

SPECIAL ALERT



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Update from the California Student Aid Commission

February 12, 2024 GSA 2024-12

TO: Financial Aid Administrators

Chafee Coordinators

FROM: Tae Kang

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SUBJECT: 2024-25 California Chafee Grant Program Update

This Special Alert from the California Student Aid Commission (Commission) provides an update on changes to the California Chafee Grant (Chafee) Program starting in the 2024-25 academic year.

Legislation Changes

<u>The Consolidated Appropriations Act, 2021</u> was signed into law on December 27, 2020, approving a change that affects the treatment of the Chafee Grant Program.

A part of the legislation amended Section 480(i)(4) of the Higher Education Act of 1965 to read:

• "...payments made and services provided under part E of title IV of the Social Security Act to or on behalf of any child or youth over whom the State agency has responsibility for placement, care, or supervision, **including the value of vouchers for education and training**... shall not be treated as other financial assistance for purposes of section 471(a)(3)," (<u>Higher Education Act of 1965</u>).

Beginning with the 2024-25 academic year, Chafee payments made to any eligible student shall not be treated as other financial assistance (OFA) when awarding financial aid.

Awarding, Certifying, and Paying Chafee Recipients in 2023-24

This change does not go into effect until the 2024-25 year. Please continue to work the 2023-24 Chafee Payment Roster as usual.

Awarding, Certifying, and Paying Chafee Recipients in 2024-25

Starting in the 2024-25 academic year, Chafee payments will be excluded from the need analysis and total aid formulas.

- Preliminary awards will be offered to all eligible students who have submitted a California Chafee Application, have a current financial aid application on file with the Commission, and have been verified as an eligible foster youth by the California Department of Social Services.
- Chafee Coordinators will continue to certify students by working their Chafee Payment Roster, but will only need to certify at least half time enrollment status and Satisfactory Academic Progress following <u>SB 150</u> <u>provisions</u> when requesting a payment. References to cost of attendance, student aid index, other financial aid, and need will not appear on the 2024-25 Chafee Payment Roster.

System Enhancements

The legislative change will require updates to the Commission's Chafee awarding process, WebGrants, website and Chafee Coordinator's guide. The Commission anticipates these changes to be in place by summer 2024. Additional communication and guidance will be released as enhancements are completed.

Need to contact us?

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