

Item 5

(Information Item)

Executive Director's Report



Executive Director's Report December 2021

Dear Commissioners,

It is hard to believe that 2021 is almost behind us. Hopefully, we are at the beginning of the end of the pandemic. Despite all the challenges, we adapted to change and still posted record accomplishments.

Historic expansion of Cal Grant

Nearly 100,000 new Cal Grant awards were offered to community college students following the historic new financial aid investment adopted in the 2021-22 State Budget Act. These awards were added to college rosters just in time for colleges to verify enrollment and disburse the grants of \$1,648 to students before Thanksgiving.

The significance of these new awards is that these students, under the old Competitive Grant Program requirements, would not have received a Cal Grant. The recent budget action funded an entitlement program that provides Cal Grants to all community college students who meet the eligibility requirements. This momentous investment and expansion by the Governor and Legislature enable more students to realize their college dreams and offset the negative impact of the COVID-19 pandemic has had on their lives and ability to pay for college.

The CSAC team worked tirelessly to process these new awards in record time while still maintaining their normal business activities during one of the busiest times of the year. They are committed to serving students by providing the necessary financial aid to help

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the pay for college during this prolonged unstable economic environment.

New Program to provide Education and Training to Displaced Adult Workers

The Commission is also working swiftly to build the new Golden State Education and Training Grant program. This program is designed to incentivize workers, who lost their jobs because of COVID-19, to enroll in a quality certificate or degree program to develop skills that lead to a rewarding and enduring career. This program, which is expected to launch in early Spring, is already gaining national attention for seeking to provide new pathways for adult workers to upskill and reskill for the future workforce. CSAC hosted a virtual stakeholder convening on the Golden State Education and Training Grant Program to gather input from workforce experts and those from postsecondary partners serving the displaced worker population.

New FAFSA/CA Dream Act application Completion Requirement

This year is especially important as we prepare for the new FAFSA and California Dream Act Application completion requirement that goes into effect fall 2022. The Commission has been directed in statute to develop state regulations that outline the new guidelines and create the student opt out process. The regulatory details of the program will be released in early 2022, coupled with an extensive outreach effort to inform K-12 schools about the details of the new law.

Efforts also are well underway to test best practices that will inform implementation of the new requirement. Commission staff are working with a coalition of organizations led by U-Aspire to identify local school districts that are ready to test pilot efforts to have all students complete their FAFSA or CA Dream Act Application this current financial aid cycle. These best practices will be shared statewide with other districts looking for new models to help them meet this requirement and open new college opportunities for more students at their schools.

The Commission will be hosting a virtual Symposium on December 7, 2021, from 9:00 a.m. to 12 p.m. to provide school districts preliminary information about the new FAFSA/CA Dream Act Application requirement and announce this year's Race to Submit winner. The Symposium will provide an overview of the statute and will urge school districts and colleges to begin preparing for implementation of the new law. The annual College Affordability Summit will be held in Spring 2022 during which time the Commission will provide information on the new regulations and program details to help schools to implement the new requirement.

Golden State Teacher Grant Program

The 2021-22 State Budget Act added \$400 million for a total of \$500 million to expand Golden State Teacher's Grant Program (GSTG) to support high need teaching fields beyond Special Education. The expansion also includes teacher internship and residency programs through local education agencies.

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As a result, the Commission has received approximately 1,500 applications as of November 18, 2021. In addition, the processing of GSTG applications has shifted from last year's One Drive system to the Commission's centralized WebGrants system. Program staff have been busy with providing WebGrants access for local education agencies, troubleshooting account issues for institutional users and providing guidance to applicants. Program staff also convened a virtual training on Friday, November 19 for all GSTG administrators.

Tae Kang, Deputy Director for PASD and Carina Gillis, GSTG Program Analyst recently met virtually with the Riverside County Office of Education (RCOE) District Intern Program participants to provide information of the GSTGP expansion and the new opportunities for teachers to apply. It was a great informational session and the interns asked many excellent programmatic questions. This meeting also provided CSAC staff great insights into the challenging environment that teachers are working in and how critical this GSTG program is for their success. Program staff also convened a virtual training on Friday, November 19 for all GSTG administrators.

Learning Aligned Program

The Commission is in the process of developing program details for disbursing funds to participating public postsecondary educational institutions to offer eligible students opportunities to earn money to help pay educational costs while gaining career-related experience in their fields of study through the Learning Aligned Program.

Commission staff have defined the roles and responsibilities of the participating institutions and is in the process of developing the program application, agreement and forms required to administer the program commencing with the 2022-23 academic year. A Learning Aligned Workgroup has been established which comprised of University of California, California State University and California Community College segmental representatives, financial aid and scholarship administrators, and federal work-study coordinators. Staff plan to convene the first workgroup meeting in December and hold weekly meetings to develop the program implementation details and launch by the 2022-23 fall term.

Two Major Commission-Led Reports

In the past year, the Commission has led two major workgroups that each culminated in the release of a reports that provide key policy recommendations to the Legislature and Administration.

The Student Loan and Debt Service Review workgroup issued a report this fall that provided 31 recommendations that help reduce burdensome loan debt for: 1) prospective borrowers, 2) current borrowers and 3) borrowers in repayment. The report also used an equity lens to provide data on who holds debt in California, who struggles to repay and who is most likely to default. The data shows that there are considerable disparate impacts of loan debt across varying demographics in California.

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The CalFresh workgroup set out to address the need to increase the number of California college students living in poverty who can access CalFresh benefits by streamlining and simplifying the application and approval process. The number of students struggling with hunger on college campuses across the state and nation has reached crisis proportions. The current CalFresh program places significant barriers on students when accessing these nutrition benefits, compared to the general population. The report offers more than a dozen recommendations that provide short and long-term solutions and identify whether these issues should be addressed at the state-level or the federal-level.

The following highlights major activities from each of the four divisions.

Finance Administration and Services Division (FASD)

- Business Services and facilities team have completed Phase 1 cleanup at our existing location. We have reduced our current lease space by half in preparation for our move into the new space in January 2022.
- Records retention efforts are underway maximizing the use of the state archives center.
- Completed all fall budget letter drills from Department of Finance.
- Business services facilitated the review and submittal of BCP's. FASD is the point of contact to department of finance on BCP questions.
- The Budget unit has completed and presented its current year forecast projections and presented to all CSAC management and leadership.
- Accounting closed period 1 (July) actuals for FY 2021-22, and reconciled Cal-T accounts in FI\$CAL.
- HR is managing the influx of recruitments for limited-term positions supporting new legislative policies and programs.

Program Administration and Services Division (PASD)

- The 2022-23 California Dream Act Application opened on October 1, 2021, and as of November 1st, a total of 3,129 students have submitted the application.
- Staff continues to support high schools and school districts with their GPA submission for the 2022-23 award year. There were early issues with the non-SSN GPA submission process, which caused some confusion but was resolved as quickly as possible.
- The initial 2022-23 high school entitlement awards are scheduled for release on December 3, 2021.

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- As of November 1, 2021, more than 3,800 high school counselors and student advocates have participated in the statewide financial aid workshops hosted by the Commission in partnership with the California Association of Student Financial Aid Administrators and the California Community Colleges Student Financial Aid Administrators Association. Close to 1,600 survey responses have been received to date; 86 percent of participants have rated the workshops as either excellent or above average. There are an additional eight virtual workshops scheduled through March 1, 2022.
- An additional \$6 million dollars in federal funds are available through 2021-22 for COVID-19 relief for Foster Youth. As a result, all students for the Chafee Grant program have been awarded for the 2021-22 award year.
- The Customer Assistance and Processing Unit (student call center) continues to receive a high volume of calls with the start of the 2021-22 academic year and the launch of the 2022-23 FAFSA and California Dream Act Application cycle. The call center staff is assisting students that are returning to college campuses amid the pandemic and with the current expansions to Cal Grant programs.

Government and External Relations Division (GER)

- AB 1456 was unanimously approved by the Legislature, but ultimately vetoed by Gov. Newsom – who stated that while he agreed with making the system easier to navigate, that such a change of this magnitude to financial aid should be considered in the State Budget process.
- The Commission's sponsored bill – SB 737 – to focus Cal SOAPs on financial aid application assistance was signed into law by Gov. Newsom.
- In AB 469, another bill supported by CSAC and signed by the Governor, the Commission secured important language around data sharing for the financial aid application completion requirement.
- CSAC helped provide input on several key issues addressed in a Budget clean-up bill, SB 169, that was signed late in September. CSAC helped provide input to:
 - Remove the requirement that students verify their Selective Service registration for state financial aid
 - Ensure that the temporary student loan pause did not have an unintended consequence on institutional eligibility for Cal Grant participation due to lower cohort-default rates

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- Stay true to the intent of the Golden State Teacher Grant program expansion to include programs administered by local education agencies, without making out-of-state providers inadvertently eligible.

Data Analysis and Research Division (DART)

- Supported the passage of AB 469 (Reyes) that enables greater data sharing to implement the FAFSA/CA Dream Act Application completion requirement. This new law allows the matching of CSAC data with CDE and higher ed entities to track progress of FAFSA data submissions and populate Cal SOAP CRM systems used in outreach activities.
- All SEARS MOU's with participating higher education segments and colleges have been completed. The 21-22 SEARS Survey cycle is live as of November. SEARS is used to create the Student Expense Budget. This is the first SEARS survey done in-house in 15 years (prior SEARS was outsourced).
- Loan Debt Workgroup final report completed and posted, submitted to Governor/Legislature.

Executive Office

- CSAC is set to launch its first podcast, called *Financial Paid: Paying for College in California* this November. The podcast will be viewable on YouTube and can be listed to across various streaming platforms such as Spotify. More information to come on official launch soon.
- Cash for College team hosted first Cash for College Statewide Webinar of the 2022-23 academic year cycle on November 17th, focusing its efforts on current and formerly incarcerated students. This was in partnership with the Youth Law Center and the Rising Scholars Network. For more information on future webinars, please visit <https://www.csac.ca.gov/cash-college>
- The Cash for College team has now trained over 1000 individuals through its Train the Trainer Program.
- CSAC hosted its first two "Undocu Trainings" for the California Community College system, with an attendance of 347 participants.

In summary, this has been a year of many challenges, opportunities and incredible accomplishments that make college more affordable for California students. I would like to offer gratitude to the many partners who have supported major new investments in financial aid this year, especially Governor Newsom, our legislative leaders, legislative staff, our many coalition partners and, of course our students. In addition, this work could not be done without the dedication and hard work of the

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Commission staff and the deep commitment and steady leadership of the Student Aid Commissioners.

While we are forever different than we were before the pandemic, we are stronger, more nimble, more innovative, and more open to what is possible as we enter 2022. Happy holidays to you and your loved ones and let's welcome the new year filled with good health, hope, peace, and new opportunities.

Best wishes,

Marlene L. Garcia