

Item 12

Information Item

Update on Dream Act

SUMMARY OF THE ISSUE(S):

This item provides an update on the California Dream Act for the current 2015-16 academic year. The information in this item provides a comparison of the current year 2015-16 application and the award offers for the 2014-15 year, including up-to-date application and award data for the upcoming 2016-17 award year. The main issue in this program is that percentage of paid awards to Dream Act Cal Grant offerees remains low particularly at the community colleges.

RECOMMENDATION:

Staff will continue to focus on increasing the number and percentage of Cal Grant paid awards to Dream Act students in collaboration with the other higher education segments.

BRIEF HISTORY OF KEY ISSUE(S):

The Commission is entering its fifth year as the processor of the California Dream Act Application (CADAA). With Chapters 93 and 604, Statutes of 2011 (SB 130 and 131, Cedillo) the Commission built and launched the application in 2012-13 for undocumented students to apply for various state financial aid. In 2013-14, the California Dream Act authorized undocumented students to qualify for Cal Grants. The California Dream Act application is used for various forms of financial aid, including Cal Grants, Middle Class Scholarship, fee waivers, institutional aid and other scholarships and state financial aid.

ANALYSIS:

The number of students submitting CADAAs has continued to increase from year to year. The 2016-17 California Dream Act Application was successfully released on the California Dream Act website on January 19, 2016. As of March 4, 2016, approximately 33,000 California Dream Act applications were received and over 6,100 Cal Grant award offers were processed. The Commission expects the number applications and awards to exceed last year's numbers.

Table 1 shows a historical perspective on the number of new CADAAs submitted for each academic year since the first year Cal Grants were offered to Dream Act students in 2013-14. Although the CADAA is primarily used for Cal Grant award consideration, institutions also use the application for institutional aid, the Board of Governor's Fee Waiver and private scholarships. Starting in the 2014-15 academic, the Commission also used the CADAA for the Middle Class Scholarship (MCS)

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program for students attending the University of California (UC) and the California State University (CSU). Table 1 reflects that as the number of applications increase each year, more applications are received on time for Cal Grant and MCS award consideration. The CADAA continues to remain open after the March 2nd deadline for students that are seeking institutional aid. Institutions are able to download the CADAA information, also known as the Cal ISIR, from WebGrants to determine institutional aid.

Table 1
New Dream Act Applications by Academic Year (Historical)
Data as of March 4, 2016

	2013-14 Counts	2014-15 Counts	2015-16 Counts*	2016-17 Counts*
On Time (met March 2 deadline)	20,746	27,359	30,740	32,922
Late (after March 2 deadline)	16,524	13,163	12,275	66
Total Applications	37,270	40,522	43,015	32,988

**Not final counts.*

Table 2 below shows the Dream Act offered awardees and paid recipients by segment. Thus of the 27,359 (from Table 1) on time applications received in 2014-15, only 7,927 (29%) were eligible and were offered Cal Grants. However as mentioned in page 1, starting in 2014-15, the CADAA was also used by the Commission for the MCS award program. From the same pool of 27,359 applicants and not including the 7,927 students offered a Cal Grant, the Commission offered 366 MCS awards for students attending the UC and CSU.

Table 2
Dream Act Offered Awards and Paid Recipients by Segment
Data as of March 4, 2016

	2014-15			2015-16*			2016-17*
	Offered Awardees	Paid Recipients	Paid Rate	Offered Awardees	Paid Recipients	Paid Rate	Offered Awardees
Community College	3,905	2,121	54%	4,086	1,745	43%	2,581
UC	1,142	1,042	91%	1,146	880	77%	774
CSU	2,638	1,970	75%	2,757	1,675	61%	2,481
Priv. 2-Yr Non-Profit	1	-	0%	1	-	0%	-
Priv. 4-Yr/Priv. Grad	201	126	63%	219	109	50%	283
Vocational/Hospital Ed.	40	13	33%	34	12	35%	34
Total	7,927	5,272	67%	8,243	4,418	54%	6,153

**Not final counts.*

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Although the 27,359 on-time dream applicants produced 7,927 (29%) Cal Grant offers and 366 (1%) MCS offers, the other 19,066 applicants were disqualified or not eligible for any award. In reviewing the data for the 19,066 applicants not offered an award, the average age of these students is 22. As Table 3 on the next page shows, most of the Cal Grant award offers from the CADAA are from the High School Entitlement Program which typically are for 18 or 19 year old recently graduated students. Therefore, the average applicant age of 22 is outside the criteria for the High School Entitlement program. Normally, students not eligible for the High School Entitlement program would receive consideration in the competitive program. However, the provision under CEC 69508.5(c) which states, *“A student who is exempt from paying nonresident tuition under Section 68130.5 shall not be eligible for Competitive Cal Grant A and B Awards unless funding remains available after all California students not exempt pursuant to Section 68130.5 have received Competitive Cal Grant A and B Awards for which they are eligible”* makes dreamer students ineligible. Lastly, the other reason for not receiving an award offer is due to not receiving the grade point average information. But these students also had an average age of 21, so they would have also missed the required criteria for the High School Entitlement program.

For the 7,927 students that did receive a Cal Grant award offer in 2014-15 only 5,272 (67%) received a paid award. The paid rate varied in the four major college segments ranging from 91 percent at UC to 54 percent at the CCCs

As application numbers continue to increase each year, the overall paid rate continues to remain low for these students. This low paid rates amongst the California Dream Act Cal Grant offered awardees particularly at the community colleges remains a major concern for the Commission. However, information on the status of the unpaid awardees is not known.

The 2014-15 application and award process concluded with the final reconciliation in November 2015. Approximately 2,885 students who had been offered a Cal Grant award were withdrawn in November as part of the year-end process. These students were given over 15 months to take action on their Cal Grant awards before being withdrawn. To understand the reasons why the awards were not utilized, Commission staff sent out a questionnaire to the unpaid dreamer students.

The survey results revealed that the primary reason students did not utilize their Cal Grant awards was due to not being aware they had a Cal Grant, even though multiple communications are generated from the Commission and institutions.

Commission staff continue to increase communications for students who have been offered a Cal Grant award in 2015-16 Cal Grant cycle. These communications include sending out more email notifications and paper mail to those students who remain unpaid and following up with the institutions.

The California Dream Act application is used by undocumented students applying for various forms of financial aid they may be eligible to receive. Students who meet the Cal Grant requirements are offered awards that may be used at any eligible participating Cal Grant institution. Cal Grant offered awardees are listed on the Cal Grant roster of their first eligible Cal Grant institution, where institutions can identify their enrollment status and pay the student. It could be assumed that many unpaid Dream Act Cal Grant offered awardees do not enroll and attend, therefore, do not get paid. However, the Commission has not conducted a full study to determine the reasons.

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Table 3 illustrates the California Dream Act paid rate by Cal Grant Program. Only 65 percent of the Dream Act graduating high school seniors receive payment, where 82 percent of those students transferring from a community college to a four year institution are paid their Transfer Entitlement Cal Grant award offer. These paid rates are comparable to the Cal Grant programs for non-Dream Act paid rates.

Table 3
Dream Act Award Offers & Payments by Program
Data as of March 4, 2016

	2014-15			2015-16			2016-17*
	Offered Awardees	Paid Recipients	Paid Rate	Offered Awardees	Paid Recipients	Paid Rate	Offered Awardees
High School Entitlement	6,466	4,189	65%	6,979	3,688	53%	6,153
Transfer Entitlement	1,181	968	82%	1,046	640	61%	-
Cal C	280	115	41%	218	90	41%	-
Total	7,927	5,272	67%	8,263	4,418	54%	6,153

*Not final counts.

The California Community College Chancellors Office (CCCCO) has expressed their willingness to work with Commission staff to address the low paid rates for Dream Act applicants at community college campuses. Our goal is to ensure that every eligible Cal Grant award offer is paid to allow these students to pursue their post-secondary education.

RESPONSIBLE PERSON(S):

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ATTACHMENT(S): None.