

Exhibit 5

Information Item

Update on California Dream Act implementation

The March 2, 2014 deadline has since passed and we are in the second year of offering Cal Grant awards to eligible AB 540 Dream Act students for the 2014-15 academic year. As of March 26, 2014, we have offered Cal Grant High School Entitlement (E1) awards to approximately 5,200 Dream Act students for the 2014-15 academic year. Overall, we have offered over 126,000 E1 awards to the prospective 2014-15 college freshmen class. As we continue to review late GPA appeals, corrections and unmatched GPAs more Cal Grant award offers will be offered in the upcoming months.

CA Dream Act Applications Statistics

2014-15 Application Numbers

DREAM ACT APPLICATION COUNTS	
On Time (met 3/2 deadline)	26,596
Late Applications	930
Total Applications Submitted	27,526

To date, the 2014-15 Dream Act on-time applications increased by 5,934 or 22% from the 2013-14 application year.

2014-15 E1 Awards by Segment (as of March 26, 2014)

SEGMENT	Count
Community College	2,190
UC	589
CSU	2,081
Private 2 year	1
Private 4 year	275
For Profit	18
TOTAL	5,152

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Transfer Entitlement and Cal Grant C Award Cycles

With the E1 Cal Grant awards cycle nearly complete, we are preparing for the next Cal Grant award cycles for which Dream Act applicants may qualify. The Transfer Entitlement (E2) program specifically targets community college students who intend to transfer during the 2014-15 year to an eligible baccalaureate degree granting institution. In addition, Dream Act students are eligible for the Cal Grant C program which funds awards for students who are pursuing vocational or occupational certificate or degree programs.

Continued Efforts to Resolve Pended Dream Act Applications

- **Application Mismatches**

One of the current issues that staff continues to encounter is name mismatches between the CA Dream Act Application and the non-SSN GPA. Many of the students complete the CA Dream Act Application using their legal name--often including their maternal surname as a middle name or part of the last name--which may differ from the name provided on the non-SSN GPA by the high school or college.

To help alleviate this recurring problem, we created a new WebGrants screen for high school administrators to match the submitted non-SSN GPA to the CA Dream Act Application. This tool has been well received and has allowed the high schools to assist students with resolving an issue through WebGrants.

There is a continued misunderstanding of Deferred Action for Childhood Arrival (DACA) SSNs that impeded the processing of Cal Grant consideration for some Dream applicants. The recommended method for GPA submission for Dream Act students is through the non-SSN GPA method. However, many of the GPAs received from high schools and colleges were through the traditional SSN method and using the student's DACA SSN. In so doing, this created a conflict in the Grant Delivery System (GDS) that "pended" the student's application, preventing further processing. Fortunately, staff was able to match the DACA SSN from the GPA to the student's CA Dream Act Application for the students that provided their DACA SSNs on question 8 of the application. Over 2,000 records were identified, matched and processed to be considered for a Cal Grant award.

- **DACA applicants using FAFSA**

Recently, the Commission learned that the US Department of Education (USED) will publicize to DACA students that they can file a Free Application for Federal Student Aid (FAFSA) using their DACA SSN. This publicity from USED conflicts with the Commission's message that Dream Act students in California should use the CA Dream Act Application only for California state-funded financial aid.

We advise Dream Act students to use only the CA Dream Act Application because our GDS will not process a DACA student's FAFSA. The USED FAFSA process will not calculate an expected family contribution (EFC) for DACA students. GDS will not

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process FAFSA information that lacks an EFC. Therefore, GDS will not process FAFSA information from a California DACA student. Further, if the California DACA student files both a FAFSA and a California Dream Act Application, GDS may not process that student's application if the FAFSA information is submitted to GDS before the California Dream Act Application information. Therefore, we urge Dream Act students to apply for Cal Grants and institutional aid using only the California Dream Act Application.

As we experienced last year, many DACA students mistakenly filled out FAFSAs and staff had to take extra steps to create a "work-around" to convert them to CA Dream Act Applications for Cal Grant and institutional aid consideration. The USED message encouraging DACA students to file a FAFSA will create more confusion for California Dream Act students. We intend to consult with USED to find ways to clarify the message for California students and to identify DACA students filing a FAFSA without delaying the application and awarding process for these students. We will also be exploring ways to improve outreach efforts to reduce confusion for DACA students.

Staff will continue to actively consult with our external partners on what type of training would better assist them in their role of streamlining the CA Dream Act. Lastly, staff has started the conversation with the Dream Act stakeholders group on any needed enhancements for the 2015-16 on-line CA Dream Act Application process.

Training, Outreach, Resources and Communications

Staff continues to provide customer service, both to the Dream Act students and to the members of the financial aid community, through the customer support phone line, emails, training and webinars.

The following is an update on the training/outreach efforts for the CA Dream Act Application and additional resources made available by staff:

➤ **Webinar Training**

To date, staff has held 12 webinars for both high school counselors and financial aid administrators. A frequently asked questions (FAQ) document has been compiled consisting of questions asked by the attendees from each session presented. This document is posted on the Commission homepage and is available for the school officials to download and use as a reference.

➤ **On-Line Dream Act Chat**

Each Wednesday for one hour, a staff member from the Institutional Support unit is available for a live online Dream Act chat session. This is an opportunity for anyone assisting Dream Act students including high school counselors, financial aid professions, parents, and community members to ask questions about the CA Dream Act Application and receive an immediate response. The sessions will continue weekly until the end of March and will be offered on a monthly basis

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until June 2014. School representatives have requested this forum to resume again in August.

➤ **Communications to Students and Campuses**

Prior to the March 2nd deadline over 6,000 emails were sent to Dream Act students who had started a CA Dream Act Application but had not submitted the application. In the email the students were reminded that if they failed to submit their CA Dream Act Applications by the March 2nd deadline, they could not be considered as an on-time submission.

An additional 4,000 emails were sent to the 2013-14 Dream Act students who were offered a Cal Grant but had not yet been paid. The financial aid directors at several institutions were contacted to determine why payments had not been posted for Dream Act students on their Cal Grant roster.

➤ **Communications to Students and Campuses**

Staff continues to partner with various organizations to provide training and to present at community and campus events to inform undocumented students and families of the financial aid resources available to them and steps to completing the application process.

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