Date: January 12, 2012

To: Chief Student Service Officers

From: Linda Michalowski
Vice Chancellor, Student Services and Special Programs

Subject: Administrative Change to the Board of Governors Fee Waiver -- Part C Methodology (FAFSA - Needs Analysis)

With the significant growth in the Board of Governors Fee Waiver (BOGFW) program, both in the number of recipients (1.13+ million) and the dollar value of fees waived ($410+ million), it has become necessary to review the policy that has allowed a student with $1 of need to qualify for the full BOGFW. This policy was built into the original program in order to address its sole goal of ensuring the new community college enrollment fee did not affect access for low-income students and to ensure administrative simplicity. In order to conform the BOGFW to standards for other financial aid programs and ensure resources are matched to students' actual financial need, we are making a change in the eligibility requirements for the BOGFW to ensure awards do not exceed need.

After consulting with campuses, we have decided to accomplish this by establishing a minimum need standard tied to full time enrollment fees. Students whose financial need is less than the fees charged for full-time enrollment will not receive an award. This approach retains administrative efficiency while ensuring that low-income students, whose financial need will greatly exceed the enrollment fee amount, will remain fully eligible. It further provides increased program integrity and ensures that BOGFW resources are targeted to students with a corresponding need. This policy will be effective for Fall 2012 and following terms.

Some implementation details are attached and our Student Financial Assistance Programs staff will follow up with your financial aid offices. If you have questions about this policy, please feel free to contact me at lmichalo@cccco.edu or 916-327-5361.

cc: Financial Aid Officers
Implementation of the Board of Governors Fee Waiver Administrative Change Regarding Part C Methodology (FAFSA - Needs Analysis)

Education Code states:

76300 (g) (1) The fee requirements of this section shall be waived for any student who, at the time of enrollment, is a recipient of benefits under the Temporary Assistance to Needy Families program, the Supplemental Security Income/State Supplementary Program, or a general assistance program or has demonstrated financial need in accordance with the methodology set forth in federal law or regulation for determining the expected family contribution of students seeking financial aid.

For purposes of implementing this section of Education Code, the Board of Governors Fee Waiver policy is amended to require a "minimum need" threshold. This minimum need requirement shall be calculated based upon a student’s nine-month Cost of Attendance (COA) minus the student’s nine-month Expected Family Contribution (EFC) and shall only affect Part C eligibility standards (FAFSA - Needs Analysis).

The "minimum need" threshold will be established annually by the Chancellor's Office. The Chancellor's Office will notify California Community Colleges of the specific figure in December of the year preceding the most current effective date. This minimum need threshold shall not be adjusted.

For fee waivers awarded for terms of enrollment beginning with Fall 2012, the annual threshold will be $1,104.

The minimum need threshold shall be in effect for fee waivers awarded for all terms of enrollment, beginning with the Fall 2012 term. For colleges awarding fee waivers as a leader for the 2012-2013 year, implementation may begin with the Summer 2012 term(s).

Section 4.2.2 of the Board of Governors Fee Waiver Manual states:

“If the Financial Aid Office exercises the discretionary authority allowed in Section 479(a) of the HEA of 1965 to change the data elements of the student’s EFC or Cost of Attendance, the amended amounts used for federal funding must be used for Part C fee waiver eligibility as well, whether that action increases or decreases eligibility.”

Under this authority, in determining eligibility for a Part C BOGFW non-federal aid recipient, the Financial Aid Office may at its discretion, on a case by case basis:

- Adjust components of an individual student’s COA or EFC used in determining eligibility for a fee waiver to account for a student’s actual enrollment status in any term(s) for which the fee waiver is awarded.
- Adjust components of an individual student’s COA or EFC used in determining eligibility for a fee waiver to account for any action taken by the state resulting in mid-year adjustments to the authorized enrollment fee.
- Adjust components of an individual student’s COA or EFC used in determining eligibility for a fee waiver to account for a student’s actual enrollment in a program of shorter or longer duration to account for actual program length (not to exceed 12 months).
Eligibility for partial parking and health fee waivers (when permitted under local board policy) would require that Part C fee Waiver Applicants meet the aforementioned “minimum need” standard. As has always been the case, only the enrollment fee waivers are to be reported in MIS Fee Waiver Award submissions.

Should you have any questions about the BOGFW program or this policy memorandum, please contact Student Financial Assistance Program Unit staff:

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