



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

MEMORANDUM

DATE: 4/19/2024

TO: FAFSA Completion Challenge Grant District Contracts

FROM: Bill Witt, Manager *Bill Witt*
Continuous Improvement Unit, Office of Educational Supports

SUBJECT: FAFSA Completion Challenge Grant Updates

The Michigan Department of Education (MDE) has received numerous inquiries regarding the allowable uses of FAFSA Completion Challenge funds and the differences between Round 1 and Round 2 funding.

Round 1 (paid through October or November State Aid Payment):

Per [Section 67f of PA 103 of 2023](#) (State School Aid Act), Round 1 funds of the FAFSA Completion Challenge Grant must be used for participation in and implementation of activities that are known to drive FAFSA completion, as determined by the Department of Education, in collaboration with the Michigan College Access Network (MCAN).

The [FAQ Memo](#) sent out on November 8th, 2023, addresses allowable uses of Round 1 funding as it relates to the five categories listed on the [grant website](#). In general, incentives are an allowable use of these funds if they are in explicit support of the five categories and/or the goals of Section 67f. Per [subsection 2 of the Revised School Code 380.1814](#), incentives or awards purchased with public funds cannot exceed \$100 per recipient.

Please consider these legislative requirements in purchasing and offering incentives to students who complete the FAFSA. Ultimately, any funds from the Round 1 application must be tied directly to activities or strategies known to drive FAFSA completion.

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Carryover Information:

For districts that received Round 1 grant funds, the application for carryover funds will be available through the Round 2 application in GEMS/MARS. The GEMS/MARS application has a separate section to apply for carryover funding and a separate section to apply for Round 2 funds. Districts can apply for carryover and/or Round 2 based on their individual circumstances. Any Round 1 funds not used by September 30th, 2025, will be returned to the Michigan Department of Education.

Round 2 (Application Open Until June 15th):

Per subsection 4 of Section 67f, the second round of FAFSA Completion Challenge Grant funds may be used for discretionary purposes, as determined by the districts. However, districts are encouraged to use Round 2 funds to continue work to improve FAFSA completion rates.

The final award amounts for Round 2 of the FAFSA Completion Challenge Grant will be determined by how many Grade 12 students in the district submit a FAFSA prior to June 30th, 2024. To be counted in the district's final award amount, please ensure the high schools in your district have a [data use agreement](#) on file with the Department of Lifelong Education, Advancement, and Potential (MiLEAP).

The application for the carryover and Round 2 funds is available via GEMS/MARS: [GEMS: SSO Landing Page \(state.mi.us\)](#). The "View Questionnaire" option will require district staff to log in to MiLogin. The "Open as Guest" option does not require a login.

Please email Alexis Han (hana@michigan.gov) with any questions about this grant or the information contained in this communication.