Committee on Admissions and Financial Aid  
Annual Report, 2006-07

To the Academic Senate, Santa Cruz Division:

The Senate Committee on Admissions and Financial Aid (CAFA) submits the following report for 2006-2007. The committee began its year with a workshop to inform new and continuing members about the admissions process and financial aid issues. During the remainder of the year, CAFA continued to work closely with Admissions, Financial Aid, Institutional Research and relevant Senate committees, including the Committee on Educational Policy (CEP) and the Committee on Planning and Budget (CPB), on the following issues of common interest.

Admissions
No major changes to UC selection process were introduced this year. The comprehensive review of applicants (a process adopted in 2001 and fine-tuned over the past few years) is proceeding smoothly and there were no changes to the nature or weighting of the criteria used to select the entering class. The committee confirmed its commitment to admitting up to six percent of the entering class by exception, with four percent reserved for students from disadvantaged backgrounds. The committee also agreed to grant veterans of military service or active military service individuals who do not meet UC admissions requirements a supplemental review for possible admission by exception.

Our campus received 24,464 frosh applications this year, nearly the same as the previous year. We admitted 379 more frosh than the previous year, resulting in a total of 20,066 offers of admission (81 percent acceptance rate). The average high school GPA of the admitted pool was 3.66 (compared to 3.68 last year). This was the third consecutive year in which our campus was unable to admit all UC-eligible students; approximately 1,500 UC eligible freshmen were denied admission to our campus.

One of the biggest surprises this year was an unanticipated jump in the size of our incoming frosh class. Our yield rate increased from 17 percent to slightly over 21 percent this year, the biggest gain of any UC campus. Increases were seen in all under-represented ethnicities, except for Native Americans (which remained constant). The average GPA of the frosh applicants who accepted offers of admission was 3.49, nearly identical to last year (3.50). The latest enrollment projection for the incoming frosh class is 3,750, nearly 400 more than the previous fall.

Although the unexpected increase in the size of the 2007-08 frosh class reflects well on our campus, it should be noted that much of our growth over the past two years has been biased toward students with relatively low high-school GPAs. For example, the number of incoming frosh with GPAs below 3.5 increased by more than 19 percent, while the number of students with GPAs above 3.5 increased by only 4.6 percent.

Like other UC campuses, we continue to have problems meeting our target for transfer students. We received only 4,721 applications from transfer students this year, a 6 percent drop from the previous year. This is particularly troubling considering that 367 of the transfer applications were at the lower-division level (sophomore). We offered admission to 3,235 transfer students, a 6.6
percent decrease from last year. Of transfer students, 905 accepted our admission offers, a drop of 76 students relative to last year. The GPA of both admitted transfer students (3.29) and the incoming cohort of transfer students (3.16) is virtually identical to the previous year. For the fifth consecutive year, the transfer enrollment target (950 for fall 2007) will not be achieved. Improved outreach and yield efforts are warranted in response to these disturbing trends.

Although this was a relatively uneventful year in regard to admissions policies, major changes are looming on the horizon. The rapid enrollment growth associated with “tidal wave 2” is nearing an end and the number of graduating high school graduates is expected to remain fairly stable for the foreseeable future. At the same time, the capacity of the UC system has increased due to the opening of UC Merced. This combination of factors will make it increasingly difficult for us to compete with other campuses for high-achieving students. In anticipation of these demographic shifts, the campus should increase its efforts to recruit and retain a diverse class of outstanding students. Logical strategies to achieve this goal include increased financial aid; improved public relations and outreach; and the development of a campus wide honors program.

During the past year, the Board on Admissions and Relations with Schools (BOARS), considered major changes including eliminating eligibility to UC frosh eligibility policies that, if adopted, could have a profound impact on our campus and the UC system as a whole. Changes considered by BOARS this year included eliminating eligibility in the “statewide context” and replacing it with a category of “eligible for review”. Other changes include modifying or eliminating the testing requirement; restricting the percentage of high school graduates who are guaranteed admission to a UC campus; and expanding the percentage of high school graduates who are eligible to apply for admission to UC. In April of 2007, BOARS Chair Mark Rashid and Academic Council Vice Chair Michael Brown visited our campus to informally discuss eligibility reform with CAFA, the Senate Executive Committee and administration. Although no formal proposal for eligibility reform was presented to CAFA this year, we anticipate that this will be a major topic of discussion in 2007-08.

Financial Aid
Rapid enrollment growth has created serious problems in regard to financial aid. As shown in the figure below, the total cost of attending UCSC increased 57 percent over the past six years to approximately $25,000 ($8689 for fees and health insurance; $10,791 for food and housing; $1326 for books and supplies; and $3884 for transportation and personal expenses). During the same period, per capita scholarship and fellowship support for our students declined by 17 percent. As a result, UCSC is currently ranked ninth in the UC system in per capita scholarship and fellowship support and many of our students are finding it difficult to finance their education.
Unfortunately, the formula used to determine whether a student has financial need has not been adjusted to account for the rapidly escalating cost of housing in California. This situation has created significant financial hardships for many of our students and their families. The committee is particularly concerned about middle-class students, many of whom are ineligible for need-based aid but lack the resources necessary to finance their education. Furthermore, the lack of adequate need and merit-based financial aid has made it increasingly difficult for us to compete with other highly ranked institutions for the best students.

The number of appeals for extension of financial aid eligibility beyond the 15 quarter limit continues to rise. Committee members noted that many UCSC students pursue fewer than the normative 15 units per quarter of Regulation 6.1.2. The effects of this trend on the number of financial aid petitions and total time on financial aid should be carefully monitored to ensure the most efficient use of financial aid resources. The committee also learned that we are the only campus in the UC system that requires these appeals for extension of financial aid to be reviewed by CAFA. To minimize the burden on the committee, future appeals will be evaluated by the Financial Aid Office using guidelines developed in consultation with CAFA.

Recognizing the importance of financial aid in yield and retention, CAFA has strongly advocated the expansion of the Regent’s Scholars Program. The Regent’s Scholars Program is one of the most prestigious scholarships awarded by our campus. Unlike the majority of aid available to our students, Regent’s Scholarships are awarded strictly on academic merit. The vast majority of
Regent’s Scholars earned high school GPAs above 4.0, placing them in the top 5 percent of UCSC undergraduates. These awards significantly increase our ability to recruit and retain outstanding undergraduates.

Last year, CAFA requested a $250,000 per year increase in funding for the Regent’s Scholars Program for each of the following three years, resulting in a permanent budget of slightly less than $1,400,000 per year. This amount would bring our expenditures to the average for other UC campuses (with the exception of UCLA and UCB) permitting a steady-state cohort of approximately 180 Regents Scholars. In response to this request, EVC Kliger generously committed $250,000 in temporary funding as an “experiment” to see if it significantly increased our yield of high-achieving students. CAFA was also told that Regents Scholarship would be a development priority for University Relations.

Last year’s experiment proved to be wildly successful. The additional funding allowed our campus to increase the size of Regent’s Scholarships from $3,000 to $6,000 for students without demonstrated financial need and ~$10,000 for students with financial need. In 2005-06, 54 Regent’s Scholars were recruited to our campus, representing a yield of approximately 20 percent, a 50 percent increase in yield over the previous year. CAFA was encouraged by the success of this effort and looked forward to the further expansion of the program this year.

Unfortunately, University Relations raised only $50,000 for the Regent’s Scholars Program during the past year, far short of the $500,000 requested by CAFA. Due to the lack of adequate support, we had to reduce the number of offers made to prospective Regent’s Scholars from 276 to 204 while maintaining the size of the awards. CAFA also modified the selection process to increase the emphasis on academic criteria. Our yield of Regents Scholars continued to be excellent this year (~19 percent for a total of 39 new Regents Scholars), reaffirming the effectiveness of this program as a recruiting tool.

The ethnic and socioeconomic diversity of the incoming cohort of Regent’s Scholars are impressive. Fifty-one percent of the new Regent’s Scholars attended low performing high schools, compared to 15.2 percent of the other incoming frosh. Of the new Regent’s Scholars 64 percent represent the first generation in their families to attend college, as compared to 31 percent of other incoming frosh. The percentage of Mexican-American and Latino Regent’s Scholars is slightly higher than the campus average and 2 of the 39 new Regents Scholars are Native Americans. These data, while limited to this year, would seem to dispel the prevalent myth that wealthy students from privileged backgrounds are the primary beneficiaries of Regent’s Scholarships.

Unfortunately, the Regent’s Scholars Program has become a victim of its own success. Our yield of Regent’s Scholars was higher than anticipated this year. The percentage of Regent’s Scholars with financial need was also much higher than expected, which significantly increased the average size of the awards. The annual funding currently allocated to the program will just be sufficient to renew scholarships that have already been awarded. As a result, we were unable to make new awards to continuing UCSC students this year.

In the absence of additional funding, it will not be possible to offer Regents Scholarships to any new, continuing or transfer students for a period of at least two years. CAFA is extremely
concerned about the future of the Regent’s Scholars Program and will continue to investigate strategies for restoring its financial stability over the summer.

A study of campus fellowship and scholarship funds revealed approximately $440,000 of mostly small accounts among the divisions, representing roughly one-sixth of total undergraduate fellowship and scholarship support. We suspect that many of these funds could be more effectively used to recruit, retain and support students in accordance with the goals of the given program and scholarship. We encourage University Relations, the Divisions and the Baskin School, and Departments to work with CAFA to ensure that these funds are being used as effectively as possible.

Concluding remarks
It would be impossible for CAFA to function without the support of the dedicated administration and staff of the Admissions and Financial Aid Offices. The committee sincerely thanks Kevin Browne for his outstanding work as the Executive Director of Admissions over the past six years and congratulates him on his recent appointment as the Assistant Vice Chancellor of Enrollment Management at UC Merced. The committee would also like to thank Interim Director of Admissions Michael McCawley; Acting Director of Financial Aid Ann Draper; Financial Aid Advisors Cheryl Perazzo and Kori Calubaquib; Financial Aid Analyst Patrick Register; and Analysts Sue Grimes and Mary Masters for their valuable advice and assistance during the past year. We would also like to express our gratitude to Pamela Edwards for her administrative support.

Respectfully submitted,

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