

# Cal Grant experiments: Simplifying communications to help students navigate college costs and the Cal Grant program

Professor Jesse Rothstein

September 8th, 2021

DRSP Committee



Presented on September 8, 2021

# California Policy Lab



**Mission:** Create lasting partnerships between University of California researchers and California government agencies to harness the power of research and administrative data to improve the lives of Californians

**We work across six policy areas:** Labor and employment; homelessness and high-needs populations; social safety net; criminal justice; education; health

**Partnership with CSAC:** Since 2017, focused on improving communications regarding CalGrant and other student aid (e.g., CalFresh benefits)



## Cal Grant experiments

- CSAC notifies high school seniors of their eligibility for Cal Grant A/B entitlement awards.
- CSAC and the California Policy Lab (CPL) partnered to test changes to these letters. Goals:
  - increase students signing up for an online webgrants4students account (to apply for aid)
  - increase student take-up of financial aid, and
  - support more informed college enrollment decisions
- Two large-scale experiments in 2017-8 and 2018-9, varying notification letters sent to 265,570 students
- We found that:
  - simplified, behaviorally informed letters **substantially increased the share of students registering for accounts** on CSAC's online portal
  - communicating personalized and comparable information about costs also **impacts where students enroll**

# Year I - AY 2017-2018

- In the first experiment, we tested the original CSAC letter + two variations

## I. The original letter

STUDENT AID COMMISSION

**CALGRANT**  
Making college financially accessible

### Cal Grant Preliminary Eligibility Notification

• [REDACTED]  
• [REDACTED]  
• [REDACTED]

Date 01/19/2018  
CSAC ID Number [REDACTED]

**Congratulations!**

**You have been awarded a preliminary Cal Grant award for the 2018-19 academic year!**

Governor Edmund G. Brown Jr., the Legislature and the California Student Aid Commission (CSAC) are investing in YOU because of your academic achievements and determination. Based on the information you provided to CSAC on your Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA) as well as your GPA, you have been determined to be preliminarily eligible for a Cal Grant.

Cal Grant award amounts vary by the type of college you choose to attend and enrollment status. These are the current Cal Grant maximum amounts you could receive if you enroll at an eligible California campus in the following segments:

| College Segment                                  | Maximum Cal Grant Award Amount |
|--|--------------------------------|
| California Community College (CCC):              | \$1,672                        |
| California State University (CSU):               | \$5,742*                       |
| University of California (UC):                   | \$12,630*                      |
| Private, Non-Profit or WASC-accredited colleges: | \$9,084*                       |
| Non-WASC accredited For-Profit Colleges:         | \$4,000*                       |

\* Cal Grant B students may also receive a \$1,672 access award in addition to the amount listed above.

In addition to a Cal Grant you are potentially eligible for a Federal Pell Grant, for approximately \$ 5,920. These grants, and any other financial aid that you might receive, will help you cover the costs of attending college, which include tuition and fees, food and housing, and books and supplies.

**The Cal Grant and Pell Grant do not require repayment** and is only one part of your financial aid package. After you are admitted, the campus financial aid office will provide a full financial aid award notice. In addition to the Cal Grant and Pell Grant, you may also be eligible for one or more of the following:

- Institutional grants or scholarships offered at public and private colleges and universities;
- California College Promise Grant;
- Work-Study Program or Federal Student Loans;
- Other types of financial aid offered at your campus of attendance, such as private scholarships and student loans.

This is an initial Cal Grant award notification only. You must still apply for admission to the campus you plan to attend. Your college makes the final eligibility determination for Cal Grant prior to disbursing your award. For questions about final eligibility determination and disbursement dates, reach out to the financial aid office at your chosen campus.

**Make California and your families proud by continuing and completing your education.**  
Claim your Cal Grant Award by logging onto WebGrants for Students at [www.csac.ca.gov/mygrantinfo](http://www.csac.ca.gov/mygrantinfo)

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# Year I - AY 2017-2018

- In the first experiment, we tested the original CSAC letter + two variations
2. The **simplified** letter
- Shortened text
  - Removed acronyms
  - Clarified the Cal Grant program
  - Provided clear guidance about the suggested next step of registering for an account on CSAC's online portal.



• [REDACTED]  
• [REDACTED]  
• [REDACTED]

Date 01/19/2018  
CSAC ID Number [REDACTED]

Dear [REDACTED],

Congratulations! Based on your hard work and record of academic achievement, you have been preliminarily selected to receive a **Cal Grant scholarship**. This scholarship will help you pay for the costs of college for all four years if you remain eligible. It does not need to be repaid.

Go to [www.csac.ca.gov/mycalgrantinfo](http://www.csac.ca.gov/mycalgrantinfo) and take the first step to claim your scholarship!

Grant ID number: [REDACTED]  
CSAC ID number: [REDACTED]

As you research different college options, remember that **the Cal Grant is designed so that tuition cost doesn't determine which college you choose to attend**. The maximum amounts you would receive are listed below.

| College Segment                                  | Maximum Cal Grant Award Amount |
|--|--------------------------------|
| California Community College (CCC):              | \$1,672                        |
| California State University (CSU):               | \$5,742                        |
| University of California (UC):                   | \$12,630                       |
| Private, Non-Profit or WASC-accredited colleges: | \$9,084                        |
| Non-WASC accredited For-Profit Colleges:         | \$4,000                        |

In addition you may be eligible for a living stipend of up to \$1,672 per year, and for other grants, such as an estimated \$1,170 in a Federal Pell Grant.

Good luck with your applications! You are already on your way to becoming a college graduate!

Sincerely,

# Year I - AY 2017-2018

- In the first experiment, we tested the original CSAC letter + two variations
- 3. The **belonging** letter
  - Simplified
  - Emphasized the student belongs in college - evidence from behavioural science suggests this can help overcome hesitancy, particularly for students from underrepresented groups



- [Redacted]
- [Redacted]
- [Redacted]

Date 01/19/2018  
CSAC ID Number [Redacted]

Dear [Redacted],

Congratulations! Based on your hard work and record of academic achievement, you have been preliminarily selected to receive a **Cal Grant scholarship**. This scholarship will help you pay for the costs of college for all four years if you remain eligible. It does not need to be repaid.

**You have shown that you're the kind of person who belongs in college. We've been working hard to help you get there!**

Go to [www.csac.ca.gov/calgrantinfo](http://www.csac.ca.gov/calgrantinfo) and take the first step to claim your scholarship!

Grant ID number:

CSAC ID number: [Redacted]

As you research different college options, remember that **the Cal Grant is designed so that tuition cost doesn't determine which college you choose to attend**. The maximum amounts you would receive are listed below.

| College Segment                                  | Maximum Cal Grant Award Amount |
|--|--------------------------------|
| California Community College (CCC):              | \$1,672                        |
| California State University (CSU):               | \$5,742                        |
| University of California (UC):                   | \$12,630                       |
| Private, Non-Profit or WASC-accredited colleges: | \$9,084                        |
| Non-WASC accredited For-Profit Colleges:         | \$4,000                        |

In addition you may be eligible for a living stipend of up to \$1,672 per year, and for other grants, such as an estimated \$ 5,920 in a Federal Pell Grant.

Good luck with your applications! You are already on your way to becoming a college graduate!

Sincerely,

# Year 2 - AY 2018-2019

- In the second experiment, we tested four variations, building on what we learned in year one

## 4. The **simplified** letter

- Further simplification



- [REDACTED]
- [REDACTED]
- [REDACTED]

Date 11/16/2018

CSAC ID Number [REDACTED]

Dear [REDACTED],

Congratulations! You have been preliminarily selected to receive a **Cal Grant**. This scholarship will help you pay for the costs of college, and it does not need to be repaid.

Go to [www.csac.ca.gov/2019calgrant](http://www.csac.ca.gov/2019calgrant) and take the first step!

CSAC ID number: [REDACTED]

As you research different college options, remember that **the Cal Grant is designed so that tuition cost doesn't determine which college you choose to attend**. The maximum amounts you would receive are listed below:

| College Segment                           | Maximum Cal Grant Award Amount |
|---|--------------------------------|
| California Community College (CCC):       | \$1,672                        |
| California State University (CSU):        | \$5,742                        |
| University of California (UC):            | \$12,570                       |
| Private Nonprofit College or University:  | \$9,084                        |
| Private For-Profit College or University: | \$4,000 - \$8,056              |

You are also eligible for other grants, such as an estimated \$ [REDACTED] in a Federal Pell Grant. You can learn more about your financial aid options at [www.csac.ca.gov/netprice](http://www.csac.ca.gov/netprice). Good luck with your applications!

Sincerely,

Presented on September 8, 2021

# Year 2 - AY 2018-2019

- In the second experiment, we tested four variations, building on what we learned in year one

## 5. The **belonging** letter

- Further simplification
- Same belonging message



• [REDACTED]  
• [REDACTED]  
• [REDACTED]

Date 11/16/2018  
CSAC ID Number [REDACTED]

Dear [REDACTED],

Congratulations! Based on your hard work and record of academic achievement, you have been preliminarily selected to receive a **Cal Grant**. This scholarship will help you pay for the costs of college, and it does not need to be repaid.

**You have shown that you're the kind of person who belongs in college.  
We've been working hard to help you get there!**

Go to [www.csac.ca.gov/2019grant](http://www.csac.ca.gov/2019grant) and take the first step!

CSAC ID number: [REDACTED]

As you research different college options, remember that **the Cal Grant is designed so that tuition cost doesn't determine which college you choose to attend**. The maximum amounts you would receive are listed below:

| College Segment                           | Maximum Cal Grant Award Amount |
|---|--------------------------------|
| California Community College (CCC):       | \$1,672                        |
| California State University (CSU):        | \$5,742                        |
| University of California (UC):            | \$12,570                       |
| Private Nonprofit College or University:  | \$9,084                        |
| Private For-Profit College or University: | \$4,000 - \$8,056              |

You are also eligible for other grants, such as an estimated \$ [REDACTED] in a Federal Pell Grant. You can learn more about your financial aid options at [www.csac.ca.gov/calc](http://www.csac.ca.gov/calc).

Good luck with your applications! You are already on your way to becoming a college graduate!

Sincerely,

Presented on September 8, 2021



# Year 2 - AY 2018-2019

- In the second experiment, we tested four variations, building on what we learned in year one

## 4. The **Social Norm** letter

- Simplified
- Emphasized that many other high school students were enrolling in college and receiving Cal Grants, to frame this as a 'normal' choice



• [REDACTED]  
• [REDACTED]  
• [REDACTED]

Date 11/16/2018  
CSAC ID Number [REDACTED]

Dear [REDACTED],

Congratulations! Based on your hard work and record of academic achievement, you have been preliminarily selected to receive a **Cal Grant**. This scholarship will help you pay for the costs of college, and it does not need to be repaid.

**Join thousands of high school seniors who have claimed their Cal Grant and are now college graduates!**

Go to [www.csac.ca.gov/2019award](http://www.csac.ca.gov/2019award) and take the first step!

CSAC ID number: [REDACTED]

As you research different college options, remember that the **Cal Grant is designed so that tuition cost doesn't determine which college you choose to attend**. The maximum amounts you would receive are listed below:

| College Segment                           | Maximum Cal Grant Award Amount |
|---|--------------------------------|
| California Community College (CCC):       | \$1,672                        |
| California State University (CSU):        | \$5,742                        |
| University of California (UC):            | \$12,570                       |
| Private Nonprofit College or University:  | \$9,084                        |
| Private For-Profit College or University: | \$4,000 - \$8,056              |

You are also eligible for other grants, such as an estimated \$ [REDACTED] in a Federal Pell Grant. You can learn more about your financial aid options at [www.csac.ca.gov/cost](http://www.csac.ca.gov/cost).

Good luck with your applications! You are already on your way to becoming a college graduate!

Sincerely,

Presented on September 8, 2021

# Year 2 - AY 2018-2019

- In the second experiment, we tested four variations, building on what we learned in year one
5. The **Net Cost** letter
- Simplified + belonging
  - Table with personalized net costs of attendance for colleges and universities listed on student's FAFSA



November 26, 2018

Dear [REDACTED],

Congratulations! Based on your hard work and record of academic achievement, you have been preliminarily selected to receive a **Cal Grant**. This scholarship will help you pay for the costs of college, and it does not need to be repaid.

**You have shown that you're the kind of person who belongs in college.  
We've been working hard to help you get there!**

Go to [www.csac.ca.gov/2019mygrant](http://www.csac.ca.gov/2019mygrant) and take the first step!

CSAC ID number: [REDACTED]

As you research different college options, remember that **the published cost of college is not necessarily the cost for you**, because of financial aid.

Based on the information you listed on your FAFSA, we estimate that you could be eligible for as much as \$27,731 in financial aid that would reduce your costs at the colleges you listed and does not need to be paid back. The back of this letter has estimates of the aid you would receive at these schools if you attend full time. You can learn more about your financial aid options at [www.csac.ca.gov/price](http://www.csac.ca.gov/price).

Good luck with your applications! You are already on your way to becoming a college graduate!

Sincerely,

Presented on September 8, 2021

# Year 2 - AY 2018-2019

- In the second experiment, we tested four variations, building on what we learned in year one
5. The **Net Cost** letter
- Simplified + belonging
  - Table with personalized net costs of attendance for colleges and universities listed on student's FAFSA
    - Total cost
    - Total grant aid
    - Net cost



## ESTIMATED 2019-20 COLLEGE COSTS AND FINANCIAL AID FOR [REDACTED]

|                                     | Living situation | Estimated tuition, fees, housing, and other costs | Estimated grant aid you will receive | Estimated cost for you |
|-------------------------------------|------------------|---|--------------------------------------|------------------------|
| Rice University                     |                  | Not available                                     | Not available                        | <b>Not available</b>   |
| Lewis & Clark College               |                  | Not available                                     | Not available                        | <b>Not available</b>   |
| University Of California-Santa Cruz | <i>On Campus</i> | \$36,396  | \$23,496                             | <b>\$12,900</b>        |
| University Of California-Santa Barb | <i>On Campus</i> | \$36,180  | \$25,680                             | <b>\$10,500</b>        |
| University Of California (UCLA)     | <i>On Campus</i> | \$33,604  | \$24,804                             | <b>\$8,800</b>         |
| University Of California-Davis      | <i>On Campus</i> | \$35,731  | \$27,731                             | <b>\$8,000</b>         |
| Cal State-Long Beach                | <i>On Campus</i> | \$23,610  | \$12,957                             | <b>\$10,653</b>        |
| University Of California-San Diego  | <i>On Campus</i> | \$31,095  | \$21,595                             | <b>\$9,500</b>         |

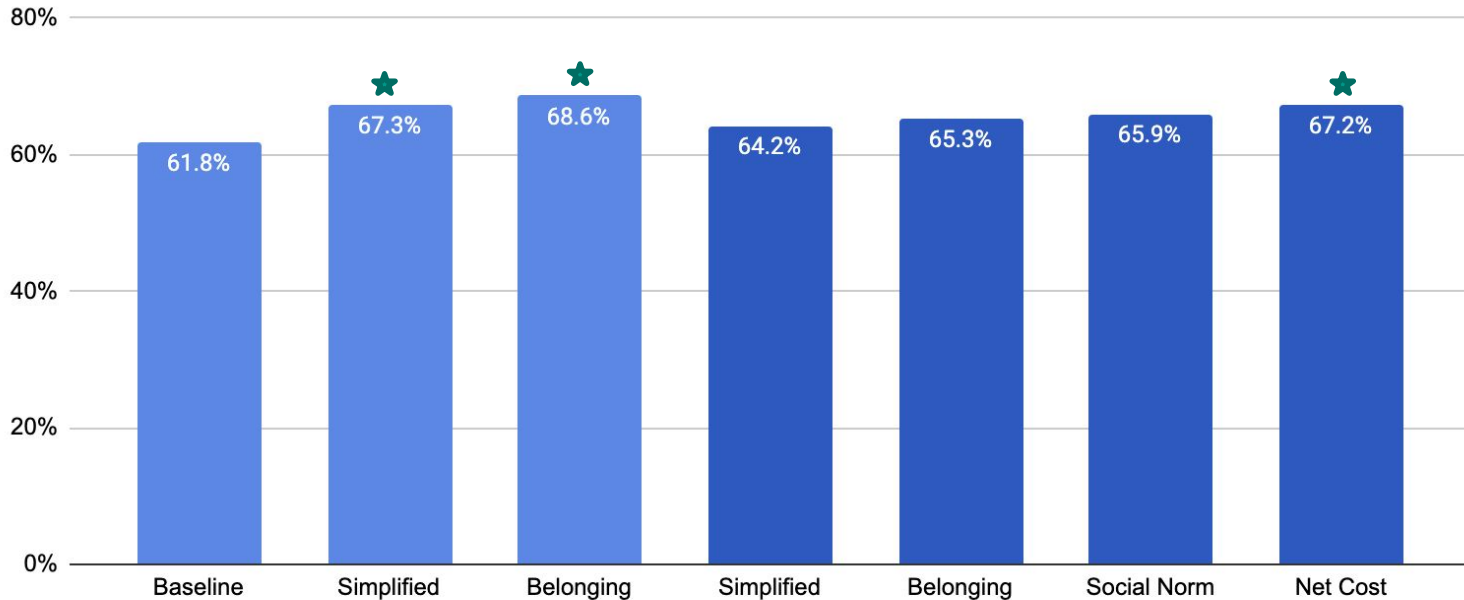
The estimates above were created using the net price calculators on the institutions' websites. Final aid determinations are made by institutions. You can expect details of your full financial aid package from your institution once you have been admitted.

Grant aid estimates include aid from multiple sources, including the Cal Grant and other state, federal, and institutional aid programs. Grant aid does not need to be paid back. Loans or work study may also be available to help you cover costs.

Visit [www.csac.ca.gov/price](http://www.csac.ca.gov/price) for information about institutions where estimates are not available.

# Impacts on registering for an online account

Figure 1: Account-creation rates by letter variation



Year 1

Year 2



# Impacts on college enrollment

- None of the letters impacted college enrollment rates
- However, the Net Cost letter did shift *where* students enrolled:
  - Increased enrollment in the **lowest cost** option by 10%
  - Increased likelihood of enrolling in a **community college** (often the lowest cost option) by 12%



# Lessons for policymakers

- Simple, low-cost changes, such as in letters to students, can help guide students in short-term decisions such as signing up for online accounts
  - “Behavioral” nudges make a difference in the short run.
  - But limits to what a nudge can accomplish.
  - Informational limits also have effects.
- To increase take-up of financial aid and other public benefit programs, further testing could combine simple ‘nudges’ with directly alleviating barriers to take-up, such as:
  - comparable and personalized information on actual costs and available aid
  - simplifying the process for determining eligibility and applying for aid, such as by:
    - reducing the number of steps required to receive financial aid
    - offering direct assistance for applications, including for filing FAFSAs
  - personalized communications well before financial aid applications are due

# Questions?

