

UNEMPLOYMENT ON THE RISE!

OBAMA GRANTS FOR ALL!

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UNEMPLOYMENT ON THE RISE!

OBAMA GRANTS FOR ALL!

- THE EMPLOYMENT SITUATION – OCTOBER 2009
- The unemployment rate (10.2 percent) continued to trend up, the U.S. Bureau of Labor Statistics reported today. The largest job losses were in construction, manufacturing, retail trade, and government. This is the highest since April 1983.
- Household Survey Data Since the start of the recession in December 2007, the number of unemployed persons has increased by 7.6 million to 15.7 million, and the unemployment rate has doubled to 10.2 percent.
- Unemployment rates for the major worker groups
 - Adult men (10.3 percent)
 - Adult women (7.8 percent)
 - Teenagers (25.9 percent)
 - Whites (9.0 percent)
 - Blacks (15.4 percent)
 - Hispanics (12.7 percent)
 - Asians (7.4 percent)
 - The rates for all major worker groups are much higher than at the start of the recession.
 - (Source:)
<http://www.bls.gov/news.release/empsit.nr0.htm>

NEW JERSEY'S UNEMPLOYMENT RATE!

- New Jersey has seen a significant increase in unemployment
- September 2008 was 5.8 percent, 4,046,600 employed
- September 2009 is 9.8 percent, 3,917,700 employed
- This was an increase of 4.0 percent unemployed, which was a decrease of about 128,900 jobs, preliminary
- With the rise of unemployment many schools begin to see an increase in inquiries and possibly enrollment as well, especially after the state sent a letter stating that President Obama is giving away government grants to all students who are unemployed and looking to go back to school.

STATE OF NEW JERSEY

THE DEPARTMENT OF LABOR LETTER



STATE OF NEW JERSEY
Department of Labor and Workforce Development
PO Box 058
Trenton, New Jersey 08625-0058

August 10, 2009

President Obama recently announced that recipients of unemployment insurance (UI) benefits will receive special consideration for financial aid (specifically Pell Grants) to pay for job training or education. In addition, UI recipients **may also be able to continue receiving benefits** while enrolled in training or educational programs.

Federal Pell Grant scholarships cover up to \$5,350 in education and training expenses. They are accepted at nearly all universities and community colleges and many trade and technical schools. Pell Grants are available for an undergraduate degree or certification programs regardless of your full or part-time status. However, if you already have an undergraduate degree a Pell Grant **cannot** be used to obtain another undergraduate degree. Pell Grants may be used for certification programs by recipients who have an undergraduate degree. In the event that you do not qualify for a Pell Grant, you **may be eligible** for other monetary aid to assist in paying for training or education, such as student loans or State and Federal training dollars provided through the One-Stop Career Center system.

The United States Departments of Education and Labor have created a single website, www.opportunity.gov, where you can find helpful information pertaining to applying for financial aid and finding training and education opportunities.

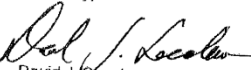
If you are interested in pursuing these opportunities, you should take the following steps **prior to enrolling** in any course of study:

- Visit the federal website at www.fafsa.ed.gov or call 1-800-4FEDAID (1-800-433-3243) or visit the state website at http://wd.state.nj.us/labor/roles/faq/faq_index.html for answers to frequently asked questions regarding financial aid and eligibility.
- Consider what type of training or educational opportunity best addresses your needs. You should then contact an institution that provides the course of study and inquire if it is a Title IV eligible institution (Qualified under the Higher Education Act as eligible to receive Pell Grants). A list of training/educational providers can be found at [www.njtrainingsystems.org](http://nces.ed.gov/collegenavigator/) and <http://nces.ed.gov/collegenavigator/>.
- If the training/educational provider is Title IV eligible, ask the financial aid officer to determine if you are eligible for a Pell Grant under the special rules for workers receiving UI benefits.
- Contact your nearest One-Stop Career Center to ensure that you can continue to receive your UI benefits while enrolled in training. Please note that **not every training or educational program excuses you from the requirement that you must be seeking employment and are available for work in order to receive UI benefits.** To locate your nearest One-Stop Career Center you can visit: <http://wd.state.nj.us/labor/wn/join/findjob/onestop/services.html> or call 1-877-US-2-JOBS (1-877-872-5627).
- Educational institutions or One-Stop Career Centers can assist you in applying for Pell Grants and other financial aid. One-Stop Career Centers also have counselors available to assist you in deciding what type of training or educational program would be most beneficial to your circumstances or to assist you in addressing barriers to employment.

Please take this letter with you to the training/educational provider that you choose, to confirm that you are an unemployment insurance beneficiary. **While this letter does not guarantee your eligibility** for a Pell Grant, the school can use this letter as justification for adjusting the eligibility criteria to reflect your current circumstances. After 90 days, or if you misplace this letter, you may provide alternative evidence that you are currently receiving UI benefits, such as your most recent benefit check stub or biweekly UI certification form.

While the economy is struggling, you have the opportunity to improve your skills and lay the foundation for a better career. I encourage you to consider this opportunity carefully.

Sincerely,


David J. Coccolone
Commissioner

DEPT. OF LABOR ISSUES GUIDANCE ON FINANCIAL AID COMMUNICATIONS TO STATE UNEMPLOYMENT AGENCIES

The Department of Labor's Employment and Training Administration has issued [Change 1 to Training and Employment Guidance Letter \(TEGL\) 21-08](#). This letter advises state unemployment agencies of important clarifications about financial aid eligibility requirements and encourages states to use procedures that inform Unemployment Insurance beneficiaries before enrollment whether training is considered by the state as Approved Training.

The letter clarifies that Pell Grants are available only to individuals in an undergraduate degree or certificate program, regardless of full time or part time status, and that students who already have an undergraduate degree cannot receive a Pell Grant to obtain another undergraduate degree although they can may apply for other financial aid such as student loans. States are asked to ensure that these criteria are included in their communications with UI beneficiaries regarding potential Pell Grant eligibility.

In addition, the Labor Dept. suggests that notification letters include the following information:

State-specific policies on qualifying for training while collecting UI; A description of the process UI beneficiaries should follow in applying for: 1) a Pell grant or other financial aid; 2) training/schooling; and 3) UI Approved Training (to confirm UI eligibility while attending school); One-Stop Career Center services to help beneficiaries assess their skills and identify appropriate training; and Basic Pell Grant eligibility criteria, including that Pell Grants cannot be used to fund additional bachelor degrees if the individual already has a degree.

Many states had expressed concern about being overwhelmed with applicants following the mailings and apparently have not accomplished the mailings yet. The Labor Dept. said that states that have completed initial mailings have experienced a two to three percent response rate.

Posted 07/17/09 to www.NASFAA.org. Redistribution to non-NASFAA institutions is prohibited. Please submit Web site questions or comments to Web@NASFAA.org.

Though a student may qualify, under Volume 1 chapter 7 of the Financial Aid handbook. Under "Eligible post-baccalaureate program"

WHAT DOES THE STUDENT NEED TO DO?

- After the normal Admission process per individual school
- You will want to educate the student on the steps needed to attend your school.
- They should first talk to their unemployment counselor to see what their options are.
- The student could qualify for the unemployment waiver or the workforce grant
 - Depending on what they qualify for, the unemployment counselor should advise them on schools they can attend.
 - Beware that not all counselors notify the student of these options
 - This should allow the student to continue their unemployment as well while attending school.
- After receiving the approvals from their unemployment counselor the student will come back or call the FA office, at that time , the student should be advised to file a FAFSA like any other student looking for Aid. Most unemployment counselors require this process.
 - After the initial FAFSA is completed it would be at the discretion of the FA office to decide if a Professional Judgment can or should be done to help maximize Financial Aid for the Student.

WHO IS ADVISING AND EDUCATING THESE STUDENTS

There are 4 types of school that handle students

Community Colleges

Patricia Medeiros

Passaic County Community College

State Colleges

Keyana Darby

William Paterson University

Private Colleges

Hayato Suzuki

Caldwell College

Proprietary Colleges

Danielle Mason

Lincoln Educational Services

STATE STATUE'S FOR COUNTY COLLEGE

18A:64A-23.2. County College: County college courses

“Each county college shall permit a person who has been in the labor market for at least two years and is unemployed or has received a layoff notice as a result of a factory or plant closing to enroll without payment of tuition in a job training course, provided that the person is not eligible for any available State or Federal student financial aid and that available classroom space permits and that tuition paying students constitute the minimum number required for the course.

Nothing herein shall preclude a county college from requiring a registration fee not to exceed \$20.00 per academic term.”

18A:64A-23.3 County College: Eligibility for continued participation

“In order to remain eligible for participation in this program, the unemployed worker shall be required to maintain a passing grade in the job training course in which he is enrolled.”

COUNTY COLLEGE

Process

- Admission application must be completed and a placement test must be given (college grad and SAT score can exempt the student from the test).
- Student should then visit his/her unemployment counselor to see if they qualify for the waiver.
- Advise student to have a description of the program they wish to acquire and proof they filled out the FAFSA before their appointment with Unemployment.
- They can also speak with Financial Aid Officer to complete the Professional Judgment; in order to utilize all grants and scholarship they can qualify.
- Once approved from Unemployment student may register on the last day of In-person Registration. *Student must exhaust eligibility for financial aid and present a certified Unemployed Persons Job Training Form.
- The waiver covers tuition and general fees, students are responsible for course fees and insurance.
- Note waiver is per semester.

STATE STATUE'S FOR STATE COLLEGE

18A:64-13.2 State College: enrollment in Job training course

“Each State college shall permit a person who has been in the labor market for at least two years and is unemployed or has received a layoff notice as a result of a factory or plant closing to enroll without payment of tuition in a job training course, provided that the person is not eligible for any available State or Federal student financial aid and that available classroom space permits and that tuition paying students constitute the minimum number required for the course.

Nothing herein shall preclude a State college from requiring a registration fee not to exceed \$20.00 per academic term.”

18A: 64-13.3 State College: Eligibility for continued participation

“In order to remain eligible for participation in this program, the unemployed worker shall be required to maintain a passing grade in the job training course in which he is enrolled.”

STATE COLLEGE

Process

- Visit One Stop Career Center to determine tuition waiver eligibility. Check school's requirements for tuition waiver
- Receive tuition waiver from unemployment office no earlier than 30 days prior to designated registration date
- Submit University application and tuition waiver by deadline (normally a 2 week window to hand in documentation)
- Perform PJ if student may be eligible in order to ↑ student's eligibility and ↓ the amount of waivers
- Register on designated registration date (usually 2nd day of school) No permits allowed
- Waiver is reduced by any free money (scholarships, grants, other waivers, etc)
- Grades are reviewed and waiver may be adjusted accordingly

PRIVATE COLLEGE

- Process
 - The student must visit their unemployment counselor
 - Caldwell will only accept the Workforce grant
 - Waiver is not honored at Caldwell
 - The student must file a FAFSA application to see if other grants are available
 - In order to maximize eligibility for the student the FA counselor may look to do a professional judgment.
 - The aid package will be sent out to the student, where they can make the final decision on attending.
 - Tuition is not adjusted to allow the grant to cover costs
 - The grant is built into the overall aid package to meet COA

PROPRIETARY COLLEGES (& TECH SCHOOLS)...

- LESC schools participate in Workforce (WIA) program
 - Does not honor the waiver. Just the Workforce Grant
 - Committed to ensuring our School's Staff and students are educated with requirements to participate with the WIA program.
- LESC has a Corporate National Director of Government Training whose primary responsibility is to maintain relationships with WIA counselors and train our school's staff to educate and work with students seeking skills to secure employment.
 - Workforce program policies can vary State to State (Our Main/branches extend to other states – and is managed accordingly).
- Admissions Department:
 - At each of our campuses, all our Admissions Reps are trained in this area.
 - In our larger schools, we offer once a week information sessions to ensure staff is properly trained.
 - Admissions Reps discuss career options and advise students to speak to Unemployment Counselor for eligibility PRIOR to enrolling in school.
 - Admissions does NOT pre-enroll nor start anyone going through unemployment, until approval is received.

PROPRIETARY COLLEGES (& TECH SCHOOLS)...

- **Admissions Department (continued):**
 - Provide continuous follow up with Student and Unemployment Counselors to ensure all processes and procedures are followed.
 - Priority that the student knows what he/she has to do through scheduled class start date student is interested in.
 - Admission's Representative will provide program start and graduation dates, program costs, etc.
 - Once student gets approval from unemployment counselor, the student follows school policies; such as, proof of graduation (or GED, etc.) and entrance exam.
 - The Admissions Rep (and Directors) ensure that each WIA student (as well as all students) schedule a Financial Aid Appointment, to ensure he/she maximizes all opportunities.
- **Financial Aid**
 - Advisors assist students during the Financial Aid application process.
 - It is required that all Workforce students interested in Title IV eligible programs apply for Title IV aid; which includes grants and loans.

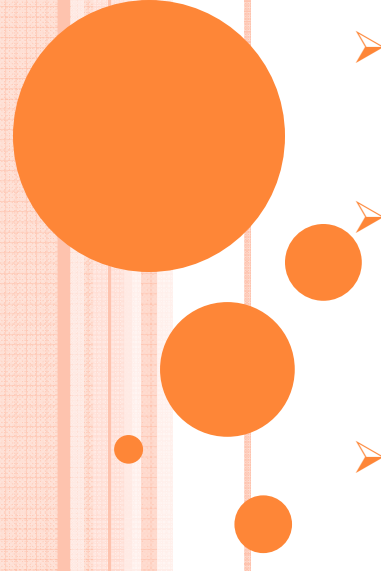
PROPRIETARY COLLEGES (& TECH SCHOOLS)...

- **Financial Aid (continued)...**
 - Financial Aid staff compiles informational packets to guide students through the FAFSA process by providing pin brochures, FAFSA worksheets, and Student Aid Handbooks .
 - Financial Aid Advisors explain and process required paperwork and review financial aid award(s) with students.
 - This includes grants, scholarships, and loans.
 - Focus is to ensure that all students understand any loan indebtedness, if any, to cover remaining program costs.
 - Financial Aid Advisors also assist students by providing required eligibility data to Unemployment Counselors so students can secure workforce funding and receive the approval to begin classes.
 - Lincoln Educational Services does offer shorter programs that are not Title IV eligible (due to program length).
 - Mostly suited for those students who are refreshing skills and regaining employment.
 - Workforce funds cover these program costs.

PROPRIETARY COLLEGES (& TECH SCHOOLS)...

- **Financial Aid (continued)...**
- *Professional Judgments:*
 - Students going through unemployment are more likely to have an opportunity to benefit from a “professional judgment” in regard to recalculating household income.
 - Financial Aid requests that students provide unemployment figures that will determine if the student (and family) could qualify for grants, or additional grant funds.
 - Once eligibility is determined, the information is provided to the student’s unemployment counselor to ensure that the student full fills all requirements,... again, prior to beginning school.

QUESTIONS AND COMMENTS
OPEN DISCUSSION WITH ATTENDEES
THINGS TO THINK ABOUT

- 
- **What does the future of Unemployment hold for us?**
 - **How will schools be affected?**
 - **What can we as Financial Aid Administrators do?**
 - **How can we prepare if situations do not get better?**
 - **Please contact us via E-mail at anytime.**