



Governor Gretchen Whitmer
 P.O. Box 30013
 Lansing, Michigan 48909

December 9, 2020

Dear Governor Whitmer,

We are grateful for all your hard work and leadership advancing affordability and equity for college students this year. We recognize that this has been a very difficult year – for you and your team, for college students and for postsecondary institutions. You have been working under difficult circumstances for a long time and have made impressive advances in the pressing priority of putting college within reach for all students in our state. We appreciate your hard work and are ready to support you in any way we can.

As our state continues to wrestle with the pandemic, its impact on students and our state's progress toward achieving 60 percent postsecondary degree or certificate attainment by 2030 continues to unfold. Unfortunately, we have seen a significant dip in college enrollment across Michigan, ranging from 7.4% at the state's public universities to as much as 10% in community colleges. Anecdotal evidence suggests the dip has been greater among low-income students than students from higher income families. Low-income students are most at risk to drop out, stop out or never enroll in the first place, and thus the present situation puts an entire swath of students at greater risk to never complete college than those who graduated in earlier years.

Given the enrollment patterns that have emerged, we, a coalition of education, philanthropic and business organizations, believe more flexibility is needed to keep students on track to go to college. We are writing to recommend several discrete steps to help make financial aid as flexible, accessible, and aligned towards degree completion as possible. In that spirit, we write to ask you to revise four financial aid provisions that we believe will have significant ramifications for helping the state achieve its goal of 60 percent college attainment by 2030.

- **Allow students to appear on the roster of every school they list on the FAFSA** – Currently, students only appear on the roster of the institution they list first on the FAFSA, which limits the ability of institutions to include state grant aid in award letters. If institutions aren't aware that students are eligible for the Tuition Incentive Program (TIP), Michigan Competitive Scholarship, or Michigan Tuition Grant, for instance, they could send award letters that suggest students will pay significantly more for college than they actually will. Research is clear that providing students with clear information about the net price of college impacts where students chose to attend college, and whether students attend college at all, and these impacts are more profound for students from low-income families.
- **Raise the annual TIP Phase I credit limit to 30** – We ask that you change the Tuition Incentive Program, TIP, rule to allow students to use up to 30 credit hours per year in Phase I, an increase from the 24 credits that are currently allowed. Research shows that students are much more likely to complete a degree if they are enrolled in 15 credit hours per semester. In fact, five states across the country and multiple institutions in Michigan are running "Fifteen to Finish" campaigns aimed at encouraging students to enroll in 15 credits hours to boost their likelihood of academic success and complete their degrees on time. The current TIP limit of 24 credit hours per year may encourage students to take a lighter course load than they would prefer, take longer in their educational journey and spend more, and ultimately drop out without attaining a degree. Making this change is likely to save the state money in the long run since tuition often rises annually. The more credits students take sooner, the less the state will spend on future credits.
- **Allow students to retain their TIP Phase I benefits while in Phase II** – Some students enroll in a four-year institution and trigger their Phase II benefits without having exhausted their Phase I benefits. In practice, this situation results in students losing the ability to access Phase I benefits and dramatically increases the cost to students who end up transferring back to a community college, a situation that is occurring more frequently during the pandemic. Allowing students to

retain their Phase I benefits until they are exhausted, would increase the likelihood that they will complete a degree, regardless of the institution they choose to attend.

- **Recognize all college credits students are taking where possible** – Students’ educational journeys are not always linear, and state policies should support the Sixtyx30 attainment goal by allowing flexibility for students to accrue credits in the manner and at the institutions that work best for them to the greatest extent possible. Some students enroll in a four-year institution by day and take courses at a community college at night, for example, to accelerate their education and receive a degree as quickly as possible. Current policy treats these students as part-time when in fact they are enrolled full-time when enrollment at both institutions is added together. When both postsecondary institutions are in a consortium, the state should recognize all the credits students are taking for the purpose of awarding state aid.

Thank you very much for your attention to these important issues. We hope that by providing more flexibility in financial aid, state policymakers and institutions can work together to minimize the harm to students during this difficult time. We are available to help you implement these recommendations in any way.

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