

Minutes

Action Item

Approval of minutes of January 14, 2016

DRAFT

CALIFORNIA STUDENT AID COMMISSION TELECONFERENCE MEETING MINUTES

January 14, 2016

A teleconference meeting of the California Student Aid Commission was held on Thursday, January 14, 2016 at the Commission's Board Room located at 11040 White Rock Road, Rancho Cordova, California and the various locations listed on the meeting notice dated January 4, 2016.

Chair Hal Geiogoue called the meeting to order at 10:00 a.m.

The following Commissioners were present:

Hal Geiogoue, Chair
Lande Ajose, Vice Chair
Jacqueline Doud, Secretary
Nancy Anton
Devon Graves
Harry Le Grande
Debra Maxie
John R. McDowell, Jr.
Jamillah Moore
Wm. Gregory Sawyer
Jack Scott
Jose Solorio

The following Commissioner was absent:

Jessica Foresti

Roll Call was taken and a quorum was recognized.

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Chair Geiogoue called for public comment and, hearing none, proceeded to the next agenda item.

CHAIR'S REPORT

Chair Geiogoue welcomed Executive Director Lupita Cortez Alcalá and reported that they met with

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Senator Carol Liu, Chair of the Senate Education Committee, and Assembly Member Jose Medina, Chair of the Assembly Higher Education Committee, as well as representatives of the Governor's Office and Department of Finance. He also reported that they plan to meet with the Chairs of the Senate and Assembly Budget Subcommittees. Finally, Chair Geiogoue announced his appointment of Commissioner Beltran to the Student Impact Committee.

Executive Director Alcalá provided a brief update on the first two weeks of her tenure and noted that she would be presenting the Commission's vision and goals to the Intersegmental Coordinating Committee later in the day. She also announced her plan to meet with each Commissioner individually in the near future.

ANNOUNCEMENT OF REPORTABLE ACTION TAKEN IN CLOSED SESSION (INFORMATION)

Chair Geiogoue announced that, for the record, in accordance with the requirements of the Bagley-Keene Open Meeting Act, the California Student Aid Commission took unanimous action during its November 4, 2016 Closed Session to appoint Lupita Cortez Alcalá as the new Executive Director.

UPDATE ON 2016-17 STATE BUDGET INCLUDING ITEMS RELATING TO COMMISSION PROGRAMS AND OPERATIONS (INFORMATION/ACTION)

Chief Deputy Director Keith Yamanaka presented information on the 2016-17 Governor's Budget.

A question arose about the Cal Grant award take rate and whether there was any money left on the table. Ms. Catalina Mistler, Chief of the Program Administration & Services Division, reported that the 2014-15 award year cycle has not yet closed and, therefore, the remaining and expended balances are not yet known, but she could request that the Commission's Budget Office provide information on prior years' projection models, which will show actual award offers and expenditures.

There was some discussion about the prioritization of the budget change proposals (BCPs), and Chair Geiogoue reported that the highest priority that the Commission will be seeking in discussions with the Administration will be the Grant Delivery System (GDS) Modernization Project. He also indicated that the Legislative, Audit & Budget Committee will be reviewing the Commission's priorities at the February meeting.

There was some concern about the need for a Plan B in case funding for GDS is denied. Executive Director Alcalá remarked that staff will provide a comprehensive update on the status of the GDS Modernization Project in regards to the progress of its Phases; however, staff will not be able to develop alternative options until Phase 2 is completed.

NEW BUSINESS TO BE CONSIDERED AT FUTURE COMMISSION MEETINGS

The Commission had no new business.

ADJOURNMENT

There being no further business, the teleconference meeting of the California Student Aid Commission was adjourned at 10:30 a.m.

HAL GEIOGUE
ACTING SECRETARY

Minutes

Action Item

Approval of minutes of February 4-5, 2016

DRAFT

CALIFORNIA STUDENT AID COMMISSION MEETING MINUTES

February 4-5, 2016

A meeting of the California Student Aid Commission was held on Thursday, February 4, 2016 and Friday, February 5, 2016 at the Commission's Board Room located at 11040 White Rock Road, Rancho Cordova, California.

THURSDAY, FEBRUARY 4, 2016

Chair Hal Geiogoue called the meeting to order at 9:04 a.m.

The following Commissioners were present:

Hal Geiogoue, Chair
Lande Ajose, Vice Chair
Jacqueline Doud, Secretary
Nancy Anton
Jessica Foresti
Devon Graves
Harry Le Grande
Debra Maxie
John R. McDowell, Jr.
Jamillah Moore
Wm. Gregory Sawyer
Jack Scott
Jose Solorio

The following Commissioner was absent:

Ana Beltran

Roll Call was taken and a quorum was recognized.

PUBLIC COMMENT

Chair Geiogoue called for public comment and, hearing none, proceeded to the next agenda item.

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APPROVAL OF MINUTES OF NOVEMBER 4-6, 2015 (ACTION)

MOVED (Le Grande), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the minutes of November 4-6, 2015 with the caveat that the minutes will be amended, if necessary, to reflect whether Commissioner McDowell was present, or not, on November 6, 2015.

In Favor: Commissioners AJose, Anton, Doud, Foresti, Graves, Le Grande, Maxie, McDowell, Moore, Sawyer and Geiogoue

Absent: Commissioners Beltran, Scott and Solorio

(Upon later review, it was determined that the proposed draft minutes accurately reflect Commissioner McDowell's absence on November 6, 2015.)

CHAIR'S REPORT (INFORMATION)

Chair Geiogoue reported on recent activities, including several meetings with Legislative Members, a recent Public Policy Institute of California symposium, and the Education Commission of the States (ESC) presentation to Capitol staffers. He indicated that the California Community College system's presentation scheduled for Friday, February 5, 2016 has been deferred due to personal circumstances, and that the Commission would move forward with scheduling a presentation by the University of California. Finally, Chair Geiogoue acknowledged that this would be Commissioner Doud's last meeting. Commissioner Doud provided some farewell remarks.

EXECUTIVE DIRECTOR'S REPORT (INFORMATION)

Executive Director Lupita Cortez Alcalá presented her written report, sharing her background as well as highlighting recent meetings and partnership activities, outreach efforts, and discussions with the Administration about the prioritization of the Grant Delivery System Modernization (GDSM) Project.

PRESENTATION BY THE EDUCATION COMMISSION ON THE STATES ON ITS REPORT, *REDESIGNING STATE FINANCIAL AID: PRINCIPLES TO GUIDE STATE AID POLICYMAKING*, AND DISCUSSION OF THE ALIGNMENT OF CALIFORNIA'S CAL GRANT PROGRAM WITH THE PRINCIPLES IN THE REPORT (INFORMATION)

Dr. Brian Sponsler, Director of the Postsecondary and Workforce Development Institute of the Education Commission of the States (ECS), and Ms. Sarah Pingel, Policy Analyst, gave a presentation on their report that included national trends in higher education and state aid, guiding principles of redesigning state aid policy, and recent legislative activities and policy changes happening across the country. There was a lengthy discussion about the four guiding principles recommended in the report.

Ms. Catalina Mistler, Chief of the Program Administration & Services Division, discussed some of California's legislative bills that support student-centered policy-making, as well as California's success in implementing programs, which has made it a leader in student financial aid.

Ms. Diana Perez, Central Coast Cal-SOAP Project Director, commented on the challenges presented by schools refusing to submit early grade point averages (GPAs), and students who need to work part-time to supplement the cost of their education.

Mr. Matthew La Rocque, Research Analyst for The Institute for College Access & Success (TICAS),

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expressed support of the guiding principles, and commented that modest legislative changes would help to enhance state student aid policy.

Mr. Chris Carter, Director of Student Financial Support at the University of California, commented on the many sources of student financial aid and the campus' role in putting them all together for the student.

CONSIDERATION OF AN EVALUATION REPORT ON THE CALIFORNIA STUDENT OPPORTUNITY AND ACCESS PROGRAM (CAL-SOAP) (INFORMATION)

Partner Kurt Sjoberg, Manager Senior Consultant Lien Luu, and Senior Consultant Mashariki Lawson of Sjoberg Evashenk Consulting (SEC) gave a presentation on their evaluation of Cal-SOAP. The evaluation report responded to ten questions about Cal-SOAP services, processes, effectiveness and efficiency, funding, data, partnerships, student demographics, and success.

Discussion followed about making broader comparisons, developing metrics for Cal-SOAP consortia, and from there, a set of statewide metrics to understand overall effectiveness. Concerns were raised about the need for more funding and area coverage, and the need for a statewide framework that would advance access, outreach and success.

CAL-SOAP PROJECT DIRECTORS REPORT (INFORMATION)

Ms. Nicole Korgie Jackson, Long Beach Cal-SOAP Director and Lead Project Director, responded to issues raised during the presentation of the Cal-SOAP evaluation, such as services provided to the private sector, working at sites with other outreach programs, duplication of services, and funding levels for comparative programs. Ms. Jackson also expressed positive comments about the evaluation process.

Ms. Jackson then presented her written report, which included an update on Cal-SOAP's outreach activities and a presentation of the College Going Data from Cal-SOAP high schools.

CONSIDERATION OF REALLOCATION OF 2015-16 CAL-SOAP FUNDING (ACTION)

Ms. Catalina Mistler provided background information on the Commission's audit of the Los Angeles Cal-SOAP Consortium (LA Cal-SOAP), which resulted in the suspension of its services. She indicated that the Long Beach Cal-SOAP has submitted a proposal to serve the Los Angeles area. Questions arose about the audit and Ms. Keri Tippins, General Counsel and Chief of the Legal & Audit Services Division, provided additional information on the inappropriate expenditures made by LA Cal-SOAP.

Mr. Tae Kang, Senior Programs Manager, commented on the proposed adjustments to the Long Beach Cal-SOAP's budget and described the array of student services that the Long Beach Cal-SOAP could provide for the third and fourth quarters. Concerns were raised about the consortium's ability to serve both coverage areas. Ms. Jackson, Long Beach Cal-SOAP Project Director, responded that the six-month allocation provides for additional staff hires and student advisors to provide the needed services.

Ms. Mistler presented the staff's recommendation on utilizing the remaining funds, which includes the option to either divide the funds equally among the projects, or the option to divide the funds among the projects serving the neediest students. Mr. Steve Caldwell, Senior Programs Manager, remarked on the Commission's consultation process to determine if the projects could spend the

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funds by the end of the year if equally distributed. He also discussed the formula used to select the projects that serve the neediest students. More discussion followed.

MOVED (McDowell), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** Option 2, as follows and with the caveat below:

- a) Allocate an additional \$100,000 for enhancing the Cal-SOAP database. With the \$233,468 that was approved in the June Commission meeting, Information Technology (IT) and the Program Administration & Services Division (PASD) can move forward to secure a contractor for \$333,468 for the database work.
- b) Divide the remaining \$379,233 to the projects serving students with the most need, such as schools with a high percentage of students that are eligible for free and reduced lunch, and that have the capacity to meet the statutory and contractual requirements that would accompany a budget increase.

CAVEAT: This allocation is for one-time expenditures only and the projects are not to hire permanent staff; furthermore, Commission staff will be allowed the flexibility to redistribute funds, as needed, towards the end of the year to ensure that all of the funds are spent.

In Favor: Commissioners Ajose, Anton, Doud, Foresti, Graves, Le Grande, Maxie, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue

Absent: Commissioner Beltran

CONSIDERATION OF RATIFICATION OF CONTRACTS OVER \$100,000 (ACTION)

Ms. Keri Tippins presented the staff recommendation to ratify the Long Beach Cal-SOAP Consortium contract.

MOVED (McDowell), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the ratification of the contract amendment, as applicable, with the Long Beach Cal-SOAP Consortium in the amount of \$213,300 for Cal-SOAP services in Los Angeles.

In Favor: Commissioners Ajose, Anton, Doud, Foresti, Graves, Le Grande, Maxie, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue

Absent: Commissioner Beltran

Ms. Catalina Mistler presented the staff recommendation to ratify the Galaxy Solutions contract. Ms. Tracy Howard, Chief Information Officer, provided an overview of the Request for Offer (RFO) process, and summarized the plan for a phased implementation of the Cash for College workshop management system. Some discussion ensued.

MOVED (Moore), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the ratification of the contract with Galaxy Solutions in the amount of \$247,755 to build a workshop management system for the Cash for College Program.

In Favor: Commissioners Ajose, Anton, Doud, Foresti, Graves, Le Grande, Maxie, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue

Absent: Commissioner Beltran

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UPDATE ON GRANT DELIVERY SYSTEM MODERNIZATION (GDSM) PROJECT (INFORMATION/ ACTION)

Ms. Tracy Howard, Chief Information Officer, summarized the current funding allocation for the GDSM Project, as well as the Budget Change Proposal (BCP) submitted in September. Ms. Howard reported that staff is revising the BCP and realigning the positions to address the findings resulting from the security risk assessment performed by Anvaya Solutions.

There was extensive discussion about the security risk, and Ms. Howard clarified that staff is working to address issues as they are raised. Additionally, Information Security Officer Steven Grimes provided comparative data on staffing and commented on industry best practices.

RECESS FOR COMMITTEE MEETINGS

Chair Geiogue announced that the Commission meeting would recess until Friday morning, February 5, 2016. The Standing Committees would meet upon recess.

- ❖ *Legislative, Audit and Budget Committee Meeting*
- ❖ *Strategic Policy and Planning Committee Meeting*
- ❖ *Student Impact Committee Meeting*
- ❖ *Personnel, Evaluation and Nominations Committee Meeting*

Chair Geiogue recessed the Commission meeting at 2:58 p.m.

RECONVENE COMMISSION MEETING

Chair Geiogue reconvened the Commission meeting at 5:00 p.m. and indicated that the Commission would convene a Closed Session.

CLOSED SESSION

❖ PERSONNEL MATTERS

Ms. Keri Tippins, General Counsel and Chief of the Legal and Audit Services Division, announced that the Commission would meet in Closed Session to discuss and may take action on personnel matters pursuant to California Government Code Section 11126(a)(1).

Chair Geiogue recessed the Open Session at 5:01 p.m. and convened the Closed Session at 5:02 p.m.

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RECONVENE OPEN SESSION

FRIDAY, FEBRUARY 5, 2016

Upon completion of the Committee meetings, Chair Hal Geiogoue called the full Commission meeting to order at 11:10 a.m.

The following Commissioners were present:

Hal Geiogoue, Chair
Lande Ajose, Vice Chair
Jacqueline Doud, Secretary
Nancy Anton
Jessica Foresti
Debra Maxie
John R. McDowell, Jr.
Jamillah Moore
Wm. Gregory Sawyer
Jack Scott
Jose Solorio

The following Commissioners were absent:

Ana Beltran
Devon Graves
Harry Le Grande

Roll Call was taken and a quorum was recognized.

REPORT FROM CLOSED SESSION

Chair Geiogoue reported that the Commission met in Closed Session on Thursday, February 4, 2016 and there is nothing to report.

COMMITTEE REPORT ITEMS

STRATEGIC POLICY AND PLANNING COMMITTEE REPORT

❖ **Consideration of an Interim Institutional Participation Agreement for 2016-17 (Action)**

MOVED (Doud), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the interim Institutional Participation Agreement for the period beginning July 1, 2016 through June 30, 2017.

***In Favor:** Commissioners Ajose, Anton, Doud, Foresti, Maxie, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue
Absent: Commissioners Beltran, Graves and Le Grande.*

❖ **Discussion of the History of Institutional Eligibility to Participate in the Cal Grant Program Based on Cohort Default Rate and Graduation Rate (Information)**

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Committee Chair Anton provided some background information on the implementation of the minimum requirements for an institution's cohort default rate (CDR) and graduation rate (GR). She highlighted areas of the agenda report, and expressed the Committee's intention to continue to review this as an informational item in order to determine the impact, value and consequences of the regulations.

LEGISLATIVE, AUDIT AND BUDGET COMMITTEE REPORT

Committee Chair Moore reported that the Committee considered the following action and information items, and are bringing forward their recommendations.

❖ Consideration of the Federal Policy Agenda (Action)

MOVED (McDowell), **SECONDED** and **CARRIED** unanimously, the Commission **ADOPTED** the following proposed policy priorities as its Federal Policy Agenda, including:

- Early FAFSA Filing;
- Pell Grant Increase;
- President Obama's New Proposals for Pell Grants
 - Pell for Accelerated Completion
 - On-Track Pell Bonus
- The Flexible Pell Grant for 21st Century Students Act: HR 3180; and
- Student Aid Bill of Rights.

In Favor: Commissioners Ajose, Anton, Doud, Foresti, Maxie, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue

Absent: Commissioners Beltran, Graves and Le Grande.

❖ Update on State and Federal Legislation and Issues Affecting Commission Programs (Information)

Chair Geiogoue reported that the deadline for new legislative bills is February 19, 2016 and Commission staff will likely not complete their 360 analyses of all bills until March. He indicated that if staff is ready, the Legislative, Audit & Budget (LAB) Committee may meet in March, or choose to wait until the April meeting. Committee Chair Moore expressed support for convening a LAB Committee meeting in March, but will defer the decision to the Commission Chair and Executive Director.

❖ Update on the Governor's 2016 Budget (Information)

Committee Chair Moore reported that the Committee recommended the Commission make its first priority the updated GDSM Project BCP with Security recommendations, and make its second priority the Customer Service BCP. She expressed the Committee's concern about the need for a Plan B should either BCP be denied.

Some discussion followed. Ms. Mistler provided information about the Student Support Hotline and Mr. Tae Kang suggested other ways of communicating with students. Mr. Steve Caldwell provided information on Customer Service call/email data.

MOVED (McDowell), **SECONDED** and **CARRIED** unanimously, the Commission **APPROVED** the prioritization of the GDSM Project BCP (including Security recommendations) as BCP Priority Number 1, and the Customer Service BCP as BCP Priority Number 2.

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In Favor: Commissioners Ajose, Anton, Doud, Foresti, Maxie, McDowell, Moore, Sawyer, Scott, Solorio and Geiogoue
Absent: Commissioners Beltran, Graves and Le Grande.

STUDENT IMPACT COMMITTEE REPORT

Acting Committee Chair Sawyer reported that the Committee met on February 4, 2016 and considered the following informational items:

❖ Update on Middle Class Scholarship (Information)

Acting Committee Chair Sawyer highlighted the amount of award offers and paid awards for the University of California (UC) and California State University (CSU) systems, the number of disqualifications, and the changes in the maximum award amounts.

❖ Update on Dream Act (Information)

Acting Committee Chair Sawyer reported on the survey results regarding reasons for the low paid rate. Ms. Mistler provided an update on the Commission's efforts to improve communications to students. Mr. Kang also commented on ways in which to communicate the award offers. Some discussion ensued.

❖ Update on the 2017-18 FAFSA Release on October 1, 2016 (Information)

Acting Committee Chair Sawyer commented on the outreach and training efforts taking place around the FAFSA Release deadline. There was some discussion about the need for high schools to submit their students' Grade Point Average (GPA) verifications earlier. Ms. Mistler indicated that staff will provide the Commission with a timeline and implementation plan at the April meeting.

❖ Discussion of Student Debit Cards (Information)

Acting Committee Chair Sawyer shared some concerns that were expressed during the Committee meeting, noting that Ms. Meredith Turner with the California State Student Association and Mr. Chris Carter with the University of California provided comments. Ms. Mistler indicated that Chair Graves intended for a more robust discussion at the April meeting with regard to feedback from the Commissioners and the segments on the questions posed in the agenda item.

❖ Update on Outreach Plans for 2016-17 (Information)

Acting Committee Chair Sawyer summarized the information provided by staff on outreach efforts and upcoming events.

FULL COMMISSION ITEMS

PRESENTATION OF RECENT COMMISSION REPORTS AND OTHER DATA (INFORMATION)

Chair Geiogoue presented item 21.1, "Summary by Segment, Cal Grant Awards and Dollars by Entitlement, Competitive Cal Grant C and Total, Award year 2014-15 to-date." Some discussion ensued about changes made by the Department of Education to scramble the list of college choices on the Institutional Student Information Record (ISIR), changes that the Commission will need to make to its processes as a result, and about the portability of the Cal Grant award.

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NEW BUSINESS FOR FUTURE MEETINGS (INFORMATION/ACTION)

The Commission may discuss the following topics at a future meeting:

- California Competes' recent report, "Mind the Gap," which examines the degree attainment gap in the State of California; and
- Report of Meeting Location Ad Hoc Committee on the status of future meetings.

ADJOURNMENT

There being no further business, the meeting of the California Student Aid Commission was adjourned at 12:22 p.m.

HAL GEIOGUE
ACTING SECRETARY