

**Dual Enrollment Stipend Report**  
**Sec. E. 605.1 of the FY 2019 Appropriations Act**  
**(No. 11 of the Acts of the 2018 Special Session of the General Assembly)**

To: House Committees on Appropriations and on Commerce and Economic Development, and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs  
From: Marilyn Cargill, Vice President of Financial Aid Services, Marketing and Research, VSAC  
Date: March 26, 2019  
Re: Dual Enrollment Stipend Report

Introduction and Background

In 2014, a \$50,000 need-based stipend for dual enrollment and early college students was included in Section E.605.2 of the FY 2015 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 its 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 in order to fund awards through the entire school year; again, the General Assembly agreed. In the 2017 report, VSAC recommended that the funding be increased by \$12,000 for FY 2018, to cover the roughly 66 students that we expected to go unfunded if funding remained at \$60,000. The General Assembly did not appropriate that requested increase but did include a \$12,000 increase in the FY 2019 budget.

Section E.605.1 of the FY 2019 Big Bill reads as follows:

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

(a) The sum of \$72,000 shall be transferred to the Vermont Student Assistance Corporation (VSAC) as follows:

(1) \$36,000 from Sec. B.1100(a)(3)(C) (Next Generation funds appropriated for dual enrollment and need based stipend purposes).

(2) \$36,000 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. VSAC 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.

(c) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development, and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2019.

Note that the source of the funding was revised; in FY 2015, all of the funding came from a transfer from the Next Generation Fund starting in FY 16, half came from that source and half from designated adult education and literacy funds (and now flexible pathways funds) transferred from the Agency of Education.

### 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.

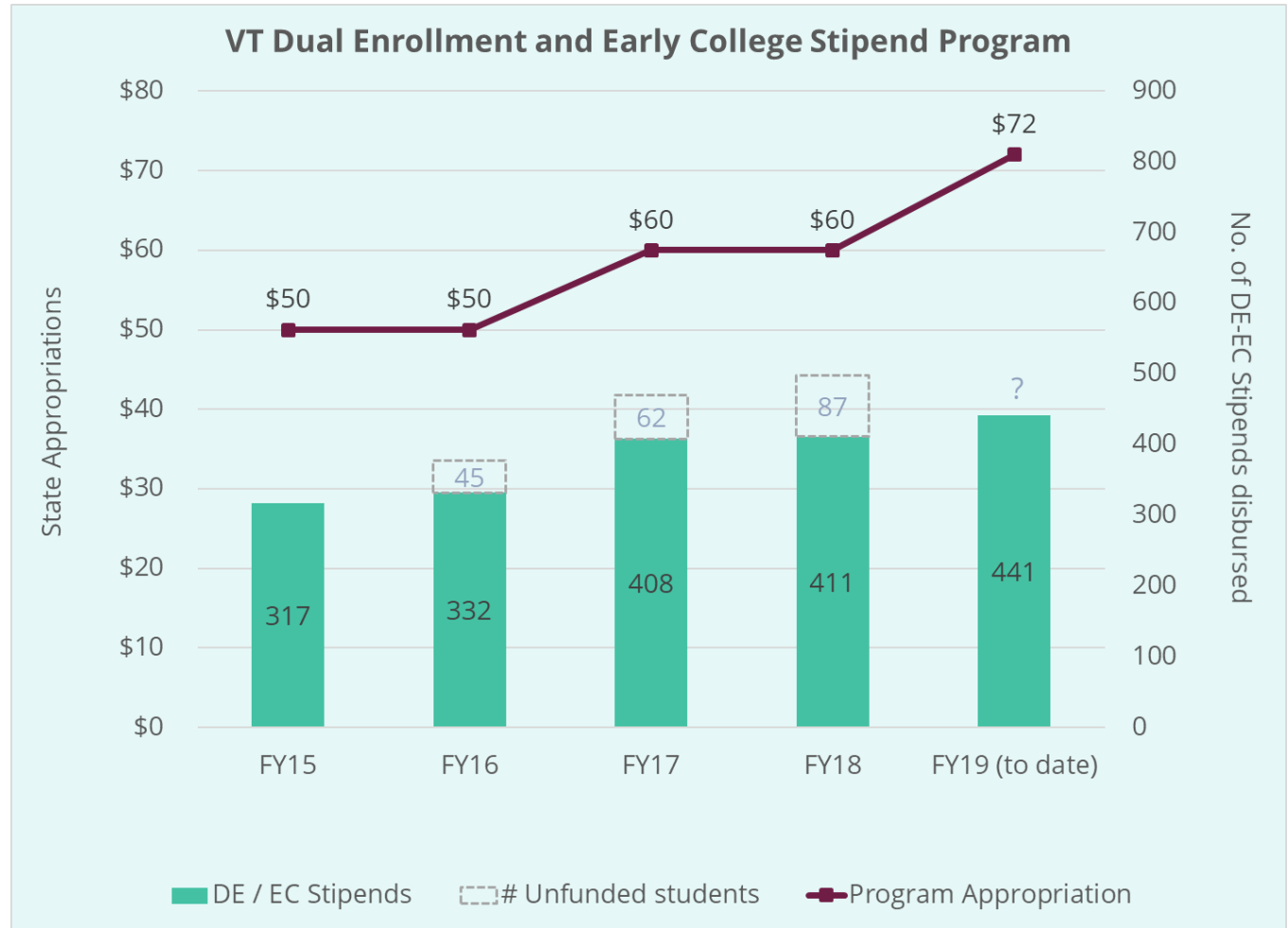
### Methodology

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

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

The stipend remained at the \$150 level that was established in FY 2015 allowing us to provide stipends to 412 students for FY '18.



To date in FY 2019 we have disbursed 284 stipends to students enrolled in the Dual Enrollment program and 160 students enrolled in Early College for a yearly disbursement total of \$66,600. We are still receiving and funding applications for students enrolled in the spring semester. Based on remaining FY 2019 funds, at this time we do not anticipate being able to fund any students seeking assistance for summer classes.

Conclusions

In FY '17, for the first time since the Dual Enrollment Stipend program began the percent of low-income students seeking vouchers who were able to be served by the stipend decreased. In FY '15 we served 51% of eligible students who applied for a stipend. In FY '16, funding was

increased by \$10,000 and we were able to serve 59% of eligible students seeking a dual enrollment stipend. In FY '17 that percentage dropped to 49%. Had we been able to fund the 62 students who applied for summer courses we would have served 59% of the low-income students who applied for vouchers in '17. In FY '18 the funding remained at \$60,000 and the number of students who were unfunded during the summer increased to 87. In FY '19 the funding was increased to \$72,000 but in early March we are down to less than \$5,000 remaining meaning that the majority of students interested in taking classes in May and June will again not be able to be funded.

The need for this stipend continues to grow and expand as more low-income students and families understand that funds are available to help with books, fees and travel expenses, and as the costs of attending course increases. In the report submitted by Secretary Rebecca Holcombe in January 2018, the number of students receiving free and reduced hot lunch who are receiving vouchers has increased from 54 in 'SY 13 to 622 in 'SY 17.

#### 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. As we have almost run out of funds this year leaving some number of students planning to enroll in summer classes unable to access the stipend, we would recommend that the funding level be increased by \$13,000 for FY '19 allowing an additional 86 low income students to have access to the stipend.