
3

Action Item

California Student Aid Commission

Consent Calendar

Recommended Action: Approve the consent agenda, including:

- a. Minutes of April 16, 2009 (Action)
- b. Ratify amendment to the Interagency Agreement with the Attorney General's Office for legal services to increase the amount from \$135,000 to \$375,000 (Action)
- c. Approve contract with the Department of Technology Services for data center support in the amount of \$275,000 for 2009-10 (Action)
- d. Ratify funding revisions to the 2008-09 California Student Opportunity Access Program (Cal-SOAP) contract amendments (Action)
- e. Approve 2009-10 Cal-SOAP contracts (Action)

**CALIFORNIA STUDENT AID COMMISSION
MEETING MINUTES
April 16, 2009**

A meeting of the California Student Aid Commission was held on Thursday, April 16, 2009 at the Sacramento County Office of Education located at 10474 Mather Boulevard, Boardroom, in Mather, California.

Chair Barry Keene called the meeting to order at 9:24 a.m.

The following Commission Members were present:

Barry Keene, Chair
Lorena Hernandez, Vice Chair
Yasmin Delahoussaye, Secretary
Lynne de Bie
Patricia Fong Kushida
Enrique Murillo
Israel Rodriguez
Antonio Solórzano

The following Commission Member was absent:

Bonaparte Liu

Roll Call was taken and a quorum was recognized.

CHAIR'S REPORT

Chair Keene stated that the Commission would be discussing the Governor's proposals to decentralize the Cal Grant Program and consolidate the Commission with the California Postsecondary Education Commission. He emphasized that the Commission plans to listen to the segmental participants and seek to understand the issues under consideration, but the focus should be on how student access to post-secondary education is affected by the Governor's proposals.

**AGENDA ITEM 1 – DECENTRALIZATION OF THE CAL GRANT PROGRAM AND
CONSOLIDATION OF THE CALIFORNIA POSTSECONDARY
EDUCATION COMMISSION AND THE CALIFORNIA STUDENT AID
COMMISSION (Information/Action)**

The following participants made presentations and provided comments on the Governor's proposals:

- Judy Sakaki, Vice President of Student Affairs, University of California Office of the President

- Linda Michalowski, Vice Chancellor for Student Services, California Community Colleges Chancellor's Office
- Robert Oakes, Vice President and General Counsel, Association of Independent California Colleges and Universities
- Mary Lindsey, Director of Financial Aid Special Projects, Fashion Institute of Design & Merchandising and Representative, California Association of Private Postsecondary Schools
- Kevin Woolfork, Budget Policy Coordinator, California Postsecondary Education Commission
- Karen Yelverton-Zamarripa, Assistant Vice Chancellor, California State University Chancellor's Office
- Pat Hurley, Associate Dean, Glendale Community College and Representative, California Association of Student Financial Aid Administrators (CASFAA)
- Brad Hardison, Financial Aid Director, Santa Barbara City College and Representative, California Community College Student Financial Aid Administrators (CCCSFAAA)

On **MOTION** by Commissioner Murillo, **SECONDED** and **CARRIED**, the Commission **ADOPTED**, in coordination with its mission to make education beyond high school financially accessible to all Californians, a proactive stance on the issue of decentralization of the Cal Grant program, with the idea that the Commission shares a common goal with the higher education segments represented at the April 16 Commission meeting to improve access, enrollment, and degree attainment and that all are in unison with any discussions around simplification, transparency and accountability; and form a stakeholders' roundtable or work group that meets as often as needed with the purpose of exploring ideas and drafting a legislative proposal that addresses the delivery of Cal Grants, focusing on three specific policy-making areas (politics, system and resources) with the details to be run back to the Commission.

AGENDA ITEM 2 – CONSENT CALENDAR (Action)

On **MOTION** by Commissioner Fong Kushida, **SECONDED** and **CARRIED**, the Commission **APPROVED** the following items on the Consent Calendar.

Item 2.a – Approval of January 26, 2009 and February 26, 2009 Minutes

The Commission **APPROVED** the January 26, 2009 and February 26, 2009 Commission meeting minutes, as presented.

Item 2.b – Sponsorship of a Veterans Benefit Bill

The Commission **ADOPTED** a position of "Sponsor" on SB 611 (Correa) Student Financial Aid: Cal Grant A Entitlement Awards: Veterans with the intent of holding the spot bill pending further discussion of Veterans Educational Benefits-Cal Grant issues, and the Commission **SUPPORTS** the bill **IN CONCEPT**.

Item 2.c – Ratification of a Contract Amendment with R & G Associates to Increase the Amount of the Contract from \$80,000 to \$104,000 and to extend the term of the contract to June 30, 2009

The Commission APPROVED the ratification of the R & G Associates contract amendment for \$24,000 for a total contract amount of \$104,000 and the extension of the term through June 30, 2009.

AGENDA ITEM 3 – EXTENSION OF THE OPERATING AGREEMENT BETWEEN THE COMMISSION AND EDFUND (Action)

Leanna Sinibaldi, Manager of the Federal Policy & Programs Division, presented the proposed extension of the Operating Agreement between the Commission and EdFund. EdFund President Sam Kipp expressed support for the Commission staff's recommendation.

On **MOTION** by Commissioner Delahoussaye, **SECONDED** and **CARRIED**, the Commission APPROVED the Operating Agreement Extension with a June 30, 2010 extension date and authorized the Executive Director to execute the extension, provided it remains substantially the same after a review by the Department of Finance and the Joint Legislative Budget Committee.

**The following agenda items were discussed out of sequence.*

AGENDA ITEM 5 – IMPLEMENTATION OF CAREER TECHNICAL EDUCATION (CTE) PROVISIONS OF THE 2008-09 STATE BUDGET FOR THE CALIFORNIA STUDENT OPPORTUNITY AND ACCESS PROGRAM (CAL-SOAP) (Action)

Janet McDuffie, Chief of Administration & External Affairs, provided an update on Career Technical Education Phases I and II funding.

On **MOTION** by Commissioner Hernandez, **SECONDED** and **CARRIED**, the Commission APPROVED the staff recommendation to authorize the Executive Director to execute contract amendments totaling \$875,000 with the Cal-SOAP consortia for the 2008-09 award year for Career Technical Education Phase II funding at the allocation levels proposed by the Cal-SOAP Project Directors, and to extend the contracts as requested by each consortia up through December 31, 2009.

AGENDA ITEM 7 – PEN COMMITTEE REPORT – Nominations to Advisory Committees (Action)

Committee Chair Delahoussaye reported that the Personnel, Evaluations & Nominations (PEN) Committee met on April 16, 2009 and recommended the following nominations for the Commission's consideration:

Grant Advisory Committee

On **MOTION** by the PEN Committee, **SECONDED** and **CARRIED**, the Commission APPROVED the following appointments to the Grant Advisory Committee:

- David Kopperud, K-12 Schools Representative, for the term April 16, 2009 through April 16, 2011; and
- Cindy Castillo, California Community College Campus Representative, for the term April 16, 2009 through April 16, 2011.

AGENDA ITEM 4 – GOVERNANCE AND MONITORING COMMITTEE REPORT – Adoption of action on the President’s 2010 Budget proposal on student financial aid (Action)

The following participants made presentations and provided comments:

- Quentin Wilson, President and CEO, ALL Student Loan
- Cheryl Resh, Assistant Vice Chancellor and Director of Financial Aid, University of California at Berkeley
- Sam Kipp, III, President, EdFund
- Jacqueline Bradley, President-Elect, CCCSFAAA and Assistant Dean of Financial Aid and Extended Opportunity Programs & Services, Mendocino College
- Pat Hurley, Associate Dean, Glendale Community College and Representative, CASFAA

On **MOTION** by the Governance & Monitoring Committee, **SECONDED** and **CARRIED**, the Commission **ADOPTED** by ROLL CALL VOTE the position to support in concept President Obama’s 2010 budget proposal to originate all new federal student loans through the Direct Loan Program and to use the savings to create a stronger and more reliable Pell Grant program.

On **MOTION** by Commissioner Fong Kushida, **SECONDED** and **CARRIED**, the Commission **APPROVED** by ROLL CALL VOTE the amended action of the Governance & Monitoring Committee to state that the Direct Loan Program should provide quality services essential for students, including, among other things, default aversion, outreach, early withdrawal counseling, and training for financial aid officers and that the services address the diverse needs of all students and institutions.

AGENDA ITEM 8 – CAL-SOAP PRESENTATION ON CAL-SOAP: Yesterday, Today and Tomorrow (Information)

Monica Roberts, Project Director for the Sacramento Consortium, and Daniel Bixler, Project Director for the North Coast Consortium, presented a power point on the history and the future of the California Student Opportunity & Access Program (Cal-SOAP).

Executive Director Michel presented the Commission’s Resolution in honor of the 30th anniversary of Cal-SOAP.

AGENDA ITEM 6 – REVISION TO THE 2009-10 CAL GRANT C SCORING CRITERIA (Action)

Catalina Mistler, Chief of Program Administration & Services Division, presented the proposed revision to the 2009-10 Cal Grant C scoring criteria, reporting on the efforts by the Grant Advisory Committee and Commission staff to review and find ways to streamline the application process.

On **MOTION** by Commissioner De Bie, **SECONDED** and **CARRIED**, the Commission **APPROVED** the recommendation for the 2009-10 academic year to eliminate Question 9 from

the Cal Grant C Supplement application form, and score the applications based on a total of 65 points.

AGENDA ITEM 9 – EXECUTIVE DIRECTOR’S REPORT (Information), including:

a. EdFund Report

b. Grant Advisory Committee Report

Executive Director Michel presented her written report and provided brief updates on the legislative hearing process as well as the performance-based scholarship study.

There being no further business, the meeting of the California Student Aid Commission was adjourned at 4:35 p.m.

YASMIN DELAHOSSAYE
SECRETARY

Action Item***California Student Aid Commission***

Ratify amendment to the Interagency Agreement with the Attorney General's Office for legal services to increase the amount of the contract from \$135,000 to \$375,000

The Commission has a contract in place with The Department of Justice (DOJ) for the period of July 1, 2007 through June 30, 2009 in the amount of \$135,000. Through this contract, DOJ provides the Commission with legal services in the area of employment law. DOJ requested that the Commission amend the existing contract amount by \$240,000 to cover both expended and anticipated costs associated with the Bersinger lawsuit.

The Executive Director must obtain approval from the Commission prior to entering into a new contract or executing a contract amendment of over \$100,000. However, in the event an emergency approval is necessary for a contract of over \$100,000, the Executive Director may approve such contract with simultaneous notification to the Commission. Such emergency approval shall be ratified at the next regularly scheduled Commission meeting, and if not ratified, the contract shall be cancelled.

The Chief Deputy Director, on behalf of the Executive Director notified the Commission of the extension request and that he had signed the contract amendment and sent it to the Department of General Services for its review and approval.

Recommended Action: Ratify the amendment to Interagency Agreement with the Department of Justice to increase the amount \$240,000 for a total contract amount of \$375,000.

Responsible Person: Janet McDuffie, Chief
Administration and External Affairs Division

Action Item

California Student Aid Commission

Approve contract with the Department of Technology Services for data center support in the amount of \$275,000 for 2009-10

The Commission is in the process of renewing its annual contract with the Department of Technology Services (DTS) for the 2009-10 fiscal year in the amount of \$275,000. The amount of the 2009-10 contract reflects a \$71,000 increase over last year due to rate increases imposed by DTS. Under this contract, the Commission will continue to receive services for: hosting of the Grant Delivery System; network connectivity to the mainframe and State's network; mainframe statistical research and reporting systems; network support, such as internet services; router management; peripheral equipment rental; and personnel transactions.

Recommended Action: Authorize the Executive Director to enter into an Interagency Agreement for \$275,000 with the Department of Technology Services for the period of July 1, 2009 through June 30, 2010.

Responsible Persons: Janet McDuffie, Chief
Administration and External Affairs Division

John Bays, Chief
Information Technology Division

Action Item

California Student Aid Commission

Ratify funding revisions to the 2008-09 California Student Opportunity and Access Program (Cal-SOAP) contract amendments

At its April 16, 2009 meeting, the Commission authorized the Executive Director to amend the 2008-09 Cal-SOAP contracts to include Phase II funding for career technical education (CTE) and to extend the term of the contracts to December 31, 2009. Since that time, the following have occurred requiring revisions to the Phase II allocations.

1. The Merced Cal-SOAP decided to withdraw their request for their Phase II allocation of \$64,132.
2. After discussion with the Project Directors, CSAC it was determined that the extension of the contracts required changes to the Cal-SOAP databases to allow for additional time periods for reimbursement of expenditures (essentially 5 terms vs. the 4 quarters now in use). Additional funds were needed so each consortium could contract with the database consultant to make their required database changes.
3. The funds released by Merced could be redistributed to the consortiums for the database changes. The revised allocations noted in the chart on page 2 were discussed with and agreed upon by the Project Directors.

The Executive Director must obtain approval from the Commission prior to entering into a new contract or executing a contract amendment of over \$100,000. However, in the event an emergency approval is necessary for a contract of over \$100,000, the Executive Director may approve such contract with simultaneous notification to the Commission. Such emergency approval shall be ratified at the next regularly scheduled Commission meeting, and if not ratified, the contract shall be cancelled.

The amendments to the Cal-SOAP contracts must be in place prior to the end of the fiscal year (June 30, 2009). Since the Commission was not meeting until June 30, 2009, the Executive Director notified the Commission of the funding revisions and that she had signed the contract amendments and sent them to the Department of General Services for review and approval.

Recommended Action: Ratify the funding revisions to the 2008-09 Cal-SOAP contracts.

Responsible Person: Janet McDuffie, Chief
Administration and External Affairs Division

2008-09 CAL-SOAP BUDGET			
Project	Amounts Approved April 16, 2009	Revised Amounts	Recommended Final Amounts
Central Coast	\$ 300,000	\$ 4,008	\$ 304,008
Central Valley	\$ 354,687	\$ 4,008	\$ 358,695
East Bay & Solano	\$ 1,075,261	\$ 8,016	\$ 1,083,277
Greater Long Beach	\$ 364,132	\$ 4,008	\$ 368,140
Los Angeles	\$ 668,682	\$ 4,008	\$ 672,690
Merced	\$ 364,128	\$ (60,120)	\$ 304,008
North Valley	\$ 384,546	\$ 4,008	\$ 388,554
North Coast	\$ 425,977	\$ 4,008	\$ 429,985
Sacramento	\$ 392,236	\$ 4,008	\$ 396,244
San Diego/Imperial Counties	\$ 972,141	\$ 4,008	\$ 976,149
San Francisco	\$ 364,132	\$ 4,008	\$ 368,140
San Jose	\$ 509,120	\$ 4,008	\$ 513,128
Santa Barbara	\$ 474,803	\$ 4,008	\$ 478,811
South County Gilroy	\$ 399,155	\$ 4,008	\$ 403,163
South San Joaquin	\$ 300,000	\$ 4,008	\$ 304,008
Total	\$ 7,349,000	\$ -	\$ 7,349,000

Revised 3e

Action /Information Item

California Student Aid Commission

Approve 2009-10 Cal-SOAP Contracts

The 2009-10 Budget Act appropriated \$7,349,000 for Cal-SOAP with funding from the federal College Access Challenge Grant Program (Challenge Grant). The Challenge Grant will be available from August 14, 2009 to August 13, 2010. The 2009-10 Budget Act also designated \$1million specifically for Career Technical Education (CTE) public awareness and the resulting career opportunities.

Commission staff consulted with the Cal-SOAP project directors in developing the 2009-10 baseline and CTE funding allocations. One of the performance goals of the Challenge Grant is to increase the number of students completing the Free Application for Federal Student Aid (FAFSA). The \$125,000 in CTE Phase I funds supported the statewide media campaign that contributed to an increase in the number of participants from 22,750 at the 2008-09 workshops to over 26,000 in 2009-10. Therefore, Commission staff proposes to once again use \$125,000 for CTE Phase I allocation to support a statewide media campaign similar to last year to help direct students to the Cash for College workshops for the 2010-11 Cal Grant March 2nd application period.

The Commission staff and the Project Directors are in agreement in recommending the fund distribution in 2009-10 as noted below. The chart on page 2 shows the recommended 2009-10 budget allocations per consortium.

- \$6,349,000 for baseline funding at the 2008-09 levels at each consortium
- \$125,000 for CTE Phase I activity (assigned to one consortium)
- \$875,000 for CTE Phase II activity (distributed evenly among the participating consortiums)

The Project Directors will use these allocations to develop their budgets, solicit matching resources and prepare their Annual Program Plans (APP). The APPs must demonstrate that the consortium meets all statutory requirements, including the ability to provide matching resources and to allocate 30 percent or the equivalent of the budget for stipends to peer advisors and tutors.

Commission staff does not anticipate any consortiums having difficulty meeting the statutory requirements for their baseline allocations. However, there is a possibility the CTE funding could affect the matching resources and student stipend requirements at one or more consortium.

As noted in agenda item 3d, the 2008-09 contracts were extended to December 31, 2009 due to the late allocation of the CTE Phase II funds. So, there will be an overlap of the CTE Phase II implementation in 2009-10. Also, as noted in agenda item 3d, one of the consortiums opted out of the CTE Phase II funds after the Commission approved the allocations, requiring a redistribution of the funds.

In the event one or more of the consortiums opts out of the 2009-10 CTE funding or requires a different amount to ensure that the matching resources and student stipend requirements are met, Commission staff recommends that the Executive Director be authorized to reallocate the CTE funding as equitably as possible to the participating consortiums to meet these requirements.

Recommendation: Authorize the Executive Director to execute contracts totaling \$7,349,000 with the Cal SOAP consortia for the 2009-10 award year at the allocation levels recommended by the Cal-SOAP Project Directors and Commission staff and, if needed, to reallocate the CTE funding as equitably as possible to the participating consortiums.

Responsible Person: Janet McDuffie
Chief of Administration and External Affairs

Recommended CAL-SOAP 2009-10 Budget Allocations

Consortium	Baseline Budget	CTE Phase I *	CTE Phase II	Total
Central Coast	\$ 300,000		\$ 54,687	\$ 354,687
Central Valley	\$ 300,000		\$ 54,687	\$ 354,687
East Bay & Solano	\$ 784,494		\$ 109,382	\$ 893,876
Greater Long Beach	\$ 300,000		\$ 54,687	\$ 354,687
Los Angeles	\$ 604,550		\$ 54,687	\$ 659,237
Merced	\$ 300,000		\$ 54,687	\$ 354,687
North Valley	\$ 320,414		\$ 54,687	\$ 375,101
North Coast	\$ 361,845		\$ 54,687	\$ 416,532
Sacramento	\$ 328,104		\$ 54,687	\$ 382,791
San Diego/Imperial Counties	\$ 908,009		\$ 54,687	\$ 962,696
San Francisco	\$ 300,000		\$ 54,687	\$ 354,687
San Jose	\$ 444,988		\$ 54,687	\$ 499,675
Santa Barbara	\$ 461,573		\$ 54,687	\$ 516,260
South County Gilroy	\$ 335,023		\$ 54,687	\$ 389,710
South San Joaquin	\$ 300,000		\$ 54,687	\$ 654,687
		\$ 125,000		\$ 125,000
Total	\$ 6,349,000	\$ 125,000	\$ 875,000	\$ 7,349,000

* The consortium to receive the CTE Phase I allocation has not yet been determined.