CALIFORNIA DREAM ACT SERVICE INCENTIVE GRANT (DSIG) PROGRAM

FAQ FOR INSTITUTIONS

Program Overview Questions

1. **What is the California Dream Act Service Incentive Grant (DSIG) Program?**
    DSIG encourages California Dream Act Application (CADAA) students to perform community or volunteer service. The grant will be available to students for up to 8 semesters or up to 12 quarters while they have an active Cal Grant A or B award. Cal Grant A recipients must have met Cal Grant B eligibility. Students shall perform at least 150 hours per semester or 100 hours per quarter of community or volunteer service with a qualifying service organization.

2. **How many DSIG awards are available?**
    The program is limited to 1,667 participants annually. Students must meet the criteria for an eligible student, attend a qualifying institution, and perform the required service hours with a qualifying organization.

    Potentially eligible students will be notified by CSAC when the application period opens.

3. **How much can students receive?**
    The California Student Aid Commission (CSAC) will award up to $4,500 per academic year (up to $2,250 per semester or up to $1,500 per quarter).

1. **Who is eligible for DSIG?**
    *   Students with a completed and submitted California Dream Act Application (CADAA) for the interested academic year.
    *   Active recipients of a Cal Grant A or Cal Grant B award. Cal Grant A recipients must have met Cal Grant B eligibility.
    *   Students with enough financial need (determined by CSAC or the institution).
    *   Students enrolled at a qualifying institution on the CSAC website.

    Students must also meet Satisfactory Academic Progress and complete any necessary verification for their Cal Grant A or B award.

2. **How will the Cal Grant Reform Act (as outlined in AB 1746) impact DSIG eligibility if it is enacted?**
    As announced in GSA 2022-46, the Cal Grant Reform Act would replace the existing Cal Grant program with a new version that provides a Cal Grant 2 for eligible California community college students with financial need and provides a Cal Grant 4 for eligible four-year university students with financial need.

    In the spring of 2024, a final determination will be made on whether the Cal Grant Reform Act will be enacted. More information about how Cal Grant Reform will impact DSIG eligibility will be provided following spring of 2024.

3. **What is unmet need and how does it affect DSIG?**
    Need is established by taking the cost of attendance and subtracting expected family contribution (EFC)/student aid index (SAI). Institutions must provide the students annual unmet need on the Grant Application and determine whether the student has the minimum annual need required to participate in DSIG.

    Semester students:
    *   Must have an annual unmet need of at least $900 to participate in DSIG.
    *   Cannot have their term payments exceed 50% of their annual unmet need per term.
        *   For example, a student with $900 of annual unmet need will have DSIG term payments of $450.
    *   Will still be expected to complete 150 hours per payment request.

    Quarter students:
    *   Must have an annual unmet need of at least $1,350 to participate in DSIG.
    *   Cannot have their term payments exceed 33.33% of their annual unmet need per term.
        *   For example, a student with $1,350 of annual unmet need will have DSIG term payments of $450.
    *   Will still be expected to complete 100 hours per payment request.

Students should consult with their financial aid office for information regarding their current unmet need.

4. **Can a Cal Grant A student that was financially ineligible for Cal Grant B in their initial award year but currently meets the Cal Grant B income and asset ceilings be eligible for DSIG?**
Yes. Cal Grant A students who were not eligible for Cal Grant B in their initial award year will have P/E Reason Codes 88 & 16 next to their Cal Grant B consideration in their initial award year. This can be seen in the Student Award Summary Screen in WebGrants for Institutions. A Grant Application Appeal will need to be submitted with their Grant Application. Please email dsig@csac.ca.gov to request the Grant Application Appeal.

Example:

Academic Year ↓	Program Name ↑	Application Status ↑	Award Status ↑	Award Status Date ↑	Award Amount ↑	Cycle ID ↑	School ID ↑	P/E Reason ↑	C/E Reason ↑	CC Reserve ↑
2022-2023	A	F-E CMPL ⓘ	FIN ELIG ⓘ	08/19/2022	$12,570	E1 ⓘ				N
2021-2022	A	F-E CMPL ⓘ	FIN ELIG ⓘ	08/13/2021	$12,570	E1 ⓘ				N
2020-2021	A	F-E CMPL ⓘ	AUTO ACC ⓘ	08/18/2020	$12,570	E1 ⓘ				N
2020-2021	B	F-E CMPL ⓘ	COMM WTH ⓘ	10/09/2020	$1,656	E1 ⓘ		88,16 ⓘ		N

5. **How long can students receive DSIG?**
A student can receive DSIG for as long as they have an active Cal Grant A or B award. As a reminder, Cal Grant A recipients must have met Cal Grant B eligibility. Students can receive the grant for up to 8 semesters or 12 quarters. When a student has exhausted their Cal Grant A or B eligibility, they will also no longer be allowed to participate in DSIG.

6. **Is DSIG open to undergraduates only?**
No, 5th year Teacher Credential Program (TCP) students are eligible. Students can receive the grant for up to 8 semesters or 12 quarters. When a student has exhausted their Cal Grant A or B eligibility, they will also no longer be allowed to participate in DSIG.

7. **Do Foster Youth qualify for extended eligibility?**
No, students can only receive the grant for up to 8 semesters or 12 quarters. When a student has exhausted their Cal Grant A or B eligibility, they will also no longer be allowed to participate in DSIG.

8. **Should DSIG awards be included as a source of aid in enrollment files for the Middle Class Scholarship (MCS)?**
   Please see the most recent Middle Class Scholarship Handbook and/or MCS Eligibility Programs document to verify if DSIG awards should be included as a source aid for MCS awarding: https://www.csac.ca.gov/post/middle-class-scholarship-0.

9. **Are students attending school less than half-time eligible?**
   No, in order to receive the grant, a student must be enrolled at least half-time.

Application Questions

1. **How do students apply for DSIG?**
   Students will need to apply annually to participate in DSIG. The DSIG Grant Application and instructions can be found on the Apply webpage.

   The DSIG award should be part of the self-help portion of the student award package (loans and work study) and follow campus award packaging guidelines. Any verification requirements must be completed per campus policy.

2. **When is the application due?**
   Applications are available beginning July 1st and will be accepted through the end of the academic year (June 30th) or until all awards are exhausted, whichever comes first.

3. **Does DSIG eligibility rollover?**
   No, DSIG eligibility is based on the corresponding Cal Grant award year. Students will need to apply annually to participate in the DSIG Program. The program is open from July 1 to June 30 and follows the annual academic year.

4. **What if students transfer to another institution?**
   Students will need to re-register and submit a new Grant Application form with validation from the new institution.

5. **What if students attend more than one institution?**
   Students must select one campus in charge of disbursement. Students should consult with their financial aid office for more information.

Community and Volunteer Service Questions

1. **Where can students perform service hours?**
   Students can volunteer with any non-profit or local government entity on the List of Service Organizations. Non-profits or local government entities not on the List of Service Organizations can be added if they meet the criteria for a qualifying community or volunteer service organization.

   Students can also volunteer with any school on the Cal Grant Eligible Schools list on the CSAC website. On-campus community or volunteer service organizations affiliated with

a Cal Grant eligible school, such as outreach, student services, and multi-cultural organizations are deemed eligible and do not require additional registration. Please note that these organizations are NOT included on the List of Service Organizations.

2. **What is a qualifying community or volunteer service organization?**
   - A nonprofit as defined in Section 501(c)(3) of the Internal Revenue Code.
   - Any federal, state, or local government entity.
   - Any school on the Cal Grant Eligible Schools list on the [CSAC website](#).

3. **What requirements does a service organization need to meet to participate?**
   - Organization shall have been established for a minimum of two years before the first date on which a participating student begins performing service hours to qualify for this program.
   - Community or volunteer service performed by the participating student is not advocacy of a political, social, or religious nature.
   - Community or volunteer service is related to the participating student's field of study or is in furtherance of community service or a community need.

4. **What volunteer activities are permissible under the requirement that "The community or volunteer service performed by the participating student is not advocacy of a political, social, or religious nature?"**
   A student cannot volunteer for an organization that engages *exclusively* in political, social, or religious advocacy. Therefore, participating students can only work on tasks that are unrelated to advocacy efforts for organizations that have a mix of advocacy and non-advocacy programs.

   CSAC will validate this requirement by reviewing all of the activities listed on the Service Hour Tracker that the accepted student submits with their Payment Requests and verify that the activities were not directly tied to any political, social, or religious advocacy, as described in the paragraph above.

   Contact dsig@csac.ca.gov if you still have questions about this requirement.

5. **Can students volunteer at more than one service organization at a time?**
   Yes. There is no limit to the number of organizations students can volunteer with. All organizations must meet the requirements of a qualifying service organization.

   Students volunteering with multiple service organizations must submit a Grant Application Supplemental form with their Grant Application.

6. **Are students required to complete a Live Scan to participate in DSIG?**
   No. Background checks are not required to participate in DSIG. However, some service organizations may require Live Scan or other types of background checks.

1. **How many hours must students complete before payment?**
    Students can request payment after performing at least 150 hours per semester or 100 hours per quarter of community or volunteer service.

2. **Can students who have completed less than the required number of hours request a partial payment?**
    No, a student may only request payment after completing the required number of hours.

3. **Students completed the required service hours. How do they request payment?**
    Students can request payment after performing at least 150 hours per semester or 100 hours per quarter of community or volunteer service.

    Students must submit the Payment Request form along with documentation of the service hours performed. The Payment Request form and instructions can be found on the Request Payment webpage.

4. **How do students show CSAC they completed the required number of service hours?**
    Documentation of service hours performed can be submitted on the DSIG Program Service Hours Tracker or on any other type of documentation utilized by the service organization(s) if the documentation includes the name and signature of the certifying official.

    Institutions do not validate service hours and their completion.

5. **Does the student need to complete their hours within the term they will be requesting payment?**
    No. If the student is accepted into the program, once they have completed their required 150 hours per semester or 100 hours per quarter, they can request payment as long as the hours are completed within the academic year (July 1 through June 30).

6. **Is there a deadline to request a DSIG payment?**
    Yes. DSIG payment deadline is the same as the Cal Grant payment deadline in September following the award year. However, student must complete their required hours for DSIG (150 hours per semester/100 hours per quarter) within the academic year the student is accepted into the program.

7. **Can a student receive a DSIG Payment without being disbursed a Cal Grant Payment?**
    No. Students need to be actively enrolled and receiving Cal Grant payments to receive their DSIG disbursements. This means that a Cal Grant Payment must occur for each DSIG Payment.

8. **Enrollment dropped below half time, what happens to the student's award?**
DSIG will follow your standard Cal Grant A or B payment process. Payments will be made based on the recipient's enrollment status using the institution's add/drop date, financial aid census date, or its equivalent. Students should consult with their financial aid office for information on how changing enrollment status can affect their financial aid.

9. **How will students with less than $4,500 of annual unmet need be paid?**
As a reminder, semester students must have an annual unmet need of at least $900 and quarter students must have an annual unmet need of at least $1,350 to participate in DSIG.

Semester students:
- Cannot have their term payments exceed 50% of their annual unmet need per term.
  - For example, a student with $900 of annual unmet need will have term payments of $450.
- Will still be expected to complete 150 hours per payment request.

Quarter students:
- Cannot have their term payments exceed 33.33% of their annual unmet need per term.
  - For example, a student with $1,350 of annual unmet need will have term payments of $450.
- Will still be expected to complete 100 hours per payment request.

10. **How will students be paid for service?**
DSIG payments are disbursed via check and mailed to the institution's Financial Aid Office. The check is made out to the student and in care of the institution. The Financial Aid Office will need to notify the student once the check is available for pick up or disburse into student account at the institution.

11. **Can DSIG funds be used to pay a student's existing balance?**
DSIG disbursement must align with existing published institutional policies for Cal Grant access disbursements. Therefore, institutions must notify or post their campus Cal Grant payment policy and allow students to directly receive their DSIG payment if they request them.

12. **Who is notified of an approved Payment Request?**
The student and financial aid administrator on the Payment Request will receive an email notification of an approved payment once the student's check is mailed to the institution's Financial Aid Office.

If a Payment Request is incomplete, the student will receive an email notification letting them know what revisions are required.

13. **What is the processing time for a Payment Request?**

    Standard processing time for Payment Requests is 4-6 weeks. This processing time includes CSAC staff validating a Payment Request, requesting the check from the California State Controller's Office (SCO) and delivery of the checks to the institution's financial aid office. Delays may occur due to state fiscal year end processing and/or natural disasters.

14. **What are the DSIG disbursement policies for check handling?**

    For check handling, if a student is accepted into the program and their Payment Request has been approved, no one, under any circumstance, is allowed to pick up check on behalf of a recipient. According to generally accepted accounting practices, the institution is required to keep the recipient's signature on file to verify the recipient received the check.
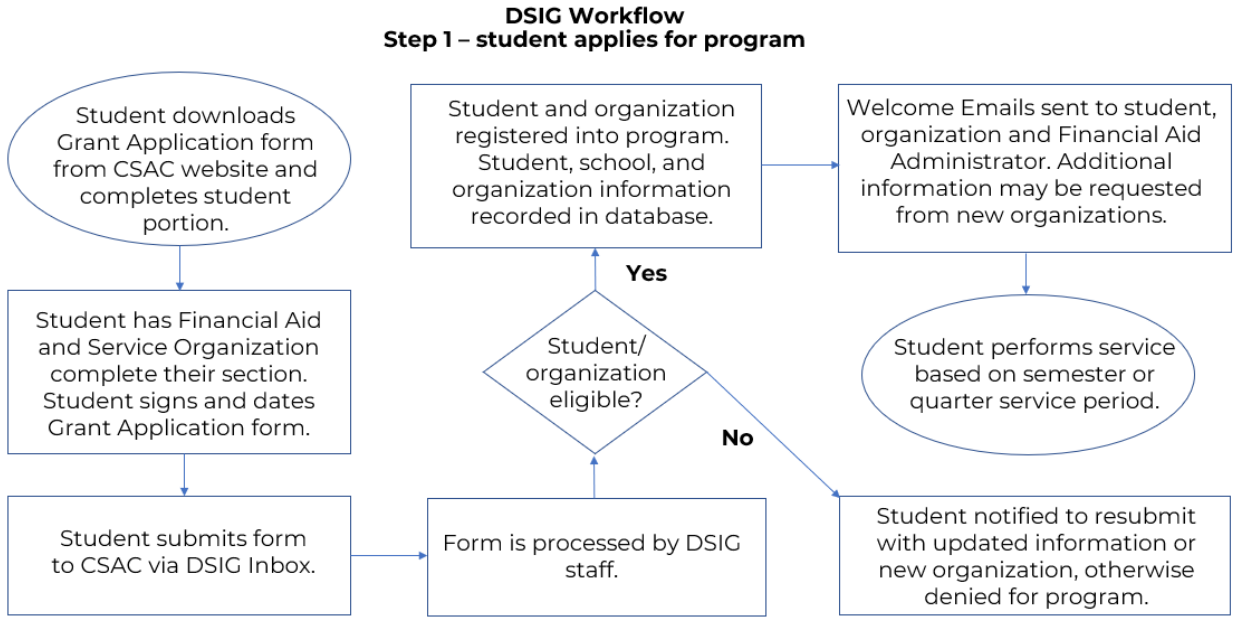
15. **Are DSIG awards considered taxable income?**

    Institutions are advised to seek guidance from tax counsel.

Step 1 – Student applies for the DSIG Program

DSIG Workflow
Step 1 – student applies for program

Student downloads Grant Application form from CSAC website and completes student portion.

Student has Financial Aid and Service Organization complete their section. Student signs and dates Grant Application form.

Student submits form to CSAC via DSIG Inbox.

Form is processed by DSIG staff.

Student/organization eligible?

Yes → Student and organization registered into program. Student, school, and organization information recorded in database.

No → Student notified to resubmit with updated information or new organization, otherwise denied for program.

Welcome Emails sent to student, organization and Financial Aid Administrator. Additional information may be requested from new organizations.

Student performs service based on semester or quarter service period.

Step 2 – Student requests payment from the DSIG Program

DSIG Workflow
Step 2 – student requests payment

Student downloads Payment Request form from CSAC website and completes student portion.

Student has Financial Aid and Service Organization complete their section. Student signs and dates form. Documentation of hours signed by certifying official.

Student submits Payment Request form and documentation of hours to CSAC via DSIG Inbox.

Form is processed by DSIG staff.

Student eligible for payment.

Yes → Student hours and approver recorded in database. Payment amount validated. CSAC requests check from State Controller's Office.

No → Student notified to resubmit or denied for payment.

Once checks received, student and Financial Aid Administrator notified via email that payment request is approved and next step instructions.

Institution receives check with DSIG Disbursement Guidelines. Institution notifies student that check is available for pick up or disburses into student account.