



## Success Center: Financial Aid Reform for California Community Colleges

### KEY MESSAGING

#### The impact and value of the California Community Colleges system to California

California Community College Key Facts

<http://californiacommunitycolleges.cccco.edu/PolicyInAction/KeyFacts.aspx>

- With more than 2.1 million students on 114 campuses, the California Community Colleges system is the largest system of higher education in the United States.
- One in every five community college students in the nation attends a California Community College.
- Three out of every 10 Californians ages 18-24 are currently enrolled in a community college.
- Over 67 percent of California Community College students are people of diverse ethnic backgrounds, and roughly 53 percent are female.
- California Community Colleges educate 70 percent of our state's nurses.
- California Community Colleges train 80 percent of firefighters, law enforcement personnel, and emergency medical technicians.
- Twenty-nine percent of University of California and 51 percent of California State University graduates started at a California Community College.
- Transfer students from the California Community Colleges to the University of California system currently account for 48 percent of UC's bachelor's degrees in science, technology, engineering, and mathematics.
- California Community Colleges offer associate degrees and short-term job training certificates in more than 175 fields, and more than 100,000 individuals are trained each year in industry-specific workforce skills.
- Nearly 42 percent of all California veterans receiving GI educational benefits attend a California Community College for workforce training, to earn an associate degree, or to work toward transferring to a four-year university.
- Community college is an entry point to post-secondary education.



## Who are California Community College students?

California Community Colleges Chancellor’s Office Management Information Systems Data Mart

<https://datamart.cccco.edu/datamart.aspx>

Students			
Age	19 or less 28.07% (624,603) 20-24 30.31% (698,840) 25-29 13.89% (317,859) 30-34 7.67% (175,555) 35-39 5.22% (119,391) 40-49 6.62% (151,565) 50+ 8.20% (187,738)	Ethnicity	Hispanic 44.39 % White Non-Hispanic 25.97 % Asian 11.76 % African-American 6.10 % Unknown 4.27 % Multi-Ethnicity 3.90 % Filipino 2.78 % American Indian/Alaskan Native 0.43 % Pacific Islander 0.41 %
Gender	Female 54.23% Male 44.50%	PT/FT	Part-time (under 12 units) 62.41% Full-time (12 units or more) 28.45%
Additional demographic information:			
40% first-generation (2014)		43% received a CA Promise Grant	

## Financial aid realities and key messaging

- Only 5% of CCC students receive a Cal Grant
- Only 7% of the \$2 billion Cal Grant fund goes to CCC students, while 45% goes to UC students and 30% goes to CSU students.

Wheelhouse “Money Left on the Table” (April 2018)

[https://education.ucdavis.edu/sites/main/files/ucdavis\\_wheelhouse\\_research\\_brief\\_vol3no3\\_online\\_1.pdf](https://education.ucdavis.edu/sites/main/files/ucdavis_wheelhouse_research_brief_vol3no3_online_1.pdf)

- In 2016, CCC students received \$140 million in Cal Grant aid and \$1.62 billion in Pell Grant aid.
- Over 20% of CCC students who appear to be eligible for Pell Grant aid do not receive a Pell Grant.



## MESSAGING

From Board of Governors Item

- The current Cal Grant program design creates inequalities across the system.
- Despite serving more low-income students, CCC students receive only 7% of Cal Grant funds.
- The entitlement program's focus on recent high school graduates who meet certain academic requirements means that most community college students are not eligible for the program.
- CCC students' Cal Grant awards are limited to "access awards" provided in the Cal Grant B and C programs (\$1,656 and \$547 maximum awards respectively).
- Of the Cal Grants received by CCC students, 67% are High School Entitlement Cal Grant B awards, 28% are Competitive Cal Grants, and 5% are Cal Grant C awards.
- Annually, 25,250 new Competitive Cal Grants are available to all students. In 2017-18, CCC students received 18,656 of the 25,250 awards available. However, in 2017-18, CSAC reported 289,983 students were eligible for a Competitive Cal Grant but were not offered one. While CCC students receive a majority of these grants, there are more students who are eligible than awards available.
- There is desire from the state to simplify the program from students and their families.
- Expanding access to financial aid is a key component of achieving the goals outlined in the Vision for Success.
- Many colleges have begun using the "College Promise" framework to provide students information about the funding services available to support student success.
- The California College Promise (AB 19) establishes a framework to maximize access to existing financial aid programs.



## SUPPORTING RESEARCH

### Financial need and other obstacles

TICAS “On the Verge: Costs and Tradeoffs Facing Community College Students” (April 2016)

[https://ticas.org/sites/default/files/pub\\_files/on\\_the\\_verge.pdf](https://ticas.org/sites/default/files/pub_files/on_the_verge.pdf)

- Community college students are twice as likely as 4-year college students to reduce their course load to work more hours. (Ohio State University, 2015)
- More than half (55%) of full-time financial aid applicants at community colleges have an expected family contribution of zero.
- Despite their greater need and the substantial costs they face, community college students are much less likely than public or nonprofit four-year college students to receive most forms of financial aid, including state and institutional grants, and the grants they do receive are relatively small.
- Six in 10 survey respondents who received financial aid got less than \$3,000 in grants and scholarships in 2014-15.
- Many students have significant family responsibilities that constrain their time for school, as does their need to work long hours.

TICAS “Unpacking California College Affordability: Experts in Weight in on Strengths, Challenges, and Implications” (February 2018)

[https://ticas.org/sites/default/files/pub\\_files/ticas\\_report\\_ca\\_affordability\\_final.pdf](https://ticas.org/sites/default/files/pub_files/ticas_report_ca_affordability_final.pdf)

- Affordability challenges contribute to inequities in college enrollment, completion, and student debt burdens, with low-income and minority students less likely to enroll or complete college, and more likely to have borrowed for college.
- Experts believe the current measures used to estimate housing costs are outdated and grossly underestimate the actual cost of living.
- Current income classifications fail to accurately account for the high cost of living in California.

### The problem with tuition-focused aid programs

TICAS “On the Verge: Costs and Tradeoffs Facing Community College Students” (April 2016)

[https://ticas.org/sites/default/files/pub\\_files/on\\_the\\_verge.pdf](https://ticas.org/sites/default/files/pub_files/on_the_verge.pdf)

- Tuition composes only 20 percent of community college students’ total costs nationally.
- Financial aid needs to help students cover the total costs of attendance.



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- Existing state aid programs are not designed to sufficiently address non-tuition costs of college.
- Current state aid is tuition-focused. “Tuition-focused policies mirror public misperceptions that tuition sticker price is the primary factor in assessing college affordability.”
- CSAC estimates \$19,000 in non-tuition college costs per year, but students receive less than \$1,700 for non-tuition costs.
- While CCC tuition is inexpensive, non-tuition costs are not.

## **Despite having greater financial need, community college students have limited access to state aid**

TICAS “On the Verge: Costs and Tradeoffs Facing Community College Students” (April 2016)

[https://ticas.org/sites/default/files/pub\\_files/on\\_the\\_verge.pdf](https://ticas.org/sites/default/files/pub_files/on_the_verge.pdf)

- Compared to students at public and nonprofit four-year colleges, community college students are lower-income and receive less financial aid.

TICAS “Unpacking California College Affordability: Experts in Weight in on Strengths, Challenges, and Implications” (February 2018)

[https://ticas.org/sites/default/files/pub\\_files/ticas\\_report\\_ca\\_affordability\\_final.pdf](https://ticas.org/sites/default/files/pub_files/ticas_report_ca_affordability_final.pdf)

- Middle-income students also face challenges with tuition costs when their income level falls just over the Cal Grant threshold.
- First-generation students face particular challenges around college affordability, largely due to their lack of experience navigating the complicated and bureaucratic financial aid system.
- CCC students are eligible for less grant aid, and therefore often end up with a higher net price than students at public universities.

## **Affordability challenges have a negative impact on student success**

TICAS “On the Verge: Costs and Tradeoffs Facing Community College Students” (April 2016)

[https://ticas.org/sites/default/files/pub\\_files/on\\_the\\_verge.pdf](https://ticas.org/sites/default/files/pub_files/on_the_verge.pdf)

- “I would love to be a full-time student and just focus on school.” -Female, 20
- 32% of all respondents are extremely or very likely to take fewer credits than they want due to family responsibilities.
- With additional grant aid, financial aid recipients could enroll in more college credits.



- “Since I am a middle-aged single parent, it is often hard to concentrate on school while worrying about other things like bills, child care, housing, food, and adequate clothing for my children and myself.” – Female, 49, part-time
- When financial aid helps students cover costs beyond tuition, it allows them to spend their time in class and studying rather than working long hours to pay the bills.
- Financial aid costs go well beyond tuition for low-income students who want to stay in school and succeed.
- To make ends meet when financial aid falls short, students work, frequently to an extent that compromises their studies.
- Financial aid plays an important role in making it possible for students to be students.

Wheelhouse “Money Left on the Table” (April 2018)

[https://education.ucdavis.edu/sites/main/files/ucdavis\\_wheelhouse\\_research\\_brief\\_vol3no3\\_online\\_1.pdf](https://education.ucdavis.edu/sites/main/files/ucdavis_wheelhouse_research_brief_vol3no3_online_1.pdf)

- While financial aid programs have been shown to improve student outcomes, the complexity of the programs limits their effectiveness (Wheelhouse, 2018).

Boatman, Angela, & Long, Bridget Terry. (2016). Does Financial Aid Impact College Student Engagement?: Evidence from the Gates Millennium Scholars Program. *Research in Higher Education*, 57(6), 653-681.

- Among college-qualified students, only 36% of low-income students completed a bachelor’s degree within eight years, while 81% of high-income students did so (Adelman, 2006).
- College affordability has been identified as a primary barrier to college completion for low-income students, especially given the rise in unmet need covered by financial aid (Long and Riley, 2007).
- Evidence suggests that financial aid can be influential in helping students to enroll in college, persist, and graduate.
- Research suggests that the effects of aid may go beyond academics to non-academic experiences, which may also be an important component to student success.
- The results suggest that financial aid has positive effects not only on academic performance, but also on other behaviors likely to support college success and social benefits.
- Lowering the costs of college, either through grant aid or other tuition subsidies, can improve college access and completion, and the effects appear to be stronger for low-income students in comparison to their middle- and upper-class peers.
- Need-based aid appears to have the largest correlation with access and persistence for low-income families.

Chen, Rong, & DesJardins, Stephen L. (2010). Investigating the Impact of Financial Aid on Student Dropout Risks: Racial and Ethnic Differences. *Journal of Higher Education*, 81(2), 179-208.

- When they receive larger Pell Grants, minority students have lower dropout risks.



Glocker, D. (2011). The effect of student aid on the duration of study. *Economics of Education Review*, 30(1), 177-190.

- Students can spend their time in three ways: working to raise money for their education, studying more intensively to decrease the time to graduation, or on leisure.
- Low-income students can only cover their costs by working. Other students can rely on their families to cover the cost, thus they have more options when it comes to how they will allocate their time.
- Less time available to study means students spend more time studying and/or are forced to drop out.

## **First-generation students in the CCC system**

Engle, Jennifer; Bermeo, Adolfo and O'Brien, Colleen. *Straight from the Source: What Works for First-Generation College Students*. Pell Institute for the Study of Opportunity in Higher Education. 2006 <https://eric.ed.gov/?id=ED501693>

Nunez, Anne-Marie and Cuccaro-Alamin, Stephanie. *First Generation Students*. National Center for Education Statistics. 1998. <https://nces.ed.gov/pubs98/98082.pdf>

Nomi, Takako. *Faces of the Future: A Portrait of First-Generation Community College Students*. 2005. <https://eric.ed.gov/?id=ED493531>

- First-generation students are more likely to be female (Nomi, 2005), older (Engle, et al., 2006) and reliant on financial aid (Nunez & Cuccaro-Alamin, 1998) as compared to their non-first-generation peers.

*First-Generation Students in the California Community College System*. California Community Colleges Chancellor's Office Research, Analysis, & Accountability Unit. 2014.

<https://extranet.cccco.edu/Portals/1/TRIS/Research/Analysis/First-Generation%20Students%20in%20the%20California%20Community%20College%20System.pdf>

- According to a 2014 preliminary analysis of characteristics of first-generation students in the California Community Colleges (CCC) system, first-generation students are more likely to be female, on average 26 years old, and self-identify as Latino/Hispanic.
- Less than 25% of first-generation students report income in the lowest quartile, slightly less than the percent who reported income in the highest quartile (Nunez and Cuccaro-Alamin 1998 as cited in Davis 2010).
- While first-generation CCC students are more likely to receive a Pell Grant, only 21% of first-gen students are Pell recipients (CCCCO 2014).
- In 2014, 40% of CCC students were first-generation.



## **California Community College students are experiencing housing and food insecurity**

The Hope Lab “Still Hungry and Homeless in College” (April 2018)

<https://hope4college.com/wp-content/uploads/2018/09/Wisconsin-HOPE-Lab-Still-Hungry-and-Homeless.pdf>

In a 2018 national survey on housing and food insecurity, which included four California Community Colleges, 42% of community college students indicated that they were at the lowest or very lowest levels of food security. Additionally, 46% of community college students across the nation report being housing insecure in the past year. In California, a 2016 study out of LACCD found that 63% of students surveyed experienced food insecurity, with 38% experiencing very low food security. This is notable, as LACCD enrolls approximately 10% of all California Community College students in the state.