
3

Action Item

California Student Aid Commission

Consent Calendar

Recommended Action: Approve the consent agenda, including:

- Tab 3.a Minutes of August 11, 2011 (Action)
- Tab 3.b Commission meeting calendar for 2012(Action)
- Tab 3.c Consideration of designating Commissioner(s)
As Director(s) of the EdFund Board

**CALIFORNIA STUDENT AID COMMISSION
TELECONFERENCE MEETING MINUTES**

August 11, 2011

A meeting of the California Student Aid Commission was held on Thursday, August 11, 2011 at the Rancho Cordova City Hall Council Chambers located at 2729 Prospect Park Drive in Rancho Cordova, California.

Chair Barry Keene called the meeting to order at 8:37 a.m.

The following Commission Members were present:

Barry Keene, Chair
Lorena Hernandez, Vice Chair
Lynne de Bie, Secretary
Nancy Anton
Brian Conley
Alexander Gonzalez
Lawrence Hershman
Enrique Murillo
Israel Rodriguez
Fred Wood

Roll Call was taken and a quorum was recognized.

PUBLIC COMMENT

Ms. Mary Gill, Higher Education Consultant, provided comments about the requirements for the Transfer Entitlement Cal Grant award.

AGENDA ITEM 1 – CONSENT CALENDAR (Action)

By **UNANIMOUS CONSENT**, the Commission adopted the Consent Calendar, which included the following items:

- a. Minutes of April 14, 2011, May 19, 2011 and June 16, 2011.

Commissioner Hernandez ABSTAINED from the vote on the April 14, 2011 and May 19, 2011 minutes.

AGENDA ITEM 2 – UPDATE ON 2011-12 STATE BUDGET (Information/Action)

Ms. Janet McDuffie, Chief of the Administration & External Affairs Division, presented an overview of the 2011-12 State Budget, which includes reductions in federal programs, budget

reductions at the University of California (UC) and the California State University (CSU) and the elimination of the California Postsecondary Education Commission (CPEC).

AGENDA ITEM 3 – UPDATE ON STATE AND FEDERAL ISSUES AND LEGISLATION AND CONSIDERATION OF POSITIONS ON BILLS AFFECTING COMMISSION PROGRAMS (Information/Action)

Mr. Ed Emerson, Chief of the Federal Policy & Programs Division, delivered an update on federal issues, including the proposal to eliminate the Supplemental Educational Opportunity Grant (SEOG) Program. Discussion followed.

On **MOTION** by Commissioner Anton, **SECONDED** and **CARRIED**, the Commission unanimously approved writing a letter to President Obama and other supporters providing statistics on California's financial aid programs, thanking all parties that have been supportive and urging them to continue their support.

Ms. Lori Nezhura, Legislative Director, provided an update on state legislative bills.

AGENDA ITEM 4 – CONSIDERATION OF A PROPOSAL INCORPORATING FEDERAL FINANCIAL AID REQUIREMENTS FOR STATE AUTHORIZATION AND A STATE COMPLAINT PROCESS IN ORDER FOR POSTSECONDARY INSTITUTIONS TO QUALIFY TO PARTICIPATE IN FEDERAL STUDENT FINANCIAL ASSISTANCE PROGRAMS INTO CAL GRANT PROGRAM DATA AND ADMINISTRATION (Action)

Mr. Keith Yamanaka, Chief Deputy Director, provided background information on the Federal requirements for state authorization and a state complaint process. A lengthy discussion ensued. Comments were provided by:

- Ms. Lisa Douglass, Vice President of Governmental Affairs, Association of Independent California Colleges & Universities (AICCU);
- Mr. Dean Kulju, Financial Aid Director, CSU Chancellor's Office; and
- Ms. Rhonda Mohr, Student Financial Assistance Programs Specialist, California Community Colleges Chancellor's Office.

AGENDA ITEM 5 – CONSIDERATION OF AN OPERATING AGREEMENT BETWEEN THE CALIFORNIA STUDENT AID COMMISSION, ECMC AND EDFUND FOR 2011-12 (Action)

Ms. Keri Tippins, General Counsel, provided background information on the Operating Agreement between the California Student Aid Commission, ECMC and EdFund. Mr. Emerson discussed the Student Loan Operating Fund revenue that had been negotiated between the U.S. Department of Education, the Commission and ECMC. Discussion followed.

On **MOTION** by Commissioner Wood, **SECONDED** and **CARRIED**, the Commission authorized the Chair of the Commission to execute the proposed Operating Agreement between the Commission, ECMC and EdFund.

AGENDA ITEM 6 – CONSIDERATION OF 2011-12 CALIFORNIA STUDENT OPPORTUNITY AND ACCESS PROGRAM (CAL-SOAP) CONTRACTS (Action)

Ms. McDuffie provided an update on the status of the Cal-SOAP awards.

On **MOTION** by Commissioner Gonzalez, **SECONDED** and **CARRIED**, the Commission authorized the Executive Director to execute the 2011-12 Cal-SOAP contracts totaling \$6,673,317 at the allocation levels recommended by Commission staff and authorized the Executive Director to reallocate funds as equitably as possible if a project cannot utilize all of its allocated funds.

AGENDA ITEM 7 – EXECUTIVE DIRECTOR’S REPORT (Information)

Executive Director Diana Fuentes-Michel presented her written report and expressed thanks to staff for their work on the implementation of SB 70.

Agenda Item 7.a – ECMC Report on the transition of the federal student loan guaranty program (Information)

Executive Director Fuentes-Michel presented the ECMC Report, including an updated status report of the services that ECMC provides to the Commission through its partnership.

Agenda Item 7.b – Cal-SOAP Project Directors’ Report (Information)

Ms. Imelda Simos-Valdez, Lead Cal-SOAP Project Director and Director of San Joaquin Valley Cal-SOAP, provided an oral report of the Cal-SOAP Consortia activities, highlighting the activities of the East Bay and Solano consortia.

AGENDA ITEM 8 – NEW BUSINESS (Information/Action)

The Commission agreed to include the following topics at future Commission meetings:

- 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;
- Possible changes to SB 70 (Chapter 7, Statutes of 2011), if required, to allow a student, whose financial situation changes and is now eligible for a Cal Grant, to receive a Cal Grant without going through the Competitive process; and
- The effect of SB 70 on students who become ineligible for renewal Cal Grant B awards, but who could have been eligible for renewal of a Cal Grant A if they had selected it originally.

ADJOURNMENT

There being no further business, the meeting of the California Student Aid Commission was adjourned at 12:23 p.m.

LYNNE DE BIE, SECRETARY

DRAFT
California Student Aid Commission's 2012 Calendar of Meetings

Month	Date	Meeting Type
January	26	Commission Teleconference Meeting (IPA)
February	23-24	Commission Meeting
March		
April	26-27	Commission Meeting
May	17	Commission Teleconference Meeting (2012-13 Budget)
June		
July		
August		
September	13-14	Commission Meeting
October		
November	15-16	Commission Meeting
December		

3.c

Action Item

California Student Aid Commission

Consideration of designating Commissioner(s) as Director(s) on the EdFund Board

The Bylaws of EdFund, as amended and restated on March 23, 2011, (Bylaws) provide that “at all times, the members of the Commission shall be directors of this corporation.” (Article IV, Section 2.) The Bylaws additionally establish that the Directors of EdFund shall be designated by the California Student Aid Commission. (Article III, Section 1; Article IV, Sections 4 and 5.)

As a result of the foregoing provisions, all newly-appointed Commissioners should be designated to serve on the EdFund Board of Directors.

Recommended Action: Designate Commissioner Rayford, and any other subsequently appointed Commissioners, as Director(s) on the EdFund Board of Directors.

Responsible Person(s): Keri Faseler Tippins
General Counsel