

BOARD OF HIGHER EDUCATION
REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 12-28
COMMITTEE DATE: June 12, 2012
BOARD DATE: June 19, 2012

APPROVAL OF COMPLETION INCENTIVE GRANT FUND GUIDELINES

MOVED: The Board of Higher Education approves the attached guidelines for the Completion Incentive Grant Fund pilot program.

Authority: Massachusetts General Laws, Chapter 15A, Section 9B
Contact: Dr. Clantha McCurdy, Senior Deputy Commissioner, Access and Student Financial Assistance

Background

The 2011 final report issued by the Vision Project's Working Group on Graduation and Student Success Rates encourages Massachusetts to better leverage financial aid resources to increase student degree and certificate completion rates, with a specific recommendation that the Department of Higher Education create a specialized advisory group focused on the utilization of student financial aid for this purpose. The Financial Aid Policy Advisory Group (PAG) was created as a result of this recommendation and was charged with designing the framework and guidelines for a financial aid pilot program to increase college degree and certificate completion rates for low-income students at Massachusetts' public higher education institutions. The work of the Policy Group was assisted by David Longanecker and Brian Prescott of the Western Interstate Commission on Higher Education.

The PAG recommended an incentive program that rewards students for credits earned towards their certificate or degree. Beginning fall 2012, the Completion Incentive Grant Fund (CIGF) program will be piloted at participating institutions representing all three segments of public higher education. The CIGF pilot is designed to run four years and provide students with up to \$2,000 in additional financial aid each year (maximum of \$8,000 over four years) for credits earned towards their degree. Participating students will be required to sign an agreement that will facilitate their access to and use of campus academic and related student support services to enhance their opportunity for success.

The attached guidelines outline the pilot program's parameters and define for campuses both the administrative steps for implementing the program and the responsibilities that are attached to their participation. The program will be evaluated annually for effectiveness and potential statewide implementation.

BOARD OF HIGHER EDUCATION
COMPLETION INCENTIVE GRANT FUND

Attachment

PURPOSE

The Completion Incentive Grant Fund (CIGF) is a pilot program designed to increase the graduation and success rates of students who are enrolled in certificate or degree programs at Massachusetts public colleges and universities. The program will provide incentive grants to low-income students for persisting and completing their degree or certificate program of study over a maximum of four years, commencing fall 2012 through summer 2016. The Completion Incentive Grant Fund is a product of recommendations that are part of the final report of the Vision Project's Graduation and Student Success Working Group, which encouraged the implementation of financial aid policy that would facilitate improved student completion rates.

DEFINITIONS

ELIGIBLE INSTITUTION:

An institution within the system of public institutions of higher education as identified in Section 5 of Chapter 15A of the Massachusetts General Laws.

ELIGIBLE PROGRAM:

Any state-supported undergraduate degree or certificate program offered by an eligible institution.

An eligible institution electing to participate in the CIGF is required to sign an Institutional Agreement which outlines all responsibilities and requirements for the awarding of CIGF funds, student support services, and data sharing with the Department of Higher Education, as outlined in these guidelines.

ELIGIBLE STUDENT:

An undergraduate student who has been admitted to an eligible institution and meets the following requirements:

- a) is a permanent legal resident of Massachusetts for at least one year prior to the start of the academic year;
- b) is a United States citizen or a non-citizen eligible under Federal Title IV regulations;
- c) is a first-time (never attended) undergraduate certificate or degree-seeking student, as of Fall 2012, and who continues to enroll in consecutive semesters/academic years in an eligible Massachusetts public college or university – after initial enrollment during Fall 2012;
- d) annually files the Free Application for Federal Student Aid (FAFSA);
- e) demonstrates eligibility for the Federal Pell Grant program in every year of participation in the pilot program;

- f) has signed the Completion Incentive Grant Participation Agreement;
- g) maintains a minimum GPA of 2.0 each semester and Satisfactory Academic Progress in accordance with institutional standards;
- h) is not in default with applicable law regarding any Federal or State student education loans for attendance at any institution or owes a refund for any previous financial aid received;
- i) if required, is in compliance with applicable law regarding Selective Service Registration;
- j) if enrolled in English as a Second Language (ESL) program courses, is also simultaneously enrolled in either a certificate, associate or bachelors degree program;

AWARD VALUE

The maximum semester award under this program is \$1,000 per student and shall be based on actual credits completed during each traditional semester, fall and spring, as follows:

Number of Credits	Community College	State Universities/UMASS
15	\$1,000	\$1000
14	\$900	\$900
13	\$800	\$800
12	\$700	\$700
11	\$600	-0-
10	\$500	-0-
9	\$400	-0-

Credits earned for developmental education and ESL courses may be counted towards the total credits for the CIGF award.

Students may receive a maximum \$2,000 CIGF for the academic year. Students who have not reached the annual maximum during the fall and spring terms of the academic year may earn \$100 per credit during summer sessions.

In any and all cases, the maximum award per student shall not exceed \$2,000 for a full academic year (fall, spring and summer).

AWARD PROCEDURE

The pilot will use a random assignment research design to compare the outcomes of students who receive an award with a control group who will not receive the award. Students will be randomly assigned to either participate in the CIGF and receive an invitation to participate, or students will be assigned to the control group and receive no materials. In addition to a quantitative analysis, the evaluation will also include a qualitative analysis. Pilot participants and faculty and administrators from participating institutions will be interviewed individually or in focus groups.

Participating institutions are required to verify the enrollment status of all students identified to participate in the CIGF pilot each semester. Based on enrolled credits and upon verification of Grade Point Average (GPA) and credits earned, the Office of Student Financial Assistance will pay incentive awards for all eligible students through the standard procedures used for disbursing state financial aid funds. Such disbursement may occur either once per semester (at the end of each academic period), or twice each semester (one-half at the mid-point of the semester, with remaining funds disbursed at the end of the academic term) upon verification of total credits completed. Summer awards, if applicable, will be paid at the conclusion of the summer term and upon verification of GPA and credits earned.

Payments must be provided directly to each student, unless a balance is owed to the institution for direct charges, or the institution and student agrees to apply the CIGF to the student loan in an effort to reduce the student's loan debt for the specific term for which the award was earned.

In addition to completing the verification of enrollment status (credits and GPA) of students each semester, institutions are also responsible for providing the Department of Higher Education and the Office of Student Financial Assistance with related data for pilot participants, as specified in the CIGF Institutional Participation Agreement to facilitate payments to eligible students.

ANNUAL REVIEW

The Department of Higher Education is responsible for evaluating the effectiveness of this program. Institutions that have signed an agreement to participate in this pilot program are required to share qualitative and quantitative data (for all students involved in the CIGF) with the Department of Higher Education or its designee, and the Office of Student Financial Assistance for this purpose. The program may be evaluated annually in an effort to determine any immediate impact or to determine if adjustments are required for various processes, such as disbursement of funds. At the conclusion of the pilot in the summer of 2016, a comprehensive evaluation will be conducted to assess the program's overall effectiveness, the results of which will be reported to the Board of Higher Education.

PARTICIPATION AGREEMENTS

In addition to the State Financial Aid Participation Agreement that is maintained on file in the State Office of Student Financial Assistance, campuses participating in the CIGF pilot must also execute the CIGF Institutional Agreement, which outlines all terms and responsibilities between the institution and the Department of Higher Education.

AUDIT REQUIREMENTS

- a) It shall be the responsibility of each college and university to maintain documentation of a recipient student's eligibility for the Completion Incentive Grant Fund.
- b) The Commissioner shall require each campus to furnish annually to the Board of Higher Education a report detailing specific information regarding recipients of the Completion Incentive Grant Fund Program. The Office of Student Financial Assistance will coordinate specification and procedures for this report.

- c) All financial books, records and documents pertaining to this program shall at all times be open to inspection, review, and audit by the Commissioner, the State Auditor or their authorized representatives who shall have access to the premises wherever such books, records, and documents are located. The institution shall retain such financial books, records, and documents for seven years. An institution may retain such records for a period of five years if approval is received from the Records Conservation Board in accordance with General Laws, Chapter 30, Section 42.