



Tab 15

## State Student Aid Status Report

Coordinating Board for Higher Education

June 12, 2024

### BACKGROUND

Student financial aid is a substantive policy tool for the Coordinating Board and the state of Missouri in the promotion of student access and success in postsecondary education. As such, greater awareness of and appreciation for the range and scope of the programs administered by the Missouri Department of Higher Education & Workforce Development is crucial. The purpose of this agenda item is to highlight the inaugural [Missouri State Financial Aid Report](#) for Fiscal Year 2023 and to provide the Coordinating Board with background and baseline information about the student financial assistance programs administered by DHEWD.

Dating back to the 1970s, Missouri has a long tradition of providing financial assistance to encourage its citizens to seek postsecondary education. While other agencies are responsible for the administration of special purpose programs, DHEWD is the focal point for most student financial aid issues.

### CURRENT STATUS

By the conclusion of the current academic year, DHEWD will have distributed approximately \$163 million in student financial aid to an estimated 62,000 students. The attachments to this item provide detailed information for each of the programs administered by the department, including the number of students served and dollars awarded, by educational institution and sector. Amounts reported in the attachments are incomplete because the fiscal year has not ended and institutions have not completed the process of requesting payments for all students, particularly for the A+ Scholarship. A brief description of the programs along with some background information for the four major programs is provided below. More detailed information is provided in the Missouri State Financial Aid 2022-23 Annual Report.

The data for this item, and for the State Financial Aid Report, come from a variety of sources, and some data are limited for students who attend private/independent postsecondary institutions and/or choose not to complete a FAFSA. As a result, demographic information includes only known data, which may underrepresent or distort actual counts.

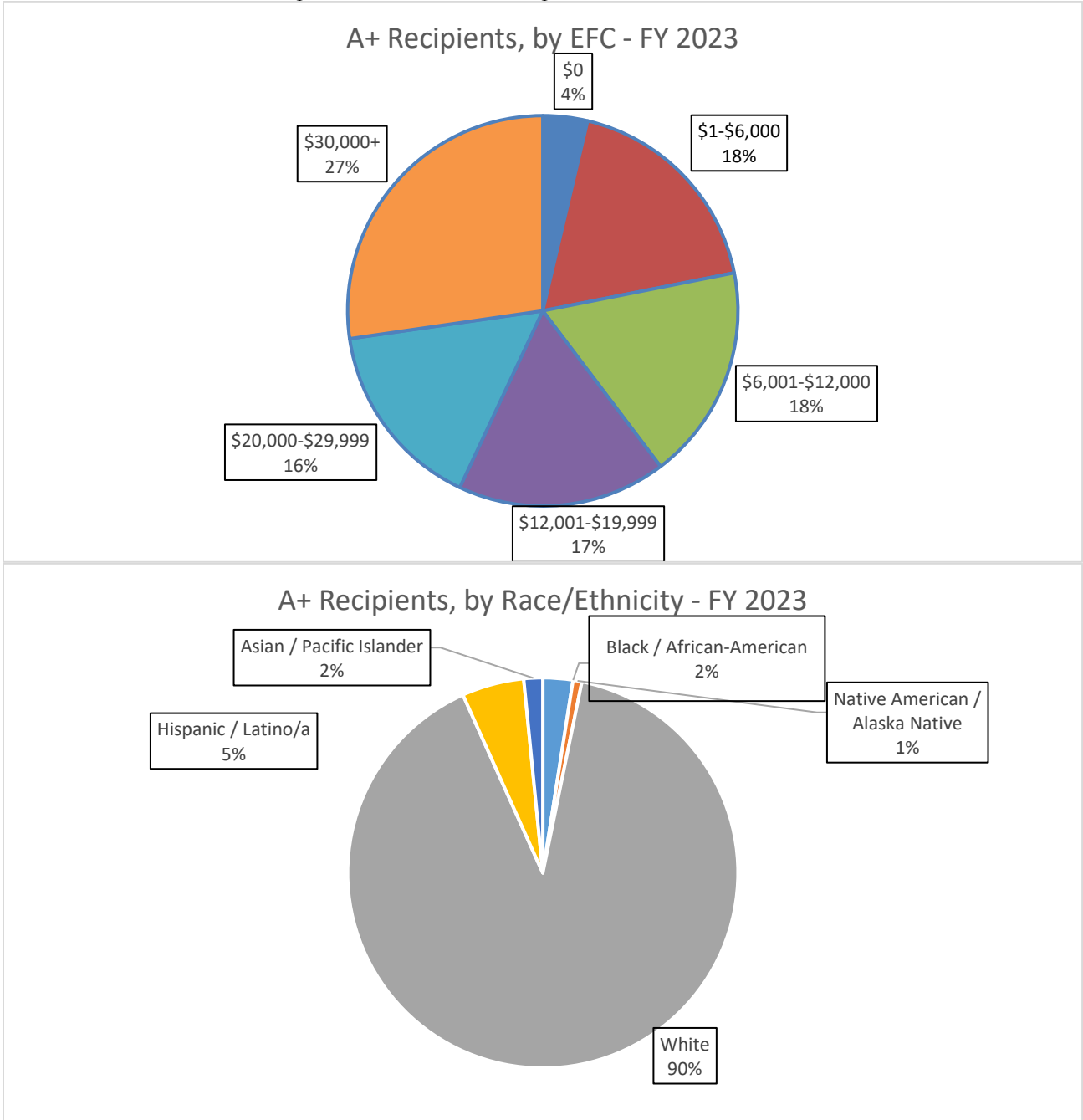
#### Major Programs

*A+ Scholarship* provides tuition reimbursement for eligible graduates of designated high schools to attend public community colleges, area career colleges, or private career technical schools that meet the criteria outlined in statute. Eligible graduates must meet high school criteria relating to grade point average, attendance, mentoring/tutoring, and citizenship.

In the current fiscal year, the program is projected to distribute about \$55.3 million to approximately 13,500 students. As background information, 55 percent of the recipients in FY 2023 were female. Three-year graduation rates for recipients range between 45 and 47 percent for the three most recent cohorts of students, which is roughly double the rate for non-A+ students, and an increase over the previous three years.

The charts below provide additional demographic information about A+ recipients for FY 2023. The chart titled A+ Recipients by EFC, reports the Expected Family Contribution (EFC) for the largest segment of recipients (27 percent) is \$30,000 and above. It is important to note that the EFC is not a direct measure of income but does include adjustments for other items including the number of family members currently in postsecondary

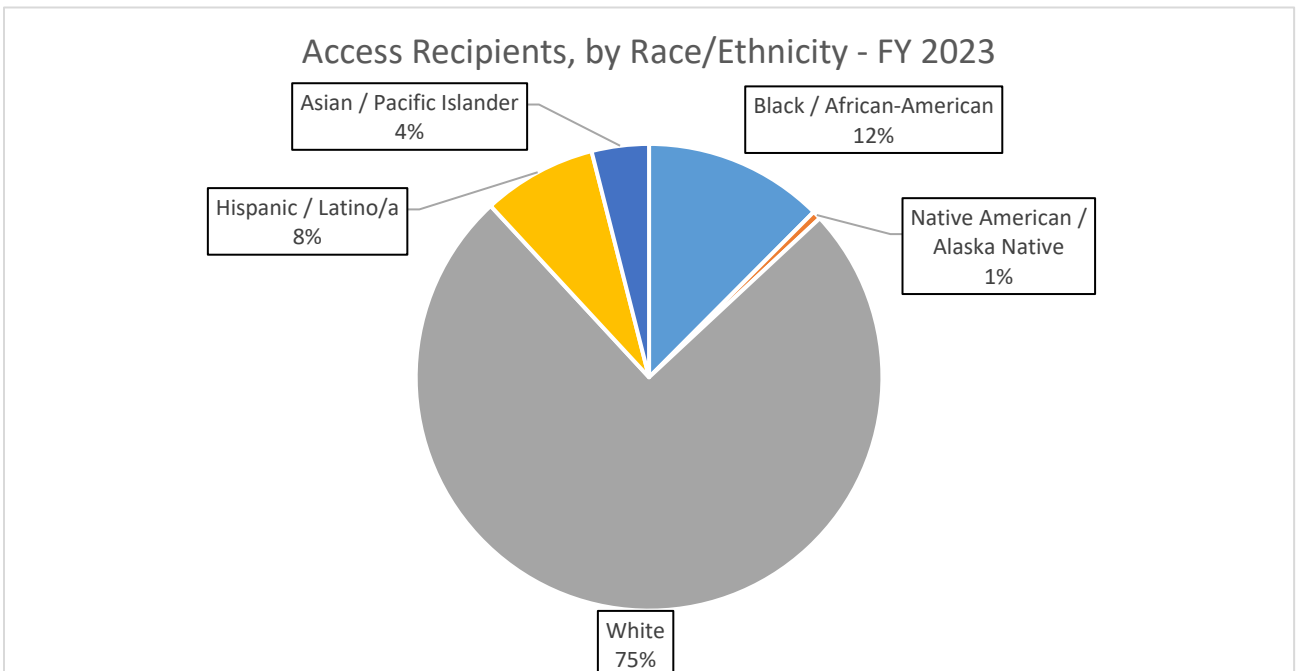
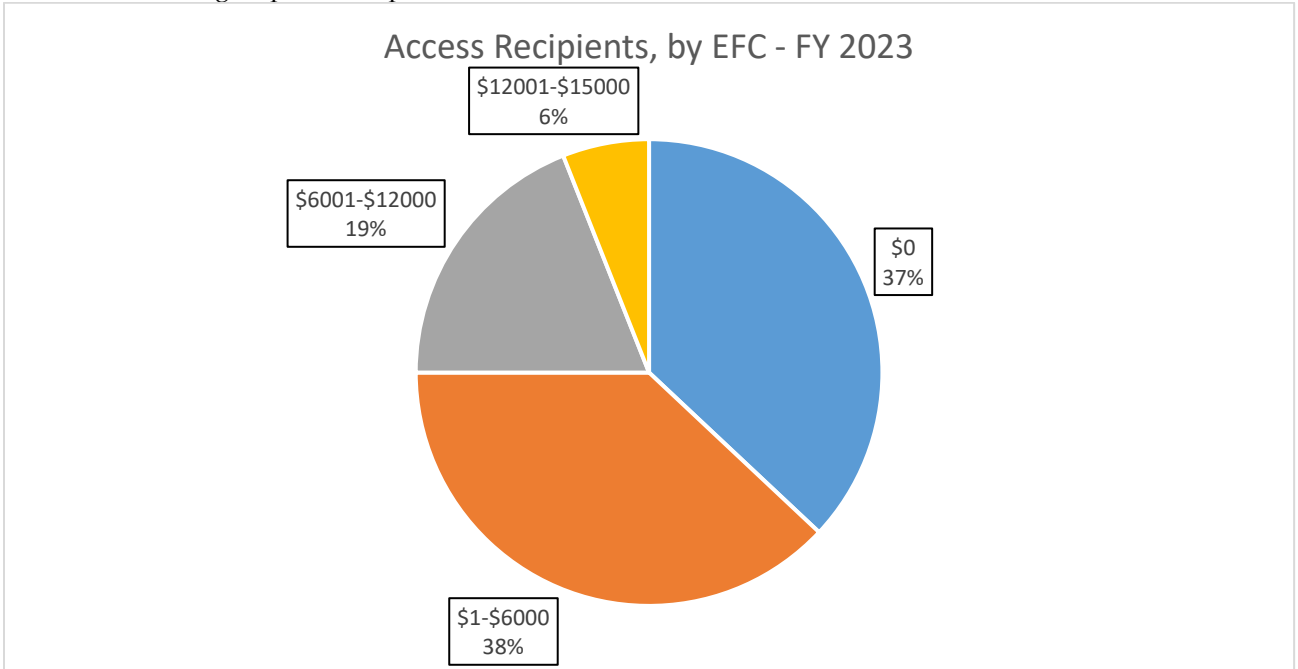
education, some types of nontaxed income, and certain family assets. Additionally, the fact that A+ is a last dollar program, meaning the award is calculated after federal non-loan aid is applied to the student’s tuition and fee bill, results in many low-income students receiving a zero award amount because federal aid is sufficient to cover that portion of the students cost of attendance. With regard to race and ethnicity, 90 percent of the recipients reported as white. It is likely the last dollar approach also impacts this demographic measure. While there has been very little change in racial/ethnic makeup of A+ recipients over the past several years, there has been an increase in the percentage of A+ recipients with an Expected Family Contribution (EFC) of over \$20,000, from around 34 percent in AY 2019 to 43 percent in AY 2023.



**Access Missouri Financial Assistance Program** is a need-based program designed to be simple to understand, provide predictable, portable awards, and increase access to the student’s school of choice. Financial eligibility is determined using the Expected Family Contribution as calculated through the Free Application for Federal Student Aid (FAFSA). For FY 2024, the EFC threshold was raised to \$20,000 and the program is projected to

distribute approximately \$83.1 million to nearly 41,000 students. In FY 2023, the EFC cutoff was set to \$15,000. Additionally in FY 2023, Access recipients are twice as likely to be female as male. Six year graduation rates for recipients range between 57 and 59 percent for the three most recent cohorts of students.

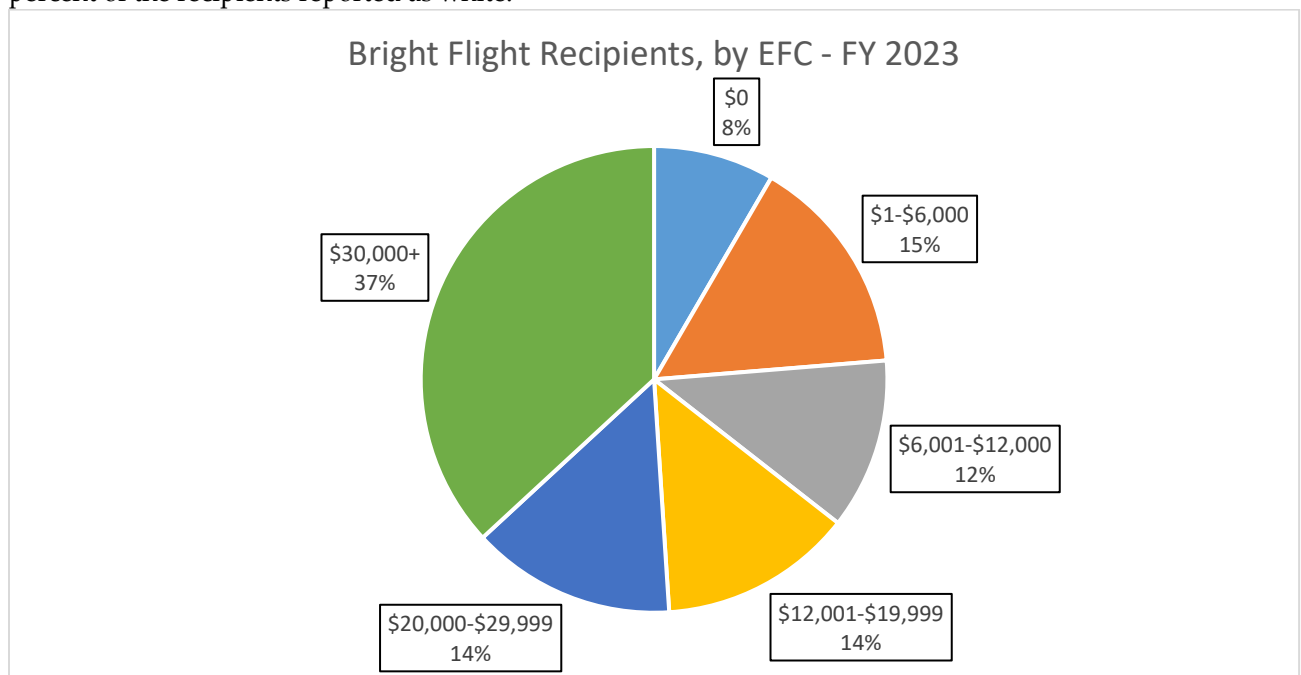
The charts below provide additional demographic information about Access Missouri recipients for FY 2023. The Recipients by EFC chart reports the largest proportion of recipients (38 percent) is in the \$1 to \$6,000 EFC grouping; 37% of recipients had an EFC of \$0, which is the lowest income category. By combining these two groups of students, we can estimate that approximately 75 percent of recipients were Pell eligible, a common proxy for high financial need. With regard to race and ethnicity, 75 percent of the recipients reported as white, with the remaining 25 percent reported as students of color.

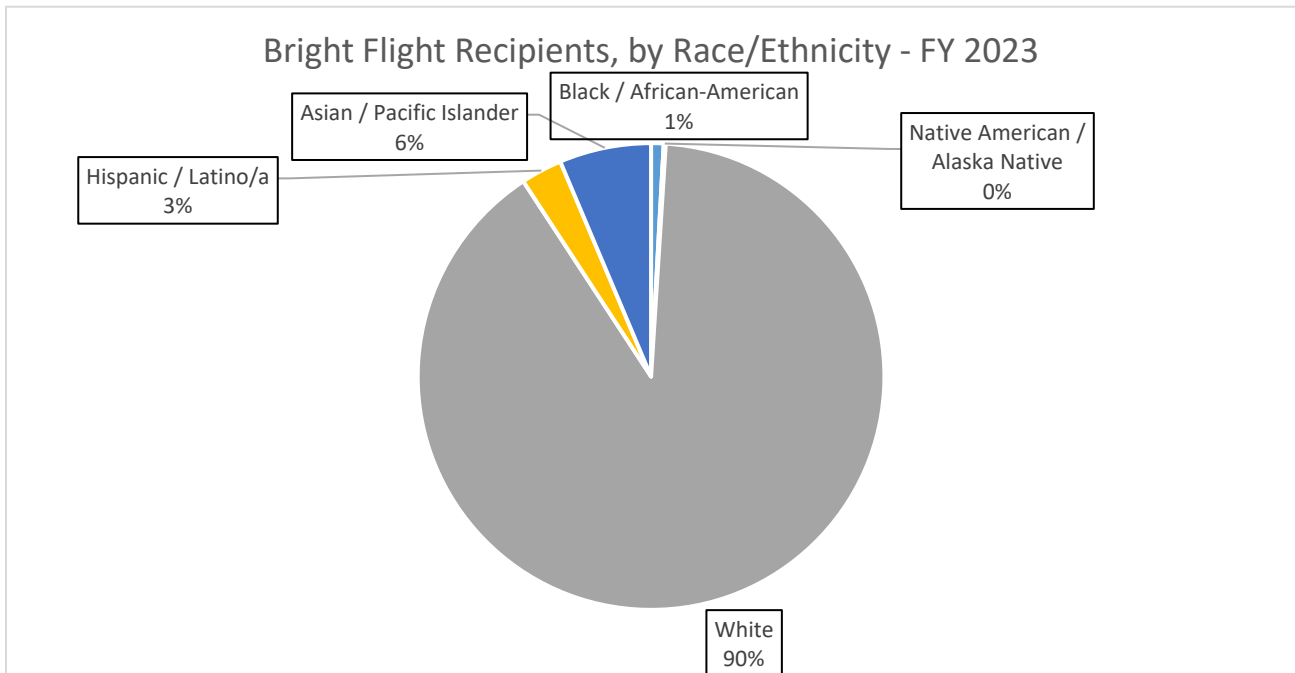


**Bright Flight**, the statutory title of which is the Missouri Higher Education Academic Scholarship Program, is a merit-based program that encourages top-ranked high school seniors to attend approved Missouri postsecondary schools. At present, students must achieve an ACT score of a 32 or above in order to be in the top three percent and receive an award under the program. The statute also provides for reduced awards for the top fourth and fifth percentiles (ACT score of 31), which was funded for the first time in FY 2022.

For FY 2024, the program is projected to distribute approximately \$18 million to about 7,300 students. Gender information is incomplete since this program includes independent institutions, the majority of which do not provide the department with student-level data. Of the data available, 56 percent of the recipients in FY 2023 were male, 43 percent were female. Six-year graduation rates for recipients range between 82 and 85 percent for the three most recent cohorts of students.

The charts below provide additional demographic information about Bright Flight recipients for FY 2023. The chart titled Bright Flight Recipients by EFC reports the Expected Family Contribution (EFC) for the largest proportion of recipients (37 percent) is \$30,000 and above. It is important to note that EFC data are incomplete for this program because FAFSA filing is not an eligibility requirement. With regard to race and ethnicity, 90 percent of the recipients reported as white.

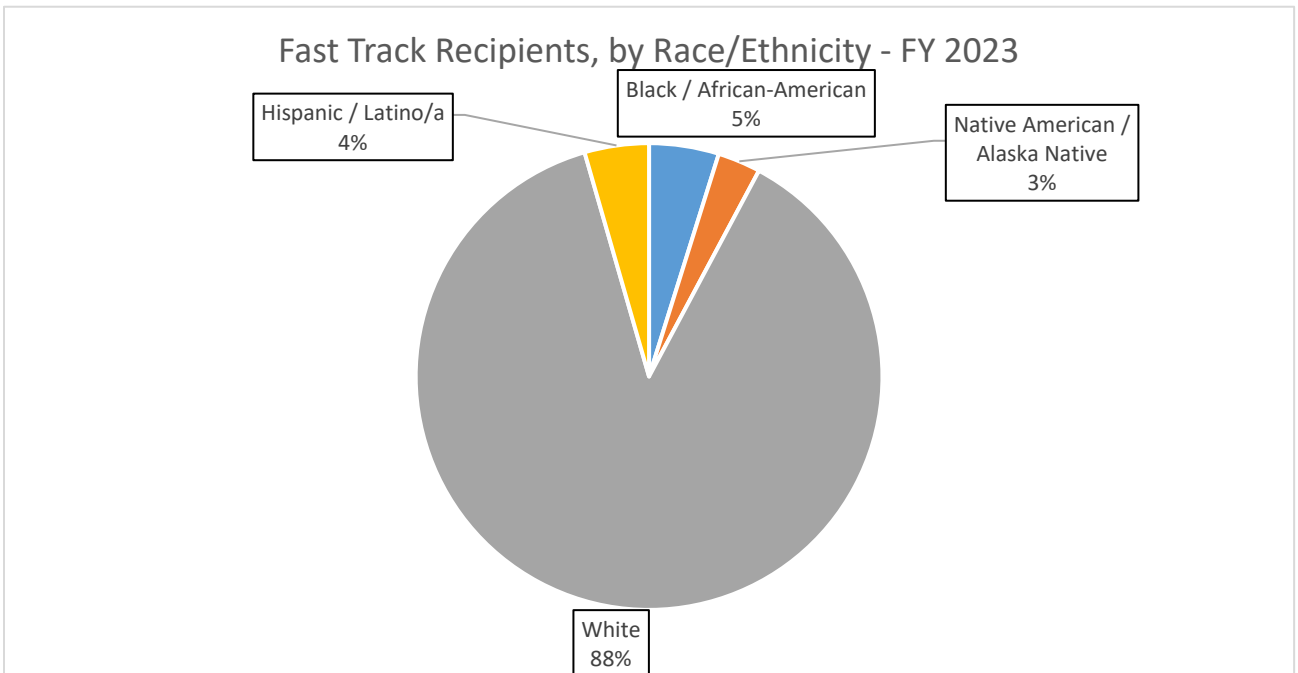
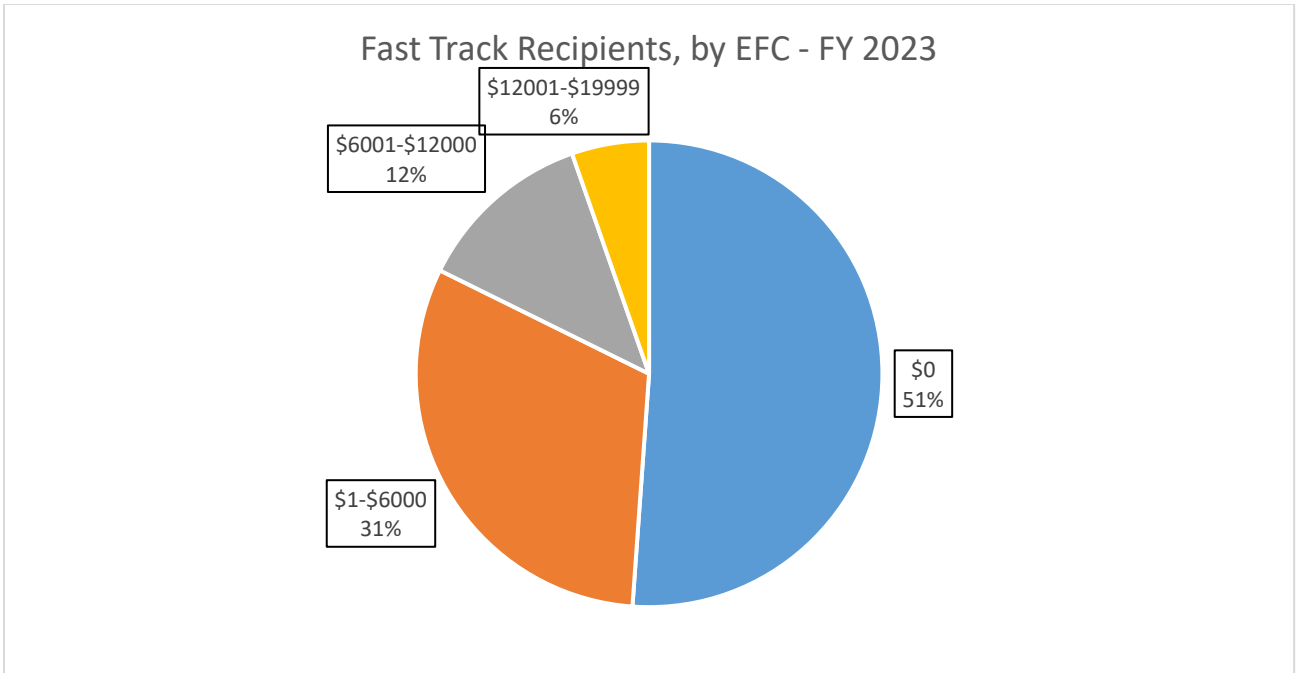




*Fast Track Workforce Incentive Grant* addresses workforce needs by helping adults pursue a certificate, degree, or industry-recognized credential in an area designated as high need. Previously, grant recipients needed to maintain Missouri residency and work in Missouri for three years after graduation to prevent the grant from becoming a loan that must be repaid with interest. With changes made in the 2022 legislative session, the loan component to Fast Track was removed, and students must now have been a Missouri resident for the previous two years before enrolling.

For FY 2024, the program is projected to distribute approximately \$6 million to about 1,200 students. With regard to gender, 74 percent of the recipients in FY 2023 were female, 26 percent were male. Because the program is still relatively new, we do not have sufficient data to calculate a graduation rate. The most popular workforce program areas have consistently been Allied Health (typically about 50 percent) followed by Business/Accounting, Information Technology, and Teacher Education.

The charts below provide additional demographic information about Fast Track recipients for FY 2023. The Recipients by EFC chart reports the largest segment of recipients (51 percent) had an EFC of zero. With regard to race and ethnicity, 88 percent of the recipients reported as white, while the remaining 12 percent are students of color.



**Survivor and Other Benefit Programs**

**Advanced Placement Incentive Grant** is a nonrenewable grant designed to encourage high school students to take and score well on Advanced Placement tests in mathematics and science. Students must receive an Access Missouri or A+ award to be eligible for this grant. Students who are eligible for either the Access Missouri or A+ program but have a calculated award amount of zero as a result of other financial aid are also eligible for this grant. For FY 2024, it is estimated four students will receive payments totaling \$2,000.

**Dual Credit/Dual Enrollment Scholarship** is a new program implemented in fall 2022; as a result, the department anticipates substantial growth in future fiscal years. This scholarship provides tuition and fee

reimbursement for eligible high school students enrolled in dual credit and/or dual enrollment coursework offered by approved colleges and universities. Recipients must meet certain eligibility criteria relating to financial need, Missouri residency, U.S. citizenship, and cumulative high school grade point average (CGPA). For FY 2024, it is estimated approximately 1,100 students will receive awards totaling about \$800,000.

*Kids' Chance Scholarship* is available to children of workers who were seriously injured or died in a work-related accident covered and compensated by workers' compensation. DHEWD partners with Kids' Chance, Inc. of Missouri, an organization that offers a similar, private scholarship, to identify eligible students. For FY 2023, one student will receive an award totaling \$6,500.

*Minority and Underrepresented Environmental Literacy Scholarship* is designed to assist academically talented minority and underrepresented individuals pursuing a bachelor or master degree in an environmental course of study. For FY 2024, six students will receive awards totaling \$26,000.

*Public Service Officer or Employee's Child Survivor Grant* provides tuition assistance to certain public employees and their families if the employee is killed or permanently and totally disabled in the line of duty. For FY 2024, it is estimated 13 students will receive awards totaling \$141,000.

*Wartime Veteran's Survivors Grant* provides up to 25 grants annually to children and spouses of Veterans whose deaths or injuries were a result of combat action or were attributed to an illness contracted while serving in combat action, or who became 80 percent disabled as a result of injuries or accidents sustained in combat action since September 11, 2001. For FY 2024, it is estimated 23 students will receive awards totaling approximately \$279,000.

## **NEXT STEPS**

Through DHEWD, the Coordinating Board for Higher Education was responsible for the administration of 10 state-funded student financial aid programs in FY 2024. These programs provide a valuable and substantial resource for Missouri citizens as they further their education beyond high school. It is clear these programs, as well as others that may follow, will continue to be important to the fulfillment of the Coordinating Board's strategic goals.

## **RECOMMENDATION**

This is an information item only.

## **ATTACHMENTS**

- Attachment A: 2023-2024 A+, Access, Bright Flight, and Fast Track Payment Table
- Attachment B: 2023-2024 Survivor Programs Payment Table
- Attachment C: 2023-2024 AP Incentive and Minority and Underrepresented Environmental Literacy Payment Table
- Attachment D: 2023-2024 Dual Credit/Dual Enrollment Scholarship Payment Table