

California State University, Chico

Division of Student Affairs



Financial Aid & Scholarships 2015-2016

July, 2016

I. Departmental Mission Statement

Through a sincere commitment to all students and their families, we are committed to diversity, equity, and inclusiveness as a necessity to maximize the preparation of our students to face a complex global society. We make a conscious effort to reach out to those students with exceptional economic and educational needs and strive daily to eliminate any barrier to education. We are dedicated to providing all students with financial and educational advice in a fair and confidential environment, regardless of background, culture, residency status, or lifestyle. We celebrate diversity as an essential part of an inclusive college experience to promote life-long learning, personal growth, and academic excellence.

The Financial Aid staff serves students through a combination of automatized and customized efforts. Through use of the student center, email notification, and online forms we are able to effectively communicate with student/parents to serve a majority of their needs. Our automation efforts have allowed us the time to provide individual attention (via advising appointments, window coverage, workshops, and email response) to students who exhibit unusual circumstances or have additional needs. In addition, it has allowed the staff time to incorporate a pro-active approach to counseling, in an effort to increase student financial awareness and an understanding of the limited financial aid resources. By incorporating financial aid literacy into our everyday advising, we anticipate to see a decrease to our cohort default rate in future years.

Department Goals

Services provided by the Financial Aid staff coincide with the following campus efforts:

Recruitment: Timeliness of application submittals and aid packaging is essential to reaching the optimal recruitment goals. The Financial Aid staff prepared graduating seniors at local outreach events, such as Cash for College, by instructing them on the financial aid process and guiding them through their first FAFSA or Dream application. Students at these events were informed of the importance of submitting their FAFSA and Dream Applications by the March 2nd priority deadline and options for submitting appeals when families have unusual circumstances that affect need for financial aid. All admitted students were also emailed regarding the priority deadline for FAFSA completion. Financial Aid award notifications were sent out during the first week of April, providing in-coming students with a full month to make an informed decision of which college to enroll in for the 15/16 year.

Retention: The Financial Aid staff established a variety of means of communication to students so that individual needs could be met more efficiently. Through the student center and our email notification, students were informed of priority deadlines and requirements to receive financial aid. In addition, financial aid information was made available on-line. FAFSA workshops were offered on campus to continuing students. Students who demonstrated exceptional circumstances or who did not meeting Satisfactory Academic Progress (SAP) were provided with the opportunity to meet with Financial Aid Advisors. A variety of student groups (EOP, Dream Applicants, CSSC, Reach, SSS, Study Abroad, Athletes, Foster Youth, and Veterans) have been recognized as often having additional obstacles that may hinder their success as a student. Financial Aid staff dedicated additional time/resources to assist them along their education paths. Examples of these efforts included FAFSA and verification workshops, conference leadership and participation, information sessions, mentorship, and individual advising appointments. These efforts allowed the financial aid staff to contribute to the retention efforts of the campus as a whole.

Satisfaction: In an effort to meet the needs of our students and improve efficiency, the Financial Aid Office has streamlined the verification process to prevent students and parents from completing unnecessary forms. Acknowledging that students have varied communication needs, we provide financial aid information through various channels: the web, student center via the portal, electronic letters, online forms, email, phone appointments, in-person appointments, drop-in window, and workshops. Students and parents can view our processing deadlines, financial aid information, and forms on-line any time of day. We also provide window coverage, appointment availability, and timely email response for those students who contact our office directly. By monitoring the number of students who visit the Financial Aid window and appointment tracking, we identify appropriate staffing needs based on the time of year. By providing a wide range of communication methods to students and tracking our filled appointments, we have improved the efficiency of our workflow process.

Graduation: The ultimate goal of our office is to provide resources and financial education to students so that they can graduate and enter the work force. Federal and State financial aid resources have become increasingly regulated over the past three years to ensure that students remain on track to completing their degree within an appropriate timeframe. Examples of this have included the lifetime Pell eligibility decrease (from an equivalent of nine years to six years) and the Subsidized Stafford Loan limitation (that can now fund no more than 150% of the usage period of enrollment). In addition, State University Grant funding is no longer available to students who have completed 150 or more units for their undergraduate degree. As financial aid resources decrease after 6 years of enrollment, students are faced with the option to work or take out high interest rate loans to fund the remainder of their educational costs. We are dedicated to educating students early on in their program about the limitations each aid source has so that they are aware of the importance of graduating within six years from the start of their educational path. Close monitoring of students, who are not meeting our Satisfactory Academic Progress policy, allows us to identify and connect with students who need additional guidance and are at risk of not completing their program.

Reviewed; no significant changes. 6/9/16

II. Departmental Accomplishments

- **Applications processed:**
 - FAFSA: 39,264
 - Cal Dream: 964
- **Students who received aid:** 13,074
- **Students seen at window:** 18,458
- **Student advising appointments:**
 - Filled: 5851
- **Appeals Processed:**
 - Exceptional Circumstances: 283
 - Dependency: 73
 - Maximum Unit: 95
 - Satisfactory Academic Progress (SAP): 227
- **Total Aid Disbursed:** \$149,258,001

Diversity Efforts

We provided local outreach to high school students and additional staff resources to students within underrepresented groups on our campus. In addition, FASO staff participated in university diversity training and activities such as: Diversity Certificate Program, Diversity Summit, Chicano/Latino Council, Safe Zone Ally Training, and the CELT conference.

Below is a list of events that we coordinated/participated in to provide this necessary assistance to these student populations:

Student Group: Dream Students

- Dream Student Welcome
- Summer O.
- Summer Bridge
- Conversations on Diversity
- Chico Preview Day
- Cash for College
- CA Dream Application Renewal
- Choose Chico
- Verification Workshops (April/May)
- LEAD conference
- Dream Student Support Team

Student Group: Hispanic Students

- La Bienvenida
- Summer O en Español
- Summer Bridge
- Focus
- CELT Conference
- Chico Preview Day
- Cash for College
- FAFSA Renewal
- Choose Chico
- Verification Workshops (April/May)
- Latino Graduation
- Latin@ Leadership Retreat

Student Group: Hmong Students

- Summer O.
- Summer Bridge
- FOCUS
- Cash for College
- FAFSA Renewal
- Verification Workshops (April/May)
- Asian Pacific Islander Welcome
- Asian Pacific Islander Graduation
- Hmong Student Association
- Staff/Faculty Internationalization Task Force (CELT)
- Choose Chico
- Diversity Recruitment Committee
- Hmong translation on FASO website

Student Group: Foster Youth

- Cash for College
- FAFSA Renewal Workshop
- Pathways to College (April)
- Burton Book Fund

Student Group: Veterans

- Veteran's reception and conference
- Provide FAFSA workshop flyers to Veterans Affairs

Student Group: LGBTQ Students

- Staff Safe Zone Ally Training
- Provide FAFSA/Dream Application workshops

Student Group: Low-Income Students

- FAFSA and verification workshops for EOP, CSSC, Foster Youth, SSS, and Reach
- Provided additional appointment availability for special student groups (EOP, CSSC, SSS) one morning per week.
- Participated at Educational Talent Search workshops
- 1st Gen and Proud Faculty and Staff Association
- Focused verification workshops for low-income students (V-6 verification tracking group)

III. Changes in Policies and Procedures

- **Unusual Enrollment History Flag:** Effective for the 2015-2016 award year, the U.S. Department of Education revised their regulation to require schools to review the past four award years of enrollment to ensure students who received either a Pell Grant or Federal Direct Loan funds were earning units. Up until 2015-2016, schools were only required to evaluate up to 3 years of enrollment in which the student received a Pell Grant for.
- **Federal Student Aid (FSA ID):** The U.S. Department of Education implemented the new FSA ID on May 10, 2015. The FSA ID replaced the Federal Student Aid PIN, which students and parents use to authenticate their identity when completing a FAFSA or electronically signing Federal Student Aid documents. The purpose of the new FSA ID was to enhance security of personal information for students and parents.
- **Direct Loan Interest Rates:** Interest rates on the Federal Direct Loans increased for the 2015/16 academic year as follows:
 - Undergraduate Direct Subsidized Loan: 4.66%
 - Undergraduate Direct Unsubsidized Loan: 4.66%
 - Graduate Direct Unsubsidized Loan: 6.21%
 - Direct PLUS Loan: 7.21%
- **Federal Sequestration for Loan Origination Fee:** The Federal Direct Loan Origination fees on the Federal Direct Stafford and Federal PLUS Loan decreased on loans with a first disbursement made on or after October 1, 2015. The origination fee on these loans decreased to 1.068% on Federal Direct Stafford Loans and 4.272% on Federal PLUS Loans.

- PLUS Loan Changes:** The U.S Department of Education implemented changes to the adverse credit history provisions for the determination of an applicant’s eligibility for a Direct PLUS Loan. The new standards for determining adverse credit history applied to all Direct PLUS Loan applicants with a credit decision date on or after March 29, 2015. As of this date, the U.S. Department of Education determined adverse credit history would disqualify a parent from PLUS loan approval if they have one or more debts with a total outstanding balance greater than \$2085, debts that are 90 or more days delinquent, or have been placed in a default determination. A second change to the PLUS loan program was the new entrance loan counseling requirement for endorsers.
- Verification Tracking Group (V2) Discontinued:** The U.S. Department of Education discontinued verification of Supplemental Nutrition Assistance Program (SNAP) for students unless they were assigned a V1, V4, V5, or V6 tracking flag. Discontinuation of the V2 tracking group was a result of a limited number of corrections made as a result of verification.

IV: Resources Summary

Resource Allocation:

Base allocations	\$1,494,656
Specific Use Funds Carryover Returned	59,113
CERF (general fund – 14/15 allocation)	62,500
Work Study	55,000
One Time Allocations:	
CSU Chancellor’s Office – FASO Supplemental Funding	12,000
Teach Grant	4,400
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TOTAL	<u>1,687,669</u>

Human Resources:

Recruitment	SSP II hired
Reclassification	SSP I B -> SSP II
Recruitment	SSP II hired
Recruitment	SSP I B hired
Recruitment	SSP IA - Emergency Hire (temp) hired
Promotion	SSP II -> SSP III

Facilities/Equipment:

Computer Refresh	43,520
AcademicWorks Licensing	15,435
ImageNow Licensing	12,258
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Total	\$71,213

V. Program Assessment for Past Year

Program Objectives:

1. Begin E-forms project

Progress: Collaborated with technical staff to convert 12 of our 2016/17 PDF forms into an electronic format. The purpose of the project is to simplify the form completion process for students, streamline the verification process, improve security of personal information, and limit the number of incomplete forms received. Work continues to expand this project.

2. Prepare for full scope audit

Progress: Policies, procedures, internal control documents are updated in preparation for fieldwork to begin 8/22/16.

3. Continue current efforts toward improving ISIR suspense management, Dream student aid processing.

Progress: ISIR Suspense management has been taken on by the CSU's Common Management Systems team and so Chico has suspended work on our version. Dream Student aid processing has been partially automated. Aid packaging is now automated, and we are working with IT staff and looking at vendor options to automate to-do list assignment and document collection.

Ongoing Assessment Efforts:

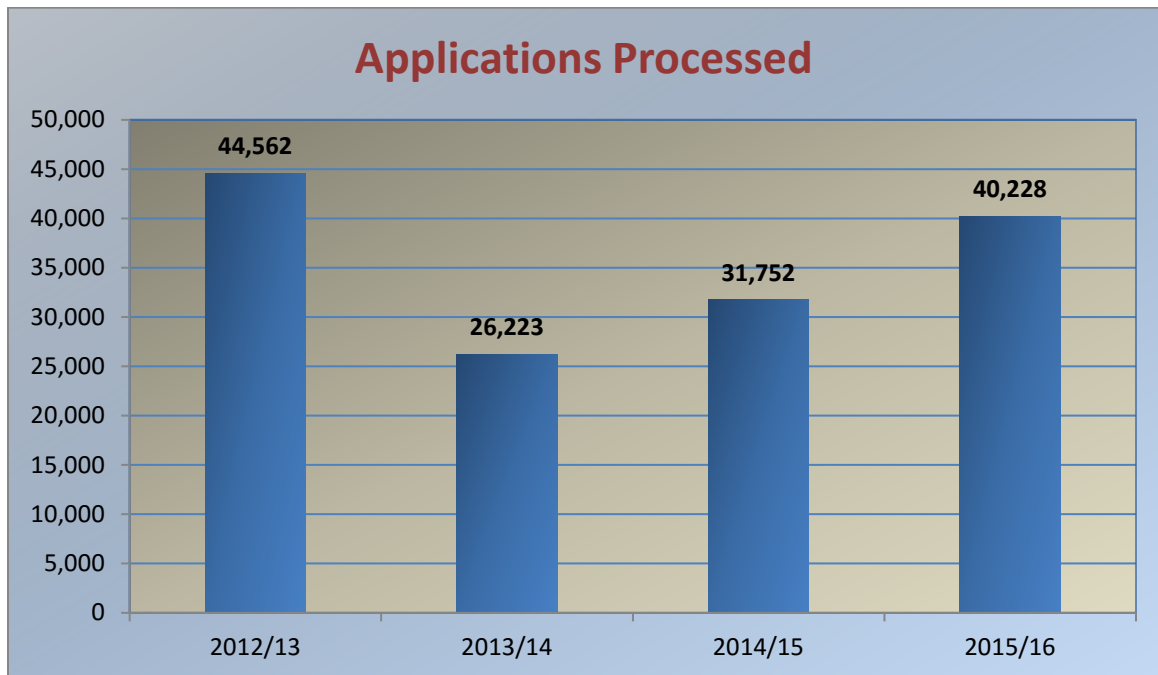
Demographic Reporting

1) Financial Aid Applicants Processed

Purpose: To monitor FAFSA and Dream Application volume so that we can accurately project staff resource needs and establish appropriate timeframes for processing.

Method: Compared data for 2015/16 and four years prior for the volume of financial aid applications.

Results: For the 2015/16 award year, we had a 21% increase in the number of aid applications that were processed relative to the prior year. A couple of factors contributed to this increase in applications. The new Middle Class Scholarship encouraged students, who in prior years would not have qualified for grants due to parent income level, to submit a FAFSA or Dream Application.

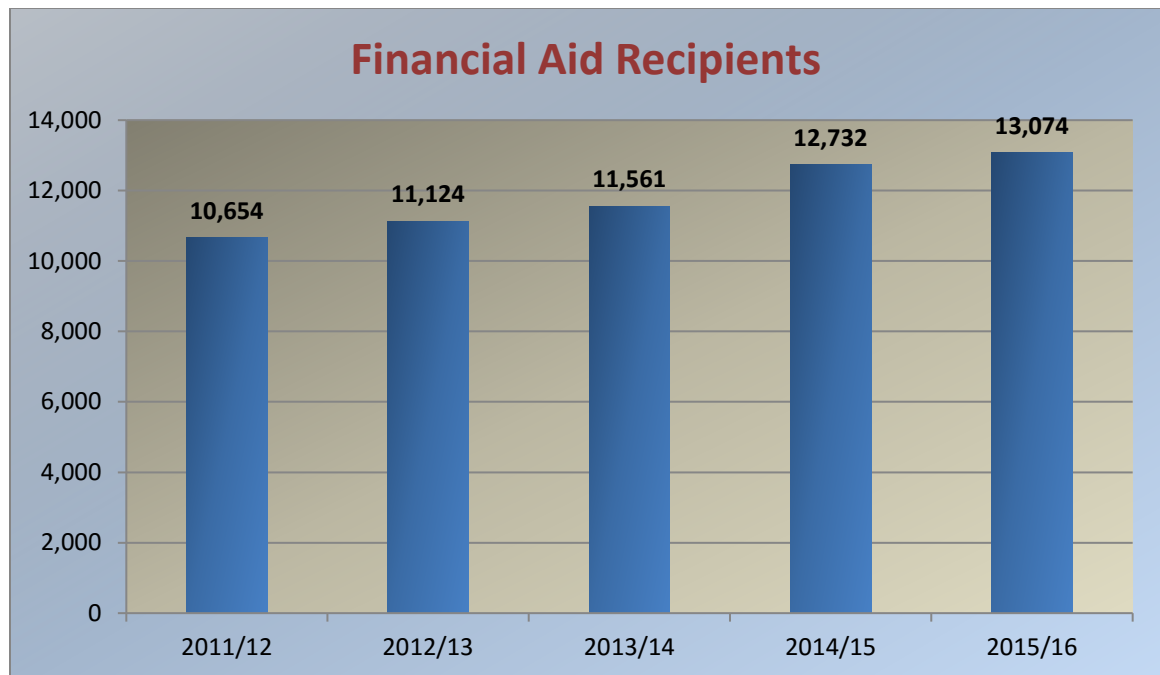


2) Financial Aid Recipients

Purpose: To monitor the number of recipients for evaluation of packaging processes, future staff resource needs, and implementation of procedures.

Method: Compared data for 2015/16 and the four years prior for the total # of financial aid recipients.

Results: There has been a steady increase in the number of financial aid recipients over the past four years. 2.6% more students received financial aid in 2015/16 than 2014/15.

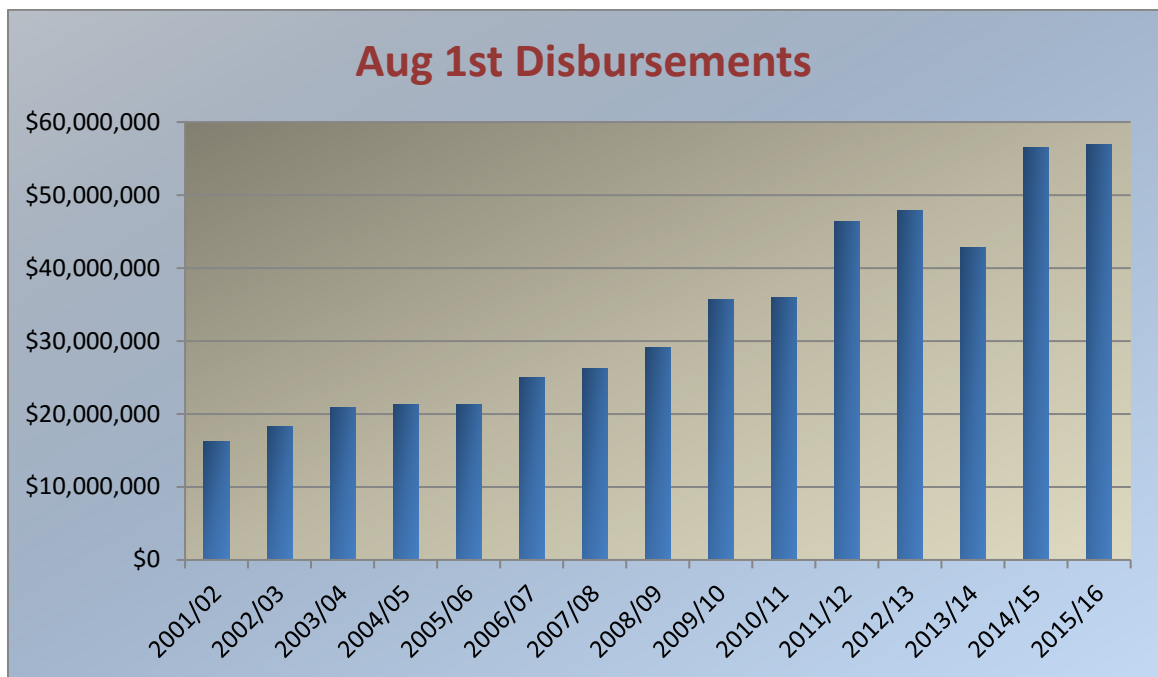


3) August Disbursements

Purpose: To evaluate responsiveness to students and efficiency of packaging and verification processes.

Method: Compared the amount of money disbursed in August for each of the prior fifteen years.

Results: Disbursing money to students at the beginning of the fall semester allows students the ability to pay for the fees, books, and housing expenses in preparation for the start of class. We are committed to setting up August disbursements for all students who apply for financial aid by the March 2nd priority deadline and submit all required verification documentation by June 1st. August of 2015, we had a 1% increase in total disbursed aid from the prior year.



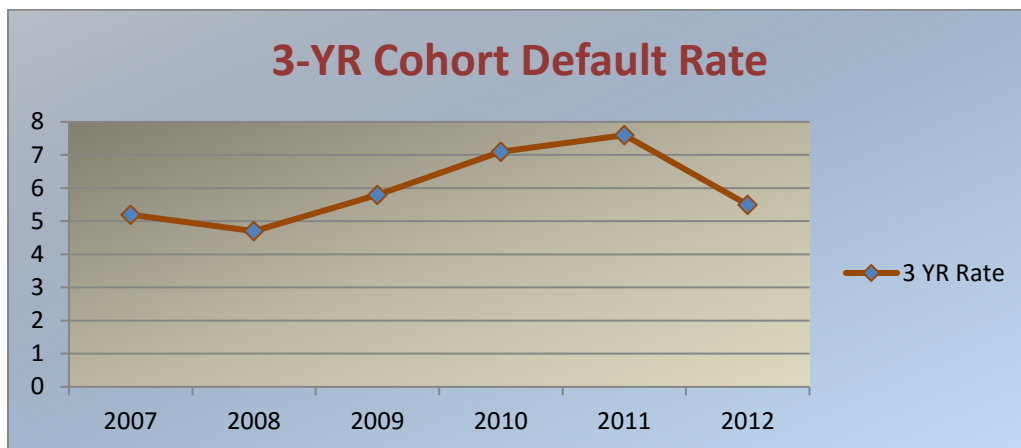
4) Stafford Loan Default Rate

Purpose: To evaluate the effectiveness of our student advising, publications, and entrance loan counseling.

Method: Compared annual Federal Cohort Default Rates of student borrowers from the past five official cohorts.

Results: Our current 3-year official default rate is 5.5%, which remains low in comparison to the national average of 11.8%.

Official 3-year rates for 2013 have not yet been published, but the draft rate is 3.9%. As indicated on the chart below, default rates have decreased for the first time in four years.

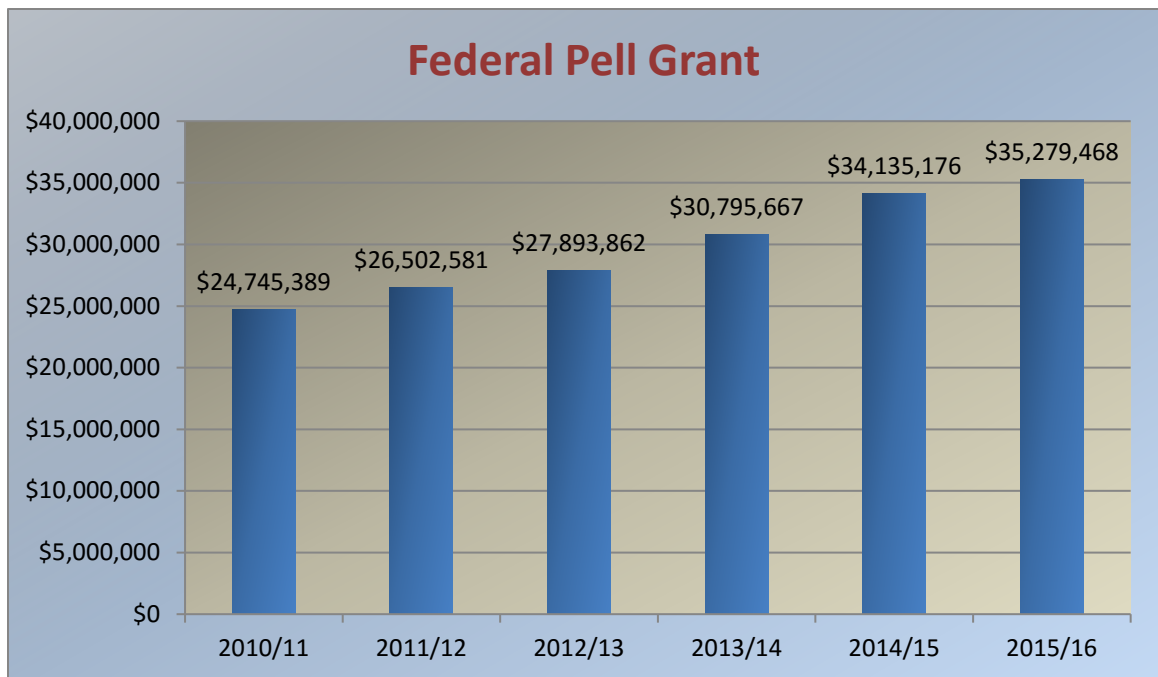


5) Aid Disbursed

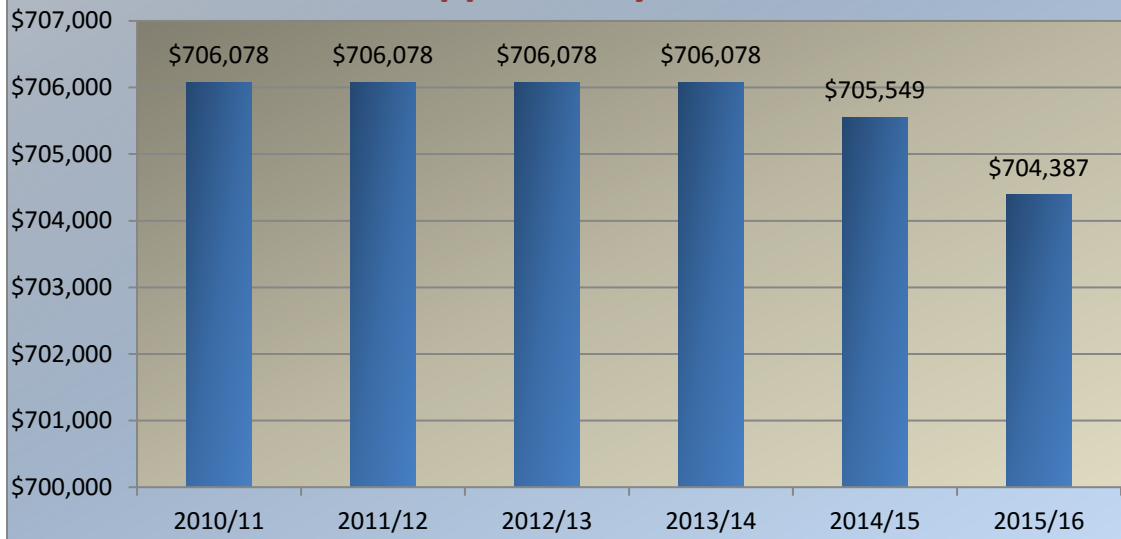
Purpose: To evaluate our efficiency and ability to provide aid as demand rises and to monitor the availability of federal, state, and institutional money for the various programs.

Method: Compared amount of money disbursed in 2015/16 for each aid program to each of the previous five years.

Results: The overall loan volume increased by 1.4% and grant volume decreased by 1% from the 2014/15 year.

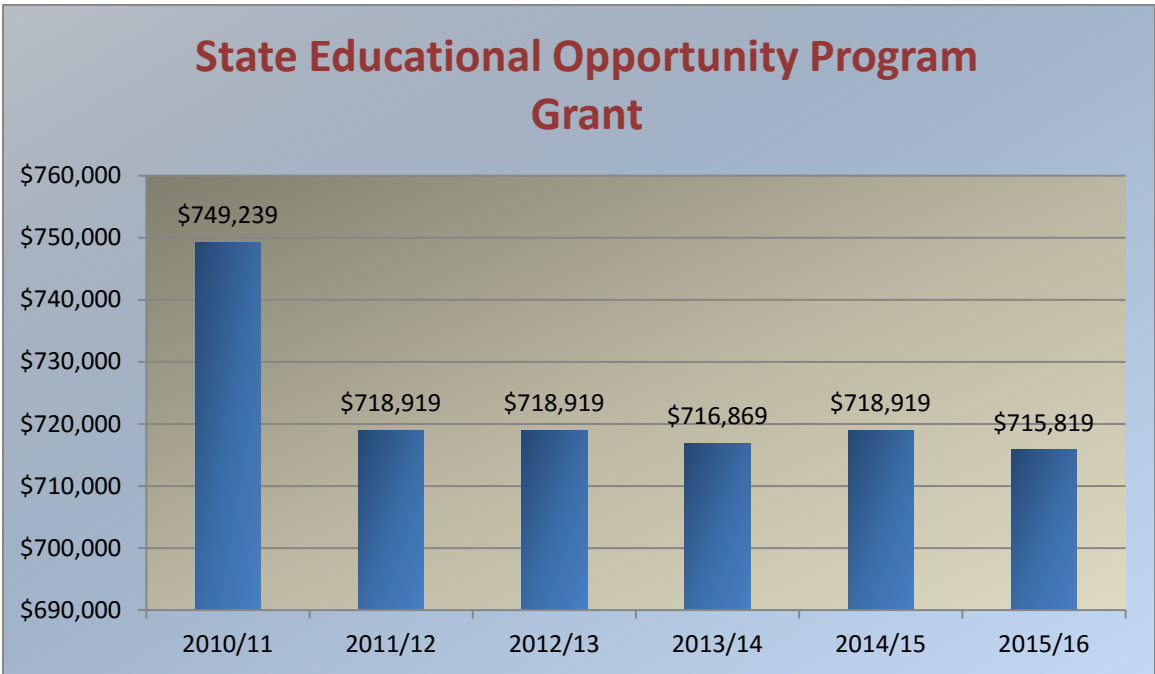
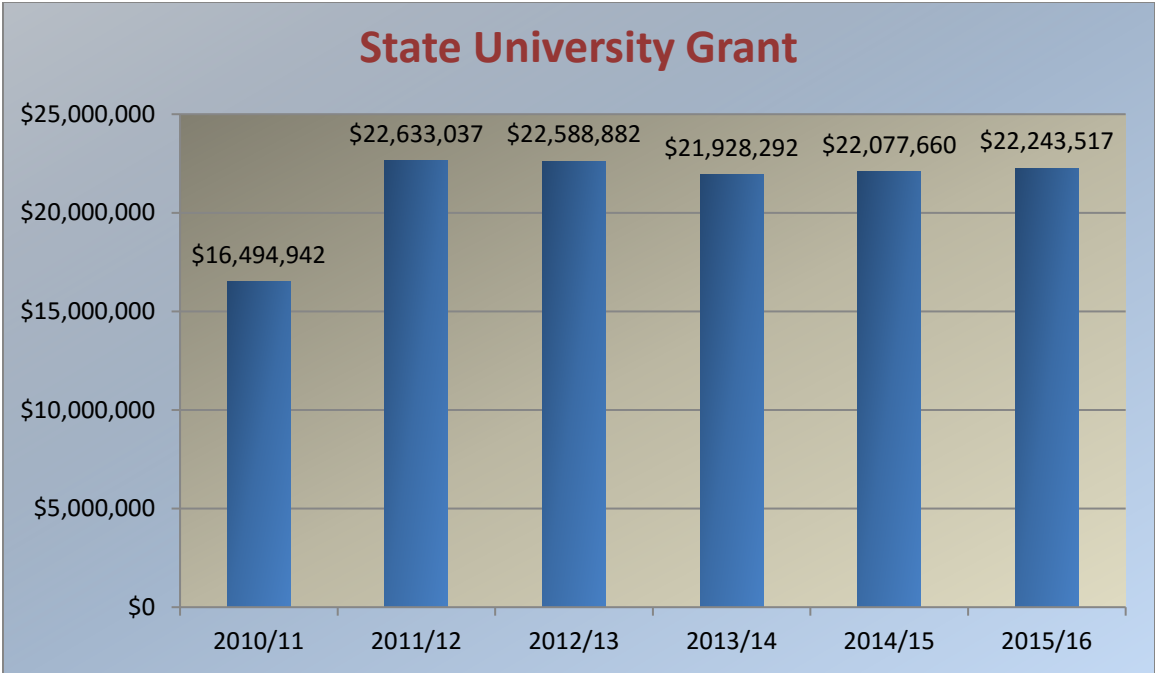


Federal Supplemental Educational Opportunity Grant

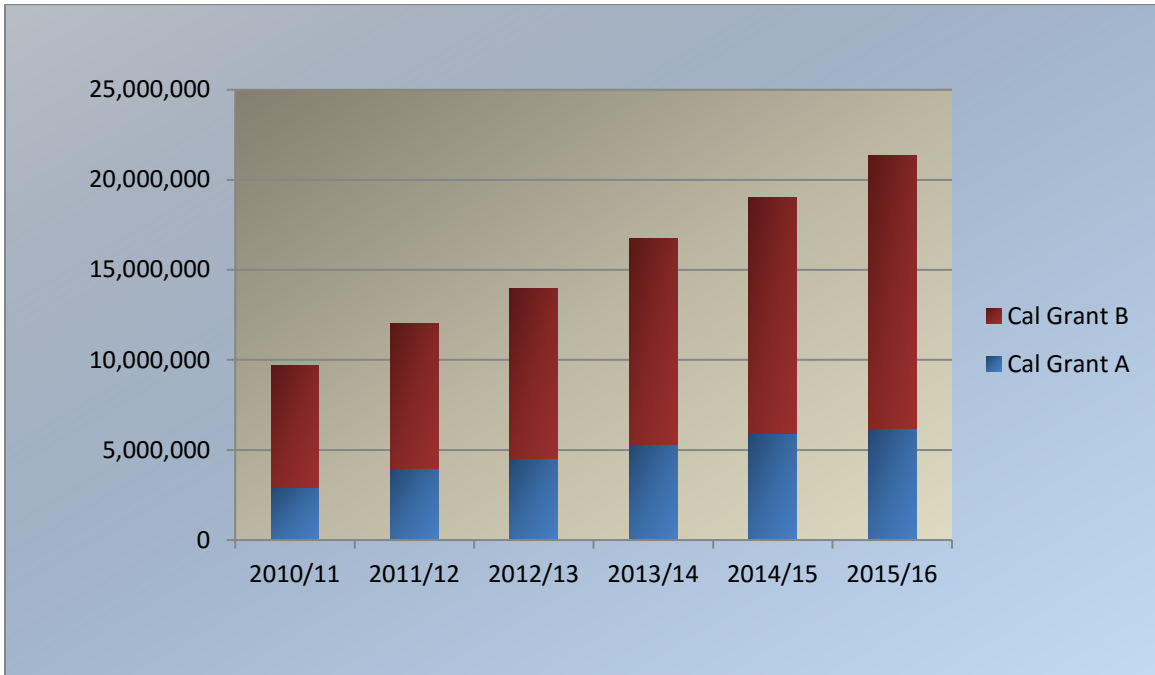


Bureau of Indian Affairs Grant

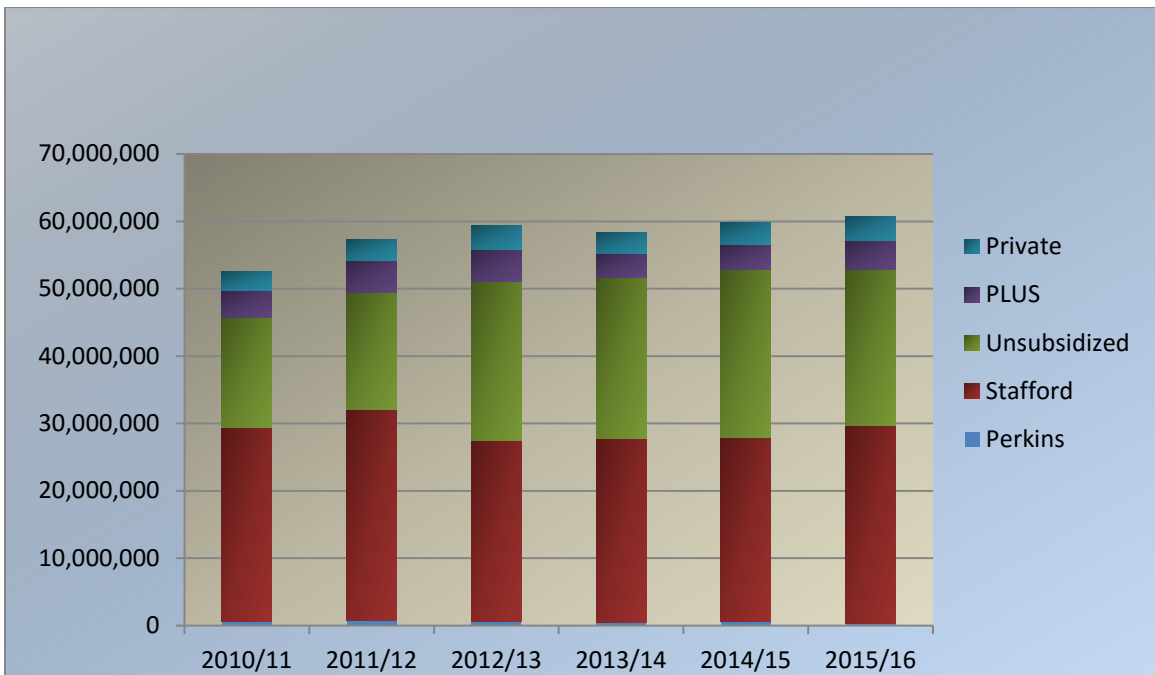




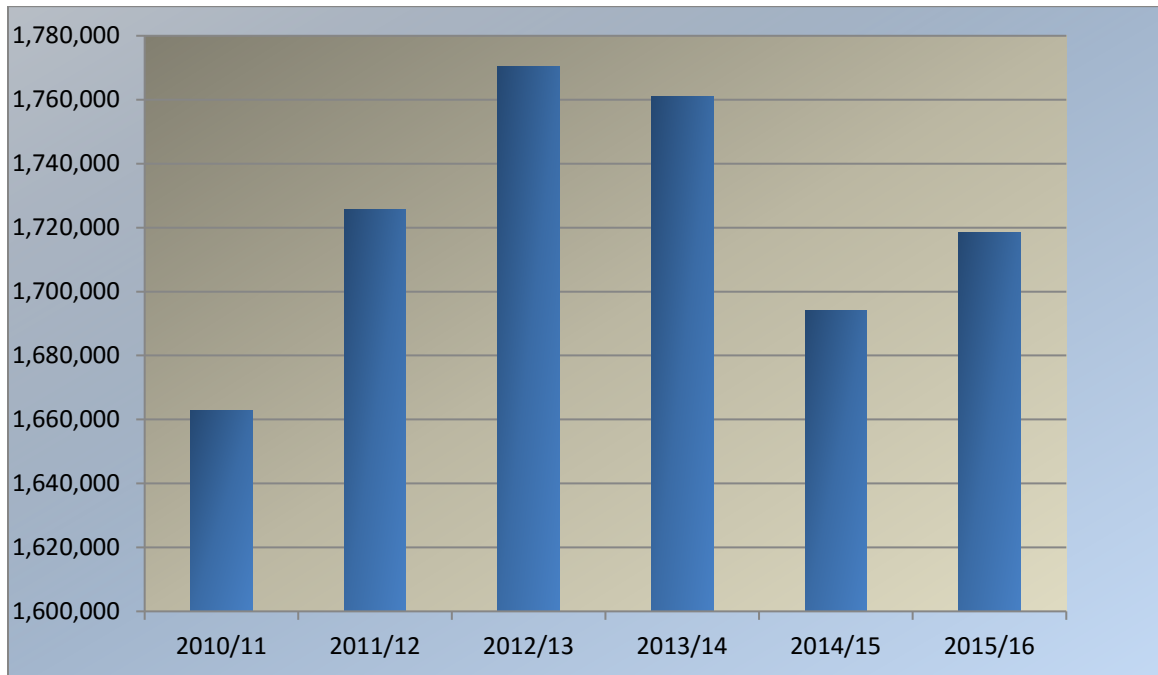
Cal Grant



Loan Amount Disbursed



Federal Work-Study



6) Recipients for Each Financial Aid Program

Purpose- To evaluate the need of various programs and establish staffing resources to programs based on demand.

Method – Compared number of students who received money in 2015/16 for each aid program to each of the prior five years.

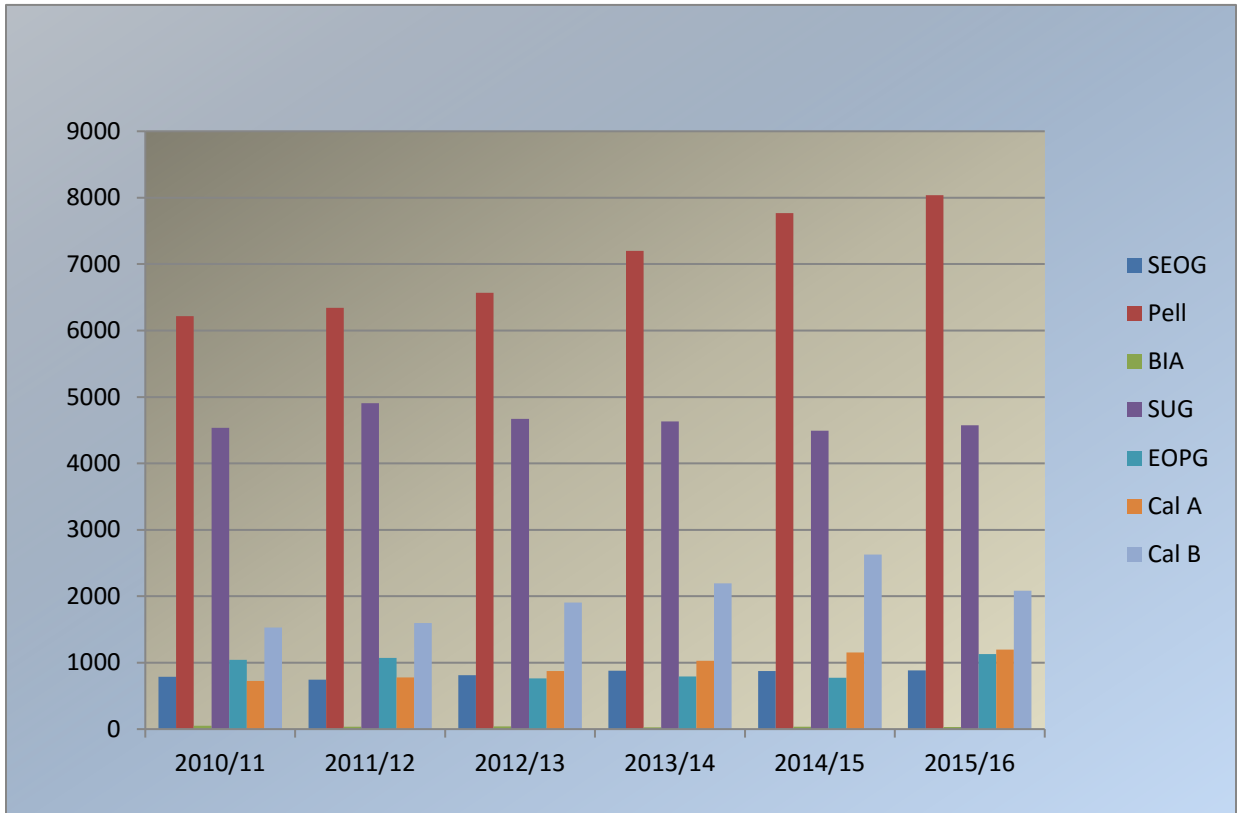
Results: Pell Grant and Cal Grant B recipients have steadily increased over the prior six award years. Both grants are need-based and are given to students whose families demonstrate exceptional need (low income and assets based on household size).

The overall number of loan recipients has increased by 2.55% relative to the 14/15 aid year.

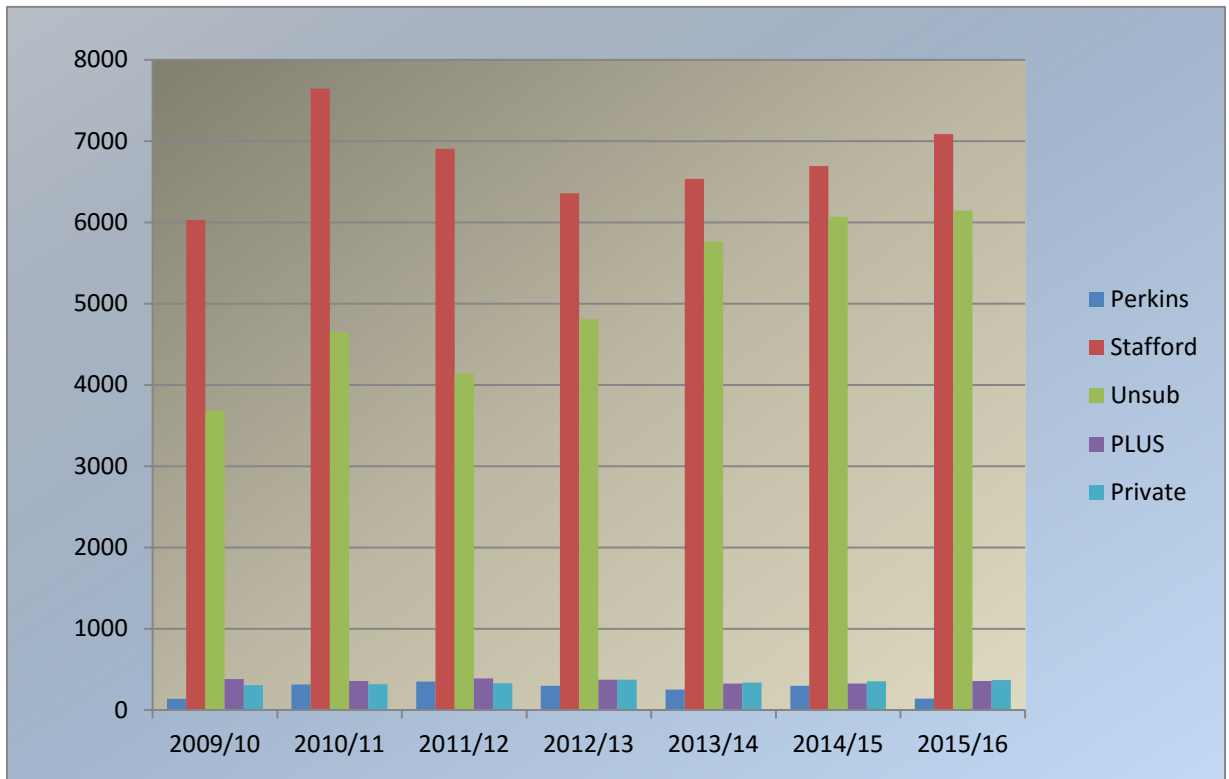
The total number of scholarship recipients increased by 161 over the past award year. The totals for each scholarship category were as follows:

- Athletic Scholarships (Institutional): 187
- Foundation Scholarships (Institutional): 616
- Private External Scholarships: 882

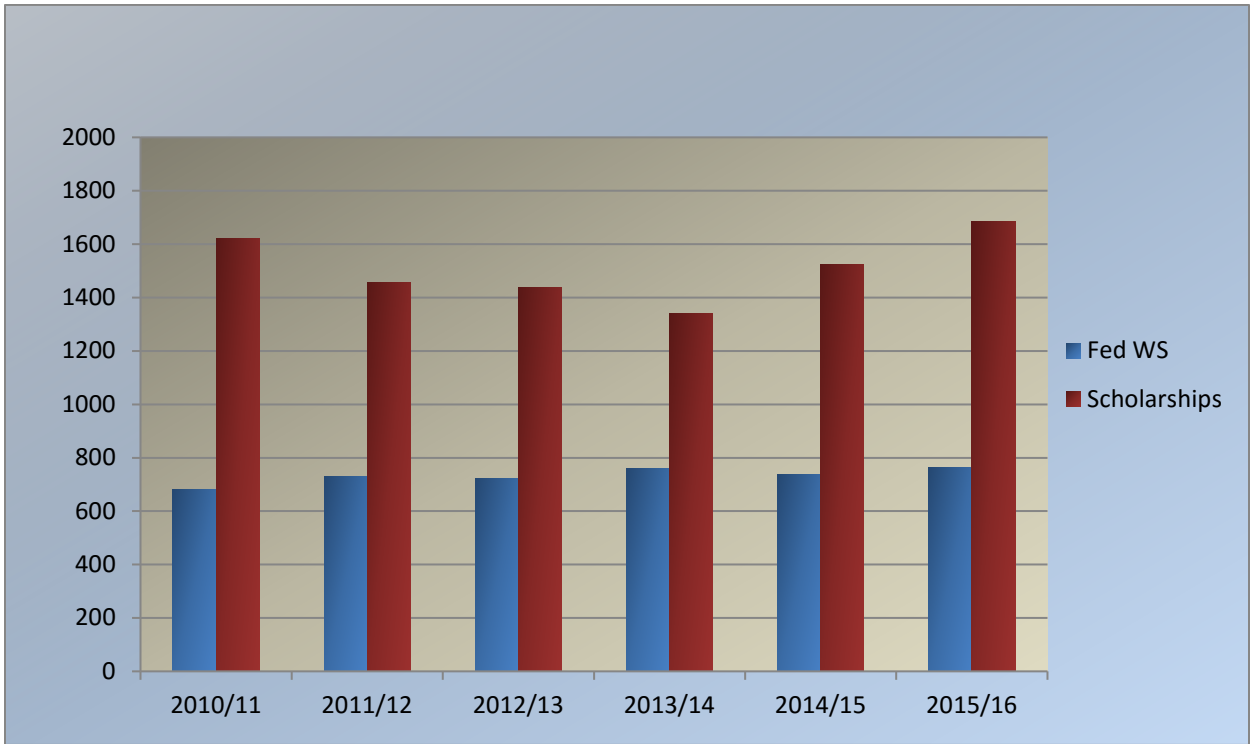
Grant Recipients (per grant program)



Loan Recipients (per loan program)



Work-Study and Scholarships



Service Usage Summary:

Appointment Usage

Purpose – To evaluate the availability of Financial Aid Advisors in an effort to structure time effectively and meet the needs of our students.

Method – Viewed appointment charts for prior four years to evaluate the total number of appointments available to students and those appointments that were vacant.

Results –

	11/12	12/13	13/14	14/15	15/16
# of filled appointments	3494	3216	3386	3624	5851
# of unused appointments	1182	1278	841	650	893
Total available appointments	4676	4494	4227	4274	6744

Student Assistance at the Window

Purpose – To evaluate the number of students who were assisted at the window in an effort to gauge staffing resources to best meet the needs of our students.

Method – Compared total tally of students seen at the window and compared to prior years.

Results – The total number of students assisted at the window has progressively increased over the past two years. Student employees and Analysts are primarily the staff who assist students at the window. Due to an increase in our customer service training initiatives, more students are able to get their questions fully answered at the window instead of needing to schedule an appointment with an Advisor.

	13/14	14/15	15/16
Students Assisted at the Window	13,280	17,193	18,458

Student Learning Outcomes Measures

Financial Aid Staff provide education to students regarding priority deadlines and requirements to receive financial aid. However, it is ultimately the student's responsibility to submit their aid application by the March 2nd priority deadline, complete verification documentation, take loan entrance/exit counseling, and make satisfactory academic progress towards completion of their program. These responsibilities allow opportunities for students to experience both financial learning and personal growth. Increases in student grant recipients and total grant funds disbursed are evidence that students are taking the necessary steps to apply for the educational aid of which they are eligible to receive. We provide an ample amount of resources in various formats (brochures, web material, advising appointments, phone, email, online counseling, and presentations) to reach students on the level that meets their needs. Through extensive accessibility, students are no longer limited to in-person or phone appointments. Students are increasingly learning information through effective online counseling, publications and tutorials, which allows us to reach a wider student population more efficiently.

Student Assessment of Satisfaction, Quality and Student Learning

- 1) As a result of Financial Aid Advisors providing effective advising techniques and connecting students with relevant resources across campus, students will successfully meet the terms and conditions of their Satisfactory Academic Progress (SAP) contracts.

Assessment data: Evaluated data from Fall 15 term to determine percentage of successful SAP appeal contracts.

Results: A total of 227 SAP appeals were received from students who had failed SAP for a low GPA or PACE. Of those, 167 were approved and set up on a contract to attain a minimum GPA or PACE. Upon completion of the Fall 15 term, 98 of 167 students (59%) met the terms of their SAP contract. In addition, a total of 95 Maximum Unit Appeals were processed for the 15/16 year. Of the 98 total Maximum Unit Appeals submitted, 78 were set up on an academic program plan and approved for the fall 2015 term.

2) Student Independence

As a result of providing students with clear and effective communication via various notification methods (web announcements, service indicators, to-do-list items, e-mail, workshops, presentations and mailings), students will submit required verification documents by our published verification priority deadline (June 1) which allows a student their aid disbursement at the start of the fall term.

Assessment data: Evaluated data to determine the percentage of fall term financial aid recipients who received a disbursement in August 2015 at the beginning of the fall 15 term. Results: 13,074 students received financial aid in 2015/16. Of these students, 9801 received their financial aid disbursement in August of 2015. Therefore, 75% of our aid recipients had complete files and received their financial aid at the beginning of the 2015/16 academic year.

Most Critical Performance Indicators

On-line applications

Providing electronic applications for students helps to create efficiencies to streamline our workflow process and provide ease of accessibility to students. Students do not need to print, fax, or mail the applications we have available on-line. Examples of financial aid electronic applications now available include:

- FAFSA
- California Dream Application
- Summer Aid Application
- Authorization to Release Information
- Stafford Loan Application
- Enrollment Update Form
- Short-term Loan Application

We are currently working with Technical Staff to have the following paper forms converted into an electronic format:

- Student- Verification of Assets
- Student- Verification of Family Resources for Independent Students

- Student – Transfer of Entitlement Cal Grant Verification Form
- Student – Verification of Emancipated Minor/Legal Guardianship
- Student- Marital Status Questionnaire Form
- Student – Verification of Separated/Divorced/Widowed Joint Tax Return Filer
- Consortium Agreement Request
- Loan Disability Discharge Information
- Teach Disability Discharge Information
- NSLDS Tracking Information Request
- Student- Aid Eligibility Worksheet for FAFSA Drug Question
- Student- Bankruptcy Filing Information

Those forms that are not available to submit electronically are available on-line in PDF format for students to complete and submit to our office.

Timely completion of files

Timely completion of files is met by providing students with notification of priority deadlines for financial aid application submission, receipt of verification documentation, mandatory entrance counseling, and completion of the Master Promissory Note. Notification is made available online, emailed to student's wildcat account, and posted on their student center.

Files selected for verification are processed to completion prior to the first fall disbursement if all required documentation is submitted by June 1st. Students who submit late documentation may receive a disbursement at the beginning of the fall semester, but we do not guarantee this. Files are generally processed in date order.

Loan default rates

Our current default rate is 5.5%, which remains low in comparison to the national average of 11.8%. Benefits of maintaining a default rate below 15.0% include the following:

- Ability to disburse single installment loans for one-semester students
- Option to choose not to delay the first disbursement of a loan for 30 days for first-time, first-year undergraduate borrowers.

Official 3-year rates for 2013 have not yet been published, but the draft rate is 3.9%. The Official 3-year rate is for 2012 is 5.5%. Default rates were on the rise prior to 2013, a direct result of increased student loan debt. However, for the first time in four years, we have decreased our default rate. The national default rate has also decreased since 2013, most likely a result of higher employment rates and income based repayment options.

Debt levels

Student loan debt levels increased slightly over the prior year. A factor that may have contributed to the increase may include the higher cost of living from the prior year.

Satisfactory Academic Progress

Satisfactory Academic Progress is processed and evaluated in July following the completion of each award year. The financial aid office measures SAP in the following areas: Cumulative GPA, PACE, and Maximum Units. Students must satisfy the SAP requirements to remain eligible for additional federal and state financial aid.

Students, who fail to meet SAP standards, are notified of the appeal process. In 2015/16 we processed 227 SAP Appeals and 95 Maximum Unit Appeals. Advisors work closely with students regarding their SAP status. It is our goal to have students, with the potential to succeed, complete the courses needed for graduation. Our SAP policies are reviewed annually and followed to ensure we remain compliant with federal regulations to preserve aid eligibility for our future students.

VI. Analysis:

We have taken action to increase the percentage of students who have complete files within our published priority deadline and receive disbursements at the beginning of the fall term. A few examples of this are our additional presentations provided to parents at Summer Orientation, the new development of our FASO Facebook Page, and increased FAFSA/Dream Verification workshops. In addition to these new methods of communication and outreach, we also notified students via electronic letter, our FASO webpage, and student announcements. Our goal has been to expand our communication to meet the needs of our varied student population. We had a 1% increase in August disbursements, compared to the 2014/15 year. We can continue our efforts in the delivery of early aid disbursements by increasing the number of online forms over the next year. The use of online forms will simplify the financial aid verification process for students and streamline the review process for staff.

During the 2015/16 year, the percentage of students who successfully met the terms of their SAP contract increased by 6%. Advisors connected students with resources necessary to be successful, such as: Academic Advising, Health and Wellness Counseling, ARC, campus workshops, and tutoring. In addition, Advisors attended SAP webinar and department trainings to stay abreast of regulations and best practices.

VII. Program Objectives for Next Academic Year

1. E-forms project

Compared to paper forms, or online PDF forms, e-forms will help streamline and simplify the file completion process for students and parents, and for Financial Aid staff. E-forms will require student or parent login and authentication allowing us to gather and retrieve required data securely with e-signatures. A few forms have been converted. The plan is to have 12 new forms converted over the next year.

2. Prior-Prior Year and Early FAFSA/CA Dream Act Application Submission

Effective for the 2017/18 award year, families will report income information from two years prior on their FAFSA or CA Dream Act Application. In addition, the 2017/18 FAFSA and CA

Dream Act Application will be available October 1, 2016, which is three months earlier than it has been in prior years. These new changes will allow students and parents to report final, accurate income information on their FAFSA and CA Dream Act Application as the vast majority of families will have already completed their 2015 taxes by October 2016.

Our goal is to adjust to these FAFSA and CA Dream Act changes in a manner that is beneficial for our student population. These changes may affect the following:

- Verification comparison between the 2015/16 and 2016/17 award years: Discrepancies in income reported between these aid years may need to be resolved since both are based on 2015 tax information. We are currently awaiting further guidance from the U.S. Department of Education for updates on how to proceed in these situations. In the meantime, we are preparing to electronically notify students regarding the importance of updating their 2016/17 FAFSA and CA Dream Applications with accurate 2015 tax information to avoid such discrepancies.
- Availability of verification forms: Review of publications and verification forms typically begins in January. We have planned to move this date back by three months to accommodate FAFSA/CA Dream Act filing dates.
- Potential increase in appeal forms: Since income will be reported from two years prior to a family's current income, this may not be an accurate assessment of their ability to pay for their student's education. We anticipate an increase in the number of Exceptional Circumstance Appeals submitted, which would increase the workload of our Advisors.
- Financial aid packaging date: In prior years, award letters have been sent to students in late March or early April. The new early submission date may allow us to package student aid earlier in future award years.

3. Prepare for retirement of FASO-dedicated PeopleSoft expert Analyst/Programmer

Expert analyst/programmers with Oracle/PeopleSoft and financial aid experience are difficult or impossible to recruit. The FASO will consider a variety of support options including vendor solutions, consultants, and greater reliance on functional over technical staff.