

## Action Item

### *California Student Aid Commission*

#### Consideration of the allocation of additional funding from the 2012-13 federal College Access Challenge Grant Program award

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In 2012-13, the California Student Opportunity and Access Program (Cal-SOAP), the California Cash for College Program and a portion of the Assumption Programs of Loans for Education (APLE) continue to be funded through the Federal College Access Challenge Grant Program (Challenge Grant).

At your April 26-27, 2012 meeting, you authorized the Executive Director to execute the 2012-13 Cal-SOAP contracts based on the assumption that we would receive and allocate the same level of funding as received in 2011-12 (\$14,579,268) as noted below:

- Cash for College - \$463,000
- Cal-SOAP - \$6.9 million
- APLE Program - \$7.22 million

We also indicated that if the 2012-13 Challenge Grant award amount was different, we would provide recommendations on changes in the allocations at a future meeting. In mid-August, we received the 2012-13 Challenge Grant award in the amount of \$15,015,778, an increase of \$436,510. We recommend that the \$436,510 be allocated as follows.

#### Cash for College (\$128,000)

In 2002, the Cash for College (CFC) Program began as a pilot effort funded by private foundations. In 2003, we took a lead role in the program and integrated the program into its comprehensive outreach platform of programs and initiatives. In 2007 CFC was established by legislation into state statute.

The CFC program is California's Free Application for Federal Student Aid (FAFSA) completion platform partnership program, driving the state's efforts to assist students with FAFSA and Cal Grant application processes. Through CFC, one-on-one, multi-lingual assistance on the FAFSA provides more than 600 student financial aid workshops targeted to high schools or surrounding communities where there is a high concentration of poverty, where ratios of counselors to students are high, and where financial aid application rates are historically low. Regional coalitions, high schools, campuses and community groups involved in California's CFC FAFSA completion efforts will work with the Commission to obtain FAFSA and state Cal Grant information to assist high schools to identify students who still need to complete or correct FAFSA and Cal Grant applications.

Funding for this program has been a partnership effort consisting of external resources along with the State's appropriation. While, the external resources have dwindled due to the economy, the need for the CFC workshops keeps growing. Therefore, we recommend that a portion of the additional Challenge Grant funds be allocated to support the following services.

- \$88,000 to fund three Regional Coordinating Organizations (RCO) that have not previously received funding from the State. The RCOs are a coalition of entities led by a designated organization, which may include non-profit organizations, local education or other governmental agencies, or public or private higher education institutions. The RCOs plan, coordinate, or conduct CFC workshop series within specified regions within the state (far North State, Capitol area, East Bay, Bakersfield, Los Angeles, Inland Empire, and San Diego).
- \$40,000 to provide additional Cash for College workshop site support. We have been able to provide \$300 to each workshop site that has at least 25 students in attendance. The number of workshops has continued to increase every year. We anticipate that the increase in the number of 2013-14 workshops that will occur in January and February 2013 will be even greater as we will be providing information on the California Dream Act Application.

#### Cal-SOAP (\$308,510)

The California State Legislature established Cal-SOAP in 1978 for the purpose of increasing postsecondary educational opportunities to targeted students by providing them with outreach and related services. Today, the program operates through 14 locally governed consortia throughout the state. Each project's governing board consists of representatives from local secondary school districts, community colleges, universities, career technical schools, and community agencies. The governing boards of each Cal-SOAP determine the services and college access needs of its local schools and communities. Cal-SOAP's 14 intersegmental consortiums provide services directly to students at middle and high schools designed to increase the availability of information on postsecondary schooling and work opportunities and raise the achievement levels of these students so as to increase the number of high school graduates eligible to pursue postsecondary learning opportunities.

We recommend that the additional Challenge Grant funds be allocated as noted below to expand services and improve the administration of the program.

- \$50,000 for outreach activities to provide information about the California Dream Act application and the Cash for College workshops that California Dream Act eligible students will attend to find out more about financial aid for college. The Cal-SOAP consortiums assist with CFC workshops in their geographical areas and are already receiving inquiries from students who may be eligible for financial aid through the California Dream Act. The additional Challenge Grant funds will allow us to expand our outreach efforts to this target population.
- \$258,510 for the development of a new web-based data system. Each consortium maintains a comprehensive student-specific information system on students receiving services through the program. Project Directors use the database to track

the services and activities they provide, the number of students and parents served, create invoices and budget reports and provide data that we use to complete the annual Challenge Grant application and reports. The Cal-SOAP Project Directors have requested a new system as the current database system is 10 years old, it is difficult for new Project Directors to use, and there is only one consultant available to make any changes to the system. If all of the funds are not needed, we request authority to reallocate any remaining funds as equitably as possible.

At least 30 percent or the equivalent of each Cal-SOAP consortium funds must be allocated for stipends to peer advisors and tutors who work with secondary students. In addition, up to 8 percent of the funds can be charged for indirect costs incurred for services rendered by a fiscal agent. The amounts recommended above include these requirements.

The Cal-SOAP funding increases will require amendments to the existing Cal-SOAP contracts. 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.

- Recommended Actions:**
1. Allocate the additional 2012-13 Challenge Grant funds to Cash for College and Cal-SOAP as recommended;
  2. Authorize the Executive Director to amend 2012-13 Cal-SOAP contracts up to \$308,510 to fund outreach activities and the development of a new data system; and
  3. Authorize the Executive Director flexibility to reallocate any unused funds as equitably as possible.

**Responsible Person(s):** Janet McDuffie, Chief  
Administration and External Affairs Division