

COMMON GOALS

Improving access to and delivery of financial aid to students in the State of California.

Advocating on behalf of the financial aid profession for student *educational access and choice*



WHO WE ARE

CASFAA is a non-partisan, non-profit professional organization.

Membership: more than 1000 California student Financial Aid Administrators from more than 240 Colleges and Universities.

CASFAA Virtual Week at the Capitol April 26th-27th 2021

Attendees: CASFAA Executive Council

Meeting General Talking Points: Areas of Interest Cal Grant, COVID relief and the importance of State Financial Assistance

- California financial aid programs play a crucial role in ensuring access to affordable higher education and must be adequately funded to ensure all eligible students receive the financial aid they need to enroll and succeed in college
- We would like to serve as a resource for you when making decisions related to financial assistance in higher education, as we are experts in our field of financial assistance and are happy to offer our expertise and knowledge so that our California students are best served by our State
- The economic downturn caused by the COVID-19 pandemic has resulted in a soaring number of unemployment and has left millions of families struggling financially. Currently, more than 40 million Americans have become unemployed since the start of the national emergency. This makes state financial aid support even more crucial
- At each of our colleges and universities we are seeing and experiencing a large number of students and their families appealing through our Financial Assistance Offices requesting additional assistance related to their extreme financial hardships, in order to pursue their higher education
- Even after federal and institutional grant aid, many low-income students still have significant unmet financial need. State grant aid is essential in filling the gaps and providing support for students who could not otherwise afford higher education without relying on substantial amounts of loans
- State financial aid programs have a demonstrated ability to improve higher education access and attainment for our California students.
 - **The Cal Grant AB 1456**

This legislation could be improved to better serve Cal Grant students **attending Independent Non-Profit Institutions in the state of California** in two ways:

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- Expand eligibility for the student with dependent children supplemental award to include those attending **independent, non-profit colleges and universities**

Section 69465 of the statute outlines eligibility for the supplemental Cal Grant support for students with dependent children. *This award is currently only available for those attending a California Community College, California State University, or University of California institution.* We estimate there are approximately 1,500 students attending **independent, non-profit** colleges who would be eligible for this award if it were available to them.

This is budgeted at a fixed amount in the annual Budget Act of no more than \$125,000,000, meaning that expansion of this to students in the independent sector does not necessitate increased costs.

In the interest of equity and simplicity for students attending private non-profit institutions, we request that subsection (b)(2) be amended to read:

The student will attend a University of California, California State University, California Community College campus, **or an independent institution of higher education as defined in Education Code 66010.**

- **Provide a Consumer Price Index adjustment for the Cal Grant award amount for students attending independent, nonprofit colleges and universities**

Section 70215(c)(1) proposes an out year policy of a growth mechanism for the Cal Grant 2 award amount for community college students, utilizing a Consumer Price Index (CPI) adjustment.

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For all the justifiable reasons to grow this award for community college students, AICCU respectfully requested, which we at CASFAA support, that a similar approach for the maximum award for Cal Grant students attending **private non-profit institutions** be given for the following reasons:

o Since 2000, the maximum award has decreased from \$9,708 to \$9,084, which is a 6% decrease.

o In the 2000-2001 academic year, the Cal Grant award covered 56% of the average tuition and fees at AICCU institutions. As of 2018-19, it covered just 25%.

o 47% of AICCU Cal Grant students are first-generation college students.

o 47% of AICCU Cal Grant students are Latino.

We request this policy to address long-standing stagnation of the Cal Grant award for students attending **private non-profit institutions**, decreasing the purchasing power of the award for students throughout the state who could benefit from attendance at one of California's private non-profit institutions. As the state's public institutions continue to grapple with high demand and limited seats, it is critical that our low-income and place bound students are financially supported and encouraged to access regional independent, nonprofit universities, that serve these students well throughout the state.

This is a potentially transformative moment for the state to dramatically improve its Cal Grant program for students **attending independent, non-profit universities**, which is an exemplary state financial aid program. As we think about how to make these changes to financially support students to access and persist through college, we must ensure that we do so in a way that equitably supports students **attending independent, non-profit universities with financial need**.

Kristen Soares the President of AICCU sent a letter to Jose Medina the Chair of the Assembly Higher Education Committee, outlining these items, which CASFAA supports for students **attending independent, non-profit universities** and your support is appreciated.