

MINUTES

**CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY
SEPTEMBER 14, 2005–2:30 P.M.
915 CAPITOL MALL, ROOM 587
SACRAMENTO, CA 95814**

Alternate Location for Teleconference Participation

**Office of Board of Trustees
Los Angeles Community College District
770 Wilshire Boulevard, First Floor
Los Angeles, CA 90017**

Ed Emerson, for Chairman Philip Angelides, called the meeting to order at 2:30 p.m.

Present: Ed Emerson for Philip Angelides, Treasurer, Chairperson
Cindy Aronberg for Steve Westly, Controller, Vice Chairperson via Teleconference
Anne Sheehan for Michael C. Genest, Interim Director, Department of Finance
Sylvia Scott-Hayes via Teleconference

Staff: Frank Vega, Executive Director
Gregory Rogers, Deputy Executive Director
Peggy Arrivas, PriceWaterhouseCoopers

Absent: Michael L. Jackson

The Chairperson declared a quorum present.

Item #2

**Request to Adopt Permanent Regulations for the
Academic Assistance Program
Resolution No. 2005-7**

Kristine Scully stated that in September 2002, the California Educational Facilities Authority Act (Act) was amended by Senate Bill No. 1624, authorizing up to \$2,000,000 of its fund balance to provide one-time grants to private colleges for a program of academic assistance to high school students. The objective of the Academic Assistance Program (Program) is to expand opportunities for low and very low-income students for post secondary education.

Staff has gathered and surveyed information, met with eligible colleges, developed draft regulations, an application, and application overview/instructions and made the documents available for a 45-day public comment that began on June 17, 2005 and ended on August 1, 2005. The majority of the comments received during that time were incorporated into a revised version of the regulations, application and overview. Those documents were made available for a 15-day public comment period that began August 2, 2005 and ended on August 17, 2005. The documents were again made available for a 15-day public comment period that began August 30, 2005 and ended September 13, 2005. All comments received during the public comment periods were reviewed and the majority of them were incorporated into the Regulation Text, the Application, and the Application Overview and Instructions.

Staff recommended the Authority approve Resolution Number 2005-7 for the proposed Program permanent regulations, application and application overview and instructions for submission to the Office of Administrative Law for final approval.

Anne Sheehan asked if additional language had been added so the very small schools would be able to participate.

Kristine Scully stated that the language had been changed to incorporate a two-to-one match.

Frank Vega stated that the Program will provide resources to low-income students and students who don't have access to academic preparation-type programs. Upon Board approval, staff will hold two grant technical assistance workshops in October to work with the prospective applicants so that they can submit applications in a timely manner. Staff expects to begin reviewing the applications in November, December and January and hope to bring the grant proposals to the Board in February or March, depending on the applications that are received.

Anne Sheehan asked if the Authority will release the entire \$2 million as grants.

Frank Vega stated that depending on the number of applications received, the Authority could potentially award all the grants. The language in the regulations allows the Authority to re-solicit bids and to begin a second allocation process if there is a fund balance. He further stated that the goal of the Program is not to spend down the funds, but to have qualified applicants receive the grants.

Anne Sheehan encouraged staff to follow up and monitor the success of the Program.

Frank Vega stated that regulation language requires the grant recipients to report to the Authority the number of students that were served and how many of those students went on to college after the grant project period is complete. He stated that it is important to be able to have some measurable data to take back to the legislature to document the success of the Program and that staff will make it a priority.

Ed Emerson asked if there is a process to make sure smaller schools receive some of the grant money in the event 8 applicants request \$250,000.

Kristine Scully stated that each application received will be scored and the score will determine who is awarded the grants. The applicants must demonstrate they will spend \$125,000 over a three-year period to receive a \$250,000 grant. To ensure more than 8 schools will be assisted, the requirements and documentation standards of the Program make a grant award of \$250,000 very difficult to attain.

Ed Emerson asked how often and in what manner are schools required to report the progress back to the Authority.

Kristine Scully stated that the application asks how the success of the Program will be monitored. The applicants are not required to report back to the Authority until after the three-year period, but staff does have the option within the regulations to do site visits or ask for information during the three-year project period.

Ed Emerson asked if staff was set up and has the capacity to do site visits.

Kristine Scully stated yes.

Sylvia Scott Hayes asked if an applicant is awarded a grant, is the applicant only eligible to receive one grant in a three-year period or can the applicant re-apply.

Kristine Scully stated that applicants are only allowed to be funded for one grant.

Anne Sheehan further encouraged staff to do site visits and obtain information annually on the progress of the Program before all the money is spent.

Anne Sheehan asked for clarification in response to Ed Emerson's question on setting aside money for the smaller schools.

Kristine Scully stated the Authority will be holding two technical seminars for the colleges and universities. Staff is hoping many of the smaller schools will attend and fill out their applications completely and thoroughly to have a good chance to score very well and receive grant money.

Anne Sheehan stated that diversity throughout state is important. We need to make sure all the money does not go to one area and that we have enough flexibility to distribute grants throughout the state.

Frank Vega introduced Mr. Robert Oakes, Vice President External Relations and Research, Association of Independent California Colleges and Universities (AICCU). Mr. Vega stated that staff's goals are to work closely to secure the highest percentage possible of applicants and participation from the schools, large and small, and to ensure the focus is not only on the major metropolitan areas.

Robert Oakes stated that AICCU is supportive of this measure and that it is AICCU's understanding that some of the institutions could partner together, either regionally or depending on their mission. He stated that there are 76 institutions that are non-profit and accredited throughout the state and believes this Program will get a lot of participation. Many schools feel the goal of the Program is their mission. The Program will enable them to do a little bit more and they welcome the accountability and look forward to demonstrating their effectiveness in this arena. Some of the larger schools already have these programs and some do not have the resources to be able to provide these services because they are geographically isolated. This Program will allow them to partner together.

Sylvia Scott-Hayes asked who at the Authority would be responsible for wide mailing distribution to ensure that everybody gets the information.

Frank Vega stated that in addition to sending letters to all eligible CEFA borrowers, staff is working with AICCU to get the information into their newsletter that goes out to all their members, and additionally, they will be called and e-mailed. Staff will canvas every college and university that is eligible and if anyone does not attend, it will not be due to a lack of effort of staff.

Anne Sheehan moved for adoption of the Resolution and Sylvia Scott-Hayes seconded it. Motion adopted with a 4-0 vote.

There being no public comment, the meeting was adjourned.

Respectfully submitted by,

{Approved at the December 1, 2005 CEFA Board Meeting}

Frank Vega
Executive Director