

ORIENTATION MANUAL



CSAC
CALIFORNIA
STUDENT AID
COMMISSION

~~July 2020~~

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INTRODUCTION & OVERVIEW

The California Student Aid Commission (Commission) is the principal state agency responsible for administering financial aid programs for students attending public and private universities, colleges, and vocational schools in California. These programs include grant, scholarship, and loan assumption programs funded by the state and the federal government. The agency administers over ~~\$2.8~~ \$3.5 billion in financial aid and outreach programs each year.

The Commission also provides financial aid policy analysis and leadership in partnership with California's colleges, universities, financial institutions, and financial aid associations. Additionally, the Commission evaluates the effectiveness of its programs as a foundation for program improvement, conducts research and long-range planning, and reports on state financial aid needs. The Commission disseminates information to students and their families and provides information to policy makers, state and federal agencies, schools and institutions of higher education, and students, and their families.

The 15-member Commission includes 11 members appointed by the Governor representing the higher education segments, students, and the general public along with two members appointed by the Senate Rules Committee, and two members appointed by the Speaker of the Assembly. In general, members serve four-year terms; the two student members appointed by the Governor serve two-year terms.

VISION AND MISSION

VISION

~~*A California that invests in educational opportunity, fosters an active, effective citizenry, and provides a higher quality of social and economic life for its people.*~~

Transforming lives by creating education opportunities for the state's diverse population, driving its social and economic well-being to ensure a promising future for all.

MISSION

~~*"Making Education Beyond High School Financially Accessible to All Californians"*~~
Promoting educational equity by making postsecondary education affordable for all Californians.

HISTORY OF THE COMMISSION

One of the earliest proposals for the development of a state scholarship program in California was contained in a 1948 report from the Strayer Committee on *The Needs of California in Higher Education*. This proposal contained a plan for a series of subsistence scholarships to be awarded to deserving applicants throughout the state based on academic ability and potential for success in college. In 1955, following a report to the Legislature of the *Restudy of the Needs*

of Californians in Higher Education, there was renewed interest in the establishment of a state scholarship program.

In the spring of 1955, the Legislature passed Assembly Bill 1546, known as the Hegland-Shell-Donahoe and Donald D. Doyle Act, and the Governor signed the bill on July 8, 1955. The Act provided for a series of undergraduate scholarships, which were to be used for the payment of tuition and fees. The awards were to be granted to students on a competitive basis and with demonstrated financial need, along with additional requirements pertaining to residence and citizenship. The law required that the program administration be assigned to a State Scholarship Commission, whose members were to be appointed by the Governor. The law further required that each scholarship be used for undergraduate study at an accredited collegiate institution within the state. Each award winner was eligible to renew the award; however, the award was limited to a maximum of four years and could not be used beyond the baccalaureate degree.

In the late 1950s, state policy makers began planning for what would become a “tidal wave” of demand for higher education as children born after the end of World War II were becoming college-age. The Donahoe Higher Education Act of 1960 set forth a Master Plan for Higher Education, establishing a coherent postsecondary education system for California, defining the specific missions and roles for the University of California (UC), the California State College system, now the California State University (CSU), and the California Community College (CCC) system. The Act set eligibility targets for the UC and CSU, created a pathway for community college students to transfer to the CSU and UC and specified that all persons 18 years or older who can “benefit from instruction” are eligible to attend a California Community College. A chief goal of the Act was to make higher education accessible, affordable, and of high-quality. Student financial aid programs would play an important role in helping the State meet those goals. While the essential goals of the 60-year old Master Plan remain unchanged, some have argued that policymakers should consider developing a new plan for higher education that is consistent with 21st-century realities.

When the Legislature reorganized the Education Code in 1976, the name of the State Scholarship and Loan Commission was changed to the California Student Aid Commission. That legislation, which became operative in April 1977, also authorized the Commission to be the State’s guarantor for student loans under the federal Higher Education Act of 1965 and established a new state educational opportunity grant or “Cal Grant” program.

In 1996, legislation authorized the creation of a non-profit, public benefit, auxiliary corporation to assist the Commission in administering the Federal Family Education Loan (FFEL) Program FFEL Programs. On January 1, 1997, following the passage of this legislation, the Commission founded EDFUND as its loan auxiliary organization. The organization operated successfully until the Federal government ended the FFEL program and established the Federal Direct Student Loan Program. EdFund ceased operations in early 2011, ~~although continues to exist in statute as a series of events has delayed the dissolution.~~ As of June 2022, EdFund was dissolved as a nonprofit corporation.

In 2000, Senate Bill 1644 established the Ortiz-Pacheco-Poochigian Vasconcellos Cal Grant Program that for the first time provided guarantee/entitlement awards for recent high school graduates who met specified requirements. This legislation enabled the greatest expansion of access to higher education in California since the federal government implemented the G.I. Bill. The first Cal Grant entitlement awards were issued for the 2001-2002 academic year.

Over the years, the Cal Grant program has evolved into a complex set of programs and requirements that are difficult for students and parents to understand. Despite significant State investment, the programs do not address the true cost of attendance and gaps across the programs prevent tens of thousands of students with financial need from receiving state grant aid. In 2017, the Legislature directed the Commission to prepare a report addressing the need to consolidate/streamline existing State financial aid programs and identifying financial aid reforms to better address the total cost of attendance. The Commission contracted with The Century Foundation (TCF) to address these concerns and in April 2018 TCF released its report, *Expanding Opportunity, Reducing Debt: Reforming California Student Aid*. That report recommended a major overhaul of California's financial aid system, including expansion of Cal Grant eligibility requirements, streamlining and simplifying the various components of State grant aid into a single Cal Grant program, and a reworking of Cal Grant award calculations to focus on total cost of attendance rather than tuition and fees.

The Legislature indicated a strong desire to reform California financial aid and requested the Commission to convene a Cal Grant workgroup to propose reforms in the 2020-21 legislative session. The Commission convened a work group representing all the key stakeholders and submitted a final report to the Legislature on March 6, 2020. The report, *Cal Grant Modernization: A vision for the Future*, proposed several policy recommendations that fundamentally restructured and streamlined the program by removing equity barriers, focusing on addressing basic needs and benchmarking college affordability to the Cost of Attendance. Legislation to implement these policy changes in 2020 was put on hold given the onset of the COVID-19 worldwide pandemic. There is an expectation that the Legislature will revisit implementation of Cal Grant Modernization structural changes in 2021, but without new funding. In 2021, conversations around Cal Grant reform began again, resulting in the creation of a new community college Cal Grant entitlement program in the 2021-22 Budget. In the following year, the "Cal Grant Equity Framework" was adopted in the 2023-23 State Budget to commence in the 2024-25 award year should multi-year revenue projections in May 2024 be sufficient to support the significant expansion of financial aid.

Throughout its history, the Commission has not wavered from its central mission of to make education beyond high school financially accessible to all Californians promoting educational equity by making postsecondary education affordable for all Californians. The Commission has consistently stood for a student-centered and equitable financial aid system that meets the diverse needs of California's population and helps make postsecondary education affordable and attainable.

THE COMMISSION AS A GOVERNING BODY

The California Student Aid Commission is an independent agency reporting to the Executive Branch of state government. This section provides an overview of the Commission appointment process, standing committees, and open meeting requirements. ~~As a governing body, the Commission has fiduciary and statutory responsibility for State administered financial aid programs, including all federal and state funded grants, scholarships, and loan assumption programs. The Commission is responsible for the administration of the state's primary financial aid program, the Cal Grant Program, among others. The Cal Grant program provides financial aid awards to students who meet specified eligibility criteria and who attend one of the state's qualifying public institutions or independent private institutions.~~

OVERVIEW OF PROGRAMMATIC RESPONSIBILITIES

~~The Commission administers the following financial aid and outreach programs:~~

- ~~• Cal Grant Entitlement Program~~
- ~~• Cal Grant Community College Transfer Entitlement Program~~
- ~~• Cal Grant C Program~~
- ~~• Cal Grant Competitive Program~~
- ~~• Golden State Teacher Grant Program~~
- ~~• Middle Class Scholarship Program~~
- ~~• Law Enforcement Personnel Dependents Grant Program~~
- ~~• California Military Department GI Bill Award Program~~
- ~~• California Chafee Foster Youth Program~~
- ~~• John R. Justice Program~~
- ~~• California Student Opportunity and Access Program (Cal-SOAP)~~
- ~~• California Cash for College Program~~
- ~~• Child Savings Account Program~~
- ~~• Every Kid Counts Program~~

~~The Commission conducts student financial aid research, disseminates information statewide about student financial aid programs, and provides reports to the Legislature, the Governor, postsecondary educational institutions and other State and federal agencies regarding student financial aid in California.~~

MEMBERSHIP AND APPOINTMENT PROCESS

The Commission consists of 15 members. Eleven Commission members are appointed by the Governor with the consent of two-thirds of the Senate. By law, these appointments must include:

- three representatives from the general public;
- one representative from a California secondary school;
- two members, each of whom must be a student enrolled in a California postsecondary educational institution (in different segments at the time of appointment);
- one representative from the University of California;
- one representative from the California State University;
- one representative from the California Community Colleges;
- one representative from a California independent college or university; and
- one representative from a public, proprietary, or nonprofit postsecondary school located in California.

Two Commission members are appointed by the Speaker of the Assembly and two are appointed by the Senate Rules Committee.

Governor- and Senate-appointed Commission members are appointed to four-year terms, unless they are filling a vacant, unexpired term. In that case, they complete the remainder of the unexpired term. Student members serve two-year terms. Assembly-appointed members serve at the pleasure of the Speaker of the Assembly and have no set term.

The Commission's meetings are open to the public and are broadcast live on its website. Videos and meeting agendas are archived and available to the public on the Commission's website.

California Government Code Sections 1774 and 1782 prescribe the following process for appointments to the Commission.

GUBERNATORIAL APPOINTMENT PROCESS: NEW COMMISSIONERS

- When a term expires, the Commission notifies the Governor.
- The incumbent continues to serve until the Governor notifies them that they may no longer serve or 60 days after expiration date, whichever is first.
- When the Governor appoints a new Commissioner, that person serves at the pleasure of the Governor until Senate confirmation.
- If the Governor does not submit the name and effective date of the appointment to the Senate within 60 days of the effective date, the new Commissioner may no longer serve.
- Within 365 days of the effective date, the Senate may do one of three things:
 - Confirm the Governor's appointment, in which case, the new Commissioner serves the remainder of the term.
 - Reject the Governor's appointment, in which case, the new Commissioner may no longer serve after 60 days from rejection or 365 days from the effective date of appointment, whichever occurs first.
 - Take no action, in which case, the new Commissioner may no longer serve after 365 days from the effective date of appointment.

GUBERNATORIAL APPOINTMENT PROCESS: REAPPOINTED COMMISSIONERS

- When a term expires, the Commission notifies the Governor.
- If the Governor does not reappoint within 60 days of expiration date, the incumbent may no longer serve and may not be reappointed until 365 days later.
- A reappointed Commissioner serves at the pleasure of the Governor until Senate confirmation.
- If the Governor does not submit the name and effective date of reappointment to the Senate within 90 days of expiration date, the reappointed Commissioner may no longer serve.
- Within 365 days of the Commissioner's expiration date, the Senate may do one of three things:
- Confirm, in which case, the reappointed Commissioner serves the remainder of the term.
- Reject, in which case, the reappointed Commissioner may no longer serve after 60 days from rejection or after 365 days from expiration date, whichever occurs first.
- Take no action, in which case, the reappointed Commissioner may no longer serve after 365 days from expiration date.

GUBERNATORIAL APPOINTMENT PROCESS: STUDENT REPRESENTATIVES

- A student member appointed pursuant to subdivision (d) of Section 69510 shall have a term of two academic years.
- Upon expiration of the student member's two-year term, if the Governor has not appointed a successor, the student member may remain in office for one additional year or until the Governor appoints a successor, whichever occurs first. The requirements of subdivision (d) of Section 69510 do not apply to a student in the additional year under this paragraph.
- Notwithstanding Section 69511, the Governor shall appoint each student member of the Student Aid Commission pursuant to subdivision (d) of Section 69510 from the persons nominated in accordance with the provisions of ~~subdivision (b), paragraph (2) of subdivision (a) of Section 69511.~~
- For each student member of the commission, the appropriate student organization may submit a list of nominees. The list shall specify not less than three and not more than five nominees. The appropriate student organization for each segment shall be a composite group of at least five representative student government associations, as determined by the commission.
- The student member appointed to the commission shall not be enrolled in the same segment as the outgoing student member or in the same segment of the other sitting student member.

- Participating student organizations designated in subdivision (b) shall inform students within their respective segment of pending student vacancies on the commission.
- The person appointed as a student member of the Student Aid Commission pursuant to this section shall be subject to confirmation by the Senate as required in subdivision (d) of Section 69511.

LEGISLATIVE APPOINTMENT PROCESS: NEW COMMISSIONERS

- When a Commissioner's term expires, Commission staff notify the appointing authority.
- The incumbent continues to serve until the appointing authority notifies the Commissioner that they may no longer serve.
- When appointed, the new or reappointed Commissioner serves the remainder of the term.

COMMISSION OFFICERS AND STANDING COMMITTEES

~~The California Student Aid Commission selects its Chair and officers from among its members, for a term of one year at the last scheduled meeting of the calendar year. Officer elections are held during the last Commission meeting of each year. Commission officers are elected and serve for a one-year term, as specified in statute, beginning the first month following the elections.~~

See Appendix A on Commission Governance Policies and Procedures.

COMMISSION OFFICERS

Chair: The Chair of the Commission has extensive duties requiring commitment of time. Specifically, the role of the Chair is to:

- a. Coordinate the planning of the Commission's activities for the year ahead providing guidance and leadership on general policy direction, and develop the agenda for each Commission meeting, with input from Commissioners and the Executive Director.
- b. Preside at Commission meetings, ensuring that meetings are noticed and conducted in accordance with the Bagley-Keene Open Meeting Act and that time is set aside for public comment at meetings.
- c. Ensure that meeting discussion and deliberation is conducted in a manner that is fair, open, and thorough, and at the same time is efficient, focused and timely.
- d. Organize the Commission's Committees as established per the Committees policy below and maintain contact with the Committee Chairs to ensure that Committees are operating effectively.

- e. Meet regularly with the Executive Director and make decisions as necessary to ensure implementation of the Commission's policies herein.
- f. Execute specific documents as authorized by the Commission, as otherwise provided by law.
- g. Represent the Commission at hearings and/or meetings with Legislators, administration officials, stakeholders, advisory groups, and attend Commission related functions, as necessary.
- h. Appoint the Chairs, Vice Chairs and members of the Standing Committees and Ad Hoc Committees as needed; and appoint interim officers of the Commission in the event of a vacancy.
- i. Attend Standing Committees as an ex-officio member.
- j. Approve attendance by Commissioners at conferences, training, or site visits of related professional organizations for which they may be reimbursed for eligible travel expenses.

Vice-Chair: The Vice-Chair is responsible for performing the duties of the Chair in their absence. The Vice-Chair is expected to participate in management and other meetings, as appropriate, and at the discretion of the Chair.

Secretary: The Secretary is responsible for providing assistance with parliamentary procedures as needed, and for reviewing and signing approved minutes of Commission meetings in the Chair's absence ~~and assisting with parliamentary procedures as needed.~~ The Secretary ensures that General Counsel prepares a confidential written record approved by the Chair ~~a minute book is kept~~ which records the topics discussed and decisions made at any Closed Session meetings of the Commission in accordance with the Bagley-Keene Open Meeting Act.

~~The Chair of the Commission is authorized to appoint interim officers of the Commission in the event of a vacancy. Such interim officers will serve until elected or replaced by a majority vote of a quorum of the Commission.~~

~~In the event that the Commission lacks a quorum and there is a vacancy in an officer position, the seated members of the Commission are authorized to elect interim officers, subject to ratification by the Commission at such time as there is a quorum.~~

If an officer is, for any reason, unable to complete their term, the Chair shall appoint an interim officer. The Chair may thereafter schedule an election to fill the vacancy at the next regularly scheduled meeting. The interim or elected officer would serve out the remainder of the term.

COMMISSION STANDING COMMITTEES

The Commission has adopted a standing committee structure for handling the various policy domains that fall under its jurisdiction. Standing committees may meet before or during regular Commission meetings and report out to the Commission as a whole toward the end of the meeting. ~~Standing Committees may meet more often at the discretion of the Chair of the~~

~~Commission and the committee chair.~~ Commission members indicate their preferences for committee assignments annually and the Chair of the Commission determines the membership of each standing committee.

All Commission members are welcome to attend committee meetings, even if they are not members of a particular committee. However, only formally approved committee members may discuss and vote on matters before the committee and receive a stipend for attendance. The Chair of the Commission serves as an ex-officio member of all standing committees. A staff liaison also is assigned to each standing committee.

See Appendix B on Commission Committee Charter.

LEGISLATIVE, AUDIT AND BUDGET (LAB) COMMITTEE

~~The Legislative, Audit and Budget Committee is a seven-member committee.~~

Legislative, Audit and Budget Committee Charter
(Adopted by the California Student Aid Commission on February 19, 2015)

~~The Legislative, Audit and Budget Committee is responsible for:~~

- ~~1. Identifying and recommending policy and legislative proposals for Commission consideration, including making recommendations to the Commission on state and federal executive, legislative and budget issues associated with financial aid.~~
- ~~2. Reviewing state and federal legislative proposals and recommending action to the full Commission.~~
- ~~3. Examining and making recommendations on a comprehensive risk assessment to identify and prioritize potential audit areas which pose the greatest risk and liability to the commission;~~
- ~~4. Establishing an audit plan based on the comprehensive risk assessment which identifies those audits that could be performed by existing audit resources and evaluating the plan annually to determine if changes are warranted.~~
- ~~5. Monitoring the status of audits, including the implementation of audit recommendations, and informing the commission of significant external audit issues.~~

- ~~6. Reviewing with management, the plans and activities of the internal audit function, including evaluating the effectiveness of the internal control systems.~~
- ~~7. Reviewing with management any commission response to audits performed by various state agencies.~~

~~PERSONNEL, EVALUATION AND NOMINATIONS (PEN) COMMITTEE~~

~~The Personnel, Evaluation and Nomination (PEN) Committee is a five member committee.~~

~~**Personnel, Evaluations and Nominations Committee Charter**
(Adopted by the California Student Aid Commission on February 20, 2015)~~

~~The Personnel, Evaluation and Nominations Committee is responsible for:~~

- ~~1. Developing and making recommendations to the Commission on the process for the annual review of the Executive Director's performance and the establishment of the criteria;~~
- ~~2. Collecting and preparing the information for the annual review of the Executive Director's performance, analyzing the information, and presenting recommendations to the Commission;~~
- ~~3. Developing an inclusive process for the annual election of Commission officers, ensuring that all Commissioners who are willing to serve as officers be considered for election; and~~
- ~~4. Developing the orientation process for new Commissioners, and periodically reviewing the orientation process and materials.~~

~~STRATEGIC POLICY AND PLANNING COMMITTEE (SPPC)~~

~~The Strategic Policy and Planning Committee is a seven person committee.~~

~~**Strategic Policy and Planning Committee Charter**
(Adopted by the California Student Aid Commission on April 16, 2015)~~

~~The Strategic Policy & Planning Committee is responsible for:~~

- ~~1. Examining and making recommendations to the Commission on policy matters associated with financial aid and initiating/developing/proposing~~

~~possible legislative remedies for consideration by the Legislative, Audit and Budget Committee and the full Commission;~~

- ~~2. Periodically reviewing and recommending any updates as needed to the Commission's written governance policies and the Commission's orientation manual;~~
- ~~3. Examining and making recommendations to the Commission on governance matters, such as meeting procedures and committee structure;~~
- ~~4. Leading long-range planning activities to position the Commission to continue to fulfill its mission and responsibilities in the future most effectively, including identifying and analyzing existing and developing policy concerns that present fundamental opportunities or challenges to the Commission's mission and that may require the Commission's focus over a number of years, and identifying options to resolve those concerns.~~
- ~~5. Examining and making recommendations to the Commission where appropriate on the efficiency and efficacy of existing CSAC-administered financial aid programs.~~

STUDENT IMPACT (SI) COMMITTEE

~~The Student Impact Committee is a seven-member committee.~~

Student Impact Committee Charter ***(Adopted by the California Student Aid Commission on April 16, 2015)***

~~The Student Impact Committee is responsible for:~~

- ~~1. Examining policy issues and outreach associated with financial aid from a student and parent (family) perspective such as the impact of loan debt and financial literacy programs, and bringing those issues to the attention of the California Student Aid Commission with recommendations for appropriate actions;~~
- ~~2. Identifying and recommending policy and legislative proposals associated with student impact for Commission consideration.~~
- ~~3. Reviewing program updates, at its discretion or upon assignment by the full Commission, for Cal Grant, Dream Act/AB540, and Middle Class Scholarship and other programs administered by the Commission, and making any necessary recommendations for Commission consideration.~~

- ~~4. Engaging student organizations in periods of transition and encourage the invitation of student leaders to attend committee and Commission meetings for introductions and to discuss organizational goals for the year.~~
- ~~5. Reviewing outreach and social media efforts by the Commission and providing feedback on the different campaigns.~~

AD HOC COMMITTEES

~~Ad Hoc Committees may be appointed by the Chair of the Commission as appropriate to meet Commission needs not covered by the Standing Committees. Ad Hoc committees may be created to collect ideas and information, and recommend how the Commission may address specific issues or situations.~~

MEETING PROCESS

The Commission has in person meetings approximately four times a year. These meetings are typically two-day meetings. The commission also meets via teleconference two to three times during the year to review information pertaining to the State budget.

In making policy decisions, the Commission relies upon the advice and recommendations of its staff and advisory committees. The Commission also considers comments and information provided by stakeholders including representatives from high schools, colleges, universities, student groups, business, government agencies, and financial aid associations.

All meetings of the Commission, its standing committees, advisory committee established at the direction of the Commission are open to the public. On occasion the Commission meets in closed session to discuss personnel matters, litigation, or business matters of a proprietary nature. Closed session meetings are not open to the public.

The Commission welcomes written communications from the public on any issues within its purview. Members of the public are invited to appear and comment on any scheduled agenda items. Each agenda provides time for public comment on items not on the agenda, however, the Commission and/or Committee may not discuss or take action on any matter raised during public comment section, except to decide whether to place the matter on the agenda of a future meeting.

Standing Committees generally meet during regular Commission meetings and typically make reports and recommendations to the Commission as a whole during the latter half of the same

Commission meeting. Ad Hoc committees of two ~~to three~~ commissioners are not subject to Bagley-Keene open meeting laws and may meet as frequently as determined by the chair.

QUORUMS

A majority of the Commission's 15 members must be present in order for a meeting to be held. A quorum of eight (8) members is required even if vacancies exist on the Commission. The purpose of a quorum is to ensure fair representation and that all actions taken are done so after consideration of all perspectives. Therefore, a quorum must be present to legally transact business and take actions. ~~Once a decision is reached, all Commissioners will, in their role as Commissioners, speak as a single official voice and act accordingly.~~ The concurrence of the majority of the members constituting the quorum, ~~(i.e., at least five (5) members at a Commission meeting. For example, a full 15-member Commission requires 8 members for a quorum, and if only 8 are present, 5 votes for a majority)~~ is necessary to approve an action.

Every effort should be made by the members to attend all meetings. If circumstances prevent a member from attending a meeting the member should notify the Commission Liaison immediately. In instances where a Commissioner's absence may result in the lack of a quorum, the following may occur:

- The member may participate, if possible, by teleconference, in order to achieve a quorum of the Commission.
- The Commission meeting may be canceled and rescheduled for a date on which a quorum may be achieved.
- Standing committees that have a quorum may continue to meet and take action as a committee.

A quorum of a Standing Committee is a majority of its membership. The Chair of the Commission is an Ex-Officio voting member to each of the Standing Committees and may counts towards achieving a quorum. However, if any of the Commission's Standing Committees cannot make a quorum, the full Commission body acting as the Committee of the Whole may convene to consider and act upon the agenda items in place of that Committee.

OPEN MEETING REQUIREMENTS – BAGLEY-KEENE OPEN MEETING ACT

The California Constitution requires meetings of public bodies and the writings of public officials and agencies to be open to public scrutiny. California has open meeting laws that guarantee the public with a right of access to the meetings of local and state governmental governing bodies. The purpose of these laws is to ensure that the people's business is conducted in an open and transparent manner and to ensure that members of the public have the right to attend and participate in meetings. These laws help ensure the right to participatory democracy at all levels of government.

- The Bagley-Keene Open Meeting Act, applies to state boards and commissions, including the California Student Aid Commission. It ensures that members of the public can address items on the agenda in public meetings.

The Commission has essentially three duties under Bagley-Keene. First, to give timely and sufficient public notice of meetings to be held. Second, to provide an opportunity for public comment. Third, to conduct such meetings in open session, except where a closed session is specifically authorized. The preamble to the Bagley-Keene Open Meeting Act provides a powerful statement of the intent and need for the Act. Specifically, it states:

“It is the public policy of this state that public agencies exist to aid in the conduct of the people’s business and the proceedings of public agencies be conducted openly so that the public may remain informed.

“In enacting this article, the Legislature finds and declares that it is the intent of the law that actions of state agencies be taken openly and that their deliberation be conducted openly.

“The people of this state do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.”

Bagley-Keene requires the Commission to post notice of their meetings at least 10 days before the meeting occurs. ~~The~~ Unless otherwise provided for in law, the notice must provide the time, date, and location of the meeting and the name, address, and phone number of a person who can provide further information before the meeting. The notice must also contain a specific agenda for the meeting, including a brief description of specific agenda items to be discussed. The Act provides specific exceptions to the open meeting requirement to allow the Commission to meet in closed session.

It is important to note that Bagley-Keene defines a meeting as “any congregation of a majority of the members of a state body at the same time and place to hear, discuss or deliberate upon any item that is within the subject matter jurisdiction of the state body to which it pertains.” The law also prohibits use by a majority of the members of a state body of direct communications or a series of communications of any kind, directly or through personal intermediaries, or technological devices (such as e-mails) to discuss, deliberate, or take action on any item of business that is within the subject matter of the state body.

The California Attorney General Office provides a “how-to” guide to the Bagley-Keene Open Meeting Act: <https://www.sco.ca.gov/Files-ARD/BudLeg/Bagley-Keene%20Open%20Meeting%20Act%20Requirements.pdf>

~~A copy of the Bagley-Keene Open Meeting Act may be found in Appendix A.~~

See Appendix C on Bagley-Keene Open Meeting Act Government Code Section 11120 - 11133.

EFFECTIVE GOVERNANCE

The Commission is the State's primary provider of statewide grant aid to postsecondary students. The Commission-administered financial aid programs provide students access to postsecondary education by:

- Informing them about the postsecondary education financial aid opportunities available to them;
- Providing financial resources such as grants and scholarships to enable them to finance their education;
- Serving and caring about each student and ~~his or her~~ their family in a manner that is supportive, sensitive, and empowering.

The Commission has responsibility for oversight of various state financial aid programs. It cannot delegate this oversight responsibility to Commission's Chair or its committees. The Commission adopted a set of Governance Policies and Procedures in June 2008 and ~~again in September 2016~~ recently amended in December 2021 (See Appendix ~~B~~ A). These policies define the role of the Chair and its Committees and delineate the responsibilities assigned by the Commission to the Executive Director.

In addition, the Commission strives to adhere to the following principles:

- Commission members cultivate the Commission as a distinct entity that governs the California Student Aid Commission. The Commission directs the agency through the Executive Director; individual members of the Commission may offer suggestions or ask for information from the Executive Director, but they do not direct the Executive Director or Commission staff, except when authorized to do so by the Commission.
- The Commission focuses on results and on monitoring results. The Commission defines the results it wants the agency to achieve and expresses the goals through a written strategic plan and policies; it regularly monitors the progress of the Executive Director and staff in meeting the goals and policies and identifies ways to improve the agency's performance.
- The Commission advocates for the resources needed to deliver agency programs and ensures those resources are managed effectively. The Commission reviews fiscal reports of the agency and monitors the agency's budget.

- The Commission develops itself so it can effectively serve the organization’s needs. Commissioners operate with integrity, modeling open, trust-building communication; they engage in productive, trust-building questioning and communication; they recognize potential for conflicts of interest and are open and transparent about those potential conflicts. The Commission regularly monitors and discusses its effectiveness and structure; clarifies the roles of members, the Commission, and the Executive Director. The Commission assures an orderly succession of leadership; and ensures effective orientation of new members.
- The Commission provides feedback and support to the Executive Director. The Commission regularly evaluates the Executive Director on the basis of the agency’s success in achieving goals. The Commission assures that the executive director receives coaching, mentoring, and training support as needed. The Commission selects executive directors based on their ability to achieve the Commission’s strategic plan and goals.

~~A copy of the Commission’s Governance Policies and Procedures may be found in Appendix B.~~

See Appendix A on Commission Governance Policies and Procedures.

YOUR ROLE IN STATE GOVERNMENT

This section provides an overview of your responsibilities as a Commissioner as it related to Code of Ethics and the Commission’s travel and reimbursements policies.

ETHICS AND FAIR POLITICAL PRACTICES

California law requires state officials to complete an ethics training course within six months of being appointed and complete additional training every two years. In addition, every elected official and public employee who makes or influences governmental decisions is required to submit an annual Statement of Economic Interest, also known as Form 700. The Form 700 provides transparency and ensures accountability in two ways:

1. It provides necessary information to the public about an official’s personal financial interests to ensure that officials are making decisions in the best interest of the public and not enhancing their personal finances, and
2. It serves as a reminder to the public official of potential conflicts of interest so the official can abstain from making or participating in governmental decisions that are deemed conflicts of interest.

The Fair Political Practices Commission (FPPC) can be accessed at <http://www.fppc.ca.gov/about-fppc.html>.

As a Commissioner, you will receive an overview of your ethics requirements from the Commission's General Counsel:

1. CSAC Conflict of Interest Code
2. Recognizing Conflicts of Interest – FPPC
3. Limitation and Restrictions on Gifts, Honoraria, Travel and Loans – FPPC
4. Holding Two Positions – FPPC
5. Required Ethics Training for State Officials – Office of the Attorney General

~~Please refer to Appendix C for additional information and guidance on Conflict of Interest.~~

See Appendix D on Commission Conflict of Interest Code.

STIPENDS AND REIMBURSEMENTS

Commissioners receive a \$100 stipend for each day of attendance at the following:

- Regular and special Commission meetings;
- Meetings of standing committees to which they have been appointed as a member;
- Meetings of advisory committees to which they have been appointed as a liaison or as a substitute liaison; and
- Meetings of ad hoc committees to which they have been appointed as a member.

Commissioners attending standing, advisory, or ad hoc committee meetings of the Commission may be reimbursed for eligible travel expenses and will not receive a stipend. With the approval of the Commission Chair, Commissioners who have been designated to attend meetings, conferences, training, or site visits of related professional organizations will be reimbursed for eligible travel expenses only.

See Appendix E on Travel Policies and Procedures.

TRAVEL ON STATE BUSINESS

Commissioners are authorized to travel and may be reimbursed for expenses when attending Commission/committee meetings or representing the Commission at other meetings or events in California as pre-approved by the Commission chair. On occasion, it may be necessary to travel out-of-state for Commission business. Such trips must be authorized by the Governor's Office prior to travel and require at least 60 days notice.

Please work with staff in the Executive Office for your travel arrangements. A copy of the State Travel policies and procedures is included in Appendix ~~D~~ E for your information.

See Appendix E on Travel Policies and Procedures.

THE COMMISSION AS A STATE AGENCY

~~The primary responsibility of the California Student Aid Commission is to administer grants and other kinds of financial aid to help undergraduate and graduate students enrolled at eligible institutions pay for educational expenses. This section provides an overview of the financial aid and outreach programs administered by the Commission and also includes an overview of the organizational structure of the agency, copies of organization charts, and an overview of the Commission's operating budget. This section provides an overview of the financial aid programs, specialized programs, and outreach programs administered by the Commission. This section includes an overview of the organizational structure of the agency, copies of organization charts, divisions description, and operating budget.~~

PROGRAMS ADMINISTERED BY THE COMMISSION

The Commission administers the following financial aid and outreach programs:

- Cal Grant Entitlement Program (Cal Grant A and B)
- Cal Grant Community College Transfer Entitlement Program (Cal Grant A and B)
- Cal Grant C Program
- ~~Cal Grant Competitive Program~~ Competitive Cal Grant A and B Award Program
- California Dream Act (CA Dream Act Application/CADAA)
- Dream Act Service Incentive Grant Program (DSIG)
- Golden State Teacher Grant Program (GSTGP)
- Middle Class Scholarship Program (MCS)
- Law Enforcement Personnel Dependents Grant Program (LEPD)
- California Military Department GI Bill Award Program (CMD)
- California Chafee Foster Youth Program (Chafee Grant)
- John R. Justice (JRJ) Program
- California Student Opportunity and Access Program (Cal-SOAP)
- California Cash for College (CCFC) Program
- Child Savings Account (CSA) Program
- Every Kid Counts Program (EKC)
- Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)
- Golden State Education and Training Grant Program (GSETGP)
- Learning-Aligned Employment Program (LAEP)

The Commission conducts student financial aid research, disseminates information statewide about student financial aid programs, and provides reports to the Legislature, the Governor, postsecondary educational institutions and other State and federal agencies regarding student financial aid in California.

CAL GRANT PROGRAM

Cal Grant A & B Entitlement Program ~~Cal Grant entitlement~~ awards are guaranteed to students who graduate from high school and meet financial, academic, and other general program eligibility requirements.

The Cal Grant A Entitlement Award provides funding for tuition and fees to eligible low-income high school graduates who have at least a 3.0 GPA. The award provides for full fees at the California State University and the University of California and provides support for tuition costs at private California colleges and universities at a predetermined level.

The Cal Grant B Entitlement Awards provides funding for books and living expenses to eligible low-income high school graduates who have at least a 2.0 GPA. Also referred to as Cal Grant B Access Awards, these awards are intended to improve access to higher education by providing up to \$1,648 for books and living expenses. The awards also cover full tuition and fees for recipients in their second year who are attending a UC or CSU or provide tuition support at private California colleges and universities.

The California College Access Tax Credit program is intended to increase funds for Cal Grant B Access Awards. Individuals who donate to the College Access Tax Credit Fund receive a tax credit while the funds they donate are used to increase funding for Cal Grant B Access Awards.

California Community College Transfer Entitlement Awards are offered to community college students who were not awarded a Cal Grant within a year of graduating from high school. Students must have a 2.4 GPA and must meet certain requirements at the time of transfer from a California Community College to qualifying institution offering baccalaureate degree programs.

California Community College Entitlement Award is for students attending a California Community College. Applicants must submit a FAFSA or CA Dream Act Application, plus a verified Cal Grant GPA to the Commission by September 2.

Cal Grant Competitive A & B Award Program are for students who do not meet the requirements for the awards in the Cal Grant Entitlement programs may be considered for the Competitive Cal Grant A and B Award Program. Competitive awards are like the Cal Grant A and B Entitlement Awards, except that they are not guaranteed. The Commission is authorized to grant up to ~~41,000~~ \$13,000 competitive awards each year

Cal Grant C Program ~~Cal Grant C awards~~ provides funding for eligible low-income students in occupational or technical training of not less than four months. The award amounts are to be used for books, supplies and equipment, plus training-related costs. Students planning to attend a school other than a California Community College (CCC) may also receive up to \$3,009 in tuition and fee assistance.

Cal Grant Students with Dependent (SWD) Children Access Award Supplement ~~Provides~~ provides or increases Cal Grant access awards for students with dependent children attending the UC, CSU, or a California Community College.

Cal Grant Dream Act (CA Dream Act Application or CADAA) ~~The California Dream Act is a combination of three laws, commonly referenced as Assembly Bill (AB) 540, AB 130 and AB 131. Together, these laws allow undocumented and nonresident documented students to pay resident student fees at public colleges and universities and enable them to apply for and receive financial aid, including private scholarships, Cal Grants and other state-administered financial aid, university grants, and community college fee waivers.~~

~~To qualify for an award, undocumented and nonresident documented students (AB 540 students) must meet the following requirements:~~

- ~~• Attendance at a California high school for three or more years;~~
- ~~• Graduation from a California high school, or attainment of the equivalent, such as or passing the California High School Proficiency Exam (CHSPE) or earning a General Equivalency Diploma (GED), also called General Educational Development test;~~
- ~~• Registration as an entering student at, or current enrollment at, an accredited institution of higher education in California;~~
- ~~• In the case of a person without lawful immigrant status, the filing of an affidavit with the institution of higher education stating that the student has filed an application to legalize his or her immigration status or will file an application as soon as he or she is eligible to do so.~~

allows California students who cannot get financial aid from the federal government and meet other specific requirements to apply for state financial aid so they can attend some California colleges, universities, and Career Education Programs.

California Dream Act Service Incentive Grant Program (DSIG) encourages CADAA students with a Cal Grant A award that met Cal Grant B eligibility or a Cal Grant B award to perform community or volunteer service. The Commission will award up to \$4,500 per academic year (up to \$2,250 per semester or up to \$4,500 per academic year) (up to \$2,250 per semester or up to \$1,500 per quarter) to 1,667 eligible students. The grant will be available to the student for up to 8 semesters or up to 12 quarters while they have an active Cal Grant A or B award. Students must also meet Satisfactory Academic Progress and complete any necessary verification for their Cal Grant award.

MIDDLE CLASS SCHOLARSHIP PROGRAM

The Middle-Class Scholarship (MCS) ~~is a program that provides a scholarship to undergraduate students with family incomes up to \$165,000, with household assets not exceeding \$165,000, and who attend the University of California or California State University. Undergraduate students must be California residents; be U.S. citizens, or permanent residents, or be AB-540 students; meet certain income and other financial aid standards; maintain satisfactory academic progress; not be in default on a student loan; and, must not be incarcerated.~~ provides undergraduate students, including students pursuing a teaching credential, with a scholarship to attend a UC or CSU. Student with family income and assets up to \$201,000 may be eligible.

SPECIALIZED PROGRAMS

Golden State Teacher Grant Program (GSTGP) ~~provides one-time grants of up to \$20,000 to students enrolled in a state-approved credential preparation program who commit to teaching in high-need fields at a qualifying school. The grants become loans which the Commission must administer if teachers do not abide by the terms of the grant.~~ awards up to \$20,000 to students currently enrolled in a professional preparation program approved by the Commission on Teacher Credentialing (CTC) and working towards earning their preliminary teaching or pupil personnel services credential.

Chafee Grant Program for Foster Youth Program (Chafee Grant) ~~The California Chafee Grant Program~~ is a federally- and state-funded grant program administered by the Commission for the California Department of Social Services (DSS) under an Interagency Agreement. The Program assists eligible California youth aging out of foster care with the costs of attending a postsecondary institution in a federal Title IV-eligible program. DSS provides a list of eligible youth to assist the Commission in identifying program recipients.

Law Enforcement Personnel Dependents (LEPD) Program ~~The Law Enforcement Personnel Dependents Grant Program~~ provides educational benefits to the natural or adopted dependents (including spouse) of California police or law enforcement officers (highway patrol, county sheriffs, and correctional officers) and firefighters, who have been killed or disabled in the line of duty. These grants, which are based on financial need, are equal to those provided to Cal Grant recipients.

California Military Department GI Bill (CMD GI Bill) Award Program ~~This program provides funding for active members of the California National Guard, the State Military Reserve, or the Naval Militia who seek a certificate, degree, or diploma not held at the time of application. It is a competitive incentive program jointly administered by the California Student Aid Commission and the Military Department for the purpose of retaining quality men and women in the California National Guard. Recipients attending the UC, CSU, or a private institution may receive up to the amount of a Cal Grant A award. Recipients attending a community college may receive up to the amount of a Cal Grant B award. An award used for graduate studies may not exceed the maximum amount of a Cal Grant A award plus \$500 for books and supplies.~~

educational awards to qualifying members of the California Army or Air National Guard, California State Guard, and the California Naval Militia. The grant can pay for up to 100% of the tuition and fees at a UC, CSU, and CCC. The grant can also be used for eligible California proprietary and private institutions.

John R. Justice (JRJ) Program ~~The John R. Justice Program~~ provides loan repayments to eligible recipients currently employed as California prosecutors or public defenders who commit to continued employment in that capacity for at least three years. Recipients may receive up to \$5,000 of loan repayment disbursed annually to their lending institutions.

Child Savings Account (CSA) Program supports local governments and nonprofit that sponsor or collaborate on a one or more comprehensive citywide or regional child savings account programs.

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) in cooperation with UCOP and TIAA provides students at participating middle schools throughout the state of California an Educational Trust Award (ETA) of \$2,000 held in a ScholarShare 529 interest-bearing account. Once students graduate from high school, students have six years access to those funds. Funds may be used to pay for qualifying educational expenses including tuition, fees, books, supplies, and other related expenses.

Learning-Aligned Employment Program (LAEP) offers eligible students at public colleges and universities the opportunity to earn money to help defray their educational costs while gaining education-aligned, career-related employment.

Golden State Education and Training Program (GSETGP) supports Californians who lost their jobs due to the COVID-19 pandemic with a one-time grant of \$2,500 to reskill, up-skill, and access educational or training programs to get back into the workforce.

OUTREACH PROGRAMS

California Student Opportunity and Access Program (Cal-SOAP)

The Cal-SOAP Program is instrumental in improving the flow of information about ~~postsecondary education~~ financial aid opportunities to the following targeted students:

- those who are from low-income families;
- those who would be the first in their family to attend college; ~~and~~
- those from schools or geographic regions with documented low-eligibility or college participation rates;
- those who are homeless or former homeless youth;
- those who are from mixed immigration status households or are themselves immigrants;
- those who are current or former foster youth;
- those who identify as LGBTQ+;

- those who have a disability;
- those who are part of a historically underserved minority group.

Cal-SOAP is dedicated to ~~accomplishing the following goals:~~

- ~~Increasing the availability of information to students about postsecondary education opportunities; and~~
- Raising the achievement levels of students in order to expand the number of high school graduates eligible to pursue postsecondary education, promoting the availability of information about postsecondary education and financial aid, helping students apply for aid, and increasing financial aid literacy among its targeted student populations.

Through Cal-SOAP, the Commission awards block grants to consortia in ~~17~~ 16 areas of the State. The consortia establish local projects that increase access to postsecondary education for applicable high school students and community college transfer students through college and financial aid outreach ~~and academic support services~~. The local consortia match the State funding, further leveraging the State's investment.

California Cash for College Program

The California Cash for College (CCFC) Program provides financial aid workshops to assist low-income students with completing financial aid applications including the Free Application for Federal Student Aid (FAFSA), the California Dream Act Application (CADAA), the Chafee application for former foster youth, and the Cal Grant GPA Verification Form. These workshops also help students and their families understand financial aid. The Cash for College program is a partnership effort between the Commission and its regional coordinating organizations. It provides high school students and their families with greater access to state Cal Grants and federal financial aid resources such as Pell Grants.

Child Savings Account Grant Program

~~The Child Savings Account Grant Program and the Every Kid Counts Grant Program provides grants to support local governments and nonprofit organizations that sponsor or create local or regional child savings account programs.~~

COMMISSION STRATEGIC PLAN

~~The Commission reviews and updates its Strategic Plan each year to review accomplishments, update policy priorities and plan future activities. In June 2018, Commissioners provided input regarding the vision and objectives for CSAC's 2018-19 Strategic Plan. At the June 2019 meeting, the Commission discussed and approved the following five strategic policy goals that will guide the Commission's work over the 2019-20 fiscal year:~~

In the collaboration with the Executive Director, the Commission will annually undertake a process for defining and adopting goals and priorities.

Every year, the Executive Director reviews the Commission's accomplishments, update on policy priorities, and future activities. The Executive Director shares their priority goals and key activities for the upcoming fiscal year. These goals are intended to generate high-level discussion among Commissioners about priorities going into the next year. The Executive Director, with input from the Commission's leadership team, prepares their key goals, priority activities, and emerging needs of the Commission.

~~1. Support and Engagement of Commissioners~~

- ~~• Support the Commission by providing timely information on major financial aid issues for informational purposes and for taking action on key issues;~~
- ~~• Strategically leverage the passion and strengths of the Commissioners to serve as key advocates and ambassadors at key events and forums throughout the state.~~

~~2. Effective Operations~~

- ~~• Support the core mission of the agency in meeting its responsibilities to provide state financial aid for students with need;~~
- ~~• Improve communication for internal staff and outside stakeholders;~~
- ~~• Operate as an effective and efficiently run state organization;~~
- ~~• Build staff capacity and offer opportunities for staff development to carry out evolving agency needs;~~
- ~~• Continue focusing on building a positive work environment that enhances employee job satisfaction and growth opportunities;~~
- ~~• Resolve physical space limitations;~~
- ~~• Continue to enhance Information Technology Security to protect CSAC assets;~~
- ~~• Implement four new state financial aid programs established in the 2019-20 State Budget Act.~~

~~3. Policy Leadership and Advocacy~~

- ~~• Play a key role in influencing the State Cal Grant reform effort by reflecting the priorities established by the Commission and driving toward the successful implementation of a sensible policy and funding solution;~~
- ~~• Position the Commission and agency as a leading policy expert on financial aid policy;~~
- ~~• Provide strong platform for students to express their college affordability needs and support their efforts to engage in effective advocacy for state financial aid reform and new state financial aid investments;~~
- ~~• Successfully roll out the SEARS Study findings and leverage results to create a more accurate student financial aid budget, elevate the student voice and experience, and effectively utilize the regional and disaggregated data through mini-policy briefs to inform policy decisions and public discourse about college affordability.~~

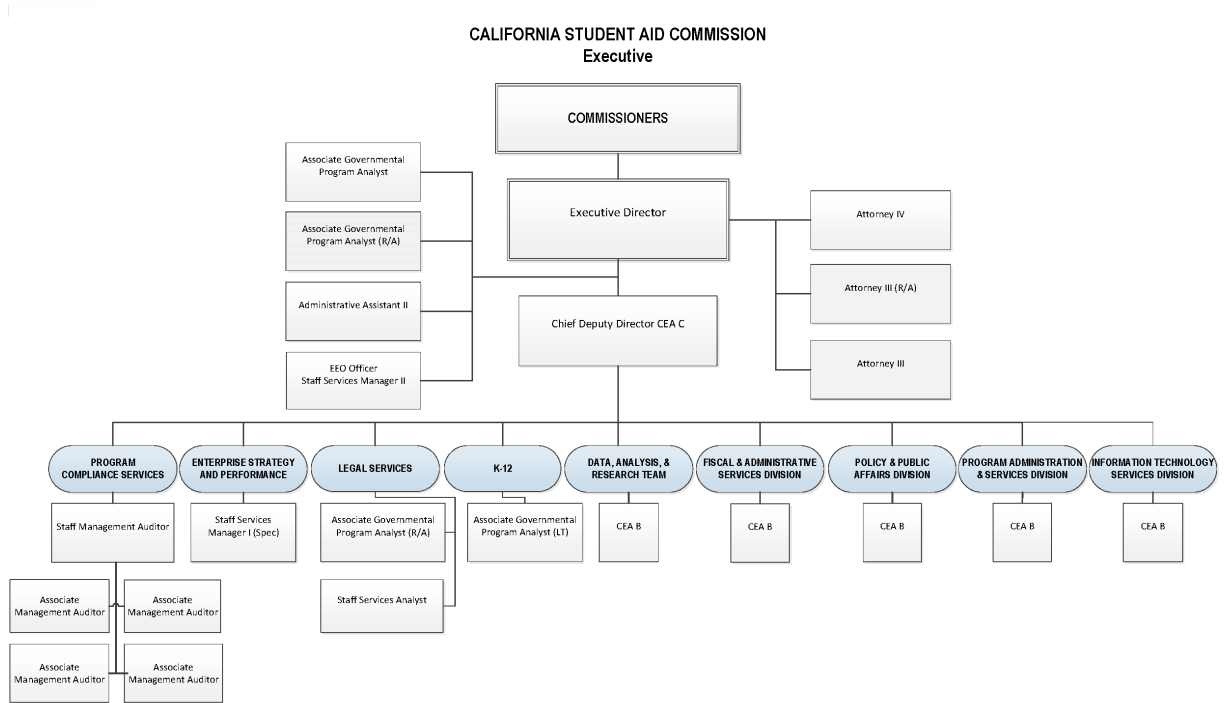
~~4. Communications, Outreach and FAFSA Completion~~

- Ensure that the Commission’s communications strategy is closely aligned with CSAC outreach efforts to maximize financial aid opportunities by increasing the number of students who apply for FAFSA and CADAA, especially in the lowest income communities, and advising on financial aid literacy, including loan awareness;
- Work on refreshing and updating the CSAC brand, web site and external communications presence in social and traditional media;
- Refocus work of Cal SOAP on financial aid awareness, FAFSA completion, and college readiness;
- Coordinate and optimize the strategic focus of key CSAC outreach efforts, including: Cash for College, Race to Submit, and statewide Financial Aid workshops;
- Continue to build relationships with stakeholders and partners.

5. Research and Innovation

- Explore development of a Fund for Innovation for enhancing College Affordability, as recommended in the Century Foundation Report: *Expanding Opportunity, Reducing Debt*; Initiate and identify funding to support new research projects that inform innovative policies and incubate new program ideas for increasing college affordability.

AGENCY ORGANIZATIONAL CHART AND ADMINISTRATIVE STRUCTURE



January 24, 2023

CSAC Total Pps: 145.5

EXECUTIVE OFFICE

The ~~California Student Aid Commission's~~ (Commission) Executive Office provides policy and administrative support for the 15 appointed members of the California Student Aid Commission and the highest level of management oversight for the Agency's administrative operations. The Executive Director serves as the Commission's Chief Executive Officer and is assisted in that capacity by the Chief Deputy Director and Division Chiefs responsible for: Program Administration and Services; Information Technology Services; Data and Research; Policy and Public Affairs; and Fiscal Administration Services. These Divisions report directly to the Executive Office.

The Executive Director is responsible for policy leadership, financial and programmatic management of the day-to-day operations of the Commission, including its administration of the state's Cal Grant Program, Middle Class Scholarship Program, specialized programs, and financial awareness and outreach programs.

GOVERNMENT AND EXTERNAL RELATIONS

~~Governmental Affairs, housed in the Executive Office, analyzes, monitors, and advocates the Commission's interests related to state and federal legislation and policies. Staff maintains effective relations with the Governor's Office, higher education segments, State Legislators and staff, government agencies, state and national student aid organizations and constituent groups.~~

COMMUNICATIONS

~~The Communications Office in the Executive Office develops and implements the Commission's strategic media and communications plan, engages the Commission in traditional and social media, handles all media relations including inquiries and release of public information, and works with the Governmental Affairs Office to develop and implement legislative strategy.~~

~~LEGAL SERVICES The Legal Services Office is responsible for providing legal services and support to the Commission and its programs and information security. This responsibility includes legal guidance and representation on all legal matters relating to the Commission and its programs.~~

~~PROGRAM COMPLIANCE The Program Compliance Unit provides management with independent appraisals, analyses, recommendations, and other pertinent comments concerning the Commission's operations and contract services. Staff is responsible for conducting mandated and follow-up audits and is also responsible for performing other special request reviews.~~

PROGRAM ADMINISTRATION & SERVICES DIVISION (PASD)

The Program Administration and Services Division's (PASD) primary focus is to facilitate access to Commission programs by effectively delivering financial aid and service to students and the

financial aid community. In addition to the Cal Grant Programs, ~~the Program Administration and Services Division (PASD)~~ is responsible for administering numerous specialized financial aid programs, each of which serves a specific purpose and population, and requires individual and unique processing systems.

DATA, ANALYSIS, AND RESEARCH TEAM (DART)

The Data, Analysis, and Research Team (DART) researches and analyzes the Commission's programs, as well as general financial aid issues. In addition, the team provides cost estimates, forecasts and projections for legislation and the State budget, as well as responses to data requests from external entities and individuals.

INFORMATION TECHNOLOGY SERVICES DIVISION (ITSD)

The Information Technology Services Division (ITSD) is responsible for providing high quality technology-based services and support, in the most cost-effective manner to facilitate the Commission's mission. ITSD provides technical support and services to all internal and external customers.

The Commission started planning the Grant Delivery System (GDS) Modernization Project in the 2013-14 fiscal year because the demands on the current GDS exceeded the program-delivery and security capabilities of its 30-year-old technology. The objectives and goals of the modernization of its legacy system will ensure a fully integrated, modern system that can interact real time processes and provide tools to institutions and students for managing Cal Grants and other Commission programs.

Another component of ITSD is the Information Security Office (ISO). The ISO acts as the point of contact for Commission's enterprise with governing and oversight State IT control agencies for IT security related activities. The ISO staff report to the Commission's CIO. The Information Security Office ensures the Commission's information security policies, procedures, and guidelines are established, implemented, maintained, and managed with the ultimate responsibility being the protection of the Commission's information assets, both internally and with external customers. The ISO is responsible for ensuring all CSAC security requirements are in accordance with State and Federal laws and regulations.

FISCAL AND ADMINISTRATIVE SERVICES DIVISION (FASD)

The Fiscal and Administrative Services Division (FASD) is responsible for the Commission's administrative and fiscal responsibilities, including accounting and budget functions, administrative operations, and human resources and facilities management.

POLICY AND PUBLIC AFFAIRS DIVISION (PPAD)

The Policy and Public Affairs Division is responsible for the Commission's engagement with Administration, legislative, external stakeholders and the media around financial aid programs, as well as the outreach and marketing efforts to inform students, families, and other constituencies about the Commission's programs.

COMMISSION BUDGET

The two main funding sources for CSAC are the state General Fund and federal Temporary Assistance for Needy Families (TANF) appropriated from the State Budget. Funds from the state General Fund are allocated toward CSAC's local assistance and state operation expenditures. The local assistance expenditures are comprised of CSAC's financial aid grant programs. Twice a year, in the fall before Governor's Budget and in the spring before May Revise, CSAC provides the Department of Finance with local assistance projections. The projections include the number of grant participants and the amounts needed to fund the programs in the current year and upcoming year (known as the budget year); as well as the true number of recipients and amounts awarded in prior year. Based on the figures submitted by CSAC, local assistance appropriations are adjusted for past year, current year, and budget year. Local assistance expenditures, specifically funded for the Cal Grant programs, are partially supported by TANF. These federal funds are redirected to the California Work Opportunity and Responsibility to Kids (CalWORKs) program under the Department of Social Services and reimburse the state General Fund.

State operation expenditures are used to support CSAC's financial aid grant programs. They are comprised of personal services (e.g. employee salaries and benefits) and operating expenses and equipment (e.g. information technology, facility, contracts/procurement, and training costs). The state operations budget is developed by utilizing incremental budgeting. This concept takes CSAC's current level of funding as the base amount and is adjusted by approved Budget Change Proposals (BCPs) and supplemental changes such as employee retirement rate adjustments and employee salary adjustments per updated bargaining union agreements. Unless specified in existing law, the availability period for the expenditure and encumbrance of appropriations is three years. Section 16304.1 of the Government Code provides for a two-year period for liquidation of encumbrances following the last day an appropriation is available for encumbrance.

The state's fiscal year runs from July 1 through June 30. The California Constitution requires the Governor to submit a proposed budget to the Legislature each year by January 10. The Constitution requires the proposed budget to be balanced and it must be accompanied by a Budget Bill itemizing recommended expenditures that is introduced in each house of the Legislature. The Assembly and the Senate then review and amend the bills over the next few months. The Constitution requires that the Legislature pass the Budget Act by June 15th of each year, though negotiations for a final agreement can often continue until the start of the fiscal year on July 1.

GOVERNOR'S BUDGET

California utilizes an incremental approach to budgeting for state agencies and departments. This approach starts with a department's current year (CY) funding as a baseline, then adjustments are made as needed for new programs and/or changes in caseload. The Director of Finance, as the chief financial advisor to the Governor, directs the development of the Governor's Budget. This process begins in July, when the Department of Finance issues instructions and deadlines for departments to follow in preparing for the next fiscal year, also referred to as the Budget Year (BY).

After the start of the new fiscal year in July, Commission staff begin to develop BCP concepts and present to the Commission at the fall Commission meeting. After consideration and action by the Commission, staff submit the formal BCP documentation for those concepts approved by the Commission.

The Budget Change Proposal (BCP) is the primary mechanism that departments use to propose programmatic changes to their operating budget. The BCPs are submitted by departments to the Department of Finance (DOF) for review and analysis in early September each year. These department proposals are considered confidential until the release of the Governor's Budget in January. During this time, departments and agencies also provide data to the DOF to address changes in the population (caseload) they serve.

The Governor annually unveils the proposed budget at a formal press conference. Once the Governor's Budget is announced, DOF makes the proposed budget information available to the public on the Department of Finance Website <http://www.ebudget.ca.gov/>.

Shortly after the release of the Governor's Budget and the introduction of the Budget Bills, the Legislative Analyst's Office (LAO), which is the Legislature's nonpartisan fiscal and policy advisor, provides an analysis of the proposals. This overview provides both a "big picture" overview of the State's budget condition as well as an in-depth discussion and analysis of the key proposals contained in the Governor's Budget, including any recommendations for changes to the Governor's plan. The LAO's analysis is available to the public and can be accessed at: www.lao.ca.gov.

BUDGET ENACTMENT

The Budget Bills introduced into each house of the Legislature contain the recommended appropriations for each department or agency's Local Assistance and State Operations funding, broken down by budget items that indicate the type of funding for those activities. The Bills also contain provisional language that provide additional direction on how the funding is to be expended.

The Senate Budget and Fiscal Review Committee and the Assembly Budget Committee are the two committees that hear the Budget Bills. They assign the items in the bill to several subcommittees (by major subject areas such as Education or Health and ~~Welfare~~ Human Services) that conduct budget hearings. These hearings generally begin in late February. The LAO, DOF, and departmental staff typically provide testimony at the subcommittee hearings. The hearings provide an opportunity for departments to advocate for the proposals contained in the Governor's Budget and answer questions legislators may have about departmental programs and expenditures. Lobbyists and the public may provide testimony at the hearings.

The Governor releases his May Revision by May 14 and consist of an update of General Fund revenues. The budget committees typically wait for the May Revision update before making their final budget decisions on major programs such as Education, ~~Corrections~~ Public Safety, and Health and ~~Welfare~~ Human Services.

After the subcommittees complete their work, they report their recommendations to the full committee. Budget changes that necessitate new statutes or changes to existing law are usually incorporated into one or more "trailer bills" that are heard concurrently with the Budget Bill. Upon adoption of the budget by the full committee, the amended bills are voted on by the full house. Each Budget Bill is then passed to the other house and a Budget Conference Committee ~~is then~~ may be appointed to work out differences between the Senate and Assembly versions of the Budget Bill. The conference version is then sent to the two houses for approval. Upon a majority vote by both houses, the Budget Bill is passed to the Governor for enactment. In some years, the Legislature may pass its own version of the Budget Bill to satisfy its constitutional requirements, but later pass another amended version of the Budget Bill that reflects the final agreement with the Governor.

BUDGET ADMINISTRATION

The Budget Act establishes a plan of expenditures that has been approved by Legislature and the Governor. The Commission is expected to administer its programs and activities in accordance with that plan and operate within the resources appropriated to the agency.

A link to the current and previous California Budget including the Governor's Proposed Budget, May Revised, and Enacted Budget can be found: <https://ebudget.ca.gov/>