



Tab 17

Financial Aid Task Force Update

Coordinating Board for Higher Education
September 12, 2018

BACKGROUND

The Coordinating Board's coordinated plan, *Preparing Missourians to Succeed: A Blueprint for Higher Education*, recognized the changing higher education landscape and the need to ensure the state's student financial aid programs are aligned with that reality as well as the goals identified in the plan. The goal on affordability includes a recommendation to "convene a new state student financial aid task force to make recommendations for making the system more balanced, responsive, and efficient in the use of state funds devoted to financial aid." The Coordinating Board approved the staff plan to operationalize this strategy in March and in June approved a policy framework to guide the development of recommendations for change. This agenda item is intended to provide an update regarding Phase Two of the plan.

The approved plan included three distinct phases. Phase One provides for the establishment of a task force charged with the development of recommendations that will serve as a broad policy framework for the department's portfolio of state student assistance programs. The policy framework is intended, in part, to guide a comprehensive review of the existing programs administered by the MDHE, which will be conducted during Phase Two of the project. Phase Three encompasses the implementation of recommended changes, either through regulatory revisions or statutory changes.

Phase One of this initiative began in March with the appointment of the task force membership and concluded in June with the board's approval of the policy framework. Detailed information about the work of the task force and the final report are available at <https://dhe.mo.gov/ppc/grants/stateaidreview.php>.

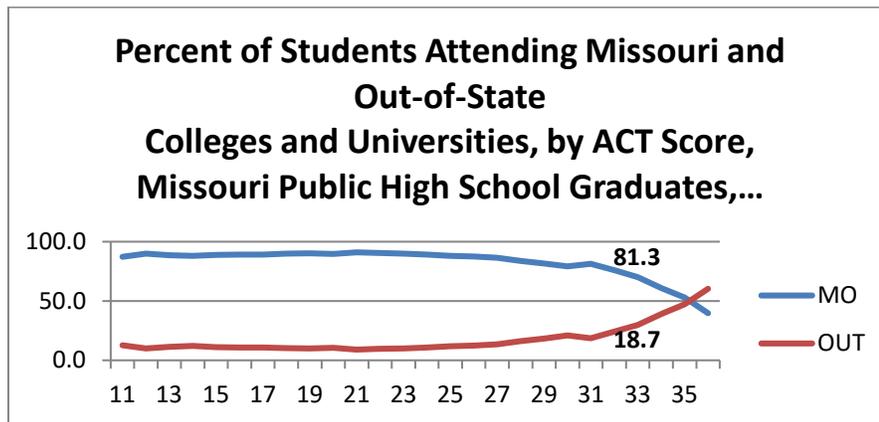
CURRENT STATUS

Phase Two of the initiative began in June with the establishment of a state student financial aid committee that is charged with reviewing the current portfolio of state programs based on the policy framework and making recommendations for change to ensure alignment between the two. This committee is primarily composed of student financial aid professionals with inclusive sector representation. A roster of committee membership is attached to this agenda item.

The committee met in June and July. Their meetings focused on developing a common foundation for the committee work through refining and operationalizing several of the statements within the policy framework as well as a broad-based data review. With assistance from the National Center for Higher Education Management Systems, the committee reviewed statewide data regarding Missouri's relative position with respect to other states and an overview of the state from the perspective of geography and demographics; enrollment and completion; and tuition and cost of attendance. Some of the results of that review are highlighted below.

- Although there is considerable variation from region to region, projections for the number of 15 to 24 year olds, which is the core population served by higher education institutions, over the coming decade indicate very limited, if any, growth.
- Educational attainment (associate degree or above) by county ranges from 56 percent in Boone County to 15 percent in Mississippi County. All but 11 counties have attainment estimates below the state average.
- Median family income ranges from \$88,629 in St. Charles County to \$34,776 in Mississippi County. Over the past decade, 23 counties have experienced statistically significant declines in this measure and 32 counties witnessed an increase in the proportion of families living in poverty.

- In the public four-year sector, the share of students receiving Pell Grants, an indicator of low-income status, ranged from 20 percent at Truman State University to 75 percent at Harris-Stowe State University. In the public two-year sector, the range extended from 24 percent at St. Charles Community College to 57 percent at Three Rivers College.
- Among Missourians aged 18 to 22 years old, about 58 percent of those from income backgrounds of less than \$30,000 without a college degree were not enrolled in college. That proportion is among the highest one-third compared to all U.S. states.
- Missouri is an importer of college-bound students, attracting about 3,400 more students than it lost to other states, when independent institutions are included. The chart below, which was produced from MDHE data rather than from the NCHEMS report, displays the percent of public high school graduates enrolled in-state or out-of-state by ACT score. It is important to note this chart does not include information about students from other states attending Missouri institutions (in-migration).



- Pell recipients at Missouri’s public institutions are much less likely to complete their degrees within 150 percent of the normal time. For example, at public four-year institutions, the graduation rate of Pell eligible students is 21 percent lower than the overall average.
- Compared to other states, Missouri has been very effective at limited tuition price increases over the past decade. However, non-tuition costs vary widely among public institutions, with some of the highest non-tuition costs being reported in some of the poorest parts of the state.
- In 2015-2016, unmet need, after adjusting for a reasonable work commitment and excluding student loans, at public four-year institutions averaged more than \$6,000 for students within incomes of less than \$30,000. On average, students in income groups above \$75,000 had little to no unmet need.

These data provide a clear validation of the need for and timeliness of this initiative. The state needs to better target its grant and scholarship programs if it is to address the issues of financial access and increase the chances for financially vulnerable students to ultimately be successful.

NEXT STEPS

During the August 24, 2018 meeting, the committee discussed desirable program attributes and components based on current program data and highlighted in the policy framework. This included preliminary discussion of different models for organizing the department’s aid portfolio as well as identifying specific program criteria regardless of how programs are structured. The next meeting of the committee is scheduled for September 26, 2018. At that meeting, it is anticipated the committee will focus on one or two specific models, by reviewing proposed program attributes along with preliminary estimates of students served and potential cost.

As this work continues, the committee will engage with the policy task force to ensure those proposals remain true to the components of the policy framework. MDHE staff plan for the committee to present a slate of recommendations to the Coordinating Board for action in December.

RECOMMENDATION

This is an information item only.

ATTACHMENT

State Student Financial Aid Committee Membership Roster

Coordinating Board for Higher Education
September 12, 2018

Tab 17 Attachment **State Student Financial Aid Committee Roster**

Public Universities

Nick Prewett: Executive Director, Student Financial Aid, University of Missouri-Columbia

James Green: Director of Financial Assistance, Harris-Stowe State University

Charles Mayfield: Director of Financial Assistance, Northwest Missouri State University

Vicki Mattocks: Director, Student Financial Aid, Missouri State University

Independent Institutions

Zach Greenlee: Director of Financial Services, Missouri Baptist University

Rose Windmiller: Associate Vice Chancellor, Government & Community Relations, Washington University

Crystal Bruntz: Director of Financial Aid, Avila University

Cassandra Hicks: Director of Financial Aid, Southeast Missouri Hospital College of Nursing and Health Sciences

Community Colleges

Amy Hager: Director of Financial Aid, Moberly Area Community College

Sarah Bright: Director of Student Financial Services, Jefferson College

Dena Norris: Director of Student Financial Services, Metropolitan Community College

Kim Cary: College Director of Financial Aid, Ozarks Technical Community College

State Technical College

Becky Whithaus: Financial Aid Director, State Technical College of Missouri

Area Vocational Technical School

Christian Vachandez: Financial Aid Administrator, Columbia Area Career Center

Legislative Staff

Adam Koenigsfeld: Director of Appropriations Staff, Missouri Senate*

Kate Hangle: Budget Analyst II, Missouri House of Representatives

* Trevor Foley is no longer with the Senate. His successor will be invited to replace him on the committee.