

**MEETING #380
OREGON STUDENT ASSISTANCE COMMISSION
Friday, January 23, 2009**

**1500 Valley River Drive, Suite 100
Eugene, OR 97401**

COMMISSIONERS

Bridget Burns, Chair
Cap Sharples, Vice-Chair
Mike Filippelli
Dean Wendle
Philip Shilts

STAFF

Dennis Johnson, Executive Director
Beverly Boyd, Executive Assistant
Susan Degen, Oregon Opportunity Grant Administrator
Vicki Merkel, Scholarship & Access Program Director
Alan Contreras, ODA Administrator
Anna Houpt, Fiscal Services
Carrie Matsushita, Marketing & Development Specialist
Lori Ellis, ASPIRE

GUESTS

Margie Lowe – Governor’s Office
Colin Wallace – Moss-Adams (Internal Auditors)
Brett Rowlett – Lane Community College

CALL TO ORDER

Chair Burns called the meeting to order at 9:40 a.m. Commissioners Bart Howard and Brian Lemos were unable to attend. Having a quorum, the meeting proceeded.

APPROVAL OF MINUTES

Commissioner Mike Filippelli made a motion to approve the December 12, 2008 minutes, Commissioner Dean Wendle seconded the motion; Commissioner Wendle made a motion to approve the January 7, 2009 minutes, Commissioner Filippelli seconded the motion, and by unanimous vote the December 12, 2008 and January 7, 2009 minutes were approved.

COMMISSION CHAIR’S REPORT

Commissioner Burns stated that these are very interesting economic times and the Commission is seeing the effect. In regard to the debates over how to allocate any reductions, the Commission is very mindful of the different constituents we serve and are moving forward thoughtfully. It’s important to maintain open communication throughout the process and the Commission is committed to doing that.

ODA ADMINISTRATOR’S REPORT

Alan Contreras, ODA Administrator, gave a brief update on the active fake degrees cases; the trucking agreement which is close to completion; and the ODA active bills. Mr. Contreras also submitted the ODA monthly report.

He noted that Carolyn Sinclair, ODA Program Reviewer, will be retiring at the end of March.

EXECUTIVE DIRECTOR’S REPORT

Quarterly Financial Report

Anna Houpt gave a brief overview of the quarterly report.

Internal Audit Progress

Colin Wallace of Moss-Adams briefly explained the process that they are using for the internal audit here at OSAC. He noted that the audit is to be a collaborative effort between OSAC and Moss-Adams. Information Technology is one of the risk areas they will investigate at OSAC and the goal is to find areas where there may be shortcomings and work with the affected group to make sure that the proper procedures are implemented and the gap is closed.

OSAC Day at the Capitol

Carrie Matsushita gave a recap of the successful OSAC Day at the Capitol held January 14th. The display used was on display for the Commissioners to see. Dennis Johnson, Vicki Merkel, Susan Degen and Carrie received positive feedback on OSAC programs.

Scholarship and Access Report

Vicki Merkel provided the 2008 Scholarship and Access Report to the Commission. She briefly summarized the '07-'08 academic year highlights, one of which was a 5 percent increase in awardees and a 10 percent increase in the total dollars awarded. Due to current economic issues, Vicki predicts that these two statistics will look very different next year.

She also mentioned that a qualitative and quantitative analysis of the ASPIRE program is underway and the results of both will be very interesting to look at. These studies are being funded by the Oregon Community Foundation (OCF).

Vicki noted that the electronic application process that is being implemented this year is representing students from both rural counties as well as urban ones. There are approximately 1,000 more students starting the e-App than at this same point in time in 2008. Approximately 460 students have completed the application process and 468 students have uploaded transcripts to OSAC via the Internet.

OSAC volunteers will be throughout the state on January 24, 2009 for College Goal Oregon. The volunteers will help families and students find money for college. They will assist with filling out the FAFSA and explaining the scholarship process. An OPB special on college financing aired last night and will be posted on the OSAC website to view all year.

Oregon Opportunity Grant issues:

- Policy Analyst position: Dennis Johnson stated that the Policy Analyst position has been filled. Jenny Allen Ryan will be onboard in February.
- Implementing award reductions for 2008-09: The spring awards will be reduced by \$80/full time student and \$40/half time student. A news release was sent out last week. Letters were sent to financial aid staff to include with revised award letters. An e-mail will go out today to students notifying them of the reductions.
- Steering Committee action: Susan Degen commented that many things were discussed and decision making about future awards was deferred until the next meeting in February. Dennis stated that there are elements of the Shared Responsibility Model eligibility formula that were compromises that came out of development of this program over a period of several years. One of the elements is the differential in non-tuition costs between two- and four-year student budgets. That \$600 differential keeps coming back, although there is no basis for it. It is built into the program; is this the time to fix that or not? A working group, which is a subset of the Steering Committee, will be looking at this.
- Issues for 2009-10 awarding: Dennis Johnson discussed several big trends that are happening in Washington that will affect how we distribute funds for the next biennium:
 1. Impact of "Auto Zero" on student need: Susan Degen explained how the new provisions in the CCRAA mandate an increase in income threshold for an automatic zero EFC from \$20,000 to \$30,000. This will create more students who get maximum or close to maximum awards. Dennis explained this means we may have to tighten the cost controls even further, by not letting award maximums go up, lowering the income limit, or changing the EFC adjustment.
 2. Pell Grant increases: Susan Degen explained the proposals in the American Recovery and Reinvestment Act of 2009 that will change the base of the Pell Grant by \$500 across the board. The House Ways and Means has voted to support this proposal. This increase would save OSAC

- money as the formula used to calculate OOG awards is the cost of education minus student share minus federal share. If the federal share increases, the OOG award amount would be lower.
3. Tax Credits: Dennis briefly discussed the maximum \$1650. If nothing changes in DC, \$1800 will be the maximum tax credit for 2009-10. \$2500 tax credit is what is moving forward for 2010-11.

ADMINISTRATIVE RULE HEARING

Action was requested on OAR 575-078-0005 ASPIRE Partnership Grant to repeal the temporary rule and adopt the permanent rule.

Commissioner Mike Filippelli made a motion to adopt the permanent rule and Commissioner Cap Sharples seconded the motion. Permanent OAR 575-078-0005 ASPIRE Partnership Grant was formally adopted by all Commissioners.

Commissioner Philip Shilts made a motion to repeal the temporary OAR 575-078-0005 ASPIRE Partnership Grant and Commissioner Dean Wendle seconded the motion. Temporary OAR 575-078-0005 was formally repealed by all Commissioners.

Dennis Johnson noted that there will be another rule hearing at the March meeting.

EXECUTIVE SESSION

The regular meeting was temporarily dismissed by Commissioner Burns at 11:15 to hold the Executive Session. The Executive Session regarding the ODA administrator's performance review commenced at 11:30 a.m. and adjourned at 12:15 p.m.

THE REGULAR MEETING RECOMMENCED AT 12:20 P.M.

LEGISLATIVE UPDATE

Bill Tracking

Weekly bill tracking updates will be provided to the Commissioners by e-mail.

Hearing Schedule

A handout was provided with the hearing schedule for the Senate, House and Joint Standing Committees, and the Joint Special Committee.

OTHER BUSINESS AND ADJOURNMENT

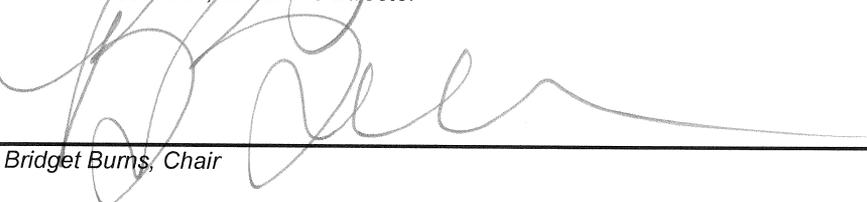
Dennis stated that Commissioner Brian Lemos is on a new 2009 ORCAN Advisory Team. Commissioner Burns stated that she is Co-chair for the marketing effort for the OOG with David McDonald from Western Oregon University.

There being no other business, Commissioner Burns adjourned the meeting at 1:00 p.m.

Respectfully submitted,



Dennis R. Johnson, Executive Director



Bridget Burns, Chair

Cap Sharples

Cap Sharples, Vice-Chair

Mike Filippelli

Mike Filippelli, Commissioner

Dean Wendle

Dean Wendle, Commissioner

Philip Shilts

Philip Shilts, Commissioner