

Testimony before the House Education Committee

February 12, 2014



VERMONT STUDENT ASSISTANCE CORPORATION

SCOTT A. GILES, PRESIDENT AND CEO



VSAC's Enduring Mission



To ensure that all Vermonters
have the necessary
financial and information resources
to pursue their education goals
beyond high school.

VSAC was created by the Vermont General Assembly in 1965 as an instrumentality of the State.

Vermont Grant Program, FY2013



VSAC awarded 13,620 need-based education grants to students attending school full- or part-time, or enrolled in non-degree courses of study.

Program	\$ Awarded	Grant Awards
Full-time	\$15.7 M	9,086
Part-time	\$1.6 M	3,226
Non-Degree	\$2.4 M	1,308

By the numbers:

- 55% of Class of 2012 Vermont high school graduates applied for a Vermont state grant.
- 40% of all grant recipients are 23 years old or older.
- 75% of grant recipients have family incomes less than \$60K.
- The full-time Vermont Incentive Grant, on average, offsets the cost of attending a Vermont institution for 4 years by \$12,000.

VSAC Financial Assistance, FY2013



VSAC provides Vermonters access to a wide range of student financial resources:

- Scholarships for students: administered more than 160 scholarships, disbursing 2,468 scholarship awards worth more than \$5 million.
- VSAC Advantage loans for students and families: made \$19.7 million in VSAC loans in FY13.
- College Savings Plan: The Vermont Higher Education Investment Plan (VHEIP) assets crossed the \$225 million threshold in January of 2014.
 - Vermont's qualified 529 college savings plan celebrated its 14th anniversary in 2013.
 - VHEIP provides state and federal tax benefits, including a 10 percent state income tax credit on annual contributions of up to \$2,500 per beneficiary, tax-deferred earnings, and tax-free withdrawals as long as funds are used for qualified higher education expenses.

VSAC Programs and Services, FY2013



- Conducted “Paying for College” workshops at 69 high schools, reaching more than 2,300 high school students and parents, and held work sessions to assist 692 individuals in completing financial aid forms.
- Sponsored workshops and events for professionals who work with students and families on the topics of career exploration, college planning, and applying for financial aid, attracting 639 guidance and financial aid professionals.
- VSAC’s College Pathways program is the state’s largest college planning event.
 - During the last decade, more than 12,000 Vermonters have attended this free, day-long conference.
 - In FY13, three College Pathways events were hosted at college campuses in Chittenden, Rutland, and Caledonia counties, providing access to Vermonters statewide.

VSAC's Federal Outreach Programs



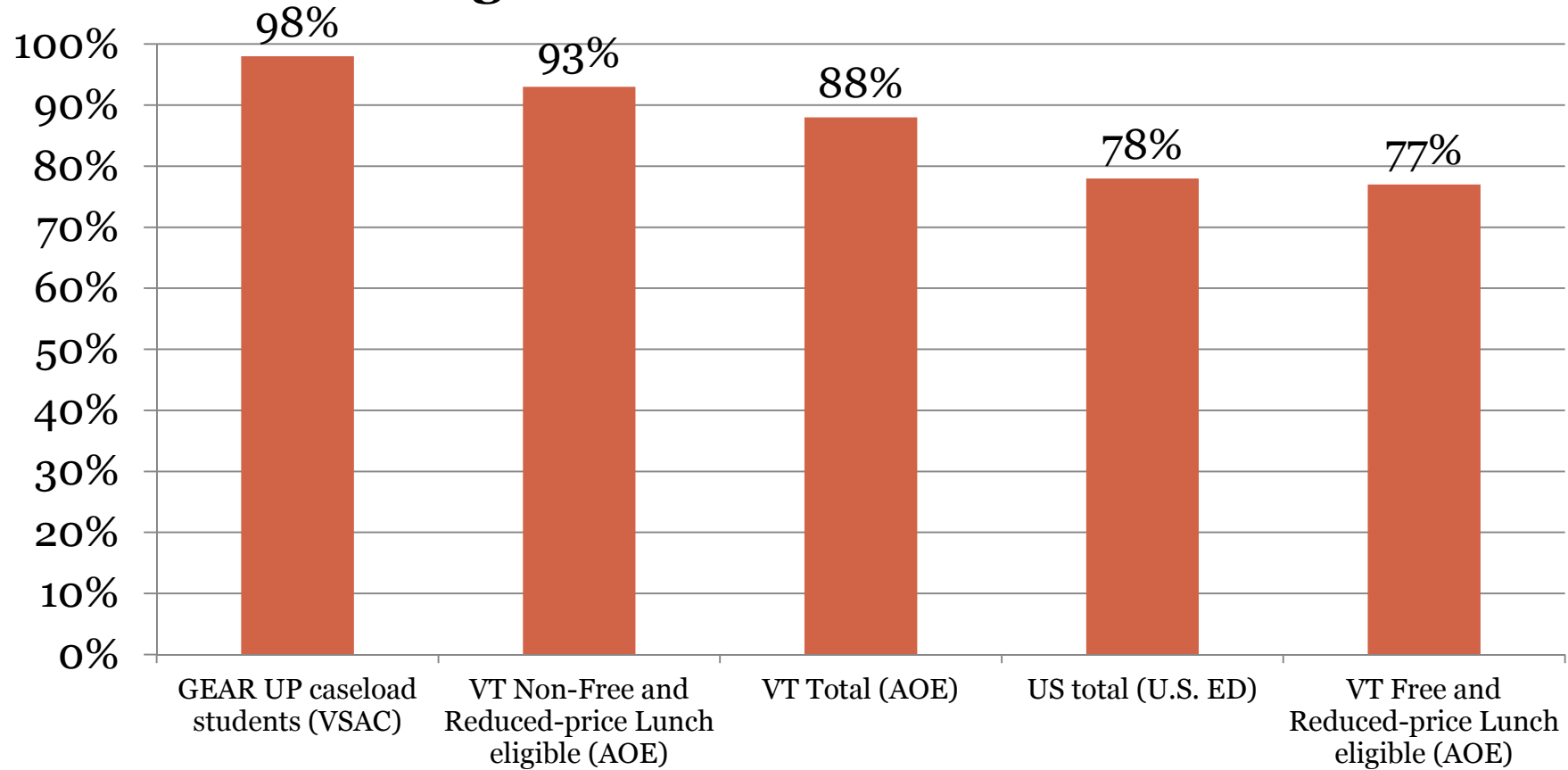
VSAC outreach counselors serve low-income and first-generation college-bound individuals through caseload or whole class models, and also provide career and education planning services to the general population.

- Middle and high school students (Talent Search and GEAR UP)
 - Nearly 3,700 students served, or approximately 1 of 4 of students who are free and reduced-price lunch eligible
- Adult students (Educational Opportunity Center)
 - More than 1,800 adult Vermonters served throughout the state; 73% were low-income and first-generation college bound; 50% were unemployed.

Career & Education Outreach make a Difference



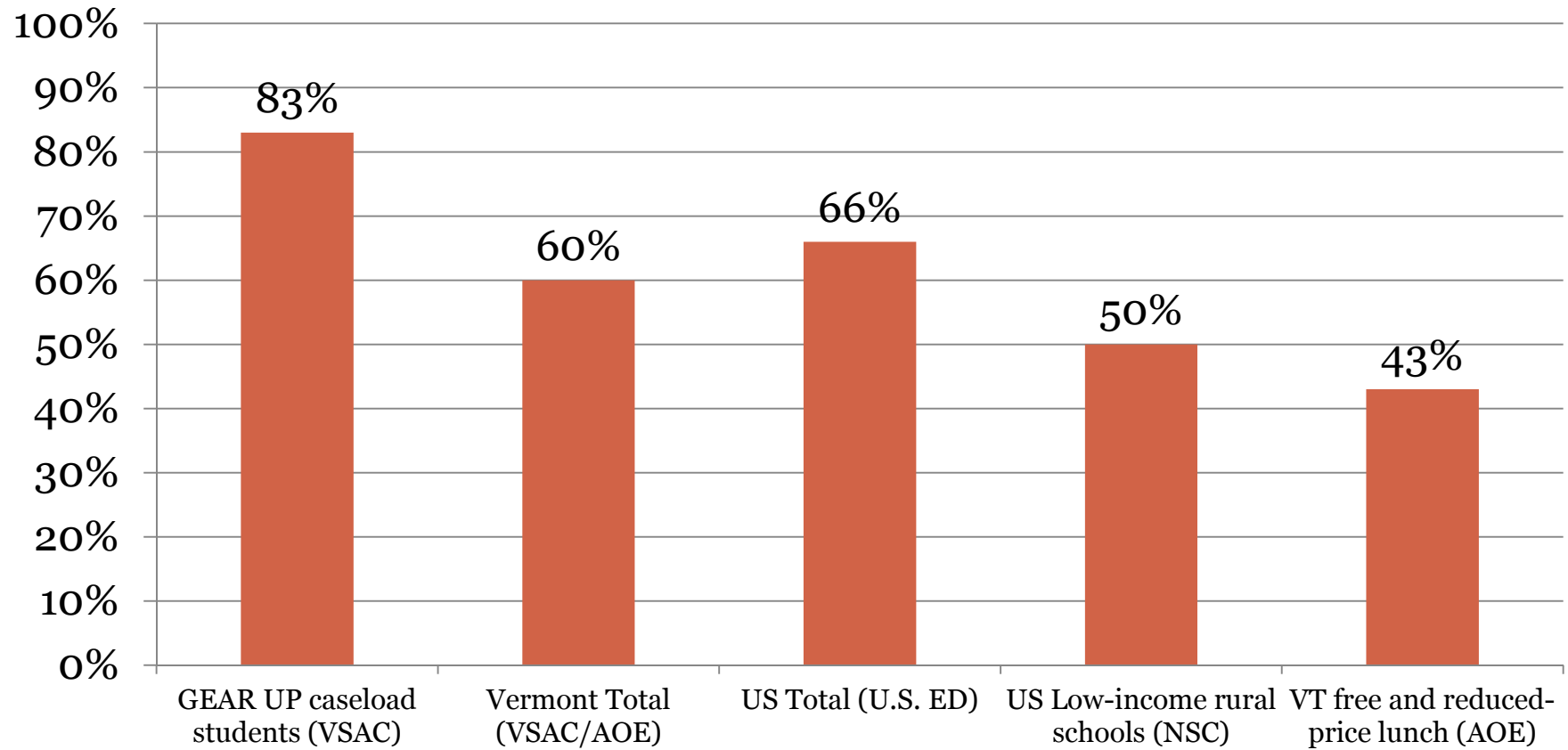
High School Graduation Rate



Career & Education Outreach make a Difference



Postsecondary Enrollment Rate



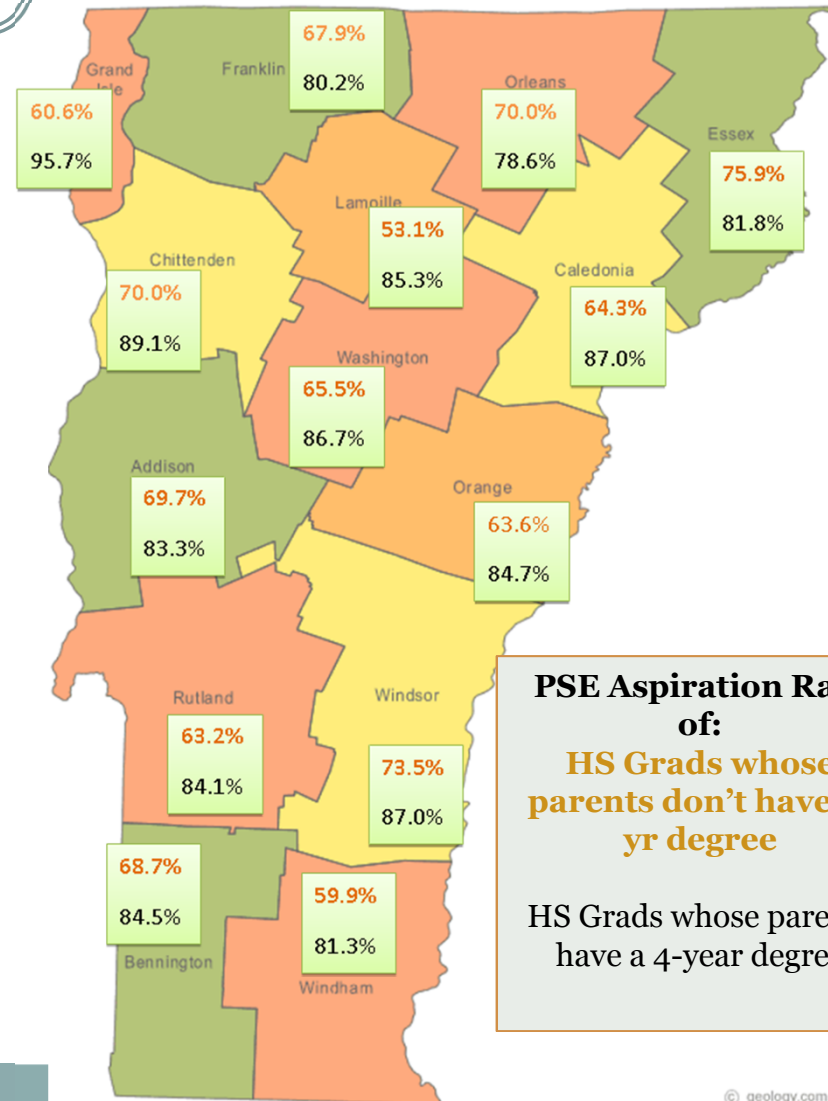
The critical work ahead...

Aspiration Rate

Definition: The proportion of Vermont's HS graduates who plan to enroll in a postsecondary education or training program within 6 months of graduation

Aspiration rates differ significantly between:

- HS Graduates whose parents don't have a 4-yr degree
- HS Graduates whose parents have a 4-yr degree



FY2015 Budget Request



- A 3 percent increase in funding for the Vermont State Grant program, for an FY2015 appropriation of \$19,996,950
- If additional funds above the 3 percent request are available, we request that they be designated to support the delivery of VSAC's career and education counseling for middle school, high school, and adult students.
- We are also requesting \$495,500 from the Next Generation Fund for non-degree grants (the same amount received the last five years in Section B.1100(a)(3)(A)).

	FY2014	Governor's Proposal	VSAC FY2015 Request	VSAC Y2015 Percent increase
VSAC	\$19,414,515	\$19,802,805	\$19,996,950	3%
Next Gen	\$494,500	\$494,500	\$494,500	No change

Vermont Student Assistance Corporation



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