

SUG WE CAN DO BETTER

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By

Kimber Lee Wellman

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SUG WE CAN DO BETTER

California State University Grant-Program Proposal

We Can Do Better

By

Kimber Wellman, B.A.

A Thesis Submitted to the Department of Public Policy and Administration
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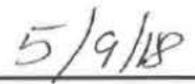
Spring 2018

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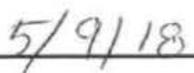
This thesis or project has been accepted on behalf of the Department of Public Policy and Administration by their supervisory committee:

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R. Steven Daniels, Ph.D.

Date

First Reader

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Date

Second Reader

POLICY MEMORANDUM

TO: CHAD MORRIS, DIRECTOR OF FINANCIAL AID, CSUB
FROM: KIMBER WELLMAN
SUBJECT: CSUB AND THE STATE UNIVERSITY GRANT (SUG)
DATE: NOVEMBER 25, 2017
CC: TOMMY HOLIWELL, ASSOCIATE DIRECTOR FINANCIAL AID, CSUB

As a Financial Aid Counselor here at California State University Bakersfield, I am a participant in the awarding and disbursing process of the State University Grant. Here at CSUB we awarded over \$16,000,000 in funds in 2015/2016, \$17,000,000 in 2016/2017, and will award close to \$18,000,000 in 2017/2018. This grant plays a significant role in attracting and keeping students here at CSUB by making it financially attainable for those who have no other aid that pays for their tuition fees. Being that over half of our students are potentially impacted by this award, you would agree that it must be handled judiciously and consistently for each, and every student.

The Financial Aid Office currently offers the initial SUG awards during an automated mass process that packages awards for all eligible students. This usually happens in early April for the upcoming Fall. SUG is awarded to eligible students who submit their FAFSA by March 02. This continues until our campus's SUG allocation is spent. Over the next few months, as students begin to decline awards, decide to attend elsewhere, or they receive other aid that covers tuition fees, the campus regains these funds. This is where the inconsistencies in our current process originates. From this point forward, the SUG is awarded manually by our Financial Aid counselors. Some counselors award upon request, some run reports to identify eligible students, and some may not proactively award it at all. As a CSUB student, this means that you may, or may not, receive SUG depending on something as arbitrary as who your Financial Aid counselor is.

This study evaluates how CSUB administers the SUG late award program process, then recommends a process which minimizes existing inconsistencies. The proposed process seeks to eliminate perceived unfairness in the existing process. It can only benefit us as a campus to take the time to evaluate our options and improve our program delivery.

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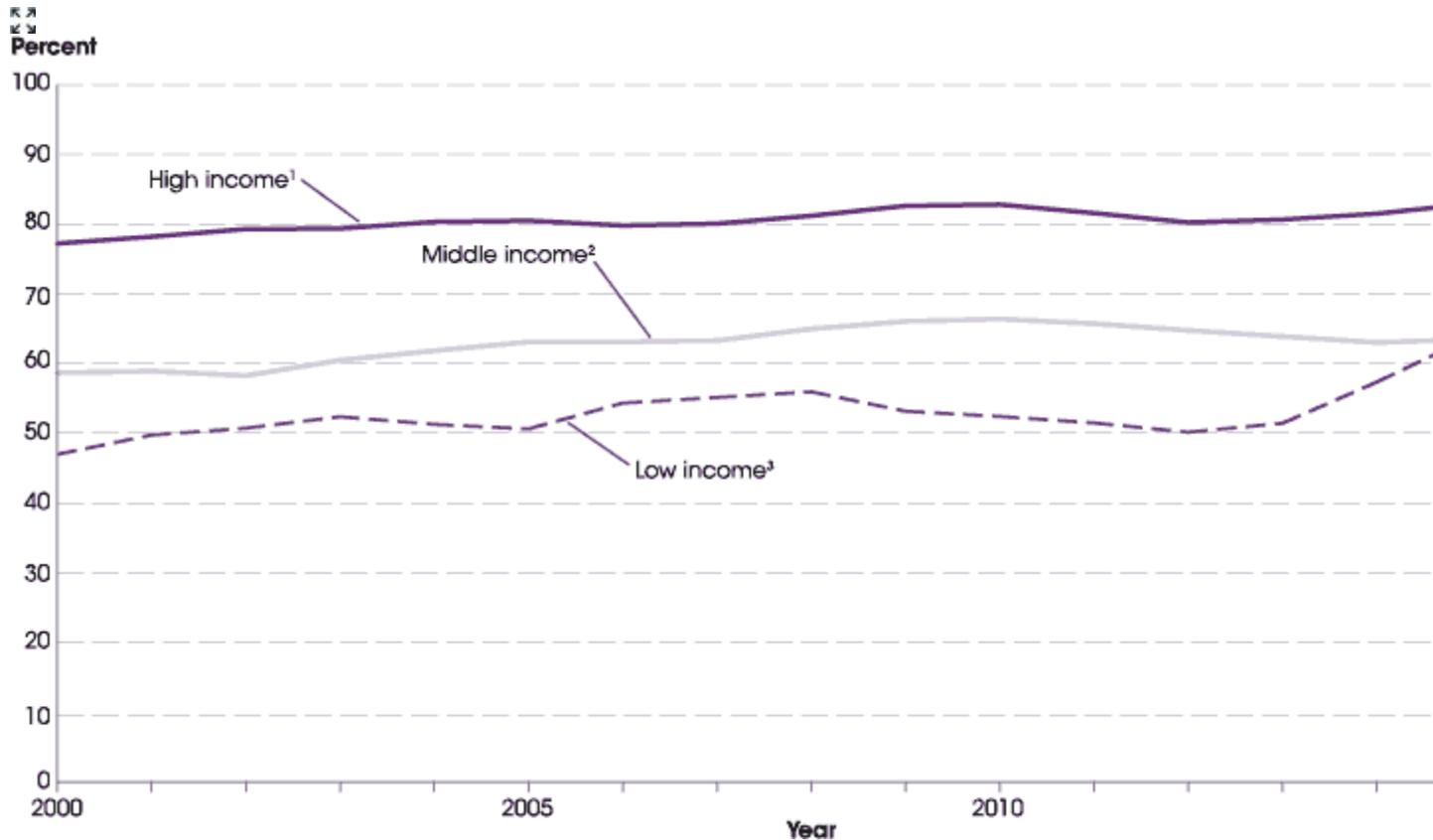
CHAPTER 1

Introduction

Whether a student receives financial assistance to attend college, can be the main determining factor in that student's decision to pursue higher education especially whether to begin the journey at a 4-year institution (Kane 2003). The California State University system (CSU) awards over \$700,000,000 in State University Grants (SUG) across its 23 campuses (State University Grant Program, 2018). This need-based grant helps over 120,000 California students pay for college every year. There are many eligible students who do not receive this grant because the funding is limited and as a system, there are more students in need than there are funds to award them. For an undergraduate student the full award is \$5,742, and \$7,176 for graduate students (State University Grant (SUG) Program, 2018) .

With a student's financial aid offer having such a huge impact on their choice of whether to attend college, where to attend, and their attendance retention, it is imperative that all aspects of the financial aid awarding and packaging process be handled 'fairly and equitably' for all potential recipients. What that 'fairly and equitably' may be, is a highly disputed topic among all involved. Chen (2010) concludes his study by stating, "The results from this research indicate that American society still faces a serious challenge in equalizing educational opportunities for minority and lower income students." Recent information however, supports the current mode of thought that middle income students are enrolling in colleges at a declining rate. The percentage of low income students enrolling, now surpasses that of middle income students (Figure1).

Figure 1. Percentage of high school completers who were enrolled in 2- or 4-year colleges by the October immediately following high school completion, by family income: 2000 through 2016



¹ High income refers to the top 20 percent of all family incomes.

² Middle income refers to the 60 percent in between the bottom 20 percent and the top 20 percent of all family incomes.

³ Low income refers to the bottom 20 percent of all family incomes.

NOTE: High school completers are individuals ages 16 to 24 who graduated from high school or completed a GED or other high school equivalency credential prior to October of the calendar year. Due to some short-term data fluctuations associated with small sample sizes, percentages for income groups were calculated based on 3-year moving averages, except in 2016, when estimates were calculated based on a 2-year moving average (an average of 2015 and 2016).

SOURCE: U.S. Department of Commerce, Census Bureau, Current Population Survey (CPS), October Supplement, 2000 through 2016. See *Digest of Education Statistics 2017*, [table 302.30](#).

With educational costs rising exponentially, and both federal and state aid not keeping up, the gap must be filled by the student and/or their family. The federal government has shifted away from grants, to promoting loans as the primary way to pay for a college education (Paulsen 2002). All of this is happening while state funding is being reduced, and state aid is unable to keep up with the rising costs of attendance. These growing inequities highlight the need to allocate our State University Grant funds in the fairest, and most impactful way possible here at CSUB. Currently, whether a student received the SUG, lies in the hands of their Financial Aid counselor. It is now up to the individual counselors to reallocate the funds as they become available. One counselor may run their report on a Monday and another may run theirs on a Friday. By Friday, the funds may be all gone. Is it fair to students that Jane Doe received \$7,176 in aid because her counselor ran their report to identify students in need before John Doe's counselor did? Jane Doe's counselor was in fact able to, award every student he is responsible for by awarding them (in this example) on Monday. John Doe's counselor was unable to award any because now that she ran her reports, the funding is depleted. The campus should find a way to allocate the funds in a more consistent and judicious manner.

Statement of the Problem

Here, at California State University Bakersfield (CSUB), we award over \$17.2 million annually in SUG. There are state-mandated eligibility requirements in place that students must meet in order to be awarded. These requirements include California state residency, a completed FAFSA with adequate financial need on file, meeting satisfactory academic progress (SAP), and at least half-time enrollment. As long as these requirements are met, each university has discretion as to which students receive priority, as there are always more eligible students than

there are funds available. The annual allotment of SUG is awarded during the initial packaging period in April for the next Fall. After census date in Fall, SUG is recouped from students who choose not to attend, no longer meet the eligibility requirements, or have other funding such as Cal Grant Fee coverage.

Here is where the problem lies; these recouped SUG funds are then re-disbursed to eligible CSUB students in both an inconsistent and perceivably unfair manner. While the initial awarding is completed through an automated program based on programmed priorities, the re-awarding process is handled by the campus's Financial Aid counselors. These individuals all have varying workloads along with their own set of on the job priorities and preferences.

Purpose of the Study

The purpose of this study will be to examine how other CSU campuses are handling the awarding of the State University Grant, and what guidelines and policies they have in place to insure a fair and equitable distribution of the available funds. To accomplish this, their procedures will be evaluated to determine what seems to work, what doesn't, and to examine if they are able to award the SUG in a more consistent and fair manner. There are many factors to consider when prioritizing how student's eligibility should be ranked. Once the on-time applicants (those who completed their FAFSA by March 02) are awarded, we want to determine if a school prioritizes low Expected Family Contributions (EFC's) over being an undergraduate for example. The EFC is a number by the Department of Education through the FAFSA application process. Are graduate students awarded last or at the same time as undergraduates? These are just a small example of the types of program questions that need to be resolved and put

into practice in order to achieve a fair and equitable awarding policy. The varying alternatives will be compared and evaluated to determine if one of those, a combination of more than one, or an entirely new strategy is what is best for CSU Bakersfield.

Importance of the Study

Receiving Financial Aid can be a determining factor on whether and where a potential college student will pursue higher education. Knowing that decisions made in the Financial Aid office can have a life-altering impact, we must make every effort to insure all available aid is handled in a fair and equitable manner. The State University Grant, being a limited fund type award, and one of our largest awards here at CSUB, must be handled in way that is proper, perceived as fair, and used to benefit those determines the neediest by whatever protocol is in place. Currently, the inconsistency in the awarding done by the Financial Aid counselors, while meeting all the legal requirements, is unpredictable and unfair at best. This study will provide guidance to the team developing an actionable awarding policy. The students, potential students, and the entire CSUB community, will benefit from the consistency of a fair and equitable policy being put into place.

CHAPTER 2

Review of Literature

There are many specific topics currently being explored that fall under the realm of Financial Aid research. Out of these topics, there are three that are directly related to the need for the consistent and fair distribution of the State University Grant at CSUB. The first is the possible impact that receiving financial assistance has on a potential student's decision and ability to attend a post-secondary institution. The second area of concern is the Free Application for Federal Student Aid (FAFSA). Accessibility to the FAFSA along with the difficulty level in completing the process, are both highly relevant to a student's ability to receive SUG. Then finally, the regulations and processes related to SUG itself will be explored.

The impact Financial Aid can have on a student's decision to attend college is immense (Kane 2003). There are multiple studies that repeatedly emphasize that potential college students place a high value on their financial aid package when considering whether to attend college or not, along with choosing which college to go to. While some research is focused on colleges in general, others explore certain avenues to a higher education. There are three main categories being explored: community colleges, public institutions, and private institutions.

Private institutions are unique in that compared to the community colleges and public universities, a majority of their financial aid is endowment and scholarship based. While they do have a significant population of federal aid eligible students, federal aid pays a smaller percentage of the student's costs at a private institution. The aid the institutions provide directly from institutional funds play a much larger role in affecting the choices students make in choosing where to attend. The institution also plays a larger discretionary role in how those funds

are allocated and to whom. This flexibility allows these schools to adjust their processes and priorities based on the current enrollment trends and needs. They are able to develop a comprehensive strategy to market to the desired population in a way that maximizes student impact for the minimal dollars needed to do so (Ensign, 2010).

Research focused on community colleges is centered around not only the impact financial aid has on a student's decision but also on the variables of income and ethnicity. For students entering a community college, having financial aid or not, plays a larger role in determining if a student attends. This is especially true if the student falls into a lower-income category or first-generation classification (Woo, 2008). In the case of very low-income students, it can be the most significant factor and can make a critical difference in their decision to attend (Lopez, 2013). Since the cost of attending a community college is typically the lowest-cost option available, having financial aid has the highest impact on lower-income students and those who are the first in their families to attend a higher education institution (Bailey & Dynarski, 2011). For middle and higher income families, financial aid played a less significant role in the decision to attend community college as the financial costs to the family isn't as impactful as a public university or private institution (Cohrane, et al., 2007).

In general, public universities are a composite of community colleges and private institutions, when it comes to the impact of financial aid on student decisions about where or if, to attend (Johnson & Sengupta, 2009). Public universities are in most cases an economically viable decision for the majority of low and middle-income families, as they provide both need-based and merit-based financial aid. They are affordable for low-income families with the help if federal and state aid is available. They can be affordable for middle to high-income families even without the assistance of financial aid; although this can vary greatly from state to state. It has

been found that receiving financial aid at a public university has a larger impact on students of all income-type families. The cost, while lower than private institutions, is also considerable higher than community colleges (Woo, 2008).

The FAFSA is the annual application that students must complete to receive any federal financial aid that they may be eligible for. In most states, it also the only application needed for any available state aid, while some states do require an additional application (NASFAA, 2017). Most aid is offered to an eligible student no matter when the application is completed. State aid however, has application completion deadlines. Here in California it is March 2nd and the application opens on October 1st of the prior year (Figure 1). There are have been several attempts in the past to reduce the length and complexity of the FAFSA application. Congress currently has H.R. 4416 on the docket. H. R. 4416 is a proposed amendment to the Higher Education Act of 1965 that is intended to remove barriers for students seeking aid. It is focused on FAFSA length and complexity (as prior attempts have been), as well as increasing aid for working students and vulnerable populations (Congress, 2017).

While the FAFSA length and complexity has been a push button hot topic for many years, the application has been shortened over the last 10 years and is currently estimated to take between 21 and 55 minutes to complete (Edvisors, 2017). There has been substantial research done into the FAFSA itself. Is it fair to dependent versus independent students, are those classifications even fair, and is it completed evenly across cultural, social, and economic backgrounds? In most cases the answer is no (Castleman, Mayer, Sullivan, Hartog, & Miller, 2017). It is not evenly used across different backgrounds, and for differing reasons, all of which need further research to be adequately addressed (Lopez, 2013). There are so many issues being debated about the current FAFSA process that I could devote a full paper just to these issues.

More recently, challenges to the accessibility and validity of the FAFSA have been directed towards the way certain groups are often excluded from getting aid they would otherwise be eligible for based on question assumptions. For example, there is current discussion regarding the LGBTQ community. The FAFSA is exclusionary when it comes to students who have parents who may fall into these categories, or when the students themselves do. Gay and transgender youth are more likely to have hostile relationships with their families yet there is no allowance for this. Transgender students are likely to face issues with the selective service requirement.

Another population facing multiple challenges are undocumented students and dependent students of undocumented parents. Undocumented students are currently ineligible for federal aid but may be eligible for state, depending on the state. Dependent students who are eligible citizens, but whose parents are not, face a completely different challenge in that while they are 'eligible', the FAFSA asks for their parents' social security numbers. Also, in many cases, the parents live abroad and have no tax information that they are able to provide (Marklein, 2011). The current political environment, with DACA being rescinded, lays an even heavier weight upon this population of students.

The California State University Grant was born in 1982, as an in-state tuition discount program. It was originally designed to offset the increasing charges for students with the highest need and the least access to funding. SUG was a state funded program until 1992. As economic pressures in the 90's ended the official state funding of the program, it became absorbed in to the ever-shrinking annual budget for the CSU system. The current allowance budgeted every year represents the amount of tuition the CSU will not collect from students who receive the grant. In the last 5 years alone, the amount of SUG allowed for the entire CSU system has grown by over

\$20,000,000 while tuition revenue has declined by \$57,000,000 (CSU Financial Aid, 2018). This means that as a system, the CSU has managed to continue to increase the SUG fund, even as the revenue that generates the fund has been decreasing.

Even with the increases in the funding, it is estimated that only 51% of CSU students who are eligible will receive the State University Grant. With over 465,000 students enrolled in the 23 campuses system-wide, and an estimated 260,000 of those being eligible with 132,000 receiving the grant, this means that 27.5% of CSU students are eligible but due to the limited funding, will not receive aid. As discussed earlier, whether a student receives a tuition-based grant, has an immensely deep impact on where they will choose to attend, if they are able to attend at all (Kane, 2003). With so many students, and potential students being affected by this grant, it is imperative to examine how SUG is being handled at other campuses and then evaluate how we can improve the way it is handled here at CSUB.

The eligibility requirements as set forth by the CSU Chancellor's Office include the following: the student must be a California state resident or otherwise determined as eligible (for example Dream Act students), must be meeting Satisfactory Academic Performance (SAP), students cannot be receiving another form of aid that directly covers the tuition portion of their fees, unit limits by career level do apply, and priority is given to students who complete their FAFSA by March 2nd and have an Expected Family Contribution (EFC) of \$4,000 or less. (calstate.edu). So, with these general eligibility guidelines in place, each CSU in the system is allowed to determine what awarding process and structure best fits their particular demographics need.

A review of all twenty-three CSU campus websites reveals the following: eight campuses report the March 02 date as a deadline, eight institutions report that priority will be given to those

who apply by March 02, and seven have no deadline or priority date posted. In reference to the EFC, six campuses have a published maximum dollar amount. These amounts range from \$4,000(Fresno) to \$11,000 (Bakersfield). Two campuses report that priority will be given to students with a \$0 EFC, but no maximum EFC amount is listed. The remaining fifteen campuses have no published information regarding the EFC and its impact on SUG eligibility. Bakersfield is the only campus offering a 2-tiered program with an EFC range. Eligible students with an EFC from \$0 to \$4000 may receive the full award, while those with an EFC between \$4,001 and \$11,000 are eligible for a reduced award. All campuses did include a disclaimer that the SUG is a limited fund award and that eligibility and funding are subject to change every year.

In review, research regarding the impact of financial aid on a student's higher education future is dependent on multiple factors. Those factors include the types of institution (community college, private institution, or public university), economic and cultural backgrounds, and the students' prior academic performance. The lower the family income and the more elite the desired institution of attendance is, the bigger the impact of the financial aid package offered.

The research regarding the FAFSA shows that for certain groups, lower income and non-English speakers, completing the process is a more daunting task and all too frequently is left incomplete, which leaves any potential financial aid, laying on the table. Also, for certain populations such as the LBGTQ community, students of undocumented parents, and undocumented applicants, the FAFSA does not give a fair representation of their ability to pay. Their results are often not comparable to more widely represented groups.

The State University Grant is the only means of financial aid for many students here in California, and it is a much-needed grant with limited funding. There are more students eligible for the funds than there are funds to award them. The CSU system allows its campuses

considerable latitude and discretion in how the award is handled, as long as the mandated requirements are met. There are two main factors that affect how the SUG is disbursed. Those are the packaging processes and their programmed priorities, and the manual awarding of any remaining funds which is completed at CSUB by Financial Aid Counselors. While the packaging process needs examination and exploration, I recommend that as a future project. The manual awarding process is more deserving of exploration and evaluation at this time.

CHAPTER 3

Analysis and Proposal

The purpose of this research is to examine the current processes by which the State University Grant is awarded at CSUB, compare that to the processes of other campuses, and determine if change is needed to 1) meet the CSU Chancellor's Office's mandated requirements, and 2) provide a more consistent and equitable distribution of the available funds. To begin we will review the current processes against the mandated requirements, and then evaluate the CSUB processes against those of some other campuses. Afterwards, a proposal will be made, and an implementation plan will be outlined.

According to the Chancellor's Office webpage, "The State University Grant (SUG) program provides need-based awards to eligible undergraduate and graduate/post-baccalaureate students who are California residents or otherwise determined as eligible, such as AB 540-eligible students. When you apply for financial aid via the Free Application for Federal Student Aid (FAFSA) or California Dream Act application (CADA) you are considered for a SUG by your campus (Chancellor, 2017)." The requirements for priority awarding include a FAFSA completed by March 02, and an expected family contribution \$4,000 or less. The student must not be receiving Cal Grant or other fee-covering aid. In addition, there are earned-unit maximums for each eligible program, along with residency requirements.

According the CSUB website, the above requirements from the Chancellor's Office are listed, and it is also stated that priority will be given to those who meet all the following conditions: undergraduate students, on-time FAFSA applicants, those with an EFC of \$4,000 or less, are enrolled at least half time, and have no other aid designated for fees. It also states that

awards may vary by EFC and available funds. (CSUB Office, 2017). While this paper is focused on the manual awarding processes that take place after initial packaging, it is important to note here that during initial packaging we may not have enough funds to award all eligible undergraduates. Yet, we are also awarding post-baccalaureate and credential students at the same time. Therefore, we should evaluate the priorities as defined on our webpage, or we should change the packaging variables to match our proclaimed priorities.

CSUB is the only CSU campus to have a two-tiered approach for processing SUG. There is the full award offered for eligible students with an EFC of \$4,000 or less, and a reduced award offered to those with an EFC between \$4,001 and \$11,000. As discussed earlier, the initial packaging, which takes place in late March or early April, typically depletes the funds available for SUG. When funds are recouped after census date, and available after this point in the awarding cycle, they are awarded back to eligible students by the financial aid counselors at CSUB. There are reports available to be run for each student career (undergraduate, post-baccalaureate, and credential). These reports can be sorted by EFC, or by FAFSA completion date. These reports are to be run weekly by the counselors and the eligible students awarded as funds become available.

This is where the concerns of fairness and equity begin. Firstly, while it is expected that these reports are run and worked weekly by all counselors, that is not the case. Some counselors award SUG upon request from students at the front counter and to those students who reach out to them directly. In many cases, these students applied after other on-time applicants, who have yet to be awarded, or they may have higher EFC's which should move them to the back of the line. There is inconsistency even among those who do run the required weekly reports. What day of the week the reports are worked can make all the difference in whether funds are available.

Also, it changes the list of priority students if the list is sorted by EFC, compared to sorting the list by FAFSA completion date. There are justified hardship cases and unique situations that can be deserving of special consideration. These cases fall outside the scope of a plausible, consistent ranking process to determine who will be awarded SUG and should be addressed separately.

While the CSU Chancellor's Office has provided awarding criteria for campuses to follow, there is still room for individual interpretation on the part of the campuses. All CSU websites were explored for published information regarding SUG (Appendix A). The key components examined were 1) was there any clarification if March 02 is a hard deadline for the FAFSA or a priority deadline, and 2) is there a stated EFC maximum? Of the 23 campuses in the CSU system, 35% indicate that March 02 is a priority deadline. This means that students who submit their FAFSA past the March 02 date, may still be eligible for a SUG award, as long as all of the eligible on-time applicants have been awarded. Thirty five percent of the campuses indicated that the March 02 date is a hard deadline. These schools will only award to students who submit their FAFSA on or prior to March 02. The remaining 30% of the campuses did not indicate either way that March 02 is a priority date or a hard deadline.

The next topic explored was the Expected Family Contribution (EFC) maximums, indicated by each school. Sixty-five percent of the campuses did not list an EFC maximum on their website. They do state that there are EFC requirements, but not what those requirements in fact are. This would leave them some flexibility as far as awarding all dollars allocated. Ten percent indicated that priority is given to those students with a \$0 EFC. The remaining 30% of campuses, have a maximum EFC listed on their website. These maximums range from \$4000 at Fresno State to \$11,000 here at CSUB. These two components (FAFSA date and EFC) were explored because they are the criteria listed as 'priority' items in the Chancellor's Office SUG

policy (CSU, 2014). It is these criteria available for expanding the range of eligible students, or ranking a current set of eligible students, when there are SUG funds available.

Most of the CSU campuses consistently award out their complete allocation of State University Grant during initial packaging. Nineteen of the CSU's re-run a packaging process after census date that re-awards any available SUG monies to eligible students, who meet their FAFSA deadline and EFC maximum criteria as determined by their campus leadership. There are four CSU's that manually re-award remaining funds. These are CSUB, Cal Poly San Luis Obispo, East Bay, and Sonoma State. All four campuses reallocate these funds, through the use of PeopleSoft queries to find the list of eligible students. Cal Poly SLO has one person run the queries and distribute the list of eligible students to the Financial Aid counselors. It is then up to the counselors to work their lists and award students until funds run out. This campus's administrator indicated that all lists are worked the same day they are distributed. This campus has no need to alter the March 02 date or their \$4000 EFC maximum as they have a sufficient population of eligible students. They able to award their full annual allocation of SUG to this group. They do not have published deadlines or EFC maximums on their website.

East Bay handles their remaining funds much like Cal Poly SLO does. They only award people who have applied by March 02 and have an EFC of \$4000 or less. They have one counselor, however, that re-awards the available SUG funds. That person works a given list until funds are depleted. The East Bay website indicates that March 02 is a priority deadline and they have no EFC maximum listed. Sonoma State is in a different position that Cal Poly and East Bay in that they have to expand their initial packaging criteria when they have a surplus. They do not have a large enough eligible population based on initial criteria to enable them to expend all available SUG. They have published on their website that March 2nd is a priority date, but they

have an EFC limit of \$5000. When they need to increase their pool of students they start by pushing back the FAFSA date until everyone under a \$5000 EFC is awarded. If there are still funds remaining, they will increase the EFC limit as needed. This campus also has one person responsible for the re-allocation of funds.

All campuses are meeting compliance markers for the Chancellor's criterion for the determination of SUG eligibility. Each campus has the flexibility to use the SUG award as intended by State lawmakers. There are three other schools that are re-awarding available SUG funds through queries, as we are at CSUB. Two of those campuses have one counselor responsible for working list of eligible students. One campus divides the list amongst all counselors. However, all three campuses have someone else, not the counselors, generating those lists. Also, no other campus indicated that they award SUG upon student request.

Based on the information above and the consistency achieved by other campuses who have a need for manual re-awarding of recouped SUG funds, I propose the following changes to the current processes that are in place at CSUB. After the initial packaging process has been run, a weekly eligibility query should be processed by a Financial Aid administrator, or an approved counselor who is not responsible for the SUG awarding. This query should be sorted and ranked in a consistent manner and then assigned to one counselor for student awarding. I have found no consistency amongst campuses who re-award manually, as to whether they rank the students by lowest EFC first, or earliest FAFSA application date as one or the other must be employed. I believe the key to fairness and consistency is that the department determine what factors to accommodate first, and then process the list in a uniform manner every single time. I found no benefit or direct impact to choosing one over the other, just consistency in selection. This list

should be the only way a student is awarded SUG, not upon request. This would insure that all eligible applicants are awarded in a consistent and fair manner.

The permanent implementation of this proposal will not require any additional resources or material to execute. It will require an initial output of labor hours only. To update written documentation (2 hours) and a staff training session (12 hours). The weekly time needed to execute will reduce since there will be one person running the report instead of eight, and one person working that report (3 hours weekly on average). I would recommend that the Director and Assistant Director evaluate which counselor has the most time available and the skills needed to take on this project. They should also evaluate if other duties need to be transferred to a different counselor, in order to ensure that the counselor responsible does have adequate time available to complete this process weekly within their scheduled work week.

To evaluate the efficacy and efficiency of the proposed changes, a supervisor could run a monthly report to assess the results. They will need to evaluate if the targeted prioritizing is being utilized and if all available funds are being used as they come in. They would also need to schedule a once-a-month SUG Exception Committee to review any requests received by students who are not part of the priority group. This group would need to design a SUG Exception Request form and evaluate all forms submitted to determine if the grant should be awarded. This would allow a fair and consistent way to evaluate an individual's need.

The prescribed changes in prioritizing and processing methods would have a long term positive impact on the fairness and consistency. This grant is so highly sought after by our student population, yet this limited fund has not been handled in a way that would be perceived as fair and equitable by the CSUB community. The differences between the current processes and those proposed will be further explored in the next chapter.

We Can do Better

The proposed changes to the current processes used to manually award SUG at CSUB would be significantly different from what is currently being done in both method and outcome. The current process allows for counselors to award any remaining funds as they individually see fit or as their schedule allows based on their own priorities. They can run the available reports and use that to award students by date, or by EFC or by whatever priority they choose. They can choose to not run the reports and award students who come in asking about the grant or otherwise contact the counselor directly to ask about available funds. It is important to note here that a significant number of the student population does not even know that requesting SUG is currently an option. Currently, a counselor may also utilize any combination of the available options.

While the Financial Aid Counselors at CSUB are encouraged, and even expected, to run their reports weekly, based on personal observation, this is not happening in a consistent or timely manner. The results are that those students who may fall within a particular alpha group are being awarded, while others who would have been prioritized before those students (based on FAFSA completion date and/or EFC), are not being awarded. They are left without funding for the SUG grant. By having an administrator run and rank the report, and moving the manual SUG awarding to one counselor, we will ensure that students are being awarded in a fair and consistent manner by pre-determined priority rankings.

In the 2016/2017 year, by year end the campus was able to award almost all eligible students a SUG award. This included late applicants. However, there is a population of students

who end up not attending or withdrawing for the academic year because they do not have sufficient financial aid. At the time fees are due, they cannot cover the costs of attendance, so they leave. While I cannot find any collected data on the specific numbers involved, this would be a valuable project to pursue in the future. The results could play a significant role in the future design of campus awarding processes and packaging equations. By awarding available SUG funds in the recommended manner, we would be doing the fair and equitable thing by our students. The process would be more uniform and steady with the available funds being allocated according to pre-determined variables: The student's FAFSA completion date and EFC

There are limitations of the proposed SUG process changes. The initial packaging that takes place in March or April needs to be reviewed and aligned with the same awarding priorities outlined in this plan. The largest portion of SUG funds is disbursed during this annual packaging process. The manual awarding discussed in the paper accounts for only the funds that are reclaimed after the mass packaging process has taken place. When awards are cancelled for students who are not attending, have eligibility conflicts, or receive other awards that are designated to cover fees, they can then be redistributed to active eligible students. Any future changes to the packaging process should prompt a re-evaluation of this manual awarding process as well.

In addition to potential changes to the awarding processes, the campus must stay aware of demographic shifts in the student population that may affect the priority paradigm. For example, if there are more students who apply on time than there are students with EFC's less than \$4,000, we need to evaluate what variables to rank first. Should it be FAFSA completion date or EFC? Any future changes to SUG funding by the CSU Chancellor's Office would also require a

program evaluation to determine if further adjustments to the recommended processes should be made.

Knowing that student eligibility is affected by the rest of their financial aid package, any changes to those programs would also affect the SUG program. For example, if Cal Grant awards were cancelled or reduced, the need and competitive value for available SUG dollars would increase. The same impact would be made by changes in fee waiver programs, third party agreements, and certain qualifying scholarships. The leadership of the campus Financial Aid Department should must continue to stay abreast of all proposed changes to these programs. This enables us to be prepared for any potential impact on the SUG program. It can then be addressed in a timely and proactive manner.

CHAPTER 4

Conclusions and Recommendations

The purpose of this study was to examine the current process used at CSUB for manual awarding of the campus's State University Grant. The processes used at other CSU campuses were reviewed and an alternative proposal made. This was accomplished by exploring the impact and need for Financial Aid, along with the dynamic history of, and changes to, the State University Grant. All federal and state aid begins with the FAFSA and Dream Act Application, therefore accessibility and fairness of those applications were also reviewed.

The findings regarding financial aid were that the lower the income of the student (or the student's family), the more significant the impact of financial aid on their decision to attend college and where to attend. For those attending a community college, the impact was less significant than for those headed to a 4-year university, yet it still played a large role in the decision-making process. The FAFSA application has long been thought of as being unnecessarily lengthy and complicated and there has been a continual push to make it more accessible. It has also been found that for several student group populations, the FAFSA is at its best inconsistent, and dramatically unfair at its worst. With financial aid playing such an important role in a student's future, the FAFSA being a daunting process for many, with inconsistent outcomes, the need to award SUG consistently and fairly becomes even clearer.

The initial award packaging is completed through is an automated process that takes place every year sometime between March and April. The packaging process uses a pre-determined set of requirements and priority parameters to award the available dollars at that time. It is recommended that this process be evaluated in the future ensure that it is in fact

awarding students by the pre-determined priorities. The SUG funding that becomes available from the packaging date forward is the funding that this research was focused on.

The SUG dollars that are recouped after initial packaging, are re-awarded to eligible and attending students. It is this process that currently is handled in different ways by different Financial Aid counselors. There are currently seven counselors in the Office of Financial Aid and Scholarships at CSUB. Students are divided amongst these seven counselors by alpha groups based on the beginning letters of their last names. Therefore, whether a student receives the grant of up to \$7,176, could come down to what their last name is. This is not a fair or equitable way to determine who receives these funds.

Recommendation 1: It is recommended to have one Financial Aid counselor use a generated weekly report (prioritized by FAFSA completion date and EFC) to award any available SUG funds. Having a weekly report awarded by one counselor maintains fairness in access to these much-needed funds. This way, all eligible students are being identified and prioritized at the same time.

Recommendation 2: It is recommended that the weekly report be generated, sorted and ranked by a Financial Aid administrator or a different counselor than the one doing the awarding. Having this clear separation of duties between the report generator and the fund awarder, would be a positive step forward in insuring fair and equitable distribution of SUG.

Implementation will require careful selection of a counselor who can add this to their weekly schedule. This may require shifting some of their responsibilities elsewhere during peak periods of the year. It will also require discussion and agreement amongst the administrators as

to how the list of eligible students should be sorted and ranked. This will set the guidelines for consistency.

Research recommendations for the future include an in-depth evaluation of the automated mass packaging process. We need to explore if it is set up properly and using the formulas and parameters that we believe it is. Also, is it processing students in an optimal order to insure fairness and consistency in that process? I also recommend that the Financial Aid webpage for State University Grant be reviewed for accuracy. Are we in fact prioritizing the students we say we are? If so, is that priority what is best for our unique student population.

Financial aid is a significant determining factor in the higher education decision making process for our students. The lower the income of the student and their family, the bigger the role that financial aid plays. To determine their eligibility, the student must be able to complete the FAFSA or Dream Act Application. This has proven to be hurdle, too often an insurmountable one, for many students and their parents. This is especially true of vulnerable populations, those populations that many aid programs are specifically targeting. The CSU system's State University Grant is designed to assist the lower income population with the funds needed to attend a 4-year university.

It is imperative that as a campus, we award these limited dollars fairly and equitably to the student population it is intended to assist. It is ethically the right thing to do for our students, our campus, and our community. While it has been found that all rules and regulations are being followed, that does not mean we are doing the best we can to utilize these funds for the betterment of our students. We are doing these right, but we can do things better.

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Appendix A
Institutional Review Board



CSU Bakersfield

Academic Affairs

Office of Grants, Research, and Sponsored Programs (GRaSP)

Mail Stop: 24 DDH Room 108
9001 Stockdale Highway
Bakersfield, California 93311-1022
(661) 654-2231
(661) 654-3342 FAX
www.csub.edu

Human Subjects Institutional Review Board

Chandra Commuri, Ph.D.
Department of Public Administration
Scientific Concerns

Steven Gamboa, Ph.D.
Department of Phil/Rel Studies
Nonscientific Concerns

Grant Herndon
Schools Legal Service
Community Issues/Concerns

Roseanna McCleary, Ph.D.
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HSIRB Chair

Colleen McGauley, MPA
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Executive Director,
CASA of Kern County

Nate Olson, Ph.D.
Department of Phil/Rel Studies
Nonscientific Concerns

Isabel Sumaya, Ph.D.
Department of Psychology
Research Ethics Review Coordinator
HSIRB Secretary

Marianne Wilson, Ph.D.
Department of Psychology
Scientific Concerns

Date: 19 September 2017

To: Kimber Wellman, Master of Public Administration Program

cc: R. Steven Daniels, Master of Public Administration Program
Nate Olson, Interim HSIRB Chair

From: Isabel Sumaya, Research Ethics Review Coordinator

Subject: Protocol M17-07: Not Human Subjects Research

Thank you for bringing your **Protocol M17-07, "State University Grant,"** to the attention of the IRB/HSR. On the form "*Not Human Subjects Research Acknowledgement Form?*" you indicated the following:

I want to interview, survey, systematically observe, or collect other data from human subjects, for example, students in the educational setting. **NO**

I want to access data about specific persons that have already been collected by others [such as test scores or demographic information]. Those data can be linked to specific persons [regardless of whether I will link data and persons in my research or reveal anyone's identities]. **NO**

Given this, your proposed project will not constitute human subjects research. Therefore, it does not fall within the purview of the CSUB IRB/HSR. Good luck with your project.

If you have any questions, or there are any changes that might bring these activities within the purview of the IRB/HSR, please notify me immediately at 654-2381. Thank you.

Isabel Sumaya, University Research Ethics Review Coordinator

Appendix B
CSU SUG Breakdown

Campus	March 02 (Deadline or Priority?)	EFC Maximum
Bakersfield	Priority	\$4000/\$11,000
Channel Islands	Priority	Not Stated
Chico	Deadline	Not Stated
Dominguez Hills	Deadline	Not Stated
East Bay	Priority	Not Stated
Fresno	Not Stated	\$4,000
Fullerton	Priority	Not Stated
Humboldt	Not Stated	Not Stated
Long Beach	Deadline	\$0 given Priority
Los Angeles	Priority	\$0 given Priority
Maritime Academy	Not Stated	Not Stated
Monterey Bay	Not Stated	\$5,500
Northridge	Deadline	Not Stated
Pomona	Deadline	Not Stated
Sacramento	Priority	Not Stated
San Bernardino	Not Stated	Not Stated
San Diego	Priority	Not Stated
San Francisco	Not Stated	Not Stated
San Jose	Deadline	\$5,000
San Luis Obispo	Not Stated	Not Stated
San Marcos	Deadline	Not Stated
Sonoma	Priority	\$5,000
Stanislaus	Deadline	\$7,500

(All information retrieved from Campus Websites on August 12, 2017)

Appendix C

FAFSA Priority Dates

2017-2018 Academic Year

The deadline to apply for federal aid for the 2017-2018 academic year is June 30th, 2018.

Some state aid programs may have earlier deadlines, which can be found below.

Student's State of Legal Residence	State Aid Deadline	Notes
Alabama		As soon as possible after 10/1/16.
Alaska	06-30-2017	Priority consideration for Alaska Performance Scholarship. Education Grant - As soon as possible after 10/1/16. Awards made until funds are depleted.
American Samoa		As soon as possible after 10/1/16.
Arizona		As soon as possible after 10/1/16.
Arkansas	06-01-2017	For Academic Challenge and Higher Education Opportunity. For Workforce Grant, check with your financial aid administrator.
California	03-02-2017 09-02-2017	Initial awards. Additional Community College awards.
Colorado		As soon as possible after 10/1/16.
Connecticut	02-15-2017	For priority consideration.
D.C.	05-01-2017 05-31-2017	Date received. For priority consideration (date received), for DCTAG.
Delaware	04-15-2017	Date received.
Federated States of Micronesia		As soon as possible after 10/1/16.
Florida	05-15-2017	Date processed.
Georgia		As soon as possible after 10/1/16.
Guam		As soon as possible after 10/1/16.
Hawaii		As soon as possible after 10/1/16.
Idaho	03-01-2017	Priority consideration for Opportunity Grant.
Illinois		As soon as possible after 10/1/16. Awards made until funds are depleted.
Indiana	03-10-2017	Date received.
Iowa	07-01-2017	Date received. Earlier priority deadlines may exist for certain programs.
Kansas	04-01-2017	For priority consideration.
Kentucky		As soon as possible after 10/1/16. Awards made until funds are depleted.
Louisiana	07-01-2017 07-01-2018	For priority consideration. Date received.
Maine	05-01-2017	Date received.
Marshall Islands		As soon as possible after 10/1/16.
Maryland	03-01-2017	Date received.
Massachusetts	05-01-2017	For priority consideration.
Michigan	03-01-2017	Date received.
Minnesota		30 days after term starts.

Mississippi	03-31-2017 09-15-2017	HELP Scholarship MTAG and MSEG Grants
Missouri	02-01-2017 04-01-2017	For priority consideration. Date received.
Montana		As soon as possible after 10/1/16. Awards made until funds are depleted.
N. Mariana Islands		As soon as possible after 10/1/16.
Nebraska		As soon as possible after 10/1/16.
Nevada		Silver State Opportunity Grant - As soon as possible after 10/1/16. Awards made until funds are depleted.
New Hampshire		As soon as possible after 10/1/16.
New Jersey	04-15-2017 09-15-2017 02-15-2018	2016-2017 Tuition Aid Grant recipients. Fall/Spring Terms. Spring Term only.
New Mexico		As soon as possible after 10/1/16.
New York	06-30-2018	Date received.
North Carolina		As soon as possible after 10/1/16. Awards made until funds are depleted.
North Dakota		As soon as possible after 10/1/16. Awards made until funds are depleted.
Ohio	10-01-2017	Date received.
Oklahoma		As soon as possible after 10/1/16. Awards made until funds are depleted.
Oregon	03-01-2017	OSAC Private Scholarships. Opportunity Grant - As soon as possible after 10/1/16. Awards made until funds are depleted.
Palau		As soon as possible after 10/1/16.
Pennsylvania	05-01-2017 08-01-2017	All other applicants. All first-time applicants at a community college; a business/trade/technical school; a hospital school of nursing; or enrolled in a non-transferable two-year program.
Puerto Rico		As soon as possible after 10/1/16.
Rhode Island		As soon as possible after 10/1/16. Awards made until funds are depleted.
South Carolina	06-30-2017	Tuition Grants. SC Commission on Higher Education Need-based Grants - As soon as possible after 10/1/16. Awards made until funds are depleted.
South Dakota		As soon as possible after 10/1/16.
Tennessee	01-17-2017 09-01-2017 02-01-2018	State Grant and Tennessee Promise. State Lottery - Fall Term. State Lottery - Spring and Summer Terms.
Texas	03-15-2017	Public Colleges - priority consideration. As soon as possible after 10/1/16. Awards made until funds are depleted.
U.S. Virgin Islands		As soon as possible after 10/1/16.
Utah		As soon as possible after 10/1/16.
Vermont		As soon as possible after 10/1/16. Awards made until funds are depleted.
Virginia		As soon as possible after 10/1/16.
Washington		As soon as possible after 10/1/16. Awards made until funds are depleted.
West Virginia	03-01-2017 04-15-2017	Promise Scholarship. WV Higher Education Grant Program.
Wisconsin		As soon as possible after 10/1/16.
Wyoming		As soon as possible after 10/1/16.

2018-2019 Academic Year

The deadline to apply for federal aid for the 2018-2019 academic year is June 30th, 2019.

Some state aid programs may have earlier deadlines, which can be found below.

Student's State of Legal Residence	State Aid Deadline	Notes
Alabama		As soon as possible after 10/1/17.
Alaska	06-30-2018	Priority consideration for Alaska Performance Scholarship. Education Grant - As soon as possible after 10/1/17. Awards made until funds are depleted.
American Samoa		As soon as possible after 10/1/17.
Arizona		As soon as possible after 10/1/17.
Arkansas	06-01-2018	For Academic Challenge and Higher Education Opportunity. For Workforce Grant, check with your financial aid administrator.
California	03-02-2018 09-02-2018	Initial awards. Additional Community College awards.
Colorado		As soon as possible after 10/1/17.
Connecticut	02-15-2018	For priority consideration.
D.C.	05-01-2018 05-31-2018	For priority consideration. For priority consideration (date received), for DCTAG.
Delaware	04-15-2018	Date received.
Federated States of Micronesia		As soon as possible after 10/1/17.
Florida	05-15-2018	Date processed.
Georgia		As soon as possible after 10/1/17.
Guam		As soon as possible after 10/1/17.
Hawaii		As soon as possible after 10/1/17.
Idaho	03-01-2018	Priority consideration for Opportunity Grant.
Illinois		As soon as possible after 10/1/17. Awards made until funds are depleted.
Indiana	03-10-2018	Date received.
Iowa	07-01-2018	Date received. Earlier priority deadlines may exist for certain programs.
Kansas	04-01-2018	For priority consideration.
Kentucky		As soon as possible after 10/1/17. Awards made until funds are depleted.
Louisiana	07-01-2018 07-01-2019	Recommended date. Date received.
Maine	05-01-2018	Date received.
Marshall Islands		As soon as possible after 10/1/17.
Maryland	03-01-2018	Date received.
Massachusetts	05-01-2018	For priority consideration.
Michigan	03-01-2018	Date received.
Minnesota		30 days after term starts.
Mississippi	03-31-2018 09-15-2018	HELP Scholarship MTAG and MSEG Grants
Missouri	02-01-2018 04-02-2018	For priority consideration. Applications accepted.

Montana		As soon as possible after 10/1/17.
N. Mariana Islands	04-30-2018	For priority consideration.
Nebraska		As soon as possible after 10/1/17.
Nevada		Silver State Opportunity Grant - As soon as possible after 10/1/17. Awards made until funds are depleted.
New Hampshire		As soon as possible after 10/1/17.
New Jersey	04-15-2018 09-15-2018 02-15-2019	2017-2018 Tuition Aid Grant recipients. Fall/Spring Terms. Spring Term only.
New Mexico		As soon as possible after 10/1/17.
New York	06-30-2019	Date received.
North Carolina		As soon as possible after 10/1/17. Awards made until funds are depleted.
North Dakota		As soon as possible after 10/1/17. Awards made until funds are depleted.
Ohio	10-01-2018	Date received.
Oklahoma		As soon as possible after 10/1/17. Awards made until funds are depleted.
Oregon		As soon as possible after 10/1/17. Deadlines vary by program.
Palau		As soon as possible after 10/1/17.
Pennsylvania	05-01-2018 08-01-2018	All other applicants. All first-time applicants at a community college; a business/trade/technical school; a hospital school of nursing; or enrolled in a non-transferable two-year program.
Puerto Rico		As soon as possible after 10/1/17.
Rhode Island		As soon as possible after 10/1/17.
South Carolina	06-30-2018	Tuition Grants. SC Commission on Higher Education Need-based Grants - As soon as possible after 10/1/17. Awards made until funds are depleted.
South Dakota		As soon as possible after 10/1/17.
Tennessee	01-16-2018 09-01-2018 02-01-2019	State Grant and Tennessee Promise. State Lottery - Fall Term. Spring and Summer Terms.
Texas	03-15-2018	Public Colleges - Date received. All others - As soon as possible after 10/1/17
U.S. Virgin Islands		As soon as possible after 10/1/17.
Utah		As soon as possible after 10/1/17.
Vermont		As soon as possible after 10/1/17. Awards made until funds are depleted.
Virginia		As soon as possible after 10/1/17.
Washington		As soon as possible after 10/1/17. Awards made until funds are depleted.
West Virginia	03-01-2018 04-15-2018	Promise Scholarship. WV Higher Education Grant Program.
Wisconsin		As soon as possible after 10/1/17.
Wyoming		As soon as possible after 10/1/17.