



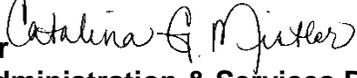
SPECIAL ALERT

Update of the California Student Aid Commission

May 6, 2013

GSA 2013-15

TO: Financial Aid Administrators

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SUBJECT: California Chafee Foster Youth Grant Program Update

This Special Alert provides an update on the California Chafee Foster Youth Grant Program (Chafee) for the 2012-13 and 2013-14 award years.

Program Background

Through an interagency agreement with the California Department of Social Services (CDSS), the California Student Aid Commission (Commission) administers the Chafee program. The Chafee program is funded with both federal and state funds.

Federal Sequestration Reduction

CDSS notified the Commission that the interagency agreement is being amended to reflect the federal sequestration reductions for Chafee. For the 2012-13 award year, a reduction of \$233,000 is required. For the 2013-14 award year, a reduction of \$412,000 will be required.

2012-13 Chafee Awards

The funding reduction for the current academic year impacts the issuance of additional new 2012-13 Chafee awards. In an effort to lessen the impact on Chafee participants, the Commission will preserve funds for payments to existing awards prior to the issuance of new awards. Chafee funding levels for the 2012-13 school year have been reconciled through the use of returned Chafee payments received from institutions due to students' ineligibility. Timely issuance of new awards is dependent on the amount of funds received through the return check process.

We appreciate your assistance in facilitating the check disbursement process by immediately returning checks for ineligible Chafee participants.

2013-14 Chafee Awards

In addition to the reduction of \$412,000 in federal funding for the upcoming 2013-14 award year, the state funding portion is dependent on the outcome of the state budget.



State of California
Edmund G. Brown Jr.
Governor

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New 2013-14 applications are currently being accepted online at www.chafee.csac.ca.gov. Presently, Chafee participants who are determined to be age-eligible are automatically renewed to compete in the 2013-14 award cycle. Both new applicants and renewal participants are required to complete the 2013-14 Free Application for Federal Student Aid (FAFSA) or the 2013-14 California Dream Act Application, as applicable. The 2013-14 Chafee Need Analysis Report (NAR) must be completed by the student's school of attendance.

Due to the substantial number of new applicants and the limited amount of funding, students with completed application requirements will receive priority consideration in the award process. Please assist the Commission in contacting students so they can complete the application requirements.

Need Analysis Report (NAR) Submission

Institutions are responsible for ensuring that all NARs are submitted in a timely manner. To identify students who are missing the 2013-14 NAR, institutions with WebGrants access can obtain the Chafee NAR report that is updated weekly from "Report Download." Institutions are encouraged to submit the need analysis data on WebGrants. This process immediately confirms that the NAR was accepted and it also allows students to immediately view their NAR status through "WebGrants for Students." Institutions without access to WebGrants may continue to submit the paper NAR.

If you have any questions regarding this Special Alert, please contact the School Support Services Branch at schoolsupport@csac.ca.gov or at (888) 294-0153.

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