

# MASSACHUSETTS STATE FINANCIAL AID

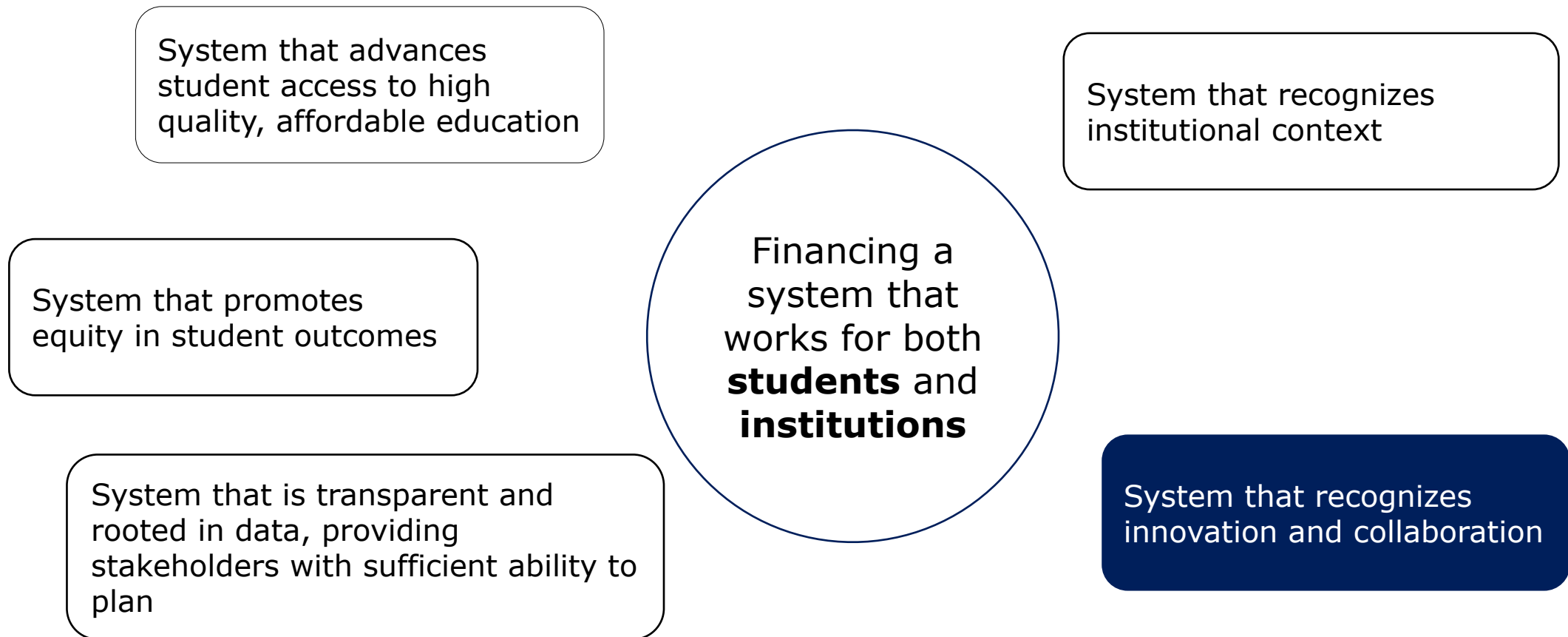


# Massachusetts State Financial Aid Agenda

- Overview of Higher Education Financing Priorities
- Tuition Equity Law - Undocumented Student Access
- FY24 Budget – What to Expect in FY25
- FAFSA Completion
- EFC – SAI Conversion: Implications for State Financial Aid
- Overview of New Initiatives
- Historically Funded Programs

# State Higher Education Financing Framework & Guiding Principles

## Vision for the System of Public Higher Education Finance

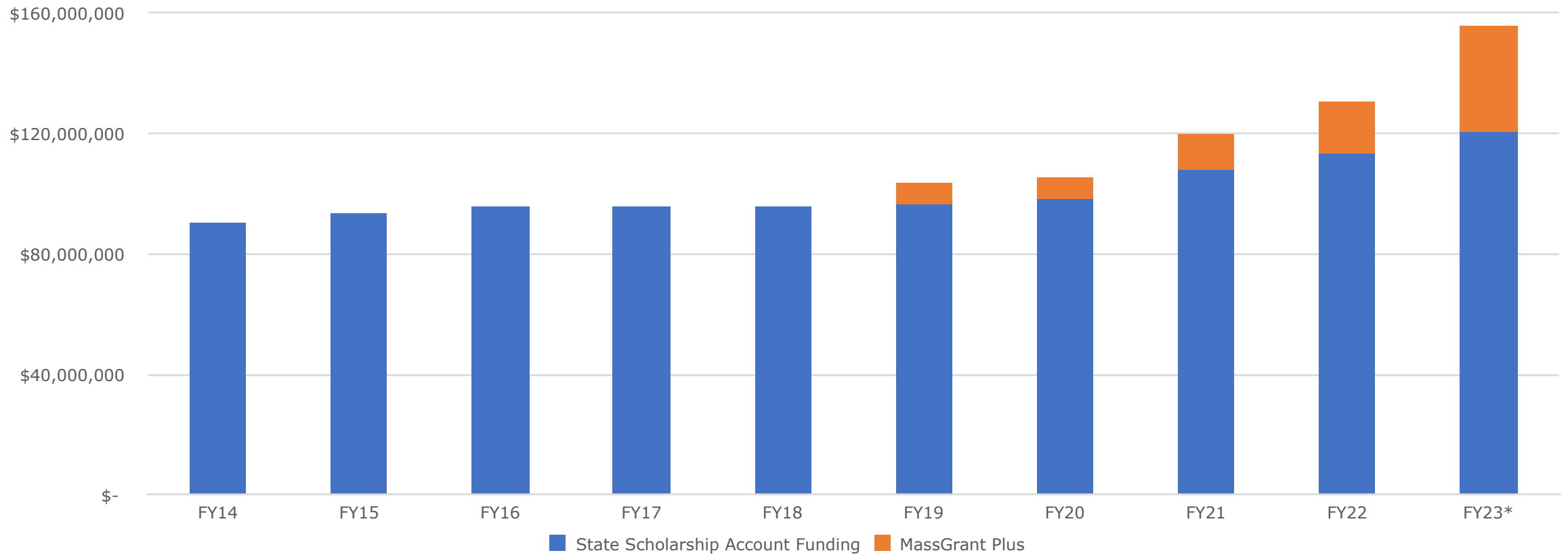


# Commitment & Investment in Financial Aid

- Continued Commitment to Massachusetts Students
  - Funding for Need-Based Programs
  - MASSGrant – highest grant awards in three decades
    - Access (Cash) Grants – support for educational costs, full and part-time students
    - MASSGrant Plus
- Assistance for Basic Needs
  - Emergency Fund
  - Housing Partnership (Community Colleges and State Universities)
- Entitlement Programs
  - Tuition & Fee Assistance for Foster & Adopted Students
  - Foster Child Grant
  - Public Service Grant

# Historic Increase in State Financial Aid

## State Scholarship Program Funding (7070-0065)



# New Financial Aid Investments

- New Financial Aid Investments (\$63million)
  - **MassReconnect for** community college students
  - **In-Demand Scholarship Program** for public College students
  - **Nursing Scholarships and support** for Community College Students
- Financial Aid Expansion & Redesign (\$84 million)
  - **MASSGrant Plus Expansion Program**
  - Access for eligible **undocumented students**

# Future Funding Expectations

- FY25 Budget Expectations
  - Anticipate continuation of funding for specific programs
    - General Scholarship Account, Entitlement programs
    - Fair Share Funding - Financial Aid Expansion
- The Department of Higher Education along with public and private stakeholder partners will continue to advocate for a continued commitment to college affordability for Massachusetts residents
- The first insight into the FY25 budget begins with the release of the Governor's House 1 Budget in late January, which we will be watching with great expectation and anticipation
- ***Final budget is driven by the Legislature***

# What's New

## State Financial Aid



# Massachusetts State Financial Aid

## Governor's Announcements

Two important announcements:

- August 15<sup>th</sup> – Governor's Announcement – MassReconnect @ Bunker Hill Community College
  - Tuition, fees, books and supplies for adult learners age 25+
- November 15<sup>th</sup> - Governor's Announcement – MASSGrant Plus Expansion @ Salem State University
  - Elimination of EFC for low-income Pell Grant Eligible students
  - Access to resources for middle-income families – annual adjusted gross income up to \$100K, or EFC of 15,000

## Massachusetts State Financial Aid

# Access for Undocumented Students

- Massachusetts' new Tuition Equity Law allows qualifying non-US Citizens access to State Financial Aid
  - Attended high school for three-years in Massachusetts
  - Earned a high school diploma or the equivalent
  - Meet eligibility for the specific program
- Detailed information is available on the DHE website and can be accessed by institutions and students at this hyperlink:  
  
<https://www.mass.edu/tuitionequity/home.asp>
- Institutions should connect with the DHE/OSFA regarding concerns for undocumented students
- Financial aid program guidelines have been updated to reflect changes in residency, citizenship status, and FAFSA completion requirements

# Access for Undocumented Students

- An alternative financial aid application for undocumented students is currently under development and expected to be available later next month
- **Regent Access** the developer, has launched an alternative application in several other states to assist undocumented students with access to state aid
- The application in every way mimics the FAFSA and federal methodology, resulting in a valid EFC; and provides instructions in English and Spanish
- Eligible students will be retroactively funded under the MASSGrant program; but must meet eligibility requirements for all other programs
- Funding has been reserved to assist the undocumented students under other programs, such as the MASSGrant Plus Expansion program

# Massachusetts State Financial Aid

# FAFSA COMPLETION

- DHE will soon launch a FAFSA Completion project
- Purpose is to increase FAFSA completion by low-income and underrepresented students
- Strategic Communications Campaign to include stakeholder participation
- Focus will be planned media outreach and “hands-on” assistance to students and families
- FAFSA Completion Campaign to run December 2023 through June 2024

# EFC – SAI Conversion

- DHE currently analyzing the impact of the change from EFC to SAI
  - Anticipate up to 12,000 new Pell recipients
  - 25,000 current Pell recipients to receive maximum Pell Grants
  - Could result in the need for a significant increase in funding to maintain programs at the current award level
- Goal is to inform institutions of any change in the MASSGrant program by the end of the calendar year to guide your award process for 2024-25
- DHE continues to collaborate with institutions regarding the impact of this conversion on students and funding process

# Massachusetts Assistance for Student Success

- Several new programs have been implemented under the Massachusetts Assistance for Student Success (MASS) umbrella:
  - MASSGrant (originally the ***State Scholarship***)
  - MASSGrant Plus
  - MassReconnect
  - MASSGrant Plus Expansion
- These programs are funded under the General Scholarship account (7070-0065)
- MASSGrant Plus Expansion also funded from the Financial Aid Expansion funds (Fair Share)

## MASSGrant Plus Expansion

### ***Purpose:***

- *The MASSGrant Plus Expansion program is a "last dollar" grant that supports students' direct costs of tuition, fees, and in some cases books and supplies. The program provides resources to cover out-of-pocket costs for students and their families*
- *MASSGrant Plus Expansion program is designed to supplement other state financial aid programs, to make college more affordable. The program underwrites the direct cost of tuition, fees by covering the out-of-pocket costs (EFC) for Pell Grant Eligible students and students from middle-income families*
- *The program is intended to promote enrollment, persistence, and degree completion.*

# MASSGrant Plus Expansion Program

## Eligible Student Populations

- MASSGrant Plus Expansions serves two groups of students
  - **Pell Grant-Eligible (EFC) students**
    - enroll, as a matriculated student, **full-time or part-time basis** (minimum of 6 credits, or the equivalent) in an eligible undergraduate program of study leading to a certificate, associate, or bachelor's degree, as defined
  - **Middle-income family students** (*AGI up to \$100K - EFC = 15,000*)
    - *Full-time students only, does not support part-time students*
- Guidelines include eligibility requirements for each group; several common eligibility requirements
- Award calculation differs for each group of students
- **Award calculation differs for students under the two categories**



# MASSGrant Plus Expansion Program

## Award Calculation – Pell Grant Eligible Students

- MASSGrant Plus Expansion is the “last dollar” award
- Full or Part-time students Pell Eligible
  - Minimum of six (6) credits or more for Part-time
  - Minimum of twelve (12) credits or more for Full-time
- Books and supplies allowance: \$1200/\$900/\$600 – full-time,  $\frac{3}{4}$  or  $\frac{1}{2}$
- Award formula:  
***Tuition and fees + books (minus) all grant aid = MASSGrant Plus Expansion***
- EFC is not factored in the award calculation

# MASSGrant Plus Expansion Program

## Award Calculation – Non-Pell Grant Students

- Matriculated students enrolled *full-time* only (minimum of 12 credits, or the equivalent)
  - Middle-income (AGI up to \$100K, EFC = 15,000)
  - Books and supplies are not covered for non-Pell eligible students

- Award formula:

***Tuition and fees (minus) all grant aid = Unmet Need***

***MASSGrant Plus Expansion award is equal to half of the student's Unmet Need***

- *EFC is not factored in the award calculation*

# MASSGrant Plus Expansion Program

## Summary Facts

- Represents an historic expansion of State Financial Aid for public college and university students
- Roughly 25,000 students are expected to benefit
- First time that Massachusetts is covering EFC for all full and part-time Pell Grant eligible students
- Expansion reduces the out-of-pocket costs for students from middle income families
- Funds may be awarded retroactively for fall; access to state Financial Aid extended to undocumented students
- Massachusetts jumps from 26<sup>th</sup> to 14<sup>th</sup> in terms of state financial aid for full-time equivalent students

# MassReconnect

## Purpose

*MassReconnect is a grant program designed to attract, incentivize, and encourage a diverse population of adults, age 25 and older, to attend college and earn a postsecondary credential or degree. MassReconnect is designed to provide "last dollar" financial assistance to ensure that eligible community college students have adequate resources to fully cover the direct costs of tuition, fees, books and supplies, towards a certificate or associate degree at a public community college. The program is intended to encourage adult learners to enroll in college to complete a program of study.*

# MassReconnect

- MassReconnect may be awarded to cover cost of tuition/fees, books and supplies
  - Books/supplies targeted at \$1200/900/600 – full-time,  $\frac{3}{4}$  or  $\frac{1}{2}$
- Last dollar after all grant aid is considered
- Semester limits are defined for the number of terms that a student may receive MassReconnect funds
  - Semester limit does not start over if student changes program of study, unless switching from a certificate to an associate degree
  - A student may continue to receive MassReconnect if enrolling in an associate degree program, upon the completion of a certificate program

# Other State Programs

# General Scholarship Account

- General Scholarship Account supports the following programs:
  - MASSGrant \$75,000,000
  - Cash Grant \$26,088,300
  - Gilbert Grant \$22,000,000
  - ECE Scholarship \$ 3,600,000
  - Completion Grant \$ 2,000,000
  - Emergency Fund \$ 3,500,000
  - Herter Scholarship \$ 1,200,000
  - Para Teach Grant \$ 600,000
  - Part-Time Grant \$ 600,000

# Tuition Waiver Programs

## Waivers for Entering Freshmen & Continuing Students

- Need-Based Tuition Waiver - \$19million
- John and Abigail Adams Scholarship - \$16million
- Koplik Certificate of Mastery - \$2million
- Valedictorian Tuition Waiver - \$.3million
- Adopted & Foster Child Tuition Waivers - \$1.2million



# MASSGrant Program

- Funded at \$75million in FY24
  - Highest Award in three decades
  - \$3,000 for Students enrolled at 4-year public and private
  - \$2000 for Community College students
  - Awards include all students who met the May 1 priority deadline
  - Undocumented student eligibility
    - Must complete the Alternative Financial Aid Application – date TBD
    - Must have an eligible Student Aid Index (SAI)
  - Late FAFSA applicants awarded after May 2, based on available funds

# MASSGrant Program

## ■ Five Year Overview

Award Year	Number of Applications
2023-2024	252,913 (May 1 deadline)
2022-2023	245,898 (August 1 deadline)
2021-2022	264,495
2020-2021	269,726
2019-2020	279,096

# Entitlement Programs

- Adopted and Foster Fee Assistance
  - Level funded at \$7.2million
  - Serves an average of 800 students annually
  - Covers costs of Tuition and fees at a public college or university
  - Requires full-time enrollment
  
- Foster Child Grant
  - Level funded at \$1.4million
  - Portable to colleges in any state
  - Last dollar grant up to \$6,000 per year

- Competitive four-year scholarship
- Applicants must be nominated during Sophomore or Junior year by a school official or community agency
- Recipients must demonstrate financial need and show evidence of extenuating circumstances
- Recipient may enroll in any postsecondary institution in the USA
- Scholarship may not exceed one-half of student's demonstrated financial need
- Average annual award is \$17,000; \$20,000 maximum in 2023-24

**Massachusetts State**

**Financial Aid**

*Questions & Discussion*