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Action

Governance and Monitoring Committee

Approval of December 10, 2007 Minutes

The Governance and Monitoring Committee is asked to approve minutes to the December 10, 2007 meeting.

**CALIFORNIA STUDENT AID COMMISSION
GOVERNANCE AND MONITORING COMMITTEE
TELECONFERENCE MEETING**

**MINUTES
December 10, 2007**

A teleconference meeting of the California Student Aid Commission's Governance and Monitoring Committee was held on Monday, December 10, 2007 at various locations listed on the Notice of Teleconference Meeting dated November 30, 2007.

Committee Chair Dennis Galligani called the meeting to order at 2:07 pm.

Governance and Monitoring Committee Members Present:

Dennis Galligani, Chair
Daniel Friedlander, Vice Chair
Yasmin Delahoussaye
Lorena Hernandez
Antonio Solórzano

Other Commission Members Present:

Louise McClain, Commission Chair

Roll Call was taken and a quorum was recognized.

PUBLIC COMMENT

Hearing no public comment, Committee Chair Galligani proceeded with the meeting.

AGENDA ITEM 1—APPROVAL OF OCTOBER 16, 2007 AND OCTOBER 31, 2007 MINUTES

On **MOTION** by Commissioner Friedlander, **SECONDED** and **CARRIED**, the Committee **APPROVED** by Roll Call Vote the October 16, 2007 minutes with minor technical edits.

On **MOTION** by Commissioner Hernandez, **SECONDED** and **CARRIED**, the Committee **APPROVED** by Roll Call Vote the October 31, 2007 minutes with minor technical edits.

Commissioner Friedlander recommended that staff utilize a style guide to ensure consistency.

**AGENDA ITEM 2—CONSIDERATION OF REVISIONS TO THE CALIFORNIA STUDENT AID
COMMISSION'S GOVERNANCE POLICIES ADOPTED ON SEPTEMBER
6, 2007**

Committee Chair Galligani began the discussion by thanking Keith Yamanaka, Chief Deputy Director, for gathering the related authority references. Deputy Attorney General Geoff Graybill indicated that he reviewed the references provided by Chief Deputy Director Yamanaka and did not have any objections. Deputy Attorney General Graybill explained that the Commission may want to review California Education Code Section 69513.1 as a start, because it addresses the delegation of authority. Deputy Attorney General Graybill explained that the Commission has a mandated duty to appoint an Executive Director, however, the duties of the Executive Director are a policy level decision for the Commission. He also noted that the Commission is a part-time body that can only operate collectively.

The Committee proceeded to discuss the Assignment and Responsibilities Policies. Therese Bickler, EDFUND Loan Operations Vice President, requested that EDFUND staff have an opportunity to discuss edits and provide comments before the document is finalized. The Committee indicated that the proposed changes have been available for review for several months and requested EDFUND staff to provide any comments before the next Governance and Monitoring Committee Meeting. Committee Chair Galligani explained that the meeting is a discussion and there will be continued opportunities for EDFUND to provide specific input.

The Committee directed staff to make the following changes in the Assignment Policy 1: Executive Director:

- The words “grant program” should be replaced with “State administered financial aid” throughout the entire document.
- The header “Grant Program” should be replaced with “Financial Aid Programs”
- The paragraph beginning with “The Executive Director is the Commission’s primary....” should be moved to Executive Parameters Policy 1: Strategic and Annual Planning.
- The Committee directed staff to make edits based on the Commission’s discussion regarding the following:

The Committee discussed the role of the Executive Director as it relates to the Commission’s loan program and concluded that because the California Student Aid Commission is the guaranty agency, the Executive Director is the chief executive officer of the guaranty agency. The Committee proposed language to clearly indicate that the Executive Director has statutory and regulatory responsibilities as reflected in the Governance Policies with respect to the Commission’s participation in the Federal Family Education Loan Program.

- In Planning Section, item A, add “in collaboration with the Commission or its designated Committee”.
- In Planning Section, item B, replace “consultation” with “collaboration”.
- In Planning Section, item B, change “five” year intervals to “three” and add “with an annual review.”

- The Committee directed staff to make edits based on the need for the Executive Director to develop an “Annual Management Plan” and a “Budget Plan”.
- Commissioner Galligani directed staff to add language to the items related to potential new programs. He explained that in addition to notifying the Commission of new programs, the Executive Director should also provide analysis and recommendations regarding the potential impact of a new program to the Commission.

AGENDA ITEM 3—CONSIDERATION OF TIMELINES AND IMPLEMENTATION OF REPORTS AND REVIEWS INCLUDED IN THE GOVERNANCE POLICIES AND ANNUAL OVERSIGHT PLAN

Committee Chair Galligani explained that the purpose of the dashboard is to report the progress of important oversight tasks to the Commission at each of its meetings. Commission Chair Galligani commented that the Audit Committee will be responsible for audit related items.

The Committee discussed the timelines and implementation of reports and reviews. Specific concerns regarding the State’s confidential budget process and the differences between the loan and grant cycles were noted. Committee Chair Galligani requested Executive Director Fuentes-Michel to meet with CSAC staff and to provide proposed dashboard elements and a timeline at the next meeting.

Committee Chair Galligani asked Janet McDuffie, Chief, Federal Policies and Programs Division to provide CSAC staff’s analysis of the:

- Monthly Detailed Cash Flow Forecast for the Federal and Operating Funds
- Monthly and Annual Listing of Participating Schools and Lenders

Committee Chair Galligani explained that it is not the intent to create additional workload for staff. To become familiar with the elements and statistics, the Committee will begin to review the dashboard items routinely.

There being no further business, the meeting of the Governance and Monitoring Committee was adjourned at 5:00 pm.

DENNIS GALLIGANI, CHAIR
GOVERNANCE AND MONITORING COMMITTEE