



# Considerations for a Vermont Promise Program

Testimony, Senate Education Committee

February 12, 2019

# Why States Adopt “Promise” Programs

## **1. Increase postsecondary attainment**

message is clear

## **2. Achieve more politically sustainable funding**

benefit definition is clear

## **3. Address increasing affordability /access gaps**

modest-income / underrepresented pop's

# Early (pre-2009) Promise Programs\*

State	Income Cap / Median Income	First / Last Dollar	Institution Type Limit	Program Req's or Restrictions	Particip. % of total state undergrads
MS	\$39,500 / 50,229	First	2 & 4	HS curric, GPA, tests, age, FT	1.6%
IN	\$45,510 /61,360	First	2 & 4	HS curric, GPA, age, FT	5.7%
OK	\$55,000 / 57,004	First	2 & 4	HS curric, GPA, age	9.5%
LA	N/A	First	2 & 4	HS curric, GPA, age, FT	24%
MO	N/A	Last	2	GPA, tests, age, FT	3.4%
DE	N/A	Last	2	GPA, age, FT	5.2%

*“Around the time of the Great Recession funding [per FTE]...for all six existing Promise programs grew between 12 and 142 percent, while overall appropriations...fell in each state between 18 and 38 percent...and an average of 6 percent nationally.”*

\*Summarized from “Free College:” Here to Stay? July 12, 2018 report from The Century Foundation <https://tcf.org/content/report/free-college-stay/>

# College Affordability in Vermont

Average net cost (tuition + living expenses) for Vermonters, after all federal, state, and institutional grant aid, for **students in the bottom family income quintile (\$0-30,000)**

From US College Scorecard: <https://collegescorecard.ed.gov>

Champlain College	\$24,904
St. Michael's College	\$22,812
Vermont Tech	\$15,487
Castleton University	\$11,363
Northern Vermont University (average)	\$11,791
UVM	\$10,906
Community College of Vermont	\$9,374

# Equity Considerations for Vermont

## First-generation students

UVM: 28%

VTC: 66%

## Academically prepared

UVM: 97%

NVU: ~67%

## Full-time enrollment

CU: 99%

CCV: 34%

Table 4. Student profiles at Vermont's public postsecondary institutions (n=1,442)

Demographic	Castleton	Johnson	Lyndon	UVM	VTC	CCV	Total
Male	44%	26%	45%	46%	63%	35%	43%
Female	56%	74%	55%	54%	37%	65%	57%
First gen	58%	68%	67%	28%	66%	66%	52%
Not first gen	42%	32%	33%	72%	34%	34%	48%
Male, first gen	21%	15%	25%	12%	36%	20%	19%
Female, first gen	37%	53%	42%	16%	30%	46%	33%
Male, not first gen	24%	11%	19%	33%	25%	15%	24%
Female, not first gen	18%	21%	14%	39%	9%	19%	24%
HS GPA B or better & Algebra II	85%	71%	65%	97%	83%	60%	80%
<b>Intended degree</b>							
Bachelor's	92%	88%	85%	97%	47%	40%	76%
Associate's	3%	6%	7%	1%	52%	35%	15%
Other or not specified	5%	6%	8%	2%	1%	25%	9%
<b>Fall 2012 enrollment</b>							
Full time	99%	95%	98%	96%	n/a	34%	81%
Part time	1%	4%	2%	3%	n/a	54%	15%
Less than half time	0%	1%	0%	1%	n/a	12%	4%

Note: Enrollment intensity for Vermont Technical College was not reported in the NSC records.

Source: VSAC Special Report. Vermont's Class of 2012: *Highlights and challenges for pursuing a postsecondary education*

[https://www.vsac.org/sites/default/files/uploads/Research/SP-ECIAL-REPORT-Vermont's-Class-of-2012-Highlights-and-challenges-for-pursuing-a-postsecondary-education\(2\).pdf](https://www.vsac.org/sites/default/files/uploads/Research/SP-ECIAL-REPORT-Vermont's-Class-of-2012-Highlights-and-challenges-for-pursuing-a-postsecondary-education(2).pdf)

# How College Costs are Covered

<b>Total College Cost at Northern Vermont University</b> Tuition: \$10,944 Mandatory fees: \$1,130 On-Campus Room & Board: \$10,598 Other expenses (books, course fees): \$1,200	<u>\$23,872</u>
<b>Federal and State Grant Aid (Max)</b> <i>for student in bottom quintile of family income (\$0-30,000):</i> <i>Pell \$6095, SEOG \$700, VSAC \$1375</i>	- \$8,160
<b>Net Cost</b> (if no Institutional Aid)	= \$15,712
<b>Federal Student Loan Maximum for first-year student</b> <i>Subsidized max amount \$3,500</i>	- \$5,500
<b>Remaining costs</b>	= \$10,162
<i>Options to cover remaining costs: Parent PLUS loan, student income from work, other family co-signers to private loans, institutional scholarships</i>	???

# Two “Promise Scholarship” Scenarios from a Student Perspective

	First Dollar	Last Dollar
Tuition (NVU)	\$10,944	\$10,944
Room & board, fees	\$12,928	\$12,928
<b>Total cost</b>	<b>\$23,872</b>	<b>\$23,872</b>
Federal & VSAC Grant Aid <i>For NVU student in bottom family income quintile (&lt;\$30,000)</i>	(\$8,160)	(\$8,160)
State Promise Scholarship	(\$10,944)	(\$2,784)
<b>Net cost for student</b>	<b>\$4,768</b>	<b>\$12,928</b>
Federal Student Loans	(\$4,768)	(\$5,500, max)
<b>Remaining costs</b>	<b>\$0</b>	<b>\$7,428</b>

# Program Cost Considerations

Fall 2018 Total Full-Time Vermont Students in Certificate, Associate's, and Bachelor's Programs*	CU	CCV	NVU	VTC
		<b>1,111</b>	<b>714</b>	<b>992</b>
EXISTING AID PRACTICES AND DISTRIBUTION BY FAMILY INCOME LEVEL**				
Total Fall 2016 first-time, full-time degree-seeking undergraduate Vermont students	314	138	291	142
<b>Average total federal and state grant aid per student (est.)</b>	<b>\$2,378</b>	<b>\$3,187</b>	<b>\$3,303</b>	<b>\$2,840</b>
Percentage of students receiving federal aid. Of those who receive aid,	80%	91%	92%	96%
Students with family income \$0-\$30,000.	17%	38%	28%	24%
Students with family income \$30,001-48,000.	21%	26%	19%	14%
Students with family income \$48,001-\$75,000.	22%	19%	25%	21%
Students with family income \$75,001-\$110,000.	19%	10%	17%	24%
Students with family income over \$110,000.	21%	6%	11%	18%

\*Estimated based on definition of program eligibility in introduced version of S.38.

\*\* Sources: IPEDS and College Scorecard databases. See <https://nces.ed.gov> and <https://collegescorecard.ed.gov/data/>.

# Other Policy Considerations

- Total indebtedness for students who don't complete when scholarship converts to loan.
- Credit enrollment strategies more suitable for working adults (e.g. 9-9-9 instead of 12-12).
- Alignment with related programs to increase success (e.g. required dual enrollment, mentoring, or community service participation).

# *A leading example: Tennessee*

## **Tennessee Promise**

- New HS grads
- 2-year institutions
- Last dollar tuition
- Full-time only
- Mentoring supports

**17.3 percentage point improvement in outcomes for first 2015 cohort**

Source: <https://www.tbr.edu/news/two-years-after-entering-college-first-tennessee-promise-students-are-outperforming-their-peers>

## **Tennessee Reconnect**

- Adults over 24
- 2-year institutions
- Last dollar tuition
- Part-time or Full
- Success supports

**More than 10,000 adults applied in first two months of program: average age 34; 2/3's have previous college experience**

Source: <https://www.tn.gov/governor/news/2018/4/11/haslam-announces-more-than-10-000-adults-have-applied-for-tennessee-reconnect-scholarship.html>