Improving Financial Aid through Enhanced Reporting: Using Research, Policy, and Data Empowerment

2022 SHEEO Higher Education Policy Conference
August 10th, 2022
The University of Michigan (UM) research group is a team of graduate students in the UM Center for the Study of Higher and Postsecondary Education under the guidance of Drs. Stephen DesJardins and Brian McCall.

The Tennessee Higher Education Commission (THEC) is relentlessly focused on increasing the number of Tennesseans with a postsecondary credential.

**Presenters**

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Brian Douglas, Tennessee Higher Education Commission
Kristen Cummings, University of Michigan
SESSION OVERVIEW

Part I: The THEC-University of Michigan Partnership

Part II: Re-Envisioning Financial Aid Reporting in Tennessee

What's Next?
Part I:

THEC-UM Partnership
Tennessee Policy Context

• HOPE Scholarship created in 2004

• Updates and revisions to award amounts and requirements have evolved over time

• THEC produces an annual, descriptive report on student participation, renewal, and completion

• HOPE intersects with a suite of state financial aid programs, including Tennessee Promise
About the Partnership

A research-policy partnership with a co-created research agenda that prioritized the production of information and analysis that directly supports THEC/TSAC’s work and contributes to the academic literature on merit-based financial aid.

Many thanks to our partnership’s leadership team, Drs. Emily House (Executive Director, THEC/TSAC), Stephen DesJardins (Professor, CSHPE), and Brian McCall (Professor, CSHPE). Thanks as well to the Institute of Education Sciences, U.S. Department of Education (PR/Award R305B150012#), which provided training support to KC Deane and Kristen Cummings.
Partnership History

2018
- Leadership met to explore research opportunities
- Identified answerable research questions
- Data Use Agreement (DUA) developed and initial data received

2019
- Data updates received
- Policy outputs reviewed and finalized
- Direction re-setting; focus on HOPE scholarship loss and impact estimates

2020
- Memo development; data use agreement update; planning
  - Brainstorming
  - Institutional Profiles

2021
- Continued investigation of HOPE Loss and institution profile work
  - P20 Application

2022
- Transition to P20 environment; expansion of research question scope
  - Institution Profiles hand-off
UM Research

- **Year 1**: Began w/ THEC-identified RQs related to HOPE
  
  *Deliverable*: A series of descriptive policy briefs targeting THEC audience

- **Year 2**: THEC & UM co-constructed actionable RQs to pursue in subsequent years of the partnership.
  
  *Deliverables*: Descriptive policy memos targeting THEC & began work on academic-oriented projects focused on more rigorous research designs

- **Years 3+**: Focused predominately on academic-oriented projects. UM researchers continued to communicate & discuss findings w/ THEC staff
  
  *Deliverables*: Conference presentations & journal articles. Presentations & discussions about research findings with THEC staff
Research Questions & Methods

1. What would it cost to support students who lose the HOPE scholarship late in college?
   • Descriptive exploration & cost estimations

2. At the institution level, how do the demographics of HOPE recipients change as students progress through each of the four HOPE renewal checkpoints?
   • Descriptive institution-level profiles

3. How does HOPE Aspire eligibility influence low-income students’ decisions of whether and where to enroll in college?
   • Regression discontinuity design

4. What are the effects of HOPE scholarship loss at the first checkpoint on stop-out, transfer, and degree completion? How do these effects vary by student subgroup?
   • Regression discontinuity design & competing risks analysis
Findings: Effects of HOPE Loss

At TN Community Colleges:
- **Stop-out**: No effect
- **Cross-sector transfer**: ↓ for full sample, low-income, female, and rural students
- **100% time AA**: ↓ for higher-income and female students
- **200% time AA**: ↓ for full sample, low-income, and rural students

At TN Public Four-Years:
- **Stop-out**: ↑ for full sample, higher-income White students
- **Cross-sector transfer**: ↑ for low- and higher-income Black students, ↓ for higher-income White students
- **100% time BA**: ↓ for low-income Black and White students, ↑ for higher-income White students
- **150% time BA**: ↓ for higher-income Black students
HOPE Loss: Main Takeaways & Implications for Policy

• Student populations experience loss differently and the estimation of average effects masks this variation.

• Across both the two- and four-year sectors, the effects of HOPE loss are often not immediate and may occur years after HOPE loss.

• Why and how loss affects student outcomes likely goes beyond a purely financial mechanism.
Translating Research to Practice

- Research questions are co-formed between SHEEO staff and academic research partners
- Research questions evolve and outputs are iterative
- Communication is critical – between project leads, researchers, and SHEEO staff
- Apply what is learned to improve practice
Part II:
Rethinking Financial Aid Reporting in Tennessee
TELS – Lottery Report

A legislatively mandated annual report designed to research and analyze data concerning the state’s scholarship and grant programs related to student success and scholarship retention.
Data Source Evolution:
• Institution reported

Institution Reported
• Lottery related data reported with semester enrollment files
Data Source Evolution:
• Institution reported – eGRandS – FAST

eGRandS
• Electronic Grants and Scholarship
  • Primary system used by colleges, universities, and state aid officials to administer state educational grant and scholarship programs in Tennessee
  • Managed by TSAC
    • Tennessee Student Assistance Corporation

FAST
• Financial Aid System of Tennessee
Data Source Evolution:
• Institution reported – eGRandS – FAST – FA_DW

FA_DW
• Financial Aid Data Warehouse
• Easier to understand
• Intuitive naming
**FADW Creation Steps**

- TELS Lottery Report
- Other Active Programs
- FAFSA
- Applicant Data
- Student Information System ID link
## Differences in eGRandS and FA_DW

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Developing a Plan of Action

• **Goals:**
  • More transparency
  • Greater granularity
  • Narrative context

• **Outputs:**
  • Printable, narrative report
  • Data downloads
  • Data dashboards

• **Needs:**
  • Relational database for financial aid data reporting and usage
  • Comparable year-year data
  • Automated processes
  • Improved data storage
Information Gathering

• Review of statute

• Stakeholder engagement:
  • Internal (e.g., cross-agency bureaus)
  • External (e.g., institutional and system partners)
  • Iterative process (before, during, and after reporting)

• Peer comparisons:
  • Texas, Report on Student Financial Aid in Texas Higher Education
  • Georgia, Keeping the Hope Scholarship Throughout Georgia

• Finding our audience:
  • Legislative staffers
  • THEC/TSAC administrators
  • Institutional/system personnel
  • Policy advocates
  • Researchers
2021 TELS Report Findings (Abridged)

- **28,484** First-Time Recipients
- **$51M+** Award Dollars
- **53** Colleges
- **92%** >3.0 GPA
- **72%** >21 ACT
Share of Recipients by Adjusted Gross Income (AGI)

First-Time TELS Recipients vs All TELS Recipients

- $12,000 or Less: 5% 5%
- $12,001 - $24,000: 9% 8%
- $24,001 - $36,000: 10% 9%
- $36,001 - $48,000: 9% 8%
- $48,001 - $60,000: 7% 7%
- $60,001 - $72,000: 7% 7%
- $72,001 - $84,000: 7% 7%
- $84,001 - $96,000: 7% 7%
- Over $96,000: 40% 43%
Change in Headcount by AGI Group

- First-Time TELS Recipients
- All TELS Recipients

-19% | -16% | -12% | -12% | -12% | -9% | -9% | -1% | -4% | -4% | 0% | 1% | 6%

$12,000 or Less | $12,001 - $24,000 | $24,001 - $36,000 | $36,001 - $48,000 | $48,001 - $60,000 | $60,001 - $72,000 | $72,001 - $84,000 | $84,001 - $96,000 | Over $96,000
First-Year Outcomes, Fall 2019 Cohort

79% remained enrolled regardless of scholarship maintenance.

63% renewed their scholarship for a second year.

45% of those who did not renew remained enrolled.

First-Year Renewal Rates and Retention Rates for Non-Renewals

Fall 2015  Fall 2016  Fall 2017  Fall 2018  Fall 2019

The gray line represents overall retention rate.
The medium blue line represents non-renewal retention rates.
The dark blue line represents first-year renewal rates.
Renewal and Retention Through Year 5, Fall 2014
First-Time TELS Recipients

- **Year 1**: 100% (all renewed)
- **Year 2**: 57% renewed, 26% did not renew but still enrolled, 17% not enrolled, earned award
- **Year 3**: 48% renewed, 25% did not renew but still enrolled, 2% not enrolled, did not earn award, 25% not enrolled, did not earn award
- **Year 4**: 38% renewed, 27% did not renew but still enrolled, 7% not enrolled, earned award, 28% not enrolled, did not earn award
- **Year 5**: 6% renewed, 25% did not renew but still enrolled, 39% not enrolled, earned award, 31% not enrolled, did not earn award
Data Resources

Interactive Dashboards
- Student Participation
- Recipient Outcomes

Downloadable Data
- Participation by Program and Institution
- Recipient Outcomes by Institution

TN.gov/THEC/Research

Financial Aid Reports > TN Education Lottery Scholarship Report
In Closing

- Sensitivity
- Transparency
- Accuracy and Efficiency
- Visibility
What's Next

- Access
- Consistency
- Use
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