

State Financial Aid Redesign: Lessons Learned

Report from the California Student Aid Commission

2016 Annual NASSGAP Conference

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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