

Item 5

(Information Item)

Executive Director's report



Executive Director's Report March 2024

Dear Commissioners,

So far, the biggest news of 2024 has been the slow and rocky rollout of the Better FAFSA and the potential impact on student FAFSA completion rates. As of mid-February, according to the NCAN FAFSA Tracker, about 16 percent of California students have completed their FAFSA's. When including the CA Dream Act Application (CADAA) submissions, the percentage increases to 16.5 percent. This is roughly a 50 percent decline from the same time last year. However, it is important to keep in mind that last year's application period was five months versus three months this year. Nevertheless, we only have about a month left to make up the difference. While we anticipate a spike in applications in the last month, the Commission will be working vigilantly with all its partners to maintain the historic gains made in last year's FAFSA and CADAA completions.

Currently, the California Student Aid Commission (Commission) is focused on working closely with our higher education institutions, national organizations, and state and local partners in the field to make up ground in helping students successfully complete their FAFSA or CA Dream Act by the priority deadline. Even after the April 2nd priority deadline, the Commission will continue working with its partners to ensure students attending a community college are able to complete their FAFSA's and CA Dream Act Applications in advance of the community college September 2nd deadline for a Cal Grant.

California Student Aid Commission

One bright spot in the financial aid application process is the CADAA rollout. The CADAA was launched at the same time as the Better FAFSA and has been implemented without a hitch. We are grateful to our PASD and IT teams who have worked so hard to develop the backend changes that mirror the Better FAFSA and added enhancements that improve the experience for undocumented pursuant to a recent statutory change pursuant to AB 1540 (Fong).

Steps the Commission is Taking to Mitigate Challenges with this year's Better FAFSA

1. Working closely with the US Department of Education (ED) and the Office of Federal Student Aid (FSA). Commission staff attend regular webinars and communicate directly with staff at the Department when needed. Commission Chair Catalina Cifuentes, Vice Chair Charles Nies and staff met with Undersecretary James Kvaal and their staff in late February to discuss the timeline for addressing the technical issues with FAFSA for mixed status students and other rollout problems. We were told that the FAFSA submission issues for mixed status students who have a contributor without an SSN will be **fixed in the first half of March**. At that time, students will be able to submit a fully completed FAFSA that includes contributor information. If an applicant cannot successfully complete an identify match with Transunion, a new feature will be added to automatically generate an email with a case number for the manual identity verification process. The expected date of when this feature will go live is to be determined.
2. Working with national college access and affordability organizations, such as NASSGAP, NCAN, SHEEO, TICAs and others to address issues as they arise and to anticipate needed support and interventions through the remainder of the 2024-2025 financial aid application cycle. Commission staff participate in regular meetings with national organizations and other state agencies to share information, identify problems and propose solutions.
3. Actively working with all state and local partners to provide students direct assistance in completing the FAFSA and the CA Dream Act Application. The Commission is working with our Cal-SOAP and Regional Coordinating Organizations to support a record number of Cash for College workshops serving thousands of students and families. Commission staff are working with SoCal CAN and Mainstay to open the Cali chatbot opportunity for more students needing personal assistance to complete the Better FAFSA or the CA Dream Act application. All students and parents attending a Cash for College workshop or Capital One Cafes serving as hubs for Cash for College workshops will be invited to opt-in to the Cali chatbot. The Cali chatbot has been educated to understand all the latest details for the Better FAFSA, including information for students from mixed status families. The chatbot opportunity is being extended to all Cal-SOAP and Regional Coordinating Council organizations. Students and families continue to be able to sign up for the Cali chatbot at the nine K-12 schools that are part of the chatbot pilot.

California Student Aid Commission

4. Sending out numerous communications to targeted audiences that provide up-to-date information on the most recent guidance and developments concerning the Better FAFSA. Key communications include:
 - Letters to students and families reassuring them that we are working hard to ensure no students are denied access to financial aid because of technical problems preventing them from completing a FAFSA or CA Dream Act Application.
 - A Commission Public Affairs Digest is being sent to state legislators, members of Congress, and key policy advocates to provide update-to-date announcements and guidance.
 - Social media channels are being used extensively to answer some of the most commonly asked questions preventing students from completing the FAFSA. Commission staff have created TikTok vignettes that are going viral.
 - Commission staff are participating in numerous media interviews about the Better FAFSA and providing advice to students and families.

Apart from our work on supporting the Better FAFSA and CA Dream Act Application process, the Commission continues to refine and implement its core programs, including Cal Grant, Middle Class Scholarship, Golden State Teacher Grant Program, Dreamer Service Incentive Grant, Learning Aligned Employment Program and several others. All other work of the Commission continues despite the challenges with the Better FAFSA rollout.

Division Updates

Each Division is responsible for carrying out major aspects of the Commission's work. The Commission could not be as successful as it is without the commitment and hard work of every division. The following highlights major activities and accomplishments for the last quarter by each Division.

Fiscal and Administrative Services Division

General

- In the early stages of intranet redesign with IT. Created a new Employee Resources on the Intranet and have procured resources in IT.
- Several outdated department-wide policies pertaining to Human Resources and Business Services and Accounting have been updated and disseminated to all employees.
- Updating Conflict of Interest code for CSAC. Will change the list of form 700 filers. Will need to present to the commission in the summer.

California Student Aid Commission

Budgets

- Finalized rollout of OpenGov, a new software platform designed to manage revenue & expenditure forecasts for governments. 2nd quarter forecast meetings take place in February
- Budget Expenditure Freeze from Department of Finance is in place. Monthly drill to DOF to justify expenditures is in place.
- Spring Finance Letter announcement limiting types of requests.

Accounting

- Cal-T reconciliation and write-off/discharges continue between Accounting and Specialized program.
- GSTGP A/R and Claims reconciliation continue between Accounting and Specialized Program
- Continued development of a travel manual for employees that travel for the state
- Working on internal Accounts Receivable training

Business Services/Contracts

- Signage for the building is installed.
- New office for Executive Director is complete.
- Working on Emergency Evacuation procedures and training
- Working on Injury and Illness Prevention Plan and training

Human Resources/EEO

- Working on presentation/workshop on the hiring process and identifying areas to improve upon.
- Working on CSAC Mentoring Program
- Working on Upward Mobility Policy and Program
- Finalizing a New Employee Orientation onboarding workshop to be presented starting in March and quarterly going forward.
- Completing DISC assessment profiles throughout the department and workshops by division to help staff understand their work styles and how they relate to other staff.

Program Administration and Services Division

- The commission has certified institutions that are eligible for their students to receive aid for the 2024-25 academic year based on data from the US Department of Education. The eligible and ineligible schools list can now be found on the CSAC website. The ineligible institutions were notified of their ineligible Cal Grant participation status for the upcoming year. Students were also notified of the ineligible status and the options for their Cal Grant award.
- Student Support has worked hand in hand with the ITSD team to create a more secure and more user-friendly experience for students submitting required documentation to obtain aid from CSAC. Integration into Web Grants for Students has been created which will allow for not only a safer and better

California Student Aid Commission

experience for students but will also cut down on the turnaround time for processing. PHASE 1 of this effort was released mid-February.

- Student Support has also partnered with an Executive Led Committee to draft and coordinate Student Communications for CSAC. During this time Student Support has sent out more than 600,000 emails to students providing information on their award status, providing the most up to date information regarding the delayed financial aid cycle along with the key changes for the Better FAFSA/CADAA, and finally reaching out to students who have an award available to them however have not yet claimed it. To enhance communications to students, the team has also included an outbound text message campaign to coincide with the email campaigns, having sent 24,000 outbound text messages.
- The Golden State Teacher Grant (GSTG) Program is in the final testing phase of implementing electronic funds transfer (EFT), which will allow the Commission to deliver GSTG funds to institutions in approximately 2 weeks, compared with the 6-8 weeks it takes for the current paper check process.
- Changes to the Chafee Grant Program for Foster Youth starting in the 2024-25 academic year **allow Chafee-awarded students to receive the maximum award amount for each term of attendance, regardless of the total cost of attendance or other financial aid that the student receives.** This is a new major opportunity for foster youth. The Commission, in a joint effort between the IT and Program Administration and Services (PASD) Divisions, are updating the Chafee screens and processes in WebGrants to accommodate this significant change to the program.
- Following the December 31, 2023, release of the new applications, the Training Unit is offering virtual workshops on FAFSA and CADAA updates and a CADAA line-by-line training. For January, there have been four webinars with a total of 1,519 attendees. The upcoming virtual workshops in February have 1,397 people registered. In addition, the team is presenting at various ad-hoc events and supporting local Sacramento City Unified School District schools with Cash for College events in January and February to assist students in creating StudentAid.gov accounts (formerly FSA IDs) and completing their financial aid applications.

Information Technology Services Division

- Completed upgrade of servers and have decommissioned all old servers.
- Initiation of Oracle upgrade
- Updating the CADAA application to include the inflation factor that was initially omitted in the FAFSA and now is being added. This correction by FSA will

California Student Aid Commission

increase student eligibility for financial aid and will now be reflected in the CADAA Cal ISIR.

- Working with CC Chancellor's office to develop a FAFSA/CADAA dashboard similar to the Race to Submit Dashboard.
- Continuing development of Cal Grant reform.
- Initiating project for implementation of changes CHAFEE
- Continuing to build out a Cybersecurity program.

Policy and Public Affairs Division

- The Outreach and Marketing team has supported efforts around the Better FAFSA/CADAA in several key areas:
 - Over 500 Cash for College workshops already completed as of Feb. 8, reaching an approx. 4,600 students
 - CSAC has been partnering with community organizations and legislators on numerous events
 - CSAC has also begun offering hybrid workshops that support schools that seek to work with students during school hours
 - Train the Trainer efforts have engaged over 270 participants, already exceeding the entire total for the 2022-23 AY, with more training workshops scheduled through April
 - Cal-SOAP projects have already reached over 35,000 students across 248 high schools through their services
 - Social media channels have grown significantly as students and families are seeking reliable information on Better FAFSA/CADAA. Between Jan. 30, 2023 and Jan. 30, 2024, CSAC saw its Instagram followers grow from 4,602 to over 52,00 and TikTok from 137 followers to over 32,000
 - CSAC has distributed Better FAFSA/CADAA resources to Cal-SOAP, Cash for College, Train the Trainer, and other community partners to support their communications efforts
- CSAC is continuing to work with research experts to understand the mindsets of students and families around financial aid and higher education. CSAC has worked with community organizations to recruit participants for in-depth interviews and asynchronous focus groups. Research is now moving forward to

California Student Aid Commission

test various messages and content to understand what best helps address concerns of students/families and explain how financial aid is accessible.

- CSAC staff have been engaging with legislators and staff to advance the Commission's policy priorities as new bills are being introduced for 2024
 - AB 2500 has been introduced by Asm. Mike Fong to streamline the process through which school districts and institutions can have the Cal Grant priority deadline extended for their students when a declared state of emergency is in effect in their community.
- CSAC staff submitted a formal public comment regarding proposed changes to Temporary Assistance for Needy Families (TANF) funding guidelines that would impact how California has utilized these federal dollars to support Cal Grants and access to SNAP/CalFresh benefits
- The Government Accountability Office (GAO) interviewed CSAC staff to learn about California's efforts to connect students with SNAP/CalFresh benefits and discuss how data could be utilized to support outreach and access to the program.

Data, Analysis and Research Team

- Submitted the application for a Harvard Strategic Data Project fellow, who will start in Fall 2024. We anticipate receiving candidates to interview in April.
- Started the preparation for the next Student Expenses and Resources Survey (SEARS), including meeting with segment representatives to discuss changes to the survey instrument and administration plan. We plan to start sending out the 24-25 SEARS in Fall 2024.
- Continued collaboration with the UC Davis Education Lab on CCC Entitlement paid rates. Administered a survey of unpaid students to identify issues that CSAC can assist with. More updates will be provided by the Data, Research, and Strategic Planning Committee.
- Published the 2022-23 Middle Class Scholarship Facts At Your Fingertips, the 2023-24 Cal Grant Offered Awardees, and the 2023-24 Average Income, GPA, Family Size, and Age by Segment reports on the CSAC website.
- Started working with the Office of Cradle-to-Career and UC Davis to partner in the administration of C2C's annual Student Experience Survey of high school seniors. This collaboration will allow us to include questions about the financial aid application process.

California Student Aid Commission

- Exploring the use of new tools such as PowerBI to automate internal and external reports.
- Fulfilled internal and external data requests, including the annual NASSGAP state financial aid survey and Cal Grant Equity Framework demographic estimates.

The Commission continues to focus on student-centered solutions with an equity lens. The challenges and opportunities for students hoping to attend college have never been greater. The Commission stands firm in its commitment to making college affordable for all students pursuing a college degree or certificate to access by making financial aid as accessible as possible.

Best regards,

Marlene L. Garcia