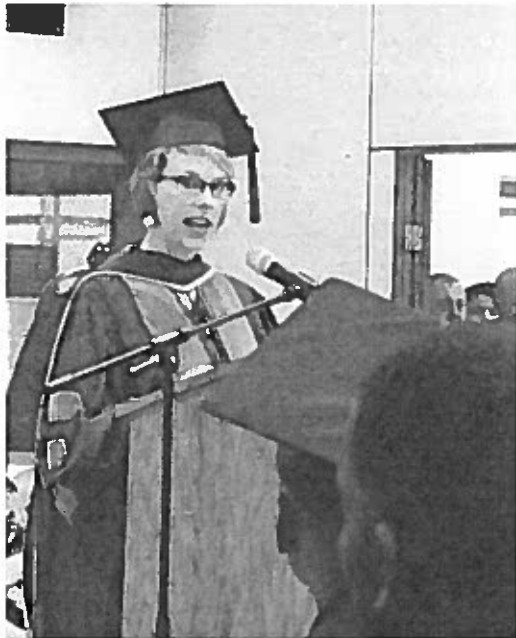


Delta College Graduation Ceremony at Saginaw Correctional Facility

October 17, 2019

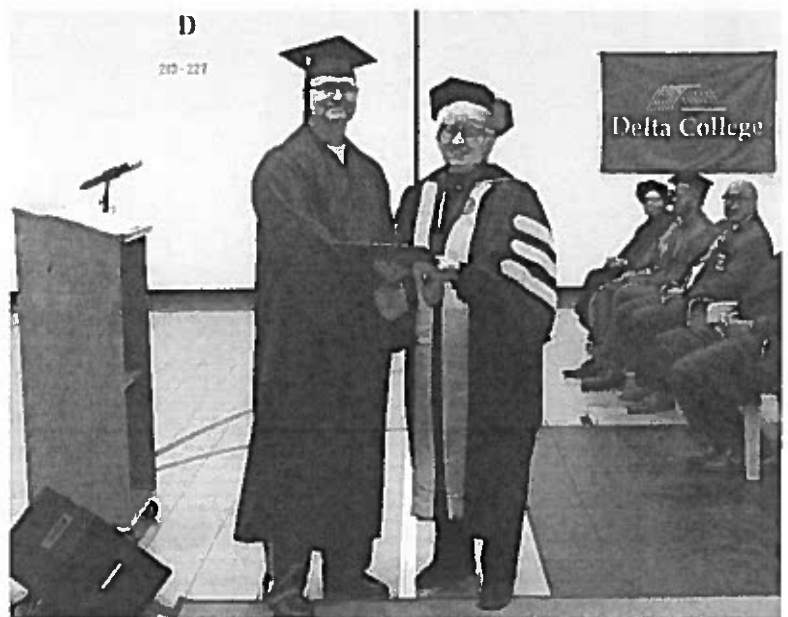
Delta College and the Saginaw Correctional Facility in Freeland, Michigan, held a graduation ceremony recently for ten students who completed their associate's degree in Small Business Management/ Entrepreneurship. These men were the first group to graduate through a program in which 53 students at the facility are taking Delta courses.



"This ceremony was a highlight of my career in education," said Dr. Jean Goodnow, President of Delta College. "I believe in the power of a community college education. In fact, several of the ceremony attendees, including the warden, revealed that they too are proud Delta College graduates."

Federal funding for the program was made available in 2015 when President Obama's Education Department announced an experimental program called Second Chance Pell. Delta College is one of three community colleges in Michigan working with correctional facilities to offer incarcerated individuals an opportunity to earn college credit toward a degree.

"This partnership is important to our community because as a society, we must equip incarcerated people with the skills to build a life for themselves upon release from prison," said Tom (O'Bell) Winn, Warden, Saginaw Correctional Facility. "We also know education is transformative to how people view themselves. It saves the state money by lowering recidivism, giving more incarcerated individuals access to desirable careers, and building a stronger workforce."



THE BUSINESS CASE: INCREASING EDUCATION ACCESS FOR RETURNING CITIZENS

detroitchamber.com/the-business-case-for-increasing-education-access-for-returning-citizens/

By Becky Harris

July 18, 2019



"We can only be as successful as the communities we serve," said Bank of America's Matt Elliott.

On Wednesday, July 10, the Detroit Regional Chamber — in partnership with Bank of America, Corrections to College California, and the Vera Institute of Justice — hosted Investing in Futures at the Detroit Golf Club. The breakfast briefing featured the Chamber's Sandy Baruah alongside national and local speakers to discuss access to postsecondary education for incarcerated or formerly incarcerated students.

"We don't have the luxury of leaving any part of America behind," Baruah said.

Recent reports by the Vera Institute of Justice and Corrections to College California offered findings on the economic and societal benefits of access to postsecondary education, from employment to public safety.

Vera's 2017 report found that Michigan alone would save \$10.7 million on incarceration costs if Congress were to repeal the federal ban on Pell Grants for incarcerated students. Postsecondary education in prison can help formerly incarcerated people overcome barriers, avoid recidivism, and rejoin communities. As Michigan faces a talent gap, greater access to postsecondary education provides potential workers with skills that employers seek.

"When you are faced with job applicants who fight so hard for their education, you have a potential employer who has already taken steps to put their past behind them and overcome obstacles and develop critical thinking skills that are important for jobs," said Opportunity Institute's Rebecca Silbert.

Access to education in prison has an authentic impact. Brian Jones, an Eastern Michigan University (EMU) student set to graduate magna cum laude this fall, earned 28 college credits while incarcerated in 2014. He wrote college papers with golf pencils. Jones ultimately earned an associate degree from Oakland Community College, graduating summa cum laude.

"My transition from prison to real college and society was very smooth because of the people who helped me," Jones said. In addition to pursuing higher education, he runs his own business — a clothing store in Detroit called 10 20 30.

From the employer end, Ideal Group's Frank Venegas recalls hiring gang members who eventually became longtime employees. At the time, the unemployment rate in Southwest Detroit was around 40%; now it's down to 12%, he said.

"Ideal became a prison friendly workplace," Venegas said. • Increasing access to education for returning citizens aligns with the

Currently, regional industries and businesses require qualified, local employees and returning citizens with the educational experience, credits, and degrees are well equipped for the jobs.

"It's foolish to cast them aside," said University of Michigan's Barbara McQuade. Chamber's region-wide goal, shared by Gov. Whitmer and

Key Takeaways several organizations, to improve the postsecondary attainment rate from 40% to 60% by 2030, targeting the 693,000 adults with some college but no degree.

- Expanding access to postsecondary education in prison is likely to reduce recidivism rates and save states a combined \$365 million in costs per year, said Georgetown Center on Poverty and Inequality's Laura Tatum. Most people in prison are academically eligible for postsecondary education but cannot gain access to resources. Read the fact sheet.
- Corrections to College California reports that college in prison makes communities safer, saves money, and builds economy. Read the fact sheet.
- There is a persistent stigma that surrounds returning citizens. While considering that not all felonies are created equal, employers should work to change attitudes, re-think hiring practices, and offer opportunities for several facets of the community.
- Philanthropy arms of large corporations need to create wraparound services and programs for reentry services (i.e., food, housing etc.) and facilitate the transition for returning citizens.

Michigan: Postsecondary Education in Prison

Michigan is a leader in the movement to return high quality postsecondary education to the nation's prisons.

Why Higher Education in Prison Matters:

- **Public safety:** Incarcerated people who participate in prison education programs are 43 percent less likely to recidivate than those who do not. Fewer crimes and less rule-breaking on post-release supervision lead to fewer crime victims and enable probation and parole agencies to concentrate their resources on their riskiest supervisees.¹
- **Facility safety:** Prisons with college programs have fewer violent incidents, creating safer working conditions for staff and safer living environments for incarcerated people.²
- **Preparing for post-release jobs and successful reentry:** By 2020, 65 percent of jobs will require postsecondary education and training beyond high school.³ However, only 11 percent of incarcerated people in state prisons and 24 percent of those in federal prisons have completed at least some postsecondary education.⁴
- **Taxpayer savings/Return on investment:** Every dollar invested in prison-based education yields \$4 to \$5 of taxpayer savings in reduced incarceration costs.⁵
- **Stronger families and communities:** When parents — including those who are incarcerated — complete college, their children are more likely to do so, thereby disrupting the typical cycle of poverty and incarceration.⁶

Unlocking Potential: Pathways from Prison to Postsecondary Education

In 2012, the Michigan Department of Corrections (MDOC) was selected to be part of a four-year national demonstration project administered and supported by Vera and jointly funded by five leading national foundations including the W.K. Kellogg Foundation. The partnership between the MDOC and Jackson College allowed for incarcerated students in Macomb and Parnall correctional institutions to earn a General Transfer Certificate, consisting of 30 credits in core competency and general education requirement courses, transferrable to any degree or concentration of their choice, after release. The two facilities were strategically selected as sites that would prepare incarcerated people for return to Pontiac and Kalamazoo; areas that—according to Department records—received approximately 1,700 reentrants yearly.

Jackson Community College (later renamed Jackson College) offered prison education programs from 1967 through the mid-1990s when the Congressional ban on Pell accessibility for people in prison was passed. In 2012, Jackson began offering course instruction again with their newly created Prison Education Initiative (PEI). Most students were referred to as “self-pay”, where the costs of tuition was covered by themselves, through a family member or friend, or a sponsor (usually a church or an anonymous donor). Others received veteran G.I. Bill benefits. Thus, the Pathways Project allowed for Jackson to expand its course offerings in prison, reaching over 300 students enrolled in 2015. The partnership allowed for incarcerated students in Macomb and Parnall correctional institutions to earn a General Transfer Certificate (GTC), consisting of 30

credits in core competency and general education requirement courses, transferrable to any degree or concentration of their choice, after release. The two facilities were strategically selected as sites that would prepare incarcerated people for return to Pontiac and Kalamazoo; areas that—according to Department records—received approximately 1,700 reentrants yearly.

Vocational Village

Michigan Pathways' emphasis on preparing incarcerated people for reentry through education services paved the way for a new, innovative program in the state—and the first of its kind in the country—in 2016: the Vocational Village. Envisioned and developed by MDOC Director Heidi Washington, the village trains students in one of six, in-demand skilled trades: automotive technology, CNC machining, welding, building trades, plumbing and electrical. Participants are housed together in the same unit, acting as a therapeutic learning environment that supports their success. Funding from the Legislature has allowed for a second Vocational Village site in Jackson that serves more than 200 students, adding to the 165 vocational trade students, 27 vocational trade tutors, and 12 building trade workers at the pilot site, Richard A. Handlon Correctional Facility in Ionia, Michigan.

Second Chance Pell Pilot

In 2016, three colleges were selected as demonstration sites for the U.S. Department of Education's (ED's) Second Chance Pell Experimental Sites Initiative. Over 200 colleges applied to participate in this initiative, which temporarily lifts the ban on eligibility for Pell Grants for students incarcerated in state and federal prisons that was put in place through the 1994 Crime Bill. ED selected 69 colleges in 28 states to participate in the initiative through which it will study the outcomes of 12,000 students who will enroll in college while in prison through this demonstration project. This program launched in the fall of 2016 and builds on many of the successful elements incorporated in Pathways. Second Chance Pell was launched under the Obama Administration, and continues to be supported by Secretary Betsy DeVos's Department of Education. The Secretary has stated on the record that the program will continue as originally published in the Federal Register.

Michigan has three two-year colleges participating in the Second Chance Pell program. All colleges offer face-to-face instruction to students incarcerated in MDOC:

Delta College

Delta College is a community college in University Center, Michigan, southwest of Bay City. Delta offers an Associate in Business Studies and a Small Business Management (Entrepreneurship) Advanced Certificate to incarcerated students under Second Chance Pell (SCP). Prior to SCP, Delta offered correspondence courses leading to an Associate in General Studies, a program that was self-pay for incarcerated students. Delta is currently offering courses in one MDOC facility: the Saginaw Correctional Facility in Freeland, Michigan. Delta's program allows for a 15 to 1 student to instructor ratio and they currently have 15 students enrolled. Estimated in-district costs for a 12-credit hour semester totals to \$1,524, which includes tuition, registration, and course fees. Estimated out-of-district costs for a 12-

credit semester are. \$2,456. A 6-credit hour semester (part-time) costs \$782 for in-district students and \$1,248 for out-of-district students.

Jackson College

Jackson College is located in Jackson County, Michigan. Jackson offers an AA degree, an AAS in Business Administration, and an Associate in General Studies. A Certificate in Business Administration, a General Transfer Certificate, and Computer Service Technician Skill Set is also offered to incarcerated students. Jackson College limits carceral class size to no more than sixteen students in almost all cases which allows for frequent one-on-one interaction with faculty.

Many incoming students—incarcerated and non-incarcerated—require help in mathematics before they are ready to take their college level math course. Jackson offers remediation through the Thinking Mathematically course or the College Math Preparation workshop, which includes, a three week “boot camp” in foundational mathematical concepts. Incarcerated students taking developmental and college level math courses currently exceed the performance of the general student population at Jackson College and are completing developmental math at a 90% success rate. Overall GPA for current incarcerated students is 3.6 on a 4.0 scale. Eighty percent of incarcerated students who have completed 12 or more credits at JC have made the Dean’s List, which requires a 3.5 GPA or higher. Competencies for courses offered to incarcerated students are identical to Central Campus courses offered to non-incarcerated students.

Jackson offers courses in five facilities (4 men and 1 women), including a federal facility, FCI-Milan (men). The remaining facilities where Jackson College teaches—Cooper, Cotton, and Parnall—are all located in Jackson County. Students are charged in-county tuition. Jackson is also the only college Second Chance Pell college in Michigan to teach women. That prison is in Ypsilanti.

Correctional Facilities served by Jackson

- Jackson Cooper St. Correctional Facility (JCS)
- G. Robert Cotton Correctional Facility (JCF)
- Parnall Correctional Facility (SMT)
- Women’s Huron Valley Correctional Facility (WHV)
- Milan Federal Prison (FCE)

Jackson’s in-district rate for the 2017-18 academic year is \$145 per billing contact hour. Out of County is \$217 per billing contact hour. Most classes carry from one to five billing contact hours.

Prison Education Initiative (PEI) Degrees & Courses

- Associate in General Studies
- Associate in Arts
- Business Administration – Associate in Applied Science

- **Business Administration – Certificate**

Jackson served approximately 650 students (existing and new) in the 2016-2017 academic year and is currently at nearly 500 students. Pending expansion of operations to additional facilities, they anticipated a total of 800 students the 2017-2018 academic year, and 1,200 students the following year. However, a conflict arose between the college and MDOC. Students in correctional facilities that were not in Jackson County were being charged out of district tuition rates, including the women's facility, which resulted in the state appropriating funds to make up the difference in the (women) students' tuition and what was covered by the Pell grant. As for the men residing in other counties, all were given the opportunity to transfer to a correctional facility located in-county to continue their studies.

It is worth noting that a pilot group of incarcerated Jackson College students were being trained to be writing tutors to students enrolled in writing courses. Additionally, Jackson College has welcomed formerly incarcerated students on campus and has offered pre-release and post-release advising during the transition.

Mott Community College

Mott Community College is located in Flint, Michigan, with satellite campuses in Clio, Fenton, Lapeer, and Howell. Mott offers its Business Management Associate of Applied Science program in the Thumb Correctional Facility in Freeland, MI. As of September 2017, Mott charges an in-district rate of \$137.60 per contact hour, \$183.40 per contact hour for out-of-district students, and for out-of-state students, \$261.40 per contact hour. There will be a minimum of 25 students enrolled in each program for the initial award year and in each of the subsequent three award years.

About the Vera Institute of Justice

Founded in 1961, the Vera Institute of Justice (Vera) is a justice reform change agent working to advance a vision of a more humane justice system that respects the dignity of every person and safeguards justice for everyone. Vera's mission is to drive change and to urgently build justice systems that ensure fairness, promote safety, and strengthen communities. Vera produces ideas, analysis and research that inspire change in the systems people rely upon for safety and justice. The organization's work is focused on systemic change that tackles the most pressing injustices of our day—from the causes and consequences of mass incarceration, racial disparities, and the loss of public trust in law enforcement, to the unmet needs of the vulnerable, the marginalized, and those harmed by crime and violence.

Vera is organized around centers of substantive excellence that bring together programmatic experts and researchers to encourage the exchange of new ideas and creative problem solving. These include centers on Sentencing and Corrections (which focuses on reducing the use of jails and improving conditions of confinement), Youth Justice (which aims to build youth justice systems that are community-based, smaller in scale, and impact fewer children), Immigration and Justice (which works to protect the rights of immigrant residents and their families), Victimization and Safety (which endeavors to improve system response to underserved victims

of violence), Policing (which strives to build bridges of trust between police and communities) and Substance Use and Mental Health (which focuses on promoting harm reduction and public health responses). Through these units, Vera works in 47 states on nearly 60 projects to improve the quality of justice through research, innovation, and collaboration.

High-quality postsecondary education in prison is a complex, boundary-spanning undertaking requiring significant support of these college-corrections-community partnerships. Vera has developed a reputation as a leader in the field since launching the aforementioned *Unlocking Potential: Pathways from Prison to Postsecondary Education Project* in 2012, a five-year three-state initiative involving 14 prisons in partnership with 15 colleges that has enrolled over 1,200 students. Vera's Pathways work provided on-the-ground technical assistance with planning, program improvement and innovation, and cross-site peer learning and networking. It has also cultivated and built a stable of champions of these efforts among policymakers, practitioners, and the general public. Vera also provided significant planning and technical assistance support to the U.S. Department of Education and the U.S. Department of Justice in the development and launch of the Second Chance Pell initiative. As a result of that assistance, the Department of Justice selected Vera to be the national technical assistance provider to the Second Chance Pell sites. Additionally, Vera provided early planning, program development and technical assistance to *Renewing Communities*, a project of the Stanford Criminal Justice Center and the Opportunity Institute that is designed to build a network of bridges from corrections to college to provide high-quality college opportunities for incarcerated and formerly incarcerated students in California that is modeled in part on Vera's Pathways from Prison project. Vera is currently conducting the evaluation of the program's pilot sites.

¹ This finding came out of a landmark meta-analysis of correctional education programs, covering 30 years of research—the largest ever completed. Lois M. Davis, Robert Bozick, Jennifer L. Steele, Jessica Saunders, and Jeremy N. V. Miles, *Evaluating the Effectiveness of Correctional Education: A Meta-Analysis of Programs That Provide Education to Incarcerated Adults* (Santa Monica, CA: RAND Corporation, 2013), 32, <https://perma.cc/AVZ9-JZSG>

² Correctional Association of New York, *Education from the Inside, Out: The Multiple Benefits of College Programs in Prison* (New York, NY: Correctional Association of New York, 2009), 8-9, <https://perma.cc/678G-979E>; Michelle Fine, Maria Elena Torre, Kathy Boudin, Iris Bowen, Judith Clark, Donna Hylton, Migdalia Martinez, "Missy," Rosemarie A. Roberts, Pamela Smart, and Debora Upegui, *Changing Minds: The Impact of College in a Maximum-Security Prison*, (New York: Graduate Center of the City University of New York, 2001), 21-22, <https://perma.cc/5LX2-MQEG>; Laura Winterfield, Mark Coggeshall, Michelle Burke-Storer, Vanessa Correa, and Simon Tidd, *The Effects of Postsecondary Correctional Education* (Washington, DC: Urban Institute, 2009), 8-10, <https://perma.cc/H4ZJ-7KTG>

³ Anthony P. Carnevale, Nicole Smith, and Jeff Strohl, *Help Wanted: Projections of Jobs and Education Requirements Through 2020* (Washington, DC: Georgetown University Center on Education and the Workforce, 2013), 15, <https://perma.cc/2RPN-8K6Q>

⁴ Caroline Wolf Harlow, "Education and Correctional Populations," (Washington, DC: U.S. Department of Justice, Office of Justice Programs, January 2003) <https://perma.cc/NJ8Y-UCNU>

⁵ Lois M. Davis, Jennifer L. Steele, Robert Bozick, Malcolm V. Williams, Susan Turner, Jeremy N. V. Miles, Jessica Saunders, and Paul S. Steinberg, *How Effective Is Correctional Education, and Where Do We Go from Here? The Results of a Comprehensive Evaluation* (Santa Monica, CA: RAND Corporation, 2014), 81, <https://perma.cc/Q4RQ-DMZW>

⁶ Correctional Association of New York, 2009, 3, <https://perma.cc/678G-979E>; James Conway and Edward Jones, *Seven out of Ten? Not Even Close*, (New Britain, CT: Central Connecticut State University, 2015), 10-14.

Date: June 4, 2018
To: Interested Parties
Subject: Understanding Pell Grants for Incarcerated Students
From: Terrell Blount and Ruth Delaney, Vera Institute of Justice

A. Introduction

This fact sheet is a resource for incarcerated students that may have questions about the Pell Grant. It provides both an overview of the history of the Pell Grant—from creation, to the ban on Pell Grants for incarcerated students through the Violent Crime Control and Law Enforcement Act of 1994, to the temporary reinstatement through the U.S. Department of Education’s Second Chance Pell Experimental Sites Initiative; and an outline of federal financial aid eligibility requirements that often present challenges to college students who are incarcerated— selective service, issues with defaulted loans, and crime-specific restrictions that may affect eligibility.

B. Brief History of the Pell Grant

The Higher Education Act of 1965 (HEA) is the federal legislation that governs what are now known as Pell Grants. Signed into law by President Lyndon B. Johnson, the HEA strengthened educational resources for colleges and universities and provided financial assistance for students in postsecondary and higher education.¹ The Act provided federally-funded financial aid, grants, and student loans, to students based on need to off-set the cost of attending college.

In 1972, Congress reformed sections of the HEA, with particular focus on providing more funding and more attention to grants for needy students, establishing the Basic Education Opportunity Grant.² This was later renamed the Pell Grant after Senator Claiborne Pell who led the reform efforts.³ From the founding of the program until the passage of the Violent Crime Control and Law Enforcement Act of 1994, signed into law by President Bill Clinton, Pell Grant funding was available to students incarcerated in state and federal prisons.

In 2015, the U.S. Department of Education announced a new Experimental Sites Initiative: the Second Chance Pell Pilot Program. This administratively authorized experimental program tests the impact of temporarily lifting the ban on Pell Grants for a limited number of incarcerated people who wish to pursue postsecondary education in

¹ *Higher Education Act of 1965*, Public Law 89-329, *U.S. Statutes at Large* 79 (1965): 1219-1270.

² U.S. Department of Education, Office of the Under Secretary, *Fulfilling the Promise, Serving the Need: Advancing College Opportunity for Low-Income Students* (Washington, D.C.: U.S. Department of Education, 2016).

³ The Pell Institute for the Study of Opportunity in Higher Education, “Pell Grants.”
http://www.pellinstitute.org/pell_grants.shtml.

prison. In 2016, 69 colleges in partnership with over 100 prisons located in 28 states were selected to participate in this pilot program.⁴

C. Eligibility for the Pell Grant

All students, whether incarcerated or attending school in the community, must meet certain criteria in order to be eligible for the Pell Grant:⁵

- *Be a U.S. citizen or eligible non-citizen.*
- *Be able to demonstrate financial need.* A student can exhibit financial need by providing financial information for him or herself and for his or her parents or spouse, if applicable, by filing out the Free Application for Federal Student Aid (FAFSA). There is no threshold requirement to meet for need and award amounts vary from student to student. Aid eligibility is calculated from the student's Expected Family Contribution (EFC) as compared to the cost of attendance.
- *Have a valid Social Security Number unless exempt.*
- *Not have previously been awarded a bachelors, graduate, or professional degree.*
- *Must be an undergraduate student enrolled full-time or part-time.* Part-time students might not receive as much funding as full-time students, but a school cannot refuse Pell Grant funds because a student is enrolled less than half-time.
- *Show they are qualified to obtain a college or career school education.* Most students can do this by presenting a high school diploma or have passed a State recognized high school equivalency test to the school in which they plan to enroll college classes.
- *Maintain satisfactory academic progress while attending college or career school.* Failure to meet one or more of the established standards of satisfactory academic progress (SAP) will make a student ineligible for financial aid. SAP requirements are determined by the college in which the student is enrolled.
- *Pace of Academic Progression.* A student's pace is calculated by dividing the number of hours earned by the total number of hours attempted. A student must complete at least 67 percent (rounded up to the nearest credit) of all cumulative attempted credit hours to continue receiving federal student aid.
- *Maintain appropriate Grade Point Average (GPA).* A student must earn a minimum 2.0 Cumulative GPA.

⁴ U.S. Department of Education, "12,000 Incarcerated Students to Enroll in Postsecondary Educational and Training Programs Through Education Department's New Second Chance Pell Pilot Program," press release (Washington, DC: U.S. Department of Education, June 24, 2016).

⁵ U.S. Department of Education, Federal Student Aid, "Basic Eligibility Criteria," <https://studentaid.ed.gov/sa/eligibility/basic-criteria>; U.S. Department of Education, Federal Student Aid, *2018-2019 Federal Student Aid Handbook: Volume 1-Student Eligibility* (Washington, DC, 2018).

- **Maximum Timeframe.** Federal aid cannot be paid to a student who exceeds 150% of the published length of the degree program. For example, if the number of credit hours required for a degree program is 120, a student is eligible to receive aid for up to 180 credit hours.
- **Cannot be currently in default on a federal student loan and must not owe money on a federal student grant.**
- **Cannot be found guilty of possession or sale charges while receiving federal financial aid in the past.⁶** Eligibility can be reinstated after a period of ineligibility if the student completes a certified drug treatment program or meets other requirements described below.
- **Selective Service.** Generally, all male college students between age 18 and 25 must register for selective service in order to receive financial aid. If a student did not register due to incarceration from age 18 to 25, he can complete a Request for Status Information Letter. The letter requires the student to provide the dates and location of confinement so that the Selective Service System can verify the student's status as incarcerated. Within a few weeks, the student should receive a letter from the U.S. Selective Service Government Agency that will confirm his exemption from the Selective Service.

Contact Selective Service by phone: Selective Service's Registration Information Office Hours: Monday - Friday 9:00 AM - 5:00 PM Eastern Standard Time, except Federal Holidays; Phone Number: 847-688-6888 or 1-888-655-1825 toll-free.

Contact Selective Service by mail: If you are responding to a letter and need to provide documentation, please mail it to:

Selective Service System
Data Management Center
P.O. Box 94638
Palatine, IL 60094-4638

D. How Pell is Calculated

The Pell award amount granted to a student is dependent on four criteria: the student's Expected Family Contribution (EFC), the cost of attendance (COA), the student's enrollment status (full-time or part-time), and if the student plans to attend for a full academic year or less.⁷

Expected Family Contribution (EFC). The family may consist of the student and his or her parents (if he or she is 18-24 and does not qualify as an independent

⁶ Ibid., 22.

⁷ U.S. Department of Education, Federal Student Aid, "How Aid is Calculated," <https://studentaid.ed.gov/sa/fafsa/next-steps/how-calculated>; U.S. Department of Education, Federal Student Aid, *2017-2018 Federal Student Aid Handbook: Volume 3 Calculating Awards & Packaging*, (Washington, DC, 2017).

student), the student and his or her spouse, or the student alone. The formula considers taxed and untaxed income, assets, and benefits (such as unemployment or Social Security). Also considered is family size and the number of family members who will attend college during the year. Note that pay received for work while an inmate in a penal institution does not count as "earned income."⁸

Cost of Attendance. This is an estimate of a student's educational expenses for the period of enrollment. While expenses for students in the community normally include costs such as tuition and fees, books and supplies, transportation, and room and board, the cost of attendance for incarcerated students participating in the Second Chance Pell program is limited to tuition and fees and required books and supplies. When programs of study or enrollment periods are less than or greater than the school's academic year, Pell awards are prorated to the costs for a full-time student for a full academic year.

- **Lifetime Eligibility Used (LEU).** Federal law limits the total number of years a student can receive Pell Grant funding to the equivalent of six years of their maximum eligibility.⁹ Since the maximum amount of Pell Grant funding a student can receive each year is equal to 100%, the six year equivalent is 600%. The maximum amount of Pell Grant funding a student can receive is calculated for an "award year." An award year is a period from July 1 of one calendar year to June 30 of the next calendar year. A student's "scheduled award" is partially determined by using his or her expected family contribution (EFC) that is calculated from the information filed on the student's FAFSA. The student's scheduled award is the maximum amount he or she would be able to receive for the award year if enrolled full-time for the full school year. This scheduled award represents 100% of your Pell Grant eligibility for that award year.

E. Changes in Enrollment

Changes to your enrollment include: withdrawing or chronic absence from classes. It is also important to note that disenrollment or class cancellations by the postsecondary institution can also result in a change in your financial aid eligibility.

- **Withdrawing from Classes.** Whether incarcerated or in the community, withdrawing from courses during a semester may carry immediate financial consequences.¹⁰ Funds are awarded to a student under the assumption that the student will attend school for the entire period for which the aid is awarded. If a student withdraws from a class after a Pell Grant has been disbursed, the academic institution must determine if there must be repayment of any portion of the award money to the U.S. Department of Education. Once the award is dispersed, it will count against the student's LEU whether or not the student attends the courses for which the award was granted or receives credit for them.

⁸ Internal Revenue Service, "What is Earned Income," <https://www.irs.gov/credits-deductions/individuals/earned-income-tax-credit/earned-income>

⁹ U.S. Department of Education, Federal Student Aid, "Calculating Pell Grant Lifetime Eligibility Used," <https://studentaid.ed.gov/sa/types/grants-scholarships/pell/calculate-eligibility>.

¹⁰ U.S. Department of Education, Federal Student Aid, *2017-2018 Federal Student Aid Handbook: Volume 5 Withdrawals and the Return of Title IV Funds*, (Washington, DC, 2017).

- **Removal from classes.** Incarcerated students often face circumstances that are beyond their control, making it impossible to attend their classes temporarily, or sometimes permanently. These instances include but are not limited to, an incarcerated student being transferred to another facility mid-semester, an unexpected release from prison (receiving a parole date or program discharge), or disciplinary infractions that result in housing status changes. When such events occur, it is important for the student to communicate with college staff of his or her situation. Policies vary depending on the academic institution and its corrections partner, so students should check with program staff to determine what protocol is in place.

F. Pell Eligibility for Students Serving a Life Sentence without Parole

In 1992, an amendment to the HEA added a provision which prohibited individuals who were sentenced to life in prison without the possibility of parole and those sentenced to death from receiving Pell Grants.¹¹ This provision also applies to students receiving Pell grants through Second Chance Pell. In addition, the U.S. Department of Education recommends that colleges participating in Second Chance Pell limit recruitment to students who would be released from prison within three to five years of starting the program. This recommendation is not a requirement. The purpose is to enable study of the outcomes of students who are released after beginning their college educations in prison within a short time-frame.¹²

G. Drug Related Offenses

Students that have been convicted of possession or sale of drugs are prohibited from receiving the Pell Grant only if the student committed the crime while receiving federal financial aid.¹³

- **Scenario where a drug related offense would count towards student's eligibility.** Student is arrested in February for possession of a controlled substance. During that time the Student is enrolled at college and receiving financial aid. Student is convicted in July and not currently enrolled in school for the summer break. In this case, the student's conviction would count toward future eligibility because the crime occurred while enrolled and receiving federal student aid.
- **Scenario where the drug related offense would not count toward student's eligibility.** Student is arrested in July for sale of a controlled substance. Student is not currently enrolled or receiving financial aid because it is on summer break. Student is later convicted of the crime in February while Student is enrolled in college for the spring semester. This conviction would not count toward the students' future eligibility because he or she was not enrolled in school when the crime was committed.

¹¹ *Higher Education Amendments of 1992*, Public Law 102-325, *U.S. Statutes at Large* 106 (1992): 448-842.

¹² Federal Register, "Notice Inviting Postsecondary Educational Institutions To Participate in Experiments Under the Experimental Sites Initiative; Federal Student Financial Assistance Programs Under Title IV of the Higher Education Act of 1965, as Amended" (Washington, DC: National Archives and Records Administration, August, 3, 2015). <https://www.federalregister.gov/documents/2015/08/03/2015-18994/notice-inviting-postsecondary-educational-institutions-to-participate-in-experiments-under-the>

¹³ U.S. Department of Education, *2018-2019 Federal Student Aid Handbook*, 22.

- **Length of suspension.** The length of suspension from financial aid eligibility is generally based on the number of times a student has been convicted for a drug related offense. Loss of eligibility is determined from the date of conviction. If a student is convicted of both possessing and selling illegal drugs, the student will be ineligible for the longer of the suspension periods.

Suspension of Eligibility	Possession of Drugs	Sale of Drugs
First Offense	1 year suspension from date of conviction	2 year suspension from date of conviction
Second Offense	2 year suspension from date of conviction	Suspended Indefinitely
Third Offense and Beyond	Suspended Indefinitely	Suspended Indefinitely

- **Students have the option to regain eligibility.** Students are able to regain eligibility before the end of their ineligibility period by completing an approved drug rehabilitation program or by passing two unannounced drug tests. Both of these actions can be completed while a student is incarcerated.
- **Drug Trafficking Offense May Permanently Revoke Eligibility.** An exception to this rule is for cases involving drug trafficking. If a student is convicted of trafficking illegal drugs, the judge overseeing the case has discretion to permanently bar a student from receiving federal benefits such as federal student aid, even if the crime was committed while the student was not enrolled in school.

H. Individuals who are Civilly Committed

Individuals that have been (1) convicted of a forcible or non-forcible sexual offense, and (2) are currently subject to involuntary civil commitment for the sexual offense, cannot receive a Pell Grant.¹⁴ During their incarceration sentence in prison, they are eligible for the Second Chance Pell program.

I. Defaulted Loans

If a student was previously in college and used federal student loans to fund their education the student may owe money to the federal government or its designee. A default on a loan occurs when a student fails to make a certain number of required payments on the loan. Students who have defaulted on a federal student loan are required to rehabilitate the loan or get it back into good standing before they are eligible to receive a Pell Grant. Students may do this in one of the following ways:¹⁵

¹⁴ U.S. Department of Education, Federal Student Aid, "Students With Criminal Convictions," <https://studentaid.ed.gov/sa/eligibility/criminal-convictions>.

¹⁵ U.S. Department of Education, Federal Student Aid, *2018-2019 Federal Student Aid Handbook: Volume I-Student Eligibility*, (Washington, DC, 2018), 66-67.

- **Full repayment of the loan.** This requires the student to repay the full balance that is left on the defaulted loan, including interest. Full repayment on the defaulted loan may be the best option if the balance (amount owed) is affordable, as a student will not be required to make any future payments. Students can request specific information about a defaulted federal loan (such as the amount of the loan servicer, or the current balance) by contacting the National Student Loan Data System (NSLDS) at 1-800-433-3233 or 1-334-523-2691.¹⁶
- **Loan Rehabilitation.** This requires the student to make nine voluntary, reasonable, and affordable monthly payments within 20 days of the due date for a period of 10 consecutive months.¹⁷ A student must enter into a loan rehabilitation agreement, in which the loan holder will determine a reasonable monthly payment amount. If the student cannot afford the initial monthly payment as determined by the loan holder, they can ask for a calculation of an alternative monthly payment due to their incarceration. This can result in a student paying monthly payments as low as \$5. Once a student has made the required nine payments, the loan will return to good standing. It is also important to note that rehabilitation is a one-time opportunity. If the same rehabilitated loan goes into default again, it cannot be rehabilitated a second time.

Tip: It is important for a student to make timely payments once entered into a loan rehabilitation agreement. If the student designates a friend or relative to be responsible for making his or her monthly payments, the student should stress the significance of making the payments in a timely fashion, on or before the due date. If the student is attempting to pay using his or her account or remit system associated with a correctional facility, he or she should be sure to complete all requests in a timely fashion to avoid setbacks.

- **Loan Consolidation.** Students may pay off one or more federal student loans with a new consolidated loan. If a student chooses to make three consecutive, voluntary, on-time, full monthly payments on the defaulted loan before consolidating it, he or she may repay the new Direct Consolidation Loan under any repayment plan for which the student is eligible. After a defaulted loan has been consolidated, the student's Direct Consolidation Loan will be eligible for benefits such as deferment, forbearance, and loan forgiveness.¹⁸

J. Noncitizens with Expired or Revoked Status

Eligible Noncitizens who have had their immigration status revoked or expired will need to reinstate their status as an eligible noncitizen or become a U.S. citizen or permanent resident before they can receive Pell Grants. Students may see about reinstating their

¹⁶ U.S. Department of Education, Federal Student Aid, "Got a question? The Federal Student Aid Information Center can help," <https://studentaidhelp.ed.gov/app/home/site/nslds>.

¹⁷ U.S. Department of Education, Federal Student Aid, "How to Repay Your Loans - Understanding Delinquency and Default - Getting out of Default," https://studentaidhelp.ed.gov/app/answers/detail/a_id/210/kw/default.

¹⁸ U.S. Department of Education, Federal Student Aid, "How to Repay Your Loans - Understanding Delinquency and Default - Getting out of Default," https://studentaidhelp.ed.gov/app/answers/detail/a_id/210/kw/default.

status by contacting the U.S. Citizenship and Immigration Services National Customer Service Center at 1-800-375-5283.¹⁹

K. Accessing Pell Once Released from Prison

Students have the opportunity to again access Pell grants after prison because there is no ban on formerly incarcerated individuals, although they must meet all other eligibility requirements. All students may receive up to the equivalent of six years of Pell Grant funding over their lifetime, including the grants they may have received as part of Second Chance Pell.

¹⁹ U.S. Department of Education, "U.S. Citizenship & Eligible Noncitizens," (Washington D.C.: U.S. Department of Education, 2017). <https://ifap.ed.gov/fsghandbook/attachments/1718FSAHbkVol1Ch2.pdf>

Date: February 5, 2018
To: Interested Parties
From: Zal Shroff, Vera Institute of Justice
Subject: Michigan State Financial Aid for Incarcerated Students

This memorandum identifies Michigan corrections and education statutes, regulations, and policies that may affect spending on or support for incarcerated students pursuing postsecondary education. We confirm that incarcerated students enrolled in postsecondary education programs in Michigan are not eligible for many state financial aid opportunities. Incarcerated students are, however, potentially eligible for in-state tuition benefits.

I. State Financial Aid Eligibility for Incarcerated Students

The state of Michigan operates many different state-funded financial aid programs. Each of these programs carries separate statutory and regulatory eligibility requirements.

A. Financial Aid Programs With Statutory Barriers.

The following state financial aid programs on the books in Michigan include explicit bans on incarcerated student eligibility. Those programs with an asterisk (*) have parallel regulatory barriers that mimic the relevant statutory barriers. Not all state aid programs are currently funded; those that are include funding figures and participation rates from the 2016-2017 academic year.¹

- Michigan Tuition Grant (\$30.4M for 15,920 students);²
- Tuition Incentive Program (\$56.8M for 22,332 students);³
- Michigan Competitive Scholarship (\$20M for 34,288 students);⁴
- Michigan Work-Study Program*;⁵
- Michigan Educational Opportunity Grant Program*;⁶
- Part-Time Student Grant*;⁷
- Michigan GEAR UP (\$.8M for 191 students).⁸

B. Financial Aid Programs With Regulatory Barriers.

The following state financial aid programs contain no statutory bans on incarcerated students, but do contain bans in the relevant Treasury Regulations.⁹

- Michigan Nursing Scholarship;¹⁰
- Children of Veterans Tuition Grant (\$1.1M for 449 students).¹¹

¹ These numbers come from the Student Financial Services Bureau Annual Report 2016-2017, available at https://www.michigan.gov/documents/mistudentaid/5336_SSG_Annual_Report_2017_614227_7.pdf.

² MCL § 390.993 (one of the main need-based state financial aid programs; this program only applies for students at independent non-profit colleges and universities in Michigan).

³ MCL § 388.1856 (one of the main need-based state financial aid programs; this program only applies for students at public colleges and universities in Michigan).

⁴ MCL § 390.974 (one of the main need-based state financial aid programs; this program applies for students at participating public and private institutions in Michigan).

⁵ MCL § 390.1324; MCL § 390.1374; Mich. Admin. Code, R. 390.1704; Mich. Admin. Code, R. 390.1774.

⁶ MCL § 390.1404; Mich. Admin. Code, R. 390.1724.

⁷ MCL § 390.1283; Mich. Admin. Code, R. 390.1755.

⁸ This program is not statutorily enacted, but is instead a part of a federal-state partnership with the U.S. Department of Education (see <https://www2.ed.gov/programs/gearup/index.html>). Michigan has determined that incarcerated students are not eligible for this program (http://www.michigan.gov/documents/mistudentaid/MI_GU_FactSheet_2017-18_532784_7.pdf). It is unclear whether this is a federally-imposed requirement or one that originated at the state level.

⁹ The Michigan Department of Treasury was authorized by the state legislature to set additional eligibility requirements for these programs. That office chose to include a ban on incarcerated students in its regulations.

¹⁰ Mich. Admin. Code, R. 390.907 (authorized by MCL § 390.1184(g)).

¹¹ Mich. Admin. Code, R. 390.1904 (authorized by MCL § 390.1343(d)).

Each of these programs also requires that students not be convicted of a felony involving assault, physical injury or death.¹² Similarly, regulations for the Federal Family Education Loan Program in Michigan include incarceration for a felony as a factor in determining whether an applicant will be able to repay a loan.¹³

C. Financial Aid Programs With No Barriers.

The following financial aid programs have neither statutory nor regulatory barriers preventing incarcerated students from being eligible.

- Fostering Futures Scholarship (\$1.1M for 412 students);¹⁴
- Waiver of Tuition for North American Indians;¹⁵
- Tuition Differential Grants;¹⁶
- Corrections Officer's Survivor Tuition Act;¹⁷
- Police Officer's & Fire Fighter's Survivor Tuition Grant (\$61.7K for 8 students);¹⁸
- Legislative Merit Award Program.¹⁹

D. Policy of the Michigan Student Aid Office

The Michigan Student Aid Office website includes guidance for many state programs.²⁰ This guidance accurately reports whether incarceration is a requirement for eligibility. For those programs in Section C above, the Student Aid Office does not include incarceration as a factor. Therefore, these programs should be currently available for incarcerated students. However, in a phone conversation with the Student Aid Office on December 26, 2017, a representative stated that eligibility requirements for the various state aid programs are uniform, even if the listed guidelines differ.²¹ According to this representative, therefore, incarcerated students would not be eligible for any student aid programs, despite relevant law and Student Aid Office eligibility guidance.

II. Department of Corrections Spending on Post-Secondary Education

A. No Statutory or Regulatory Mention.

No Michigan correctional statutes or regulations make any reference to postsecondary education programs in prison or Department of Corrections (DOC) spending on those programs.²² Therefore it appears there is no statutory limitation related to DOC spending on educational programs.

B. Department of Corrections Policy

The Michigan DOC has a policy on postsecondary education programs stating that "State funds shall not be used for program tuition or supplies unless appropriated by the legislature."²³ The DOC website likewise states that "prisoners are allowed to participate in post-secondary classes geared towards

¹² MCL §§ 390.1184(f), 390.1344(h).

¹³ Mich. Admin. Code, R. 390.1606

¹⁴ MCL § 722.1027b.

¹⁵ MCL § 390.1251.

¹⁶ MCL § 390.1274.

¹⁷ MCL § 390.1263.

¹⁸ MCL § 390.1243

¹⁹ MCL § 390.1304. It appears, however, that this program is no longer available. *See infra* note 19.

²⁰ See the Michigan Student Aid Office website (http://www.michigan.gov/mistudentaid/0,4636,7-128-60969_61016---09,html) for information.

²¹ Phone Conversation with the Michigan Student Aid Office, December 26, 2017.

²² See MCL Chapters 791-800 (containing laws applying to corrections and to state prisons); Mich. Admin. Code, Chapter 791 (containing all DOC-promulgated regulations); *but see* MCL §§ 801.251, 801.251a (discussing day parole for people housed in jails allowing them to attend postsecondary education programs in the community; this program does not apply to people who are incarcerated in prisons).

²³ Mich. DOC Policy Directive 05.02.112, at ¶ MM (March 1, 2016) ("Education Programs for Prisoners").

college credit or enrichment at their own expense."²⁴ The DOC Director confirmed this practice in a recent article: "The department still limits the use of state resources for post-secondary education because of a lack of specific appropriation for this purpose."²⁵ This DOC policy appears to relate to state budgetary rules that disallow agency spending without specific appropriation or legislative approval.²⁶

III. In-State Tuition Availability

In-state tuition for public postsecondary institutions in Michigan is governed at the institutional level.²⁷ The University of Michigan, for example, has its own guidelines to determine whether applicants qualify for in-state tuition. These guidelines state that applicants "must establish that the State of Michigan is [their] home and that [they] intend to remain in the State permanently."²⁸ The guidance includes circumstances and activities that will be considered in determining residency. Incarceration is not mentioned as a factor, and therefore incarcerated students should be able to establish Michigan as their home just as other students do. The key difference is that incarcerated students will most often show that Michigan is their home by showing that Michigan was their home prior to incarceration. Wayne State University has a similar process as the University of Michigan for applying for residence classification. However, they additionally have a policy that if an applicant graduated from a Michigan high school or earned a GED in Michigan and is enrolling within 28 months of graduating, they are automatically eligible for in-state tuition.²⁹ Although incarcerated students are eligible for in-state tuition, state colleges and universities may not be able to count incarcerated students for full-time equivalency and budgetary purposes.³⁰

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²⁴ Mich. DOC Website, available at http://www.michigan.gov/corrections/0,4551,7-119-9741_12798-294493-00.html ("Educational Programming").

²⁵ Heidi E. Washington, *Creating Offender Success*, 96(9) MICH. BAR J. 28, 29 (2017).

²⁶ See *Appropriations Process*, SENATE FISCAL AGENCY, at 105 (2014), available at <http://www.senate.michigan.gov/sfa/BudgetProcess/AppropriationsHandbook.pdf> (identifying that if an agency wants to use funds for a purpose other than granted, it must seek legislative approval; this confirms that specific appropriation is required and that spending by Michigan agencies is not discretionary).

²⁷ See, e.g., MCL §§ 389.123(b), 390.123, 390.355 (empowering the governing bodies of different public institutions to set in-state and out-of-state tuition amounts).

²⁸ University of Michigan Office of the Registrar Website, available at <http://ro.umich.edu/resreg.php> ("University of Michigan Guidelines for Qualifying for In-State Tuition").

²⁹ Wayne State University Website, available at <https://wayne.edu/tuition/in-state/> ("Qualifying for in-state tuition").

³⁰ Public universities are required to submit institutional/enrollment data as requested by the state budget director. MCL § 388.1841. It is unclear whether the state budget director allows public universities to report incarcerated students in their enrollment numbers. This is problematized by a statute which requires the auditor general to audit institutional data, but also instructs the auditor general not to include any data about an institution's prison programs. MCL § 388.1889(2)(d).