

Exhibit 6

Action Item

Approval of minutes of January 23, 2014 and February 20-21, 2014

DRAFT

**CALIFORNIA STUDENT AID COMMISSION
TELECONFERENCE MEETING MINUTES**

January 23, 2014

A teleconference meeting of the California Student Aid Commission was held on Thursday, January 23, 2014 at the Commission Boardroom located at 11040 White Rock Road, Rancho Cordova, California and the various locations listed on the meeting notice dated January 13, 2014.

Commission Chairman John R. McDowell, Jr. called the meeting to order at 3:17 p.m.

The following Commissioners were present:

John R. McDowell, Jr., Chairman
Ana Beltran, Vice Chair
Cris Arzate, Secretary
Nancy Anton
Larry Asera
Brian Conley
Jacqueline Doud
Hal Geiogue
Harry Le Grande
Wm. Gregory Sawyer
Jack Scott
Michele Siqueiros

The following Commissioner was absent:

Jamillah Moore

Roll Call was taken and a quorum was recognized.

CHAIR'S REPORT

Chairman McDowell thanked Commissioner Conley for representing the Commission at the Community College League of California conference in December. Chairman McDowell announced that he would be participating in the League's legislative conference to serve on a financial aid panel. Lastly, he welcomed new Student Commissioner, Devon Graves.

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PUBLIC COMMENT

Chairman McDowell called for public comment and, hearing none, proceeded to the next agenda item.

UPDATE ON 2014-15 STATE BUDGET INCLUDING ITEMS RELATING TO COMMISSION PROGRAMS AND OPERATIONS (Information/Action)

Ms. Janet McDuffie, Chief of Administration & External Affairs Division, presented an update on the Governor's Proposed 2014-15 Budget, including an update on Dream Act and Middle Class Scholarship award recipients and projections.

Further discussion ensued regarding Cal Grant funding given to institutions that are not accredited by the Western Association of Schools & Colleges (WASC). Some concern was expressed about out-of-state-based institutions with California campuses that seek accreditation based on their headquarters location, or based on the less stringent accrediting rules. There was also some discussion about national vs. regional accrediting agencies. Executive Director Diana Fuentes-Michel stated that at a future meeting, Commission staff will provide a list of Cal Grant participating schools and their accrediting agencies. Additional discussion followed about the increase in total dollars for the Commission's programs.

NEW BUSINESS

The Commission had no new business.

Commissioner Le Grande announced that the University of California has hired Mr. Chris Carter as its new director of student financial support. Executive Director Fuentes-Michel suggested inviting Mr. Carter to the next Commission meeting. Chairman McDowell also announced his plans to meet with various key policy makers in the week ahead.

ADJOURNMENT

There being no further business, the meeting of the California Student Aid Commission was adjourned at 3:50 p.m.

CRIS ARZATE
SECRETARY

California Student Aid Commission

DRAFT

CALIFORNIA STUDENT AID COMMISSION MEETING MINUTES

February 20-21, 2014

A meeting of the California Student Aid Commission was held on Thursday, February 20, 2014 and Friday, February 21, 2014 at the California Student Aid Commission, Boardroom, located at 11040 White Rock Road, Rancho Cordova, California.

Thursday, February 20, 2014

Commission Chairman John R. McDowell, Jr. called the meeting to order at 1:08 p.m.

The following Commissioners were present:

John R. McDowell, Jr., Chairman
Ana Beltran, Vice Chair
Cris Arzate, Secretary
Nancy Anton
Brian Conley
Hal Geiogque
Devon Graves
Harry Le Grande
Jamillah Moore
Jack Scott
Michele Siqueiros

The following Commissioners were absent:

Larry Asera
Jacqueline Doud
Wm. Gregory Sawyer

Roll Call was taken and a quorum was recognized.

Chairman McDowell introduced and welcomed the new student representative, Commissioner Devon Graves.

PUBLIC COMMENT

Chairman McDowell called for public comment and, hearing none, proceeded to the next agenda item.

CONSENT CALENDAR INCLUDING

- ❖ **Approval of Minutes of October 22, 2013 and November 21-22, 2013**
- ❖ **Consideration of a Contract of up to \$200,000 for Purchasing Oracle Enterprise Licensing to Support the Grant Delivery System (GDS)**

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MOVED (Conley), **SECONDED** and **CARRIED**, the Commission **APPROVED** the consent calendar, which includes:

- ❖ Approval of the minutes of October 22, 2013 and November 21-22, 2013, as presented; and
- ❖ Authorization for the Executive Director to enter into a contract of up to \$200,000 in 2013-14 with a selected vendor to purchase Oracle Enterprise Licensing.

***In Favor:** Commissioners Anton, Arzate, Beltran, Conley, Geiogue, Le Grande, Moore, Scott, Siqueiros and McDowell*

***Abstained:** Commissioner Graves*

***Absent:** Commissioners Asera, Doud and Sawyer*

CHAIR'S REPORT

Chairman McDowell thanked Commissioners Conley and Siqueiros for representing the Commission during their Washington, DC visits with Members of Congress. He also reported that he participated as a guest speaker at a recent Community Colleges League of California conference along with Ms. Debbie Cochrane, Research Director for The Institute for College Access & Success (TICAS), and Ms. Mónica Henestroza, Special Assistant to Assembly Speaker John A. Pérez. In late January, Chairman McDowell and Executive Director Diana Fuentes-Michel met with California Community Colleges Chancellor Brice Harris as well as key people in the Governor's Office and Legislative Analyst's Office.

CALIFORNIA STUDENT AID COMMISSION'S BI-NATIONAL PARTNERSHIP: DREAMS TAKING FLIGHT – A PRESENTATION BY THE CONSUL GENERAL OF MEXICO

Executive Director Fuentes-Michel introduced Mr. Carlos González Gutiérrez, Consul General of México in Sacramento. Consul General Gutiérrez gave a presentation about the annual Steps to College: Dreams Taking Flight – Pasos a la Universidad. His presentation included an overview of the organizers and contributors; outreach and media efforts; workshop segments; comparative advantages of a partnership; and reasons for having the fair.

Discussion ensued about the experiences of some of the Commissioners who have attended the Steps to College fairs. Commissioner Siqueiros presented two reports by the Campaign for College Opportunity on the state of Latinos in higher education and Blacks in higher education.

Mr. Manuel "Manny" Hernandez, Chair of the education committee for Cien Amigos, commented on the need for the partnership with the Mexican Consulate, the Commission and other community organizations and indicated that the Steps to College model can make an historic difference in California. More discussion ensued.

EXECUTIVE DIRECTOR'S REPORT, INCLUDING

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

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Executive Director Fuentes-Michel introduced her husband, Dr. José Michel, who is part of the Steps to College steering committee and who helped to organize the transportation and outreach efforts. Executive Director Fuentes-Michel presented her written report, noting the Commission staff's statewide and national outreach and media efforts related to the Dream Act and the Free Application for Federal Student Aid (FAFSA) completion initiative. She also provided an update on the budget hearings, upcoming outreach and media events, and major data requests.

UPDATE ON THE 2014-15 STATE BUDGET

Ms. Janet McDuffie, Chief of the Administration & External Affairs Division, presented her written update on the 2014-15 State Budget and indicated that there have been no changes since she last presented. She provided an update on the restoration of the prior reductions, including estimated students affected and additional costs. Ms. McDuffie also discussed the Federal College Access Challenge Grant funding for the California Student Opportunity & Access Program (Cal-SOAP) and Cash for College Program. Mr. Jose Rivas, lead Cal-SOAP project director made comments about changes in the Cal-SOAP budget process.

Ms. McDuffie and Ms. Keri Tippins, General Counsel, answered questions about the proposed trailer bill language to expand Cal Grant renewal award eligibility. Further discussion followed, including comments from Mr. Dean Kulju, Financial Aid Director at the California State University (CSU). Ms. McDuffie also commented on the recommendations in the Legislative Analyst's Office (LAO) analysis of the higher education budget.

Due to time constraints, the following agenda items were discussed out of sequence.

EARLY PRESENTATION BY MARYMOUNT CALIFORNIA UNIVERSITY ON ITS INSTITUTIONAL ELIGIBILITY APPEAL TO BE CONSIDERED BY THE COMMISSION ON FRIDAY, FEBRUARY 21, 2014

[Complete information on the appeal is included in Exhibit 22 of the February 20-21, 2014 Commission meeting agenda and certified transcripts.]

Dr. Michael Brophy, President of Marymount California University, gave a presentation on his institution's Cal Grant eligibility appeal, which rests on its claim that the U.S. Department's Integrated Postsecondary Education Data System (IPEDS) incorrectly reported the institution's 2011 graduation rate, which in fact meets eligibility requirements.

Ms. Alexis Gonzalez, Assistant Director of Financial Aid, commented on the institution's contribution to affordability by matching students' Cal Grant aid. Ms. Rosalina Ramirez, a junior at Marymount California University, shared her experience as a first generation college student and Cal Grant B award recipient. Further discussion ensued.

PRESENTATION OF A PROPOSAL FOR EARLY FINANCIAL AID OUTREACH TO LOW- AND MIDDLE-INCOME CALIFORNIA FAMILIES

Ms. Rachelle Feldman, Assistant Vice Chancellor and Director of Financial Aid and Scholarships at University of California, Berkeley, presented her briefing on a proposed

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new outreach initiative to be undertaken by the Commission in partnership with the California Franchise Tax Board.

Mr. Keith Yamanaka, Chief Deputy Director, provided an update on Commission staff's meeting with the Franchise Tax Board (FTB) regarding the proposal, indicating that FTB expressed concerns about sharing tax information. Ms. Catalina Mistler, Chief of the Program Administration & Services Division, shared some of the recommendations offered by FTB, including partnering with the California Department of Education, working directly with elementary schools and seeking legislative authority to move forward with the proposal. More discussion followed.

Chairman McDowell referred the proposal to the Student Impact Committee for further consideration.

UPDATE ON THE COMPETITIVE CAL GRANT PROGRAM

Ms. Catalina Mistler presented her written report on the Competitive Cal Grant award offers and payments, reporting that 16,930 out of 22,500 award offers have been paid to date, which is a 15 percent increase since reporting in November. There was some discussion about community college reserve awards and deferred awards, as well as efforts to work closely with campuses to determine the status of award offer recipients. Further discussion ensued and Commissioner Siqueiros directed staff to provide substantive recommendations on the scoring proposals at the April Commission meeting.

STUDENT IMPACT COMMITTEE REPORT

Acting Committee Chair Graves reported that the Student Impact Committee met on February 20, 2014 and received updates from Ms. Catalina Mistler.

❖ UPDATE ON DREAM ACT IMPLEMENTATION

Ms. Mistler presented an update on the Dream Act, including the 2014-15 applications, the 2013-14 award payments, and advisory committee consultations. She then introduced Mr. Jose Arreola, Outreach & Organizing Manager, and Mr. Rodrigo Dorador, Outreach Coordinator, for Educators for Fair Consideration (E4FC), a San Francisco-based nonprofit organization that advocates for undocumented youth in their pursuit of college, career and citizenship. Mr. Arreola and Mr. Dorado shared their experiences as undocumented immigrants and provided an overview of their organization's mission and achievements, as well as their efforts made in collaboration with the Commission.

❖ UPDATE ON MIDDLE CLASS SCHOLARSHIP PROGRAM IMPLEMENTATION

Ms. Mistler presented an update on the Middle Class Scholarship (MCS) program, including a summary of the consultation process and outreach and communication plans. Discussion ensued about the eligibility formula and criteria.

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❖ UPDATE ON DEBIT CARD ISSUES

Ms. Mistler provided an update on the Commission's consultation with the debit card advisory committee members and students. She reported that the Commission has updated the California Aid Report (CAR) to include language informing students about their financial aid disbursement options.

STRATEGIC POLICY AND PLANNING COMMITTEE REPORT

❖ CONSIDERATION OF POLICY FORMULATION AND PROPOSALS

Committee Chair Siqueiros provided an update on the Committee's discussion of strategic policy priorities and presented a draft of the Committee's recommended proposed policy statement. She asked the Commissioners to review the proposed statement in preparation for discussion at the February 21, 2014 Commission meeting.

❖ UPDATE ON CDR MANIPULATION ISSUES

Committee Member Anton reported that the Commission sent a letter to the U.S. Department of Education regarding the Cohort Default Rate (CDR) manipulation issue and next steps include obtaining CDR data from the Department and/or the Educational Credit Management Corporation (ECMC).

Committee Chair Siqueiros added that the Department decided not to include the issue of CDR manipulation in their negotiated rulemaking discussions, but once the Commission receives and analyzes the data, the Commission may decide to consider whether to approach state legislators about the issue.

❖ CONSIDERATION OF AMENDING THE COMMISSION GOVERNANCE POLICIES

Committee Member Geiogoue reported that the Committee decided to move forward with some consensus recommendations. He also requested that Commissioners provide any suggestions they may have regarding the section of the policies concerning the executive director's duties by March 7, 2014. An update will be provided at the Commission's April meeting.

Chairman McDowell requested that the final Governance Policies eventually include the approved statement of policy priorities.

❖ CONSIDERATION OF STATE AND FEDERAL ISSUES AND LEGISLATION AFFECTING COMMISSION PROGRAMS

Committee Chair Siqueiros introduced the Commission's new legislative director, Dr. Angelo Williams. Mr. Ed Emerson, Chief of the Strategic Policy, Media & Communications Division, provided a brief update on two new bills, Assembly Bill (AB) 1976 (Quirk Silva) and Senate Bill (SB) 1028 (Jackson).

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SB 70 ACTION: CONSIDERATION OF AUTHORIZATION TO COMMENCE RULEMAKING PROCESS FOR THE ADOPTION OF REGULATIONS TO INTERPRET AND MAKE SPECIFIC SECTIONS 66433.2 OF THE EDUCATION CODE RELATING TO THE CAL GRANT PARTICIPATING INSTITUTION DATA REPORTING REQUIREMENTS ESTABLISHED BY SENATE BILL 70 (CHAPTER, STATUTES OF 2011)

Ms. Keri Tippins, General Counsel and Chief of the Legal & Audit Services Division, reported that in order to implement the new job placement reporting requirements, the Commission will need to adopt new regulations informing institutions how to comply with Education Code, section 66433.2 put in place by SB 70.

Commissioner Siqueiros began a motion to approve the staff recommendation. However, after hearing Commissioner Geiogue's suggestion to include the scheduling of a public hearing by the Strategic Policy & Planning Committee, Commissioner Siqueiros decided to amend her motion.

MOVED (Siqueiros), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the staff recommendation to authorize staff to commence the regulatory process, including drafting proposed regulations and accompanying documents, request that the effective date of the regulations be the date of filing, and authorize staff to take the necessary steps to complete the regulatory process, with the addition of including a public hearing by the Strategic Policy & Planning Committee.

In Favor: Commissioners Anton, Arzate, Beltran, Conley, Geiogue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Doud and Sawyer

CONSIDERATION OF DESIGNATING COMMISSIONER(S) AS DIRECTOR(S) ON THE EDFUND BOARD

MOVED (Anton) **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the staff recommendation to designate Commissioners Asera and Graves, and any other subsequently appointed Commissioners, as Director(s) on the EdFund Board of Directors.

In Favor: Commissioners Anton, Arzate, Beltran, Conley, Geiogue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Doud and Sawyer

CONSIDERATION OF THE DISSOLUTION OF EDFUND

MOVED (Le Grande), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the staff recommendation to instruct the EdFund Board of Directors to commence the dissolution process and to take all necessary steps to effectuate the Dissolution of EdFund.

In Favor: Commissioners Anton, Arzate, Beltran, Conley, Geiogue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Doud and Sawyer

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RECESS

Chairman McDowell recessed the meeting of the California Student Aid Commission at 5:03 p.m.

RECONVENE INTO OPEN SESSION

Friday, February 21, 2014

Commission Chairman John R. McDowell, Jr. called the meeting to order at 9:08 a.m.

The following Commissioners were present:

John R. McDowell, Jr., Chairman
Ana Beltran, Vice Chair
Cris Arzate, Secretary
Nancy Anton
Jacqueline Doud
Hal Geiogue
Devon Graves
Harry Le Grande
Jamillah Moore
Jack Scott
Michele Siqueiros

The following Commissioners were absent:

Larry Asera
Brian Conley
Wm. Gregory Sawyer

Roll Call was taken and a quorum was recognized.

CONSIDERATION OF INSTITUTIONAL ELIGIBILITY APPEALS FOR THE 2014-15 ACADEMIC YEAR INCLUDING MARYMOUNT CALIFORNIA UNIVERSITY, NATIONAL HISPANIC UNIVERSITY, AND CHARLES R. DREW UNIVERSITY APPEALS

[Complete information on each Cal Grant institutional eligibility appeal is included in Exhibit 22 of the February 20-21, 2014 Commission meeting agenda and certified transcripts.]

Marymount California University

Chairman McDowell indicated that representatives of Marymount California University (MCU) presented their appeal to the Commission on February 20, 2014. He summarized the basis of the institution's appeal and called for public comment, of which there was none. Some discussion followed regarding MCU's graduation and cohort default rates, which the U.S. Department of Education has acknowledged it reported incorrectly, but which do, in fact, meet the Cal Grant eligibility threshold requirements.

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MOVED (Siqueiros), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the staff recommendation to grant MCU's appeal and re-instate MCU's eligibility for Cal Grant participation in 2014-15 academic year, based upon application of the criteria established by the Commission previously as part of the Menlo College appeal.

In Favor: Commissioners Anton, Arzate, Beltran, Doud, Geiogoue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Conley and Sawyer

National Hispanic University

Dr. Gladys Ato, President and Provost of National Hispanic University (NHU), requested that the Commission grant NHU's appeal on the basis that its 2006 graduation rate, which meets the eligibility threshold, was not available at the time the Commission certified the graduation rates on October 1st.

Ms. Keri Tippins indicated that statute requires the Commission to certify graduation and cohort default rates on October 1st of each year, the intent of which is to provide as much information as possible to students making decisions about which institutions to attend. On October 1st, the Commission certified all of the Cal Grant participating institutions based on their 2005 graduation rate data, which was the most recent data available from the Department of Education. Additional discussion followed and concerns were expressed about the need to comply with the law and be consistent in using the same cohort data for all institutions.

MOVED (Siqueiros), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the staff recommendation to deny NHU's appeal.

In Favor: Commissioners Anton, Arzate, Beltran, Doud, Geiogoue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Conley and Sawyer

Charles R. Drew University of Medicine and Science

Dr. David Carlisle, President and CEO of Charles R. Drew University of Medicine and Science (CDU), presented the basis of CDU's appeal which rests on the fact that, although its 2005 cohort graduation rate does not meet the eligibility threshold, the graduation rate is derived from an extremely small cohort of nine students and is a subset of CDU's undergraduate students who are first time full-time freshmen students. Dr. Mary Boyce, Interim Provost at CDU, commented on the potential consequences of CDU's loss of Cal Grant eligibility, including the impact on institutional aid; the possibility of limiting admission to transfer students instead of first-time freshmen, potential loss of enrollment in new undergraduate healthcare program. Ms. Shawnie Hunter, a senior at CDU, shared her experience as a Cal Grant recipient completing her Bachelor of Science degree in Life Science.

Dr. Carlisle proposed that CDU, working in partnership with the Commission, seek a legislative change that would recognize the disproportionality of the current methodology relative to small cohorts. He also asked the Commission to consider issuing to CDU an exception from the attrition metric or a delay in its implementation while a legislative remedy is sought. Further discussion ensued.

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MOVED (Geiogoue), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** CDU's appeal, subject to the enactment of legislation which clarifies the small cohort default and that staff will work with the institution on appropriate language.

In Favor: Commissioners Anton, Arzate, Beltran, Doud, Geiogoue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Conley and Sawyer

CONTINUATION OF THE STRATEGIC POLICY AND PLANNING COMMITTEE REPORT

❖ CONTINUATION OF THE CONSIDERATION OF POLICY FORMULATION AND PROPOSALS

Committee Chair Siqueiros reported that the Committee met in November to discuss how best to articulate clear priorities for the Commission to consider when reviewing policy proposals and being more proactive in promoting policies and legislation that would strengthen the Cal Grant program in California. She noted that an ad hoc committee comprised of Commissioners Doud, Le Grande, McDowell and herself met in January and developed a draft statement of priorities on which the Full Committee discussed and took action during its February 20, 2014 meeting. Further discussion ensued.

On **MOTION** by the Committee, the Commission unanimously **APPROVED** the full statement of policy priorities, amended as follows:

Changes are in bolded, italicized and underlined text; deletions are in strikethrough text.

CALIFORNIA STUDENT AID COMMISSION STATEMENT OF POLICY PRIORITIES (2014)

As the primary state agency responsible for administering state-authorized California's student financial aid programs, and in furtherance of its responsibility to provide policy leadership on student financial aid issues, the California Student Aid Commission establishes the following policy priorities, in no priority order, to fulfill the state's historic, long-term commitment to ensuring both access to and selection of an institution of higher education for students with financial need:

- Maximize public investment in California students through financial aid that:
 - Ensures access for low-income and historically underrepresented students in higher education in California students to our eligible public colleges and universities, and non-profit independent colleges and for-profit eligible WASC-accredited colleges that meet the federal 90-10 rule without using state grant aid or Title 38 aid as a means for satisfying the non-Title IV revenue requirement; and
 - Ensures sufficient financial support for living expenses and costs of attendance for low-income community college students.

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- Maximize the effectiveness of state-authorized financial aid programs through consequential quality standards and consumer protections for students attending any California college.
- Advance awareness of financial aid for California students and parents through sufficient funding and support for comprehensive outreach programs and financial literacy programs that include federal, state and institutional aid, loans and other opportunities to cover the cost of college.
- Influence and inform federal policy on financial aid policy and programs that affect California students, and parents and college institutions.
- Maximize the effectiveness of state-authorized financial aid programs through sufficient funding and support for the operations of the California Student Aid Commission.

In Favor: Commissioners Anton, Arzate, Beltran, Doud, Geiogue, Graves, Le Grande, Moore, Scott, Siqueiros and McDowell

Absent: Commissioners Asera, Conley and Sawyer

CLOSED SESSION

Ms. Keri Tippins, General Counsel, announced that the Commission will meet in CLOSED SESSION to discuss and may take action on personnel matters pursuant to California Government Code, section 11126(a)(1). Topics will include:

❖ Evaluation of the Executive Director's Performance and Role

Thereupon, Chairman McDowell recessed the OPEN SESSION at 10:24 a.m. and convened the CLOSED SESSION at 10:30 a.m.

RECONVENE INTO OPEN SESSION

Chairman McDowell reconvened the OPEN SESSION at 11:20 a.m. Ms. Tippins reported that there was nothing to report from the CLOSED SESSION.

Chairman McDowell announced that he has requested that Vice Chair Beltran, Chair of the Personnel, Evaluations & Nominations (PEN) Committee contact the State Human Resources Department to request that a salary survey of Commission executives be conducted. Additionally, he asked the Commission to consider changing the date of the November Commission meeting to November 13-14, 2014 so as not to conflict with the Community Colleges League of California's annual conference.

NEW BUSINESS TO BE CONSIDERED AT FUTURE COMMISSION MEETINGS

The Commission had no new business.

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ADJOURNMENT

There being no further business, the meeting of the California Student Aid Commission was adjourned at 11:25 a.m.

CRIS ARZATE
SECRETARY