
**CALIFORNIA STUDENT AID COMMISSION
MEETING MINUTES**

November 15-16, 2012

A meeting of the California Student Aid Commission was held on Thursday, November 15, 2012 and Friday, November 16, 2012 at the University of California, Davis, Conference Center, Ballroom B, at 550 Alumni Lane, Davis, California.

THURSDAY, NOVEMBER 15, 2012

Chair Barry Keene called the meeting to order at 9:00 a.m.

The following Commission Members were present:

Barry Keene, Chair
Nancy Anton, Vice Chair
Cris Arzate
Ana Beltran
Terri Bishop
Jacqueline Doud
Johnny Garcia Vasquez
Hal Geioque
Harry Le Grande
John McDowell, Jr.
Jamillah Moore
Ishan Shah
Michele Siqueiros

The following Commission Members were absent:

Brian Conley
Alexander Gonzalez

Roll Call was taken and a quorum was recognized.

POLICY

Strategic Planning Session Agenda

PUBLIC COMMENT

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

CHAIR'S REPORT

Chair Keene announced he would retire from the Commission. He then provided some historical background on the challenges the Commission has faced during his tenure, and expressed the importance of the Commission's policy role. Afterwards, each of the Commissioners introduced themselves.

AGENDA ITEM 1 – WHAT ARE THE CHALLENGES CALIFORNIA STUDENTS FACE IN ACHIEVING ACCESS TO, SELECTION OF, AND SUCCESS IN HIGHER EDUCATION? (Information)

Presentation by Debbie Cochrane of The Institute for College Access and Success

Ms. Debbie Cochrane, Research Director for The Institute for College Access and Success (TICAS), presented a SWOT analysis of the Cal Grant Program, which outlines the strengths, weaknesses, opportunities and threats of the program. Highlights include:

Strengths:

- The Cal Grant Program provides more dollars and need-based grants than any other State grant program and its large grants are likely a key reason by California bachelor's degree graduates have relatively low debt.
- A number of colleges' tuition and fees are covered for students who meet eligibility requirements.
- California has used the Cal Grant Program to direct students to colleges where they have a better chance at succeeding and a smaller chance of ending up in student loan default.
- The Cal Grant Program has strong support from the Legislature.

Weaknesses:

- The Cal Grant B award has not kept pace with the cost it is designed to cover in the first year.
- The Cal Grant Program and the State need a better definition of college affordability.
- Many authorized grants go unused.

Threats:

- Declining State support of public colleges means tuitions have increased leading to increased Cal Grant awards and resulting in the cost of the program doubling.
- There have been proposals to cut eligibility and lower award levels.
- There is uncertainty about who will solve the State's public fiscal problem and how.

Opportunities:

- The passing of Proposition 30 allows the State more time to find answers to questions such as:
 - 1) Whom does the Cal Grant serve and not serve?
 - 2) How should we define college affordability?

- 3) How well does the program serve the State's needs in 2012 and not simply the State's intent from 2000?
 - 4) How do we address the issue of authorized grants going unused?
- The Commission's data is a treasure trove of policy relevant information ready to be mined and explored.

Ms. Cochrane posed the following policy questions for the Commission's consideration:

- 1) How many financial aid applicants in California have \$0 Estimated Family Contribution to put towards college but either do not apply for Cal Grants or are not eligible? Why?
- 2) How many applicants are offered Cal Grants but do not take them? What can we tell about who they are?
- 3) How many Cal Grant recipients put awards on hold and never come back to reclaim them?
- 4) Do many community college students use their entire four years of Cal Grant eligibility while at the community college before they have even transferred?
- 5) During periods of budget uncertainty when particular students' grants hang in the balance, is there any evidence that Cal Grant applicants modify the types of institutions they consider or actually enroll in? What are budget discussions doing to students' aspirations and plans?
- 6) What can we tell about students' transfer patterns or swirling by looking at where students receive their Cal Grants from year to year?
- 7) For a State with such a strong tradition of and reliance on transfer, why are there so few transfer entitlement grants awarded each year?

Further discussion ensued. Mr. Taylor Gamorez, a student at Sacramento City College, provided comments.

AGENDA ITEM 2 – DISCUSSION OF HOW COMMISSIONERS CAN WORK TO ACHIEVE POLICY PRIORITIES (Information) INCLUDING:

Agenda Item 2.a – Commission's role as policy maker

Agenda Item 2.b – Commission's tools for policy making, including public communications, policy advocacy, rulemaking

Agenda Item 2.c – Policy implementation through oversight of program administration

Chair Keene shared his thoughts on how the Commission can achieve its policy priorities, including electing a strong leader, defining areas of effectiveness, and maintaining credibility with respect to the Commission's responsibility to ensure that funds are used wisely, effectively and in line with public objectives. He also discussed the need for standing committees and mechanisms for communication and collaboration with stakeholders. Further discussion ensued and the following ideas were offered:

- Being prepared and formulating ideas and recommendations prior to the Commission meetings to make better use of time;

- Not leaving things undecided;
- Creating committees to work through issues and develop recommendations;
- Reporting out regularly from the committees to the full Commission to maintain involvement; and
- Revisiting existing committees and determining their necessity.

A general discussion ensued regarding some key policy issues and topics the Commission could consider, including:

- A review of the history of policy making on the Commission;
- A discussion of the Executive Director's new major responsibilities given the current context;
- Addressing the Competitive Cal Grant B awards that go unused;
- Sustaining the Commission's outreach efforts with limited resources; and
- Increasing the number of students attending higher education who are students of color or low-income.

Mr. Irvis Orozco, a student at the University of California, Davis, made some public comments.

**AGENDA ITEM 3 – CONSIDERATION OF A POLICY FRAMEWORK AND PLAN FOR 2013
(Action)**

Ms. Kathleen Beasley, Strategic Planning Consultant, The-Write-Connection, facilitated the Commission's discussion on its policy framework and plan for 2013. Mr. Taylor Gamorez provided some comments. Further discussion ensued.

It was decided that Ms. Beasley would consolidate the Commissioners' feedback and return with a finalized draft framework for the Commission's adoption.

Thereupon, Chair Keene recessed the meeting of the California Student Aid Commission at 4:37 p.m.

FRIDAY, NOVEMBER 16, 2012

RECONVENE

Chair Keene reconvened the meeting of the California Student Aid Commission on Friday, November 16, 2012 at 9:10 a.m.

The following Commission Members were present:

Barry Keene, Chair
Nancy Anton, Vice Chair
Cris Arzate
Ana Beltran

Terri Bishop
Jacqueline Doud
Johnny Garcia Vasquez
Hal Geiogue
Harry Le Grande
John McDowell, Jr.
Ishan Shah
Michele Siqueiros

The following Commission Members were absent:

Brian Conley
Alexander Gonzalez
Jamillah Moore

Roll Call was taken and a quorum was recognized.

Ms. Keri Tippins provided an update on the litigation between the Commission and Argosy University of California related to the Commission's determination that certain Art Institute of California campuses were ineligible to participate in the Cal Grant Program because they failed to meet either the cohort default rate or graduation rate eligibility requirements.

CONTINUATION OF AGENDA ITEM 3 – CONSIDERATION OF A POLICY FRAMEWORK AND PLAN FOR 2013 (Action)

Ms. Kathleen Beasley presented the draft strategic framework and plan for 2013. Additional discussion followed.

On **MOTION** by Commissioner Beltran, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the following strategic framework as amended.

1. **Broad Equitable Access: *Since postsecondary education benefits both individuals and society, California has a vital interest in making sure no Cal Grant-eligible student forgoes college because they cannot afford the cost. Therefore, the California Student Aid Commission will advocate in partnership with students for financial aid and support policy decisions about Cal Grants that ensure that college access is equitable, affordable and comprehensible to the broad span of the State's diverse student population.***

Students who end their education at high school are at a financial disadvantage for the rest of their lives. This is a fact that has implications for California's future workforce and tax base. Investing in student access to college is a sound policy that benefits both students and society. In addition to making college access affordable and equitable, policies need to support the broad dissemination of information so students understand their options and can make informed choices.

- 2. Education Quality Transparency:** *As a major investor in higher education, California has high expectations for the quality of education that students receive. Therefore, policy decisions about Cal Grants should 1) focus on outcomes that reflect the capability of graduates to be productive members of society; 2) hold institutions accountable for their performance through incentives and disincentives; and 3) support the ability of students and families to make informed choices about education quality by providing accurate, transparent information.*

A college education that leaves a graduate unprepared to succeed in life is of questionable value to both the individual and the State. While the quality of college programs is a matter for accreditation bodies, it is reasonable for the State to seek assurance that its investment in financial aid supports high-quality education opportunities and outcomes for students.

- 3. Persistence and Completion:** *Access to college is only the first step toward a better educated citizenry and workforce. Therefore, policy decisions about Cal Grants should reflect the need to help students persist and complete their education once they enroll in college.*

State and federal studies demonstrate that financial aid is a critical factor in the ability of low-income students to persist and complete a college education. There is compelling evidence that students are able to enter, continue and complete college at much higher rates when they have access to sufficient financial aid – and to Cal Grants in particular. Studies have found that receiving a Cal Grant is significant in determining whether students enroll immediately after high school, re-enroll for a second year, stay at the same institution for four years, or remain enrolled somewhere for four years.

However, other state and federal studies have indicated persistence and completion happen at far lower rates for low-income students, who often drop out of college when they run out of money to pay fees or when they must devote time to jobs instead of studying. To ensure the State's investment is well utilized, decisions about financial aid should move beyond a focus on broad access to take into account the persistence and completion performance of students at institutions that participate in the Cal Grant program.

- 4. CSAC Effectiveness:** *To best respond to the growing need for financial aid, it is important for CSAC to operate programs effectively and efficiently. To support CSAC effectiveness, therefore, policy decisions about Cal Grants should be data-driven, sustainable, student-centric, based on feedback from stakeholders, and carefully considered to achieve CSAC goals and avoid unintended consequences.*

As the Commission advocates for programs that will broaden access, ensure quality education and increase persistence/completion, it is important to understand the ripple effects that can occur when changes are made. Policy decisions should be considered holistically so that decisions in one area that benefit some students do not disadvantage other students unintentionally.

The Commission has compiled a notable record for efficient administration of existing programs. Over the 12 years ending in 2011-12, the Cal Grant program has grown 206% while administrative overhead and staffing have been significantly reduced.

STRUCTURE

Business Meeting Agenda

PUBLIC COMMENT

Mr. Rich Copenhagen, 2012-13 President of the Student Senate for Community Colleges, provided comments.

AGENDA ITEM 4 – DISCUSSION OF COMMISSION OFFICERS’ RESPONSIBILITIES (Information)

A general discussion about the structure and responsibilities of officers as well as the formulation of committees ensued. Some ideas that met with general consensus include:

- Delegating more tasks to committees;
- Instituting regular meetings between the chair and student representatives;
- Engaging the vice chair in the agenda-setting process;
- Decisions about the formulation of committees to be made by the Full Commission; and
- Representing and communicating only the Commission’s approved positions to external parties, and if otherwise, clarifying that his/her communication is not on behalf of the whole body.

AGENDA ITEM 5 – ELECTION OF OFFICERS FOR 2013 (Action)

~~On **MOTION** by Commissioner Garcia Vasquez, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the request to nominate Commissioner McDowell for Chair.~~

~~On **MOTION** by Vice Chair Anton, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the request to nominate Vice Chair Anton for Chair.~~

*Commissioner Garcia Vasquez nominated Commissioner McDowell for the office of Chair. Commissioner Shah **SECONDED**. Vice Chair Anton nominated herself for the office of Chair. Commissioner Bishop **SECONDED**. After some discussion, Commissioner McDowell was elected Chairman by a vote of 7–3.*

ABSTAINED: Commissioner Keene

~~On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission **APPROVED** by Unanimous Consent the request to nominate Commissioner Shah for Vice Chair.~~

~~On **MOTION** by Commissioner Siqueiros, **SECONDED** and **CARRIED**, the Commission APPROVED by Unanimous Consent the request to nominate Commissioner Beltran for Vice Chair.~~

Commissioner Anton nominated Commissioner Shah for the office of Vice Chair. Commissioner Doud **SECONDED**. Commissioner Siqueiros nominated Commissioner Beltran for the office of Vice Chair. Commissioner Garcia Vasquez **SECONDED**. After some discussion, Commissioner Beltran was elected Vice Chair by a vote of 6-4.

ABSTAINED: Commissioner Keene

~~On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission APPROVED by Unanimous Consent the nomination and election of Commissioner Arzate as Secretary.~~

Commissioner Anton nominated Commissioner Arzate for the office of Secretary. Commissioner Beltran **SECONDED**. Commissioner Arzate was elected Secretary by a unanimous vote.

AGENDA ITEM 6 – CONSIDERATION OF AN OPERATING AGREEMENT BETWEEN THE CALIFORNIA STUDENT AID COMMISSION, ECMC AND EDFUND FOR JANUARY 1, 2013 THROUGH JUNE 30, 2013 (Action)

Ms. Keri Tippins presented the third and final Operating Agreement between the Commission, ECMC and EdFund.

On **MOTION** by Commissioner Doud, ~~**SECONDED** and **CARRIED**~~, the Commission **ADOPTED** by Unanimous Consent the Operating Agreement between the California Student Aid Commission, ECMC and EdFund for January 1, 2013 through June 30, 2013.

AGENDA ITEM 7 – NEW BUSINESS (Information)

The Commission may consider the following topics at a future meeting:

- Formulating committees around the strategic framework;
- Establishing a Federal Liaison Committee;
- Dream Act Update; and
- Revision of the Commission's 2013 Calendar of Meetings.

ADJOURNMENT

There being no further business, the meeting of the California Student Aid Commission adjourned at 11:54 a.m.

CRIS ARZATE, SECRETARY