
GRANT ADVISORY COMMITTEE

GRANT ADVISORY COMMITTEE MEETING

Thursday, August 7, 2008

1:15 p.m. – 5:30 p.m.

California Student Aid Commission
10834 International Drive, Conference Room A
Rancho Cordova, CA 95670

MEMBERS

Mary Lindsey, Chair
Sharon Bowles
Kate Jeffery
Lora Jo Bossio
Dean Kulju
Susan Gutierrez
Anthony Martinez
Timothy Bonnel
Marco De La Garza

Rick Diffenderfer
Lisa Douglass
Catherine Graham
Frederick Holland
Judi Sveen
Sally Pace
Coleetta McElroy
Lorena Hernandez, Commission Liaison

AGENDA

Call to Order and Roll Call

Public Comment (**Public Comment will also be asked for every agenda item**)

1. Committee Chair's Report
2. Executive Director's Report
3. Commission Staff Liaison Report
4. Approval of Minutes for the following meetings:
 - 4.a March 14, 2008
 - 4.b May 15, 2008
5. Review of Action Items from May 15, 2008 meeting
6. Workgroup Updates and Recommendations
 - 6.a Cal Grant Account Maintenance and Annual Interest Calculation
 - 6.b Payment Periods for Non-Traditional Based Schools
 - 6.c Student Expenses and Resources Survey (SEARS) Information
7. Consideration of At-Risk Institutions Reimbursement Program
8. Review of Cal Grant for Potential Areas of Duplication of Effort
9. Consideration of Future Topics

Adjournment

Times are subject to change

**CALIFORNIA STUDENT AID COMMISSION
GRANT ADVISORY COMMITTEE MEETING**

10811 International Drive
Rancho Cordova, CA 95670

**MINUTES
March 14, 2008**

A meeting of the Grant Advisory Committee was held on Friday, March 14, 2008, in the California Room at CSAC Headquarters.

ADVISORY COMMITTEE MEMBERS:

Mary Lindsey, Chair, PI
Sharon Bowles, Vice Chair, HS
Lorena Hernandez, Commission Liaison
Timothy Bonnel, CCC
Lora Jo Bossio, UC
Marco De La Garza, CCC
Lisa Douglass, AICCU
Catherine Graham, AICCU
Susan Gutierrez, CSU
Kate Jeffery, UC
Sally Pace, K-12
Dean Kulju, CSU

STAFF:

Diana Fuentes-Michel, Executive Director
Catalina Mistler, Chief, PASD
John Bays, Chief, Information Technology
Bryan Dickason, Manager, Cal Grant Operations
Gloria Falcon, Manager, PPD
Bob Illa, Manager, Fiscal and Administrative Services
Thea Pot-Van Atta, Manager, Student Support Services
Lori Nezhura, PPD
Mona Stolz, PPD
Tae Kang, PPD
Kristen Trimarche, PPD
Renee Alexander, PASD
Clarita Cortez, PPD
Jorge Cortez, School Support Services
Suzan Donald, PPD
Karen Henderson, Research & Policy Analysis

AICCU (Associate of Independent California Colleges and Universities)
CCC (California Community College)
CSU (California State University)
HS (High School)
K-12 (Kindergarten – 12th grade)
PASD (Program Administration and Services Division)
PI (Proprietary Institution)
PPD (Program Policy and Development Branch)
UC (University of California)

1 Roll Call was taken and a quorum was not recognized.

2 Chairperson Lindsey began the meeting by asking everyone to introduce themselves
3 and state their years of experience, etc. During this time, Member Bonnel arrived and it was
4 noted that a quorum now existed.

5 **TAB 1 – COMMITTEE CHAIR’S REPORT**

6 Chairperson Lindsey discussed the number of new Commissioners and that the
7 Commission has a new staff counsel. Executive Director Fuentes-Michel stated that Kerri
8 Tippins is the Commission’s new staff counsel and that she has extensive experience working
9 at the State level. Chairperson Lindsey reported that the Commission passed a motion to
10 support continued funding of the Competitive Cal Grant Program. Chairperson Lindsey stated
11 she would like to discuss how the Chair and Vice Chair of the Grant Advisory Committee (GAC)
12 works with CSAC staff at the next GAC meeting. Since electing a new Chair is scheduled for
13 October, it would be helpful for GAC members to know how the process works. Because of
14 possible quorum concerns, Chairperson Lindsey stated that some of the Agenda Tab items will
15 be moved. Member Graham Chairperson also made two announcements: 1) Cathy Thomas’
16 (a former GAC member) husband passed away and 2) the Western Region of the College
17 Board recognized Cash for College as their Distinguished Service Award recipient.

18 **TAB 2 – EXECUTIVE DIRECTOR’S REPORT**

19 Executive Director Diana Fuentes-Michel began by thanking the Western Region of the
20 College Board for supporting Cash for College, and she was pleased to announce progress on
21 assigning federal funds for funding Cash for College in the future.

22 Executive Director Fuentes-Michel indicated that she had testified to the Legislature
23 regarding the Competitive Cal Grant Program and she is hopeful the program will continue. She
24 continued by discussing the impact of the sale of EDFUND including detangling services, and
25 that the Commission will not be co-locating with EDFUND when they move. Executive Director
26 Fuentes-Michel also discussed the latest information regarding the State’s budget problems

1 including the Commission's budget reduction and staffing issues. She finished her report by
2 stated that the Commission would be conducting a Strategic Planning Meeting on March 27,
3 2008, and that the Commission will continue to move forward with continued focus on students.

4 **TAB 3 – APPROVAL OF MINUTES**

5 On **MOTION** by Member Bowles, **SECONDED** and **CARRIED**, the GAC approved the
6 minutes of the June 16, 2006 GAC teleconference meeting, as amended.

7 On **MOTION** by Member De La Garza, **SECONDED** and **CARRIED**, the GAC approved
8 the minutes of the October 18, 2007 GAC meeting.

9 On **MOTION** by Member Pace, **SECONDED** and **CARRIED**, the GAC approved the
10 minutes of the October 19, 2007 GAC meeting, as amended.

11 On **MOTION** by Member Gutierrez, **SECONDED** and **CARRIED**, the GAC approved the
12 minutes of the January 16, 2008 GAC teleconference meeting, as amended.

13 **TAB 4 – OVERVIEW OF ADMINISTRATIVE PROCEDURES FOR COMMITTEE** 14 **MEMBERS**

15 Kristen Trimarche and Mona Stolz discussed administrative procedures for GAC
16 members relating to travel, recording etiquette, teleconference information, and restaurant
17 choices in Rancho Cordova.

18 **TAB 5 – CONSIDERATION OF THE GOVERNOR'S PROPOSED ELIMINATION OF** 19 **THE COMPETITIVE PROGRAM AND THE EFFECTS OF THE GOVERNOR'S** 20 **PROPOSAL ON THE ADMINISTRATION OF THE CAL GRANT COMPETITIVE** 21 **PROGRAM**

22 Chief Catalina Mistler started the discussion of this Tab Item by stating that the
23 Governor's proposed budget includes the elimination of the Competitive Cal Grant Program.
24 Because of this proposal, CSAC staff had to decide if they should continue to run the normal
25 award cycle and how to inform the students of the situation, etc. CSAC staff sought feedback
26 from some stakeholders who consensually felt the Commission should continue to run the

1 Competitive award cycle and to make sure potential recipients were notified that the program
2 could be eliminated. Therefore, CSAC staff prepared a draft postcard that would be sent to
3 potential recipients. Chief Mistler asked the GAC for their feedback on the language of the
4 postcard. A lengthy discussion followed including the possibility of removing student names
5 from the institutions' rosters, confidentiality issues of the content of the postcard, other methods
6 of notification, and ensuring students were aware of other financial aid opportunities.

7 John Bays stated it might be possible to use the N/A code on the rosters for the
8 Competitive applicants. After further discussions, Member Graham made a motion to run the
9 Competitive A and B awards, N/A code those students on the rosters, and send the postcard
10 that has been modified to protect student privacy. The motion also stipulated that the
11 Commission would not send any communication to non-eligible applicants. Member Bossio
12 seconded the motion. The motion was passed with one abstention (Member Bonnel).

13 **TAB 6 – CONSIDERATION OF AT-RISK INSTITUTIONS CRITERIA**

14 Gloria Falcon provided a brief summary of research that had been conducted and
15 information found from the Department of Education on at-risk institutions. Ms. Falcon stated
16 that she recently attended a quarterly meeting of the California Partnership, sponsored by the
17 Department of Education and chaired by Linda Henderson. This group shares information
18 about challenged schools. Ms. Falcon said that from the research she conducted on this
19 subject, she found that some for-profit institutions and a few nonprofit institutions that are now
20 closed have not repaid the Commission the funds they have used. Ms. Falcon indicated that
21 the Commission has identified four considerations: (1) utilizing the Commission's
22 Postsecondary Education Participants System (PEPS) to identify "at-risk" institutions; (2) using
23 the lack of administrative capability and financial stability as the criteria to identify "at-risk"
24 institutions; (3) checking only private non-profit and for-profit institutions since research
25 indicated these segments lead in the number of deficiencies in the areas of administrative
26 capability and/or financial stability; and (4) placing applicable segments on a reimbursement

1 program until cleared. After some discussion, Chairperson Lindsey requested staff review some
2 scenarios and possible options on implementation of a reimbursement program for these
3 institutions and bring the information to the next GAC meeting.

4 Following a break, Commissioner Hernandez recommended that since there is a long
5 gap between GAC meetings, that staff prepare a chart of action items with their status to help
6 stay on track.

7 **TAB 7 – WORKGROUP UPDATES AND RECOMMENDATIONS**

8 **TAB 7.a – Prioritization of 2008 Workgroups**

9 Member Bonnel moved at the last teleconference meeting that GAC set priorities and
10 not add additional priorities due to the lack of adequate resources. Chair Lindsey indicated that
11 the agreed upon priorities were; (1) Cal Grant data analysis (SEARS and student expense
12 budgets); (2) Cal Grant account maintenance and annual interest earnings. If there were
13 additional resources, GAC would go back and look at the rest. Additionally, GAC discussed Cal
14 Grant C, selection criteria, and non term-based workgroups. Member Holland had stated in an
15 earlier teleconference meeting that his workgroup, non term-based workgroup, required no
16 further work for staff or GAC and he would be ready to make a recommendation at the May
17 GAC meeting. Member Bonnel stated he would like to see the notes from the December
18 meeting regarding non term-based programs because it does impact some community colleges
19 and he would like to be involved in discussions concerning this workgroup.

20 Chair Lindsey asked that GAC prioritize the three active workgroups. Member Bonnel
21 made a motion with the following priorities for this year: 1) SEARS student expense survey, 2)
22 Cal Grant interest calculation, and 3) non term-based Cal Grant payments. Member De La
23 Garza seconded the motion. The motion passed.

24 **TAB 7.b – Cal Grant Data Analysis**

25 **TAB 7.b.1 – Student Expenses and Resources Survey (SEARS)**

26 **TAB 7.b.2 – Student Expense Budgets**

1 Workgroup Leader Jeffery questioned, due to the current budget climate and technology
2 changes, whether or not conducting another SEARS is warranted. Member Jeffery reported a
3 summary and recommendation from what the Workgroup had discussed the previous day. After
4 further discussion, Member Jeffery made a motion that starting with academic year 2009-10, the
5 Commission collect estimates of the expenses for the total standard student expense budgets
6 that campuses will use to award Cal Grants in the following year. The Commission will modify
7 the college cost estimate form on which campuses currently provide estimates of fees and on-
8 campus room and board expenses in order to collect expense information. The Commission
9 will use the estimates that campuses provide to make preliminary awards. If no updated
10 estimates are available, the Commission will use the most recent campus expense budget
11 information available. Member Bonnel seconded the motion. The motion passed.

12 Member Jeffery made a motion for the Commission to modify the G-21 form to include
13 an additional item where campuses can enter the campus student expense budget that applies
14 to the particular student and where they can indicate whether that expense budget involved a
15 professional judgment adjustment or represents the standard campus budget for that particular
16 category such as standard commuter, on-campus, or off-campus budget. Member De La Garza
17 seconded the motion. The motion passed.

18 Member Jeffery made a motion that the Commission issue an Operations Memo that
19 clearly describes the current interim process that campuses should use to establish or withdraw
20 a Cal Grant for an applicant whose eligibility is affected by a difference in the actual campus
21 expense budget used to determine eligibility and the expense budget the Commission used in
22 making the student's preliminary award. Member De La Garza seconded the motion. The
23 motion passed.

24 Member Jeffery stated that GAC members would be checking with their institutions to
25 gather some more information about the level of interest in using the SEARS information.
26 Additionally, CSAC staff will be checking their history to see why it is so important to the

1 Commissioners to have early January awarding. Additionally, CSAC staff will check with
2 stakeholders on the impact to students if awarding did not occur until late February or March,
3 etc.

4 **TAB 8 – CONSIDERATION OF THE INTERNAL AUDIT BY THE DEPARTMENT OF**
5 **FINANCE ON CAL GRANT PROGRAM NEW APPLICANT ELIGIBILITY FOR AWARD**
6 **YEAR 2006-07**

7 Chief Catalina Mistler gave a summary of the findings from an internal audit conducted
8 by the Department of Finance on Cal Grant Program new applicant eligibility for award year
9 2006-07. There were six findings.

10 One finding addressed the requirement for the use of GPAs for the Competitive Cal
11 Grant B Program. Based on the language in the California Education Code it was determined
12 that, except for community college GPAs, the college GPA is not to be used for Competitive Cal
13 Grant B awarding. This finding is due to an error in the statute and staff are working to obtain a
14 correction. This will take time and processing has to continue according to the audit finding.
15 Therefore, the system is being changed to not accept college GPAs for the Competitive Cal
16 Grant B program.

17 Chairperson Lindsey expressed concern about the need to inform the institutions, so
18 they in turn can inform students. Some institutions track their students and make estimates
19 based on receiving a Cal Grant. Chief Catalina Mistler reported that a simulation of this change
20 indicated that less than one percent of the students would have been adversely affected
21 compared to using the college GPAs. Member Gutierrez cautioned that it would create more
22 concern and confusion for the institutions and more work for the Commission to try to notify all
23 the schools, when only a small number of students would be affected. Member Graham
24 disagreed and felt that if there were changes in the selection criteria, then the institutions should
25 know about it. Member Bonnel expressed concern that this change would affect the CSUs
26 more because the other segments auto-select for Cal Grant A, not B. Member Gutierrez said

1 that for the CSU, this doesn't mean that there will be fewer Competitive Cal Grant B recipients,
2 just that it would be a slightly different group. Member Gutierrez made a motion that GAC
3 recommends that CSAC staff not communicate to schools that the "college GPA" will not qualify
4 an applicant for consideration for a 2008-09 Competitive Cal Grant B, in recognition of the fact
5 that CSAC is pursuing a statutory remedy. Member De La Garza seconded the motion. Motion
6 passed with 3 Nays (Members Bonnel, Graham, and De La Garza) and one abstention
7 (Member Douglass).

8 **TAB 9 – PROGRAM ADMINISTRATION AND SERVICES DIVISION UPDATES**

9 **TAB 9.a – Cal Grant Operations**

10 Time did not allow for this update.

11 **TAB 9.b – Specialized Programs**

12 Time did not allow for this update.

13 **TAB 9.c – School Support Services**

14 Time did not allow for this update.

15 **TAB 9.d – Student Support Services**

16 Thea Pot Van-Atta provided a brief on-line demonstration of the new home portal for
17 WebGrants for Students.

18 **TAB 9.e – Program Policy and Development**

19 Time did not allow for this update.

20 **TAB 9.f – Business System Integration**

21 Time did not allow for this update.

22 **TAB 10 – PUBLIC AFFAIRS UPDATE**

23 Time did not allow for this update.

24 **TAB 11 – GRANT DELIVERY SYSTEM (GDS) PHASE II UPDATE**

25 Time did not allow for this update.

26 **TAB 12 – STATE AND FEDERAL LEGISLATIVE UPDATE**

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Time did not allow for this update.

Member Graham requested the topic of the GAC's role as it pertains to the Commission's process with other stakeholders be added as a future agenda item. Chairperson Lindsey stated the role the advisory committee would be noted for a future agenda item.

There being no further business, the meeting of the Grant Advisory Committee was adjourned at 4:07 p.m.

MARY LINDSEY
GRANT ADVISORY COMMITTEE CHAIR

**CALIFORNIA STUDENT AID COMMISSION
GRANT ADVISORY COMMITTEE MEETING**

10834 International Drive
Rancho Cordova, CA 95670

**MINUTES
May 15, 2008**

A meeting of the Grant Advisory Committee was held on Thursday, May 15, 2008, in Conference Room A at the CSAC South Building.

ADVISORY COMMITTEE MEMBERS:

Mary Lindsey, Chair, PI
Daniel Friedlander, Commission Liaison
(Alternate)
Timothy Bonnel, CCC
Lora Jo Bossio, UC
Marco De La Garza, CCC
Lisa Douglass, AICCU
Catherine Graham, AICCU
Frederick Holland, PI*
Julia Ibanez, CSU (Alternate)
Kate Jeffery, UC
Dean Kulju, CSU
Louise McClain, K-12 (Alternate)
Coleetta McElroy, CASFAA
Sally Pace, K-12
Ricardo Tejada, AICCU

John Bays, Chief, Information Technology
Janet McDuffie, Chief, Federal Policy & Programs
Catalina Mistler, Chief, PASD
Steve Caldwell, Manager, Program Administration
Bryan Dickason, Manager, Cal Grant Operations
Gloria Falcon, Manager, PPD
Cheryl Lenz, Acting Manager, Communication &
Public Affairs
Thea Pot-Van Atta, Manager, Student Support
Services
Ruben Romero, Manager, Research & Policy
Analysis
Renee Alexander, PASD Liaison
Clarita Cortez, PPD
Suzan Donald, PPD
Tae Kang, PPD
Lori Nezhura, Governmental Relations
Mona Stolz, PPD

STAFF:

AICCU (Association of Independent California Colleges and Universities)
CASFAA (California Association of Student Financial Aid Administrators)
CCC (California Community College)
CSU (California State University)
HS (High School)
K-12 (Kindergarten – 12th grade)
PASD (Program Administration and Services Division)
PI (Proprietary Institution)
PPD (Program Policy and Development Branch)
UC (University of California)

1 A quorum was recognized and Chairperson Lindsey called the meeting to order.

2 **TAB 1 – COMMITTEE CHAIR’S REPORT**

3 Chairperson Lindsey discussed the number of new Commissioners and indicated that
4 the Commission has a new Chair – Dennis Galligani. She also recognized the presence and
5 participation of Commissioner Friedlander. She discussed recent changes in the Commission’s
6 staffing, the Commission’s moving plans, and the fact that staff’s highest priority will be
7 delivering grants to students. Chair Lindsey recognized the Commission staff’s hard work and
8 dedication. She also summarized the decision made at the last meeting to hold one-day
9 meetings rather than two days as has been past practice. Decisions were yet to be made on
10 August or October meetings. During discussions at the last meeting related to the Competitive
11 program, GAC recommended that CSAC staff run the Competitive awards and select the
12 students who would potentially benefit from Cal Grant C. Staff would send Cal Grant C
13 Supplement forms to these students in case the Competitive program lost its funding. Member
14 Graham discussed the importance of regularly scheduled GAC meetings. Several members
15 discussed potential alternate locations. Staff indicated that the location and resources are
16 potential issues related to the workload involved in planning and carrying out GAC meetings.
17 Typical meetings take in excess of 200 hours to plan and administer. Staff will continue to seek
18 guidance, but will need to consider new ways of gathering input. Committee member McClain
19 reiterated her support for continued GAC meetings as did Commission Liaison Friedlander.
20 Member Jeffrey leads the SEARS workgroup. SEARS needs to be discussed on August.

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22 **TAB 2 – EXECUTIVE DIRECTOR’S REPORT**

23 Janet McDuffie, Chief, Federal Policy and Programs Division provided a summary of the
24 Governor’s May revision to the January budget as it affects the Commission. The Governor
25 postponed the sale of EDFUND until the 2009-10 state fiscal year. Several reasons were cited
26 for the postponement including; 1) changes at the federal level, 2) changes in the credit industry

1 that affect the student loan programs; and 3) the withdrawal of Bear Sterns as the sale-side
2 advisor (due to the buyout by JP Morgan Chase). The indication is that the Civil Service
3 positions assigned to EDFUND will remain with EDFUND at this point. Commission management
4 will communicate to staff who received layoff notices as necessary. The State Restriction of
5 Employment List gives employees with layoff notices enhanced priority for consideration for
6 other civil service opportunities.

7 The Commission is still subject to the 10 percent Governor's budget reduction in the
8 current year which represents a \$1.6 million reduction to our administrative budget. We
9 continue to evaluate the impact of the reductions on staff and our customers and service levels.
10 The \$1.8 million that had been budgeted for the transition due to the sale has now been
11 redirected to cover the Commission's move costs. The Commission's lease of the
12 headquarters building expires at the end of August, 2008. The South Building (10834
13 International Drive) is available to Commission staff through April 2009.

14 The May Revision upholds the January Budget proposal to eliminate funding for the Cal
15 Grant Competitive A and B awards. Renewals would continue to be funded, but no new awards
16 would be issued. The Legislature will have to consider the implications and decide whether or
17 not to restore the program's funding into the budget.

18 There is also a change in the funding source for our Cal Grant programs. An amount
19 equal to the funding provided for students who qualify for the Temporary Assistance for Needy
20 Families (TANF) program would be provided from the TANF block grant (through the
21 Department of Social Services) as maintenance of effort funding to satisfy federal requirement.

22 The federal College Access Challenge Grant will be used (\$330,000) to fund the Cash
23 for College program and funding will be provided to support the Cal SOAP program (\$7.4 million
24 with \$1 million set aside for career-technical education awareness) as well.

1 **TAB 3 – COMMISSION STAFF LIAISON REPORT**

2 Catalina Mistler, Chief of the Program and School Services Division indicated that the
3 Commission has offered 66,389 Cal Grant Entitlement awards which is approximately 12
4 percent higher than last year. Commission staff is processing appeals for students who did not
5 get their GPA in by March 2, due to circumstances beyond their control. Commission staff is
6 running the Cal Grant Transfer Entitlement award process and there have been 21,000 offers
7 which is approximately 32 percent ahead of last year. Each potentially eligible applicant will
8 receive a Transfer Entitlement Verification Form (G-6) which the student will need to complete
9 and return to the Commission for processing to determine final program eligibility. John Bays,
10 Chief of the Commission's Information Technology Division indicated that the Commission was
11 running the Competitive award process as well. The Commission will send postcards to the
12 Competitive students and worked with segmental representatives to develop the postcard.

13 The Commission has awarded approximately 3,200 students in the Chafee program and
14 continues to make awards to eligible students. Commission staff is working with the
15 Department of Social Services to seek additional funding for Chafee awards. Staff is creating a
16 roster that will allow the Commission to identify which students are actually still eligible for
17 Chafee so we can send funds directly to the school of attendance.

18 The SNAPLE program includes SNAPLE NF for nursing faculty (instructors) and
19 SNAPLE NSF for nurses who choose to work in state facilities. Commission staff must award
20 the SNAPLE allocations (100 for each program) by June 30, 2008. Commission staff has been
21 working with the Labor and Workforce Development Agency to help advertise for the programs
22 as well as the Board of Registered Nurses. Staff is requesting GAC members' assistance in
23 getting the word out about the SNAPLE NF and SNAPLE NSF programs.

24 The APLE program allocations for 2007-08 were reduced by 600 bringing the total
25 available for 2006-07 and 2007-08 to 7,200 allocations. The UC has exceeded their allocation

1 goal and the CSU is working on generating approximately 4,000 applications (Member Kulju).
2 The Committee discussed the process and the need to utilize the allocated awards.

4 **TAB 4 – APPROVAL OF MINUTES**

5 On **MOTION** by Member Bonnel, **SECONDED** by Member Pace and **CARRIED**, the
6 GAC approved the minutes of the February 21, 2008 GAC teleconference meeting, as
7 amended.

8 After some discussion, the Chair suggested that action on the minutes of the March 14,
9 2008, meeting be postponed to allow staff to add some detail related to the committee's
10 discussion about the internal audit conducted by the Department of Finance on Cal Grant
11 program eligibility for new awards and potential communication to the financial aid community.

13 **TAB 5 – WORKGROUP UPDATES AND RECOMMENDATIONS**

14 Member Holland provided an update from the Nontraditional-Based schools workgroup.
15 He will contact three or four schools to get actual student scenarios which he will provide to
16 Commission staff. Chair Lindsey and member Holland indicated that the goal would be to
17 optimize student financial assistance (and working to replicate the federal model).

18 Members Kulju and Graham provided an update from the Account Maintenance and
19 Annual Interest Calculation workgroup. Member Kulju was to work, through his segment, with
20 the Department of Finance (DOF) to clarify the methodology used to calculate average daily
21 balances and whether or not the methodology is consistent with the DOF decision. The CSU's
22 finance staff is planning to discuss the issue with the DOF staff. Member Kulju will report his
23 findings to Commission staff. If the CSU's updated information requires a change in the current
24 policy related to interest-bearing accounts, Commission staff will communicate the change to
25 the field.

1 **TAB 6 – CONSIDERATION OF AT-RISK INSTITUTIONS REIMBURSEMENT**
2 **PROGRAM**

3 Gloria Falcon, Manager of Program and Policy Development, briefly summarized the
4 changes that were discussed during the morning workgroup meeting. After some discussion by
5 the Committee related to at-risk institution, appeals, and the communications that would be sent
6 to schools as warnings. The Committee would like to see warning letters go out to the schools
7 prior to discontinuing Cal Grant advances. Staff indicated that they would send an Operations
8 Memo summarizing the Commission’s action (pending approval by the Commissioners in June)
9 and the process staff would use to carry out the Commission’s direction. The Operations Memo
10 would also explain the appeals process. PASD Division Chief Mistler agreed to contact the six
11 identified at-risk institutions to determine whether or not they have separate accounts for Cal
12 Grant funds.

13 On **MOTION** by Member Graham, **SECONDED** by Member De La Garza and
14 **CARRIED**, the GAC approved the following motion: *Option 1 – Under this method, the*
15 *Commission would release Cal Grant funds to the institution after the institution has verified a*
16 *student’s eligibility and has posted the requested payment to WebGrants. Under this option; 1)*
17 *The institution must maintain Cal Grant funds in a separate bank account, 2) The Commission*
18 *must verify eligibility and post payments (reimbursement) to WebGrants for eligible students; 3)*
19 *the Commission will approve disbursement of Cal Grant funds to the institution; and 4) the*
20 *institution must submit documentation within two weeks of disbursement that each student*
21 *received Cal Grant funds.*

1 **TAB 7 – CONSIDERATION OF COMMISSIONER’S DIRECTIVES: ADMINISTRATION**
2 **OF CAL GRANT PROGRAM AND ADDING ADDITIONAL POSITIONS TO THE**
3 **GRANT ADVISORY COMMITTEE**

4 Member Bonnel agreed to send all GAC members a link to the website containing the
5 Power Point presentation shown at CASFAA. Committee members were reminded to be careful
6 not to discuss the Power Point with other members to avoid Bagley-Keene violations.

7 PASD Division Chief Mistler agreed to visit local campuses for each segment to learn
8 more about what they do on campus and how to reduce duplicative workload. Member Jefferey
9 recommended bringing a list of all eligibility requirements to site visits. Member Holland offered
10 to help redesign a few of the Cal Grant letters – potentially through a design class on campus.

11 Chair Lindsey recommended a 2-3 hour teleconference in July to discuss the CASFAA
12 Power Point presentation and to help define the scope for the CSAC Power Point regarding
13 processing similarities and differences. Staff would share the Power Point presentation with
14 members for comment.

15 The Commission, concerned about GAC attendance and representation, requested that
16 student appointees have two alternates each to ensure student representation.

17 **TAB 8 – REVIEW OF ACTION ITEMS FROM MARCH 14, 2008 MEETING**

18 Commission staff agreed to contact GAC members to discuss the next meeting date,
19 location and potential for a teleconference meeting. Members offered various locations to
20 assist. The Committee Chair had hoped to discuss how the GAC Chair and Vice Chair will work
21 with Commission staff. This issue was deferred to a future meeting.

22 Commission staff is working on developing a survey to gather information relate to
23 SEARS and whether or not the SEARS is providing information needed by schools and
24 Commission staff. Commission staff also responded to questions related to the timing of the
25 Cal Grant Entitlement awards. Commission discussions related to the implementation of the
26 Entitlement program indicated that the Commissioners were informed that the Entitlement

1 awards could potentially be made as early as January. Discussion related to the roles and
2 responsibilities of GAC members would be postponed – potentially a subject for the October
3 planning meeting.

4 Member McClain initiated a discussion on the Cal Grant award letter and the non-user
5 friendly aspects of its appearance and content. Staff agreed, and would like to continue to work
6 on this issue. There have been questions as to whether or not the letter needs to go out and
7 whether or not school efforts duplicate the Commission’s letter. Information Technology Chief
8 John Bays responded indicating that the Commission is tied to the IBM Mainframe processing
9 system which is not flexible. Additionally, the total number of letters that are sent, over 100
10 different system-generated letters and the limited fonts and formatting available, make it difficult
11 to improve aesthetics.

12 Member Graham announced exciting news. Student member Ricardo Tejada received a
13 major scholarship and will be attending England’s Cambridge University in 2009 to earn a
14 Master’s Degree in Urban Planning, Regeneration and Growth.

15 There being no further business, the meeting of the Grant Advisory Committee
16 was adjourned at 5:30 p.m.

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MARY LINDSEY
GRANT ADVISORY COMMITTEE CHAIR

GRANT ADVISORY COMMITTEE
MOTION
MAY 15, 2008

Item	DATE	TAB	AGENDA TOPIC	MOTION	RESPONSIBLE	STATUS
1	5/15/2008	6	Consideration of At-Risk Institutions Reimbursement Program	<p>Option 1 – Under this method, the Commission releases Cal Grant funds to the institution after the institution has verified a student's eligibility and has posted the requested payment to WebGrants.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Institutions must maintain Cal Grant funds in a separate bank account <input type="checkbox"/> Institution must verify eligibility & post payments (reimbursement) to WebGrants for eligible students <input type="checkbox"/> Commission will approve disbursement of Cal Grant funds to the institution <input type="checkbox"/> Institution must submit documentation within two weeks of disbursement that each student received Cal Grant funds <p>Motion: Catherine Graham 2nd: Marco De La Garza APPROVED</p>	Gloria Falcon	
2	5/15/2008	4.a	Approval of Minutes	<p>Move to accept February 21, 2008, meeting notes.</p> <p>Motion: Tim Bonnel 2nd: Sally Pace APPROVED</p> <p>Louise McClain - abstained Ricardo Tejeda - abstained</p>	Gloria Falcon Suzan Donald	

GRANT ADVISORY COMMITTEE MEETING
ACTION ITEMS
05/15/08

GAC Meeting Item 5

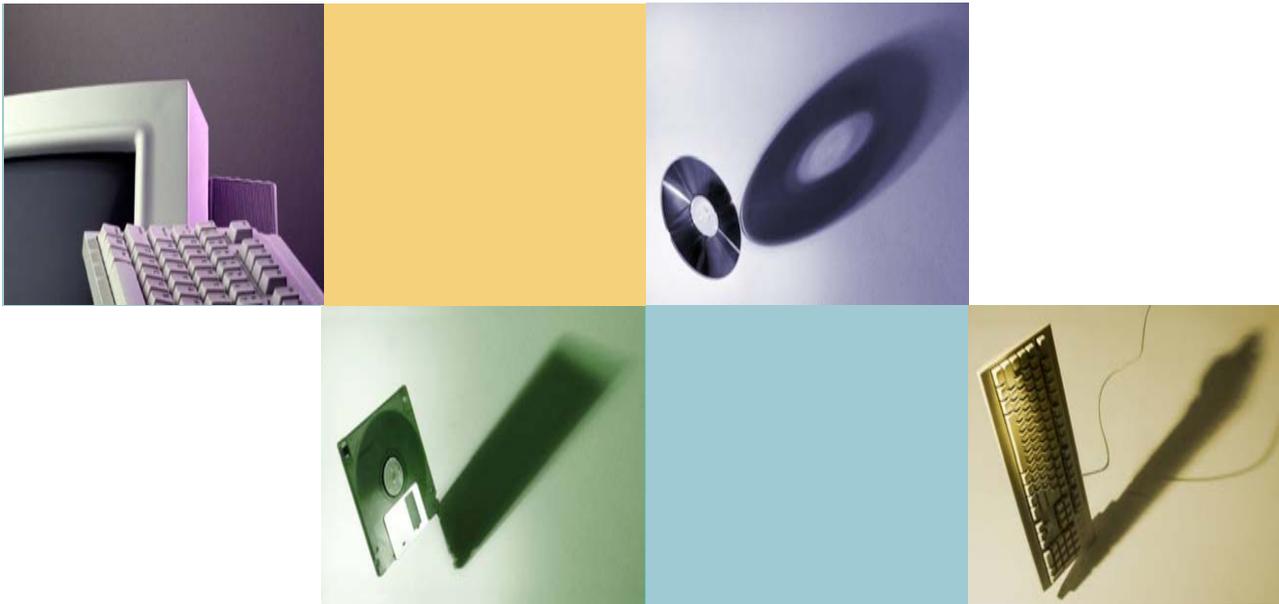
ITEM	DATE	TAB	AGENDA, PRESENTER	REQUESTED BY	ACTION ITEM	RESPONSIBLE	STATUS
1	05/15/08	4	Approval of Minutes	Chair Lindsey	Requested that the Action Chart be included with Minutes.	Suzan Donald Mona Stolz	
2	05/15/08	4	Approval of Minutes	Member Bonnel	Correct spelling of name on GAC materials from Bonnell to Bonnel.	Mona Stolz Suzan Donald	
3	05/15/08	4	Approval of Minutes	Chair Lindsey	Verify that all segments and attendees are listed on minutes cover page, as well as workgroup and meeting notices.	Mona Stolz Suzan Donald	
4	05/15/08	5a	Payment Period for Non-Traditional Based Schools	Member Holland	Contact 3 or 4 schools regarding payment period options, bring back response and provide samples to CSAC.	Member Holland	
5	05/15/08	5b	Cal Grant Account Maintenance & Annual Interest Calculation	Member Graham Member Kulju	Member Kulju will meet with Department of Finance and share his findings with Catalina. The findings may result in changing policy, FAQ's and sending out a GOM.	Member Kulju	
6	05/15/08	6	Consideration of At-Risk Institutions Reimbursement Program	Catalina Mistler	Contact 6 at risk institutions and determine if they have separate accounts for Cal Grant.	Catalina Mistler	
7	05/15/08	7a	Commission Directive: Administration of CG Program	Member McClain	Send all GAC members a link to the Web site containing the Power Point presentation shown at CASFAA . Members have to be careful not to discuss the Power Point amongst each other so as to not violate Bagley-Keene.	Member Bonnel	
8	05/15/08	7a	Commission Directive: Administration of CG Program	Member Bonnel	CSAC staff to perform site-visits at local colleges for every segment: local Community Colleges, CSU Sacramento, William Jessup, University of the Pacific, & UC Davis. This is to review duplicative efforts.	Catalina Mistler	

GRANT ADVISORY COMMITTEE MEETING
ACTION ITEMS
05/15/08

GAC Meeting Item 5

ITEM	DATE	TAB	AGENDA, PRESENTER	REQUESTED BY	ACTION ITEM	RESPONSIBLE	STATUS
9	05/16/08	7a	Commission Directive: Administration of CG Program	Member Jeffery	Recommends bringing a list of all eligibility requirements on site-visits.	Catalina Mistler	
10	05/15/08	7a	Commission Directive: Administration of CG Program	Member McClain	GAC member offered to help with the redesign of a few of the Cal Grant letters. It was mentioned that an example would be given to a design class as a project.	Member Holland	
11	05/17/08	7a	Commission Directive: Administration of CG Program	Chair Lindsey	Recommends a 2-3 hour teleconference in July for GAC to discuss CASFFAA powerpoint and to help define scope for CSAC power point regarding similarities and differences.	Gloria Falcon Mona Stolz Suzan Donald	
12	05/15/08	7a	Commission Directive: Administration of CG Program	Member McClain	Share copy of CASFFAA Power Point to GAC members regarding similarities and differences between CSAC and the institutions.	Mona Stolz Suzan Donald	
13	05/13/08	7b	Commission Directive: Adding Additional Positions to GAC	Gloria Falcon	Request that student appointments have two alternates to ensure attendance.	Mona Stolz Suzan Donald	
14	05/15/08	8	Review of Action Items from 03-14-08	Gloria Falcon	Contact GAC members to discuss next meeting date, location and possibly making it a teleconference. Member Bonnel offered the use of CCC Confer and Lisa Douglass offered use of their conference room.	Gloria Falcon	
15	05/15/08	8	Review of Action Items from 03-14-09	Gloria Falcon	Member Holland offered to have students from his school design a few Cal Grant letters like CAR and Award letters.	Bryan Dickason	

Similarities & Differences



Federal & State Delivery Systems

Presented By

CASFAA

California Association of Student Financial
Aid Administrators

CCCSFAAA

California Community Colleges Student
Financial Aid Administrators Association

CLFE

California Lenders for Education



Agenda

1. Overview of Delivery Systems

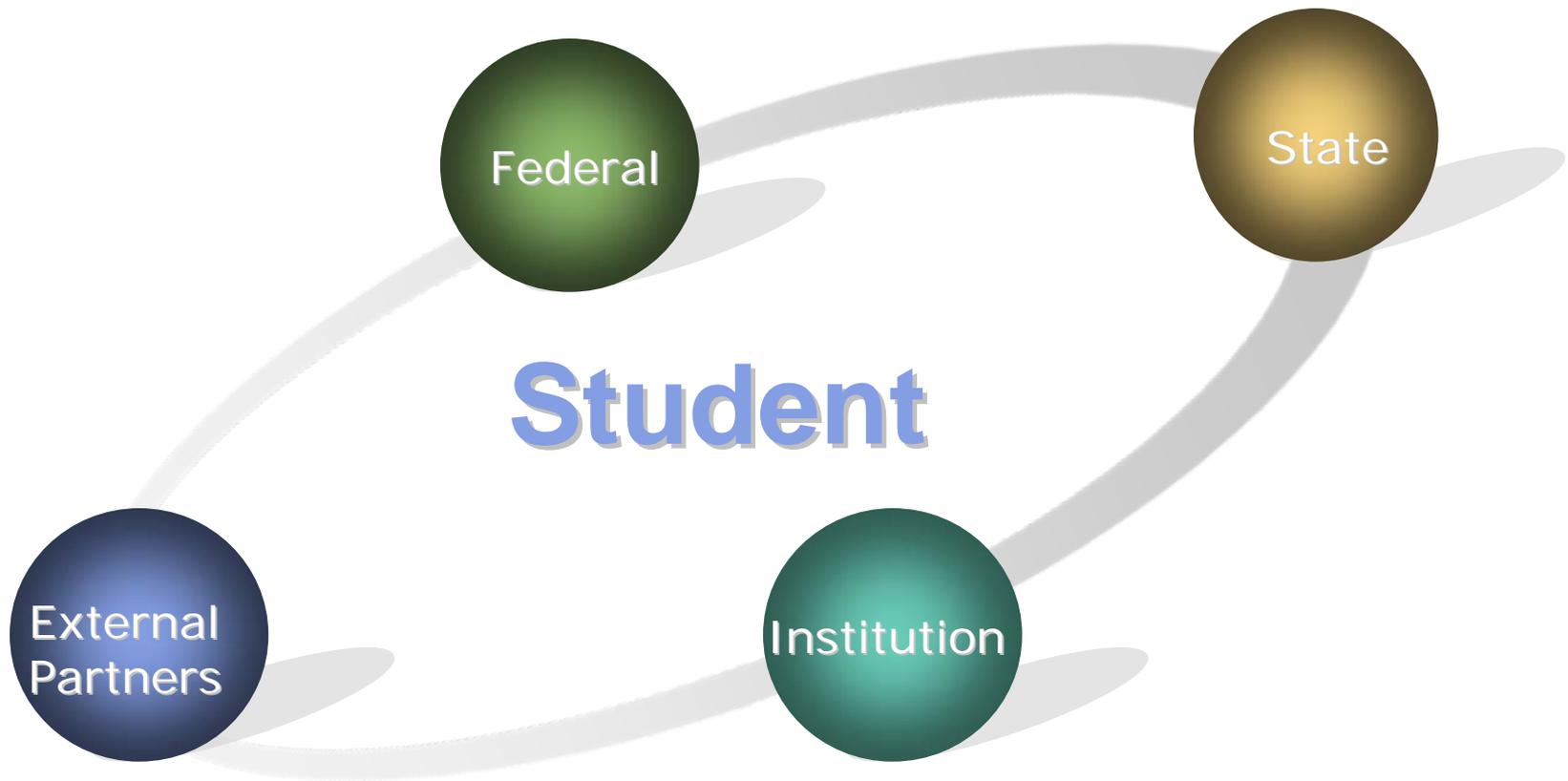
2. Delivery Systems Similarities

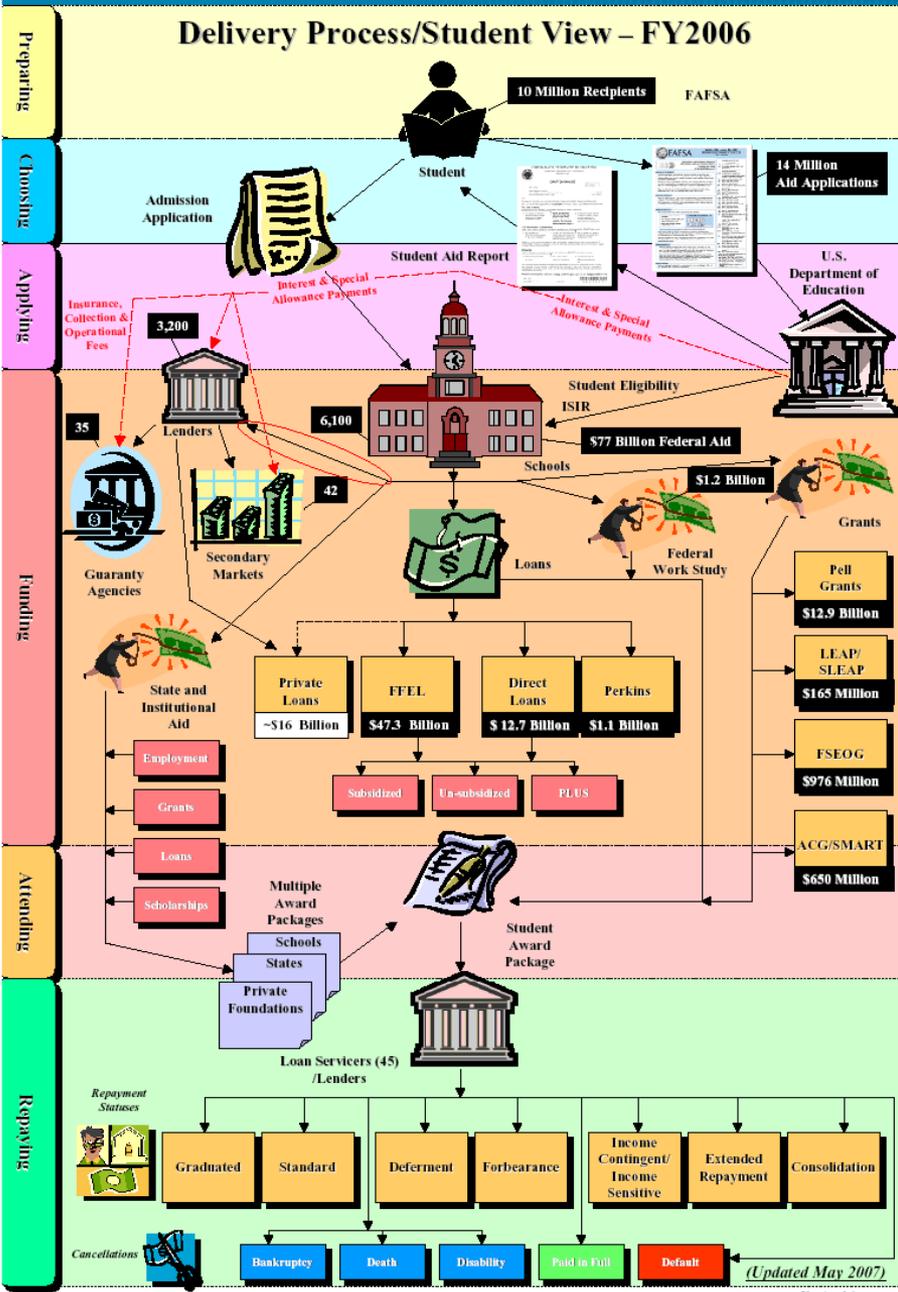
3. Delivery Systems Differences

4. Duplication of Processes



Overview Delivery Systems





Delivery Systems Similarities

FEDERAL

Uses
student and
parent
information
from FAFSA
application

STATE

Uses
student and
parent
information
from FAFSA
application



Delivery Systems Differences

FEDERAL

FAFSA
information
updated by
student or
school
throughout
the academic
year

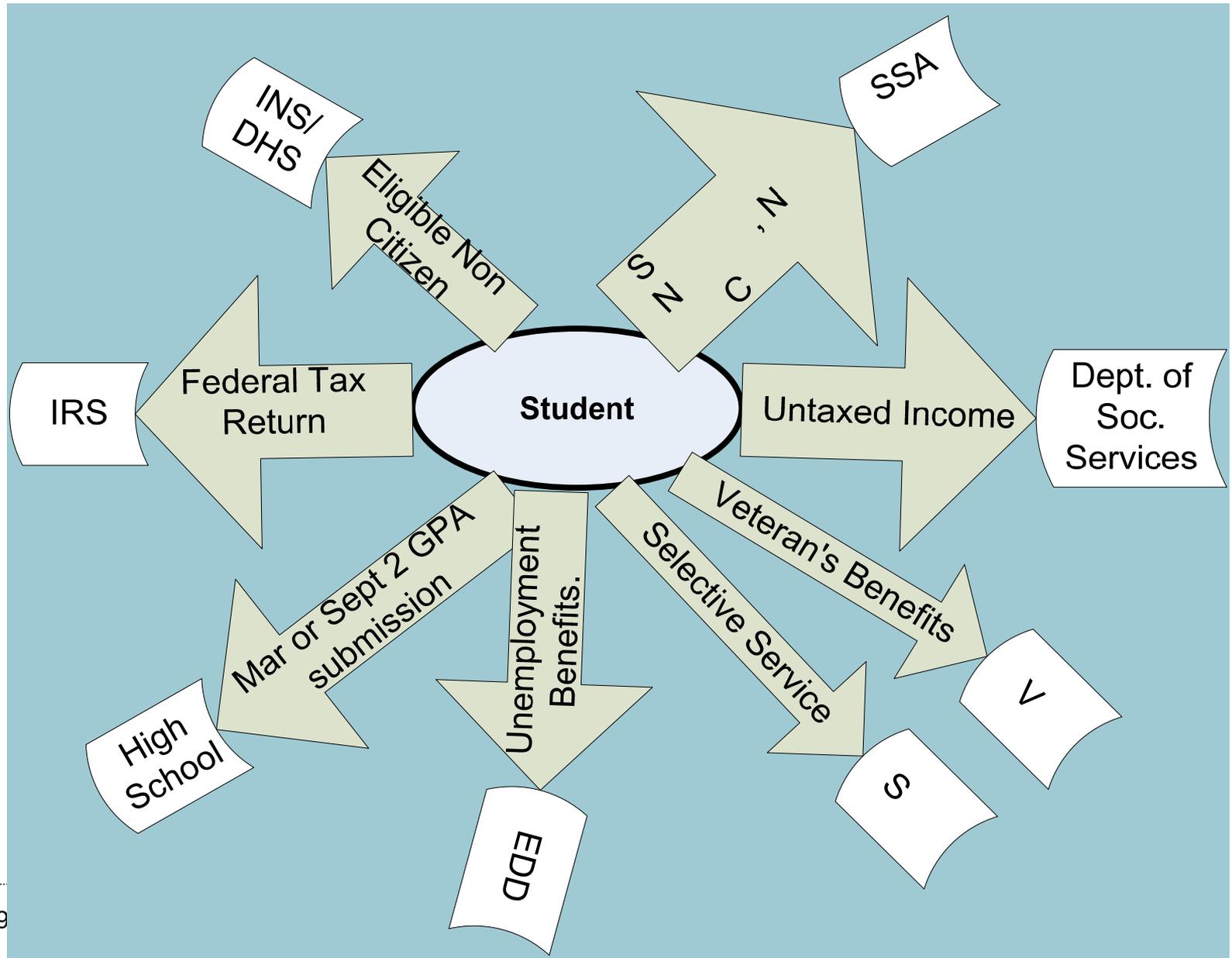
STATE

Uses FAFSA
data through
March 2 only* -
misses student
or school
corrections
made during
verification
process

* Cal Grant September 2nd deadline

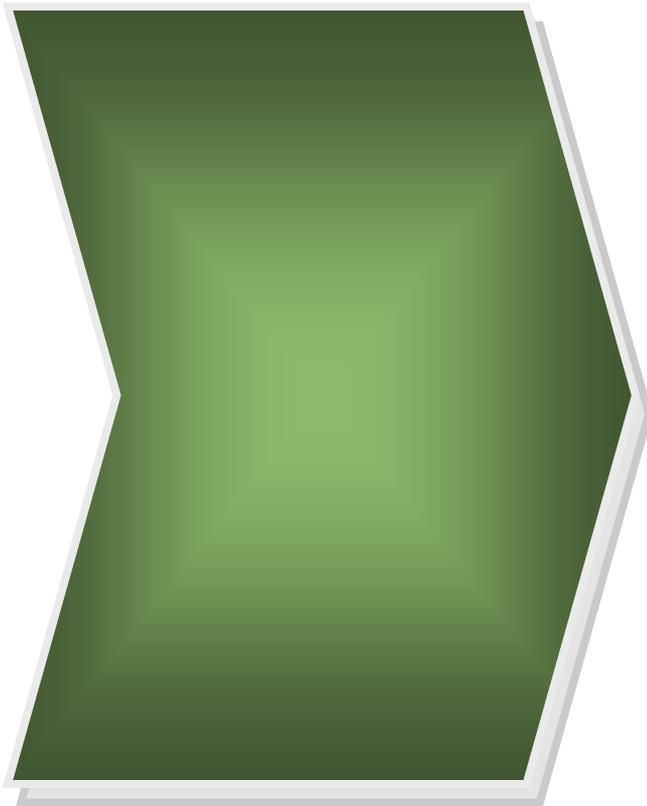


Student Verification Process



Delivery Systems Differences

FEDERAL



STATE

Cal Grant
requires
separate
additional GPA
and high
school
graduation
verification



Delivery Systems Differences

FEDERAL

Provides **FREE** FAM software or schools purchase FAM software from third party built to specifications provided by the Dept. of Education

STATE

CSAC does **NOT** provide free FAM software - WebGrants requires manual data entry, or schools to program their systems to extract data file to send to CSAC

* FAM = financial aid management software



What is FAM?

Financial Aid Management System

FAM is third-party system purchased by an institution to create information & reporting system between the campuses and governmental agencies

* FAM = financial aid management software

Banner

Datatel

PeopleSoft



Delivery Systems Differences

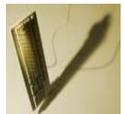
FEDERAL

U.S. Dept of Education uses COD* system which FAM vendors have built into its system to send and receive data

STATE

No Cal Grant processing built into FAM software unless school or vendor purchases programming

* Common Origination and Disbursement



Delivery Systems Differences

FEDERAL

COD processes
files within
hours

STATE

Cal Grant
payment data
is processed
twice per
month



Delivery Systems Differences

FEDERAL

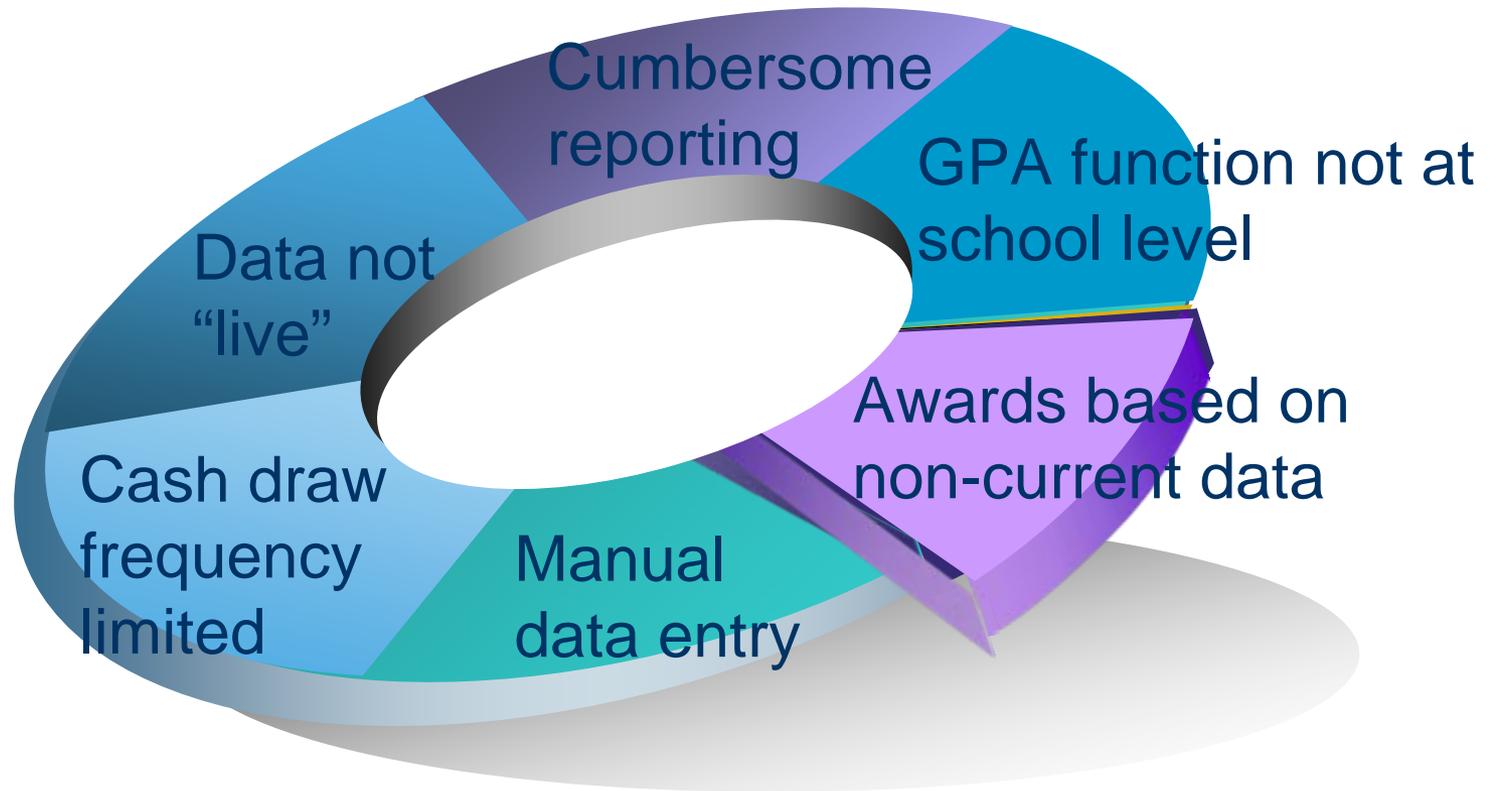
Federal Pell
Grant funds
ordered on
demand
through GAPS

STATE

Cal Grant funds
delivered twice
per month by
the State
Controller



Summary of Differences



Student Completes FAFSA



CSAC



CAMPUS

Step ONE:

CSAC
draws
down
FAFSA
data
(ISIR)

CSAC
Determines
Student
Cal Grant
Eligibility

Student Budget
(Minus) EFC
(Equals) Financial Need
(Equals) Eligibility for Cal
Grant Entitlement Award

Step ONE:

Campus
draws
down
FAFSA
data
(ISIR)

Campus
Determines
Student
Cal Grant
Eligibility

Student Budget
(Minus) EFC
(Equals) Financial Need
(Minus) Pell Grant
(Equals) Eligibility for Cal
Grant Entitlement Award



Student Award Notification

CSAC

CAMPUS

Step TWO:

CSAC sends student Cal Grant Award Letter (CAR)

Cal Grant Award (Entitlement or Competitive)

OR

Cal Grant Ineligible Letter

Dear Student,
Congratulations you have received a
CAL GRANT

Step TWO:

Campus sends student Award Letter

Cal Grant Award (if eligible) **AND**

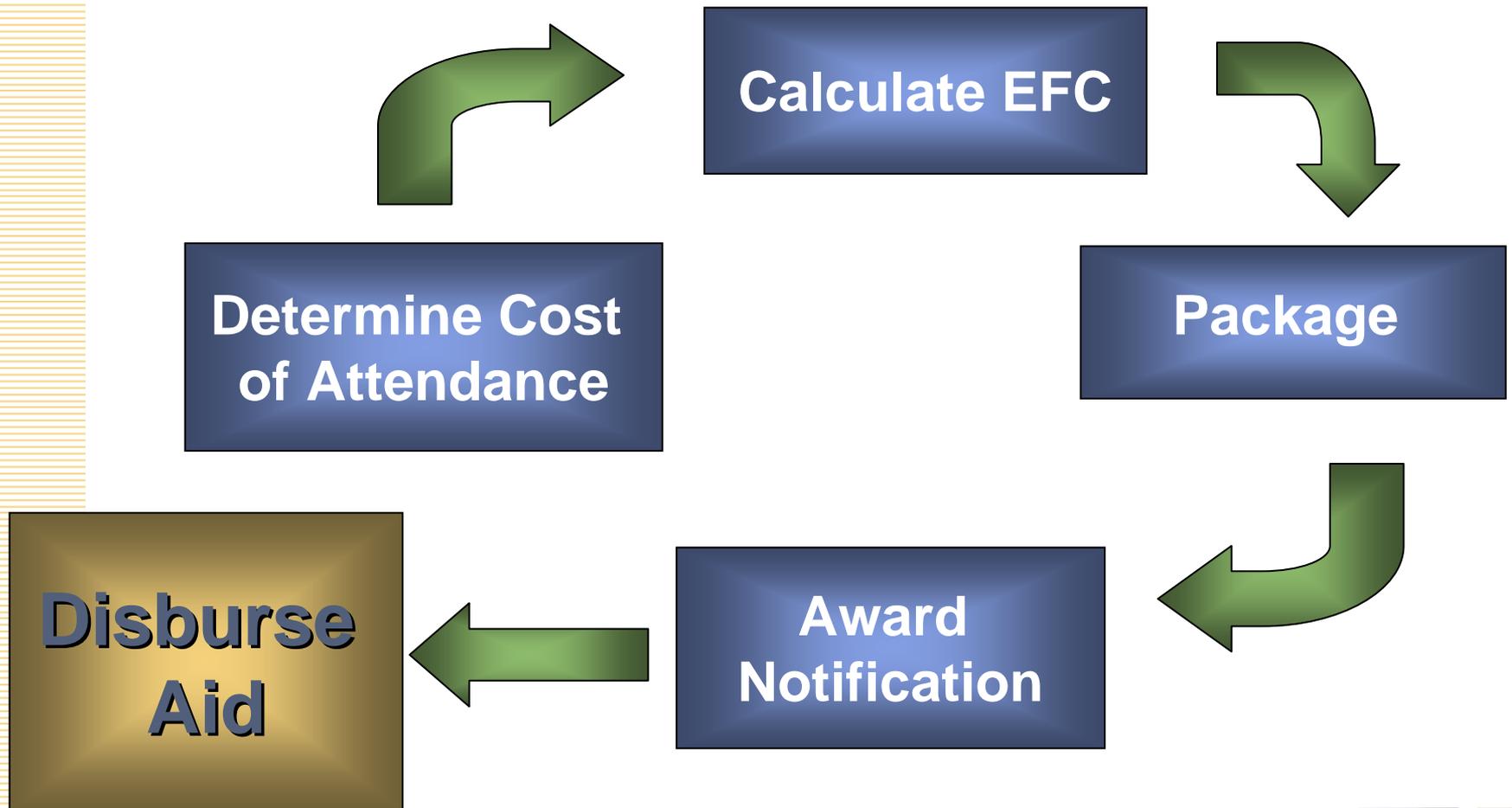
ALL OTHER FINANCIAL AID AWARDS

Dear Student,
Congratulations you are offered the following financial aid for the academic year:

**CAL GRANT
PELL GRANT
SEOG
STAFFORD LOAN**



Getting the \$\$\$ To The Student



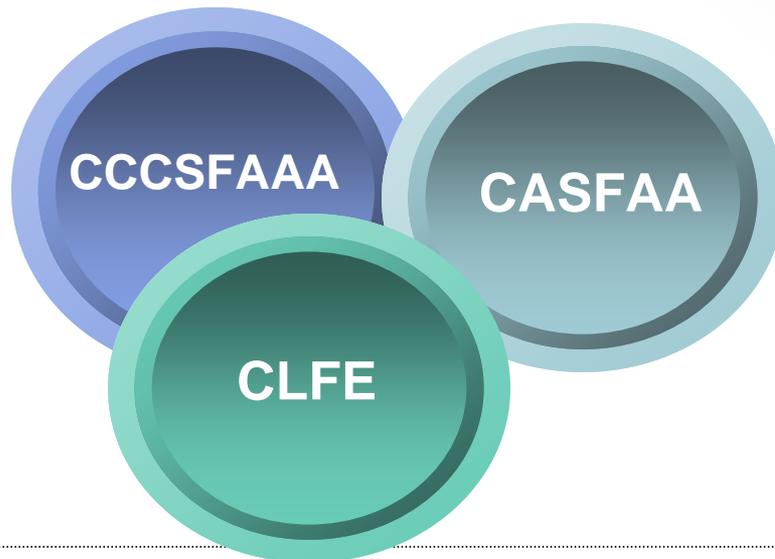
What If Cal Grants Could...

- Mirror Federal aid's move towards simplification
- Eliminate CA data elements on the FAFSA
- Continue to accept Federal process as accountable and responsible
- Compliment rather than duplicate the Federal system
- Be more technologically integrated with institutional FAM system



Shared Goal

**To continue our work towards
improving the financial aid process
for the student**



Thank You

CASFAA

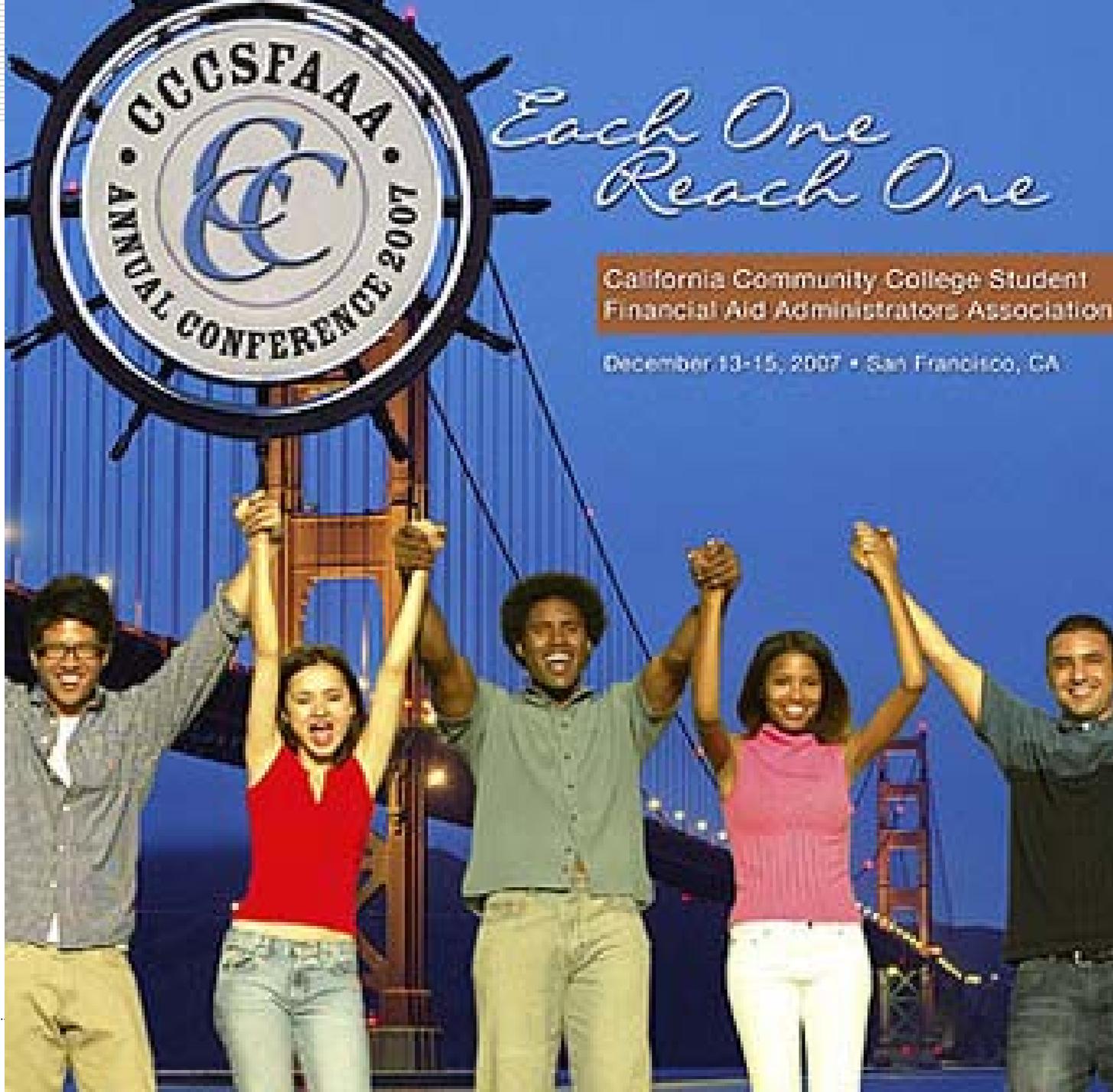
CCCSFAAA

CLFE



December 13 – 15

San Francisco



*Each One
Reach One*

California Community College Student
Financial Aid Administrators Association

December 13-15, 2007 • San Francisco, CA

You're Invited

December 15 – 17

San Francisco

