California Community Colleges

SYSTEM WEBINAR SUMMARY (SEPT. 2022): FINANCIAL STABILITY IS KEY TO SUCCESS

This webinar focused on financial stability as a core social determinant of educational success. Guest presenters included Casey Chang, Vice President of Communications for Student Senate for CCC, and Mike Dear, Financial Aid Director for Mira Costa College.

What are Student Perspectives on Financial Stability?

- In addition to direct costs such as fees and materials, students are concerned with covering basic needs like housing, food, and other essentials. They want help to understand how to balance work and school, engage in responsible borrowing, save for emergencies, and other issues related to financial literacy.
- Students' educational progress can be derailed by financial instability. Many experience unexpected events that affect their financial circumstances, such as an illness in the family requiring them to provide care or to increase their work hours.
- Students *and* colleges benefit from improved financial stability through higher student success, higher retention, and progress toward equitable outcomes.
- Applying for aid is a confusing and frustrating process for students; they need colleges to remove policy barriers and help them maximize their financial aid.

How Can Financial Aid Support Student Financial Stability?

- Financial stability is a [core social determinant of success](#)—an external factor that can support students' ability to stay in college and make educational progress. As part of our efforts to provide a student-centered support ecosystem, we must work to shift the burdens of accessing financial support from students to colleges.
- Financial aid is a large enterprise in our system, with colleges awarding and disbursing $2.9 billion in aid to about 900,000 students in 2020-21 (~60% federal).
- The 2022-23 state budget provides additional financial support for students by:
    - Overhauling [Cal Grant](#) beginning in 2024-25 (contingent on available funding), simplifying the program and removing eligibility barriers based on age, time since high school, and GPA.
    - Expanding the [California College Promise](#) (CCP) to all full-time students.
    - Increasing the investment in [Student Success Completion Grants](#) (SSCG) to help cover non-tuition costs for full-time students.
    - Augmenting resources for college financial aid offices.
- Funds for the CCP can now be used to support returning students as well as first-time students, as long as they do not have a postsecondary certificate or degree.

Colleges can use the funds to waive fees, to provide direct aid to students, and to increase student support services.[1]

- Cal Grant recipients enrolled full-time can now receive larger grants through SSCG, with those enrolling for 12-14.99 units eligible for about $2,600 per year and those enrolling in 15+ units eligible to receive $8,000. Units taken in the summer can count toward students' eligibility (minimum of 24 units in a year).[1]
- Two programs will support emergency financial grants for students in 2022-23:
  - An additional $150 million for the State Fiscal Recovery Fund can be used for grants to credit and non-credit students, with no unit minimum.
  - $20 million for Supplemental Emergency Financial Aid can provide grants to AB 540 students enrolled at least half time and with a GPA of at least 2.0.

How is Mira Costa College Making Student-centered Financial Aid an Institutional Priority?

- By seeing its role not as "financial aid police;" rather, embracing a "when in doubt, give it out" approach based on a commitment to ensuring that financial aid issues are not the reason that students do not complete their courses.
- By removing barriers for students in college policies and procedures, including:
  - Providing a fee deferment based on filing an application (FAFSA or CADAA) so students are not dropped for non-payment while waiting for their aid.
  - Using the eligibility tool to approve Unaccompanied Youth/At-risk of Homelessness requests.[2]
  - Never asking for more than the minimum required and implementing the most lenient SAP policy allowed by the federal government.
- By changing its award and disbursement practices, including:
  - Auto packaging students with estimated aid immediately on receipt of the FAFSA/CADAA, which helps students with planning.
  - Paying the first disbursement (25% of eligibility) during the week before school starts to reduce students' stress and set them up for success.
  - Encouraging students to use direct deposit to receive their aid.
- By collaborating with other student support offices, including referring students on SAP directly to student success teams; working with the basic needs program to develop a resource guide; working with its Foundation to distribute emergency grants; and making fraud prevention a collegewide effort, not just the responsibility of the financial aid office.

---

[1] For allocations by college, see pages 49-56 (CCP) and 193-200 (SSCG) of the 2022-23 California Community Colleges Compendium of Allocations and Resources.
[2] The Department of Housing and Urban Development also has a tool that may be useful.

- By increasing outreach, including sending financial aid staff to high schools, attending welcome events, and using student-friendly communications.