

Item 7

(Action Item)

Consideration of the Child Savings Account Grant Request For Application (RFA)

SUMMARY:

This item presents a proposed distribution of funds for the Child Savings Account Grant Program for review and approval by the Commission.

RECOMMENDATION:

Review and approve the proposed allocation of funds as listed in the attached Funding Recommendations for the Child Savings Account Grant Program.

BACKGROUND:

The Child Savings Account Grant Program (CSA Grant Program) was enacted in the Budget Act of 2019 (Education Code Sections 70115-70115.2; Chapter 53, Section 18, Statutes of 2019). The statutory language is provided as an attachment. The intent of the CSA Grant Program is to support local government and nonprofit organizations that sponsor or collaborate on one of more comprehensive citywide or regional child saving account programs.

The Budget Act of 2020 appropriates ten million dollars (\$10,000,000) in one-time General Fund dollars to the CSA Grant Program. The law requires that each grant award be a minimum of \$100,000.

Statute also indicates that:

1. Up to 74 percent of the funding shall be used to initiate new local child savings account programs.
2. A minimum of 24 percent shall be used to expand existing local child savings account programs.
3. Two percent shall be used by the Commission to provide outreach and administration of the program, and to provide technical assistance to applicants.

The Commission has the discretion to fund less than 74 percent to new programs and more than 24 percent to existing programs. Additional consideration is given to applicants that can demonstrate evidence of sustainability and community support. The Commission received a total of 16 applications in response to the Request for Application (RFA). Of the 16 applications received, 11 were deemed by Commission staff to have met the statutory requirements and included the information required in the RFA, while the other 5 applications were late or incomplete. The 11 complete applications were reviewed and evaluated according to the scoring process and scoring rubrics included in the RFA.

California Student Aid Commission

Upon the Commission's approval, the Commission will provide funding for grants pursuant to the CSA Grant Program for the period beginning on or about March 1, 2021. The state funds are available for encumbrance or expenditure through June 30, 2022.

RESPONSIBLE PERSON(S):

Tae Kang, Deputy Director
Program Administration and Services Division

Steve Caldwell, Assistant Deputy Director
Customer Relations Branch

ATTACHMENT(S):

Funding Recommendations for the Child Savings Account Grant Program

California Education Code: Child Savings Account Grant Program

Child Savings Account Grant Program Request for Applications

Child Savings Account (CSA) Grant Program PowerPoint presented on January 21, 2021