

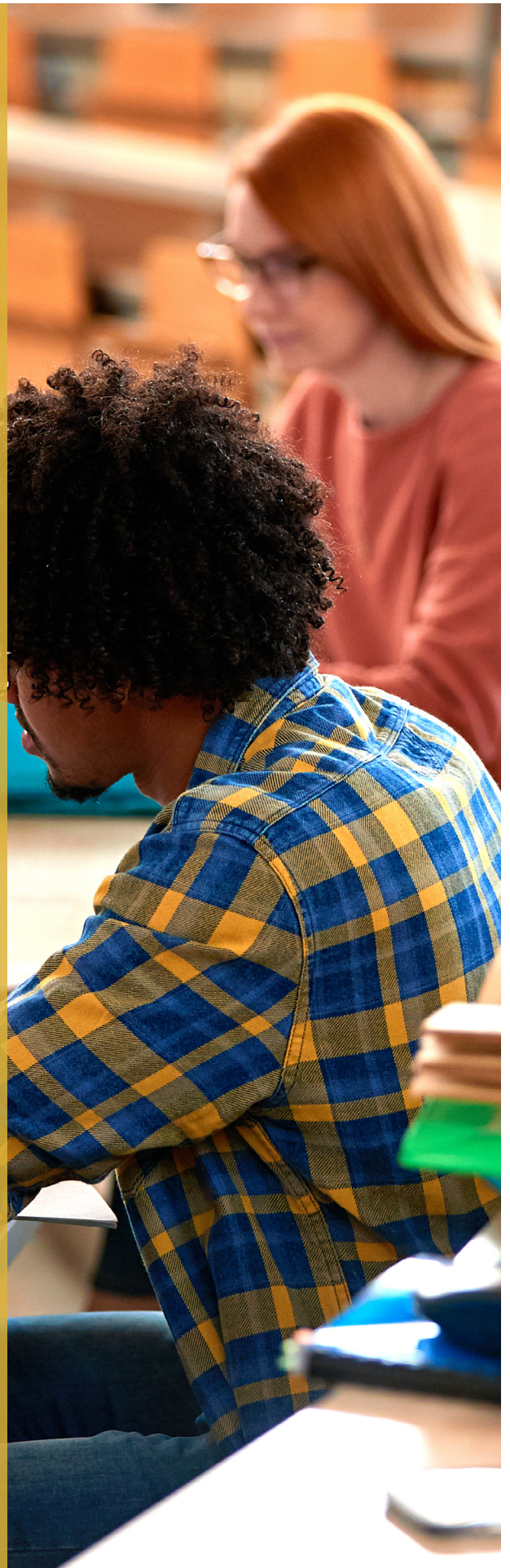
March 6, 2020

Cal Grant Modernization: A VISION FOR THE FUTURE

A student-centered framework
for modernizing financial aid



California
Student Aid Commission



Dear Colleagues,

The development of the following Cal Grant Modernization report was a collaborative effort that sought to address the college affordability crisis in which a growing number of California students are struggling to pay for their college costs, especially basic living expenses.

Last fall, the Student Expenses and Resources Survey (SEARS) provided the opportunity to hear directly from thousands of California college students about how they are managing the costs of attending college. Their stories were compelling and underscored the alarming rate at which college students are struggling to pay for their most basic needs, such as food and housing. We learned that too many students are working excessive hours, skipping meals and living in unstable housing conditions, all factors that severely impede their ability to succeed and graduate from college. These are the highest need students in our state higher education system. The current state financial aid system has built-in inequities making it ill-equipped to address students' total Cost of Attendance (COA).

In 2019, Senator Connie Leyva and Assemblymembers Kevin McCarty and Jose Medina, and other college affordability advocates called for the convening of a work group to develop a comprehensive proposal that modernizes the state's financial aid system and more effectively addresses the needs of struggling students. The Cal Grant Reform Work Group (Work Group), led by the California Student Aid Commission (Commission), included representatives of higher education segments, students, staff from the Executive and Legislative branches, and key nonprofit and advocacy partners. A total of four Work Group meetings were held between October 2019 and February 2020, with several policy proposals considered and discussed in detail. Ultimately, the Work Group narrowed down the options to a single proposal that redesigns the Cal Grant program based on whether a student starts their education journey at a Community College or a four-year institution.

The resulting Cal Grant Modernization proposal was designed with today's students in mind. They are racially and ethnically diverse, the first in their family to go to college, multi-generational, single parents and deeply concerned about costs.

The proposal addresses five key policy objectives:

1. Simplifies and Streamlines State Aid
2. Addresses Equity by Reducing Eligibility Barriers
3. Establishes Total Cost of Attendance as a benchmark for college affordability
4. Reduces Student Debt for Financial Aid Students
5. Leverages State, Federal and Institutional Financial Aid to Effectively Serve Students

This proposal also addresses a larger strategic issue for California. It targets a subset of the new state financial aid investments in students who are at risk of not graduating because they lack financial resources. California's future workforce and economic strength depend on building the pool of home-grown talent to address the predicted

shortfall of college-educated workers in the next decade. This proposal would help more Californians graduate and succeed in college, despite their personal economic circumstances.

This is a comprehensive proposal that continues the state's commitment to providing Cal Grants to low-and middle-income students while targeting non-tuition aid to students with the highest need. This proposal provides a strategic roadmap for financial aid investments. The Work Group endeavored to address core priorities while keeping costs down. The expectation is that funding will be phased-in over time. While there are still many details to be resolved and refinements to be made, we believe this is a solid first step in moving the financial aid reform discussion to the legislative arena.

I would like to thank the members of the Cal Grant Work Group, Commissioners and Commission staff for their time and commitment to this Cal Grant Modernization project. Their contributions to this proposal and report were invaluable. Additionally, this work would not have been possible without the generous support of the College Futures Foundation and HCM Strategists. These organizations made it possible to engage a technical team of experts to ensure the integrity of the process and provide critical analytical support.

Lastly, on behalf of the the Commission and its partners in financial aid reform, we would like to thank Senator Leyva and Assemblymembers McCarty and Medina for championing comprehensive change to the state's financial aid system to more effectively address the college affordability needs of students across California.

Best regards,



Marlene L. Garcia

Executive Director, California Student Aid Commission

Table of Contents

I.	Executive Summary	5
II.	Background	7
III.	Proposal Overview	8
IV.	<i>Cal Grant/2</i> Program Details	10
V.	<i>Cal Grant/4</i> Program Details	12
VI.	Who Is Served under the New Proposal?.....	14
VII.	Funding Plan	17
VIII.	Policy Recommendations	18
IX.	Additional Recommendations for Further Consideration	20
X.	Conclusion.....	22
XI.	Appendices	23

Executive Summary

Cal Grant Redesign Helps Students of Today – and Tomorrow – Succeed

Change is overdue. California’s primary state-funded student financial aid program, Cal Grant, was designed six decades ago and no longer meets the needs of the state’s growing number of struggling college students. Due to shifting student demographics and the ever-rising cost of living in California, the program as originally designed falls short of advancing affordability and providing a pathway to success. It’s simple: students are struggling more than ever to pay for not just their tuition, but also their basic needs like food and housing. Many students must work an excessive number of hours or take out crushing student loans, all in an effort to reach their educational goals and realize their dreams. For too many, these barriers put completion out of reach and magnify the challenges of an outdated aid program. Now, California has a critical opportunity to reimagine and reform the nation’s largest student financial aid program to reach unserved and underserved populations and make higher education attainable for all.

In the fall of 2019, the Commission – pursuant to a request from state legislative leaders who focus on higher education access and affordability issues – convened a Cal Grant Reform Work Group (Work Group) to make policy and fiscal recommendations for modernizing state financial aid. This Work Group, in accordance with the legislators’ request, considered several proposals intended to achieve the following five key policy objectives:

- 1. Simplifying and Streamlining.** Nearly all stakeholders – especially student representatives – agree that the Cal Grant Program is overly complicated and should be easier for students and families to understand.
- 2. Increasing Equity by Reducing Eligibility Barriers.** Over the years, various “rationing” mechanisms intended to reduce the costs of state financial aid have effectively served to exclude many low-income, high-need students from the program; without access to grant aid, many of these students either graduate with excessive loan debt or do not attend college at all.
- 3. Addressing Total COA.** The current Cal Grant Program is focused largely on covering tuition and fees; however, at the average California public institution of higher education, tuition comprises less than half of total COA. A key objective is to establish COA as the state policy benchmark for determining college affordability.
- 4. Reducing Student Debt for High-need Students.** Students are struggling to pay for their basic living expenses and often turn to crushing debt to finance their education. By providing more non-tuition aid to students, they will rely less on student loans to pay for college.
- 5. Formally Leveraging State, Federal and Institutional Aid to Effectively Serve Students.** The goal is to strategically coordinate and maximize the benefit of all sources of aid to help close the affordability gap for students.

This report outlines the Work Group’s Cal Grant Modernization proposal and recommendations to the California State Legislature.

The proposed program provides financial aid to California students from low to middle-income families, providing access and choice among two- and four-year institutions. The proposal includes two programmatic components – *Cal Grant/2* and *Cal Grant/4* – and is designed to meet the needs of students based on the institution they are attending.

- **Cal Grant/2** expands grant aid to California community college students by guaranteeing Access grants of up to \$6,000 for low income students who meet the specified requirements. Access grants help defray non-tuition costs, such as housing, food, transportation and other educational expenses. *Cal Grant/2* also improves access for returning adults and students with dependents.
- **Cal Grant/4** guarantees financial aid to cover tuition and fees for low to middle-income students who meet specified requirements and attend a qualifying four-year college or university (UC, CSU, or Cal Grant eligible private institution). *Cal Grant/4* also increases access to baccalaureate pathways for returning adults. *Cal Grant/4* provides awards regardless of year in school and urges colleges and universities to target institutional financial aid resources to fund non-tuition access awards for the highest need students.

The Work Group drew upon significant prior policy research and analysis, including: the Century Foundation's 2018 report [Expanding Opportunity, Reducing Debt](#) issued at the request of the Commission: The Institute for College Access and Success through its many reports and convenings; and, the many hearings and reports conducted by the State Legislature. Additionally, Senator Connie Leyva and Assemblymembers Jose Medina and Kevin McCarty provided leadership in authoring major financial aid legislation in recent years to address the college access and affordability crisis in California that helped spur the much-needed policy reform of Cal Grant.

Background

For many years, state officials, education leaders and college affordability advocates have called for modernizing California's financial aid system and increasing state investments in the total COA, especially for the highest need college students.

Two major financial aid redesign bills were introduced in the Legislature in early 2019:

- [Assembly Bill 1314 \(Medina, McCarty\)](#) would establish the framework for a simplified, streamlined Cal Grant program.
- [Senate Bill 291 \(Leyva\)](#), sponsored by the California Community Colleges (CCC), would establish a new, COA-focused grant for CCC students, guaranteeing that federal, state and institutional aid will cover the full COA after student and parent contributions.

In May of 2019, the bill authors issued a joint statement declaring AB 1314 and SB 291 two-year bills, and in September 2019, they requested the convening of a stakeholder work group to provide policy and fiscal recommendations on modernizing the Cal Grant program to the Legislature by March 2020. The Work Group met four times since its formation in September 2019. The group focused on identifying a set of core principles ([Figure 1](#)) and from there, provided input to the technical team to develop proposals reflecting varied approaches to Cal Grant reform. After much discussion, two proposals emerged as the most viable. Staff then conducted extensive modeling exercises to illustrate student populations that would be served and costs associated with each proposal. After numerous modeling iterations, a comprehensive two-part Cal Grant modernization proposal emerged with the most consensus and most effective in addressing the Work Group's core principles. Together, the two program components comprise the Cal Grant Modernization proposal.

Figure 1: Cal Grant Modernization Core Principles

Student Centered	<ul style="list-style-type: none"> • Keeps students at the center of discussion and is designed to meet their needs irrespective of their entry point to education
Equity	<ul style="list-style-type: none"> • Eliminates eligibility barriers and increases access to state aid • Prioritizes aid to low-income students at all segments
Simplified	<ul style="list-style-type: none"> • Increases transparency for students and families and simplifies the process • Reduces administrative complexity
Cost of Attendance	<ul style="list-style-type: none"> • Establishes COA as a state benchmark for determining college affordability • Expands Access Awards for highest need students
Fiscally Responsible	<ul style="list-style-type: none"> • Provides a framework that reflects priorities of policy makers and advocates and recommends equitable phas-in funding over time • Leverages all sources of aid

Proposal Overview

The Cal Grant Modernization proposal is a simpler approach to providing state financial aid to students so they can afford college. This proposal is designed to more effectively serve the specific needs of students attending either a two-year or four-year institution.

Following are key design features of the proposal:

- Continue the state's commitment to covering tuition and fees for low-income and middle-income students.
- Consolidate the existing Cal Grant A, Cal Grant B, and Cal Grant C awards and the High School Entitlement, Transfer Entitlement, and Competitive programs into a two-part Cal Grant entitlement program – *Cal Grant/2* and *Cal Grant/4*.
- Cover a greater share of total COA by providing Access Awards of up to \$6,000 for non-tuition costs to a subset of students with the highest need.¹
- Eliminate GPA verification for students attending community colleges and streamline GPA verification requirements for students attending four-year institutions.
- Eliminate California's unique 'income and asset' standards to determine level of need and instead base financial need on the federal formula for Expected Family Contribution (EFC).
- Eliminate age and time out of high school restrictions that currently prevent older students from accessing entitlement awards.
- Provide tuition or fee awards to all eligible students regardless of grade level by eliminating the gap in first-year tuition coverage for Cal Grant B recipients.

Cal Grant recipients under this proposal would still have to meet general eligibility criteria regarding residency, financial aid applications, enrollment status and academic progress that exist under the current Cal Grant program (see Appendix A).

Expected Family Contribution (EFC)

Cal Grant eligibility is currently based primarily on a student's family income and assets. Statute requires that the Commission update these eligibility ceilings each year utilizing a standard inflationary adjustment. The new Cal Grant proposal recommends eliminating the California-specific income and asset ceiling requirement and, instead, uses only the federal Expected Family Contribution (EFC) formula to determine Cal Grant eligibility. This is the same formula used for determining eligibility for the federal Pell Grant and other federal aid programs. The EFC is a measure of family or independent student financial strength and is calculated according to a formula established by federal law. The EFC formula considers income, assets, benefits (e.g., unemployment, social security, etc.), and family size, including the number of family members attending school simultaneously. This information is collected by the FAFSA (or the CADAA in California). The EFC formula generates a dollar figure that estimates how much a family or independent can be expected to contribute toward the cost of college.

¹ Currently, the Access Award provides eligible students with up to \$1,672 per academic year. The Access Award has not kept pace with inflation and is an insignificant amount of support in the face of rising living expenses, especially housing costs. The Access Award was set at approximately \$900 when first implemented in the late 1960s – an amount equivalent now to over \$6,000 in inflation-adjusted dollars. ² For more information about the EFC Formula, review the 'Expected Family Contribution (EFC) Formula Guide' available on the Federal Student Aid website.

Using the federal EFC is currently the strongest measure of a family's economic strength and their ability to pay for college. Moving to an EFC model will be cost neutral and is expected to simplify the process for campus financial aid administrators, since they currently use this formula to determine federal aid eligibility. **Figure 2** displays the average income ranges for certain EFC cutoffs that will be referenced throughout the Cal Grant Modernization proposal.

Figure 2: The relationship between EFC and average household income

ZERO EFC = \$0 AVG HOUSEHOLD INCOME: \$14,337		100% EFC = \$5,576 AVG HOUSEHOLD INCOME: \$57,516		150% EFC = \$8,364 AVG HOUSEHOLD INCOME: \$73,1767	
Percentile	Avg. Income (\$)	Percentile	Avg. Income (\$)	Percentile	Avg. Income (\$)
95%	39,245	95%	111,173	95%	125,389
75%	23,513	75%	83,208	75%	98,251
50% Median	11,241	50% Median	58,582	50% Median	74,778
25%	800	25%	27,311	25%	35,042
5%	0	5%	26,462	5%	32,976

Maximum EFC for Pell Grant Award

Cal Grant/2 Program Details

Cal Grant/2 for Community College Students

Cal Grant/2 would be available **exclusively for students attending California Community Colleges (CCC)** and contains two unique program eligibility features: 1) eliminating the high school GPA verification process and 2) extending the application deadline to September 2.

Summary of Eligibility Criteria (changes to current program highlighted in bold):

- Student must file FAFSA/CADAA
- California resident or meet AB 540 eligibility criteria
- **Financial need determined by EFC**
- Must be attending a CCC program that leads to a degree, certificate, or transfer
- Be enrolled or plan to enroll at least half-time
- Satisfactory Academic Progress
- **No GPA verification required**
- **Eliminate time out of high school and age requirements**
- **Application deadline moved back to September 2nd**

Figure 3: Summary of Proposed Cal Grant/2 Program

Subgroup	EFC = \$0	EFC: \$1 – 8,364 (150% Pell)	Current Expenditure	Proposed Expenditure	Detail
Tuition/Fees	Waived by CCPG	Waived by CCPG	None	None	Assumes tuition/ fees are waived by existing CCPG
Access Award	Entitlement	None	\$150 M	\$945 M	Increase Access Award from \$1,672 to \$6,000 (covered by state aid)
Net New Spending			\$795 M		

Unique Program Features

High school **GPA verification** would no longer be required for a *Cal Grant/2* award recipient. This change is key to removing barriers for non-traditional students (e.g., older students, returning students, and students with dependents). The Commission currently denies state aid to an average of approximately 165,000³ students every year because they cannot verify their High School GPA as required by law. These students could otherwise qualify for a Cal Grant Entitlement or Competitive award. It can be challenging for students to verify their high school GPA, especially working adults who have been out of school for many years. Furthermore, for a student in this scenario, a high school GPA may not be a reliable indicator of a student's ability to succeed in community college. Consistent with current Cal Grant requirements, a student would still need to maintain Satisfactory Academic Progress (SAP) to continue receiving the *Cal Grant/2* award each term.

The proposed *Cal Grant/2* program also extends the application (FAFSA or CADAA) deadline to September 2 of the academic year in which the student is applying for financial aid. Currently, students must apply for financial aid by March 2 to be considered for a Cal Grant entitlement award. However, the Commission currently uses a September 2 deadline for community college students being considered for a competitive Cal Grant award because the statute requires that half of all Competitive Cal Grant awards be reserved for students attending a CCC. The later financial aid application deadline is beneficial for community college students in particular, because there is no deadline to apply for admission to a CCC like there is for four-year universities. On average, approximately 182,000 community college students⁴ are deemed ineligible for a Cal Grant entitlement award because they did not apply by March 2. This modification will be instrumental in maximizing the number of students who apply for aid.

Tuition/Fee Aid

Currently, community college enrollment fees for eligible students are waived by the California College Promise Grant (CCPG), formerly known as the Board of Governors (BOG) Fee Waiver. This proposal does not make changes to the existing system of fee coverage for community colleges and instead focuses on non-tuition aid for these students.

Non-Tuition Aid

Currently, the state does not provide much support for students struggling with the non-tuition costs associated with attending college, thereby forcing students to look elsewhere for support in the form of student loans or working multiple jobs. The major statewide grant program that provides limited support for non-tuition expenses is the Cal Grant B Access Award, which can be used to finance any non-tuition educational expenses, including textbooks, educational supplies, housing, transportation and food. However, these non-tuition awards remain inefficient to cover basic needs.

The new *Cal Grant/2* guarantees an Access Award of up to \$6,000 to students with the highest need (i.e., students with a zero EFC). This proposal would increase the number of awards from the current 124,260 Cal Grant A, B and C awards to about 430,000.

Ultimately, the goal is also to fund Access Awards for students with an EFC above zero but below \$5,576 (federal EFC cutoff for the Pell Grant). The Cal Grant modernization proposal proposes to phase in funding increases for the Access Awards gradually.

³ This average was calculated using financial aid application data for the most recent five academic years (starting with the 2015-16 academic year). ⁴ This average was calculated using financial aid application data for the most recent five academic years (starting with the 2015-16 academic year).

Cal Grant/4 Program Details

Cal Grant/4 for Students at Four-Year Institutions

Cal Grant/4 would be available exclusively for **students attending Cal Grant-eligible four-year institution in California** (including CCC baccalaureate programs) and contains two unique program eligibility features: (1) switching to a single GPA cutoff for Cal Grant/4 eligibility and (2) removing time out of high school requirements.

Summary of Eligibility Criteria (changes to current program highlighted in bold):

- Student must file FAFSA/CADAA
- California resident or meet AB 540 eligibility criteria
- **Financial need determined by EFC**
- Must be attending a UC, CSU, or eligible private 4-year institution that leads to a degree
- Be enrolled or plan to enroll at least half-time
- Satisfactory Academic Progress
- **2.0 GPA verification required**
- **Eliminate the gap in first-year tuition coverage (Cal Grant B)**
- **Eliminate time out of high school requirement**

Figure 4: Summary of Proposed Cal Grant/4 Program

Subgroup	EFC = \$0	EFC: \$1 – 8,364 (150% Pell)	Current Expenditure	Proposed Expenditure	Detail
Tuition/Fees UC/CSU/ICU/ PCC	Entitlement	Entitlement	\$1.92 B	\$2.4 B	Assumes current tuition/fee levels
Access Award UC/CSU/ICU/ PCC	Entitlement (institutionally packaged)	None OR Left to discretion of the institution	\$185 M	\$0	Access Awards at 4-year institutions covered by institutional aid Reinvest current expenditure into expanded access to tuition/fees
Net New Spending			\$295 M		

Unique Program Features

This proposal establishes a 2.0 minimum GPA for students to be eligible for a *Cal Grant/4* entitlement award. A minimum GPA of 2.0 is required for transfer from a CCC and admission to a UC or CSU. Using a single GPA cutoff at 2.0 streamlines program eligibility and eliminates confusion for students and administrators. This will also enhance messaging to students and families and eliminate gaps in financial aid access for students who do not understand GPA cutoffs. Currently, there are several different GPA cutoffs for the existing types of Cal Grant awards.⁵

Significantly, the *Cal Grant/4* eliminates age and time out of high school as an eligibility factor in making entitlement awards. This change would open access to working adults, especially those with some college and no degree or those who never attended college after high school and for whom access to education and upskilling will enable them to keep pace with the evolving needs of the workforce. As the projected enrollment of traditional students – age 18, right out of high school – is expected to decline in the next five to 10 years, the non-traditional student population can be expected to grow given the evolving new basic requirements of the workplace.

Tuition/Fee Aid

Need-based eligibility for a *Cal Grant/4* tuition award at all eligible four-year institutions, public and private, would be determined by a student's EFC. The tuition guarantee would be in place for students with an EFC up to 150 percent of the maximum EFC to receive a federal Pell Grant (currently \$8,364). Four-year students would, therefore, be entitled to a tuition Cal Grant if their EFC is no more than **\$8,364**.

This proposal also eliminates the current statutory restriction on first-year tuition awards for Cal Grant B students. Under current law, only 2 percent of Cal Grant B awardees may receive a tuition award in their first year of attendance. This forces institutions to backfill for Cal Grant for these students using institutional aid. Under this proposal, the Cal Grant would be an entitlement for four full-time equivalent years.

This proposal **maintains the current tuition entitlement** for students enrolled at a University of California (UC) and California State University (CSU) campuses and is equal to 100 percent of mandatory systemwide tuition and fees at that segment. For students attending an eligible nonprofit institution, the maximum Cal Grant would cover a fixed amount of the student's tuition costs, as determined and funded in the annual State Budget Act. The Cal Grant Modernization framework does not specifically address the annual formula for determining the maximum tuition award at these institutions; however, it is discussed in the recommendations offered later in this report.

Cal Grant tuition awards at for-profit institutions would remain **unchanged** from current levels. Students attending an eligible institution accredited by the Western Association of Schools and Colleges (WASC) would be eligible for a tuition award of up to \$8,056; students attending institutions not accredited by WASC could receive up to \$4,000.

Non-tuition Aid

This proposal would establish an expectation that four-year colleges and universities utilize their institutional financial aid to help offset non-tuition costs for their highest-need students. The goal is to set a target that all students with a \$0 EFC will receive up to \$6,000 of their non-tuition COA funded by institutional aid, such as the UC Grant or the State University Grant (SUG).

It is anticipated that segmental offices will enter into a Memorandum of Understanding with the state detailing their respective approaches to reducing non-tuition unmet needs. Each segment will be expected to issue an annual report summarizing their institutional aid spending, including the total number of \$0 EFC students served, demographic characteristics of students served, average award amounts and aggregate unmet need after institutional aid dollars have been fully expended.

⁵ Refer to Appendix A for a summary of the current Cal Grant GPA cutoffs

Who is Served Under the New Proposal?

Figure 5 summarizes the conceptual framework of this Cal Grant Modernization proposal. The proposal consolidates the existing seven Cal Grant programs ⁶ into two types of Cal Grant awards – *Cal Grant/2* and *Cal Grant/4*. This streamlines the Cal Grant program making it easier for students and families to understand.

Figure 5: Summary of Cal Grant Modernization Proposal

Program	Eligibility for Entitlement	GPA Minimum	Tuition Award	Access Award (EFC = \$0)
<i>Cal Grant/2</i>	Attending a CCC Low income (EFC < 5,576)	None	Waived by CCPG (Institutional aid)	Up to \$6,000 (state aid)
<i>Cal Grant/4</i>	Attending an eligible 4-year institution Low to middle income (EFC < 8,364)	2.0	Covered by Cal Grant (state aid) *Systemwide tuition/ fees at UC & CSU, fixed amount at eligible private institutions	Up to \$6,000 (Institutional aid)

Overall access to Cal Grant and state financial aid is significantly increased under the new Cal Grant reform proposal. Currently, the Cal Grant A, B and C programs serve 256,886 first-time, new students across all segments. Under the new proposal, 623,188 new students across the segments would be served by the proposed new Cal Grant program – **a 143 percent increase**.

All students currently receiving a Cal Grant award will be grandfathered in the program.

Figure 6 provides an overview of the student populations newly eligible and newly ineligible under this proposal, as well as their financial and demographic characteristics. This analysis reveals that utilizing EFC to measure need results in a more precise mechanism of targeting aid to students with higher needs. This is demonstrated by the financial and demographic characteristics of the “newly eligible” population of students compared to the student population that loses eligibility. Furthermore, changes in eligibility factors for the *Cal Grant/2* and *Cal Grant/4* programs result in a significant increase in the overall number of students being served.

Cal Grant/2 Program: More than 313,000 new students gain eligibility and 5,904 students who currently receive Cal Grant awards lose eligibility (none of whom have an EFC of zero). The average income of the “ineligible” group is \$53,000, higher than the “newly eligible” group.

Cal Grant/4 Program: More than 71,000 new students gain eligibility and 11,870 students who currently receive Cal Grant awards lose eligibility (only six percent of whom have an EFC of zero).⁷ The average income of the “ineligible” group is \$47,000, higher than the “newly eligible” group. The students newly eligible for a Cal Grant/4 (40 percent of whom have an EFC of zero) tend to be older, are more likely to be a first-generation college student and have dependent children.

⁶ Refer to Appendix A for a summary of the current Cal Grant program ⁷ Even though these students have an EFC of zero, they lose eligibility because they either have a GPA below 2.0 or have no verified GPA on file. ⁸ Zero EFC = Expected Family Contribution (EFC) is zero; CADAA = California Dream Act Application; Parent College = percentage of students that have at least one parent who has attended college; Dependent = Student is considered a legal dependent; SWDC = Student with Dependent Children; Avg HH = Average household size

Figure 6: Demographic Analysis of Proposed Cal Grant/2 & Cal Grant/4 Model⁸

Cal Grant/4	Count	FINANCIAL			DEMOGRAPHIC			HOUSEHOLD			SEGMENT				
		Zero EFC	Avg Income	Avg Age	Female	CADAA	Parent College	Dependent	SWDC	Avg HH	GPA	CCC	UC	CSU	ICU
Current Awards	132,626	51.9%	\$35,492	20.3	60.0%	3.2%	36.4%	81.2%	4.5%	3.8	0.0%	24.4%	59.0%	12.0%	4.4%
		68,777							6,012						
New Model	192,204	50.2%	\$31,189	22.5	58.2%	2.6%	39.8%	63.9%	7.8%	3.3	0.0%	20.0%	62.5%	11.7%	5.8%
		96,540							15,056						
Newly eligible	71,448	39.9%	\$31,072	26.3	55.0%	1.1%	49.1%	36.6%	13.1%	2.5	0.0%	13.1%	66.1%	11.9%	8.8%
Ineligible	11,870	6.1%	\$78,555	19.8	60.0%	0.8%	58.1%	92.3%	2.8%	3.9	0.0%	28.8%	45.5%	17.1%	8.6%

* When student has a GPA (Current: 122,176; New: 332,400; In: 215,815, Out: 5,591)

Cal Grant/2	Count	FINANCIAL			DEMOGRAPHIC			HOUSEHOLD			SEGMENT				
		Zero EFC	Avg Income	Avg Age	Female	CADAA	Parent College	Dependent	SWDC	Avg HH	GPA	CCC	UC	CSU	ICU
Current Awards	124,260	75.6%	\$22,306	23.2	61.1%	4.8%	52.9%	61.5%	18.5%	3.6	100.0%	0.0%	0.0%	0.0%	0.0%
		93,931							23,049						
New Model (100% EFC)	431,984	64.6%	\$23,916	25.3	59.1%	2.8%	32.9%	48.9%	22.5%	3.2	100.0%	0.0%	0.0%	0.0%	0.0%
		279,264							97,346						
Newly eligible	313,628	59.1%	\$25,583	26.0	57.6%	1.9%	36.0%	44.6%	23.7%	3.1	100.0%	0.0%	0.0%	0.0%	0.0%
Ineligible	5,904	0.0%	\$78,578	20.4	61.0%	1.9%	50.3%	85.9%	1.3%	3.8	100.0%	0.0%	0.0%	0.0%	0.0%

*When student has a GPA (current: 131,414; Out: 10,658)

Sample Financial Aid Packaging

Figures 7 and 8 below show sample financial aid packaging under the current Cal Grant program and the Cal Grant Modernization proposal for a student with an EFC of \$0. The modernization proposal will result in significant reductions in unmet need for the public segments of higher education in particular.⁹

Figure 7: Sample packaging for a student with an EFC=\$0 under current Cal Grant model

Current Cal Grant Student EFC = \$0	UC	CSU	CCC	AICCU
Full-Time Average COA	\$35,000	\$23,000	\$18,200	\$52,074
Max Cal Grant/CCPG Tuition Award	\$12,570	\$5,742	\$1,100	\$9,084
Max Pell Grant	\$6,195	\$6,195	\$6,195	\$6,195
CG-B Access Award	\$1,672	\$1,672	\$1,672	None
Remaining Unmet Need	\$14,563	\$9,391	\$9,233	\$36,795

Figure 8: Sample packaging for a student with an EFC=\$0 under Cal Grant Modernization proposal

Current Cal Grant Student EFC = \$0	UC	CSU	CCC	AICCU
Full-Time Average COA	\$35,000	\$23,000	\$18,200	\$52,074
Max Cal Grant/CCPG Tuition Award	\$12,570	\$5,742	\$1,100	\$9,084
Max Pell Grant	\$6,195	\$6,195	\$6,195	\$6,195
Max Access Award State/Institutional	\$6,000	\$6,000	\$6,000	None
Remaining Unmet Need	\$10,235	\$5,063	\$4,905	\$36,795

Notes on Sample Financial Aid Packaging

1. Institutional Aid. While this proposal formalizes a role for institutional aid at public, four-year segments, it is important to note that institutional financial aid is based on resources available which may differ significantly not only by segment, but also by campus. The examples here are intended to provide a snapshot of the recommended targets for institutional aid that are included in this proposal.

2. Student Contribution. Although this proposal does not incorporate part-time work during the school year, similar to the UC's education finance model, students who are able to work an average of 10 to 12 hours per week during the school year and contribute to their total COA may be able to close the gap in their unmet need. After-tax estimates of earnings from 12 hours per week of work (at \$15 an hour) total \$7,000-\$7,500 per year (based on 50 weeks per year).

⁹ These sample packaging charts make several assumptions: (1) Financial aid offices maximize state and federal aid resources for which a student is eligible; (2) Assumes current tuition/fee levels; and (3) 'Full-Time Average COA' is weighted by living situation (Source: institutional aid reports and estimates).

3. Independent, Non-Profit Institutions. According to estimates from AICCU, the average Cal Grant recipient receives approximately \$18,000 in institutional financial aid annually. Under this proposal, the Commission would work with AICCU and member institutions to strengthen the partnership between state aid and institutional aid and to ensure that students with the highest level of need.

Funding Plan

The goal of the Cal Grant Modernization proposal is to establish a sound and comprehensive Cal Grant framework that addresses the key priorities of equity, simplicity and increased access to higher education by helping students cover their total cost of attendance. These priorities will serve to guide future investments in Cal Grant aid. Given the state's current fiscal reality and the expectation of an economic downturn in the near future, the Work Group diligently worked to contain costs while improving targeted access to financial aid. Throughout this process, every effort has been made to reduce the overall cost of this proposal by leveraging and coordinating the existing financial aid investments to maximize the benefits to students. The new net investment needed to implement this proposal is significant, but far less costly than other proposals that have attempted to advance comprehensive reform plans. To truly meet the needs of students today – as opposed to the students of 1960 when the Cal Grant program was first established – this investment is necessary to address the continuing wealth gap in our state and prepare our students for prosperity. The expectation is that the Cal Grant Modernization proposal will be phased in over several years.

Fiscal Impact Summary

Cal Grant/2: The total cost to provide a \$6,000 Access Award to all eligible zero-EFC *Cal Grant/2* recipients is \$945 million.¹⁰ The state currently spends \$150 million on \$1,672 Access Awards for CCC students. Therefore, the new *Cal Grant/2* program would result in net new costs of **\$795 million**.

Cal Grant/4: The total cost to provide tuition/fee awards for all *Cal Grant/4* eligible students is \$2.4 billion. The state currently spends \$1.9 billion on tuition/fee Cal Grant awards for students attending four-year institutions. Additionally, the state currently spends \$185 million on \$1,672 Access Awards for these students. With institutional aid playing a more formal role in providing the \$6,000 Access Awards under this proposal, the \$185 million in savings would be reinvested in expanding access for tuition/fee coverage under the new *Cal Grant/4* program. The *Cal Grant/4* program would result in net new costs of **\$295 million**.

Together, the *Cal Grant/2* and *Cal Grant/4* components of this proposal are estimated to result in net new costs to the state of approximately **\$1.1 billion** once fully phased-in (see [Figure 10](#)).

Figure 10: Total New Costs for a Fully Phased-in, Modernization Cal Grant Program

	New Tuition & Fees	New Access Awards
Cal Grant/2	\$0	\$795 M
Cal Grant/4	\$295 M	\$0
Total	\$295 M	\$795 M
NET NEW COST: \$1.09 B		

¹⁰ An additional \$510 million would be needed to fund Access Awards for students with an EFC greater than zero but under \$5,576 (Pell Grant cutoff)

Key principles for phasing in *Cal Grant/2* and *Cal Grant/4* include:

- Grandfather in existing Cal Grant recipients that would be newly ineligible for a *Cal Grant/2* or *Cal Grant/4* award to ensure no current students lose their award while in the process of completing their degree;
- Phase in new program features in a fiscally responsible manner that prioritizes the highest need students and students who are least served by the current Cal Grant program;
- Leverage and coordinate all existing financial aid resources (federal, state, institutional); and
- Analyze potential new revenue sources and engage with business/technology leaders to seek out innovative solutions

Policy Recommendations

The Cal Grant Work Group worked diligently over five months to re-envision a more modern Cal Grant Program that would serve the needs of students today. The first step was to analyze several different policy framework concepts against the set of key principles and priorities established by the Work Group. Next, the Work Group reviewed extensive modeling to determine who would be served under the various scenarios and the fiscal impacts of each. After several modeling iterations, the group overwhelmingly supported the *Cal Grant/2* and *Cal Grant/4* proposal.

The Commission strongly recommends the adoption of the *Cal Grant/2* and *Cal Grant/4* modernization proposal. This proposal will boost the number of college graduates with little to no debt by eliminating significant eligibility barriers and strategically leveraging all existing financial aid resources. California has the opportunity to address the predicted shortfall of high-skill workers needed in our state. This proposal will make significant strides in building the pool of California college-educated workers needed to fuel a 21st century economy for years to come.

Following are the specific policy and statutory changes required to implement the Cal Grant Modernization proposal. They are presented in four categories.

1. Consolidation/Streamlining

- Merge the Cal Grant A, B, and C programs into a single Cal Grant award
- Consolidate the Cal Grant High School Entitlement, Transfer Entitlement, and Competitive pathways into *Cal Grant/2* and *Cal Grant/4* eligibility pools

2. Eligibility barriers

- Use EFC to determine financial eligibility (eliminate current income & asset ceilings)
- Eliminate the current restriction on first-year Cal Grant B students receiving tuition awards
- Eliminate all age and time out of high school restrictions that prevent older/non-traditional students from accessing state aid

- Eliminate the GPA verification requirement for *Cal Grant/2* and establish a single GPA cutoff (2.0) for *Cal Grant/4*
- Change the financial aid application deadline for *Cal Grant/2* (to September 2)
- Retain current carve-out eligibility requirements for students with dependent children and current/former foster youth
- Retain existing eligibility criteria regarding California residency/AB 540 eligibility, enrollment status, Satisfactory Academic Progress, etc.

3. Cost of Attendance

- CCC enrollment fees remain covered by California College Promise Grant (CCPG)
- Utilize state aid to provide tuition guarantees for all eligible low- and middle-income *Cal Grant* students at four-year institutions
- Utilize state aid to provide Access Awards (up to \$6,000) for highest need community college students (EFC = \$0)
- Coordinate with four-year institutions to target institutional aid towards highest need students (EFC = \$0) to provide Access Awards (up to \$6,000)

4. Reporting and Outcome Measures

- Establish uniform reporting requirements for institutions to report to the state including outcome measures that assess student persistence, graduation and the effectiveness of the program.

Recommendations for Further Consideration

The Cal Grant Modernization proposal addresses core components of eligibility and program structure for the Cal Grant, including prioritizing low-income students and considering total COA while addressing simplification.

Meanwhile, given the Commission's mission to make higher education financially accessible for all Californians, the Commission acknowledges there are several other related policies worthy of strong consideration outside the scope of the Cal Grant Modernization proposal. Some of these policy proposals currently are embodied in pending legislation, and others require more in-depth policy research and analyses to strengthen the state's comprehensive approach to address college affordability and access for all students.

Award Level for Independent Colleges and Universities

The Cal Grant award for students attending independent, non-profit colleges and universities (ICUs) is currently discretionary and determined by the annual State Budget Act. The maximum Cal Grant tuition award for students attending ICUs has lost considerable value in recent years, unlike the Cal Grant for students attending UC and CSU that are statutorily linked to mandatory systemwide tuition and fees. The award peaked at \$9,708 in 2000 and has since been reduced to \$9,084 – less than 65 percent of its inflation-adjusted value. Prior to 2000, the maximum Cal Grant at private institutions was tied to a formula that increased annually by attempting to capture the increase in college costs and consider annual increases in living costs as well. The Legislative Analyst's Office (LAO) and stakeholders, including the Association of Independent California Colleges and Universities (AICCU), have long advocated for the reinstatement of this formula to prevent the maximum award from being reduced in value annually.

In order to ensure the Cal Grant program equitably supports all Cal Grant recipients across all segments of higher education, the Commission recommends the reestablishment of a statutory funding formula to determine the maximum Cal Grant award each year and ensure there is stable, predictable growth in the award over time.

Summer Cal Grant

Existing law sets lifetime Cal Grant eligibility at "400 percent" – with 100 percent referring to an academic year of full-time coursework. Summer terms count towards this 400 percent eligibility; however, students who use their Cal Grant award for summer coursework are drawing down their overall lifetime eligibility. Many students in this scenario reach their senior year of college without any remaining Cal Grant aid to use.

With recent state investment to incentivize improvement in two- and four-year graduation rates and the recent restoration of "Year-Round" Pell Grant eligibility for students taking summer courses, segmental and student advocacy groups, including the Fix Financial Aid Coalition, have worked to expand Cal Grant eligibility for summer terms. One mechanism to achieve this would be to provide that, if a student is taking summer courses necessary for either their major or General Education requirements, they can utilize Cal Grant for a certain number of summer terms without drawing down their lifetime eligibility.

Summer Cal Grant eligibility is a critical component to enhancing financial aid to help students graduate in four years, especially since lawmakers and the Governor have increasingly looked to the state financial aid system to provide incentives encouraging faster graduation and transfer rates.

Interactions with Social Services

The Commission's recent [Student Expenses and Resources Survey \(SEARS\)](#) indicated that at least one-third of students have experienced food or housing insecurity in any 30-day period. There are ongoing efforts across the segments to develop food pantries, increase enrollment in CalFresh, and expand affordable housing. While outside the scope of the Cal Grant Modernization framework and recommendations in this report, the Commission urges policymakers and stakeholders to expand access to CalFresh, low-cost housing, and other public benefits for low-income college students to help close their remaining COA gap.

Conclusion

College students deserve better. They are struggling more than ever to cover the cost of attending college, especially living expenses. They are working excessive hours, forgoing meals and healthcare, and living in unstable housing conditions all in pursuit of a higher education. They are making sacrifices to earn degrees or certificates. They know that to succeed in today's workplace, it is a basic requirement to secure an education or training beyond high school.

The development of the Cal Grant Modernization proposal was a collaborative effort that seeks to provide aid to the growing number of college students with basic needs. The current Cal Grant program, which was initially developed in the 1950s, has endured as a tuition-centric model, offering little to no financial aid to cover non-tuition costs. Students with the highest financial need have struggled the most to meet their non-tuition costs.

Over the years, the Cal Grant Program has become a complicated patchwork of seven different programs with varying layers of complexity. As a result, students and families have struggled to decipher the program and eligibility requirements to make the best decisions about funding their college education. A consolidated, simplified Cal Grant program will help students and families optimize grant aid opportunities and rely less on student loan debt.

The Cal Grant Modernization proposal vastly improves college affordability for students across the state by: **1) streamlining and simplifying state aid for students; 2) prioritizing equity by removing eligibility barriers; 3) establishing total COA as a state policy benchmark for determining college affordability; 4) reducing the burden of student debt for financial aid recipients; and 5) formally leveraging federal, state, and institutional aid to more effectively serve students.** This proposal provides a strategic road map for enhancing the success of college students throughout California.

The time is now to invest in the future California workforce. While there are many competing state interests in need of new investments, this comprehensive proposal provides a strategic roadmap for investing in the human capital needed to fuel the workforce and economy. Given the predicted shortfall of college educated workers, it is more critical than ever to invest in building the pool of home-grown talent already in our colleges and universities to fill the growing number of high-skill jobs in the state.¹¹ Strategic new investments in the Cal Grant Program will make the difference for thousands of low-income students who will be able to persist and graduate without going into extreme student debt. The success of our students will drive the long-term economic strength of California.

¹¹ Public Policy Institute of California (PPIC). [California's Future: Higher Education](#) (January 2020)

Appendix A: Current Cal Grant Program

The Commission administers the state's financial aid programs, including over \$2 billion in aid through the Cal Grant program. A Cal Grant is money for college that students do not have to pay back. To qualify, students must:

- Be a U.S. citizen or eligible noncitizen or meet AB 540 eligibility criteria;
- Be a California resident for one year;
- Apply for financial aid by the statutory deadline via the Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADAA);
- Submit a verified high school or community college Grade Point Average (GPA);
- Demonstrate financial need (measured by family income and assets via FAFSA/CADAA);
- Be enrolled or plan to enroll at least half-time;
- Participate in an academic program that leads to a degree, certificate, or transfer;
- Maintain the Satisfactory Academic Progress (SAP) standards as established by the institution; and
- Meet other eligibility requirements outlined in [Figure 1](#).

Cal Grants may be used at any University of California (UC) campus, California State University (CSU) campus or California Community College (CCC) campus, as well as qualifying independent and career colleges in California. Depending on a student's time out of school, students may qualify for a Cal Grant through either the 'Entitlement program' or the 'Competitive program.' Additionally, there are three different types of Cal Grant awards — A, B and C — that are based on financial need.

While the Cal Grant program remains central to the state's commitment to college affordability, the program's various components reflect the philosophy of the eras in which they were first implemented (the 1950s through the early 2000s), when the primary goal was to reduce students' out-of-pocket costs for tuition and a part-time job was sufficient to cover living expenses. As currently structured, the Cal Grant program is largely based around helping students afford tuition and fees but does little to address living costs. For example, low-income students attending a UC or CSU can expect to have their full systemwide tuition and fees covered, but may only receive up to \$1,672 in non-tuition aid per year in the form of a Cal Grant B Access Award. The state needs to do more to better address the total cost of attendance (COA) beyond just tuition and fees, especially considering that living expensing (e.g. housing, food, transportation, books and supplies, childcare, and health care) are outpacing tuition and fee increases.

Figure 1: Summary of the Current Cal Grant Program

PROGRAM	ELIGIBILITY	GPA (MINIMUM)	TUITION AWARD	ACCESS AWARD
Cal Grant A HS Entitlement	Recent HS graduate (up to one year)	3.0	Tuition/Fees at UC/CSU ¹	None
	Low to middle income		\$9,084 at nonprofit & accredited for-profit private colleges	
Cal Grant A Transfer Entitlement	CCC transfer (age <28 at time of transfer)	2.4	\$4,000 at other eligible for-profit colleges	None
	Low to middle income			
Cal Grant B HS Entitlement	Recent HS graduate (up to one year) Low income	2.0	*EXCEPT FIRST YEAR* Tuition/Fees at UC/CSU ¹	\$1,672
	CCC transfer (age <28 at time of transfer)		\$9,084 at nonprofit & accredited for-profit private colleges	
Cal Grant B Transfer Entitlement	Low income	2.4	\$4,000 at other eligible for-profit colleges	\$1,672
Cal Grant A Competitive	Not eligible for entitlement (41,000 new awards per year)	3.0	Tuition/Fees at UC/CSU ¹	None
	Low to middle income		\$9,084 at nonprofit & accredited for-profit private colleges	
Cal Grant B Competitive	Not eligible for entitlement (41,000 new awards per year)	2.0	*EXCEPT FIRST YEAR* Tuition/Fees at UC/CSU ¹	\$1,672
	Low income		\$9,084 at nonprofit & accredited for-profit private colleges	
Cal Grant C Competitive	Enrolled in CTE program (7,761 new awards per year)	n/a	Up to \$1,094 at CCC	\$547
	Low to middle income		Up to \$2,462 for tuition/fees at eligible private institutions	

¹ Note that California Community Colleges charge enrollment fees per unit rather than 'tuition'. Enrollment fees, for eligible students, are waived by the California College Promise Grant (CCPG), formerly known as the Board of Governors (BOG) Fee Waiver. Students that qualify may still receive the Cal Grant B Access award at a CCC campus.
 *98 percent of Cal Grant B recipients attending a four-year institution do not receive the tuition award during their first year

Appendix B: Grant Reform Timeline

January 2017	The Legislative Analyst's Office releases ' Creating a Debt Free College Program ' Report, recommending the establishment of a new state grant aid program designed to reduce the need for students to rely on loan debt
July 2017	Legislature passes Supplemental Reporting Language requesting the Commission to submit a report in early 2018 recommending significant reforms to state financial aid programs
January 2018	Commission oversees report with the team led by Robert Shireman, Senior Fellow at the Century Foundation
April 2018	The Century Foundation releases ' Expanding Opportunity, Reducing Debt: Reforming California Student Aid ' recommending a streamlined financial aid system that would formalize the relationship between state grant aid and institutional aid
April - November 2018	Commission approves several Cal Grant Reform proposals
February 2019	Two major financial aid expansion bills are introduced in the legislature: Assembly Bill 1314 (Medina, et.al.) , the Cal Grant Reform Act, would establish the framework for a simplified, streamlined Cal Grant program, with parameters such as student contribution amounts established by the Commission. Senate Bill 291 (Leyva) , sponsored by the California Community Colleges, would establish a new, COA-focused grant for CCC students, guaranteeing that federal, state, and institutional aid will cover the full COA after student and parent contributions.
June 2019	Bill authors issue a joint statement making AB 1314 and SB 291 two-year bills and request convening of a Work Group to develop a framework and funding model to achieve Cal Grant Reform Cal Grant Reform Work Group Meeting #1: discussed prior research and established guiding principles
October 2019	Cal Grant Reform Work Group Meeting #1: discussed prior research and established guiding principles
November 2019	Cal Grant Reform Work Group Meeting #2: explored four different reform options and narrowed down to two options with consensus
December 2020	Cal Grant Workgroup Meeting #3: reviewed modeling of two reform options and verified the next steps for further analysis
February 2020	Cal Grant Workgroup Meeting #4: reviewed additional modeling and discussed interactions with other types of aid
March 2020	Cal Grant Modernization Proposal submitted to California State Legislature

Appendix C: Cal Grant Reform Work Group

Representatives from the Commission:

- Marlene Garcia, Executive Director (Work Group Chair)
- Catalina Cifuentes, Commission Chair
 - Alternate: Commissioner Guillermo Mayer

Representatives from the Legislature:

- Anita Lee, Consultant, Senate Budget and Fiscal Review (Higher Education)
- Mark Martin, Consultant, Assembly Budget Committee (Higher Education)
- Olgalilia Ramirez, Consultant, Senate Education Committee
- Jeanice Warden-Washington, Chief Consultant, Assembly Higher Education Committee
 - Alternate: Natasha Collins, Consultant, Assembly Appropriations Committee
 - Alternate: Kelly Reynolds, Communications Director, Assemblymember Medina

Representative of the Governor's Administration:

- Chris Ferguson, Assistant Program Budget Manager, Department of Finance

Representative of the Lieutenant Governor's Office:

- Aleksandra Reetz, Higher Education Policy Specialist

Representatives from each of California's segments of higher education (UC, CSU, CCC, AICCU):

- Shawn Brick, Interim Director, UCOP Student Financial Support
- Dean Kulju, Director, CSU Student Financial Aid Services & Programs
- Laura Metune, Vice Chancellor, CCCCCO Governmental Relations
 - Alternate: Rhonda Mohr, Vice Chancellor, CCCCCO Student Services
- Alex Graves, Vice President, AICCU Government Relations
 - Alternate: Mary Booker, Interim Director, USF Student Financial Services

Student Representatives:

- Maria Manjarrez, Commissioner / USC Student
- Caroline Siegel-Singh, Commissioner / UCSD Student
- Michael Wiafe, President, Cal State Student Association (CSSA)

- Alternate: Grace Pang, Vice President for Legislative Affairs (CSSA)
- Alexis Zaragoza, Member, California Community College Board of Governors

Representatives from independent research organizations:

- Debbie Cochrane, Executive Vice President, The Institute for College Access & Success (TICAS)
 - Alternate: Laura Szabo-Kubitz, Associate California Program Director
- Dr. Christopher Nellum, Senior Director, Higher Ed Research and Policy, Education Trust-West
 - Alternate: Tyler Wu, Higher Education Policy Analyst
- Audrey Dow, Senior Vice President, Campaign for College Opportunity
 - Alternate: Jake Brymner, State & Federal Policy Director
- Dr. Su Jin Gatlin Jez, Executive Director, California Competes
- Rona Sherriff, Senior Fellow, EDGE Coalition
- Robert Shireman, Senior Fellow, Century Foundation
 - Alternate: Jen Mishory, Senior Fellow

Appendix D: Cal Grant Reform Technical Team

The Technical Team supported the policy and fiscal analytical work behind developing final policy and fiscal recommendations to the Legislature. The Technical Team was comprised of the Policy and Project Coordination Group and the Fiscal Group.

Policy and Project Coordination Group

The Policy and Project Coordination Group worked with the Commission to develop the policy framework for different Cal Grant Reform options and worked with the Fiscal Group to integrate fiscal analysis. Additionally, this group supported project coordination and facilitated the Work Group discussions. In addition to the Commission Executive Director and staff, this group included:

- Dr. Elizabeth González, Chief Program and Strategy Officer for the College Futures Foundation (Lead Facilitator)
- HCM Strategists: Kristin Hultquist, Martha Snyder, and Rachelle Sharpe

Fiscal Group

This group, comprised of California budget and fiscal experts, analyzed different policies and funding options for Cal Grant reform. In addition, to support from the Commission staff, this group included:

- Judy Heiman, former Principal Higher Education Analyst for the Legislative Analyst's Office (LAO)
- Amy Supinger, former legislative budget and higher education policy consultant
- Jane Wellman (retired), former senior adviser at the College Futures Foundation

The Commission – Staff Support

The Commission staff supported all aspects of the Cal Grant Reform Project.

- Marlene Garcia, Executive Director
- Jo Dunlap, Chief Deputy Director
- Catalina Mistler, Chief – Program Administration and Services Division
- Gurinder Bains, Chief – Information Technology Services Division
- Julia Blair, General Counsel
- David O'Brien, Director of Government Affairs
- Patrick Perry, Director – Data, Analysis, and Research Division
- Dr. Jessica Moldoff, Research Specialist - Data, Analysis, and Research Division
- Melissa Bardo, Legislative Analyst
- Judith Gutierrez, Policy and Project Management Consultant
- Brenda Vue, Assistant to the Executive Director
- Teresita Martinez, Executive Fellow

