



FY
24

Testimony before Senate Economic Development, Housing and General Affairs

April 14, 2023

Scott A. Giles, President and CEO
Marilyn Cargill, Vice President

Vermont Student Assistance Corporation



To ensure that all Vermonters, particularly those who believe the doors of education are closed to them, have access to the financial and educational resources they need to pursue their career, education, and training goals.





#Here4VTStudents

- Administers VT529, Vermont's 529 college savings plan, with 27,247 accounts worth \$533.3 million
- Provides career and education counseling to 6,544 students of all ages
- Provides financial aid and forms nights, both in person and virtually
- Administers the Vermont State Grant program for low-income Vermonters, including the Vermont Emergency Microgrant
- Administers the 802Opportunity Grant
- Administers more than 150 scholarship programs worth \$9.7 million annually – just for Vermonters
- Provides \$38 million in student and parent loans to help cover the cost of education and training, plus provides comprehensive loan counseling to borrowers

Vermont State Grant programs

In the 2021-2022 academic year (FY 2022), VSAC awarded 10,856 need-based education grants to students attending school full- or part-time or enrolled in nondegree courses of study.

VSAC Appropriation FY23: \$20,978,588

Unexpected expenses can derail even the most dedicated of students.

In FY22, VSAC awarded 180 grants totaling \$69,836 in emergency funds to students at risk of dropping out of school.

A small grant of \$400 or less helps address unexpected expenses such as:

1. Computer issues
2. Car repair/tires
3. Food insecurity
4. Help with housing deposits

VT Grant Program	FY22 Grant Awards
Full-time	6,551
Part-time	2,937
Advancement	1,188
VT Emergency Microgrant	180

Vermont Advancement Grant

The average Advancement Grant recipient is:

35
YEARS OLD


HOUSEHOLD
OF TWO



\$23,133
AVERAGE ANNUAL INCOME

Workforce Development Funding



Workforce
Development
Funding

Paying for college or training in critical job fields

Vermont Grants

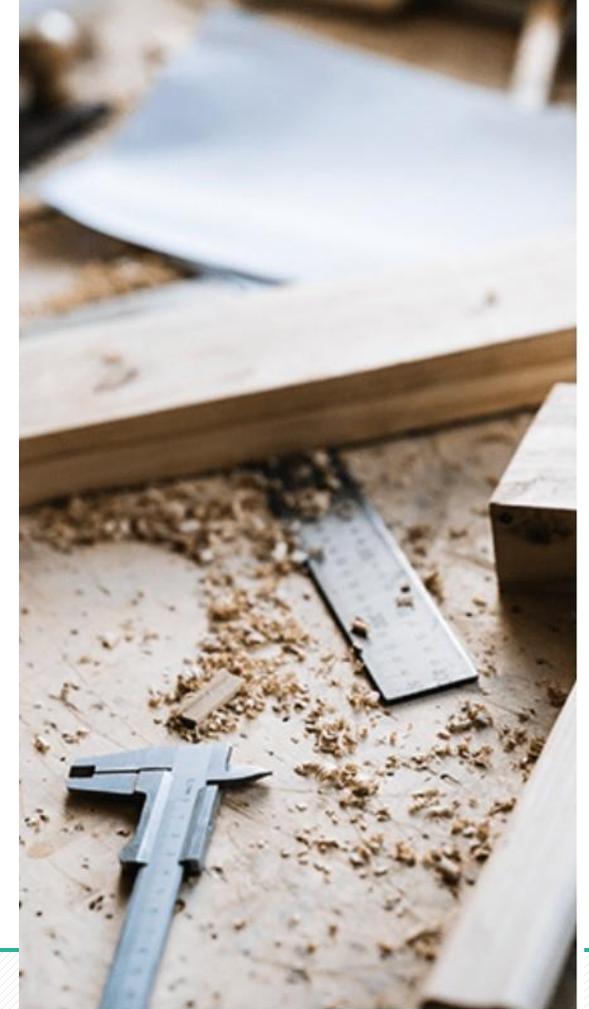
- 802 Opportunity
free tuition at CCV
- Advancement Grant
funding help for short-term training in a non-degree program

Interest-free Forgivable Loans

- Early Childhood Education
- Vermont Nursing
- Vermont Trades
- Vermont National Guard Tuition Benefit
- Vermont Dentist

Fall 2023

- Nurse Faculty
- Vermont Mental Health Professional



Increasing Access to Higher Education

802Opportunity provides free tuition to the Community College of Vermont (CCV). Any Vermonter with a family Adjusted Gross Income (AGI) of less than \$75K per year qualifies.

802Opportunity opens doors for CCV students seeking:

- professional certificate programs,
- an associate degree, or
- to transfer to four-year degree programs.

FY2022 802Opportunity at-a-glance:

- Leverages federal and state grants
- 2,109 students attended CCV tuition-free



The average 802Opportunity scholar is an adult, female student enrolled part-time and pursuing an associate's degree.

Student Demographics

75% First Gen

72% Adult

17% POC or Hispanic



Overall, CCV students borrowed 45% less in 2021-2022 than the prior year



83% of 802Opportunity students successfully completed their courses



59% of 802Opportunity students earned a 3.0 GPA or higher



12% of 802Opportunity students earned a credential in AY21-22

Vermont Trades Program

- The Vermont Trades program provides an interest-free, forgivable loan that covers up to full tuition for students enrolled in industry-recognized training and certification programs that lead to careers in high-demand sectors.
- As of March 20, 2023 the Vermont Trades Program has awarded \$1,250,000 to 166 students representing all VT counties.

Trades/Programs
Bookkeeping
Building Trades
Computer Programming Software Development, Web Development
Cosmetology/Barbering
Design and Media Communication
Electrician
Emergency Services
Energy Trades
Engineering
Industrial Trades
Marketing/Graphic Design
Massage Therapy
Mechanical Trades
Medical Trades
Paramedic
Teacher Certification
Transportation Trades

VSAC FY24 BUDGET REQUEST SUMMARY

FY24 Section Number	Program	FY23 Actual	FY24 Governor Recommend	FY24 VSAC Request	H.494	Fund Source
B.605	VSAC Grants (Full-Time, Part-Time, Advancement)	\$20,978,588	\$20,978,588	\$20,978,588	\$25,378,588	General Fund
B.605 E.605.1(d)	Vermont Trades Scholarship Program	\$3 million one-time general funds (2022 Act 183, Sec. 14)	\$1 million base increase	\$1 million general fund base	\$1 million included in base (B.605)	Gov. Proposes Add \$1 million GF to Base; VSAC proposes to add \$1 million GF to base
B.1100(a)(4)	802 Opportunity Program	\$3.4 million one-time general fund (2021 Act 74, Sec. G.300(b) & 2022 Act 185, Sec. G.300(b))	\$3.4 million one-time general fund	\$3.4 million general fund base	\$3.4 million included in base (B.605)	Governor Proposes one-time general fund; VSAC proposes general fund base increase
None	Aspiration Program	\$300,000 one-time funds appropriated for FY23 (2021 Act 74, Sec. G.300(b))	0	\$300,000 general fund base	Not funded	Governor does not fund; VSAC requests \$300,000 general fund base
B.605.1	Flexible Pathways Stipend Fund	\$82,450	\$82,450	\$82,450	\$82,450	50% Education Fund, 50% General Fund
		\$20,978,588 GF Base	\$21,978,588 GF Base	\$25,678,588 GF Base	\$25,378,588 GF Base	
		\$6,700,000 GF one-time	\$3,400,000 GF one-time	0	0	
		\$82,450 Stipend (1/2 GF; 1/2 EF)	\$82,450 Stipend (1/2 GF; 1/2 EF)	\$82,450 Stipend (1/2 GF; 1/2 EF)	\$82,450 Stipend (1/2 GF; 1/2 EF)	
TOTAL		\$27,761,038	\$25,461,038	\$25,761,038	\$25,461,038	



House Recommended Workforce Development Initiatives FY'24

- Vermont Teacher Forgivable Loan Incentive Program - \$2.5M
- VT Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program - \$1.0M
- Vermont Nurse Forgivable Loan Incentive Program - \$3.0M
- Vermont Dental Hygienist Forgivable Loan Incentive Program - \$100,000
- National Guard Tuition Benefit Program - \$1,319,834



Appendix

Vermont Nursing Workforce Incentive Loan Program

- Nursing students receive full tuition at a VT Public Institution
- Nursing students receive up to UVM tuition at VT Private Institution or Out-of-State Institutions not to exceed actual tuition
- Awarded students sign a promissory note obligating them to work in Vermont in a nursing position following licensure or to repay the funds received
- Agree to work in Vermont following licensure one year for each year of scholarship receipt
- Awards can be used at any Vermont or Out-of-State Institution which offer nursing degrees

Vermont Healthcare Workforce Incentive Loan Programs Administered by VSAC

Vermont Nursing Forgivable Loan Incentive Program

- Program has existed for almost 20 years
- Expanded in Fall of 2020 –
 - Offered to students in the Spring semester of 2021
- Modified in Spring of 2021
 - Offered to students in the 21-22 School Year
 - Offered to students in the 22-23 School Year

Nurse Faculty Forgivable Loan Incentive Program (\$500,000)

- Program was legislated in Spring of 22
- Original Funding Sources was ARPA funds
- DOH and VSAC plan to launch this program for the fall '23 semester

Vermont Mental Health Professional Forgivable Loan Incentive Program (\$1,500,000)

- Program was legislated in Spring of 22
- Original Funding Sources was ARPA funds
- DOH and VSAC plan to launch this program for the fall '23 semester

Vermont Nursing Workforce Incentive Loan Program Outcomes to Date

Repayment

- 85% of recipients meet work obligation

Usage

Fiscal Year	Number of Recipients
Spring 2021	66
FY '22	88
FY '23	146

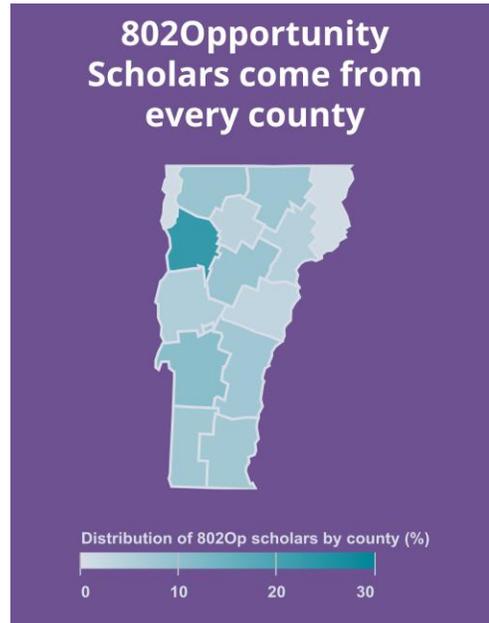
Vermont Nursing Workforce Incentive Loan Program

Students pursuing nursing degree can obtain up to full-tuition to help offset educational costs with a one-year work obligation for each year of funding

FY '23 Institution	Number of Recipients
Castleton	20
Norwich	22
UVM	31
VTC	44
Out of State	29
Total	146

FY '23 Program	Number of Recipients
LPN's	29
Associate's Degree	2
BA's	102
Graduate Programs	13
Total	146

802Opportunity is a grant program that allows any Vermont student with a family income \$75K or less to attend the Community College of Vermont (CCV) tuition free. Students need only complete the Free Application for Federal Student Aid (FAFSA) and the VT Grant application and enroll at CCV to be eligible for the 802Opportunity program; there is no special application or other requirements.



2021-2022 Program Outcomes



Overall, CCV students borrowed 45% less in 2021-2022 than the prior year



Enrollment at CCV of Vermont's neediest students, those who are Pell-eligible, increased by 17%

Student Demographics

75% First Gen

72% Adult

17% POC or Hispanic

2021-2022 Academic Outcomes



83% of 802Opportunity students successfully completed their courses

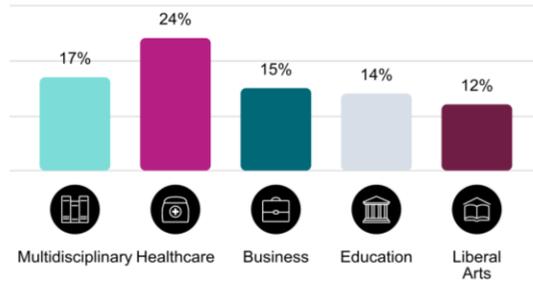


59% of 802Opportunity students earned a 3.0 GPA or higher

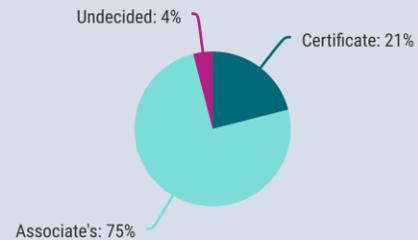


12% of 802Opportunity students earned a credential in AY21-22

802Opportunity Scholars major in:



802Opportunity Scholars Degree type



In the 2021-2022 academic year, more than 2,000 Vermonters enrolled at CCV using 802Opportunity-- close to 50% of CCV's degree-seeking students



Saving for the future generation

The Vermont Higher Education Investment Plan, marketed under the name **VT529**, seeks to help families begin to save early and reduce their need for borrowing when the time comes to pursue postsecondary education or training.

As of June 30, 2022, **VT529** had 27,247 active accounts and \$533.3 million in assets.

- **VT529** account holders used more than \$46.7 million in FY22 to cover qualified education expenses.
- Since its inception, **VT529** families have withdrawn more than \$312.6 million to help 11,231 students pay for college.



VSAC's student outreach:

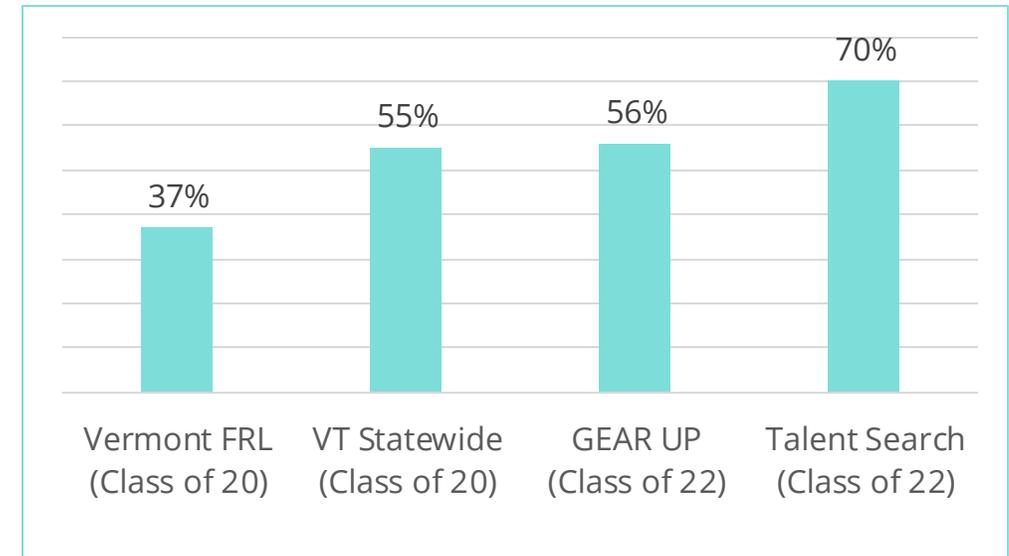
Talent Search & GEAR UP

Serving (AY 21-22):

- 83 Vermont schools
- Over 3,500 middle school and high school students

Postsecondary Enrollment Rates

(Most recent data available)

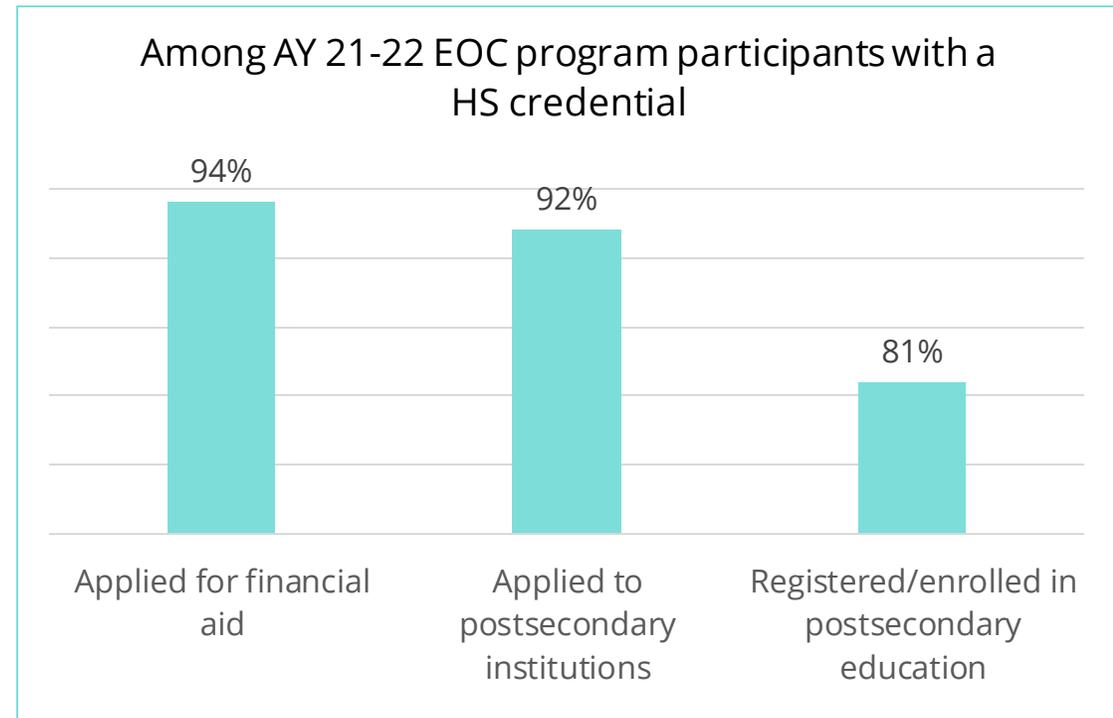


Educational Opportunity Center – Opening doors for adult learners

Partially funded by a federal **Educational Opportunity Center (EOC)** grant, VSAC provided targeted information and counseling services to 1,808 low-income and first-generation adult students in AY21-22.

EOC supports adult students to pursue BA, AA, and Credentials including, e.g.:

- LNA
- Medical Assistant, Interpreter, Billing & Coding
- Computer Coding, Software Development
- Weatherization
- CDL
- Cosmetology licenses





Statehouse Resources

Scott A. Giles
President & CEO
802-654-3740
giles@vsac.org

Marilyn J. Cargill
Vice President of Financial Aid Services, Research, Marketing, & Public Affairs
802-542-2201
cargill@vsac.org

Thomas A. Little
Vice President, General Counsel
802-654-3747
littlet@vsac.org

Patrick J. Leduc
CIO and Vice President of Career & Education Outreach
802-654-3718
leduc@vsac.org

Michael R. Stuart
Vice President, CFO
802-654-3746
stuart@vsac.org

Website
vsac.org
info@vsac.org



VSAC Day at the Statehouse

VSAC Legislative Guide

The Vermont Student Assistance Corp. (VSAC) exists to strengthen Vermont's workforce by creating career opportunities through higher education and workforce training. We can provide expert resources on higher education and workforce development, backed by research and analysis to inform your policy work.

Education is the greatest equalizer when it comes to economic opportunity and the fact is the most promising jobs in Vermont require education and training beyond high school. At VSAC, it's our mission to make that education and training accessible and affordable with innovative programs.

In 2021, with generous support from legislators and the Governor, VSAC announced the 802 Opportunity Grant: free tuition at Community College of Vermont (CCV) for Vermonters with a family income of \$50,000 or less. In 2022, legislators increased the household income threshold to \$75,000. The power of this program is its inclusivity. Vermonters of all ages and backgrounds stand to benefit, including working adults, single parents, recent high school graduates, veterans, new Americans, educators, healthcare workers, and entrepreneurs.

In the 2021-2022 academic year, more than 2,000 Vermonters enrolled using 802 Opportunity — close to 50 percent of CCV's degree-seeking students. Vermonters from all 14 counties attended all 12 of CCV's academic centers.

Thank you again for your service to Vermont and we look forward to working with you in the days and weeks ahead.

Scott Giles, VSAC President & CEO

Our vision is to create opportunities for all Vermont students, but particularly for those of any age who believe that the doors to higher education and training are closed to them.



VSAC Research Informs Post-Secondary Education Legislation

VSAC's Research Department plays a critical role in identifying issues related to higher education and workforce development in Vermont. For 35 years, VSAC's research team has worked to collect and analyze data from state and national sources — including Vermont students themselves — in order to provide Vermont policymakers with deeper insights into the complexities of the postsecondary experience in our state. VSAC's reports help to facilitate informed decision-making around Vermont's education policy and investment of the state's resources.

Education Fact Sheets by County available at vsac.org/research

Online / VSAC Legislator Resource: vsac.org/legislature



VSAC Programs Opening Doors for All Vermonters

- With the support of three federal grants, VSAC Outreach staff counseled 6,544 low-income and/or first-generation Vermont students of all ages, towards degree and non-degree education programs.
- 70 percent of Talent Search and 57 percent of GEAR UP priority participants who graduated from high school in 2021 continued their education.
- VSAC Aspirations Project served 1,234 students at Spaulding High School, Twinfield Union School, and Harwood Union High School. The program works with school leaders to build the school's capacity to graduate every student with a plan for life after high school.
- VSAC assisted 3,624 high school-aged students and adults with the Free Application for Federal Student Aid (FAFSA) and Vermont State Grant applications.
- 241 students and parents/guardians attended this past spring's College & Career Pathways virtual event. 1,636 students took part in career workshops offered at 24 high schools around the state.
- 1,230 parents and students attended free financial aid forms sessions at schools around Vermont.
- 200 Vermont education professionals received training from VSAC staff.

BY THE NUMBERS

\$540.7 M
served in federal and private loans in 2021-22 academic year.

\$38 M
in Vermont Advantage loans issued in FY2022.

\$533.2 M
Combined value of 27,247 VT529 education savings accounts as of 6/30/22.

\$312.5 M
Amount from VT529 accounts used since 1999 for education expenses.

\$20.3 M
VSAC awarded 11,513 need-based education grants to VT students.

2,000
Number of students using 802 Opportunity funding to attend CCV tuition-free in 2021-22.

\$9.7 M
VSAC administered 150 scholarships funded by public or private sources — funding 6,072 awards.

42,544
VSAC financial aid counselors responded to calls from Vermonters and borrowers.

Source: FY22 VSAC Annual Report