
**CALIFORNIA STUDENT AID COMMISSION
MEETING MINUTES**

September 13-14, 2012

A meeting of the California Student Aid Commission was held on Thursday, September 13, 2012 and Friday, September 14, 2012 at California State University, Sacramento, Alumni Center, located at 6000 J Street in Sacramento, California.

THURSDAY, SEPTEMBER 13, 2012

Chair Barry Keene called the meeting to order at 9:19 a.m.

The following Commission Members were present:

Barry Keene, Chair
Nancy Anton, Vice Chair
Ana Beltran
Terri Bishop
Brian Conley
Jacqueline Doud
Johnny Garcia Vasquez
Alexander Gonzalez
John McDowell, Jr.
Jamillah Moore
Ishan Shah
Michele Siqueiros
Timothy White

The following Commission Member was absent:

Cris Arzate

Roll Call was taken and a quorum was recognized.

PUBLIC COMMENT

Chair Keene called for public comment and, hearing none, proceeded to the next item.

CHAIR'S REPORT

Chair Keene welcomed the new Commissioners, including Ana Beltran, Jacqueline Doud, and Timothy White. He then provided an overview of the Commission's priorities, which include obeying the Constitution and laws, exercising some degree of independence, using media to

place important and timely issues on the public agenda, providing their best recommendations to legislative and executive policy-makers and enacting regulations necessary to carry out the Commission's responsibilities. Chair Keene also discussed the Commission's responsibilities, which include securing access to higher education; assuring that Cal Grant funding is not wasted, misused or misdirected; negotiating, collaborating and deliberating with stakeholders in the student aid process; and overseeing in general the administrative actions by staff are consistent with the Commission's policy objectives and reading of the law. Lastly, he summarized the responsibilities of the newly created Dream Act, Student Impact and Distance Learning Committees.

AGENDA ITEM 1 – EXECUTIVE DIRECTOR'S REPORT (Information)

Executive Director Fuentes-Michel presented her report and indicated that future reports would include updates from the division chiefs on various Commission initiatives. Executive Director Fuentes-Michel introduced Mr. Roberto Gama, the Commission's new Polanco Fellow, who will be working with staff on the Dream Act and legislation. She also introduced Ms. Patti Colston, the Commission's newly hired Public Information Officer.

Mr. Ed Emerson, Chief of the Federal Policy & Programs Division, gave a presentation on the Commission's efforts to provide students and their families with important financial aid information through social media. Ms. Despina Costopoulos, Statewide Cash for College Coordinator, discussed the financial aid community's desire for data on the completion of the Free Application for Federal Student Aid (FAFSA).

Agenda Item 1.a – California Student Opportunity and Access Program (Cal-SOAP) (Information)

Ms. Adriana Perez, Central Coast Cal-SOAP Project Director and Lead Project Director, presented an overview of Cal-SOAP's academic and advisement services as well as its funding.

Agenda Item 1.b – Education Credit Management Corporation (ECMC) Report (Information)

A written status report is included in the agenda.

AGENDA ITEM 2 – REPORT OF THE DREAM ACT COMMITTEE – UPDATE ON THE DREAM ACT APPLICATION, INCLUDING PRESENTATIONS FROM THE UNIVERSITY OF CALIFORNIA, CALIFORNIA STATE UNIVERSITY AND CALIFORNIA COMMUNITY COLLEGES (Information/Action)

Ms. Catalina Mistler, Chief of the Program Administration & Services Division, provided an overview of her division's functions. She then discussed Phases I and II of the Dream Act implementation process. Discussion ensued about the application process, confidentiality of data, bridge funds to assist students with the application fee and the Commission's non-Social Security Number project, a process that allows schools to upload Grade Point Average (GPA)

verification forms using different identifiers for students who do not have social security numbers.

Ms. Costopoulos discussed the partnerships involved in the Commission's outreach efforts and the activities that take place at Cash for College workshops. Some discussion followed regarding the need for more outreach to other ethnic communities, in addition to the Latino community, affected by the Dream Act.

Mr. Ervis Orozco, University of California, Davis student, discussed his experience as a Dreamer and Dream Act advocate. In addition, Ms. Adriana Perez, Lead Cal-SOAP Project Director discussed the Deferred Action application process, the challenges facing Dream Act students, and the services that Cal-SOAP provides them.

The following segmental representatives gave presentations on the status of their respective Dream Act implementation process:

- Mr. David Alcocer, Interim Director, Student Financial Support, University of California Office of the President (UCOP);
- Mr. Dean Kulju, Director of Financial Aid, California State University Chancellor's Office;
- Ms. Marlene Garcia, Vice Chancellor of Government Relations, California Community Colleges Chancellor's Office (CCCCO); and
- Ms. Rhonda Mohr, Student Financial Aid Specialist, CCCCCO.

AGENDA ITEM 3 – REPORT OF THE STUDENT IMPACT COMMITTEE AND DISCUSSION OF THE SUBJECTS TO BE EXAMINED BY THE COMMITTEE (Information/Action)

Committee Chair Garcia Vasquez provided a summary of the Student Impact Committee's discussion at its June 1, 2012 and August 22, 2012 meetings. He reported that the Committee received a history of financial aid and other need-based aid programs in other states and discussed the effect of tuition and fee hikes on low-income students and Cal Grant recipients. In addition, the Committee heard testimony on Senate Bill 70 data collection issues.

AGENDA ITEM 4 – REPORT OF THE DISTANCE EDUCATION COMMITTEE AND DISCUSSION OF THE SUBJECTS TO BE EXAMINED BY THE COMMITTEE (Information/Action)

Mr. Keith Yamanaka, Chief Deputy Director and Committee Staff Liaison, provided a brief overview of the Distance Education Committee's discussion at its June 4, 2012 teleconference meeting. Further discussion followed about whether the Committee should focus on such issues as accreditation and oversight, and what the desired outcome of the Committee's discussions should be.

Ms. Mary Gill, retired financial aid administrator, suggested some discussion topics.

AGENDA ITEM 5 – CONSIDERATION OF ADOPTING REGULATIONS TO INTERPRET AND MAKE SPECIFIC SECTIONS 69433.2 AND 69433.6 OF THE EDUCATION CODE RELATING TO THE CAL GRANT PARTICIPATING INSTITUTION DATA REPORTING REQUIREMENTS ESTABLISHED BY SENATE BILL 70 (CHAPTER 7, STATUTES OF 2011) (Action)

Ms. Keri Tippins, General Counsel and Chief of Legal and Audit Services, presented an overview of what the law requires in reporting enrollment, persistence and graduation. She also discussed the Commission's timeline to adopt the proposed regulations.

Mr. Gus Cubillo, Chief of Information Technology Services, provided an overview of data elements and definitions as well as descriptions of the data already collected by institutions.

Ms. Catalina Mistler, Chief of Program Administration and Services, discussed the process of consultation with stakeholders on the proposed regulations.

The following members of the public provided comments:

- Ms. Marlene Garcia, Vice Chancellor of Government Relations, CCCCCO;
- Ms. Margie Carrington, 2012 President-Elect, California Community Colleges Student Financial Aid Administrators Association (CCCSFAAA);
- Ms. Mary Gill, retired financial aid administrator;
- Mr. Robert Oakes, Vice President and General Counsel, Association of Independent California Colleges and Universities;
- Ms. Rhonda Mohr, Financial Aid Specialist, CCCCCO;
- Mr. Craig Yamamoto, Director of Financial Aid and Scholarships, San Diego State University and Representative of the California Association of Student Financial Aid Administrators (CASFAA);
- Mr. Mark MacDonald, Lobbyist, McCallum Group, Inc. representing the Los Angeles, Los Rios, Kern, San Diego, Peralta and Yosemite Community College Districts; and
- Mr. David Alcocer, Interim Director, Student Financial Support, UCOP.

Further discussion ensued regarding the consultation process, the affordability of implementation, and the options available to the segments.

Thereupon, Chair Keene recessed the Open Session of the California Student Aid Commission at 5:26 p.m.

CLOSED SESSION

Ms. Keri Tippins announced that the California Student Aid Commission would meet in Closed Session to discuss and may take action on pending litigation pursuant to California Government Code Section 11126(e)(1). Topic includes:

AGENDA ITEM 6 – PENDING LITIGATION: THE STEPHENS INSTITUTE DBA ACADEMY OF ART UNIVERSITY V. CALIFORNIA STUDENT AID COMMISSION AND

**DIANA FUENTES-MICHEL AS EXECUTIVE DIRECTOR, SAN
FRANCISCO SUPERIOR COURT CASE NO. CPS-12512446
(Information/Action)**

Thereupon the Commission convened into Closed Session at 5:30 p.m. and adjourned at 5:45 p.m.

FRIDAY, SEPTEMBER 14, 2012

RECONVENE IN OPEN SESSION

Chair Keene reconvened the Open Session meeting of the California Student Aid Commission on Friday, September 14, 2012 at 8:42 a.m.

The following Commission Members were present:

Barry Keene, Chair
Nancy Anton, Vice Chair
Ana Beltran
Terri Bishop
Brian Conley
Jacqueline Doud
Johnny Garcia Vasquez
Alexander Gonzalez
John McDowell, Jr.
Jamillah Moore
Ishan Shah
Michele Siqueiros
Timothy White

The following Commission Member was absent:

Cris Arzate

Roll Call was taken and a quorum was recognized.

PUBLIC COMMENT

Chair Keene called for public comment and, hearing none, proceeded to the next item.

Ms. Keri Tippins reported that the Commission has nothing to report from its closed session.

**CONTINUATION OF AGENDA ITEM 5 – CONSIDERATION OF ADOPTING REGULATIONS TO
INTERPRET AND MAKE SPECIFIC SECTIONS**

**69433.2 AND 69433.6 OF THE EDUCATION CODE
RELATING TO THE CAL GRANT PARTICIPATING
INSTITUTION DATA REPORTING REQUIREMENTS
ESTABLISHED BY SENATE BILL 70 (CHAPTER 7,
STATUTES OF 2011) (Action)**

Ms. Keri Tippins announced that the Commission staff is amending its recommendation and no longer asking the Commission to adopt the regulations at this meeting. Staff plans to immediately invite a program staff person and information technology representative from CASFAA, CCCSFAAA and each segmental office to work with Commission staff to work out the details of the data reporting. Staff intends to bring the agenda item back to the Commission at a special meeting in October for its consideration and action.

AGENDA ITEM 7 – CONSENT CALENDAR (Action)

The Commission APPROVED by unanimous consent the Consent Calendar, which includes:

Agenda Item 7.a – Minutes of April 26-27, 2012 and May 17, 2012

Agenda Item 7.b – Commission Meeting Calendar for 2013

Agenda Item 7.c – Consideration of Designating Commission(s) as Director(s) of the EdFund Board

AGENDA ITEM 8 – UPDATE ON THE 2012-13 BUDGET (Information/Action)

Ms. Janet McDuffie, Chief of Administration and External Affairs, presented a high-level summary of the 2012-13 budget, including changes affecting Cal Grant awards, institutional eligibility and Commission operations.

**AGENDA ITEM 9 – UPDATE ON STATE AND FEDERAL ISSUES AND LEGISLATION AND
CONSIDERATION OF POSITIONS ON BILLS AND INITIATIVES
AFFECTING COMMISSION PROGRAMS, INCLUDING PROPOSITION
30: TEMPORARY TAXES TO FUND EDUCATION. GUARANTEED
LOCAL PUBLIC SAFETY FUNDING. INITIATIVE CONSTITUTIONAL
AMENDMENT; AND PROPOSITION 38: TAX TO FUND EDUCATION
AND EARLY CHILDHOOD PROGRAMS. INITIATIVE STATUTE.
(Information/Action)**

Ms. Lori Nezhura, Legislative Director, provided an update on legislative bills.

On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent, the staff recommendation to formally withdraw support for Senate Bill (SB) 1466 (De Leon) – Peace Officers: City of Los Angeles – as it no longer deals with the same subject matter as when first supported or other Commission priorities.

On **MOTION** by Commissioner Conley, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Roll Call Vote a position of SUPPORT for Assembly Bill (AB) 970 (Fong) – University of California and California State University: Systemwide Student Fees.

IN FAVOR: Commissioners Beltran, Conley, Doud, Garcia Vasquez, Keene, McDowell, Shah and Siqueiros.

OPPOSED: Commissioners Anton, Gonzalez and White.

ABSTAINED: Commissioners Bishop and Moore.

Mr. Ed Emerson, Chief of Federal Policy and Programs, reported on the actions of Congress. Ms. Nezhura continued with a summary of Propositions 30 and 38. Executive Director Diana Fuentes-Michel read into the record a letter from the Student Regents regarding Proposition 30.

On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the adoption of the following resolution in support of Proposition 30:

***Resolved**, that the California Student Aid Commission endorses Proposition 30 on the November 2012 General Election ballot, the Governor's Tax Initiative, to fund education and guarantee local public safety funding, given that it protects the public higher education segments from further cuts and their students from harmful fee increases.*

AGENDA ITEM 10 – CONSIDERATION OF AN INTERAGENCY AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES TO RECEIVE \$803,754,000 FROM THE FEDERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) FOR THE CAL GRANT PROGRAM (Action)

Ms. Janet McDuffie presented the interagency agreement with the California Department of Social Services for the Commission's consideration.

On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Roll Call Vote the staff recommendation to authorize the Executive Director to enter into an Interagency Agreement with the California Department of Social Services to receive \$803,754,000 from the federal Temporary Assistance for Needy Families (TANF) for the Cal Grant Program in 2012-13 and on an ongoing basis subject to future budget appropriations.

IN FAVOR: Commissioners Anton, Beltran, Bishop, Conley, Doud, Gonzalez, Keene, McDowell, Moore, Shah, Siqueiros and White.

OPPOSED: Commissioner Garcia Vasquez.

AGENDA ITEM 11 – CONSIDERATION OF UP TO \$404,000 FOR CONTRACTS WITH MULTIPLE VENDORS FOR CONSULTING SERVICES TO MAINTAIN

**THE GRANT DELIVERY SYSTEM DURING THE DEVELOPMENT OF
THE DREAM ACT APPLICATION FOR CAL GRANTS (Action)**

Ms. Janet McDuffie presented the staff recommendation to enter into multiple consultant contracts to assist the Commission with its Grant Delivery System.

On **MOTION** by Commissioner Doud, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the staff recommendation to authorize the Executive Director to enter into contracts up to \$404,000 in 2012-13 with selected vendors to obtain temporary information technology programming services during the development of the Dream Act Application.

**AGENDA ITEM 12 – CONSIDERATION OF THE ALLOCATION OF ADDITIONAL FUNDING
FROM THE 2011-12 FEDERAL COLLEGE ACCESS CHALLENGE
GRANT PROGRAM AWARD (Action)**

Ms. Janet McDuffie provided an overview of the Federal College Access Challenge Grant Program and the staff recommendation to use additional funding for outreach activities and a new Cal-SOAP data system.

Ms. Despina Costopoulos briefly discussed the Cash for College workshops conducted in regions such as the Inland Empire and Los Angeles, and the data collected on students who participate in the Cash for College Program.

On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the staff recommendation to 1) allocate the additional 2012-13 Challenge Grant funds to Cash for College and Cal-SOAP as recommended; 2) authorize the Executive Director to amend 2012-13 Cal-SOAP contracts up to \$308,510 to fund outreach activities and the development of a new data system; and 3) authorize the Executive Director flexibility to reallocate any unused funds as equitably as possible.

**AGENDA ITEM 13 – DISCUSSION OF TRANSITION OPERATING AGREEMENT WITH
ECMC FOR THE PERIOD OF JANUARY 1, 2013 - JUNE 30, 2013
(Information/Action)**

Ms. Keri Tippins provided historical background information on the operating agreement between the Commission, EdFund and the Education Credit Management Corporation (ECMC).

AGENDA ITEM 14 – NEW BUSINESS (Information)

The Commission plans to discuss the following topics at a future meeting:

- 1) Election of Officers;
- 2) Committee Assignments;
- 3) Consideration of the Creation of a Federal Liaison or Federal Relations Committee;
- 4) Presentation by Senator Hart and Dr. Steven Weiner on an Alternative Loan Program;

- 5) Strategic Planning Retreat; and
- 6) Report on Changes in Staff Compensation.

ADJOURNMENT

There being no further business, the meeting of the California Student Aid Commission adjourned at 10:53 a.m.

NANCY ANTON, VICE CHAIR