As of 1/17/2020

AB 19 created the California College Promise that provides funds to districts to advance the goals of the legislation. One specific use of funds in the law allows colleges to, if a district chooses to use the funds in this way, cover the fees for first time, full-time students. However, a grant for first time, full-time students to pay their fees is not required.

The 2019-20 state budget authorized districts to cover the fees of second year students who met program requirements in their first year. Students who maintain full-time status into their second year may continue to be paid for their second year. Accordingly, district allocations were increased to help pay for these students. AB 2 was chaptered into law in October 2019 and gives explicit guidance to colleges for students in DSPS programs.

AB 2 also added the requirement that a student who has previously earned a degree or certificate from a postsecondary educational institution is not eligible for a fee waiver.

The Chancellor's Office Legal Department has determined that a student who has previously earned a degree or certificate from a postsecondary educational institution, even if while dually enrolled, is not eligible for a fee waiver. Districts can use local promise funding to provide fee waivers for these students.

GENERAL COLLEGE PROMISE QUESTIONS

1. Is the second year of the College Promise fee waiver for any full-time students?

Answer: No. Second year fees can only be paid for students who were first-time students the year before.

- 2. Must a student complete all prior primary terms to continue in the program and get a fee waiver? *Answer:* No. A district may establish a policy to allow students to take a term of non-attendance or to appeal the non-completion of a term and still continue in the program.
- 3. Must students who are in their second year have been attending our college in the prior year to have their fees waived using College Promise funds?

Answer: No. Any second year student who was a first-time student the year before and was full-time for all primary terms may have the fees waived using College Promise funds. The student may have attended any other California Community college or may have attended multiple CA community colleges totaling 12 or more units per primary term to participate for their second college year.

4. The news media continues to describe the College Promise as "free college" for first-time, fulltime community college students. Is this label accurate?

Answer: The actual provisions of the program have not been fully described in media coverage. The law allows districts to decide what is best for their students, whether that is to cover fees for

first time, full-time students in their first and second years or make use of program funding in other ways that meet the goals of the legislation. The law, as updated in 2019, continues this discretion while also allowing the payment of fees for students continuing as full-time students in their second year of college.

Each district and each college may implement the California College Promise in different ways. In addition, these funds may be used to tie-in or to expand existing local promise programs. Here are just some other possible uses:

- a. Grants to pay the first time, full-time student's enrollment fees
- b. Grants to pay student non-enrollment fees
- c. An enrollment fee reimbursement grant to be paid upon successful full-time completion of each term.
- d. Grants to assist meeting child care, transportation, books and other costs.
- e. Support at Local Education Agencies (LEA) to promote college preparedness and attendance
- f. Staffing and academic/student support services to provide interventions and encourage outcomes.
- g. Other uses that support the goals of the legislation
- 5. Does it matter if we provide a fee waiver or award the funds as a grant or scholarship?

Answer: Districts should consider treating College Promise disbursements as direct assistance instead of fee waivers.

The district may record College Promise activity as either direct assistance or a fee waiver. If a district chooses to waive fees, an adjusting entry is required to ensure that the gross amount of student fees are reported to the Chancellor's Office through the enrollment fee reporting portal. If the adjusting entry is not made prior to reporting student enrollment fees to the Chancellor's Office, district enrollment revenues will be understated and Prop 98 state general apportionment dollars used to fund the district's TCR will be overstated. In this scenario of understating enrollment revenues, the district would be 'double-dipping' or getting paid twice for the same activity as the district would have been provided funds for AB19, and then provided funds for the same fee waiver amounts again from state general apportionment.

6. Does the California College Promise replace the California College Promise Grant or CCPG, (formerly known as the BOG fee waiver)?

Answer: The California College Promise does not replace the CCPG. Districts paying first time, full-time fees would use the California College Promise funds only for students who do not qualify for a CCPG and who also meet the other requirements. All California College Promise recipients must complete a FAFSA or Dream Act Application and thus allow the college to make the determination of eligibility for the CCPG and other need based financial aid. California College Promise funds may also be used to augment and support existing promise programs.

PROGRAM AND PARTICIPATION

7. Is a district required to participate in the California College Promise?

Answer: Participation in the California College Promise is voluntary. A district is not required to establish a College Promise program nor is a district with an existing College Promise program required to change that program. However, if a district seeks to receive funding provided by the State to support the California College Promise, the district would need to have programs that advance the following goals of the legislation as established by the law and meet the requirements described in Question 10, which include participation in the federal loan program.

- a. Increasing the number and percentage of high school students who are prepared for and attend college directly from high school and increasing the percentage of high school graduates who are placed directly into transfer-level mathematics and English courses at a community college.
- b. Increasing the percentage of students who earn associate degrees or career technical education certificates that prepare them for in-demand jobs and increasing the percentage of students who report being employed in their field of study.
- c. Increasing the percentage of students who successfully transfer from a community college to the California State University or the University of California and increasing the percentage of students who graduate from college with a baccalaureate degree.
- d. Reducing and eliminating regional achievement gaps and achievement gaps for students from groups that are underrepresented at the California Community Colleges, including, but not limited to, underrepresented students, low-income students, students who are current or former foster youth, students with disabilities, formerly incarcerated students, undocumented students, students meeting the requirements of Assembly Bill 540 of the 2001–2002 Regular Session of the Legislature, and students who are veterans.
- 8. What should a district do if it already has a locally funded College Promise that includes a tuition waiver that is duplicative of the tuition waiver allowed in this program?
 - Answer: A district is not required to expend any monies received from this program on providing tuition assistance to students. Pursuant to Legislative intent, a district should use funding to advance the goals outlined in the program. See answers to questions 4 and 7.
- 9. Must a student enroll in 12 units or more for every term they attend to receive a waiver of fees?

Answer: Generally, 12 units is required. Section 76396.3(c)(1) of the California Education Code states:

"For purposes of this section, the following terms have the following meanings:

"Full time" means 12 or more semester units or the equivalent.

References in the law on maintaining full-time status do not restrict districts from establishing policies to accommodate students receiving fee waivers from College Promise funds if the students fail to maintain continuous full-time status. With the exception of DSPS students, Promise payment requires enrollment 12 units in any term. However, a district may set a policy to allow a student to take a semester or quarter off, or to fail to complete full-time units in a prior term and still can be considered a continuing full-time student and, hence, continue to receive a waiver of fees from California College Promise funds.

To be eligible for a summer fee waiver, a student must enroll in 12 units.

However, to maintain continuing eligibility in the program, a student need only to enroll as a full-time student in their college's primary terms. If a student enrolls in less than 12 units in summer, or if the student does not enroll in any summer units, the student does not lose eligibility to continue participation in the following fall term. (See question 10)

10. What is full-time equivalent for DSPS students?

Answer: AB 2, chaptered in October 2019, provides specific authorization to colleges to allow students in DSPS programs to be considered a full-time if enrolled in fewer than 12 units.

CEC Section 76396.3(c)(2)(B) states that a student enrolled in fewer than 12 units may be deemed "full time" at the discretion of the institution if the student has been certified as "full time" by a staff person in the disabled student services program at the institution who is qualified to make such a designation.

11. What are districts required to do to receive funding?

Answer: The Chancellor's Office will be responsible for insuring that districts complete their certifications in order to quality for appropriated funding:

- 1. Partner with one or more <u>Local Education Agencies (LEAs)</u> to establish an Early Commitment to College Program;
- 2. Partner with LEAs to improve college readiness and reduce remediation;
- 3. Use evidence-based multiple measures for assessment and placement;
- 4. Participate in the CCC Guided Pathways program;
- 5. If a college will be covering fees for first-time, full-time students, ensure that students complete the FAFSA or California Dream Act application prior to covering the fees.
- 6. Participate in the federal student loan program. Districts not currently in the loan program must apply with Federal Student Aid (FSA) to reenter the loan program prior to July 1 of any award year.
- 12. For those colleges issuing grants for first-time college students, what definition will be used for first-time college student?

Answer: The program will use the definition used for IPEDS reporting that defines first-time college student as:

"A student who has no prior postsecondary experience (except as noted below) attending any institution for the first time at the <u>undergraduate level</u>. This includes students enrolled in <u>academic</u> or <u>occupational programs</u>. It also includes students enrolled in the <u>fall</u> <u>term</u> who attended college for the first time in the prior summer term, and students who entered with advanced standing (college <u>credits</u> or postsecondary formal award earned before graduation from high school)."

The IPEDS definition for postsecondary education is also used:

"The provision of a formal instructional <u>program</u> whose curriculum is designed primarily for students who are beyond the compulsory age for high school. This includes programs whose purpose is academic, vocational, and continuing professional education, and excludes avocational and <u>adult basic education</u> programs."

13. If a student has a foreign degree or certificate that they earned previously, would they be able to qualify for the Promise (first time qualification)? If they took classes but didn't earn a degree, would they qualify?

Answer: No. The law does not differentiate based on country or origin of the degree. However, be sure to verify whether the earned degree or certificate is equivalent to an American degree or certificate. The foreign degree or certificate may not qualify as "post-secondary education" and, therefore, not count against the student for the College Promise.

14. Is there an age limit for the start of a student's first year?

Answer: A student could be considered a first-time college student at any age. However, they must meet the IPED first-time college student definition.

15. If a student completely withdraws or drops down to less than the college's full-time attendance, do they need to repay the grant/fee waiver? Can they regain eligibility in the program?

Answer: Each institution will establish its own return of funds policies. However, the law states that fee waiver recipients must maintain full-time status. Dropping all coursework, or dropping below full-time causes the student to lose eligibility.

Districts that implement an appeal process for terms where a student fails to attend full-time should include language on the appeal process in their district policy manual.

Many colleges now have their own local Promise programs. These funds, available through their foundations or from other community support, would be a possible source of funding to pay fees when the College Promise can no longer cover fees for students who drop below full-time.

16. How are mid-year high school graduates, who begin college enrollment in the Spring handled, with regards to free tuition?

Answer: The student may receive College Promise fee waivers only during two award years. Therefore, the student could attend for Spring of the first award year, and then only for Summer, Fall and Spring of the second award year.

17. What if a student is enrolled in a program of study such as a certificate program that does not allow for 12 units per term, such as nursing? Could their fees be paid for them?

Answer: See answer for question 9.

18. For colleges providing a grant/waiver of fees, could a student receive summer term payment?

Answer: The law, as written, tells us that students must be in 12 units to be considered full-time for purposes of using College Promise funds to waive fees. Payment for summer units would be allowable if the student was enrolled in 12 units.

19. Does a student have to be a California resident to receive funds?

Answer: Participation is limited to California residents and students eligible for a non-resident tuition exemption.

For students receiving a grant or waiver from tuition fees, non-residents are not eligible. CEC Section 76396.3(b) states:

"A fee waiver provided pursuant to this subdivision shall not be available to a student who is charged a tuition fee pursuant to Section 76140."

Section 76140 addresses non-resident fees for students.

20. Does attending adult education classes affect the first-time definition?

Answer: Adult education enrollment does not affect a student's classification as a first-time college student. See the IPEDs definition of postsecondary education definition provided in question 12.

21. If an adult education student has dual enrollment with our college to fulfil pre-requisites, and then becomes a full-time student at our college, do they still qualify as a first time college student?

Answer: The definition of a first-time student excludes adult education coursework taken prior to receiving a high school diploma. They would be considered first-time college students.

22. What if the adult education student has dual enrollment with our district, then waits a few years before coming to college, does this change anything?

Answer: Age is not considered. If they are a first-time college student (meaning they are pursuing a post-secondary degree or certificate for the first time after they completed their high school diploma), they can qualify for a waiver of fees under the College Promise.

23. Does prior attendance in ESL classes affect first-time status?

Answer: First time status is affected only if the student was awarded credit for the ESL coursework or if other credit coursework was completed at the same time as the ESL coursework.

24. Must College Promise fee waiver recipients have attended high school within the college's service area?

Answer: The law is silent on that. Therefore, a college may offer a waiver of fees for students who attended high school outside of the college service area.

PROGRAM FUNDING

25. How were funds allocated to districts?

Answer: Allocation calculations were based on individual college reported MIS data. However, funds were allocated to the district.

Calculations:

Funds were allocated based on an estimated amount, derived from 2016-17 through 2017-18 data, which would cover fee waivers for first-time, full-time students for 2019-20 and also for 2019-20 students who were first time, full-time students for 2018-19 and are continuing as full-time students for 2019-20. College Promise recipients cannot also receive the California College Promise Grant (CCPG, formerly known as the BOGFW). Based on individual college data, this amount to waive fees was \$80.45 million.

The 2019-20 state budget allocates total College Promise funding of 85.138 million. The allocation total is comprised of three (3) factors:

- a. \$80.45 million was allocated based on calculated number of students potentially eligible for a waiver of fees.
- b. \$4.22 million (90%) was allocated based on number of Pell recipients
- c. \$0.468 million (10%) was allocated based on FTEs

Fair share calculation: funds were allocated based on the college's data count as a percent of the system total.

Data Used:

2016-17 college count data was used to establish a cohort of students who were first-time full-time for that year. This cohort was then tracked using 2017-18 full-time student data to establish an approximate percentage of students who each year continue in their second year as full-time students. This number was added to the number of California resident students who in 2017-18 were first time, full-time students not receiving a CCPG (formerly known as BOGFW). The sum of these numbers determined the approximate number of fee waivers that could be paid in 2019-20.

The remainder of the allocation was determined using the following methodology:

- 1. Number of Pell Grant recipients, 90% of the remainder (MIS)
- 2. Number of FTEs, 10% of the remainder (per 320 report)

Use of this funding methodology provided more funding to colleges with fewer CCPG fee waivers. Colleges with more CCPG waivers received less funding.

26. How long do we have to expend our 2018-19 Promise Allocation? What about later years?

Answer: 2018-19 Promise allocations must be spent by June 30, 2020 Allocations for other years must also be spent within 2 years.

27. Is this one-time or continuing funding?

Answer: The law creates an ongoing program subject to annual funding in the state budget.

28. If the initial allocation falls short, will we be able to request more funding?

Answer: All 2019-20 funds were fully allocated with the initial 2019-20 advance. Districts should plan on expending all allocated funds, track fund expenditures and ration the funds by some means, if necessary.

We believe that additional allocations will not occur.

29. If we have funds left over, should they be returned?

Answer: The intent is for districts to spend funds to meet program goals. However, if all funds are not spent they should be returned.

30. Are the California College Promise funds restricted?

Answer: Yes, College Promise funds are restricted and should be recorded in the Restricted General Fund – Object Code 8620 (General Categorical Program). Expenses for eligible services as described in the law can also be recorded in the same restricted fund. Student grants for first year enrollment fees may also be recorded under object code 7500 or processed through Fund Type 74.

31. Are College Promise funds that are used to pay for student enrollment fees refundable to students?

Answer: No, College Promise funds are not refundable to students and each district should ensure that its accounting system has audit checks in place to identify these transactions.

USE OF THE FAFSA OR DREAM ACT APPLICATION

32. Must colleges require the completion of the FAFSA or Dream Act Application (CADAA) for all of its students?

Answer: No. The FAFSA or Dream Act Application (CADAA) application is required only if the student is receiving funding from College Promise funds for a fee waiver or for other direct assistance, such as payments for child care, transportation and books.

33. Is there a deadline to file the FAFSA or CADAA?

Answer: No, the College Promise does not have a stated deadline. Districts could choose to set a deadline for College Promise fee waiver applications based on local practice. The student's FAFSA or California Dream Act Application must be completed prior to receiving program benefits. Of course, other financial aid programs do have deadlines for FAFSA or CADAA submission.

34. Question 11 describes the participation requirements for the California College Promise. One requirement is to "Partner with one or more <u>Local Education Agencies (LEAs)</u> to establish an Early Commitment to College Program." Is this still required?

Answer: The "Early Commitment to College" program was repealed as of 1/1/19 in accordance with prior EC section 54716. However, the first goal of the legislation (Question 7) is "Increasing the number and percentage of high school students who are prepared for and attend college

directly from high school and increasing the percentage of high school graduates who are placed directly into transfer-level mathematics and English courses at a community college."

Clearly, the intent of the law is for districts to have significant involvement with local high schools towards meeting the goals of the legislation.

QUESTIONS ON A STUDENT'S SECOND YEAR IN THE PROGRAM

35. For students continuing as full-time for their second year, must they have been paid the year before in the program or only have been first-time, full-time at that college or another college?

Answer: No, payment is not required but a student can be considered for a second year of College Promise eligibility only if they were a first time, full-time student for the prior year at that college or another community college.

36. May a student be paid for 2019-20 summer if 2019-20 allocation is authorized only after July 1?

Answer: Yes, for the College Promise summer is treated as a leader and students attending 12 or more units can receive fee waivers even if the summer term began prior to July 1.

37. Can a student have attended more than one college in the prior year to establish eligibility for their second year?

Answer: A student who was a first-time college student the year before and attended more than one college to reach 12+ units in each primary term, can receive a College Promise fee waiver for the second year.