

# MAINE STATE LEGISLATURE

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## Improving College Affordability & Completion in Maine

*Presented to the  
Joint Standing Committee on Education and Cultural Affairs  
126<sup>th</sup> Maine Legislature  
2<sup>nd</sup> Regular Session*

*Prepared by*

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Maine Community College System  
Maine Independent Colleges Association  
(Husson University)  
Maine Maritime Academy  
University of Maine System*

*March 3, 2014*

## EXECUTIVE SUMMARY:

### Improving College Affordability and Completion in Maine

#### *Responses from Higher Education Institutions and Organizations*

March 3, 2014

The Joint Standing Committee on Education and Cultural Affairs engaged in a discussion about college affordability and completion during their consideration of LD 1703, “An Act To Increase College Affordability and the Rate of Degree Completion.” As a result, the Committee requested that the University of Maine System, the Maine Community College System, the Maine Maritime Academy, the Maine Independent Colleges Association and the Finance Authority of Maine to provide information that addresses the following questions:

1. What are the actions your system or institution is taking to create improvements in college affordability and completion? (These are actions for which no additional funding from the State is requested.)
2. What are the top four actions in priority order your system or institution would take to improve student graduation and completion that would require additional state funding?

John Fitzsimmons of MCCS, Rosa Redonnett and Ryan Low of UMS, Sue Mitchell of MMA and Bill Norbert of FAME attended the work session on LD 1703 and received this request. Following the work session the group met with Dan Walker, who represents private college associations. Although during the hearing Senator Millett, Chair of the Education and Cultural Affairs Committee, wanted one report from the stakeholders reflecting consensus by the group, after our meeting she agreed it would be very challenging trying to reach consensus among such a diverse set of institutions. It was agreed we would prepare a report reflecting our individual needs and present this report to the committee by March 3<sup>rd</sup>. President Fitzsimmons agreed to coordinate the responses and prepare a report which would use a common format for institutions’ responses for the Committee’s ease of use. (*See Appendix A on page 6 for copy of common format distributed for responses.*)

The following summary includes: first, a list of the actions already undertaken by these institutions that do not require additional State funding, and, second, the priorities and their estimated costs—*listed in priority order*—from each of the groups noted above, followed by an appendix containing their complete responses to the Committee’s request. (Appendix section begins on page 5.) Those responses include descriptions of the programs listed, the increased State funding needed to provide the program and the projected results from the program for that investment. It is important to note that what follows is not a collective priority list, though you will see some common themes.

Summary of Responses to the Questions By Institution:

1. **What are the actions your system or institution is taking to create improvements in college affordability and completion? (These are actions for which no additional funding from the State is requested.)**

**FINANCE AUTHORITY of MAINE (FAME):**

- Comprehensive college access services
- Comprehensive financial education services

**MAINE COMMUNITY COLLEGE SYSTEM:**

- Student Success Academies
- Investment in a new data system to monitor Student Retention & Completion
- Success in winning support from statewide and national foundations for improving Retention
- Maintain an affordable tuition for Maine residents

**MAINE INDEPENDENT COLLEGES ASSOCIATION (HUSSON UNIVERSITY only):**

- Has the lowest tuition of any four-year private NEASC-accredited institution.
- Engaged in a capital campaign to add \$6,000,000 to endowed scholarship pool.
- Office of Academic Support and Intercultural Services includes a Writing Center, a Learning Center, and a Center for Academic Services.

**MAINE MARITIME ACADEMY:**

- Increased aid for returning students
- Financial literacy program
- Center for student success
- The 5/50 program

**UNIVERSITY OF MAINE SYSTEM:**

- Controlling tuition costs
- Scholarships
- Innovative tuition approaches
- Incentivizing completion

2. What are the top four actions, in priority order, your system or institution would take to improve student graduation and completion that would require additional state funding?

FINANCE AUTHORITY of MAINE (FAME):

- **Increase maximum Maine State Grant award from \$1,000 to \$1,500 per student**
  - Cost: \$11,000,000 per year to serve approximately 16,000 Maine students.
- **Workforce Development Undergraduate Loan Program**
  - Cost: \$1,000,000 per year.

*(See Appendix B on page 8 for complete response)*

MAINE COMMUNITY COLLEGE SYSTEM:

- **Hire Student Success Counselors**
  - Cost: \$1,000,000 additional annual state appropriation to hire 15 Student Success Counselors to serve 2,000 students per year.
- **Increase funding for work study throughout the seven college system**
  - Cost: \$2,000,000 in additional annual appropriation to serve 500 students.
- **Create an Alternative Semester Scholarship**
  - Cost: \$3,600,000 annual state appropriation to serve 3,000 students.
- **Expand Student Success Academies**
  - Cost: \$800,000 additional annual appropriation to serve 500 students.

*(See Appendix C on page 9 for complete response)*

MAINE INDEPENDENT COLLEGES ASSOCIATION:

- None provided. For Husson University's full response,

*(See Appendix D on page 12 for complete response)*

MAINE MARITIME ACADEMY:

- **Restoring Maine State Grant Qualification Criteria**
  - Cost: \$190,000 for four years of increased grants for qualified students.
- **First Year Experience Coordinator**
  - Cost: \$190,000 for three years.
- **College Student Inventory**
  - Cost: \$4,700 for three years.
- **Academic Coach**
  - Cost: \$60,000 per year.

*(See Appendix E on page 13 for complete response)*

UNIVERSITY OF MAINE SYSTEM:

- **Preserve existing state appropriation**
  - Cost: \$10,900,000.
- **Provide additional resources for the Maine State Grant Program**
  - Cost: There is no set cost.

*(See Appendix F on page 16 for complete response)*

## APPENDIXES

### Preliminary Outline for Response to Education Committee

The Joint Standing Committee on Education and Cultural Affairs engaged in a discussion about college affordability and completion during their consideration of LD 1703, "An Act To Increase College Affordability and the Rate of Degree Completion." As a result, the Committee has requested the University of Maine System, the Maine Community College System, the Maine Maritime Academy, the Private Colleges Association and the Finance Authority of Maine to provide information that addresses the following questions:

- What are actions your system or institution is taking to create improvements in college affordability and completion? (These are actions for which no additional funding from the State is requested.)
- What are the top four actions in priority order your system or institution would take to improve student graduation and completion that would require additional state funding?

President Fitzsimmons of MCCA, Rosa Redonnett and Ryan Low of UMS, Sue Mitchell of MMA and Bill Norbert of FAME attended the work session on LD 1703 and received this request. Following the work session the group met with Dan Walker, who represents private college associations. Although during the hearing Senator Millett, Chair of the Education and Cultural Affairs Committee, wanted one report from the stakeholders' group reflecting consensus by the group, after our meeting she agreed it would be very challenging trying to reach consensus among such a diverse set of institutions. It was agreed we would prepare a report reflecting our individual needs, which may have common themes, and present this report to the committee by March 3<sup>rd</sup>. President Fitzsimmons agreed to coordinate the responses and prepare a report which would use a common format for institutions' responses for the Committee's ease of use.

#### Outline of possible process and timeline for response to the Committee:

##### Process:

- **What are actions your system or institution is taking to create improvements in college affordability and completion? (These are actions for which no additional funding from the State is requested.)**
  - Each institution provides up to four actions, using no more than a single, brief paragraph to describe each.

EXAMPLE for MCCA:

- **Student Success Academies** – Among Maine's community colleges, 3200 first-time full-time students entered degree programs in Fall 2013. Of those, 1700 required remediation. The purpose of this program would be to provide a concentrated academic preparation experience prior to a student enrolling in the fall. Students would enroll in



a student success academy if they were required to take developmental course(s) as condition of enrollment.

- **What are the top four actions IN PRIORITY ORDER your system or institution would take to improve student graduation and completion that would require additional state funding?**
  - Describe what you would do (in a single, brief paragraph for each action).
  - Describe the measurable results you expect each action would achieve and by when, how it would be measured and how many students would be affected.
  - Identify the projected cost for each action.

EXAMPLE for MCCS:

- **Student Success Counselors** – Students who receive appropriate academic advising specific to their needs are more likely to complete college. The correct help in selecting courses and navigating academic requirements can help students take the courses that will help them achieve their credential while avoiding the costly and time-consuming work of taking credits they don't need and cannot use.
- **Measurable Outcome**-MCCS will achieve a three-year success rate (Graduation, Still enrolled or Transferred to another institution) of 57% for students who enter in Fall 2013.
- **Project Cost**-The cost to hire 15 Student Success Counselors would be an additional \$1,000,0000 annual appropriation by the state.

Timeline:

- Each institution provides answers to the questions above in the format shown by noon on Thursday, 2/27. Send this information by email to Jean Mattimore at [jmattimore@mccs.me.edu](mailto:jmattimore@mccs.me.edu).
- We will create an executive summary of your responses for ease of use by the Committee with all of your detailed responses attached as you submitted them.
- We will send you a copy of the summary and all the attachments in advance of the Committee's worksession on this bill on Monday, 3/3.
- The consolidated response will be submitted to the Education Committee at their worksession on 3/3.

**FAME response regarding LD 1703**

**#1. What actions is FAME taking to create improvements in college affordability and completion? (no additional funding requested)**

FAME administers the state's higher education finance programs. Through a variety of grant, scholarship, loan, and loan repayment programs, FAME helps Maine students and families meet the costs associated with higher education. In addition to the state's finance programs, FAME administers federal and community-based programs related to paying for higher education.

FAME is committed to providing comprehensive college access and financial education services to students and schools throughout the state of Maine. We educate students, families, counselors and advisors on how to pay for higher education through free workshops, materials, trainings and web resources.

**#2. What are the top (up to four) actions (in order of priority) FAME would take to improve student graduation and completion that would require additional state funding?**

A. FAME respectfully requests increased funding of the Maine State Grant, Maine's only widely available need-based grant for undergraduate study. State appropriations used for the grant have been reduced twenty-one percent over the past ten years, and this has come at a time when tuition and college costs are outpacing inflation. \$11 million in additional funding each year of the biennium to enhance the grant would allow an increase in maximum grant awards from \$1,000 to \$1,500 per student. Current estimates indicate FAME could fund approximately 16,000 Maine students. Our ultimate goal is to increase funding to the level where, combined with a Pell Grant, the Maine State Grant would cover the costs for a Maine student's tuition and fees at a Maine Community College.

B. FAME proposes the creation and funding by the Legislature of a Workforce Development Undergraduate Loan Program. The program would be tied to Department of Labor statistics regarding workforce needs. We respectfully request additional funding of \$1 million per year. We would eliminate the Educators for Maine Program and make teachers eligible for workforce development loan forgiveness consideration, if appropriate.

## MAINE COMMUNITY COLLEGE SYSTEM

### Top 4 steps MCCS is taking to address College Affordability & Completion (*within existing resources*)

- **Student Success Academies**  
 Among Maine’s community colleges, 3,200 first-time full-time students entered degree programs in the fall of 2013. Of those, 1,700 required remediation. The purpose of this program is to provide a concentrated academic preparation experience prior to a student enrolling. Students enroll in a Student Success Academy if it is required that they take a developmental course(s) as a condition of enrollment. Incorporated into the program is a “First Year Experience” course which includes topics regarding career decision making, financial literacy, individualized academic mapping, study skills, etc. MCCS is currently committing resources to serve at least 500 students annually.
- **Investment in a new data system to monitor Student Retention & Completion**  
 MCCS committed college resources and won a grant from the John T. Gorman Foundation for \$131,000 that includes support to build a new data collection system that will allow each college to closely monitor students and see trends affecting student retention and completion as they are developing. A recent MCCS report clearly identified certain groups of students who had a high potential for not completing college. Once fully implemented, the colleges will have the concrete data needed to develop a strategy to address the problem.
- **Success in winning support from statewide and national foundations for improving Retention**  
 MCCS won a grant for \$300,000 from the Kresge Foundation to implement the *Achieving the Dream Program (ATD)* in Maine. *ATD* is offered in 140 community colleges across the nation and offers a data management driven approach to identifying students who are at high risk for not completing college, and provides a process to engage the full college community in developing strategies to address the issues. The grant from the John T. Gorman Foundation referenced earlier also provides funding to survey college non-completers to ascertain why they dropped out. The comprehensive statewide research project on retention details the challenges for improving retention of students for Maine’s community colleges, and offers best options.
- **Maintain an affordable tuition for Maine residents**  
 The MCCS has made a concerted effort to offer a tuition rate that was within reach of Maine people. After more than a decade of freezing tuition, or of slight tuition increases, the MCCS has the lowest tuition rate of any institution in New England. Our tuition - \$2,640 – has opened the doors of higher education to thousands more Maine people and yet in spite of this low tuition, 83% of our students need financial aid.

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**IN PRIORITY ORDER, the top 4 actions the MCCS would take to improve student graduation and completion (*additional state funding required*)**

**1. Hire Student Success Counselors**

Students who receive appropriate academic advising specific to their needs are more likely to complete college. With more than 50% of our student body being the first in their family to go to college, having support to navigate the academic landscape is crucial to their success. A recent grant from the Kresge Foundation to address the 200,000 Mainers who have some college but no degree included student success counselors and the results are impressive. Seventy-nine percent of the students enrolled in the program graduated. MCCS would hire 15 student success counselors who will manage a total case load of 2,000 students a year.

***Measurable outcome:***

- MCCS will achieve a three-year success rate (Graduated, Still Enrolled or Transferred to another institution) of 65% for students who enter in Fall 2014 and receive these services.

***Project cost:***

- The cost to hire 15 Student Success Counselors would require an additional \$1,000,000 annual state appropriation.

**2. Increase funding for work study throughout the seven college system**

Currently 80% of the students enrolled in Maine's community colleges are employed full or part-time. This fact leads to extraordinary stress on a student's ability to juggle school and work. Many community college students choose to take fewer credits and push graduation out three to four years or longer because of the financial challenges they are facing. Within a college campus there is an abundance of meaningful work to be done from assisting with admissions, supporting faculty, ongoing maintenance and special projects. Increasing state work study funds to compliment federal work study funds would have a very positive impact on a student's ability to finance their higher education and reduce college debt.

***Measurable outcome:***

- An additional 500 students would have access to work study funds. These students would generate 200,000 hours of work throughout the seven college system.

***Project cost:***

- The cost to serve 500 more students annually throughout the MCCS would require an additional \$2,000,000 in annual state appropriation.

### **3. Create an Alternative Semester Scholarship**

In 2011, the federal government did away with making Pell Grants available for students enrolling in the summer semester. This has had a serious impact on the ability of students to complete college on time, and on laid off workers who are looking for retraining. At a time when Maine needs more of its citizens with college degrees, we are under utilizing our current facilities.

***Measurable outcome:***

- The MCCC could accommodate at least 3,000 students each summer with students taking an average of nine credits during a summer semester.

***Project cost:***

- The cost to serve 3,000 students with scholarships that cover tuition, fees, and books that average \$1,200 per student (9 credits) would require an additional \$3,600,000 annual state appropriation.

### **4. Expand Student Success Academies**

Among Maine's community colleges, 3,200 first-time full-time students entered degree programs in Fall 2013. Of those, 1,700 required remediation. The purpose of this program is to provide a concentrated academic preparation experience prior to a student enrolling in the fall. Students enroll in a Student Success Academy if they are required to take a developmental course(s) as a condition of enrollment. MCCC is currently committing resources to serve 500 students annually. The expansion plan would be to increase the capacity of the Student Success Academies to serve an additional 500 students so that the colleges could serve a total of 1,000 students each summer.

***Measurable outcome:***

- Increase the retention rate for the MCCC by 15% to a statewide average of 65%. This project would lead to at least 150 additional students graduating each year. If one looks at the lifetime earnings of a person with an associate degree as compared to someone with only a high school diploma (\$450,000), it means an additional \$67,500,000 in earnings for Maine people.

***Project cost:***

- The cost to serve an additional 500 students annually throughout the MCCC would require an annual state appropriation of \$800,000.

## HUSSON UNIVERSITY

(Maine Independent College Association)

What are actions your institution is taking to create improvements in college affordability and completion?

### **Affordability**

Husson University has the lowest tuition of any four-year private NEASC-accredited institution. Average tuition for a student enrolled full time in a B.S. program is \$15,717 per year (31 credit hours).

94% of Husson University students receive some type of financial aid, and 40% are first-generation college students. Nearly 45% of our students are eligible for the Pell Grant

Husson University is currently engaged in a capital campaign with a goal of adding \$6 million to our endowed scholarship pool. We also award \$6 million dollars annually in discount funds.

Husson has been cited in external reviews for lean management and high productivity.

### **Completion**

OASIS Center – OASIS, or Office of Academic Support and Intercultural Services is made up of three parts;

The Writing Center serves as a resource to all students to strengthen writing skills. They do informational workshops and provide on-line access to writing consultants for students enrolled at our satellite campuses.

The Learning Center, a tutoring resource staffed by faculty and students, offers tutoring in general areas of study such as college mathematics, statistics, chemistry, physics, anatomy, psychology. There are also tutors available with experience in degree specific classes.

The Center for Academic Services provides student services and help with tutoring and study skills. Specific areas addressed are implementation of orientation for first-year and transfer students, services for students with disabilities, services for veterans, coordination of first-year student success course, study skills and time management advising, academic advising for undeclared students, assistance with adjustment to college and early intervention strategies

Measureable outcome – Currently, 80% of at risk (undeclared or under prepared) students now continue successfully into their 3 third semester.

## Maine Maritime Academy

### Preliminary Outline for Response to Education Committee

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#### Process:

- **What are actions your system or institution is taking to create improvements in college affordability and completion? (These are actions for which no additional funding from the State is requested.)**
  - Each institution provides up to four actions, using no more than a single, brief paragraph to describe each.

#### **MMA RESPONSE -**

**Increased Aid for Returning Students.** Unlike many institutions where financial aid is awarded only to students as first year students and does not increase over their tenure, MMA offers many need- and merit-based scholarships to upper-class students based on their performance at the Academy. This is an incentive which rewards persistence and achievement and can off-set tuition increases as well as reduce the time students need to spend at work on and off campus which can interfere with study and exam preparation. This is in addition to merit and need-based institutional aid offered to first year students.

**Financial Literacy Program.** Maine Maritime Academy partnered with Camden National Bank to offer a two-part Financial Literacy program for new students and graduating seniors. After extensive planning between bank representatives and MMA Student Services and Financial Aid staff, the program was launched this year. In the fall of 2013, first year students were invited to a Financial Literacy workshop and enticed with the offer of free pizza and desserts. Camden National Bank representatives and a representative from the Finance Authority of Maine provided an entertaining and informative workshop focusing on three topics: managing credit, protecting one’s on-line and financial identity, and how student loans provide a return on investment but only with a completed degree. The 200 students in attendance were appreciative of the information, especially regarding the value of student loans and potential income enhancements for those with college degrees.

Part II is targeted at graduating seniors and the University Credit Union is joining with Camden National for this presentation. In addition to the traditional financial issues facing graduates entering the workforce, including understanding taxes, benefits, and budgeting for living expenses, the workshop planners are also offering information specific to MMA students in license programs. Due to the high earning potential for graduates in the license programs, many are considering home ownership much earlier than their peers. In addition, they are out of the country and at sea for up to six months of the year. Thus, the workshop will include information on home-buying as well as arranging for a financial power of attorney when the students are at sea. Future plans include targeting sophomores and juniors to reinforce messages from the first year and expand to include budgeting to live off-campus.

**The Center for Student Success.** MMA has augmented tutoring activities focused on first-year students, and, as of fall 2013, have centrally located these activities in the new Center for Student Success. Tutoring hours have increased from nine weekly hours of scheduled math help in 2007 to 27 scheduled hours and dozens of individually peer-tutored hours of math help a week. The Center is also open 24 hours a day for quiet and group study for students.

**The 5/50 Program.** Maine Maritime Academy has implemented an identification and early intervention strategy for at-risk, first-year undergraduate students at Maine Maritime Academy. The two-year initiative, titled the Five/50 Project, will leverage already high, campus-wide interest in student retention and on-going efforts aimed at increasing retention and graduate rates. MELMAC has provided grant funding to launch this program for the first two years. The name is derived from the goal of increasing the overall MMA graduation rate five percentage points, by raising the graduation rate of probationary students to 50%. A key component of this program is the administration of the College Student Inventory(CSI), a retention tool created by Noel-Levitz, to all first year students during orientation. This tool provides predictive information regarding preparedness and readiness for college life and work and may provide valuable information to help at-risk students stay on track with appropriate interventions from the Academy. MMA administered the survey in fall of 2013 and is currently comparing predictive data with our actual fall attrition and GPA data to determine whether the instrument can aid in predicting proneness for attrition. In addition, Noel-Levitz recommends intervention strategies that may address risk areas.

- **What are the top four actions IN PRIORITY ORDER your system or institution would take to improve student graduation and completion that would require additional state funding?**
  - Describe what you would do (in a single, brief paragraph for each action).
  - Describe the measurable results you expect each action would achieve and by when, how it would be measured and how many students would be affected.
  - Identify the projected cost for each action.

#### **MMA RESPONSE:**

1. **Maine State Grant Qualification** - Restore the qualifying criteria for Maine State Grants to previous Estimated Family Contribution (EFC) levels of \$0 EFC to \$5500 EFC and consider increasing the cut-off to \$6000 EFC. (The qualifying EFC level has dropped from \$5500 to \$3000 in recent years)



**Measurable Outcome** - The number of MMA students with EFC of \$3001 to \$5500 who persist from spring of freshman year to fall of sophomore year will increase by 5%.

**Project Cost:** \$190,000 to provide grants for 4 years to the MMA students who are not currently eligible for Maine State Grants at the current EFC cut-off level of \$3000 EFC but would be if the EFC level was increased to \$5500. Obviously, there would be significant additional costs to restore this grant for students at all Maine state institutions or to increase the qualifying EFC or grant amount.

2. **First Year Experience Coordinator** - Fund a position of First Year Coordinator for 3 years to launch the coordinated First Year Experience program MMA is developing as part of the 5/50 Initiative. Responsibilities would include coordinating new student and parent orientation, coordinating Freshman Seminar transition course, administration of the College Student Inventory and coordinated response to intervene with students at risk of attrition, and coordination of Transition Series lectures and presentations.

**Measurable Outcome** – Attrition attributed to transition issues, academic disengagement or truancy would decrease by 5% over 3 years after program is implemented by Coordinator.

**Project Cost** - \$190,000 for 3 years.

3. **College Student Inventory** - Continued funding of the administration of the College Student Inventory to provide data regarding students at risk of attrition to inform intervention methods to improve persistence. Currently funded by a MELMAC grant, the CSI provides valuable data to identify students at risk of attrition and intervention strategies to improve retention of said students.

**Measurable Outcome** – Number of first year students on academic probation after the first semester decreases by ten percent after two years of application of CSI data.

**Project Cost** – Cost of administering the CSI for 3 years - \$4700.00

4. **Academic Coach** – A student support specialist will be hired to provide academic support for students, especially those with diagnosed learning disabilities and those identified as at risk through the CSI. Full-time/academic year position.

**Measurable Outcome** – 5% decrease in academic probation status for students with diagnosed learning disabilities who meet regularly with the academic coach.

**Project Cost** - \$60,000 annually for salary and benefits.

## University of Maine System

- ❑ **What are actions your system or institution is taking to create improvements in college affordability and completion? (These are actions for which no additional funding from the State is requested.)**

### University of Maine System:

- ❑ **Controlling Tuition Costs** – The University of Maine System Trustees are committed to the goal of improving affordability as has been demonstrated by the freeze on increases in in-state tuition for the past two years - the first time we have been able to freeze tuition in back to back years in more than two decades coupled with our significant efforts to reduce administrative costs system-wide. It is our hope to freeze tuition for a third consecutive year in FY15, despite the significant structural gap the University System is facing.
- ❑ **Scholarships** - The adult learner scholarship is intended for students who are re-entering higher education and who have some college credits completed but have not finished their baccalaureate degree. This scholarship is intended to help adult students complete their degrees; students will be able to receive the scholarship for multiple years. A combination of need, credits achieved thus far and individual circumstance will be factored into final awards. The program was funded with a \$500,000 legislative appropriation in the last legislative session and a \$1m match provided by the University System. UMS also expects to raise private and philanthropic funds to support the initiative. It is important to note that the \$1m match comes from revenue associated with the Oxford Casino. The proposal currently being considered by the AFA Committee to “sweep” that revenue would almost certainly mean the elimination of this program.
- ❑ **Innovative Tuition Approaches** - Just last week University of Maine System Trustees gave final approval to a new policy that will charge in-state tuition rates to all current and former members of the U.S. Armed Forces who were honorably discharged, regardless of whether they are receiving other military educational benefits. The new tuition rate goes into effect in time for the May term and summer sessions. Also, the University of Maine at Fort Kent and the University of Maine at Presque Isle announced in January a plan providing out-of-state and international students a 40% reduction in current tuition rates that will offer competitive pricing in those markets, as well as serving as a catalyst for economic development in Aroostook County.
- ❑ **Incentivizing Completion** - For Fiscal Year 2014, University of Maine System Trustees implemented an outcomes based funding model that will reward universities for achieving positive outcomes. Universities are awarded points for degrees completed, with enhanced points available for serving priority populations (adults, transfer students, STEM and Allied

Health grads, high priority fields based on DOL data). Universities are also rewarded for moving students towards graduation. In addition, UMFK recently implemented a block tuition program where students are charged a flat rate for taking between 12 and 18 credits a semester. This encourages students to move faster towards graduation. We are already seeing an increase in the number of credits students are taking. Increased credit loads will shorten the time to graduation and has the opportunity to save students substantial resources.

- ❑ **What are the top actions IN PRIORITY ORDER your system or institution would take to improve student graduation and completion that would require additional state funding?**

**University of Maine System:**

- ❑ **Preserving the existing state appropriation** – While technically not requiring “new” resources, the absolute highest priority for the University of Maine System remains preserving the existing state appropriation. A further erosion of state support for higher education as suggested in the appropriations bill being heard this week will severely jeopardize the System’s ability to provide a quality, affordable education to our students. The proposed reductions, if fully implemented, total nearly **\$11m** over the next 16 months and would come on top of the current structural deficit in the FY15 of \$36m. We are doing essential work to right-size and reposition our universities to meet their responsibilities in education, research and economic development, and public service in a financially responsible and sustainable way. We ask your support not in terms of additional funding, but by not making our significant challenge more difficult to meet by increasing our structural gap.

**Measurable Outcome:** If Legislators are able to preserve the existing state appropriation, UMS Board of Trustees have committed to freezing tuition for a 3<sup>rd</sup> consecutive year.

**Project Cost:** Preserving the existing state appropriation technically has no new net cost to the budget. However, if the starting point is the draft document being heard tomorrow (March 4<sup>th</sup>-7<sup>th</sup>), the impact is approximately \$10.9m (see full impact statement attached).

- ❑ **Provide additional resources for the Maine State Grant Program** - Increases in scholarships for Maine students in the form of the Maine State Grant Program is an example of a proven idea designed to make college more affordable. The best thing we can do collectively to address affordability is to lower the cost of higher education on the front end - providing the lowest tuition rate possible and the maximum aid to our students before they graduate. The Maine State Grant Program is a key component of that plan. As we noted in our original testimony on LD 1703, we would encourage you to factor in funding that can benefit both traditional age (directly out of high school) and adult students. In a time of limited resources, it may also be worth considering a focus on Maine students going to higher education institutions within the State of Maine.

**Measurable Outcome:** More students have access to Maine State Grant Program.

**Project Cost:** There is no set cost. The advantage of investing in the Maine State Grant Program is that any amount – small or large, one-time or permanent funding – will have a significant impact on a student’s ability to pay for their education.