

ANNUAL
REPORT OF PROGRAM DATA
2023



UNIVERSITY of HAWAI'I
HAWAI'I
COMMUNITY COLLEGE

Financial Aid Office
July 1, 2022 – June 30, 2023

1. Program or Unit Mission

The Hawai'i Community College (Hawai'i CC) Financial Aid Office (FAO) assists current and prospective students fund their educational goals by administering a variety of federal, state, and institutional financial aid programs, some of which include Federal Pell Grants, Federal Supplemental Educational Opportunity Grants (SEOG), Federal Work-Study, Federal Direct Loans, University of Hawai'i (UH) access grants, University of Hawai'i Foundation (UHF) scholarships, and institutional grants and scholarships.

2. Program Student Learning Outcomes or Unit/Service Outcomes

There are currently no unit-specific outcomes established that take into consideration the state of the FAO and the University of Hawai'i Community Colleges' (UHCC) centralization project. Most goals and initiatives are set at the system level, but the Hawai'i CC FAO will be working with the Institutional Assessment Coordinator (IAC) to determine appropriate, measurable outcomes for future assessments. For additional information and historical context, refer to page 10 of the [2022 FAO Annual Unit Report AUR](#).

3. Analysis of the Program/Unit

Challenges and Accomplishments

From July 1, 2022 to June 30, 2023 financial aid operations have continued to be impacted as discussed in the FAO's 2022 AUR, which is to say that the FAO is still understaffed and struggling to fulfill its duties. Of the two permanent positions previously requested and approved, neither have been hired. Of the multiple Paepae Haumāna (the Welcome Center) building improvements and repairs requested and approved, none have been addressed – the air conditioning system has not been replaced and inconsistently cools the building when it is not broken down; no security system or cameras have been installed; the fire security device is still not functional and triggers randomly; and the front doors of the building have not been replaced, which means that the entrance is still not ADA compliant and the doors remain open and unable to be easily shut or locked in the case of an emergency.

UHCC System FAO processes continue to require significant campus follow-up and review. With each new process or change, the workload at the campus FAO's increases, which is compounded by the system FAO's staffing shortages – when the campus FAO experiences staffing shortages, the workload per person increases; when the system FAO experiences staffing shortages, work is returned or delegated to the campus FAO's, further increasing the workload per person at the campus level. Despite the system's recommendation that the Hawai'i CC FAO maintain minimum staffing of four full-time APT employees, the Financial Aid Manager (FAM) position is currently the only filled, full-time, permanent position in the FAO. One highly experienced clerical staff is still on long-term loan to the FAO from the Vice Chancellor for Student Affairs' (VCSA) office, and one casual employee has been hired to assist in 89-day intervals (the maximum appointment period for employees with the casual designation). Beyond their help, overtime is being relied upon to assist in keeping up with minimum requirements for compliance. Other offices, such as Academic Counseling, are also being utilized to assist with limited customer service and outreach tasks.

For the 2022-2023 school year, Hawai'i CC had two findings in its annual audit. The first finding was that 1 out of 12 students selected for testing was not sent the required loan exit counseling materials within the 30-day limit. The second finding was that for 1 out of 15 students selected for testing, R2T4 was calculated incorrectly. Both of these findings are a direct result of insufficient staffing. Workloads are beyond capacity, which leads to mistakes and oversights. As more work is expected – not less – due to the UHCC System's centralization initiatives, it is imperative that all positions be filled immediately. Further, as discussed in the [2022 AUR](#) (page 8), adequate staffing is a federal requirement and understaffing could result in sanctions assessed by the US Department of Education (US DOE), including fines or revocation of the ability to participate in the federal student aid programs.

Despite all challenges, the FAO continues to persevere and has multiple achievements worthy of note, which are listed below.

- The FAO continues to remain open and available to provide customer service and support for students by email, phone, and in person.
- Multiple financial aid forms for Hawai'i CC have been converted from a paper (PDF) format to a digital (Kuali) format, improving security and reducing the likelihood of fraud, and saving time for both students and the FAO, which in turn has reduced barriers to completion for students.
- After a half-temporary/half-permanent position, and a full-time temporary position became vacant, the positions were returned to the UHCC System to trade for two full-time permanent positions. The conversion and position descriptions are still being developed, but once hired, the positions are expected to restore additional stability to the FAO.
- The current staff (FAM, clerical, and casual) have a good working relationship and prioritize teamwork and collaboration. Responsibilities are shared in a manner that utilizes each individual's strengths, and individuals volunteer to assist each other as priorities are identified, particularly when there are tight time frames that must be adhered to. This has resulted in a significant amount of cross-training and employee growth.

Financial Aid Data

Hawai'i CC's total Pell disbursements for the 2022-2023 school year were \$2,959,403, which is a 2.3% increase from the prior school year's disbursements of \$2,892,433. Additional financial aid data provided in the [2023 Annual Report of Program Data \(ARPD\)](#) shows that the Pell Participation Rate for all students has returned to pre-pandemic levels at 55.5%, and the Pell Participation Rate for Native Hawaiian students has also returned to pre-pandemic levels at 59.7%. However, there seems to be a trend worth watching – that even though the number of students receiving Pell is somewhat stable and both the participation rate and the amounts are increasing, the number of Native Hawaiian students receiving Pell continues to decrease year over year. With that said, the methodology used to calculate this data is not provided, so there may be issues with the data. For example, in other data sets that consider Native Hawaiian ethnicity, it has been discovered that

only a student's first-listed ethnicity was being considered. If the same issue, or other such issues, exist in the dataset, the number of Native Hawaiian Pell recipients may not be accurate.

Another data point relevant to the FAO is Hawai'i CC's Cohort Default Rate (CDR), which was 0% for the 2020 cohort (borrowers who entered repayment from 10/1/2019 to 9/20/2022). While this may seem good, it is actually a direct result of the COVID-19 pandemic payment pause, for which all federal student loan payments were discontinued and no loans were moved into delinquent or default status. This has effectively made the recent data useless, but rates are expected to rebound to, or exceed, pre-pandemic levels as students re-enter repayment once the payment pause expires. In the past, Hawai'i CC has worked with a third-party servicer, Inceptia, to handle loan repayment outreach in order to manage its CDR and stay in good standing with the federal student aid programs, however the Inceptia contract was canceled because the UHCC System FAO will now be procuring a contract on behalf of all of the UHCC's. As of now, the system-level contract has not been finalized.

Finally, as expected, the change to student loan awarding practices discussed in the [2022 AUR](#) (page 6) has resulted in an increased number of student loan borrowers from 2021-2022 to 2022-2023, as well as increased loan amounts. As shown below, the number of student loan borrowers increased 38.89% despite having substantially similar enrollment (enrollment decreased 0.005%). Even more pronounced, however, is the change in the total amount borrowed, which increased by 66%. Because of the aforementioned deficiency with the CDR metric, and because data for each cohort is not released until three years after the cohort enters repayment, it is too soon to see how the increased borrowing will affect Hawai'i CC's CDR, but it is also worth considering the various impacts of increased borrowing and indebtedness aside from institutional metrics, such as for the students themselves and the communities served by Hawai'i CC.

School Year	Total Students	Total Borrowers	Borrower Percentage	Subsidized Loans	Unsubsidized Loans	Total Loans
2021-2022	2870	72	2.51%	\$ 215,545.00	\$ 222,642.00	\$ 438,187.00
2022-2023	2855	100	3.50%	\$ 414,068.00	\$ 313,341.00	\$ 727,409.00

** Loan amounts shown are after loan fees are deducted. Despite never having access to the full amount of the loans they accept, students are responsible for repaying the full principle and interest, which includes the amount disbursed, interest on the the amount disbursed, loan fees, and interest on the loan fees.*

4. Action Plan

Few of the action items set forth in the [2022 AUR](#) (pages 12-13) have been achieved, or are ongoing in nature, so the FAO's action plan remains much the same moving forward.

1. Work with the Vice Chancellor for Student Affairs (VCSA) to hire 2 permanent APT employees.
2. Work with current staff and outsourcing partners to address audit concerns.

3. Continue the collaborative partnership with the UHCC System FAO to implement and maintain financial aid evaluation and awarding processes with a goal of increased automation and improvement to positively impact the student experience.
4. Continue working with the Admissions and Records Office (ARO) and the Information Center (INFO) to determine the best layout and workflow for Paepae Haumāna operations.
5. Develop and implement a customer satisfaction survey so that students and other stakeholders can provide feedback.
6. Fix broken or dysfunctional Paepae Haumāna building components, including the front entrance and the malfunctioning fire alarm system. Replace the Air Conditioning system, as recommended by multiple vendors and consultants.
7. Work with Hawai'i CC's IAC to establish unit outcomes for the FAO, as well as measures for evaluating those outcomes.

5. Resource Implications

Although the requested resources for 2022 were approved, the related action items from the [2022 AUR](#) (pages 12-13) have not been completed. Therefore, the FAO's resource requests ([2022 AUR](#), page 14) for 2023 remain the same.

I AM requesting additional resource(s) for my program/unit.

Total number of items being requested: 2

1. 2 FTE permanent APT positions.
2. Paepae Haumāna building improvements and repairs by June 30, 2022.