

Exhibit 17

Information/Action Item

Update on Chafee Foster Youth Grant Program

Through an interagency agreement with the California Department of Social Services (CDSS), the Commission administers the Chafee Education and Training Vouchers (ETV) program, recognized as the Chafee Foster Youth Grant program. The Chafee Grant awards assist students “aging out” of the California foster care system with postsecondary tuition and training expenses. The award amount is up to \$5,000.00 per academic year and subject to annual availability of federal and state funds.

In February 2003, the federal government authorized \$42 million in ETV funding for all states. In November 2003, CDSS adopted Chafee Grant program regulations, and the Commission was directed by the state legislature to administer the program in partnership with the CDSS. The Commission was responsible for building an online application and begin processing \$7.7 million in Chafee grants by April 2004. The Commission staff worked closely with the CDSS staff to establish award selection criteria to begin processing awards for the 2003-04 academic year.

During the first years of the program, federal funding was limited to renewal students and a small number of new applicants. In 2006, the California state budget authorized \$5.7 million in Chafee Grant funding. Chart 1 shows the Chafee Grant allocations, applications and awards for the 2012, 2013 and current 2014 fiscal years.

Chart 1
Chafee Grant Allocation, Application and Awards – Past 3 Award Years

CHAFEE ALLOCATION	2014	2013	2012
State Allocation	\$5,669,700.00	\$5,669,700.00	\$5,436,700.00
Federal Allocation	\$5,960,879.00	\$5,264,775.00	\$5,960,879.00
Administrative Cost*	\$330,000.00	\$330,000.00	\$330,000.00
Budget Allocation	\$11,630,579.00	\$10,934,475.00	\$11,397,579.00
*Not included in the "Budget Allocation" amount used for Chafee grants.			
Total Applications*	15,986	17,908	18,420
Total Awards	3,494	3,455	3,594
Total Eligible, Not Awarded	1,115	1,461	1,358
Total Applications -Missing At Least 1 Component	11,377	12,992	13,468
Total Grants Paid	\$11,156,384.00	\$10,924,890.00	\$11,384,673.00

**Total Applications represent students with at least one component of the application*

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Chafee Grant Application Process

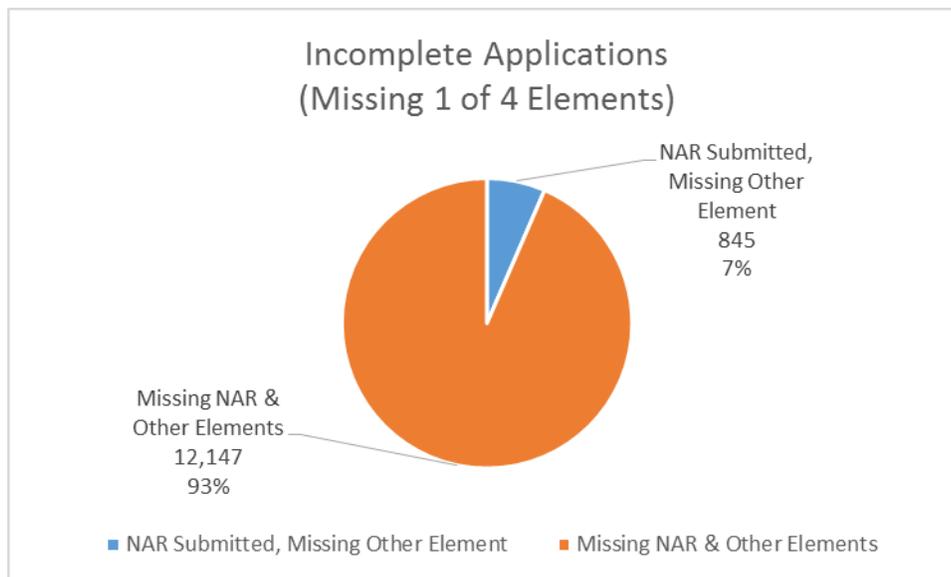
To be considered for a Chafee award, students must complete the following application elements:

- Free Application for Federal Student Aid (FAFSA) or California Dream Act Application (CADA)
- Chafee Grant Application (Online or paper)
- Foster Youth Eligibility: determined and confirmed by CDSS or other source
- Need Analysis Report (NAR): completed by financial aid office

A student submits the Chafee Grant application one time and does not need to resubmit each year to be considered for an award. Once foster youth eligibility is confirmed, the student's file is updated and does not have to be reported each year. The FAFSA or CADA must be filed by the student each year as well as the NAR that must be completed annually to determine award eligibility. The first Chafee awards are processed in July and all available funds are mailed to campuses beginning in August.

A student must have all four documents to be considered for a Chafee Grant. Students who do not have all documents are notified of their missing documents. Students can also identify their missing documents on their WebGrants for Students account. Chart 2 below illustrates the incomplete applications for the 2013-14 academic year.

Chart 2

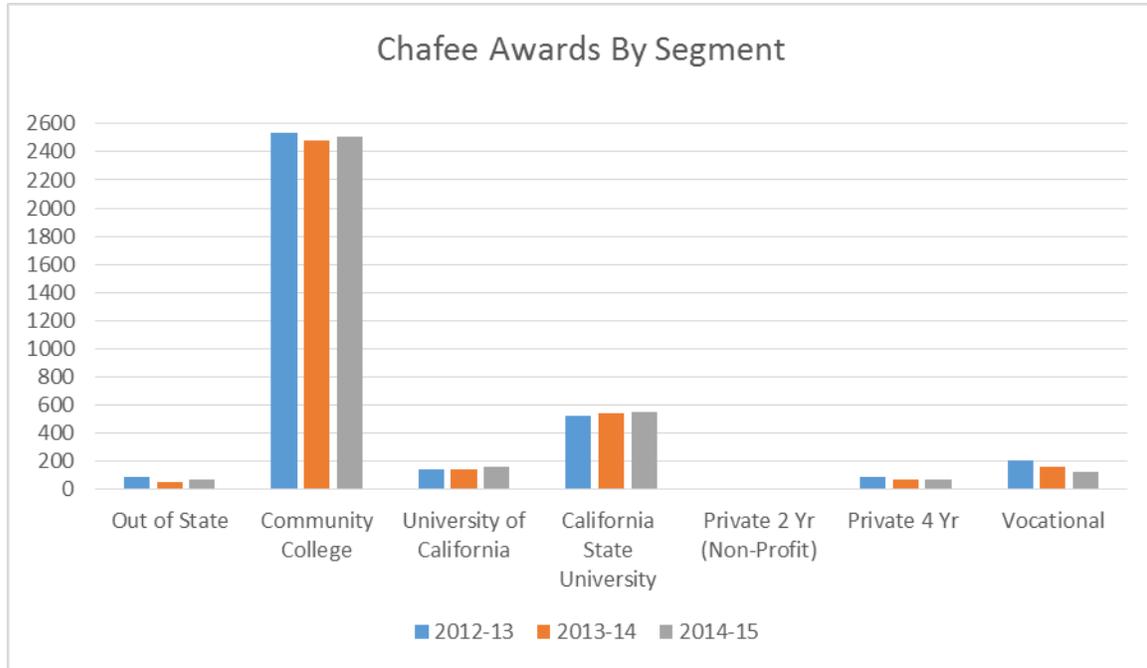


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Where Chafee Students Enroll and Attend

California Chafee Grant applicants can attend any institution that is eligible to receive Title IV funding. Chafee awards can be used at a California or out-of-state college or university. Chart 3 below provides a breakdown of Chafee Grant awards, by segment, for the current and prior 2 academic years. Approximately 70 percent of the Chafee Grant awards are used at California Community Colleges.

Chart 3



**Private 2 Year (Non-Profit) averages 6 Chafee awards per year (8, 5, 5).*

Program Enhancements and Improvements

The CDSS hosts annual stakeholder meetings to listen and consult with campus financial aid administrators, Independent Living Program coordinators, various foster youth organizations, county social workers and others who work directly with foster youth. Through these meetings, staff provides program updates and identifies operational changes. Through these meetings, stakeholders identify issues and recommend solutions to improving the various processes for awarding and payments.

- 2006 - Chafee stakeholders established a priority selection criteria for offering awards due to the high volume of qualified applicants.
- 2010 - A stakeholder's workgroup simplified the foster care eligibility form and assigned a point of contact for each county.

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- 2011 - Commission staff introduced an automated claim schedule process, Chafee on-line training sessions (Webinars), Chafee Online Payment Roster, and a Chafee Grant Program Coordinator's Guide.

More Enhancements to Improve Efficiency

Staff has been working closely with the staff from the John Burton Foundation for Children Without Homes, a non-profit organization based in San Francisco. Additional enhancements have been proposed that will improve the delivery of Chafee grant funds to eligible students.

A Chafee Grant Program Workgroup meeting was held on March 25, 2015 with over 80 participants representing various campuses from all segments, high school districts, county offices, community organizations and CDSS staff. Staff provided program updates and identified current processes that could be enhanced to streamline the Chafee Grant payments to students.

Staff is currently reviewing the following proposals to determine the impact to campuses and students and the cost to implement the changes.

1. Eliminate the Need Analysis Report (NAR) and use the FAFSA/CADA to determine the student's unmet need.
 - Currently completed by the campus.
 - Incomplete or inaccurate submissions prevent an applicant from being considered for an award.
 - Students have no control over the submission of the NAR.
 - NAR is a common missing element of the Chafee Grant application as displayed in Chart 2.
2. Modify Chafee payment roster to allow more efficient and timely reporting of student status.
 - Will reduce the number of returned checks.
 - Better timely processing of new awards.
 - Better tracking of payments and reconciling.
3. Electronic Funds Transfer (EFT) option for delivery of funds to campuses.
 - Eliminate misplaced, lost and uncashed checks.
 - Expedite the payment delivery to students for some campuses.
 - Transfer of funds directly to student's financial aid account.
 - Reduce fees students without bank accounts pay to cash their check.

Staff plans to meet with the CDSS administrators to discuss the proposals and identify a timeline for implementing the changes. This project will also need to be coordinated with the State Controller's Office to determine the administrative costs and timeline for implementation.

Responsible Person(s): Catalina Mistler, Chief
Program Administration and Services Division