

Item 13

(Action Item)

Approval of the 2023-27 Cal Grant Institutional Participation Agreement (IPA)

SUMMARY:

The Cal Grant Institutional Participation Agreement (IPA) establishes the administrative, fiscal, and information security requirements for eligible institutions participating in the Cal Grant program. The current IPA and IPA extension expires on June 30, 2023. This item presents the 2023-2027 Cal Grant IPA for the California Student Aid Commission's (Commission) final approval. If approved, the 2023-27 Cal Grant IPA will be made available to institutions in January 2023 for them to complete their renewal process by the June 30, 2023, deadline.

RECOMMENDATION:

Approve the 2023-2027 Cal Grant IPA for the period beginning July 1, 2023, through June 30, 2027.

BACKGROUND:

Generally, the Cal Grant IPA is renewed every four academic years. However, due to the COVID-19 pandemic, which began in 2020, the revision of the 2017-2021 IPA was halted as both, Commission staff and Cal Grant participating institutions, had to shift their focus and critical resources to ensure students were able to access their financial aid. With the support from the Financial Aid Advisory Board (FAAB), the Commission approved a two-year extension of the 2017-21 Cal Grant IPA at its December 3, 2020, meeting.

In 2022, Commission staff worked in partnership with members of the Financial Aid Advisory Board and school segment representatives to update the Cal Grant IPA. Consensus was reached on proposed changes and a final draft was presented for public comment on July 21, 2022. Members of the public and stakeholders were given the opportunity to review the final draft of the 2023-27 Cal Grant IPA and provide any additional comments. The final draft received positive feedback and no new items or changes were received for additional consideration.

Notable changes to the Cal Grant IPA included the following:

- Article II

California Student Aid Commission

- California Code of Regulations (CCR) references have been added to all provisions when possible
- Added information about institutional appeals due to Graduation Rates (GR) or Cohort Default Rates (CDR)
- Added requirement to notify the Commission of a Change of President
- Article III
 - California Dream Act Application (CADAA) data protection language was added
 - Interest remittance of Cal Grant funds - 60 days past due will result in a halt of term advances until interest is remitted
- Article IV
 - Removal of Selective Service requirement – no longer required for federal financial aid nor for Cal Grant participation
- Article VI
 - Renewal of WebGrants access is moving from annual to biannual requirement
- Article VIII
 - Statement that Institutions must immediately notify the Commission if they stop providing educational programs, federal participation is terminated, loss of accreditation, change of ownership or control, etc.
- Article IX
 - The President no longer needs to initial the boxes indicating what type of institution they are, the Financial Aid Director can now check the boxes, though the President still must sign the IPA
- Appendix A
 - Expanded list of application requirements for institutional eligibility
 - Added data reporting requirement language
 - Added language to match audits engagement letters

RESPONSIBLE PERSON(S):

Alessandra Morrison, Associate Deputy Director
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ATTACHMENT(S):

2023-27 Cal Grant IPA _ Final Draft
2017-21 Cal Grant IPA
2021-23 Cal Grant IPA Amendment