

HIGHER EDUCATION FINANCIAL AID PROGRAMS

Higher Education Financial Aid Grant Programs and Awards, 2022

VGAP requirements: removing full-time and progression ► The General Assembly may wish to consider amending § 23.1-638 of the Code of Virginia to allow in-state undergraduate students who are enrolled in at least six credit hours of academic coursework at public higher education institutions to be eligible to receive pro-rated state financial aid grant awards through the Virginia Guaranteed Assistance Program (VGAP) instead of requiring VGAP recipients to maintain continuous full-time enrollment and progress a class level each year. (Recommendation 1)

Removing VGAP high school GPA requirement ► The General Assembly may wish to consider amending § 23.1-638 of the Code of Virginia to eliminate the requirement that students receiving the Virginia Guaranteed Assistance Program grant have a cumulative high school grade point average of at least 2.5. (Recommendation 2)

Removing VGAP college GPA requirement ► The General Assembly may wish to consider amending § 23.1-638 of the Code of Virginia to require recipients of Virginia Guaranteed Assistance Program grants to meet the satisfactory academic progress requirements set by their public higher education institution instead of requiring all students to have a cumulative college GPA of 2.0 to continue receiving the grant after their first year. (Recommendation 3)

Removing VGAP's requirement to provide progression bonuses ► The General Assembly may wish to consider amending § 23.1-638 of the Code of Virginia to no longer require public higher education institutions to increase students' Virginia Guaranteed Assistance Program grant awards as they progress to higher class levels. (Recommendation 4)

Creating a progression bonus pilot program ► If the General Assembly wishes to maintain a progression bonus, it may wish to consider amending § 23.1-638 of the Code of Virginia to pilot a new state financial aid progression bonus program that requires public higher education institutions to provide a minimum increase of \$1,200 in additional state financial aid grant funding to students who re-enroll for their sophomore, junior, and senior years. (Recommendation 5)

Removing "last dollar" policy for state grants ► The General Assembly may wish to consider amending § 23.1-601 of the Code of Virginia to require public higher education institutions to calculate per-student state financial aid grant awards after subtracting per-student federal Pell grant awards. (Recommendation 6)

Replace VGAP with Virginia Commonwealth Award Program ► The General Assembly may wish to consider amending § 23.1-636 of the Code of Virginia to eliminate the Virginia Guaranteed Assistance Program and establish the Virginia Commonwealth Award Program as the state's primary need-based state financial aid grant program. (Recommendation 7)

Board approval of state financial aid grant funding allocations ► The General Assembly may wish to consider amending Chapter 2 of § 23.1 of the Code of Virginia to require members of the State Council of Higher Education for Virginia (SCHEV) to approve changes to SCHEV staff's methodology used to determine recommended state financial aid grant funding allocations to public higher education institutions. (Recommendation 10)

Reporting key metrics of state financial aid grant funding ► The General Assembly may wish to consider amending § 23.1-601 of the Code of Virginia to require staff from the State Council of Higher Education for Virginia (SCHEV) to annually review and report to SCHEV council members key financial aid metrics for students, by expected family contribution bracket or the federal metric that replaces it, including: (i) the number of in-state undergraduate students attending public institutions; (ii) the aggregate and average amount of student financial need toward tuition and fees addressed using state financial aid grants; and (iii) the aggregate and average amount of unmet student financial need toward tuition and fees after all financial aid grants are awarded, and use this information as the basis for recommending to SCHEV council members changes to the state's approach to financial aid grant funding or student grant eligibility requirements, as needed. (Recommendation 11)

Prioritizing grants for students with the greatest financial need ► The General Assembly may wish to consider amending § 23.1-601 of the Code of Virginia to establish additional parameters for state financial aid grant awards that ensure public higher education institutions are prioritizing state grant funding to students with the most financial need. (Recommendation 12)

POLICY OPTIONS

Endowment funding in student financial aid calculations ► The General Assembly could amend § 23.1-101 of the Code of Virginia to allow financial aid funded through endowments at public higher education institutions to be factored into state financial aid grant funding decisions. (Option 1)

Uniform financial aid awarding schedule ► The General Assembly could amend § 23.1-601 of the Code of Virginia to direct the State Council of Higher Education for Virginia (SCHEV) to design and implement a uniform financial aid awarding schedule, to be approved by SCHEV council members, for awarding grants through the Virginia Guaranteed Assistance Program and the Virginia Commonwealth Award Program, which would prioritize grant awards to those students with the greatest financial need. (Option 2)

State financial aid grants for students at HBCUs ► If the General Assembly implements a statewide financial aid awarding schedule, it could require the State Council of Higher Education for Virginia to allocate to Norfolk State University and Virginia State University at least as much state financial aid funding as was allocated to these institutions in the academic year preceding the implementation of the statewide schedule. (Option 3)

Limiting state financial aid grants to neediest students ► The General Assembly could amend § 23.1-601 of the Code of Virginia to direct the State Council of Higher Education for Virginia to restrict public higher education institutions from awarding grants through the Virginia Guaranteed Assistance Program and the Virginia Commonwealth Award Program to less needy students, as measured by expected family contribution or another financial metric. (Option 4)

Grant funding for students facing financial emergencies need ► The General Assembly could include language in the Appropriation Act directing the State Council of Higher Education for Virginia to design and pilot a state emergency financial aid program that provides public higher education institutions with grant funding for students with financial need who are facing a financial emergency that puts them at risk of dropping out. (Option 5)