

Item 4

(Action Item)

Consideration of the Child Savings Account Request For Application

SUMMARY:

This item presents the Request For Application (RFA) for the statewide competitive grant process for the Child Savings Account (CSA) Grant Program.

RECOMMENDATION:

Staff recommends that the Commission approve the Child Savings Account Request For Application to allow staff to begin the statewide competitive grant process.

BACKGROUND:

The 2019-20 State Budget included \$25 million for the California Student Aid Commission (Commission) to administer the Child Savings Account (CSA) Grant program. The program parameters are included in Education Code Sections 70115-70115.2. Due to COVID-19 and impending budget shortfalls, total funding for the CSA program was reduced in the 2020-21 State Budget to \$10 million. Of the \$10 million allocated, the program budget includes:

1. Up to 74 percent for new programs,
2. A minimum of 24 percent (depending on applications for new programs) existing CSA programs, and
3. Two percent to the Commission for outreach and administration of the program, to establish a CSA Grant Program Council, and to provide technical assistance to applicants.

Statute requires the Commission to establish the CSA Grant Program Council (Education Code Section 70115.2(d)(1)) to advise the Commission and grantees on topics that include:

- Infrastructure development to ensure program success of CSA programs,
- Outreach and coordination with local CSA programs,
- Incentives to assist in developing sustainable and expandable CSA programs,
- Strategies to minimize administrative fees within CSA programs,
- Contribution strategies, including record retention and record keeping and cash deposit strategies, and
- Strategies to address local CSA program accessibility issues, including but not limited to language barriers, identifying eligible students, and banking access.

The Commission approved the membership of the CSA Grant Council (Council) at its March 26, 2020 meeting. The Council met on September 4, 2020 to review and provide recommendations to

California Student Aid Commission

the Commission on the proposed RFA. A Summary of the September 4, 2020, Child Savings Account Council Meeting is attached.

After the Commission approves the CSA RFA the following will occur:

- Staff will release the RFA to the public and allow approximately six weeks to develop and submit applications.
- CSA grants will be determined based on an eligible applicant's timely submission and properly completed application, proposed budget and the scoring criteria included in the RFA consistent with CSA statutory guidance included in Education Code Sections 70115 – 70115.2.
- Staff will provide the list of CSA applicant finalists for approval at the January 2021 Commission meeting.
- CSA Grantees will be awarded upon Commission approval.
- Grant funding will be made available on or about March 1, 2021 through June 30, 2022.

The draft Request For Applications: CSAC RFA #19-022; Child Savings Account Program Grant for Eligible Entities is attached for Commissioner review.

RESPONSIBLE PERSON(S):

Steve Caldwell, Interim Deputy Director
Program Administration and Services Division

Ramona Carlos, Specialized Programs Manager
Program Administration and Services Division

ATTACHMENT(S):

September 4, 2020 CSA Council Summary

Child Savings Account (CSA) RFA

CSA Form A

CSA Form B

CSA Form C

CSA Forms D – G

CSA Scoring Rubrics