

The Regents of the University of California

SPECIAL COMMITTEE ON BASIC NEEDS

July 16, 2019

The Special Committee on Basic Needs met on the above date at UCSF–Mission Bay Conference Center, San Francisco.

Members Present: Regents Leib, Simmons, Um, and Weddle; Ex officio member Pérez; Advisory members Bhavnani and Stegura; Chancellor May

In attendance: Secretary and Chief of Staff Shaw, Chief of Staff and Special Counsel Drumm, and Recording Secretary Li

The meeting convened at 3:10 p.m. with Committee Chair Weddle presiding.

Committee Chair Weddle welcomed new and returning Special Committee members and stated that it was an honor to serve as Chair, especially as a student who has advocated for systemwide food and housing issues for several years. She thanked Regent Pérez for the opportunity to lead this Special Committee.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of April 22, 2019 were approved.

2. SUPPORTING UNIVERSITY OF CALIFORNIA STUDENTS' FINANCIAL LITERACY

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Associate Vice Provost Elizabeth Halimah introduced the presentation and speakers. She explained that this item was in response to questions Committee members had about student financial literacy training during the last meeting. For the last several years, every campus financial aid office has provided a range of financial literacy services, which include training and advising beyond the area of financial aid. She explained that UC Santa Barbara Assistant Vice Chancellor Michael Miller was unable to present this item as planned and that Interim Director of Student Financial Support Shawn Brick would present the item instead.

Mr. Brick stated that the Santa Barbara campus was early in connecting basic needs efforts with financial aid and that Mr. Miller chaired the UCSB basic needs committee. He offered to coordinate an opportunity for Mr. Miller to speak before the Committee. Mr. Brick then summarized a recent meeting at UC Irvine where he and Systemwide Basic Needs Committee Co-Chairs Ruben Canedo and Tim Galarneau convened financial aid and basic

needs leadership. While this was the first such convening at a systemwide level, financial aid and basic needs leadership have been collaborating at the campus level for some time. Successes and challenges were shared at the meeting, and financial literacy was part of the conversation. Several campuses shared their current approaches, such as training during new student orientation and targeted training for students contacting the campus financial crisis center. Last year, the UCLA financial aid office reached out to students who the office anticipated would receive a sizable amount of financial aid and offered them financial literacy training. This outreach was a great success; 2,500 students attended various workshops, about 60 percent of whom were Pell Grant recipients. Mr. Brick stated that he, Mr. Galarneau, and Mr. Canedo have continued to cement future collaborations within campuses and systemwide.

UC Berkeley Assistant Vice Chancellor and Director of Financial Aid and Scholarships Cruz Grimaldo stated that educational access regardless of financial status has been a guiding principle at UC Berkeley since its founding. Financial aid and scholarships are the oldest equity programs on the UCB campus and help build student diversity. Providing robust student support helps recruit, retain, and graduate students. Student financial literacy at the time of selecting a college helps mitigate a phenomenon known as “undermatching.” Ms. Grimaldo leads the Financial Aid and Scholarships Office as well as Cal Student Central, where students visit for financial aid, billing, and enrollment questions. Her team sees as many as 400 students in person and receives 200 online inquiries per day. The Financial Aid and Scholarships Office empowers students to cultivate their financial wellness as they transition toward adult life.

Ms. Grimaldo highlighted her team’s efforts in communication, education, guidance, and resources, and she reviewed new aid programs her office developed with campus basic needs leadership. UC Berkeley has committed to clearer, more timely, and more student-centered financial aid notices via email, text, and web messages in order to address the alienating nature of financial aid messaging and communicate to students the steps for accessing aid as soon as possible. This financial aid literacy helps close the gap in basic needs and is a valuable skill in navigating future responsibilities such as filing taxes and managing loans and mortgages. Strong communication provides students with the full range of options, helping them make the best decisions for themselves and their families. To this end, Ms. Grimaldo’s team has conducted financial aid application workshops, invested in a new, online financial literacy tool, and has shared tutorials regarding aid packages, the online tool, and tuition bills. All incoming students will complete a new financial wellness module as part of their orientation advising. UC Berkeley also strives to provide guidance that is well-informed and attuned to students’ specific needs. Ms. Grimaldo provided the example of a student with no student loan debt but over \$10,000 in credit card debt. Counseling opportunities can help students correct their course of action with a great likelihood of success. UC Berkeley’s financial aid resources include strong scholarship and grant programs along with low-interest loans and work opportunities. The Financial Aid and Scholarships Office, in partnership with campus basic needs efforts, offers the lowest loan and work expectation that UC Berkeley can afford; student-parent grants that are designed to eliminate students’ self-help expectation; and the automatic increase in cost of attendance per academic year to avoid bureaucratic barriers. The

Director's Work Study program more than doubles UC Berkeley's federal allocation, ensuring that Deferred Action for Childhood Arrivals (DACA)-eligible undocumented students can work. UC Berkeley also offers funding and staff support for food assistance, winter recess housing, emergency housing, housing security deposits, CalFresh messaging, and a financial wellness program. Ms. Grimaldo stated her hope that financial aid processing would one day be smooth and seamless and that the only remaining work would be supporting students in maximizing their resources. She concluded by adding that UC Berkeley has been offering these financial wellness services for five years.

Darren Chow, UC Berkeley student and Senior Peer Educator at Bears for Financial Success (BFFS), explained that BFFS is a peer-to-peer financial wellness program on campus that offers both one-on-one workshops with Peer Educators and larger-scale workshops on topics such as creating a spending plan, managing debt, credit, and moving out of the dormitories. BFFS has partnered with Golden Bear Orientation, the Department of Residential Life, fraternities and sororities, the Associated Students of UC Senate, and others. Last semester, BFFS Peer Educators made 26 presentations for hundreds of students. UC Berkeley's Financial Wellness Day, which promotes financial literacy and services on campus, is hosted by BFFS every April and features games and activities such as a raffle and a grocery game. In one example, Mr. Chow helped a student parent with \$5,000 in credit card debt and negative monthly cash flow by creating a spending plan and directing him to resources to cut costs and lower credit card debt. In another example, BFFS was only able to provide limited guidance to a graduating senior with nearly \$60,000 in credit card debt, \$10,000 in installment loans, and exhausted student loans. BFFS hopes to reach students and refer them to resources before their financial situations worsen. Mr. Chow indicated that many UC students do not have financial literacy skills, citing the example of a Ph.D. student parent with a full scholarship who grew up in a low-income, first-generation household and did not learn financial literacy at home. He stated his belief that financial literacy is tied to basic needs efforts because money is linked to safety and peace of mind. According to leading financial literacy experts Annamaria Lusardi and Olivia S. Mitchell, nearly 50 percent of all wealth inequality can be traced back to financial literacy. Mr. Chow underscored the importance of student financial literacy in breaking the cycle of wealth inequality and helping more students access higher education.

Regent Um stated the importance of financial literacy and was glad to see it presented before the Committee. Regent Um asked how efforts were being measured; he imagined that the goal would be to reduce the number of people who self-identify as food or housing insecure. Ms. Grimaldo responded that UC Berkeley considers benchmarks such as the number of students with bills at end of term and has a goal reducing that number by helping students pace their resources. UC Berkeley also relies on food and housing security data from the UC Undergraduate Experience Survey (UCUES). Mr. Chow responded that initial and follow-up surveys are conducted at BFFS presentations to track how well concepts were communicated. Stress level and feedback surveys are administered at BFFS one-on-one appointments. BFFS refines its programming based on these survey data. Recently, BFFS gained access to iGrad, a third-party online financial literacy tool, and was in the process of making it available to students. Mr. Brick added that this work has just begun on some campuses and that there is room to improve in identifying metrics.

Faculty Representative Bhavnani asked how members of UC Berkeley Scholars, a program for formerly incarcerated students, can participate in financial literacy training. Ms. Grimaldo replied that the Financial Aid and Scholarships Office could strengthen and improve its partnership with UC Berkeley Centers for Educational Equity and Excellence, of which the Berkeley Underground Scholars is part. She added that members of the Berkeley Underground Scholars and other groups can help the Financial Aid and Scholarships Office access their communities by endorsing its efforts. These groups can also help inform curriculum and messaging that is nuanced for these populations.

Chair Pérez expressed his appreciation for UC Berkeley's approach of targeting the right populations, conveying information, and receiving feedback. He asked whether UC Berkeley had considered reaching out to emancipated foster youth for financial literacy training. He recommended seeking populations that would receive disproportionate benefit.

Regent-designate Stegura asked what resources were available to parents and raised Mr. Brick's example of UCLA's student outreach. She also asked whether parents were part of the financial literacy process. Ms. Grimaldo responded that resources from the Financial Aid and Scholarships Office are communicated to parents and that parental involvement in covering basic needs or acquiring financial literacy information may vary. She noted that direct outreach to parents might be another area of opportunity. Ms. Halimah added that UC's Early Academic Outreach Program (EAOP) helps parents complete the Free Application for Federal Student Aid (FAFSA) and other financial aid forms. EAOP also meets with students to determine the net costs of education and how to finance it. Mr. Brick stated that families are making decisions before students enter campuses and raised the question of what opportunities there were to bring financial literacy to K-12 students and parents. The California Student Aid Commission and outreach programs are working to promote financial literacy, but the Office of the President was also open to other opportunities.

3. EXPLORING HOUSING INSECURITY AMONG UNIVERSITY OF CALIFORNIA STUDENTS

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Associate Vice Provost Elizabeth Halimah stated that UC's Global Food Initiative, among other efforts has funded research with two objectives: to explore housing insecurity and homelessness among UC students and to develop validated survey instruments for future use.

Suzanna Martinez, Assistant Professor of Epidemiology and Biostatistics at UCSF, stated that research funded by the Global Food Initiative was the first study of its kind to cover an entire university system. In the first year of the study, UC researchers developed a conceptual model to better understand broader factors related to food insecurity and learned

that food-insecure students also experienced housing insecurity. The conceptual model was adapted to account for multiple factors contributing to housing insecurity, such as housing affordability and transportation in California. Researchers conducted a two-phase research study; Phase 1 was housing security questions asked in a cognitive interview style, and Phase 2 was focus groups. Several questionnaires developed by the California State University and the Hope Center were identified for validation by UC students. From February through March 2019, students from the Berkeley, Irvine, Merced, San Francisco, and Santa Cruz campuses were recruited through basic needs hubs and food pantries to participate in a study to validate questions that had not been used with UC students or tested in other college populations. Researchers recruited a total of 58 graduate and undergraduate students, the majority of whom were female and had an average age of 24. One-third were graduate students and 16 percent identified as LGBTQ. An ethnically diverse sample, half were first-generation students; nearly half of undergraduate students were Pell Grant recipients; more than half came from a low-income background; and nearly all students experienced food insecurity. This was an ideal sample for validating questions regarding housing insecurity. These students completed survey questions, and a facilitator asked them what each question meant, whether a question needed to be clarified, and how students would ask a peer the question. Researchers refined questions based on student feedback, such as adding Airbnb to the list of temporary housing options in the survey; extending the time frame for questions; adding “contract ended” as an option for reasons a student had to move; and separating answer options into fall and spring terms. Reports of housing insecurity increased from 34 to 63 percent after the time frame for questions was changed from 30 days to 12 months. Per student suggestion, a question about whether students have enough money for rent has been added to the survey. Students also suggested that a question about how many students shared a bathroom in a residence was a better indicator of crowded housing. Researchers developed new questions about affording medical expenses and transportation costs after paying rent, as well as the health consequences of housing insecurity and total commute time. Ms. Martinez stated that Phase 2 of the study, which would be used to contextualize Phase 1 findings and further refine questions, was expected to be completed by the end of summer 2019 and released in the fall. Findings from this research will be used to estimate homelessness and housing insecurity and identify critical intervention points, which will contribute to better academic experience, economic mobility, and better overall health.

Chancellor May asked whether the study will provide recommendations upon completion, and Ms. Martinez responded in the affirmative, adding that recommendations would be available after Phase 2 of the study is completed.

Regent Leib asked for clarification regarding the 58 students who participated in the study. Ms. Martinez replied that the 58 students came from different campuses. Researchers led two focus groups at each of the five campuses. Before the focus groups, students completed the survey questions and discussed each question. Regent Leib commended Ms. Martinez for student involvement to ensure that the right questions are asked and the right information is obtained.

Staff Advisor Klimow asked whether student input would skew results compared with other housing insecurity surveys. She cited the example of defining a household differently from other housing surveys. Ms. Martinez responded that housing insecurity questions had previously been developed for general household populations and had never been tested in a college population.

Faculty Representative Bhavnani voiced her concern about plans at UC Santa Cruz to provide parking spaces for students living in cars and did not believe this was adequate housing. Committee Chair Weddle responded that she planned to add an item on safe parking programs at a future Committee meeting.

Regent Simmons asked whether the economic mobility that Ms. Martinez cited was an outcome after graduation. Adding that many students from underrepresented communities pursue careers such as social work and teaching, which do not always match the cost of education, Regent Simmons asked how these careers were taken into account. Ms. Martinez replied that, from a public health perspective, education is one of the strongest factors with regard to economic mobility. She added that she would like to address career as an outcome in future research on basic needs.

Regent Um stated that, aside from housing affordability, there was also a housing availability issue. He asked whether the survey captures the availability issue indirectly such that results could be misinterpreted. Ms. Martinez responded that, while there are no questions on availability in survey, it is still early enough in the process to add such questions. Availability has been raised in the focus groups. Researchers will consider what questions to add after analyzing all the focus group data.

Chair Pérez thanked Regent Um for asking the question of availability because it raises the issue of the University's values in its approach to housing and this did not fit neatly in the agenda of any Committee. The Finance and Capital Strategies Committee tends to react to proposals, and discussions about affordability tend to be about fixed affordability over short periods of time. Chair Pérez asked whether the Board should work toward long-term affordability and provided an example of one UC campus that is directly financing housing and keeping it at least ten percent below market rate in the area. The Board makes a value statement in how it approaches these questions and what it considers best practices. He believed that the Regents should not limit themselves to the confines of the current construct and look toward creating new approaches.

4. **SPECIAL COMMITTEE'S REPORT TO THE BOARD**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Committee Chair Weddle stated that the Special Committee on Basic Needs would sunset in November 2020. She wished to be proactive during her time as Committee Chair in developing the final report as required in the Committee charter. The aim of the final report is to “develop a long-term strategic vision to address basic needs across the UC.” She urged

members of the Committee to view this as an opportunity to guide other institutions in California and nationwide. Committee Chair Weddle asked members of the Committee what information was still needed to build on the knowledge base that has been built.

Regent Leib asked how the final report would be done. Committee Chair Weddle responded that she was forming a work group to write the final report; Regent Cohen had volunteered to join the work group, and Systemwide Basic Needs Committee Co-Chairs Ruben Canedo and Tim Galarneau would also be contributing. Regent Leib volunteered to participate in the work group. He also asked how mental health issues should be addressed and whether there would be overlap with other Committees. Committee Chair Weddle agreed that this was important and stated that she wished to see a presentation on the intersection of student mental health and student basic needs; she was planning such a presentation for a future meeting.

Faculty Representative Bhavnani suggested a discussion on student medical costs and access to care, particularly when student health centers are unable to provide care in emergency situations. In one case, she referred a student to her own doctor.

Staff Advisor Klimow suggested a discussion on transportation, what campuses and communities offer in terms of public transportation, and how transportation affects costs and housing.

Regent-designate Stegura stated her belief that the underlying purpose of this Committee was to identify the student experience, the troubles within that experience, and students' struggle to complete their education. She suggested that the final report should highlight the impact that struggling to meet basic needs has on graduation rates. She believed that this would show the Legislature the University's commitment to educating students efficiently.

Committee Chair Weddle wished to include a discussion of basic needs for student parents or students with dependents. She added that there would be a future presentation on CalFresh in this Committee.

Chair Pérez suggested exploring issues not resolved in the Total Cost of Attendance Working Group and that some of the sub-populations, such as student parents, had been discussed in that Working Group. Committee Chair Weddle expressed her agreement and her wish to include these discussions in a future Committee meeting. She encouraged non-voting members of the Committee to join the work group as well.

5. **UPDATE ON BASIC NEEDS SPENDING PLAN**

[Background material was provided to Regents in advance of the meeting, and a copy is on file in the Office of the Secretary and Chief of Staff.]

Associate Vice Provost Elizabeth Halimah stated that State Budget Act of 2019 has provided the University with \$18.5 million of new, ongoing State General Funds to address

basic needs, with \$15 million for housing and food insecurity and \$3.5 million for rapid rehousing efforts. The Budget Act of 2019 requires UC to submit annual reports to the Department of Finance on number of students served, distribution of funds, programs funded, and other relevant outcomes. The funding plan was developed in two steps: 1) the Systemwide Basic Needs Committee developed detailed line-item budgets and proposed campus allocation methodology, and 2) the Office of the President (UCOP) staff worked with the Systemwide Basic Needs Committee to develop a spending plan, which would be presented to President Napolitano for review and approval.

Associate Vice President David Alcocer stated that this was a substantial increase in funds, and ongoing funding allows UC to make long-term investments and evaluation. The proposed plan reflects four key principles. The first principle is stability. Central support for basic needs from the State and UCOP peaked at over \$400,000 per campus in 2017–18 and allowed each campus to expand CalFresh enrollment, support food pantries, provide counseling, and fund other programs to meet urgent needs. Replacing one-time funding with ongoing support would be important to these efforts. The second principle is alignment; resources and funding would align to recognize campus' differences in size and percentage of students in need. The third principle is innovation: campuses must be encouraged and supported in developing new, proactive approaches to hunger and homelessness rather than only addressing the crises at hand. The fourth principle, accountability, is important for UCOP as financial stewards, and campuses can also learn from each other as well as blaze a trail for other colleges in California and nationwide.

Mr. Alcocer explained how these four principles would be applied to the Budget Act of 2019 allocation. Each campus would receive \$500,000 for efforts previously funded on a one-time basis. Seven million dollars would be allocated based on the estimated number of food or housing-insecure students at each campus. These estimations were made using data from the UC Undergraduate Experience Survey (UCUES) and Graduate Student Well-Being Survey, both conducted in 2016. Each campus would be required to submit a proposed three-year spending plan and metrics for evaluating program effectiveness, which must be approved before implementation. Two-and-a-half million dollars in innovation grants would be awarded on a competitive basis, and successful programs and services could be implemented systemwide. Five hundred thousand dollars would provide resources for program coordination, evaluation, reporting, and systemwide collaboration. Similarly, a portion of the \$3.5 million for rapid rehousing would be split evenly among campuses as an ongoing, baseline level of support, but most of the funds would be awarded to campus-specific spending plans and allocated based on the UCUES and Graduate Student Well-Being Survey data on housing insecurity. Innovation, coordination, and evaluation would be covered by the aforementioned \$15 million allocation. Campus and systemwide accountability measures would include the preparation and approval of spending plans, as well as annual reporting within UC and to the Department of Finance.

Committee Chair Weddle expressed her enthusiastic support for the spending plan and noted the significant amount of student advocacy to secure these funds, enumerating the student groups and individuals involved. She stated that UCOP has been a great partner.

Chair Pérez commended this presentation and noted the amount and depth of work involved to achieve this improvement compared this with previous presentations. He noted that it was more responsive to what the needs are and creates more expectations of accountability. Chair Pérez would be happy to support the proposal as structured. He asked how base allocations would be aligned with reporting and what accountability measures were in place if a campus was underutilizing or not utilizing funding. Ms. Halimah replied that campuses would be asked to detail how they would use base funding for food and housing insecurity. A three-year plan would allow for feedback and adjustments in response to whether funding was spent is intended. Chair Pérez asked if there was a distinction between allocation and distribution in that money would be allocated but not distributed without a plan. Mr. Alcocer responded in the affirmative, and Chair Pérez praised the approach.

Chancellor May asked where there is a resource for best practices. Mr. Canedo stated that the Systemwide Basic Needs Committee valued generative and iterative processes. He recalled a recent meeting with financial aid leadership from all ten campuses and the Systemwide Basic Needs Committee where Regents' questions were shared since creating public-facing toolkits. The Systemwide Basic Needs Committee would meet later in July to present the first draft of its campus basic needs spending plan in order to promote consistency. Mr. Canedo added that best practices are shared during monthly conference calls and in-person meetings, and materials are shared with all involved in this process. It has been three years since there was a public-facing basic needs toolkit; Mr. Canedo raised the issue of whether a portion of the innovation grants should fund the sharing of best practices. He and Mr. Galarneau anticipated convening the first statewide higher education basic needs summit in February 2020 to share best practices among UC, California Community Colleges (CCC), and California State University (CSU). He envisioned a statewide basic needs movement.

Faculty Representative Bhavnani asked whether more than one campus could be involved in the innovation grants. Mr. Canedo responded in the affirmative. Ms. Bhavnani provided an example of allowing multiple campuses to collaborate with an architect and develop high-quality temporary housing. Ms. Halimah stated that the innovation grants are modeled after the Advancing Faculty Diversity Grants, whereby campuses submit proposals via open invitation, but she was open to the idea of inter-campus collaboration.

Regent Simmons asked what the maximum allocation was for the innovation grant. Ms. Halimah stated that this had not yet been determined and that all the proposals would be reviewed before a decision is made. Other proposals would affect any amount granted. Mr. Galarneau added that some campuses may need other forms of infrastructure or support, and these first draft proposals provide flexibility without a commitment.

Regent Leib asked how UC arrived at the \$15 million State funding allocation, what the original request was, and what the total UC need was. Mr. Alcocer state that the budget proposal initially presented to the Board in November 2018 included a proposal of \$15 million for basic needs or financial aid. Fifteen million dollars would have been the amount generated if there was a tuition increase. Financial aid helps students cover tuition and basic

needs. Instead of a tuition increase, UC asked for State funding in lieu of return-to-aid. Following discussion with the Department of Finance and others, this amount focused more on programs and services related to basic needs in the proposed State budget in January and May Revision. While this allocation is substantially more than what these programs have had in the past, Mr. Alcocer did not believe that this was the sum total of need. He acknowledged the need to balance requests for additional funding in basic needs with other areas of the University budget. Mr. Canedo noted that CCC, CSU, and UC student organizations met to strategize on advocacy and that basic needs became a top priority. CSU had already decided to request \$15 million for basic needs, and that figure informed student leadership in their legislative advocacy. He acknowledged John Burton Advocates for Youth for securing \$3.5 million for rapid rehousing, the only funding that became ongoing for UC, CCC, and CSU. The \$15 million basic needs allocation is ongoing funding only for UC. He anticipated future discussion about how UC secured ongoing basic needs funding and about whether CSU and CCC were ready for ongoing basic needs funding as well. Mr. Canedo stated that total need should factor in determining financial aid equity gaps and who is prioritized for housing. Higher rates of homelessness occur among upper division students in their penultimate term or final year in college. Mr. Galarneau noted that the State's basic needs investment acknowledged student advocacy and the importance of basic needs for student success. Campuses are taking State funding as a base investment and adding campus-level investment through student fee referendums and donations, and this would be documented as well.

Chair Pérez recalled Regent Leib's question about measurement and stated that the hard work would be in implementation, distribution, and achieving results. He distinguished having more sensitive tools to measure results versus achieving results. He acknowledged the efforts thus far and thanked everyone involved. Committee Chair Weddle expressed her hope that chancellors would leverage campus Basic Needs Committees to determine how funds would be used as they had in the past, because campus Basic Needs Committees are comprised of students, staff, and faculty.

The meeting adjourned at 4:30 p.m.

Attest:

Secretary and Chief of Staff