
**CALIFORNIA STUDENT AID COMMISSION
COMPETITIVE CAL GRANT PROGRAM
2013-14 to 2015-16**



Legislative Report Requirement

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

COMMISSION MEMBERS

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General Public Representative
Governor Appointee

Catalina Cifuentes (Vice Chair)

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Universities Representative
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Governor Appointee

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California Community College Student
Representative
Governor Appointee

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General Public Representative
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California State University Representative
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General Public Representative
Senate Rules Appointee

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General Public Representative
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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-Poohigian-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 2013-14, 2014-15 and 2015-16.

	Offered Awardees		Eligible Non-Offered Awardees
	March	September	
Income	\$13,800 - \$14,400	\$14,800 - \$15,200	\$21,200 - \$22,900
GPA	3.33 - 3.37	3.34 - 3.37	2.83 - 2.98
Family Size	3.0	3.0 - 3.1	2.4 - 2.9
Age	31 - 32	29 - 30	27 - 28

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 262,700 in 2015-16. The resources currently provided for this program are sufficient to meet the needs of only one in twelve 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-Poohigian-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- Poohigian-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 web-enabled site 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 of the 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. The selection criteria and scoring model was developed and is reviewed by Commission staff in coordination with the Commission staff’s Cal Grant Competitive Advisory Committee. The maximum points for the scoring are displayed in the following table.

Scoring Categories	Maximum Points	
	2013-14	2014-15 & 2015-16
Family Income and Household Size	76	380
Grade Point Average (GPA)	70	350
Access Equalizer	18	90
Parents’ Educational Level (Mother and Father)	18	90
Student or Parent Household Status	18	90
Total Points	200	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.

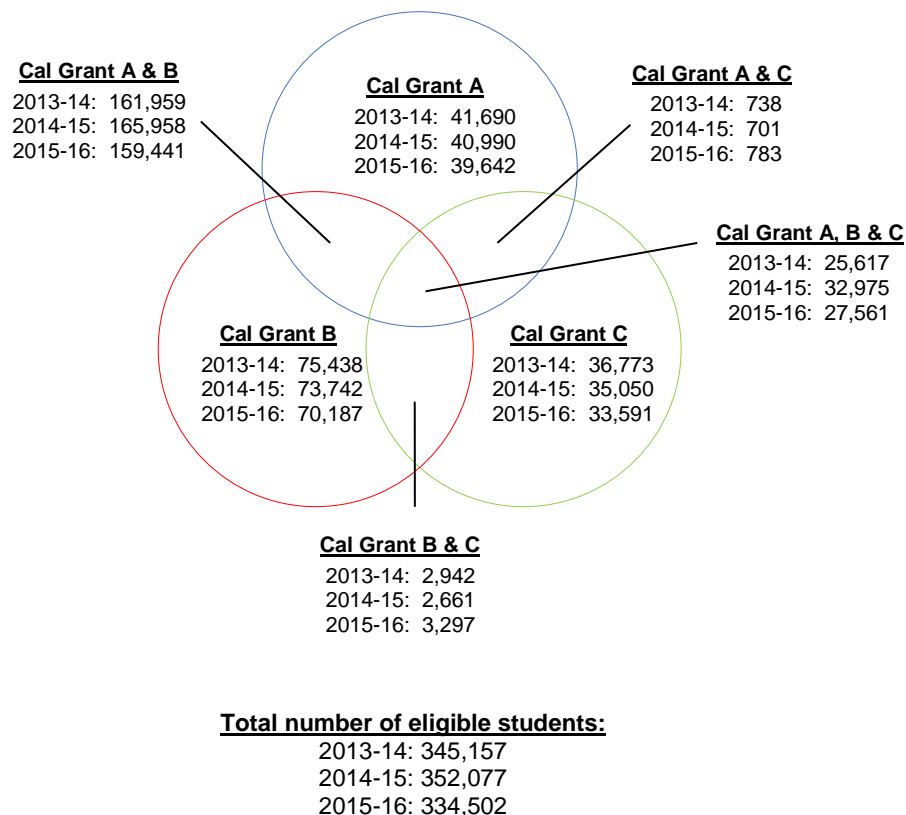
Academic Year	March	September
2013-14	161	165
2014-15	802	817
2015-16	776	804

Note: Scoring based on a 200-point method in 2013-14 and 1000-point method for 2014-15 and 2015-16.

Eligible Applicants

Display 1 illustrates the number of eligible applicants for the March and September Competitions, by Cal Grant program (Cal Grant A, B and C) 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 2013-14, 2014-15 and 2015-16, over 25,000 students annually met the 3.0 merit requirement needed for a Cal Grant A, were from a very low-income family and so they qualified for a Cal Grant B, and also met the course of study requirements for a Cal Grant C. Offered awardees are placed in the program that will give them the best financial benefit.

Display 1: Competitive Cal Grant Eligibility Pool



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 awards. It also specifies that the undistributed awards shall be offered to eligible applicants with the lowest expected family contribution and highest academic merit.

MARCH COMPETITION

The Commission offered 16,195 awards in the 2015-16 March Competition. This was a 39.3 percent increase from the 11,623 awards offered during the 2014-15 March Competition and a 9.2 percent increase from the 14,832 awards offered in 2013-14. Since less than 85 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.

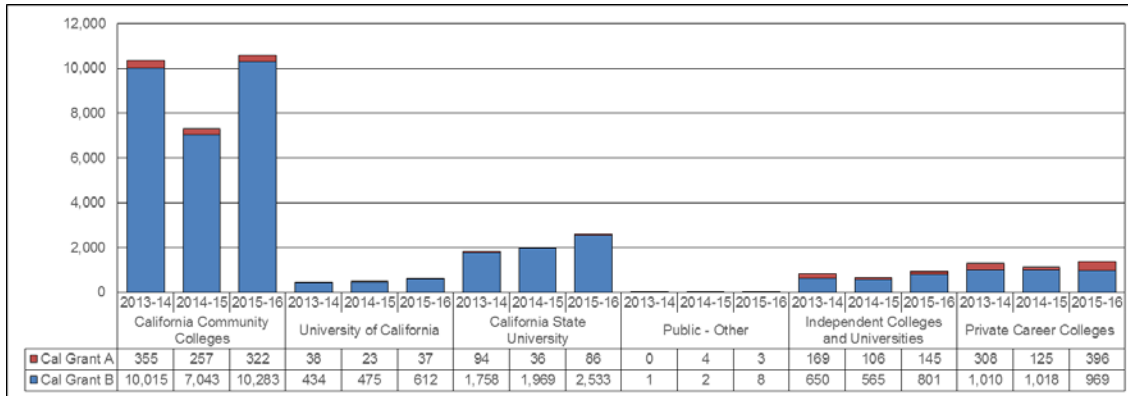
Offered Awardees by Program

Since the beginning of the program, over 90 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 2015-16, over 10,600 or 65.5 percent of the March Competitive offered awardees indicated that they would attend a California Community College. In 2014-15, 7,300 or 62.8 percent of the March Competitive offered awardees indicated that they would attend a California Community College and in 2013-14, over 10,300 or 69.9 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 2015-16, over 2,600 or 16.2 percent of the offered awardees indicated that they would attend a California State University.

Display 2: Segmental Distribution of March Competitive Offered Awardees

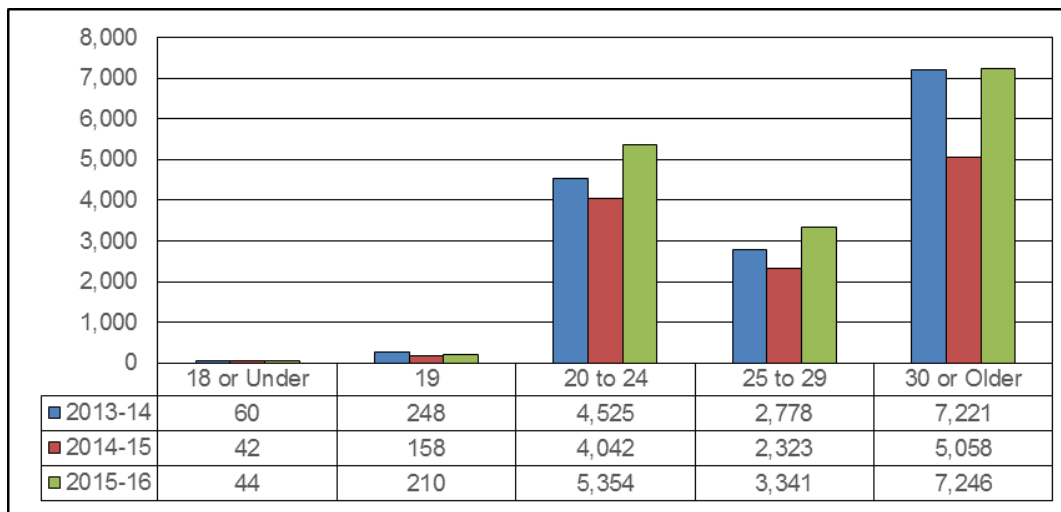


¹ This is calculated using the first eligible Cal Grant participating institution listed on the financial aid application (FAFSA).

Offered Awardees by Age

Display 3 illustrates the age distribution of new offered awardees for the March Competition. As in previous years, over 63 percent of the offered awardees were age 25 years or older.

Display 3: Age Distribution of March Competitive Offered Awardees

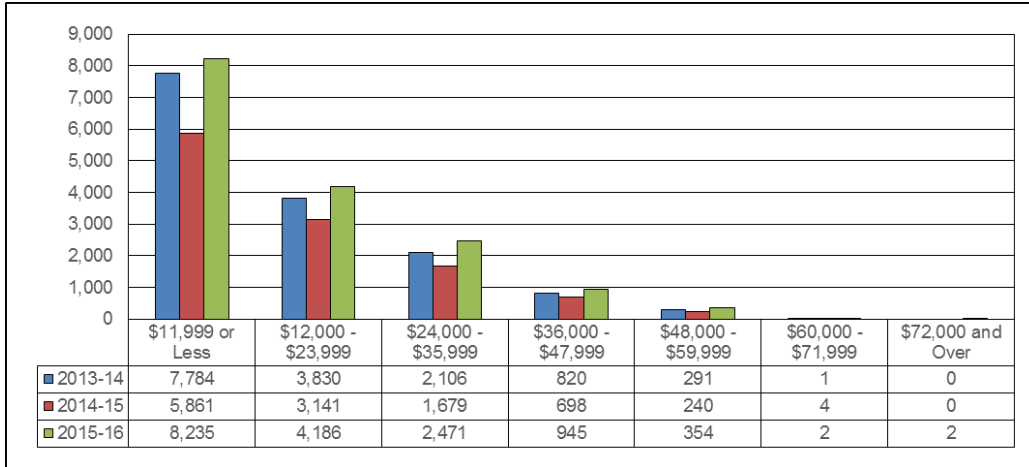


Offered Awardees by Income

Display 4 illustrates that in 2013-14, 2014-15 and 2015-16, 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 8,235 or 50.9 percent of the 2015-16 March Competitive awards. Offered awardees with incomes of less than \$12,000 accounted for 5,861 or 50.4 percent of the 2014-15 March Competitive awards. 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 25.8 percent of the 2015-16 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 2015-16, these offered awardees accounted for only 23.3 percent of the March Competitive awards.

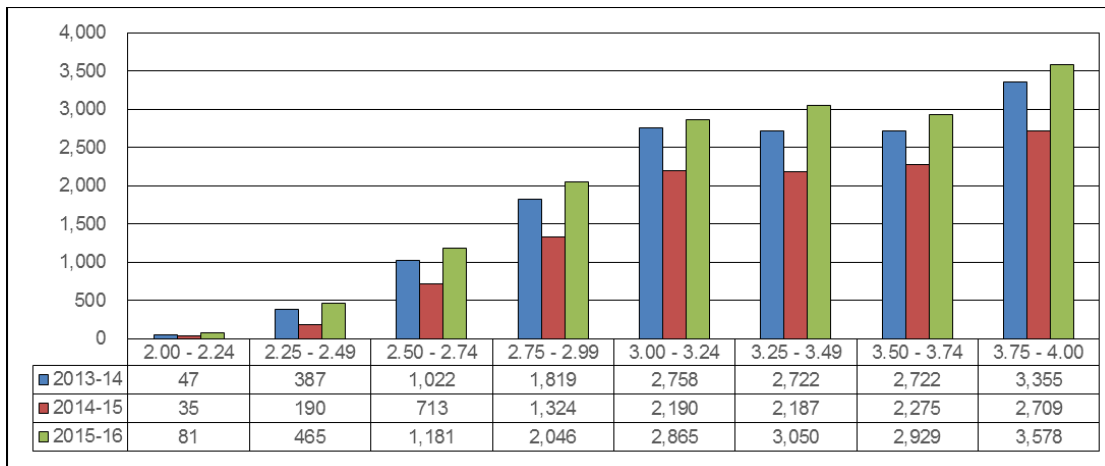
Display 4: Income Distribution of March Competitive Offered Awardees



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 2013-14, 2014-15 and 2015-16 students with a GPA of 3.75 or higher accounted for over 22 percent of March Competitive offered awardees. Additionally in 2013-14, 2014-15 and 2015-16, as in previous years, the majority of students had a GPA of 3.00 or higher. For instance, in 2015-16, 12,422 offered awardees, or over 76 percent, had a GPA of 3.00 or higher. From 2013-14 to 2015-16, the number of offered awardees with a GPA below 2.50 accounted for less than 4 percent of awards.

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 2013-14, 2014-15 and 2015-16 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.

2013-14 March Competition

Table 1 provides information about the 2013-14 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, 36 percent of the Cal Grant A offered awardees and 66 percent of the Cal Grant B offered awardees were paid during their first year in the Competitive Cal Grant Program. In their second year, 25 percent of Cal Grant A offered awardees and 39 percent of Cal Grant B offered awardees were paid. During their third year in the Competitive Cal Grant Program, 18 percent of the Cal Grant A offered awardees and 20 percent of the Cal Grant B offered awardees were paid.

Table 1
2013-14 March Competitive Offered Awardees
Paid in 2013-14, 2014-15 and 2015-16
by Initial Educational Level

	2013-14 Offered Awardees		Paid Recipients in 2013-14			Paid Recipients in 2014-15			Paid Recipients in 2015-16		
	#	%	#	%	%Paid	#	%	%Paid	#	%	%Paid
Cal Grant A											
Freshman	441	3.0%	122	1.3%	28%	61	1.1%	14%	46	1.6%	10%
Sophomore	362	2.4%	114	1.2%	31%	84	1.5%	23%	99	3.4%	27%
Junior	81	0.5%	73	0.8%	90%	78	1.4%	96%	30	1.0%	37%
Senior	80	0.5%	42	0.4%	53%	18	0.3%	23%	2	0.1%	3%
Total	964	6.5%	351	3.7%	36%	241	4.3%	25%	177	6.1%	18%
Cal Grant B											
Freshman	3,590	24.2%	2,257	23.7%	63%	1,293	23.1%	36%	740	25.4%	21%
Sophomore	8,013	54.0%	5,588	58.7%	70%	3,250	58.0%	41%	1,857	63.6%	23%
Junior	1,113	7.5%	924	9.7%	83%	685	12.2%	62%	135	4.6%	12%
Senior	1,152	7.8%	392	4.1%	34%	138	2.5%	12%	9	0.3%	1%
Total	13,868	93.5%	9,161	96.3%	66%	5,366	95.7%	39%	2,741	93.9%	20%
Cal Grant A & B											
Freshman	4,031	27.2%	2,379	25.0%	59%	1,354	24.1%	34%	786	26.9%	19%
Sophomore	8,375	56.5%	5,702	59.9%	68%	3,334	59.5%	40%	1,956	67.0%	23%
Junior	1,194	8.1%	997	10.5%	84%	763	13.6%	64%	165	5.7%	14%
Senior	1,232	8.3%	434	4.6%	35%	156	2.8%	13%	11	0.4%	1%
Total	14,832	100.0%	9,512	100.0%	64%	5,607	100.0%	38%	2,918	100.0%	20%

See notes at end of Table 3.

2014-15 March Competition

Table 2 provides information about the 2014-15 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, 47 percent of the Cal Grant A and 86 percent of the Cal Grant B offered awardees were paid. Also, 37 percent of the Cal Grant A offered awardees and 43 percent of the Cal Grant B offered awardees were paid during their second year in the Competitive Cal Grant Program.

Table 2
2014-15 March Competitive Offered Awardees
Paid in 2014-15 and 2015-16
by Initial Educational Level

	2014-15 Offered Awardees		Paid Recipients in 2014-15			Paid Recipients in 2015-16		
	#	%	#	%	%Paid	#	%	%Paid
Cal Grant A								
Freshman	243	2.1%	119	1.2%	49%	61	1.2%	25%
Sophomore	221	1.9%	55	0.6%	25%	77	1.6%	35%
Junior	52	0.4%	51	0.5%	98%	50	1.0%	96%
Senior	35	0.3%	34	0.3%	97%	15	0.3%	43%
Total	551	4.7%	259	2.7%	47%	203	4.1%	37%
Cal Grant B								
Freshman	2,413	20.8%	1,914	19.6%	79%	1,161	23.5%	48%
Sophomore	6,062	52.2%	5,047	51.7%	83%	2,648	53.6%	44%
Junior	1,104	9.5%	1,091	11.2%	99%	746	15.1%	68%
Senior	1,493	12.8%	1,458	14.9%	98%	180	3.7%	12%
Total	11,072	95.3%	9,510	97.3%	86%	4,735	95.9%	43%
Cal Grant A & B								
Freshman	2,656	22.9%	2,033	20.8%	77%	1,222	24.7%	46%
Sophomore	6,283	54.1%	5,102	52.2%	81%	2,725	55.2%	43%
Junior	1,156	9.9%	1,142	11.7%	99%	796	16.1%	69%
Senior	1,528	13.1%	1,492	15.3%	98%	195	4.0%	13%
Total	11,623	100.0%	9,769	100.0%	84%	4,938	100.0%	42%

See notes at end of Table 3.

2015-16 March Competition

Table 3 provides information about the 2015-16 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, 33 percent of the Cal Grant A offered awardees and 77 percent of the Cal Grant B offered awardees were paid.

Table 3
2015-16 March Competitive Offered Awardee
Paid in 2015-16
by Initial Education Level

	2015-16 Offered Awardees		Paid Recipients in 2015-16		
	#	%	#	%	%Paid
Cal Grant A					
Freshman	558	3.4%	119	1.0%	21%
Sophomore	279	1.7%	69	0.6%	25%
Junior	86	0.5%	72	0.6%	84%
Senior	66	0.4%	62	0.5%	94%
Total	989	6.1%	322	2.7%	33%
Cal Grant B					
Freshman	3,637	22.5%	2,383	19.8%	66%
Sophomore	8,190	50.6%	6,162	51.1%	75%
Junior	1,508	9.3%	1,371	11.4%	91%
Senior	1,871	11.6%	1,827	15.1%	98%
Total	15,206	93.9%	11,743	97.3%	77%
Cal Grant A & B					
Freshman	4,195	25.9%	2,502	20.7%	60%
Sophomore	8,469	52.3%	6,231	51.6%	74%
Junior	1,594	9.8%	1,443	12.0%	91%
Senior	1,937	12.0%	1,889	15.7%	98%
Total	16,195	100.0%	12,065	100.0%	74%

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 "2013-14 Offered Awardees" reflect the number of competitive offered awardees notified as of December 30, 2013.

3 "2014-15 Offered Awardees" reflect the number of competitive offered awardees notified as of January 2, 2015.

4 "2015-16 Offered Awardees" reflect the number of competitive offered awardees notified as of December 25, 2015.

5 "Paid Recipients in 2013-14" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of December 6, 2014.

6 "Paid Recipients in 2014-15" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of November 20, 2015.

7 "Paid Recipients in 2015-16" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 9, 2016.

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 16,117 awards in the 2015-16 September Competition. This was a 14.8 percent increase from the 14,037 awards offered in the 2014-15 September Competition and a 14.0 percent increase from the 14,138 awards offered in 2013-14. 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.

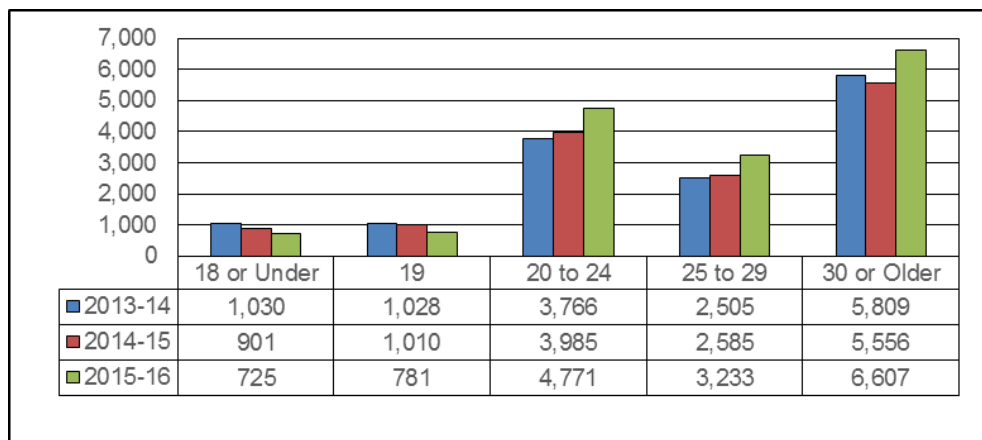
Offered Awardees by Program

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. This was also true for academic years 2013-14, 2014-15 and 2015-16.

Offered Awardees by Age

Display 6 illustrates the age distribution of new offered awardees for the September Competition. In 2013-14, 2014-15 and 2015-16, over 58 percent of the offered awardees were age 25 years or older.

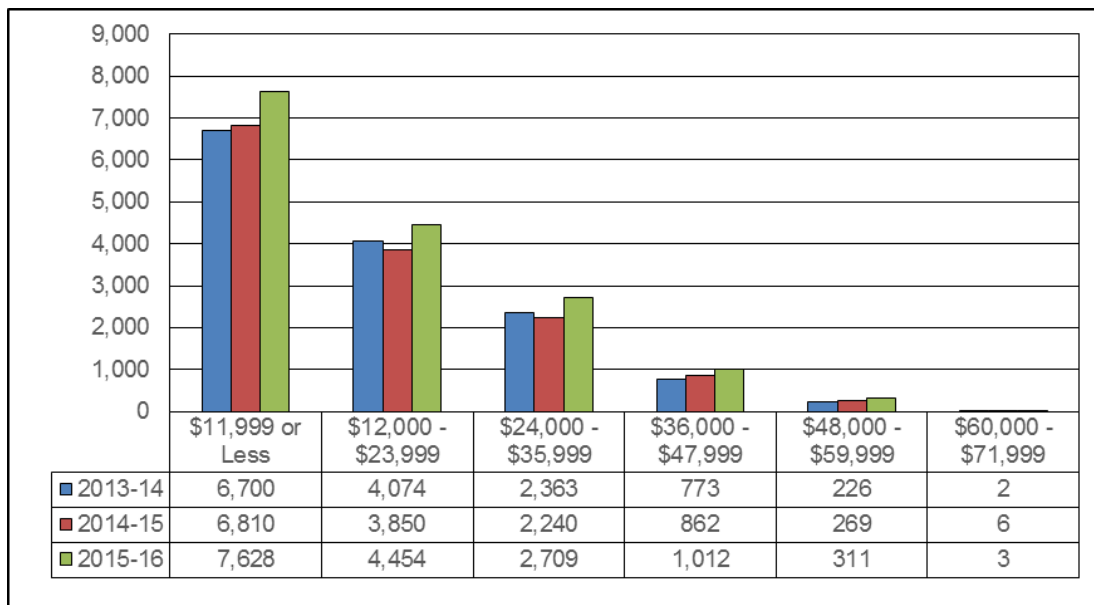
Display 6: Age Distribution of September Competitive Offered Awardees



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 7,628 or 47.3 percent of the 2015-16 September Competitive awards. Offered awardees with incomes of less than \$12,000 accounted for 6,810 or 48.5 percent of the 2014-15 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 2015-16 these families accounted for 4,454 or 27.6 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 2015-16, these families accounted for only 25 percent of the September Competitive awards.

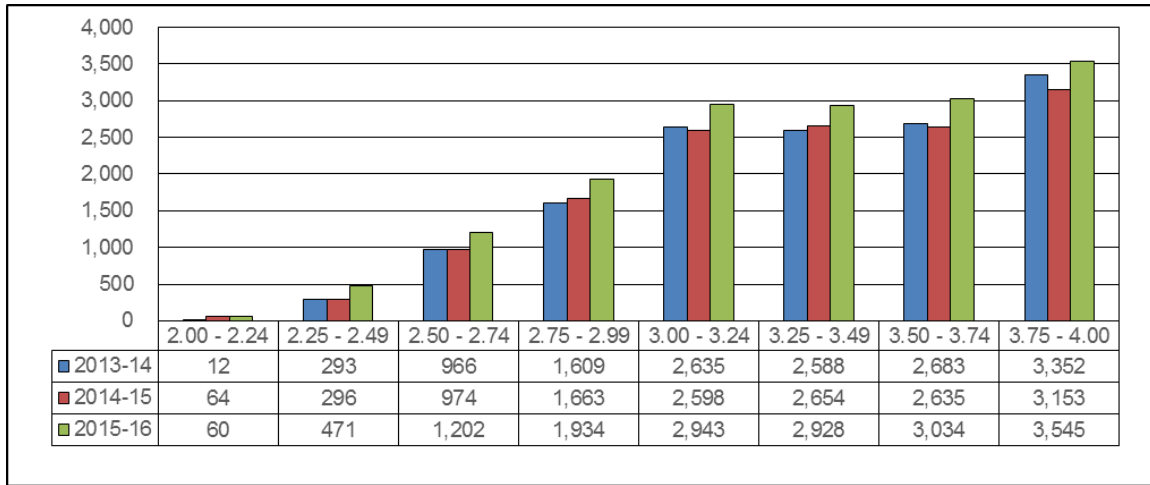
Display 7: Income Distribution of September Competitive Offered Awardees



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 2015-16, 12,450 offered awardees or 77.2 percent had a GPA of 3.00 or higher. The number of offered awardees with a GPA below 2.50 accounted for less than 4 percent of awards from 2013-14 to 2015-16.

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 2013-14, 2014-15 and 2015-16 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.

2013-14 September Competition

Table 4 provides information about the 2013-14 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 2013-14, 69 percent of the Cal Grant A and B offered awardees were paid during their first year in the Competitive Cal Grant Program. Additionally, 45 percent of the Cal Grant A and B offered awardees were paid during their second year. During their third year in the Competitive Cal Grant Program, 27 percent of the Cal Grant A and B offered awardees were paid.

Table 4
2013-14 September Competitive Offered Awardees
Paid in 2013-14, 2014-15 and 2015-16
by Initial Educational Level

	2013-14 Offered Awardees		Paid Recipients in 2013-14			Paid Recipients in 2014-15			Paid Recipients in 2015-16		
	#	%	#	%	% Paid	#	%	% Paid	#	%	% Paid
Cal Grant A											
Freshman	250	1.8%	12	0.1%	5%	22	0.3%	9%	30	0.8%	12%
Sophomore	252	1.8%	3	0.0%	1%	33	0.5%	13%	69	1.8%	27%
Junior	0	0.0%	0	0.0%	-	0	0.0%	-	0	0.0%	-
Senior	1	0.0%	1	0.0%	100%	1	0.0%	100%	0	0.0%	0%
Total	503	3.6%	16	0.2%	3%	56	0.9%	11%	99	2.6%	20%
Cal Grant B											
Freshman	7,195	50.9%	5,323	54.4%	74%	3,512	55.2%	49%	2,164	56.2%	30%
Sophomore	6,438	45.5%	4,452	45.5%	69%	2,797	43.9%	43%	1,587	41.2%	25%
Junior	1	0.0%	1	0.0%	100%	1	0.0%	100%	0	0.0%	0%
Senior	1	0.0%	1	0.0%	100%	1	0.0%	100%	0	0.0%	0%
Total	13,635	96.4%	9,777	99.8%	72%	6,311	99.1%	46%	3,751	97.4%	28%
Cal Grant A & B											
Freshman	7,445	52.7%	5,335	54.5%	72%	3,534	55.5%	47%	2,194	57.0%	29%
Sophomore	6,690	47.3%	4,455	45.5%	67%	2,830	44.4%	42%	1,656	43.0%	25%
Junior	1	0.0%	1	0.0%	100%	1	0.0%	100%	0	0.0%	0%
Senior	2	0.0%	2	0.0%	100%	2	0.0%	100%	0	0.0%	0%
Total	14,138	100.0%	9,793	100.0%	69%	6,367	100.0%	45%	3,850	100.0%	27%

See notes at end of Table 6.

2014-15 September Competition

Table 5 provides information about the 2014-15 September Competitive offered awardees who were paid in their first and/or second year(s) in the Competitive Program. In 2014-15, 79 percent of the Cal Grant A and B offered awardees were paid during their first year in the Competitive Cal Grant Program. Also, 48 percent of the Cal Grant A and B offered awardees were paid during their second year in the Competitive Cal Grant Program.

Table 5
2014-15 September Competitive Offered Awardees
Paid in 2014-15 and 2015-16
by Initial Educational Level

	2014-15 Offered Awardees		Paid Recipients in 2014-15			Paid Recipients in 2015-16		
	#	%	#	%	% Paid	#	%	% Paid
Cal Grant A								
Freshman	205	1.5%	7	0.1%	3%	13	0.2%	6%
Sophomore	282	2.0%	9	0.1%	3%	43	0.6%	15%
Junior	0	0.0%	0	0.0%	-	0	0.0%	-
Senior	0	0.0%	0	0.0%	-	0	0.0%	-
Total	487	3.5%	16	0.1%	3%	56	0.8%	11%
Cal Grant B								
Freshman	6,808	48.5%	5,705	51.3%	84%	3,522	51.9%	52%
Sophomore	6,717	47.9%	5,377	48.4%	80%	3,204	47.2%	48%
Junior	13	0.1%	11	0.1%	85%	8	0.1%	62%
Senior	12	0.1%	7	0.1%	58%	2	0.0%	17%
Total	13,550	96.5%	11,100	99.9%	82%	6,736	99.2%	50%
Cal Grant A & B								
Freshman	7,013	50.0%	5,712	51.4%	81%	3,535	52.0%	50%
Sophomore	6,999	49.9%	5,386	48.5%	77%	3,247	47.8%	46%
Junior	13	0.1%	11	0.1%	85%	8	0.1%	62%
Senior	12	0.1%	7	0.1%	58%	2	0.0%	17%
Total	14,037	100.0%	11,116	100.0%	79%	6,792	100.0%	48%

See notes at end of Table 6.

2015-16 September Competition

Table 6 provides information about the 2015-16 September Competitive offered awardees who were paid in their first year in the Competitive Cal Grant Program. In 2015-16, 76 percent of the Cal Grant A and B offered awardees were paid during their first year in the Competitive Cal Grant Program.

Table 6
2015-16 September Competitive Offered Awardees
Paid in 2015-16
by Initial Educational Level

	2015-16 Offered Awardees		Paid Recipients in 2015-16		
	#	%	#	%	% Paid
Cal Grant A					
Freshman	238	1.5%	9	0.1%	4%
Sophomore	303	1.9%	6	0.0%	2%
Junior	0	0.0%	0	0.0%	-
Senior	0	0.0%	0	0.0%	-
Total	541	3.4%	15	0.1%	3%
Cal Grant B					
Freshman	7,298	45.3%	5,780	47.3%	79%
Sophomore	8,273	51.3%	6,419	52.5%	78%
Junior	4	0.0%	4	0.0%	100%
Senior	1	0.0%	0	0.0%	0%
Total	15,576	96.6%	12,203	99.9%	78%
Cal Grant A & B					
Freshman	7,536	46.8%	5,789	47.4%	77%
Sophomore	8,576	53.2%	6,425	52.6%	75%
Junior	4	0.0%	4	0.0%	100%
Senior	1	0.0%	0	0.0%	0%
Total	16,117	100.0%	12,218	100.0%	76%

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 "2013-14 Offered Awardees" reflect the number of competitive offered awardees notified as of December 30, 2013.

3 "2014-15 Offered Awardees" reflect the number of competitive offered awardees notified as of January 2, 2015.

4 "2015-16 Offered Awardees" reflect the number of competitive offered awardees notified as of December 25, 2015.

5 "Paid Recipients in 2013-14" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of December 6, 2014.

6 "Paid Recipients in 2014-15" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of November 20, 2015.

7 "Paid Recipients in 2015-16" reflects those paid recipients for whom at least one payment transaction was reported and reconciled as of September 9, 2016.

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 the New Competitive Cal Grant A and B Offered Awardees

Academic Year	Program		Competition		
			March	September	Total
2013-14	Cal Grant A Offered Awardees		964	503	1,467
		Average Income	\$34,528	\$45,562	\$38,311
		Average GPA	3.47	3.56	3.50
		Average Family Size	3.3	3.6	3.4
		Average Age	35	35	35
	Cal Grant B Offered Awardees		13,868	13,635	27,503
		Average Income	\$12,455	\$13,734	\$13,089
		Average GPA	3.34	3.36	3.35
		Average Family Size	3.0	3.1	3.0
		Average Age	31	30	31
	Cal Grant A & B Offered Awardees		14,832	14,138	28,970
		Average Income	\$13,889	\$14,866	\$14,366
	Average GPA	3.35	3.37	3.36	
	Average Family Size	3.0	3.1	3.0	
	Average Age	32	30	31	
2014-15	Cal Grant A Offered Awardees		551	487	1,038
		Average Income	\$38,230	\$47,852	\$42,745
		Average GPA	3.48	3.55	3.51
		Average Family Size	3.4	3.6	3.5
		Average Age	35	35	35
	Cal Grant B Offered Awardees		11,072	13,550	24,622
		Average Income	\$13,158	\$13,750	\$13,483
		Average GPA	3.37	3.34	3.35
		Average Family Size	3.0	3.1	3.0
		Average Age	31	29	30
	Cal Grant A & B Offered Awardees		11,623	14,037	25,660
		Average Income	\$14,346	\$14,933	\$14,667
	Average GPA	3.37	3.35	3.36	
	Average Family Size	3.0	3.1	3.1	
	Average Age	31	29	30	
2015-16	Cal Grant A Offered Awardees		989	541	1,530
		Average Income	\$32,875	\$48,354	\$38,348
		Average GPA	3.46	3.48	3.47
		Average Family Size	3.3	3.5	3.4
		Average Age	33	35	34
	Cal Grant B Offered Awardees		15,206	15,576	30,782
		Average Income	\$13,235	\$14,064	\$13,655
		Average GPA	3.33	3.33	3.33
		Average Family Size	3.0	3.0	3.0
		Average Age	31	30	30
	Cal Grant A & B Offered Awardees		16,195	16,117	32,312
		Average Income	\$14,435	\$15,215	\$14,824
	Average GPA	3.33	3.34	3.34	
	Average Family Size	3.0	3.0	3.0	
	Average Age	31	30	30	

Table 8 shows the highest school completed by the father and/or mother of the new Competitive Cal Grant A and B offered awardees for the 2013-14, 2014-15, and 2015-16 academic years. In 2015-16, 60 percent of the Cal Grant A and B offered awardees had

a father and/or mother who completed high school or less and 18 percent had a father and/or mother who completed college or beyond.

**Table 8
Highest School Completed by Father and/or Mother of Competitive Offered Awardees**

Academic Year	Program	Competition		
		March	September	Total
2013-14	Cal Grant A Offered Awardees	964	503	1,467
	High School or less	62%	65%	63%
	College or beyond	18%	12%	16%
	Unknown	20%	23%	21%
	Cal Grant B Offered Awardees	13,868	13,635	27,503
	High School or less	60%	60%	60%
	College or beyond	18%	16%	17%
	Unknown	22%	24%	23%
	Cal Grant A & B Offered Awardees	14,832	14,138	28,970
	High School or less	60%	60%	60%
	College or beyond	18%	16%	17%
	Unknown	22%	24%	23%
2014-15	Cal Grant A Offered Awardees	551	487	1,038
	High School or less	62%	64%	63%
	College or beyond	17%	12%	15%
	Unknown	21%	24%	22%
	Cal Grant B Offered Awardees	11,072	13,550	24,622
	High School or less	60%	61%	61%
	College or beyond	17%	17%	17%
	Unknown	23%	22%	22%
	Cal Grant A & B Offered Awardees	11,623	14,037	25,660
	High School or less	61%	61%	61%
	College or beyond	17%	17%	17%
	Unknown	22%	22%	22%
2015-16	Cal Grant A Offered Awardees	989	541	1,530
	High School or less	61%	61%	61%
	College or beyond	19%	13%	17%
	Unknown	20%	26%	22%
	Cal Grant B Offered Awardees	15,206	15,576	30,782
	High School or less	60%	60%	60%
	College or beyond	18%	17%	18%
	Unknown	22%	23%	22%
	Cal Grant A & B Offered Awardees	16,195	16,117	32,312
	High School or less	60%	60%	60%
	College or beyond	18%	17%	18%
	Unknown	22%	23%	22%

SECTION IV - ELIGIBLE NON-OFFERED AWARDEES

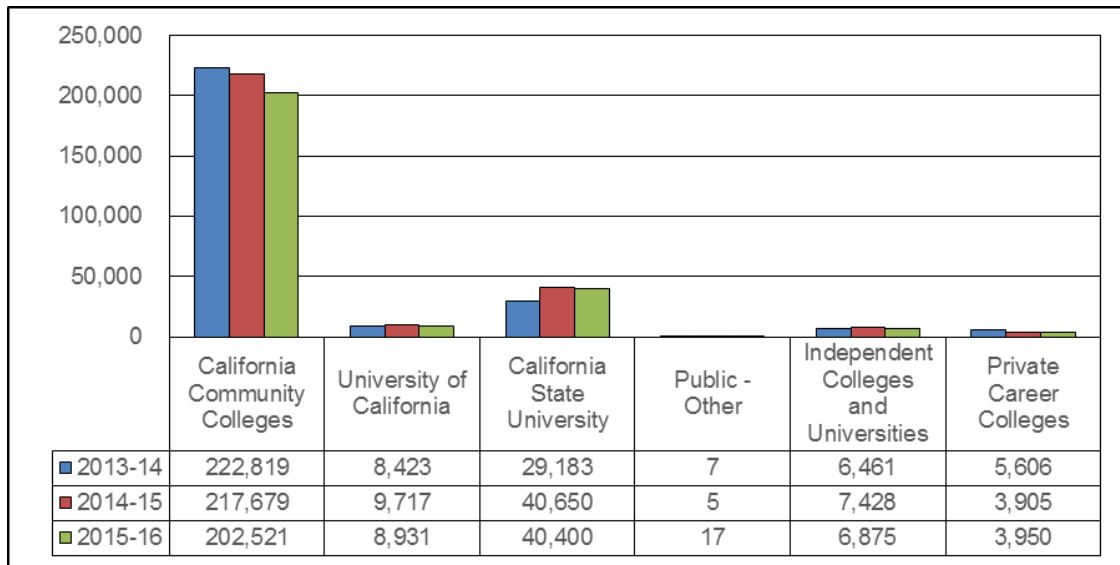
Eligible non-offered awardees are those applicants, from the March and September Competitions, who successfully passed the common, program, and financial edits (described in Section II) but did not receive an award because their scores were below the cutoff point.

The displays and tables below show characteristics of the eligible non-offered awardees in 2013-14, 2014-15 and 2015-16. While the number of eligible non-offered awardees decreased 6 percent from over 279,300 in 2014-15 to nearly 262,700 in 2015-16, 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 2013-14 to 2015-16, the California Community Colleges had a decrease of 9.1 percent; the California State University had an increase of 38.4 percent; and Private Career Colleges had a decrease of 29.5 percent.

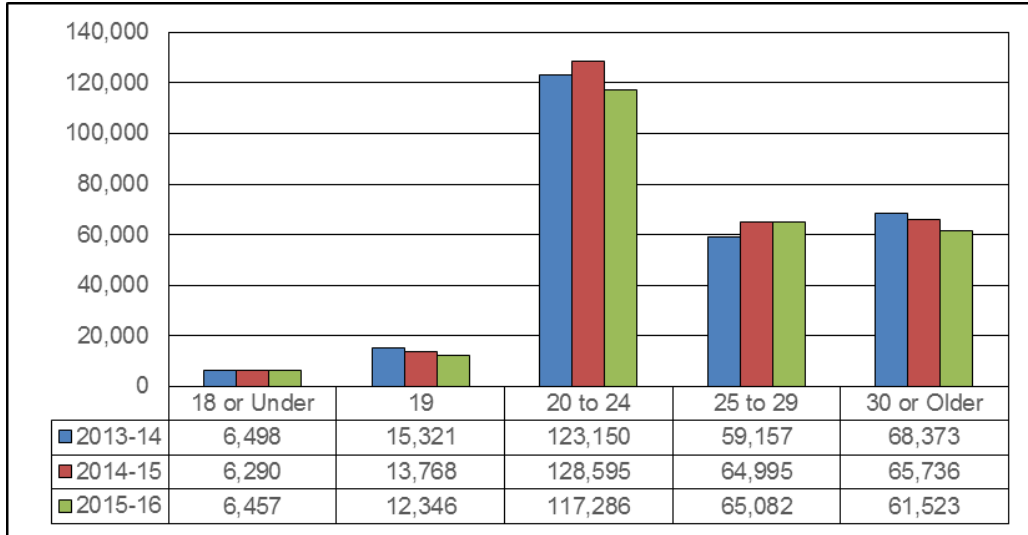
Display 9: Segmental Distribution of Eligible Non-Offered Awardees



Eligible Non-Offered Awardees by Age

Display 10 illustrates the age distribution of eligible non-offered awardees from 2013-14 to 2015-16. In 2015-16, over 48 percent of all eligible non-offered awardees were 25 years of age or older and are considered non-traditional or returning students.

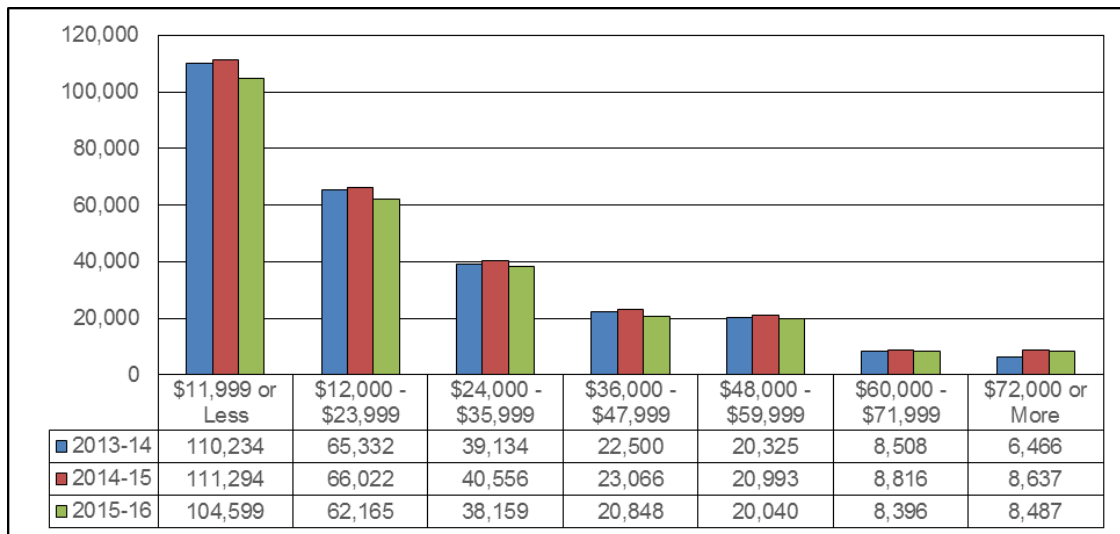
Display 10: Age Distribution of Eligible Non-Offered Awardees



Eligible Non-Offered Awardees by Income

The proportion of Competitive Cal Grant Program eligible non-offered awardees by income changed very little during 2013-14, 2014-15 and 2015-16. Display 11 illustrates that over the past three years about 40 percent of all eligible non-offered awardees earned less than \$12,000 per year.

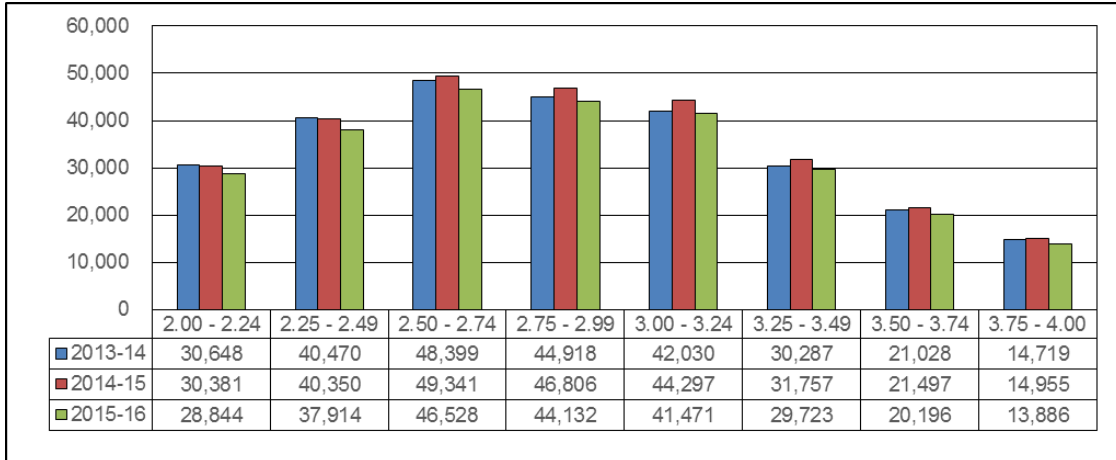
Display 11: Income Distribution of Eligible Non-Offered Awardees



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 2013-14, 2014-15 and 2015-16, about 40 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 2013-14, 2014-15, and 2015-16 academic years.

**Table 9
Average Income, GPA, Family Size and Age of Competitive Cal Grant Eligible Non-Offered Awardees**

	2013-14	2014-15	2015-16
Eligible Non-Offered Awardees	272,499	279,384	262,694
Average Income	\$21,607	\$22,308	\$22,400
Average GPA	2.87	2.88	2.87
Average Family Size	2.8	2.7	2.7
Average Age	27	27	27

**Table 10
Highest School Completed by Father and/or Mother of Eligible Non-Offered Awardees**

	2013-14	2014-15	2015-16
Eligible Non-Offered Awardees	272,499	279,384	262,694
High School or less	48%	48%	47%
College or beyond	42%	42%	43%
Unknown	10%	10%	10%

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 2015-16, less than one out of nine, or 11 percent, of the 295,000 students eligible for Competitive Cal Grants received awards, leaving nearly 262,700 eligible students unserved.

The typical eligible non-offered awardee in 2015-16 was 27 years old with a GPA of 2.87 and was from a family of 3 with an income of \$22,400.