Tuition Assistance Policy Toolkit

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Introduction

This toolkit provides some key learnings and tips for municipalities, postsecondary institutions, and other organizations interested in implementing tuition assistance programs. Generally, tuition assistance programs aim to make postsecondary education more affordable for specific groups who are under-represented in postsecondary education (e.g., youth who grew up in foster care, immigrants, first-generation students), but also to benefit the general population.

The findings in this toolkit developed from a 4 year long community-based research partnership with the Town of Drayton Valley, beginning in 2020. Drayton Valley is a rural community with a population of 6,970 located 133 km southwest of Edmonton. Residents of Drayton Valley have relied on the oil and gas industry as the foundation of their economy for 70 years. Unfortunately, this industry is volatile and has consistently led to waves of economic hardship and unemployment for residents in Drayton Valley.

Recognizing the need to help shock-proof the local economy, the Town of Drayton Valley implemented a tuition assistance program in 2019: Zero-Fee Tuition (ZFT). ZFT provides $5,000 in funding to residents of Drayton Valley and the surrounding area to enroll in postsecondary education programming. Additionally, ZFT has been part of an effort to bring a broader range of postsecondary education options to the town. In 2020, the mayor of Drayton Valley approached the University of Alberta about an educational partnership. This spurred a research partnership between the Town of Drayton Valley and the Community-University Partnership (CUP) for the Study of Children, Youth, and Families in the School of Public Health at the University of Alberta. In this research project we aimed to 1) capture how a ZFT model is developed and sustained; and 2) examine the initial outcomes of a ZFT model on income security and community well-being in Drayton Valley.

As a result of the research, we realized that implementing ZFT had been particularly difficult due to a lack of models, guides, and other examples for designing and sustaining such a program in a Canadian context. We hope this toolkit can be of use to policymakers and program designers who might see value in a tuition assistance program in their area of work. This toolkit has three parts. First, we provide some context for tuition assistance programs in Canada. Second, we overview the design of ZFT and explain why some of the design decisions were made. Third, we draw on data from dozens of interviews, focus groups, meetings, and surveys to explore the challenges to designing and sustaining ZFT. Then we explain some key learnings and takeaways that may be helpful to anyone interested in implementing a tuition assistance program of their own.

Tuition Assistance Programs in Canada

Postsecondary education (PSE) tuition costs have been at the forefront of political discourse in Canada in recent years. Access to affordable higher education has been a growing issue. Some governments and institutions of higher education across Canada have attempted solutions to this issue. For example, from 2015-2019 the provincial government of Newfoundland and Labrador funded university and college tuition, but not fees, for all students from the province through non-repayable grants. Another program launched by the Province of New Brunswick provided free tuition in the 2017/18 academic year to 6,000 students from households earning $60,000 or less.[1] This program, now defunct, provided university students with up to $10,000 annually, and college students up to $5,000 annually.

Future to Discover, another New Brunswick based program which operated from 2004-2015, provided career counseling and tuition grants of up to $8,000 to first generation students and students with low income in New Brunswick. Recipients of these grants enrolled in postsecondary institutions and graduated with a credential at significantly higher rates than a control group that received only career counselling but no grants.[2] Other provincial programs throughout Canada have been cut in recent years. For example, an Ontario program providing free tuition to students whose families earned under $50,000 annually was eliminated by the provincial Progressive Conservative government in 2019.[3]

There is also a range of targeted programs in Canada to support low-income students and students from other marginalized groups to attend postsecondary education. The Alberta Student Grant for Full-time Students provides up to $250 per month in non-repayable grants to students whose income falls below a certain level.[4] Another example is the Post-Care Free Tuition Program, which provides free tuition to youth who were formerly in foster-care and demonstrate financial need.[5] These types of targeted programs are designed "to improve the social and economic outcomes for individuals and regions".[1] While targeted programs are vital, many prospective students do not pursue postsecondary education due to high costs and an unwillingness or inability to take on debt, regardless of available supports.

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[1] Trottier, 2019.
[2] Ford et al., 2019.
[3] Jones, 2019.
[4] Government of Alberta, 2022.
[5] Chisholm, 2020.

Design of ZFT

Although Drayton Valley's ZFT program is unique in Canada, it is one of many tuition assistance programs in North America. These programs have diverse designs which have been examined in a large body of literature. To further situate ZFT and the role it played in municipal tuition assistance in Drayton Valley, we will detail four design decisions: last dollar, place based, universal, and restrive.

a. **Last Dollar**

ZFT is a 'last dollar' program, meaning it awards funding to students after they have applied for all financial aid including grants and scholarships, but not student loans.[6] ZFT funding is released to students after other funding options have been exhausted. In practice, these other options include community scholarships, continuing education bursaries, and provincial government bursaries for select programs. After students exhausted other funding options they could receive up to $5,000 in funds from the ZFT program.

Despite the name 'Zero Fee', ZFT funding can only be applied to tuition, not other educational fees. For most programs the $5,000 did not cover the full cost of tuition. Therefore, we found that even after accessing other funding sources, many students still took out loans or paid out-of-pocket for their remaining tuition and fees. This left many of the financial barriers to post-secondary education intact, especially for the lowest income students. ZFT has been operating during a time of extraordinary tuition fee increases across public higher education institutions in Alberta, due to substantial provincial government reductions to those institutions' operating budgets.

Despite these limitations, the last dollar design has contributed to the sustainability of the ZFT program, reducing the total cost of funds disbursed to students and assisting students in accessing funding from other sources. To facilitate the utilization of alternate funding opportunities, the Town of Drayton Valley's education coordinator helps students identify and apply for scholarships. Providing students with support navigating funding opportunities and other administrative challenges is particularly helpful, as most ZFT students are enrolling in their first postsecondary education program.

b. **Place-Based**

Place-based programs target local economic development by providing assistance to existing residents and by trying to draw new residents to a community with the promise of tuition assistance. Anyone who lives in Drayton Valley is eligible to receive funding through ZFT. This place-based policy was shaped in large part by the challenges of offering postsecondary programming in rural areas, which inevitably have smaller pools of prospective students than larger urban centres. The Town of Drayton Valley has had challenges promoting and filling some programs associated with ZFT, and in multiple cases, courses were canceled or postponed due to low enrollment. Despite the Town's efforts to expand higher education opportunities by

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[6] Miller-Adams, 2015.

partnering with many community colleges and other postsecondary institutions, the challenges of providing rural higher education persist. However, the growth in online education as a result of the COVID-19 pandemic allowed ZFT students to enroll in a wider range of programming provided through remote delivery and increased the accessibility of education to students looking for online or flexible delivery options.

The place-based design of ZFT is intended to fulfill a goal of attracting new residents to the town and retaining current residents. There is no requirement for prior residence in the town to receive ZFT funding, provided the recipient lives in Drayton Valley upon application and completion of their program. This does mean that in some cases ZFT provides funding to people who plan to leave DraytonValley soon after the completion of their program. During group consultations ZFT administrators reported that some students did leave Drayton Valley upon completion of their program due to a perception that they would be more successful finding work in a larger community. Despite this, some administrators still felt the program was worthwhile from a return-on-investment perspective; Even if a student leaves Drayton Valley after training, their time spent in the town during the course of their education contributes to the local economy (e.g., paying for rent, food, gas etc.) in a capacity that far exceeds the $5000 per student tuition investment.

c. Universal

Beyond place-based considerations, ZFT was designed around a principle of universal eligibility. Universal eligibility means that students qualify for ZFT funding regardless of their prior academic achievement or income. As such, recipients of funding are not required to submit proof of income, transcripts, or any other previous education documentation to demonstrate grades. Universal programs, such as this, are relatively rare, making up only 24% of United States-based Promise programs.[7] The universal program design, when combined with the last dollar structure of ZFT described above, incentivizes the Town—the main funder of ZFT—to support students in accessing all possible avenues for funding their postsecondary education.

d. Restrictive

A tuition assistance program can be considered 'restrictive' if it limits which postsecondary institutions or programs funds can be applied to. ZFT is fairly restrictive in that funding recipients can only enroll in a limited number of programs at one of the five institutions partnered with the Town. Some of these restrictions are greater than others. For example, the Health Care Aide Academy offered only one program, a health care aide certification, meanwhile University of Alberta offers many eligible courses and programs, but restricts enrollment to their Continuing Education programs. The restrictive nature of ZFT is due to both the goals of the program (to keep and attract residents to the Town) and the degree to which any given postsecondary institution will facilitate remote or online learning.

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[7] Perna & Leigh, 2018.

In the next section we present qualitative and quantitative data from 4 years of working with students, policymakers, and administrators in Drayton Valley. Much of the data explores how these individuals navigated the design of the ZFT and community context presented above.

What We Have Learned

Tuition assistance programs have challenges which vary depending on the design and location of the program. These challenges can include unsustainable funding, difficulties partnering with postsecondary institutions, and issues attracting students for particular educational programs, and pushback from political opponents of the program. We believe tuition assistance programs should, first and foremost, be about supporting students to more easily access and afford high quality education that will fulfill them and lead to improved quality of life. Existing research in the United States has shown this is possible, and the data from our project suggest this was also largely the case with ZFT, here in Alberta, Canada.

a. Student Successes

Most students reported that having access to ZFT funding provided them with the opportunity to an education that they otherwise could not have pursued. Three participants were exemplars of this:

- Jenna,[8] a student in an Early Childhood Development program explained "I feel like without education, you can't go anywhere. You will be stuck. Even with my program, right? For you to get a good salary or to upgrade your career, you have to like do this with education, you have to get good education background." Jenna identified that without the tuition subsidy it would have been very difficult for her to take the program, and subsequent training, while raising two young children.
- Adele was "an interior designer by trade, but it just wasn't really fulfilling. I had some shifts in my family where I became a single mom, and then I just was looking for something that was a little bit more stable. And I just did some research, and I found the program online, and I also found that the program offered some tuition relief, which was beautiful. So there was, yeah, a lot of, a lot of elements to it, for sure." She undertook a one year program in addictions counselling with tuition assistance and this led her to a new job at a local addictions recovery facility that she found to be more stable, better paying, and more fulfilling than her previous job.
- Krista, another Early Childhood Education student, wanted to work with children but had previously not had the training to find the type of job she aspired to. When asked how she was feeling about returning to school after a period away, she said "Financially, I am happy because of this subsidy, we should be ok. But without it, I'm gonna be stressed because I don't know where to get funds for that." With full time schooling and family life, she was not able to work sufficient hours to support her family financially and pay

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[8] All names are pseudonyms to protect participants' confidentiality.

for school. The tuition subsidy enabled her to return to school. From Krista's perspective "without this subsidy, I don't know if most people who have the dreams of being someone or getting their goals, I don't know if they would be able to go, or achieve those goals or dreams."

Previous research has found that students accessing tuition assistance programs benefit from wraparound supports as they may be economically disadvantaged, first generation students, or be returning to school after a significant break.[9]

Student supports were repeatedly identified by students as a key factor that helped them through their education and training. The primary support provided by the Town of Drayton Valley are the municipal staff members who help students with registration processes, identifying funding opportunities to cover remaining costs after the $5,000 bursary, and supporting students with understanding program requirements and maintaining timelines.

Survey data from our study indicated that students had positive education experiences and that ZFT funding helped them to achieve their goals. Fig. 1 illustrates some of the reasons students decided to enroll in a ZFT eligible program. A perceived increase in employment opportunities created by obtaining postsecondary education, and the ability to secure a better paying job were the two most common reasons students enrolled. Many students also indicated that they saw this as an opportunity to transition to a different career or to secure a more stable job.
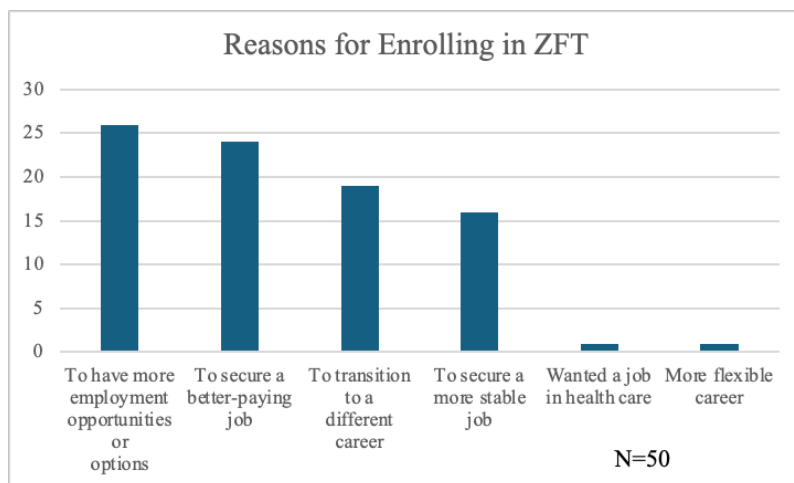
Fig 1. Reasons for enrolling in ZFT

For most communities, school districts, and colleges that have undertaken tuition assistance programs, economic development in their community is a key goal, this is also the case in Drayton Valley. As stakeholders had hoped, most students surveyed (84%) were planning to pursue full-time employment after graduation (Fig. 2). The addition of new full-time skilled workers to the local economy would directly fulfill the Town's goal of economic development.

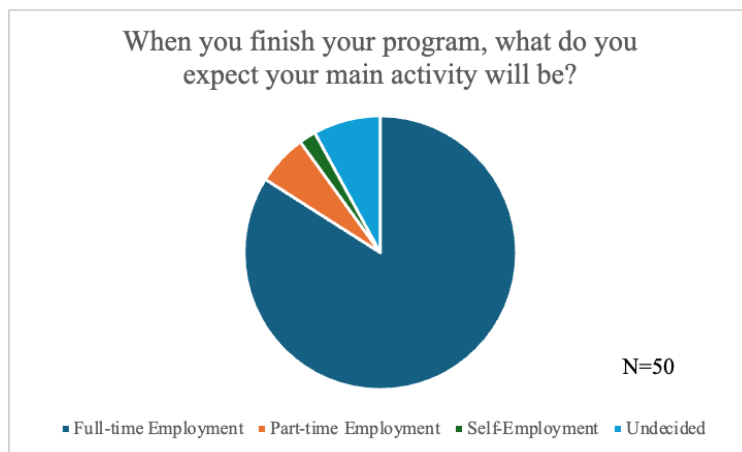[9] Crain and Newlin, 2021; Ford et al., 2019.

Fig 2. When you finish your program, what do you expect your main activity will be?

Illustrated in Fig. 3, almost all participants were confident or very confident (95%) that they would find suitable work upon completing their program. Our project does not track ZFT participants' career trajectories over time, however such research would be valuable to assess whether graduates obtain work that matches their education level. Unfortunately, longitudinal research such as this is often infeasible due to high attrition rates of participants over time.
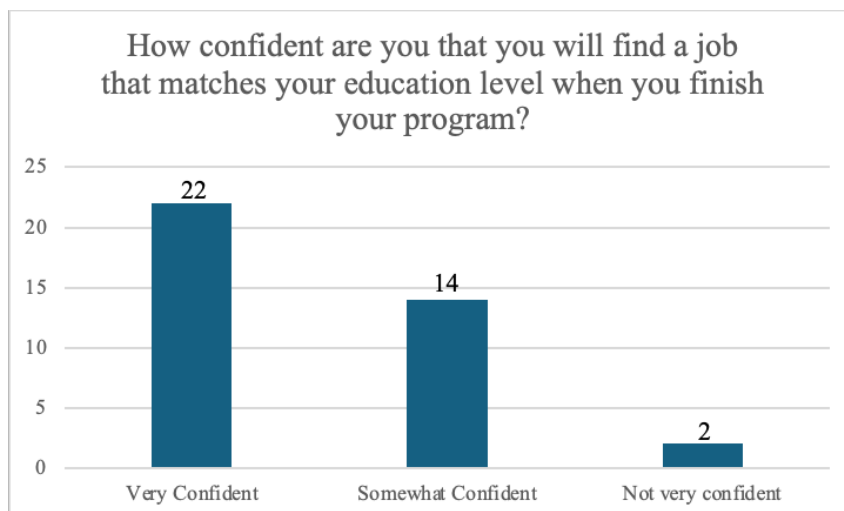

Fig 3. How confident are you that you will find a job that matches your education level when you finish your program?

b. Challenges
i. Overlapping and Redundant Funding
There has been a lack of coordination between municipal and provincial programs, meaning that sometimes ZFT funded courses that were already covered by

provincial grant programs. For instance, a provincial bursary for rural healthcare aide students meant that HCA students could cover the vast majority of their tuition without using ZFT. On the one hand, this has helped to sustain ZFT by reducing costs. On the other hand, it can be confusing for students who know their program will be funded, but do not necessarily know where the funding is coming from.

Additionally, this overlap led some stakeholders, especially those opposed to ZFT, to question why the town was involved in postsecondary education at all. Since postsecondary education is not under the purview of municipalities in Canada, this was a clear area of disconnect. Stakeholders identified a desire to collaborate more closely with the province, but this has been difficult to achieve.

ii.   Awareness of the Program

Creating awareness of the program was a significant challenge. Policymakers repeatedly identify difficulties in this area and feel it contributes to low enrolment and the resultant cancellation of some programs. During our research in the community we found that young people, school staff, community organizations, and others who were personally and professionally interested in education were unaware of ZFT or had a very limited understanding of the program. It was therefore difficult or impossible to rely on these groups to spread awareness to people who might be interested in subsidized postsecondary education and training.

iii.   Sustainability

There are some key challenges to program sustainability that policymakers and administrators constantly grapple with. As with any municipal program that is driven by elected officials, tuition assistance programs are vulnerable to political change. Two elected officials are particularly strong supporters of ZFT. Had they lost an election in 2021, the continuation of the program may have been in jeopardy. This is why maintaining such programs requires 'buy in' from the broader community, multiple elected officials, and municipal administration.

Another challenge is the difficulty attracting postsecondary education institutions to the Town. Research has repeatedly found that such institutions are difficult to attract and sustain in small and rural communities due to low enrolment, a desire for some young people to leave rural communities, and other issues.[10] This impacted the early stages of ZFT, but through persistent partnership building and an embrace of online and hybrid learning, the Town of Drayton Valley has successfully partnered with numerous postsecondary education institutions across Alberta.

A third challenge to sustainability is a lack of resources, especially money to fund tuition supports and programming, as well as human resources to administer programs. Resource limitations are a persistent issue to municipally-run programs, particularly in small communities.[11] A lack of resources shaped some of the program design including the last dollar policy, described above. These numerous issues of sustainability highlight the immense challenge of maintaining and sustaining a tuition assistance program - even when it is supported by provincial or federal government agencies. In the next section we

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[10] Zarifa et al, 2018; Sano et al., 2020
[11] Gibson & Dale, 2023; Ryser et al., 2019

address takeaways from our research thus far, including our learnings from responses to the above challenges.

c. Learnings for policy and program design

i.   Flexibility and Adaptability

Stakeholders maintained a very static policy design for the first 3 years of ZFT (2020-2023). As the needs of students, postsecondary education institutions, and the Town evolved, they identified a need to be flexible in the policy and program design. This meant that there were numerous changes made to the ZFT program in 2024. One change was an embrace of hybrid and online learning models, allowing ZFT funding to be opened up to more participants needing flexible arrangements.

Another was a recognition that students need support navigating the administrative aspects of their education. In response, the Town hired a student support specialist who helps students with day-to-day administrative tasks. They additionally hired an education coordinator to establish strategic partnerships with postsecondary institutions. Lastly, a major change is the revisitation of the original goals set for the ZFT program in 2019.

ii.   Setting Realistic Goals

When we began this research in 2020, stakeholders identified numerous, at times conflicting, goals that they hoped ZFT would achieve (Fig. 4). These goals included population retention, building a culture of education, improving economic stability, and attracting new residents.
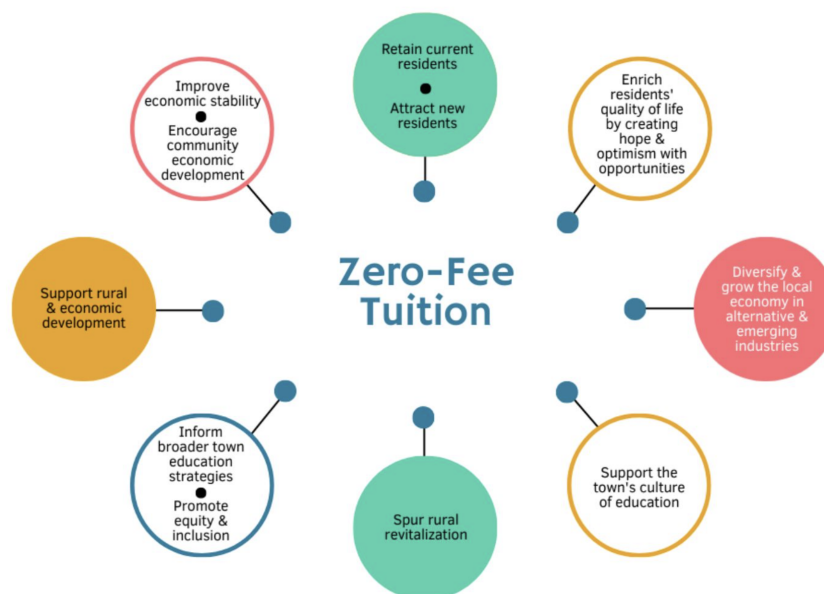

Figure 4. Original goals for Zero-Fee Tuition

In the latter stages of research, stakeholders realized that these large and lofty goals were too much for a small program providing modest education funding to a small portion of the town's population. We would suggest that people designing tuition

assistance programs, especially those that are small in scale (e.g., $5,000 per participant), should carefully determine a narrow set of goals to ensure their aims are manageable and realistic.

iii.   <u>Clearly Defined Roles</u>

Five years into ZFT, stakeholders have delineated clearer roles for the entities and individuals involved in the program. Elected officials who championed ZFT were originally highly involved in designing the program, writing the policy, promoting ZFT, and working with students and postsecondary education partners day-to-day. This left the program susceptible to collapse if those individuals were not re-elected. In its fifth year, ZFT is managed much more by town administration with the expertise and experience to work with postsecondary institutions and support students. These clearer roles, interviewees thought, were helping the program to succeed.

iv.   <u>Building Partnerships</u>

Every interviewee identified the need to establish strong, mutually beneficial partnerships in the postsecondary education sector. Partnerships with postsecondary education institutions meant more opportunities for students to receive training they wanted and needed to succeed in their future goals. ZFT started out with one postsecondary education partner, and now has partnerships with five institutions giving students the opportunity to receive ZFT funding while pursuing one of dozens of degree, diploma, and certificate programs.

Stakeholders we interviewed also identified that the partnership with our research team was of value. We don't share this information to pat ourselves on the back. Rather, these insights from policymakers demonstrate that the connection with a major postsecondary institution can be of some benefit to the functioning of ZFT. Some stakeholders explained that the partnership with the University of Alberta gave legitimacy to their program in certain spaces. One administrator in Drayton Valley discussed the value of the research data in helping make program design decisions - this is data that the town themselves would not have had the resources to collect.

Other partnerships took the form of funded sponsorships with industries and local community organizations. These partnerships not only helped to increase awareness for ZFT in the community, but also sustained the program financially.