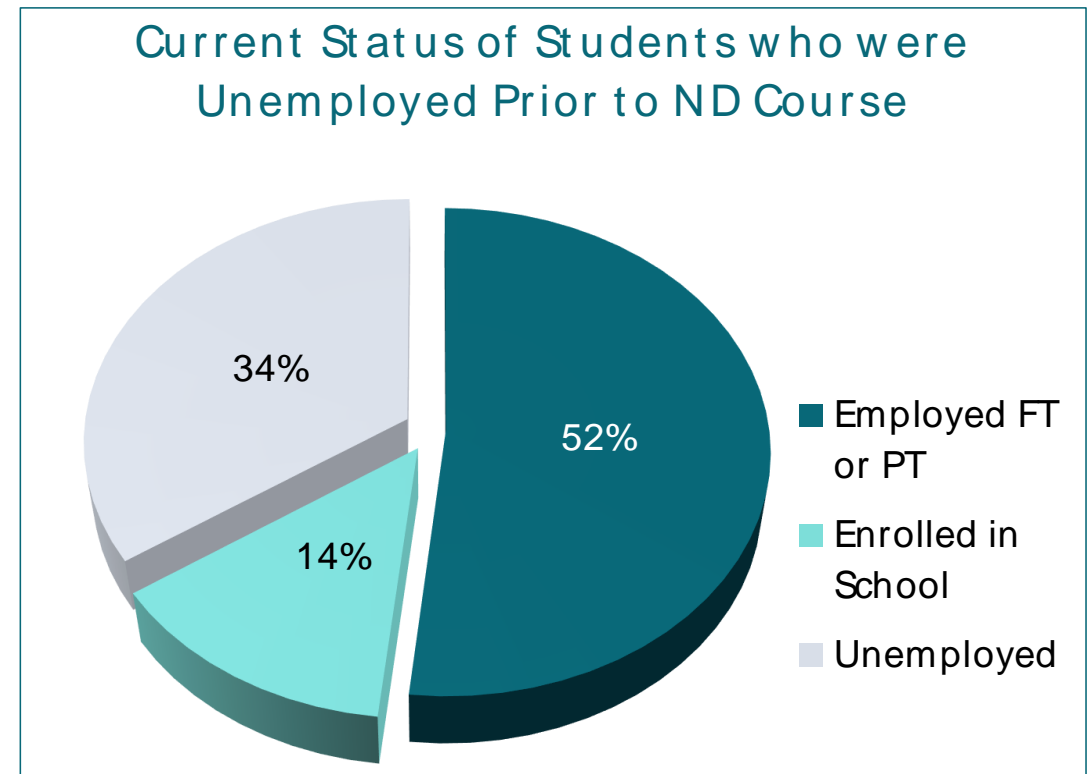


Nondegree grant: changing futures

Full-time employment among recipients increased from 42 percent to 54 percent, a 29 percent increase



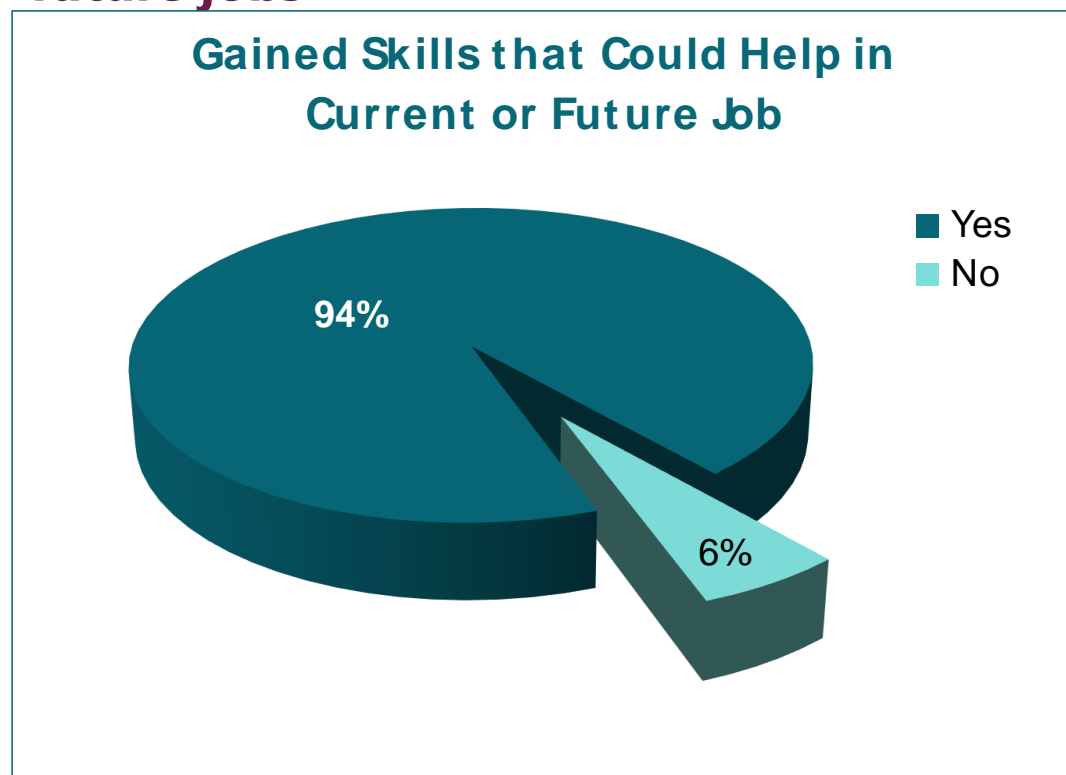
Nearly 7 out of 10 unemployed adult students were working or in school after completing the nondegree course



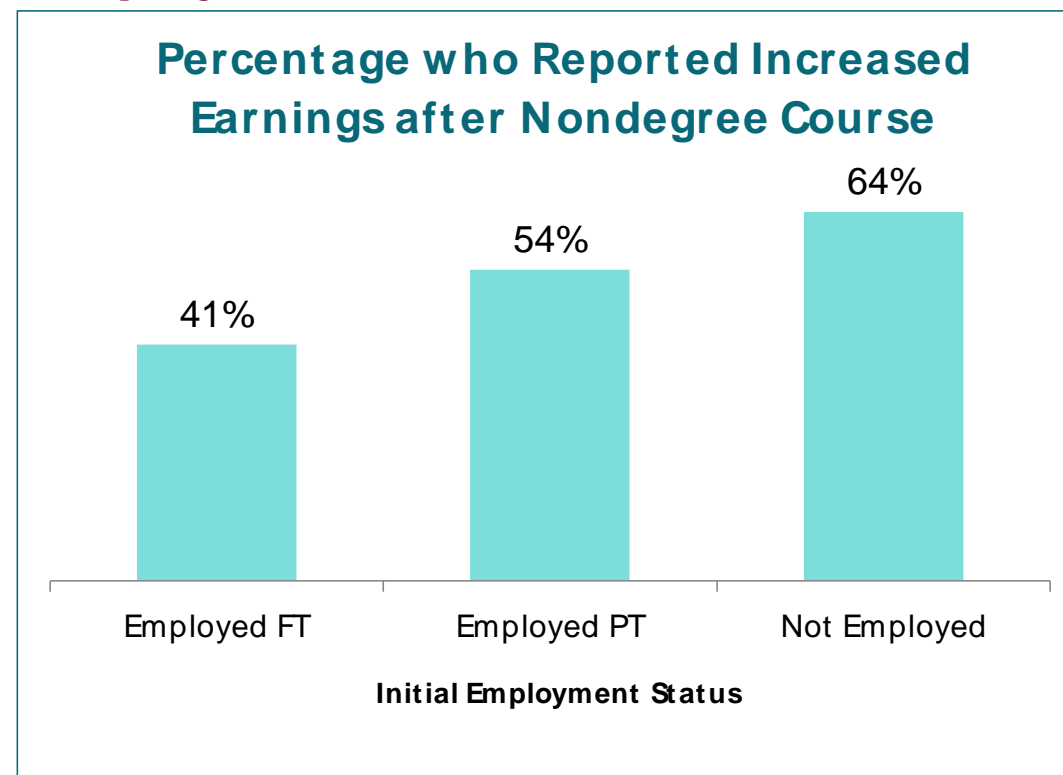
Source: Vermont Nondegree Grant Outcomes Study, 2018

Nondegree grant: changing lives

Overwhelmingly report they gained skills that will help them in their current or future jobs



Increased earnings after completing the course, regardless of their initial employment status



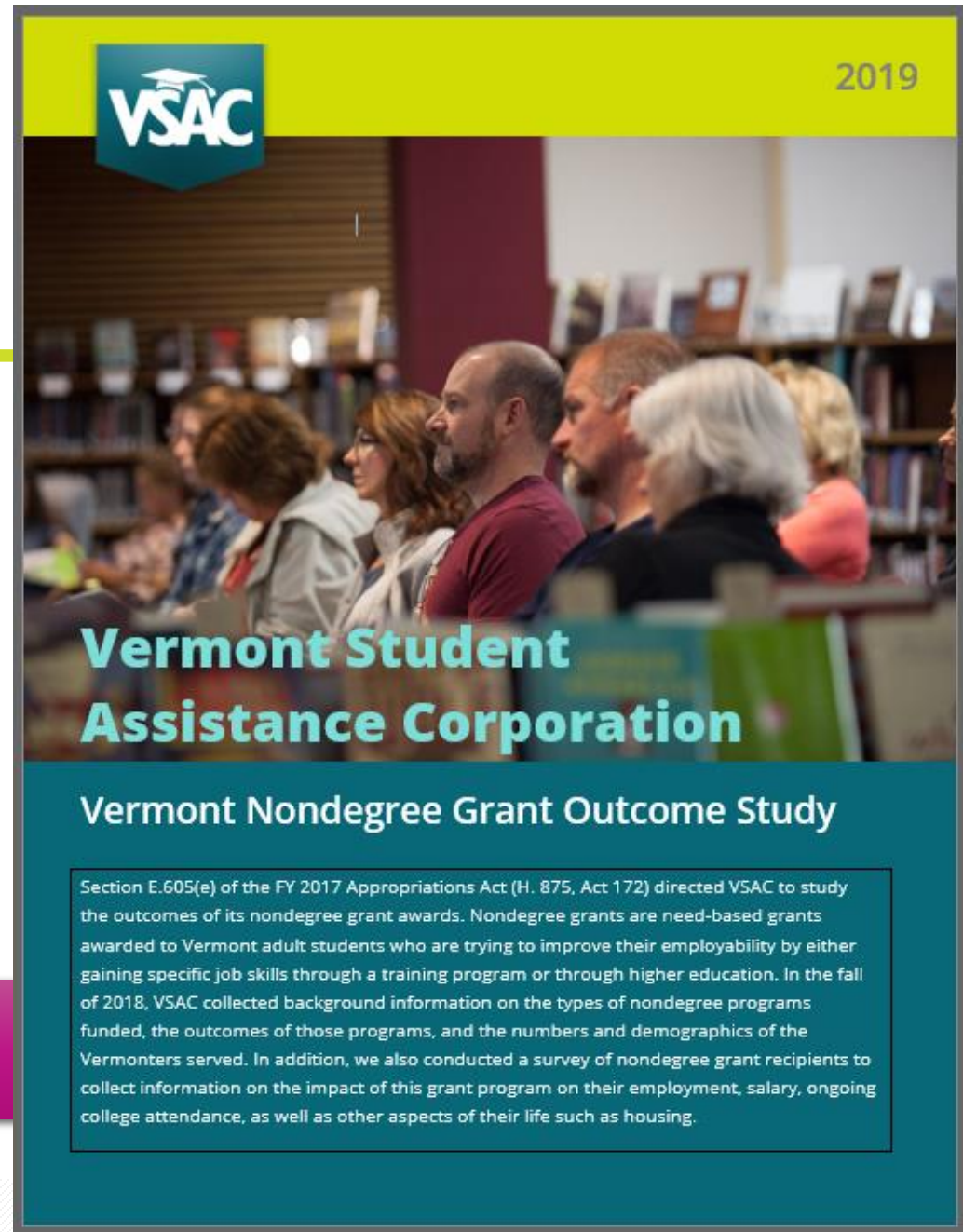
Source: Vermont Nondegree Grant Outcomes Study, 2018

Opening doors for adult students

Vermont Nondegree Grant Outcome Study (2019)

Findings from the latest survey of Nondegree grant recipients awarded for academic year 2017-2018

NEW Report



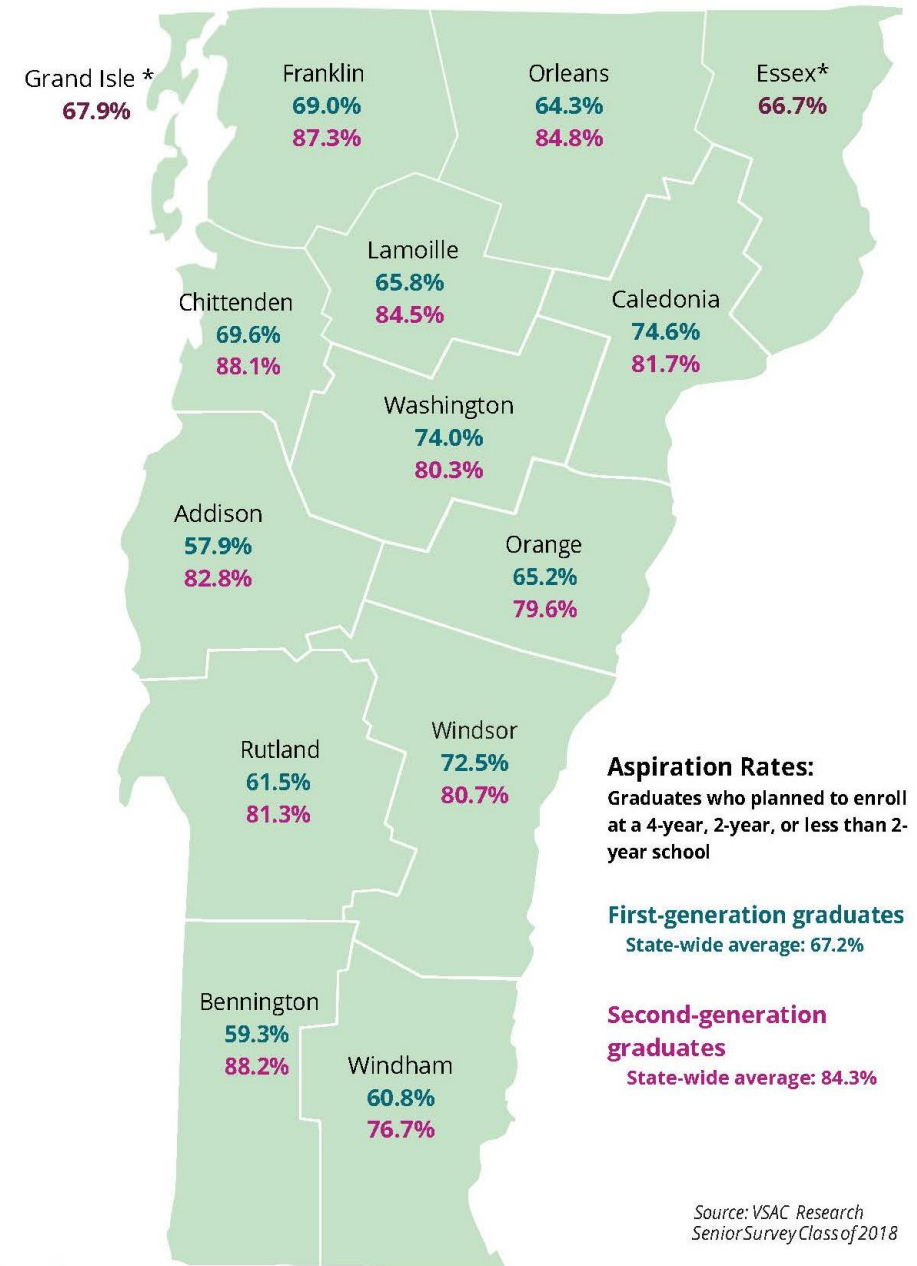
Aspirations Initiatives

The Aspiration Project aims to increase postsecondary aspiration and continuation rates.

In FY18, over 2,000 middle and high school students were served by the project at the following schools:

- Bellows Falls Union High School
- Hazen Union High School
- Twinfield Union School
- Spaulding High School
- Central Vermont Career Center

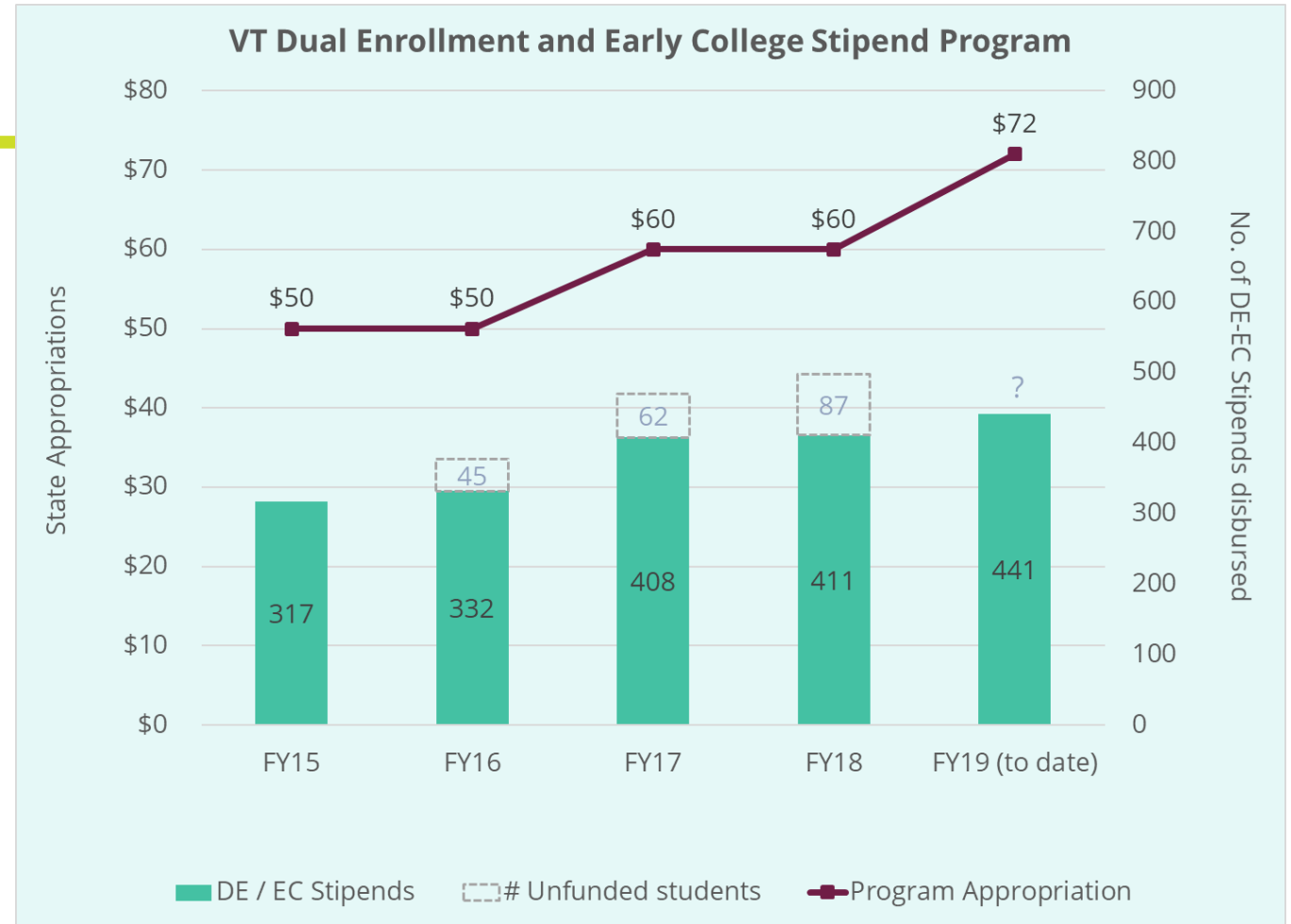
Spaulding and CVCC were added to the program in Fall 2018.



*Small sample size

Dual Enrollment & Early College Stipend

- A need-based stipend for high school juniors and seniors who enroll in early college or on-campus dual enrollment classes.
- Awards \$150 to cover the expenses of books, fees, and/or transportation.
- The number of unfunded students has grown by more than 38% every year since FY16.
- The State's appropriation for the Dual Enrollment and Early College Stipend program has not kept up with demand.



VSAC's student outreach:

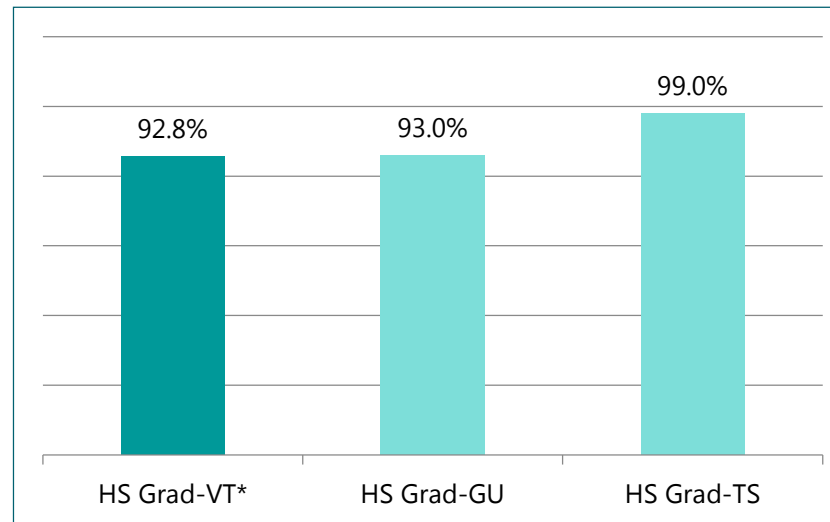
Talent Search & GEAR UP

Serving (AY16-17):

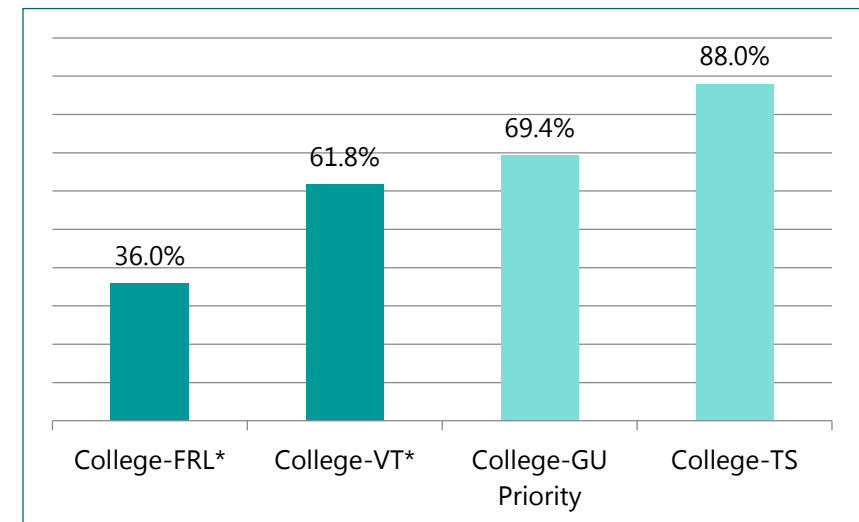
- 96 Vermont schools
- 4,660 middle school and high school students

Demonstrating results:

2017 12th grade Completion Rates



Fall 2017 Enrollment Rates at 2- and 4-yr institutions



VSAC-VCS System Partnership:

Working together to support students

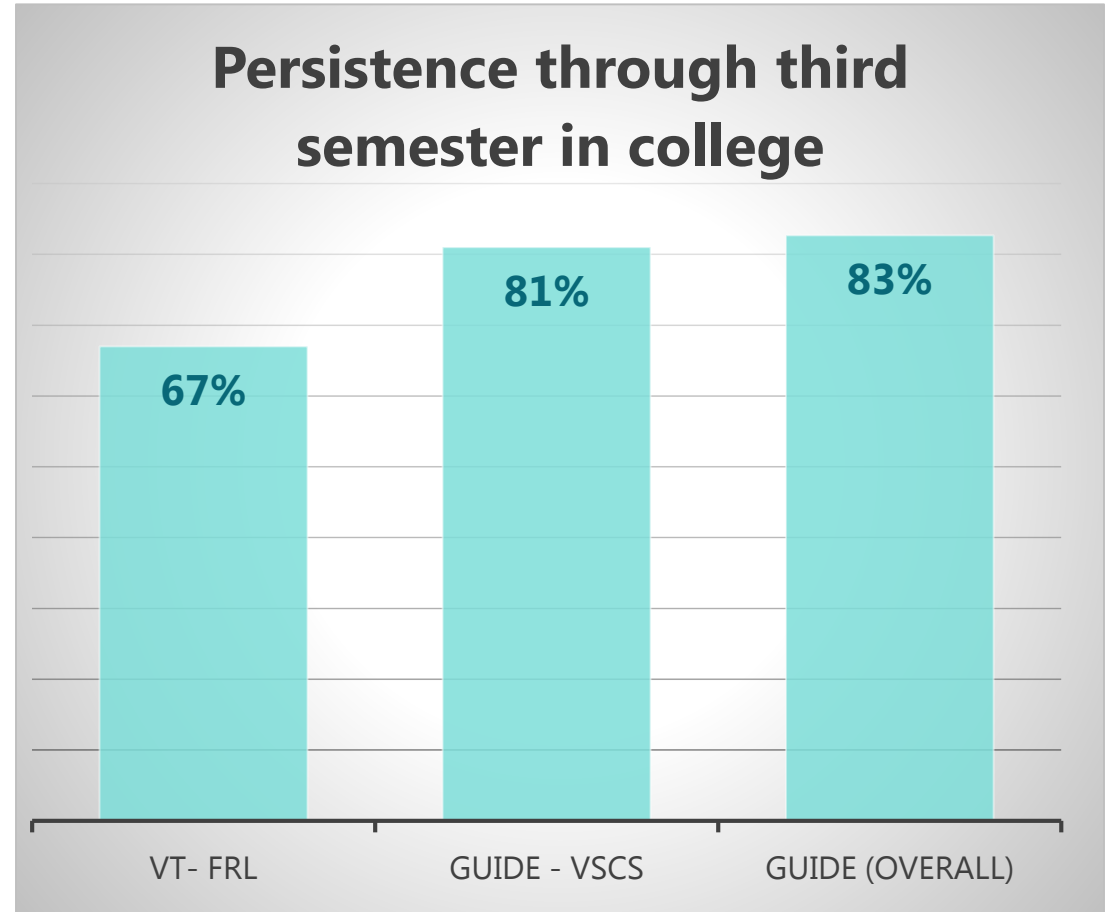
VSAC/GEAR-UP grants \$50,000 to support GUIDE-related activities across all VSCS institutions

Castleton University	<ul style="list-style-type: none">Peer Mentoring program
	<ul style="list-style-type: none">Financial Literacy programs
Community College of VT	<ul style="list-style-type: none">Peer academic mentors
Northern VT University	<ul style="list-style-type: none">Summer bridge program
	<ul style="list-style-type: none">Evening academic tutoring (NVU – Johnson)
	<ul style="list-style-type: none">Academic coaching (NVU – Lyndon)
	<ul style="list-style-type: none">1:1 tutoring (NVU – Lyndon)
Vermont Technical College	<ul style="list-style-type: none">Peer Mentoring



GUIDEing GEAR UP students in college

- The “Giving Undergraduates Important Direction in their Education” program, known as **GUIDE**, is now in its 6th year.
- The program supports students through their 3rd semester in college to support successful completion of a degree.



VSAC's services for adult learners:

Educational Opportunity Center, a TRIO program



- VSAC assists over 1,700 adults annually.
- More than two-thirds of participants enrolled in postsecondary education for the first time or re-enrolled after having stopped-out.

"My VSAC EOC counselor walked me through all the forms and the process. She took the time to learn more about me and the direction I wanted for me life. Then she explained how I could afford to go back to school."

~Vermont adult learner

Improving education outcomes in Vermont

NEW Special Report

The third report on postsecondary outcomes of Vermont's high school Class of 2012.

Reports findings on:

- Degree completion within four years among students who enrolled in the fall of 2012, at 4-year institutions as full-time students;
- Degree attainment of the entire cohort within four years.



Executive Summary

In 2014, VSAC issued a report on the aspirations of the Vermont High School Class of 2012. The following year, 2015, VSAC issued a report on the postsecondary enrollment of the Class of 2012. This third report looks at the Class of 2012 four years after high school graduation and describes the percentage of graduates who enrolled in postsecondary education, along with the percentage who attained a degree within four years. This report also discusses some of the factors associated with the timely completion of a degree. The study provides some encouraging data about the four-year graduation rates of matriculated members of the class as a whole. However, the data also reveals wide variation in the success rates between students from different socioeconomic groups and between students attending different institutions of higher education.

This report examines the on-time completion rates of Vermont high school graduates who began their postsecondary education full-time at a four-year school. Vermont high school students enroll immediately in four-year institutions at a higher rate than the

Vermont needs to do better.

Our Class of 2012 Senior Survey findings show that we are losing human capital at every point along the path to higher education.

Four years after graduating from high school, 3.4 out of 10 Vermont students have earned a two- or four-year degree.

These numbers, however, vary considerably when we consider gender, first-generation status, academic preparation and geographic region.

Class of 2012
at high school
graduation



Students who at
some point thought
they would enroll in
the fall of 2012



High school
graduates who
planned to enroll
in the fall of 2012



High school
graduates who
enrolled at a 2-
or 4-yr college



First-year college
students who
enrolled for a
second year

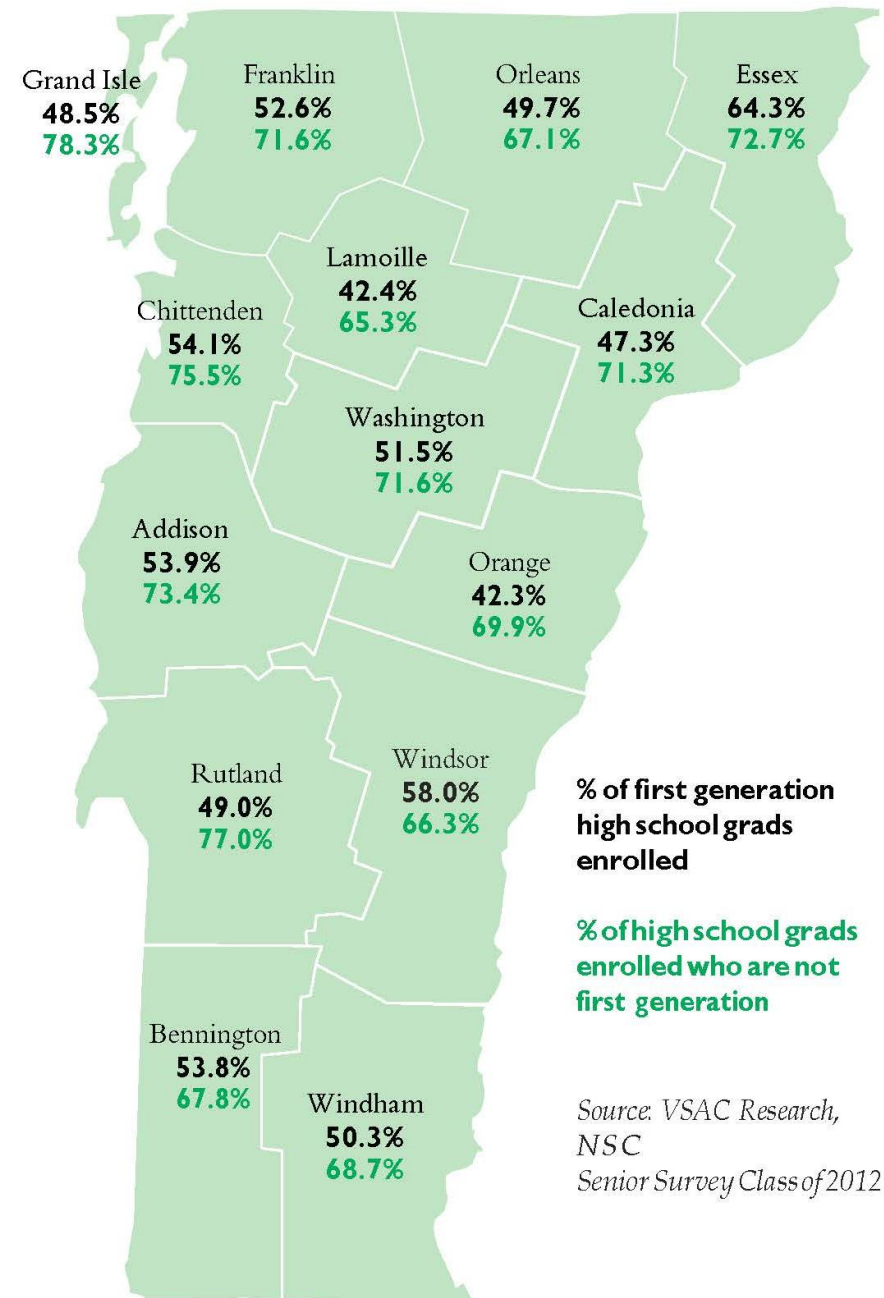


Fall 2012 enrollees
who obtained an
associate or
bachelor's degree
in 4 years



College Enrollment

- First generation students most at risk of not continuing their educations
- Wide variation between counties in equity gaps
- Equity gaps persist through one-year retention rates



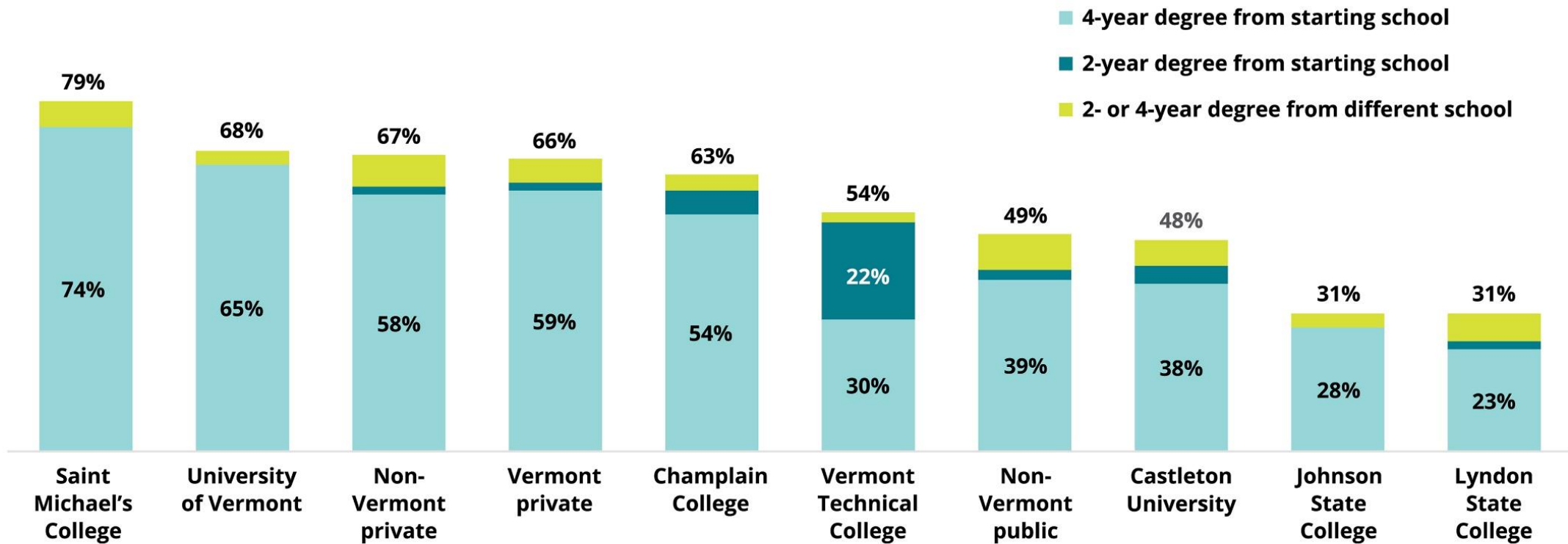
Outcomes by gender and first-gen status

Postsecondary outcomes by gender and first-generation status, Class of 2012

Gender by parents' education level group	Aspiration rate (at 4-yr school)	Enrollment Rate (Fall 2012, at 4-yr school)	Completion rate (started full-time at a 4-yr school)	Degree attainment rate (Class of 2012)
First-generation male	38%	34%	46%	16%
First-generation female	54%	48%	57%	30%
Second-generation male	72%	63%	57%	37%
Second-generation female	81%	72%	70%	54%
Statewide average	60%	53%	60%	34%

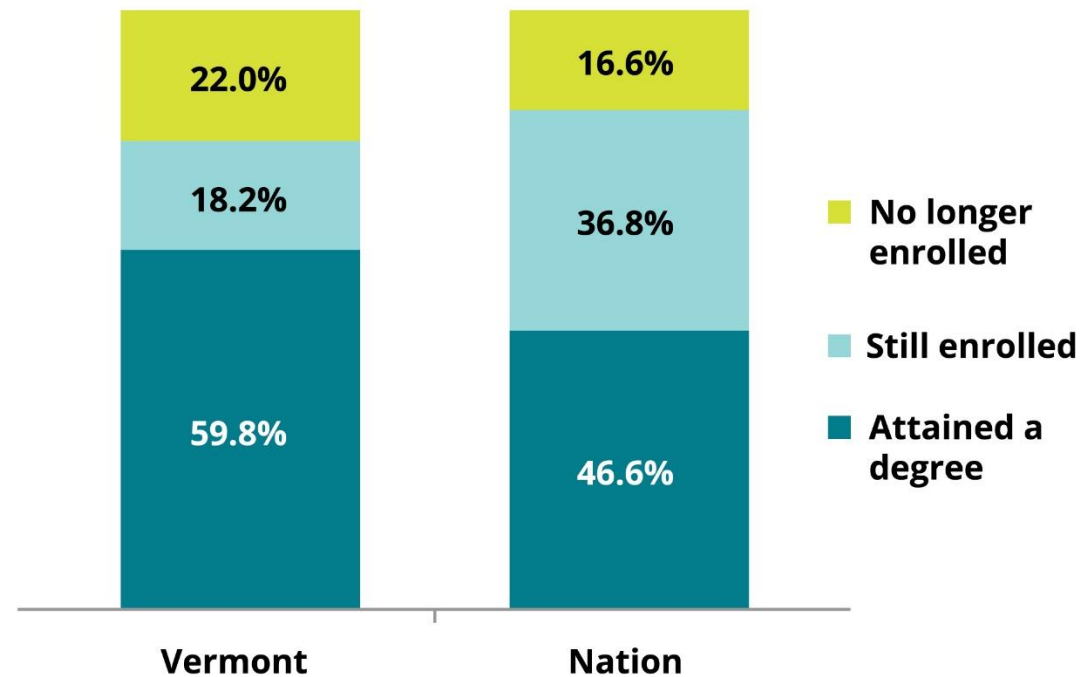
Degree completion: Institutions

Graduation rates varied by the type of institution students attended



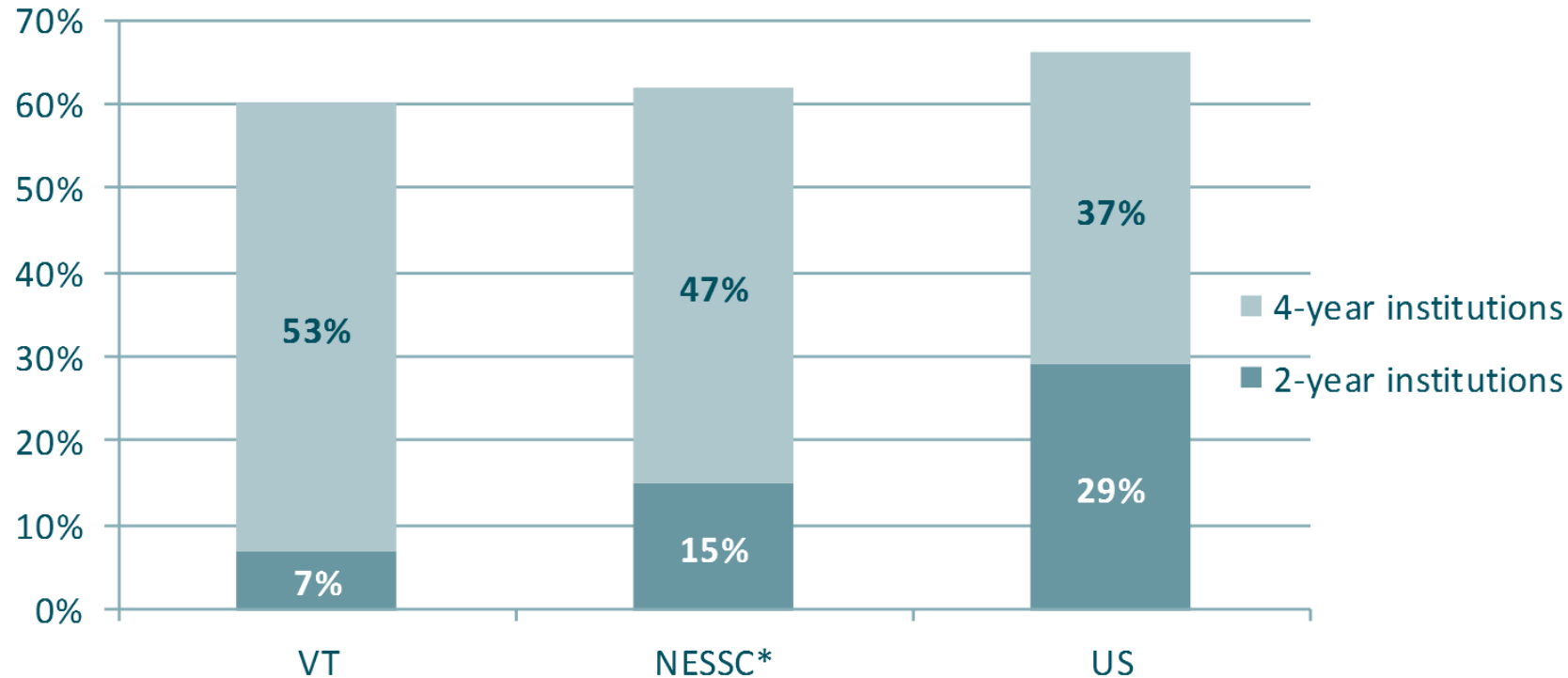
Vermont and the Nation

Degree Completion within four years:
Among students who started full-time at a four-year school
(includes 2- and 4 year degrees)



Enrollment in Vermont lags overall, but more students begin at four-year schools

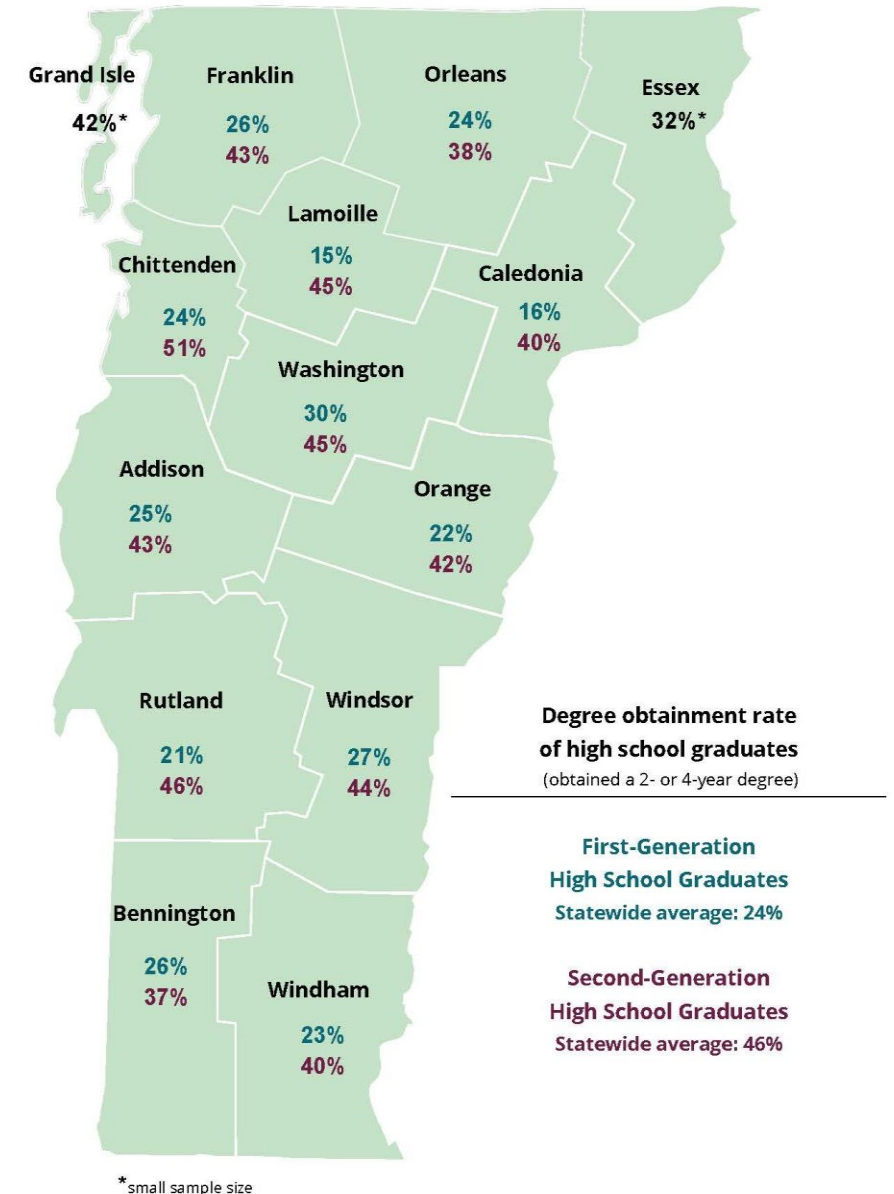
Percentage of Class of 2012 high school graduates enrolled at two- and four-year colleges in VT, region and the U.S.



*NESSC: New England Secondary School Consortium

Degree obtainment

- First-generation students are substantially less likely to obtain a 2- or 4-year degree within four years.
- There is wide geographic variation in student on-time completion rates.
- Equity gaps vary significantly by county.



Financial Aid Application Process

- Free Application for Federal Student Aid (FAFSA)
- Vermont State Grant Application
- College Scholarship Service (CSS) Profile Application
- College Applications

Financial Aid

Federal Methodology

- Mathematical formula used by the US Department of Education and most post-secondary schools to determine a family's expected contribution towards the cost of higher education.
- Major components:
 - ✓ Adjusted Gross Income
 - ✓ Assets
 - ✓ Family Size
 - ✓ Number in College
 - ✓ Age of older Parent

Financial Aid

Federal Methodology Outcomes

- Student is dependent on her parents, family size is 4, she is the only family member attending college. Family does not report any assets.

Total Income	Expected Family Contribution
\$30,000	\$0
\$40,000	\$1,240
\$50,000	\$2,910
\$60,000	\$4,620
\$70,000	\$6,870
\$80,000	\$9,830

Financial Aid Definitions

- Awards based on First Dollar In: Regardless of any other aid received by the student, the award will still be received and applied towards the student's college expenses.
- Awards based on Last Dollar In: The student's award will be reduced by the amount of identified aid, frequently Pell and/or State grant that the applicant receives.

Financial Aid

Impact of First- and Last-Dollar-In Policies on the Financial Resources by Family Income

- First- and Last-Dollar-In Award = \$10,000

First Dollar In

Last Dollar In

Total Income	Expected Family Contribution	Financial Aid	Award Amount	Total Resources	Award Amount	Total Resources
\$30,000	\$0	\$9,100	\$10,000	\$19,100	\$900	\$10,000
\$50,000	\$2,910	\$6,200	\$10,000	\$19,100	\$3,800	\$12,910
\$80,000	\$9,830	0	\$10,000	\$19,830	\$10,000	\$19,830



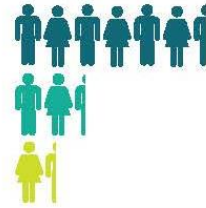
Appendix A

VSAC Services

By the Numbers FY18

> \$19.7 million

in need-based **grants** that 12,476 Vermont students of all ages received



8,028 full-time students received
\$15,305,474

2,768 part-time students received
\$1,354,594

1,680 nondegree students received
\$3,044,262



\$45 million

amount that VSAC issued in its **Vermont Advantage loans**

\$2.1 million

saved by VSAC borrowers in FY18 through our **borrower benefit program** and \$180 million since 1995

\$825.3 million

served in **federal & private loans**

> \$5 million

from 150 public & private **scholarships** in 3,500 awards



Noteworthy scholarships include:

- Vermont National Guard Assistance Program
- Curtis Fund Scholarship
- Frank M. and Olive F. Gilman Foundation Scholarship
- federal GEAR UP scholarship



\$372,631,587

value of the **20,765 accounts** in the Vermont Higher Education Investment Plan as of June 30, 2018

\$31,852,196

amount from the plan used by students in FY18 to pay their education expenses



69,000

of phone calls answered by VSAC financial aid services representatives from Vermonters and borrowers who needed assistance with their financial aid and repayment questions



of **Talent Search** students who graduated from high school in 2017 continued their education in the fall



of **GEAR UP** priority participants who graduated from high school in 2017 continued their education in the fall

> 6,642



low-income and/or first-generation, college-bound Vermont students of all ages with whom VSAC counselors worked through the VSAC Aspirations Project, special projects with the McClure Foundation and three federal grants: Talent Search, GEAR UP and Educational Opportunity Center.



> 4,100

middle school and high school students served by GEAR UP

partnerships, including:

- Vermont Afterschool
- Governor's Institutes of Vermont
- University of Vermont
- Community College of Vermont's Introduction to College & Careers



> 4,900

Vermonters assisted by VSAC in managing college costs and completing financial aid forms during high school workshops, college events, and individual appointments



397

education professionals who received training from VSAC staff

> 800



students and parents attended free **College & Career Pathways** sessions at 3 Vermont locations

