

Update on the 2021-22 State Budget

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Overview of key changes in 2021-22 State Budget

- **Expansion of existing programs administered by the Commission**
 - Removal of eligibility barriers to Cal Grants for community college students
 - Cal Grant award amount increase for students at private, non-profit institutions & delay of Associate Degree for Transfer requirement
 - Inclusion of new subject areas & additional funding for the Golden State Teacher Grant Program
- **New programs established for Commission to launch**
 - Golden State Education & Training Grant Program
 - Learning Aligned Employment Program
 - Foster Youth Enhanced Access Awards
- **Other policies requiring Commission activity**
 - Requirement that local education agencies confirm that all high school seniors complete an application for financial aid or opt-out waiver
 - Californians for All College Service Program

Cal Grant expansion for community college students

- \$155.4 million in ongoing General Fund to remove barriers to Cal Grant entitlements based on age and time out of high school for community college students
 - Approx. \$90 million in ongoing General Fund to increase the Students With Dependent Children funding to maintain \$6,000 awards for new recipients
- These new community college Cal Grant recipients will also be permitted to retain their Cal Grant when transferring to a public university
- Students may use a community college GPA in lieu of a high school GPA
- Confines eligibility for a Competitive Cal Grant to students not attending a CCC and who apply before the March 2 deadline.
 - Reduces the number of new Competitive Cal Grant awards to 13,000 total

Cal Grant Access Awards for Foster Youth

- \$15.1 million in ongoing General Fund to increase access awards for former or current foster youth enrolled at a public college or university.
- New and renewal Cal Grant A and B students who are current or former foster youth would receive an access award of up to \$6,000. Cal Grant C students eligible for a total award not to exceed \$4,000.
- This award is additional to support received through the Chafee Grant Program.



Cal Grant awards for students at private, non-profit institutions

- \$5.4 million in ongoing General Fund to increase the Cal Grant award amounts for students at private, non-profit institutions to \$9,220.
- Trailer bill language delays the requirement that private, non-profit institutions admit a specified number of transfer students with an Associate Degree for Transfer.

Golden State Education & Training Grant Program

- \$472.5 million in one-time federal funds and \$27.5 million in one-time General Fund to support education grants for displaced workers wishing to attend a public college or university or participate in a program on the Eligible Training Provider list.

Who is eligible?

- California resident worker displaced from employment due to COVID-19 that was not already accessing an educational or training program and meets income/asset qualifications for a Cal Grant A

How are awards prioritized?

- Participants may receive no more than one award of between \$1,000 to \$2,500
- Half of funds must be provided to individuals with a dependent under age 18
- Commission must prioritize the applicants with incomes that are the furthest below their regional living wage

Golden State Education & Training Grant Program

Commission Roles & Expectations:

- Develop an application and consider if it can be integrated within the application process for the FAFSA or CADAA.
- Verify that an applicant was displaced by COVID-19, meets income/asset criteria, and was not enrolled in a training program or institution of higher education at the time they were displaced from employment.
- Ensure that grants are used to supplement, not supplant, other financial aid.
- Collaborate with institutions for the purposes of offering these grants.
- Commission may adopt regulations -- if the Commission does, these regulations shall be adopted by December 31, 2021 as emergency regulations.

Golden State Education & Training Grant Program

Institutional Roles & Expectations

- Comply with requirements of the program outlined in the trailer bill (AB 132).
- To the extent practicable, match the award with institutional aid.
- Required to report any information necessary for the mandated reporting done by the Commission.

Golden State Education & Training Grant Program

Funding Requirements

- At least 50% of appropriation (\$250 million) - awards to those with a dependent child under age 18
- No more than 1% of appropriation (\$5 million) - Commission direct costs for administration
- No more than 1% of appropriation (\$5 million) - Commission shall provide to institutions of higher education administering the program for purposes of promotion and attracting eligible applicants in their respective communities
- Up to 1% of amount allocated to a campus – institutions' direct costs for administration.

Learning Aligned Employment Program

- \$200 million in one-time General Fund in 2021-22 and \$300 million one-time General Fund in 2022-23 to support state-funded work study programs at public college and university campuses.

Who is eligible?

- Resident students from “an underrepresented background” that are enrolled at least half-time at a public institution, maintain Satisfactory Academic Progress, and demonstrate financial need based on the Title IV methodology.
- Priority shall be given to eligible students that are:
 - First-generation college students
 - Current/former foster youth
 - Homeless or at risk of homelessness
 - Majoring in a STEM discipline

Learning Aligned Employment Program

Commission Role & Responsibilities

- Establish an institutional participation agreement
- Consult system offices around necessary guidance for program administration
- Develop and post on the Commission's website any programmatic policies and guidelines to assist participating employers and educational institutions
- Develop a process to facilitate educational institution compliance for the program, monitoring of expenditures to ensure proper allocation
- Compile data from participating institutions each fiscal year regarding the population served.
- Distribute funds to participating campuses based on the share of students receiving a federal Pell Grant in the most recent prior fiscal year for which data is available

Learning Aligned Employment Program

Institutional Role & Responsibilities

- Collaborate with local employers to identify learning-aligned employment opportunities and execute written agreements that confirms participation and compliance with program requirements, including the percentage share of student compensation covered by the program based on the nature of the placement:
 - Direct employment by a CCC, CSU, or UC - 100%
 - Public educational institutions or non-profits - no more than 90%
 - For-profit employers - no more than 50%
- Facilitate student placement with employers & confirm that placements meet all required conditions for eligible employment.

Learning Aligned Employment Program

Institutional Role & Responsibilities

- Determine the number of hours a student is allowed to work, taking into account the extent of the student's financial need and "potential harm" of the combination of work and study hours on satisfactory academic progress
- Maintain all necessary records, including needed analysis documents, employer agreements, financial aid award documents, and records of payments
- Compile data on the population served by the program at their respective campuses and provide that to the Commission each fiscal year
- Encouraged to develop competency-based educational opportunities so students may receive academic credit for work done in a learning-aligned employment position

Learning Aligned Employment Program

Funding Requirements

- Up to 0.5% of appropriation (\$1 million) - Commission direct costs for administration
- No more than 5% of amount allocated to a campus – institutions' direct costs for administration
- Funds appropriated are available for encumbrance/expenditure until June 30, 2031
- 2021-22 fiscal year – campuses participating in Learning Aligned Employment Program expected to collaborate with local employers to identify eligible employment positions
- 2022-23 fiscal year – campuses participating in Learning Aligned Employment Program expected to enable students to access employment opportunities

Golden State Teacher Grant Program

- \$500 million in one-time General Fund and trailer bill language to expand the students in teacher preparation programs eligible to receive a grant award of up to \$20,000.
- Removes requirement that professional preparation program is “within an accredited California institution of higher education” and changes definition of a “priority school” to one at which 55% or more of students are “unduplicated pupils” (i.e., free/reduced lunch, foster youth, English Language Learners)
- Expands eligible “high-need field” to mean:
 - Bilingual education
 - STEM, including computer science or CTE in STEM subjects
 - Special education
 - Multiple subject instruction
 - Transitional kindergarten
 - Any other subjects designated annually by the Commission on Teacher Credentialing



Financial Aid Completion Requirement

- 2021-22 State Budget establishes a requirement that local education agencies confirm that graduating seniors complete a financial aid application or an opt-out waiver beginning in the 2022-23 academic year.
- Commission is required to develop regulations and standardized forms, which schools are required to utilize.
- Legal service organizations and immigrant resource centers authorized to aid schools.
- Students allowed to opt out for any reason and ensured they are not penalized.

California For All College Service Program

- \$146.3 million (\$18.8 million General Fund and \$127.5 million in federal funds) to establish the California For All College Service Program.
- Provides part-time service opportunities to college students in critical issue areas like climate action, education, and youth development
- No trailer bill language included for the proposal, but California Volunteers staff indicate they still envision partnering with Commission for administration of the scholarship component of the program

Middle Class Scholarship Changes

- Higher education budget trailer bill signals intent to revise the Middle Class Scholarship program for the 2022-23 award year.
- Changes would focus on addressing total cost of attendance, rather than only tuition, for eligible UC and CSU students. After a student contribution and other forms of financial aid, MCS would cover remaining unmet need.
- Cal Grant recipients would become eligible to receive a new “MCS 2.0” grant
- Initial estimate is that an additional \$542 million would facilitate reaching 33% of target funding for the overall funding required to cover projected expenses.

Program Updates

Program Administration & Services
Division
California Student Aid Commission

COMPLETED

Increase the Private Non-Profit Cal Grant Amount

- ✓ From **\$9,084** to **\$9,220** to all new and renewal students
- ✓ Status: Implemented on August 16, 2021 to Private Non-Profit Institution Cal Grant Rosters

COMPLETED

Decrease Cal Grant B Access Awards

- ✓ From **\$1,656** to the base amount of **\$1,648** to all new and renewal students
- ✓ Status: Implemented on August 16, 2021 to all Cal Grant Rosters

IN PROGRESS

Process and offer New Competitive Awards

- ✓ Consolidate March 2nd and September 2nd Competitive cycles into one Competitive Cycle
- ✓ Decrease award offers from 51,000 offers to 16,000
 - ✓ Paid: 41,000 to 14,000
- ✓ Remove applicants attending community college
- ✓ Status: Currently in final stages of testing and scheduled to run this **Friday, September 10, 2021**

IN PROGRESS

Process and offer New CCC Entitlement Awards

- ✓ Create new awarding program in Grant Delivery System
- ✓ Include all potential CCC applicants including
 - Competitive students (awarded & not awarded based on score)
- ✓ Include school change and award portability logic
 - School change to UC or CSU – retain award
 - School change to non-UC or CSU – reevaluate for other Cal Grant
- ✓ Status: In development and schedule is TBD

IN PROGRESS

Increase Access Award for Foster Youth

- ✓ Create new program in Grant Delivery System
- ✓ Cal Grant A and B - \$6,000 new and renewals.
- ✓ Cal Grant C - \$4,000 for new and renewals

- ✓ Status: In development and schedule is TBD

IN PROGRESS

Process and offer updated Cal Grant C Award

- ✓ Not in budget changes, but applicant pool dramatically decreased due to:
 - ✓ CCC students not eligible for Cal Grant A & B in former competitive cycle and could have been Cal Grant C, now eligible in CCC entitlement award program
- ✓ Update Cal Grant C program in Grant Delivery System
- ✓ Status: In development and schedule is TBD

Cal Grant Changes Summary

Cal Grant Change	Status	Estimated Date
Increase the Private Non Profit Cal Grant Amount from \$9,084 to \$9,220	Completed	August 16, 2021
Decrease Cal Grant B Access Awards from \$1,656 to \$1,648	Completed	August 16, 2021
Process and offer New Competitive Awards to Non-CCC students	In Testing	September 10, 2021
Process and offer New CCC Entitlement Awards	In Development	TBD
Increase Access Award for Foster Youth to up to \$6,000	In Development	TBD
Process and offer updated Cal Grant C Awards	In Development	TBD

Golden State Teacher Grant Program

- **July 1, 2021** - Online Applications open 2021-22 award year
 - Added new eligibility to online application including kinder teach preparation, teacher internship and residency programs
- **Late September 2021** - Teaching Agreements will be sent via DocuSign to confirmed applicants
- **October 2021** – First payments sent to applicants
- **767** Applications received so far

Golden State Teacher Grant Program Spread the Word!

GSTG Marketing

- The Commission has updated, and will continue to update our Golden State Teachers Grant Program Website with program details at:
<https://www.csac.ca.gov/golden-state-teacher-grant-program>
- Commission staff will provide an on-line brochure
- Program staff should share GSTG information with program participants. This is an exciting opportunity for new teaching candidates!