

**Dual Enrollment Stipend Report**  
**Sec. E. 605.1 of the FY 2017 Appropriations Act**  
**(No. 172 of the Acts of the 2016 General Assembly)**

To: House and Senate Committees on Education and Appropriations  
From: Marilyn Cargill, Vice President of Financial Aid Services, Marketing and Research, VSAC  
Date: February 23, 2017  
Re: Dual Enrollment Stipend Report

**Introduction and Background:**

In 2014, a \$50,000 need-based stipend for dual enrollment and early college students was passed in the Legislative session in Section E.605.2 of the Appropriations Act. Needy Vermont students who meet the eligibility criteria receive a stipend to help offset the out-of-pocket expenses of books, fees, and/or transportation. The stipend program was designed during the summer of 2014 and was made available to students to help offset the out-of-pocket expenses in the fall of 2014. In the January 2015 report, VSAC recommended that the funding be renewed for the 2015-2016 academic year so we could gauge the true need of the program over the course of three semesters. The General Assembly agreed and appropriated \$50,000 for FY 2016. In the 2016 report, VSAC recommended that the program be increased to \$60,000 for FY 2017; again, the General Assembly agreed. Section E.605.1 of the FY 2016 Big Bill (H. 875, Act No. 172) reads as follows:

**Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS**

(a) The sum of \$60,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) as follows:

(1) \$30,000 from Sec. B.1100(a)(3)(C) (Next Generation funds appropriated for dual enrollment and need-based stipend purposes).

(2) \$30,000 from Sec. E.504(1)(a)(1) (flexible pathways funds appropriated for dual enrollment and need-based stipend purposes).

(b) The sums transferred to VSAC in this section shall be used to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 4011(e) to be used for the purchase of books, cost of transportation, and payment of fees. Funds shall be granted to eligible students on a first-come, first-served basis until funds are depleted.

(c) VSAC shall report on the program to the House and Senate Committees on Education and on Appropriations on or before January 15, 2017.<sup>1</sup>

Note that the source of the \$50,000 was revised; in FY 2015, all of the funding came from a transfer from the Next Generation Fund while in FY 16 and FY 17, half comes from that source and half from the Education Fund (pursuant to Sec. 504.1(a)(1) of the Big Bill), specifically adult education and literacy funds.

### 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 those from 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 high school 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 they have already been determined to be eligible by another state-accepted means such as students receiving benefits from TANF, 3SquaresVT, etc.; and
- ✓ Have books, fees, and/or transportation costs confirmed by their high school dual enrollment designee if attending a high school, or self-reported if home schooled.

### Methodology

Eligibility for free and reduced hot lunch is the determination of “need” for students enrolled in the dual enrollment program. This definition of need combined with adding questions to the existing dual enrollment voucher application effectively removes any application barriers that might prevent low income families from 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.

Students enrolled in Early College must complete the Vermont Grant application and the Free Application for Federal Student Aid (FAFSA). Students who qualify for the Vermont State grant

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<sup>1</sup> The report was delayed until February 23, 2017 to allow for the gathering of the most recent data, to insure the report is as current as possible.

based on those applications are also considered eligible based on need for the stipend. Funds for students enrolled in Early College at disbursed at the time the college verifies enrollment.

The stipend remained at the \$150 level that was established in FY 2015. This is allowing us to provide stipends to 400 students for FY '17.

Dual enrollment and Early College students have equal priority in being considered for this stipend.

### Spending Outcomes

In FY 2015, 316 students received stipends, 277 students enrolled in Dual Enrollment programs and 39 students enrolled in Early College programs, for a total of \$47,400 in stipend awards. The breakdown by semester is as follows; \$4,850 was disbursed in the fall semester to 59 students, \$27,450 was disbursed in the spring to 183 students and \$11,100 was disbursed in the summer to 74 students.

The 277 students who received the Dual Enrollment stipend in FY 15 represented 51% of the students who used Dual Enrollment vouchers that were identified as being eligible for free and reduced hot lunch in the draft report on Act 77 of 2013, 16VSA 9444(j) Dual Enrollment Program, Reports, submitted January 2017 by Agency of Education Secretary Rebecca Holcombe.

In FY 2016 VSAC disbursed a total of \$49,650 to 254 student enrolled in Dual Enrollment and 77 students enrolled in Early College. VSAC awarded 30 stipends to students attending early summer semester classes (May-June). We cancelled 14 spring awards during the summer for stipends that were not used. Forty-five students taking courses in the early summer semester were unable to be awarded as all funds had previously been committed.

The 254 students who received the Dual Enrollment stipend in FY 16 represented 59% of the students who used Dual Enrollment vouchers that were identified as being eligible for free and reduced hot lunch in the 16VSA 9444(j) Dual Enrollment Program. These figures likewise come from the draft report on Act 77 of 2013, 16VSA 9444(j) Dual Enrollment Program, Reports, submitted January 2017 by Secretary Holcombe.

In FY 2017 VSAC disbursed a total of 12 students for the late summer semester (July-August) and 116 students for the fall semester in Dual Enrolment and 60 students in Early College for a total of \$28,200 in awards in the fall semester. This represented a 42% increase in spending for the fall semester from FY 16 and a 218% increase from FY 15. To date in FY 2017 we have disbursed 147 stipends to students enrolled in the spring Dual Enrollment program and 18 students enrolled in Early College for a yearly disbursement total of \$52,950. We have 42 Early College students pending for spring term, which represents another \$6,300 in promised stipends.

### Conclusions

The need for this stipend continues to grow and expand as more low-income students and families understand that there funds are available to help with books, fees and travel expenses.

While expanding the program in FY 2017 from \$50,000 to \$60,000 allowed us to fund a portion of the students wishing to take classes in May and June, it still left 45 students unfunded who enrolled to take courses during that time period.

This problem will be exacerbated in 2017 due to the 42% increase in spending in the fall semester combined with the projected 22% increase in spring spending. At this time it appears that all Dual Enrollment/Early College stipend funds will be expended during the spring semester. If last year's summer enrollment is indicative of what should be expected this year, approximately 75 students will not be funded for May/June courses in addition to any students we are unable to award for the spring semester.

#### Recommendation

VSAC recommends that the General Assembly continue funding this program to ensure access to low and lower-middle income families to the dual enrollment and early college courses. While it is clear that significantly more families were aware of the program this past fall, it is not clear we are reaching all families. Given that it appears that these funds will run out this year leaving some students unable to access the stipend, we would recommend that the current funding level (\$60,000 for FY 2017) be increased by \$12,000 to allow an additional 66 low income students to have access to the stipend.