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Action/Information Item

California Student Aid Commission

Update on the California Student Opportunity and Access Program
(Cal-SOAP) and Consideration of Cal-SOAP Changes as a Result of the
2007-2008 State Budget

Enclosed is a program funding update and a summary of recent administrative activities in the Cal-SOAP. Staff will be available to comment and respond to questions.

Recommended Action: For information only, no action is required at this time.

Responsible Staff: Steve Caldwell, Chief,
Governmental and Public Affairs
Division

Tom Mays, Director, Public Affairs
Branch

Kim Taylor, Manager, Outreach Unit

California Student Opportunity and Access Program (Cal-SOAP) Update

2007-2008 Cal-SOAP Contracts and the State Budget

In May 2007, the Cal-SOAP projects submitted their plans of operation for the 2007-2008 award year. Their plans were based on continued funding at the levels they had previously received. The Legislature passed the state budget on August 21, 2007 and sent it to the Governor for his action on August 22, 2007. The Governor signed the budget bills and trailer bills on Friday, August 24, 2007 and followed through on his earlier promise to veto \$700 million from the budget in order to help satisfy the Republican Senators' call for a balanced budget. The veto messages and the budget discussions in the Legislature make it clear that the current and near future fiscal environment will continue to present on-going challenges for us all.

The 2007-08 Budget Act includes the following reduction to the Cal SOAP program:

- \$2.2 million from the California Student Access and Opportunity Program (Cal-SOAP) with the following veto message; "With this reduction, \$6,367,000 still remains for Cal-SOAP to support financial aid awareness activities. Further, it is my understanding that the California Student Aid Commission recently approved \$2,200,000 from the Student Loan Operating Fund for similar financial aid outreach purposes. Therefore, this augmentation is largely redundant with planned expenditures."

The project directors and the Cal SOAP Advisory Committee will have an opportunity to provide input on implementing the \$2.2 million reduction at their scheduled meetings on September 13 and 14, 2007. Staff will present options and a recommendation to the Commission at a special meeting to be scheduled. The contracting process will then proceed as soon as possible.

Solano Area Request for Proposal (RFP)

The Commission has issued a Request for Proposal (RFP) for a new Cal-SOAP consortium for the Solano area. The previous consortium was not able to secure the necessary funding to continue to operate. The deadline to submit a proposal is October 10, 2007. Commission staff will review and assess all submitted proposals and select the best one to fund with a \$75,000 planning grant. The proposed and selected consortium will have until February 29, 2008 to submit a program plan. The new consortium will implement its approved plan beginning April 1 through the rest of the current fiscal year.

On August 17, Commission Executive Director and staff held a community meeting at the Solano County Office of Education to address the schools and organizations affected by the Solano area RFP. Community expressed concern about the future of the Cal-SOAP activities in the area, but offered constructive suggestions on ways to keep things moving forward in a positive direction to benefit area students. Commission staff responded to questions about the RFP process and vowed to incorporate the input we receive when making our selection for a new consortium.

Commission staff also assured participants that we will make every effort to continue selected services in the area during the transition period. Staff is looking into how we can continue to use the funds normally allotted to the area to partner with other Cal-SOAP projects in nearby areas to continue services such as tutoring and college information nights, in the Solano area.

Compliance Reviews

The Commission's Program Compliance Branch continues to conduct compliance reviews of the Cal-SOAP projects. The Merced Cal-SOAP was reviewed earlier this year and staff is working on the draft report. The San Jose Cal-SOAP is scheduled for review in August and the Sacramento Cal-SOAP is scheduled for review in October. The initial draft reports are typically completed within 60 – 90 days after completion of the field work. The draft report allows the project to review our findings and make corrections. Final compliance reports are issued approximately 60 days after the draft report. The final reports are posted on the Commission's website.

Meetings

The next Cal-SOAP Advisory Committee meeting is scheduled for Friday, September 14. The Cal-SOAP Advisory Committee continues to have vacancies and continues difficulty achieving a quorum. CSAC Executive Director, Diana Fuentes-Michel has sent a second round of letters requesting nominations from the appointing bodies. The vacant positions include a Senate Rules Committee representative, a Speaker of the Assembly representative, and a Superintendent of Education representative. The Commission's representative position is also vacant. Statute requires the Commission's representative must be employed in a college financial aid office. In our effort to fill the Commission's position, staff will continue to solicit financial aid office staff for a potential candidate.