

# FY 23

# Testimony before Senate Appropriations Committee

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### **#Here4VTStudents**

- Administers VT529, Vermont's 529 college savings plan, with 25,642 accounts worth \$573.4 million
- Provides career and education counseling to 6,365 students of all ages
- Provides financial aid and forms nights, developing virtual events
- Administers the Vermont State Grant program for low-income Vermonters, including the Vermont Emergency Microgrant
- Administers 802Opportunity and Green Mountain Grad grants
- Administers 145 scholarship programs worth \$7.5 million annually just for Vermonters
- Provides \$36.1 million in student and parent loans to help cover the cost of education and training, plus provides comprehensive loan counseling to borrowers

# Saving for the future generation

The Vermont Higher Education Investment Plan, marketed under the name VT529, 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 June 30, 2021, **VT529** had 25,642 active accounts and \$573.4 million in assets.

- Vermonters used \$36 million in FY21 to cover qualified education expenses.
- Since its inception, VT529 families have withdrawn more than \$265.9 million to help nearly 9,100 students pay for college.



# Vermont State Grant programs

In the 2020-2021 academic year (FY 2021), VSAC awarded 11,551 need-based education grants to students attending school full- or part-time or enrolled in nondegree courses of study.

VSAC Appropriation FY22: \$19,978,588

Unexpected expenses can derail even the most dedicated of students.

In FY21, VSAC awarded 487 grants totaling \$188,000 in emergency funds to students at risk of dropping out of school.

A small grant of \$400 or less helps address unexpected expenses such as:

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

VT Grant Program	FY21 Grant Awards
Full-time	6,972
Part-time	2,693
Advancement	1,408
VT Emergency Microgrant	487

Source: VSAC FY21 Program Statistics

## **Vermont Advancement Grant**

The average Advancement Grant recipient is:







\$21,904

AVERAGE ANNUAL INCOME



Adult Vermonters increasingly turn to the Advancement Grant to grow and develop new skills.



### **Vermont Advancement Grant**

#### Helping adults advance in Vermont's workforce

COVID-19 affected the employment, education and training landscape in innumerable ways.

Despite the historic disruptions in daily living, Vermonters used their Advancement Grant:

To enter the trades, such as:

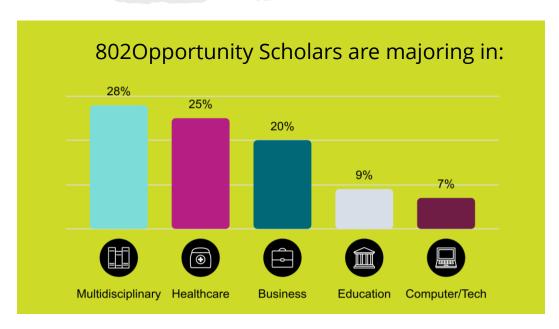
- construction workers
- linemen
- cosmetologists
- culinary arts

#### As well as:

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

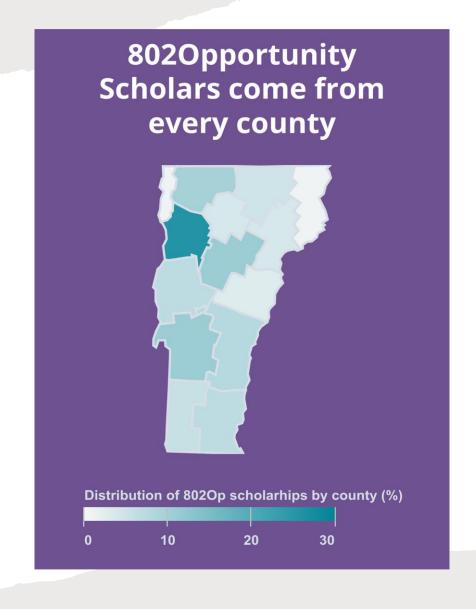






The average 802Opportunity scholar is an adult, female student enrolled part-time and pursuing an associate's degree.

Median age: 28 years oldMedian Income: \$31,500



# Increasing Access to Higher Education

802Opportunity pays for up to two years of free tuition to the Community College of Vermont (CCV). Any Vermonter with a family Adjusted Gross Income of less than \$50K per year can qualify.

# **802Opportunity** opens doors for CCV students seeking:

- · professional certificate programs,
- an associate degree, or
- to transfer to four-year degree programs.

#### FY2022 (to date) 802Opportunity at-a-glance:

- Leverages federal and state grants
- Nearly 1,750 students attended CCV tuition-free



# 802Opportunity: Free Tuition at CCV

#### Governor's Budget:

• \$1.5 million to increase the eligibility cut-off for students with family income from \$50,000 to \$75,000

Impact: 44% of Vermont families have incomes of \$75K or less



# VSAC's FY23 Budget request

#### **Base Appropriation**

VSAC is requesting that \$1 million in Advancement Grant Funding be added to VSAC's Base Appropriation, resulting in an FY2023 base appropriation to VSAC of **\$20,978,588**.

#### 802Opportunity

VSAC is requesting \$1,500,000 for 802 Opportunity to increase the income eligibility threshold from \$50,000 to \$75,000.

#### **Dual Enrollment Stipend**

In addition, we request \$82,450 for the Dual Enrollment Stipend Program. Direct Disbursement to VSAC

# Vermont Nursing Workforce Incentive Loan Program

## Students pursuing nursing degree can obtain \$6,000/year to help offset educational costs with a one-year work obligation

FY '22 Institution	Number of Recipients
Castleton	7
Norwich	11
UVM	13
VTC	49
Out of State	18
Total	98

FY '22 Program	Number of Recipients
LPN's	25
Associate's Degree	4
RN's	31
BA's	38
Total	98



### Vermont Nursing Workforce Incentive Loan Program

#### **Governor's recommendation:**

- \$3,000,000 to support the existing nursing scholarship program administered by VDH in coordination with VSAC
  - House funding for FY 23 \$100,000 H.703
  - Funding for FY 23 \$1.035 Million H.740 (Sec. C.107 from FY'22)

#### **Impact:**

- Increase the size of annual award to get closer to covering full tuition at Vermont public institutions
- Increase the number of nurses committing to work in Vermont following licensure



# Vermont Trades Scholarship Program and Vermont Trades Loan Repayment Program

#### **Governor's recommendation:**

- \$3,000,000 for scholarships for trades students
- \$500,000 for loan repayment for trades professionals

#### **Impacted careers include:**

- CDL drivers
- Plumbers
- Welders
- Builders/Construction
- Nursing



#### H. 703

**Nurse Faculty Forgivable Loan and Loan Repayment Program** 

\$500,000

**Vermont Nursing and Physician Assistant Loan Repayment Program** 

\$2,000,000



#### **Administrative Matters**

**Dual Enrollment Stipend** 

**7% Administrative Allowance** 

Health Care Employer Nursing Pipeline and Apprenticeship Program\$3,000,000



# Advance Funding Requests (VSAC Received Two Years of Funding Last Year)

- \$300,000 for Vermont Aspirations Program for FY24
- \$3.4 M for the third year of 802Opportunity (FY24)





# Appendix A VSAC Services

### **Green Mountain Grad:**

The Green Mountain Grad Program was established by the VT Legislature in 2021 to provide every high school graduate from the Vermont high school Classes of 2020 and 2021 with a tuition-free course at any one of the Vermont State Colleges.

#### **Green Mtn Grad at-a-glance (to date):**

- Over \$1.8M disbursed through the fall of 2021
- 1,462 recent high school grads awarded



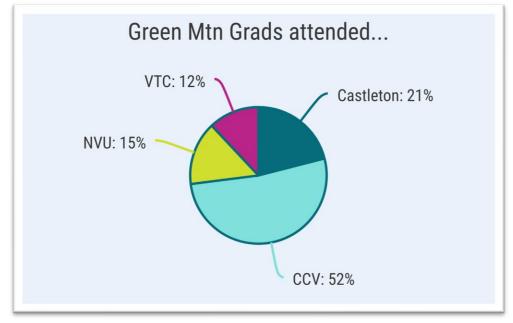


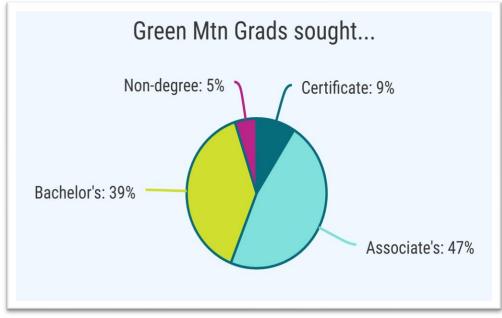


#### In the Fall of 2021:

Green Mtn Grads enrolled in academic programs such as:

- \* Health Professions & Health Sciences 17%
- \* Multidisciplinary Studies 15%
- \* Business Management and Marketing 14%
- \* Education 9%



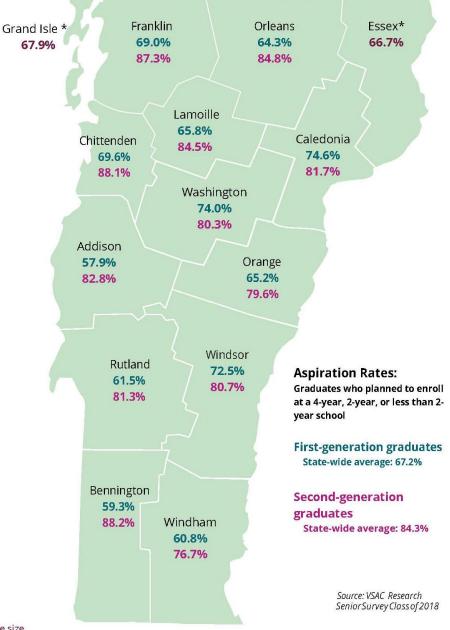


# Aspiration Partnerships

Aspiration Partnerships work with schools to build their capacity to graduate every student with a plan for their future.

In FY22, over 900 high school students were served by the project at the following schools:

- Harwood Union High School
- Twinfield Union High School
- Spaulding High School



\*Small sample size

## **VSAC** working with partners

New vital collaborations that are made possible with the support of the Vermont Community Foundation:

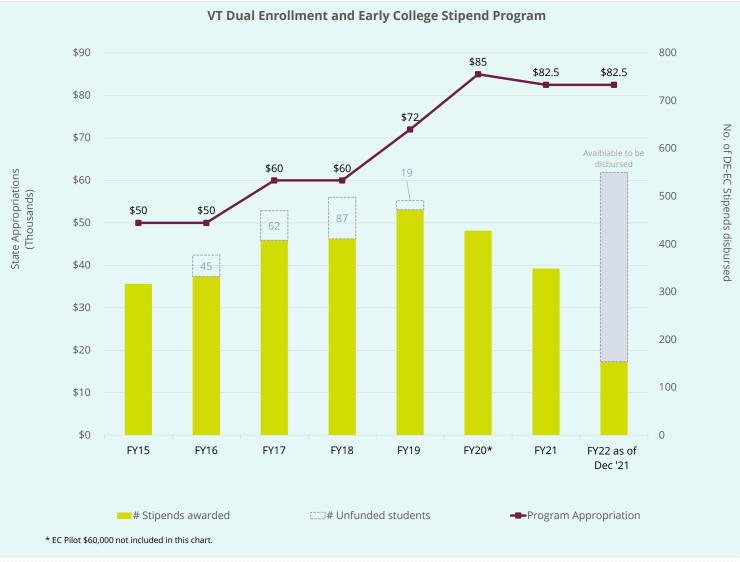
- Working with AOE, the VSCS, and Vermont's postsecondary institutions to allow more seamless data sharing around Early College & review the first 6 years of the program to inform future directions
- Partnership with CCV to promote Early College enrollment aligned with specific 1-year academic programs, utilizing our experience and success with the GUIDE program.

Continuing our efforts to partner with employers across the state to provide our "Career and Education Wellness" benefit to more Vermonters



# Dual Enrollment & Early College Stipend

- A need-based stipend for high school juniors and seniors who enroll in early college or oncampus dual enrollment classes.
- Awards \$150 to cover the expenses of books, fees, and/or transportation
- This program's FY22 appropriation was reduced to \$82,450.







# Middle and high school students

- Two federal grants (Talent Search and GEAR UP) provide targeted information and counseling services to low-income and firstgeneration students beginning as early as 7th grade.
- New this year with support from the Vermont Community Foundation, VSAC is supporting the equitable up-take of Early College.

### VSAC's student outreach:

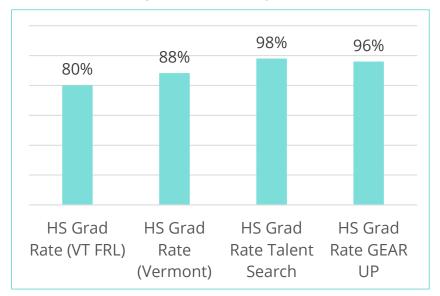
#### Talent Search & GEAR UP

#### **Serving (AY 20-21):**

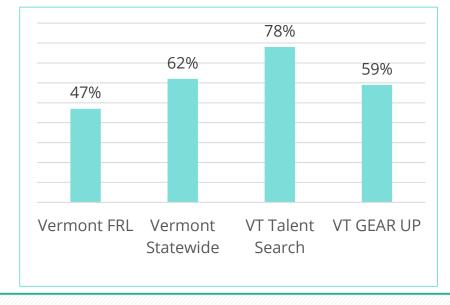
- 83 Vermont schools
- Over 3,500 middle school and high school students

## **Demonstrating** results:

2020 12<sup>th</sup> grade Completion Rates



Fall 2020 Postsecondary Education Enrollment Rates





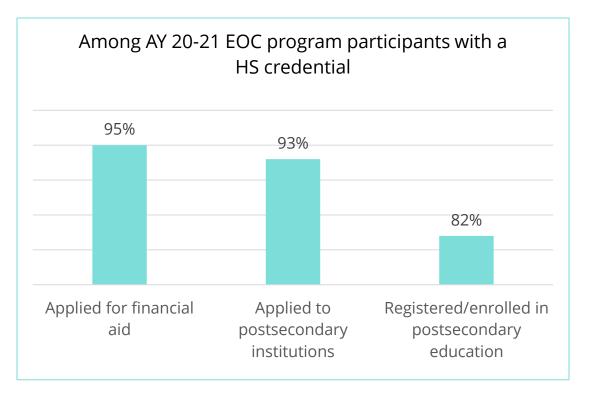
# **Educational Opportunity Center –**Opening doors for adult learners

Partially funded by a federal **Educational Opportunity Center (EOC)** grant, VSAC provided targeted information and counseling services to 1,656 low-income and first-

generation adult students in AY20-21.

#### Program outcomes:

 75% of participants without a HS credential completed their HS credential



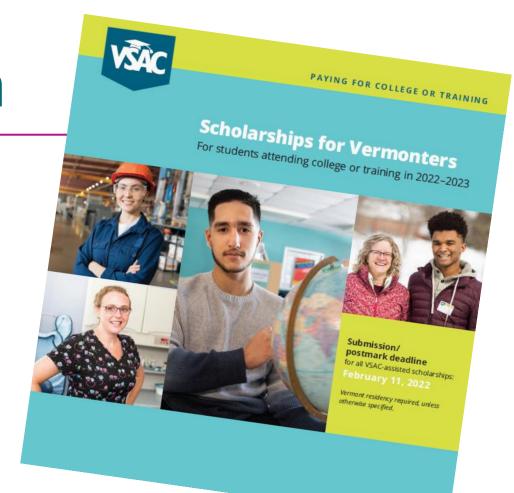


# **Scholarship Program**

VSAC administers 145 scholarship programs that help Vermonters pay for school.

#### In FY21:

- 5,834 scholarship awards were disbursed
- Worth \$7.5 million dollars



Students can find college scholarship information through VSAC's scholarships booklet or online



## Improving education outcomes in Vermont

The third report on postsecondary outcomes of Vermont's high school Class of 2012.

#### Reports findings on:

- Degree completion within four years among students who enrolled in the fall of 2012, at 4-year institutions as full-time students;
- Degree attainment of the entire cohort within four years.



Postsecondary Enrollment & Completion within Four Years of Graduation

#### **Executive Summary**

In 2014, VSAC issued a report on the aspirations of the Vermont High School Class of 2012. The following year, 2015, VSAC issued a report on the postsecondary enrollment of the Class of 2012. This third report looks at the Class of 2012 four years after high school graduation and describes the percentage of graduates who enrolled in postsecondary education, along with the percentage who attained a degree within four years. This report also discusses some of the factors associated with the timely completion of a degree. The study provides some encouraging data about the four-year graduation rates of matriculated members of the class as a whole. However, the data also reveals wide variation in the success rates between students from different socioeconomic groups and between students attending different institutions of higher education.

This report examines the on-time completion rates of Vermont high school graduates who began their postsecondary education full-time at a four-year school. Vermont high school students enroll immediately in four-year institutions at a higher rate than the



### **Pathways to Postsecondary Education and Training**

Pre	eK-6th	7th	8th	9th	10th	11th	12th	Postsecondary	
VHEIP —				23,786 accour	ts worth \$447.5M				
college s	college savings plan	GEAR UP		2,709	students			GEAR UP scholarships	
	Talent Search —	988 students					922 scholarships worth \$849,325		
				College planning e-mail communications to		11,694		VT grants from VSAC	
				students and parents	udents and parents	8 in-person and 8,000+ views of recorded sessions		11,806 awards	
				Pathways	Managing College Costs nights and/or Forms nights	1,290 attendees	VSAC's Advantage Loans \$50.1M		
					FAFSA completion		GUIDE 163 first-year students		
						Dual enrollment 276 stipends worth \$41,400			
		1				stipends	Early college stipends →	152 stipends worth \$79,600	
			1,000 students served		Introduction to College - & Career Studies			Career and financial aid assistance at CCV sites	
		Twinfield ————————————————————————————————————						-	
		Spaulding —					,		
		Central VT Career Ctr -					-		
								Educational Opportunity Centers for adult learners 1,670 adult learners serve	

# 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.





#### **Customer Calls to Communicate Trouble Making Their Loan Payment**

Call begins - ID verification -confirm speaking with borrower and not a 3rd party company trying to act on behalf of borrower – obtain SSN or account #, full name, address, phone #s. email

Long-

term

Yes

Is this a short-term situation where you need only a temporary option, or do you anticipate this amount to be unmanageable moving forward?

Short

-term

Are you working?

No

Evaluate eligibility for IDR (federal, non-parent loans)

• What is your family size?

No

- What was your AGI from your most recent Federal Income Tax Return (within the last 2 years)? Did you file single or joint?
- Does the AGI reflect your current income situation - if not, obtain current income for borrower (and spouse if applicable)
- Do you have outside federal education debt with other lenders?

If they qualify for IDR, counsel on the plan, including their estimated PFH and Permanent-Standard amounts, review of the forgiveness component, explanation of the annual renewal, and how to apply (including income docs required).

Provide estimates for their federal loans if they switched to one of the following:

- Graduated Repayment
- Extended Repayment\*
- Graduated Extended Repayment\*

Yes

\*If they have a current principal balance greater than or equal to \$30,000

Also discuss consolidation to potentially extend term, lower monthly payments, and possibly give additional repayment options.

Counsel on Economic

Hardship (assuming

eligibility remains) for

federal loans – this

includes how to apply,

how long the option is

for, and what happens

to their interest – if

they have private

loans, assess potential

for lender

discretionary options

(no-pay or reduced-

pay forbearance).

If they've indicated they are

working

Where do you work?

Counsel on Public Services Forgiveness and/or non-PSLF Forgiveness Programs (e.g. Teacher Loan Forgiveness) if they indicate they are employed in a job that is eligible for forgiveness and they have federal loans.

> Where do you work?

What is the AGI from your most recent Do you work more or less than 30 hours per week? More Less

FITR? What is your GMI? What is your family size? Calculate eligibility for Economic Hardship Deferment. Do they qualify based on calculations?

If IDR is

not an

option

Do you receive any types No of public assistance?

No

income? If yes, what is your GMI? What is your MLP for any federal loans with other lenders? Calculate eligibility for Excess Debt Burden Mandatory Forbearance

(MLP must be greater than or equal to 20% GMI). Do they qualify for EDB MFA based on calculations?

Do you receive any taxable

No

If they don't qualify for entitlements on federal loans, assess eligibility for a lender discretionary option (such as a No-Pay Forbearance) – this includes a review of past forbearance use -

to determine whether a forbearance can be offered.

Yes

Counsel on Unemployment Deferment (assuming eligibility remains) for federal loans - this includes how to apply, how long the option is for, and what happens to their interest - if they have private loans assess potential for lender discretionary options (no-pay or reduced pay forbearance).

Are you registered & seeking FT employment in

anv field/

salary **OR** receiving unemployment benefits?

Counsel on Economic Hardship Deferment (assuming eligibility remains) for federal loans – this includes how to apply, how long the option is for, and what happens to their interest – if they have private loans, assess potential for lender discretionary options (no-pay or reducedpay forbearance).

Yes

Yes

Counsel on EDB MFA (assuming eligibility remains) for federal loans – this includes how to apply, how long the option is for, and what happens to their interest – if they have private loans, assess potential for lender discretionary options (no-pay or reduced-pay forbearance.



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.

