Fostering Independence Through Education Tuition Waiver (FosterEd) Program

Reconciliation

April 2021
The content included in this presentation is intended to provide supplemental instruction on the FosterEd Program and does not supersede program policy as written in the current FosterEd Program Guidelines.
Background

• Enacted into law under Act 16 of 2019
• Established to assist Pennsylvania foster youth with the financial challenges of accessing higher education
  – Waives tuition and mandatory fees for eligible students in the foster care system beginning Fall 2020
    • Program legislation amended by Act 91 of 2019 to require students to apply for federal and state grants
  – Assists students in completing studies, reducing student loan debt, and building a network of support
• Jointly administered by PHEAA and the PA departments of Education (PDE), Human Services (DHS), and Labor & Industry (L&I)
Background

No institution application required for participation

Note: Details on institution participation provided in the legislation

Institutions must:

- Be located in Pennsylvania
- Have federal Title IV eligibility
- Have an executed PHEAA Remote Access Agreement (RAA)
- Identify a Point of Contact (POC) for potential FosterEd Students
Background

Student applicants must meet the **traditional** requirements for the Pennsylvania Chafee Education and Training Grant (Chafee ETG) Program:

- Identified as a youth in foster care or a youth discharged or adopted from foster care on or after attaining age 16
  - Or a youth that has exited foster care on or after age 16 due to adoption or permanent legal guardianship
- Pennsylvanian resident
- Have not reached Age 26, by July 1
- Eligible for services under Pennsylvania's John H. Chafee Foster Care Program for Successful Transition to Adulthood
- Submit a FAFSA® and Chafee ETG application by May 1
  - Renewal students only require FAFSA
- Have a high school diploma or a Commonwealth Secondary School Diploma
- Have "unmet costs" for the Chafee ETG Program

Students may not have identical Chafee ETG and FosterEd eligibility.
Background

• Student must:
  – Enroll as an undergraduate, on at least a half-time basis
  – Be enrolled in an approved federal Title IV certificate, diploma, or degree program of study at an eligible PA institution
  – Maintain Satisfactory Academic Progress, as determined by the institution
  – Not be in default on a federal student loan or owe a refund on other Title IV aid
  – Have not previously received a waiver for five (5) years, consecutive or not
Reconciliation:
Final opportunity for institutions to confirm student eligibility and report final waiver statuses for the year

• Reconciliation Waiver Listing
  – Generated to PageCenter in June
    • Provided to schools with completed award year waiver certification
  – Includes all FosterEd candidates for fall, winter, spring, and summer
    • Institutions review all students on listing

• Review the Denial Listing for potentially eligible students
Reconciliation

A. Confirm that students on the Reconciliation Waiver Listing meet program requirements

B. Calculate/verify the final waiver amount

C. Certify the Reconciliation Waiver Listing
Confirm that students on the reconciliation waiver listing meet program requirements.

**Eligibility Confirmation**

**Enrollment**
- Full-time = at least 12 semester credits or the equivalent
- Half-time = at least 6 semester credits, but less than 12
- Less than half-time and not enrolled are ineligible

**Degree/Program of Study**
- Enrolled in an approved federal Title IV certificate, diploma, or degree program of study

**Academic Progress**
- Maintain satisfactory academic progress as determined by the institution
Report eligibility changes to PHEAA

Student ceases at least half-time enrollment or becomes ineligible after the waiver has been applied, the waiver should remain in place.

Student withdraws or drops to less than half-time before charges are applied, the student is ineligible.

Note: Waiver adjustments due to increases or decreases in financial aid may also be required.
Waiver Calculation Verification

Calculate/verify the final waiver amount

Amount covers tuition and mandatory fees

Apply Federal/State Grants and other gift aid

Waiver value may exceed the total cost of tuition and mandatory fees

Mandatory fees are those assessed to all students or required for credential completion (e.g., uniform fee, technology fee, etc.)

Gift aid includes institutional aid awarded based on non-FosterEd criteria, as well as federal grants (e.g., Pell, FSEOG, etc.) state grants, scholarships, etc.

An institution may waive additional costs or apply gift aid to other costs (e.g., room, board, books, living expenses, computer, etc.)
Waiver Calculation Verification

- Angus is enrolled full-time at a semester school and is showing waiver eligibility for both fall and spring.
  - The costs and gift aid are calculated.
- The minimum amount the institution must waive for Angus in fall and spring is $5,800 ($12,750 + $750) – $7,700 each term.
- The school may opt to waive up to the total amount charged.
  - This could allow the students' gift aid to be applied towards other expenses (e.g., room & board, books, etc.)

<table>
<thead>
<tr>
<th>Angus</th>
<th>Costs</th>
<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$12,750</td>
<td>$12,750</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Mandatory Fees</td>
<td>$750</td>
<td>$750</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Room &amp; Board</td>
<td>$5,500</td>
<td>$5,500</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$19,000</strong></td>
<td><strong>$19,000</strong></td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Gift Aid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Pell</td>
<td>$3,100</td>
<td>$3,100</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>PA State Grant</td>
<td>$2,100</td>
<td>$2,100</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>PA Chafee ETG</td>
<td>$2,500</td>
<td>$2,500</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td><strong>Total Resources</strong></td>
<td><strong>$7,700</strong></td>
<td><strong>$7,700</strong></td>
<td>N/A</td>
<td></td>
</tr>
</tbody>
</table>

Note: Waiver amount must be designated as “FosterEd” on the student account and must match amount reported to PHEAA.
Upon further review of 2020-21 FosterEd eligibility, Angus has withdrawn to half-time in the spring, but did not receive a refund of institutional charges or adjustments in the financial aid. To make up the credits Angus enrolled half-time for summer.

- The costs and gift aid are calculated.

### Questions

- How must the FAO update the Reconciliation Waiver Listing for Angus’ spring term?
- How should the FAO change the Reconciliation Waiver Listing for Angus' summer term?
Waiver Calculation Verification

Answers

• The FAO must report Angus’ spring enrollment as half-time. However, since Angus did not have an adjustment to costs or aid for the spring term, there is no adjustment to the minimum waiver amount.
  – The waiver counter will remain unchanged for Spring.

• For summer, the FAO should report Angus as half-time, confirm the other FosterEd waiver requirements, and, if all eligibility criteria have been met, document the waiver amount.
  – Minimum waiver amount would be $4,200.

<table>
<thead>
<tr>
<th></th>
<th>Fall</th>
<th>Spring</th>
<th>Summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$12,750</td>
<td>$12,750</td>
<td>$6,500</td>
</tr>
<tr>
<td>Mandatory Fees</td>
<td>$750</td>
<td>$750</td>
<td>$400</td>
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<tr>
<td>Room &amp; Board</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$3,500</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$19,000</strong></td>
<td><strong>$19,000</strong></td>
<td><strong>$10,400</strong></td>
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<tr>
<td>Gift Aid</td>
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</tr>
<tr>
<td>Federal Pell</td>
<td>$3,100</td>
<td>$3,100</td>
<td>$1,500</td>
</tr>
<tr>
<td>PA State Grant</td>
<td>$2,100</td>
<td>$2,100</td>
<td>$1,200</td>
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<td><strong>$2,700</strong></td>
</tr>
</tbody>
</table>
Waiver Calculation Verification

• Waiver/institutional credit applied on a term-by-term basis
  – Includes institutional aid awarded on the sole basis of FosterEd eligibility
  – Waivers cannot be withheld or reduced due to expectation of additional gift aid
• Report if student refuses the waiver and retain documentation
• Refund any student payments that were applied to tuition or mandatory fees within 30 days
**Reconciliation Waiver Listing Certification**

- Certify and return Reconciliation Waiver Listing within 30 days of generation
  - Request PageCenter notifications
  - If no changes only return signed Certification Page
  - Additional Reconciliation Waiver Listings may be requested, as needed

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**STUDENT LISTING**

<table>
<thead>
<tr>
<th>TERM</th>
<th>ENROLLMENT STATUS</th>
<th>ACADEMIC PROGRESS</th>
<th>DEGREE PROGRAM</th>
<th>WAIVER VALUE</th>
<th>ADDITIONAL COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FALL</td>
<td>FULL</td>
<td>Y</td>
<td>Y</td>
<td>$1,482</td>
<td></td>
</tr>
<tr>
<td>SPRING</td>
<td>NENR</td>
<td>Y/N</td>
<td>Y/N</td>
<td>$0</td>
<td>INELIGIBLE</td>
</tr>
<tr>
<td>SUMMER</td>
<td>LMLF</td>
<td>Y/N</td>
<td>Y/N</td>
<td>$0</td>
<td>INELIGIBLE</td>
</tr>
</tbody>
</table>

**EXPECTED GRADUATION DATE:** 12/31/2026  
**WAIVER COUNTER:** 0.500/5.000  
**FILED PA STATE GRANT FORM:** Y
Denial Listing Review

Determine whether eligibility can be attained for denied students/terms.

- Runs when PHEAA reviews student eligibility and provides:
  - Denial reason; and
  - County within which the student received services, if in Pennsylvania

DENIAL REASON EXAMPLES

- No FAFSA/Incomplete FAFSA
- Academic Progress
- Title IV Default
- No PA Residency
- No Eligibility per DHS
- Eligibility Pending DHS Review
- Program of Study
- Application Not Signed
- Note: 2020-21 FosterEd application deadline is May 1, 2021
POC Responsibilities

- Serve as primary contact for potentially eligible foster youth
- Provide referrals for on- and off-campus resources (e.g., Act 101, tutoring, mental health, medical insurance, transitional housing, etc.)
- Assist students in attaining FosterEd eligibility and ensure students apply for other applicable financial aid sources

2020-21 Statistics

- $924K waived for 155 recipients
- 57% of recipients are first-year students
- 895 pending waivers

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FosterEd Reminders

• Report POC information and review *SGSP Institutional Contacts Report*
  – POC must also be readily available on institutional website

• Review and certify or cancel all students prior to reconciliation

• Report additional changes
  – Report even if after submission of the Reconciliation Waiver Listing
  – Request additional Reconciliation Waiver Listings as needed
FosterEd Reminders

• Adhere to program deadlines and due dates
  – Use PageCenter notifications and Outstanding Items Report

• Retain records necessary for the eligibility certification and the crediting of FosterEd waivers to student accounts for at least five (5) years

2021-22 Chafee ETG student application available on PHEAA.org
Consolidated Appropriations Act (CAA) provides additional funding toward the 2020-21 Chafee ETG allocation and authorizes:

- All Chafee ETG-eligible students to receive the maximum program award (per enrolled term); and
- Students initially denied Chafee ETG for late application, Satisfactory Academic Progress, less than half-time enrollment, age 27 and unmet need to attain maximum allowable eligibility

Institutions will need to review the April 2021 memo and update Chafee ETG eligibility certification prior to disbursement

- Youth reported as not enrolled will not receive Chafee ETG funds for the term in question

FosterEd eligibility does not change to match Chafee ETG changes (e.g., age 27, less than half-time enrollment, etc.)

No FosterEd adjustments are required for increased CAA eligibility, as Chafee ETG funds can be used for costs outside of the tuition and mandatory fees
Resources

- **Web:**
  - PHEAA.org
  - Alec

- **SGSP Staff:**
  - 1-800-443-0646
  - FosterEd@pheaa.org
Thank You!