



**FY  
21**

The background of the slide is a photograph of a young man with dark hair and a beard, wearing a green jacket and khaki pants, sitting on a black metal park bench. He is holding an open book and looking down at it. The bench is on a lush green lawn. In the background, there are several trees with autumn-colored leaves and a large, multi-story brick building under a clear blue sky.

# Testimony before Senate Finance Committee

February 11, 2020

**Thomas A. Little,**  
**Vice President, General Counsel, And Assistant Secretary**  
Vermont Student Assistance Corporation



## VSAC opens the doors to education:

- Administers Vermont's 529 college savings plan, with 22,478 accounts worth \$406 million.
- Provides career and education counseling to 7,500 students of all ages
- Provide financial aid and forms nights in nearly every high school
- Administers the Vermont State Grant program for low-income Vermonters
- Administers 150 scholarship programs worth \$5.4 million annually – just for Vermonters
- Provides \$50 million in student and parent loans to help cover the cost of education and training
- Provides comprehensive loan counseling to borrowers

# VSAC Program Measures

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- Vermont's 529 plan
- Dual Enrollment and Early College Stipend
- Scholarships
- VT State Grants
- State Student Loans
- Research and Policy

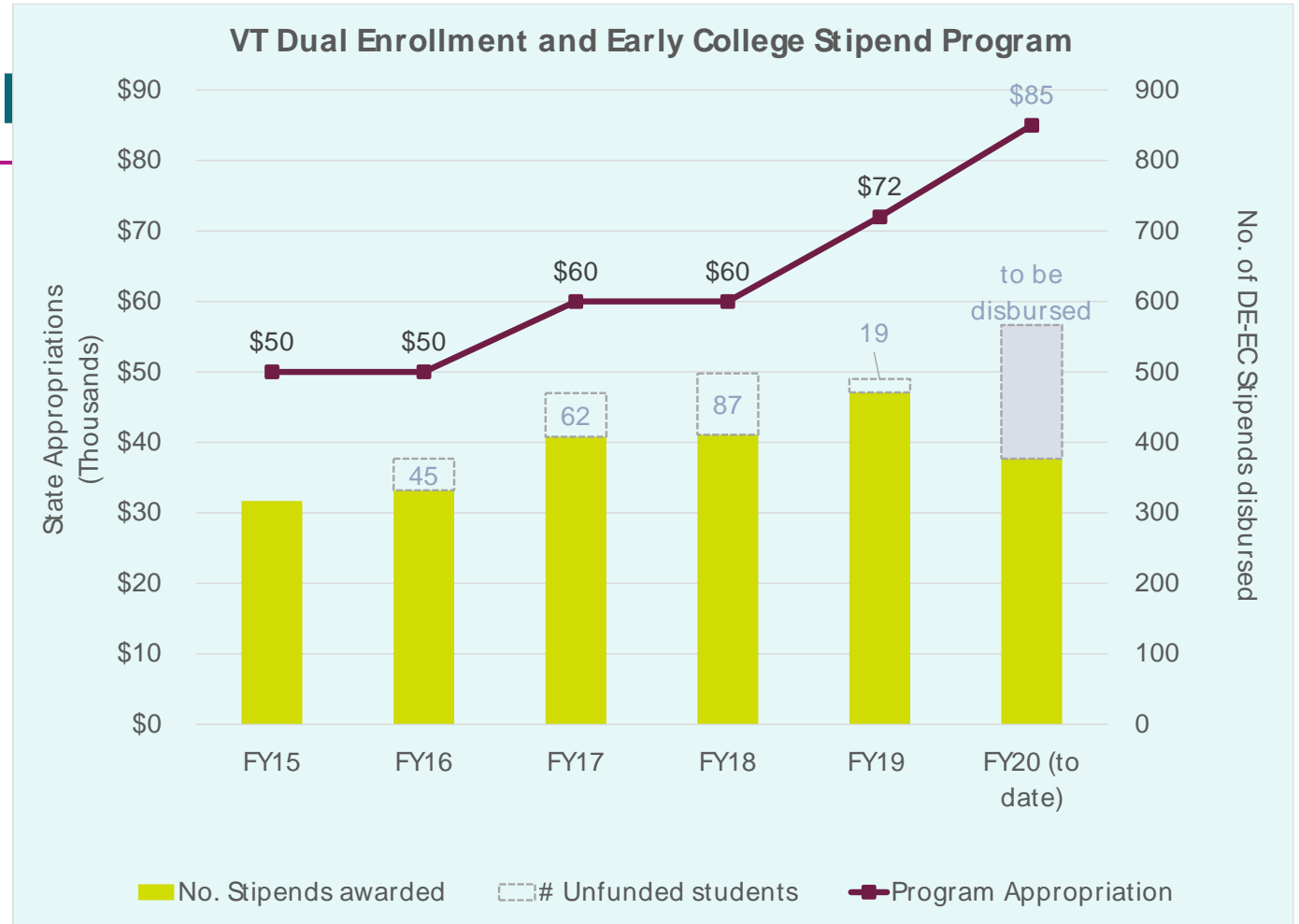
# Saving for the future generation

- The **Vermont Higher Education Investment Plan** 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 August 31, 2019 VHEIP had nearly 22,500 active accounts and \$406 million in assets.
- Since its inception, VHEIP families have withdrawn more than \$207.4 million to help more than 8,738 students pay for college.
- Vermonters used over \$41 million in FY19 to cover education and training costs.



# Dual Enrollment & Early College Stipend

- A need-based stipend for high school juniors and seniors who enroll in early college or on-campus dual enrollment classes.
- Awards \$150 to cover the expenses of books, fees, and/or transportation
- Thanks to the FY19 appropriation we anticipate funding the May-June summer term.

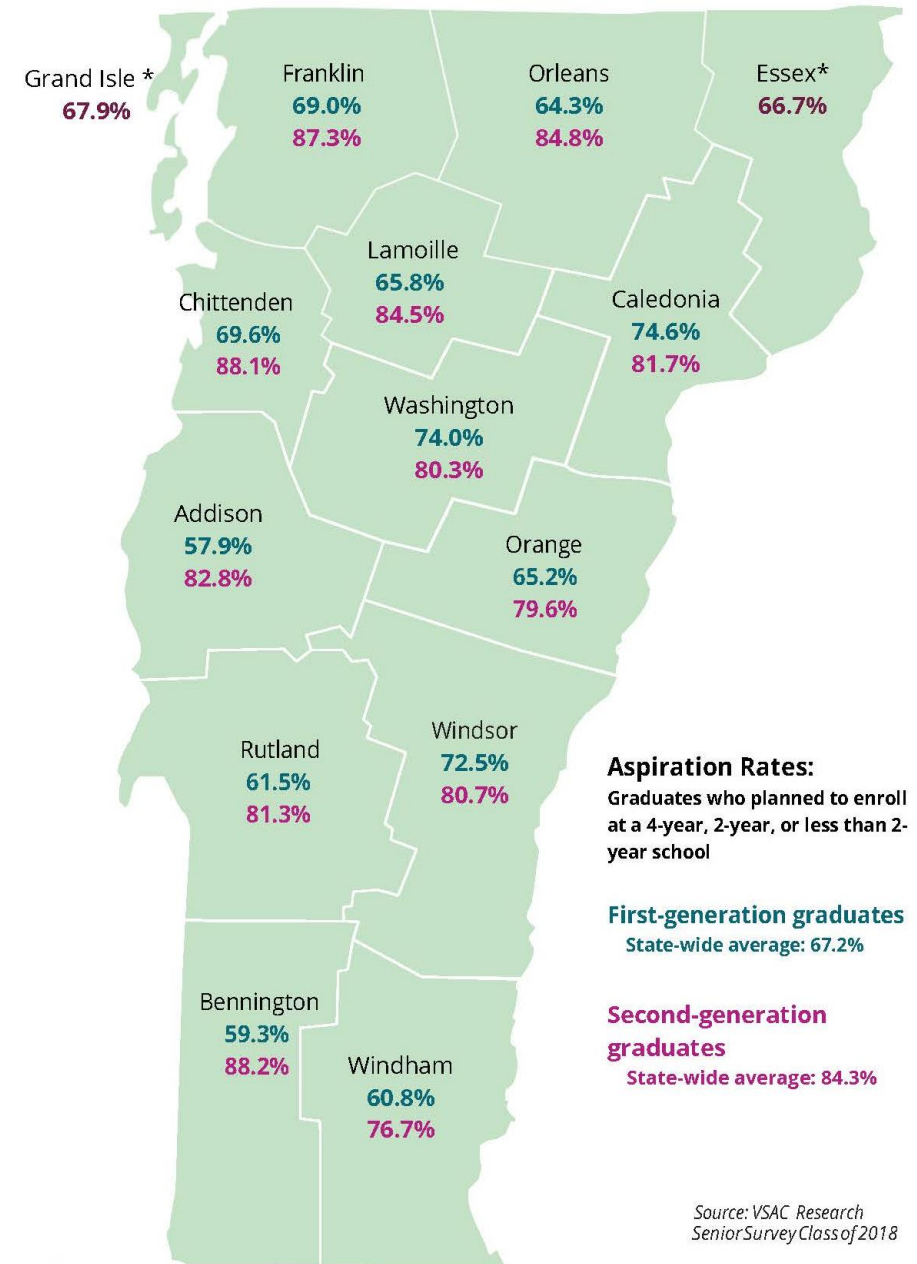


# Aspiration initiatives

The Aspiration Project aims to increase postsecondary aspiration and continuation rates.

In AY 18-19, over 1,400 middle and high school students were served by the project at the following schools:

- Hazen Union High School
- Twinfield Union School
- Spaulding High School
- Central Vermont Career Center



Source: VSAC Research  
Senior Survey Class of 2018

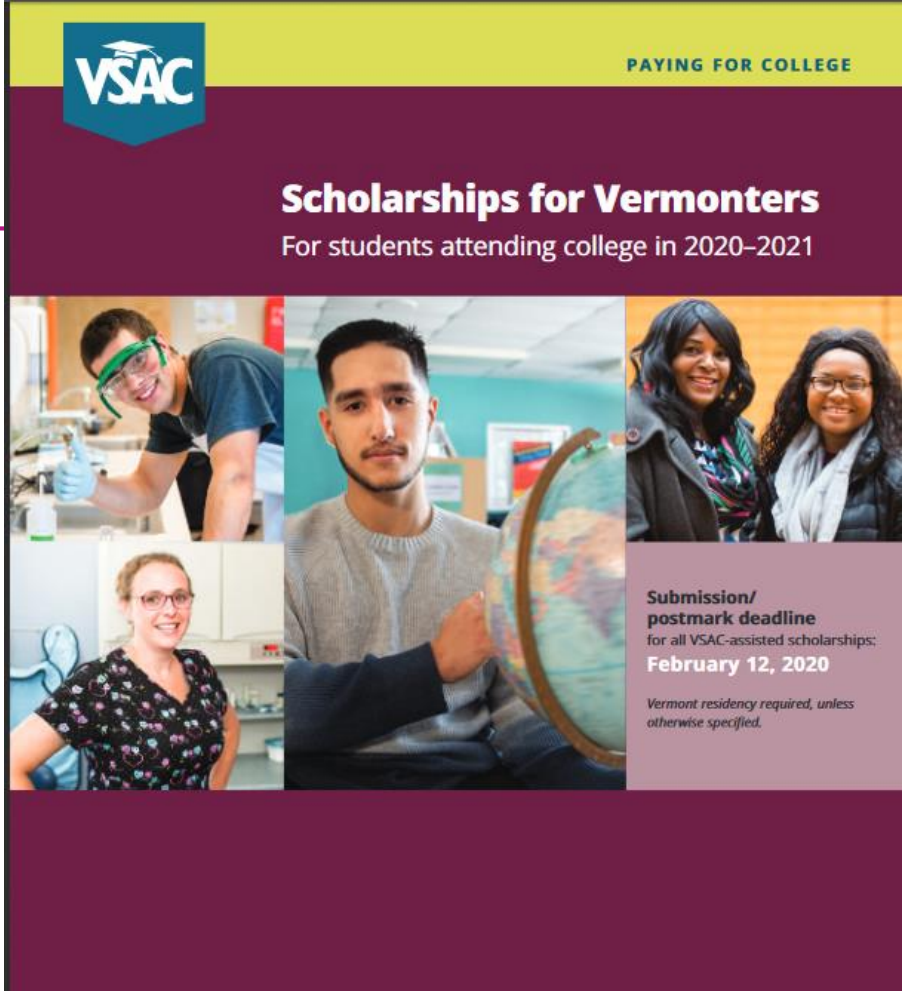
\*Small sample size

# Scholarship Program

VSAC administers 150 scholarship programs – large and small – that help Vermonters pay for school.

In FY19:

- 3,195 scholarship awards were disbursed
- Worth \$5.4 million dollars



The image shows the cover of a booklet titled "Scholarships for Vermonters" for students attending college in 2020-2021. The cover features the VSAC logo in the top left corner and the text "PAYING FOR COLLEGE" in the top right. Below the title, there are three photographs: a student in a lab coat, a student pointing at a globe, and two female students. A text box on the right side of the cover states: "Submission/postmark deadline for all VSAC-assisted scholarships: February 12, 2020" and "Vermont residency required, unless otherwise specified."

**[Students can find college scholarship information through VSAC's scholarships booklet](#)**

# Credential of Value Scholarship

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Established in FY2019, this scholarship was created by **The Curtis Fund** to support students pursuing certificate programs.

**The Hoehl Foundation** added \$300,000 over 3 years to the program in FY2020

## Scholarship's Priorities:

- Lead to high demand/livable wage jobs as identified by the McClure Foundation
- Statewide geographic diversity
- Stackable credentials
- Gender diversity
- Field of study diversity

## Outcomes:

- 62 students awarded to date
- 24 fields of study in FY '20



# Vermont State Grant programs

In the 2018-2019 academic year (FY 2019), VSAC awarded 11,776 need-based education grants to students attending school full- or part-time or enrolled in nondegree courses of study.

VSAC Appropriation FY20: \$20,478,588

| VT Grant Program | FY19 Grant Awards |
|------------------|-------------------|
| Full-time        | 7,710             |
| Part-time        | 2,578             |
| Advancement      | 1,478             |

## NEW in 2019: Micro-grants

Unexpected expenses can derail even the most dedicated of students.

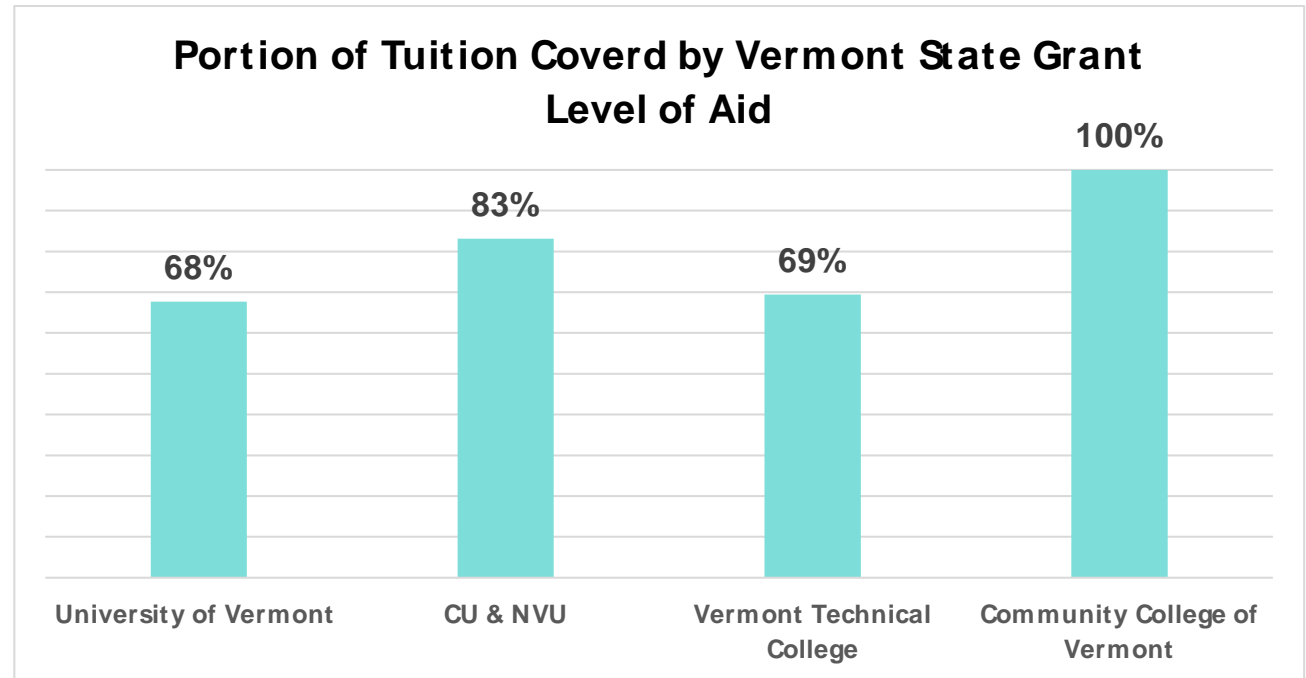
Almost 70 students slated to drop out of school have received a small grant of \$400 or less to help address unexpected expenses.

1. Computer issues
2. Car repair/tires
3. Food insecurity
4. Help with housing deposits

# What is Level of Aid?

The Vermont State Grant is designed to work in conjunction students' Pell Grant and family resources to assist families in paying for college.

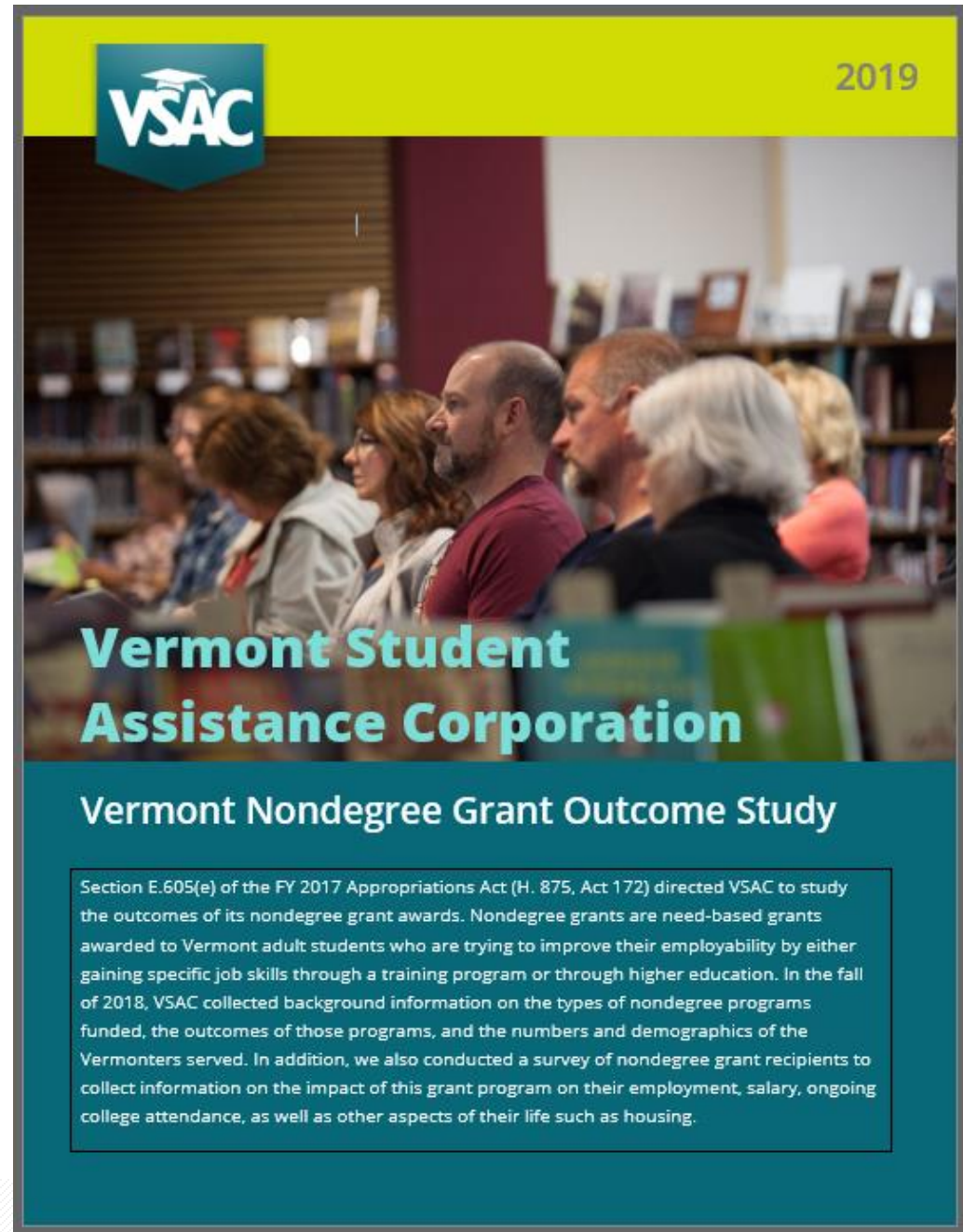
***Lowest income Vermonters attend CCV tuition free***



# Opening doors for adult students

## Vermont Nondegree Grant Outcome Study (2019)

Findings from the latest survey of Nondegree grant recipients awarded for academic year 2017-2018

The cover of the report features a teal header with the VSAC logo on the left and the year '2019' on the right. Below the header is a photograph of a diverse group of adult students in a library or classroom setting, looking at books. The title 'Vermont Student Assistance Corporation' is written in large, bold, teal letters across the middle of the photo. Below the photo, the subtitle 'Vermont Nondegree Grant Outcome Study' is displayed in white text on a teal background. A white-bordered box at the bottom contains a summary of the study's purpose and findings.

2019

**Vermont Student Assistance Corporation**

**Vermont Nondegree Grant Outcome Study**

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. Nondegree grants are need-based grants awarded to Vermont adult students who are trying to improve their employability by either gaining specific job skills through a training program or through higher education. In the fall of 2018, VSAC collected 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.

# Vermont Advancement Grant

The average Advancement Grant recipient is:

**34**  
**YEARS OLD**



**FEMALE**



**HOUSEHOLD  
OF TWO**

**\$19,750**  
**AVERAGE ANNUAL INCOME**



Despite historically low unemployment rates, adult Vermonters increasingly turn to the Advancement Grant to grow and develop new skills.

In recognition, the Vermont Legislature approved additional one-time funding in the program for FY20.

# Vermont Advancement Grant

Helping adults advance in Vermont's workforce

In FY19, 1,247 Vermonters used their Advancement Grant (nee Nondegree Grant):

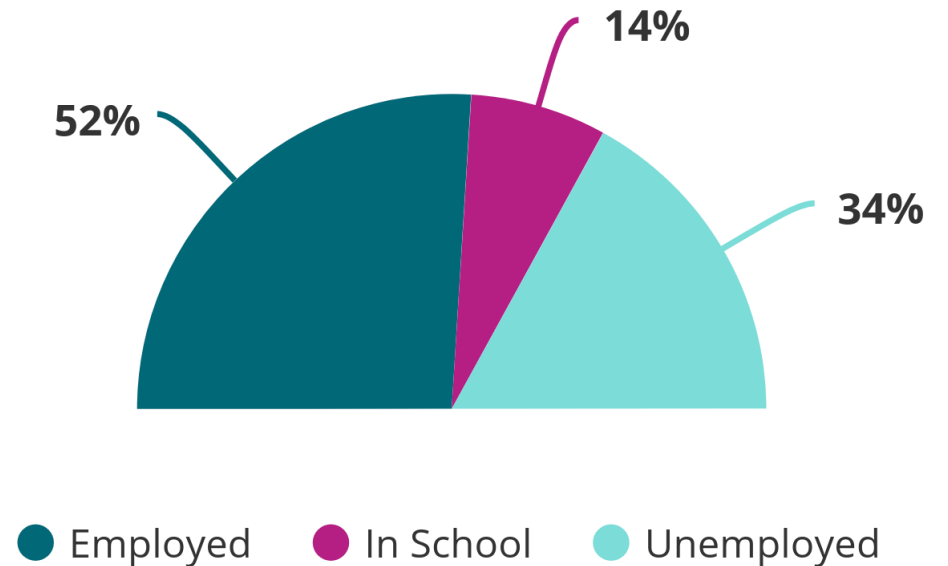
To enter the trades, such as:

- construction workers
- linemen
- cosmetologists
- culinary arts

As well as:

- Earn CDL licenses
- Obtain certification as childcare providers
- Enter healthcare professions such as LNAs and dental assistants

Those Who Were Unemployed BEFORE Taking the Nondegree Course Are Working or in School



# State Loan Program by the numbers

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- VSAC issued \$50 Million in Parent and Student Loans
- Delinquency rates under 2%
- Borrower Benefits –
  - Borrowers saved \$1.7 million in FY '19
  - \$180.5 million saved since 1995
- Scam Prevention
  - Work directly to protect Vermont borrowers
  - Work with Vermont's Attorney General to educate borrowers
  - Collaborate with Vermont's Congressional Delegation



## Student Loan Servicer: Licensing Status\*

The following matrix represents the status of VSAC's student loan servicing licensure, consistent with enacted state law.

| State                       | Licensed Student Loan Servicer   | License Pending | License Not Required – Student Loan Servicing Requirements Apply | License Not Required – <u>No</u> Student Loan Servicing Requirements Apply |
|-----------------------------|--|-----------------|--|--|
| <b>Connecticut</b>          | X  |                 |  |  |
| <b>District of Columbia</b> | X  |                 |  |  |
| <b>California</b>           | X  |                 |  |  |
| <b>Rhode Island</b>         | X  |                 |  |  |
| <b>Colorado</b>             | X  |                 |  |  |
| <b>New York</b>             |  | X               |  |  |
| <b>Maine</b>                |  | X               |  |  |
| <b>Washington</b>           |  |                 | X  |  |
| <b>Illinois</b>             |  |                 |  | X  |
| <i>New Jersey</i>           | Law is effective, but NJhas not yet released instructions on how to become licensed. |                 |  |  |

\* As of February 10, 2020

# After college: help is a phone call away

- **Vermont Advantage Loan Coach:** free, in-depth personalized education debt counseling.
- VSAC's **Customer Relations team** works closely with borrowers to help them understand all the repayment options available to them.

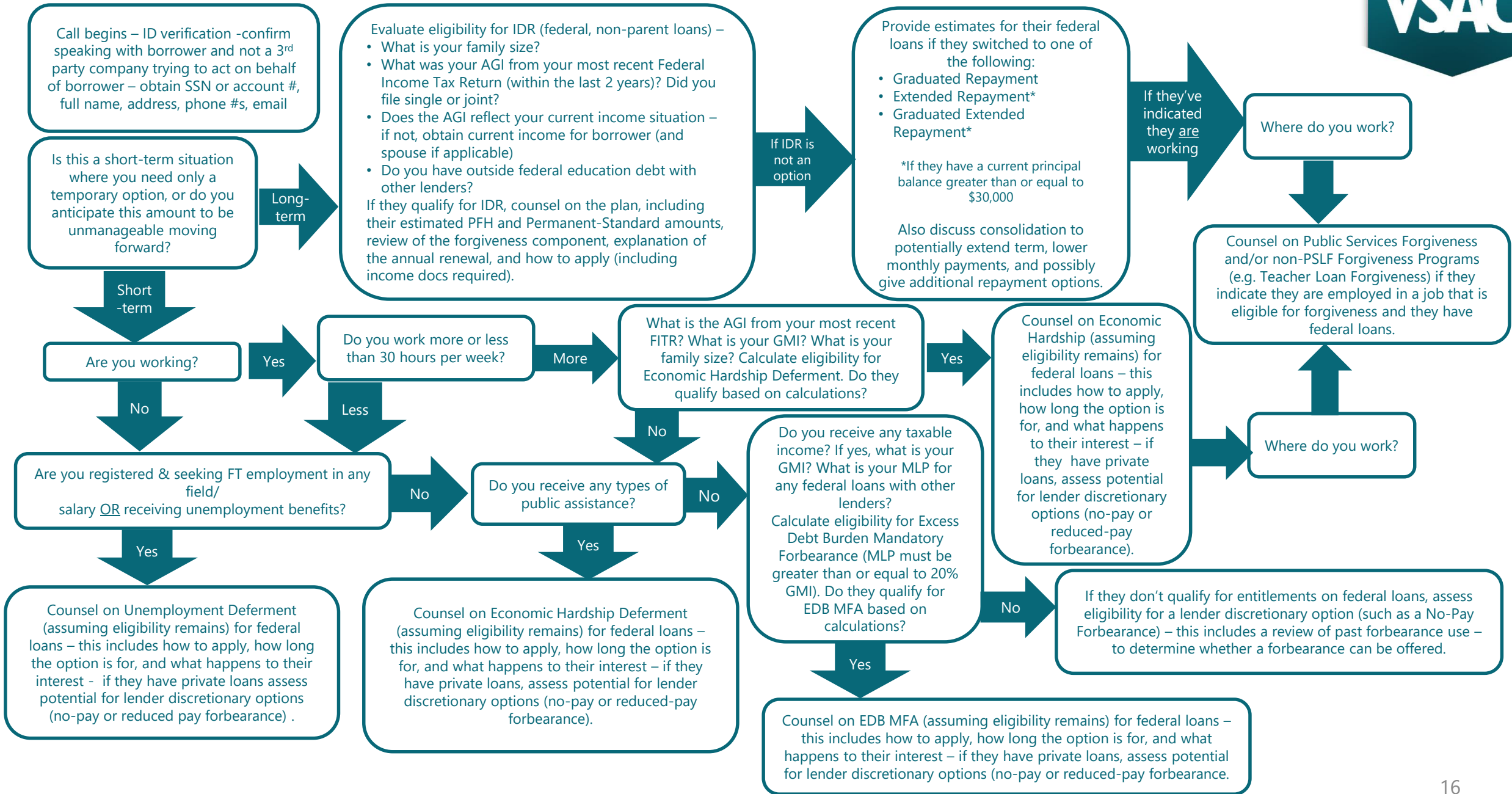


*"I can't thank you all enough for the help and patience over the years. I still have a loan for my daughter, but VSAC helped my son become a VT State police officer. Nothing but kudos to all of you there!"*

~Susan

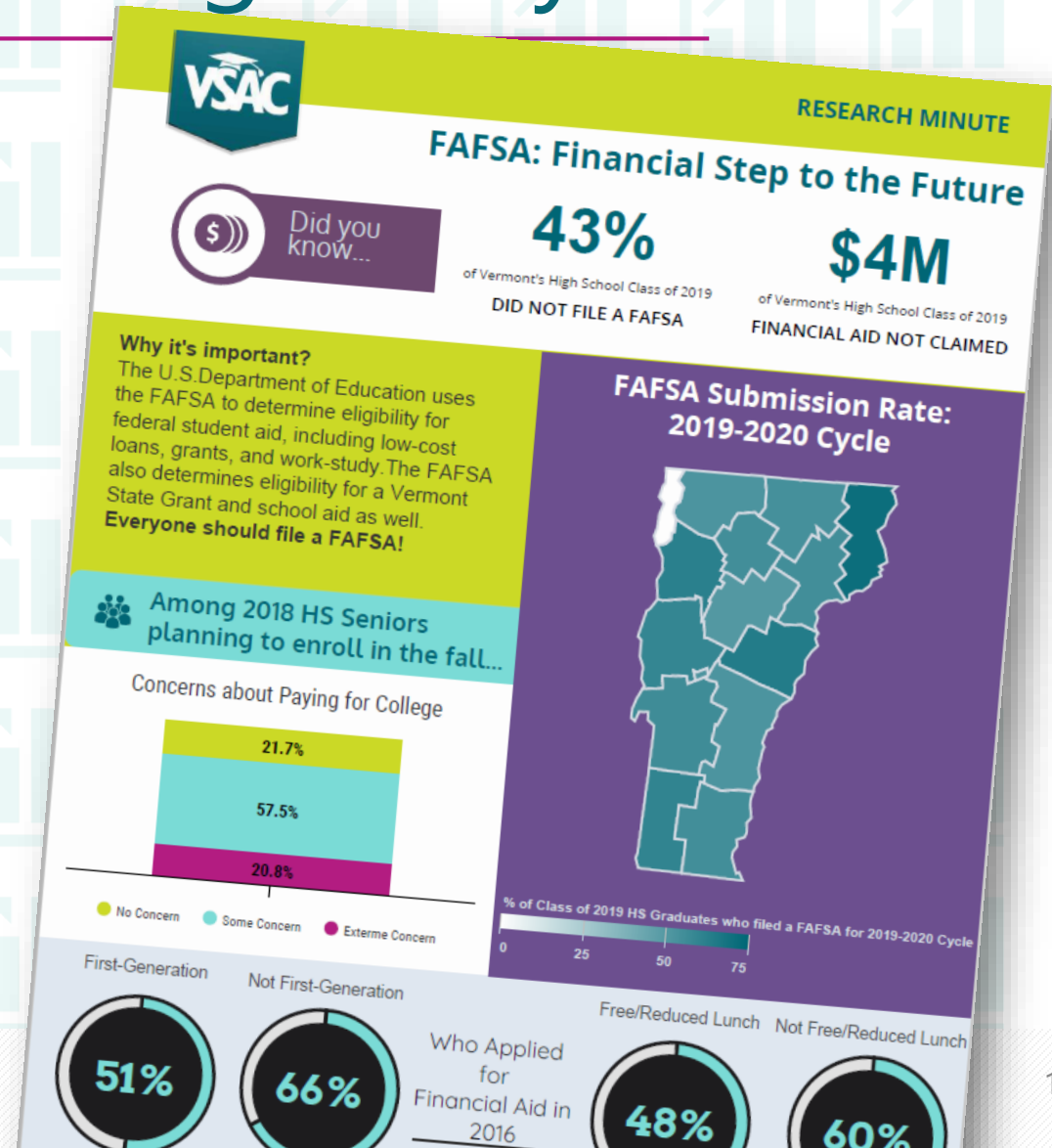


# Customer Calls to Communicate Trouble Making Their Loan Payment



# VSAC Research: Informing Policy

- [Class of 2012 Report Series](#)
- [Non-Degree Survey](#)
- [VSAC Research Minute](#) →
- [FY19 County Facts](#)



# VERMONT's Education Pipeline

Our Class of 2012 Senior Survey findings show that we are losing human capital at every point along the path to higher education.

**Four years after graduating from high school, 3.4 out of 10 Vermont students have earned a two- or four-year degree.**

These numbers, however, vary considerably when we consider gender, first-generation status, academic preparation and geographic region.

Class of 2012  
at high school  
graduation



Students who at  
some point thought  
they would enroll in  
the fall of 2012



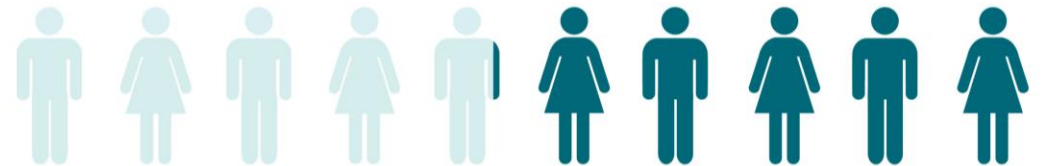
High school  
graduates who  
planned to enroll  
in the fall of 2012



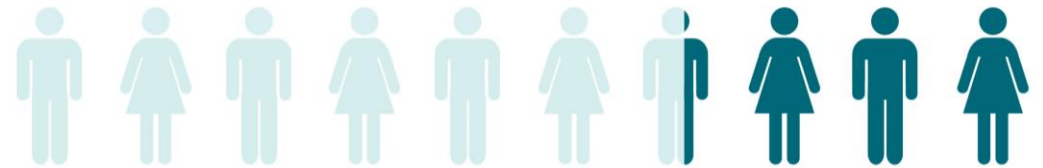
High school  
graduates who  
enrolled at a 2-  
or 4-yr college



First-year college  
students who  
enrolled for a  
second year



Fall 2012 enrollees  
who obtained an  
associate or  
bachelor's degree  
in 4 years





Creating opportunities for all Vermont students, but especially for those —of any age— who believe that the doors to education and training are closed to them.

