



FY
24

Testimony before Senate Appropriations Committee

March 31, 2023

Scott A. Giles, President and CEO
Marilyn J. 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

Research & Evaluation Informing Program & Policy

- [FY22 County Facts](#)
- [Advancement Grant Survey](#)
- [802Opportunity](#)
- [Class of 2012 Report Series](#)
- [COVID-19 Impact on Students' Higher Education Plans](#)

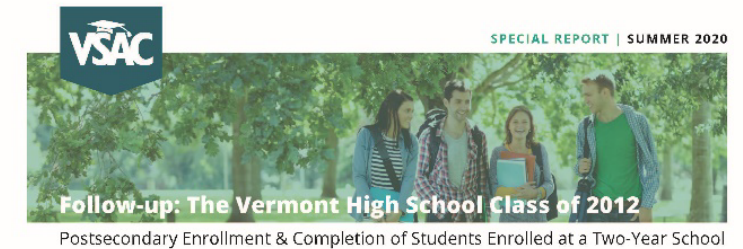


VSAC 2023

Vermont Student Assistance Corporation

Vermont Advancement Grant Outcomes

Section E.605(e) of the FY 2017 Appropriations Act (H. 875, Act 172) directed VSAC to study the outcomes of its nondegree grant awards, known as Advancement Grants. Advancement grants are need-based grants awarded to Vermont adult students who are trying to improve their employability, whether by gaining specific job skills through a training program or through higher education. VSAC completed studies in 2016 and 2018, and shared findings with the House and Senate Appropriations, Education, Commerce and Finance Committees. The studies showed strong outcomes for the program. In the fall of 2022, VSAC updated that study by collecting background information on the types of nondegree programs funded, the outcomes of those programs, and the numbers and demographics of the Vermonters served. In addition, we also conducted a survey of nondegree grant recipients to collect information on the impact of this grant program on their employment, salary, ongoing college attendance, as well as other aspects of their life such as housing.



VSAC SPECIAL REPORT | SUMMER 2020

Follow-up: The Vermont High School Class of 2012

Postsecondary Enrollment & Completion of Students Enrolled at a Two-Year School

Executive Summary

Today's workforce landscape is changing faster than ever. These changes are only being further accelerated by the COVID-19 crisis as communities face critical skill shortages in healthcare, advanced manufacturing, and other essential services. One way in which states are trying to address these challenges is by developing short-term, high-benefit training and education programs designed to provide students with in-demand skills, flexible pathways, and stackable credentials. Some programs are co-designed with local businesses and industries, making them ideal for growing new skills among a readily available pool of job applicants. These programs can help meet the educational and occupational aspirations of students as well as the workforce development needs of their communities and our state. In other words, they can supply a skilled workforce to drive continuing economic development, particularly in rural areas.

In Vermont, there are many options ranging from 12 community college sites, to regional career and technical centers to private, for-profit education and training providers throughout the state—all of which offer local access to training and education programs. This report supplies some baseline measures of a particular type of program—the two-year associate degree program—focusing on students from the High School Class of 2012 who attended postsecondary institutions that offer two-year degrees, whether in Vermont or elsewhere.¹ Many two-year programs offer a relatively affordable way to obtain skills desired by employers.

The current postsecondary climate highlights opportunities for institutions that offer two-year programs. There is often a counter-cyclical component regarding enrollment and economic recessions, particularly for adult students. Adults tend to enroll at community colleges and one-year programs in times of recession. These programs can offer short-term and/or low-residency programs that provide training to displaced workers as well as traditional-aged students who would prefer to remain closer to their home. However, there are also challenges—particularly when we focus on the young adult student cohort, the group of students who enroll in postsecondary education right after high school, which is the focus of this study. In the Northeast there is a shrinking pool of high school graduates, which impacts all postsecondary institutions in the area.

¹ For this cohort we are unable to include all types of education and training students pursued at this time.

CALL TOLL
800-642-3177

BURINGTON AREA
655-9602

ONLINE
vsac.org

EMAIL
info@vsac.org



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

A circular icon with a yellow border containing a stylized female face with a laurel wreath.

FEMALE

An icon consisting of two purple circles above two purple shapes representing people.

**HOUSEHOLD
OF TWO**

\$23,133

AVERAGE ANNUAL INCOME

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

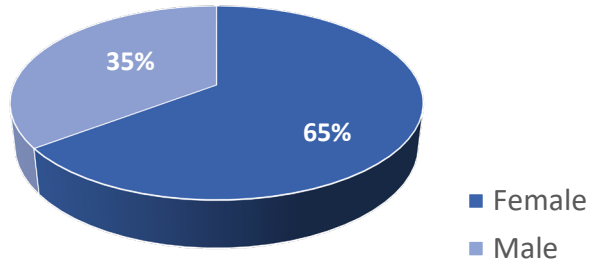
Vermont Trades Program

- 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.

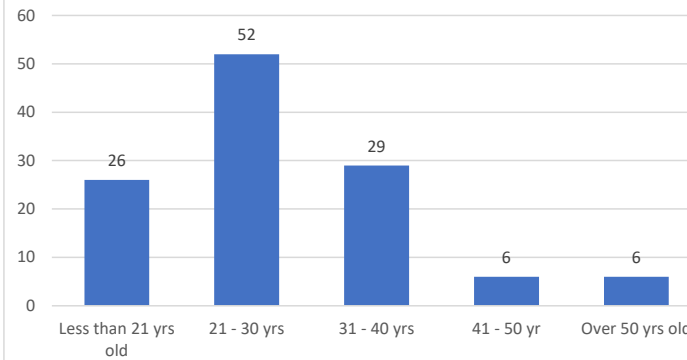
Trades/Programs
Bookkeeping
Building Trades
Computer ProgrammingSoftware Development, Web Development
Cosmetology/Barbering
Design and Media Communication
Electrician
Emergency Services
Energy Trades
Engineering
Industrial Trades
Marketing/Graphic Design
Massage Therapy
Mechanical Trades
Medical Trades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



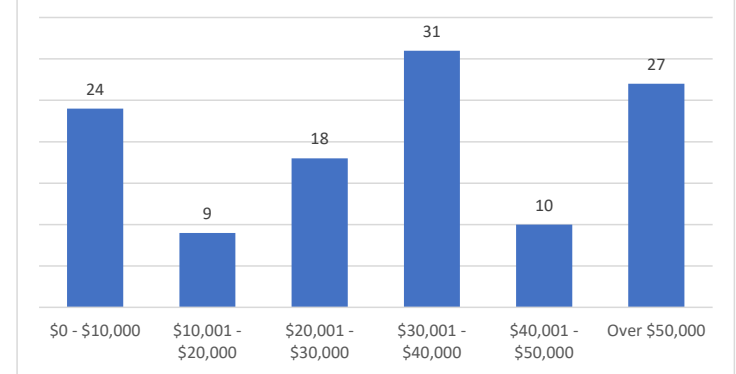
Number of VT Trades Loans awarded by Gender



Number of VT Trades Loans awarded by Age



Number of VT Trades Loans awarded by Income



VSAC's FY24 budget request

These investments in Vermont's support to students and adults would result in an FY2024 base appropriation to VSAC of **\$25,678,588**.

This request includes level-funding for the state's core student aid programs:

- \$20,978,588 for the Incentive Grant program and the Advancement (non-degree) Grant program
- \$3,400,000 for 802 Opportunity (Free tuition at CCV)

In addition, this request includes continued funding for:

- \$82,450 for the Dual Enrollment Stipend Program
- \$300,000 for the Aspirations Program
- \$1,000,000 for the Vermont Trades program

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	



**Scott A. Giles,
President and CEO**

Giles@VSAC.org

**Marilyn J. Cargill,
VP of Financial Aid Services,
Research, Marketing and Public Affairs**

Cargill@VSAC.org

**Tom Little,
VP and General Council**

LittleT@VSAC.org



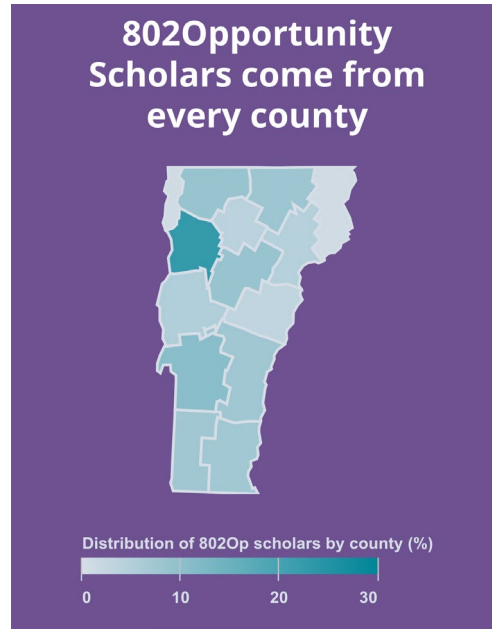
Appendix



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

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

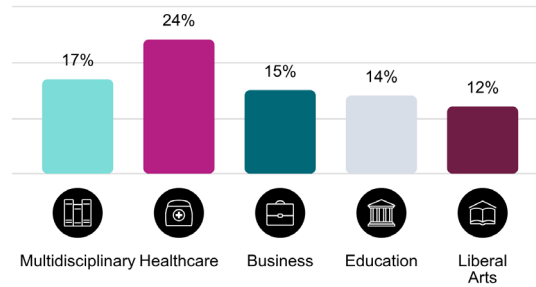


59% of 802Opportunity students earned a 3.0 GPA or higher



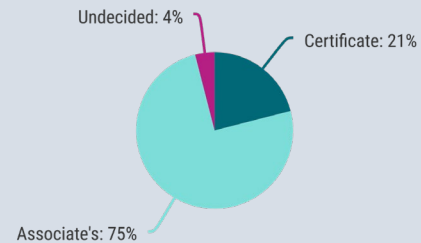
12% of 802Opportunity students earned a credential in AY21-22

802Opportunity Scholars major in:



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

802Opportunity Scholars Degree type



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.



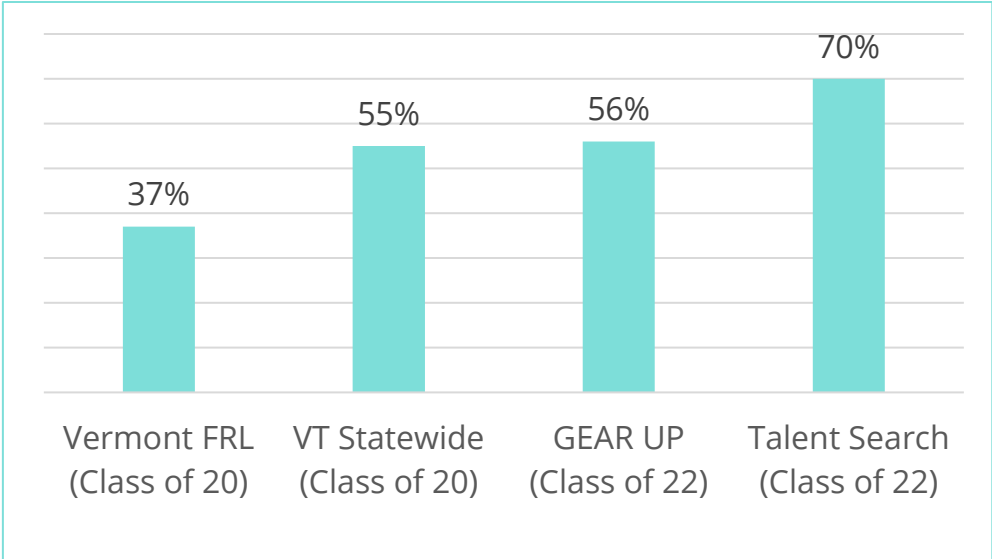
VSAC's student outreach:

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)

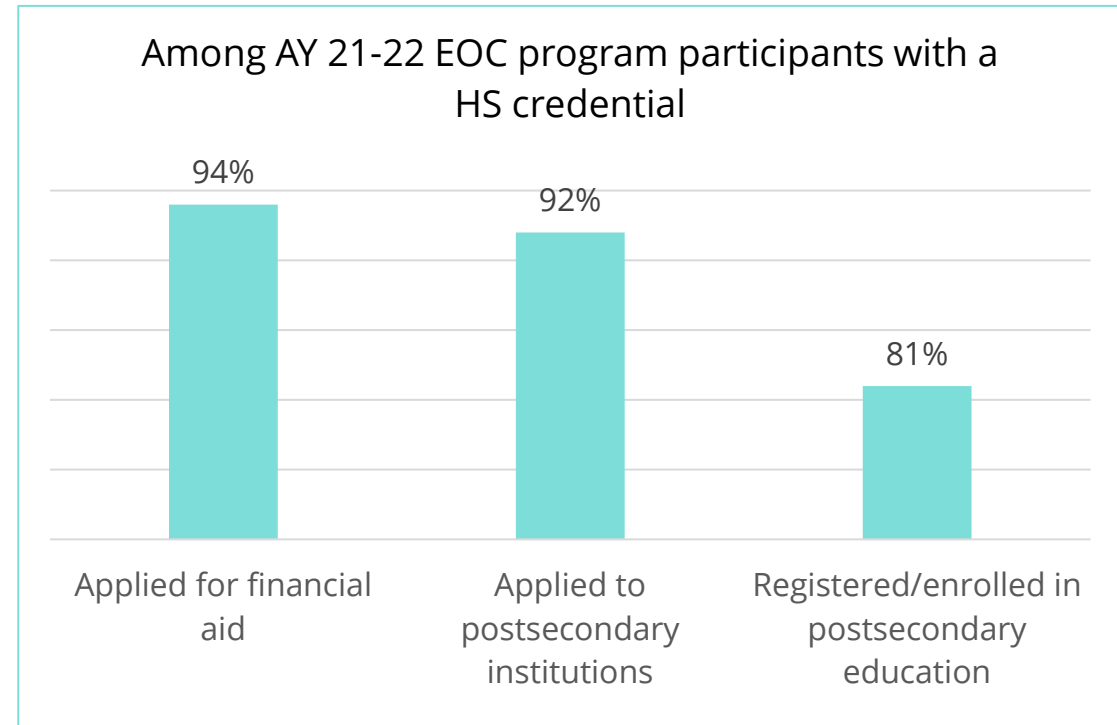


Educational Opportunity Center – Opening doors for adult learners

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
802-654-3746
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

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 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



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