FINANCIAL AID FOR HOMELESS & FOSTER YOUTH, PART II:
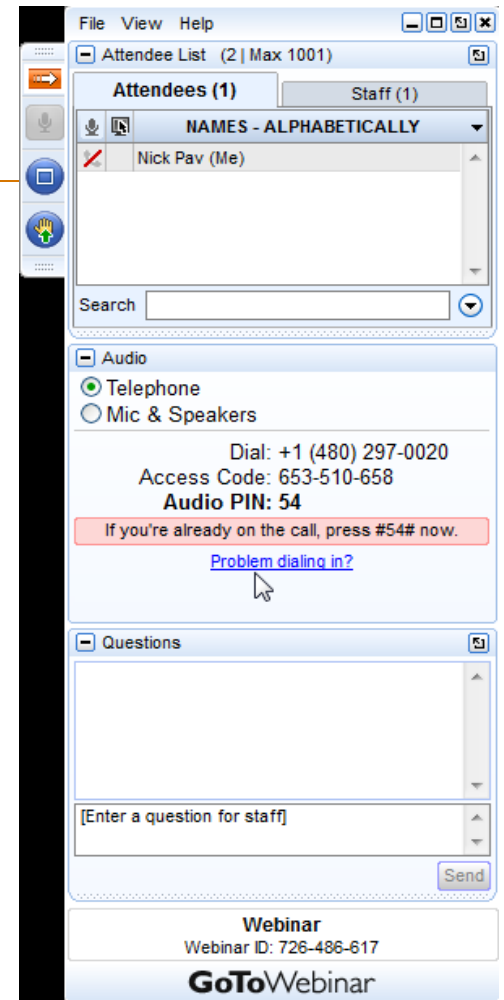
After the FAFSA

March 21, 2018

JOHN
BURTON

ADVOCATES FOR YOUTH

www.jbaforyouth.org

Information to Participate

- Call-in information
  - Phone number: (213) 929-4232
  - Access code: 419-060-208
- To submit live questions, click on the "Questions" panel, type your question, and click "send"
- Presentation materials and audio will be posted at www.jbaforyouth.org under "Research & Training" / "Training Archive"

Today's Presenters

- **Elizabeth Alaniz**
  Assistant Director, Financial Aid & Scholarship Office
  Chico State University

- **Britney Slates**
  Guardian Scholars & Student Services Technician
  Sierra College

- **Simone Tureck**
  Associate Policy Director
  John Burton Advocates for Youth

What are common barriers to foster youth & homeless youth receiving financial aid?
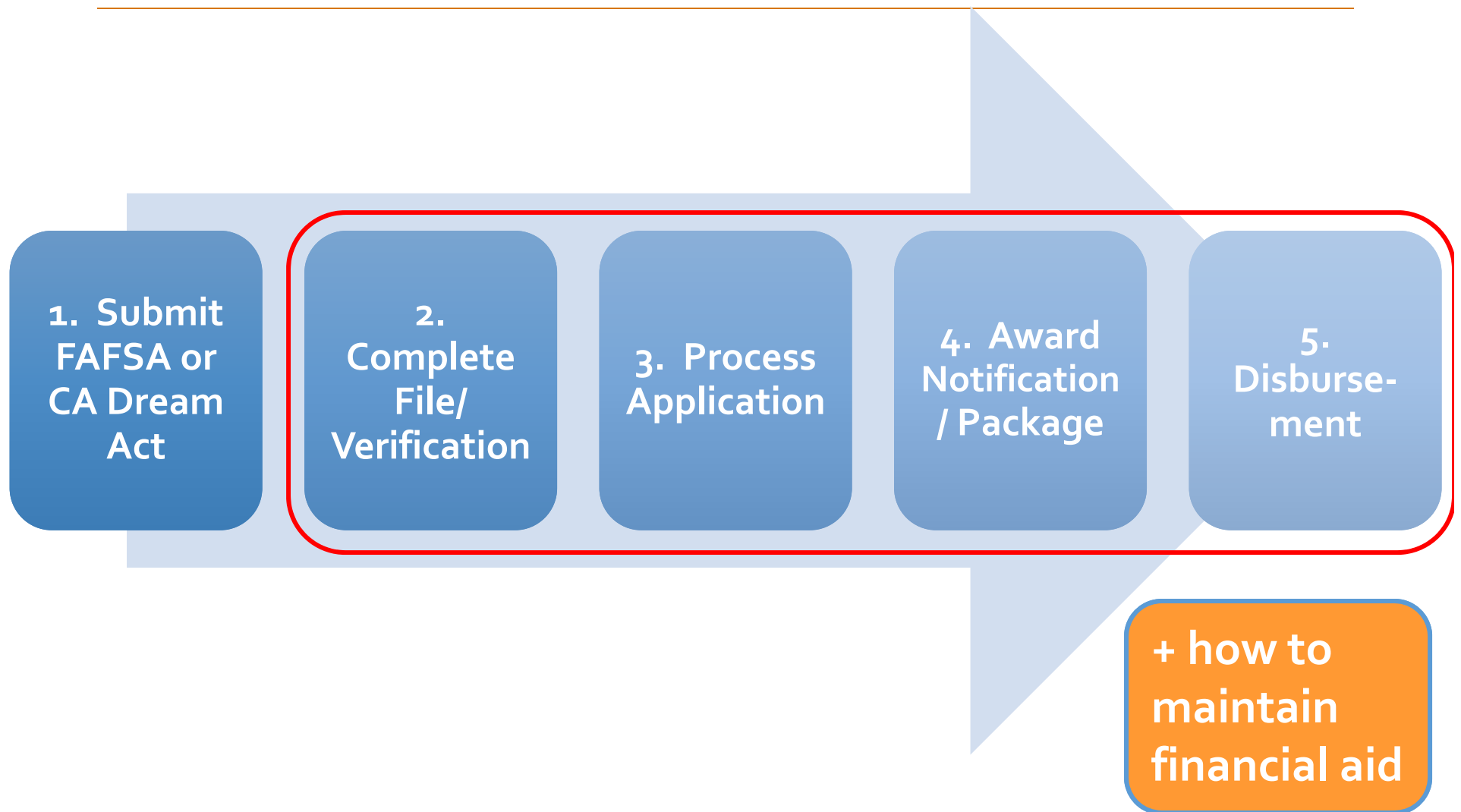
March 2nd priority deadline

Lack of initial eligibility

Administrative barriers post-FAFSA submission

Loss of aid eligibility & student debt
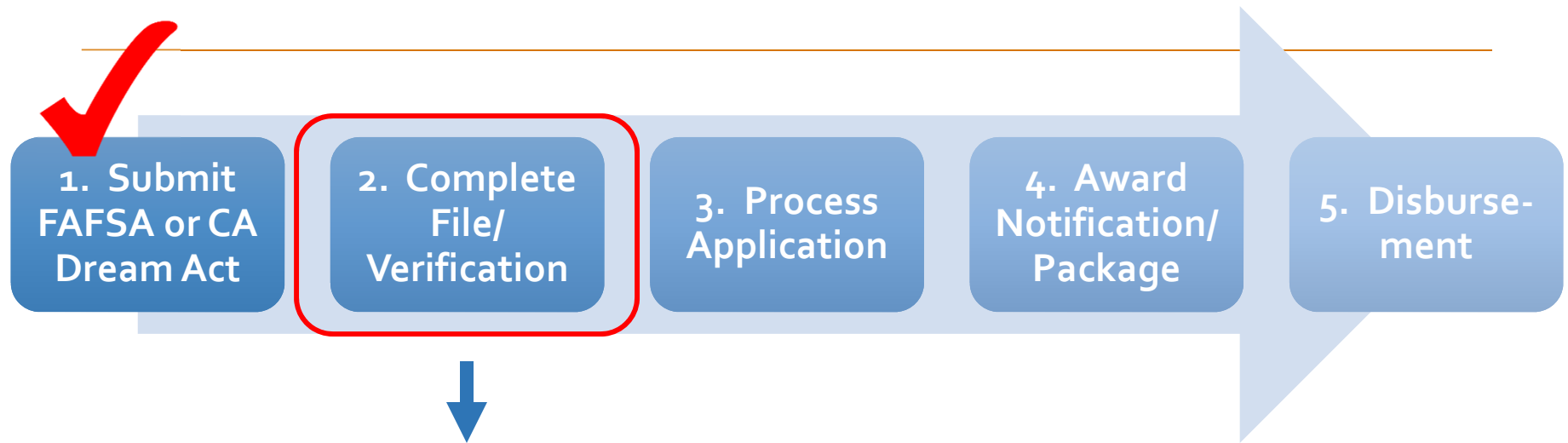
The Financial Aid Process

1. Submit FAFSA or CA Dream Act

2. Complete File/ Verification

3. Process Application

4. Award Notification / Package

5. Disburse-ment

+ how to maintain financial aid

Part 1 Webinar on Financial Aid (1/17/18)

Importance of the March 2nd deadline *(although students should still submit even if after 3/2)*

Indicate foster care history or homeless youth status on FAFSA to qualify as an independent student

And much more! **If you missed it, view at www.jbaforyouth.org under Training Archive**

2. Complete File/Verification

| 1. Submit FAFSA or CA Dream Act | 2. Complete File/ Verification | 3. Process Application | 4. Award Notification/ Package | 5. Disburse-ment |

Once FAFSA is submitted, student can view confirmation page & it will also be emailed to them:

- Check for Expected Family Contribution (EFC)
- Write down Data Release Number (DRN)
- Can make changes to FAFSA in 3-5 days

2. Complete File/Verification, cont.

- **Schools may request additional information via e-mail**

- **Examples of what is required to complete the file & verify:**
  - Reject codes
  - General verification *(different from foster/homeless verification)*
  - Verification of tax non-filing for students who don't have an auto "0" EFC
  - Extra documentation

Verifying Foster Youth Status

Current and former foster youth will likely need to provide financial aid office with *foster youth verification letter*

Current foster youth
Contact county child welfare agency or probation office that currently serves them to request letter

Former foster youth
Contact county *OR* California Department of Social Services to request letter

Contact Independent Living Skills Program Coordinator or social worker or probation officer

Foster Care Ombudsman's Office: 877-846-1602 *OR*
Foster Care Support Services Bureau: 916-651-7465

Sample Foster Youth Verification Letter from CDSS

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF SOCIAL SERVICES
744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov

CDSS
WILL LIGHTBOURNE
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

Foster Care Verification

RE: Name of Former Foster Youth

DOB: MM/DD/YYYY

**Dates the individual entered
and exited foster care:**   MM/DD/YYYY to MM/DD/YYYY [1]

A review of the statewide database indicates that the above referenced individual was in foster care until MM/DD/YYYY, when the individual was XX years old.

_____   _____
Signature   Date

_____
Print Name

For additional resources or information about services for former foster youth, please contact the California Foster Care Ombudsman's Office at 1-877-846-1602 or fosteryouthhelp@dss.ca.gov, or the child welfare department in County Name County, at (XXX) XXX-XXXX.

> *This letter serves as verification that the above referenced individual was in foster care for the time period identified above and, assuming all other eligibility criteria are met, may qualify for programs, services or benefits for which eligibility is based, in whole or in part, on being in foster care. Such programs, benefits or services include, but are not limited to:*
> - *Independent status on the Free Application for Federal Student Aid (FAFSA).*
> - *Cooperating Agencies Foster Youth Educational Support (CAFYES) Program (if all other eligibility criteria are met)*
> - *Extended Medi-Cal to age 26*
> - *Priority registration at a California post-secondary institution.*
> - *Priority on-campus housing as described in Sections 76010, 90001.5 and 92660 of the California Education code.*
> - *Preference for internships and student assistant positions within State agencies as specified in California Government code section 18220.*

_____

[1] If the individual experienced multiple episodes in foster care, the dates listed refer to the most recent episode.

Important Upcoming Changes to Foster Youth Verification

Senate Bill 12 (Beall) established automated verification for foster youth (eff. January 1, 2018)

Data match between CDSS & CSAC rolling out, target date July 1, 2018

Once in place, foster youth will no longer have to produce dependency determination letter...

- However dependency letter should be utilized in event that data match is unsuccessful for a student.

Verifying Homeless Youth Status

Homeless youth need verification that states:

- On or after July 1st of the year prior to the award year they were homeless or self-supporting and at risk of being homeless
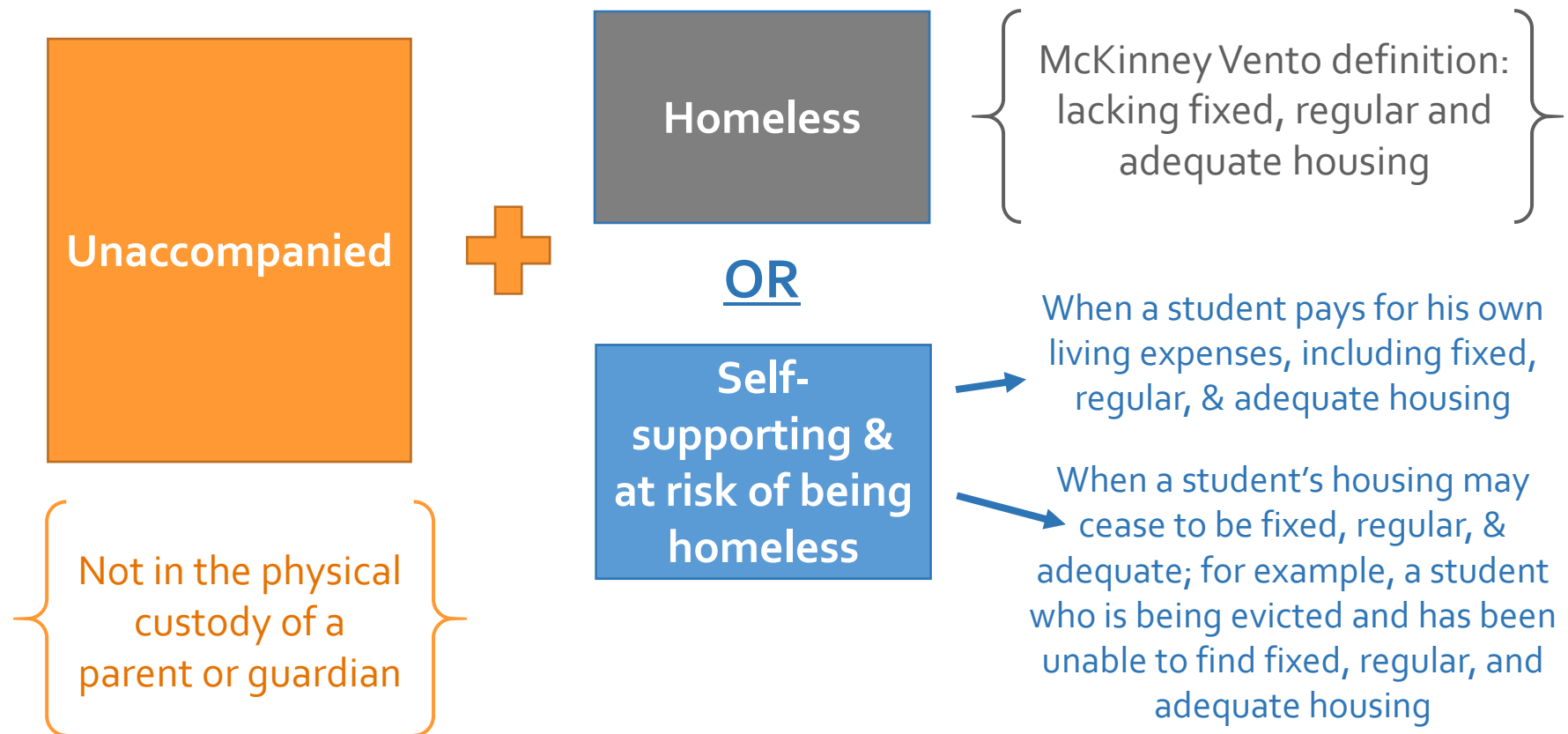
Uses McKinney Vento definition of homelessness: lacking fixed, regular and adequate housing

Homeless youth must verify their status EACH YEAR

The McKinney Vento Definition of Homeless Children & Youth Includes:

(i) children and youths who are <u>sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason</u>; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals;

(ii) children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings…

(iii) children and youths who are living in <u>cars</u>, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

(iv) migratory children who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (i) through (iii).

Let's Break it Down Further:

Unaccompanied

{ Not in the physical custody of a parent or guardian }

+

Homeless

{ McKinney Vento definition: lacking fixed, regular and adequate housing }

OR

Self-supporting & at risk of being homeless

→ When a student pays for his own living expenses, including fixed, regular, & adequate housing

→ When a student's housing may cease to be fixed, regular, & adequate; for example, a student who is being evicted and has been unable to find fixed, regular, and adequate housing

Note: Per AVG, a student living in any of these situations and fleeing an abusive parent may be considered homeless even if the parent would provide support and a place to live.

Who can provide a homeless youth determination?

There are three individuals/entities who have the authority to make a homeless youth determination (<u>other than a financial aid administrator</u>):

A local homeless education liaison (K-12)	A Runaway & Homeless Youth Act (RHYA)-funded shelter or transitional living program	A U.S. Dept of Housing & Urban Development (HUD)-funded shelter or transitional housing program

School district liaisons, RHYA program directors or designees, and HUD homeless assistance program directors or designees now are permitted to continue to make FAFSA determinations in subsequent years as long as the liaison has access to the information necessary to make such a determination for a particular youth

The Person Providing the Determination Should be the Person Indicated on the FAFSA

On or after July 1, 2017, were you homeless or were you self-supporting and at risk of being homeless?

(●) Yes   ( ) No

At any time on or after July 1, 2017, did your high school or school district homeless liaison determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?

( ) Yes   (●) No

At any time on or after July 1, 2017, did the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?

( ) Yes   (●) No

At any time on or after July 1, 2017, did the director of a runaway or homeless youth basic center or transitional living program determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?

( ) Yes   (●) No

Templates for Determination Letter

- **From SchoolHouse Connection:**

https://www.schoolhouseconnection.org/wp-content/uploads/2017/10/SHC__FAFSA_Determination_2018_FINAL.doc

- **From National Association for the Education of Homeless Children & Youth:**

http://www.naehcy.org/sites/default/files/dl/legis/uy_fafsa_template_sept2016.doc

Make sure to update the year on your letter

Independent Student Status of Unaccompanied Homeless Youth
Determination for the 2018-2019 FAFSA

To Whom It May Concern:

I am providing this letter to convey my determination that after July 1, 2017, [NAME OF STUD

☐ an unaccompanied homeless youth, as defined by the College Cost Reduction and Access A
and the education subtitle of the McKinney-Vento Act and the U.S. Department of Education's
2015, Dear Colleague Letter.

☐ an unaccompanied, self-supporting youth at risk of homelessness.

Student's SSN:

Student's DOB:

Student's Mailing Address: [*if the student does not have a stable address, you may list the nan*

number and mailing address of a friend or relative, or the school]

As per the College Cost Reduction and Access Act (Public Law 110-84), I am authorized to docu
this student's living situation and determine his/her independent student status as an unacco
homeless youth or unaccompanied, self-supporting youth at risk of homelessness. The financi
office is not required to confirm this determination in the absence of conflicting information. I
conflicting information if the financial aid administrator disagrees with my determination.[1] Fe
address any questions to me at the number or e-mail address listed below.

Signature	Date
Print Name	Phone
Email	
Title	
Agency	
Role (Circle One): *McKinney-Vento Liaison; Director/Designee of a HUD-funded shelter; Director/Designee of a RHYA-funded shelter; Financial Aid Administrator*	

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[1] 2017-18 Application and Verification Guide, page 116; July 29, 2015 U.S. Department of Education Dea
Colleague Letter, https://ifap.ed.gov/dpcletters/GEN1516.html

Homeless
A student is considered homeless if he lacks fixed, regular, and adequate housing. This is broader than just living "on the street." It includes temporarily living with other people because he had nowhere else to go; living in substandard housing (if it doesn't meet local building codes or the utilities are turned off, it is generally not adequate); living in emergency or transitional shelters, for example, trailers provided by the Federal Emergency Management Agency (FEMA) after disasters; or living in motels, camping grounds, cars, parks, abandoned buildings, bus or train stations, or any public or private place not designed for humans to live in. It also includes living in the school dormitory if the student would otherwise be homeless. A student living in any of these situations and fleeing an abusive parent may be considered homeless even if the parent would provide support and a place to live.

Unaccompanied
When a student is not living in the physical custody of a parent or guardian.

Recognized third parties
Recognized third parties include: private or publicly-funded homeless shelters and service providers; financial aid administrators from another college; college access programs such as TRIO and GEAR UP; college or high school counselors; other mental health professionals; social workers; mentors; doctors; and clergy.Unlike McKinney-Vento liaisons and HUD or RHYA-funded shelters, these third parties do not have the statutory authority to make a determination of homelessness. However, they can provide "relevant information" to financial aid administrators who are making a determination of unaccompanied homeless youth status in the absence of a statutory determination.

For more information, see: https://www.schoolhouseconnection.org/higher-education/

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[2] https://ifap.ed.gov/fsahandbook/attachments/1718AVG.pdf
[3] https://ifap.ed.gov/dpcletters/GEN1516.html

More on homeless youth determinations

If a student receives a determination from a local liaison, or RHYA-funded / HUD-funded shelter / transitional living program, FAA **must** accept the determination.

FAAs are **not required** to verify the answers to the FAFSA homeless youth questions unless they have conflicting information.

- Documented phone call or written statement from one of the authorized authorities is sufficient verification, when needed.
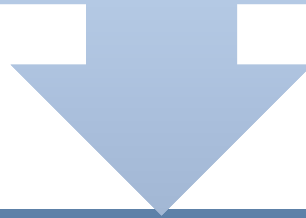
More on homeless youth determinations

It is not conflicting information if an FAA disagrees with an authority's determination that a student is homeless.

If an FAA has no conflicting information, FAA should not request add'l documentation; doing so may appear as if the FAA is asking student to explain/justify their circumstances.

What if an unaccompanied homeless youth has no one to make a determination?

If the student is an unaccompanied homeless youth but does not have contact with a qualified individual to make a determination for them, the Financial Aid Administrator (FAA) must make the determination.

FAAs can get assistance with making case-by-case homelessness determinations by contacting, among others:

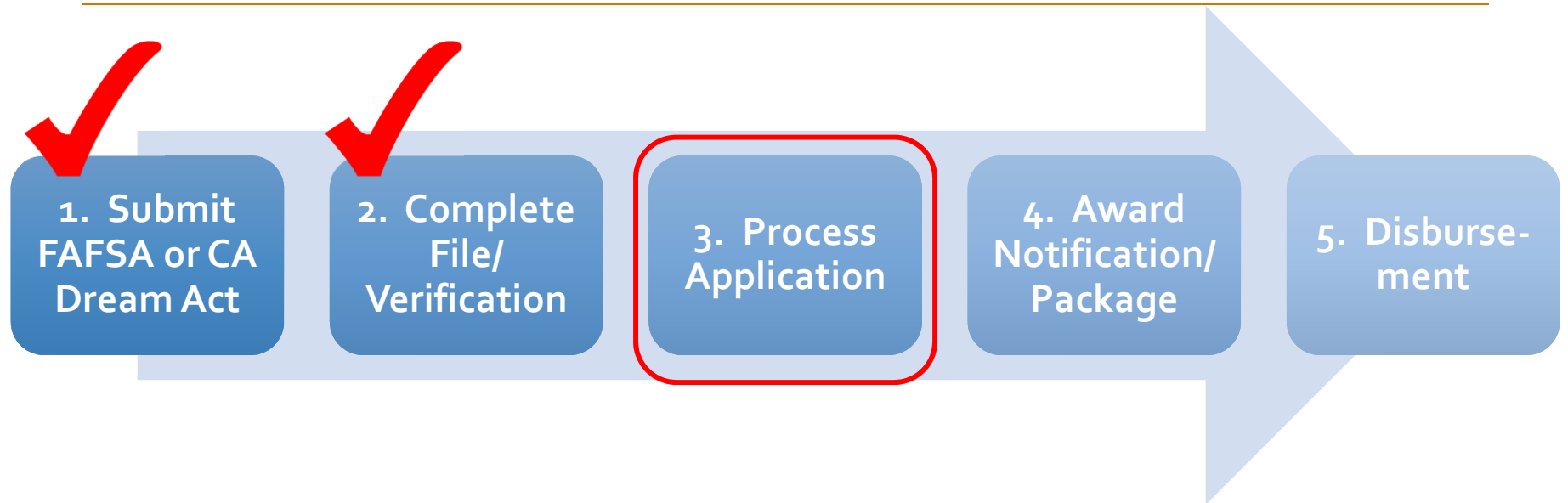| College access programs	Doctors	Social workers	Mental health professionals

More on Homeless Youth Determinations Made by FAAs

Financial Aid Administrators (FAAs) should determine *if* the student is unaccompanied and homeless or at risk of being so without regard for *why* the student is homeless
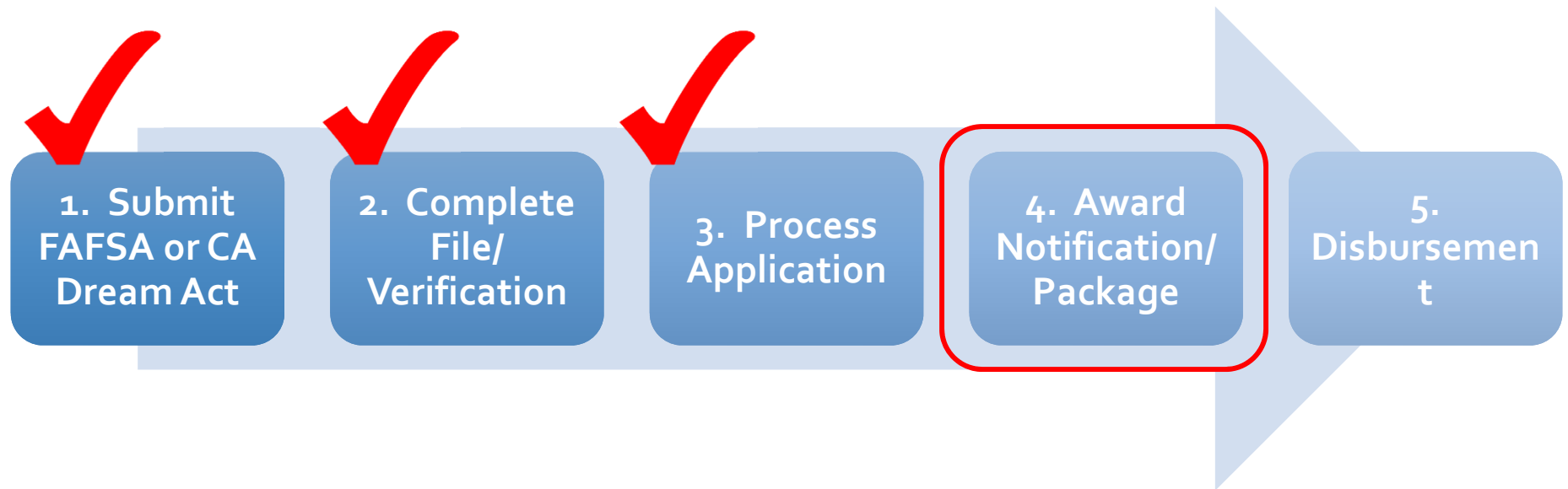
If the FAA is making the determination & there is no written documentation available, the determination may be based on a documented interview with the student
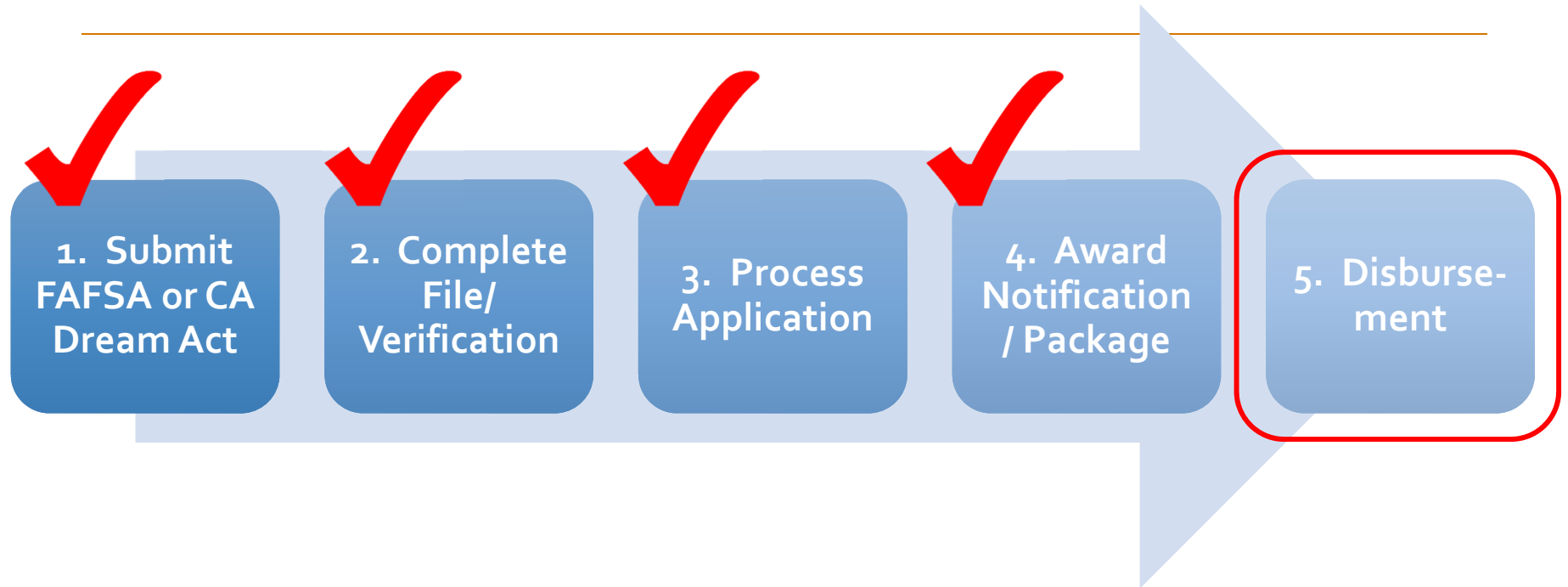
3. Process Application

1. Submit FAFSA or CA Dream Act ✓
2. Complete File/ Verification ✓
3. Process Application
4. Award Notification/ Package
5. Disbursement

Processing application (determining eligibility) can take several weeks, so apply early.
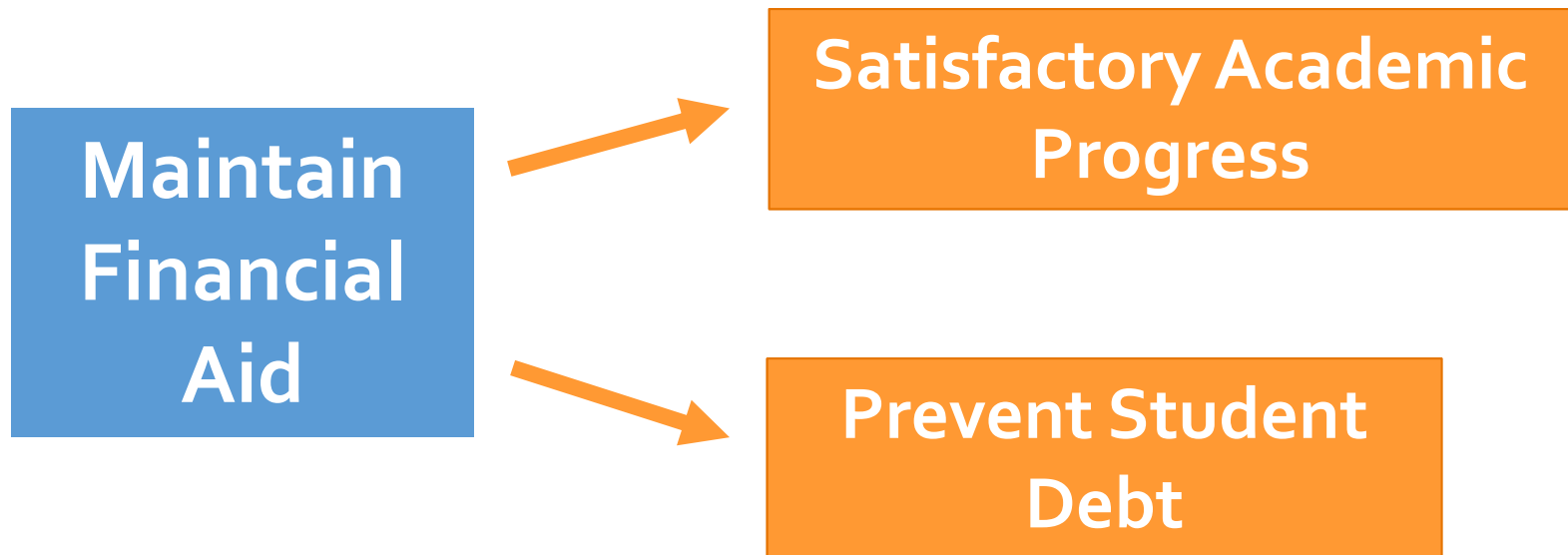
4. Award Notification/Package

Student is notified of award by student portal, email or letter.

5. Disbursement

1. Submit FAFSA or CA Dream Act
2. Complete File/ Verification
3. Process Application
4. Award Notification / Package
5. Disburse-ment

Disbursement method varies depending on institution; generally direct deposit, pre-paid debit card or paper check.

Now that the student has their financial aid, how do they keep it?

Maintain Financial Aid

Satisfactory Academic Progress

Prevent Student Debt

Satisfactory Academic Progress

What is it? How do you maintain it? What happens if you don't maintain it?

Coursework Alphabet Soup

W = Withdrawal

I = Incomplete

F = Fail

NP = Not pass

Satisfactory Academic Progress (SAP)

Policy to make sure students are progressing toward completion of their educational goal

Varies somewhat by school:
"To be eligible for FSA funds, a student must make satisfactory academic progress, and your school must have a reasonable policy for monitoring that progress." (FSA Handbook)

SAP Guidelines

Maintaining minimum Grade Point Average (GPA)	• Most schools require minimum 2.0 GPA
Completing educational goal in reasonable time	• Students can receive financial aid for 150% of the units required to complete their program or degree
Passing enough classes along the way	• 67% rate of completion

California College Promise Grant - SAP Requirements are Standard

California College Promise Grant (previously known as the BOG Fee Waiver) recipients must maintain:

- 2.0 Grade Point Average (GPA)
- Greater than 50% Completion Rate (CR)

If student has 2 consecutive semesters failing to meet the GPA/CR requirements, they're placed on Fee Waiver Disqualification.

However, foster youth and previous foster youth under age 25 are exempt from disqualification.

Financial Aid Warning Periods

Schools **may*** place students not making SAP on financial aid warning (no appeal necessary)

Warning status lasts one payment period (student may continue to receive aid)

Don't make SAP after warning period = lose aid eligibility unless successfully appeal & are placed on probation

*Schools are not required to use the warning status; they can instead require students to immediately appeal to be placed on probation.

Appeals, Financial Aid Probation & Academic Plans

- Schools are not required to have an appeals process, although most do

Valid appeals reasons:	Appeal must explain:	If appeal is granted, student may be placed on probation:
• injury or illness • death of a relative • other special circumstances	• why student failed to make SAP • what has changed that will allow student to make SAP at the next evaluation	• For one payment period, no academic plan required • For more than one payment period, academic plan required

Advocating for Youth / Teaching

Preventative

- Ensure students are educated about SAP
- Encourage students to register for classes to their skill level; meet with a counselor for help
- Frequent check-ins; early intervention if struggling
- Ensure students meet with counselor before dropping class to determine best course of action & impact on financial aid

Corrective

- Help students inquire about campus policies & appeals process; assist with filing appeal
- Increase frequency of check-ins during probation period – ensure they make SAP
- *Don't let students give up!*

Financial Aid Debt

How do you prevent it? How might you incur it? How do you address it?

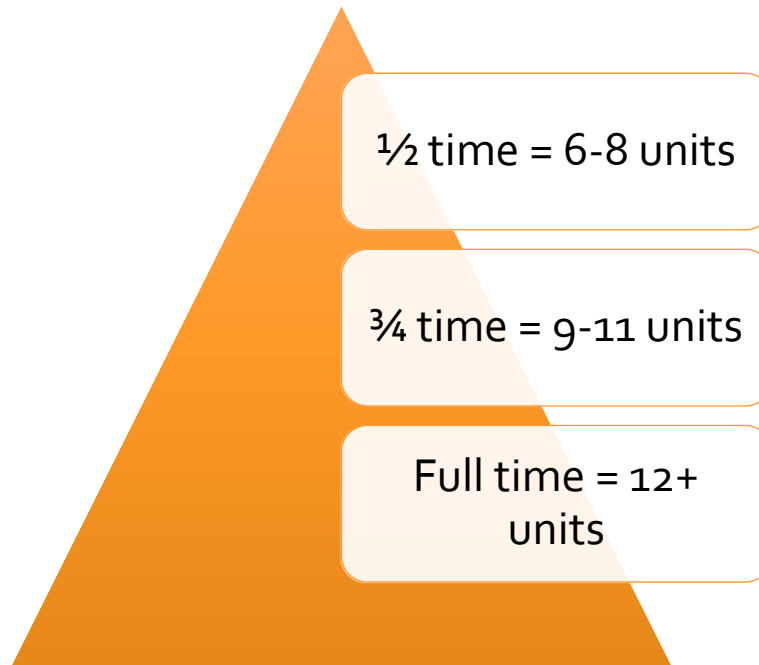# How does a student incur financial aid debt from an "overpayment?"

School error

Student drops classes or withdraws

Changes to FAFSA data

Financial Aid Overpayment – Understanding the Pell Grant

A student is **awarded** the Pell Grant based on the number of units they are enrolled in. Prorated by:

½ time = 6-8 units

¾ time = 9-11 units

Full time = 12+ units

How Overpayment Occurs

Full withdrawal from school before 60% of term is completed

Dropping of classes prior to census date (add/drop deadline) that changes enrollment status (i.e. full-time, ¾ -time, half-time)

How Overpayment Occurs

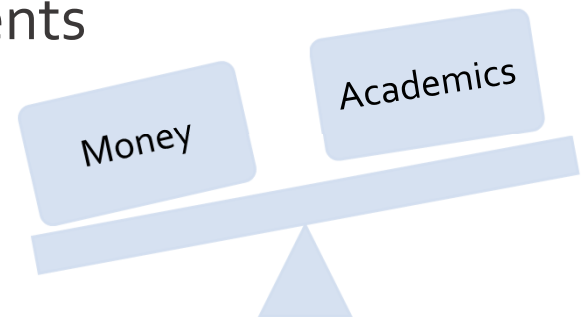Student receives aid award → Funds distributed → Student withdraws from classes → Over-payment results
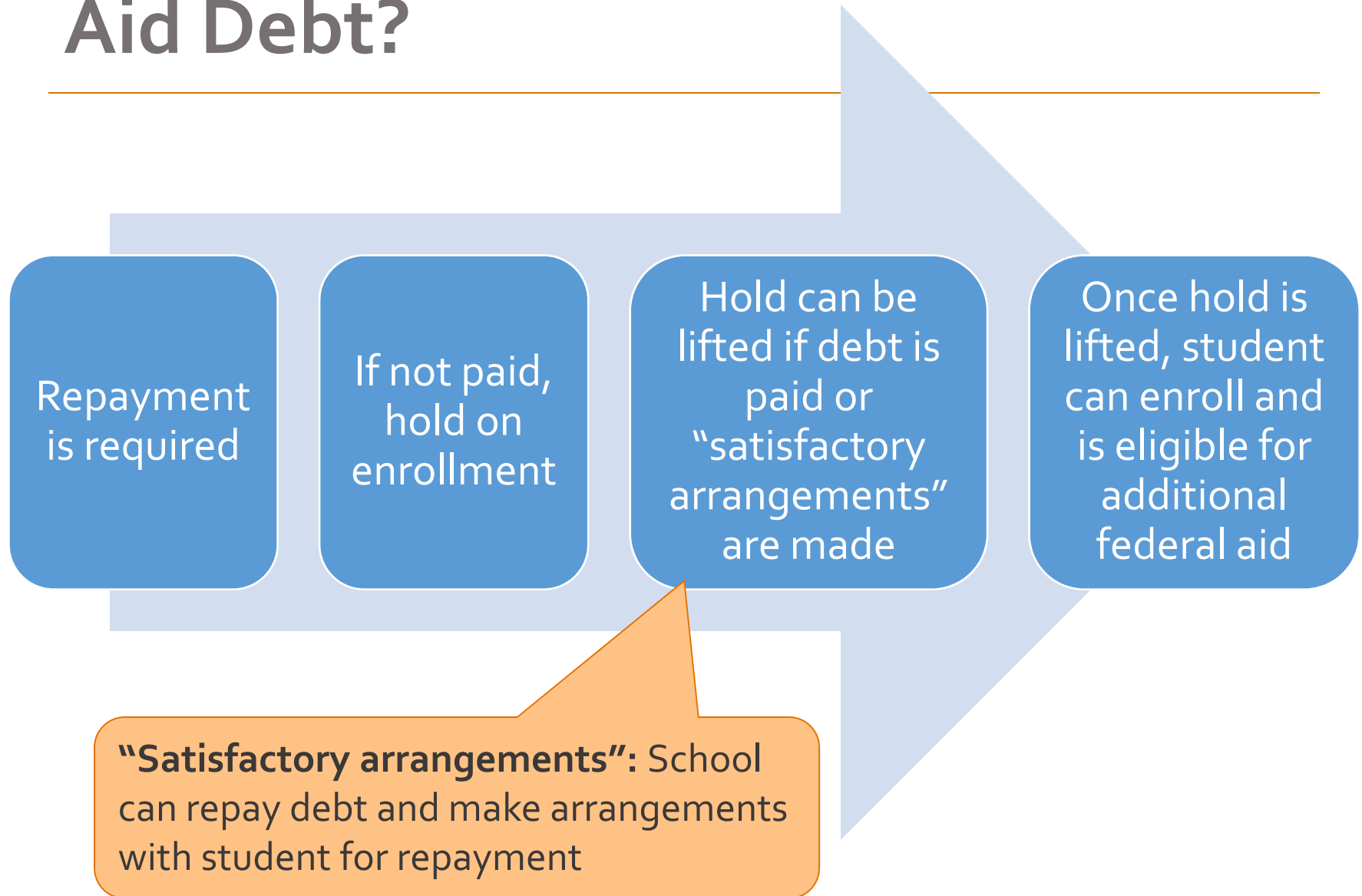
Example:

- Julia enrolls in 12 units (full-time) and is awarded $2,908 for the semester, attending a CSU.

- The school subtracts money for tuition and fees and disburses the remaining amount to her.

- Julia uses her disbursement to pay off some credit card debt.

- After a couple weeks, Julia realizes that she has taken on too much and decides to drop a class (4 units).

- Julia's financial aid package is adjusted to reflect this change, and she now needs to pay back about $727, but she no longer has this money.

- The school puts a hold on her enrollment for the following semester.

Circumstances Which May _Not_ Lead to Debt:

- Reduction in 1-2 units under some circumstances
- Student receives an "incomplete"
- Full aid has not yet been paid
- 60% of term is completed even if an "F" is earned
- Other considerations:
  - Satisfactory Academic Progress
  - Impact on GPA and transfer requirements

Academics

Money

Making Payment Arrangements

- Definition of "satisfactory arrangements" vary by school

- Most schools make arrangements directly

- Some refer the debt to US Department of Education

- Some schools willing to use future aid to pay off debt

What if Debt is Not Paid?

- Student cannot receive transcripts
- Student cannot enroll in courses at that school
- Reported to NSLDS
  - Limits ability to receive federal aid at any school
  - May be able to still receive non-federal aid
- Eventually transferred to Department of Education for collection
- Subject to long-term government debt collection
- *Even relatively small aid debt can derail a foster or homeless youth's academic career if unaddressed!*

Advocating for Youth / Teaching Self-Advocacy

Preventative: How to Avoid Overpayments

• Educate youth about the financial aid process

• Assist youth to work with academic counselor to ensure youth is registering for proper classes

• Counsel youth regarding decisions to drop classes or withdraw from school and impact on financial aid

• Refer youth to meet with financial aid office _**before**_ dropping classes or withdrawing

Advocating for Youth / Teaching Self-Advocacy

Managing Debt:

- Support youth to meet with financial aid office <u>immediately</u>
- Students have right to see how debt was calculated & challenge calculation
- Attend meetings with youth to assist with negotiations; repayment plan must be worked out to stay in school
- Schools have flexibility when making arrangements
- Help students find sources to assist with debt repayment
- *Don't let students give up!*

Question & Answer

CLICK ON THE "QUESTIONS" PANEL, TYPE IT AND HIT "SEND"