

Action/Information Item

California Student Aid Commission

Adoption of Emergency Regulations to Amend the Appeal Period for Late Submission of Grade Point Averages (GPA) of Cal Grant Applicants, Including Finding of Emergency, Draft Regulation and Supporting Documents; Starting the Regular Rulemaking Process for Emergency Regulations

Since current regulations do not give the Commission legal authority to accept GPAs for any reason after the 20-day grace period following the filing deadline has expired, the Commission was unable to process over 800 GPAs from applicants whose reporting institutions failed to submit their GPAs to the Commission by the filing deadline and who failed to recognize their error within the 20-day grace period. Commission staff was directed to amend the regulation governing the 20-day appeal period following the filing deadline for reporting institutions to appeal to the Commission to accept grade point averages after the established deadline.

The Grant Advisory Committee has recommended including a date by which the appeal period for Entitlement students ends. They have recommended that date to be June 30 of the award year. CSAC staff has no objections to the recommendation.

Commission Staff will provide an oral presentation on the current status of the attempt to amend Section 30023 (c) of the Education Code, including the decision by Department of Finance on the fiscal impact of the amended regulation, and the draft of the Notice of Register, which will be filed with the Office of Administrative Law to begin the regular rulemaking process, making this emergency amendment a permanent regulation.

Recommended Action: Adopt the emergency regulations and authorize staff to take the necessary steps and prepare the necessary documents to complete the regulatory process.

Responsible Staff: Max Espinoza, Chief
Program Administration and
Services Division

BACKGROUND

For the Cal Grant application filing deadline that occurred on March 2, 2006, thirty (30) schools have reported to the Commission that they did not submit GPAs by the established deadline for a combined total of over 800 students and did not learn of the errors until after the 20-day grace period for late submissions had expired. Each school certified that the failure to submit the GPAs by the established deadline and to request late submission within the subsequent 20-day grace period was the responsibility of the school, not the applicant.

Although the students involved met all requirements for GPA submission and relied on the school to submit their GPA to the Commission, existing regulation only allows a 20-day grace period following the filing deadline for schools to appeal on behalf of applicants, for both the Competitive and Entitlement Cal Grant programs, and does not give applicants the ability to appeal on their own behalf to the Commission, only reporting institutions.

In response to this situation, Commission Chair Fousekis directed staff to amend the regulation, first on an emergency basis and then as a permanent amendment, to extend the grace period following the filing deadline for Entitlement grant applicants to appeal to the Executive Director to accept GPAs after the established filing deadline, and to give individual applicants as well as reporting institutions the ability to appeal to the Executive Director to accept GPAs after the filing deadline. The 20-day grace period would still apply to Competitive grant applicants, as there are a limited number of competitive awards available, and it is necessary for the Commission to obtain all pertinent information by a specified date so that it can rank all applicants and make awards to the most highly qualified applicants in the entire applicant pool. However, no deadline for Entitlement students to appeal for submission of GPAs after the filing deadline was proposed, because Entitlement applicants are *entitled* to an award if they meet all the program requirements, and the Commission runs the Entitlement award process on a weekly basis, so there are no workload obstacles preventing the Commission from continually adding students to the award process, as information is updated or corrected by the school or applicant.

CURRENT STATUS

Fiscal Impact Form 399 was sent to Department of Finance on August 2, 2006, as Commission staff predicts that of the 800-plus applicants involved, approximately 100-150 students would likely have qualified for an award (this was based on the fact that of the entire pool of over 800 students, approximately 250 of them would have been processed for an Entitlement award, and the take rate on the awards has historically been approximately 50%).

As of Wednesday, August 16, 2006, Department of Finance has not rendered a decision on the proposed appeal deadline date of May 31 for Entitlement applicants to appeal for submission of GPAs to the Commission after the established filing deadline, nor has it rendered a decision on the feasibility of the entire emergency regulation proposal, based on projected fiscal impact.

**Amendment to
California Code of Regulations
Title 5
Division 4
Chapter 1**

PROPOSED TEXT

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Section 30023. In Lieu Test Scores; Grace Period.

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(c) The Commission may, on a case-by-case basis, accept the submission of grade point average(s) from an applicant or a reporting institutions after the established deadline, if, in the opinion of the Executive Director, circumstances beyond the control of the applicant delayed or prevented the timely submission of the grade point average(s) by the applicant or reporting institution(s) by the established deadline. In ~~such~~ the cases of an application for a competitive grant award, any request to the Executive Director to accept grade point average(s) after the established deadline shall be received by the Commission no later than twenty (20) days after the established deadline and the computed grade point average(s) shall be included with the request.

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