



Missouri Department of Higher Education

A+ Scholarship reimbursement for Spring 2015 semester

Students who are eligible for the A+ Scholarship Program could potentially see a reduction in the number of credit hours reimbursed by the program for the Spring 2015 semester. Projections from the Department of Higher Education indicate that there may not be sufficient funds available to fully reimburse all eligible students.

The A+ Program typically covers tuition and general fees at participating community colleges, public vocational schools and certain private vocation-technical schools. The schools are reimbursed for tuition and fees that are not covered by federal financial aid (not including student loans).

The Department of Higher Education has notified schools about the potential reduction so they could provide information to students and their families as early as possible to help them plan accurately for college expenses.

The following Q&A provides additional information about the possible reduction in A+ Scholarship funds.

Why would a reduction in A+ Program reimbursements be necessary?

A reduction would be necessary because the cost of making full reimbursements to all eligible students would be more than the funds available for distribution through the program. This is due to three factors:

1. The increasing number of students using the program. Currently, the department estimates the number of students eligible for reimbursement will increase between 3 and 5 percent.
2. An increase in college costs. Even though tuition increases at Missouri's public two-year colleges have been among the lowest in the nation in recent years, costs are projected to rise by about 4 percent this year.
3. A shortfall in state revenue. Due to a possible shortfall in state revenue, budget restrictions were enacted earlier this summer for a number of state programs, including the A+ Scholarship Program.

How much will A+ reimbursements be reduced?

It may be necessary for the department to reduce A+ reimbursement for tuition by a maximum of four credit hours. The department will not be able to determine the exact number of hours until later this year. The amount of the reduction will depend primarily on two factors: the number of students receiving reimbursement for the Summer 2014 and Fall 2014 semesters and whether or not state budget restrictions are lifted.

How would the reduction in A+ Program reimbursements occur?

Students would be required to pay for a maximum of four credit hours for the Spring 2015 semester. As required by program statutes, federal non-loan student aid would first be applied to a student's tuition and general fees bill at a participating institution. The student would then pay four credit hours, which may be covered by other, non-federal aid, if available. The A+ Program then would cover the cost of the remaining credit hours. For example, a student who enrolls in 15 credit hours at a cost of \$100 per credit hour would owe \$1,500 in tuition. If the student received a \$500 Pell grant it then would be applied toward tuition, reducing the amount the student owed to \$1,000. The student would pay for four credit hours (\$400) and be reimbursed for six credit hours (\$600) by the A+ Program. If the same student did not receive a Pell grant, the student would still pay for four credit hours but the A+ reimbursement would be \$1,100 (\$1,500 - \$400).

Will the reduction to the A+ Program reimbursements affect award amounts for other state student financial aid?

If a student is eligible for both an A+ award and an Access Missouri Grant, the Access Missouri award must be reduced by the amount of the A+ reimbursement paid to the student. In instances where the A+ payment is larger than the Access Missouri award, the Access Missouri award is reduced to zero. This statutory provision has been in effect since 2007 and remains unchanged by the anticipated Spring 2015 reduction in the A+ Program. For example, if a student is eligible for a spring 2015 Access Missouri award of \$330 (the maximum semester award at a community college) and received a reduced Spring 2015 A+ payment of \$100, the student's Access Missouri award would be reduced to \$230. However, if the same student received a reduced spring 2015 A+ payment of \$600, the Access Missouri award would be reduced to zero because the \$600 A+ payment exceeds the \$330 Access Missouri award.

No other state student financial aid programs have this type of relationship with the A+ Program, so they would not be affected by the change to the A+ Program.

When were colleges notified about the possible reduction in the program?

The Department of Higher Education notified community colleges on August 29, 2014, that a possible reduction in reimbursement could occur for the spring 2015 semester. A letter was also provided to the colleges to help them communicate the information to students and their families. Additional information will be provided to colleges once the department has determined the exact number of hours that will be reduced.

For more information about the A+ Scholarship Program, visit:

<http://dhe.mo.gov/ppc/grants/aplus scholarship.php>.