
**CALIFORNIA STUDENT AID COMMISSION
COMPETITIVE CAL GRANT PROGRAM
2016-17 to 2018-19**



Legislative Report Requirement

California Education Code Section 69437.7, and
Section 8 of Senate Bill 1644 (Chapter 403, Statutes of 2000)

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EXECUTIVE SUMMARY

On September 11, 2000, the Legislature and the Governor took an important step toward providing educational opportunity to California students by ensuring access to and choice of institution of higher education. With the enactment of the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act (Senate Bill 1644, Chapter 403, Statutes of 2000), California modified the then-existing Cal Grant Program into a two-tiered approach that:

- Guarantees an Entitlement Cal Grant to graduating high school seniors and specified transfer students who meet the program eligibility requirements; and
- Provides a limited number of Competitive Cal Grant awards to students who do not qualify for an Entitlement grant.

The statutory limit on the number of new Competitive Cal Grant awards remained at 22,500 from the program’s inception through 2014-15. Commencing in 2015-16, the Budget Act included an increase of 3,250 Competitive Cal Grant awards, for a total of 25,750 annual awards.

The California Student Aid Commission (Commission) conducts two award competitions each year. The March Competition provides fifty percent of available awards to students, regardless of the California college or university they choose to attend. The September Competition, which also provides fifty percent of available awards, is reserved for students attending a California Community College.

Since the pool of eligible applicants has always exceeded the statutory limit, the Commission must prioritize or rank each applicant. California Education Code Section 69437(c)(1) requires the Commission to establish selection criteria for Competitive Cal Grant A and B awards that give special consideration to disadvantaged students, taking into account those financial, educational, cultural, language, home, community, environmental, and other conditions that hamper a student’s access to, and ability to persist in, postsecondary education programs.

The chart below summarizes the average characteristics of the Competitive Cal Grant Program eligible new applicants for the academic years 2016-17, 2017-18 and 2018-19.

	Offered Awardees		Eligible Non-Offered Awardees
	March	September	
Income	\$6,000 - \$7,600	\$6,800 - \$7,800	\$24,100 - \$28,500
GPA	3.09 – 3.14	3.07 – 3.10	2.88 – 3.04
Family Size	2.4 – 2.7	2.7 – 3.0	2.4 - 2.9
Age	32 - 33	31	26 - 27

Despite the increase to the statutory limit on the number of new Competitive Cal Grant awards in 2015-16, the number of applicants who met all eligibility criteria but did not receive an award because of the statutory limit reached nearly 290,000 in 2017-18. The resources currently provided for this program are sufficient to meet the needs of less than one in ten eligible applicants.

SECTION I- INTRODUCTION

The Commission is the state's primary provider of intersegmental statewide grant aid to postsecondary students. Founded in 1955 as the California State Scholarship Commission, the Commission's primary programmatic responsibilities include administration of the Cal Grant program, the Middle Class Scholarship, the Chafee Grant Program for foster youth, and several targeted state scholarship and loan assumption programs. The Commission administers financial aid awareness and outreach programs, such as Cal-SOAP and Cash for College, in collaboration with business, private industry, and community-based organizations.

The Commission also exercises policy leadership on student financial aid issues, evaluates the effectiveness of its programs, conducts research and long-range planning as a foundation for program improvement, reports on total state financial aid needs, and disseminates information to students and their families.

The Commission consists of 15 appointed members. Eleven members are appointed by the Governor and represent segments of the State's higher education community, postsecondary education students, and the general public. In addition, the Speaker of the Assembly and the Senate Rules Committee each appoint two Commission members as representatives of the general public.

In its policy decision-making, the Commission receives advice and recommendations from its staff, the postsecondary education segments, relevant state agencies, representatives of secondary schools, student groups, and various levels of government.

Senate Bill 1644 (Chapter 403, Statutes of 2000)

On September 11, 2000, Senate Bill 1644 (Chapter 403, Statutes of 2000), also known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, was signed into law. This historic bill changed the previous Cal Grant A and B programs into the Entitlement Cal Grant A and B and Competitive Cal Grant A and B programs and retained the existing Cal Grant C program. As with the original Cal Grant Program, a student must submit a Free Application for Federal Student Aid (FAFSA) and a Cal Grant Grade Point Average (GPA) verification form by the statutory deadlines to be considered for a Competitive Cal Grant award.

The Ortiz-Pacheco- Poochigian-Vasconcellos Cal Grant Act ("Cal Grant Act") implemented the state's historic commitment to provide educational opportunity by ensuring both student access to and selection of an institution of higher education for students with financial need. This commitment to both access and choice remains unchanged. The portability of the Cal Grant supports the State's long-standing commitment to access and choice for California's most disadvantaged students. It provides a way to choose an institution best suited to the student, not just what the

student initially might think they can afford. As a result, Cal Grant awards are offered to students attending all segments of Cal Grant eligible postsecondary institutions: the California Community Colleges, the University of California, the California State University, as well as a large variety of non-profit and for-profit institutions.

The Cal Grant Act established two separate award deadlines for the Competitive Program: March 2nd and September 2nd. The September deadline allows students who decide to apply for financial aid after March 2nd to compete for a California Community College Competitive Cal Grant award. Each Competition has fifty percent of the authorized awards and both offer Cal Grant A or Cal Grant B. The major difference between the two deadlines is that to be eligible for the September Competition, a student must be currently enrolled in a California Community College for the fall term.

Reporting Requirements

The Cal Grant Act requires that the Commission do the following:

1. California Education Code Section 69437.7

After two award cycles, the commission shall review the competitive grant program and its priorities to gain a better understanding of early participation patterns and to determine the initial level of program effectiveness. The commission shall report these findings to the Legislature and the Governor by December 31, 2003, and each year thereafter.

2. Section 8 of Senate Bill 1644 (Chapter 403, Statutes of 2000)

The Student Aid Commission shall annually report to the Legislature and the Governor on the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program from its inception on both of the following:

- (a) The number of Cal Grant applicants and new and continuing offered awardees each year. This data shall include at a minimum the following information about offered awardees: educational level, grade point average, segment of attendance, number of community college transfer students.
- (b) A longitudinal component that measures student persistence and graduation rates over time.

Chapter 7, Statutes of 2011 (Senate Bill 70) enacted on March 24, 2011, requires as a condition for its voluntary participation in the Cal Grant Program, each Cal Grant participating institution shall, beginning in 2012, annually report to the Commission, and as further specified in the institutional participation agreement, both of the following for its undergraduate programs:

- (a) Enrollment, persistence, and graduation data for all students, including aggregate information on Cal Grant paid recipients.

(b) The job placement rate and salary and wage information for each program that is either (1) designed or advertised to lead to a particular type of job; or (2) advertised or promoted with any claim regarding job placement.

SECTION II – THE APPLICATION PROCESS

To be eligible to compete for a new Competitive Cal Grant, students must complete and submit two forms: a Free Application for Federal Student Aid (FAFSA) and a Cal Grant Grade Point Average (GPA) Verification Form by the March 2nd and/or September 2nd deadlines. Applicants who meet certain criteria may submit a test score (GED, SAT, or ACT) in lieu of a GPA.

Free Application for Federal Student Aid (FAFSA)

The FAFSA is the core application required to assist in determining financial eligibility for all federal, as well as many state and institutional, grant and loan programs. Students complete an online version of the FAFSA or submit a paper application to the federal government's central processor. Federal methodology prescribed by Congress is used to determine an applicant's Expected Family Contribution (EFC). The EFC is based on income, assets, family size and other factors derived from the FAFSA application. The EFC is the amount of money that the student and parent(s) of a dependent student can reasonably be expected to contribute toward the student's education.

The Commission receives these federal application data in an electronic format directly from the federal processor once the applicant's identity has been authenticated through a match with the Social Security Administration, the Department of Veteran's Affairs, and the Department of Homeland Security. The federal processor sends data for all students who are California residents and/or nonresidents who list a California postsecondary institution on their application.

Cal Grant Grade Point Average (GPA) Verification Form

California Education Code Section 69432.9 requires students to submit a verified Cal Grant GPA for consideration in the Commission's Cal Grant Program. Students work directly with their schools to ensure that a verified GPA is submitted by the application deadline. High school and postsecondary institution administrators may report individual or large volume GPA verifications through the Commission's secure website or via individual reporting on the paper Cal Grant GPA Verification Form (G-4).

Edits

After receiving FAFSA records from the federal central processor, the Commission compares each FAFSA record to the Commission's database to determine if an applicant's record is already on file and is receiving an award. If not, then the record is matched to the Commission's database of Cal Grant GPA verifications received for the forthcoming competition.

Applicants with both a FAFSA and a verified GPA on file have new electronic records established in the database which then undergo an intensive automated evaluation. This sequential evaluation is often referred to as the edit process. The edits are grouped

in broad categories known by the following terms: Common Edits, Program Edits, and Financial Edits. Applicants must pass all edits to remain in the eligible applicant pool.

Common Edits

Common Edits evaluate the applications for overall Cal Grant eligibility. Applicants must:

- be California residents
- be U.S. citizens or eligible non-citizens
- meet U.S. Selective Service requirements
- not have a baccalaureate or first professional degree
- attend a qualifying California postsecondary institution
- not be in default on any student loan
- not owe any federal or state grant refund

Program Edits

An applicant's record then is reviewed on the basis of Program Edits to identify the most likely program for which an applicant may be eligible to receive further evaluation, such as a Cal Grant A or Cal Grant B. These Edits include:

- Eligible school*
- Grade Point Average (at least 2.0 GPA for Cal Grant B and 3.0 high school GPA or 2.4 college GPA for Cal Grant A).
- Remaining eligibility for the program (has not used four years of Cal Grant benefits)

At this point in the process, Competitive Cal Grant applicants who do not satisfy the Common Edits or Program Edits are flagged as ineligible.

*All eligible or qualifying schools, as defined by California Education Code (CEC) 69432.7(l)(1), must complete an Institutional Participation Agreement with the Commission and agree to comply with all current and applicable federal and state laws and regulations. Schools or postsecondary institutions seeking to participate in the Cal Grant Program must meet various statutory eligibility requirements, including a federal student loan three-year Cohort Default Rate threshold and a graduation rate threshold.

Financial Edits

Applicants are next evaluated to determine if they meet the income and asset standards, and then reviewed to determine whether they have sufficient financial need. These filters are described below:

1. **Income Ceilings** – Income ceilings are established and adjusted annually using the change in the California per capita income as specified in California Education Code Section 69432.7(k). Parental income is used for dependent applicants and student income is used for independent students.

2. Asset Ceilings - Asset ceilings are established and adjusted annually using the change in the California per capita income as specified in California Education Code Section 69432.7(k). Parental assets are used for dependent applicants and students assets are used for independent students.
3. Financial Need – California Education Code Section 69432.9(b)(2) defines financial need as the difference between the student’s cost of attendance as determined by the Commission and the “expected family contribution.” Because the Cal Grant program uses federal methodology as the basis of determining financial need, federal exclusions to reported income such as federal work study are observed.
4. Unmet Need – California Education Code Section 69432.9(b)(3)(A), specifies the minimum financial need required for receipt of an initial Cal Grant A or Cal Grant C award. It shall not be less than the maximum annual award value for the applicable institution, plus an additional \$1,500 of financial need. California Education Code Section 69432.9(b)(3)(B) sets the minimum financial need required for a Cal Grant B award at \$700.

Applicants who meet all of the Common Edits, Program Edits, and Financial Edits move next into the scoring phase for the Competitive Cal Grant Program. Those applicants who do not pass the Financial Edits are filtered out and notified of their ineligible status.

Selection Criteria

Since the pool of eligible applicants far exceeds the statutory limit, the Commission must prioritize or rank each applicant on like criteria. California Education Code Section 69437(c)(1) requires the Commission to establish selection criteria for Competitive Cal Grant A and B awards that give special consideration to disadvantaged students, taking into account those financial, educational, cultural, language, home, community, environmental, and other conditions that hamper a student’s access to, and ability to persist in, postsecondary education programs.

The Commission uses a scoring system for the Competitive Cal Grant Program to evaluate the socio-economic status of each eligible applicant. Starting in 2016-17, the Commission worked with The Institute for College Access & Success (TICAS) to develop a new scoring rubric to better reach the most disadvantaged applicants. Scoring categories now included Household Status (whether independent student is a single parent), Student Education / Access Equalizer (if student had a disadvantaged high school experience or submitted a GED test score), Disadvantaged / Socioeconomic Indicators (received means-tested benefits or student/parent is a dislocated worker), and Family / Environment Indicators (foster care, orphan/ward of the court, or homelessness).

The scoring rubric was changed in the 2018-19 award year due to an issue identified whereby not all students saw the question about means-tested benefits on the FAFSA as

a result of skip logic in the application. Rather than continuing to have those students miss out on additional points, the category was removed from the scoring matrix and the points were redistributed to other categories.

The maximum points for the scoring are displayed in the following table.

Scoring Categories	Maximum Points	
	2016-17 & 2017-18	2018-19
Expected Family Contribution (EFC)	250	250
Family Income & Household Size	250	250
Grade Point Average (GPA)	100	100
Household Status (Single Independent Applicants Only)	80	100
Student Education / Access Equalizer	80	100
Parent Education Level (Either Parent)	80	100
Disadvantaged / Socioeconomic Indicators	80	0
Family / Environment Indicators	80	100
Total Points	1,000	1,000

Cutoff Scores

To establish a cutoff score for students who will receive a Competitive Cal Grant A or Cal Grant B award, the Commission sets the score at a number that is closest to the number of awards authorized for each competition.

Students who scored above or within the cutoff score are offered an award and notified of their Cal Grant eligibility. Those students who fell below the cutoff score are considered to be eligible non-offered awardees. The cutoff scores for each competition for the past three academic years are displayed in the following table.

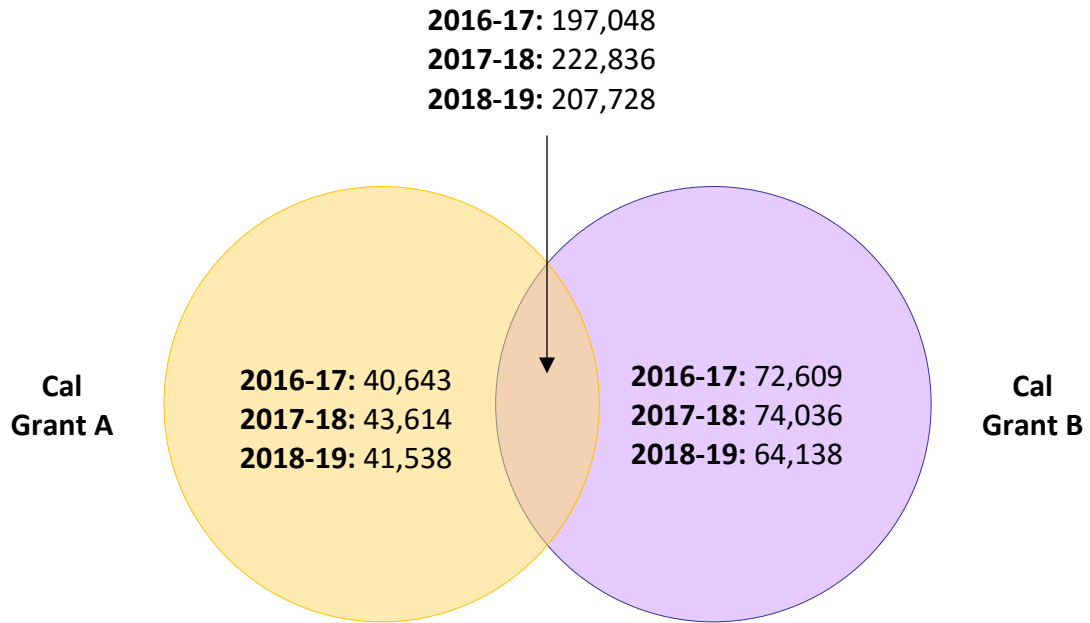
Academic Year	March	September
2016-17	620	653
2017-18	620	646
2018-19	627	650

Note: Scoring based on a 1000-point method for all three academic years.

Eligible Applicants

Display 1 illustrates the number of eligible applicants for the March and September Competitions, by Cal Grant program (Cal Grant A and B) and by academic year. Applicants who meet the eligibility criteria for more than one Cal Grant program are referred to as overlap applicants. For instance, in 2016-17, 2017-18 and 2018-19, around 200,000 students annually met the 3.0 merit requirement needed for a Cal Grant A and were from a very low-income family and so they qualified for a Cal Grant B. Offered awardees are placed in the program that will give them the best financial benefit.

Display 1: Competitive Cal Grant Eligibility Pool



Total number of eligible students

2016-17: 310,300
2017-18: 340,486
2018-19: 313,404

SECTION III – COMPETITIVE CAL GRANT OFFERED AWARDEES

Beginning in 2015-16, California Education Code Section 69437(b) authorizes the Commission to grant 25,750 Competitive Cal Grant A and B awards each academic year. One-half of the awards are distributed during the March Competition and the remaining awards are distributed during the September Competition. All eligible applicants are ranked by the score generated by the selection criteria and sorted in descending order. Beginning with those in the 1,000-point cohort, applicants are selected within each cohort until all of the awards are allocated.

California Education Code Section 69437(b)(3) stipulates that the Commission shall make any awards not distributed during the initial allocation to as many eligible applicants as possible, without exceeding an annual cumulative total of 25,750 paid awards. It also specifies that the undistributed awards shall be offered to eligible applicants with the lowest expected family contribution and highest academic merit. Commencing with the 2017-18 award year, AB-97 Budget Act of 2017 granted the Commission the ability to award up to 35,000 students as long as the total number of paid students did not exceed 25,750.

MARCH COMPETITION

The Commission offered 16,553 awards in the 2018-19 March Competition. This was a 9.5 percent decrease from the 18,298 awards offered during the 2017-18 March Competition and a 2.6 percent decrease from the 16,992 awards offered in 2016-17. Since less than 80 percent of the March Competitive awards offered are funded or taken by the offered awardees in their first year of the Cal Grant Program, the Commission offers more awards than the authorized number with the expectation that the number of awards paid would not exceed 12,875.

Offered Awardees by Program

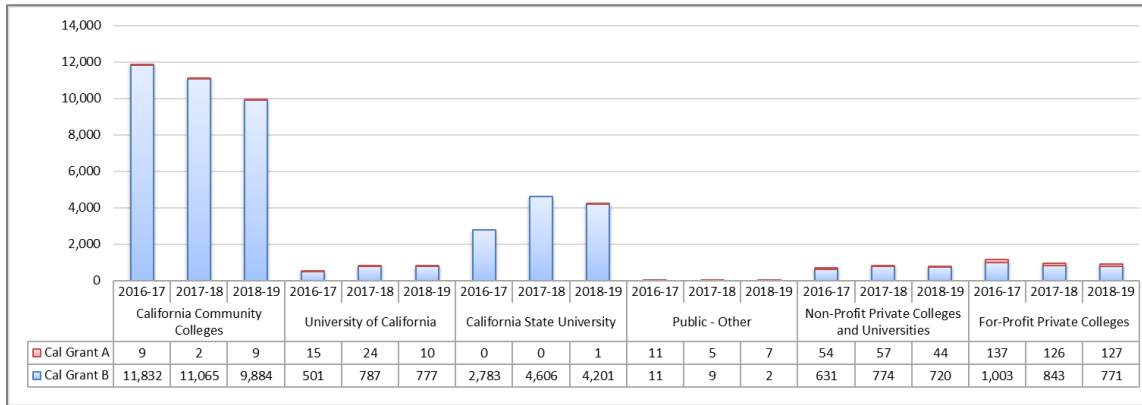
Since the beginning of the program, over 88 percent of the March Competitive Cal Grant offered awardees received a Cal Grant B award with the exception of 2008-09 at 73.4%. Over time, the Cal Grant B award offers students a greater financial benefit than the Cal Grant A award, except for those attending University of California.

Offered Awardees by Segment

Display 2 illustrates the segmental distribution of new offered awardees from the March Competition for the latest three years of the Competitive Cal Grant Program¹. As in previous years, California Community Colleges continue to account for the largest number of offered awardees. In 2018-19, 9,893 or 59.8 percent of the March Competitive offered awardees indicated that they would attend a California Community College. In 2017-18, 11,067 or 60.5 percent of the March Competitive offered awardees indicated that they would attend a California Community College and in 2016-17, 11,841 or 69.7 percent of the March Competitive offered awardees indicated that they would

attend a California Community College. Additionally, California State Universities are the second choice for the March Competitive offered awardees. In 2018-19, 4,202 or 25.4 percent of the offered awardees indicated that they would attend a California State University, and in 2017-18, 4,606 or 25.2 percent of the offered awardees indicated they would attend a California State University.

Display 2: Segmental Distribution of March Competitive Offered Awardees

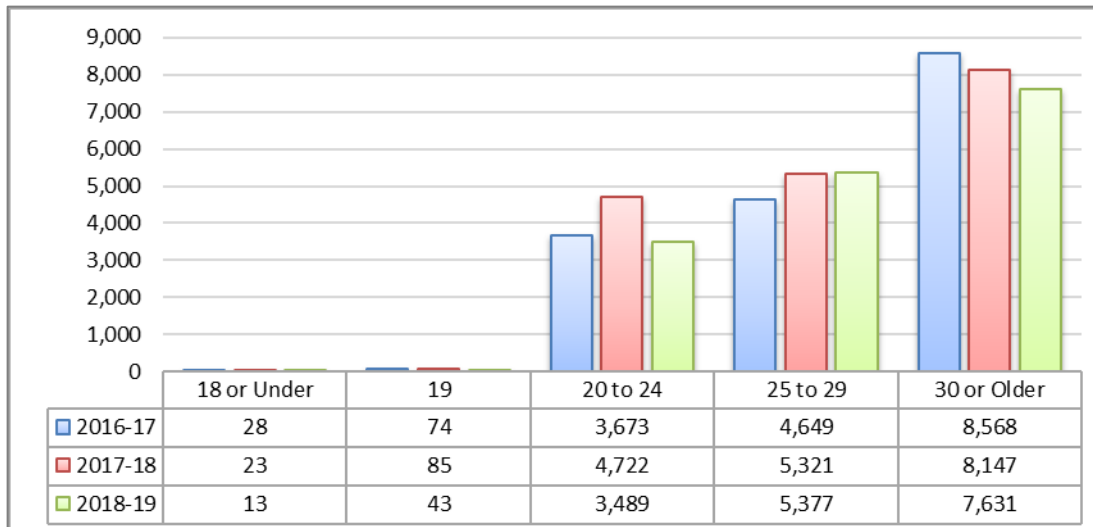


¹This is calculated using the first eligible Cal Grant participating institution listed on the financial aid application (FAFSA).

Offered Awardees by Age

Display 3 illustrates the age distribution of new offered awardees for the March Competition. Following the change to the scoring rubric in 2016-17, over 73 percent of the offered awardees were age 25 years or older, as opposed to in previous years, where over 63 percent of the offered awardees were age 25 years or older.

Display 3: Age Distribution of March Competitive Offered Awardees

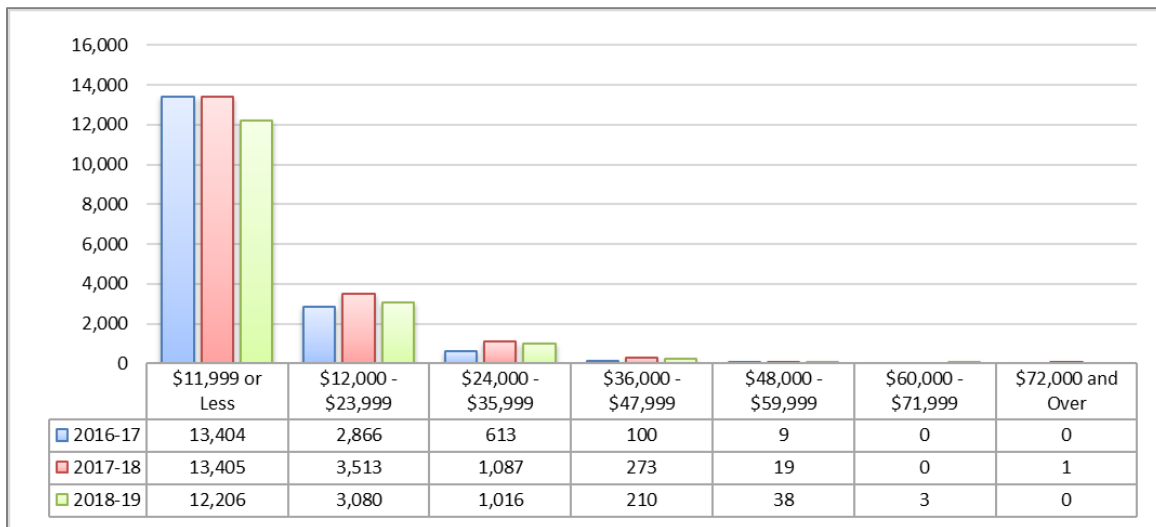


Offered Awardees by Income

Display 4 illustrates that in 2016-17, 2017-18 and 2018-19, new offered awardees from families with incomes of less than \$12,000 continue to account for the largest number of awards. Offered awardees with incomes less than \$12,000 annual income accounted for 12,206 or 78.9 percent of the 2018-19 March Competitive awards. Offered awardees with incomes of less than \$12,000 accounted for 13,405 or 73.3 percent of the 2017-18 and 13,404 or 77.8 percent of the 2016-17 March Competitive awards. This compares to around 50 percent in those academic years immediately prior to the change in the scoring matrix in 2016-17.

The second largest category continued to be comprised of new offered awardees with incomes of \$12,000 to \$23,999. These offered awardees accounted for 18.6 percent of the 2018-19 March Competitive awards. As in past years, new offered awardees with incomes of more than \$24,000 accounted for the fewest number of awards. In 2018-19, these offered awardees accounted for only 7.7 percent of the March Competitive awards.

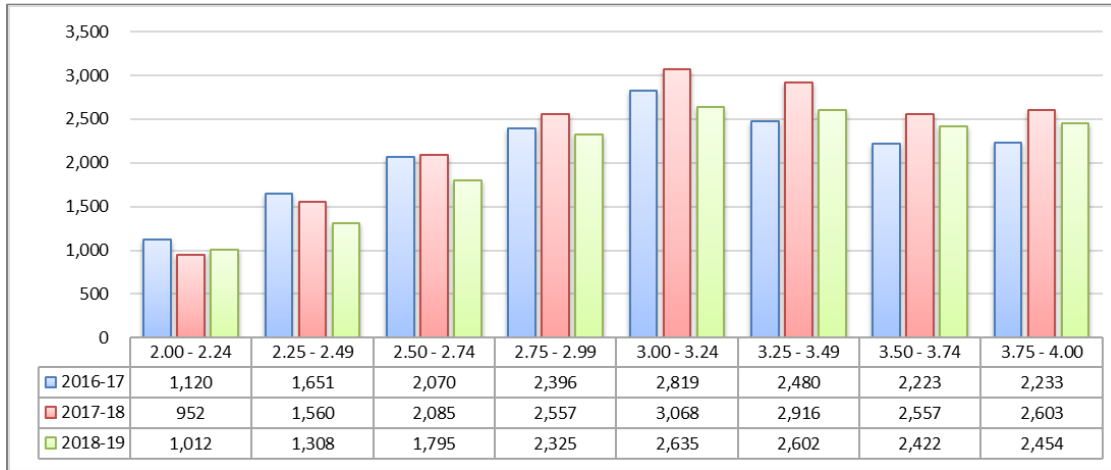
Display 4: Income Distribution of March Competitive Offered Awardees



Offered Awardees by Grade Point Average (GPA)

Display 5 illustrates the academic achievement of new offered awardees during the past three years of the Competitive Cal Grant Program. In 2016-17, 2017-18 and 2018-19 students with a GPA of 3.75 or higher accounted for over 13 percent of March Competitive offered awardees. Additionally, in 2016-17, 2017-18 and 2018-19, as in previous years, the majority of students had a GPA of 3.00 or higher. For instance, in 2018-19, 10,113 offered awardees, or over 61 percent, had a GPA of 3.00 or higher.

Display 5: GPA Distribution of March Competitive Offered Awardees



Participation Patterns

The Cal Grant Act requires that the Commission review the Competitive Cal Grant Program to gain a better understanding of early participation patterns. For this report, the Commission looked at the number of March Competitive Cal Grant paid recipients for whom at least one payment transaction was reported to and reconciled by the Commission (paid) against the number of offered awardees. The payment transaction may have occurred during the year the applicant was offered a Cal Grant award, for one or more subsequent year(s), or for all three years.

Tables 1, 2, and 3 look at the 2016-17, 2017-18 and 2018-19 March Competitive Cal Grant offered awardees by the educational level in which they were initially offered an award. The educational level is the self-reported grade level the offered awardee indicates on the FAFSA.

2016-17 March Competition

Table 1 provides information about the 2016-17 March Competitive offered awardees who were paid in their first and/or second and/or third year(s) in the Competitive Cal Grant Program. Overall, 55 percent of the Cal Grant A offered awardees and 77 percent of the Cal Grant B offered awardees were paid during their first year in the Competitive Cal Grant Program. In their second year, 38 percent of Cal Grant A offered awardees and 35 percent of Cal Grant B offered awardees were paid. During their third year in the Competitive Cal Grant Program, 23 percent of the Cal Grant A offered awardees and 15 percent of the Cal Grant B offered awardees were paid.

Table 1
2016-17 March Competitive Offered Awardees
Paid in 2016-17, 2017-18 and 2018-19
by Initial Educational Level

	2016-17 Offered Awardees		Paid Recipients in 2016-17			Paid Recipients in 2017-18			Paid Recipients in 2018-19		
	#	%	#	%	% Paid	#	%	% Paid	#	%	% Paid
Cal Grant A											
Freshman	185	1.1%	57	0.4%	31%	47	0.8%	26%	32	1.2%	17%
Sophomore	23	0.1%	34	0.3%	148%	27	0.5%	119%	21	0.8%	92%
Junior	16	0.1%	24	0.2%	150%	10	0.2%	64%	0	0.0%	0%
Senior	4	0.0%	10	0.1%	250%	1	0.0%	26%	0	0.0%	0%
Total	228	1.3%	125	1.0%	55%	86	1.4%	38%	53	2.1%	23%
Cal Grant B											
Freshman	3,665	21.6%	1,771	13.7%	48%	1,045	17.3%	29%	555	21.6%	15%
Sophomore	9,398	55.3%	5,579	43.1%	59%	3,069	50.9%	33%	1,687	65.8%	18%
Junior	1,641	9.7%	1,830	14.1%	112%	1,415	23.5%	86%	248	9.7%	15%
Senior	2,060	12.1%	3,652	28.2%	177%	416	6.9%	20%	22	0.9%	1%
Total	16,764	98.7%	12,832	99.0%	77%	5,946	98.6%	35%	2,512	97.9%	15%
Cal Grant A & B											
Freshman	3,850	22.7%	1,828	14.1%	47%	1,093	18.1%	28%	587	22.9%	15%
Sophomore	9,421	55.4%	5,613	43.3%	60%	3,096	51.3%	33%	1,708	66.6%	18%
Junior	1,657	9.8%	1,854	14.3%	112%	1,425	23.6%	86%	248	9.7%	15%
Senior	2,064	12.1%	3,662	28.3%	177%	418	6.9%	20%	22	0.9%	1%
Total	16,992	100.0%	12,957	100.0%	76%	6,032	100.0%	35%	2,565	100.0%	15%

See notes at end of Table 3.

2017-18 March Competition

Table 2 provides information about the 2017-18 March Competitive offered awardees who were paid in their first and/or second year(s) in the Competitive Cal Grant Program. During their first year in the Competitive Cal Grant Program, 59 percent of the Cal Grant A and 72 percent of the Cal Grant B offered awardees were paid. Also, 51 percent of the Cal Grant A offered awardees and 35 percent of the Cal Grant B offered awardees were paid during their second year in the Competitive Cal Grant Program.

Table 2
2017-18 March Competitive Offered Awardees
Paid in 2017-18 and 2018-19
by Initial Educational Level

	2017-18 Offered Awardees		Paid Recipients in 2017-18			Paid Recipients in 2018-19		
	#	%	#	%	% Paid	#	%	% Paid
Cal Grant A								
Freshman	165	0.9%	74	0.6%	45%	48	0.7%	29%
Sophomore	31	0.2%	34	0.3%	110%	33	0.5%	106%
Junior	10	0.1%	11	0.1%	110%	21	0.3%	210%
Senior	8	0.0%	8	0.1%	100%	7	0.1%	88%
Total	214	1.2%	127	1.0%	59%	109	1.7%	51%
Cal Grant B								
Freshman	3,605	19.7%	2,164	16.5%	60%	1,268	19.8%	35%
Sophomore	8,899	48.6%	5,411	41.2%	61%	3,099	48.3%	35%
Junior	2,674	14.6%	2,448	18.6%	92%	1,440	22.4%	54%
Senior	2,906	15.9%	2,985	22.7%	103%	501	7.8%	17%
Total	18,084	98.8%	13,008	99.0%	72%	6,308	98.3%	35%
Cal Grant A & B								
Freshman	3,770	20.6%	2,238	17.0%	59%	1,316	20.5%	35%
Sophomore	8,930	48.8%	5,445	41.5%	61%	3,132	48.8%	35%
Junior	2,684	14.7%	2,459	18.7%	92%	1,461	22.8%	54%
Senior	2,914	15.9%	2,993	22.8%	103%	508	7.9%	17%
Total	18,298	100.0%	13,135	100.0%	72%	6,417	100.0%	35%

See notes at end of Table 3.

2018-19 March Competition

Table 3 provides information about the 2018-19 March Competitive offered awardees who were paid during their first year in the Competitive Cal Grant Program. During their first year in the Competitive Cal Grant Program, 66 percent of the Cal Grant A offered awardees and 73 percent of the Cal Grant B offered awardees were paid.

Table 3
2018-19 March Competitive Offered Awardee
Paid in 2018-19
by Initial Education Level

	2018-19 Offered Awardees		Paid Recipients in 2018-19		
	#	%	#	%	% Paid
Cal Grant A					
Freshman	139	0.8%	66	0.5%	47%
Sophomore	35	0.2%	33	0.3%	94%
Junior	19	0.1%	25	0.2%	132%
Senior	5	0.0%	7	0.1%	140%
Total	198	1.2%	131	1.1%	66%
Cal Grant B					
Freshman	2,651	16.0%	1,434	11.9%	54%
Sophomore	8,068	48.7%	4,927	41.0%	61%
Junior	2,604	15.7%	2,405	20.0%	92%
Senior	3,032	18.3%	3,111	25.9%	103%
Total	16,355	98.8%	11,877	98.9%	73%
Cal Grant A & B					
Freshman	2,790	16.9%	1,500	12.5%	54%
Sophomore	8,103	49.0%	4,960	41.3%	61%
Junior	2,623	15.8%	2,430	20.2%	93%
Senior	3,037	18.3%	3,118	26.0%	103%
Total	16,553	100.0%	12,008	100.0%	73%

Notes for Tables 1, 2, and 3:

1 Source of the educational level is the self-reported grade level the student indicates on the Free Application for Federal Student Aid (FAFSA).

2 "2016-17 Offered Awardees" reflect the number of competitive offered awardees notified as of December 30, 2016.

3 "2017-18 Offered Awardees" reflect the number of competitive offered awardees notified as of December 29, 2017.

4 "2018-19 Offered Awardees" reflect the number of competitive offered awardees notified as of December 31, 2018.

5 "Paid Recipients in 2016-17" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 15, 2017.

6 "Paid Recipients in 2017-18" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 7, 2018.

7 "Paid Recipients in 2018-19" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 6, 2019.

8 Paid data excludes Cal Grant A Reserve awards because they have no monetary value at a California Community College.

SEPTEMBER COMPETITION

The prior Cal Grant B program required that a majority of all Cal Grant B awards be given to students planning to attend a California Community College. The Cal Grant Act continued this requirement by establishing a second competition limited to community college students with a filing deadline of September 2nd each year.

The Commission offered 17,122 awards in the 2018-19 September Competition. This was a 5.5 percent increase from the 16,234 awards offered in the 2017-18 September Competition and a 0.8 percent increase from the 16,992 awards offered in 2016-17. Since less than 80 percent of the September Competitive awards offered are funded or taken by the offered awardees in their first year of the Cal Grant Program, the Commission offers more awards than the authorized number with the expectation that the number of awards paid would not exceed 12,875.

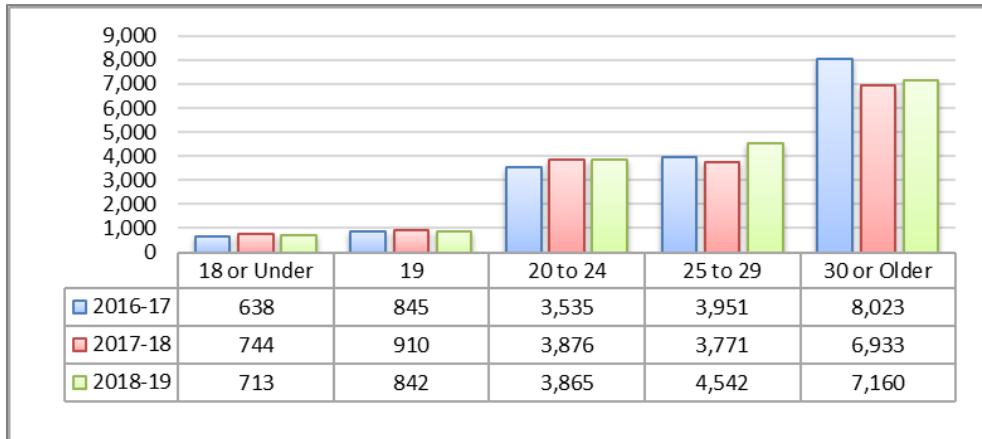
Offered Awardees by Program

As in the past, students offered a Cal Grant A award that are attending a California Community College will have their award held in reserve until they transfer to a tuition or fee charging institution. This is due to the low fees charged at the community colleges and the availability of a Board of Governor's fee waiver to all financially eligible students. Since the beginning of the program, over 95 percent of September Competitive Cal Grant offered awardees received a Cal Grant B award. For the academic years 2016-17, 2017-18, and 2018-19, the share of Cal Grant B awards were nearly 100 percent.

Offered Awardees by Age

Display 6 illustrates the age distribution of new offered awardees for the September Competition. In 2016-17, 2017-18 and 2018-19 over 65 percent of the offered awardees were age 25 years or older.

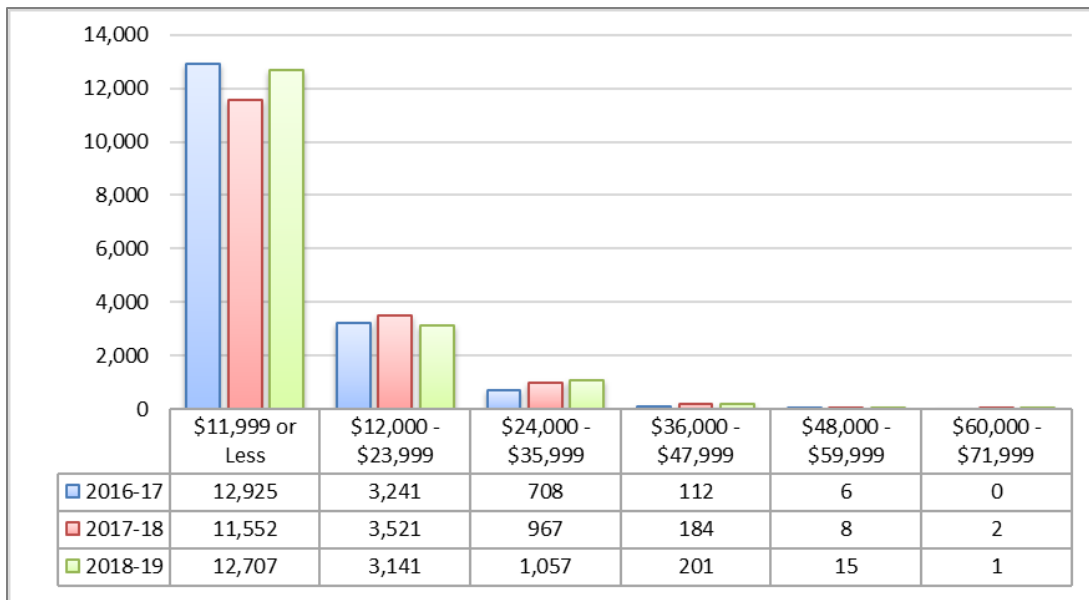
Display 6: Age Distribution of September Competitive Offered Awardees



Offered Awardees by Income

Display 7 illustrates that for all three years, new offered awardees from families with incomes of less than \$12,000 continued to account for the largest number of awards. Offered awardees with incomes of less than \$12,000 accounted for 12,707 or 74.2 percent of the 2018-19 September Competitive awards, 11,552 or 71.2 percent of the 2017-18 September Competitive awards, and 12,925 or 76.1 percent of the 2016-17 September Competitive awards. The second largest category continued to be comprised of new offered awardees with incomes of \$12,000 to \$23,999. For instance, in 2018-19 these families accounted for 3,141 or 18.3 percent of the September Competitive awards. As in past years, offered awardees with incomes of more than \$24,000 accounted for the fewest number of awards. In 2018-19, these families accounted for only 7.4 percent of the September Competitive awards.

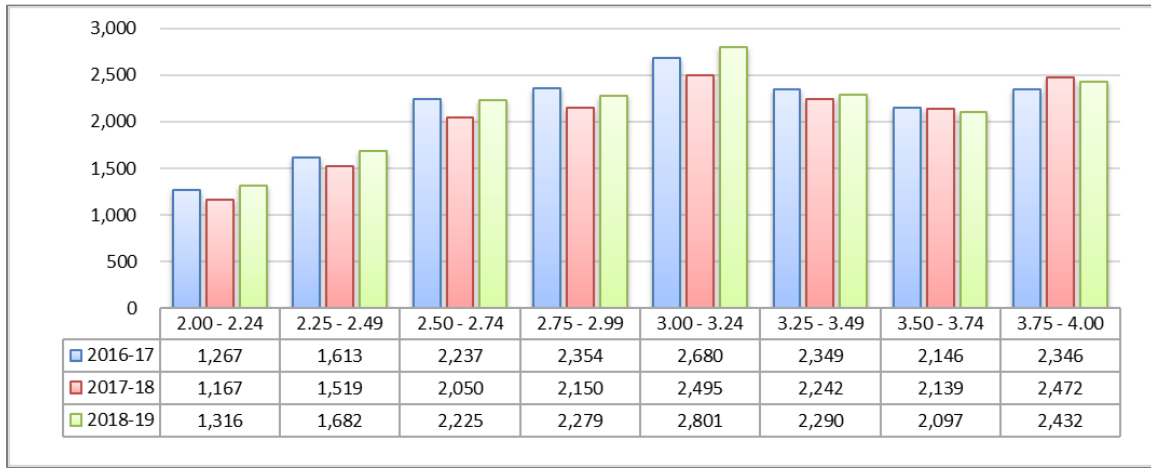
Display 7: Income Distribution of September Competitive Offered Awardees



Offered Awardees by Grade Point Average (GPA)

Display 8 illustrates the academic achievement of new offered awardees during the past three years of the Competitive Cal Grant Program. For all three years, students with a GPA of 3.00 or higher accounted for most of the September Competitive awards. For instance, in 2018-19, 9,620 offered awardees or 56.2 percent had a GPA of 3.00 or higher. The number of offered awardees with a GPA below 2.50 accounted for less than 18 percent of awards from 2016-17 to 2018-19.

Display 8: GPA Distribution of September Competitive Offered Awardees



Participation Patterns

Using the same method as for the March Competition, the Commission looked at the number of September Competitive Cal Grant paid recipients for whom at least one payment transaction was reported to and reconciled by the Commission (paid) against the number of offered awardees. The payment transaction may have occurred during the year the applicant was offered a Cal Grant award, for one or more subsequent year(s), or for all three years.

Tables 4, 5, and 6 display the 2016-17, 2017-18 and 2018-19 September Competitive Cal Grant offered awardees by the educational level in which they were initially offered an award. The educational level is the self-reported grade level the offered awardee indicates on the FAFSA.

2016-17 September Competition

Table 4 provides information about the 2016-17 September Competitive offered awardees who were paid in their first and/or second and/or third year(s) in the Competitive Cal Grant Program. In 2016-17, 14 percent of the Cal Grant A and 72 percent of the Cal Grant B offered awardees were paid during their first year in the Competitive Cal Grant Program. Additionally, 25 percent of the Cal Grant A and 42 percent of the Cal Grant B offered awardees were paid during their second year. During their third year in the Competitive Cal Grant Program, 50 percent of the Cal Grant A and 23 percent of Cal Grant B offered awardees were paid.

Table 4
2016-17 September Competitive Offered Awardees
Paid in 2016-17, 2017-18 and 2018-19
by Initial Educational Level

	2016-17 Offered Awardees		Paid Recipients in 2016-17			Paid Recipients in 2017-18			Paid Recipients in 2018-19		
	#	%	#	%	% Paid	#	%	% Paid	#	%	% Paid
Cal Grant A											
Freshman	17	0.1%	4	0.0%	24%	5	0.1%	29%	9	0.2%	51%
Sophomore	11	0.1%	0	0.0%	0%	2	0.0%	18%	5	0.1%	49%
Junior	0	0.0%	0	0.0%	-	0	0.0%	-	0	0.0%	-
Senior	0	0.0%	0	0.0%	-	0	0.0%	-	0	0.0%	-
Total	28	0.2%	4	0.0%	14%	7	0.1%	25%	14	0.4%	50%
Cal Grant B											
Freshman	7,463	43.9%	5,428	44.2%	73%	3,281	46.2%	44%	1,847	46.9%	25%
Sophomore	9,422	55.4%	6,762	55.1%	72%	3,798	53.4%	40%	2,071	52.6%	22%
Junior	64	0.4%	71	0.6%	111%	18	0.3%	29%	3	0.1%	5%
Senior	15	0.1%	18	0.1%	120%	3	0.0%	20%	1	0.0%	7%
Total	16,964	99.8%	12,279	100.0%	72%	7,100	99.9%	42%	3,922	99.6%	23%
Cal Grant A & B											
Freshman	7,480	44.0%	5,432	44.2%	73%	3,286	46.2%	44%	1,855	47.1%	25%
Sophomore	9,433	55.5%	6,762	55.1%	72%	3,800	53.5%	40%	2,077	52.8%	22%
Junior	64	0.4%	71	0.6%	111%	18	0.3%	29%	3	0.1%	5%
Senior	15	0.1%	18	0.1%	120%	3	0.0%	20%	1	0.0%	7%
Total	16,992	100.0%	12,283	100.0%	72%	7,107	100.0%	42%	3,936	100.0%	23%

See notes at end of Table 6.

2017-18 September Competition

Table 5 provides information about the 2017-18 September Competitive offered awardees who were paid in their first and/or second year(s) in the Competitive Program. In 2017-18, 22 percent of the Cal Grant A and 75 percent of the Cal Grant B offered awardees were paid during their first year in the Competitive Cal Grant Program. Also, 52 percent of the Cal Grant A and 43 percent of the Cal Grant B offered awardees were paid during their second year in the Competitive Cal Grant Program.

Table 5
2017-18 September Competitive Offered Awardees
Paid in 2017-18 and 2018-19
by Initial Educational Level

	2017-18 Offered Awardees		Paid Recipients in 2017-18			Paid Recipients in 2018-19		
	#	%	#	%	% Paid	#	%	% Paid
Cal Grant A								
Freshman	16	0.1%	3	0.0%	19%	3	0.0%	19%
Sophomore	7	0.0%	2	0.0%	29%	8	0.1%	114%
Junior	0	0.0%	0	0.0%	-	1	0.0%	-
Senior	0	0.0%	0	0.0%	-	0	0.0%	-
Total	23	0.1%	5	0.0%	22%	12	0.2%	52%
Cal Grant B								
Freshman	7,383	45.5%	5,661	46.8%	77%	3,254	46.6%	44%
Sophomore	8,244	50.8%	6,077	50.2%	74%	3,358	48.1%	41%
Junior	407	2.5%	257	2.1%	63%	289	4.1%	71%
Senior	177	1.1%	97	0.8%	55%	65	0.9%	37%
Total	16,211	99.9%	12,092	100.0%	75%	6,966	99.8%	43%
Cal Grant A & B								
Freshman	7,399	45.6%	5,664	46.8%	77%	3,257	46.7%	44%
Sophomore	8,251	50.8%	6,079	50.3%	74%	3,366	48.2%	41%
Junior	407	2.5%	257	2.1%	63%	290	4.2%	71%
Senior	177	1.1%	97	0.8%	55%	65	0.9%	37%
Total	16,234	100.0%	12,097	100.0%	75%	6,978	100.0%	43%

See notes at end of Table 6.

2018-19 September Competition

Table 6 provides information about the 2018-19 September Competitive offered awardees who were paid in their first year in the Competitive Cal Grant Program. In 2018-19, 33 percent of the Cal Grant A and 73 percent of the Cal Grant B offered awardees were paid during their first year in the Competitive Cal Grant Program.

Table 6
2018-19 September Competitive Offered Awardees
Paid in 2018-19
by Initial Educational Level

	2018-19 Offered Awardees		Paid Recipients in 2018-19		
	#	%	#	%	% Paid
Cal Grant A					
Freshman	15	0.1%	6	0.0%	40%
Sophomore	6	0.0%	1	0.0%	17%
Junior	0	0.0%	0	0.0%	-
Senior	0	0.0%	0	0.0%	-
Total	21	0.1%	7	0.1%	33%
Cal Grant B					
Freshman	7,218	42.2%	5,471	43.9%	76%
Sophomore	9,450	55.2%	6,692	53.7%	71%
Junior	305	1.8%	215	1.7%	70%
Senior	128	0.7%	69	0.6%	54%
Total	17,101	99.9%	12,447	99.9%	73%
Cal Grant A & B					
Freshman	7,233	42.2%	5,477	44.0%	76%
Sophomore	9,456	55.2%	6,693	53.7%	71%
Junior	305	1.8%	215	1.7%	70%
Senior	128	0.7%	69	0.6%	54%
Total	17,122	100.0%	12,454	100.0%	73%

Notes for Tables 4, 5, and 6:

1 Source of the educational level is the self-reported grade level the student indicates on the Free Application for Federal Student Aid (FAFSA).

2 "2016-17 Offered Awardees" reflect the number of competitive offered awardees notified as of December 30, 2016.

3 "2017-18 Offered Awardees" reflect the number of competitive offered awardees notified as of December 29, 2017.

4 "2018-19 Offered Awardees" reflect the number of competitive offered awardees notified as of December 31, 2018.

5 "Paid Recipients in 2016-17" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 15, 2017.

6 "Paid Recipients in 2017-18" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 7, 2018.

7 "Paid Recipients in 2018-19" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 6, 2019.

8 Paid data excludes Cal Grant A Reserve awards because they have no monetary value at a California Community College.

CHARACTERISTICS OF NEW OFFERED AWARDEES

Table 7 illustrates the Average Income, GPA, Family Size and Age of the new offered awardees for the past three academic years of the Competitive Cal Grant A and B Program. Awards were offered to students who demonstrated merit along with income constraints and were older, late-entry students who do not have access to the Entitlement Cal Grant Program.

Table 7
Average Income, GPA, Family Size and Age of New Competitive Cal Grant A & B Offered Awardees

Academic Year	Program		Competition		
			March	September	Total
2016-17	Cal Grant A Offered Awardees		228	28	256
		Average Income	\$9,144	\$12,070	\$9,464
		Average GPA	3.40	3.44	3.41
		Average Family Size	2.7	3.7	2.8
		Average Age	30	22	29
	Cal Grant B Offered Awardees		16,764	16,964	33,728
		Average Income	\$6,011	\$6,795	\$6,405
		Average GPA	3.08	3.07	3.08
		Average Family Size	2.7	2.9	2.8
		Average Age	33	31	32
	Cal Grant A & B Offered Awardees		16,992	16,992	33,984
		Average Income	\$6,053	\$6,803	\$6,428
	Average GPA	3.09	3.08	3.08	
	Average Family Size	2.7	2.9	2.8	
	Average Age	33	31	32	
2017-18	Cal Grant A Offered Awardees		214	23	237
		Average Income	\$10,980	\$19,034	\$11,762
		Average GPA	3.26	3.51	3.28
		Average Family Size	2.5	4.3	2.6
		Average Age	30	24	29
	Cal Grant B Offered Awardees		18,084	16,211	34,295
		Average Income	\$7,579	\$7,801	\$7,684
		Average GPA	3.13	3.10	3.11
		Average Family Size	2.6	3.0	2.8
		Average Age	32	31	31
	Cal Grant A & B Offered Awardees		18,298	16,234	34,532
		Average Income	\$7,618	\$7,817	\$7,712
	Average GPA	3.13	3.10	3.12	
	Average Family Size	2.6	3.0	2.8	
	Average Age	32	31	31	
2018-19	Cal Grant A Offered Awardees		198	21	219
		Average Income	\$14,298	\$10,088	\$13,894
		Average GPA	3.27	3.37	3.28
		Average Family Size	2.7	3.7	2.8
		Average Age	32	23	31
	Cal Grant B Offered Awardees		16,355	17,101	33,456
		Average Income	\$7,447	\$7,237	\$7,340
		Average GPA	3.13	3.07	3.10
		Average Family Size	2.4	2.7	2.6
		Average Age	32	31	31
	Cal Grant A & B Offered Awardees		16,553	17,122	33,675
		Average Income	\$7,529	\$7,240	\$7,382
	Average GPA	3.14	3.07	3.10	
	Average Family Size	2.4	2.7	2.6	
	Average Age	32	31	31	

Table 8 shows the highest school completed by a parent of the new Competitive Cal Grant A and B offered awardees for the 2016-17, 2017-18 and 2018-19 academic years. In 2018-19, 66 percent of the Cal Grant A and B offered awardees had a parent who completed high school or less and 17 percent had a parent who completed college or beyond.

Table 8
Highest School Completed by Parent of Competitive Offered Awardees

Academic Year	Program	Competition		
		March	September	Total
2016-17	Cal Grant A Offered Awardees	228	28	256
	High School or less	54%	68%	56%
	College or beyond	30%	18%	29%
	Unknown	16%	14%	16%
	Cal Grant B Offered Awardees	16,764	16,964	33,728
	High School or less	64%	65%	64%
	College or beyond	22%	19%	21%
	Unknown	14%	16%	15%
	Cal Grant A & B Offered Awardees	16,992	16,992	33,984
	High School or less	63%	65%	64%
College or beyond	22%	19%	21%	
Unknown	15%	16%	15%	
2017-18	Cal Grant A Offered Awardees	214	23	237
	High School or less	55%	74%	57%
	College or beyond	30%	4%	27%
	Unknown	15%	22%	16%
	Cal Grant B Offered Awardees	18,084	16,211	34,295
	High School or less	63%	63%	63%
	College or beyond	22%	20%	21%
	Unknown	15%	17%	16%
	Cal Grant A & B Offered Awardees	18,298	16,234	34,532
	High School or less	63%	63%	63%
College or beyond	22%	20%	21%	
Unknown	15%	17%	16%	
2018-19	Cal Grant A Offered Awardees	198	21	219
	High School or less	57%	71%	58%
	College or beyond	29%	24%	29%
	Unknown	14%	5%	13%
	Cal Grant B Offered Awardees	16,355	17,101	33,456
	High School or less	67%	66%	66%
	College or beyond	17%	17%	17%
	Unknown	16%	17%	17%
	Cal Grant A & B Offered Awardees	16,553	17,122	33,675
	High School or less	67%	66%	66%
College or beyond	18%	17%	17%	
Unknown	16%	17%	17%	

SECTION IV- ELIGIBLE NON-OFFERED AWARDEES

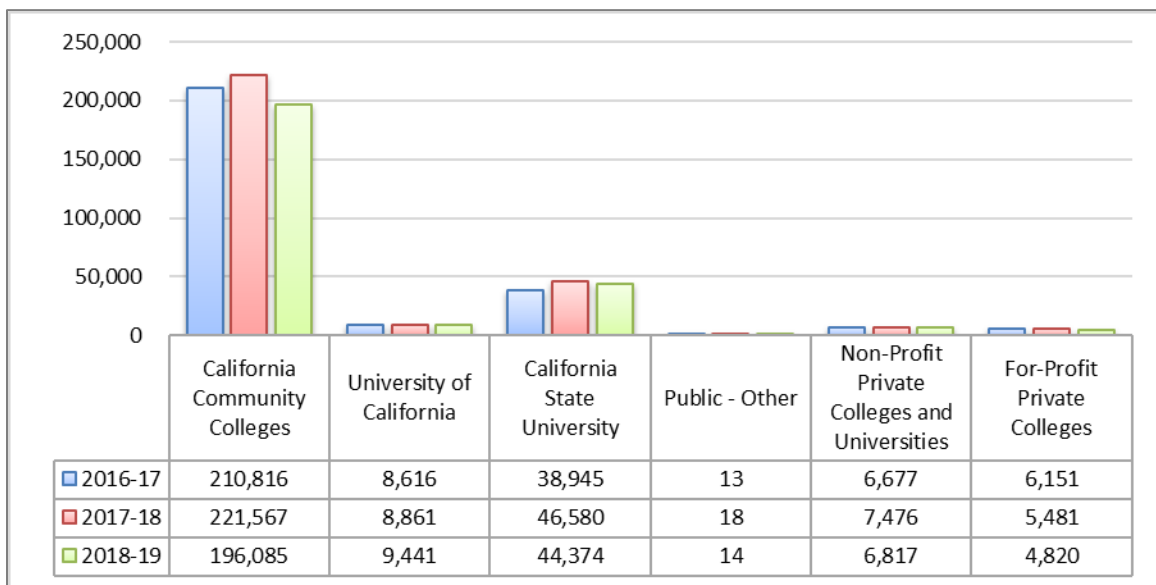
Eligible non-offered awardees are those applicants, from the March and September Competitions, who successfully passed the common, program, and financial edits (described in Section II) but did not receive an award because their scores were below the cutoff point.

The displays and tables below show characteristics of the eligible non-offered awardees in 2016-17, 2017-18 and 2018-19. While the number of eligible non-offered awardees decreased 3.6 percent from 271,218 in 2016-17 to 261,551 in 2018-19, the type of applicants who met all eligibility criteria but did not receive an award remain demographically indiscernible.

Eligible Non-Offered Awardees by Segment

Display 9 illustrates the segmental distribution of the eligible non-offered awardees for the latest three years of the Competitive Cal Grant Program. From 2016-17 to 2018-19, the California Community Colleges had a decrease of 7.0 percent; the University of California had an increase of 9.6 percent; the California State University had an increase of 13.9 percent; and For-Profit Private Colleges had a decrease of 21.6 percent.

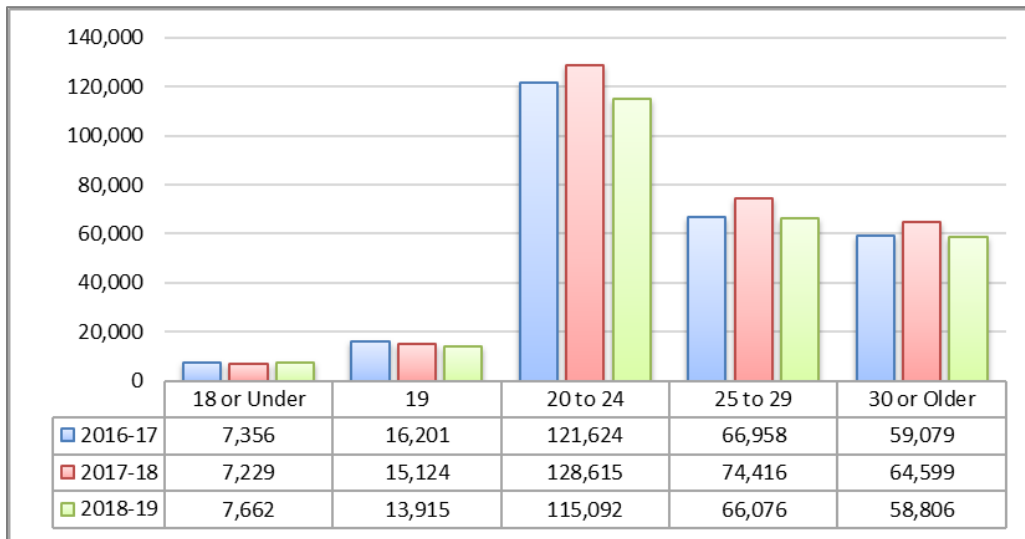
Display 9: Segmental Distribution of Eligible Non-Offered Awardees



Eligible Non-Offered Awardees by Age

Display 10 illustrates the age distribution of eligible non-offered awardees from 2016-17 to 2018-19. In 2018-19, over 47 percent of all eligible non-offered awardees were 25 years of age or older and are considered non-traditional or returning students.

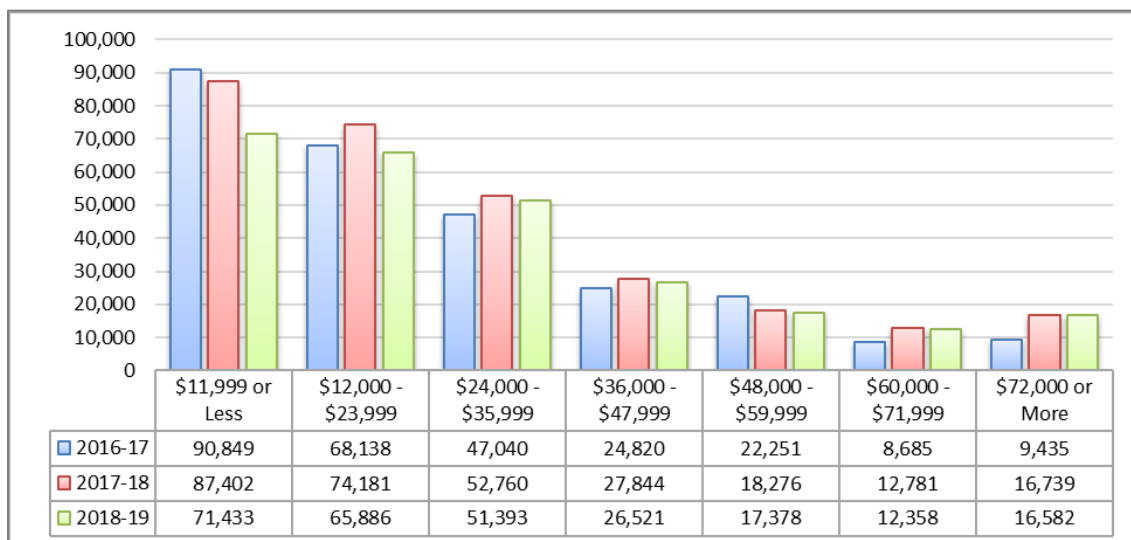
Display 10: Age Distribution of Eligible Non-Offered Awardees



Eligible Non-Offered Awardees by Income

The proportion of Competitive Cal Grant Program eligible non-offered awardees by income changed very little during 2016-17, 2017-18 and 2018-19. Display 11 illustrates that over the past three years about 30 percent of all eligible non-offered awardees earned less than \$12,000 per year.

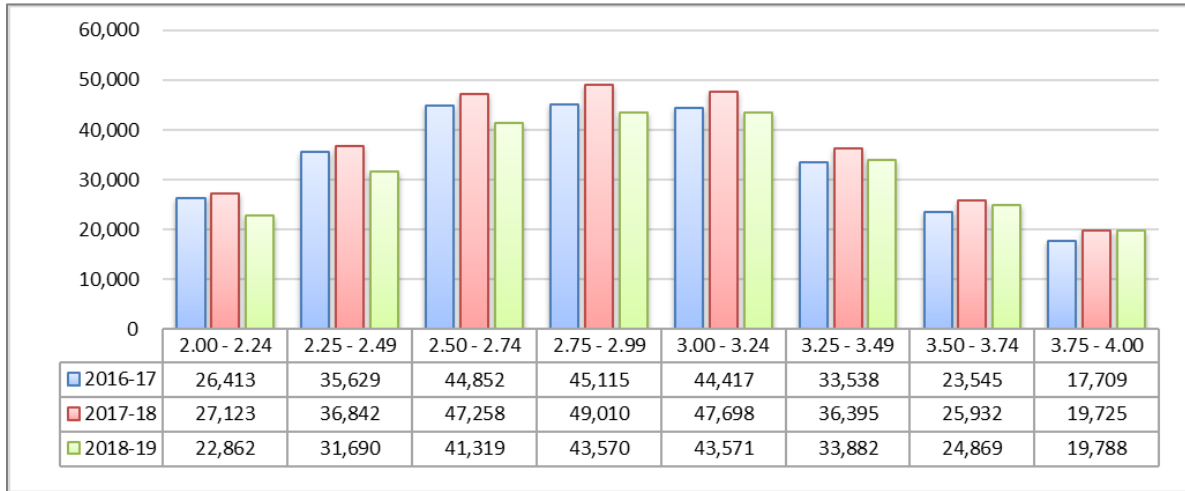
Display 11: Income Distribution of Eligible Non-Offered Awardees



Eligible Non-Offered Awardees by Grade Point Average (GPA)

Display 12 illustrates the GPA distribution of those students who were eligible but, due to the number of awards, were not offered an award. In 2016-17, 2017-18 and 2018-19, about 45 percent of all eligible non-offered awardees had a GPA of 3.00 or higher.

Display 12: GPA Distribution of Eligible Non-Offered Awardees



Characteristics of Eligible Non-Offered Awardees

Table 9 presents the Average Income, GPA, Family Size and Age of eligible non-offered awardees for the past three academic years of the Competitive Cal Grant Program. Table 10 shows the highest school completed by the father and/or mother of the eligible non-offered awardees for the 2016-17, 2017-18 and 2018-19 academic years.

Table 9

Average Income, GPA, Family Size & Age of Competitive Cal Grant Eligible Non-Offered Awardees

	2016-17	2017-18	2018-19
Eligible Non-Offered Awardees	271,218	289,983	261,551
Average Income	\$24,545	\$26,350	\$28,332
Average GPA	2.92	2.93	2.96
Average Family Size	2.7	2.7	2.8
Average Age	26	27	26

Table 10

Highest School Completed by Parent of Eligible Non-Offered Awardees

	2016-17	2017-18	2018-19
Eligible Non-Offered Awardees	271,218	289,983	261,551
High School or less	47%	47%	46%
College or beyond	41%	42%	43%
Unknown	11%	11%	11%

SECTION V- CONCLUSION

The Competitive Cal Grant A and B Award Program has been an integral part of the Cal Grant Program, California's historic commitment to provide educational opportunity by ensuring both student access to and selection of an institution of higher education for students with financial need.

However, despite an increase to a total of 25,750 authorized awards in 2018-19, less than one out of ten, or 9.9 percent, of the over 260,000 students eligible for Competitive Cal Grants received awards, leaving nearly 234,250 eligible students unserved.

The typical eligible non-offered awardee in 2018-19 was 26 years old with a GPA of 2.96 and was from a family of 3 with an income of \$28,332.