

**CALIFORNIA STUDENT AID COMMISSION
P.O. Box 419029
Rancho Cordova, CA 95741-9029**

**AMENDMENT TO TITLE 5, DIVISION 4, CHAPTER 1, CA CODE OF
REGULATIONS REGARDING THE CAL GRANT PROGRAM AND THE
CAL GRANT ALTERNATIVE DELIVERY SYSTEM PILOT PROGRAM
(EDUCATION CODE §§ 69430-69460)**

PROPOSED TEXT

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Text to be deleted is displayed in ~~strikeout~~ type.

ARTICLE 1. DEFINITION OF CERTAIN TERMS

§ 30000. Academic Year.

For Cal Grant A and B an academic year means two semesters or three quarters or their equivalent within a 12-month period. An academic year may include a summer quarter in those colleges which maintain a summer quarter comparable to either the fall, winter or spring quarters. For Cal Grant C an academic year means a period of time usually eight or nine months during which a full-time student would normally be expected to complete the equivalent of two semesters, two trimesters, or three quarters of instruction.

Note: Authority cited: Section ~~69433.7~~69544, Education Code. Reference: Sections ~~69432.7, 69432.9, 69500-69515~~ and ~~69530-69547~~, Education Code.

§ 30001. Grant Recipient.

A grant recipient is a person who has successfully met all of the requirements set forth in Education Code Sections 69434, 69435.3, 69436, 69437.6~~69530 to 69547~~, who has been selected for a grant by the ~~California Student Aid Commission or pilot school~~, and who has accepted the grant in terms of attending a qualifying institution ~~school or college to which he has been admitted~~.

A Cal Grant A grant recipient whether entitlement or competitive, as defined in Education Code Section 69434 and 69436~~69532~~ 69437, 69437.6 may utilize a grant for tuition and fees as in Education Code Section 69434 and 69437.5~~69536~~; a Cal Grant B grant recipient whether entitlement or competitive, as defined in Education Code Section 69435 and 69435.3 69436, 69437.6~~69532~~, may utilize a grant for tuition, fees and subsistence as in Education Code Section 69435 and 69437.5~~69538~~; a Cal Grant C grant recipient, as defined in Education Code Section 69439~~69532~~, may utilize a grant for

occupational or technical training for tuition and training-related costs as in Education Code Section ~~69439~~69539.

§ 30002. Eligible Applicant.

An eligible applicant is any person who has successfully met the requirements set forth in Sections ~~69530 to 69547~~, Education Code, and has submitted in proper form and prior to established deadlines such applications, supplements and grade point average transcripts of academic record, and financial and other information as the ~~California Student Aid Commission or pilot school~~ may direct.

Note: Authority cited: Section 69433.7 ~~69544~~, Education Code. Reference: Sections ~~69534 69536, 69538, 69539 and 69541~~, Education Code.

§ 30003. Full-Time Student.

A full-time, regularly enrolled undergraduate student is one who is regularly enrolled for a semester or quarter program of not less than 12 (twelve) credit hours or units or their equivalent.

§ 30004. Part-Time Student.

A part-time student is one who is taking 6-11 units or their equivalent. A student enrolled for 9-11 units or their equivalent is considered 3/4 -time and a student enrolled for 6-8 units or their equivalent is considered 1/2 -time.

§ 30005. Eligibility Limitations.

Undergraduate course means the first eight semesters or twelve quarters or their equivalent of full-time college attendance beyond the high school graduation and prior to a baccalaureate degree. Eligibility may be extended for two semesters or three quarters or their equivalent for students enrolled in a five-year undergraduate program.

Note: Authority cited: Section 69433.7 ~~69544~~, Education Code. Reference: Sections 69433.5, ~~69536 and 69538~~, Education Code.

§ 30006. Standards for Ability to Pay for Postsecondary Education.

The Commission shall adopt standards of measuring parental and student ability to pay

for postsecondary education and such standards shall be applicable to Cal Grant A, B, and C.

§ 30007. College Grade Point Average; Community College Grade Point Average.

(a) General.

- (1) "College grade point average" and "community college grade point average" mean a grade point average calculated on the basis of all college work completed, except for nontransferable units and courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree. A college grade point average or a community college grade point average must be computed for a minimum of 24 semester units or its equivalent regardless of the grade received.
- (2) "All college work completed" includes all coursework for which grades are known to the official reporting the grade point average and accepted for credit at the school reporting the grade point average regardless of the grade received.
- (3) It is the responsibility of the student applicant to have his or her college or community college report a grade point average.

(b) College Grade Point Average.

- (1) For purposes of computing a college grade point average by an institution that grants a baccalaureate degree, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are those courses which do not earn credit for a baccalaureate degree from the reporting institution.
- (2) For purposes of computing a college grade point average by a postsecondary institution that grants an associate degree, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are those courses which do not earn credit for an associate degree at the reporting institution.
- (3) For purposes of computing a college grade point average by a postsecondary institution that does not grant a baccalaureate or an associate degree:
 - (A) "non-transferable units" are those units which are not used in satisfying requirements for earning a baccalaureate degree from a California public institution of higher education that grants such a degree.
 - (B) "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" are any courses for which the earned grade is not used in the computation of a grade point average in determining admission eligibility, whether or not units earned for the course are transferable to such an institution.

(c) Community College Grade Point Average.

For purposes of computing a community college grade point average for a Cal Grant Award pursuant to the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, "nontransferable units" and "courses not counted in the computation for admission to a California public institution of higher education that grants a baccalaureate degree" mean all courses except "Associate Degree Credit Courses" as defined by Title 5, Chapter 6, Article 1, Section 55002(a) of the California Code of Regulations.

(d) Certification.

Every college grade point average and community college grade point average reported to the Commission shall include a certification under penalty of perjury to the best of his or her knowledge from the school official filing the report that the grade point average is accurately reported. The certification shall include a statement that it is subject to review by the Commission or its designee.

Note: Authority cited: Section 69433.7, Education Code. Reference: Section 69432.7(d), Education Code.

§ 30008. High School Grade Point Average.

(a) "High school grade point average" means a grade point average calculated on a 4.0 scale, using all academic coursework, for the sophomore year, the summer following the sophomore year, the junior year, and the summer following the junior year, excluding physical education, reserve officer training corps (ROTC), and remedial courses. However, for high school graduates who apply after their senior year, "high school grade point average" includes senior year coursework, excluding physical education, reserve officer training corps (ROTC), and remedial courses. Grade point averages shall only include the most recent grade for any course repeated by a student.

(b) "High School" means a secondary school accredited by the Western Association of Schools and Colleges (WASC), or another regional accrediting association if the secondary school is not in the WASC region, or which has a University of California approved course list. Applicants who do not have a grade point average from a high school shall provide a test score from the General Educational Development test (GED), the American College Test (ACT) or the Scholastic Aptitude Test (SAT).

(c) Every high school grade point average reported to the Commission shall include a certification under penalty of perjury from the school official filing the report that the grade point average is accurately reported to the best of his or her knowledge. The certification shall include a statement that it is subject to review by the Commission or its designee. It is the responsibility of the applicant to have his or her high school grade point average reported.

Note: Authority cited: Section 69433.7, Education Code. Reference: Section 69432.7(h), Education Code.

§ 30009. Qualifying Institution.

- (a) A "Qualifying Institution" means an institution as defined by Education Code section 69432.7(1).
- (b) An institution qualifying pursuant to section 69432.7(1)(1) must be participating in the Federal Pell Grant program and in at least two of the three federal campus-based programs specifically listed in subdivisions (A), (B) and (C) of that section. "Participating in federal campus-based programs" means the qualifying institution school has been allocated funds and is spending those funds at each California site which Cal Grant recipients attend.
- (c)(1) An institution qualifying pursuant to section 69432.7(1) (2) means a postsecondary nonprofit institution headquartered and operating in California which:
 - (A) certifies to the Commission that 10 percent of the institution's operating budget is expended for institutionally funded student financial aid in the form of grants; and
 - (B) demonstrates to the Commission that it has the administrative capacity to administer the funds; and
 - (C) is accredited by the Western Association of Schools and Colleges; and
 - (D) meets such other standards adopted by regulation by the Commission in consultation with the Department of Finance.
- (2) A regionally accredited institution that was deemed qualified by the Commission to participate in the Cal Grant Program for the 2000-01 academic year shall retain its eligibility as long as it maintains its existing accreditation status.
- (d) A qualifying institution or a specific site of an otherwise qualifying institution shall be deemed disqualified if it no longer possesses all of the requirements for a qualifying institution.
- (e) An institution that becomes disqualified pursuant to Part 600 of Title 34 Code of Federal Regulations shall not be a "qualified institution" pursuant to this section.
- (f) An institution disqualified pursuant to this section may become a "qualifying institution" by complying with Education Code section 69432.7 (1) and this section.

Note: Authority cited: Section 69433.7, Education Code. Reference: Section 69432.7(1), Education Code.

§ 30010. ADS Pilot Program.

“ADS Pilot Program” means the Cal Grant Alternative Delivery System Pilot Program authorized by Chapter 644, Statutes of 2009 (AB 187).

Note: Authority cited: Section 69452, Education Code. Reference: Section 69450,
Education Code.

§ 30011. Claim.

“Claim” means that a pilot school has informed the Commission that a particular eligible applicant has been admitted to a pilot school and that the pilot school will perform all of the pilot school responsibilities, notification and reporting requirements set forth in Section 30044 with respect to that eligible applicant.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452,
Education Code

§ 30012. Claiming Date.

“Claiming Date” means the date an eligible applicant must be claimed by a pilot school to invoke the correspondence blackout. For purposes of the ADS Pilot Program, the claiming date is April 1.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452,
Education Code.

§ 30013. Commission.

“Commission” means California Student Aid Commission.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452,
Education Code.

§ 30014. Correspondence Blackout.

“Correspondence blackout” means the period of time that the Commission will not contact potential pilot participants that have an Institutional Student Information Report (ISIR) indicating potential attendance at a pilot school.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452,
Education Code

§ 30015. Entitlement Participant.

(a) An Entitlement participant has been offered either a Cal Grant A Entitlement Award or a Cal Grant B Entitlement Award pursuant to Education Code Section 69434 and 69435.3, 66021.2, 69432.7, 69435;

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452, Education Code.

§ 30016. Transfer Entitlement Participant.

A Transfer Entitlement participant has been offered a California Community College Transfer Entitlement Award pursuant to Education Code Section 69436;

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69452, Education Code.

§ 30017. One Stop Shop.

Pilot schools must act as a One Stop Shop for student financial aid.

(a) The Pilot school must provide assistance to all students, parents, high school and community college counselors inquiring about Cal Grant awards and other student financial aid. This includes, but is not limited to:

- (1) information about the availability of Cal Grant awards;
- (2) requirements for Cal Grant awards; and
- (3) the amount of Cal Grant awards that may be available at other qualifying institutions in all segments of postsecondary education.
- (4) The qualifying institution shall also provide comparable information on federal and other student financial aid.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69450, 69454, Education Code.

§ 30018. Pilot Participant.

“Pilot Participant” means an Entitlement or Transfer Entitlement participant who was admitted to, and extended a Cal Grant award offer by, a pilot school.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452, Education Code.

§ 30019. Pilot School.

“Pilot school” means a qualifying institution approved by the Commission to participate in the ADS Pilot Program.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69452, Education Code.

ARTICLE 2. APPLICANT QUALIFICATIONS

§ 30020. Academic Record.

The Commission may establish minimum standards of academic achievement and potential and may adopt criteria for selecting grant recipients ~~recipients of grants~~ from among applicants to qualify for a Cal Grant and may require applicants to submit grade point averages pursuant to section 30007, 30008 or 30026 ~~transcripts of high school and college academic records~~ or other evidence of potential.

Note: Authority cited: Section ~~69433.7~~ 69544, Education Code. Reference: Sections ~~69500-69515~~ and ~~69530-69547~~, Education Code.

§ 30021. Choice of Qualifying Institution ~~School or College~~.

A Cal Grant shall be granted in terms of the applicant's selection of qualifying institution ~~school or college~~ at the time he or she is selected for a grant.

§ 30022. Change in School or College Choice.

Whenever a grant recipient changes his or her choice of qualified institution ~~school, college or program~~, the Commission or pilot school must redetermine his or her financial need eligibility. Subject to such redetermination, a grant recipient may change his or her choice of college (a) prior to the time of actual enrollment, (b) at the conclusion of a quarter or semester, provided that any loss of tuition and fee payments shall be borne by the student.

§ 30023. In Lieu of Test Scores; Grace Period.

(a) All Cal Grant A and B applicants shall submit a grade point average pursuant to sections 30007, 30008 or 30026.

(1) For a Competitive Cal Grant award pursuant to Article 5 (beginning with Education Code section 69437) of the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, a student who does not have a grade point average pursuant to

section 30007 or 30008 or whose grade point average is more than 5 years old may submit a test score from the General Educational Development test (GED), the American College Test (ACT) or the Scholastic Aptitude Test (SAT).

- (2) It is the responsibility of the applicant to have a grade point average or test score reported.
- (b) A standardized test score for each approved test shall be converted to an equivalent grade point average by the Commission using the national distribution of test scores as compared to the distribution of grade point averages on a 0.00 to 4.00 scale. The grade point equivalencies shall be calculated based upon research from the testing agency for each approved test.
- (c) The Commission may, on a case-by-case basis, accept the submission of grade point average(s) from an applicant or reporting institution after the March 2 or September 2 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 March 2 or September 2 deadline.
 - (1) Such circumstances must be shown by a certification: (i) from the reporting institution of the circumstances beyond the control of the applicant that delayed or prevented the timely submission of the grade point average by the reporting institution by the March 2 or September 2 deadline; (ii) from the applicant or reporting institution with proof that the grade point average was originally mailed by the applicant or reporting institution before the deadline; or (iii) from the applicant with a written description, under penalty of perjury, of the facts showing that circumstances beyond the control of the applicant delayed or prevented the timely submission of the grade point average.
 - (2) In the case of an application for an entitlement award under Education Code sections 69434, 69435, 69435.3, or 69436, any request to accept grade point average(s) after the March 2 deadline shall be received by the Commission no later than May 16 seventy-five (75) days after the March 2 deadline) and the computed grade point average(s) and certification specified in subsection (1) shall be included with the request. No later than April 16 forty-five (45) days after the March 2 deadline), the Commission shall inform students who are potentially eligible for entitlement awards based on application information the Commission has received, that their grade point average(s) had not been received by the Commission by the March 2 deadline, and shall ~~not~~ notify them that they have until May 16 (75 days from the March 2 deadline) to request the Commission to accept their late grade point average(s) on the conditions specified above, including the submission of the certification specified in subsection (1).
 - (3) In the case of an application for a competitive grant award under Education Code sections 69437, 69437.3, or 69437.6, any request to the Executive Director to accept grade point average(s) after the March 2 or September 2 deadline shall be received by the Commission no later than March 22 or September 22 (twenty (20) days after the March 2 or September 2 deadline) and the computed grade point average(s) and the certification specified in subsection (1) shall be included with the request.

- (4) Pursuant to Government Code section 6707, in such cases where the March 22 or September 22 deadline to request late submittal of grade point average(s) on behalf of competitive applicants or the May 16 deadline to request late submittal of grade point average(s) on behalf of entitlement applicants falls upon a Saturday, Sunday, or state holiday, the request for late submittal must be postmarked or received by the Commission by the following business day.
- (d) Applicants or officials who submit a timely but incomplete or incorrect grade point average shall have a grace period of ten (10) days after the mailing of notice by the Commission to file a corrected or completed grade point average. A corrected or completed submission postmarked within the 10 day period shall be deemed to comply with this requirement.

Note: Authority cited: Sections 69432.9(c) and 69433.7, Education Code. Reference: Sections 69432.9(c), 69434, 69435, 69435.3, 69436, 69437, 69437.3 and 69437.6, Education Code.

§ 30024. Cal Grant B Entitlement Criteria.

A Cal Grant B Entitlement award for first year tuition and fees plus the access grant as defined and limited by Education Code section 69435(a)(3) shall be given to applicants based upon consideration of the following factors:

- (a) Applicants with the lowest expected family contribution determined pursuant to Education Code Section 69432.7; and applicants with the highest level of academic merit as indicated by their high school grade point average and/or submitted test scores;
- (b) Additional factors to be considered may include any of the following:
- (1) Whether the applicant is an orphan or ward of the court or was a ward of the court at the age of eighteen;
 - (2) The level of education attainment of the applicant's parents;
 - (3) The number of family members in the applicant's household in relation to the household income; and
 - (4) Whether the applicant comes from a single parent household or is a single parent.

Note: Authority cited: Sections 69435(a)(3) and 69433.7, Education Code. Reference: Section 69435(a)(3), Education Code.

§ 30025. Cal Grant A and B Competitive Award Selection Criteria.

- (a) A Cal Grant A or B Competitive Award shall give special consideration to applicants who are disadvantaged students taking into consideration those financial, educational, cultural, language, home, community, environmental, and other conditions that hamper access to, and ability to persist in, postsecondary education programs. The extent to which an applicant is considered disadvantaged shall be determined based on the following:

- (1) Whether the applicant is an orphan or ward of the court or was a ward of the court at the age of eighteen;
- (2) The level of education attainment of the applicant's parents;
- (3) The number of family members in the applicant's household in relation to the household income; and
- (4) Whether the applicant comes from a single parent household or is a single parent.

Note: Authority cited: Section 69433.7, Education Code. Reference: Section 69437, Education Code.

§ 30026. Reestablishing Grade Point Average.

An applicant seeking to reestablish his or her grade point average pursuant to Education Code section 69437.6(c) may do so by providing a grade point average computed pursuant to Section 30007(c) for at least 16 academic semester units or its equivalent from an accredited California community college. It is the responsibility of the applicant to have his or her community college report a grade point average.

Note: Authority cited: Sections 69433.7 and 69437.6(c), Education Code. Reference: Section 69437.6(c), Education Code.

§ 30027. Occupational Talents Criteria.

An applicant seeking to establish "occupational talents" pursuant to Education Code section 69439 may do so by submitting any of the following supplemental information:

- (a) applicant's work history (including unpaid internships) in the field; and/or
- (b) recommendations from teachers or persons working in the applicant's occupational or technical field.

Note: Authority cited: Section 69433.7, Education Code. Reference: Section 69439(c), Education Code.

ARTICLE 3. USE OF CAL GRANTS

§ 30030. Application of Cal Grants.

~~All~~ New Cal Grants are awarded for use during a specified academic year, and shall be put into effect in no earlier than the fall term of the September of such specified academic year. Exceptions may be made for students in newly awarded in the Cal Grant C program or when a student has been granted a leave or in such other instances as the Commission may otherwise provide.

Note: Authority cited: Section 69433.7 ~~69544~~, Education Code. Reference: Sections 69500-69515 and 69530-69547, Education Code.

§ 30031. Tuition and Necessary Fees.

Only the tuition and fee charges which may be classified under the following two categories are acceptable for payment in the Cal Grant Program.

- (a) The minimum customary tuition and/or fee charges at the per unit, per quarter, per semester, or per term rate charged all undergraduate students.
- (b) Student body fees made mandatory through student action (Education Code Section 23801).

§ 30032. Refund of Grant Payments.

Refund of unused award funds previously paid to a qualifying institution ~~school or college~~ shall be based on the published regulations of the qualifying institution ~~school or college~~ concerned, as certified to the Commission by such qualifying institution ~~school or college~~.

§ 30033. Withdrawal of a Cal Grant.

The Commission may withdraw a Cal Grant if the grant recipient:

- (a) Fails to enroll in qualifying institution ~~school or college~~ and attend classes.
- (b) Withdraws from a qualifying institution ~~school or college~~ without making a request for a leave of absence.
- (c) Fails to maintain a full-time or part-time program in accordance with the regulations of the qualifying institution ~~school or college~~ he or she is attending and the ~~California Student Aid~~ Commission.
- (d) Loses his or her status as a resident in California.
- (e) Fails to continue to demonstrate financial need according to ~~California Student Aid~~ Commission criteria.
- (f) Fails to meet institutional Satisfactory Academic Progress requirements for a period of time that exceeds two consecutive semesters or three consecutive quarters.
- (fg) Is in violation of ~~California Student Aid~~ Commission regulations.

Note: Authority cited: Section 69433.7 Education Code. Reference: Sections 69432.7 and 69433.5.

ARTICLE 3.5 CAL GRANT ALTERNATIVE DELIVERY SYSTEM PILOT PROGRAM

§ 30034. Procedures for Submitting ADS Pilot Program Application

- (a) Any qualifying institution may submit an application to the Commission to participate in the ADS Pilot Program after the effective date of these regulations.
- (b) An application for participation in the ADS Pilot Program shall be submitted to the

Commission no later than October 1, 2010. The Commission may at its discretion, extend the period of time to apply if (1) the Commission does not receive sufficient applications from qualifying institutions to meet the statutorily mandated minimum number of participants established by Education Code Section 69453 or (2) if additional qualifying institutions beyond the minimum, and up to the maximum permitted by Education Code section 69453, are necessary to permit participation by a representative sample of qualifying institutions from among all postsecondary segments.

- (c) The qualifying institution is responsible for submitting a complete application in order to be considered for participation in the ADS Pilot Program. Completed applications submitted by the application deadline will be considered by the Commission in the order received until either (1) the maximum number of participants permitted in the program is achieved, or (2) for the University of California, the California State University and the California Community Colleges, the maximum number of qualifying institutions permitted within their respective segments is achieved. Incomplete applications may be rejected by the Commission.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69542, 69454, Education Code.

§ 30035. Application to Participate in the ADS Pilot Program.

- (a) A qualifying institution may elect to participate in the ADS Pilot Program. Applications to participate in the ADS Pilot Program shall include the following information on a form provided by the Commission (Appendix A):
- (1) Qualifying institution information including:
- (A) Name of the Institution;
 - (B) Address of the Institution;
 - (C) Office of Postsecondary Education Identification Number (OPE ID);
 - (D) The method of awarding by which the institution will determine awards is either:
 - (1) Institutional Determination – Method by which the participating institution selects award participants from available FAFSA and the Commission’s GPA data; or
 - (2) Commission Determination – Method by which the institution uses the Commission’s existing awards engine to identify eligible participants.
- (2) Qualifying institution’s representation that the institution will:
- (A) Make eligibility determinations using Institutional Determination or Commission Determination consistent with the requirements of the Cal Grant program and requirements adopted by the Commission;
 - (B) Inform a pilot participant of his or her Cal Grant award no later than the date the pilot participant must make his or her enrollment decision for the following academic year. The award shall be made as part of the qualifying institutions complete financial aid award so that the pilot participant is aware of all the student aid that he or she is eligible to receive;

- (C) Provide information to the pilot participant that he or she may be eligible to use the Cal Grant award at another qualifying institution to which he or she is or may be admitted;
- (D) Report to the Commission by December 10 of the award year:
 - (1) Aggregate information on applicants for Cal Grant awards and pilot participants, by income level, gender, age, and ethnicity;
 - (2) Aggregate information on pilot participants who have withdrawn from their qualifying institutions;
 - (3) Aggregate information on pilot participants whose awards have not been disbursed;
 - (4) Information on the total amount of institutional aid available for students at the qualifying institution, the total number of pilot participants of institutional aid, the total amount of institutional aid provided to pilot participants of Cal Grant awards at the qualifying institution, and the amount of institutional aid awarded to pilot participants;
 - (5) Information on the amount of other financial aid, including, but not necessarily limited to, fee waivers, federal loans, private loans, and work study awarded to pilot participants;
- (E) Report to the Commission any other information determined by the Commission to be necessary to fulfill its responsibilities under the Cal Grant Program including, but not limited to, information necessary to determine Cal Grant funding projections for the State Budget.
- (3) The qualifying institution's certification that it understands:
 - (A) Data files to communicate with the Commission will be sent in the manner prescribed by the Commission and within timeframes set by the Commission for ADS Pilot Program participation;
 - (B) It shall function as a one-stop shop for student financial aid;
 - (C) All costs associated with developing, implementing, maintaining, and improving the pilot alternative delivery system shall be paid by the qualifying institutions that elect to participate in the ADS Pilot Program;
 - (D) Participation in the ADS Pilot Program is voluntary and does not constitute a cost that is reimbursable under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code;
 - (E) All cost associated with a qualifying institution's election to participate in the ADS Pilot Program shall be paid by the qualifying institution and , if the qualifying institution is a public institution, shall not require any additional state funds.
- (4) The application shall be signed and dated by the qualifying institution's Chancellor, Chief Executive Officer, or President of the institution.
- (5) The application shall include the typed or printed name and title, address, email address, phone number and fax number of Chancellor, Chief Executive Officer, or President of the institution.
- (6) The application shall include an institutional contact person's name, title, address, phone number, fax number and email address.
- (b) The Commission shall review, and may conditionally approve, the application if the Commission determines the institution complies with all application requirements.

(c) A qualifying institution may not award Cal Grants until the Commission has given final approval of its application.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69453, 69454, 69456, 69458, Education Code.

§ 30036. Process for Conditional Approval of the ADS Pilot Program Application.

(a) The Commission shall evaluate the adequacy of a qualifying institution's application for participation in the ADS Pilot Program.

(b) The Commission shall, within 15 calendar days of receipt of the application, act to:

(1) notify the applicant that it is conditionally approved to participate in the pilot program;

(2) advise the applicant that the application contains deficiencies which must be remedied in order to be considered for participation in the pilot program prior; or

(3) reject the application and specify the reason for the application rejection.

(c) In the event a letter of deficiency is sent to the applicant, the applicant will be given 10 calendar days to correct all deficiencies and re-submit its completed application to the Commission. If the applicant fails to remedy its application within the time allotted, the Commission shall reject the application on the next business day following the expiration of the time given. The Commission shall have 15 calendar days to conduct its review of the re-submitted application to determine if the application is:

(1) complete and either notify the applicant that it is conditionally approved to participate in the ADS Pilot Program; or

(2) reject the application and specify the reason for the application rejection.

(d) The applicant shall be notified of the Commission's determination in writing.

Note: Authority cited: Section 69452 Education Code. Reference: Sections 69454, 69456 and 69458.

§ 30037. Process for Final Approval of an ADS Pilot Program Application.

(a) After an applicant has received conditional approval to participate in the ADS Pilot Program, the Commission shall evaluate the technological capabilities of the applicant to implement the technological requirements of the ADS Pilot Program.

(b) The Commission shall, within 15 calendar days of receipt of all information necessary to determine whether a qualifying applicant has the technological capability to implement the ADS Pilot Program,

(1) notify the applicant that it is approved to participate in the ADS Pilot Program;

(2) advise the applicant of any deficiencies which must be remedied in order to be considered for participation in the ADS Pilot Program prior; or

(3) reject the application and specify the reason for the application rejection.

(c) In the event a letter of deficiency is sent to the applicant, the applicant will be given 30 calendar days to correct all deficiencies and re-submit its completed application to

the Commission. If the applicant fails to remedy its application within the time allotted, the Commission shall reject the application on the next business day following the expiration of the time given. The Commission shall have 15 calendar days to conduct its review of the re-submitted application to determine if the application is complete and either notify the applicant that it is:
(1) conditionally approved to participate in the ADS Pilot Program; or
(2) reject the application and specify the reason for the application rejection.
(d) The applicant shall be notified of the Commission's determination in writing.

Note: Authority cited: Section 69452 Education Code. Reference: Sections 69454, 69456 and 69458.

§ 30038. Commission Initial Contact Letter with potential Grant Recipients.

To establish direct contact with potential Cal Grant participants upon timely filing of their Free Application for Federal Student Aid (FAFSA), the Commission will send each on-time FAFSA filer appearing to meet the basic Cal Grant Entitlement and Transfer Entitlement selection criteria an electronic or hardcopy letter to provide information on the state financial aid application process and to specifically report on Cal Grant application requirements. The initial contact letter shall include, but is not limited to:

- (a) An acknowledgement that the Commission has received the applicant's FAFSA information;
- (b) A request for the applicant to open a WebGrants for Students (WGS) account to monitor his or her Cal Grant application;
- (c) An explanation of the Cal Grant application process, including the requirement that a Cal Grant GPA be sent by the March 2 filing deadline;
- (d) Instruction to the applicant to check with the schools he or she may attend and keep the Commission informed of his or her school of attendance using WGS.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69452, Education Code.

§ 30039. Correspondence Blackout and Blackout Cancellation by Commission.

- (a) For students indicating one or more pilot schools on his or her FAFSA, the Commission will invoke a correspondence blackout period. The correspondence blackout for students indicating pilot school attendance will be cancelled if:
 - (1) A student previously claimed by a pilot school is released by the pilot school;
 - (2) The student informs the Commission he or she will be attending a qualified institution not participating in the ADS pilot program;
 - (3) The student is claimed by a qualified institution not participating in the ADS pilot program that has initiated a school change request to the Commission; or
 - (4) The student is not claimed by a pilot school by the claiming date.

(b) Upon cancellation of the correspondence blackout period, the Commission will provide eligible applicants with Cal Grant award information.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69452, Education Code.

§ 30040. Commission Promotion of Student Access and Choice.

To ensure unobstructed student access to Cal Grant awards, the Commission shall determine all entitlement applicants' preliminary Cal Grant eligibility. Students indicating potential attendance at a qualifying institution not participating in the ADS pilot program will be notified by the Commission of their potential eligibility. The Commission will also provide Cal Grant award eligibility information to eligible applicants for whom the blackout period has been cancelled pursuant to Section 30039.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 65492, Education Code.

§ 30041. Cal Grant GPA Web Service

Pilot schools shall design a web service client that allows secure online access to the Commission's applicant GPA and test score data to use to determine applicant eligibility. The web service shall have the ability to code and pass this eligibility determination to the Commission.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452, Education Code.

§ 30042. Cal Grant GPA Web Service Access Process

(a) The Commission shall:

- (1) be the central repository for grade point averages and test scores;
- (2) process the grade point averages and test scores received;
- (3) determine if the grade point average or test score was received by the established deadline.

(b) Pilot schools may request the grade point averages and converted test scores for applicants enrolled, admitted to, or currently attending the pilot school to determine Cal Grant eligibility. The pilot school must provide the applicants social security number through the web services to retrieve the grade point averages or converted test score.

(c) The Commission will provide pilot schools with the following information:

- (1) A "Matched GPA" data file that contains:
 - (A) The student's Social Security Number;

- (B) The student's last name, first name, middle initial, and date of birth;
 - (C) The student's GPA and GPA type or the student's converted test score and type;
 - (D) Whether the GPA is a high school GPA (H), reestablished or Community College (C).
- (2) Or, a "No Match" data file that contains only the student's Social Security Number.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69452, Education Code

§ 30043. Commission Tracking and Reconciliation Responsibilities

- (a) The Commission will track remaining program eligibility by fractions of full-time equivalent attendance for all grant recipients attending pilot and non-pilot schools.
- (b) The Commission will track funds released to qualifying institutions for grant recipients. Funding requests will be sent to the State Controllers Office for release to all qualifying institutions.
- (c) The Commission will reconcile the information, confirm the applicants who have been selected for a Cal Grant award, and provide the pilot schools with a list of any students who appear to not be eligible for an award.

Note: Authority cited: Section 69452, Education Code. Reference: Sections 69452, Education Code.

§ 30044. Pilot School Responsibilities, Notification and Reporting Requirements

- (a) Pilot schools shall provide assistance to and information for students, parents, high school and community counselors about Cal Grant awards and other student financial aid, including information about the availability of, requirements for, and the amount of, Cal Grant awards that may be available at other qualifying institutions in all segments of postsecondary education. The pilot school is to act as a one-stop shop for student financial aid by providing assistance to all inquiring or seeking information.
- (b) The pilot schools shall:
 - (1) determine whether the applicant's FAFSA was received by the application deadline;
 - (2) notify pilot participants of their Cal Grant award no later than the date the pilot participant is required to make an enrollment decision for the following academic year. An exemption for this provision is granted to pilot schools for pilot participants who make early decision commitments prior to the usual enrollment decision date for other students. The award shall be made as part of the pilot school's complete financial aid award and must include information that the students may be eligible to use the Cal Grant award other qualifying institution to

- which he or she is admitted. This notice will include other qualifying institutions that were listed on the ISIR. The Commission will provide pilot schools with the name of qualifying institutions and eligibility information for those schools.
- (3) require that applicants affirm, in writing, under penalty of perjury, that he or she meets the requirement set forth in subdivision (e) of Section 69433.9, paragraph (1) of this subdivision;
 - (4) notify each person who receives a preliminary award under this paragraph that his or her award is subject to an audit pursuant to subparagraph (B).
 - (5) submit the following information to the Commission regarding all pilot participants the pilot school awarded a Cal Grant:
 - (A) Social Security Number;
 - (B) Last name, First name, Middle Initial;
 - (C) ISIR version the pilot school used;
 - (D) Cal Grant Program; and
 - (E) Date of Birth.
 - (6) submit the Pilot School Claimed Report no later than the claiming date for all eligible applicants admitted to the pilot school.
 - (7) provide a drop student report to the Commission to help facilitate management of the pilot program.
- (c) Pilot schools shall report all of the following to the Commission by December 10th of the award year:
- (1) Aggregate information on applicants for Cal Grant awards and pilot participants, by income level, gender, age, and ethnicity;
 - (2) Aggregate information on pilot participants who have withdrawn from their qualifying institutions;
 - (3) Aggregate information on pilot participants for whom awards have not been disbursed.
 - (4) Information on the total annual dollar amount of institutional aid available for students at the qualifying institution, the total number of recipients of institutional aid, the total amount of institutional aid provided to pilot participants at the qualifying institution, and the amount of institutional aid awarded to each pilot participants.
 - (5) Information on the amount of other financial aid, including, but not necessarily limited to, fee waivers, federal loans, private loans, and work study awarded to each pilot participants.
- (d) Pilot school shall report any other information determined by the Commission to be necessary to fulfill its responsibilities under the Cal Grant program including but not limited to information necessary to determine Cal Grant funding projections for the State Budget.

Note: Authority cited: Section 69452. Education Code. Reference: Sections 69450, 69452, 69454, 69460, Education Code

§ 30045. Programmatic Noncompliance with the Requirements of the Cal Grant Alternative Delivery Pilot Program

(a) If a pilot school demonstrates programmatic noncompliance with the requirements of the ADS pilot program, the Commission shall inform the pilot school of the following in writing:

- (1) specific items of noncompliance which must be corrected;
- (2) the specific corrective action which must be taken;
- (3) the time period within which the pilot school must complete the corrections;
- (4) notice that failure to timely make required corrections may result in suspension from the ADS Pilot Program; and
- (5) the process by which the noncompliance maybe appealed.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452, Education Code.

§ 30046. Suspension or Termination from the Cal Grant Alternative Delivery Pilot Program

(a) Any pilot school suspended from the ADS pilot program will be unable to award Cal Grants to its pilot participants or eligible applicants during the time of suspension. Eligible applicants and pilot participants attending a pilot school suspended from the ADS pilot program shall be awarded by the Commission during the time the pilot school remains suspended.

(b) Any pilot school suspended from the program that thereafter fails to correct its items of noncompliance within a reasonable time will be terminated from the ADS pilot program. The pilot school will be responsible for all costs associated with participation in the ADS pilot program until the date of termination.

Note: Authority cited: Section 69452, Education Code. Reference: Section 69452, Education Code.

CAL GRANT ALTERNATIVE DELIVERY SYSTEM (ADS) PILOT PROGRAM APPLICATION TO PARTICIPATE



A signed ***Application to Participate*** is required by the California Student Aid Commission (Commission) from any qualifying post-secondary educational institution to participate in the Cal Grant Alternative Delivery System (ADS) Pilot Program.

I. Institution Section

Primary Institution Name and Address	Office of Postsecondary Education Identification (OPE ID)
_____	_____
_____	_____
Additional Institution Names <i>(If the Authorized Official is different at each institution, a separate Application must be completed.)</i>	Additional Institutions OPE ID
_____	_____
_____	_____

II. Participation Requirements

The qualifying institution represents, understands and certifies that the institution will:

- a. Function as a one-stop shop for student financial aid by providing assistance to all students, parents, and high school and community college counselors inquiring or seeking information about Cal Grant awards that may be available at other qualifying institutions in all segments of post-secondary education;
- b. Make eligibility determinations consistent with the requirements of the Cal Grant Program using the Institutional Determination or Commission Determination method and requirements adopted by the Commission;
- c. Inform students of their Cal Grant award no later than the date the student must make their enrollment decision for the following academic year. The award shall be made as part of the qualifying institutions complete financial award so that the student is aware of all the student aid they are eligible to receive;
- d. Provide to the student that he or she may be eligible to use the Cal Grant award at another qualifying institution to which he or she are or may be admitted;
- e. Report to the Commission by December 10 of each award year:
 1. Information necessary to determine Cal Grant funding projections for the State Budget;
 2. Aggregate information on applicants for Cal Grant awards and students who have been awarded Cal Grant awards, by income level, gender, age, and ethnicity;
 3. Aggregate information on students who have been awarded Cal Grant awards, but have withdrawn from their qualifying institutions;
 4. Aggregate information on students who have been awarded Cal Grant awards but for whom awards have not been disbursed;
 5. Information on the total amount of institutional aid available for students at the qualifying institution, the total number of recipients of institutional aid, the total amount of institutional aid provided to recipients of Cal Grant awards at the qualifying institution, and the amount of institutional aid awarded to each student receiving a Cal Grant award;
 6. Information on the amount of other financial aid, including, but not necessarily limited to, fee waivers, federal loans, private loans, and work study awarded to each student receiving a Cal Grant award;
 7. Any other information determined by the Commission to be necessary to fulfill its responsibilities under the Cal Grant Program.
- f. Data files to communicate with the Commission will be sent in the manner prescribed by the Commission and within timeframes set by the Commission for the ADS Pilot Program.

III. Financial Responsibility

The qualifying institution further understands and agrees that:

- a. All costs associated with developing, implementing, maintaining, and improving the ADS Pilot Program shall be paid by the qualifying institutions that elect to participate in the ADS;
- b. Participation in the pilot program is voluntary and does not constitute a cost that is reimbursable under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code;
- c. All costs associated with a qualifying institution's election to participate in the ADS Pilot Program shall be paid by the qualifying institution and, if the qualifying institution is a public institution, shall not require any additional state funds.

IV. Pilot Participant Determination Method (Choose One)

A qualifying institution must select the method of awarding by which the institution will determine awards.

- Institutional Determination – Method by which the participating institution selects award participants from available FAFSA and the Commission's GPA data.
- Commission Determination – Method by which the institution uses the Commission's existing awards engine to identify eligible participants.

I, the undersigned, certify that I am, as named in this application, an official of the qualifying institution and am authorized to act on its behalf. I have read and understand this application and certify the institution will comply with the requirements stated herein.

<u>Signature – Chancellor, Chief Executive Officer or President of Institution</u>	<u>Print Name / Title</u>
<u>Mailing Address</u>	<u>E-Mail Address</u>
	<u>Date</u>
<u>Phone Number</u>	<u>FAX Number</u>

ADS Pilot Program Institution's Contact

<u>Print Name</u>	<u>Title</u>
<u>Mailing Address</u>	<u>E-Mail Address</u>
	<u>Fax Number</u>
<u>Phone Number</u>	

For US Postal Service, return to:
California Student Aid Commission
Program Administration & Services Division
ATTN: ADS Pilot Program Processing
P.O. Box 419028
Rancho Cordova, CA 95741-9028

For UPS or overnight delivery ONLY, return to:
California Student Aid Commission
Program Administration & Services Division
ATTN: ADS Pilot Program Processing
10834 International Drive
Rancho Cordova, CA 95670