

Item 5

Information Item

Acting Executive Director's report



Acting Executive Director's Report November 2015

Dear Commissioners,

This report describes significant recent activities from each of the CSAC divisions. Work on the Grant Delivery System Modernization Project continues, and is described in Item 12 of the November 4-6, 2015 Commission agenda.

COMMISSION PROGRAM UPDATES

❖ **Program Administration and Services Division (PASD) Update**

2015-16 Processing Updates

Commission staff achieved the following:

- Delivered institutions full access to their Cal Grant rosters through WebGrants beginning in August along with the fall term advance for eligible schools.
- Processed over 7,700 Cal Grant C award offers.
- 12,875 out of 203,198 financially eligible applicants were offered a September 2 Competitive Cal Grant award.

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- Delivered early access to the 2016-17 GPA upload functionality which allows high schools additional time to electronically submit a GPA for all grade 12 students each academic year, per Assembly Bill (AB) 2160.
- With the Commission's approval of a new scoring proposal, the Competitive Cal Grant workgroup has started working with TICAS and IT on the technical details needed to implement the changes for academic year 2016-17.

Free Application for Federal Student Aid Prior-Prior Year (FAFSA PPY)

- Established a core internal workgroup to provide initial impact analysis and to schedule external stakeholder sessions. Agenda item 16 elaborates on this subject.

Specialized Programs

- The Department of Education's contract for Child Development is currently awaiting approval from the Department of General Services. There are 150 participants waiting to receive their payments that will total around \$136,000.00.
- Commission staff facilitated a Chafee workshop on October 7, 2015, at the Foster Youth Success Convening sponsored by the Foundation for Community Colleges. The Chafee Grant presentation was well received. Approximately 100 participants attended the event.
- The Chafee Grant Workgroup suggested and agreed on eliminating the Financial Needs Analysis Report (NAR). In lieu of the NAR, the workgroup suggested the creation of a school roster to determine student eligibility. Schools will now request payment based on the rosters.
- System enhancements for the existing Chafee Grant System have started for a June 30, 2016 deployment. The project, which includes the elimination of the paper and electronic NAR, aims to increase staff productivity and improve customer service levels.

Training and Outreach Update

A complete update on PASD's training and outreach efforts is included in agenda item 16, Update on Outreach Plans for 2016-17.

PASD Management Update

The following new managers joined the PASD team within the last month:

- Steve Caldwell – Staff Services Manager II, Customer Relations
- Diana Alfaro – Staff Services Manager I, Specialized & Outreach Programs
- Krisheidy Guerrero – Staff Services Manager I, Customer Assistance & Processing
- Robert Davidson - Staff Services Manager I, Institutional Support

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❖ Strategic Policy, Media & Communications Division

Communications Update

- Commission staff met with representatives from AT&T. This relationship would later result in the “Text FAFSA” partnership between the Get Schooled Foundation, AT&T and the Commission for the 2016-17 financial aid application season.
- Staff met with representatives from the office of Assembly Member Kevin McCarty regarding his plans to host “College Decision” day events in his district.
- Staff participated in a Get Schooled Foundation celebration at Sacramento High School, which won the 2015 California College Challenge with a 98% FAFSA submission rate among graduating seniors. The campus was awarded \$2,500 and 3 celebrity principals for the day.

Partnership Update

A complete update on the Commission's collaborations with Federal and State agencies, legislators, school campuses and nonprofit organizations is provided under agenda item 16.

Continuing Collaborations

- The Get Schooled Foundation
- The Get Schooled Foundation, Univision, AT&T Initiative
- KtoCollege
- National College Resources Foundation
- California Association of African American Educators
- United Black Student Unions of California

Media Interviews

News Outlet	Topic
Los Angeles Times	Time to Aid: Packaging
CBS-TV, Channel 13	Student Loans
Capitol Morning Report	Diana Fuentes-Michel's Retirement
Sacramento Bee	Diana Fuentes-Michel's Retirement
Latino Magazine	Cal Grants
Los Angeles Times	Text “FAFSA” Hotline
ABC-TV, Channel 10	California Student Financial Programs

Social Media

- Posted the #ReachHigher campaign Better Make Room video on the YouTube and Vimeo Channels
- The Brookings Institute is now following the Commission on Twitter
- The majority of followers are between ages 25-34

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Twitter: 1,547 followers

Highest Impressions: “@getschooled and @NickelodeonTV join forces to present a \$25,000 scholarship opportunity!” (1,643)

CSAC Tweets earned **90.7K impressions** since May 2015.

Facebook: 1,478 likes

Best Reach: “#CaliforniaLeads”

Best Engagement: “Consider a career with us.”

Most Likes/Comments/Shares: “#CaliforniaLeads”

❖ Legal & Audit Services Division

Program Compliance

The program compliance auditors have been performing fiscal audits of all institutions that were determined to be ineligible to participate in the Cal Grant Program as a result of failing to meet the cohort default rate and/or graduation rate thresholds found in Education Code section 9432.7(l). For the 2014-15 fiscal year, there were 44 audits completed, which resulted in \$181,768.35 being returned to the Commission and an additional \$9,842.00 in institutional liability resulted from two institutions that failed to appropriately reconcile Cal Grant funds. For the 2015-16 fiscal year, there are 33 audits in process. Of these, 13 audits have closed resulting with \$3.39 in financial liability arising from the audit findings.

The program compliance auditors are also performing full field audits of Cal Grant participating institutions. For the 2014-15 fiscal year, there were 10 closed audits which resulted in \$12,606.23 being returned to the Commission and an additional \$3,029.00 in institutional liability that resulted from three institutions that failed to appropriately reconcile Cal Grant funds. For the 2015-16 fiscal year, there are 24 audits in process. Seven of these audits have closed, resulting in \$22,138.00 being returned to the Commission.

In addition to the normal audit schedule, the auditors have been working on several ad hoc issues that have arisen. The first unscheduled item involved the reconciliation of the Heald College Spring term payments necessitated by the Commission’s action to terminate Heald College’s participation in the Cal Grant program. This item was completed, and students received their disbursements in late June 2015. The second ad hoc item involved an audit of the Los Angeles Cal-SOAP project. This audit is currently in process and is estimated to be completed in November 2015.

Internal Audits

The Financial Integrity and State Manager’s Accountability Act of 1983 (FISMA) was recently modified and updated through legislative action and is now known as the State Leadership Accountability Act (SLAA). The Commission’s Internal Audits has been attending focus group meetings and facilitating the Commission’s transition to the new SLAA reporting system which is scheduled to go live in November 2015. In order to complete the SLAA report, the Commission’s staff will be invited to participate in a risk assessment survey. The results of this survey will be shared with senior management, ranked according to risk level, and included in the Commission’s SLAA report. The first SLAA Corrective Action Plan is due December 31, 2015.

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❖ Administration & External Affairs Division

Accounting

- Accounting has submitted the Franchise Tax Board (FTB) form 2280, "Intent to Participate/Agency Certification," to FTB for the tax year 2015-16 in an effort to "offset" students' outstanding debts owed for the Paul Douglas Teacher Scholarship Program. For the tax year 2014-15, CSAC recovered \$7,141. Accounting is still obtaining information for the 2014 submittal to be provided to FTB in mid-November.
- Accounting staff are working with their PASD counterparts to reconcile Cal Grant T students and will be submitting records to the FTB for recovery in the same manner as the Paul Douglas group.
- Staff continues to assist Gartner's consultant with technical changes related to Accounting financial reconciliation and billing processes to the Grant Delivery System Management Enhancement.

Budgets

- Staff submitted the Budget Change Proposals (BCPs) to match the accepted Concepts presented to the Commission in September.
- Staff is working with Department of Finance (DOF) to submit changes to the 2015-16 budget and to develop the baseline for the 2016-17 year. The 2015-16 adjustments included the annual adjustments for the Employer Retirement Rates and Employee Compensation Adjustments. All BCPs related to enactment of legislation have also been submitted to DOF.

Business Services

- Staff are working with building management, the Department of General Services and various emergency agencies on the development of a fire suppression system in the server and UPS rooms.
- The Fund Your Future (FYF) Magazines have arrived for distribution. The Commission's website has been updated to begin to accept orders for FYF from schools and various organizations.
- We continue to interface and attend training with the Department of General Services on the Financial Information System for California (FI\$Cal) transformation.

Personnel

- All managers and supervisors are registered to complete Supervisors Training prior to the end of the fiscal year.
- A new streamlined hiring process has been developed by Personnel and has been posted on the CSAC intranet. In addition, classroom training has been provided on the new process.

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- Personnel will continue to provide monthly trainings for Supervisors and staff in the 15/16 budget year. We also provide on-line resources and tools, including a supervisors virtual help desk and updated information on the newly enhanced Employee Assistance Program (EAP).
- Personnel distributed “The Field Guide to Leadership and Supervision in Business” to supervising staff which provided helpful exercises, resources and tips on successful management styles.
- Open Enrollment for Health and Dental has been completed with related documentation processed by Personnel.
- Personnel has processed the below employees as either new hires or separations (transferring to another state agency, retiring or leaving state service).

Division	New Hires	Separations
Information Technology Services	3	1
Program Administration & Services	7	3
Administration & External Affairs	2	1
Legal & Audit Services	0	0
Strategic Policy, Media & Communications	0	0
Executive	0	0
Total	12	5

Research

- Staff continues to provide data and fiscal information to the Department of Finance, the Legislative Analyst Office, the Commission and the Legislature on bill cost and population estimates.
- Staff continues to provide research and forecasting support for data requests.
- Staff continues to work on the Cal Grant projections for the Governor’s 2016/17 budget.
- Staff is working with the Gartner group on role mapping for the GDSM project.

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COMMISSION ACTIONS UPDATE

Below is an update of the actions taken by the Commission at its September 17-18, 2015 meeting.

ACTIONS TAKEN BY THE COMMISSION	STATUS UPDATE
<p>1 Commission Meeting Minutes</p> <p>At its September 18, 2015 meeting, the Commission APPROVED the minutes of the May 28, 2015 and June 25-26, 2015 meetings as presented.</p> <p><i>In Favor: Commissioners Ajose, Beltran, Conley, Doud, Graves, Le Grande, Marion, McDowell, Moore, Solorio and Geiogoue</i> <i>Abstained: Commissioners Anton, Foresti, Sawyer and Scott</i></p>	<p>The minutes will be signed by the Secretary.</p>
<p>2 Budget Change Proposals for Fiscal Year 2016-17</p> <p>On September 18, 2015, the Commission took the following actions:</p> <ol style="list-style-type: none"> 1. AMENDED the 2016-17 Budget Change Proposal (BCP) to increase the number of Competitive Cal Grant Awards, by doubling the proposed number of awards from 3,250 to 6,500. 2. AMENDED the 2016-17 BCP to reinstate the APLE Program at 1,000 new loan assumption agreements annually with the proviso that an evaluation component be included and explore whether the number of designated veteran teachers is sufficient. 3. APPROVED the 2016-17 BCPs with the above two amendments and including the additional five positions and \$500,000 cost to the Grant Delivery System (GDS) Modernization Project. <p><i>In Favor: Commissioners Ajose, Anton, Beltran, Conley, Doud, Foresti, Graves, Le Grande, Marion, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue</i></p>	<p>The BCPs were revised as directed, and submitted to the Department of Finance.</p> <p>Additional information is included in agenda item 9.</p>
<p>3 Competitive Cal Grant Scoring Process</p> <p>On September 18th, the Commission ADOPTED a “Modified Proposal F,” which does not include additional points for veterans, with the CAVEAT that the modified scoring model will be implemented on a trial basis and that, after a year of operation, the veteran scoring factor will be reviewed.</p> <p><i>In Favor: Commissioners Ajose, Anton, Beltran, Conley, Doud, Foresti, Graves, Le Grande, Marion, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue</i></p>	<p>Program Administration & Services staff has started the discussion with the Information Technology Services staff regarding the scoring matrix change as adopted by the Commission.</p> <p>Significant programming in the Grant Delivery System (GDS) is needed, but should be ready in time for the 2016-17 competitive award process.</p>

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	ACTIONS TAKEN BY THE COMMISSION	STATUS UPDATE
4	<p>The Commission unanimously APPROVED the ratification of the contract with Global Blue DVBE, Inc. for \$278,000.</p> <p><i>In Favor: Commissioners Ajose, Anton, Beltran, Conley, Doud, Foresti, Graves, Le Grande, Marion, McDowell, Moore, Sawyer, Scott, Solorio and Geiogue</i></p>	Contracted work is in progress.

I look forward to seeing you in November.

Sincerely,

Keith Yamanaka
Acting Executive Director
California Student Aid Commission