

Memo

To: Rep. David Sharpe, Chair, House Committee on Education  
From: Thomas A. Little, General Counsel, Vermont Student Assistance Corporation  
Date: March 10, 2015  
Re: Education Committee's Response to House Appropriation Committee's  
Request for Review of the Governor's FY 2016 Budget Proposal

VSAC understands that your Committee is preparing to respond to the February 12, 2015 request of House Appropriations Committee Chair Mitzi Johnson for review and comment on the education-related provisions in the Governor's FY 2016 Budget Proposal. We ask that your Committee consider recommending for inclusion of two provisions that were included in the FY 2014 budget as signed by the Governor.

1. Section E.605.2, Need-Based Stipend for Dual Enrollment and Early College Students.

This provision was included in the FY 2014 Big Bill, and provided as follows:

Sec. E. 605.2 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Of the Next Generation Funds appropriated in Sec. B1100(a)(3)(C) of this act, \$50,000 shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course as defined in 16 V.S.A. § 942(7) and § 944 or in early college as defined in 16 V.S.A. § 4011(e) and § 942(8) to be used for the purchase of books, transportation costs, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House and Senate Committees on Education and on Appropriations on or before January 15, 2015. Act 179 of the General Assembly (2014), the Appropriations Act.

VSAC administered this program with the collaboration of the Vermont State Colleges. VSAC believes the program is working as intended to help low income students take advantage of the dual enrollment program, and that it should be continued in the FY 2016 budget. Note that the \$50,000 in funds came out of the existing, ongoing dual enrollment appropriation.

Attached is the Interim Report on this program as filed earlier in this session. VSAC is available to answer questions about the program and this request.

2. Section E.605(c), Vermont Student Assistance Corporation Appropriation

This provision carved out \$100,000 from the existing VSAC General Fund grant appropriation for use as a "student aspirational pilot initiative to serve one or more high schools." (This is not an increase in the VSAC General Fund appropriation.) This provision responded to testimony showing some geographic anomalies in the rates at which high school seniors aspire to continue

their education. The first year of the program (school year 2014-2015) established a series of counseling and aspiration programs at Lamoille Union High School which, owing to limitations on federal funding for the GEAR UP program administered by VSAC, had not had access to GEAR UP-like programs.

The Lamoille U.H.S. program is showing significant promise, and VSAC is in the final stages of rolling out a similar program at a high school in southern Vermont. VSAC has learned over its years of counseling experience that counseling and aspirational services are as important to a student's continuation to college (or postsecondary training) as the student's access to financial aid; the two are inseparable.

For these reasons, VSAC is requesting that this provision be included for a second year in Section E.605(c). We are available to discuss this and respond to questions.

cc: Hon. Mitzi Johnson, Chair, House Committee on Appropriations  
Hon. Chuck Pearce, House Committee on Appropriations

Dual Enrollment Stipend Report  
Sec. E. 605.2 of the FY 2015 Appropriations Act  
(No. 179 of the Acts of the 2014 General Assembly)

Prepared by Marilyn Cargill, Vice President of Financial Aid Services and Research, VSAC  
January 15, 2015

**Sec. E. 605.2 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS**

(a) Of the Next Generation Funds appropriated in Sec. B1100(a)(3)(C) of this act, \$50,000 shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course as defined in 16 V.S.A. § 942(7) and § 944 or in early college as defined in 16 V.S.A. § 4011(e) and § 942(8) to be used for the purchase of books, transportation costs, and payment of fees. The Vermont Student Assistance Corporation shall establish the criteria for program eligibility. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House and Senate Committees on Education and on Appropriations on or before January 15, 2015.

Act 179 of the General Assembly (2014), the Appropriations Act.

**Background**

The need-based stipend for dual enrollment and early college students was passed in the 2014 Legislative session as part of the Appropriations Act. Students who meet the eligibility criteria will receive a need-based stipend to help offset the out-of-pocket expenses of books, fees, or transportation.

**Policy Objectives**

The policy objectives of the stipend program are to:

- Introduce a larger pool of Vermont high school students to a college experience;
- Increase attendance at Vermont colleges; and
- Ensure that dual enrollment and early college opportunities are available to all Vermont high school students including low and middle income families.

**Eligibility Requirements**

- To be eligible for the program's stipend, a student must:
- Be enrolled in a Dual Enrollment course or in the Early College program, with Dual Enrollment receiving preference;
- Be attending a Vermont high school or be home schooled in Vermont;
- Have completed the sophomore year in HS for Dual Enrollment or be in the senior year for Early College;
- Demonstrate financial need – i.e., must be verified by their high school dual enrollment designee as eligible for free and reduced hot lunch. All students will be required to submit the application for free and reduced hot lunch unless already they have already been determined to

be eligible by another state-accepted means such as students receiving benefits from TANF, 3SquaresVT, etc.; and

Have confirmed books, fees, and/or transportation costs by their high school dual enrollment designee if attending a high school or if home schooled, self-reported.

### Methodology

In early June, a committee representing Vermont principals, Vermont superintendents, the Agency of Education, College Financial Aid Administrators, community College of Vermont staff providing oversight to the dual enrollment voucher program, the VSAC Outreach program and other VSAC staff convened to help design a program that would implement Section E.605.2 to reach the targeted audience as early as possible while providing an efficient and effective application method for students and families.

The committee elected to use eligibility for free and reduced hot lunch as the determination of “need.” This decision along with the decision to add questions to the existing dual enrollment voucher application removed any additional application barriers that might have prevented low income families for applying for the stipend.

Verification of both need and out-of-pocket expenses for books, fees, and/or transportation is provided by the dual enrollment designee at each high school. Home schooled students do not have a separate verification process.

The stipend was set at \$150/student which would allow 330 students to be funded.

Priority was given to dual enrollment students who have no other broad-based funding options.

### Spending Outcomes

In the 2014 fall semester 64 names were forwarded from the dual enrollment voucher program and \$ 9,600 was disbursed. To date in the 2015 spring semester, 82 additional students have received the stipend. There are another 107 students in the pipeline pending registration and school verification. CCV courses begin on 1/26/2015 so we are expecting an additional group of eligible students may be identified following the submission of this report.

### Conclusions:

Students can enroll for dual enrollment courses during the summer, fall and spring semesters. They make the decision to enroll in summer and fall courses before leaving high school at the end of the spring term. Because this program was not rolled out to high schools prior to the end of the 2013-2014 school year it seems likely that we were too late to influence the behavior of students who might have wanted to enroll in summer or fall classes but who were concerned about funding for the out-of-pocket expenses.

At the time of this report demand for stipends for the spring semester is more than 2 times as large as it was last fall. This is a result of a normally larger spring dual enrollment class

combined with high schools and students becoming aware of the program. Having said that, there are still a number of students who remain unaware of the program.

VSAC recommends that we continue funding this program at a minimum through FY 2016, i.e., through at least one more full school year, to be able to gauge the true need of the program over the course of all three semesters. This will also allow for more low income families to become aware of the program.