

# State Financial Aid Redesign: Lessons Learned

**Report from the California Student Aid Commission**

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# California Higher Education Data

- Home to 473 colleges and universities
  - 363 Cal Grant participating colleges and universities
  - More than 2.3 million students enrolled in postsecondary education
  - Pioneer in the Dream Act and Middle Class Scholarship Programs
- Contributed to reduce student loan indebtedness by as much as \$10,000 when compared with other states' average debt levels  
*(The Institute for College Access and Success)*



# California Student Aid Commission

*Making education beyond high school financially accessible to all Californians*

Centralized State Agency responsible for administering financial aid programs for students attending public and private universities, colleges, and vocational schools in California.

- **Cal Grant Entitlement Program** for High School Graduates and Community College Transfer Students
- Competitive Cal Grant Program (25,750 awards)
- Middle Class Scholarship Program
- California Dream Act Program
- Various grant and scholarship programs in partnership with other state agencies



# California Student Aid Commission

*Making education beyond high school financially accessible to all Californians*

- Disburses \$2 billion in financial aid funds to participating institutions
- Processes an average of 400,000 Cal Grant award offers to eligible students per year
- Processes 1.5 million FAFSAs (ISIRs)
- Processes more than 45,000 California Dream Act Applications (Cal ISIRs)
- All public and private high school senior grade point averages (GPA)
- Outreach and training to high school and college counselors
- Outreach to low-income and first generation students through the Cal-SOAP and Cash for College programs



# Principle 1: Financial aid programs should be student centered

- Cal Grant Program guarantees an Entitlement grant award to eligible graduating high school seniors and community college transfer students
- Focuses on providing student financial aid to all California students regardless of school choice
- Early notification of Cal Grant eligibility to assist students in their college selection process
- Portability of the award to any eligible Cal Grant institution

## Principle 2: Financial aid programs should be goal driven and data informed

- Student and institutional information is used to analyze program activities and identify trends
- Cal Grant participating institutions are required to annually report enrollment, persistence and graduation data for all students
- Cohort default rates and graduation rates hold institutions accountable
- Data transfer partnerships with other agencies and external entities

# Principle 3: Financial aid programs should be timely and flexible

- Various programs to meet different student populations
- Early award notifications help students and their families make more informed decisions in their school selection
- Early advances of Cal Grant funds to institutions (95%) to enable timely disbursements to students

# Principle 4: Financial aid programs should be broadly inclusive of all students' educational pathways

- Awards can be used at any eligible public or private California institution
- Students can transfer their award from one eligible campus to another
- Awards can be prorated for part-time attendance
- Awards can be used for two-year, four-year degrees, certificates, career technical and vocational programs

# Where we want to go...

- Grant Delivery Modernization Project
- Legislative changes to simplify the award process
- Remove program deadlines
- Extend program eligibility to enable students to complete their degree program without excessive loan debt
- Allow more flexibility for students who have to work
- Create new programs to assist Dream Act students who have a financial aid gap
- Align the Cal Grant with Student Success programs at community colleges