



STATE OF MICHIGAN  
DEPARTMENT OF  
LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

LANSING

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**DATE:** September 30, 2024

**TO:** Sarah Anthony, Chair, Senate Appropriations Committee  
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**FROM:** Michelle Richard, Deputy Director of Higher Education

**SUBJECT:** Section 241 Report

Pursuant to Public Act 103 of 2023, Sec. 241d the Michigan Department of Lifelong Education, Advancement, and Potential Office of Higher Education has completed the following report summarizing statewide efforts to increase college going, improve student success, and increase postsecondary credential attainment. Executive Order 2023-6 transferred these obligations from the Michigan Department of Labor and Economic Opportunity to MiLEAP.

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Senate PreK-12 Appropriations Subcommittee Members  
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# Powering Michigan Toward Sixty by 30

September 2024

*This report complies with the reporting requirements of Public Act 103 of 2023, Sec. 241d.*



Office of  
Higher  
Education

## Table of Contents

A Path to Prosperity for All.....	2
Michigan’s Office of Higher Education .....	3
Mission .....	3
Vision .....	3
Progress.....	4
Reconnect 21 Student Outreach Campaign .....	4
Reach for the Pie .....	5
Student Success Grants .....	5
Student Basic Needs Task Force.....	8
Data Dashboards .....	8
Action Plan .....	9
Core Areas of Work in 2024-2025 .....	9
Additional Priorities for 2024-2025 .....	9
Deep Dive: Scholarships and Grants .....	10
Deep Dive: Consumer Information .....	12
State and National Scan .....	12
Current Resources .....	15
Deep Dive: Data and Reporting.....	16
National Scan .....	16
Current Resources .....	19
Future Opportunities .....	21
Conclusion.....	21
Appendix.....	22

## A Path to Prosperity for All

Every Michigander deserves a path to prosperity. They deserve access to high quality, affordable early learning and care. They deserve an engaging, relevant K-12 education with excellent educators. And they deserve an opportunity to earn a skill certificate or degree that prepares them with the skills and experience they need to get a good paying job. In December 2023, Governor Whitmer created the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) to articulate and implement a shared vision and strategy to ensure each and every person has an opportunity to thrive from preschool to postsecondary to prosperity.

Central to that vision is the creation of the state's first Office of Higher Education to help more people make it in Michigan by lowering the cost of college, increasing student persistence and graduation, and connecting talent with good paying jobs right here in Michigan.

As our economy continues to change, more and more good paying jobs require education after high school. Earlier this month, the Michigan Center for Data Analytics released the state's [Hot 50 Job Outlook through 2032](#) which identifies the fastest growing careers with competitive wages. This year, 42 of the top 50 jobs require a bachelor's degree or higher—up from 37 in the 2030 outlook. To meet this demand for talent, Michigan must continue its bold strategy to increase college going and increase attainment.

In 2019, Governor Whitmer set Michigan's first statewide attainment goal—Sixty by 30. The goal challenges Michigan to ensure 60% of working ages adults earn a skill certificate or degree by 2030. When the goal was set, 45.1% of Michiganders had a skill certificate or degree. Since, [attainment in Michigan](#) has increased to 51.1%, and there is bipartisan support to keep going.

Report after report recognizes the critical role that higher education plays in making Michigan a prosperous state in the future. The [Growing Michigan Together Council](#) report said, “Our changing economy demands a higher level of education,” and offered recommendations to make Michigan a top 10 state for postsecondary attainment and position our state to excel in the coming decades. The Michigan Workforce Development Board launched Michigan's first-ever [Statewide Workforce Plan](#)—led by the Department of Labor and Economic Opportunity, Michigan Economic Development Corporation, and MiLEAP. This plan aims to position Michigan to be a place where people, employers, and communities thrive. Central to this strategy is increasing postsecondary attainment.

This report includes an overview of the Office of Higher Education's strategic direction, provides a summary of where we've been and previews where we're going, and includes

deeper dives into strategies that are central to achieving Sixty by 30—including lowering the cost of college through a continued investment in state scholarships, helping students make informed choices about their education and career goals, and providing clear, actionable data about progress.

## Michigan's Office of Higher Education

### Mission

The Office of Higher Education (OHE) is charged with making college more affordable, increasing postsecondary credential attainment, and driving prosperity. By expanding opportunities for students and strengthening institutions, OHE ensures that all Michiganders have affordable access to postsecondary education, can pursue their educational goals in our state, and are prepared for success in a global economy.

OHE includes over 60 team members, including staff from the Office of Sixty by 30 (previously located in the Department of Labor and Economic Opportunity) and Mi Student Aid (previously located in the Department of Treasury). To achieve this mission, the OHE team:

- Provides vision, advocacy, and alignment in our higher education sector,
- Assesses, reports on, and promotes the value of earning a skill certificate or degree,
- Increases momentum for college-going for high school students and adult learners,
- Lowers the cost of college through state scholarships and grants and shares data on impact,
- Understands and scales what works in partnership with institutions of higher education, and partners to improve student success and eliminate barriers, and
- Grows community and employer partnerships and alignment.

### Vision

These efforts position Michigan to achieve Sixty by 30 and ensure that:

- **Students and families** have the skills and education they need to achieve their dreams, secure and create good paying jobs, and build their futures right here in Michigan—regardless of where they live, their race or ethnicity, or their ability to pay.
- **Schools (K-12 and institutions of higher education) and partners** have the vision, tools, and resources they need to promote enrollment and graduation for a diverse student body.

- **Employers, communities, and our state** have talented and educated community members that can fill good-paying jobs, participate in community, and contribute to the prosperity and well-being for the next generation of Michiganders.

## Progress

The OHE has been in operation for less than a year, but Michigan’s work to lower the cost of college, increase college going, increase skill certificate and degree attainment, and ensure Michiganders, and our state, thrive is well underway. Here is a summary of this year’s highlights—followed by a deeper dive into signature projects.

Affordability	Attainment	Prosperity
<ul style="list-style-type: none"> <li>• Launched the Reconnect Expansion (to age 21)</li> <li>• Launched the Community College Guarantee</li> <li>• Implemented an innovative student outreach campaign*</li> <li>• Helped students and colleges navigate the new Free Application for Federal Student Aid (FAFSA)</li> <li>• Created the Reach for the Pie contest to increase FAFSA completion*</li> </ul>	<ul style="list-style-type: none"> <li>• Hosted the first Michigan Reconnect graduation</li> <li>• Awarded Student Success Grants*—including funding to support student basic needs and implementation of evidence-based student success practices on campus</li> <li>• Convened the Michigan Basic Needs Taskforce*</li> </ul>	<ul style="list-style-type: none"> <li>• Organized state higher education data to improve transparency</li> <li>• Launched data dashboards for the state’s largest scholarship programs*</li> <li>• Partnered with employers to build awareness of scholarships and career pathways</li> </ul>

\* More details provided below about these projects.

## Reconnect 21 Student Outreach Campaign

One of the OHE’s successes over the past year has been our innovative, proactive outreach initiatives to recruit Michiganders aged 21-24 to go back to school and apply for Michigan Reconnect before the application closes at the end of 2024. The outreach campaign combined multiple methods and channels with the goal of reaching prospective students multiple times and providing a clear call to action. For example:

- *Targeted text messaging:* Partnered with community colleges to send text messages to current and prospective students about Michigan Reconnect.
- *Employer-led recruiting:* Partnered with Michigan Works offices to assist employers in connecting employees to postsecondary education and Michigan Reconnect.

- *ReUp Engagement:* Hired ReUp to contact Michiganders with some college but no degree and provide one-on-one support to reenroll students.

Once students expressed interest, the outreach campaign provided multiple options for students to receive personalized support to complete the FAFSA, enroll in college, and confirm their career goals.

- *Support from Reconnect Navigators:* Connected students with navigators to provide 1:1 support through college application and enrollment. Added new ways to engage with navigators, including attending more events and hosting open office hours.
- *Retired Educator FAFSA Specialists (REFS):* Partnered with the Michigan College Access Network (MCAN) to recruit retired teachers to promote FAFSA completion and provide 1:1 support for prospective students. REFS were in communities across the state to provide local support as needed.
- *Partnerships with colleges' technology platforms:* Partnered with colleges to integrate reminders to complete the Reconnect application into their financial aid systems to reach more potentially eligible students.

## Reach for the Pie

The FAFSA is the key to unlocking virtually all state scholarship programs. Despite its importance, too many students don't complete the FAFSA.

The OHE's Mi Student Aid team decided to try a new strategy to increase awareness and completion of the FAFSA. [In a press conference on April 2024](#), OHE launched the "Reach for the Pie" initiative where MiLEAP partnered with Hungry Howie's and the Michigan Credit Union League to give 100 students free pizza for a year if they completed their FAFSA and entered to win.

Students had from mid-April to the end of June to submit their FAFSA and apply for the free pizza promotion. In total, 7,336 students entered the drawing. Winners of the Reach for the Pie contest were announced at a [press conference at Grand Rapids Community College](#).

A big goal of the contest was to get students, families, and communities talking about FAFSA. The press helped amplify the contest and spread the word. Within the first 24 hours of launch, 10 media hits generated 82.9 million impressions. In addition, social media campaigns reached roughly 1.3 million people which helped generate over 164,000 new users to the MiLEAP website.

## Student Success Grants

The Office of Higher Education is focused on lowering costs for students and ensuring that every student who enrolls in college has the support they need to graduate. In 2024, we

launched a series of grants to help colleges and universities make lasting institutional changes to address a student success need. These grants are available to all Michigan community, Tribal, and public institutions, along with other nonprofit organizations that work in collaboration with a college or university. The Legislature designed these grants to be implemented over multiple years.

In this first year, the OHE worked in partnership with Michigan-based partners and national experts to design a grant program that meets institutions where they are, invests in what we know works to improve outcomes, and leverages a one-time investment to make long-term changes.

Grant applications opened in early 2024, and to date MiLEAP has received applications from institutions as large as Michigan State University (student population: 50,000) and as small as Keweenaw Bay Ojibwa Community College (student population: 150). In total, there have been 46 applications for grants as of September 2024. Twenty-four have been accepted and \$6.8 million has been awarded thus far. The OHE is actively reviewing applications and working with institutions to solicit additional applications. We are also partnering with external technical assistance partners to assist colleges in developing a strategy and applying.



*Exhibit: Student Success Grant Opportunities*

Grant	Award Amount	Timeline to Implement	Description
Quick Start	\$50,000 - \$75,000	6-8 months	Funding to undergo an action-oriented assessment process to strengthen grounding in student experience and/or develop a coherent and strategic approach for removing institutional barriers to student success. Can also help prepare colleges to apply for a larger grant.
College Success	Amplify - \$100,000-\$200,000	Amplify: 1-2 years	Funding to implement, improve on, and scale implementation of promising reforms of policy and practice associated with decreased time to credential, increased student persistence, improved completion rates for all learners, and the elimination of equity gaps.
	Accelerate - \$200,000-\$650,000	Accelerate: 2-3 years	
	Go Big - \$600,000-\$1,000,000	Go Big: 2-3 years	
Barrier Removal - Direct to Students	Formula-Based dependent on Pell-eligible population	One-time payment	Funding to provide emergency aid and other direct support to students aimed at removing life barriers such as childcare, transportation, housing, food, and costs for textbooks, internet, or other program supplies.
Barrier Removal – Growing Institutional Capacity	\$100,000 - \$400,000	1-3 years	Funding to strengthen institutional systems to eliminate barriers for students struggling to meet their basic needs.
Reconnect Community Action	Reconnect Entry Point Collaborative: \$100,000 - \$300,000	Reconnect Entry Point Collaborative: 1-3 years	Funding for community colleges working with county-wide governmental entities in community partnerships to grow college enrollment and support adults on their postsecondary journeys.
	College and Career Navigator Support – \$200,000-\$1,000,000	College and Career Navigator Support: 2-3 years	

## Student Basic Needs Task Force

In March 2024, the OHE convened the Student Basic Needs Task Force to better understand how insecurity with basic needs affects Michigan's postsecondary students and to identify strategies to respond to these issues. The Basic Needs Task Force is made up of 17 members from government agencies, colleges and universities, and other statewide policy partners, advocates, and experts. OHE also established an advisory council including key partners at statewide associations and nonprofit partners to inform the work and serve as key champions to implement the recommendations.

At the [inaugural meeting of the task force](#), Lt. Governor Gilchrist pointed out that even though Michigan has launched various scholarships to help alleviate the financial burden of tuition for students, there are still other barriers students face, such as the cost of housing, books, and food.

The Office of Higher Education secured funding for this project from the Joyce Foundation. In partnership with the Michigan Community College Association, the OHE recruited Temple University's Hope Center for Student Basic Needs as the project's research and facilitation partner. The Hope Center is bringing national best practices to Michigan and working with the Task Force to identify which of these best practices work best in Michigan. The Hope Center collected approximately 100 possible policy and practice recommendations that the Basic Needs Task Force is now reviewing.

The Basic Needs Task Force is set to finalize its report and recommendations by March 2025. Recommendations are expected in eight key areas: public benefits, health care, mental health, financial aid, housing security, child care, and digital equity.

## Data Dashboards

As the state has expanded its investment in state student financial aid, so has interest in understanding which students and institutions receive awards and student success. The Office of Higher Education is committed to making program data more easily accessible and useful to institutions and community partners. To make these data more easily available, we have created data dashboards for the state's largest scholarship programs including the [Mi Future Educator Fellowship and Stipend](#), [Michigan Achievement Scholarship](#), [Michigan Reconnect](#), and [Tuition Incentive Program](#).

These dashboards include data such as the number of applications (or eligible students) and awards. They also allow users to disaggregate data by location (such as House or Senate district or county) and institution. When available, the dashboards also provide student success metrics, provide insights into why some students are eligible but don't

receive awards and report data by race/ethnicity. These tools will be updated regularly as new data are available and based on feedback from partners.

## Action Plan

In partnership with the Governor, Legislature, institutions of higher education, and partners across the state, the Office of Higher Education is building on this progress and continuing to equitably expand opportunities and improve outcomes for Michigan.

### Core Areas of Work in 2024-2025

Affordability	Attainment	Prosperity
<ul style="list-style-type: none"> <li>Administer state financial aid</li> <li>Promote FAFSA completion &amp; college going</li> <li>Organize statewide outreach</li> <li>Maintain consumer information resources</li> </ul>	<ul style="list-style-type: none"> <li>Drive statewide attainment goal strategy and partnerships</li> <li>Administer student success initiatives and special projects</li> <li>Lead initiatives focused on adult learners</li> </ul>	<ul style="list-style-type: none"> <li>Mobilize statewide efforts to increase college going and success</li> <li>Partner with communities and employers to increase college going and success and keep graduates in Michigan</li> </ul>

### Additional Priorities for 2024-2025

- Establish the OHE as a key partner for the sector.
- Maximize the funding currently appropriated by the Legislature to lower costs and support student success.
- Drive a significant increase in FAFSA completion, participation in state scholarships, and college enrollment. Publish data and reports to document and inform this work.
- Promote the Michigan Achievement Scholarship and Community College Guarantee.
- Create a roadmap for how the state is (and can continue to) support student success.
- Build a coalition of active supporters of Sixty by 30 to build momentum in all communities of the state.

The list of priorities will continue to expand. As we strive to create more equitable opportunities for an increasingly diverse student body, we have started to build a learning

agenda to monitor what works (across Michigan and the nation) and identify ways to adjust our strategies to make them more efficient, effective, and equitable.

Over the past several months, our learning agenda has focused on how to improve state scholarships and grants, consumer information, and data. Early learnings and possible next steps are shared next to inform administrative and legislative priorities.

## Deep Dive: Scholarships and Grants

The Office of Higher Education administers nearly \$1 billion in state student financial aid across 12 programs—including Michigan Achievement Scholarship, the Tuition Incentive Program, Michigan Reconnect, and the Mi Future Educator program. Together, these investments help over 100,000 students enroll in a skill certificate or degree program at a Michigan institution of higher education.<sup>1</sup>

Since 2019, there’s been bipartisan support to significantly expand the state’s investment in student financial aid including creating Michigan Reconnect, the Michigan Achievement Scholarship, Mi Future Educator program, and Futures for Frontliners.

To identify recommendations that could improve the delivery of student financial aid and increase postsecondary attainment, OHE partnered with Sova, a national higher education leader to:

- Review and evaluate all state financial aid programs with a focus on improving postsecondary educational outcomes, operations, and impact on college affordability, and make recommendations as to those improvements,
- Interview stakeholders on student financial aid policy to improve administration of aid, and
- Create detailed list of recommendations that would improve the administration of student financial aid in this state.

Appendix I includes the full report *Aiding Momentum: Ideas for Enhancing State Financial Aid Administration in Michigan*. The report reviews national trends in state financial aid programs, reflects on interviews with 25 stakeholders from across the higher education sector, and identifies recommendations.

The report centers four principles of state financial aid design including ensuring programs are student-centered, goal-driven and data-informed, timely and flexible, and inclusive of all postsecondary education pathways.

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<sup>1</sup> Spending data and participation by program are provided on an annual basis. Please see the [Mi Student Aid Programs Annual Report](#) for more details.

It highlights opportunities to build on the state's historic investments and the creation of the OHE. As the report explains:

*While Michigan has long provided state financial aid to resident students, recent policy enactments have built on these prior efforts by increasing aid funding to support a larger number of Michigan students, pursuing more diverse pathways to a degree or credential. These shifts are largely motivated by a keen interest in supporting the state's Sixty by 30 attainment goal, meeting the state's talent needs, and providing greater equity in college access and completion for more Michiganders.*

*Specifically, the Michigan Achievement Scholarship and Michigan Reconnect have fundamentally shifted the state's approach to financial aid and have reshaped the conversation about the state's role in ensuring college affordability and supporting student success efforts. It has also brought Michigan closer to the approaches used in other states that leverage financial aid to progress towards attainment goals and close equity gaps.*

*The creation of the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) in 2023 represents a powerful opportunity to align the administration of financial aid more intentionally with efforts to achieve the state attainment goal.*

The report recognizes the work the Office of Higher Education has already done to embrace a student-centered vision, prioritize collaboration with the field, and be open and transparent with stakeholders.

It also encourages OHE and our partners to consider specific recommendations to improve programs. OHE is reviewing these recommendations and collaborating with Sova to create a strategy to implement changes that are consistent with the state's goals.

Recommendations are provided in full in Appendix I and include:

- Align online communications about program eligibility with institutional packaging and disbursement policies.
- Continue building toward a more robust, intentional, and coordinated approach to direct student outreach and community engagement to strengthen a culture of college going and boost confidence in the value of postsecondary education in Michigan.
- Continue to develop and clarify statewide goals for Michigan's aid programs, and consistently and effectively communicate those objectives to the institutions.
- Continue to act to streamline the collection, maintenance, and use of data to inform evaluation of financial aid programs, communicate with policymakers, and reduce burdens on students.

- Adjust practice to move beyond notifying only the first institution listed on a student's FAFSA if that student officially qualifies for the Michigan Achievement Scholarship.
- Align state eligibility and renewal requirements criteria to what institutions already monitor for Pell can help ease the burden on administration.

## Deep Dive: Consumer Information

State scholarships are a central part of the state's strategy to drive postsecondary credential attainment; however, there continues to be an information gap and too many students are unaware of the resources available to fund their education. As the State strives to increase college-going and college completion for both traditional and nontraditional students—the path to achieving Sixty by 30—it is critical that the Office of Higher Education serve as a reliable source of information for current and prospective students and their families, college and university administrators, and college access professionals. The OHE maintains several resources to assist our partners including:

- Websites that share general resources about college going and financial aid (such as [Paying for College in Michigan](#)) and program-specific sites (such as [Michigan.gov/Achievement](#) or [Michigan.gov/Reconnect](#)).
- Social media, including the MiLEAP and Mi Student Aid accounts.
- Email listservs to provide regular email updates to keep financial aid professionals informed about how to administer state aid programs.
- Toolkits and communications resources to help partners share information about financial aid programs.

The OHE has a history of centering students' experiences and needs and designing resources to meet them where they are. For example, the Office of Sixty by 30 partnered with Civilla to use a human-centered design strategy to create the first Reconnect website and application, and we've continued to use human-centered design strategies to implement the Reconnect expansion. Across the team, we continue to gather feedback from students and stakeholders to inform website and communication campaigns.

As part of this report drafting, the OHE's policy fellow analyzed national research about how students make decisions about higher education, reviewed research the state has conducted to inform its work, and benchmarked existing resources.

## State and National Scan

A national scan investigating what information students and families are looking for as they research college and other postsecondary choices turns up limited research that are both

up-to-date and would meet academic standards. But polls and surveys are consistent on several key themes:

- Affordability, scholarships, and financial aid are a key factor they seek to understand as most students are considering college as an option. They are trying to weigh what is available alongside program availability and the job options or economic outcomes of those programs after graduation.
- Students rely on a mix of personal guides (parents, family, and college counselors) and online information as primary sources of information, with lower-income and first-generation students being more reliant on information available online. Many students report that college counselors are their primary “research method” for understanding college options.
- Low-income and first-generation students are more likely to respond to personalized information they receive and may rely less on family for information and guidance.

In 2012 data of 11<sup>th</sup> graders from the U.S. Department of Education’s Institution of Education Sciences, National Center for Education Statistics [High School Longitudinal Study of 2009](#), 67 percent of students rated cost of attendance as a “very important” influence on their college choice, ranked just behind reputation, desired program of student, and job placement. A full 95 percent of students surveyed said cost will be “somewhat” or “very important.”

Since the time of that 2012 survey, the questions around college affordability and value have only grown, as evidenced by the Detroit Regional Chamber’s [statewide perception survey](#). Six hundred Michigan residents were surveyed in early 2024, and nearly one-third believed that the average cost of a four-year degree at public regional universities is over \$100,000; while the actual tuition is, on average, \$16,000 per year—before federal and state aid is applied. As a specific example, survey respondents were asked about a specific university in their community and participants also believed that the average student loan debt of a graduate at that institution was over \$50,000, when half of graduates leave school with no debt, and most with debt have less than \$25,000 of it.

In a 2023 survey of 20,000 high school seniors by [Niche Partners](#), cost was students’ leading concern. Published cost had a significant effect and 76% reported eliminating colleges from consideration based on total published cost. In the same survey, students relied on advice from school or college counselors the most—it was rated their top research method as they explored options.

In other words, making postsecondary decisions is complicated and anxiety producing for students, and misunderstandings abound even among those adults who are likely to be influencing student decision-making.

According to a 2022 poll of U.S. high school students led by the Data Quality Campaign, a national education data nonprofit, only about one-third said that their school informed them about their postsecondary options, and only 61 percent of students felt confident that they understood their options. Eighty percent agreed they would feel more confident about their options with better access to information.

The national data about adult student or potential student decision-making is even scarcer; for that, OHE relies most to-date on the perspectives of our Reconnect students.

Mi Student Aid conducted focus groups to look at common misconceptions students had about college and college-going, and their findings aligned with national research:

- Many students assume they cannot afford college.
- People assume FAFSA is only for loans.
- Students and families assume FAFSA is a lengthy process.
- Middle- and high-income families assume there is no aid for them.

The Sixty by 30 team, in administering more adult-focused financial aid, has additionally observed that generous financial aid is sometimes seen as potentially “too good to be true,” and not trusted without verification. When comparing typical aged college students with adult learners, adult learners tend to think more about finances and other life constraints such as childcare, travel, time to get degree, and the cost/benefit analysis of what earnings their new degree will enable. It is also evident that adult learners take more time to start thinking about going to college and finishing degrees. In a set of user-centered design interviews conducted by McKinsey and Co. during design of the Reconnect Age Expansion, the simplicity of the Reconnect application was a bright spot, while students were often put off by other experiences that felt overly complicated or bureaucratic on their enrollment journey.

In sum, it is clear that OHE needs to continue to prioritize producing information for students and families that provides accessible and digestible information that allows them to compare options and understand the benefits available in Michigan. This information has to help “bust” some of the myths that prevent college-going with better information, including that the true cost and loan burdens are much lower than public perception, while the return-on-investment to a college degree remains high. Furthermore, given that students are comparing several factors simultaneously (e.g., costs and benefits, program availability, likelihood of admission) when making postsecondary decisions, OHE should



strive to connect with sources of other information that are important to students. Finally, OHE must continue to find and work with trusted sources of information for students and families, like college counselors.

## Current Resources

This research helps to validate much of what OHE already does in regard to information and outreach and helps to provide important priorities for future growth and improvement. On the Mi Student Aid website, information is already organized by “Students & Families,” “High School Counselors,” “College Aid Administrators,” “Student Loan Resources,” and “Saving and Planning.”

On the “[Students & Families](#)” tab of the Mi Student Aid site, OHE provides resources that address many of the misconceptions listed above, such as FAFSA resources, scholarship programs, list of Michigan colleges, alongside resources on understanding financial aid and how to pay for college. These resources help address misconceptions around college affordability and general financial anxiety prospective students have. OHE has also produced [a comprehensive list](#) of all career training programs offered in the state.

Mi Student Aid also conducts in-person visits to high schools and webinars for students and families. They are in regular contact with high school counselors and college financial aid teams and push updates on a regular basis.

The OHE is currently building both short- and long-term plans for communications and outreach, based on high-impact practices and tools in other states, focused on providing students and families with the information and resources they need to empower choices about pursuing postsecondary education. In the short-term, OHE is committed to enhancing the consumer focus of its outreach, by:

- Conducting a thorough review of OHE webpages and online resources, driving towards an integrated set of resources that match the culture and tone of the communications and outreach campaigns, and that connect students to other validated resources.
- Applying a user-centered design approach to understanding student journeys from “college curious” to “enrolled student,” and redesigning how the information and resources created meet student needs and meet students where they are.
- Continuing to grow office engagement with those who serve as trusted advisors to students during their decision-making; particularly high school college counselors, but also those who serve this role in more nontraditional spaces.
- Developing additional resources that allow students to understand financial aid and advocate for themselves at their selected college.

## Deep Dive: Data and Reporting

The Office of Higher Education is committed to the utilization of meaningful data to drive policy decisions. We want to expand what works in various scholarship programs and across the higher education sector. And we want to help colleges and communities do the same. To help with this goal, we maintain data transparency in our management of state-funded scholarship programs, as well as in progress tracking towards our postsecondary attainment goals, to ensure equitable access to educational pathways to success for all our students regardless of age, income, race/ethnicity, or where they live.

Since its inception, OHE has prioritized creating resources to make state data more accessible including launching a statewide [higher education data sharing center](#), creating data dashboards for the state's largest financial aid programs, and strengthening partnerships across state government (including with the Center for Educational Performance and Information and the Michigan Center for Data Analytics) to continue meaningfully connecting pre-K-12, higher education, and workforce data to inform students' decisions and state policy through resources like Mi School Data.

Everyone in Michigan that is committed to improving equitable opportunities and outcomes for students should have access to the right data in the right format to make informed decisions. That means ensuring that we measure what matters, make data use possible, are transparent about data, and ensure consistent access to data.

As part of this report drafting, the OHE's policy fellow reviewed how other state's implement those values and identified preliminary concepts that can inform further data sharing in Michigan.

### National Scan

#### *Louisiana*

In the OHE's research, Louisiana was a clear leader in postsecondary data transparency and accessibility. [Louisiana's dashboard](#) is simple and intuitive. When taken to the dashboard, users are met with a home page where different data measures are clearly labeled with relevant data. A user simply has to click on a measure to be taken to the data where it is shown in a digestible manner with interactive graphics. Users are able to disseminate data within each data measure. Overall, Louisiana's higher education data dashboard is intuitive and user-friendly. Louisiana also uses Microsoft PowerBI to create the dashboard which is the same program the OHE uses to create our program dashboards.

Exhibit: Louisiana Dashboard Homepage

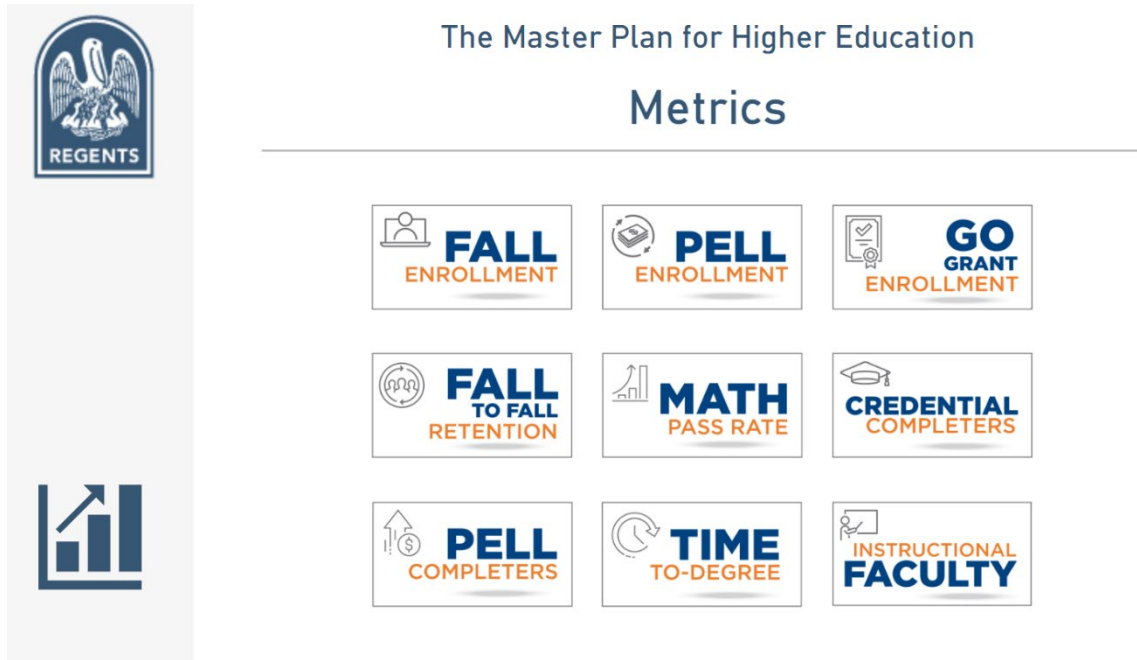
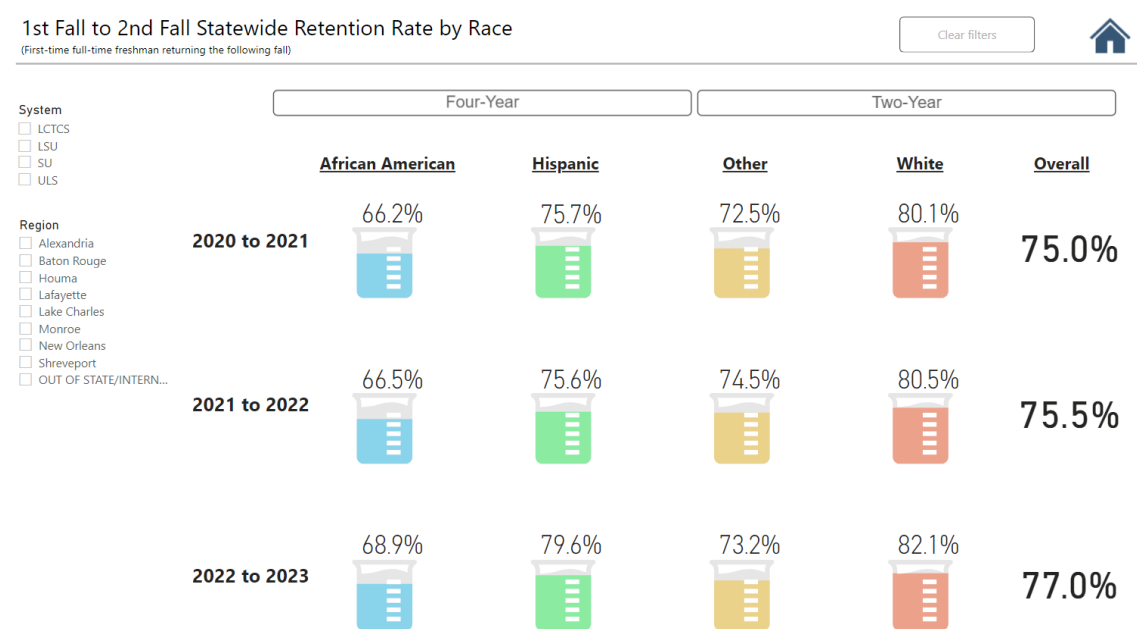


Exhibit: Louisiana Dashboard Sample Report



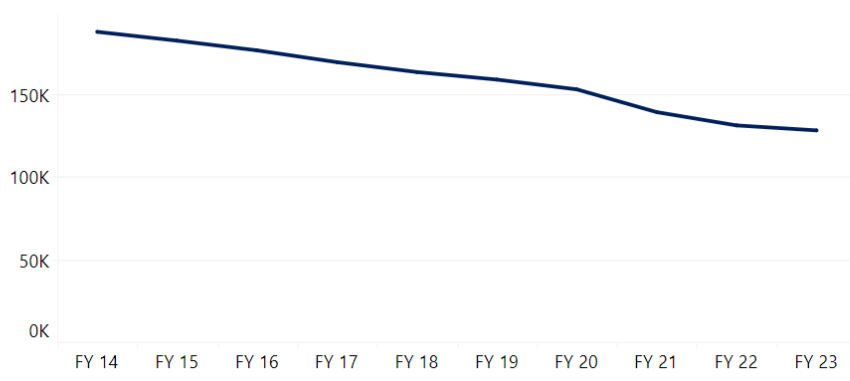
**Massachusetts**

[Massachusetts](#), similar to Louisiana, has a clean, easily digestible dashboard. Each data measure contains an easy-to-read graph, coupled with a data table below for groups who may need the specific numbers. Users can also download the dataset for further analysis and disaggregate data across a number of variables. This transparency allows partners to

easily access the data and use specific data to inform their strategies and achieve their goals.

*Exhibit: Massachusetts Dashboard Sample Report*

What is the **annual undergraduate enrollment**, measured as **headcount**, at **all institutions (excluding UMass campuses)**?



Download the Data:



Filter By:

Headcount or FTE  
 Headcount

Segment or Institution  
 All Institutions

Enrollment Level  
 Undergraduate

You may also **click any row in the Detail Table** to filter the line graph on that attribute.

**Detail Table: By Segment**

Selected Det..	Fiscal Year									
	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23
<b>Grand Total</b>	187,443	182,112	176,245	169,112	163,141	158,593	152,682	138,928	130,897	127,886
Community ..	137,731	132,642	127,324	120,660	115,235	110,942	106,836	96,850	92,210	90,620
State Univer..	49,712	49,470	48,921	48,452	47,906	47,651	45,846	42,078	38,687	37,266

Show Detail By:  
 Segment

Select Measure:  
 Number (#)  
 Percentage (%)

*Minnesota*

[Minnesota](#), like Massachusetts, provides clear trend lines for data with easy options to disaggregate data. However, what stood out from Minnesota is how the dashboard provides initial takeaways to help users at all levels of data confidence engage with the data and understand what the data tell us about student experiences. For example, “Female students make up a larger share of undergraduates than men.” Using this title helps the reader understand the data and allows Minnesota to ensure viewers are understanding the important trends or conclusions that emerge from the data, helping to create alignment in understanding the landscape.

Exhibit: Minnesota Dashboard Sample Report

Trends in Enrollment Characteristics of Minnesota Postsecondary Students

College enrollment is at a 20-year low, but more high school students are dual-enrolling in college.

Declines in new entering freshmen have slowed in recent years.

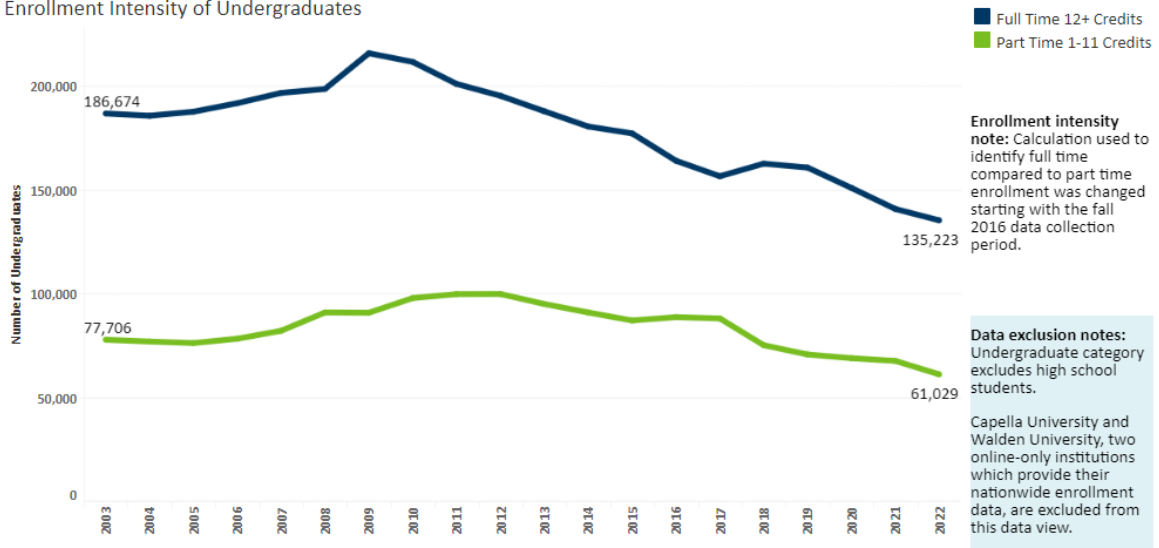
More undergraduates enroll full time.

Female students make up a larger share of undergraduates than male students.

Enrollment trends of students of color and indigenous students have varied in recent years.

Unit has gro

Enrollment Intensity of Undergraduates



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Full Time 12+ Credits	186,674	185,623	187,544	191,648	196,601	198,493	215,706	211,534	200,918	195,194	187,754	180,112	178,112	166,688	156,688	163,688	156,688	144,688	138,688	135,223
Part Time 1-11 Credits	77,706	76,846	76,112	78,193	82,029	90,843	90,716	97,785	99,688	99,730	94,920	90,112	88,112	89,688	80,688	76,688	74,688	72,688	70,688	61,029

Current Resources

Michigan has invested heavily in creating high-quality data resources that include a statewide longitudinal data system and infrastructure to connect and analyze data across sectors. MiLEAP is proud to partner closely with the Center for Educational Performance and Information and the Michigan Center for Data Analytics to improve data driven decision-making in Michigan.

The OHE has also added tools to make higher education and scholarship data more readily available.

### *Data Sharing Center*

In fall 2024, OHE launched the [Higher Education Data Sharing Center](#) to help key partners and policymakers find existing state data resources that help answer critical questions about higher education. Our goal is to make it easier to connect with the resources that are available and help identify gaps in available data. Topics include:

- College going
- College affordability
  - College costs
  - State scholarship awards
  - FAFSA completion
- Persistence and attainment
  - Statewide attainment goal
  - Student progress by high school
  - Student progress by college and university
- Our future. Our state.
  - Wage data by attainment level and field of study (including data disaggregated by institution)
  - Hot jobs and labor market trends
- Legislative reporting from colleges and universities
  - Including consolidated reporting from the Michigan Community College Data Inventory (MCCDI) and Michigan Higher Education Institutional Data Inventory (HEIDI)
  - A summary of all FY25 reporting required for colleges and universities

### *Data Dashboards*

The Office of Higher Education maintains dashboards to provide data transparency in tracking participation in and impact of the largest state-funded scholarship programs.

- [Michigan Achievement Scholarship](#) eligibility and awards
- [Michigan Reconnect](#) applications, enrollment, and graduation
- [Michigan Reconnect Applicant Data by Legislative District](#)
- [Tuition Incentive Program \(TIP\)](#) eligibility and awards
- CEPI-MI Student Aid Utilization awards year-over-year (coming soon)
- [MI Future Educator Fellowship and Stipend](#) eligibility and awards

To view total students served and total aid awarded for each scholarship program administered by the OHE - MI Student Aid, review the [annual report](#) for prior academic years.

## Future Opportunities

- *Provide disaggregated data by race/ethnicity for all programs.* Currently, OHE includes race/ethnicity data on the Reconnect dashboard but not for other programs. This is because race/ethnicity data is collected on the Reconnect application but is not included in state FAFSA data. OHE is currently working with CEPI to address this gap.
- *Continue conversations with partners and policymakers about common questions about programs and higher education.* Build additional resources to respond to these common inquires.
- *Continue to provide reporting that meets the needs of all users—including stakeholders that want downloadable Excel sheets and users that are interested in understanding key takeaways.*
- *Build an Office of Higher Education dashboard that monitors sector wide metrics that help us achieve statewide goals.* We want to monitor metrics that are relevant and can be used to drive action. For example, FAFSA completion leads to increased enrollment and gateway course completion leads to increased credential completion. Focusing on credentials that have evidence of driving toward the most critical outcomes can help move action in the state for the betterment of students.

## Conclusion

More than ever, pursuing education after high school sets Michiganders up for lifelong success. People with a skill certificate or college degree earn higher wages, are less likely to be unemployed, and are more likely to have benefits such as health insurance and retirement plans. These benefits expand to our communities too. Communities with higher postsecondary credential attainment levels have higher median wages, higher workforce participation, lower levels of participation in public assistance programs, and higher civic engagement. (For breakdowns by educational attainment level, see the College Board's [Education Pays 2023](#).)

The Michigan Office of Higher Education is ready to build on the state's momentum toward Sixty by 30 and, in partnership with Legislature, college and university leaders, nonprofit partners, community organizations, and more, continue to build the brightest future possible for our state and make it possible for everyone to make it in Michigan.

## Appendix

- I. *Aiding Momentum: Ideas for Enhancing State Financial Aid Administration in Michigan*. Prepared by Sova Solutions for MiLEAP Office of Higher Education.
- II. Related expenditures



September 2024

# AIDING MOMENTUM: IDEAS FOR ENHANCING STATE FINANCIAL AID ADMINISTRATION IN MICHIGAN





## Acknowledgements

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This report was prepared by Sova for the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP). The authors thank the MiLEAP leadership team for their support in completing this report. We are also grateful to the numerous individuals who supported our work through participation in individual interviews and group meetings. The commitment to supporting individuals seeking postsecondary education, and specifically accessing state financial aid programs, was evident from all we talked to. All ideas and suggestions contained herein are strictly those of the authors and should not be attributed to any individual, agency, or organization within Michigan.

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## Introduction and a Framework for Analysis

Effective design and administration of state financial aid programs is a critical responsibility of state government. It is also a vital lever for equity-focused improvement. States have for decades invested significant funding to create policies and programs to drive educational attainment to enhance the economic and civic health of communities and the state.

Historically, state financial aid was designed to incentivize and support college going for a specific cohort of students – those willing and able to enroll in postsecondary education nearly immediately after having matriculated from high school. Furthermore, state financial aid policy was structured around presumptions of full-time attendance, continuous enrollment at a single institution, and specific merit- or need-based criteria.

Yet more recently, faced with an increasing need for postsecondary attainment and a deeper appreciation for the diversity of age, financial circumstance, and range of postsecondary enrollment options facing students, policy leaders have refined and matured approaches to financial aid policy and administration. Across the nation, state financial aid policy has widened its focus beyond first-time, full-time students.

There has, in fact, been significant policy innovation to more intentionally support adult students reengaging formal education after a period of employment; to smooth pathways for students transferring among two- and four-year institutions; to provide tuition free community college; and to take a much more holistic approach to defining and meeting the financial needs of individuals pursuing a postsecondary education while attending either full or part-time.

Michigan is representative of these national trends. While Michigan has long provided state financial aid to resident students, recent policy enactments have built on these prior efforts by increasing aid funding to support a larger number of Michigan students, pursuing more diverse pathways to a degree or credential. These shifts are largely motivated by a keen interest in supporting the state's Sixty by 30 attainment goal, meeting the state's talent needs, and providing greater equity in college access and completion for more Michiganders.

Specifically, the Michigan Achievement Scholarship and Michigan Reconnect have fundamentally shifted the state's approach to financial aid and have reshaped the conversation about the state's role in ensuring college affordability and supporting

student success efforts. It has also brought Michigan closer to the approaches used in other states that leverage financial aid to progress towards attainment goals and close equity gaps.

The creation of the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) in 2023 represents a powerful opportunity to align the administration of financial aid more intentionally with efforts to achieve the state attainment goal. With MI Student Aid, (formerly housed in the Department of Treasury) and the Office of Sixty by 30 (formerly housed in the Department of Labor and Economic Opportunity) now residing in the same department, Michigan is poised to become a national leader in the effective and purposeful administration of state financial aid.

### *A Framework for Analysis*

Framing recent changes in state aid policy and programs, both within Michigan and across the nation, is a challenge. Like Michigan, every state is motivated to design (and redesign) financial aid programs for a plethora of reasons important in their unique set of political and historical approaches to policy making in general and postsecondary education policy specifically. For example, some states have a long history of setting higher in-state tuition rates coupled with more generous approaches to financial aid, while other states utilize direct appropriations to lower tuition and therefore require less funding for aid programs.

However, within this diverse landscape of approaches to designing and administering state financial aid, there has been significant work by policy professionals and state leaders to develop and utilize [a set of design principles](#) to guide state actions and support constructive policy dialogues. Design principles can serve as a framework for the consideration and discussion of reforms to financial aid among state policymakers and agency heads, campus leaders, community stakeholders, and aid administrators at both the state and institutional level. Although principles themselves are agnostic about policy specifics, they do provide common language for the consideration of policy options and implementation of enacted policies and programs.

These four principles of state financial aid redesign — student centered, goal-driven and data-informed, timely and flexible, and broadly inclusive — were initially created by the Education Commission of the States, through a collaborative process involving state leaders in aid policy, policy research experts, and practitioners from across the country.

Conceived as a consensus framework to guide state aid policy development, the principles have prompted policy leaders to keep today's students in mind as they allocate state resources toward the crucial tasks of increasing equitable postsecondary attainment and powering workforce development. As Michigan continues to consider options for policy design and implementation, the framework provides a useful way to continue to advance the state's priority of promoting access, success, and equitable outcomes for all Michiganders.

Articulated principles of state financial aid redesign fall into four interrelated categories, each highlighting a specific aspect of financial aid policy that, when taken together, directionally suggest what a comprehensive approach to state financial aid entails. The four principles of state financial aid design are:

- **PRINCIPLE 1: Financial aid programs should be student-centered.** Aid programs designed around students and their needs set students up for successful outcomes.
- **PRINCIPLE 2: Financial aid programs should be goal-driven and data-informed.** Aid programs should have a clearly defined and easily understood intent aligned with measurable state education and/or workforce goals.
- **PRINCIPLE 3: Financial aid programs should be timely and flexible.** Aid programs should provide financial support to students when it can have the greatest impact on enrollment and persistence decisions.
- **PRINCIPLE 4: Financial aid programs should be broadly inclusive of all students' educational pathways.** Aid programs should respond to the diverse enrollment options available to today's students.<sup>1</sup>

Moving forward, this report uses these principles to categorize and assess the progress that Michigan has made through recent aid policy enactments and to organize feedback gathered from over two-dozen interviews with financial aid professionals and policy leaders in the state. In the concluding section of this report, we return to the principles as an organizing framework for recommending future changes to policy, administrative practice, and communications that will continue the strong momentum Michigan leaders

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<sup>1</sup> These four principles originate from work Brian Sponsler and Sarah Pingel led while employed at the Education Commission of the States. The full report sharing the financial aid redesign framework can be accessed [here](#).

have created along the pathway to reaching the ambitious Sixty by 30 goal and increasing equitable educational opportunities and outcomes for all students.

### *About this report*

This report, while grounded in historical perspective, focuses on changes Michigan has made in financial aid policy and administration over the last several years, both in terms of the impact that increasing the state's role in aid provision has had on students, but also in terms of how these increased investments have impacted relatively long-held state and institutional roles in supporting affordability in the state.

To do this, Sova analyzed statutory and regulatory language for aid programs administered by MiLEAP and historical legislative reports related to Michigan aid programs. We assessed these trends against the national landscape of state financial aid policies, seeking to situate Michigan's evolving approach to aid provision within the broader context of state financial aid policy and practice targeted to attainment and equity goals.

Importantly, the Sova team conducted 25 interviews with state leaders, institutional directors of financial aid, and national aid experts to learn more about how the state's shifting and increasing role in promoting affordability for Michigan students through financial aid may continue to improve in the years to come.

In this report, we present the results of this analysis and situate these findings within the broader national context for state financial aid programs. We also utilize a principle-based framework to propose recommendations aimed at ensuring that the administration of financial aid in Michigan is aligned to the Sixty by 30 goal and the state's commitment to equity, access, and success.

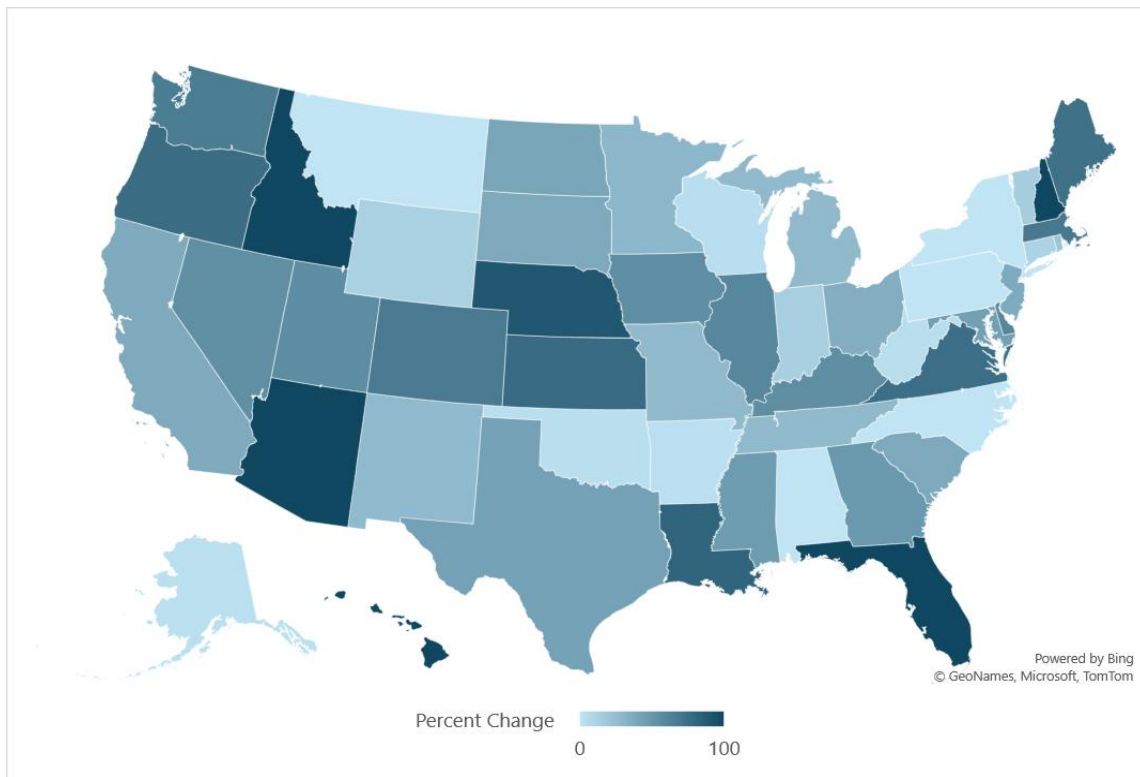
## Trends in State Financial Aid Programs

In recent years, Michigan has taken a renewed approach to leveraging financial aid as a tool in promoting postsecondary access, success, and equity. Not only has the state invested more money into financial aid, but it has also shifted the focus of the programs through which that aid is delivered. Over time, the state has maintained a commitment to support key populations to which the state has an expressed interest (for example, the children of police and firefighters and foster youth), but it has complemented this

commitment with new, broad-based programs intended to serve more Michigan students than before. The Michigan Reconnect and the Michigan Achievement Scholarship have reinvigorated a conversation about the state’s role in promoting access and equity for more Michiganders seeking postsecondary education. These changes have broadened the group of students that are eligible for financial aid and are consistent with the approaches other states have adopted.

Across the nation, all states allocate dollars to fund financial aid programs that provide nearly \$15 billion per year to support over 4.5 million students in accessing and paying for postsecondary education.<sup>1</sup> Like Michigan, states nationwide have increased their investments in state grants and scholarships, due in part to the role that federal dollars have played in supporting state budgets during and after the COVID-19 pandemic. Map 1 below highlights the relative scope of these increases, with states allocating more robust increases shaded in darker colors. In Michigan, available data reporting on state financial aid expenditures illustrates an increase of slightly over 27% from 2017 to 2022.

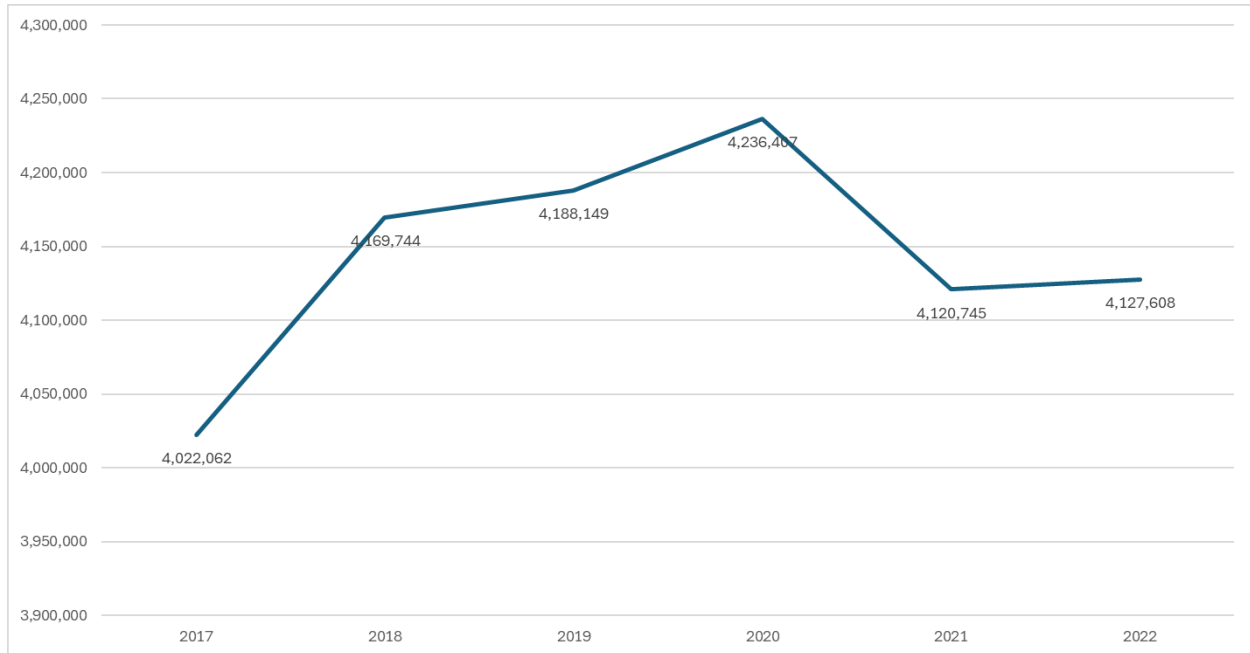
**Map 1:** Percent Change in State Financial Aid Expenditures, 2017-2022<sup>2</sup>



<sup>2</sup> Sources: The data for all states comes from the National Association of Student Grant and Aid Programs (NASSGAP) [annual survey](#). Additional program data for Michigan were obtained from MiLEAP’s [annual reports](#).

Over time, the number of students served by state aid programs has also shifted. Nationally, the number of students served by state aid programs decreased in 2021, likely because of decreased enrollment as institutions and students coped with the COVID-19 pandemic. However, the number of state aid recipients nationally increased in 2022, the most recent year for which national data are available.

**Figure 1:** Count of Recipients of State Grant and Scholarship Programs, 2017-2022<sup>3</sup>



To continue to align with statewide goals for higher education attainment and workforce development, states continually adjust existing programs and create new ones. In recent years, these redesigns have focused on: advancing completion with a focus on historically underserved student populations, the way state aid programs calculate award amounts, and aligning explicitly with workforce demands.

As states have advanced their focus on the enrollment and success of historically underserved student populations, they have focused on complementing aid program support with coaching and mentoring targeted to specific student needs. State aid programs have largely entered this space by leveraging the work of local college access networks and other organizations, following a model employed first by [Tennessee](#). In Indiana, for example, the state’s Commission on Higher Education funds [student success](#)

<sup>3</sup>Recipient data is drawn from NASSGAP and MiLEAP annual reports.



[coaches](#), located on college campuses, to support students receiving the state's 21<sup>st</sup> Century Scholars Program.

Michigan has followed this national trend in providing support for mentoring and coaching as a comprehensive approach to fostering equitable student success. For instance, MiLEAP has worked in strategic partnership with Michigan College Access Network (MCAN) to provide Success Coaches. Additionally, the [Michigan Reconnect Navigator](#) program provides assistance to Michigan Reconnect students in applying for federal student aid, setting career goals, selecting a program of study, registering for classes, and creating a plan to graduate. In both these examples, MiLEAP and their partners realize the importance of providing support beyond pure aid dollars to increase the likelihood of students achieving successful educational outcomes.

Alongside a focus on coaching and mentoring, across the nation state aid programs are increasingly using last-dollar models to determine student award amounts. Through a last dollar model, the state pays a remaining portion of the student's cost of attendance after federal or other sources of aid are applied. Ideally, this model enables the state to complement other sources of federal or institutional aid, and, in so doing, provide support to more students. Again, the structure of new aid programs in Michigan follows this trend.

In practice, however, last dollar awarding has become increasingly complicated for states to implement. This is especially true when the same student receives multiple sources of aid that are structured as last-dollar awards. Several sub-state-level last-dollar programs across the nation have therefore moved to a "last dollar plus" model, where the aid program defines a maximum amount for the last dollar program. In these programs, students may receive part of their last-dollar award for expenses such as books and supplies or living expenses if their tuition costs are already met. For example, the [Illinois Promise](#) program at the University of Illinois Urbana-Champaign provides a last-dollar grant that covers tuition as well as books and a portion of the student's living expenses.

State aid programs have always played a role in state workforce development agendas; however, their role in encouraging and developing people to study and work within specific fields has increased in recent years. This trend has also played out in Michigan, with the addition of the Mi Future Educator Fellowship. Through the fellowship, students pursuing their initial teaching certification can receive financial support in exchange for committing to teach in Michigan. Indeed, more states have created aid programs that

focus on specific high-need fields, most commonly, nursing and education, to provide more accessible pathways for people to enter these professions. Historically, these programs have been complicated in their requirements and in their implementation, requiring a state-level program administrator to monitor employment in specific fields and/or geographic areas annually. Additionally, standard approaches require the student to repay the aid if they fail to meet the post-graduation employment requirements. Latest trends suggest states are relaxing these requirements, both for ease of administration and to provide students with clearer, more accessible pathways to training in high-need areas.

In addition to the trends above, several states have enacted policies to provide financial aid or tuition waivers for special populations of students to which the state has an expressed commitment to support. For example, twenty-eight states offer state-level tuition assistance to former foster youth seeking a postsecondary credential.<sup>2</sup> Michigan's relatively long-standing program is highly inclusive of former foster youth regardless of their age at the time of enrollment, provides support for both direct and indirect costs, and allows students to attend full- or part-time. These equitable policies support as many former foster youths as possible in accessing program support. Indeed, Michigan's program is a model for other states to emulate.

While the creation of these programs is not a new trend, many states also maintain aid programs targeted at the children of deceased veterans, police officers, firefighters, or corrections officers. Often, states with these programs conceptualize supporting postsecondary attendance for the children of deceased veterans or public service officers as a state responsibility separate from statewide higher education goals. In 2022, 14 states funded 19 separate aid programs targeted at these populations. These programs served over 12,000 students in 2022, with Florida, Ohio, and Virginia accounting for over 90% of total state spending on these programs. Michigan's program is similar in structure and in size to other states programs and complements state-level programs targeted to attainment.

## Stakeholder Perspectives

To gather perspectives on the state's growing role in supporting financial aid programs, Sova conducted over two-dozen interviews with state leaders, institutional directors of financial aid representing Michigan's public 2-year and 4-year sectors, as well as independent colleges, and with select national financial aid experts. Semi-structured

interviews were conducted virtually and allowed for broad reflection on recent policy and administrative changes; discussion of successes and challenges within the current state financial aid policy environment; and suggestions for future activity that could build on the positive momentum around financial aid reform in the state.

Coupled with policy and administrative practice reviews, stakeholder interviews revealed several areas of strength to celebrate as well as areas of opportunity for strengthening the alignment of state financial aid administration and policy with the state attainment goal.

Overall, stakeholders expressed a high-level of interest in ensuring that the state, and MiLEAP specifically, can improve policy and administrative practice to ensure meaningful progress towards the Sixty by 30 attainment goal through improving outcomes for the most marginalized students in Michigan.

Interviewed stakeholder reflections included:

- Recent **changes to financial aid policy and the creation of MiLEAP represent positive, meaningful steps** that are moving the state forward in important ways. Stakeholders recognize the **historical funding increases and shift in aid policy and programs in recent years are critical to leverage for immediate results**, both for the students enrolled in the postsecondary institutions across the state and to demonstrate impact worthy of future – and additional – financial investment.
- Overall, **MiLEAP receives positive marks from stakeholders for developing a more student-centered vision and approach to aid administration**; for being **open and transparent with stakeholders**; and for **navigating a recognized dynamic environment**. For example, institutional directors of financial aid who confronted new programs and refinements to existing policy over the most recent awarding cycle spoke appreciatively of the chance to communicate with MiLEAP leadership and staff about challenges and ways to improve practice. **Dialogue between MiLEAP and institutions was reported as being positive and much more open in nature than at prior points in time**. Kudos were also given for the speed with which MiLEAP has stood up the Community College Guarantee.
- Collectively, respondents spoke to a recognition that the **financial aid “system” is facing a set of challenges requiring both technical and adaptive change**. On

the technical side, there is significant **frustration with legacy IT systems that are viewed by many as insufficient and in urgent need of updating.**

Stakeholders spoke to the growing gap between the intentional, dynamic efforts over the last few years to make financial aid an engine of equity and the functionality of a legacy IT system that is under-equipped to provide state and institutional actors with the information they need to make timely, equitable, and consistent awarding decisions for students. **Many stakeholders interviewed called for MiLEAP to prioritize identifying and implementing new data management technology solutions to support effective, efficient, and equitable administration of aid programs.**

- Speaking to the necessity of adaptive changes, which include culture and mindset shifts, interview participants from institutions suggested that MiLEAP has enormous potential to function as a **state-level program administrator that brings compliance and student access into better balance.** Many stakeholders interviewed noted that the overarching culture of aid administration needs to reflect a desire to make the most efficient and impactful use of state aid dollars to drive equitable student outcomes. Praise for bringing MI Student Aid and the Office of Sixty by 30 into the same department was a strong theme in the stakeholder interviews. **Leveraging the Sixty by 30 attainment goal as an overarching North Star for the state was reported as being an important signal of the cultural shift around the administration of state financial aid.**
- **Stakeholders encourage MiLEAP to assess the administrative burden placed on institutions via reporting requirements for various aid programs. Current reporting requirements may be particularly onerous for tribal colleges and less-well resources community colleges.** Noted were requirements for reporting that do not take into consideration the number of students an institution may have receiving aid from a specific program; for instance, a small number of students using Reconnect at tribal colleges necessitates reporting efforts that are substantial and time consuming when balanced against the information produced.

- A large majority of stakeholders interviewed spoke of opportunities to **focus on more impactful communication strategies** aimed at both **financial aid professionals and families/students**. It was suggested that guidance for financial aid professionals be centralized (i.e., maintained single source handbook) and communicated through a standardized process. References were made to varying modalities of communication about policy updates or changes to administrative requirements (i.e. emails, notices posted in different places, numerous websites to navigate), with several **suggestions that perhaps a centralized location to communicate and archive updates for institutions and agencies would be helpful in reducing confusion and increasing administrative efficiency.**
- **Additionally, stakeholders expressed a desire for enhanced external communications that could make aid eligibility clearer** to individuals and strengthen Michigan’s culture of attainment. For example, several interviewees suggested that MiLEAP and institutions consider partnering more intentionally to increase award predictability for students by aligning online communications about program eligibility with institutional packaging policies. Doing so, it was suggested, would empower students to self-assess their eligibility for state aid prior to committing to attend an institution and provide timely information during a student’s decision-making process about initial application. Stakeholders also described **the role that improved communication to students, families, and communities could play in strengthening Michigan’s culture of postsecondary attainment.** While some stakeholders focused specifically on student outreach and communication, others interviewed widened the lens and called attention to the broader potential of improved community engagement and outreach related to state financial aid.
- Speaking specifically to the awarding of aid to students, stakeholders expressed broad understanding and agreement that **making sure state aid is on the first award letter is key.** However, some expressed **concerns about how to do this equitably and successfully** given the cadence of the state budget cycle, which does not coincide with the timing of student admission and financial aid decision-making. Additionally, institutions reported that they did not consistently and readily receive student eligibility information from the state, which complicated efforts to identify and package eligible students. For example,

many institutions have developed discrete processes to identify students who are eligible for the Michigan Achievement Scholarship since they may not receive official notification of eligibility from the state in time for initial aid packaging.

- **Many institutions shared that they have created methods to award students without waiting for formal eligibility notification for the state.** For example, MiLEAP will only notify the first institution listed on a student’s FAFSA if that student officially qualifies for the Michigan Achievement Scholarship. To include the Achievement Scholarship on more students’ first award letters, interviewees shared that their institutions have individually built methods to identify those students and are including the award even if they have not been officially notified of the student’s eligibility from MiLEAP. While MiLEAP has implemented reports that allow campuses to view individual student eligibility, **interviewees specifically pointed to a missed opportunity in how MiLEAP could be systematically working to support timeliness of awarding** through its processes because developing individual campus approaches to solving this challenge was inefficient and risked lack of coordination between MiLEAP and all institutions.

## Recommendations

Recent changes to financial aid policy and administration in Michigan, along with the creation of MiLEAP, hold the promise of dramatically increasing equitable student success, reaching articulated state attainment goals, and improving the lives of Michigan residents and the communities within which they reside. **Considered within the context of national trends in state financial aid funding and program administration, Michigan's policy posture is aligned with national trends and recent funding allocations are historically significant for the state.**

To support MiLEAP in its role of informing policy design and leading state-level aid administration, several recommendations have emerged from stakeholder interviews, analysis of policy and administrative rules, and consultation with national experts in state financial aid.

Recommendations are presented within the framework of the state financial aid redesign principles presented earlier in this report. Doing so provides a starting rationale for individual recommendations, suggesting how Michigan’s financial aid policy may

continue to evolve in ways consistent with best practices in national aid reform efforts. Additionally, while each principle and corresponding set of recommendations are presented separately, they interact in important and interrelated ways that warrant careful consideration when prioritizing any forthcoming policy, administrative, or practice changes.

## Principle 1: Student-Centered

Aid programs designed around students and their needs set students up for successful outcomes.

- **MiLEAP and institutions should partner efficiently and intentionally to increase aid predictability for students by aligning online communications about program eligibility with institutional packaging and disbursement policies.** For example, institutional practitioners indicated difficulty with helping students understand why they may or may not qualify for the full amount of the advertised Reconnect award. This issue was particularly acute for Michigan students that do not live in a community college district. Clear communication about how aid awards are packaged and dispersed can empower students to self-assess their initial eligibility for state aid prior to applying to or committing to attending an institution.

**Where possible, aligning state eligibility and renewal requirements criteria to what institutions already monitor for Pell can help ease the burden on administration** (Reconnect is an important exception to this recommendation, where the difference in Satisfactory Academic Progress calculations can serve as a vital on-ramp for students looking to complete credentials they began previously). Once they commit to attend, students should be assured they will receive the full amount of advertised aid. Advancing this recommendation may require institutions to adjust packaging policies to reflect more accurately the exact anticipated Reconnect eligibility amount. It will also require MiLEAP to continue to work to align its multiple aid programs, and provide clear, actionable directive to institutions regarding packaging order.

In addition, to advance this recommendation, MiLEAP could work with the institutions in the state to ensure that state aid is included within their existing institutional net price calculators and should work in strategic partnership with

statewide college access organizations to use these calculators in their outreach efforts.

- **MiLEAP should continue building toward a more robust, intentional, and coordinated approach to direct student outreach and community engagement to strengthen a culture of college going and boost confidence in the value of postsecondary education in Michigan.** Such efforts should include key partnerships with organizations leading college access work in the state, as well as appropriate partners in the state's civic and business communities. Structurally, one way to foster a more robust, intentional, and coordinated approach would be to ensure that all outreach and communication activities currently happening across the areas tasked with administering aid programs within MiLEAP, MI Student Aid and the Office of Sixty by 30, are aligned under one area and led by a clear charge. Currently outreach and communication efforts are organized primarily by target audience with MI Student Aid leading outreach with high school seniors and recent graduates and the Office of Sixty by 30 leading outreach to adult learners. This has benefits but misses opportunities to show a coordinated strategy to lower the cost of college for all Michiganders.

## Principle 2: Goal-Driven, Data Informed

Aid programs should have a clearly defined and easily understood intent aligned with measurable state education and workforce goals.

- **MiLEAP should continue to develop and clarify statewide goals for Michigan's aid programs, and consistently and effectively communicate those objectives to the institutions.** MiLEAP should also act to reinforce a predictable position from the state on student aid issues and partner more effectively in the administration of aid. Achieving this kind of improvement might entail rethinking the organizational structure of work around the design and administration of aid. For example, organizing around the three pillars of program administration, communications & outreach, and policy & strategy could help MiLEAP leverage its existing strengths and allow it to accelerate improvement efforts. Aligning around a shared vision and goal of ensuring that the full amount of appropriated program funds are allocated to eligible students would be the foundation on which these pillars stand.



- **MiLEAP should continue to act to streamline the collection, maintenance, and use of data to inform evaluation of financial aid programs, communicate with policymakers, and reduce burdens on students.** This process has already been initiated through public-facing, program-level dashboards, and could be further expanded by:
  - Continuing to align data reporting practices for legacy programs previously managed by Treasury and for newer programs created under MiLEAP.
  - Effectively leveraging all data available to support accurate and efficient program administration for institutions. Specifically, MiLEAP should include credit hour accumulation data for institutions administering TIP Phase I and Phase II awards. They should also collaborate with other executive-level agencies to provide timely high school graduation information to postsecondary institutions.
- **MiLEAP should adjust practice to move beyond notifying only the first institution listed on a student’s FAFSA if that student officially qualifies for the Michigan Achievement Scholarship.** Specifically, MiLEAP should provide student eligibility rosters to institutions for all students that are eligible for the Michigan Achievement Scholarship. Doing so would bring consistency to data available to institutions packaging students and demonstrate alignment with a more “student-centered” culture of aid provision that is beginning to take hold within the state.

### Principle 3: Timely and Flexible

Aid programs should provide financial support to students when it can have the greatest impact on enrollment and persistence decisions.

- Given broadly reported challenges with current data management technology, **MiLEAP should maintain a process of continuing to improve data management technology solutions that can support equitable administration of aid programs beyond the current capabilities of the MiSSG system.** Enhanced and more flexible technology systems can allow for the provision of more timely information to aid administrators, policymakers, state-level decision makers, and most importantly to students.

- As Michigan continues to iterate on its approach to state financial aid provision, **the state and MiLEAP should recognize that institutions will be able to most nimbly implement programs which have administrative requirements that mirror those present in the federal student aid programs.** While state aid should be an important complement to federal aid programs, aligning reporting and other administrative functions to that which institutions are already accustomed to for federal student aid can provide needed efficiencies and clarity for institutional practitioners.

#### Principle 4: Broadly Inclusive

Aid programs should respond to the diverse enrollment options available to students and cover as much of the cost of attendance as possible.

- Moving forward, **MiLEAP should continue to support a balance of required compliance of state stature and regulations, with the necessity of getting aid to students in timely and comprehensive manners.** In most states, state financial aid is administered by a higher-education focused agency that enacts regulations that comply with state statute while balancing the practical needs of institutions and students. In Michigan, prior to the creation of MiLEAP, there was limited state-level leadership directives for how to implement aid programs that balance the imperative for compliance with state policy with student-centered practice that ensures all eligible students are receiving the full amount of aid for which they qualify. As a result, many current reporting and awarding practices still reflect a history of emphasizing compliance over student needs; if there are judgment calls to be made, which there always are, we heard repeatedly that the judgements leaned toward compliance over prioritizing getting aid to students.
- **Institutional leaders report students to be confused when they do not receive the full amount of awards listed on their award letter.** This issue is particularly acute when applying Michigan Reconnect awards to students' accounts. MiLEAP could work to **resolve confusion by providing clarity to institutions and to students on the order in which state awards should be packaged.** MiLEAP should also consider discontinuing the monitoring of the amount of state awards applied to direct versus indirect student costs. Doing so would reduce the burden on institutional aid professionals and simplify award letter communications to students.

- Outside of the areas identified by this policy analysis and stakeholder engagements, there may be other areas where statutory guidance may be narrowly interpreted in administrative policy. **MiLEAP should consider taking a systematic approach to reviewing its statutory authorities and policies and procedures to ensure that statutory intent is appropriately balanced with institutional and student needs.**

## Conclusion

The state of Michigan has taken significant steps towards leveraging state financial aid programs in service of greater attainment levels across the state, and with an eye towards equitable student access and success in higher education. While recent, these changes necessitate ongoing review to ensure that the state is moving towards its intended objectives. In this report, we have highlighted that Michigan's recent reforms to aid programming align with approaches taken nationally. Interviews with financial aid stakeholders across the state revealed excitement and optimism about MiLEAP and its potential to refocus the state's approach to aid administration towards educational attainment and equity. At the same time, stakeholders expressed the need for both technical and adaptive changes to the state's and MiLEAP's developing approach to aid administration. These changes align with national frameworks for state financial aid redesign, which highlight the need for student-centered, timely and flexible, goal-driven and data informed, and broadly inclusive approaches to aid policy design and implementation. Moving forward, these recommendations are intended to support and position MiLEAP as a key player in advancing statewide goals for higher education through effective state aid policy development and implementation.

# Appendix II

## Related Expenditures

Per statute, this report is required to provide a detailed list of expenditures required to complete this report.

MiLEAP partnered with the Michigan College Access Network and Sova Solutions, a higher education consultant with financial aid expertise, to complete an independent review of the state's financial aid programs (\$50,000).

Portions of the report were drafted by a policy fellow provided to the department by Youth Policy Lab, with funding from the Kresge Foundation and the Ballmer Group.

All other analysis was completed by the Office of Higher Education team and did not include direct expenses.