

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. ECMC Report on the transition of the federal student loan guaranty program (Information)
- b. Cal SOAP Project Director's Update (Information)

Recommended Action: For information only. No action required.

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



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

Dear Commissioners,

The beginning of the new academic year is already upon us, as financial aid offices throughout the State finalize their student aid packages. The Commission staff also has been busy, focusing on final production of this year's awards and preparing for the upcoming application cycle. Fall brings both admission and financial aid workshops and training sessions for the 2012-13 academic year to the forefront of our activity.

On the legislative front, the recent Governor's veto eliminating the state's coordinating board for higher education, the California Postsecondary Education Commission (CPEC), has resulted in a Senate Informational hearing focused on the Master Plan for Higher Education's framework for statewide planning and coordination for higher education programs and services. Specifically, the question of whether the state still needs a coordinating agency for higher education was at the center of the hearing's agenda. The Commission participated in the July 27, 2011 hearing; the testimony is provided as an attachment to this report (Tab 7.1).

The Governor's January budget had proposed the elimination of CPEC effective January 1, 2012. However, his final budget eliminated funding for the 2011-12 budget. The Commission relied on CPEC to provide data to inform the administration of two of its programs. One of those programs is the federal College Access Challenge Grant. CPEC annually provides college-going rates by county that, when compared with project specific data, demonstrate the success of our Cal-SOAP projects. The second data provided by CPEC informs the decision on which Cal Grant Competitive Grant and top 2% Cal Grant applicants receive Cal Grant awards. The statute provides that the Commission use certain data to determine eligibility.

The Legislative Analyst's Office (LAO) has been requested by the Legislature to study and report on how the State can achieve its goals for higher education. The LAO has indicated that it expects to complete that report so that the Legislature can consider options following the Governor's actions to eliminate CPEC. The supplemental language report to the Budget language requests that the report be completed by January 1, 2012. It is unclear whether the Legislature will take any action prior to its adjournment of legislative session.

COMMISSION PROGRAMS UPDATE

Administration & External Affairs Division Update

Update on the Commission's Possible Move to a New Facility

The Department of Finance (Finance) has signed off on the forms that authorize Commission staff to work with the Department of General Services (DGS) to determine if there is a facility that meets our needs. Staff has visited a number of facilities and provided a list of the top five sites to DGS. Both staffs will be working together over the next few months to review bids to determine if the Commission will move. Once a site is selected, staff will work on designing the space and developing a move plan. The entire process is expected to take at least 12 months.

2010-11 Arthur Marmaduke High School Counselor Award

Since 1985, the Commission has annually presented the Arthur Marmaduke Award to recognize one high school counselor who has demonstrated superior skills, dedication, and results helping students seek and receive financial aid. Arthur Marmaduke served as the Executive Director of the Commission for 25 years, and this honor was created to acknowledge his commitment to assisting students gain access to postsecondary education through the Commission's grant, scholarship and loan assumption programs.

Our 2011 recipient is Lisa Golden, a counselor and college advisor with the King Drew Magnet High School of Medicine and Science. This outstanding individual annually serves more than 300 seniors and a total student body population of 1,600. Even more impressive, as a result of her efforts, over 90 percent of the institution's seniors are attending four year or community colleges and have received over \$9.5 million in merit-based scholarships and university grants.

This year's award was supported by a generous contribution from our partner, ECMC. I would like to offer a special thank you to Commissioner Israel Rodriguez and ECMC Board member Jack O'Connell, who devoted their time to travel to Los Angeles to personally present the plaque and monetary award to Ms. Golden at a ceremony held at the school on June 14.

Program Administration & Services and Information Technology Divisions Update

Cal Grant Operations Update

The current Cal Grant Award numbers for the 2011 are as follows:

- High School Entitlement Award
 - 110,420 offers
 - 20 percent increase over last year
- Community College Entitlement Transfer Award
 - 25,585 offers
 - 27 percent increase over last year

2011-12 Fall Advance

- Commission staff plans to process the 2011-12 Cal Grant fall term advance payments to institutions on August 23, 2011. The 2011-12 fall term advance will use 50 percent of the previous year's reconciled term amount instead of the 95 percent used in prior fiscal years. The change is necessary because delays by institutions in reconciling against their term advances in the past two years have caused suspensions of Cal Grant payments later in the year until reconciling is complete. The Department of Finance will not authorize additional Cal Grant funding until the Commission can verify that it is necessary. Although Finance has indicated that recently adopted fee increases at the University of California (UC) and the California State University (CSU) will be covered by additional Cal Grant funding, the fees adjusted were not considered in the development of the 2011-12 Cal Grant budget nor the number of new 2011-12 High School Entitlement award offers which is currently 20 percent higher than last year.
- Institutions will be able to receive supplemental disbursements within a week of the fall term advance by immediately reconciling eligible payments in WebGrants. A Special Alert was released to inform institutions of the change in the advance. Staff believes that this adjustment in the term advance amount will assist in better managing the Cal Grant funds and provide more accurate data to the state's control agencies when requesting additional program funds.

Senate Bill 70 (SB 70)

- SB 70, signed on March 24, 2011, authorized changes to the Cal Grant Program. The changes impacted participating institutions and students. These changes affect new and renewal Cal Grant recipients beginning with the 2011-12 academic year. Commission staff began developing the criteria to establish the business requirements necessary to change the WebGrants system and communicate to the affected institutions and recipients.
- On May 13, 2011, new Cal Grant recipients attending an SB 70 affected institution were sent notifications that they are not eligible to receive Cal Grant funds if they remain at the affected school. To receive Cal Grant funds the student would have to attend an eligible school. Renewal students attending affected institutions were notified that their Cal Grant award would be reduced if they continued attending that school. The WebGrants system was modified to not allow any school changes to an SB 70 affected school.
- On July 2, 2011 Commission staff completed programming to run the SB 70 renewal process. The process has renewed 168,460 students and disqualified 14,884 students for not meeting income, asset and financial need criteria. Notification was sent to 183,344 students informing them of their Cal Grant renewal status.
- The Customer Relations Branch expanded the call center hours to assist students and parents with answering questions related to the changes caused by SB 70 in addition to the calls received due to the notifications. Also, many WebGrants enhancements were developed to assist schools. Staff worked collaboratively with campus and segmental officials to identify potential issues and to clarify proposed program changes. In addition, staff scheduled SB 70 Webinar training sessions to assist and train financial aid administrators on SB 70 and the related system changes. Six training sessions were

scheduled with over 300 financial aid administrators registering from all institutional segments and other interested parties.

Top 2% and Cal Grant C

- The Commission ran the top 2 percent for high school Entitlement Cal Grant B awards and selected 1,391 students to receive both tuition and access payments.
- The Commission received over 17,000 Cal Grant C supplements and made the authorized 7,761 awards.

UC and CSU Fee Increase

- Changes were made to the WebGrants system to update the new fee increases from \$4,884 to \$5,472 for the CSU and from \$11,124 to \$12,192 for the UC.

2012-13 Grade Point Average (GPA) Submissions

- Commission staff is preparing to begin accepting high school Grade Point Averages (GPAs) for the 2012-13 academic year in mid-August. Training sessions for high school counselors will be scheduled.
- Last year, the Commission staff in collaboration with the Los Angeles Unified School District (LAUSD) staff successfully launched the LAUSD GPA Project. LAUSD staff provided valuable time and effort in establishing a model that will allow other schools and school districts the opportunity to submit GPAs without using the social security number as a student identifier. LAUSD staff has now agreed to work with Commission staff to provide WebGrants training to their high school counselors with the goal of reducing the number of paper GPAs.

Application Programming Interface (API)

- Commission staff is currently analyzing the possibility of establishing an Application Programming Interface (API) with the U.S. Department of Education (USED) to have state programs added at the completion of the Free Application for Federal Student Aid (FAFSA). The ability to ask additional questions at the time of FAFSA completion will bring efficiencies to the Commission processing in the Cal Grant, Chafee, APLE, Child Development and CNG EAAP programs.

Specialized Programs Update

Chafee Grant Program

- The 2011-12 academic year Chafee Grant award process occurred on July 25, 2011, and 2,237 students were awarded. The majority of the recipients (67 percent) plan to attend a California Community College. Commission staff anticipates processing Chafee payments beginning mid-August.
- Beginning with the 2011 fall term, an automated payment process will be available to institutions through the Commission's WebGrants system. The automated payment process will improve the delivery of Chafee payments, manage and track payments and

allow institutions and to inform students of their payments status. Consequently, this year, individual checks will be mailed directly from the State Controller's Office which will expedite the payment process for recipients.

- To assist institutions in using the new automated payment process, training sessions will occur on August 2 and August 4. Participants will be able to register on-line for this training.

California National Guard Education Assistance Award Program (CNG EAAP)

- On June 1 and June 3, 2011, webinar training on the collection and payment process for the California National Guard Education Assistance Award Program (CNG EAAP) was held. The method of collecting participant information and processing payments has been a manual process; however, beginning fall term of 2011, an automated payment process will be available to institutions through the Commission's WebGrants system.
- As with the Chafee Grant Program, this automated system will improve the delivery of the CNG EAAP payments, manage and track payments more efficiently.

Robert C. Byrd Honors Scholarship Program

- The U.S. Department of Education informed the Commission in April 2011 that funding for the Robert C. Byrd Honors Scholarship Program will not be available for the 2011-12 academic year and will be eliminated in 2012.
- Institutions will be requested to return to the Commission on any outstanding program funds that have not been processed due to recipient's non-full-time enrollment during the 2010-11 academic year.

Legal & Audit Services Division Update

Commission staff has begun work on the following regulatory changes.

- Repealing Title 5, Division 4, Chapter 1 of the California Code of Regulations, section 30009 which defines a "qualifying institution" for purposes of Cal Grant program participation. The regulation largely mirrored the statutory definition of "qualifying institution" found at Education Code section 69432.7(l). However, section 69432.7(l) was amended when Senate Bill 70 was enacted on March 24, 2011 and the regulation no longer corresponds to the statute. Because of other potential changes that may need to be made to the definition of a "qualifying institution" as a result of activity on the federal level, legal counsel recommended repealing the regulation.
- Extending Title 5, Division 4, Chapter 1 of the California Code of Regulations, section 30001.5 which provides that for the Cal Grant program the definition of "Mandatory Systemwide Fees" includes "tuition" and/or a "tuition fee" at the University of California and the California State University Systems. The current emergency regulation will expire without further action on September 20, 2011. Staff will request an extension through December 20, 2011. It may also be possible to request a second 90-day extension through March 20, 2012.

STATUS OF ACTIVITIES RESULTING FROM ACTIONS TAKEN BY THE COMMISSION

Below is a summary of the actions taken by the Commission at its April 14, 2011 and June 16, 2011 meetings.

	ACTIONS TAKEN BY THE COMMISSION	STATUS UPDATE
1	<p>California National Guard Education Assistance Award Program (CNGEAAP) On April 14, the Commission authorized staff to take the necessary steps to complete the rulemaking process to adopt and/or amend regulations to interpret and make specific Education Code Sections 69999.10-69999.30 pertaining to the CNGEAAP.</p>	<p>Commission staff is working with the National Guard to fully outline the changes to the regulations.</p>
2	<p>EdFund Board of Directors On April 14, the Commission designated Commissioners Nancy Anton and Brian Conley as Directors on the EdFund Board of Directors.</p>	<p>No update required.</p>
3	<p>State and Federal Issues and Legislation affecting Commission Programs The Commission adopted the 2011 slate of legislative bill positions and approved the recommendation to direct staff to send a letter, subject to the Chair's approval, to the California Delegation and the President thanking them for supporting the maximum Pell Grant award amount.</p>	<p>Various support letters have been sent to the Legislature. A letter in support of 2012-13 Pell Grant and Supplemental Educational Opportunity Grant Program Funding was sent to the House Committee on Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies.</p>
4	<p>2011-12 State Budget On April 14, the Commission unanimously adopted the following Resolution:</p> <p>Recently enacted budget cuts will severely damage public access to higher education, to the detriment of California economically and socially, now and in the future. These cuts diminish the opportunities for California students that are fundamental to the mission of the California Student Aid Commission. But that is not all. Additional cuts, without consideration of the continuation of revenues, will fully eviscerate higher education and sacrifice tens of thousands of additional students.</p> <p>Accordingly, taking all necessary steps afforded by our democratic system to avoid such unthinkable and self-defeating cuts, without allowing the People to speak, is of such paramount importance as to be a moral imperative.</p>	<p>The Commission Chair sent correspondence to the California Community Colleges Board of Governors, the California State University Board of Trustees and the University of California Board of Regents inviting the boards to join the Commission in its efforts.</p> <p>University of California President Mark Yudof responded that the "Board of Regents has not formally adopted a position on this issue as it is their practice to refrain from taking positions on potential ballot propositions or other public policy matters until they know the specific details of such proposals and understand the full impact, scope, and ramifications of what the voters may be asked to consider." However, they "are working vigorously to communicate to Californians and to the State elected leaders the consequences of an all-cuts budget for public higher education in California."</p> <p>Neither the Community Colleges Board of Governors nor the California State University</p>

	ACTIONS TAKEN BY THE COMMISSION	STATUS UPDATE
	Therefore, it is RESOLVED, that the California Student Aid Commission strongly urges the Legislature and the Governor to ensure that a crucial policy decision on continuing necessary revenues to avoid additional cuts, which according to California’s Constitution ultimately resides in the People, not be circumvented by procedural barriers.	Board of Trustees has responded.
5	Operating Agreement between the Commission and EdFund At its June 16 meeting, the Commission approved the two-year amendment/extension of the Operating Agreement between the Commission and its auxiliary organization, EdFund.	The Operating Agreement between the Commission and ECMC for the upcoming 18 months will be heard by the Commission at its August meeting.
6	Commission Meeting Minutes At its April 14 meeting, the Commission approved the February 24-25, 2011 meeting minutes as amended.	The Commission Secretary has signed the approved minutes.

Lastly, I have included the following reports:

- Educational Credit Management Corporation (ECMC) Report on the transition of the federal student loan guaranty program
- Cal-SOAP Project Directors’ Update (oral, if available to provide)

The Commission’s transition of the Federal Family Education Loan Program (FFELP) continues to remain on schedule. The Commission and the EdFund Board of Directors will be informed and asked to approve a new operating agreement between the Commission, ECMC and EdFund. Our colleagues at ECMC continue to work with Commission staff on the transition and in support of the Commission’s programs. We remain pleased with the level of quality service and professionalism provided by ECMC.

Should you have any questions regarding this report, please contact me directly. I look forward to seeing you on August 11th in Rancho Cordova.

Sincerely,

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

Informational Hearing on Higher Education Coordination

Senate Subcommittee on Education Policy Research

Lori Nezhura, California Student Aid Commission

Good afternoon and thank you for the opportunity to speak before the Committee.

Today, among other topics, you are discussing the data functions formerly provided by CPEC, and I am here to supply the Legislature with information about how some of that data is used by the Student Aid Commission and why it is important to the State that the collection of that data remains available.

By way of background, the Student Aid Commission is also a data repository for the State of California.

- We receive the FAFSA data of every California student and every out-of-state student who applies to a California postsecondary institution, over 2.7 million records.
- We receive over 4 million student GPAs from over 2,600 California high schools and colleges.
- We receive loan balance data and use the National Student Loan Database System when processing loan forgiveness.
- We are now preparing to collect enrollment, persistence, and graduation data from all Cal Grant participating institutions as well as wage and placement data from institutions with programs that lead to gainful employment.

Regarding Student Aid Commission use of CPEC data,

- CPEC collects college-going counts from the California Department of Education and reports this data on a regional basis.
 - The Student Aid Commission uses this data as a benchmark to determine the effectiveness of our California Student Opportunity and Access Program, known as Cal-SOAP.
 - Our 15 regional Cal-SOAP projects and statewide Cash for College Program are funded by the College Access Challenge Grant, the federal initiative on ensuring access for low-income students.
 - Cal-SOAP provides services to middle and high schools students to increase student achievement and foster postsecondary and financial aid awareness.
 - Cash for College provides FAFSA completion services for 35,000 students and parents annually and offers national research organizations a platform to conduct student-level research to inform national educational policy.
 - We annually compare Cal-SOAP's college-going rates with the regional rates reported by CPEC to ensure that the Cal-SOAP services are producing gains.

Informational Hearing on Higher Education Coordination

- The college-going counts are also used as criterion for awarding the Competitive Cal Grant awards and for determining the top 2% of new Cal Grant Entitlement B awards, which entitle the students awarded to both tuition/fees and the access costs all four years.
- CSAC supports the continued access and analysis of this information

The Student Aid Commission continues to develop and expand higher education and financial aid relationships that are of great benefit to students and State data needs.

- Through the Operating Agreement with Educational Credit Management Corporation (ECMC) and working closely with the U.S. Department of Education, CSAC has been able to secure over \$160 million dollars in General Fund offset for Cal Grants over the last two years. Additionally, ECMC and the Commission are planning a joint research project in 2012.
- We currently have information-sharing relationships with the US Department of Education, California Department of Education, Department of Social Services, National Guard, Cal EMA, high schools and each of the postsecondary education segments, as well as private organizations such as College Access Foundation, MDRC and the Bill and Melinda Gates Foundation.

In summary,

- The Student Aid Commission currently relies on CPEC's college-going counts. Without this data, we may need to change our scoring process for Competitive and Top 2% awards.
- We will be gathering enrollment, persistence, completion, wage and placement data from all Cal Grant-participating institutions which will be useful to the State in the potential absence of similar data from CPEC.
- And, with our current relationships and extra resources, we are capable of assuming additional data and research responsibilities.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 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	166.00 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	375.50 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	429.00 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	395.50 hrs	Fulfillment of orders from colleges, high schools, and other non-profit organizations for: <ul style="list-style-type: none"> Fund Your Future workbooks and brochures High School Junior/Senior Financial Aid Checklist Other CSAC publications
Other Services					
5	Contract management (including, but not limited to: technology, web conferencing, recycle, confidential shred, building security system, storage and cubicle services)		60	7.00 hrs	Continued working with Oracle to transfer contract from EdFund to ECMC. There is no interruption to Oracle support to CSAC during the contract coordination. Five contracts, solely for CSAC, processed to date.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
6	Health and safety support and building security support	Two guards 16 hours overnight 365 / conversion to S2 and associated hardware for \$150,000	5,840	1.00 hr \$58,377.52	<p>Contracted with Allied Barton Security Services to provide security guard service to the CSAC site.</p> <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. <p>External costs include renewal of CCure software for CSAC badge access through 7/15/2012.</p>
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.	0	1.50 hrs	No new activity this period.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 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)	160	9.75 hrs	<p>4/11/2011: Transferred four CDs of CSAC data to CSAC IT. Obtained CSAC IT Sign-off for the transfer. <i>All media with known CSAC data has now been transferred from ECMC to CSAC.</i></p> <p>Coordinated CSAC requests for records retrieval to and from Iron Mountain.</p> <p>Assisted CSAC Records Coordinator with CSAC records management process.</p> <p>Received CSAC approval to dispose of microfiche containing old FAPS reports. Drafting procedures to destroy microfiche.</p>
9	Ordering office supplies	<p>CSAC uses EdFund provider</p> <p>EdFund provides 1 hour per month administrative work</p>	12	0 hrs \$3,087.53	<p>This service will be transitioned to CSAC.</p> <p>Paid invoices for monthly rent for CSAC warehouse space (Service West) and cubicle reconfiguration.</p>

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
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	1.00 hr	Provided instructions to CSAC on how to access their scanned images, including the web link and how to request passwords to be reset if needed. 6/8/2011: Delivered CD of VisiFlow viewer software to CSAC. CSAC IT coordinated loading of the viewer for users that need to view VisiFlow images.
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	4,000	204.50 hrs	6/13/2011: Per CSAC's request, coordinated delivery of 27 boxes of APLE documents to CSAC from storage. These boxes are permanently recalled to CSAC. Completed processing 32 boxes of APLE program documents to date. Current estimate is no more than 332 total boxes to be imaged.
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 <i>75 hours reallocated to new Project P2 (CSAC SAN OS Upgrade).</i>		400 25	18.00 hrs	<ul style="list-style-type: none"> • Coordinated hardware replacement for failed power supply on a DAE. • CX4-120: <ul style="list-style-type: none"> ○ Analyzed data to support FLARE code update. ○ Escorted EMC to perform FLARE code update.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
13	Offsite tape storage	Covered under contracts section	N/A	.75 hrs	<p>No new activity this period.</p> <p>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.</p> <p>3/28/2011: CSAC signed off on the Purchase Order/Contract with Iron Mountain.</p> <p>4/11/2011: ECMC reviewed and agreed with the Iron Mountain contract terms.</p> <p>5/4/2011: CSAC IT confirmed that the Iron Mountain service is in place.</p>
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	No activity this period.
15	<p>Backup database administration for the GDS to augment current Commission support</p> <p>Additional services include Oracle DBA support for upgrading and advanced tuning, and troubleshooting the production GDS databases</p> <p><i>35 hours reallocated to new Project P2 (CSAC SAN OS Upgrade).</i></p>		40 5	0 hrs	No activity this period. This is on demand.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
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	<p>Confirmed CSAC requested scope, timeframes, and GDS architecture. Received four vendor Statement of Work documents.</p> <p>6/2/2011: ECMC and CSAC met to conduct high-level review of four vendor SOWs.</p> <p>6/14/2011: ECMC and CSAC met to review:</p> <ul style="list-style-type: none"> • CSAC’s evaluation criteria. • Discuss CSAC’s additional questions to vendors. • Confirmed CSAC’s decision to stay within the budget for this service. Two of four vendors submitted SOWs within budget. <p>7/12/2011: Reviewed vendor responses and discussed next steps.</p> <p>CSAC to select vendor and coordinate with CSAC Legal to confirm contract process by 7/15/2011.</p>
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 60	4.50 hrs	<p>No new activity this period.</p> <p>Routine monitoring of GDS on Linux servers.</p>
	<i>40 hours reallocated to new Project P2 (CSAC SAN OS Upgrade).</i>				

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 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	68.75 hrs	No new activity this period.
19B	<i>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.</i>	N/A	<i>(Covered in 19A)</i>	.25 hrs	<i>This service has been cancelled. External costs for an Oracle consultant have been reallocated to a new Service #53.</i>
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	3.00 hrs	No new activity this period. Routine system administrator maintenance on ListServe accounts.
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 June 30, 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	1,082.50 hrs	One Help Desk FTE supports CSAC calls. In June 2011, the Help Desk received 2,241 calls for CSAC. This is approximately the same call volume as May 2011.
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	No new activity this period. 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 June 30, 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	221.00 hrs	Participated in planning meetings for High School Counselor Workshops in the fall. Reviewed and planned content for training presentation. Follow-up on invoicing and conference planning activities for CASFAA conference.
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 June 30, 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	6/1/2011: Wired \$410,000 to Los Angeles Area Chamber of Commerce Foundation (balance of \$500,000 total Cash for College scholarship funds), per CSAC instructions.
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	30.75 hrs	No new activity this period.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 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	419.00 hrs	<p>6/27/2011: Provided first draft of workbook to CSAC.</p> <p>7/1/2011: Received significant revisions from CSAC for workbook and brochure.</p> <p>Presented revised schedule to CSAC based on changes requested. CSAC and ECMC aligned on the seven business day schedule delay.</p>

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 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	83.50 hrs	Processed expenses for loan program activity paid for by EdFund.
34	Prepare monthly and year-end loan program financial statements		0	66.75 hrs	Received \$6.43 check from CSAC to reduce balance in Federal Fund to zero.
35	View access to Oracle Financials until all books are closed	Existing license and system—no additional work is required		39.50 hrs	No new activity this period.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
Audit Services					
36	Contract for independent audit of the annual loan program financial statements	Payment of Perry-Smith LLP fees		505.00 hrs \$128,830.00	Continued with work on EdFund 401k audit. Responded to audit follow-up matters and reviewed draft 12/31/2010 audit report. Researched and documented for CSAC and SCO the differences between audited and State account balances for 6/30/2010 Federal Fund. External costs are for Perry-Smith audit fees.
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	791.25 hrs	Continued research and submission of State/Regulatory filings to withdraw from states in which EdFund is no longer doing business. Documented IRS 990 filing process for CSAC. Continued coordination with the EdFund Board for review and approval of the IRS 990 report, and coordination with CSAC for IRS 990 submission by the EdFund president. <i>This Service is over budget.</i>
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	<i>This is on hold.</i> No new activity this period. 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.

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
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	<i>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)</i>	<i>2 developers not to exceed \$120K</i>	240	0 hrs	<i>This service has been cancelled. \$120,000 has been reallocated to a new Service #53.</i>
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	No new activity this period. Five ECMC contracts processed to date that are jointly used by ECMC and CSAC.
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	5/27/2011: Issued \$1,500 check to Arthur Marmaduke award recipient, per CSAC instructions. <i>This item is completed.</i>

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
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>
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: Monthly meetings scheduled on the first Wednesday of the month at 2:00pm. 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>

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CSAC Services Status Report - November 1, 2010 through June 30, 2011

Ref #	Details	Quantity Annually	Est Hrs	Hrs to Date / External Cost	Status
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>
52	EdFund Board Professional Expenses	\$50,000 ECMC will reimburse CSAC for invoices submitted.		0 hrs \$36,711.86	Payment for Legal Services through March 2011 provided by Remcho, Johansen & Purcell, LLP.
53	GDS Changes for SB70 <i>External costs have been reallocated from Service #19B and Service #40.</i>	\$134,640 1,584 contractor hours @ \$85/hour	0	\$0	4/11/2011: New service for contractor work for GDS changes required to support SB70.

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CSAC Services Status Report - November 1, 2010 through June 30, 2011

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Unplanned Services					
S1	CSAC Services - General	N/A	N/A	488.00 hrs	<p>Project Management and customer relationship support for CSAC Services.</p> <p>Facilitation and follow-up for monthly CSAC/ECMC IT meetings.</p> <p>General management and support of CSAC Services.</p> <p>Participation and research/follow-up for weekly CSAC/ECMC meetings.</p> <p>Participation and research/follow-up for weekly CSAC/ECMC Finance meetings.</p> <p>\$1,500 for the Arthur Marmaduke Award (Ref #44) was charged to this service.</p> <p>Planning for next Operating Agreement for CSAC Services.</p> <p>5/17/2011: Paid \$176,030.19 to EDD for EdFund 1st Quarter 2011 Unemployment Insurance.</p> <p>6/7/2011: Conference call with CSAC IT to consult on automated handling of bounced e-mails for GDS.</p>
Projects					
P1	CSAC SAN Implementation	N/A		760.50 hrs	Project implemented. <i>This item is completed.</i>

ECMC

CSAC Services Status Report - November 1, 2010 through June 30, 2011

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P2	<p>CSAC SAN OS Upgrade (SAN Phase II)</p> <p><i>Hours have been reallocated from Service #12, Service #15, and Service #18.</i></p>	N/A	150	0 hrs	<p>This is a new project approved by CSAC Legal. Hours reduced from Services #12 (75 hrs), #15 (35 hrs), #18 (40 hrs), totaling 150 hours.</p> <p>CSAC IT has received the new server. CSAC needs to rack, install, and configure the hardware. Kick-off meeting to be scheduled at the end of July 2011 to confirm scope and roles and responsibilities.</p>

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

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