

Item 5

(Information Item)

Executive Director's Report



Executive Director's Report December 2020

Dear Commissioners,

As we prepare for the holidays and the end of this calendar year, we reflect on how our lives have fundamentally changed in ways we could have never imagined a year ago. The year 2020 will be remembered as a year when the world community experienced great loss, disruption, fear and prolonged uncertainty.

We will also remember this year as a time of resilience, innovation, fortitude and the ability to focus on what matters. This is the mindset we have tried to adopt at the California Student Aid Commission. The COVID-19 pandemic has forced us to rethink how we serve college students virtually and how we tailor our approaches to meet their distinct financial needs during the pandemic. Our work has not taken a pause during this pandemic; it has taken on greater urgency to serve the thousands of students whose lives have been upended sowing doubt about whether they can afford and continue their college plans. At the Commission, we have redoubled our efforts to reach more students than ever to assure them financial aid is still available during these uncertain times.

I want to give a special shout out to all the Commission staff who have been phenomenal in their diligent work and flexibility in service to the students we serve during this challenging time.

Financial Aid Season Kicks-Off

The financial aid season for the 2021-2022 academic year has kicked off in a new and virtual environment. October 1, 2020 officially opened the season with a social media and Public Service Announcement (PSA) Campaign. The first in a series of PSA's was kicked-off by Lieutenant Governor Eleni Kounalakis urging students to compete the Free Application for Federal Student Aid

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(FAFSA) or the California Dream Act Application (CADAA). New PSAs will roll out regularly for the next several months.

In the wake of the pandemic, students have lost physical access to high school counselors, teachers and other resources that can help them apply for college and financial aid. Cash for College Workshops and Cal-SOAP Projects are the California Student Aid Commission's (Commission) signature outreach programs to help students and families complete their FAFSA or CADAA forms. Together, these programs are re-engineering their outreach efforts to reach students and help them complete their FAFSA/s and CADAA/s.

Early data indicates that fewer students are applying for financial aid and college than the previous year. National data shows that as of October 30, FAFSA applications are down by 16.1 percent for all high school seniors year-over-year and 18.6 percent for students who attend Title 1 schools. You will hear more about these concerning trends at the December 3, 2020 Commission meeting. To mitigate against this trend, the Commission is working with Cal-SOAP Directors to aggressively build new partnerships throughout the state to extend its ability to offer Cash for College virtual workshops in communities across California. The Commission is also working with community leaders beyond traditional educators to reach the most vulnerable students who are at risk of opting out of college during the pandemic. The Commission plans to double the number of students served at Cash for College workshops year-over-year.

The Commission is also partnering with U-Aspire to extend staff training capacity and assist in building a student data base that strengthens FAFSA/CADAA completion follow-up. Lastly, the Commission is developing a toll-free Cash for College telephone line for students and families to call with specific and confidential questions about completing the FAFSA or CADAA.

Virtual College Affordability Summit

The Commission in collaboration with the Sacramento County Office of Education, Riverside County Office of Education and U-Aspire are set to host the Second Annual Virtual College Affordability Summit on November 17, 2020 from 8:30 a.m. to 5:00 p.m. The Summit has an exceptional program line up covering a host of topics from big-picture college affordability and equity policy issues, to workshops on how to increase FAFS and CADAA completions. At the time of this writing, the Summit registration has reached more than 2,000 participants. Full details of the Summit will be provided at the Commission meeting.

Executive Fellow Assignment

The Commission is honored to have been selected to host an Executive Fellow for the upcoming academic year. This year we are thrilled to have Daniela Rodriguez join the CSAC team. Daniela graduated from UCLA with a Bachelor of Arts Degree in Sociology and a Minor in International Migration Studies. While a student, she was the Event Supervisor for the Associated Students of UCLA where she managed a staff and oversaw client services. She is passionate about immigration rights issues and worked as an Immigration Advocate for UCLA student government and was a steering member of the California Dream Network. She also worked as a summer internship in Congressman Tony Cardenas' Office. Some of her strongest skills include: qualitative research methods, literature review writing, network analysis, STATA analysis and effective communications.

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Please join me in welcoming Daniela Rodriguez to the CSAC family!

Proposed Institutional Appeals Regulations

Under the leadership of General Counsel Julia Blair, Commission staff have prepared proposed regulations establishing an institutional appeal process and appeal criteria for qualifying institutions participating in the Cal Grant Program. The main benefits of this regulation would be to add greater clarity and specificity to the appeal process available to qualifying institutions seeking an appeal. The full rulemaking package was submitted to the Office of Administrative Law on November 17, 2020 to start the 45-day public comment period required by law allowing for the Commission to adopt the regulations at its January Commission meeting.

The team worked hard to meet the established deadlines to adopt the proposed regulations. I want to thank **Julia Blair, Gary Collord, Melissa Bardo, Terry Artica and Michelle Dean** for their extraordinary work preparing these proposed regulations.

Division Operational Updates:

Early in the pandemic, the Commission shifted its entire workforce to remote work with minimal disruption. Every Division reinvented itself to operate in a digital, online world. Below is an update on recent developments as Divisions continue to strengthen how they conduct business. As you will note, the Divisions are doing exceptional work in a virtual environment.

Fiscal and Administrative Services Division (FASD)

- Made significant progress in managing and strengthening the Commission's state operations and local assistance budget process. The team has developed a clear process for managing current year appropriation & expenditures with forecasting capabilities.
- Continues to maintain a strong relationship with Department of Finance working closely on a variety of fall budget letters in preparation for the Governor's January 10, 2021-22 Budget Proposal.
- Developed numerous new protocols and policies to better manage business services and human resources processes.
- Initiated Risk Management Work Group and updated several new agency policies and training programs.
- Implemented Human Resources Departmental COVID-19 Exposure Protocols, access to Employee Assistance Program resources and employee caregiver flexibility.
- Completed EEO policies on workplace bullying and violence, implemented sexual harassment training, has created a Disability Advisory Committee and Wellness Committee and is developing plans for employee Upward Mobility and Inclusion and Diversity programs.

Information Technology Services Division (ITSD)

- The timeline for the Grant Delivery System Modernization (GDSM) WebGrants has been extended a few months to provide adequate time to properly compete multiple testing cycles. This decision was made in collaboration with the Commission's executive team and the leadership team from the California Department Technology.

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- The new schedule provides adequate time for application development work, rigorous quality assurance, regression testing cycles, code defect remediation and retesting. The GDSM Web Grants foundation will be complete by the end of February 2021 will be ready to replace the current WebGrants System.
- Successfully launched a new cloud-based Call Center system. The new system provides additional flexibility for handle high volume periods, ensures efficient connectivity, and increases reporting and data capabilities. Most importantly, the new system improves service to students.

Program Administration and Services Division (PASD)

Cal Grant award and paid rates for the 2020-2021 academic year:

- Institution claim rates for high school entitlement awardees is at 68 percent, which is slightly higher than the year-over-year rate of 65 percent.
- Cal Grant competitive paid rate as of November 16, 2020 is at 55 percent. A total of 22,517 awards out 41,000 available awards have been paid. This is slightly behind last year, which was 59 percent and a total of 24,187 awards. A recycling of the unpaid competitive awards will be processed in January 2021.
- Cal Grant C paid rate is at 42 percent which is slightly higher from the paid rate year-over-year. The paid rate last year was 35.7 percent.
- As of November 16, 2020, the confirmed number of Cal Grant Students with Dependents (SWD) is 30,109, a paid rate of 63.2 percent.
- The Middle-Class Scholarship paid rate is at 84.6 percent. This is higher than last year's rate of 78.6 percent.

FAFSA/CADAA Applications for the 2021-22 Academic Year:

- As of November 16, the Commission has received a total of 423,201 FAFSA applications. The number of submissions is lower when compared year-over-year. This time last year, the Commission had received 444,632 FAFSA applications.
- As of November 16, the Commission has received a total of 7,792 CADAA applications. The number of submissions is higher when compared to year-over-year. This time last year, the Commission had received 6,056 CADAA applications.

Updates on Specialized Programs:

- Child Savings Account Program: Staff have received many inquiries regarding the application process. Program information including more than 40 questions and responses, tool kits, and various resources from program experts are available at: <https://www.csac.ca.gov/csa>. Applications are due to the Commission on November 20, 2020.

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- Golden State Teacher Grant Program: The application is currently available and teaching candidates are applying for awards. Staff will be working with the institutions to determine student eligibility for the award and with the California Department of Education to execute the Interagency Agreement for the federal funding. The Commission's Program and Information Technology staff are developing the business requirements to automate the various processes.
- Chafee Grant Program: The Chafee Grant Program provides approximately 4,200 awards of up to \$5,000 per year to former foster youth. Staff continue to work closely with the California Department of Social Services to identify efficiencies to administer the Chafee program.
- The Dreamer Service Incentive Grant (DSIG) was suspended for the 2019-20 and 2020-21 award years because of COVID-19. Commission staff anticipate restarting DSIG system development changes in WebGrants in December of 2020 and regrouping with the external workgroup in January of 2021 to finalize details before the potential launch of the program in July of 2021.

CSAC Trainings for 2020-2021 Academic Year

- Commission staff successfully transitioned to a virtual platform for all CSAC trainings. The 2020-21 Statewide Financial Aid Workshops were launched on September 10, 2020, in partnership with the California Association of Student Financial Aid Administrators (CASFAA) and the California Community College Student Financial Aid Administrators Association (CCCSFAAA). As of November 16, Commission staff have hosted nine main sessions and seven secondary sessions that provided more in-depth information on the WebGrants System or the California Dream Act Application. Commission staff are currently coordinating with CASFAA and CCCSFAAA representatives to offer additional workshops during the months of December 2020 and January 2021.
- Commission staff are hosting Grant Regional Training Workshops designed to assist financial aid administrators who need updated Cal Grant instruction, new program information and help to better navigate the WebGrants system. Commission staff launched the virtual version of these trainings on August 25, 2020 and plan to host Cal Grant Regional Training workshops every month via live webinars.

Data, Analysis and Research Team (DART)

- Acquired Race/Ethnicity Data from California Department of Education which marks the first time ever to match Race/Ethnicity data for Cal Grant recipients.
- CSAC and UCD Ed Lab are currently administering a Fall COVID-19 Survey, which will be sent to 1.3 million FAFSA filers in most recent submission cycle. This will be the largest student COVID-19 survey in the country.

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- Held first Student Loan Debt Task Force and will continue meeting through next Summer. Each meeting will focus on a particular area of student loan debt, with field experts presenting to the group findings and recommendations to consider.
- Issued SEARS Spotlight on student credit card usage. Dependency on this form of financing college is alarming.
- Closely monitoring FAFSA completion trends. Working with academic partners at University of Missouri to continue to assess and monitor the current trends in FAFSA submission.
- Continuing research on Paid Rate/Summer Melt Study. DART and CSU/CCC have drafted a survey to go out to prior students who were awarded a Cal Grant but never used it. Survey will be administered in December and will explore reasons why students suffer summer melt prior to enrollment or who decline/defer their Cal Grants.
- CSAC partnering with WestEd to create a new Cal-SOAP data collection mechanism.

Government and External Relations Division

- Staff continue to refine options for a "phase one" of Cal Grant modernization and have been engaging stakeholders to inform the discussion at an upcoming meeting of the Cal Grant Reform Work Group.
- Website redesign efforts are well underway and nearing a major "facelift" when the new branding goes live (potentially with updates live by the Commission meeting).
- Communications staff have been active in promoting Commission priorities through social media.
- CSAC hosted a virtual ceremony on Oct. 2 for our 2020 Marmaduke Award recipient, Mr. Jorge Montijo of Panorama High School.
- CSAC joined the Undocumented Student Action Week this October as an official partner this year. CSAC helped co-host a financial aid webinar, while advocacy for the Action Week centered around making financial aid available to undocumented CCC students.
- The CalFresh Work Group will have met three times before the Commission meeting. More partners are engaging, with potential short-and long-term strategies for increasing student uptake of CalFresh identified.

As you can tell, CSAC staff have been busy advancing the financial aid affordability agenda. I look forward to our shared work in 2021!

Best,

Marlene L. Garcia