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A. GENERAL INFORMATION

1. Date

02/27/2018

2. Department

California Department of Veterans Affairs

3. Organizational Placement (Division/Branch/Office Name)

Veterans Services Division

4. CEA Position Title

Assistant Deputy Secretary, Chief of Postsecondary Education

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The proposed Assistant Deputy Secretary, Chief of Postsecondary Education (Chief) will be responsible for oversight of the \$1.7+ million contract delegated to California under 38 U.S. Code Section 3671 between the California Department of Veteran Affairs (CalVet) and the United States Department of Veteran Affairs (USDVA), which annually disburses more than \$3 billion in federal education benefits to California veterans and other eligible beneficiaries.

This position will directly influence policy decisions and provide procedural oversight of the California State Approving Agency for Veterans Education (CSAAVE), a unit in the Veteran Services Division, within CalVet. CalVet is the control agency for postsecondary education institutions which refines existing regulations, laws, rules, and guidelines through legislation and Executive Orders, and creates new laws, rules, and regulations governing State and Federal higher education postsecondary institution requirements and standards for the training of veterans.

6. Reports to: (Class Title/Level)

Deputy Secretary of the Veterans Services Division

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): Senior leadership with direct report to Deputy Secretary of Veteran Services Division.

8. Organizational Level (Select one)

- 1st 2nd 3rd 4th 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The CEA, Assistant Deputy Secretary, Chief of Postsecondary Education is the chief policy maker for the California Department of Veterans Affairs (CalVet), Veterans Services Division - California State Approving Agency for Veterans Education (CSAAVE), for regulations and policy development, as well as responsibility for all matters relating to veteran access to California postsecondary higher education and vocational programs and the facilities, colleges, and universities that enroll them. The Chief will also have oversight responsibility for more than 1100 educational facilities, colleges, and universities, impacting over 1.2 million California veterans and other eligible persons utilizing their earned GI Bill education benefits to pursue education and training. Other oversight responsibilities include: United States Department of Veteran Affairs (USDVA) Contract - 38 U.S. Code Section 3672 authorizes USDVA to enter into contract with California to pay for reasonable and necessary expenses, salary, and travel for rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans chapters 30 through 35 of title 38 and chapter 106 of title 10, and in the supervision of such educational institutions, and any other services in connection with such chapters. The Chief will be responsible for administering California's \$1.7+ million USDVA contract and ensuring CSAAVE's compliance with the standards and provisions set therein. Approval of courses by CSAAVE must be in accordance with the provisions of 38 U.S. Code Section 3672 and chapters 34 and 35 and such other regulations and policies as the Chief may develop and adopt on behalf of CalVet. Subject to sections 3675(b)(1) and (b)(2), 3680A, 3684, and 3696 of title 38, a program of education is deemed to be approved if CSAAVE determines that the program meets the standards and criteria defined in law, set by state regulation, and developed by CSAAVE. The Chief will be responsible for developing California standards, defining guidelines, planning and organizing work, evaluating methodology, and instituting procedures for monitoring accredited and non-accredited for-profit, non-profit, private and public postsecondary institutions of higher learning.

The Choice Act - Section 702 of the Veterans Access, Choice and Accountability Act of 2014, which was codified in 38 U.S.C. 3679(c) requires a public institution of higher learning to charge qualifying individuals resident rate tuition or be subject to disapproval of programs of education for the Post-9/11 GI Bill and Montgomery GI Bill by USDVA. The Chief will be responsible for assisting and monitoring California Community Colleges, California State Universities, and University Colleges of California to comply with federal statute, including recently passed Public Law 114-315, which modifies 38 U.S.C. 3679(c). The Chief will serve as the subject matter expert in drafting compliant legislative language for implementation of this project at CalVet, as well as facilitate the review of applicable state statute, policy, rules, and regulations by USDVA for compliance with federal statute. The Chief will be responsible for planning and creating policies and procedures that affect approval processes pertaining to California public postsecondary higher education colleges and universities, as well as CalVet and its policies and procedures, rules, and regulations.

Public Law 111-377 - Section 202 of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010 (Public Law 111-377) amended § 3672(b) of title 38, United States Code, inserting a new paragraph, (2)(A), which states that, subject to sections 3675(b)(1) and (b)(2), 3680A, 3684 and 3696 of the same title, certain programs are "deemed approved" for VA educational assistance. The Chief will be responsible for ensuring that no California program is considered to be approved for VA educational assistance until CSAAVE verifies that applicable conditions and requirements are met. The Chief will develop CalVet policies and procedures to review application materials, catalogs, and contracts to ensure that the "deemed approved" conditions are met, especially those contained in 38 U.S.C. § 3680A (such as the requirements with respect to contracted training). These processes and procedures will be applied state-wide and across multiple business types and affect CalVet's ability to protect the earned GI Bill benefits of veterans and other eligible persons.

The Chief will develop and implement agency policies to ensure oversight pursuant of applicable laws and regulations impacting veteran access to postsecondary higher education, including but not limited to Title 38 U.S. Code, Title 38 U.S. Code of Federal Regulations, California State Assembly bills, California Education Code, California Higher Education Act of 1965, Generally Accepted Accounting Principles (GAAP), California Business and Professions Code, state and federal licensure standards and requirements, accreditation standards, and postsecondary higher education and vocational training trends.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The California Department of Veterans Affairs (CalVet) mission is to serve California veterans and their families. Without this CEA position, the California State Approving Agency for Veterans Education (CSAAVE) will not have policies to effectively meet CalVet's mission to serve veterans and protect the earned GI Bill education benefits of veterans and their families. CSAAVE will also not be able to effectively combat schools engaged in business practices that target veterans and promote waste, fraud, and abuse of GI Bill benefits; procure methods to assure equitable application of federal and state regulations; and assist the U.S. Department of Veterans Affairs (USDVA) in preserving veteran access to GI Bill benefits for future qualified beneficiaries. Currently, California has the largest population of both veterans and GI Bill-approved institutions collecting USDVA funds. Annually, approximately \$3 billion dollars is dispersed by the USDVA to more than 1100 institutions and training establishments and over 60,000 veterans collect GI Bill benefits in California. Safeguarding the integrity of educational programs, schools, colleges, and universities on behalf of California veterans, as well as maintaining oversight of federal funds is dependent upon CSAAVE's ability to carry out statutory oversight responsibilities as the State approving agency, pursuant to 38 U.S. Code, Subchapter I, Sections 3670-3679.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

The Assistant Deputy Secretary, Chief of Postsecondary Education will directly influence policies relating to CalVet's mission and is the chief policy-maker for the California State Approving Agency for Veterans Education (CSAAVE). The Chief will be responsible for developing and implementing policies that affect local, state, and national education, including institutions that are domiciled in California and/or have multi-state, national and international presence. Decisions and determinations made by the Chief will also have national and international implications, as the disapproval of an institution and/or its programs impacts the institution, its students, faculty, administrators and may cause the institution to be fiscally unable to continue to operate. School closures also affect the economy within the city, state, and nation and draws public interest, media and legislative attention to CSAAVE, CalVet, and California. For example, CSAAVE's disapproval of Corinthian College, Everest College, Wyotech, and ITT, forced the closure of all California campuses and subsequently multi-state school closures impacting more than 500,000 enrolled and graduate students world-wide. The abrupt closures left students and veterans in financial, emotional, and educational ruin and ignited Congressional inquiries and hearings, lawsuits filed by multiple States Attorney Generals and private firms, as well as state and federal legislative reform to assist impacted students.

The Chief will oversee and administer the imposition of appropriate administrative actions, lawsuits, appeals, and reviews, to ensure proper actions and allegations involving violations of non-compliance with applicable standards and requirements for CSAAVE approval. The Chief will be responsible for issuing suspension of school approval, when the evidence of record demonstrates that the institution and/or its programs fail to satisfy the standards for approval. In such cases, warranting the issuance of a suspension of CSAAVE approval, a school may initiate civil litigation against CalVet. The Chief will be responsible for assisting the States Attorney General with defending CalVet in the action and assist in the development of the state's response, including controlling evidence and records, preparing a statement of declaration, and testifying in court. When CalVet receives public, media, or legislative inquiry, the Chief will develop CalVet's statement or response, while considering the sensitive nature of the matter, along with CalVet's and California's public and regulatory image.

CSAAVE's administrative actions against schools continues, due largely to the fluctuation in educational trends, regulatory requirements, and business practices, such as deceptive advertising, stringent academic performance standards, and increased scrutiny by the media, states attorney generals, and state and federal legislators. Action is initiated for various reasons, e.g. an institution and/or program's failure to fully satisfy accrediting body standards, non-compliance with state or federal law, failure to correct cited deficiencies, or failure to support advertised claims. Actions include issuance of a Notice of Suspension, Disapproval, and denial of a grant of approval. CSAAVE initiated 69 actions in FY15, 159 actions in FY16, and 117 actions in FY17.

The CEA level is warranted, because of the continued increase in high-level duties relating to CSAAVE, including but not limited to, public interface, representing CalVet at legislative hearings, assembly committee meetings, and communicating with the highest-levels of leadership in California, state and federal agencies and entities, postsecondary education, including school Presidents, Chief Executive Officers, Board and Bureau Chiefs, California Community Colleges, California Chancellor's Office, California State University, University College Board of Regents, California Assembly Committee on Veteran Affairs and the Assembly Committee on Higher Education.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

1. The United States Department of Veterans Affairs (DVA) Contract - 38 U.S. Code Section 3672, authorizes DVA to enter into contract with California to pay for reasonable and necessary expenses, salary, and travel for rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans chapters 30 through 35 of title 38 and chapter 106 of title 10, and in the supervision of such educational institutions, and any other services in connection with such chapters. If the CEA is not approved, CalVet will not have statewide policies in place to ensure that the California State Approving Agency for Veterans Education (CSAAVE) fulfills its federal statutory, regulatory, and contractual obligation with DVA in the administration of duties and responsibilities delegated to California. Such failure could result in loss of the \$1.745 million DVA contract awarded to California and leave veterans and other eligible GI Bill beneficiaries unprotected, unserved, and at risk of losing their earned education benefit.

2. The Choice Act - Section 702 of the Veterans Access, Choice and Accountability Act of 2014, which was codified in 38 U.S.C. 3679(c), requires a public institution of higher learning to charge qualifying individuals resident rate tuition or be subject to disapproval of programs of education for the Post-9/11 GI Bill and Montgomery GI Bill by DVA. The Chief serves as liaison to the California Community Colleges, California State Universities, and University Colleges of California to facilitate continued compliance with federal statute, including recently passed Public Law 114-315, which modifies 38 U.S.C. 3679(c). The Chief will monitor and maintain policies and procedures that affect CSAAVE approval processes pertaining to California public postsecondary higher education colleges and universities. If the CEA is not approved, California will not have statewide policies in place to facilitate the review of applicable state statute, policy, rules, and regulations by DVA for compliance with federal statute. The failure to have such policies could put public colleges and universities at risk of violating applicable federal statute and thereby losing access to federal GI Bill funds.

3. Public Law 111-377 - Section 202 of the Post-9/11 Veterans Educational Assistance Improvements Act of 2010 (Public Law 111-377) amended § 3672(b) of title 38, United States Code, inserting a new paragraph, (2)(A), which states that, subject to sections 3675(b)(1) and (b)(2), 3680A, 3684 and 3696 of the same title, certain programs are "deemed approved" for VA educational assistance. The Chief must ensure that no California program is considered to be approved for VA educational assistance until CSAAVE verifies that applicable conditions and requirements are met. CSAAVE must institute policies and procedures for the review of application materials, catalogs, and contracts, to ensure that an institution and its programs fully satisfy "deemed approved" conditions and standards prescribed in 38 U.S.C. § 3680A. If the CEA is not approved, CalVet will not have consistent policies, processes, and procedures that are applied state-wide and across multiple business types. Such failure would affect CalVet's ability to protect the earned GI Bill benefits of veterans and other eligible persons and prevent harm to veterans and their families.

4. AB2099 - Assembly Bill (AB) 2099 was introduced in 2014 mandating that only accredited degree-granting institutions may offer Title 38 Veterans Education Benefits effective January 1, 2017. The bill was promulgated on September 27, 2014, and Chapter 12.5 (commencing with Section 67100) was added to Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education, and signed by Governor Edmond G. Brown. In addition, Title 38 U.S.C. 3676 (c)(15) also imposes specific requirements on unaccredited institutions and programs, relating to courses designed to prepare an individual for employment and/or licensure to practice law. The Chief is responsible for developing and implementing policies and procedures to require California unaccredited degree-granting institutions to fully comply with state and federal law for CSAAVE approval.

If the CEA is not approved, CalVet will not have statewide policies in place to facilitate compliance with state and federal requirements pertaining to unaccredited courses leading to employment and/or licensure. Failure to implement such requirements will impact CalVet's ability to accomplish its mission and to promote quality education and training for California veterans.

5. Section 498(c) of the Higher Education Act of 1965, as amended, requires for-profit and non-profit institutions to annually submit audited financial statements to the U.S. Department of Education (ED) to demonstrate they are maintaining the standards of financial responsibility necessary to participate in the Title IV programs. One of many standards, which ED utilizes to gauge the financial responsibility of an institution, is a composite of three ratios derived from an institution's audited financial statements performed in accordance with Generally Accepted Accounting Principles (GAAP) and serves as a fundamental element of the financial health of an institution, not the educational quality of an institution. CSAAVE imposes the same strict standards and requires for-profit and non-profit institutions to submit audited financial statements, for approval consideration. The Chief is responsible for ensuring that CalVet applies and enforces financial stability standards, policies, and requirements at applicable institutions. The failure to institute and apply such standards and requirements put veterans and their earned benefits at risk, because an institution's financial solvency directly impacts its ability to offer programs.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The CEA has policy decision-making authority to make changes and determinations for the development and implementation of statewide policy related to established federal and state regulations in the areas of U.S. Department of Veterans Affairs institution and program approval, eligibility of payment of GI Bill benefits to veterans, schools, colleges, and universities, suspension and disapproval of eligibility for enrollment of veterans, and compliance with state and federal law, standards, and requirements. The CEA's scope is limited in the establishment of new regulations, which are submitted and recommended to the Deputy Secretary of Veteran Services Division for decision.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA will be developing and implementing new policy as the federal and state regulations and requirements evolve, by adding policies to new and existing manuals for the California State Approving Agency for Veterans Education (CSAAVE) educational staff as federal regulations and policies change; by submitting proposed regulations to better interpret Title 38 U.S. Code and Code of Regulations pertaining to veterans education and by adding policies and regulations as clarifications are needed for public, private, for-profit, non-profit colleges and universities.

The CEA will also interpret and implement existing policy on an ongoing basis by constantly reviewing existing policies as questions and clarification arise regarding state and federal approval standards and requirements. For example, on an annual basis, the CEA reevaluates all policies related to the approval of institutions and programs deemed approved, pursuant to 38 U.S. Code Section 3670(A).