



# Massachusetts

Board of Higher Education (BHE)

Fiscal Affairs and Administrative Policy (FAAP)

Advisory Council

November 22, 2023

# Agenda

BHE's Strategic Higher Education Finance (SHEF) Framework

FY24 BHE Requests and FY24 Budget

FY24 Financial Aid Highlights

Key Goals & Multi-Year Priorities

Next Steps for the Department





# SHEF Framework (2023)

# SHEF Key Guiding Principles for the System

System that advances student participation in high quality, affordable education.

System that promotes equity in student outcomes

System that invests in innovation and collaboration.

Financing a system that works for both students and institutions

System that is transparent and rooted in providing stakeholders with sufficient ability to plan.

System that recognizes institutional context.

# SHEF Key Goals & Priorities

Accessibility and affordability (Financial Aid)

Resources for student success

Foster innovation and collaboration

Incentivize cost sharing between state and campuses

Increase simplicity, transparency, and predictability for all

## Commissioner's Charge (BHE 23-23)

Work with stakeholders to advance the implementation of the SHEF framework through necessary legislative, executive and budgetary actions. And continue to work with the FAAP Advisory Council and to provide regular updates to Board on the Department's progress in this regard.

A light beige map of the state of Massachusetts, showing the outlines of its various counties. The map is centered on the page and serves as a background for the text.

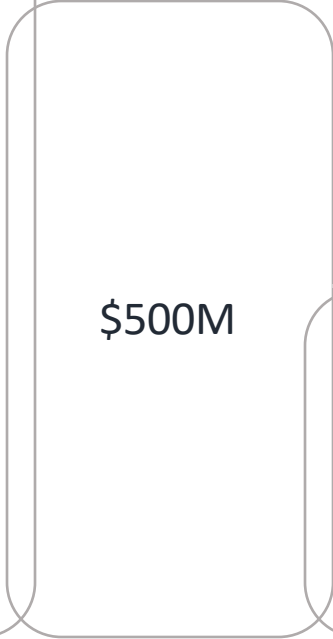
# FY24 Budget



**Projected Fair  
Share Revenue**



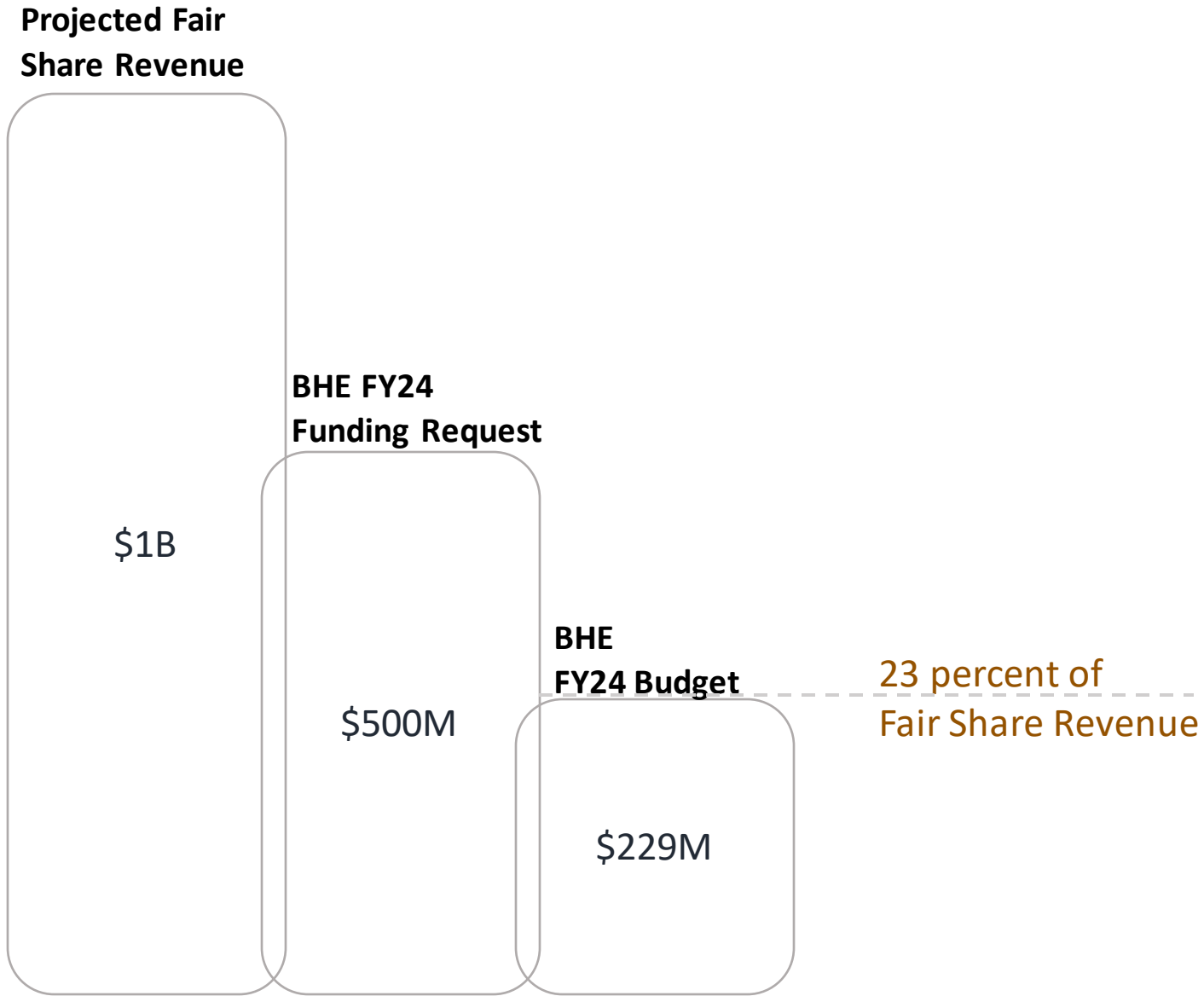
**BHE FY24  
Funding Request**



**BHE  
FY24 Budget**



23 percent of  
Fair Share Revenue



# FY24 Budget - Detailed Overview

## FY24 Education and Transportation Fund

	\$	%
<b>Education:</b>		
Executive Office of Education	105,000,000	11%
Early Education	70,500,000	7%
Elementary and Secondary Education	119,000,000	12%
Higher Education	229,000,000	23%
	<b>523,500,000</b>	<b>52%</b>
<b>Transportation:</b>		
MassDOT, MBTA, RTAs	476,500,000	48%
	<b>476,500,000</b>	<b>48%</b>
<b>Total Budgeted Allocation:</b>	<b>1,000,000,000</b>	<b>100%</b>

## Higher Education: \$213M

	\$
<b>Education and Transportation Fund:</b>	
MassGrant Plus Expansion	84,000,000
In Demand Scholarships	25,000,000
MassReconnect	20,000,000
CC Nursing Scholarships	18,000,000
Free CC Capacity Building	12,000,000
Endowment Incentive	20,000,000
Deferred Maintenance Capital Program	50,000,000
	<b>229,000,000</b>
<b>General Fund:</b>	
Early College	3,600,000
Hunger-Free Campus Pilot Program	1,000,000
Inclusive Concurrent Enrollment	1,000,000
In Demand Scholarships	(2,000,000)
Endowment Incentive	(20,000,000)
	<b>(16,400,000)</b>
<b>Total Higher Education Expansion:</b>	<b>212,600,000</b>

# FY24 Budget - Detailed Overview

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	<b>(16,400,000)</b>
<b>Total Higher Education Expansion:</b>	<b>212,600,000</b>

# BHE FY24 Fair Share Funds (\$229M)

<b>Expand Financial Aid</b>	+ \$135 Million
<b>Support Student Success</b>	+ \$22 Million
<b>Invest in Innovation and Collaboration</b>	+ \$0
<b>Reliable Funding for Institutions</b>	+ \$72 Million

# BHE FY24 Fair Share Funds (\$229M)


Expand Financial  
Aid

+ \$135 Million

# FY24 Education and Transportation Fund

## Higher Education: \$122M

	\$
<b>Education and Transportation Fund:</b>	
MassGrant Plus Expansion	84,000,000
MassReconnect	20,000,000
CC Nursing Scholarships	18,000,000



Providing more support for  
**low-income families**

**MASS  
Reconnect**

Institutional Segment

Community  
Colleges

100 Percent of **Tuition  
+ Fees + Books**



25 +

Pell



25 +

Part-Time



25 +

Full-Time



25 +





	<b>MASS Reconnect</b>	
Institutional Segment	Community Colleges	
100 Percent of <b>Tuition + Fees + Books</b>	✓	25 +
<b>Pell</b>	✓	25 +
Part-Time	✓	25 +
Full-Time	✓	25 +



	MASS Reconnect	Nursing Scholarship
Institutional Segment	Community Colleges	Community Colleges
100 Percent of <b>Tuition + Fees + Books</b>	✓ 25 +	✓ All
<b>Pell</b>	✓ 25 +	✓ All
Part-Time	✓ 25 +	✓ All
Full-Time	✓ 25 +	✓ All



	<b>MASS Reconnect</b>	<b>Nursing Scholarship</b>	<b>MASSGrant Plus (expansion)</b>
Institutional Segment	Community Colleges	Community Colleges	Community Colleges
100 Percent of <b>Tuition + Fees + Books</b>	✓ 25 +	✓ All	✓
<b>Pell</b>	✓ 25 +	✓ All	✓
Part-Time	✓ 25 +	✓ All	✓
Full-Time	✓ 25 +	✓ All	✓



	MASS Reconnect		Nursing Scholarship		MASSGrant Plus (expansion)		
Institutional Segment	Community Colleges		Community Colleges		Community Colleges	State Universities	UMASS
100 Percent of <b>Tuition + Fees + Books</b>	✓	25 +	✓	All	✓	✓	✓
<b>Pell</b>	✓	25 +	✓	All	✓	✓	✓
Part-Time	✓	25 +	✓	All	✓	✓	✓
Full-Time	✓	25 +	✓	All	✓	✓	✓

	MASS Reconnect		Nursing Scholarship		MASSGrant Plus (expansion)		
Institutional Segment	Community Colleges		Community Colleges		Community Colleges	State Universities	UMASS
100 Percent of <b>Tuition + Fees + Books</b>	✓	25 +	✓	All	✓	✓	✓
Pell	✓	25 +	✓	All	✓	✓	✓
Part- and Full-Time	✓	25 +	✓	All	✓	✓	✓
<b>Non-Pell</b>	✓	25 +	✓	All	<\$100K	<\$100K	<\$100K

	MASS Reconnect		Nursing Scholarship		MASSGrant Plus (expansion)		
Institutional Segment	Community Colleges		Community Colleges		Community Colleges	State Universities	UMASS
100 Percent of <b>Tuition + Fees + Books</b>	✓	25 +	✓	All	✓	✓	✓
Pell	✓	25 +	✓	All	✓	✓	✓
Part- and Full-Time	✓	25 +	✓	All	✓	✓	✓
<b>Non-Pell</b>	✓	25 +	✓	All	<\$100K	<\$100K	<\$100K
Up to 50 Percent of <b>Tuition + Fees</b>		N/A		N/A	✓	✓	✓

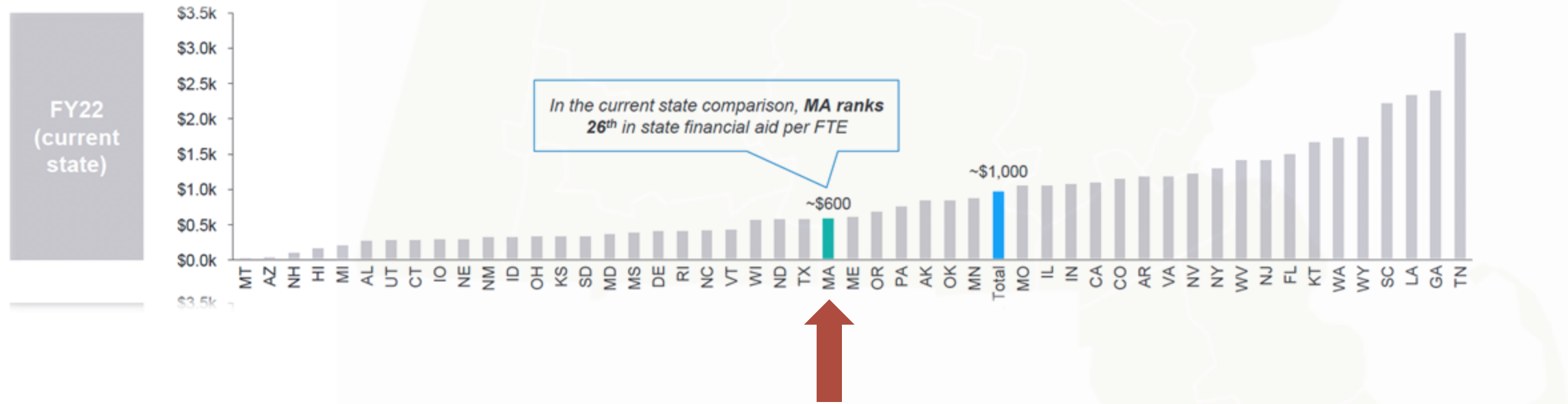
	MASS Reconnect		Nursing Scholarship		MASSGrant Plus (expansion)		
Institutional Segment	Community Colleges		Community Colleges		Community Colleges	State Universities	UMASS
100 Percent of <b>Tuition + Fees + Books</b>	✓	25 +	✓	All	✓	✓	✓
Pell	✓	25 +	✓	All	✓	✓	✓
Part- and Full-Time	✓	25 +	✓	All	✓	✓	✓
<b>Non-Pell</b>	✓	25 +	✓	All	<\$100K	<\$100K	<\$100K
Up to 50 Percent of <b>Tuition + Fees</b>		N/A		N/A	✓	✓	✓
Full-Time (Only)		N/A		N/A	✓	✓	✓

# Building Toward a Working Definition of Truly Affordable in MA

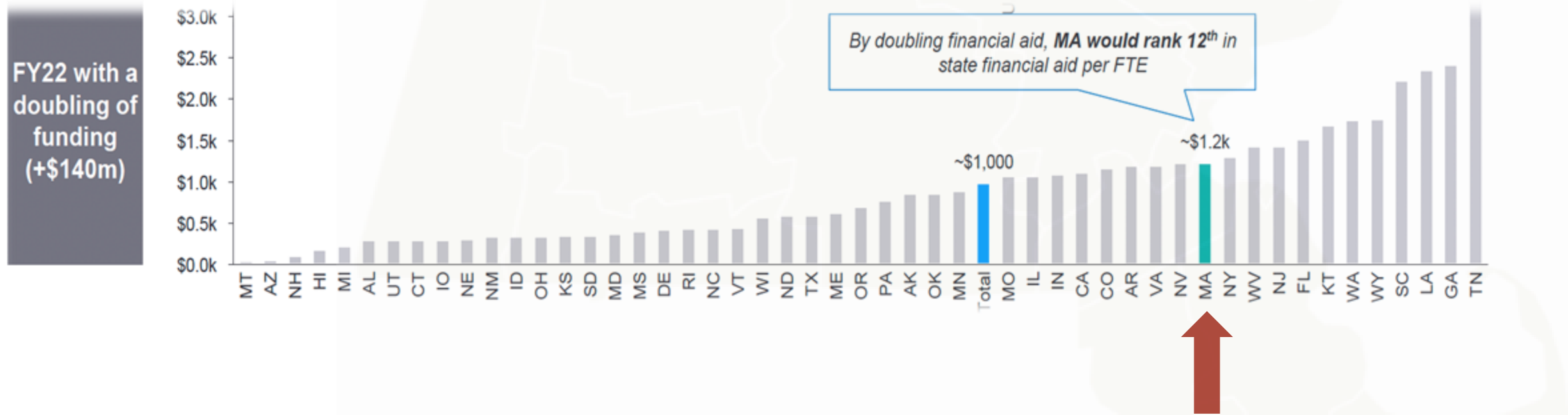
	Pell	Non-Pell 25 Years +	Non-Pell < \$100K
Community Colleges	✓	✓	Up to 50%
State Universities	✓	N/A	Up to 50%
UMASS	✓	N/A	Up to 50%



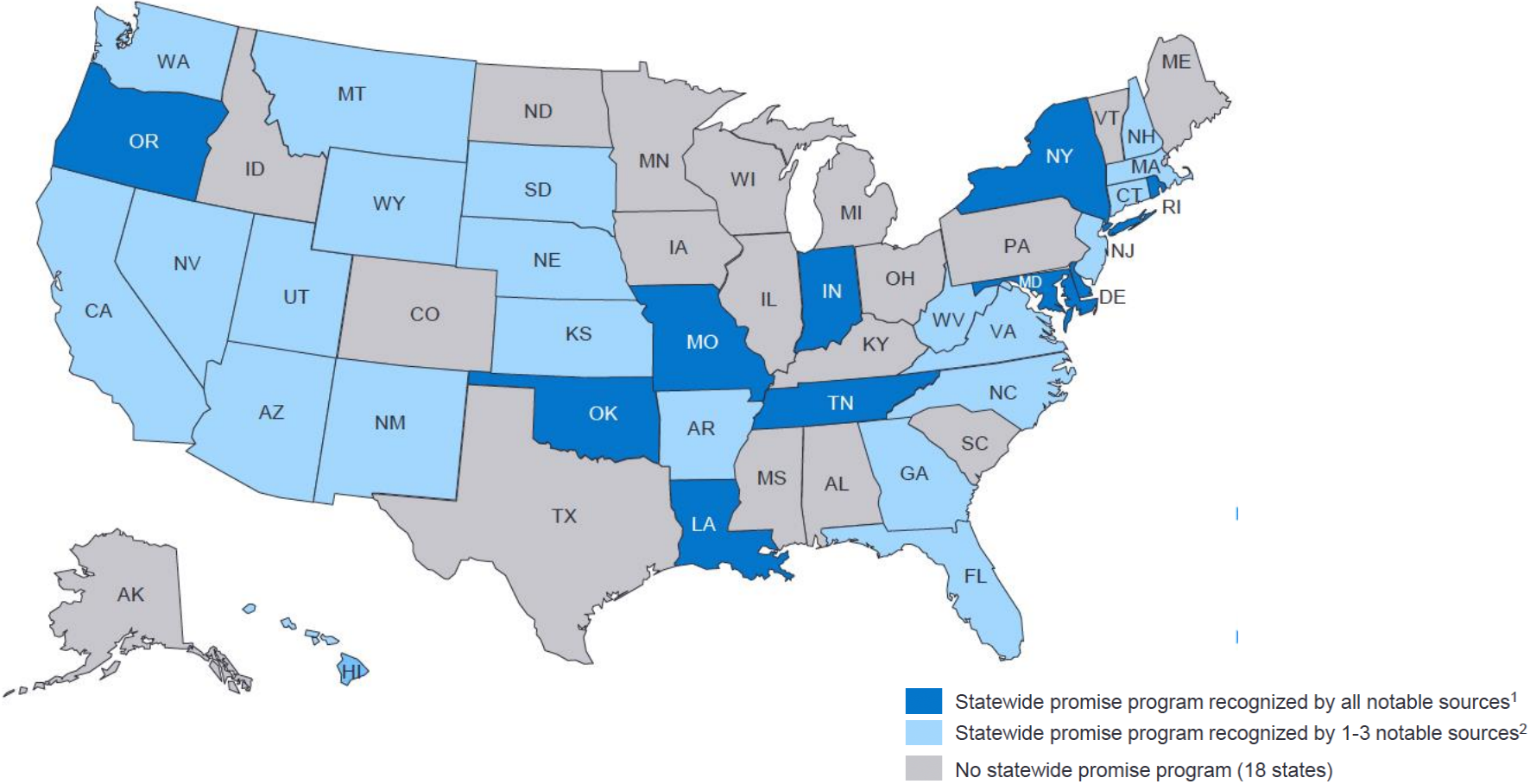
# National Average in Per-Student Financial Aid



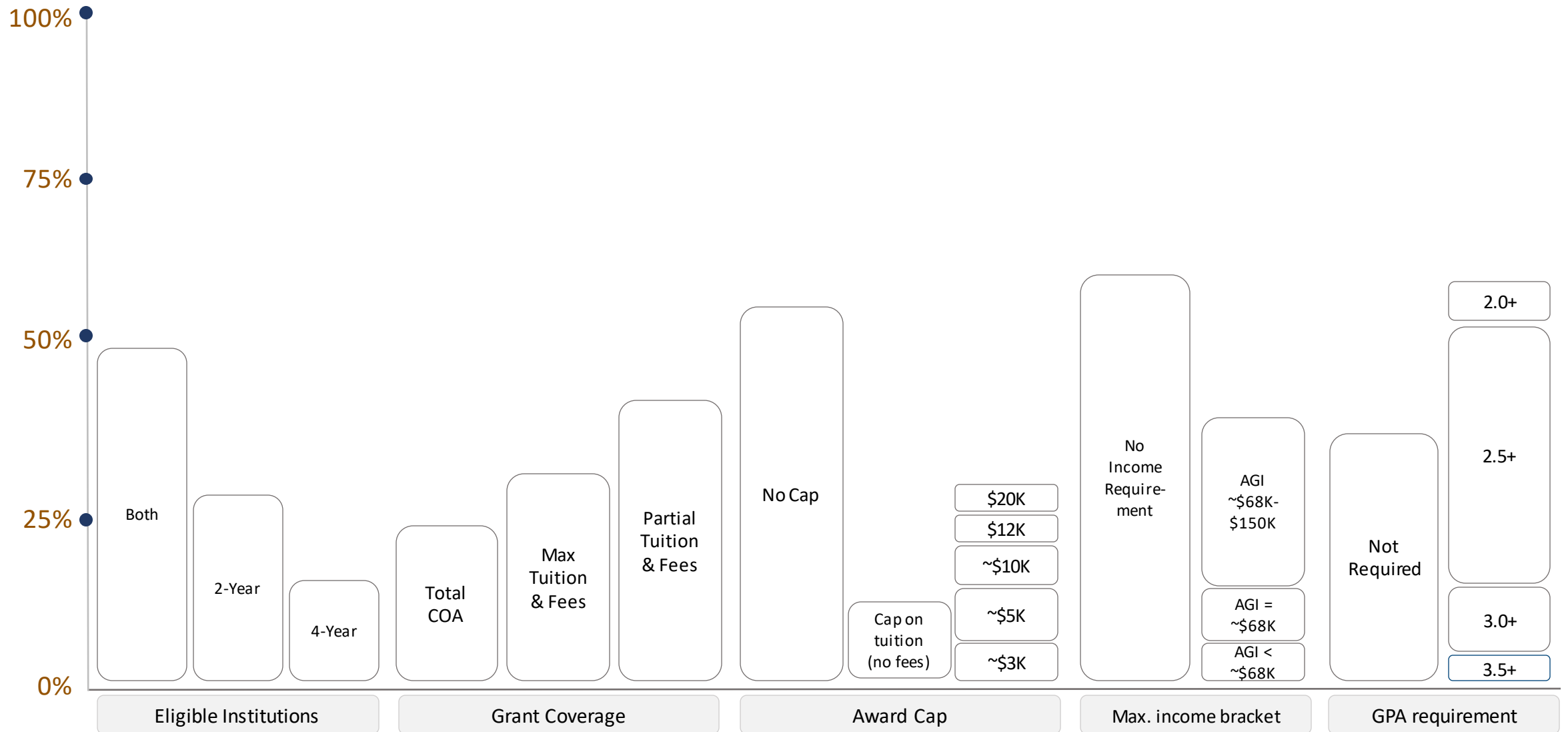
# National Average in Per-Student Financial Aid



# States with Statewide Promise Programs

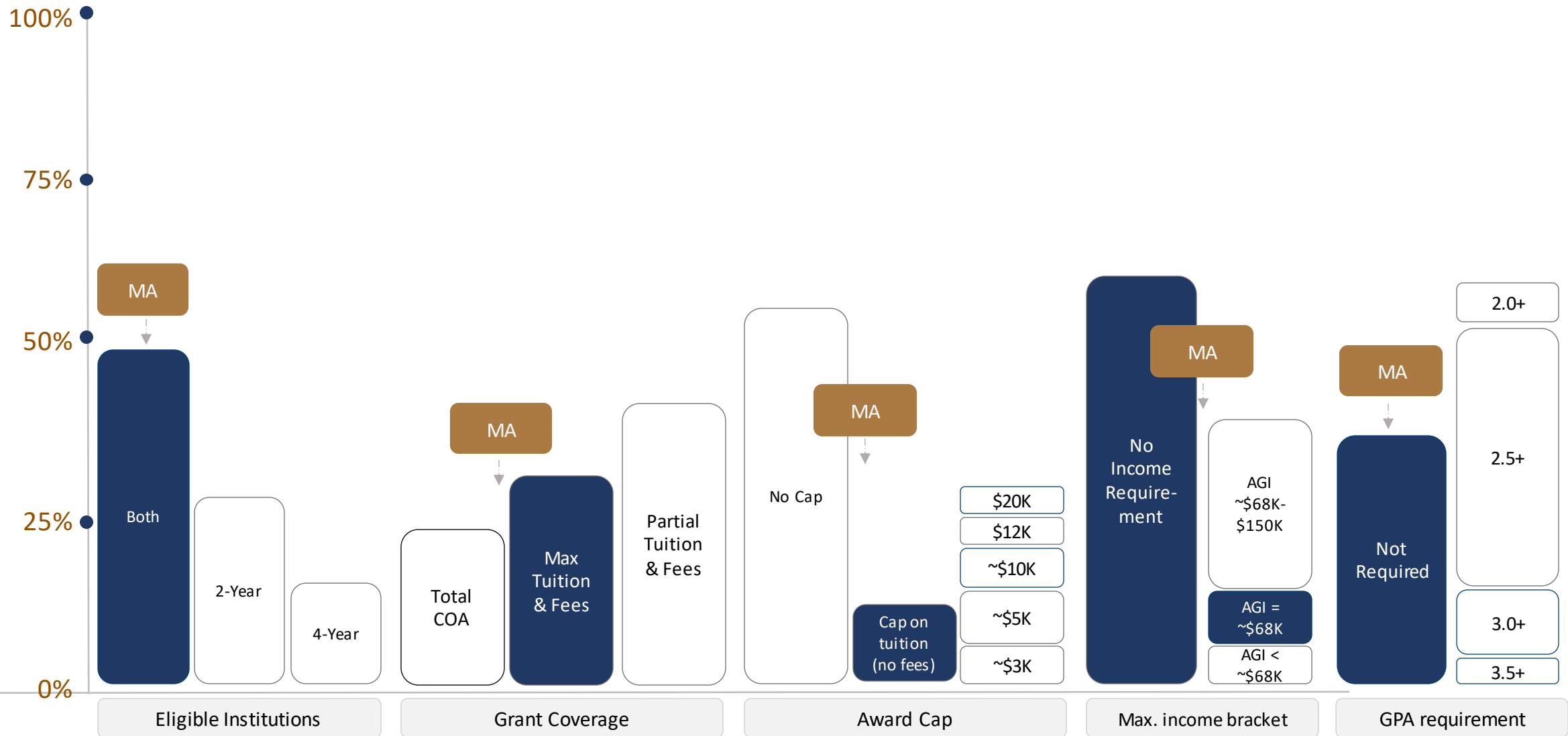


# States with Statewide Promise Programs (n=32)



Source: Department of Higher Education. (2022, August); EY-Parthenon (Sept 2023); Strategic Review of Public Higher Education Financing: Comparative State Analysis (Nov. 2023)

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Source: Department of Higher Education. (2022, August); EY-Parthenon (Sept 2023); Strategic Review of Public Higher Education Financing: Comparative State Analysis (Nov. 2023)

**B**

# Healey announces \$62 million in new financial aid for undergrads at state colleges, universities

colleges' universities



● November 16, 2023

## Massachusetts Announces 'Historic' Financial Aid Expansion

expansion



Building on the **Key Goals**

# SHEF Key Goals & Multi-Year Priorities

Accessibility and Affordability (Financial Aid)

Resources for Student Support and Success

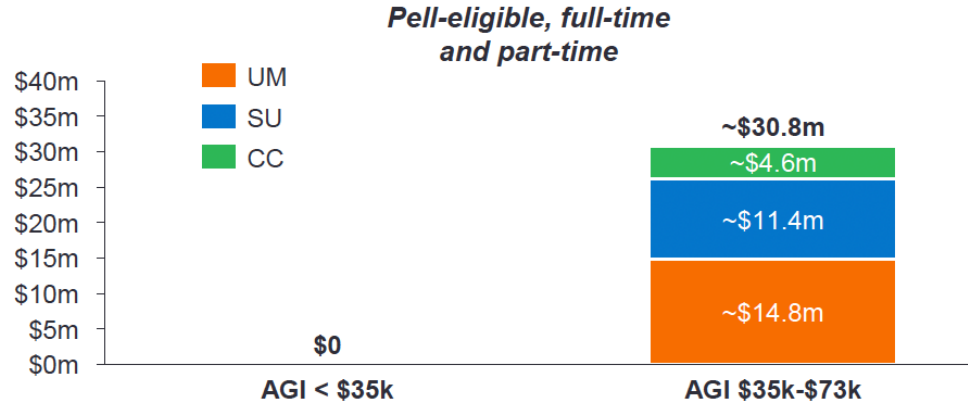
Foster Innovation, Infrastructure, and Collaboration

Equitable Outcomes for Students

Financial Stability and Sustainability (i.e., cost containment, etc.)



# Estimated Costs and how This was Made Possible



	AGI < \$35k	AGI \$35k-\$73k
# student receiving MassGrant Expansion: Overall	0	~13.0k
# student receiving MassGrant Expansion: UMASS	0	~5.6k
# student receiving MassGrant Expansion: SUs	0	~4.0k
# student receiving MassGrant Expansion: CCs	0	~3.4k
Average grant size: Overall	\$0	~\$2.4k
Average grant size: UMASS	\$0	~\$2.7k
Average grant size SUs	\$0	~\$2.8k
Average grant size: CCs	\$0	~\$1.4k
Existing State Aid	\$63.8M	\$38.9M
Existing Institutional Aid	\$51M	\$65.8M



# Next Steps for the DHE

**Thank You and  
Well Done to the BHE!**