



# NEWS RELEASE

**FOR IMMEDIATE RELEASE**  
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## **California Student Aid Commission/EDFUND Initiate Measures in Support of College Students Affected by Hurricane Katrina**

**RANCHO CORDOVA, CA** – The California Student Aid Commission and EDFUND, its auxiliary, announced policies earlier this week that assist college students affected by Hurricane Katrina. The Commission, the state agency that administers the Cal Grant program, will reinstate Cal Grant eligibility to students who declined their grant award because they planned to enroll in a college located in an area affected by Hurricane Katrina. These students may enroll in a California college or university and still get a Cal Grant to help with tuition and other expenses. EDFUND, the nation's second largest provider of student loan guarantee services under the Federal Family Education Loan Program, is continuing attempts to reach delinquent borrowers and counsel them on various options for financial relief.

“The Commission can only feel compassion for those affected by the devastation of Hurricane Katrina, especially for students who enrolled in colleges in the affected areas,” said Diana Fuentes-Michel, executive director of the California Student Aid Commission. “Affording a college education today is itself a challenge without the added financial barriers and challenges brought on by a natural disaster. The Commission is doing everything it can to assist affected students in getting back on track and getting back to their college education.”

Cal Grant eligible students who declined their award and planned to enroll, or enrolled, in a college or university in the affected hurricane region may reinstate their Cal Grant award for

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the 2005-2006 school year upon their return to a California school. EDFUND's default prevention counselors continue to attempt to reach delinquent borrowers and counsel them regarding various options for relief, now including Disaster Area Forbearances.

"It's our goal to provide timely support and information to student borrowers who may not be aware of their options in the wake of this tremendous tragedy," stated Sam Kipp, Interim President of EDFUND. "The federal student loan program offers a variety of options for relief for students who are unable to make payments. At the same time, we have directed our collections staff to stop all calls and mailings to students in the affected areas who have defaulted student loans for an initial period of three months."

Students with questions or needing information about their Cal Grant reinstatement should contact the Commission's Student Support Services Branch at 1-888-224-7268. To find out more about the California Student Aid Commission and its financial aid programs, visit the Commission's Web site at [www.csac.ca.gov](http://www.csac.ca.gov) To find out more about EDFUND, visit [www.edfund.org](http://www.edfund.org)

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*The California Student Aid Commission is the state's principal provider of intersegmental statewide grant aid to postsecondary students. Founded in 1955 as the California State Scholarship Commission, the Commission's primary programmatic responsibilities include operation of the Cal Grant program, which is distributing nearly \$760 million to California's college students during the 2004-2005 school year; operation of the California Chafee Grant Program; and, several multi-million dollar targeted state scholarship and loan forgiveness programs. The 15-member Commission oversees the activities of its nonprofit student loan services auxiliary, EDFUND. The Commission is headquartered in Rancho Cordova, California.*

*EDFUND, a nonprofit public benefit corporation, is the nation's second largest provider of student loan guarantee services under the Federal Family Education Loan Program. EDFUND offers students a wide range of financial aid and debt management information while supporting schools with advanced loan processing solutions and default prevention techniques. Operating as an auxiliary corporation of the California Student Aid Commission, EDFUND processes more than \$7.1 billion in student loans annually (including Consolidation loans) and manages a portfolio of outstanding loans valued at \$24 billion. EDFUND is headquartered in Rancho Cordova, California with regional offices located throughout the nation.*

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