Strengthening Student Aid in New Jersey: Structuring TAG Awards to Promote Completion

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The student-centered goals set forth in the 2019 vision statement on the future of higher education in New Jersey, *Where Opportunity Meets Innovation*, include ensuring that “every student in New Jersey has the financial, academic, and social support needed to complete college as promptly as possible with a degree or credential.”¹ The Tuition Aid Grant (TAG) program is structured in a way that promotes broad enrollment (funding is available for all eligible students, across institution types, and there are no high school academic requirements), but some program modifications and additional student supports could bolster continuous enrollment and on-time completion.

The TAG Program Is Focused on Access, Not Student Success

Unlike many other states, New Jersey provides state grant aid to all students who qualify for the TAG program. The relatively high levels of state grant aid, which students can be assured will be available to them, bring college enrollment into financial reach for many students who would not otherwise be able to afford it. But if the goal is for students to complete their programs and earn degrees of value, modifying parts of the program design could be constructive.

Unlike the Federal Pell Grant Program, TAG does not fund summer enrollment. Enrolling over the summer helps students accumulate the credits they need to graduate more quickly. Minnesota, Pennsylvania, and Texas are examples of states that fund summer study.² Covering summer study increases summer enrollment, reducing time to degree completion.³

Although the TAG program accounts for more than 90 percent of state grant dollars, New Jersey’s Educational Opportunity Fund, which funds only about 13,000 students a year—about 20 percent of the number served by TAG—is particularly well designed to help students succeed. The focus on counseling, tutoring, and other student support services, instead of just dollars in students’ pockets, helps generate high completion rates for the low-income students who receive this support.4

The TAG Program Does Not Fund Part-Time Students and Reaches Few Independent Students

Students who enroll full time can complete their programs more quickly than those who take fewer courses each semester. Those who consistently enroll part time struggle to graduate. Less than one-quarter of the students who began college in 2010 and enrolled exclusively part time had completed a credential anywhere within eight years.5 But financial barriers and work and family obligations make it impossible for many students to enroll full time. Restricting their access to student aid funds can only make it more difficult for them to succeed in college.

Recommendations

If the state aims to increase the impact of TAG funding on college completion, it could take several steps.

**Fund summer enrollment.** New Jersey has not followed the federal government’s lead in making additional aid available to students who enroll over the summer. Since 2017, students receiving a full-time Pell grant during the fall and spring semesters can receive another 50 percent of their annual eligibility amount over the summer. Covering summer study increases summer enrollment, reducing time to degree completion.6 Summer funding may be particularly important for students who cannot enroll full time but wish to make continuous progress toward their degrees. Minnesota, Pennsylvania, and Texas are examples of states that fund summer study through their grant programs.

**Expand access to the Educational Opportunity Fund.** The small Educational Opportunity Fund (EOF) program supports counseling, tutoring, developmental or remedial coursework, and other services necessary for student success, in addition to providing assistance with nontuition expenses. Similar programs elsewhere that provide aid paired with additional support services, such as Accelerated Study in Associate Programs,7 have shown strong results. The state should continue to

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5 National Student Clearinghouse Research Center, “Completing College: Eight-Year Completion Outcomes—Fall 2010 Cohort, Supplemental Feature” (Herndon, VA: National Student Clearinghouse Research Center, 2019), figure 3.

6 Liu, “Is School Out for the Summer?”

7 Susan Scrivener, Michael J. Weiss, Alyssa Ratledge, Timothy Rudd, Colleen Sommo, and Hannah Fresques, *Doubling Graduation Rates: Three-Year Effects of CUNY’s Accelerated Study in Associate Programs (ASAP) for Developmental Education Students* (New York: MDRC, 2015).
evaluate and possibly expand EOF and consider ways of better integrating it with TAG. Although virtually all EOF students receive TAG, many more TAG recipients could benefit from the support EOF provides.

**Allow part-time students at four-year institutions to access TAG.** TAG excludes part-time students at four-year institutions, providing part-time TAG only for county college students. Many students, particularly those who are older or have children, cannot enroll full time. Including incentives for students to enroll in as many credit hours per term as possible is a constructive element of state grant programs, but excluding students for whom full-time enrollment is not feasible deprives some students of their opportunity to study. We recommend New Jersey consider providing prorated TAG awards to part-time students enrolled at least half time at four-year institutions.

**Improve access to TAG for independent students.** There may also be opportunities to make the TAG program more equitable for independent students. The NJEI formula appears to differ from the expected family contribution formula more for independent students than for dependent students. Our analysis of state student-level data indicates that 70 percent of full-time dependent students with $0 expected family contributions are in the lowest NJEI category, but this is true for only 30 percent of full-time independent students. We recommend that New Jersey study the impact of current TAG awards on independent students and find equitable ways to fill some of the gaps.

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