

CALIFORNIA STUDENT AID COMMISSION

Office of the Executive Director



January 12, 2005

Dear Members of the Little Hoover Commission:

On behalf of the California Student Aid Commission, we would like to thank you for your willingness to enhance California through your service on the Little Hoover Commission. The task before you is no simple one. Collectively, you possess a wealth of knowledge and experience that qualifies you to help the Governor focus not only on how to improve efficiencies, but to continue to meet the policy goals that have been previously outlined by the Legislature.

As one of the only California state agencies whose operations are self-funded, the Student Aid Commission administers the state financial aid grant program and also serves as the designated guarantee agency for state-administered federal student loans. The Student Aid Commission has been in existence since 1955, and in 1997, it was granted the authority to establish a non-profit, public benefit auxiliary company to perform its loan servicing functions. Since then, the Student Aid Commission and its auxiliary, EDFUND, have proven successful in numerous ways and have provided hundreds of millions of dollars in public benefits back to the state.

The mission of the Student Aid Commission is to *"make education beyond high school financially accessible to all Californians."* In reviewing the consolidation proposal, this mission has remained foremost in our minds. As you will see in the attached document, the Student Aid Commission's response to the proposal to consolidate its functions into the Office of Higher Education and Financial Aid highlights how the Student Aid Commission has always worked to serve the best interests of students and their families. At the same time, we are fully aware of the need for improvement in some of California's state services, and we stand ready to assist in ways that both benefit California and maintain services to students in need.

We would like to extend our best wishes to you in undertaking the challenge ahead. We hope that you find this document helpful in analyzing the effect of the reorganization recommendations on California's neediest students. If we can be of any further assistance to you, please do not hesitate to call us at (916) 526-8271. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Roth', written over a horizontal line.

David Roth,
Commission Chair

A handwritten signature in blue ink, appearing to read 'Diana Fuentes-Michel', written in a cursive style.

Diana A. Fuentes-Michel
Executive Director