



# DOORWAYS TO COLLEGE AID:

## BOOSTING ACCESS TO FINANCIAL AID IN CALIFORNIA

EQUITY ALERT | FEBRUARY 2014

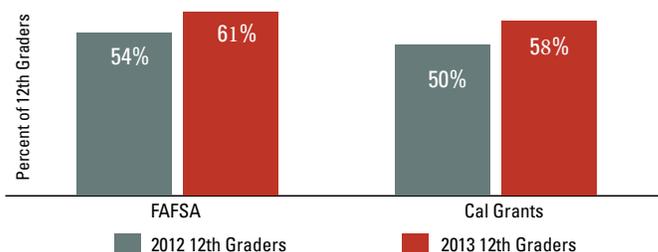
Every year, half a million 12th graders pass through the halls of California’s high schools on their way to college and a career. For many, including many who excel academically, the path to college is blocked by a daunting price tag and limited family means. Fortunately, many more students are seeking out the federal and state financial aid that can reduce those barriers as they pursue their college aspirations. College financial aid application rates rose to 61 percent for FAFSA (from 54 percent) and 58 percent for Cal Grants (from 50 percent) for the 12th grade class of 2013. Still, far too many students continue to forgo college because they are unaware of the aid available to them.

The Education Trust–West’s 2013 report “The Cost of Opportunity” highlighted the impact applying for financial aid had on increasing college access for all students. We showed that, despite need, only 54 percent of California’s 12th grade class of 2012 completed the Free Application for Federal Student Aid (FAFSA), and only 50 percent completed the two steps that constitute an application for California’s state financial aid program, <sup>1</sup> Cal Grants, by the March 2nd deadline. We also highlighted schools that helped all students, regardless of family means, to turn their college dreams into reality by making sure they applied for federal and state financial aid.

This Equity Alert provides a follow up to that report, looking at changes one year later. We present data on college financial aid application rates by the 12th grade class of 2013 and show statewide increases in the number and percentage of students seeking financial support to pursue a college education. These increases validate efforts by a wide range of California stakeholders to get more students on the path to college. But thousands more students remain who are not applying for aid. Each additional application represents a student who might otherwise not have sought to continue their education beyond high school or who may have done so while bearing a greater financial burden.

For this update, we replicated for the class of 2013 our previous analysis. This involved combining the number of completed FAFSA and Cal Grant applications with 12th grade enrollment to calculate completion rates for California public high schools.<sup>2</sup> Using this new data, we calculated changes in FAFSA and Cal Grant completion rates for each school by subtracting the class of 2012 rates from the class of 2013 rates. FAFSA and Cal Grant application completions increased statewide by 7 and 8 percentage points, respectively. (See Figure 1.)

**FIGURE 1: Change in FAFSA and Cal Grant application completion rates among California 12th graders from class of 2012 to class of 2013**



With more than 400,000 students included in this analysis, the increased application rates translate to more than 25,000 additional students from the class of 2013 who completed a FAFSA and more than 30,000 additional students who completed a Cal Grant application. Because about half of all completed Cal Grant applications result in an award offer, with an aver-

age value of over \$4,000 (although, for a student attending a UC campus the amount can be as high as \$12,000), these observed increases potentially lead to \$60 million<sup>3</sup> in additional Cal Grant awards offered over the prior year.

But the fact remains that more than 170,000 12th graders (42 percent) from the class of 2013 did not complete a Cal Grant application. Many of these students might have received a grant to attend a California college, but missed out on the opportunity because they did not know they were eligible, lacked support to fill out the form, or didn't submit their GPA by the March 2nd deadline. Although 58 percent Cal Grant application completion is an improvement, many schools and districts are showing that we can do even better.

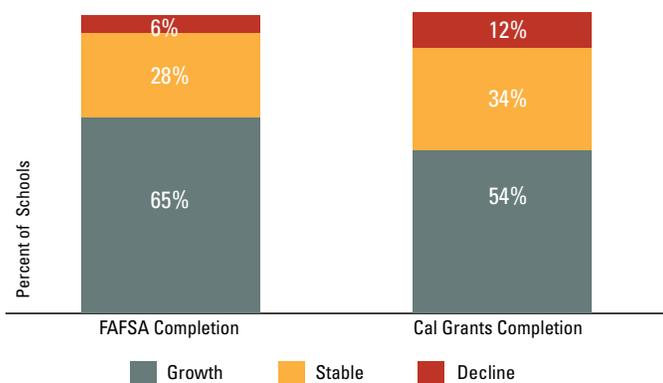
## DOORWAYS TO OPPORTUNITY

The FAFSA and Cal Grant applications open doors to other sources of aid such as institutional grants and work-study in addition to state and federal grants. Students who apply for financial aid are also twice as likely to enroll in college as students who do not,<sup>4</sup> and are far more likely to persist in college once they have enrolled.<sup>5</sup>

Investments in college aid have substantial benefits for states as well. For every dollar California invests in students who go to college, the Campaign for College Opportunity reports that the state will get a net return on investment of four dollars and fifty cents in the form of increased taxes on graduates' earnings and savings on social services and incarceration.<sup>6</sup> This means that the \$60 million in additional Cal Grant offered awards this year could provide the state with a payoff to the tune of more than \$450 million.

The increases we observed are not isolated to a particular region or set of schools. Of the approximately 1,100 schools we studied, 66 percent showed increases of more than 5 percent in FAFSA completions and 54 percent did so for Cal Grant completions. (See Figure 2.) In the next section we turn our attention to the efforts behind these increases.

**FIGURE 2: PERCENT OF SCHOOLS WITH GROWING, STABLE, OR DECLINING FAFSA AND CAL GRANT COMPLETION RATES FROM CLASS OF 2012 TO CLASS OF 2013**



## INCREASING EFFORTS

The higher completion rates for financial aid applications are no accident; the efforts of people and organizations at every level across the state have been instrumental in achieving this outcome.

### SCHOOLS AND DISTRICTS

Our previous report highlighted the 100 schools with the highest FAFSA completion rates in our sample. The increased statewide application rates suggest that the practices pioneered by some of those schools are now spreading. (See the addendum to this Equity Alert for an updated list of the top 100 FAFSA-completing schools for the most recent year.)

Districts have also taken steps to increase access to financial aid. For example, a number of high-poverty districts, such as Oakland Unified, West Contra Costa Unified, Fresno Unified, and others are taking a comprehensive approach by engaging students in a broad post-secondary preparation agenda that includes an early focus on FAFSA completion. In many cases this is being accomplished in partnership with local nonprofit organizations that help district schools to build capacity in this area.

Another high-impact practice employed by districts is to submit GPAs electronically for all students. Some districts continue to balk at adopting this practice due to privacy concerns or worries over the complexity of the GPA submission process, despite the fact that it has proven effective in getting more students into the pipeline for college aid. A number of districts that have shifted to this practice have seen dramatic gains in the number of Cal Grant awards offered to their students. Our previous analysis of districts that piloted using electronic GPA verification and other data-driven practices found a 10 percent boost in Cal Grant completions for those districts. In the most recent year, those same districts outperformed other districts by 15 percent, with an average Cal Grant completion rate of 71 percent compared to 56 percent for other districts.

### STATE LEVEL

At the state level, the California Student Aid Commission (CSAC) manages Cash for College, a federal, state, and local partnership that assists students and families in completing the FAFSA and GPA verification. The commission also has a number of other efforts underway to increase financial aid application rates. These include:

- Expanding use of WebGrants, the secure online system for managing GPA submissions. The system also allows users to see the status of students' financial aid applications and Cal Grant awards.
- Implementing the California Dream Act application, which enables undocumented students who meet certain

qualifications<sup>7</sup> to apply for Cal Grants. This application enabled more than 6,000 California Dreamers from the class of 2013 to apply for Cal Grants.

- Managing the California College Campaign in partnership with the national nonprofit organization, the Get Schooled Foundation. This partnership uses media, technology, and pop culture to drive competitions to increase access to college financial aid and improve college-going rates in the more than 50 participating schools throughout California.

## OTHER EFFORTS

Other organizations are also helping in the push to get more financial aid information and tools into the hands of students, parents, and counselors. Two important online resources for college financial planning are noteworthy, as they have been recently updated.

The California College Guidance Initiative, a nonprofit organization housed in the Foundation for California Community Colleges, has launched a redesigned [CaliforniaColleges.edu](http://www.californiacolleges.edu) (<http://www.californiacolleges.edu/>) website. This portal is California's official source for college and career planning. Through the site, students can plan for college and financial aid and manage applications to many California colleges and universities.

GLOW (<http://www.glowfoundation.org>), a nonprofit organization dedicated to improving college affordability and completion for under-resourced students, manages the College Gold Rush site (<http://colleggoldrush.org/>), which provides easy-to-follow information and tools to help students, parents, and advisors access every available dollar for college. The site includes detailed information for school and district administrators on accessing the WebGrants system, verifying student GPAs, and other important tasks. Students and parents can also access a step-by-step guide to the financial aid process.

These programs and tools represent just a few of the many statewide efforts to help students navigate the complex landscape of college financial aid. With financial aid application rates on the rise, we should celebrate the apparent success of these efforts. We should also not rest on our laurels while so many eligible students are missing out on the opportunity to get financial aid for college.

## MOVING FORWARD

More of California's high school students are applying for college financial aid. As we have seen in this report, numerous efforts are underway to support this trend. But tens of thousands of students across the state are still missing out on their chance to pursue college, because they lack information about financial aid or are daunted by the application process. Until our system supports access for every student, there is more to be done. To that end, we recommend the following:

- All high schools and districts should electronically submit GPA and graduation verification for all high school seniors from the current and prior years.<sup>8</sup>
  - Districts can play an important role by facilitating the electronic submission for all of their high schools.
- High schools should track their students' progress in FAFSA and Cal Grant applications with student-level data available via WebGrants.
- Districts should include FAFSA and Cal Grant completion rates in their Local Control and Accountability Plans (LCAP) as measures of college and career readiness.
- CSAC should annually report aggregated and disaggregated application data by high school to the public.<sup>9</sup>

The information in our accompanying web tool is an example of what such a public solution might provide. This information can provide educators, school administrators, and community members with data that catalyze local efforts to increase access to financial aid in their schools. Researchers could also analyze the data to identify areas of best practice for dissemination.

The increases in financial aid applications from 2012 to 2013 demonstrate what is possible through a concerted effort. By taking the additional steps that we identify above, we can capitalize on current momentum, boost access to financial aid, and open the door to college opportunity for thousands more students each year.

### THE EDUCATION TRUST—WEST'S FINANCIAL AID TRACKER

Visit our website to see application rates by school, district, and Assembly/Senate district and learn more about expanding access to student financial aid in California.

<http://financialaid.edtrustwest.org>

## ACKNOWLEDGMENTS

We would like to thank the leadership and staff at the California Student Aid Commission for providing data and input on this report. Funding for this research was generously provided by the College Access Foundation of California.

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## END NOTES

1. Completing either a FAFSA or California Dream Act application and submitting a high school grade point average (GPA) verification constitutes a Cal Grant application.
2. See our report “The Cost of Opportunity” or the Financial Aid Tracker web site at <http://financialaid.edtrustwest.org> for more details on our methods.
3. In fact, the enacted 2013-14 California state budget for higher education includes an increase of \$119.1 million to reflect revised Cal Grant participation rates.
4. Jenny Nagaoka, Melissa Roderick, and Vanessa Coca, “Barriers to College Attainment: Lessons from Chicago” (Washington, D.C.: Center for American Progress; Chicago, Ill.: The Consortium on Chicago School Research, December 2008).
5. Heather Novak and Lyle McKinney, “The Consequences of Leaving Money on the Table: Examining Persistence Among Students Who Do Not File A FAFSA.” *Journal of Student Financial Aid* 41, no. 3, Article 1 (Washington, D.C.: National Association of Student Financial Aid Administrators, 2011).
6. Jon Stiles, Michael Hout, Henry Brady, “California’s Economic Payoff: Investing in College Access and Completion” (Sacramento, CA.: Campaign for College Opportunity, 2012).
7. In 2011, AB 540 extended the benefits of in-state tuition at public colleges and universities to undocumented students who have attended at least three years of high school in the state, graduate from a California high school or obtain a GED, and file an affidavit stating that they have or will file an application to legalize as soon as eligible. In 2013, AB 131 allowed students who met the AB 540 criteria to access Cal Grants for college.
8. Students remain eligible for a Cal Grant within one year of high school graduation.
9. CSAC is currently developing a data dashboard that will include such information for state, district, and school levels.

## THE EDUCATION TRUST—WEST MISSION

The Education Trust—West works for the high academic achievement of all students at all levels, pre-k through college. We expose opportunity and achievement gaps that separate students of color and low-income students from other youth, and we identify and advocate for the strategies that will forever close those gaps.



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