

MDHETM

Missouri Department of Higher Education

*Building Missouri's future...
by degrees*[®]

State Student Financial Aid Policy Task Force Meeting

April 27, 2018

10:00 a.m. – 3:00 p.m.

Morning Agenda

- | | |
|---------------|---|
| 10:00 – 10:05 | Welcome and Introductions |
| 10:05 – 10:20 | Logistics |
| 10:20 – 10:50 | Background Materials Discussion |
| 10:50 – 12:00 | Framework Overview <ul style="list-style-type: none">• Survey Review• Charge 1 Organizing Activity |
| 12:00 – 12:45 | Lunch |

Afternoon Agenda

- 12:45 – 1:45 Charge 2d – Program Flexibility
- 1:45 – 2:45 Charge 2a – Need and Merit
- 2:45 – 3:00 Wrap Up/Next Meeting

Logistics

- Face to face Meetings
 - May 15
 - May 29
 - Possible June 4
- Communications
 - Resource materials
 - Surveys/Questionnaires
 - Dashboard
- Feedback on process

Background Materials

Access Missouri

- Usage
 - 44,483 recipients in FY17
 - Projecting continuing increase in applicants
- FY 18 Funding
 - \$66.9 M transfer
 - No change from FY 2017
- FY 18 Awards
 - Reduced awards due to one-time funding in FY17
 - 70% of maximum (\$2,000/\$910)
 - 2% increase in applicants
- FY 19 Request
 - \$2M increase to maintain current award levels

Bright Flight

- Usage
 - 7,033 recipients in FY17
 - Projecting continuing increase in applicants
- FY 18 Funding
 - \$21.7M transfer
 - \$4M increase over FY 2017
 - FY 2017 supplemental - \$1.5M
- FY 18 Awards
 - Maintain \$3,000 for top three percent; \$0 for second tier
 - 6% increase in applicants
- FY 19 Request
 - \$1M increase to maintain current award level

A+

- Usage
 - 12,775 recipients in FY17
 - Average award - \$2,660
 - Projecting continuing increase in recipients
- FY 18 Funding
 - \$37.6 M transfer
 - No change from FY 2017
 - Minimal fund carry over
- FY 18 Awards – Full funding continues
- FY 19 Request
 - \$3.5M increase to maintain full funding

Ross-Barnett

- FY 2017
 - Funding
 - Students served
- Fully funded FY 2013 thru 2015
 - Comingled funds under pressure
 - Other programs growing
 - Back to rationing FY 2016 - present

Other Programs

- Public Service Office Survivor Program
- Wartime Veterans Survivor Program
 - Requesting increase
 - 25 recipient maximum reached w/wait list in FY 2018
- AP Incentive Grant
- Minority and Underrepresented Environmental Literacy Program
- Kids Chance Program
- Dual Credit Scholarship - unfunded

Combined Impact - 2017

Program	Number of Scholarships/Grants	Dollar Amounts
A+ Scholarship	12,775	\$34,007,528
Access Missouri Grant	44,483	\$74,567,490
Advanced Placement Incentive Grant	26	\$13,000
Bright Flight Scholarship	7,033	\$20,128,113
Kids' Chance Scholarship	2	\$9,000
Minority Teaching Scholarship	6	\$12,000
Minority and Underrepresented Environmental Literacy	11	\$27,405
Public Safety Officer Survivor Grants	21	\$121,226
Marguerite Ross Barnett Memorial Scholarship	240	\$506,981
Wartime Veteran's Survivors Grant	23	\$229,782
Totals	64,620	\$129,622,525

Task Force Charge

- Recommend a broad policy framework that will result in a more balanced, responsive, and efficient state aid system.
- Recommend policies that address the following issues:
 - The balance between need-based and merit-based support for students.
 - The alignment of the policy framework with the state goals identified in the Blueprint and other relevant documents.
 - The need to reduce or fully cover the cost for up to two years of postsecondary education for all eligible students.
 - The need for flexibility and inclusiveness in order for the resulting programs to respond to a variety of enrollment options.

Task Force Charge

- Recommend policies that address the following issues:
 - The need for flexibility and inclusiveness in order for the resulting programs to respond to a variety of enrollment options.
 - The options for providing real-world job experience and skill development as part of the student aid system.
 - The need to provide new types of aid or revised aid approaches that promote persistence and completion, particularly for at-risk students.
 - Other issues identified by the task force.
- Review and evaluate the policy foundation for the current portfolio of state student assistance programs and incorporate the evaluation into the policy framework.

Education Commission of the States

Policy Principle 1

- Financial aid programs should be student centered:
 - Aid programs designed around students and their needs set students up for successful outcomes.
 - Support students first, not institutions
 - Proactively notify eligible aid recipients.

ECS – Policy Principle 2

- Financial aid programs should be goal driven and data informed
 - Aid programs should have a clearly defined and easily understood intent aligned with measurable state education and workforce goals.
 - Seek broad input and support in crafting goals for state aid programs from key constituents, including institutions, students, business leaders and policymakers.
 - Take a holistic view of all funding sources designed for workforce preparation.
 - Hold institutions accountable to maintain eligibility for state aid dollars.
 - Make explicit links to data systems and commit to monitor milestones

ECS – Policy Principle 3

- Financial aid programs should be timely and flexible
 - Aid programs should provide financial support to students when it can have the greatest impact on enrollment and persistence decisions.
 - Avoid exhausting funds based on deadlines.
 - Award financial aid as early as possible.
 - Decouple award schedules from calendar or academic years.

ECS – Policy Principle 4

- Financial aid programs should be broadly inclusive of all students' educational pathways
 - Aid programs need to respond to the diverse enrollment options available to students.
 - Do not limit aid eligibility exclusively to academic programs measured by credit hours.
 - Allow for full- and part-time student enrollment.
 - Fund student progress when it occurs.

Current Policy Foundation

Current Policy Foundation

- Bright Flight
 - Established in 1988
 - Merit: Encourage Missouri's brightest students (top 3 percent of ACT/SAT test takers) to access and complete their undergraduate program at a Missouri institution
 - Expanded in 2010 to include top 4th and 5th percentile of test takers
 - Deadline – No application but must have qualifying score by June before college entrance
 - Continuous enrollment – immediately after HS graduation and during postsecondary study
 - Full-time enrollment required

Current Policy Foundation

- Access Missouri
 - Established in 2007
 - Need-based with three principles:
 - Institutional Choice
 - Predictable Eligibility
 - Portable Eligibility
 - Full-time enrollment required
 - Revised in 2010
 - Equalize awards between independent and public four-year institutions
 - Increase maximum award for students attending public two- and four-year institutions
 - FAFSA is application
 - Deadline: February 1 – priority; April 1 – final
 - Revolving fund, statutorily established

Current Policy Foundation

- A+
 - Enacted in 1993
 - By 2017, all public high schools designated
 - Program expanded in 2017 to include nonpublic high schools
 - A+ Program primarily designed to encourage high school improvement
 - A+ Scholarship was designed to encourage schools and students to participate
 - Transferred to MDHE in 2010
 - Generally must be eligible upon HS grad.
 - Eligibility limitations (e.g., 105%, use within 48 months of HS graduation)
 - No application/no application deadline
 - Pell reduces award

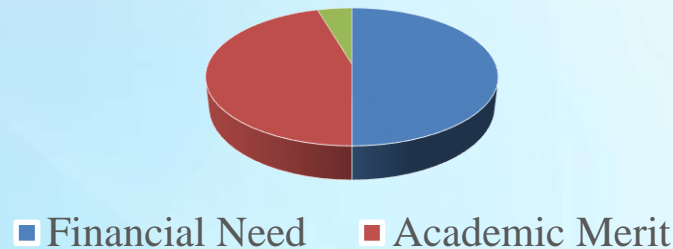
Survey Data

Framework Overview

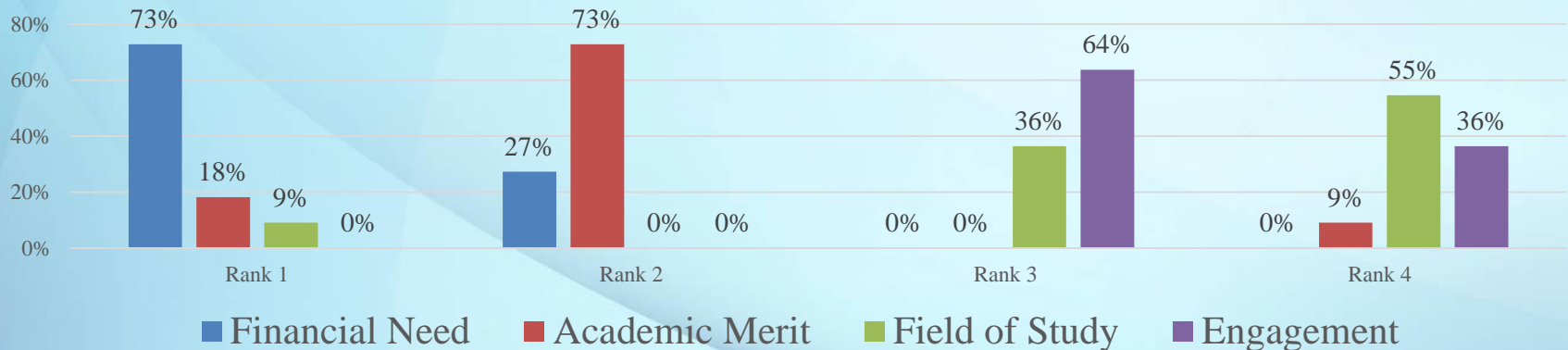
Survey Review – Eligibility Basis

I believe ___ should be the primary way to determine student eligibility for state student assistance.

**Top 2 Rankings
by Percent of Respondents**



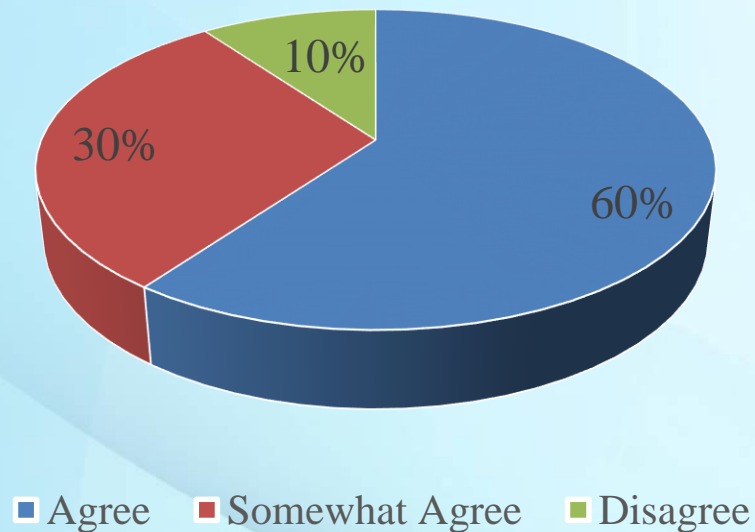
Rankings by Percent of Respondents



Framework Overview

Survey Review – Eligibility Basis

Missouri's student financial aid portfolio should include programs that reward students for academic achievement and address a student's ability to finance their postsecondary education. However, a student's financial need should be the highest priority with academic achievement and merit playing a supporting role.

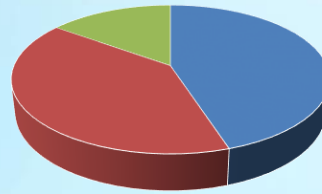


Framework Overview

Survey Review - Enrollment

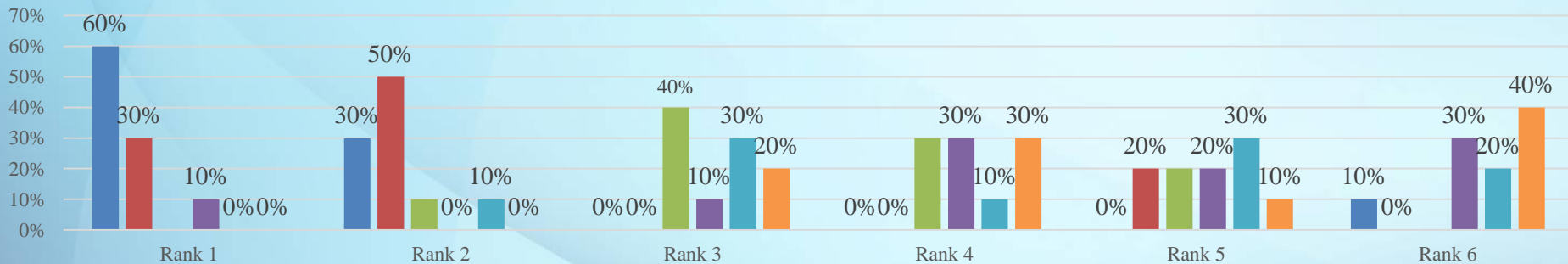
I believe ___ should be used to determine financial assistance awards.

**Top 2 Rankings
 by Percent of Respondents**



■ Full-time Attendance ■ On-time Completion ■ Others

Rankings by Percent of Respondents

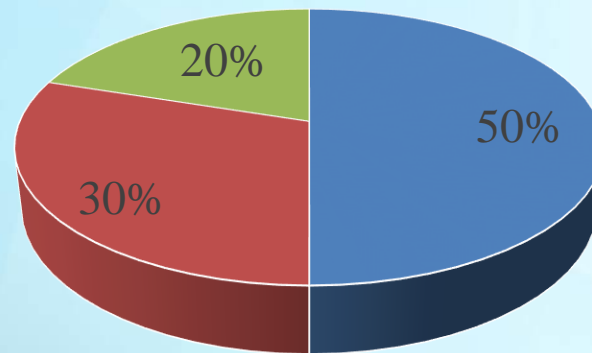


■ Full-time Attendance ■ On-time Completion ■ Half-time Attendance
 ■ Part-time Attendance ■ Classroom-based Attendance ■ Alternative Delivery Type

Framework Overview

Survey Review - Enrollment

Missouri's student financial aid portfolio should focus student eligibility primarily toward students who are attending a postsecondary institution on a full-time basis, as established by federal student aid regulations (12 semester credit hours per semester or the equivalent in other progress measurement systems) In addition, the programs should be structured in a way that encourages on-time completion.



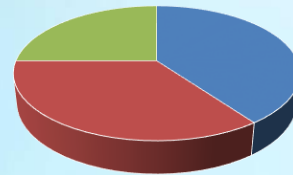
■ Agree ■ Somewhat Agree ■ Disagree

Framework Overview

Survey Review - Goals

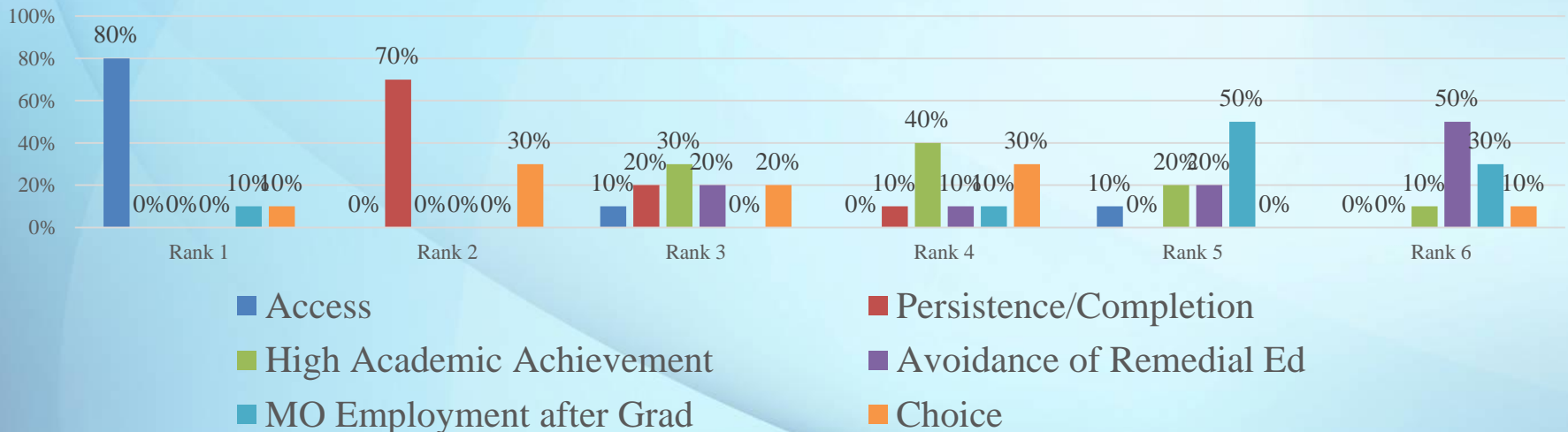
I believe ___ should be the primary goal of a successful student aid system.

**Top 2 Rankings
by Percent of Respondents**



■ Access ■ Persistence/Completion ■ Others

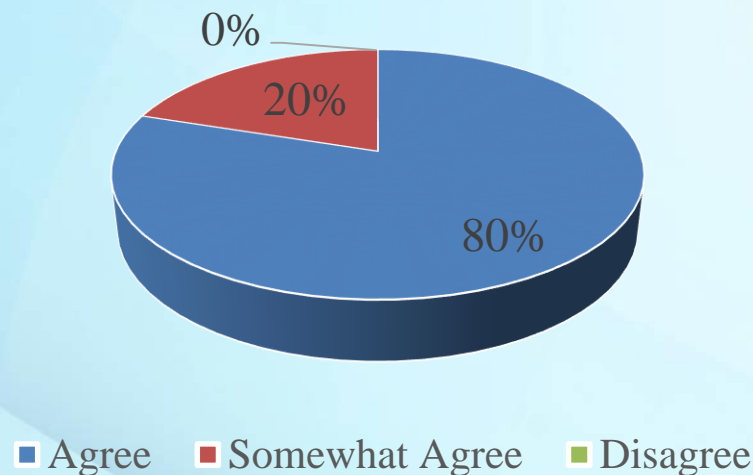
Rankings by Percent of Respondents



Framework Overview

Survey Review - Goals

Missouri continues to struggle with providing equitable access to postsecondary education for traditionally underserved populations, including low-income, ethnic minority, and place-bound students. Missouri's student financial aid portfolio should include programs designed to provide improved access to postsecondary education for these populations, while at the same time encouraging students to persist to program completion.

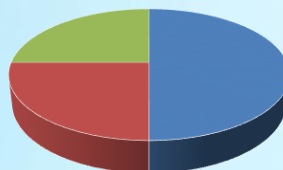


Framework Overview

Survey Review - Inclusiveness

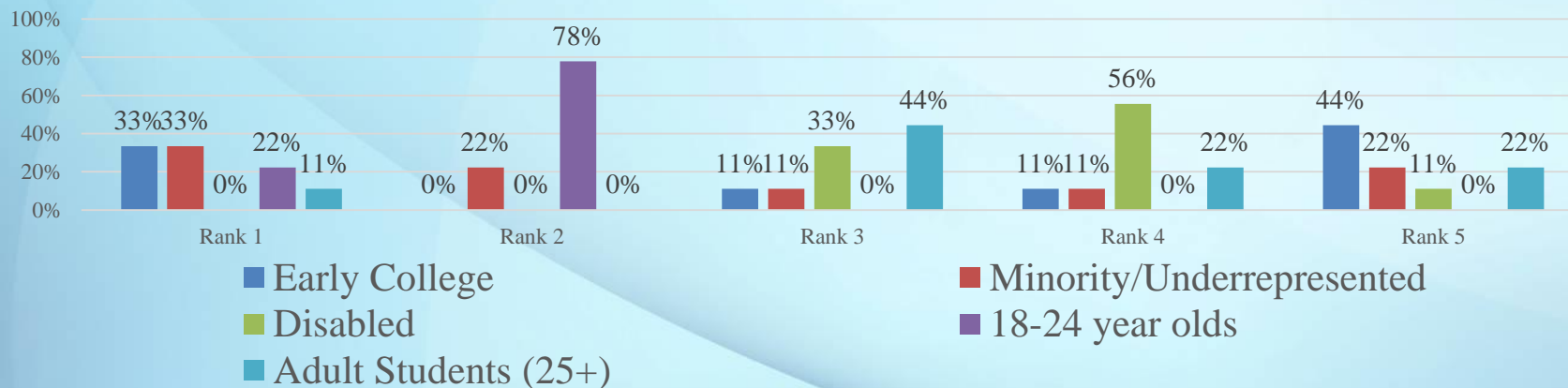
I believe ___ should be the primary population served by a successful state student aid system.

**Top 2 Rankings
by Percent of Respondents**



■ 18-24 year olds ■ Minority/Underrepresented ■ Others

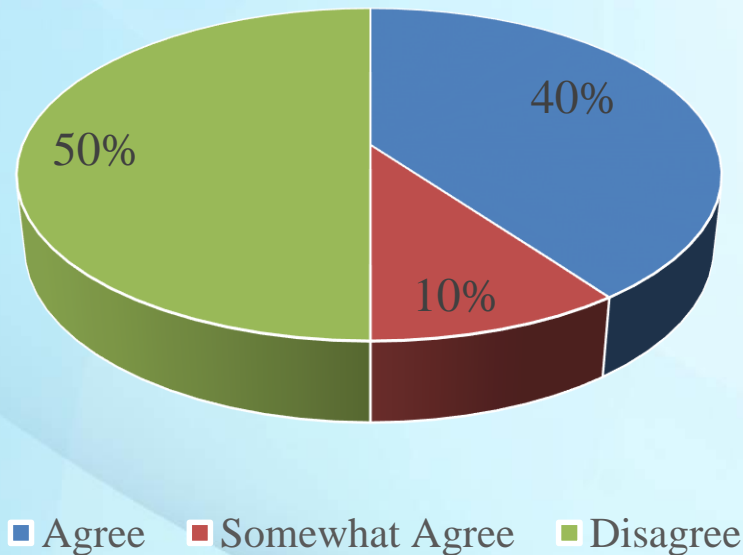
Rankings by Percent of Respondents



Framework Overview

Survey Review - Inclusiveness

Missouri's student financial aid portfolio should be targeted to primarily assist students who are of traditional college age (18 to 24 years of age) who matriculate directly from secondary education (high school, high school equivalency, home school) to postsecondary education.

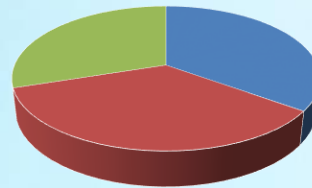


Framework Overview

Survey Review - Elig/Awards

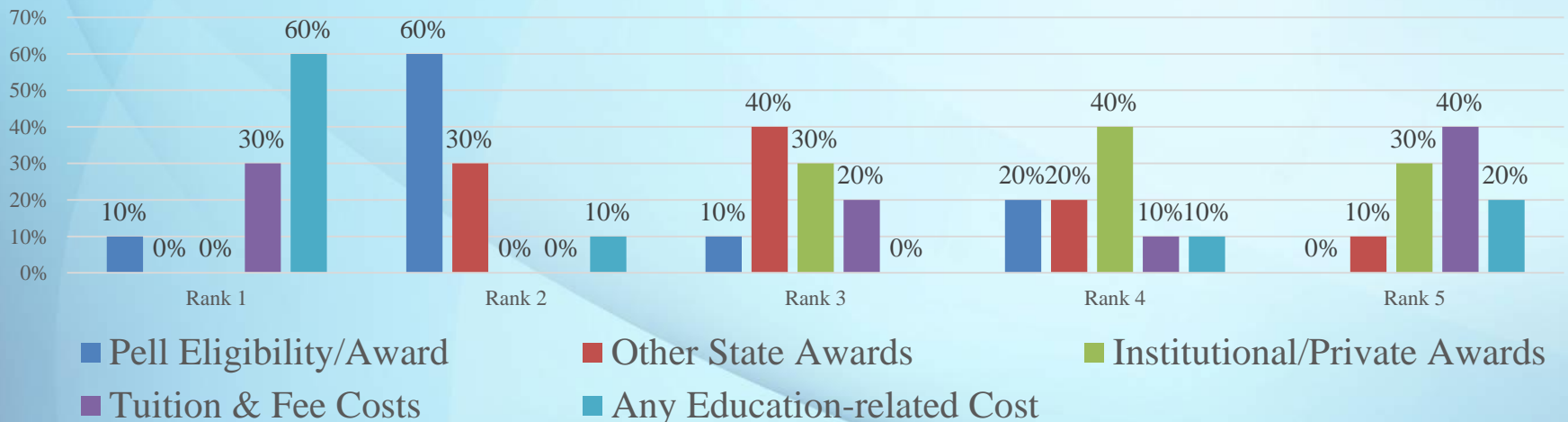
I believe ___ should be a primary factor in determining eligibility/award levels for state student assistance.

**Top 2 Rankings
by Percent of Respondents**



■ Pell Eligibility/Award ■ Any Education-related Cost ■ Others

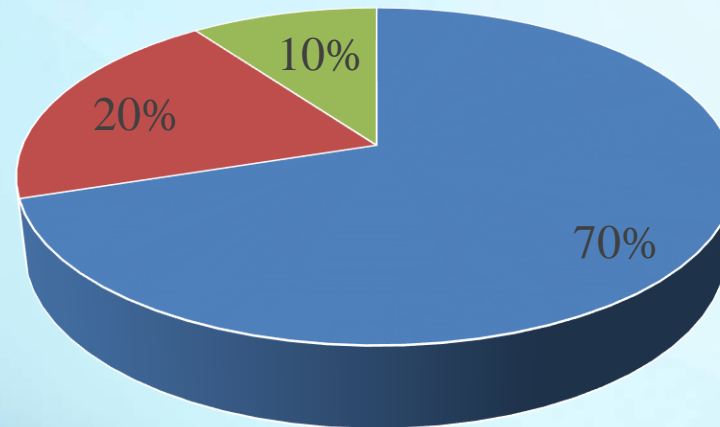
Rankings by Percent of Respondents



Framework Overview

Survey Review - Elig/Awards

- In order to ensure the greatest impact for the state dollars invested in student financial aid, the state program awards should, to the extent possible, take into account student eligibility for federal, non-loan aid, such as the Pell grant. The programs should provide students with flexibility in using awards so the funds can be used to cover any allowable educational cost (cost of attendance) rather than strictly focusing on covering only tuition and fees.



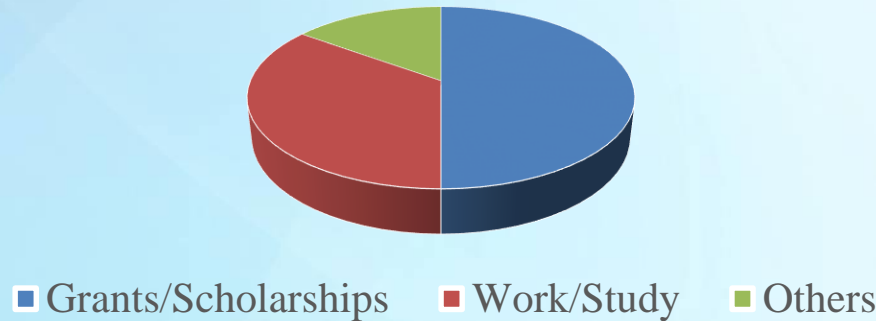
■ Agree ■ Somewhat Agree ■ Disagree

Framework Overview

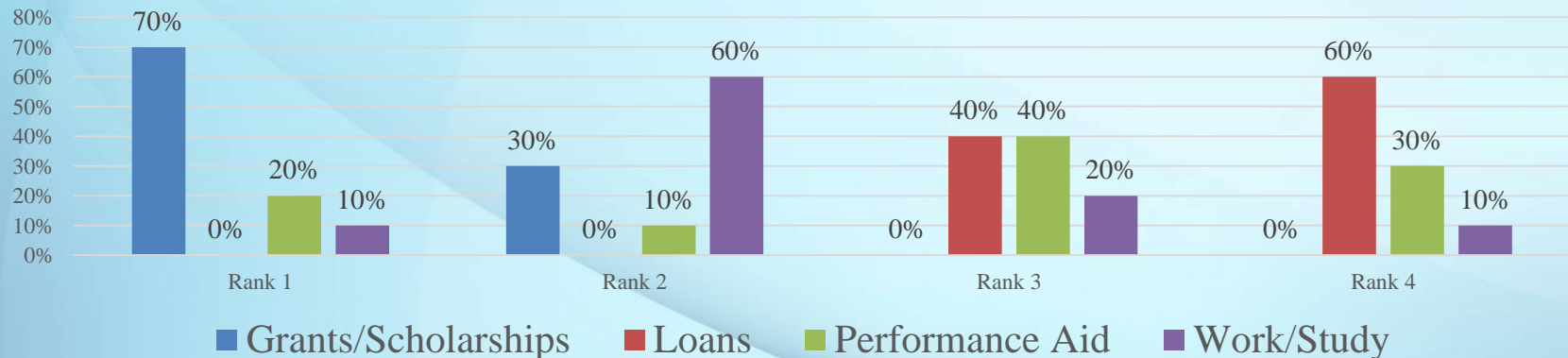
Survey Review - Complete Portfolio

I believe ___ is a needed component of a complete state student assistance portfolio.

**Top 2 Rankings
by Percent of Respondents**



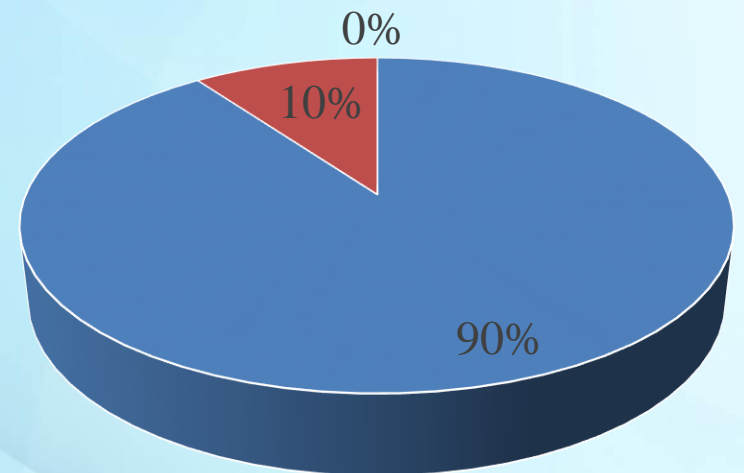
Rankings by Percent of Respondents



Framework Overview

Survey Review - Complete Portfolio

Excessive student loan debt is a growing problem and the state student aid programs should seek to lessen that burden. As a result, the state should not consider developing state-level student loan programs but instead should focus on programs that provide non-repayable (gift) financial assistance, such as grant, scholarship, and/or state level work/study programs.

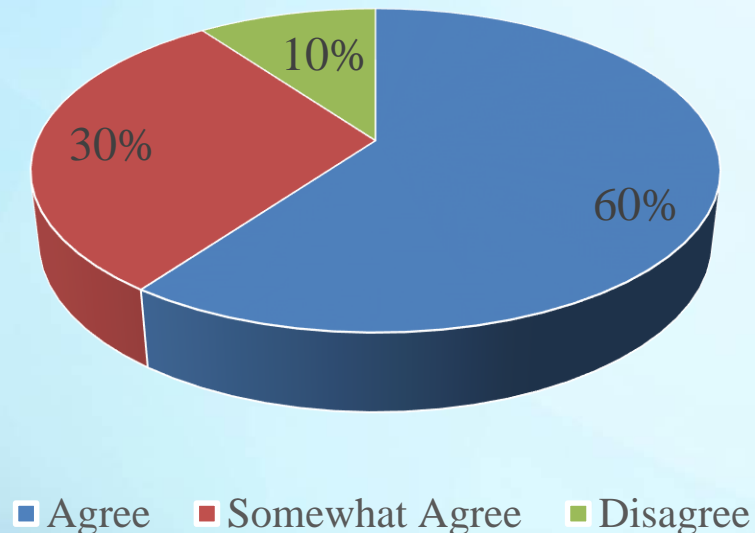


■ Agree ■ Somewhat Agree ■ Disagree

Framework Overview

Survey Review - Complete Portfolio

To the extent possible, Missouri's student financial aid programs should incorporate provisions that require high school students to demonstrate their preparation for postsecondary work (e.g., attendance, GPA or other academic performance, community service, etc.) in order to satisfy initial eligibility requirements.



General Comments

- Viability/competitiveness of various sectors of higher education must be a consideration. For instance, in some states, poorly designed aid systems have made the huge investment in community colleges irrelevant and posed serious challenges to the continued existence of independent institutions.
- These are great questions, there is a good amount of research on these topics that I hope we are able to utilize.

Charge One - Organizing Activity

Charge One

Recommend a broad policy framework that will result in a more balanced, responsive, and efficient state aid system.

Task – create a consensus definition of the terms “balanced,” “responsive,” and “efficient” in this context.

Charge 2D

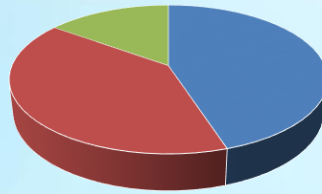
Program Flexibility - Enrollment

Charge 2d

Program Flexibility - Enrollment

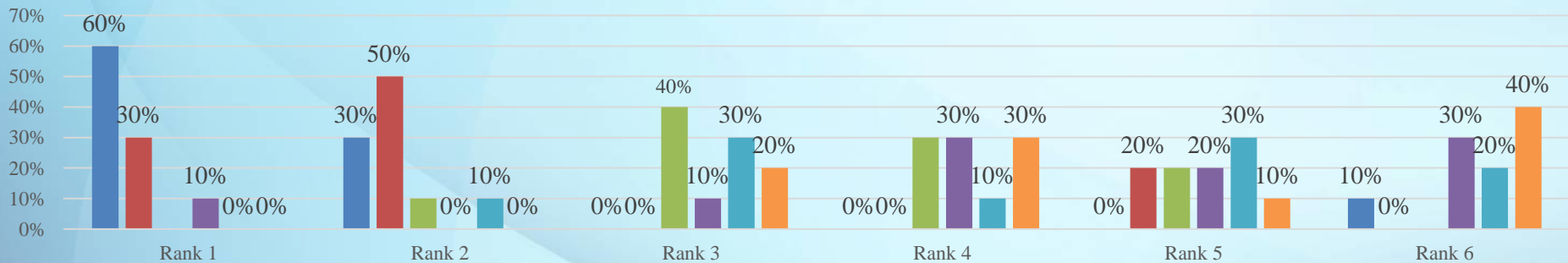
I believe ___ should be used to determine financial assistance awards.

**Top 2 Rankings
by Percent of Respondents**



■ Full-time Attendance ■ On-time Completion ■ Others

Rankings by Percent of Respondents

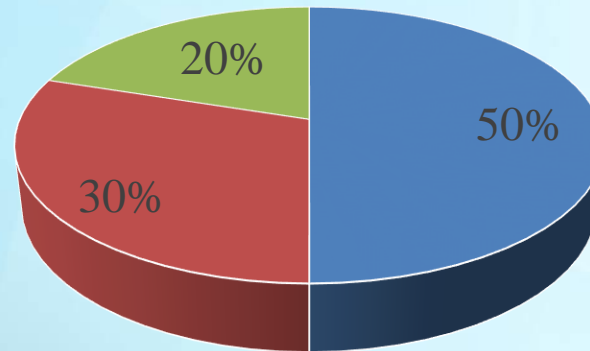


■ Full-time Attendance ■ On-time Completion ■ Half-time Attendance
■ Part-time Attendance ■ Classroom-based Attendance ■ Alternative Delivery Type

Charge 2d

Program Flexibility - Enrollment

Missouri's student financial aid portfolio should focus student eligibility primarily toward students who are attending a postsecondary institution on a full-time basis, as established by federal student aid regulations (12 semester credit hours per semester or the equivalent in other progress measurement systems) In addition, the programs should be structured in a way that encourages on-time completion.



■ Agree ■ Somewhat Agree ■ Disagree

Charge 2d Program Flexibility Enrollment Comments

- 15 to finish!
- I think we need to provide financial support for both traditional and nontraditional student populations. Students are definitely more likely to complete a degree if they enroll fulltime, but many students do not have that option.
- A total focus on full-time enrollment ignores the changing economic environment of our time. Underemployment and the vastly expanding need for life-time learning has changed the dynamic. To meet our attainment goals, we have to find a way to fund those that can only attend part-time. Of course, time to completion is important but it should not preclude working people from improving their credentials.

Charge 2d Program Flexibility Enrollment Comments

- The majority of community college students are part time, and need access to financial aid.
- While in theory I believe being full-time supports on-time completion, however, many students attending community colleges attend part-time out of necessity and have no other option.
- 8 semester cap?
- I believe it is essential we account for the significant increase in part-time students. Based on what the data show, part-time students are increasingly becoming the "traditional" student. I do agree that programs should be focused on supporting students to achieve on-time completion however that might be defined if we consider the needs of independent students overall and part-time students specifically.

Charge 2D

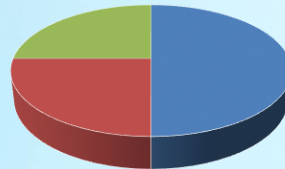
Inclusiveness

Charge 2d

Program Flexibility - Inclusiveness

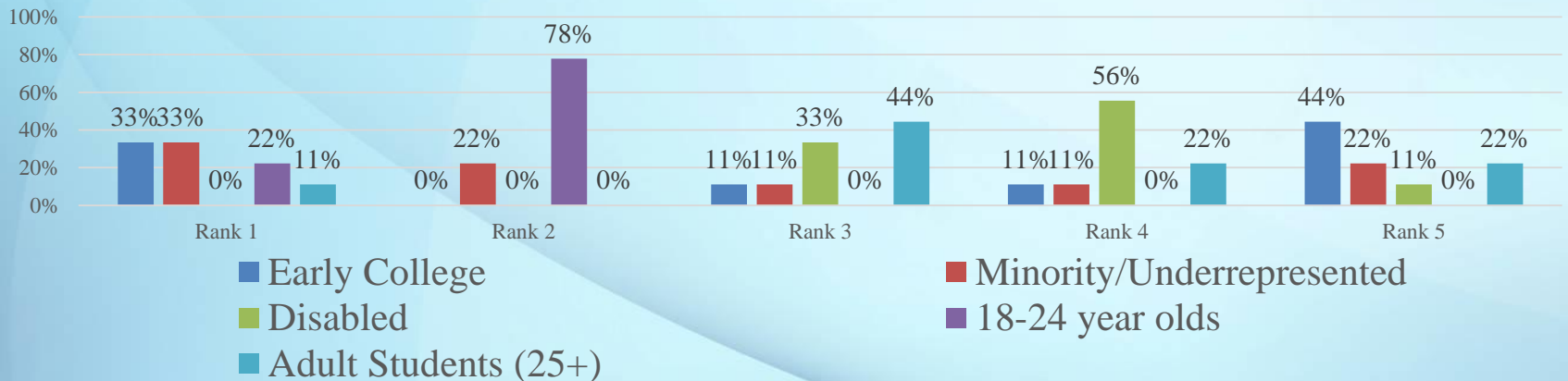
I believe ___ should be the primary population served by a successful state student aid system.

**Top 2 Rankings
by Percent of Respondents**



■ 18-24 year olds ■ Minority/Underrepresented ■ Others

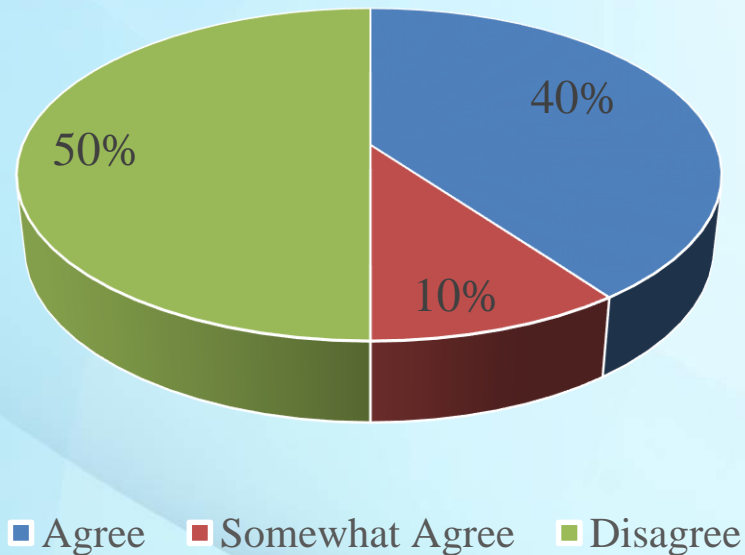
Rankings by Percent of Respondents



Charge 2d

Program Flexibility - Inclusiveness

Missouri's student financial aid portfolio should be targeted to primarily assist students who are of traditional college age (18 to 24 years of age) who matriculate directly from secondary education (high school, high school equivalency, home school) to postsecondary education.



Charge 2d Program Flexibility Inclusiveness Comments

- Yes. This is the demographic most likely to complete college in the shortest amount of time (3-4 years) as they tend to not have any other obligations.
- I agree but acknowledge some need for flexibility in order to support efforts that will improve the state overall.
- The traditional-aged student population is no longer the majority in higher education. We need to have targeted programs that provide financial support for a broader range of students.

Charge 2d Program Flexibility Inclusiveness Comments

- No. This ignores our great need for life-long learning in an increasingly complex world and job market. This ignores those that must also work to support a family AND must find a way to improve their credentials to live a better life.
- From a demographics perspective, in our large MSA, the growing sector is individuals 30 - 39 years of age, a huge untapped market for higher education who needs financial aid.
- This would simply eliminate a large percentage of Missouri citizens who need access to higher education in order to improve their workforce opportunities.

Charge 2d Program Flexibility Inclusivness Comments

- We will need to account for the fact that the slight majority of students today would be considered "non-traditional" based on national data. I would be interested in Missouri data on this. Considering that fact, we need to broaden our emphasis and ensure that adults over the age of 25 are able to access essential resources that support their educational goals and our workforce needs. Investing in expanded educational opportunities for returning adults would have a positive impact on the state economy since it is investment in the continued skill development of our current workforce. As the economy changes, further credentialing will be essential and our state financial aid system should reflect this fact. Also, for adults who are currently unemployed or under-employed, education can support pathways to upward economic opportunity.

Charge 2A

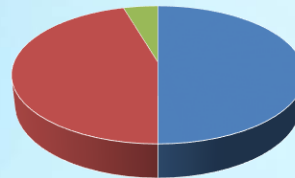
Need/Merit Balance

Charge 2a

Need/Merit Balance

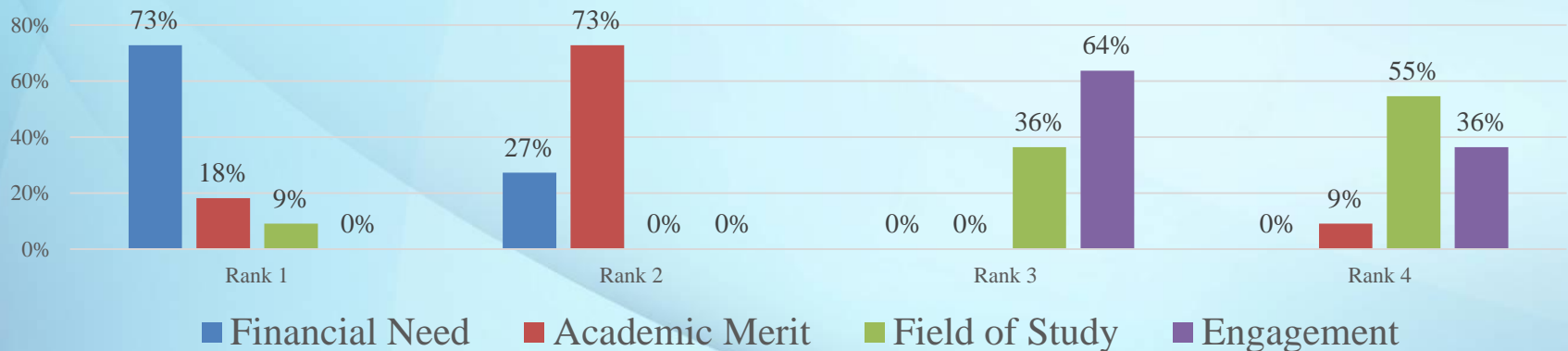
I believe ___ should be the primary way to determine student eligibility for state student assistance.

**Top 2 Rankings
by Percent of Respondents**



■ Financial Need ■ Academic Merit

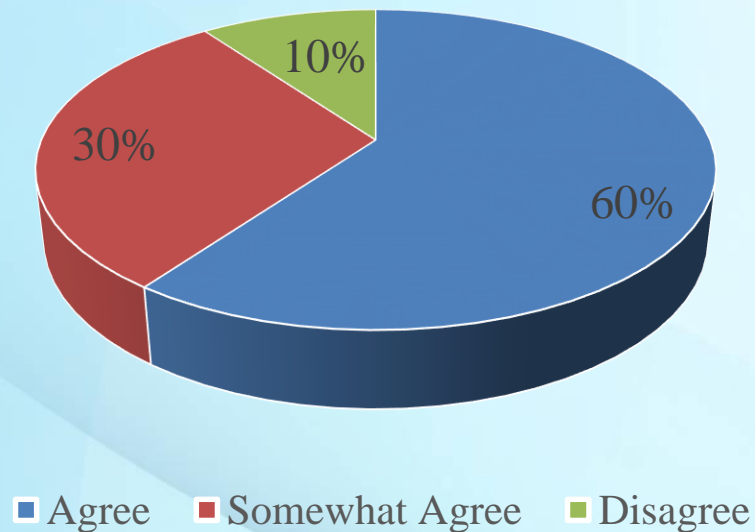
Rankings by Percent of Respondents



Charge 2a

Need/Merit Balance

Missouri's student financial aid portfolio should include programs that reward students for academic achievement and address a student's ability to finance their postsecondary education. However, a student's financial need should be the highest priority with academic achievement and merit playing a supporting role.



Charge 2a

Need/Merit Balance Comments

- Absolutely. Merit aid ignores the correlation between affluence and preparedness. Such programs promote social reproduction and limit social mobility.
- Colleges reward the top students with merit aid. State aid should help to support the growth of access and completion for the benefit of the state.
- The colleges and universities award most of their institutional aid based on merit. Therefore, the state should prioritize its support based on financial need.
- I still have concerns about middle income students who have limited resources to fund their college education.

Charge 2a Need/Merit Balance Comments

- There are already financial need programs in place. The current A+ program is needed as it provides a large number of students access to higher education who may not be eligible for need based aid.
- Considering what we know about the local economy and its need for more workers with postsecondary credentials, it seems most urgent and necessary to focus on how to support students with the greatest financial need. I would want to better understand in what way we might consider academic achievement and merit to play a supportive role.
- This type of program always seems to squeeze out middle class participants.

Final 15

- Wrap Up
- Next Meeting
- Adjourn

Contact Information

205 Jefferson Street

P.O. Box 1469

Jefferson City, MO 65102-1469

Phone: (573)751-3940

Toll-free: (800)473-6757

Fax: (573)751-6635

www.dhe.mo.gov

info@dhe.mo.gov