

Committee on Admissions and Financial Aid Annual Report, 2015-16

To: Academic Senate, Santa Cruz Division

The Committee on Admissions and Financial Aid (CAFA) continued the critical work evaluating the outcomes of the 2015 admissions cycle and taking into consideration the changing admissions playing field for 2016 admissions. Areas of specific focus included: 1) refinement of Holistic Review policy; 2) refinement of appeals policy; 3) final selection criteria; 4) selection modeling; 5) developing data request plan to aid the committee in its consideration of admissions decisions. This was a challenging year for admission standards and policy with the added complications of the enrollment mandate from the Office of the President, requiring the enrollment of an additional 5,000 California residents systemwide in 2016-17, and the actions taken by the state legislature described in more detail below (see Nonresident Admissions), related to the ratio of California residents to domestic and international nonresidents enrolled at UC. It is within this landscape that CAFA worked to shape policies that will create an incoming cohort that reflects the diversity of California and is academically prepared for the rigors of study at UCSC.

Work of CAFA in 2015-2016 Committee Foci

1. Holistic Review

During the 2015-16 session CAFA reviewed and revised key components of the Holistic Review policy as part of its annual assessment of campus admissions goals. As mentioned above, a major goal of the committee this year was to institute policies that will ensure diversity within the student body as well as the academic success of its individual members. A component of this endeavor is the Holistic Review Policy that prescribes how UCSC will evaluate applications for admission into UCSC. Evaluations involve 14 criteria with the applications scored 1 - 5. CAFA clarified the minimum scores for automatic admission and the minimum percentages for GPA and SAT within the top bands, and added language to reinforce the goal of increasing diversity at UCSC.

Final Selection Criteria

Despite the challenges, CAFA reached final selection criteria for both resident and nonresident applicants. During winter quarter 2016 when the committee meticulously deliberated a set of admission scenarios provided by Enrollment Management and reviewed a set of diversity-promoting recommendations introduced by Associate Vice Chancellor of Enrollment Management (AVCEM) Michelle Whittingham. These recommendations proposed varying combinations of minimum Holistic Review Scores (HRS), student success indicator scores (SSI), combined with other academic and diversity indicators such as eligibility in the state context, (top 9% of all high school seniors), eligibility in the local context (top 9% of a participating high school's graduating class), first generation college student status, and others, to forecast how the incoming cohort might look. After deliberating over the scenarios and their hypothetical outcomes, CAFA arrived at a decision that members agreed would meet our campus goals of selecting a frosh cohort of both academic preparedness and ethnic diversity.

These goals were revisited in the spring when CAFA reviewed the campus waitlist strategy implemented by Enrollment Management. AVCEM Whittingham provided an overview of the strategy being used to populate the waitlist. Members agreed that the waitlist strategy should augment and complement the goals established for the final selection criteria and established a set of principles for admitting students from the waitlist.

2. Nonresident Admissions Compare Favorably

On an annual basis the Board of Admissions and Relations with Schools (BOARS) sends out a request to divisional admissions committees to assess the extent to which their campus has met compare favorably standards. This standard, established in 2011, requires that the student success indicator scores (a combination of test scores and GPA known as SSI) of admitted nonresident (domestic and international) students should “compare favorably” to those of admitted California residents.

The data provided by UCOP for our campus, although focused narrowly on the academic SSI scores, (not the only factors considered as components of our campus Holistic Review policy), shows a discrepancy in admission rates for nonresident and California residents. The data shows that the Santa Cruz campus showed a particular discrepancy in high school GPA and standardized test scores in the lower quintiles during the period of 2012–15.

This issue became much more politicized this year due to specific actions taken by the legislature. In February of 2015, the Joint Legislative Audit Committee requested that an audit of the UC system be performed. The California State Auditor released its report, “The UC: Its Admissions Decisions Have Disadvantaged California Residents” on March 30, 2016. The primary assertion of the Auditor’s report was that nonresidents were displacing California residents within the UC system. The following day UCOP released a public response to the report “Straight Talk on Hot Button Issues: UC Admissions, Finances, and Transparency,” which directly addressed the auditor’s assertion by arguing that UC admits as many CA residents as the legislature provides funding for. As nonresidents pay full tuition, they are not taking the place of California residents because they are not receiving state monies that would fund a California resident.

The legislature also introduced bills that directly addressed the enrollment ratio of California residents to nonresidents. While most of these did not progress, language bearing on California resident/nonresident enrollment was placed in two state budget trailer bills, SB 826 and AB 1602, that ties state funding for UC to increases in the enrollment of California residents. These bills were signed into law on June, 27, 2016 as part of the Budget Act of 2016.

CAFA wishes to stress that the compare favorably metrics of SSI among three populations (CA residents, nonresident domestic, nonresident international), are narrow measures of assessment. These compare favorably metrics do not measure non-cognitive factors, including overcoming social obstacles, exceptional accomplishments, leadership quality, and educational inequity that we carefully consider for our California applicants, who constitute more than 95% of the incoming frosh cohort since 2012. These non-cognitive factors are the backbone of the Holistic Review process adopted by UCSC two years ago.

CAFA strongly believes in the value of a globally diverse student body for enriching the educational experience for all of our students. CAFA supports the development of collaborative pipelines and partnerships with educational institutions around the globe in order to expand the diversity of our national and international pipelines. CAFA also has been working with the administration on setting medium term goals for achievable steps that bring us closer to meeting compare favorably. CAFA strongly supports, as the next step, setting minimum scores on predictors of academic success for admitting Nonresident applicants that do not dip below the lowest minimum scores for any category of California resident applicants.

Confronted by steep international competition in the higher education market, the Santa Cruz campus has overcome tremendous odds in comparison with our larger and better known campuses and will endeavor to move towards meeting compare favorably standards and will continue to work with the administration to achieve this shared goal. Each year going forward, we will further our work with the Office of Admissions to collaboratively review the resulting admissions outcomes and rates in each residency category, and we will continue to work with the Office of Admissions to set targets that will allow us to meet compare favorably in the medium term.

B. Sub-Committee Efforts

1. Appeals Subcommittee

During the winter and spring quarters CAFA advised on revisions to the Appeal Policy. The policy outlines the appeals process for applicants, admitted, and enrolled students, who have had their admission denied, cancelled, or who have received a notice of intent to cancel, which occurs when the student or prospective student fails to meet the conditions of their admissions contract. Breach of contract usually occurs within three categories:

1. Missed deadline (e.g., official records are not received by a required date);
2. Academic performance shortfall (e.g., an unapproved change in planned academic course occurs or performance within the approved course schedule is below expectations); and
3. Falsification of applicant information.

In these situations the prospective or current student has a right to appeal these decisions, and this process is outlined in the Appeal Policy.

The key issues addressed by the proposed revisions had to do with process change regarding timing of admission cancellation once the quarter has started, and the role of the Cancellation Appeals Review Committee (CARC) in pre-cancellation appeals of an intent to cancel. The Appeals subcommittee reviewed the Admissions Appeal Policy with recommended revisions from AVCEM Whittingham on line prior to the meeting, focusing on the areas mentioned above. The subcommittee made their recommendations to the full committee, which included a recommendation to approve the AVCEM's proposed revisions. The committee voted unanimously to approve the policy.

2. Data Subcommittee

This year, the committee continued discussions that began in 2014-15, deliberating specific data that would be useful to review on an annual basis to help the committee in its consideration of admission criteria and selection decisions. The committee considered the goal of identifying the most relevant data needs as well as best sources for a research request. The data subcommittee developed requests for two distinct projects: 1) the annual admissions data request to Enrollment Management, which codifies and formalizes the request for data already provided to CAFA throughout the year, and 2) a request for data from Institutional Research intended to better understand how admission criteria correlate with student success.

The admissions data request (June 2016) will assist the committee with logistical planning in future years, and outlines the data request stages and schedules for data received by CAFA, including a) application profile data, b) population outcomes under admissions scenarios, c) admissions profile data, d) admissions summary data, e) waitlist status report, f) SIR profile data, and g) enrollment profile and summary data.

The student success project data request (June 2016) is intended to provide CAFA with the appropriate data to help the committee assess how admissions criteria influence the overall probability of success of the enrolled class. The goals of this project are 1) to understand the evolving institutional definition of student success, and to develop specific measures of student success beyond the narrow definition, often connected to admissions practices, of first year grades, and 2) to identify particular admissions policies that not only reach various diversity and inclusion goals of the campus but do so in a way that maximizes the probability of success of all admitted populations. The data subcommittee has further discussed the data request with Institutional Research and Policy Studies (IRAPS) Director Fernald and Vice Provost of Student Success (VPSS) Jaye Padgett (July 2016), and has learned that the Education Advisory Board (EAB) Student Success Collaborative (SSC) is undertaking work that complements the student success data request. The Office of Institutional Research has agreed to provide CAFA with a report in fall 2016, which will outline the data already being collected by the EAB SSC. The IRAPS report will inform CAFA's further revision and development of its student success data request plan.

II. Issues for the Near Future

- Review of Holistic Review (HR) policy
- Continued assessment of final selection criteria and implementation
- Review of academic and demographic outcomes from fall 2016 selection
- Review of non-resident awards (Undergraduate Dean's Awards)
- Update of Student Success Data Request Project Plan

III. Admissions and Financial Aid for Fall 2015

A. Admissions

A brief summary of UCSC admissions data excerpted from data provided by UCSC Office of Enrollment Management (OEM) is included below. These data are preliminary and subject to subsequent change. All data below, unless otherwise noted, were compiled from reports publicly available from the OEM.

OEM data indicates that UCSC admitted a total of 28,884 undergraduate students for fall 2016. The admission rate for all frosh was 58.8%. The average high school GPA of admitted frosh was 3.85 (on a 4.0 scale) representing a 0.03 decrease from fall 2015. UCSC admitted a total of 2,808 out of state and 3,626 International frosh, for an admit rate of 83.1% and 64.5% respectively. UCSC admitted a total of 5,691 transfers for fall 2016.

Statement of Intent to Register (SIR) data for fall 2016 indicates that frosh student acceptance of offers of admission totaled 5,340 students, a 12.7% increase from fall 2015. Of this group, 297 out of state and 392 International students accepted their offers of admission. SIR data for transfer students indicates a total of 1,466 students accepted their offers of admission, including 17 out of state students and 52 International students.

Official campus enrollment figures are expected to become available in November 2016.

B. Financial Aid and Scholarships

The demand for financial aid continues to increase, with about 82% of UC Santa Cruz students receiving some type of financial aid in 2015-16 (including grants, scholarships, fellowships, loans and/or work-study assistance.) In 2015-16, support has been provided to 12,924 undergraduate students and 1,531 graduate students.

Political and Budgetary Impacts

There continues to be increasing scrutiny of the state and federal budgets for higher education. Although the issues surrounding the cost of higher education are complex, limiting financial aid access to students is often the most readily accessible tool legislators have for controlling the education budgets. The limits to access imposed in the past 5 years include reduced eligibility for continuing students to Cal Grants, Federal Pell Grants, and Federal Loans, and most recently the reduced eligibility for state aid to non-resident students.

The 2015-16 academic year was the second year of awards for the state Middle Class Scholarship program, which will not be fully funded until 2017-18. This program is similar to the UC Blue & Gold Opportunity plan, providing up to 40% of tuition and fees for families earning under \$100,000 a year and 10% for families earning under \$150,000. 2015-16 saw an additional eligibility criterion added, a limit of \$150,000 in family assets, greatly reducing the number of eligible students at UCSC. For 2014-15, UCSC had 1,331 students receive an average of \$999, with a total disbursed amount of \$1,330,000. In 2015-16, with the new criteria, the campus had 656 students receive an average award of \$1,293, with a total disbursed amount of \$847,000.

The 2015-16 academic was, as well, the first year of eligibility for the newly created CA Dream Loan. This loan program is being funded 50% by the state and 50% by university aid funds, and allows for a maximum annual award of \$4,000 to CA Dream Applicants. Due to funding constraints, there is actually less than \$1,000 available per eligible student annually, but not all students will participate in the program, and the funding is being monitored closely to avoid a deficit scenario. The program was first made available in the 2016 spring term, so less than \$100,000 was borrowed in the first year. The low number of awards in 2015-16 is enabling a carry forward into 2016-17, further reducing the risk of over-lending.

The 2016-17 academic year will be the first year for the re-established University Loan Program, which has been dormant since 1999. This program is intended to provide partial replacement of the Federal Perkins Loan program, which sunsets at the end of June 2017. The plan is to begin offering university loans for emergency situations in fall 2016, and ramping up the program to enable additional loan eligibility more broadly to students enrolling in the 2017 Summer Session.

The 2016-17 academic year will also be the final year for the Federal Quality Assurance (FQA) program. UC Santa Cruz has been performing federal and institutional verification of Free Application for Federal Student Aid (FAFSA) data for more than 20 years under the policies established by the QA program. Institutional verification is a critical component of equitably awarding university grant funds, as the need analysis under the current federal methodology is primarily focused on lower-income Pell Grant eligible students, and does not result in significant verification and corrections to higher income families. With the expiration of the QA program, UCSC will lose the flexibility of determining which student files to verify, as the campus will be required, at minimum, to verify the FAFSA data of students flagged by the Department of Education.

The 2017-18 academic year will be the first year for the “Early” FAFSA and “Early” Dream App (often referred to as Prior-Prior-Year). Rather than looking at the most recent (prior) year of financial data for a family, the FAFSA and Dream App will begin looking at the financial records from the “prior-prior” year. Beginning in October 2016, students will be able to file their FAFSA/Dream App for the 2017-18 aid year, using tax information from 2015.

The increased workload associated with the expiration of the FQA program, the new Early FAFSA/Dream App, and the new award programs, as well as the larger number of students applying for aid, has required the Financial Aid and Scholarship Office to continuously seek efficiency improvements. Document imaging, peer advising, and task prioritization have contributed to the efforts to meet regulatory requirements while providing service to students and their families.

Current Financial Aid Funding Model and Data

The UC Education Finance Model (EFM), which utilizes a 33% return-to-aid (RTA) from tuition and fees to support low income students, continues to be closely reviewed by the system-wide EFM committee. In 2015, a change to the EFM model was approved, allowing the usage of current year (fall 2015) data as a part of the formula governing the distribution of centrally held funds. This has benefited UCSC, as the campus experiences rapid growth in need based aid recipients. The campus was behind the curve with the previous model, which relied solely on 3 prior years of data for determination of funding.

For the 5th year in a row, the system-wide in-state tuition and fees remain relatively unchanged, this year having a small increase of \$54 to bring the new amount to \$12,294. Other elements of student budgets have continued to increase, for example health insurance. With no increased RTA from tuition revenue, the campus has been forced to reduce the percentage of university grant funds in the student aid package.

However, over the past 3-4 years, an increasing number of students, mostly nonresident, are falling into the category of “full-payers,” and this population is contributing to the RTA and receiving minimal funds from the pool. As this full-paying population becomes a larger percentage of the overall student population, the aid to the grant eligible population has been able to be increased. Unfortunately, as a result of the state budget negotiations in the spring/summer of 2015, this contribution to the RTA pool has been slated to phase-out, as the RTA funds from entering non-residents are being redirected into other programs. Continuing non-resident students remain eligible for RTA funding, and so the impact to the current student population is minimized.

The average cost for a student living on campus in 2016-17 will be about \$35,505. Under EFM, 2016-17 UCSC undergraduate students who qualify for need-based assistance must pay approximately the first \$9,600 of their need from loan and/or work resources. After subtracting the loan/work expectation and the family contribution (from FAFSA/DREAM App data), grant aid is offered to help pay the remainder of the total estimated total cost.

The Blue and Gold Opportunity Plan guarantees that students from families with incomes under \$80,000 will receive enough gift aid (from all sources) to pay UC tuition and fees. Virtually all students in this category already receive enough gift aid to meet this commitment. However, under the Plan some students who would not normally receive gift aid (due to high asset equity) receive gift aid.

In 2015-16 the Financial Aid and Scholarship Office administered \$276 million in financial assistance to about 80% of UCSC’s undergraduate students, as compared to \$273 million / 80% in 2014-15.

Table 1: Financial Aid

2015-16 Source of Aid	Percent of Undergraduates	Amount Received	Average Award
Gift Aid (all sources)	73%	\$195,000,000	\$ 16,445
UCSC Scholarships*	14%	\$ 7,091,780	\$ 3,022
Federal Pell Grants*	46%	\$33,453,226	\$ 4,462
Student/Parent Loans	54%	\$78,916,524	\$ 8,928
Federal Work-Study	8.4%	\$ 2,488,814	\$1,826
* Included in gift aid			

Of the UCSC students receiving bachelor’s degrees in 2014-15, 64.4% of those who originally enrolled as first-time frosh borrowed student loans while attending. Those students have an average debt of \$22,580. However, the debt can be as high as \$57,500 on an individual basis, which is the federal cumulative maximum amount an undergraduate student may borrow.

Nationally, 69% of seniors graduated in 2014 had student loan debt, with an average of \$28,950 per borrower (<http://projectonstudentdebt.org/>).

Each year, the U.S. Department of Education calculates cohort default rates for loans by campus. The national 3-Year average was 11.8% for 2012 (per Dept. of Ed.). The rate for the campus has been exceptionally low in recent years but did spike in 2010-2011, possibly due to the recession.

Table 2: Default Loan Rates

UCSC Year	3-Year Draft Default Rate	3-Year Official Default Rate
2009	4.1%	3.7%
2010	4.3%	4.2%
2011	5.6%	5.7%
2012	3.5%	3.4%
2013	3.1%	Not Yet Available

Campus undergraduate scholarship programs are administered by various campus departments as well as by the Financial Aid and Scholarship Office. University Relations and the Financial Aid and Scholarship Office have collaborated to ensure that scholarship fundraising is a component of the comprehensive capital campaign the campus is undertaking to ensure UC Santa Cruz is an affordable as well as attractive alternative for undergraduate students who aspire to attend. Listed below are data for major scholarship programs administered by the Financial Aid and Scholarship Office:

Table 3: Scholarships

2015-16 Scholarship Program	Recipients	Amount Received	Average Award
Regents Scholarships	157	\$ 760,407	\$4,753
Campus Merit Scholarships	340	\$ 349,971	\$1,014
Pister Leadership Opportunity Awards	17	\$ 107,732	\$6,337

For additional information, please note that the Office of the President maintains numerous reports regarding student financial support which can be found on the following website: <http://www.ucop.edu/student-affairs/data-and-reporting/reports-to-the-regents-on-student-financial-support/index.html>

Acknowledgements

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Respectfully submitted;

COMMITTEE ON ADMISSIONS AND FINANCIAL AID

Mark Carr (*F*)

Jean E. Fox Tree

David Helmbold (*F*)

Charlie McDowell

Rita Mehta (*W, S*)

Megan Moodie (*W, S*)

Seth Rubin, (*W, S*)

Deanna Shemek

David Smith

Minghui Hu, Chair

Joy Hagen, NSTF

Justin McClendon, Undergraduate Representative

Imari Reynolds, Undergraduate Representative

Grace Shefcik, Undergraduate Representative (*F*)

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