
6

Information Item

California Student Aid Commission

Executive Director's Report

Enclosed for review is a written report from the Executive Director of the California Student Aid Commission, which includes:

- a. California Student Opportunity and Access Program (Cal SOAP) Project Director's Report
- b. ECMC Report on the transition of the federal student loan guaranty program

Recommended Action: For information only. No action required.

Responsible Person(s): Diana Fuentes-Michel
Executive Director



**Executive Director's Report
April, 2011**

Dear Commissioners,

April marks decision time for thousands of California high school students. The college decision is based on a number of factors, and college affordability is key among them. The Commission is now in the process of determining Cal Grant eligibility for both new and renewal students who are seeking to enroll in California's public and private colleges and universities. To date, the Commission has processed almost 100,000 new high school entitlement award offers, an increase of over 30-percent (representing almost 25,000 more students) in the number of new Cal Grant offers to high school students. The Commission has also seen an overall increase in the number of qualifying applicants in our other Cal Grant programs reflecting the increased financial aid needs of students.

In late March, Governor Jerry Brown signed Senate Bill 70, the education finance trailer bill for the 2011 Budget Act. For the first time since the Cal Grant Entitlement Program was created in 2000, SB 70 makes significant changes to Cal Grant eligibility. These changes occur during this critical decision time for students. Commission staff is presently working on the implementation of this legislation. The Commission's website (www.csac.ca.gov) includes an overview of the legislation and its key provisions under the Office of the Executive Director—*Important Message---State Budget Reductions Result in Changes to Cal Grant Eligibility and Cuts to Cal Grant Awards*. Direct communication to the affected students and schools is forthcoming.

SB 70 requires Cal Grant participating institutions with more than 40 percent of their enrollment borrowing federal student loans to maintain a three-year Cohort Default Rate (CDR) of less than 24.6 percent in the 2011-12 academic year and less than 30 percent for each year following. If an institution exceeds the CDR threshold, it will be ineligible for initial and renewal Cal Grant awards. A limited exception allows renewal students, who were enrolled in the institution in the year immediately before the year for which the institution is ineligible, to choose to renew their Cal Grant awards at the institution. However, the maximum award for their Cal Grants would be subject to a 20-percent reduction. The access award for these Cal Grant B students would not be reduced.

SB 70 also changes Cal Grant eligibility by requiring renewal Cal Grant recipients to meet income and asset ceilings for the year of renewal or ceilings in place in 2010-11 academic year, whichever is greater. SB 70 also requires renewal Cal Grant recipients to meet the same minimum financial need thresholds that initial Cal Grant recipients must meet. The Commission is working to implement the provisions of SB 70 to ensure that students and Cal Grant participating institutions are fully informed of these program changes. Commission staff has met with the Department of Finance to request additional General Fund support to expedite the

implementation of these program changes, which will require modifications to the Grant Delivery System.

As we look forward to this summer, the Commission staff anticipates that the Governor and the Legislature will continue their efforts to resolve the State's budget deficit. The Governor's proposal of spending cuts and revenue extensions has not yet been fully acted on. Commission staff will continue to participate and monitor budget deliberations as there remains a \$14-billion gap between available revenues and expected program expenditures. Commission staff will update the Commission on the status of the State budget at the meeting on April 14th.

At the federal level, the Obama Administration and Congress are proposing to reduce federal spending. The Administration is proposing to eliminate the Year Round Pell Grant program, a special program authorized in 2008 allowing students to receive two Pell Grant awards within one award year, if they meet certain criteria. The House Republicans are proposing to reduce the 2011-12 Pell Grant awards by 15 percent. As this report is finalized, a possible federal government shutdown is possible. The House Republicans have proposed a short-term spending bill which will fund government for another week and cut spending by \$12 billion. The bill generally maintains funding for federal student aid programs but proposes to cut the Erma Byrd Scholarship Program that assists students training for industrial health and safety occupations. Commission staff will update you on the status of federal budget decisions regarding financial aid programs when we meet.

This coming Commission meeting will bring forward two regulatory actions for the Commission to consider authorizing; one to proceed with rulemaking to adopt a permanent regulation to define mandatory system-wide fees to include fees for tuition at public institutions, and a second to make changes in the California National Guard Education Assistance Award Program regulations. Commission staff will also bring forward an update on state legislative issues.

And finally, the transition of the federal loan program continues to move forward. The Commission's management continues to work closely with the ECMC management team on the transition of loan program data and services. The Commission has received notification that \$42.5 million will be transferred by ECMC for the financial support of the Cal Grant Program in 2011-12. The Governor's January budget foresaw \$30 million for Cal Grant awards. As a result of the Commission's appeal of the U.S. Department of Education's decision to terminate the Commission's guaranty, the Commission was successful in obtaining a commitment to fund Cal Grant awards. The additional funds are a result of negotiating a portfolio residual analysis that provides continued support for the Cal Grant Program as long as revenue is available to support it. The Commission anticipates that ECMC will provide Cal Grant support in 2012-13.

Also last month, we were informed that the ECMC Board of Directors has appointed two Californians to its board. Jack O'Connell, former California Superintendent of Public Instruction and legislator, has been named, as well as Maurice Salter, current chairman of the UCLA Foundation, and former Chief Executive Officer of Loan America. Dr. Salter is also the co-founder of XAP, the first major college electronic application product. The Commission looks forward to the participation of both Californians on the ECMC board.

ECMC management continues to work cooperatively in support of the transition and the Cal Grant Program operations. Commission staff continues to be pleased with the level of support and professionalism shown by our ECMC counterparts. The Commission will be working with the ECMC management team in the coming months to extend our current agreement through 2012. We will bring that item to the Commission in August for your consideration.

COMMISSION PROGRAMS UPDATE

Administration & External Affairs Division Update

- California Cash for College partnered with CollegeWeek Live, the largest free online event platform, with staff and representatives from the California Student Aid Commission and the California Association of Student Financial Aid Administrators (CASFAA), to design specific assistance for high school seniors to navigate the financial aid process after the March 2 Cal Grant deadline. More than 1,500 students participated in the first-ever online event held on March 9.
- The 2010-11 General Fund appropriation for the Cal Grant and Specialized Programs is down to approximately \$12 million. Per the requirements in the 2010-12 State Budget, staff has submitted a request to the Department of Finance (DOF) for additional funds. General Fund disbursements for the Cal Grant and Specialized Programs will be held until additional funds are authorized by DOF.
- Staff is submitting hiring freeze exemption requests to the Department of Finance to fill eight critical vacant positions in Information Technology, Program Administration and Services, and Administration and External Affairs.

Program Administration & Services and Information Technology Divisions Update

Cal Grant Operations Update

Los Angeles Unified School District (LAUSD)

- As of March 24, we have matched 18,648 of 36,465 total Grade Point Averages (GPA) submitted by LAUSD. We also received about 25,000 paper GPAs from the LAUSD schools directly. So, many of the GPAs will be duplicates, but many will be processed that were unmatched by LAUSD process. After some initial concerns about the GPA calculation, and after reviewing transcripts, Commission staff calculated the same GPA that LAUSD submitted. Commission staff will have a meeting with LAUSD district staff to discuss improvements and full phase-in for the 2012-13 year.

Paper Grade Point Averages (GPAs)

- All March 2nd paper GPAs were keyed by March 25. Approximately 65,000 paper GPA forms were keyed.

September 2nd GPAs

- September 2nd GPAs are now available on our homepage and upload capability is ready as well.

March 2nd High School Entitlement Award Appeals

- The late GPA verification form and appeal will be available on April 4 and due by May 16, 2011.

Transfer Entitlement and March 2nd Competition Cycles

- Tentatively scheduled for mid-April

High School Entitlement Award Offers

- As of April 4, 2011, the Commission has made 100,000 award offers which is 25,000 more than last year at this time. Another High School Entitlement cycle is scheduled for March 24.

WebGrants for Students

- As of March 24, 2011, 74,926 accounts have been created since January 1.

Specialized Programs Update

Chafee Grant Program

- Quarter-term institutions can anticipate the receipt of Chafee spring payments during the first week in April. More Chafee applicants are anticipated for 2011-12 than funds available; as a result, institutions are strongly encouraged to actively complete Chafee Need Analysis Report (NAR) for the 2011-12 academic year in order to secure Chafee awards for new students. Renewal Students will continue to have priority during the award process.
- The California Department of Social Services has tentatively scheduled a Chafee stakeholders meeting for May 25. Information on the discussion topics will be disseminated as information becomes available.

CA National Guard Educational Assistance Award Program (NG EAAP)

- Institutions will soon be able to electronically process payments for NG EAAP recipients through Web Grants. This process will shorten the turnaround time for receipt of payments. A small beta group is currently testing the payment roster. Institutions will be informed through an Operations Memo when training will be conducted. Full migration of the electronic payment process is anticipated in May.

Robert C. Byrd Program

- As of March 30, 2011, approximately 600 2011-12 Robert C. Byrd scholarship applications for 1,200 prospective recipients were received. More applications were expected by the April 1 deadline. This year, there is an increase in the number of high schools that have not previously submitted applications. This is due to an effort made by Commission staff to reach out to more high schools.

STATUS OF ACTIVITIES RESULTING FROM ACTIONS TAKEN BY THE COMMISSION

Below is a summary of the actions taken by the Commission at its February 24-25, 2011 meeting.

	ACTIONS TAKEN BY THE COMMISSION	STATUS UPDATE
1	<p>Consideration of Legislative Proposals on Cal Grant Cost Savings and What, if any, Independent Actions the Commission Might Wish to Take The Commission adopted a list of California Student Aid Commission Priorities for Cal Grant Program Costs Savings if Needed and a public statement discussing the Commission's position.</p>	<p>The Commission's action was communicated to the Legislature.</p>
2	<p>Consideration of Emergency Regulations to Ensure that Cal Grants Continue to Pay for Mandatory System-wide Fees, including Fees for "Tuition," at Public Institutions The Commission adopted the proposed emergency regulation and accompanying documents; requested that the effective date of the regulations be the date of filing; and authorized staff to take the necessary steps to complete the regulatory process.</p>	<p>The Office of Administrative Law (OAL) approved the emergency regulatory action on March 24, 2011.</p>
3	<p>Legislative Update The Commission adopted the following positions on the following state legislative bills:</p> <ul style="list-style-type: none"> • Watch Senate Bill (SB) 181 (Liu) and Assembly Bills (AB) 970 (Fong) and 1273 (Grove) • Co-Sponsor AB 1129 (Portantino) • Sponsor SB 760 (Alquist) • Support AB 130 (Cedillo) and AB 131 (Cedillo) 	<p>The Commission's positions have been communicated to the Legislature through correspondence, office visits and hearing testimony.</p>
4	<p>Operating Fund and Federal Fund Financial Statements The Commission accepted the Operating Fund and Federal Fund audited financial statements for the year ended June 30, 2010.</p>	<p>The Commission forwarded the completed audits to the State Controller's Office for inclusion in California's annual financial audit report.</p>
5	<p>Commission Meeting Minutes The Commission approved the minutes of the October 27, 2010, November 18-19, 2010 and December 7, 2010 meetings, as presented.</p>	<p>The approved meeting minutes will be submitted to the Commission Secretary for signature.</p>

Lastly, I have included the following reports:

- Cal-SOAP Project Directors' Report (oral report); and
- Educational Credit Management Corporation (ECMC) Status Report.

I look forward to seeing you on April 14th in downtown Sacramento. We will be welcoming Brian Conley, an appointee of Assembly Speaker John Pérez, to the Commission. Commissioner Conley replaces former Commissioner Antonio "Tony" Solórzano whose term has expired. The Commission staff thanks Commissioner Solórzano for his support and dedication to the Commission and the students it serves. Commissioner Conley is presently the president of the Rancho Santiago Community College District Board of Trustees. His term on the Commission runs through January 1, 2015. Should you have any questions regarding this report, please contact me directly.

Sincerely,

Diana Fuentes-Michel
Executive Director
California Student Aid Commission
(1975-1979 Cal Grant B Recipient)

**California Student Opportunity and Access Program (Cal-SOAP)
Project Directors' Report**

An oral report of the Cal-SOAP consortia's activities will be provided.

High Level CSAC Portfolio Transition Status Report

CSAC and ECMC Services

1. Program Management
 - CSAC and ECMC team meet weekly to ensure the teams are in sync and communicating
 - Action items are captured on a weekly basis to ensure that CSAC issues are resolved as quickly as possible
 - ECMC provides CSAC 54 services. The performance of those 54 service areas are tracked on a monthly basis. Formal reports are provided on a monthly basis.
 - A formal issue escalation process has been created and is followed by both teams
2. Human Resources
 - ECMC has finalized the staffing plan for the California Office.
3. Legislative Updates
 - Worked together to create a consistent message with the California legislature.
4. Outreach to Students
 - ECMC partnering with CSAC to serve California students, borrowers and other constituencies.
 - Technical and operational support of Cal Grant program, Specialized and Outreach Programs
 - Assistance with Cash for College workshops
 - Provide scholarship funds for Cash for College
5. IT Support
 - ECMC and CSAC meet monthly to discuss synergies and services levels
 - Implemented a new SAN
6. Overall Services
 - 54 services (detailed performance report is attached)
7. Legal
 - Successfully executed an operating agreement for ECMC to provide certain support services for CSAC
 - Successfully executed an agreement between ECMC, CSAC and the Department of Education to transfer guarantees and certain amounts of student loan operating funds to ECMC, which allowed CSAC to retain \$100 million for current CalGrant commitments.
 - Formalized as part of the operating agreement the services appendix, which details the 54 services that ECMC is providing for CSAC

- Participated in lease negotiations with McCuen to find a solution for Building A and Building B
- ECMC agreed to lease most of building A to mitigate the damages caused by EdFund's default

8. Board Seat

- ECMC has selected 2 California based Board members.

9. Finance

- Completed the June 30th EdFund audit
- Working on the stub year (June through October) audit for EdFund
- Will transfer \$42.5 million to the State of California for the CalGrant program for fiscal year 2011-12
- Finalized the formula that will be used for future CalGrant programs contributions
- Working with the CSAC team to close the EdFund financial books

ECMC Overview of the FFEL Portfolio Transfer

1. Loan Conversion

- File layouts have been defined
- Have run four test files. These files contained over 1 million loan records

2. Integration of IT Infrastructure

- Reviewing technology and merging tools together
- Selected Service Desk functions and will merge the processes together
- Have implemented changes to our development environment to handle the new volume.

3. Implementation of Security and Records Controls

- Completed all items identified by the external assessment of EdFund physical and data security
- Addressed security related issues found by external assessor and all outstanding BSA audit issues
- Implemented ECMC Records Retention Program

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
Mail Room/Warehouse					
1	Print letters, reports, and other program material	Images: 500K Mail Pieces: 125K	499	139.50 hrs	General CSAC printing.
2	Receive and deliver mail, large parcels and packages for the Commission	Incoming Mail: 60K FedEx, UPS: 0 To the Commission: 0	1,040	200.75 hrs	Daily mail, parcel, and package delivery. <ul style="list-style-type: none"> Two Business Services staff pick up mail at the US Post Office and deliver to CSAC offices Two internal mail runs are performed at CSAC offices (11:30am PT, 2:30pm PT) Mail drop-off at the US Post Office at COB
3	Courier services for the Commission to the bank and the downtown area	CSAC to EdFund: 240 (1 per day) Downtown: 280 ann. (twice daily)	720	229.50 hrs	General courier services. <ul style="list-style-type: none"> Two daily courier runs to pick up and drop off financial documents at the CA State Controller's Office and any other requested Downtown sites.
4	Storage of financial aid workbooks, brochures, fact sheets, guides, manuals, posters and videos Shipping to high schools and colleges (including collateral material, inventory and usage)	Bays allocated: 44 Shipping: 8,626 packages, including freight	16,247	297.50 hrs	Fulfillment for: <ul style="list-style-type: none"> Cash for College Workshops - Online, FAX or phone orders. Includes packaging orders for shipment. School orders for Cash for College Workshops and other school requests. Online orders for workbooks and brochures to schools and other non-profit organizations for Fund Your Future.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
Other Services					
5	Contract management (including, but not limited to: technology, web conferencing, recycle, confidential shred, building security system, storage and cubicle services)			6.25 hrs	ECMC Legal worked on: <ul style="list-style-type: none"> FusionStorm contract Reassigning EdFund Oracle licenses to CSAC in order to initiate a contract amendment for Oracle renewal.
6	Health and safety support and building security support	Two guards 16 hours overnight 365/ conversion to S2 and associated hardware for \$150,000		1.00 hr \$28,778.74	Contracted with Allied Barton Security Services to provide security guard service to the CSAC site. <ul style="list-style-type: none"> One officer onsite 7:00 AM - 10:00 PM, Monday-Friday. This officer works inside the building and provides escort services when needed. Overnight and weekends, Allied Barton contracts a local security company (Palidan Security Services) for a mobile patrol to make 3 or 4 passes per night to the site and to do perimeter checks. Escorts are provided if needed.
7	Use of board room/meeting rooms with audio/visual capability and technical support	Will be provided at new location or provide other equivalent space that can accommodate the California Open Meeting Rules.		1.50 hrs	No new activity this period.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
8	Records retention and property inventory services	68 boxes (1 hr x 2 emps)		0 hrs	3/7/2011: Delivered one box of EdFund/EDS contracts to CSAC IT. Obtained CSAC IT sign-off for delivery. 3/18/2011: Transferred 14 back-up tapes of CSAC data to CSAC IT. Obtained CSAC IT Sign-off for the transfer. Recalled additional CSAC tapes and CDs from Iron Mountain. Will coordinate transfer of items to CSAC.
9	Ordering office supplies	CSAC uses EdFund provider EdFund provides 1 hour per month administrative work		0 hrs \$3,014.19	Ordered supplies from Staples for Cost Center 701. This service will be transitioned to CSAC. Paid invoices for monthly rent for CSAC warehouse space (Service West) and cubicle reconfiguration.
Imaging					
10	Access to retrieve documents previously imaged	Existing license and system—no additional work is required Assumes system will be given back to CSAC upon conversion completion		0 hrs	No activity this period.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
11	Estimated 800,000 paper applications and other documents to be imaged annually (such as paper GPA verification forms, the G-8 High School Graduation Certification Form, the Transfer Entitlement Certification Form and numerous Specialized Programs forms)	VisiFlow will be given back to CSAC on 7/31/11		13.50 hrs	3/8/2011: CSAC and ECMC agreed to have the temporary student labor contract to be signed by the EdFund Board Chair. This will be paid from the EF auxiliary account.
12	Maintain and operate a Storage Area Network (SAN), which is architecture that allows remote computer storage devices to be attached to servers. This provides the server storage for the GDS system			0 hrs	No activity this period. This line item will not have activity until after the CSAC SAN Implementation project is completed.
13	Offsite tape storage	Covered under contracts section		.75 hrs	1/31/2011: ECMC and CSAC met to discuss offsite back-up tape storage for CSAC. It was agreed that CSAC will contract directly with the Iron Mountain vendor. The contract is not to exceed two years. ECMC will review the business terms of the contract. CSAC will submit the invoice to ECMC for payment to the vendor. 3/2/2011: CSAC IT confirmed that they are awaiting CSAC Legal's direction on how to handle payment of the invoice for the monthly service with Iron Mountain. CSAC will handle resolution of this internally. ECMC has no further action until CSAC submits the invoice for reimbursement.
14	Software purchasing and contracting for imaging software, IVR, Oracle Data Base Management System (DBMS) software, and security software in support of the GDS system		96	0 hrs \$16,015.25	No activity this period. External costs are for 50 direct licenses for McAfee Enterprise Mobility Management software.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
15	Backup database administration for the GDS to augment current Commission support Additional services include Oracle DBA support for upgrading and advanced tuning, and troubleshooting the production GDS databases		40	0 hrs	No activity this period. This is on demand.
16	When requested, provide needed expertise for support, troubleshooting or repair of GDS production networks, appliance, and firewalls – this service should not require more than 50 hours of support in a year		50	0.75 hrs	No new activity this period.
17	Provide a one-time security risk assessment of the Grant Delivery system to include scanning for security vulnerabilities and review of system logs for intrusion attempts	Contract services for an external provider to perform a security assessment – this does not include remediation of any issues found	0	0 hrs	CSAC is ready to conduct the security risk assessment. A kick-off meeting, originally planned in March 2011, was postponed until the ECMC Chief Security Officer will be in CA.
18	Provide Linux system administration and support for GDS servers located at OTS – this includes upgrading, patching, auditing, and ensuring optimal performance and security controls are in place		100	2.50 hrs	Routine monitoring of GDS on Linux servers.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
19A	Provide mainframe printing services for the Commission which includes changing and creating new overlays and letter formats for GDS letters – the Commission prints over 100 different GDS letter types (approximately 1.5 million letters a year)	Oracle consultant for 3 months to address print jobs Hours to modify 50 letters and print all jobs	500	29.75 hrs	Initiated work on six new letter templates to reflect changes for 2011-2012 school year.
19B	Convert printing the Cal Grant Letters from the mainframe to an ASCII solution. To be completed prior to decommissioning the mainframe after the FAPS conversion.	N/A	(Covered in 19A)	.25 hrs	No new activity this period. CSAC plans to request a change in scope of this item. A request has been submitted to Keri Tippins.
20	Maintain the various ListServe accounts used by the Commission to distribute information to schools	Current maintenance, training of CSAC staff on the current process and final transition of the application	240	0 hrs	No activity this period. This will eventually transition to CSAC.
21	Programming and updating Student Expense and Resources Survey (SEARS) application software	Transition support to CSAC	40	0 hrs	<i>This is on hold.</i> CSAC will not do the SEARS survey this year. This will be revisited next year.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
Tier 1 Help Desk/Telephony					
22	Provide Tier 1 Help Desk support for 400 postsecondary institutions, over 1800 high schools, over 300,000 student accounts on WebGrants for Students, and Commission staff – these calls are logged in the HEAT ticketing database and dispatched to appropriate Commission personnel for problem resolution	Service labor hours— continue to use the CSAC HEAT system	2,080	558.75 hrs	One Help Desk FTE supports CSAC calls.
23	Provide all telephony services for the Commission, including but not limited to telephone installation, configuration, modification and hardware support for over 150 IVR telephone interfaces, telephone number assignments, voicemail, and toll-free line support	A person onsite at the CSAC office once a week	96	0 hrs	No activity this period. This is on demand.
Training/Outreach Services					
24	Provide opportunity for Commission staff to attend soft-skills training, if any, offered by ECMC to its California staff	Coordinate with EdFund training - 2 sessions/year	16 hours	0 hrs \$2,964.64	1/14/2011: Received and processed CSAC invoices (\$2,964.64 total) for <i>Critical Thinking</i> training on 11/9/2010 and 12/7/2010 for former EdFund civil service employees.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
25	Assist the Commission with obtaining training for more than 3,000 high school counselors and postsecondary educational institutional financial aid officers on the programs administered by the Commission	Produce 10-15 one to two minute video clips and integrate into CSAC systems Produce 20-25 thirty minute to one hour training videos	560	0 hrs	No activity this period. This is on demand. CSAC executive approval required.
26	Providing the high school training materials	Composition, design, production, shipping and training for 19 locations	312	128.75 hrs	ECMC representative to the CASFAA High School training committee provided post-workshop support. Reviewed workshop evaluations and initiated planning for 2011 workshops. Ensured that workshop materials are updated and available to customers via the website.
27	Pay for the costs associated with obtaining conference rooms and audio/visual equipment for training high school counselors and postsecondary educational financial aid officers and/or workshops.	Hotel rental and audio visual rental at 19 different locations Shipping materials will be included	N/A	0 hrs	No activity this period. This is on demand. CSAC executive approval required.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
28	Support for Cash For College workshops	\$1,000 scholarships at 500 events per year Stipends for volunteers	N/A	0 hrs	3/3/2011: CSAC and ECMC met to discuss funds allocated for Cash for College scholarships. CSAC will request payment of \$90,000 to the L.A. Area Chamber of Commerce for administration and support of the scholarship program. The balance of \$410,000 will be due to the L.A. Area Chamber of Commerce by 7/1/2011 to award 410 scholarships @ \$1,000. 3/21/2011: A check for \$90,000 was processed this week and sent to the L.A. Area Chamber of Commerce via overnight mail.
29	Provide various collateral publications used to inform students, parents and counselors of state and federal financial aid programs	Publications include: College is Possible, Power of Education, Cal Grant Inserts, Tax Benefits Guide and Tax Benefits one-page flyer	200	8.00 hrs	Created and provided requested copies of Tax Benefits Guide.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
30	<p>Fund Your Future: The Commission partnered with EdFund for publishing, production, storage and distribution of approximately 500,000 free financial aid publications that are used to inform and educate students, parents, schools and other interested parties about Cal Grants and other financial aid programs. This includes an annual Free Application for Federal Student Aid (FAFSA) for Students/FAFSA for Parents video production; duplication and warehousing services; <i>Fund Your Future</i> series workbooks, counselors' guides, and brochures; and photo inventory and graphic designing. The Commission's budget does not include funding to continue these critical materials. The <i>Fund Your Future</i> publications series—a student financial aid workbook (English and Spanish), high school counselor's guide and brochure (English and Spanish) – was produced jointly by the Commission and EdFund. Nearly all of the state's high schools rely on the workbook and brochure as a critical resource for students attending their schools and their families. The workbook is to be comprehensive enough so that students, especially those from low-income or disadvantaged families, will not need to purchase a financial aid book.</p>	<p>California brochure in English and Spanish 500,000 annually; California workbook in English and Spanish = 710,000 annually</p> <p>Postcard provided free with print order</p> <p>Production must be completed at the beginning of each academic year to ensure distribution during peak distribution months (December - February)</p>	1,520	6.50 hrs	<ul style="list-style-type: none"> Monitored FundYourFuture.org e-mail box. Created ADA compliant text document. Made files web-ready to add to ECMC website Processed printing invoices.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
31	College Cash Box: The College Cash Box contains materials high school counselors need to help students apply for financial aid. Approximately 4,500 College Cash Box kits are printed, assembled and disseminated to all California high schools, colleges, universities, career and technical schools, and community organizations. This box is filled with collateral publications that reach students through school counselors and financial aid administrators throughout the state's diverse population. The materials include information for students pursuing an education through career technical education (vocational schools), as well as through California colleges and universities.	Producing Cash for College box contents	External contract	0 hrs	No activity this period. This is on demand. CSAC executive approval required.
Financial Services					
32	Provide accruals for loan program funds		0	0 hrs	No activity this period.
33	Submit invoices for loan program activity		0	58.50 hrs	Resolved open issues with 2010 invoices. Provided CSAC with detail requested for Loan Program invoices charged to the old and new auxiliary accounts. 3/11/2011: ECMC delivered invoices to CSAC for the CSAC General Fund Expenses for November 2010 through February 2011. Catch up for General Fund for December 2010 - February 2011.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
34	Prepare monthly and year-end loan program financial statements		0	66.75 hrs	Amended and finalized 9/30/2010 and 10/31/2010 EdFund Operating Fund - Federal Fund financial statements in response to finalizing audits. No new activity in March 2011.
35	View access to Oracle Financials until all books are closed	Existing license and system—no additional work is required		39.50 hrs	Ran Oracle financial reports for October 2010, November 2010, and 2010 year-end. No new activity in March 2011.
Audit Services					
36	Contract for independent audit of the annual loan program financial statements	Payment of Perry-Smith LLP fees		199.50 hrs \$107,000.00	Reviewed, edited, and drafted Management's Discussion & Analysis, Financial Statements, and Notes to Financial Statements for September 30, 2010 audit reports. Worked on the September 30, 2010 EdFund draft audit report. Target was end of March 2011 to issue audit report. Awaiting response from EdFund outside counsel and EdFund General Counsel. Worked on stub period audit ending October 31, 2010. Perry-Smith auditors scheduled to return 4/12/2011 - 4/13/2011. External costs are for Perry-Smith audit fees.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
37	Provide information and responses for other audits (such as USED compliance audits, federal single audits of federal programs performed by the Bureau of State Audits)		100	482.25 hrs	BSA audit support for audit currently in progress. Researched and submitted State/Regulatory filings to withdraw from states in which EdFund is no longer doing business. Filed IRS 990 return for EdFund.
Research Services					
38	Provide information required by the Commission to complete the Annual Report on EdFund	1 person full time for a quarter	480	35.75 hrs \$1,570.00	2/8/2011: ECMC submitted draft EdFund Annual Report to CSAC. 2/9/2011: Received confirmation from CSAC that draft EdFund Annual Report was received. 2/17/2011: ECMC was notified by CSAC that they are holding the Annual Report at this time. Should this change, CSAC will provide an update at the weekly ECMC/CSAC meeting. No new activity in March 2011.
39	Conduct one major research project as designated by the Commission	1 person full time for a quarter	480	0 hrs	No activity this period. This is on demand. CSAC executive approval required.
Federal Alignment					
40	Provide as-needed services to align Commission administered programs with changes in Federal financial aid processes and procedures (such as changes arising from FAFSA form changes that impact Cal Grant processes)	2 developers not to exceed \$120K	240	0 hrs	No activity this period. This is on demand. CSAC executive approval required.

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
Contracts					
41	Contracts owned by ECMC but are shared with CSAC	See contract list, the items stated as ECMC ownership joint use by ECMC and CSAC	40	5.00 hrs	Continue to work with CSAC on shared contracts
New Work					
42	Deliver four projectors to CSAC on 12/3/2010.	N/A	N/A	N/A	12/3/2010: <i>This item is completed.</i>
43	Ship 10 t-shirts for CASFAA.	N/A	N/A	N/A	12/9/2010: <i>This item is completed.</i>
44	Provide check \$1,500 for Arthur Marmaduke High School Counselor Award in Spring 2011.	N/A	N/A	N/A	3/30/2011: ECMC inquired if CSAC is ready to initiate processing funds for Arthur Marmaduke High School Counselor Award.
45	Support and respond to CSAC server needs document of 12/1/2010.	N/A	N/A	N/A	1/12/2011: Determined that server needs are being addressed as part of the CSAC SAN Implementation project. 1/12/2011: <i>This item is completed.</i>
46	Transfer unused Polycom phones and artwork to CSAC.	N/A	N/A	N/A	12/9/2010: <i>This item is completed.</i>
47	Provide a directory of ECMC-CA management to CSAC	N/A	N/A	N/A	12/7/2010: <i>This item is completed.</i>

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
48	Conduct a walk-through of the ECMC-CA west wing, after the space has been vacated.	N/A	N/A	N/A	12/23/2010: Chris Faulkner escorted CSAC (Janet McDuffie, Leanna Sinibaldi, John Bays, and Rita DeNatly) through ECMC-CA 1st Floor West Wing. 12/23/2010: <i>This item is completed.</i>
49	Conduct monthly CSAC and ECMC-CA IT synergy meetings to discuss IT items on the list of CSAC Services and open projects.	N/A	N/A	N/A	12/17/2010: First meeting scheduled 12/21. 12/21/2010: Held first monthly meeting. Agreed to meet the first Wednesday of the month at 2:00pm. Next meeting will be 1/12/2011. 12/21/2010: <i>This item is completed.</i>
50	Cash for College: In the past, EdFund's warehouse would ship a portion of the items being ordered and CSAC shipped a portion. CSAC is now requesting that EdFund fulfill the entire order.	N/A	N/A	N/A	12/8/2010: Met with CSAC staff. Distributed meeting notes on 12/9. Work is being completed under #1, #28, and #29. <i>This item is completed.</i>
51	Cal Grant Funds	N/A	N/A	N/A	1/18/2011: ECMC wired \$25 Million to the CA Treasurer's Office. The \$25 million is the remaining amount due of the \$100 million Dept. of Education agreed to fund from the Operating Fund to support 2010-11 Cal Grant program awards. 1/19/2011: CSAC confirmed that the funds were received. <i>This item is completed.</i>

ECMC

CSAC Services Status Report - November 1, 2010 through March 31, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
52	EdFund Board Professional Expenses	\$50,000 ECMC will reimburse CSAC for invoices submitted.		0 hrs	No activity this period.
Unplanned Services					
S1	CSAC Services - General	N/A	N/A	279.00 hrs	Project Management and customer relationship support for CSAC Services. Facilitation and follow-up for monthly CSAC/ECMC IT meetings.
Projects					
P1	CSAC SAN Implementation	N/A		760.50 hrs	Project implemented <i>This item is completed.</i>