COLORADO
Department of Higher Education

Path4Ward Pilot Program for Early High School Graduates

Pursuant to C.R.S. 23-3.3-1305, Fourth-Year Innovation Program



2026

The Colorado Department of Higher Education
Report to the Education Committees of the House of Representatives and of the Senate, the Colorado Department of Education, the Joint Budget Committee, and the Governor's Office of State Planning and Budgeting

Statute: 23-3.3-1305

The Colorado Department of Higher Education (DHE), under its own authority and through the Colorado Commission on Higher Education (CCHE), oversees and coordinates policy for 31 public institutions of higher education (including community colleges, independent local district colleges and local area technical colleges) and authorizes and regulates private colleges, universities and occupational schools.

Mission – We support students, advocate and develop policies to maximize higher education opportunities for all.

Vision – All Coloradans will have an education beyond high school to pursue their dreams and improve our communities.

COLORADO
Department of Higher Education

Prepared and submitted by the Colorado Department of Higher Education
under the Executive Leadership of JB Holston
Pursuant to the statutory authority of 23-3.3-1305

November 2026

1600 Broadway, Suite 2200, Denver, CO 80202
For more information contact:

Student Success and Academic Affairs Division

Casey McCoy-Simmons, Ph.D., Coordinator of Innovation Programs
cdhe@dhe.state.co.us

Executive Summary

The Path4Ward program is a pilot initiative, pursuant to the statutory authority of 23-3.3-1301, that awards state funding to low-income students who graduate early from high school to pursue postsecondary education and training. Program funding amounts, determined by statute, are based on how early each student graduated: up to $4,113 for graduating before the start of their fourth year of high school, and up to $2,468 for graduating before the start of the second semester of their fourth year. Local Education Providers (LEPs) reported 325 eligible students graduated in the 2025-26 academic year, and during that same year, the Colorado Department of Higher Education (CDHE) processed scholarship requests totaling $147,357 for 50 students (who graduated between December 2023 and December 2025). Students used their Path4Ward funds at 16 different postsecondary programs, including private occupational schools, public two-year colleges, and public four-year colleges. **This marks the final graduating high school cohort for the five-year pilot program.**

Year five of the Path4Ward pilot program showed a slight decrease compared with year four in the number of eligible early graduates reported and the total amount spent on student scholarships. Per H.B. 24-1392, no new LEPs have been added to the pilot program since the 2023-24 academic year, and low scholarship utilization rates among eligible students from the original group of LEPs have continued into year five. This may be due, in part, to the withdrawal of two third-party entities that provided staff for student support services and outreach in the first three years of the program. These external nonprofits were funded independently through a grant from Colorado Succeeds. The grant was not renewed for funding in FY 2024-25 and future years. Early graduates during the 2024-25 and 2025-26 academic years, therefore, did not receive direct support and advising services from these partner agencies. Additionally, per H.B. 26-1176, payments to LEPs were discontinued for the 2025-26 academic year, and prorated for the 2024-25 academic year, which further limited support for LEPs that may have further negatively impacted student advising capacity.

Table of Contents

Executive Summary **3**

Table of Contents **4**

Introduction **6**

Program Progress **8**

Postsecondary Providers Selected by Participating Students 9

Postsecondary Programs of Study Declared by Enrolled Students 9

Program Eligibility Adjustments **10**

Program Data for Year 5 (Fiscal Year 2025-26) **11**

Program Funding: Actual and Projected 13

Demographics and Outcomes of Participating Students 15

Conclusion **16**

Table of Figures

Table 1: Path4Ward Scholarship Amounts Received per Scholarship Type in Fiscal Year 2025-26 8
Table 2: Eligible Early Graduates by District and School in Fiscal Year 2025-26 12
Table 3: Path4Ward Eligible Early Graduates in Fiscal Year 2025-26 13
Table 4: Projections for 2025-26 Graduate Requests in Fiscal Year 2026-27 14
Table 5: Path4Ward Race/Ethnicity of Funded Students in Fiscal Year 2025-26 15
Table 6: Path4Ward Postsecondary Completion Status of Funded Students in Fiscal Year 2025-26 15

Introduction

Established in S.B. 21-106 and implemented through Colorado Revised Statutes 23-3.3-1301—1307, the Fourth-Year Innovation Pilot Program, branded as Path4Ward, is a pilot initiative that awards state funding to low-income students who graduate early from high school to pursue postsecondary education and training. The program is intended to improve successful transitions from high school to post-high school training.

Students who graduate at least one semester early from a participating high school and are either eligible for the Free and Reduced-Price Lunch Program (FRL) at any point during grades 8 through 12 or who are eligible for a federal Pell grant are eligible for a Path4Ward scholarship. Program funding amounts, determined by statute, are based on how early each student graduated: up to $4,113 for graduating before the start of their fourth year of high school, and up to $2,468 for graduating before the start of the second semester of their fourth year. Scholarship funds can be used toward tuition, fees, and other costs of attendance at eligible postsecondary program providers.

Eligible postsecondary program providers are defined as Colorado public institutions of higher education, approved and regulated Colorado private occupational schools, and workplace training programs registered with the Colorado Department of Labor and Employment (CDLE) as eligible for funding under the Workforce Innovation & Opportunity Act (WIOA). Private degree-granting institutions of higher education are not eligible. Under a new timeline, established by H.B. 26-1176, eligible students graduating early during the 2025-2026 academic year have until December 31, 2026, to begin an eligible postsecondary program or they forfeit their scholarship amount. This replaces the 18-month period following a student's early high school graduation date that was used for prior cohorts under S.B. 21-106.

Once a student enrolls at an eligible postsecondary program provider, Colorado Department of Higher Education (CDHE) staff verifies all scholarship requests against the eligible student lists provided by Local Education Providers (LEPs), defined as a high school or group of high schools within a school

district or consortium. Once the student's scholarship request is verified, CDHE asks the postsecondary program provider to confirm the student's enrollment. CDHE then transfers the student's scholarship funds to the postsecondary program provider, and the provider applies the funds to tuition and fees, with any remaining funds distributed to the student. Remitted funds can be used for other components of the cost of attendance, such as equipment, books, housing, transportation, or future education.

In prior years, participating LEPs received a set amount ($1,371) from the Colorado Department of Education (CDE) for each eligible early graduate they reported by July 1 of each year. The legislation encouraged LEPs to direct a portion of this money to career and postsecondary counseling and to ensure potentially eligible students were aware of the pilot program and received assistance in determining how to apply scholarship funds to their intended postsecondary program. H.B. 26-1176 discontinues annual appropriation to CDE for distribution to LEPs for the 2025-26 academic year and requires CDE to prorate any outstanding appropriations for the 2024-25 academic year. This legislation also repealed the requirement for CDHE to submit a final program evaluation report and expedited the timeline for early graduates to begin their postsecondary program before December 31, 2026. If eligible graduates begin their program after this new deadline, they forfeit their scholarship funds, and all unspent Path4Ward scholarship funds will be forfeited at the end of Fiscal Year (FY) 2026-27.

In this report, the following statutorily required information is provided:

- The number of eligible graduates receiving state funding in the current budget year and the high schools from which the eligible graduates graduated;
- The amount of state funding awarded to each eligible graduate for the applicable budget year and the amount of state funding, if any, remitted to an eligible graduate by the postsecondary program;
- Demographic data of eligible graduates receiving state funding;
- The amount of money disbursed to a local education provider for students who graduated early in the prior budget year;
- The postsecondary program for which the eligible graduate used the state funding;

- The number of students who have requested state funding for the current budget year prior to the date of the report, the total amount of state funding requested, the estimated total expenditures from the fund in the current budget year, and the amount of state funding that has been forfeited or is projected to be forfeited for the current budget year; and
- Outcomes for eligible graduates who received state funding.

Program Progress

Fifty students received $147,357 in scholarships in FY 2025-26, a 63% decrease in total dollar amount compared to the $234,631 awarded to 75 students in FY 2024-25. Of the FY 2025-26 total, $103,731 (70%) was expended on tuition and fees, and $40,084 (27%) was remitted to students to pay future tuition, fees, textbooks, equipment, transportation, housing, and/or other components of the cost of attendance. Table 1 shows the total number of students who received a scholarship per maximum eligible award amount ($2,468.03 for 3.5-year early graduates or $4,113.38 for 3-year early graduates). Actual scholarship amounts awarded by CDHE ranged from $500-$2,468 for 3.5-year graduates, and $1,400 to $4,113 for 3-year graduates based on students' total tuition and fees for the term they were enrolled in at the time of the request.

Table 1: Path4Ward Scholarship Amounts Received per Scholarship Type in Fiscal Year 2025-26

Scholarship Type	Total Students Received Scholarship	Actual Scholarship Amounts Received
3.5-Year Graduate	27	$500-$2,468
3-Year Graduate	23	$1,400-$4,113
Total	50	$147,357

Source: Colorado Department of Higher Education, 2025-26 finance data

The remaining amount of $3,542 (2%) was refunded back to CDHE due to two students stopping out of their program before fully utilizing their scholarship funds and one additional student whose postsecondary provider's new policy prevented releasing funds directly to the student for additional educational expenses after tuition and fees were covered.

Postsecondary Providers Selected by Participating Students

The 50 early graduate students used their Path4Ward scholarship award at the following 16 Colorado postsecondary providers during FY 2025-26:

- Aims Community College
- Arapahoe Community College
- Auguste Escoffier School of Culinary Arts
- Cheeks Beauty Academy
- Colorado Mesa University
- Colorado State University Pueblo
- Community College of Aurora
- Community College of Denver
- Elysian Academy of Cosmetology
- Front Range Community College
- Intelvio, LLC
- Metropolitan State University of Denver
- Pikes Peak State College
- University of Colorado Colorado Springs
- University of Colorado Denver
- University of Northern Colorado

The majority of Path4Ward students enrolled in a public two-year college (57%), followed by a public four-year college (31%) or a private occupational school (12%). The half-year early high school graduates, who were eligible for up to $2,468, had a higher request rate (55%) compared to full-year early graduates (45%), who were eligible for up to a $4,113 award total.

Postsecondary Programs of Study Declared by Enrolled Students

Path4Ward students were most likely to be enrolled in an Associate of Arts, Associate of Science, or Associate of General Studies programs. The following is a list of postsecondary programs of study declared by enrolled students, reported by postsecondary providers in the annual progress report:

- Associate of Arts (A.A.) Liberal Arts - Criminal Justice Degree with Designation (DWD)
- A.A. Liberal Arts - Sociology DWD
- A.A. Liberal Arts
- A.A. Nursing
- Bachelor of Arts (B.A.) Business Administration
- B.A. Criminology and Sociology
- B.A. Criminology and Criminal Justice
- B.A. Inclusive Early Childhood Education
- B.A. Political Science

- Associate of Applied Science (A.A.S.) Automotive Collision Repair Technology Major
- A.A.S. Business Management Major
- A.A.S. Master Automobile Service Technology Major
- A.A.S. Mental Health and Social Work
- A.A.S. Welding Technology Major
- Associate of Engineering Science (A.E.S.) Civil Engineering
- Associate of General Studies (A.G.S.) Liberal Arts Major
- Associate of Science (A.S.)
- A.S. Computer Science
- A.S. Liberal Arts - Biology DWD
- Associate in Baking and Pastry Arts
- B.A. Pre-Criminal Justice
- Bachelor of Science (B.S.) Biology
- B.S. Finance
- B.S. Marketing
- B.S. Pre-Nursing
- B.S. Public Accounting
- Bachelor of Business Administration in Marketing
- Barbering Certificate
- Cosmetology Certificate
- Digital Marketing Certificate
- Esthetics Certificate
- Floral Design Certificate
- Nurse Aide Certificate
- Phlebotomy Training Certificate

Program Eligibility Adjustments

CDHE partnered for a second year with CDE to perform a comprehensive review of the student lists provided by LEPs for the 2025-26 academic year. Student information provided by participating LEPs was compared to official CDE data regarding each student's FRL status, the anticipated year of graduation (AYG) calculated by CDE, and the student's reported date of graduation, as part of Path4Ward student eligibility requirements. This review revealed potential eligibility issues with four (1.22%) of the early graduates reported by the LEPs. There was no evidence of deliberate misrepresentation in the data provided, and no students were denied scholarship funds. In prior years, Path4Ward funds to LEPs were withheld for each reported early graduate determined to be ineligible, with an opportunity for the LEP to provide new data to confirm the student's eligibility. For the 2025-

26 academic year, LEP funds were discontinued by H.B. 26-1176, so no funding was withheld, as in prior years, in response to the four potentially ineligible students reported.

The preliminary review conducted in 2025 highlighted some points of misunderstanding about determining historic FRL eligibility and about the AYG determination as calculated for each high school student by CDE. A guidance letter sent October 3, 2025, to Path4Ward contacts at each participating LEP described the eligibility check performed by CDE, provided links to online resources for checking students' FRL eligibility and AYG, and outlined the process for using federal Pell Grant eligibility as an alternative confirmation of economic eligibility for the program. The letter also encouraged school and district staff to confirm student eligibility well in advance of a student's early graduation and to communicate any potential issues with the student and their family with enough time to address those issues if possible. CDHE shared these communication materials with LEPs throughout the 2025-26 data request period, which may have increased accuracy of the final student reports and reduced the number of ineligible students from approximately 13% in 2024-25 down to only 1% of total reported eligible students in 2025-26.

Program Data for Year 5 (Fiscal Year 2025-26)

In fiscal year 2025-26, 325 students across six districts and 26 participating high schools were reported by LEPs and confirmed by CDE as eligible Path4Ward early graduates (as seen in Table 2). This year's total is 56 fewer students than were reported in FY 2024-25 (n=381). Under H.B. 26-1176, funding to CDE for LEPs based on eligible student counts was prorated in FY 2024-25 and discontinued for FY 2025-26. This resulted in the CDE appropriation for LEP distributions falling 16% short ($386,659) of the $457,958 total payments to LEPs for eligible students in the FY 2024-25 student cohort, and CDE receiving no appropriation for distributions to LEPs for eligible students in FY 2025-26.

Table 2: Eligible Early Graduates by District and School in Fiscal Year 2025-26

School District	Participating High Schools	Eligible Student Count per District (% of Statewide Total Eligible Students)
Adams 12 Five Star Schools	Legacy High School Mountain Range High School Northglenn High School Thornton High School Vantage Point High School	21 (6%)
Aurora Public Schools	Aurora Central Campus Gateway High School Hinkley High School Rangeview High School Vista PEAK Preparatory	40 (12%)
Cañon City Schools	Cañon City High School	15 (5%)
Charter School Institute	Colorado Early Colleges Aurora Colorado Early Colleges Colorado Springs Colorado Early Colleges Douglas County Colorado Early Colleges Fort Collins The Academy of Charter Schools	43 (13%)
Greeley-Evans School District 6	District 6 Online Academy Early College Academy GAP School Greeley Central High School Greeley West High School Jefferson High School Northridge High School	191 (59%)
Harrison School District	Career Readiness Academy Harrison High School Sierra High School	15 (5%)
Total	**--**	**325 (100%)**

Source: Colorado Department of Higher Education, 2025-26 reports of early graduates' data from participating LEPs

Program Funding: Actual and Projected

Program funding amounts are determined by C.R.S. 23-3.3-1302(11). Students receive scholarships based on how early they graduated: $4,113 for graduating before the start of their fourth year of high school (3-year graduate), and $2,468 for graduating before the start of the second semester of their fourth year (3.5-year graduate). The following table (Table 3) shows the total number of early graduates per LEP school district that graduated during the 2025-26 academic year, and their eligible scholarship type.

Table 3: Path4Ward Eligible Early Graduates in Fiscal Year 2025-26

Local Education Provider	Number of 3-Year Graduates	Number of 3.5-Year Graduates	Total Eligible Students	Total Scholarship Students
Adams 12 Five Star Schools	<10*	18	>19	13
Aurora Public Schools	13	27	40	0
Cañon City Schools	<10*	14	>15	<10*
Charter School Institute	22	21	43	<10*
Greeley-Evans School District 6	73	118	191	27
Harrison School District	12	<10*	>13	<10*
West Grand School District	0	0	0	0
Total	>122	>199	325	50

Source: Colorado Department of Higher Education, 2025-26 reports of early graduates' data from participating LEPs

*Data suppressed to protect student privacy.

Note: Four participating schools did not report eligible students for 2025-26 and are omitted from this table: Montezuma-Cortez, Middle Park, Clear Creek, and Cotopaxi High Schools

Based on projections versus actual expenditures and forfeit totals in FY 2025-26, and the expedited timeline for starting a postsecondary program by the end of 2026, Table 4 displays projections for FY 2026-27 with a new calculation of 85% of eligible students forfeiting their scholarship in the final fiscal year of the pilot program. Students forfeit their scholarship if they are eligible but do not claim the scholarship. Previously, CDHE projected a 75% annual forfeit rate, but raised this year's projection due to the expedited timeline, set by H.B. 26-1176, for eligible students to start a postsecondary program before the end of 2026. These projections for 2026-27 exclude six students who graduated early in December 2025 and requested their 3.5-year scholarship funds to begin a postsecondary program prior to June 2026. Those six students were counted in the 2025-26 program report.

Table 4: Projections for 2025-26 Graduate Requests in Fiscal Year 2026-27

Scholarship Type	Total Students Reported as Eligible*	Projected Total Requested	Projected Funds Requested Total**	Projected Forfeited Total ***	Projected Funds Forfeited Total**
3-Year Graduate Funds	124	19	$76,509	105	$433,550
3.5-Year Graduate Funds	195*	29	$72,190	166	$409,076
Total	319*	48	$148,699	271	$ 842,626

Source: Colorado Department of Higher Education, 2025-26 reports of early graduates' data from participating LEPs

* Total students reported as eligible excludes six students, all with 3.5-year graduation funds, who received their scholarship in FY 2026 so are not included in the projections as they won't receive additional funding in FY 2027. These six students are represented in the early graduate total count of 325 eligible students for FY 2026.
** Projected funds requested total is the amount of scholarship funding expenditure expected in FY26-27.
*** Projected forfeit number is calculated as 85% of students who had not submitted scholarship request as of October 1.

As of September 3, 2026, 22 eligible students who graduated during the 2025-26 academic year have requested Path4Ward scholarship funds for FY 2026-27, requesting a maximum scholarship total of $74,041. Total expenditures are expected to be lower than prior program years due to an expedited timeline requiring students to start a program before December 31, 2026 deadline to be eligible to receive scholarship funds. This new deadline reduces the time to start a postsecondary program from up to 18-months after graduation down to approximately six months for 2026 graduates.

Demographics and Outcomes of Participating Students

Tables 5 and 6 report on race/ethnicity and completion status, respectively, for students who received Path4Ward funds during the 2025-26 fiscal year. Demographic breakdowns for race/ethnicity by completion status between program years cannot be published due to the small sample size participating in the pilot program each year.

Table 5: Path4Ward Race/Ethnicity of Funded Students in Fiscal Year 2025-26

Race/Ethnicity	Percent of Funded Students
African American or Black	4%
American Indian or Alaska Native	0%
Asian	12%
Hawaiian or Pacific Islander	2%
Hispanic or Latinx	56%
Two or More Races	2%
White	24%
Total	**100%**

Source: Colorado Department of Higher Education, Academic Year End Reports required from each postsecondary program provider that enrolled at least one Path4Ward eligible student during the year.

Table 6: Path4Ward Postsecondary Completion Status of Funded Students in Fiscal Year 2025-26

Postsecondary Completion Status	Percent of Funded Students
Completed postsecondary program	12%
Ongoing (student remains enrolled in program)	60%
Transferred (to another postsecondary program)	0%
Incomplete (student exited program without completing or transferring)	26%
Other (no data submitted by program provider)	2%
Total	**100%**

Source: Colorado Department of Higher Education, Academic Year End Reports required from each postsecondary program provider that enrolled at least one Path4Ward eligible student during the year.

Conclusion

The Path4Ward pilot program, from year four to five has shown a slight decrease in eligible early graduates reported in the final cohort. Several factors have contributed to this change. H. B. 24-1392 limited the LEPs and schools eligible to participate in the pilot to those already participating by the end of the 2023-24 academic year, purposely placing a cap on the total pool of potential early graduates who could be served under the pilot program. Additionally, CDHE and CDE conducted a more thorough review of each student's program eligibility data, following targeting messaging that better equipped LEPs to verify students' eligibility status. While there are indicators that LEP partners have grown increasingly effective in promoting the program earlier in students' high school experience, the number of eligible early graduates stabilized between years three (n=380) and four (n=381) before a slight decline in the final year (n=325). Contributing to that decline could be the lack of third-party advising and career support provided to the first three years of cohorts, and the discontinuation of appropriations to LEPs in H.B. 26-1176.

Low scholarship utilization rates among eligible students have continued into FY 2025-26. The loss of dedicated student navigation support and student outreach efforts from Zero Dropouts, which provided 2.0 FTE to the pilot in the first three cohort years, impeded efforts to increase utilization rates in programs year four and five. The most common reasons for eligible students to not use their Path4Ward scholarship (as collected from the student opt-in form) included direct entry into the workforce, enrollment in a postsecondary program that is not eligible for Path4Ward funding (out-of-state programs or private institutions of higher education), and failing to complete a release form required by their postsecondary program once enrolled despite several follow-ups from CDHE and the students' postsecondary providers.

With the expedited timeline introduced by H.B. 26-1176, 2025-26 early graduates will have a shortened window to request and utilize their scholarship. This legislative update may impact the final year of the pilot program by decreasing student requests and use of funds. The expected decrease in requests is reflected in the reduced appropriations, also enacted in H.B. 26-1176.