

**TO:** Chief Student Services Officers  
Chief Executive Officers  
Chief Information Officers  
Financial Aid Directors and Administrators

**FROM:** Allison Beer, Dean of Educational Services and Support

**RE:** Guidance on the California Ability to Benefit State Process

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This memo provides guidance for California community colleges and districts on the California Ability to Benefit (ATB) state process. Established under the federal Higher Education Act of 1965 (as amended), ATB allows adult students without a high school diploma or equivalent to access federal financial aid. Qualifying students must demonstrate the ability to benefit from postsecondary education by enrolling in Eligible Career Pathway Programs (ECPPs), which are defined as programs that integrate postsecondary education, adult education, and workforce development.

### **California ATB State Process**

Pursuant to federal regulations, the California ATB state process was approved by the U.S. Department of Education on July 31, 2024, and is effective through July 31, 2029.<sup>1</sup> To participate in the California ATB state process, colleges must meet the following requirements:

- Have at least one approved ECPP as defined by Section 484(d)(2) of the Higher Education Act.
- Ensure alignment between educational programs and local and state workforce needs.
- Prepare students to be successful in postsecondary education.
- Provide support to students to complete the Free Application for Federal Student Aid (FAFSA) and to access other state and institutional aid programs.
- Use multiple measures assessments to ensure all students can succeed.
- Provide counseling, education planning, and other support services to ensure success; and

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<sup>1</sup> The Chancellor's Office ATB state process application was submitted prior to the July 1, 2024, change to 34 CFR 668.156. Information in this memo is pursuant to federal regulation requirements at the time of submission of the California State Process application and are effective for the application approval timeframe of July 31, 2024, through July 31, 2029.

- Maintain a success rate for students participating in ATB that is at least 95% that of the success rate of students with high school diplomas in education or training programs.

To opt-in to participating in the California ATB state process, colleges will submit a signed Letter of Intent to the Chancellor's Office. The letter will express that the college is aware of all ATB college requirements, student eligibility, reporting, and applicable federal laws and regulations. See Appendix A for a template and additional instructions.

### **Student Eligibility**

To be eligible to participate in ATB, students must demonstrate the "ability to benefit" from post-secondary education by meeting all the following:

- Pursuing a high school diploma or equivalent.
- Completing a multiple measure assessment.
- Enrolling in an Eligible Career Pathway Program (ECPP); and
- Meeting all other federal financial aid eligibility requirements.

### **Eligible Career Pathway Programs (ECPP)**

Approval of [Eligible Career Pathway Programs](#) is a critical requirement of the California state process. Some colleges may have been implementing ATB prior to the current federal requirement that ECPPs are approved as part of the Title IV Participation Application. All colleges offering ATB must now:

- Be able to document that their ECPPs meet all federal eligibility requirements.
- Submit documentation and receive approval for at least one ECPP in the Electronic Eligibility Application (E-App) for Title IV Participation.
- Attest that any additional ECPPs meet the eligibility requirements.

Refer to [Section B: Eligible Career Pathway Program \(34 CFR § 668.157\)](#) for more information.

### **Data Reporting Requirements**

Colleges will be required to submit all necessary data to the Chancellor's Office Management Information System (COMIS) to calculate the federally defined "student success rate." Beginning with the 2025-26 academic year, the Chancellor's Office has added a new **Student Aid Ability to Benefit** MIS data element (SF24), which will be used to identify participating students and connect to MIS data regarding continued enrollment, program completion, and transfer.

Participating colleges will also be required to submit MIS data regarding the required ATB student services, including orientation (SS06 or SM07), education planning (SS09), counseling (SS08 or SM12), and multiple measures assessment (SM08).

## **Student Success Rate**

Student success will be defined as either continued enrollment, program completion, or transfer to another postsecondary institution. Participating colleges must maintain at least a 95% ratio of success for students participating in the state-defined ATB process compared to the rate for enrolled students with a high school diploma or equivalent enrolled in education and training programs.

Colleges achieving a success rate of below 95% will be placed on a “watch list” and given the opportunity to meet the regulatory standard. If after one year the success rate is still below the 95% regulatory mandate, they must submit a corrective action plan. The plan must include the college’s plan to address and increase the success rate along with an explanation of the root cause for not achieving the success rate, an action plan to increase the success rate, and a timeline for implementing the corrective action plan.

The Chancellor’s Office will calculate the success rate for students at each participating college by using the following formula:

- (1)** Determining the number of students with high school diplomas or equivalent who, during the applicable award year, enrolled in participating institutions and
  - i.** Successfully completed education or training program(s);
  - ii.** Remained enrolled in education or training program(s) at the end of that award year; or
  - iii.** Successfully transferred to and remain enrolled in another institution at the end of that award year.
- (2)** Determining the number of students with high school diplomas or equivalent who enrolled in education or training program(s) in participating institutions during that award year.
- (3)** Dividing the number of students determined in (1) of this section by the number of students determined in (2) of this section.
- (4)** Making the calculations described in (1) through (3) of this section for students participating in ATB.
- (5)** Dividing the value of the calculations described in (1) through (3) of this section for students participating in ATB by the value of the calculations for students with high school diplomas or equivalent, to determine the overall success rate which must be at least 95%.

### **Success rate calculation example:**

(Success of students using ATB calculated at 57%) ÷ (Success of students with a high school diploma calculated at 60%) = Success ratio of 95%

## **Termination**

Colleges that fall below an 85% success ratio for three consecutive years, even if they have a corrective action plan in place, will receive a 90-day notification of termination from the ATB state process. Colleges will be prohibited from enrolling new students into the program, but they must continue to support students who are currently in the ATB program until they become eligible through a federal ATB alternative, such as having completed at least six units applicable to a Title IV eligible degree or certificate program.

## **ATB Resources**

The following represent key, recommended resources:

- [ATB resource page](#) - for states and institutions looking to learn more about the Ability to Benefit (ATB) provision of the Higher Education Act (World Education's National College Transition Network).
- [Eligible Career Pathway Program Documentation Checklist](#) - identify sources of data needed for the federal ECPP approval process (World Education's National College Transition Network).
- [Transitioning Adult Learners to College: A User Guide for Ability to Benefit and Adult Dual Enrollment](#) - supports practitioners in designing an approach that uses adult dual enrollment and ATB in tandem. Adult learners can begin to accumulate college credit toward a certificate or degree while they work toward meeting the ATB criteria and becoming eligible for federal financial aid. Check back for important future updates to the guide to reflect the new California option to qualify for ATB (Career Ladders Project).

Additional resources will be available on the Chancellor's Office Vision Resource Center. If you have any questions, please contact Allison Beer at [ABeer@CCCCO.edu](mailto:ABeer@CCCCO.edu) and Mario Garza at [MGarza@CCCCO.edu](mailto:MGarza@CCCCO.edu).

cc: Rowena Tomaneng, Deputy Chancellor

## APPENDIX A



### Ability to Benefit Letter of Intent

As of July 2024, adults without a high school diploma can now enroll in California Community Colleges with easier access to federal financial aid through the new California [Ability to Benefit](#) (ATB) state process. Previously, students without a high school diploma seeking to qualify for an ATB exception had to complete six credits of college classes or pass a qualifying exam to access federal financial aid. The new state process will remove previous roadblocks to federal financial aid by aligning ATB criteria with existing practices many colleges are already implementing, such as Guided Pathways and Adult Dual Enrollment. The change directly supports the Chancellor's Office [Vision 2030](#) footprint for the future and the [California Master Plan for Career Education](#) and is expected to benefit tens of thousands of CCC students. Students can now qualify for the ATB state process by:

Pursuing a high school diploma or equivalent;

- Successfully completing a multiple measures assessment.
- Enrolling in an eligible career pathway program (ECPP); and
- Meeting all federal financial aid eligibility requirements.

Please refer to the Chancellor's Office memo ESS 25-40 for more information on requirements for implementation.

### Intention to Participate in Ability to Benefit

The Chancellor's Office seeks to identify which colleges are offering the ATB state process for their student population through a signed Letter of Intent (LOI) from interested colleges. By completing and submitting this LOI, colleges agree to opt-in to participate in the California ATB state process. Signees confirm their awareness of:

- Eligible Career Pathway Program (ECPP) requirements;
- All ATB college requirements, including data reporting and student success benchmarks;
- Student eligibility parameters; and
- Applicable federal laws and regulations.

Colleges intending to offer ATB should complete and sign this document, which can be submitted at any time to Dean Allison Beer at [ABeer@CCCCO.edu](mailto:ABeer@CCCCO.edu).

Questions regarding the LOI or Ability to Benefit can also be directed to Dean Allison Beer at [ABeer@CCCCO.edu](mailto:ABeer@CCCCO.edu) and Mario Garza at [MGarza@CCCCO.edu](mailto:MGarza@CCCCO.edu), Specialist for financial aid programs.

**Table 1: Ability to Benefit Implementation Contacts**

<b>DISTRICT/COLLEGE INFORMATION</b>
District:
College:
<b>CHIEF STUDENT SERVICES OFFICER</b>
Name and Title:
Email Address:
<b>FINANCIAL AID POINT OF CONTACT</b>
Name and Title:
Email Address:
<b>INSTRUCTION POINT OF CONTACT</b>
Name and Title:
Email Address:
<b>ADULT EDUCATION POINT OF CONTACT</b>
Name and Title:
Email Address:

**Acknowledgment and Approval**

By signing this LOI, I acknowledge that \_\_\_\_\_ [College Name] will participate in the California ATB state process and I am aware of all federal and state requirements as described above.

**Signature of Chief Student Services Officer (or authorized designee):**

X \_\_\_\_\_

Name: \_\_\_\_\_