

Exhibit 19

Information/Action Item

Update on Dream Act

This report summarizes the first complete year of implementation of the California Dream Act application and award process. The initial implementation year (2013-14) of California Dream Act awards completed with the final reconciliation in December 2014. This exhibit will provide the final 2013-14 award statistics, an initial review of 2014-15 new award offers, and a summary of changes to the 2015-16 Dream Act application and website.

California Dream Act Application Statistics

Table 1 shows the number of new Dream Act applications submitted for each academic year. The 2014-15 application count includes students who reapplied for their second year. The Dream Act application is used for all types of financial aid that are available to AB 540 students. Therefore, those students who do not meet Cal Grant eligibility requirements use the application to be considered for other financial aid that the campus may offer them.

Table 1
New Dream Act Applications

	2013-14 COUNTS	2014-15 COUNTS
On Time (met March 2 deadline)	20,726	27,333
After March 2	16,515	11,140
Total Applications	37,241	38,473

The Dream Act application process is similar to the application process of filing a FAFSA and Grade Point Average (GPA). Applicants who meet the Cal Grant eligibility requirements are offered a Cal Grant award. However, those award offers may not be utilized based on various reasons including not attending college, not submitting requested documents to the financial aid office and failure to complete certain Cal Grant requirements. All Cal Grant award offers not utilized during the academic year are withdrawn.

Table 2 shows the year-end Dream Act award offers and payments by segment. The final awarded count of 6,956 for 2013-14 includes award offers that have now been paid and award offers that have now been withdrawn during the year end withdrawal process. Nearly 50% of the awardees and 66% of the paid recipients go to students at four year institutions.

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Table 2
Dream Act Award Offers & Payments by Segment

	2013-14				2014-15		
	AWARDED COUNT	PAID RECIPIENTS	WITH-DRAWN	ADJUSTED PAID RATE	AWARDED COUNT	PAID RECIPIENTS	PAID RATE
Community College	3,473	1,435	1,726	41%	3,952	1,528	39%
University of CA	1,149	1,039	105	90%	1,180	862	73%
California State Univ.	2,159	1,661	460	77%	2,815	1,695	60%
Priv. 2-Yr Non-Profit	-	-	-	-	1	-	0%
Priv. 4-Yr/Priv. Grad	153	96	48	63%	203	107	53%
Private For Profit	22	5	17	23%	44	14	32%
Total	6,956*	4,236	2,356	61%	8,195	4,206	51%

** Includes 364 students that renewed using deferred adjustment codes like the leave of absence.*

The adjusted paid rate includes the withdrawn students in the formula to accurately depict the paid rate for the 2013-14 year.

Table 3 below summarizes the award offers count by the particular Cal Grant program.

Table 3
Dream Act Award Offers & Payments by Program

	2013-14				2014-15		
	AWARDED COUNT	PAID RECIPIENTS	WITH-DRAWN	ADJUSTED PAID RATE	AWARDED COUNT	PAID RECIPIENTS	PAID RATE
High School Entitlement	5,977	3,513	2,131	59%	6,583	3,351	51%
Transfer Entitlement	784	671	112	86%	1,328	771	58%
Cal C	195	52	113	27%	284	84	30%
Total	6,956*	4,236	2,356	61%	8,195	4,206	51%

** Includes 364 students that renewed using deferred adjustment codes like the leave of absence.*

2013-14 California Dream Act Award Statistics by Demographics

A closer review into the Dream Act student population displays that there is very little disparity in how Dream Act students are being paid, based on their demographic information. As illustrated by Table 4, male and female students are paid at a comparable paid rate: 58% and 63%, respectively. The cause of the 5% difference can be explained by the withdrawal of male students who may not have registered for Selective Service. Furthermore, there is almost a 2:1 difference in the number of awards issued to female students for the 2013-14 award year.

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**Table 4
Dream Act Award Offers & Payments by Gender**

	2013-14			
	AWARDED COUNT	PAID RECIPIENTS	WITHDRAWN	ADJUSTED PAID RATE
Males	2,729	1,575	1,006	58%
Females	4,225	2,660	1,349	63%
Not Reported	2	1	1	50%
Total	6,956*	4,236	2,356	61%

** Includes 364 students that renewed using deferred adjustment codes like the leave of absence.*

Table 5 below illustrates the demographic breakdown, by age (at the time of application) for Dream Act students. Dream Act students are only eligible for the High School Entitlement, Transfer Entitlement and Cal Grant C award. Due to this limitation, the rapid decrease in the number of awards beyond 18-21 years olds should be expected. Again, we see minimal variance in paid rates based on the different age groups. The one outlier to this is the “Over 27” group. Given the limited number of awards made to students in this category, it would be difficult to draw any conclusions from the lower paid rate without further analysis of these individual students.

**Table 5
Dream Act Award Offers & Payments by Age**

	2013-14			
	AWARDED COUNT	PAID RECIPIENTS	WITHDRAWN	ADJUSTED PAID RATE
18-19	3,357	1,915	1,242	57%
20-21	2,716	1,662	916	61%
22-23	424	333	79	79%
24-25	269	201	65	75%
26-27	122	89	31	73%
Over 27	68	36	23	53%
Total	6,956*	4,236	2,356	61%

** Includes 364 students that renewed using deferred adjustment codes like the leave of absence.*

Income is one area where it appears that there may be some noticeable trends. As shown in Table 6, the low- and high-income ranges are paid at a lower rate than the “middle” income ranges. High-income, in this instance, is simply a reference to the relative income ranges, and is not indicative of the students’ financial aid needs. Further analysis of this metric is needed to determine if there is a root cause for these disparities, or if it is simply a byproduct of the variances of award offers at those income levels.

A potential explanation for the low-income students may be their actual enrollment numbers. As discussed by advocacy groups and staff on different occasions, often times, tuition and fees are not the only limiting factors for low income students. For those that are very low-income level, living expenses, transportation, and other personal, social, or familial circumstances may factor into their higher education decisions. Finally, the lowest income dream students may only receive a Cal Grant as their only source of financial aid, leaving an unsurmountable balance to cover for the other educational expenses.

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Table 6
Dream Act Award Offers & Payments by Income

	2013-14			
	AWARDED COUNT	PAID RECIPIENTS	WITHDRAWN	ADJUSTED PAID RATE
Not Reported	331	78	241	24%
Under \$12,000	2,279	1,325	821	58%
\$12,000-\$23,999	1,974	1,213	669	61%
\$24,000-\$35,999	1,263	837	376	66%
\$36,000-\$47,999	716	493	186	69%
\$48,000-\$59,999	233	171	38	73%
\$60,000-\$71,999	100	77	13	77%
\$72,000-\$83,999	42	30	8	71%
\$84,000-\$92,999	8	4	2	50%
\$93,000 or over	10	8	2	80%
Total	6,956*	4,236	2,356	61%

* Includes 364 students that renewed using deferred adjustment codes like the leave of absence.

Nearly 58% of the awardees and 70% of the paid recipients have grade point averages of 3.0 or above. The data presented in Table 7 clearly shows that higher achieving GPA students are more inclined to attend or persist in college and complete the necessary steps to receive a Cal Grant. Students with lower GPAs may face additional academic challenges at their respective college on top of the other obstacles mentioned in this report which may lead to early drop out or not attending at all.

One factor, as it relates to GPAs, that should be considered is that awarded students that are not maintaining Satisfactory Academic Progress are able to maintain their award status, but typically cannot receive any disbursements. Another avenue to explore would be persistence and completion rates for students of varying GPA levels. If students at lower GPA ranges are having trouble persisting and completing, this could play a large role in the negative slope displayed in the data.

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**Table 7
Dream Act Award Offers & Payments by GPA**

	2013-14			
	AWARDED COUNT	PAID RECIPIENTS	WITHDRAWN	ADJUSTED PAID RATE
3.75 - 4.00	794	673	99	85%
3.50 - 3.74	944	742	153	79%
3.25 - 3.49	1,085	760	279	70%
3.00 - 3.24	1,242	797	376	64%
2.75 - 2.99	932	524	357	56%
2.50 - 2.74	812	378	392	47%
2.25 - 2.49	581	205	330	35%
2.00 - 2.24	454	128	301	28%
Less than 2.00*	17	3	14	18%
Not Reported*	95	26	55	27%
Total	6,956¹	4,236	2,356	61%

*Cal Grant C program does not require a GPA to compete.

¹ Includes 364 students that renewed using deferred adjustment codes like the leave of absence.

Paid Rates by Geographic Region

Paid rates do not seem to vary significantly based on the applicants' region of high school. There is a significant variance in the number of awards based on the region. One clear factor in this issue would be not only county populations, but the number of undocumented students within each county and region. The Southern California Region, the State's most populated, leads the way in number of awards. The Commission will be working to put together outreach efforts that focus on some of the potentially underserved areas of the state with concentrated numbers of potential Dream Act students.

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**Table 8
Dream Act Award Offers & Payments by Region of High School**

	2013-14			
	AWARDED COUNT	PAID RECIPIENTS	WITH- DRAWN	ADJUSTED PAID RATE
Northern California	34	16	17	47%
Northern Sacramento Valley	31	22	8	71%
Greater Sacramento	207	125	72	60%
Bay Area	896	498	350	56%
San Joaquin Valley	755	419	298	55%
Central Coast	176	92	71	52%
Central Sierra	5	1	3	20%
Southern California	3,409	2,010	1,197	59%
Southern Border	282	159	105	56%
Not Reported	1,161	894	235	77%
Total	6,956*	4,236	2,356	61%

** Includes 364 students that renewed using deferred adjustment codes like the leave of absence.*

Northern California region includes Del Norte, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Sierra, Siskiyou and Trinity counties. **Northern Sacramento Valley** region includes Butte, Colusa, Glenn, Shasta and Tehama counties. **Greater Sacramento** region includes El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba counties. **Bay Area** region includes Alameda, Contra Costa, Marin, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Sonoma counties. **San Joaquin** region includes Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus and Tulare counties. **Central Coast** region includes Monterey, San Luis Obispo and Santa Barbara counties. **Central Sierra** region includes Alpine, Amador, Calaveras, Inyo, Mariposa, Mono and Tuolumne counties. **Southern California** region includes Los Angeles, Orange, Riverside, San Bernardino and Ventura counties. **Southern Border** region includes Imperial and San Diego counties.

In summary, the 2013-14 Dream Act data from the tables indicate several interesting conclusions about the dreamer population that are able to successfully utilize their Cal Grant award offer:

- Recently graduated high school females
- Higher achieving GPAs
- Family income range of \$12,000 to \$59,999
- Attend four year institutions
- Southern California Region

The data also reveal the areas of need in targeted outreach to males, academic counseling beyond high school and removing more barriers to access the Cal Grant award.

Updates to the 2015-16 Application and Website

Improvements to both the Commission’s website and Dream Act application were made to better serve both students and campuses utilizing the application. Commission staff gathered feedback

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from external stakeholders to ensure enhancements being made would improve not only the function of the application, but also its maneuverability and access to vital information.

Web Site Improvements:

1. The application deadline was added to the Dream Act landing page. This will help students recognize the importance of the March 2nd deadline when filing their application or researching information about the Dream Act.
2. The resource page was updated with current information and user-friendly access to definitions and information on AB 540 (Chapter 814, Statutes of 2001) – the statute that authorized in-state tuition for non-resident students, including undocumented students, who meet certain requirements; DACA (Deferred Action for Childhood Arrivals) – the federal Immigration and Naturalization Service (INS) policy that defers INS removal action for a certain period of time for persons who came to the United States as children and meet other guidelines; and other related Dream Act information.

Application Improvements:

1. In prior years, students with a DACA SSN may confuse this number with the SSN requested on the FAFSA. To help alleviate some of this confusion, specific language was added to assist students in determining whether their SSN is a DACA SSN.
2. For questions related to AB 540, language was added to incorporate the new requirements enacted in Ab 2000 (Chapter 675, Statutes of 2014). AB 2000 modified the AB 540 requirement that students attend high school in California for three or more years, by allowing students who took less than three years to earn credits equivalent to three years of high school coursework, to satisfy the three or more years of high school attendance with attendance at a California elementary school, a California secondary school, or a combination of both.
3. Pre-application questions will further help a student determine if they should file the FAFSA or Dream Act application. If the student has already filed an application, and it is the incorrect one, instructions will be provided to assist the student in rectifying the situation. Students are also reminded to make sure their GPA is submitted by the March 2nd deadline as well.
4. The Commission is working on a possible data exchange with Selective Service. A question was added, to mirror the FAFSA, relating to registration with Selective Service. If this data exchange is not available for the 2015-16 academic year, Commission staff will use the data from this question to provide follow-up communication reminding male students of this requirement.
5. A question was added to the application this year regarding student loans for Dream Act students attending UC and CSU campuses. The “Helps & Hints” text box will inform students that this question is only informational and will not obligate them to any loans.
6. The Parent PIN and signature process was streamlined to allow for easier access once a PIN is obtained.

Dream Act Workgroup

Commission staff will continue to work with external stakeholders on the Dream Act application processing and outreach. Bi-weekly meetings are scheduled for the foreseeable future to ensure that representatives from all segments have the opportunity to discuss, provide feedback, and make

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recommendations for future improvements to the application as well as the delivery of information regarding the Dream Act. The workgroup also provides an avenue for stakeholders to address any potential or newly discovered issues they may be facing. Information gathered in this setting is invaluable to Commission staff as it provides the opportunity for widespread review of what is still a relatively new area in state financial aid. Continual efforts are made to ensure that the implementation and administration of the Dream Act, as well as the Commission's other financial aid programs, are pursued to the fullest extent possible.

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