

The Regents of the University of California

SPECIAL COMMITTEE ON BASIC NEEDS

July 28, 2020

The Special Committee on Basic Needs met on the above date by teleconference meeting conducted in accordance with Paragraph 3 of Governor Newsom’s Executive Order N-29-20.

Members Present: Regents Butler, Cohen, Leib, Muwwakkil, and Stegura; Advisory member Bhavnani; Chancellor May

In attendance: Regents Reilly and Zettel, Regent-designate Lott, Faculty Representative Gauvain, Secretary and Chief of Staff Shaw, Managing Counsel Shanle, Interim Vice President Gullatt, Chancellor Larive, and Recording Secretary Li

The meeting convened at 4:25 p.m. with Special Committee Chair Muwwakkil presiding.

Special Committee Chair Muwwakkil noted that he had invited Alexis Atsilvsgi Zaragoza, nominee to be the 2021–22 Student Regent, to join the meeting.

1. APPROVAL OF MINUTES OF PREVIOUS MEETING

Upon motion duly made and seconded, the minutes of the meeting of May 19, 2020 were approved, Regents Butler, Cohen, Leib, Muwwakkil, and Stegura voting “aye.”¹

2. FINANCIAL AID OFFER LETTERS

[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.]

Executive Director of Student Financial Support Shawn Brick stated that Regent Stegura had raised the issue of financial aid offer letters and how students manage their money last September. This Special Committee has discussed the need for building skills and budgeting, particularly for students who live off campus. Regent Stegura had asked how the University could improve financial aid offer letters. Receiving this letter was often the first step that new students and their families took in considering how to finance their education. There were two areas of improvement for financial aid offer letters. First, UC should align letters across different campuses as much as possible, as it would help new students when they compare offers from different colleges and universities. Some progress has been made; net cost, an attempt to provide an apples-to-apples comparison between college choices, was now included in all UC financial aid offer letters. Net cost was the total cost of attendance minus grants, scholarship, or other “free” money. Even with net cost provided, families were still confused about how much they needed to pay and when

¹ Roll call vote required by the Bagley-Keene Open Meeting Act [Government Code § 11123(b)(1)(D)] for all meetings held by teleconference.

to pay it. The answers to these questions were complicated, because it would depend on whether a loan is taken out and the difference between direct costs, such as tuition, and other costs, such as personal or food expenses. This was a national conversation without a uniform answer. UC Santa Barbara's new award letter has made progress on all the best practices listed in the background written materials. Campus financial aid offices wished to provide the best information to potential students, but improvements required resources that were weighed against other campus priorities. The second area of improvement was interactivity and clarity of next steps, which was also key for continuing students who were tracking paperwork and the steps they had taken. Nearly all UC campuses have contracted with third party vendors that assist with this function. These vendors send information to students via electronic text messages and make forms and other processes available electronically. A group of UC financial aid professionals adopted this question for their UC Financial Aid Leadership Institute project. Mr. Brick would be sharing the group's recommendations to financial aid directors.

Regent Cohen asked whether there were financial aid decisions based on standardized test scores. He was concerned that removing the standardized test requirement from admissions would affect financial aid eligibility. Mr. Brick responded that, with the exception of an endowed scholarship, no financial aid award was singly dependent on test scores. Merit scholarships would be awarded through a collaboration between financial aid and admissions offices.

Regent Cohen asked whether there were currently merit scholarships that relied on test scores but would have their parameters revised. Mr. Brick replied that test scores were used in awarding merit scholarships insofar as they were currently used to determine admissibility. Regent Cohen asked how the Office of the President (UCOP) could ensure that campuses were revising their merit scholarship criteria so as not to disadvantage students who do not submit test scores. Mr. Brick replied that UCOP was addressing this. UCOP has had conversations with enrollment management and admissions leadership. The issue would be put before campus divisions of the Academic Senate, and UCOP would be tracking it.

Committee Chair Muwwakkil asked whether these changes were true for graduate students as well. Mr. Brick replied that he was not as certain of this with regard to graduate students. Committee Chair Muwwakkil stated that he would follow up on the question at a later time.

Regent Stegura shared that her concern about this issue arose from her conversations with a private college counselor and an admissions officer about their experiences working with students. Regent Stegura believed this to be an issue of financial literacy. The Total Cost of Attendance Working Group listed financial literacy as one of its goals. Clarifying what a family would be expected to pay and making financial aid offer letters easier to understand would further the goal of financial literacy for students. First-generation students came from families who might not be familiar with financial terms, and many students were translating documents for their families. Improving these letters would expand student opportunities as they choose UC over other schools and increase students'

ability to attend. Regent Stegura underscored the importance of access and affordability. She recognized the efforts of Mr. Brick and former Committee Chair Weddle.

Faculty Representative Gauvain agreed that confusion about financial aid offers could result in students not making the best choice for themselves. She suggested testing these improvements on prospective or incoming students and their parents, who could provide feedback on what was and was not easy to understand. This could be done across different regions and high school groups for a broader insight into the effectiveness of the improvements. Mr. Brick stated that UC was waiting for qualitative feedback from uAspire, which had direct experience working with students and parents.

Regent Butler asked if UC provided offer letters in multiple languages. Mr. Brick replied that they were offered only in English at this time. Regent Butler noted that UC was also touting a record number of Latino(a) students in its entering class. Before assuming parents' lack financial literacy, UC should provide materials in multiple languages.

Regent Butler asked whether UCOP, chancellors, and financial aid offices were working together to create one method of communication so that students could compare UC campuses. Mr. Brick replied that all campuses were using the federal shopping sheet template so that students could compare net costs across institutions. He acknowledged that it was not a panacea to the issues. He hoped to present the UC Financial Aid Leadership Institute group's project recommendations to financial aid directors to discuss their feasibility. Campuses' information technology priorities also factored into feasibility.

Committee Chair Muwwakkil echoed the need for a unified template and shared best practices. He still did not understand why the letters were different across UC campuses.

Regent Leib echoed Regent Butler's suggestions of a unified template and multilingual letters, especially given the large number of first-generation students at UC. The way UC Merced's financial aid offer letter explained work-study was cited in a *New America* report. He urged the speedy integration of these good ideas, especially those that have been reviewed by outside institutions, if UC was losing students as a result of these issues.

Alexis Atsilvsgi Zaragoza echoed the need for pilot programs; asking students to deconstruct a letter and provide suggestions would be helpful. Upon reviewing the UCM letter, she still found parts of it confusing. She advocated for multilingual letters. Ms. Zaragoza also suggested including cost of living information and differences in on- and off-campus housing costs in the letters. She took exception to including loans in the financial aid category. Loans and work-study should be in their own categories to reduce confusion. The letter should include the number of work-study jobs available on campus. As a transfer student, she was not aware of available work-study jobs, especially those in her field. She also suggested including the number of students who have work-study jobs and how much of the work-study award they could use. The letter presented an award amount that looked like a salary; it could be broken down into a monthly amount. Mr. Brick stated that there was a struggle between providing too much information, causing confusion, and not enough information. Campus financial wellness teams were now

providing their budgeting workshops online due to the COVID-19 pandemic and seeing greater participation. Student participation in training sessions about investing grew as well. UC needed to change how it reached out to students about training sessions.

Regent Stegura stated that Regent Butler's concern about the lack of a unified letter was the first issue about financial aid offer letters that she raised to Mr. Brick. She suggested keeping financial aid offices open on weekends or after 6:00 p.m., which would be helpful to working families. Financial aid offices could be available via teleconference. The Alumni Associations of UC (AAUC) was developing a presentation on financial literacy and wellness for alumni and students.

Regent-designate Lott remarked that Ms. Zaragoza's suggestions were related to student financial literacy. The AAUC wished to partner with Mr. Brick and campuses to disseminate this information to students. Students could learn to budget their financial aid over a semester or quarter.

The meeting adjourned at 5:00 p.m.

Attest:

Secretary and Chief of Staff