California State University, Chico

Division of Student Affairs

Financial Aid & Scholarship Office
2016-2017 Annual Report

July 2017

I. Mission Statement and Goals

Mission Statement

Through a sincere commitment to all students and their families, we strive to eliminate financial and other barriers to higher education. We make a conscious effort to reach out to those with exceptional economic and educational needs. We are dedicated to providing high-quality service in a fair, sensitive, and confidential environment to all individuals, regardless of background, culture, or lifestyle.

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 new October 1 early FAFSA submission date, as well as, the priority deadline for FAFSA completion. Financial Aid award notifications were sent out during the first week of

April, providing incoming students with a full month to make an informed decision of which college to enroll in for the 16/17 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 online. FAFSA workshops were offered on campus to continuing students. Students who demonstrated exceptional circumstances or who did not meet 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 online 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 by 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), Perkins Loan restrictions due to limited funding, 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.

II. Accomplishments

Highlights

- **Total Aid Disbursed:** $153,702,153
- **Applications processed:**
  - FAFSA: 41,042
  - Cal Dream: 1,042
- **Students who received aid:** 13,415
- **Students who received a disbursement in August of 2016:** 9,902
- **Walk-up window visits:** 17,609
- **Student advising appointments:** 3,435
- **Appeals Processed:**
  - Exceptional Circumstances: 285
  - Dependency: 68
  - Maximum Unit: 98
  - Satisfactory Academic Progress (SAP): 208
  - PLUS Loan Denials: 5

The Financial Aid and Scholarship Office serves most of Chico State's students through a combination of in-person and automated efforts. Through use of the Student Center, email notification, document imaging, and online forms we effectively communicate with students and parents to serve the vast majority of students. Our recent automation of To Do List items has allowed us to inform students of documentation requirements within days versus weeks. This has allowed staff time to provide individual attention via advising appointments, walk-up reception, workshops, and email communication to students who exhibit exceptional

circumstances or need additional help. By shifting manual work to automated systems, we allow a more proactive approach to advising, providing hands-on assistance which we believe is particularly useful in helping our neediest and least prepared students succeed.

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 we coordinated or participated in to provide assistance to these and other student populations: Dream students, foster youth, Hispanic students, Hmong students, LGBTQ students, low-income students, and veterans:

- ✓ EOP Summer Bridge
- ✓ EOP student staff training
- ✓ ETS admissions High School seminar
- ✓ Educational Talent Search workshops
- ✓ FAFSA/Dream App renewal workshops
- ✓ Hmong Community liaison
- ✓ Hmong Parents' University
- ✓ Hmong Student Association
- ✓ Hmong translation on website
- ✓ Immigration Information Fair
- ✓ LGBTQ Faculty and Staff Association
- ✓ La Bienvenida
- ✓ Latino Graduation
- ✓ Lavender Graduation
- ✓ Native American Welcome
- ✓ Path Scholars Center
- ✓ VEST – Veterans Education Support Team
- ✓ Education without Borders, with Butte College
- ✓ Verification workshops: EOP, CSSC, Foster Youth, SSS, Reach, Upward Bound
- ✓ Diversity Academy for Staff
- ✓ Pipeline college information session
- ✓ Re-Entry Student Welcome
- ✓ REACH/UNIV 202 class presentation
- ✓ Staff Safe Zone Ally training
- ✓ Study Abroad fair
- ✓ Study Abroad presentations
- ✓ Summer Bridge
- ✓ Summer Orientation
- ✓ Summer Orientation en Español
- ✓ Four Winds of Indian Ed. Tours
- ✓ Upward Bound Hmong presentation
- ✓ Veterans Reception and Conference
- ✓ Veterans Graduation
- ✓ Path Scholars Welcome
- ✓ Path Scholars Committee
- ✓ Scholarship workshops for International students
- ✓ Spanish translations for website and financial aid forms
- ✓ FAFSA workshops: Boys & Girls Club of the North Valley, CSSC, EOP, Foster Youth, Hmong students, Reach, SSS, Upward Bound

Changes in Policies and Procedures

- **Early FAFSA Submission:** Effective for the 2017-2018 FAFSA, students can start submitting the FAFSA on October 1, which is three months earlier than the FAFSA availability date in prior years. The earlier submission date now allows students to have a more informed understanding of their financial aid eligibility prior to applying for college. Students and families now have an additional three months to compare the financial costs of various colleges and make more informed decisions based on their family resources. The Financial Aid and Scholarship Office adapted to this change by moving the Cash for College outreach dates back to October and November. Additionally, notifications were delivered by our staff to students via email, student announcements, social media, and our website to inform them of the early submission date.

- **Income Year:** Also effective for the 2017-2018 FAFSA, students and parents were required to report income from two years prior. Therefore, students and parents reported 2015 income for two consecutive aid years. As a result, the Department of Education established a method of identifying conflicting 2015 financial information between the 2016/2017 and 2017/2018 FAFSA data. Students with a 399 FAFSA comment code were flagged by the Department of Education and Financial Aid Offices were required to resolve any 2015 financial discrepancy for each student. Students were notified via email, social media, student announcements, the Student Center, and our website during the fall 2016 term of the prior-prior year change.

- **Direct Loan Interest Rates:** Interest rates on the Federal Direct Loans increased for the 2016/17 academic year as follows:
    - Undergraduate Direct Subsidized Loan: 3.76%
    - Undergraduate Direct Unsubsidized Loan: 3.76%
    - Graduate Direct Unsubsidized Loan: 5.31%
    - Direct PLUS Loan: 6.31%

- **Federal Sequestration for Loan Origination Fee:** The Federal Direct Loan Origination fees on the Federal Direct Stafford and Federal PLUS Loan changed on loans with a first disbursement made on or after October 1, 2016. The origination fee on these loans increased to 1.069% on Federal Direct Stafford Loans and 4.276% on Federal PLUS Loans.

III. Resources Summary

Resource Allocation

Base Allocations:	$1,306,308
Specific Use Funds Carryover Returned:	$ 71,068
CERF:	$ 56,571
Work Study:	$ 63,000
One Time Allocations:	$ 383,000
CSU Chancellor's Office –	
FASO Supplemental Funding:	$ 14,000
Teach Grant:	$ 4,400
Total:	**$1,898,347**

Human Resources

Recruitment - ASC I hired
Recruitment - SSP III hired
Recruitment - Two SSP lBs hired
In Range Progression - SSP III Voluntary Reassign
In Range Progression - SSP III
In Range Progression - SSP IB
Job Reclassification - SSP II to SSP III
Promotion - SSP I to SSP II

Facilities/Equipment

Added the following PeopleSoft bolt-on products for automation and more efficient processing of financial aid:

Highpoint $383,000

- Automation Engine
- Course Auditor
- Message Center
- Packaging Evaluation

IV. Program Assessment of Past Year

Program Objectives

1. **Implementation of HighPoint Checklist Assignment Automation**

   Progress: Collaborated with HighPoint Technical Staff over the spring 2017 term to implement the automated checklist assignment process. The checklist assignment process was successfully implemented for the 2017/18 award year.

2. Implement the Auto ISIR Loading Process

Progress: Implemented a PeopleSoft module to automatically load ISIRs into the database to be reviewed. Established rules and logic to filter out (skip) unnecessary ISIR's from being loaded. Purpose of the Auto ISIR loading process is to allow students to be informed of additional required documents via the automated checklist assignment process sooner. The Auto ISIR Loading Process was tested through the spring 2017 term and implemented in Production for the 2017/18 award year.

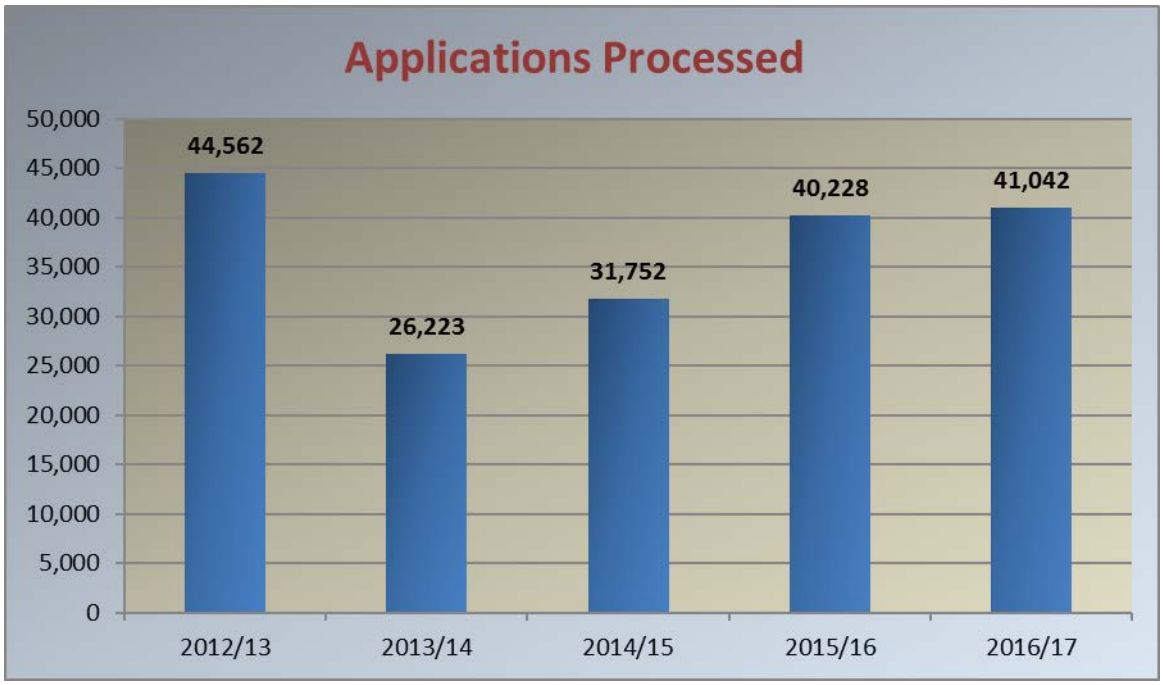
Ongoing Assessment Efforts

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 2016/17 and four years prior for the volume of financial aid applications.

Results: For the 2016/17 award year, we had a 2.0% increase in the number of aid applications that were processed relative to the prior year.

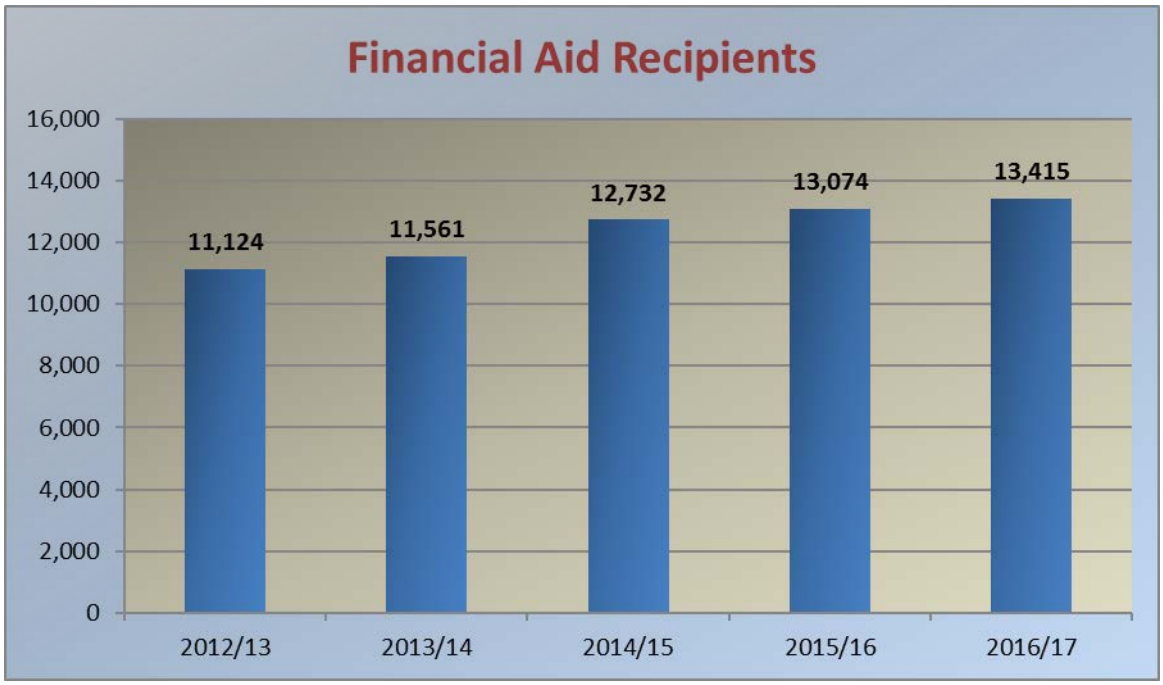


2. Financial Aid Recipients

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

Method: Compared data for 2016/17 and the four years prior for the total number of financial aid recipients.

Results: There has been a steady increase in the number of financial aid recipients over the past four years. An additional 341 students received financial aid in 2016/17 over 2015/16.

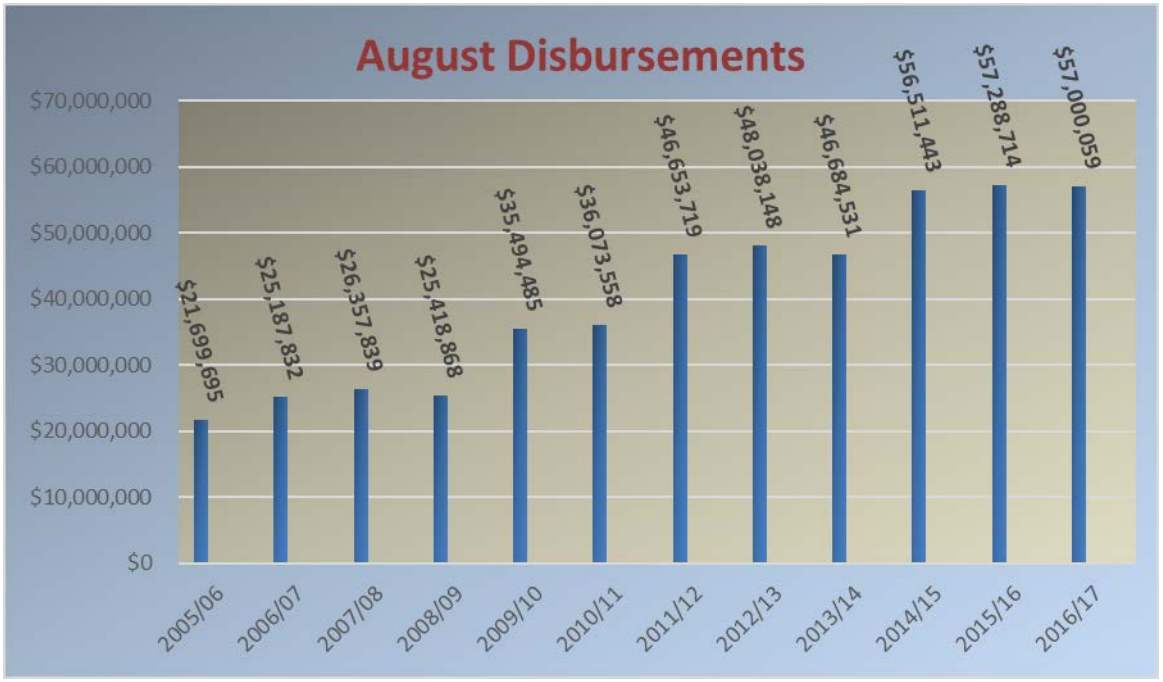


3. August Disbursements

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 eleven 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 2016, we had a $288,655 decrease in total disbursed aid from the prior year.



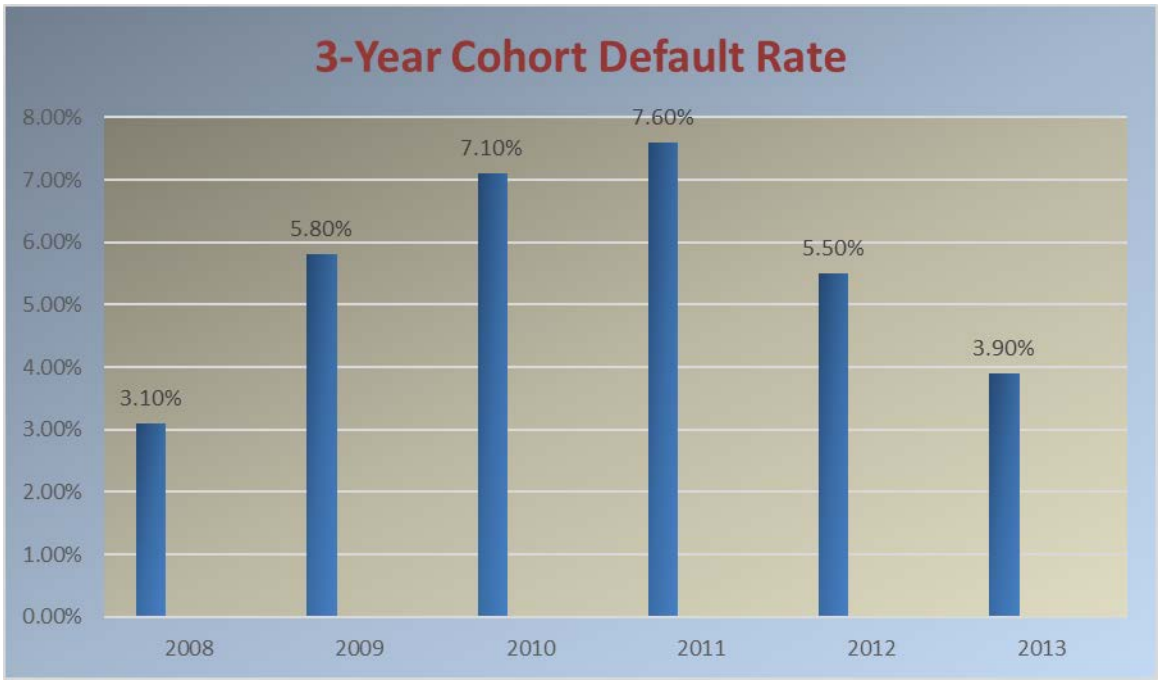
4. Stafford Loan Default Rate

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 3.9%, which remains low in comparison to the national average of 11.3%.

As indicated on the chart below, default rates have decreased over the past two cohort years.

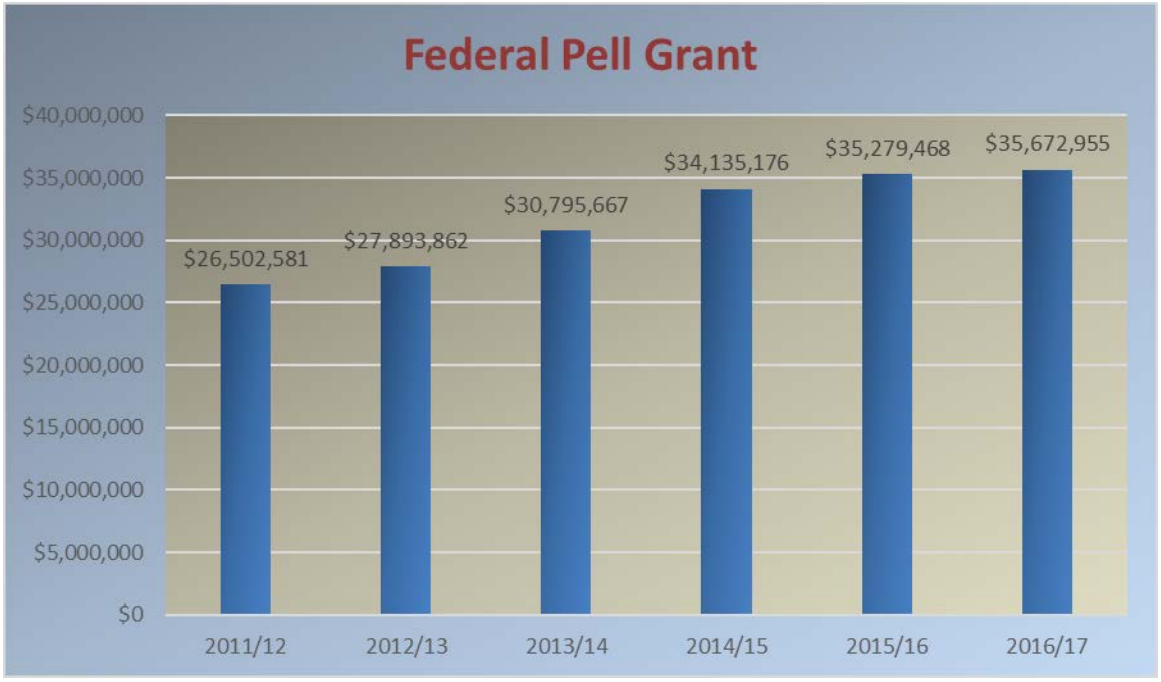


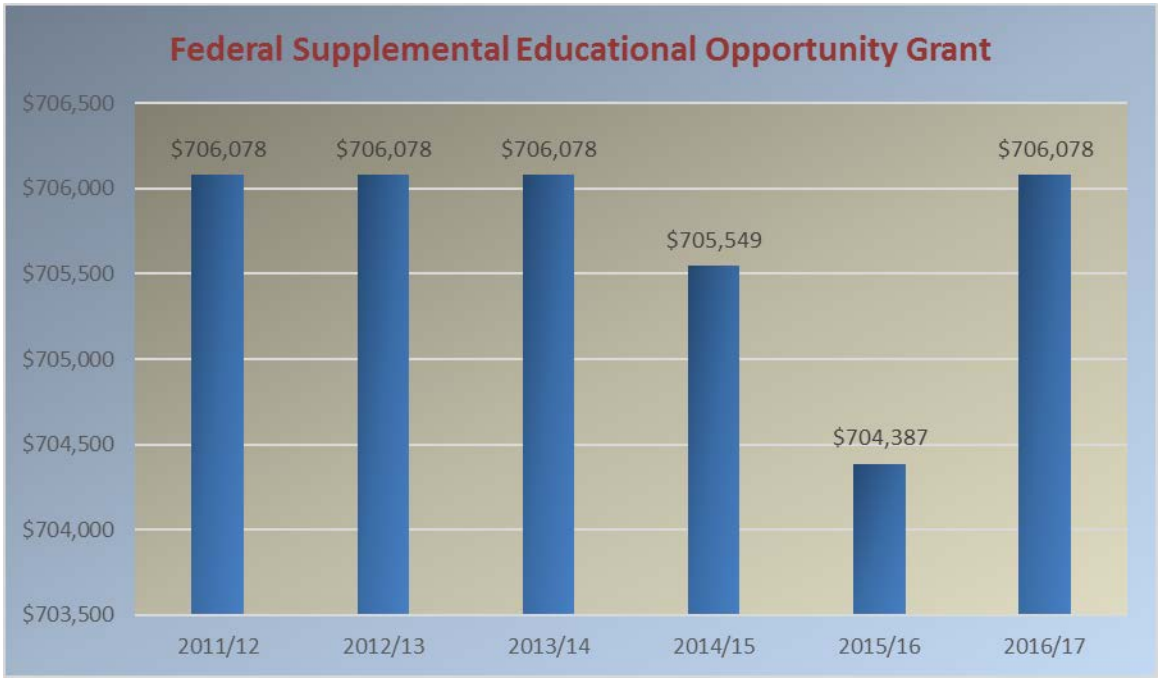
5. Aid Disbursed

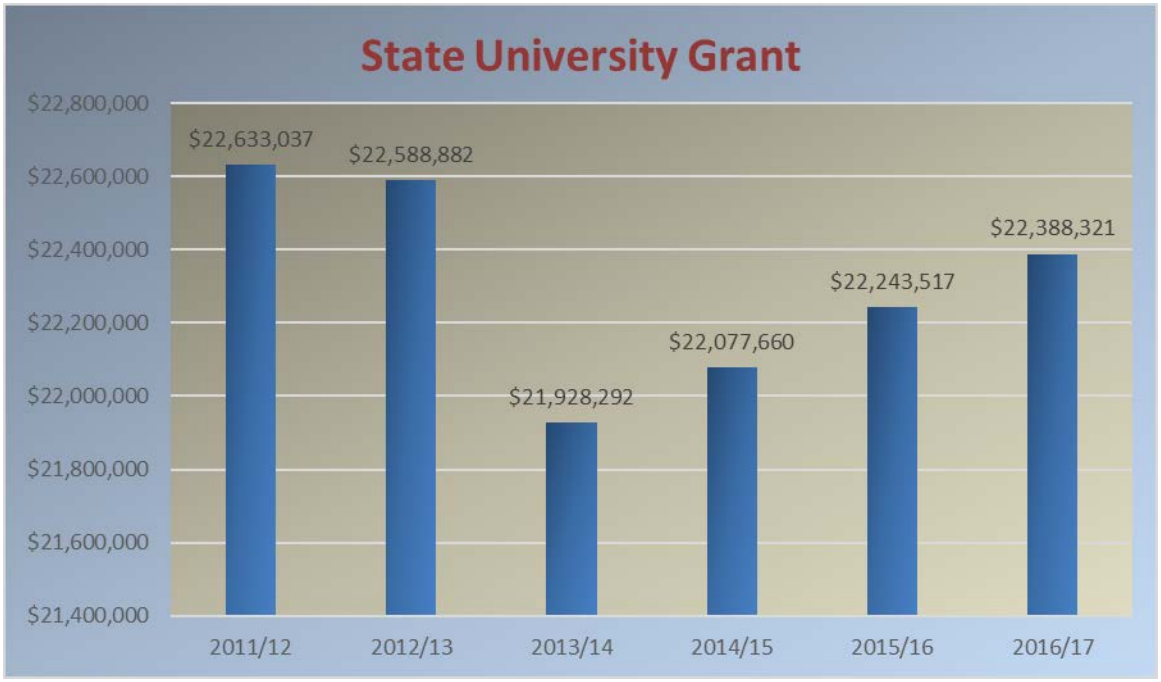
Purpose: To evaluate our efficiency and ability to provide aid as demand rises and to monitor the availability of federal, state, and institutional money for the various programs.

Method: Compared the amount of money disbursed in 2016/17 for each aid program to each of the previous five years.

Results: Grant, loan, and work-study volume has increased.




Federal Supplemental Educational Opportunity Grant
$706,500
$706,000
$705,500
$705,000
$704,500
$704,000
$703,500
$706,078
$706,078
$706,078
$705,549
$704,387
$706,078
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17


State University Grant
$22,800,000
$22,600,000
$22,400,000
$22,200,000
$22,000,000
$21,800,000
$21,600,000
$21,400,000
$22,633,037
$22,588,882
$21,928,292
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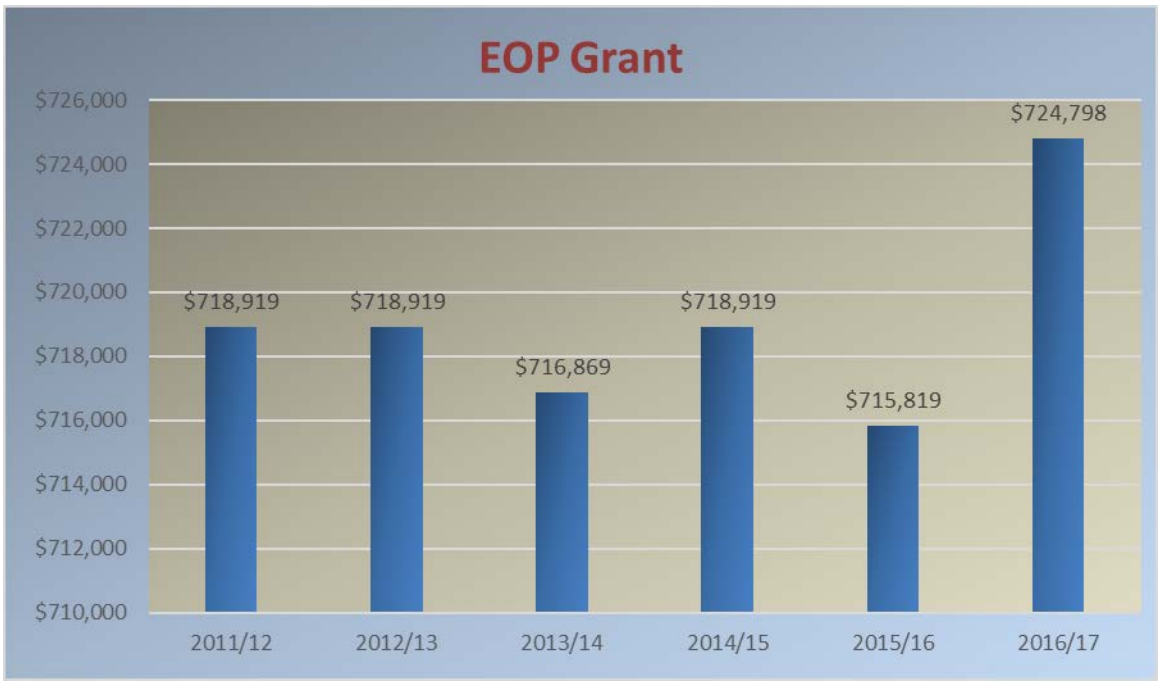
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17


EOP Grant
$726,000
$724,000
$722,000
$720,000
$718,000
$716,000
$714,000
$712,000
$710,000
$718,919
$718,919
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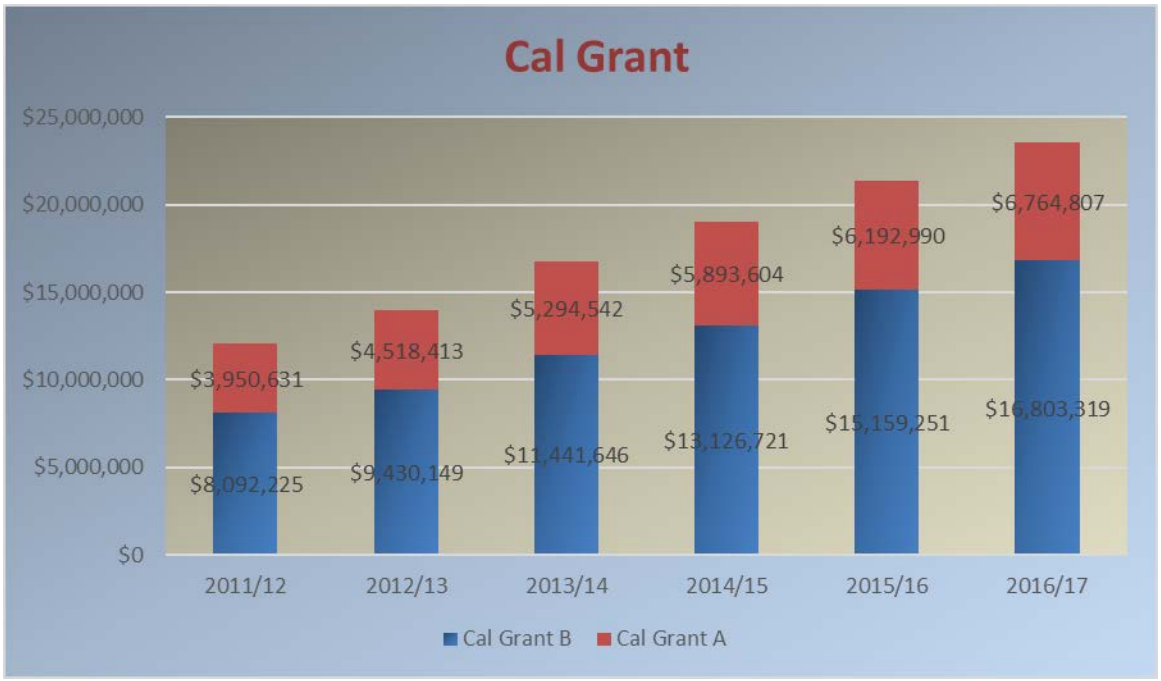
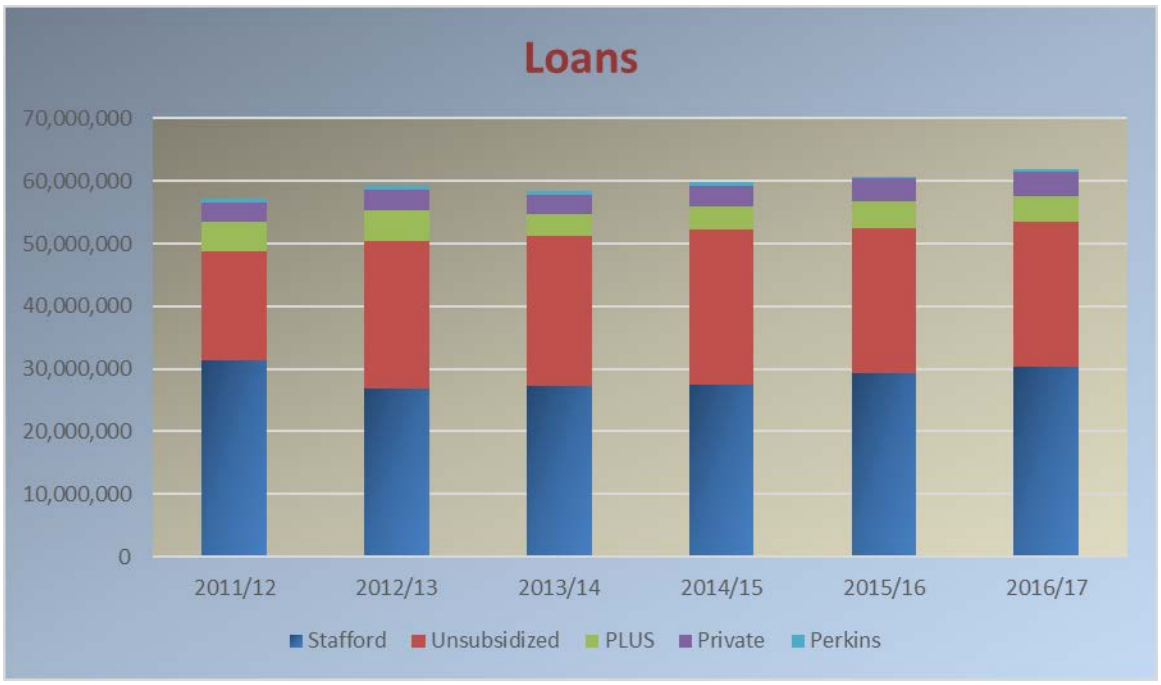
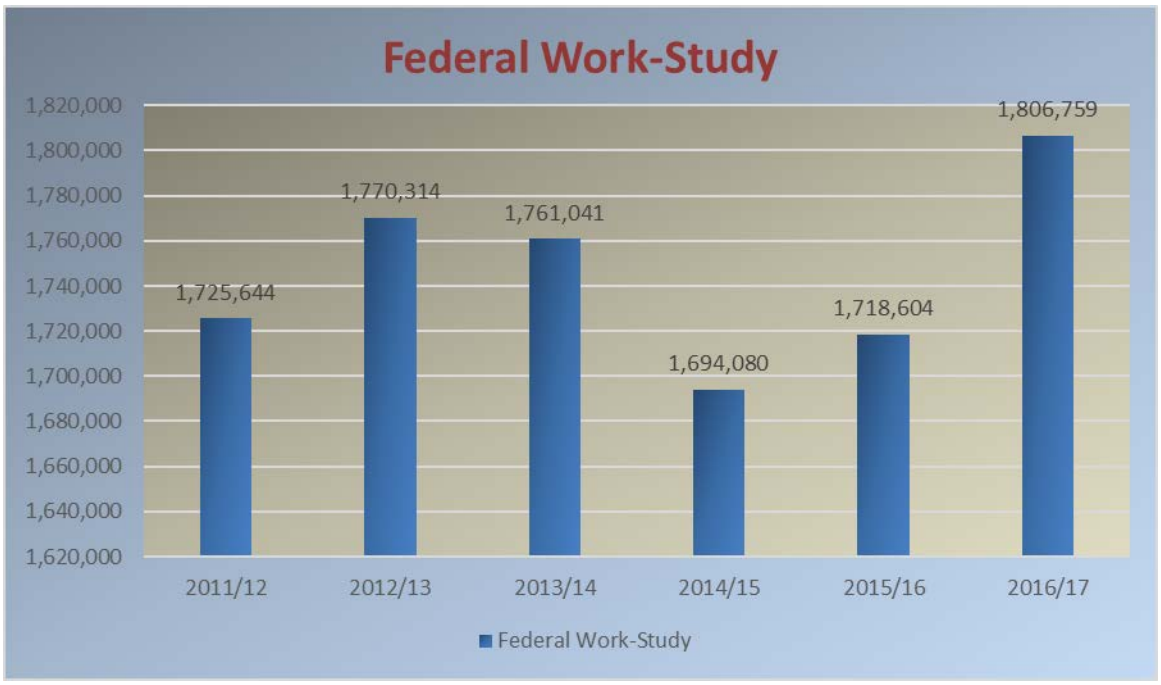
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17


Cal Grant
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
$3,950,631
$8,092,225
$4,518,413
$9,430,149
$5,294,542
$11,441,646
$5,893,604
$13,126,721
$6,192,990
$15,159,251
$6,764,807
$16,803,319
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17
Cal Grant B
Cal Grant A


Loans
70,000,000
60,000,000
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
0
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17
Stafford
Unsubsidized
PLUS
Private
Perkins


Federal Work-Study
1,820,000
1,800,000
1,780,000
1,760,000
1,740,000
1,720,000
1,700,000
1,680,000
1,660,000
1,640,000
1,620,000
1,725,644
1,770,314
1,761,041
1,694,080
1,718,604
1,806,759
2011/12
2012/13
2013/14
2014/15
2015/16
2016/17
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.

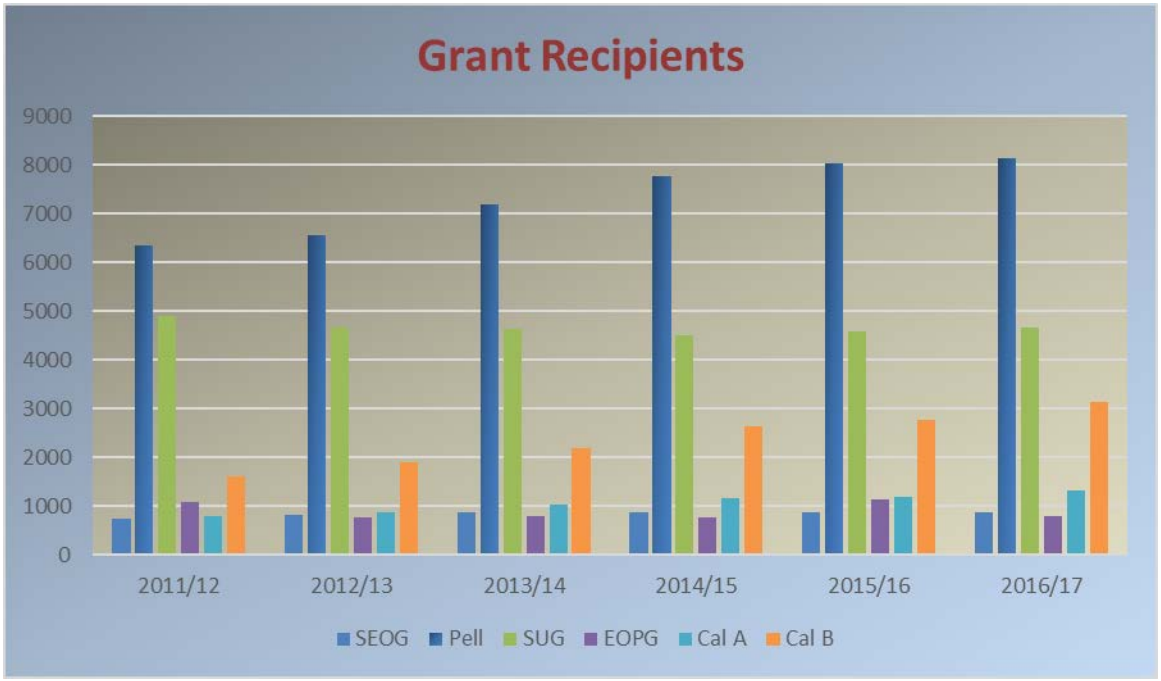
Method: Compared number of students who received money in 2016/17 for each aid program to each of the prior five years.

Results: Pell Grant and Cal Grant B recipients have steadily increased over the prior five 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 2.6% relative to the 2015/16 aid year.

The total number of scholarship recipients increased by 247 over the past award year. The totals for each scholarship category were as follows:

- Athletic Scholarships (Institutional): 198
- Foundation Scholarships (Institutional): 860
- Private External Scholarships: 806
- Other Institutional Scholarships: 68



Service Usage Summary:

1. **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 five years to plan for advising appointment coverage in future years.

Results: The total number of filled appointments decreased by 41% from the 2015/16 year.

	11/12	12/13	13/14	14/15	15/16	16/17
# of filled appointments	3494	3216	3386	3624	5851	3435

2. **Walk-up Window Visits**

Purpose: To evaluate the number of visitors who were assisted at the Financial Aid and Scholarship Office windows in an effort to gauge staffing resources to best meet the needs of our students.

Method: Compared total tally of visitors seen at the window in 2016/17 to prior years.

Results: The total number of walk-up window visits decreased by 4.6% over the past year.

	13/14	14/15	15/16	16/17
Walk-up Window Visits	13,280	17,193	18,458	17,609

Student Assessment of Satisfaction, Quality, and Student Learning Outcomes

Student Learning Outcomes Measures: Financial Aid Staff provide education to students regarding priority deadlines and requirements to receive financial aid. However, it is ultimately students' responsibility to submit their aid applications 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.

Timely Completion of Files: Timeliness 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.

Student Financial Readiness: As a result of providing students with clear and effective communication via various notification methods (web announcements, holds, To Do List items, email, workshops, presentations, and mailings), students will submit required verification documents by our published deadline (June 1) to ensure disbursement of aid before the fall term begins.

> **Assessment data:** Evaluated data to determine the percentage of fall term financial aid recipients who received a disbursement in August 2016 at the beginning of the fall 2016 term.
>
> **Results:** 13,415 students received financial aid in 2016/17. Of these students, 9,902 received their financial aid disbursement in August of 2016. Therefore, 74% of our aid recipients turned in all required documentation and received their financial aid at the beginning of the 2016/17 academic year.

Loan default rates: Our current default rate is 3.9%, which remains very low in comparison to the national average of 11.3%. 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.

The official 3-year rate for 2013 is 3.9%. Default rates were on the rise prior to 2013, a direct result of increased student loan debt. However, for the second time in five 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 have continued to increase slightly over the past two years. A factor that may have contributed to the increase may include the higher cost of living from the prior years.

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 2016/17 we processed 208 SAP Appeals and 98 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.

Most Critical Performance Indicators - Online 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 online. 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 exploring options to have our other paper forms converted into an electronic format.

V. Analysis

We have taken action to increase the percentage of students who receive disbursements at the beginning of the fall term. A few examples of this are additional presentations provided to parents and transfer students at Summer Orientation and increased FAFSA/Dream Verification workshops. In addition to these new methods of communication and outreach, we also notified students via electronic letter, our webpage, and student announcements. Our goal is to expand communication to meet the needs of our diverse student population. We plan to continue our efforts in the delivery of early aid disbursements by implementing and utilizing our new Highpoint To Do List assignment process and the ISIR auto-loading process.

VI. Program Objectives for Next Academic Year

In our ongoing efforts to provide the best possible service to students, our objectives for next year include:

1. Launch the 'aid year' earlier than March/April. Communicate requirements to students in late 2017 or early 2018.
2. Implement new Summer Pell requirements.
3. Implement High Point PeopleSoft bolt-on functionality: Automation Engine, Financial Aid Course Audit, and FERPA compliant, threaded messaging to students via the Student Center and Mobile devices.