

MEETING #415
OREGON STUDENT ASSISTANCE COMMISSION
Friday, December 2, 2011
Oregon Student Assistance Commission
Columbia Room
Eugene, OR

COMMISSIONERS

Glenda Melton
Mike Holland
Bart Howard
Mario Parker-Milligan
Gary Weeks

STAFF

Josette Green – Executive Director
Vic Nunenkamp – Director of Scholarships and Access
Don Charlton – Director of Administrative Services
Lacie Morgan – Executive Assistant

GUESTS

Mary Robison – Oregon University System
Philip Schultz – Oregon Student Association
Emma Kallaway – Oregon Student Association
Brent Wilder – OAICU
Stephanie Carnahan – Oregon University System

Regan Gray – Children First for Oregon

CALL TO ORDER

Commission Chair Bart Howard called the meeting to order at 9:33am. Having a quorum present, the meeting proceeded.

CHAIR'S/OTHER COMMISSIONER'S REPORT

Chair Howard reported that he participated in a meeting with OSAC staff about the proposed new Oregon Spirit Scholarship.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Josette Green reported that Oregon Education Investment Board (OEIB) has been confirmed by the Senate Confirmation Committee as of the November legislative days. The OEIB was created from SB909 and is the Governor's overhaul on education. The Governor is aiming for a seamless education from birth to higher education. The goal is defined by the 40/40/20 goal approved by the legislature at the last session. Ms. Green presented materials that included Senate Bill 909 which requires the Executive Director to function under the control of the Chief Education Officer. Other materials include a list of the OEIB members, and a letter from the Governor to the OEIB in regards to governance structures. The Governor has decided that he will use two of his five bills for issues related to OEIB. Ms. Green reported that there is little information on how this will impact OSAC's seven commissioners. Ms. Green reported that the OEIB is having weekly meetings in order to meet the December 5 deadline for creation of new bills for the February session and the OEIB was required to prepare a legislative report by December 15. Other materials presented for information also only includes the draft of the Chief Education Officer job posting and early learning components. The next OEIB meeting is scheduled for December 5.

Commissioner Holland, Chair Howard and Commissioner Weeks expressed concerned in regards to the governance and ensuring that each board and commission have clear functions and definitions of the authority of each board and commission.

Ms. Green reported that the Governor reported that he was handed the formation of Higher Education Coordinating Commission (HECC) with no money. He will be going to the legislature to ask for money to fund the position for the Executive Director of HECC. The idea has been proposed to combine HECC and OSAC. OSAC has been engaged in the conversations and information yesterday indicates that the 2013-2015 would be the timeframe if the combination of the two were to occur.

Ms. Green reported that she is meeting with legislatures throughout the month of December in order to prepare for the upcoming legislative session in February.

Ms. Green reported that she received a phone call from Treasury in regards to creating some addition funding for the Oregon Opportunity Grant with debt that will be available in 2013. OSAC is working on getting a meeting setup with Treasury in regards to this debt in order to partner on this endeavor. The Treasurer and Governor have setup a meeting in regards to OOG on January 12. Chair Howard asked what authority the Treasury department has in restructuring the OOG. Commissioner Weeks responded saying that Treasury does not have direct authority to restructure. Ms. Green reported that OSAC looks forward to partnering with Treasury to further enhance the OOG program.

Ms. Green reported that the Office of Degree Authorization (ODA) Administrator interview process is complete Jennifer Diallo has been named the new ODA Administrator. She began her new role on November 15, 2011. Ms. Green reported that Jennifer is out ill today and reported that Jennifer is adjusting to her role will soon have the Program Analyst 2 position posted.

Ms. Green reported that she attended the Federal Student Aid Conference in Las Vegas. Arne Duncan spoke at the conference and he mentioned Oregon twice in positive examples which include the Pathways program at the University of Oregon and our 40/40/20 goal. Primary changes to financial aid include the IRS data retrieval system that allows students tax information to be automatically downloaded to their FAFSA creating accuracy and simplicity.

Ms. Green reported that she will be attending the Oregon Business Leadership summit in Portland on December 13. She also attended the 40/40/20 summit on November 1 at Oregon State University.

Ms. Green reported that the agency was informed by the Governor's office that Caspar Sharples was retained as a Commissioner after his term ended June 20, 2011. A couple weeks ago we were informed that he was not formally retained and there will be another Commissioner chosen for that position. OSAC was unable to get information on the current status of the search.

Ms. Green reported that on November 14 that every agency was required to submit 3 – 3.5% proposed cuts totaling 10.5% cuts. The details of each agencies proposed cuts were made available to the public yesterday. OSAC is able to proceed with the proposed cuts without making any reduction to staff or services. OSAC has found savings by renegotiating our lease, decreasing the cost of audits, transitioning accounting to SCS and utilizing vacancy savings. These cuts are across the board and include cuts to the Childcare and OOG grants as well.

Ms. Green reported that this is the time of year to report on the spending status of the OOG for the current academic year. OSAC created a financial model this year to be able to accurately estimate the amount of funds to award in order to hit the target amount of \$46 million. Given the agency's past history of awarding and that it was the first year of the model and with no historical data, the agency took a very conservative approach in their decision to award \$72 million in March 2011. She reported

that fall disbursement reports are now in and OSAC is pleased to announce that we have sufficient money to honor all OOG awards and we are in a positive situation to be able to award more funds. These additional awards will be done expeditiously so that students are aware of the funds prior to the next term.

Ms. Green reported that the name change roll out is underway. The press release has gone out and post cards will be sent out along with the office signage to be changed.

Ms. Green reported lastly that OSAC is fully staffed with the exception of the ODA position, ASPIRE positions that have been vacated, and the new ASPIRE positions that have been created with grant funding.

Ms. Green reported that the ASPIRE expansion presentation was presented to OEIB is now considered a Tier 1 priority for their consideration.

SCHOLARSHIP AND ACCESS PROGRAMS

Vic Nunenkamp, Director of Scholarships and Access reported that scholarship staff is working hard on streamlining the scholarship review process. Since last report OSAC has three new scholarships: Dr. Jean and Monica Vang Scholarship; Officer Chris Kilcullen Memorial Scholarship; and Nancy Kasquey Music Education Scholarship. Ms. Nunenkamp reported that OSAC has received a bequeathment of \$800,000 for Dorothy and Theodore Schultz Memorial Scholarship to benefit Eugene high school graduates.

Ms. Nunenkamp reported that a meeting was held to renew the Oregon Spirit Scholarship and to determine how to define the Oregon Spirit. It was decided that OSAC needed to reach out to the public of the State of Oregon to determine the definition of the Oregon Spirit. Focus groups will be conducted throughout the state to gain input from a range of individuals to help us define what that Oregon Spirit is. The next steps will be to build the advisory council and establish the Oregon Spirit Scholarship.

Ms. Nunenkamp reported that she visited six ASPIRE sites in central Oregon. ASPIRE has a pilot program with CACG where model sites are now being placed with challenged sites for near-peer mentoring. There have been five new applications in for ASPIRE sites and 24 ASPIRE sites that will be presenting the College Goal Oregon in January which educates students about going to college. ASPIRE is exploring possible partnerships with Oregon Mentor Program. Ms. Nunenkamp reported that she is leading the effort on developing an agency wide marketing plan.

Chair Howard requested the any individual who has names of individuals to help determine what the definition of Oregon Spirit is and what that individual looks like that who the Oregon Spirit, to send the information to Vic Nunenkamp.

ADMINISTRATIVE SERVICES

Donald Charlton, Director of Administrative Services reported that IT has been diagramming and detailing the services and items used at OSAC including the OSAC scholarship application and the sensitive data flow. A sample of this diagram was presented to the commissioners. Chair Howard asked if the IT documentation has been provided to our internal audit team, Moss Adam. Mr. Charlton said it will be provided to them at the beginning of the year when the next internal audit is performed. These diagrams will allow us to review the IT internal audit that will be performed against any concerns or

risks that the audit may or may not show. These diagrams will also allow OSAC to ensure that the data along with the database complete secure and all level 3 information is protected.

Mr. Charlton presented an example of a simplified financial statement from the previous biennium which showed financial information based on operations. These financial statements will be available at a summary level and fund level by next commission meeting for the current biennium. Commissioners requested financial statement to be provided at every commission meeting and to be included in the commission meeting packet.

Mr. Charlton reported that the proposed budget reductions that the OOG and Childcare grants also take a 3.5% reduction. For the OOG that amounts to approximately 3.5 million dollars which is approximately 2000 students. The impact of the proposed reduction for the OOG will be for the 2012-2013 academic school year. Students that have been awarded for the 2011-2012 academic year will not have an impact on their awards.

ODA ADMINISTRATORS REPORT

Chair Howard reported that Jennifer Diallo, Office of Degree Authorization Administrator is out today and will not be presenting a report.

KEY PERFORMANCE MEASURES

Josette Green presented the presentation entitled Key Performance Measures which was the results of the agency's legislatively mandated Key Performance Measures. The presentation was available in the meeting packet. Commissioners expressed concern in regards to certain Key Performance Measures and their relevance to the performance of OSAC. As a result of the presentation they became aware that changes need to be made to the KPMs. Ms. Green reported that she is attempting to learn how to work with the legislature in order to revise the Key Performance Measures however the process is not clear.

Ms. Green concluded the presentation by training the commissioners on the 15 best practices they are to employ and will be measured on at the end of the fiscal year.

PRESENTATION OF PLAQUE

Chair Howard presented a plaque to Cap Sharples to thank him for his many years of service as a commissioner.

REPORT FROM LEGAL COUNSEL

Ms. Green reported that when it was determined that Cap Sharples was not reappointed to the commission at the expiration of his term on June 30, 2011, OSAC reached out to legal counsel to determine any legal ramifications that may have been a consequence of Mr. Sharples participating in and a chairing commission meetings after June 30, 2011. Legal Counsel advised OSAC to reinstate any items in which action was taken during the meetings that Mr. Sharples chaired. There were three action items that were taken during that time:

- Approval of the August meeting minutes
- Approval of the September meeting minutes
- Approval of Strategic planning committee recommendations

Chair Howard called for a motion to reinstate action items taken during the meetings that Mr. Sharples chaired. Commissioner Melton moved to reinstate the action items. Commissioner Holland seconded the motion and the motion passed with unanimous vote.

Ms. Green reported that legal counsel has advised that we ask Mr. Sharples to reimburse OSAC for any monetary reimbursement that was paid to Mr. Sharples after the expiration of his term. The commission expressed concerns about required Mr. Sharples to pay back his reimbursements.

Commissioner Holland moved that Chair Howard contact legal counsel to review options for Mr. Sharples reimbursements after the expiration of his term and the information will be reviewed at the next commission meeting. Commissioner Weeks seconded the motion and the motion passed unanimously.

ELECTION OF VICE CHAIR

Commissioner Holland moved that Commissioner Glenda Melton be appointed as Vice Chair of the commission. Commissioner Mario Parker-Milligan seconded the motion. The motion passed with a unanimous vote.

PUBLIC COMMENT

No public comment

CONSENT CALENDAR

Commissioner Melton moved to approve consent calendar which included meeting minutes from October 28, 2011 Commission Meeting #413 and November 14, 2011 Commission Meeting #414. Commissioner Holland seconded the motion. The motion passed unanimously.

OTHER BUSINESS AND ADJOURNMENT

Chair Howard called for other business to come before the commission at this time. There being no further business, Commissioner Mario Parker-Milligan moved to adjourn the meeting. Commissioner Weeks seconded the motion. The motion passed unanimously and the meeting was adjourned at 11:56pm.

Respectfully submitted,

Approved by the Commission on February 24, 2012 at Meeting 416

Bart Howard, Chair