Memo

To: Financial Aid Administrators
From: Elizabeth K. McCloud
    Vice President
Dept: PA State Grant and Special Programs
Date: April 2021
Re: 2020-21 & 2021-22 PA Chafee ETG Program Funding & Flexibility

The Pennsylvania Higher Education Assistance Agency (PHEAA) partners with the Pennsylvania Department of Human Services (DHS) in the administration of the Chafee Education and Training Grant (Chafee ETG) Program. This federally funded program offers grants to Pennsylvania undergraduate students aging out of foster care who are attending an eligible postsecondary institution.

In December 2020, Congress passed the Consolidation Appropriations Act. Division X of the legislation specifically addresses support for foster youth and families, including Chafee ETG eligibility exemptions. The temporary Chafee ETG funding and flexibility address the critical financial needs of youth/young adults who are or were formerly in foster care. Because many of these young people, once discharged from foster care, lack access to stable housing, income, and other resources that may be available to youth/young adults in intact families, the funding and flexibilities provided by the Supporting Foster Youth and Families through the Pandemic Act are critical to ensuring youth are protected and supported. Without adequate outreach and support, there is a very real risk that youth who have left the foster care system will become homeless or experience other negative outcomes (cited from ACF-CB-PI-21-04). With this additional funding, provided directly to youth/young adults, we can provide some of the support these youth/young adults need during this uncertain time.

The act defines the COVID-19 public health emergency period as April 1, 2020 through September 30, 2021 and appropriates additional funding and flexibilities for the Chafee Program for the 2021 federal fiscal year. As a result, DHS has received approval to adopt the following program flexibilities for the 2020-21 and 2021-22 Academic Years:

- Youth are eligible for services until age 27 beginning October 1, 2019 through September 30, 2021.
- The satisfactory academic progress (SAP) requirement is waived.
- Youth may utilize the grant to maintain training and postsecondary education, including less than half-time enrollment.
- Youth may utilize the maximum award amount of funds for expenses not part of the cost of attendance if it would help the youth remain enrolled. Therefore, youth eligible for the grant may not receive less than $5,000 for the 2020-21 year.

As a result of these eligibility exemptions, PHEAA will update youth on our system who were previously denied for the above bullet points. Impacted students will appear on your April 19th Applicant Certification & Status Listing (ACSL) with an asterisk (*). Institutions must review their ACSL and do the following:

- Certify award amounts to equal $2,500 or equivalent per eligible term.
- Certify youth previously denied for SAP only.
- Certify youth previously denied for less-than-half-time.
Youth who receive an updated award should have their account reviewed, and any credit balance resulting from the new award must be refunded to the student within 30 days of receipt of the funds.

PHEAA has scheduled a supplemental Spring disbursement in May; it is important to certify these changes in a timely manner to receive these funds on this disbursement.

Institutions are not required to adjust the Fostering Independence Through Education (FosterEd) tuition waiver for youth receiving both Chafee ETG and FosterEd as the Consolidated Appropriations Act allows Chafee ETG funds to be awarded for costs outside the cost of attendance for the 2020-21 and 2021-22 Academic Years. Institutions should include documentation in the student's file that the Chafee ETG funds are covering expenses not included in the youth's cost of attendance.

If you have any questions regarding this announcement or the program in general, please contact Special Programs staff at 1-800-443-0646 option 3, option 2, a private number reserved for the use of financial aid administrators or send an email to paetg@pheaa.org.