
ADVANCING AFFORDABILITY ACROSS THREE STATES

ALABAMA – Dr. Jim Hood

HAWAI'I – Dr. Pearl Iboshi

LOUISIANA – Dr. Kim Hunter Reed

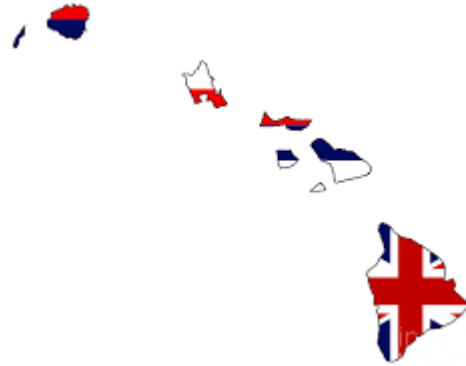
HCM Strategists – Dr. Rachelle Sharpe



THREE STATES EXAMINED THEIR NEED-BASED FINANCIAL AID PROGRAMS



ALABAMA



HAWAI'I



LOUISIANA

HCM STRATEGISTS

HCM is an education public policy and advocacy consulting firm focused on reducing the racial wealth gap through education and workforce training policy, innovation, and organizational development.



Advocacy



- Coalition building
- Facilitation
- Outreach

Research



- Gap analysis
- Policy development
- Data analysis

Execution



- Strategic planning
- Evaluation
- Design

TOPICS

State Context

Affordability Challenges

Student & Aid Administrator Perspectives

Strategies to Strengthen Programs

STATE CONTEXT: Alabama's workforce relies on well-trained and educated workers, but the state is not preparing enough residents to fill quality jobs.



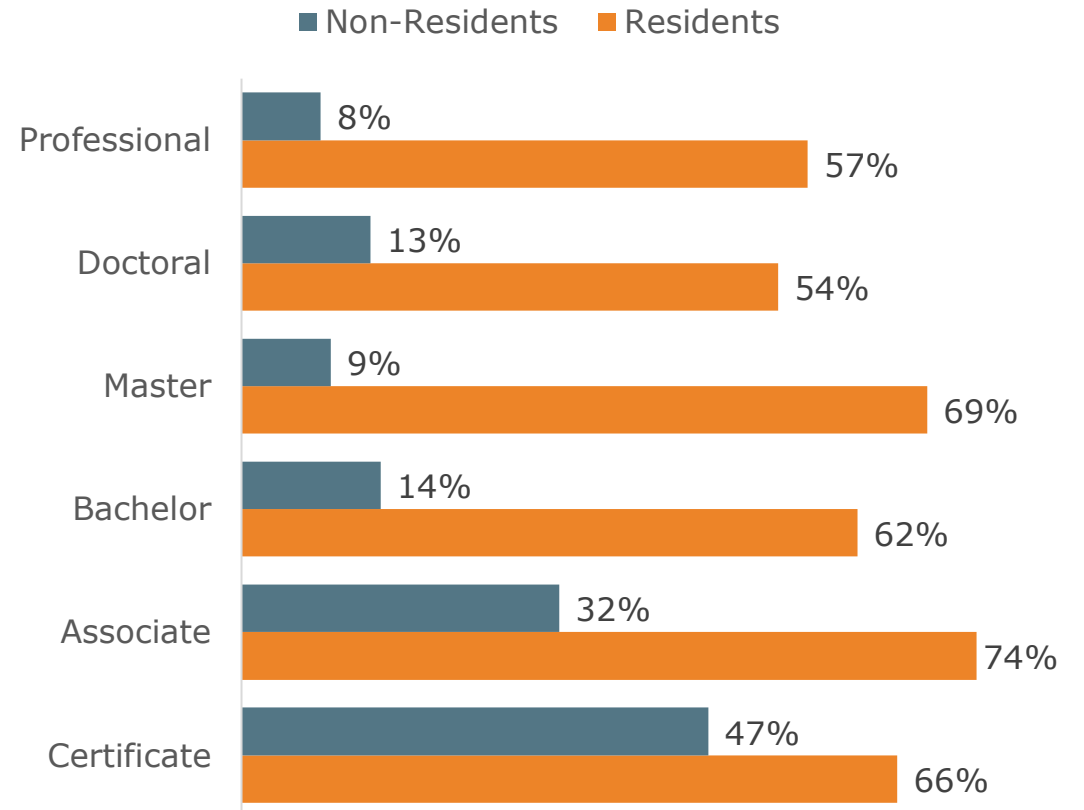
Positive Trends

- Low unemployment
- Strong high school graduation rates
- College in high school options
- Graduates stay in state

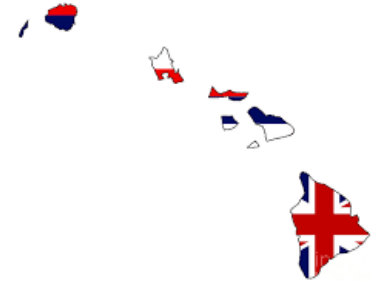
Key Challenges

- Low labor force participation
- Lower college-going rates
- Lack of access by low-income in 4-year & enrollment declines in CCs
- Low completion rates

Employment in Alabama
College Graduates by Residency Status



STATE CONTEXT: The Hawai'i system is developing a new strategic plan focused on bringing parity in outcomes for indigenous populations.



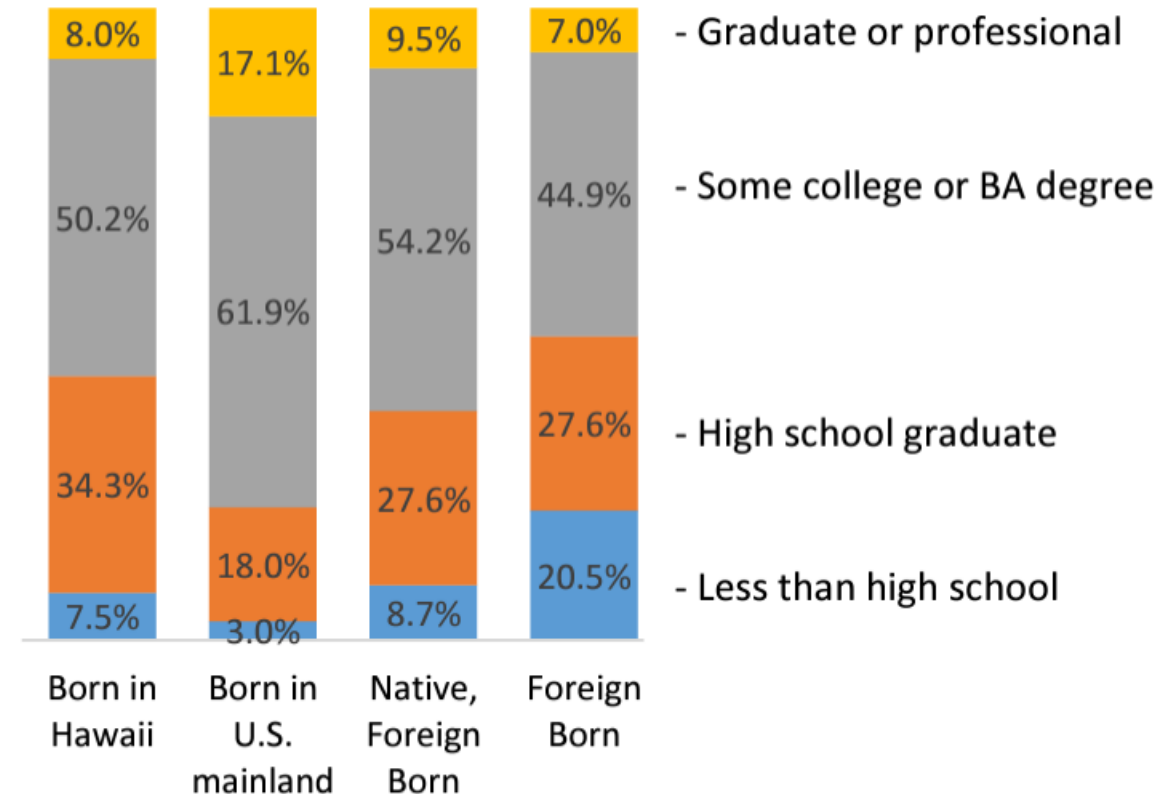
Positive Trends

- Parity in enrollment
- University of Hawai'i sole provider of education and committed to serve the needs of indigenous populations
- Coalition of leaders seeking major structural reform

Key Challenges

- Employment declines
- Lower educational outcomes for Native Hawai'ians, Pacific Islanders and Filipinos

Educational attainment by place of birth



STATE CONTEXT: Louisiana's talent imperative requires a broad approach to affordability.



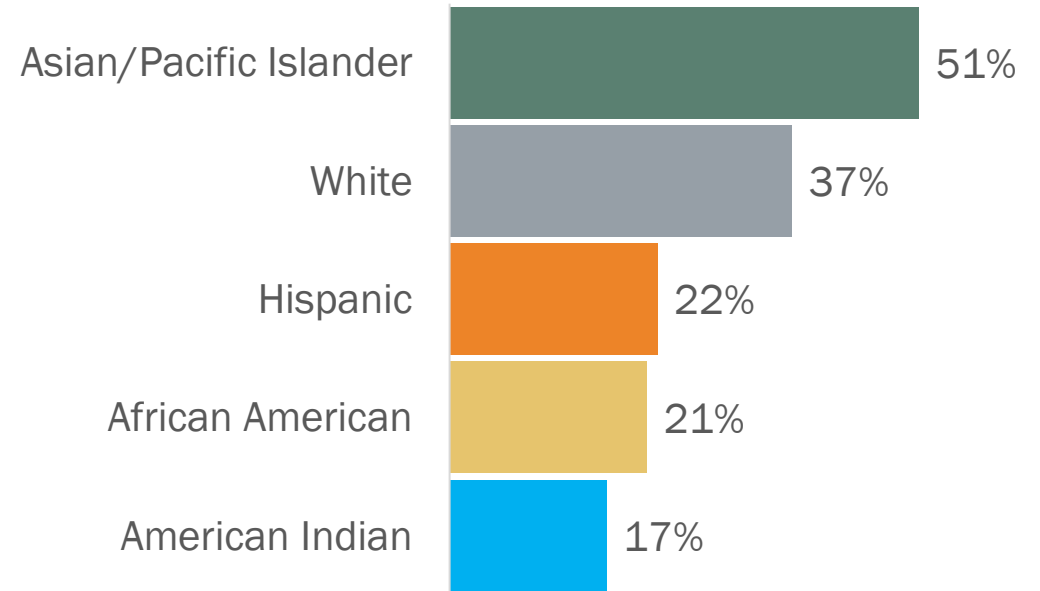
Positive Trends

- Progress made in educational attainment over the last decade
- Most sectors (outside of oil, gas & manufacturing) are experiencing growth

Key Challenges

- Low labor force participation (57.7%)
- 26% of children live in poverty
- 16% of youth are disconnected
- Stark educational success disparities by race

Louisiana Degree Attainment by Race/Ethnicity



AFFORDABILITY - ALABAMA

Positive Aspects

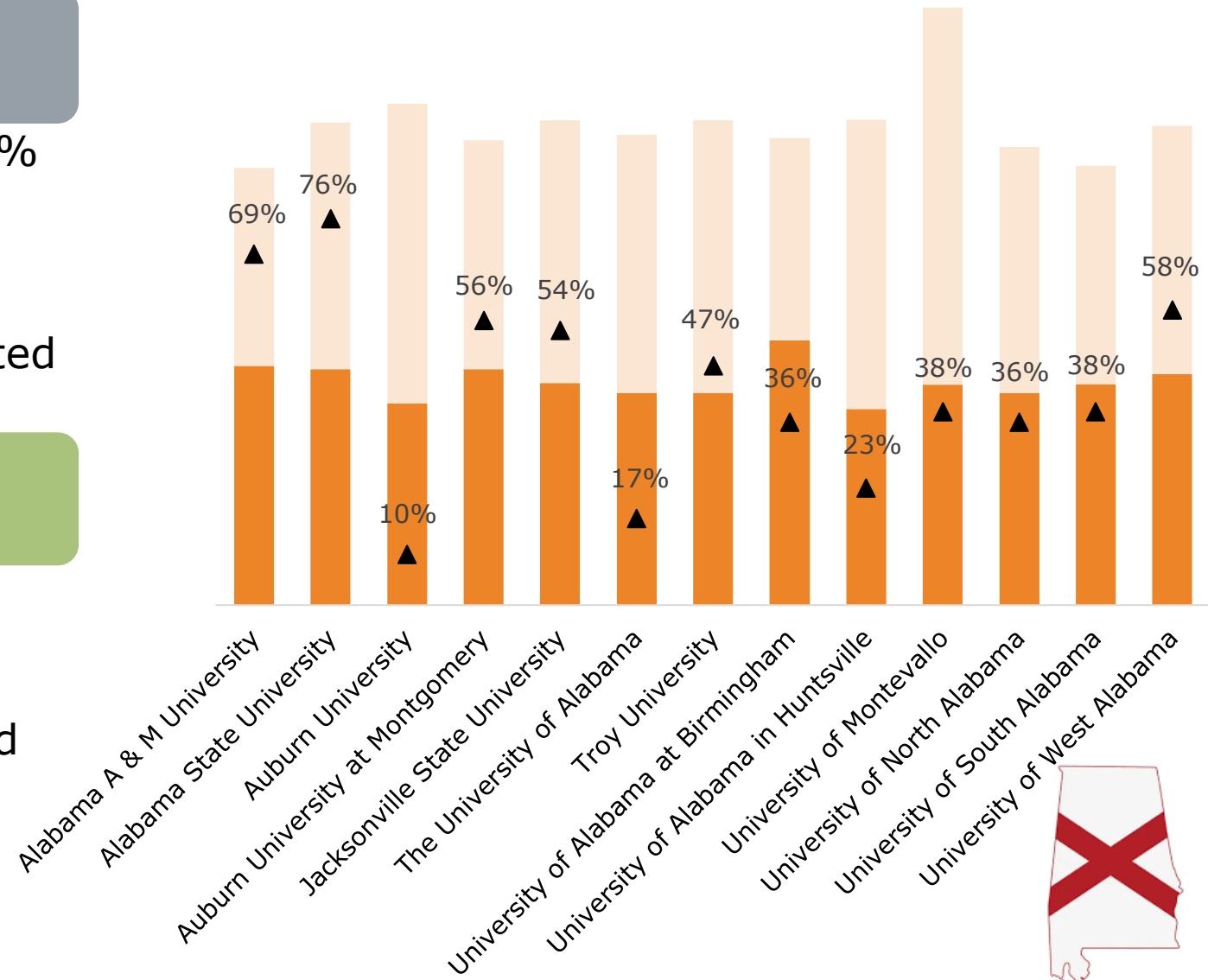
- Dedicated account for education rose 37% in four years reaching more than \$2 B
- FY 22 budget is largest in state history – prior to federal relief dollars
- Provides significant aid to military-affiliated students

Key Challenges

- Lower per-student funding – 20% less than national average – 4th highest in tuition revenue per student
- CC tuition increased 19% in 10 years and 4-year tuition by 33%
- 24% of aid funding provided for grant programs

Pell Coverage of Tuition and Percent Receiving Pell

■ Average Pell Grant Award ▲ Percent of Students Receiving Pell Grant



STATE FINANCIAL AID: Alabama Assistance Program & Alabama Student Grant

ASAP Recipient Race and Ethnicity



80 institutions & varied programs

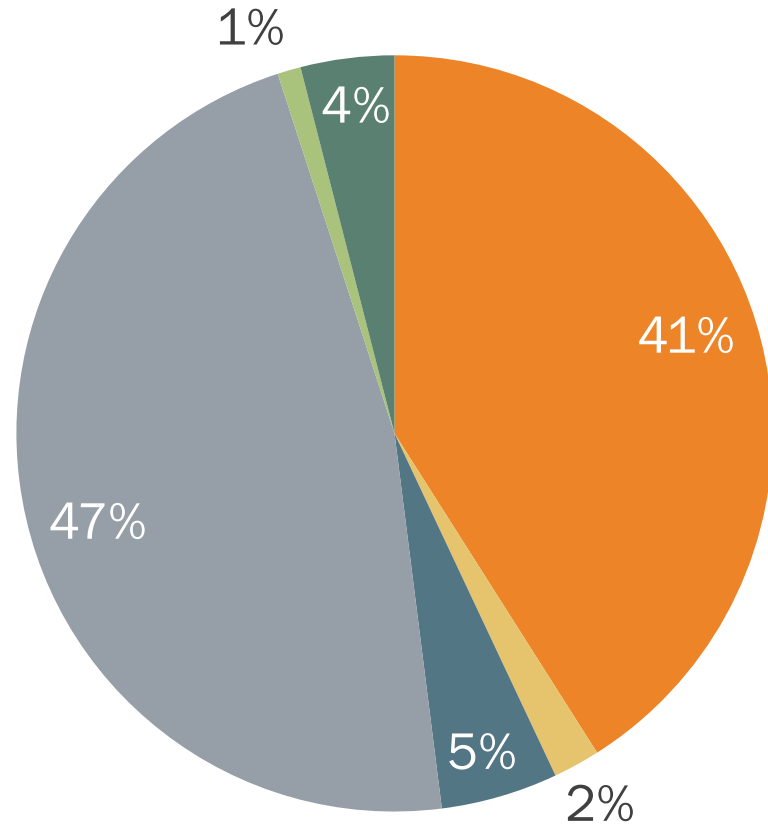
Varied & low awards

68% female

Average income \$19,000

Most dependent & young

3/4 attend full-time



- Black
- Asian
- Hispanic
- White
- American Indian
- Multiracial

AFFORDABILITY – HAWAI'I

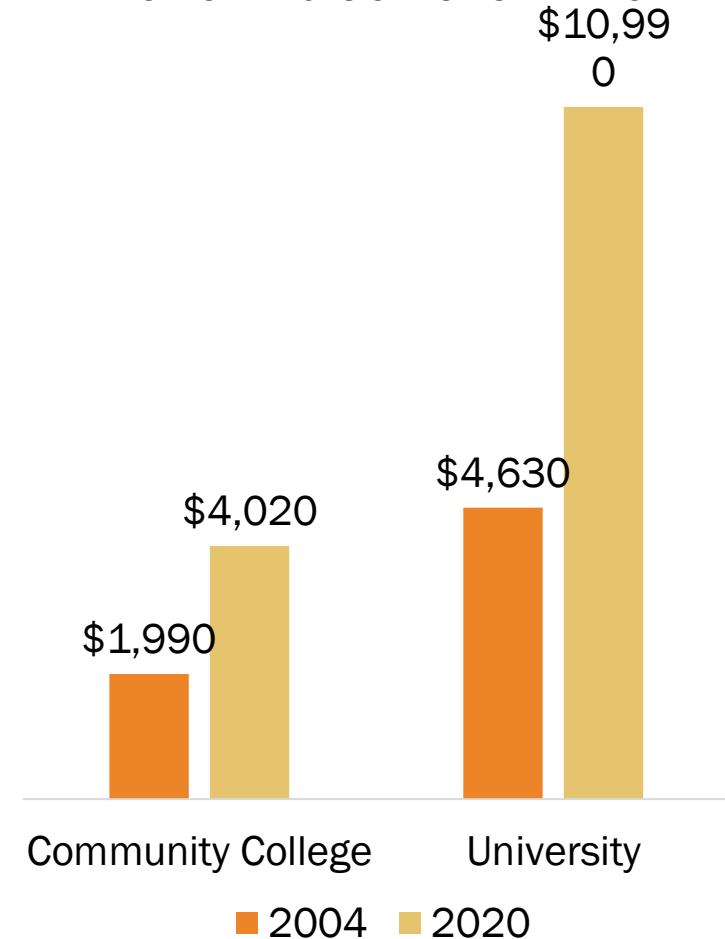
Positive Aspects

- FY 23 budget provided sufficient funding to reach pre-pandemic levels (FY 21)
- HI has one of the highest per student funding levels

Key Challenges

- Funding was reduced significantly at the start of the pandemic
- HI tuition is higher in the four-year colleges than many states
- Need-based aid provides one of the lowest amounts per undergraduate student (\$113)
- 58% of students experience basic needs concerns

Hawai'i Tuition Over Time



STATE FINANCIAL AID: Hawai'i Promise & B+ Scholarship

HI Promise Program

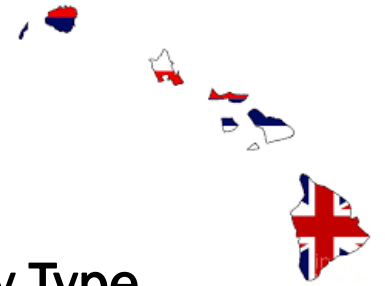
For use among 7 community colleges

- Need-based - supports middle income students
- 1,800 students received \$3M in FY21
- Last dollar ~ average award \$1,600
- All eligible students are funded
- Tuition & books covered

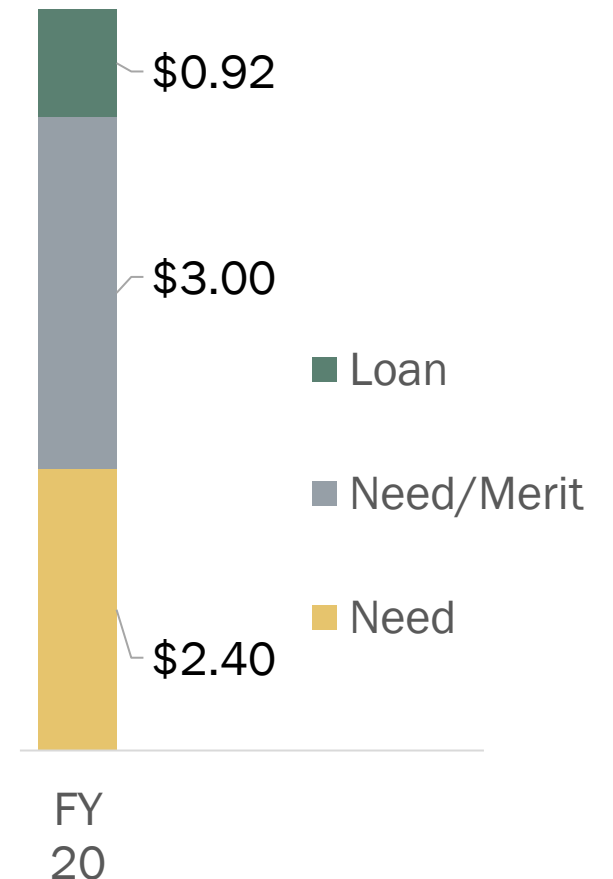
B+ Scholarship

For HI high school graduates

- Need-based eligibility
- Rigorous high school curriculum & 3.0 GPA+



HI Aid by Type
(Dollars in Millions)



AFFORDABILITY - LOUISIANA

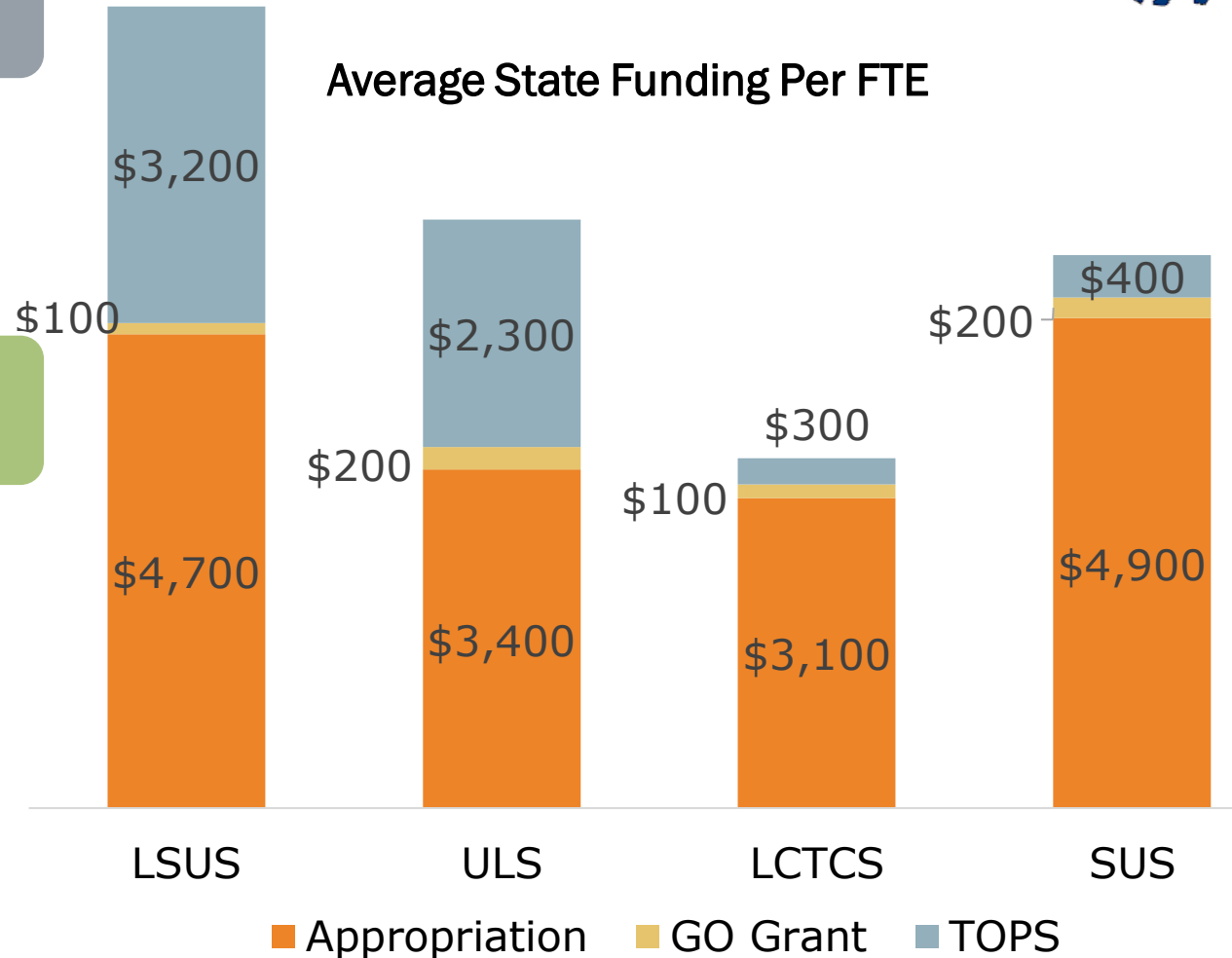


Positive Aspects

- LA prioritizes aid more than other states
- Over 1/3 of funding directed to aid
- Recent increases to need-based GO Grant

Key Challenges

- Decreased investment and increased tuition
- Funding reduced 38% in a decade, doubling tuition
- Variation in public tuition



STATE FINANCIAL AID: GO Grant



Supplements Pell Grant

Priority for adult learners

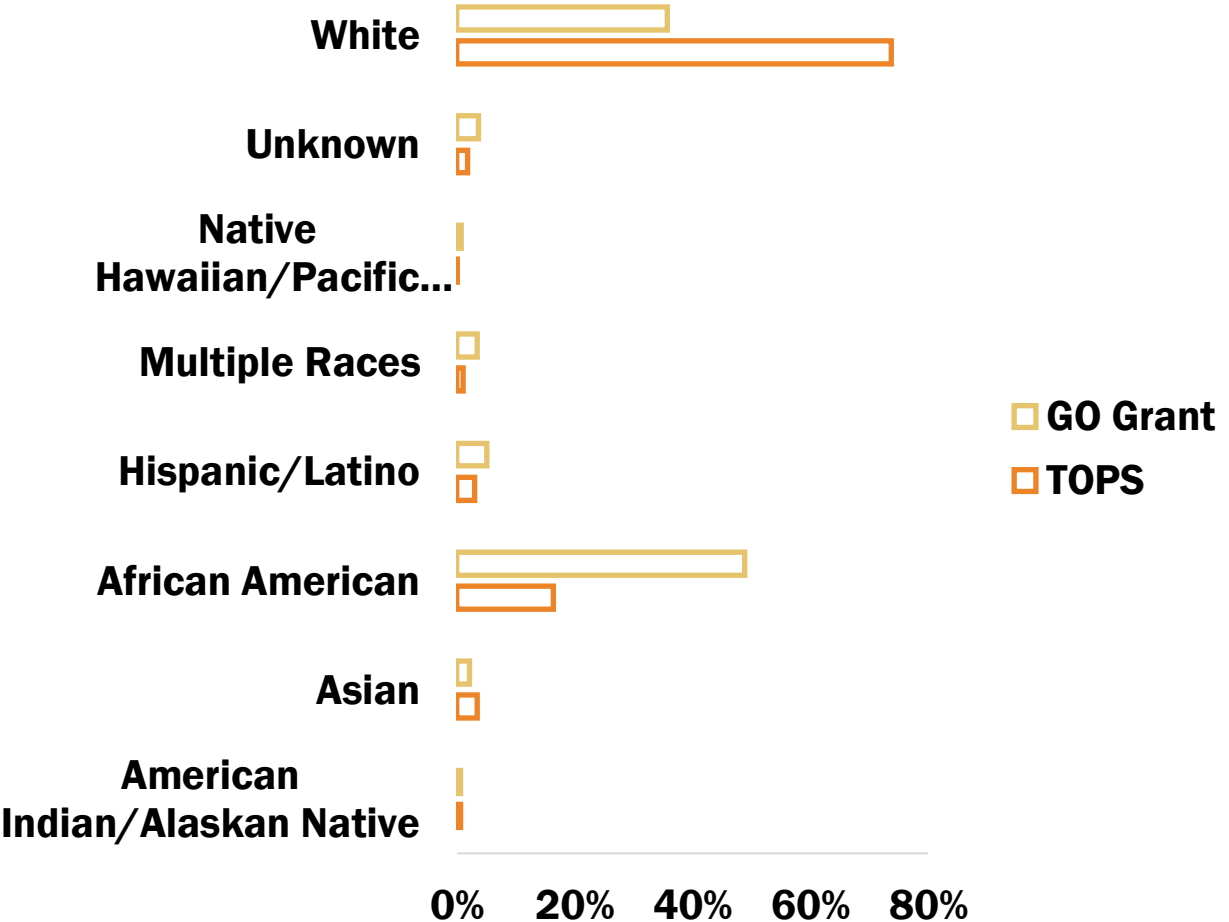
Funding has been consistent

Campuses have flexibility to set policy within state regulations

GO Grant serves diverse population

- Average age 26
- 49% African American

GO Grant vs TOPS Demographics



ALABAMA STATE LEADERS & AID ADMINISTRATORS



Addressing affordability has not been aligned to state goals.

Legislative attention reflected in funding to institutions

Awareness of aid limited to military-related programs

Institutions have autonomy to set policy

Aid administrators desire timely allocations.

Appreciate support for AL students.

Value program flexibility.

Desire increased funding and timely allocations.

My institution will not award ASAP until we receive the check which is [typically received] late in the semester after many students in need have already accepted the full amount of their federal loans thus reducing their unmet need/eligibility for ASAP funds. ~CC financial aid director

ALABAMA STUDENTS indicate financial aid is critical, but they encounter challenges with campus processes.



Financial aid supports students, but they struggle to understand processes.

Affected ability to attend and choice of campus.

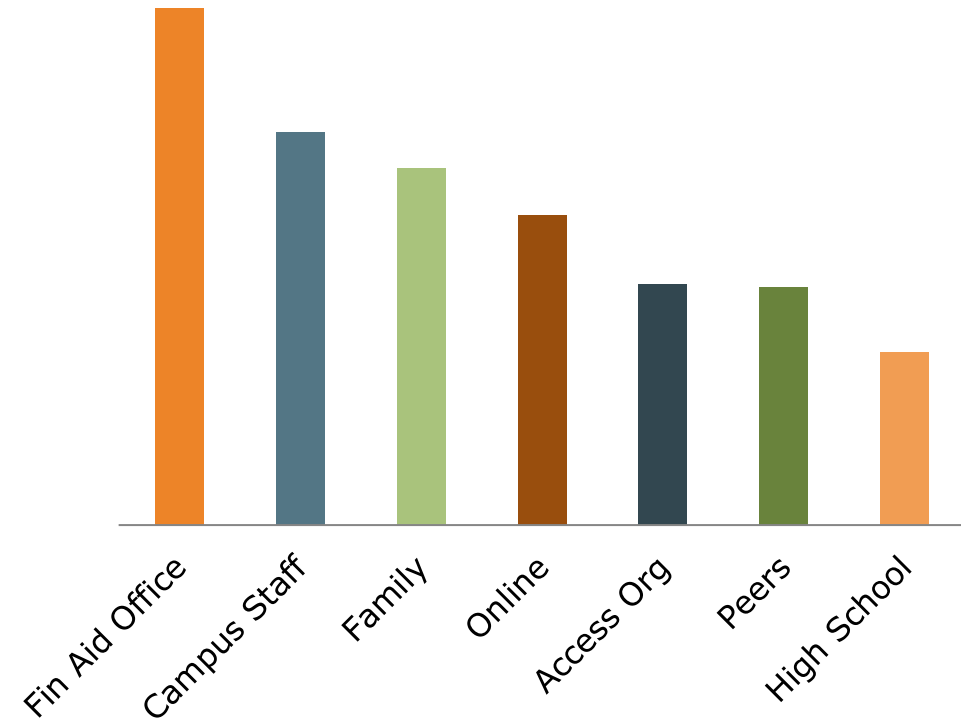
Students worry about affordability.

Students work more than halftime.

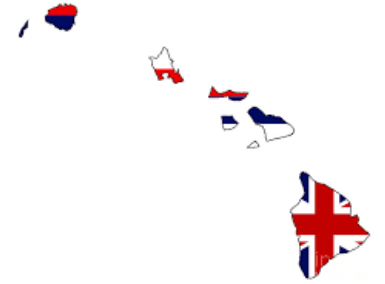
Difficulties include delayed funding and changes in awards.

I wish more financial assistance was provided to students like myself. It is extremely difficult to have high spirits when seeing classmates driving cars, using laptops, and getting care packages, when my family could only provide love.
~Alabama student

Sources of Financial Aid Adv for Alabama Financial Aid Recipients



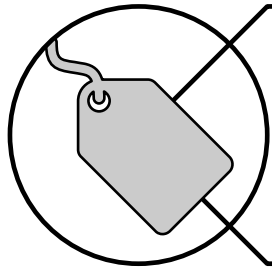
HAWAI'I AID ADMINISTRATORS & STUDENTS



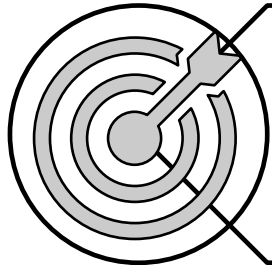
- Current resources available for student financial aid awards are insufficient
- Financial aid program offerings are overly complex and difficult for students to understand
- Each financial aid program has its own strengths, challenges, and opportunities
- Additional financial aid personnel capacity is highly needed at many campuses
- Students do not currently perceive their financial aid office staff as helpful resources
- Better student communication is necessary to improve access for critical student populations
- Better coordination with other key stakeholders is needed
- There is a lack of consistent data use across the system and campuses
- It is unclear how well those key populations are being served.

As a first-generation college student, not having family members who went to college it seemed daunting and intimidating to realize the feasibility of going to college. Financial aid played a huge role in reassuring that it was possible, especially from a low-income Native Hawaiian background. It helped me realize I could change the narrative for my family. – Hawai'i Student

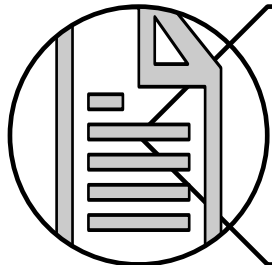
LOUISIANA AID ADMINISTRATORS & RECORD LEVEL DATA



25+ important priority
Appreciate flexibility
Would like to shape policy direction

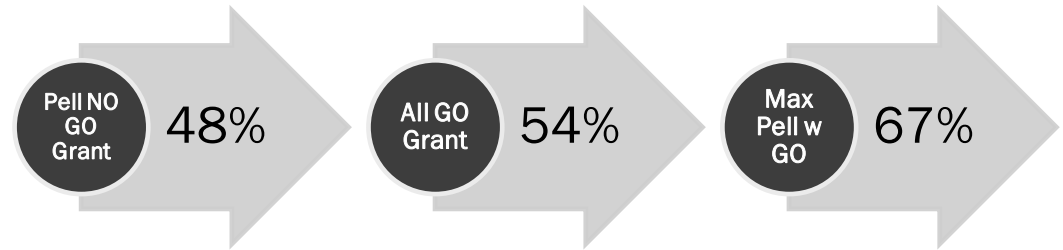


Would rather determine award amount
Can impact ability to serve lowest income
Lack of automation of the 60% in campus systems



Separate application
Delayed appropriations
Recalculations for over-awards (scholarships and enrollment)

First-Time Freshmen Continuation into Third Year



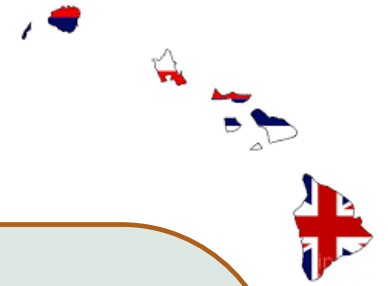
- Campus aid administrators appreciate the flexibility to focus on their students' needs and they take different approaches.
- Campus polices vary between and within systems.
- Average EFCs vary as a result of different policies.
- Students receive lower than average awards and most borrow.
- Many eligible students are not served by GO Grant.

RECOMMENDATIONS FOR ALABAMA



- **Establish priorities** for the higher education system and tie operating funding and financial aid to state workforce goals.
- **Examine financial aid policies**, outcomes and the connections to the state's workforce goals.
- **Increase grant support** for the Alabama Student Assistance Program and Alabama Student Grant program and align eligibility criteria.
- **Advance funding** to institutions to enable students to receive earlier information and mitigate borrowing.
- **Modernize** financial aid administration to improve processes and training.
- Provide **technical support** to campuses interested in implementing evidence-based practices to support students trying to navigate financial aid processes.

RECOMMENDATIONS FOR HAWAII



- Develop and articulate a clear **definition of equity** to guide systemwide decision-making to support moving away from non-equitable practices, such as awarding on a first come first serve basis.
- Develop a culture of **consistent data use** to support informed decision-making that supports institutional and system goals and priorities.
- **Prioritize need-based aid** as much as possible and incorporate FAFSA completion into merit-aid application processes.
- Focus on efforts that support increasing **FAFSA completion** rates, particularly at Hawai'i's community colleges.
- Prioritize campus alignment and a consistent approach to **awarding practices** and policies.
- Alleviate **campus capacity** issues by implementing new technologies, automating processes, developing conduits for stronger collaboration across the system and campuses, and providing more direct supports to campuses.
- Simplify and **streamline programs** and administrative processes.
- Improve **communications** with students and connect them to other resources available to them.

RECOMMENDATIONS FOR LOUISIANA

Provide predictable new investments to the GO Grant program.

Remove the 60% target.

Create a statewide review panel to consider the following:

Examine the allocation and recalculation rules and methodology to allow more students to receive timely information and disbursements.

Eliminate separate applications for GO Grant.

Review the feasibility of early commitments of minimal awards.



DISCUSSION

