Q 1. **Is the BFAP-SFAA augmentation one-time funding or will it be ongoing funding?**

Placement of these funds is in an ongoing budget item and all discussions with the legislature indicate that it is their intent to maintain this augmentation to the BFAP-SFAA as part of our base budget. While there are no guarantees that any categorical funding will remain in place, as all funding is subject to budgetary negotiations, there is no reason to expect these funds to be singled out for reduction. It is conceivable that the BFAP-SFAA could be subject to an across the board percentage spending reduction as we saw for similar categorically funded programs in the 2002-03 and 2003-04 Budgets negotiations. However, given the significance of these funds in relation to the fee increase, it is also possible that the BFAP SFAA will be protected, even if other funds are threatened or reduced.

Q 2. **When will we have official notice of the new allocations and when will it be available to our colleges for spending?**

The 2003-04 Revised Advance Apportionment certified on August 26, 2003, and the exhibits are available on the web at: [http://www.cccco.edu/divisions/cffp/fiscal/allocations/apportionment.htm](http://www.cccco.edu/divisions/cffp/fiscal/allocations/apportionment.htm). This schedule replaces the Advance exhibits released on August 6, 2003, which did not reflect the Final Budget Act. In addition, the guidelines memo from the Coordinator of the SFA Programs dated 8/7/03 included notification of your college allocations and district BFAP SFAA Revised Advance apportionment for the 2003-04 year. We anticipate making adjustments in the P-1 and/or P-2 cycles to distribute the remaining BFAP SFAA holdback and to reallocate any funds de-obligated by colleges from their advance. The BFAP SFAA allocations and guidelines are available on the web at: [http://www.cccco.edu/divisions/ss/financial_assist/attachments/alloc_guide.pdf](http://www.cccco.edu/divisions/ss/financial_assist/attachments/alloc_guide.pdf).

Q 3. **Will the 90% guaranteed minimum funding level still be in effect in the BFAP calculation?**

We do anticipate continued implementation of the minimum 90% allocation guarantee provided adequate funding remains intact in future budgets to ensure such a guarantee for all colleges. (See Q1)

Q 4. **Will annual funding fluctuate based solely on FTES and numbers of BOGFWs?**

There are a number of factors that may cause fluctuation in the allocations for each college annually. Included in those factors are:

- Authorized categorical funding in each annual budget,
- Continued implementation of the 90% guarantee (see Q3),
- Effect of penalties for underutilization or non compliance with statutory 2001-02 MOE FA spending requirements,
- Effect that the augmentation has on both enrollment and FA participation as measured currently by FTES and BOGFW participation.

In addition, we have recommended that the legislature use college credit enrollment head count as a more accurate indicator of potential student populations to be served by SFA programs. However, in light of current Budget Act language, we are required to use the FTES and BOGFW participant indicators.
Q 5. **Will Pell participation rates be used in the future funding formula?**

At this time we do not anticipate that Pell participation will be used as a factor for funding, although the legislature could subsequently make a determination to use this or other performance indicators as a part of the funding formula through either Ed Code changes or budget act language.

It should be noted that one of the compelling reasons for justifying the augmentation was an interest by the legislature in leveraging state resources to maximize access for California students for Federal Student Financial Aid. This is evidenced in the Budget Act Provision 30 (d) that requires reporting on “the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.” Pell disbursements on our campuses in 2001-02 totaled more than $477.5 million to almost 220,000 students. A 25% increase in the number of credit enrolled students served would correspond to an estimated $120 million in benefits for CCC students, a significant return on the state’s investment in the $38 million SFA administrative augmentation.

Q 6. **If MIS data used by the Chancellor’s Office was reported inaccurately can it be corrected and will it affect a college’s allocation?**

At this time we are not able to correct the MIS data used to calculate BFAP SFAA allocations without the potential of significant effects on college allocations. We encourage all colleges to carefully monitor the submission and accuracy of financial aid data through the MIS system in an effort to ensure a high level of data integrity and accuracy in future funding allocations that utilize this data. For those colleges that have identified financial aid data anomalies we recommend that correction files be submitted. Finally, we encourage all colleges interested in securing additional BFAP SFAA funding to monitor Chancellor’s Office communication for the opportunity to request a share of any funding available for re-allocation.

Q 7. **How was the college advance calculated?**

Each College was provided their base allocation using the historic fair share formula [Line 2] plus their minimum guarantee of the augmentation ($50,000) [Line 5] plus 80% of their share of the remaining augmentation based upon the budget act mandated fairshare formula using FTES and BOGFW participant volume [Line 7]. The residual augmentation [Line 8] represents the 20% holdback.

| Line 1 | $46,447,000 | Total BFAP SFAA in the Budget |
| Line 2 | $8,447,000  | Historic fair share formula for BFAP-SFAA |
| Line 3 | $38,000,000 | Augmentation in final Budget Act |
| Line 4 | $3,800,000  | FA Public Awareness and Outreach Campaign |
| Line 5 | $5,400,000  | Guarantee Minimum of Augmentation @ $50,000 each |
| Line 6 | $28,800,000 | Augmentation Available for Fair Share Distribution |
| Line 7 | $23,040,000 | 80% Advance of fair share Augmentation |
| Line 8 | $5,760,000  | 20% Holdback for distribution in p1-p2 |
| Line 9 | $0          | Remaining Balance |
Q 8. **Why did the Chancellor’s Office choose to implement an allocation formula that includes a holdback feature?**

There are a number of reasons why a 20% holdback was implemented. Those reasons include:

- The size of the augmentation was significant and we heard from a number of college sources that spending this much money would prove challenging for campuses.
- We wanted to ensure that colleges quickly developed and implemented effective, targeted strategies for improving access and participation in FA programs and will release the holdback when we have received a college’s acceptable spending plan report.
- The 20% holdback release will take place subsequent to submission of a spending plan, thereby ensuring that the Chancellor’s office will have the necessary information to report to the legislature pursuant to section 30 (d) of the provisions of the Budget Act on “specific uses of the funds and strategies employed by colleges to reach low-income and disadvantaged students potentially eligible for financial aid.”
- With a $8-10 billion state budget deficit to start the 2004-05 budget debate, the hold back provides the added benefit of insulation from any potential mid year reductions.

Q 9. **How can I calculate my college’s holdback and when will it be released?**

The simplest way to determine your colleges 20% holdback figure is to first take the amount reported as your colleges “80% fairshare + minimum Guarantee,” subtract $50,000 and divide the remaining balance by 4.

For Example:

<table>
<thead>
<tr>
<th>Step 1</th>
<th>80% FS + Guarantee</th>
<th>=</th>
<th>$ 250,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Minimum Guarantee</td>
<td>-</td>
<td>$ 50,000</td>
</tr>
<tr>
<td></td>
<td>Remaining Balance</td>
<td></td>
<td>$200,000</td>
</tr>
</tbody>
</table>

\[
\text{Remaining Balance} \div 4 = \frac{200,000}{4} = 50,000 = 20\% \text{ FS Holdback}
\]

The 20% holdback can be added to your total advance to determine the total potential allocation your college may receive for 2003-04. The 20% holdback release will take place subsequent to submission of an acceptable spending plan.

Q 10. **Will there be penalties for returning any part of the allocation(s)?**

There will be no penalty for de-obligating or returning any portion of the BFAP-SFAA Allocation by the reporting deadline for the BFAP Form 2 Report. A college may de-oblige (report/return) any unused funds using the BFAP Form 2 report typically due by March 15 or another date established by the Chancellor’s office. We encourage you to consider your college and FA office’s current fiscal situation and act responsibly by de-obligating any funds you are unable to expend.

However, as disclosed in the Guidelines memo dated 8-7-03 the Chancellor’s office, in response to spending reports from colleges, will likely provide extended spending authority to the BFAP-SFAA program as done in the 2002-03 fiscal year due to the uncertainty of midyear budget reductions. Please carefully consider any decision to de-obligate the BFAP-SFAA funds in consideration of the potential for carryover spending authority.

Q 11. **Will there be any penalties for underutilizing the allocation if it is not de-obligated or returned by the deadline?**

Failure to release or utilize the BFAP administrative allowance will result in an allocation penalty. The penalty will equal unutilized funds in excess of one percent of the allocation for the applicable year and will be taken from the allocation for the fiscal year immediately following the year in which the underutilization is reported.
Q 12. **What happens if the college lost positions in 2002-03 and as a result will fail to meet the 2001-02 spending levels for FA operations as required in the Budget Act? Can the funds be used for positions that already exist in the department but are now vacant and not funded this year?**

Colleges are asked to report annually on the amount of money spent to administer the student financial aid programs. The amount must be equal to or greater than the spending for financial aid operations for 2001-02 as required in 30 (c) of the Budget Act provisions. While the Budget Act provisions do not specify how the spending must occur or in what categories it is reported, it does mandate that the spending must be equal to or greater than the amount spent in 2001-02. Provided the college maintains the spending level for FA operations established in 2001-02 and does not supplant any of the 2001-02 spending with the BFAP-SFAA allocation, how the MOE is spent is not prescribed. Therefore provided the college MOE is met, it is possible to fund vacant authorized positions as an allowable use and without technically supplanting resources.

Colleges that fail to meet the mandated MOE spending level in the 2003-04 Budget Act may be assessed a penalty on a dollar for dollar basis for any MOE spending shortfall. A college may appeal any assessment by providing the Chancellor’s Office with a detailed explanation for the shortfall and an accompanying MOE Correction Plan to resolve the problem.

Q 13. **We have traditionally over-expended the previously required BFAP SFAA MOE. Why is the Budget Act’s FA operation spending limitation tied to the actual reported 2001-02 spending instead of the previously mandated Maintenance of Effort?**

The legislature was concerned about the potential for redirection of these fiscal resources to other areas during a period of increased budget pressures on our campuses. The resulting language tying the BFAP SFAA augmentation to 2001-02 reported FA operation spending was a safeguard against redirection of these funds. The legislature used 2001-02 as the base year since it was the most recent complete year for which the Chancellor’s office had data on spending as reported by the colleges.

Q 14. **Will there be any penalties for failure to meet the statutory MOE?**

In the Summer of 2001, the Board of Governors adopted the following policy:

Any college failing to meet the maintenance of effort requirement will have their BFAP Fee Equalization Allocation (“2 Percent” Fund) reduced dollar-for-dollar based upon the amount of their MOE not fully met. This adjustment would be assessed up to the full amount of the college’s BFAP “2 Percent” Fund allocation in the next available cycle.

Colleges that fail to meet the mandated MOE spending level in the 2003-04 Budget Act may be assessed a penalty on a dollar for dollar basis for any MOE spending shortfall. A college may appeal any assessment by providing the Chancellor’s Office with a detailed explanation for the shortfall and an accompanying MOE Correction Plan to resolve the problem.

Q 15. **Are there considerations for allowing the new FA staff hired under this augmentation to be exempt from the 50% law?**

According to the latest edition of the Budget and Accounting Manual (2000 Edition) in Chapter 3 page 3.12, the revenues associated with the BFAP Administrative Allowance are considered to be "restricted State funds automatically allocated to districts for specific restricted purposes or programs". That means expenditures of these restricted funds are not to be included in the calculation of the 50% law.
Q 16. What is the intent of the augmentation? To increase the percentage of BOGW recipients with FTES or Credit Enrollment; or To increase the percentage of Pell recipients with BOGW recipients? Will Pell and BOGFW participation numbers and % be the only performance indicators?

The intent of the augmentation is to mitigate the negative effect of our historic fee increase on students. The legislature has specifically designated these funds to increase the flow of information about FA and personal assistance in applying for FA, to facilitate increased participation and efficient administration of the programs to ensure students have the resources to start and persist in postsecondary education. The targeted population would be all eligible students and potential students of the CCC. The overall performance indicators that the Chancellor’s office will use for reporting the statewide results of this initiative and funding augmentation are participation numbers and percentages of our college’ credit enrollment populations in the BOGFW and Pell Grant programs.

We encourage all colleges to establish performance goals and objectives that will support the statewide performance measure but will also allow you to target the resources to specific populations needing increased service and participation in a local context. For example, it may be prudent to focus some amount of the resources provided in this augmentation to conduct in-reach activities focusing on current enrolled students that are un-served or underserved. Significant gains in these targeted populations would contribute to the statewide measurements, be consistent with the intent of the legislation and provide the opportunity for both targeted utilization and measured performance in a local context based on college strategies and objectives.

Q 17. What are the reporting requirements for campuses? Will colleges be required to differentiate between the existing allocation and the augmentation?

Existing BFAP-SFAA program reporting requirements (BFAP Form 2 & Form 3 reports) will remain in place and additional information will be required. For example, we are developing a spending plan report that will be available early October and due later in the Fall that will require a specific spending plan for the augmentation and specific uses and strategies employed to increase participation and improve administration of the programs. Upon receipt and acceptance of a college’s spending plan, along with any allowable use exception requests, the Chancellor’s Office will release the colleges 20% holdback. We also anticipate a certified year-end report to be incorporated into the BFAP Form 3 Report reflecting the college’s actual expenditures and performance relative to the spending plan and the strategies employed to increase participation and improve administration of the programs.

Q 18. What are some strategies for integrating service to all students, especially those in other student support service programs?

It may be prudent to focus some amount of the resources provided in this augmentation to conduct in-reach activities focusing on current enrolled students that are un-served or underserved. For example, colleges may wish to establish as an objective improved access and participation of low income and disadvantaged students served by other SS programs (EOPS, DSPS, CARE, AmeriCorps, Cal Works) who do not yet participate in the SFA programs. Significant gains in these targeted populations would contribute to the statewide measurements, be consistent with the intent of the legislation and provide the opportunity for both targeted utilization and measured performance in a local context based on college strategies and objectives. Schedule some time with the other program managers to discuss the funding and staffing plans you are developing and develop collaborative strategies for improving service and participation for their students.

Q 19. What focus should be placed on in-reach as opposed to out-reach?

Decisions on spending priorities are a local option and as such should be made in response to locally defined student populations identified as un-served and underserved. The intent of the Budget Act was to mitigate the impact of fees on current and prospective students by providing greater assistance and support in the information, application, award and payment cycle of student financial aid. We recommend that you develop your spending plan and staffing plan with enough flexibility to focus FA outreach efforts and resources on specific target populations at the most effective time of the year. For example: HS outreach is often best done in the winter and spring to correspond with spring FA deadlines and to “sweep” the HS in the late spring for students who missed deadlines, failed to plan or failed in their plan to gain admission to four year programs. In-reach is obviously done most effectively when students are on campus or accessible thru campus.
Q 20. **What if, because of hiring freezes or timing we can’t spend all of the money by the end of the year? Will there be any Carryover Spending Authority for BFAP-SFAA this year?**  
We are aware of the effect that hiring freezes/restrictions and local district hiring processes may have on implementation, and plan to monitor the effectiveness of colleges in responding to the call to increase staff. Be advised that we may exercise authority this spring to provide a justifiable extension to spending authority for the BFAP-SFAA augmentation. (See Q10 & Q11)

Q 21. **Will any exceptions be granted to “allowable use” guidelines for spending the augmentation?**  
The BOGFW Manual allowable use guideline in section 7.1.2 provides for an exception process with the written approval of the Chancellor’s Office SFA Programs Coordinator. We hope to develop more specific parameters for requesting exceptions to the “allowable use” guidelines to be included in the documentation being developed for the spending report, but in the meantime formal exceptions must be requested in formal communications on letterhead, signed by the FA Director and sent to the attention of the SFA programs Coordinator c/o the Chancellor’s Office. Included in each request should be specific details regarding the expenditure (for example quantity, costs and type of equipment or time/dollars allocated and the relationship to FA of a proposed activity/function) as well as the justification for the request. We anticipate that these requests will typically come in to us accompanying the spending report to provide a context for the relative value of the exception proposed. However, if it is absolutely critical that you receive an exception determination, please submit a formal request with the appropriate documentation. If you can delay temporarily this decision, we will have more specific guidelines and procedures established for these requests by early October.

Q 22. **What can funds be used for?**  
Strategies for spending the BFAP-SFAA augmentation, whether a staffing proposal or FA related activities, should pass the litmus test of providing FA information, an increased level of FA service, or otherwise result in increased participation in the student financial aid programs. College financial aid offices should be aggressive in identifying strategies for spending this money by defining the un-served and underserved populations and spending it to bring those students into the FA office, provide them with assistance to apply, and to increase FA staffing to process applications and award aid. The resources are to be utilized for the costs associated with augmenting staff, enhancing student service, and improving participation rates. All spending plans strategies should be compared in the context of how well they will contribute to realizing the stated intent of the BFAP SFAA augmentation. As a general rule, if it’s better spent another way reconsider, and if you have to stretch to justify any spending decision, you probably need to consider a more focused spending strategy or seek an exception approval from the Chancellor’s Office SFA Programs Coordinator!

Q 23. **Can funds be used to hire computer consultants to program or improve FA automation, or other FA consultants to assist in processing or outreach?**  
The BOGFW Manual allowable use guideline in section 7.1.2 provides for expending funds for “financial aid professional, technical, clerical and/or temporary staff (including student help) who report directly to the financial aid director” which would include contracts and contractors administered out of the FA office under the oversight of the FA Director. As long as the automation initiatives are designed to improve SFA administration, any efficiency realized as a result of improved automation should result in additional staff resources dedicated to serving more students and the expenditure for this purpose would be appropriate. Likewise, consultants hired to assist the FA office in processing applications or to conduct outreach activities/events would also result in accomplishing the stated intent of the funding.  
This may be an effective strategy for staffing increases in lieu of the hiring restrictions and freezes in place at many colleges. Please consider all strategies that will increase your FA office’s capacity to serve more students, better.

Q 24. **Can funds be used to print collateral materials for financial aid?**  
The BOGFW Manual allowable use guideline in section 7.1.2 provides for “the development and production of financial aid outreach materials.” Within this context, we would also consider the development and production of FA events and presentations as outreach.
Q 25. Can funds be used to purchase advertising, print, radio, TV or billboard?

The BOGFW Manual allowable use guideline in section 7.1.2 provides for “the development and production of financial aid outreach materials.” If the college was previously purchasing media placements for admissions and recruiting and intends to add a brief text or audio tag to promote FA, we would consider this to be supplanting existing spending and not consistent with the intent of the Budget Act. If, however, the college’s intent was to pay for the addition of the text or audio tags prominently featuring FA, and to increase the number or frequency of the media purchase by supplementing existing spending in some proportion to the increased exposure for FA this would be considered allowable and consistent with the intent of the Budget Act. Likewise, if the college develops a new media campaign featuring the availability of aid and assistance on campus it would also be consistent and allowable. The resources are to be utilized for the costs associated with augmenting staff, enhancing student service, and improving participation rates. If you have to stretch to justify any spending decision, you probably need to consider a more focused spending strategy or seek an exception approval from the Chancellor’s Office SFA Programs Coordinator!

Q 26. Can funds be used to purchase hardware, computers, printers, or integrated copiers/printers?

The BOGFW Manual allowable use guideline in section 7.1.2 provides for the purchase of “computer hardware or software necessary for and solely dedicated to the delivery of student financial aid” and as such provides for the only standard exception related to the exclusion of use of the funds for “capital outlay or office supplies.” Regardless of how the institution accounting policies require the reporting or accounting of such purchases they are allowable uses under this citation. It should be noted that the underlined was added for emphasis and to demonstrate the requirement that the computer purchases must be necessary and solely dedicated to the delivery of aid. Colleges may buy PCs for new staff hired in FA as a result of the augmentation, to replace failing or disabled computers for existing staff, or to create or expand computer access for students to apply for FA. We would not consider updating everyone’s PC to new technology with cd/dvd burners, flat panel screens, huge sound systems, super fast microprocessors and huge hard drives, as an allowable use. The resources are to be utilized for the costs associated with augmenting staff, enhancing student service, and improving participation rates. If you have to stretch to justify any spending decision, you probably need to consider a more focused spending strategy or seek an exception approval from the Chancellor’s Office SFA Programs Coordinator!

Q 27. Can funds be used to purchase workstations, desks and chairs for new staff?

The BOGFW Manual allowable use guideline in section 7.1.2 excludes the uses of BFAP-SFAA funds for “capital outlay or office supplies.” Regardless of how the institution accounting policies require the reporting or accounting of such purchases they are not allowable uses under this citation without an exception approval from the Chancellor’s Office SFA Programs Coordinator. (See Q 21)

Q 28. Can funds be used for hardware such as a server housed at the district to store and handle ISIR records?

The BOGFW Manual allowable use guideline in section 7.1.2 provides for the purchase of “computer hardware or software necessary for and solely dedicated to the delivery of student financial aid.” It should be noted that the underlined was added for emphasis and to demonstrate the requirement that the computer purchases must be necessary and solely dedicated to the delivery of aid. A server residing at the District level not dedicated to serving a college’s FA operations is not an allowable use. Likewise replacing an existing server to redirect its use to another department or function would also not be an allowable use. However replacing a problematic server or purchasing an additional server would be allowable provided that in both cases they were solely dedicated to FA operations.

Q 29. My district MIS office is claiming a portion of the BFAP allowance to fund district wide software upgrades and system enhancements, is this considered an allowable use? My district office has proposed hiring additional programming resources in part to serve financial aid, is this an allowable use?

No. The BOGFW Manual allowable use guideline in section 7.1.2 restricts the use of BFAP SFAA by providing that “Funds cannot be used for district operations nor may they be divided among colleges within a district in a manner that differs from the annual allocation to each campus.” However, district wide financial aid software upgrades and system enhancements may be included in the college’s MOE expenditures.
Q 30. **My district office has a centralized FA processing model that serves all colleges in the district, and is proposing that a significant part of each college’s BFAP funding be used to augment the district’s staff responsible for reviewing and processing FA files, is this an allowable use?**

No. The BOGFW Manual allowable use guideline in section 7.1.2 restrict the use of BFAP SFAA by providing that “Funds cannot be used for district operations nor may they be divided among colleges within a district in a manner that differs from the annual allocation to each campus.”

While we don’t consider this an allowable use under BFAP SFAA expenditure guidelines, if this strategy is a critical and justifiable proposal in your plan to augment FA staffing, enhance FA student service, and improve FA participation rates, we would encourage you to seek an exception approval from the Chancellor’s Office SFA Program Coordinator.

Q 31. **Can funds be used to purchase a conference phone for participation in CCCCONFER trainings and meetings?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides that “funds may also be used for expenses associated with staff training…” In as much as CCCCONFER conference calls and web-conferencing capabilities have been integrated to a significant degree in the communications and training arena for CCC FA offices this would be an allowable use. We would also consider related hardware (ie; projection system, Microphone/speaker, Laptop) used to facilitate training for FA staff, or by them in their outreach efforts, to be allowable uses.

Q 32. **Can the augmentation money be used to pay overtime to existing staff until we can get new staff hired?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides for expending funds for “financial aid professional, technical, clerical and/or temporary staff (including student help) who report directly to the financial aid director” which would include overtime payments to existing staff. This may be an effective strategy for staffing increases in lieu of the hiring restrictions and freezes in place at many colleges. Please consider all strategies that will increase your FA office’s capacity to serve more students, better.

Q 33. **Can the funds be used for FA printing costs or FA materials and for postage to mail the FA materials to students?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides for “the development and production of financial aid outreach materials”. Within this context, we would also consider the development and dissemination of FA materials as an allowable use.

However, if for example a college was previously printing and/or mailing course schedules that included a BOGFW application in them to students, we would consider using the SFAA funds for that purpose to be supplanting existing spending and not consistent with the intent of the Budget Act. If the college had not previously printed the BOGFW application in its course schedule, it would be an allowable use to charge the FA budget for the additional proportionate printing costs associated with increasing the publications size/content as well as any proportionate increased costs associated with dissemination. Finally if the college develops a new publication featuring the availability of aid and assistance on campus, the development, production and dissemination of the publication would be considered allowable uses.

Q 34. **Can the funds be used to host events such as BOGFW “Awareness Day” and to provide some incentives for attendance/participation like refreshments or inexpensive “giveaways” like pens or pencils?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides for “the development and production of financial aid outreach materials.” Further the Budget act specifies that, “Of the amount appropriate in Schedule (5) for financial aid administration and outreach, $34,200,000 shall be for direct contact with potential and current financial aid applicants.”

Within this context, we would also consider the development and implementation of FA activities, events and presentations as consistent with the intent of the language in the Budget Act. Activities, events and presentations could presumably involve food and beverages and/or inexpensive “giveaways” provided as an incentive to encourage student attendance. However, we remind colleges to consider all strategies in the context of how consistent they are with the stated intent of the legislation and how effectively they will contribute to statewide performance objectives as well as local goals for the use of the augmentation.
Q 35. **Can positions funded by the BFAP-SFAA allowance and dedicated to priority service for EOPS (or other SS Programs/Services) be counted in the institutional match for those programs?**

As Q18 indicates, it may be prudent to focus some amount of the resources provided in this augmentation to improve the percentage of low income and disadvantaged students served by other SS programs (EOPS, DSPS, CARE, AmeriCorps, Cal Works) who do not yet participate in the SFA programs.

In brief discussions with the Coordinators from these respective programs, we have been advised that for EOPS and CARE as well as CalWorks, the cost associated with dedicating staff to serve participants in these programs may be included and reported for spending maintenance/district contribution requirements.

We would encourage you to meet with the other student service program managers on your campus to discuss the funding and staffing plans you are developing and develop collaborative strategies for improving service and participation for their students. They have access to Chancellor’s Office Coordinators and staff to assist and clarify any issues with their specific programs.

Q 36. **Can funds be used for data analysis and research to identify and target low income and disadvantaged populations served by our college?**

The use of BFAP SFAA funds to conduct research to assist in defining or targeting the low income and disadvantaged students in your community or to identify the un-served or underserved populations on your campus would be an allowable use and may be a useful in developing data supporting successful outcomes from the augmentation.

Q 37. **As we develop a plan for more Financial Aid staff, because there are sufficient funds to seriously increase our staff size, we have space constraints. Can funds be used for facility work, to enlarge offices? Can funds be used for building improvements or remodeling?**

The MOE language in the 2003-04 Budget Act does not specify how the spending must occur or in what categories it is reported, it does however mandate that the spending must be equal to or greater than the amount spent in 2001-02. Provided the college maintains the spending level for FA operations established in 2001-02 and does not supplant any of the 2001-02 spending with the BFAP-SFAA allocation how the MOE is spent to support FA operations and administration is at the discretion of the college. Therefore, provided the college’s 2003-04 MOE is met, it is possible to fund some capital outlay purchases with district contributions while funding allowable use items previously covered by the college’s general fund or other sources without technically supplanting resources. If you have to stretch to justify any spending decision, you probably need to consider a more focused spending strategy or seek an exception approval from the Chancellor’s Office SFA program Coordinator!

With this being said, we remind colleges that the intent of the funding was to provide for the costs associated with augmenting FA staff, enhancing FA student service, and improving FA participation rates. To that end, we would encourage consideration of strategies that will provide the greatest potential for positive outcomes in relation to these objectives. We would recommend consideration of some or all of the following strategies to avoid large scale capital investments:

- ✓ Consider flexible scheduling to ensure coverage in evenings and on weekends.
- ✓ Consider assigning staff to work in other student service offices to provide priority service to all students seeking specific support and service from other programs.
- ✓ Consider assigning staff to work in the Admissions & Records office in an attempt to identify and serve students entering or re-entering the college.
- ✓ Conduct on-campus in-reach where students congregate; take the service to them rather than forcing them to come and stand in line to be served in the FA office. Consider tables or booths in the library, cafeteria, quad, registration area, bookstore; information desk; or rotating in different academic discipline areas (science; business etc)
- ✓ Conduct off-campus out-reach where potential students congregate; take the service to them rather than forcing them to come and stand in line to be served in the FA office. Consider partnerships with social service agencies (DSS, EDD, Rehab), community based and faith based organizations, business and industry. Outreach done from a desk or office isn’t really outreach.
Q 38. **As more staff is hired, and/or service hours are extended, the need for supervision arises. Can funds be used for any supervisors or classified managers?**

The BOGFW Manual allowable use guideline in section 7.1.2 restrict the use of BFAP SFAA by providing that “funds may not be used for salaries for personnel at the level of financial aid manager or above”

Historically, this restriction was intended to cover the person responsible for oversight of the day to day operation of the financial aid office. In addition, the intent in the development of the guidelines was to provide general guidelines to assist all colleges in the expenditure of the administrative allowance and was specifically not created to dictate personnel policies or define personnel classifications. As such we would recommend that you use your local personnel classifications and duty statements as a guide to interpreting the guidelines and restrictions. Remember, if you have to stretch to justify any spending decision, you probably need to consider a more focused spending strategy or seek an exception approval from the Chancellor’s Office SFA Programs Coordinator!

Q 39. **Can the funds be used for indirect administrative costs (4-5%) associated with FA activities and staffing? For example; Accounting services, HR Services etc.**

Indirect administrative costs are not an allowable use for the BFAP SFAA allowance. However, indirect administrative costs or overhead cost allocations may be included in the college’s MOE expenditures, assuming that they were equitably and universally applied to all cost centers on campus and were in existence before the augmentation.

Q 40. **Can the funds be used to lease additional space either on or off campus to accommodate additional staff or activities?**

While we don’t consider this an allowable use under BFAP SFAA expenditure guidelines, if this strategy is a critical and justifiable proposal in your plan to augment FA staffing, enhance FA student service, and improve FA participation rates, we would encourage you to seek an exception approval from the Chancellor’s Office SFA Program Coordinator.

Q 41. **Must the staff report through the Financial Aid Director, or can a Counselor report to the Dean of Counseling, but be paid for, and scheduled by, the Financial Aid Director? If we want to hire counselors but do not have certificated managers for them to report to, what options are available to us?**

While this is specifically not permitted under the allowable use guidelines, if this strategy is a critical and justifiable proposal in your plan to augment FA staffing, enhance FA student service, and improve FA participation rates, we would encourage you to seek an exception approval from the Chancellor’s Office SFA Program Coordinator. It may be possible to maintain a formal reporting relationship to the Dean of Counseling but establish that any work funded by the BFAP SFAA is directed by the FA Director.

Q 42. **Can the BFAP SFAA funding be used for direct aid to students in the form of book vouchers or childcare vouchers? Can funds be used for emergency loans (retrieved through institution costs) for students waiting to receive their financial aid?**

Direct aid for students in any form, whether it be a loan, a voucher for goods or services, or cash stipend is not an allowable use for the BFAP SFAA allowance.

Q 43. **Can BFAP funds be used for salaries of staff in other departments that were slated for layoff to work in the Financial Aid Office?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides for expending funds for “financial aid professional, technical, clerical and/or temporary staff (including student help) who report directly to the financial aid director” which would include securing the services of other college staff recruited or assigned to the financial aid office who worked in other areas on campus provided they report to the FA Director. This may be an effective strategy for securing staff increases and providing some insulation from layoffs in other departments on campus. As with all staffing strategies developed in response to the augmentation, this decision should be considered in the context of how effectively it will increase your FA office’s capacity to serve more students, better.
Q 44. Our ESL department wants to assist their students with FA outreach information using hourly staff. Even though the ESL staff is not directed by our Financial Aid Director can we use BFAP funds to do conduct this outreach?

The BOGFW Manual allowable use guideline in section 7.1.2 provides for expending funds for “financial aid professional, technical, clerical and/or temporary staff (including student help) who report directly to the financial aid director” which would include outreach activities and initiatives targeted at non or limited English speaking student populations. To the extent that you can successfully coordinate these events with FA staff participation and oversight this would be an allowable use of funds. However, it would not be permissible to simply reallocate these funds to the ESL department without FA oversight or supervision and FA staff involvement. (See Q 45)

Q 45. Can funds be used to partially or fully fund outreach position(s) that report to another department but serve students by providing financial aid information or assistance? Can these positions be created to have a dual reporting path or be split funded and report to different supervisors depending on and based upon the duties they perform in each role?

The BOGFW Manual allowable use guideline in section 7.1.2 provides for expending funds for “financial aid professional, technical, clerical and/or temporary staff (including student help) who report directly to the financial aid director” which would include outreach staff and responsibilities consistent with the intent of the budget act language. To the extent that you can successfully assign supervision or coordinate a dual reporting pattern with the FA Director and FA department participation this could be an allowable use of funds. However, it would not be permissible to simply reallocate these funds to another department without FA oversight or supervision and FA staff involvement.

Q 46. If a college has a Governing Board approved, but unfilled and unbudgeted position, may the position be funded and the position filled using the BFAP-SFAA funds? In other words, the open position existed before the BFAP-SFAA funds were included in the State budget.

Colleges are asked to report annually on the amount of money spent to administer the student financial aid programs. The amount must be equal to or greater than the spending for financial aid operations for 2001-02 as required in 30 (c) of the Budget Act provisions. While the Budget Act provisions do not specify how the spending must occur or in what categories it is reported, it does mandate that the spending must be equal to or greater than the amount spent in 2001-02. Provided the college maintains the spending level for FA operations established in 2001-02 and does not supplant any of the 2001-02 spending with the BFAP-SFAA allocation, how the MOE is spent is not prescribed.

Therefore provided the college MOE is met, it is possible to fund vacant authorized positions as an allowable use and without technically supplanting resources. However, if the college fails to meet the MOE required in the provision 30 (c) of the Budget Act, using the BFAP allocation to fund such a position in part or in total would be considered supplanting and therefore not permitted.

Q 47. If the open position had been filled in the past, but then left unfilled and unfunded or defunded prior to the 03/04 signed budget that provided the BFAP-SFAA funds, can it be funded from the BFAP-SFAA funds? In other words, not only did the position exist, but it was actually filled at some time prior to the passage of the 03/04 budget, but usually filled over one or two years ago.

Colleges are asked to report annually on the amount of money spent to administer the student financial aid programs. The amount must be equal to or greater than the spending for financial aid operations for 2001-02 as required in 30 (c) of the Budget Act provisions. While the Budget Act provisions do not specify how the spending must occur or in what categories it is reported, it does mandate that the spending must be equal to or greater than the amount spent in 2001-02. Provided the college maintains the spending level for FA operations established in 2001-02 and does not supplant any of the 2001-02 spending with the BFAP-SFAA allocation, how the MOE is spent is not prescribed.

Therefore provided the college MOE is met, it is possible to fund vacant authorized positions as an allowable use and without technically supplanting resources. However, if the college fails to meet the MOE required in the provision 30 (c) of the Budget Act, using the BFAP allocation to fund such a position in part or in total would be considered supplanting and therefore not permitted.
Q 48. **If the FA Director becomes the administrator in charge of Financial Aid and EOPS, can the BFAP funds be used for creating an EOPS Coordinator and a Financial Aid Coordinator under him?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides for expending funds for “financial aid professional, technical, clerical and/or temporary staff (including student help) who report directly to the financial aid director” which would include any staff that is assigned to FA and involved in the administration of FA programs. Simply reassigning staff or work units to report to the Director of FA would not constitute an allowable use of the BFAP allowance nor would it provide legitimate expenditures to be reported in the college’s FA Maintenance of Effort requirements. While there may be operational justifications or efficiencies realized by such an administrative structure it would be viewed as an attempt to redirect funding or avoid MOE requirements were the expenses from another work unit incorporated into the FA operating budget.

Q 49. **Can funds be used for staff development and training for any and all FA staff, including the FA Director? Does this include travel and conference attendance?**

The BOGFW Manual allowable use guideline in section 7.1.2 provides that “funds may also be used for expenses associated with staff training…” which would include training for all members of the FA department, including the Director, and would cover the cost of registration, travel and materials at sponsored events or the expense incurred to host or conduct training internally on the campus. It is essential to the success of the augmentation that colleges build a strong foundation for new staff and continue to develop existing staff to better serve students and potential students.

Efficient and effective administration of financial aid programs requires accurate, current and focused information on federal and state legislation, regulations and policies governing student financial aid programs. Training is not an option, but rather essential to staff’s professional growth and a crucial component of participation and compliance.

We strongly encourage colleges to send appropriate staff to as many training opportunities as possible. Many opportunities are provided free of charge and many others have reduced registrations fees in response to budget challenges faced by colleges statewide. The matrix below provides a sampling of training opportunities currently being offered to the industry:

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<th>Website or Link</th>
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Q 50. **With all of the pressure to increase staffing and capacity in FA, what efforts are being made to offer training opportunities for all these new people?**

CCCSFAAA has initiated a dialogue on training with partners including: the Chancellor’s Office, CASFAA, US Department of Education, California Student Aid Commission, EdFund, and USAF to discuss the potential needs of the FA community for training at every level. In the near future CCCSFAAA’s training committee will convene a meeting/conference call to:

- Develop an agenda of topics essential to laying a sound foundation for newly hired staff,
- Implement strategies for promoting, scheduling and delivering training;
- Establish a calendar identifying training opportunities currently available

If you are interested in participating in this discussion or have recommendations you would like considered, please contact Joaquin Jimenez (joaquin.jimenez@secccd.com) of State Center Community College District, and CCCSFAAA’s Training Chair by email.
Q 51. **Is there any other flexibility or guidance you can share that would help us develop successful strategies for strategically spending the augmentation?**

- Be aggressive in defining the un-served and underserved populations on your campus and in your community.
- Work collaboratively to accommodate the college’s goals and those of other student service programs on campus to reap the greatest possible benefit for all concerned from this augmentation.
- Protect the integrity of the funding by considering and implementing strategies that will facilitate success in relation to the stated intent of the augmentation.
- Spending plans should be compared in the context of how well they will contribute to realizing the stated intent of the BFAP SFAA augmentation.
- As a general rule if the money may be better spent another way, please reconsider strategies to provide for the greatest potential for success.
- If you have to stretch to justify any spending decision, you probably need to consider a more focused spending strategy.
- When in doubt, talk to your colleagues in your district, region or even statewide.
- If still unsure seek input or an exception approval from the Chancellor’s Office SFA Programs Coordinator!