



# SPECIAL ALERT

STATE OF  
CALIFORNIA



## Update from the California Student Aid Commission

January 16, 2024

GSA 2024-05

TO: Financial Aid Administrators

FROM: Tae Kang *Tae Kang*  
Deputy Director, Program Administration & Services Division

SUBJECT: **2023 Interest Remittance Deadline**

This Special Alert from the California Student Aid Commission (Commission) reminds institutions to remit interest earned on Cal Grant funds during the 2023 calendar year. Interest accrued during the 2023 calendar year should be remitted to the Commission by **March 1, 2024**.

- Institutions can submit the [Interest Remittance Form](#) online. A PDF copy will be emailed to the institution upon submission. If there is interest to remit to the Commission, a copy of this form should be printed and mailed with the check.
- The Interest Remittance Form should be submitted to the Commission even if the institution does not have interest to remit. The form includes a check box to indicate that the institution did not accrue interest during the calendar year.
- In accordance with the 2023-27 Cal Grant Institutional Participation Agreement, Article III (E)(2):

*“Interest earned on Cal Grant funds constitutes State funds and must be remitted annually to the Commission on behalf of the State no later than March 1 following the calendar year for which the interest accrued (e.g. March 1, 2023, for calendar year 2022).”*

- Institutions that fail to remit interest for the previous calendar year for more than 60 days past the March 1st deadline will have their term advances halted until the interest is remitted to the Commission and may be subject to a fiscal audit to ensure compliance with the laws and regulations governing the Cal Grant program.
- The account(s) in which Cal Grant funds are held must be an interest-bearing account, an investment account, or an equivalent account at a financial institution with a presence in California whose accounts are insured by the Federal Deposit Insurance Corporation (FDIC).

- Institutions shall calculate interest on Cal Grant funds in the same manner used by their financial institution or investment pool.
- Institutions cannot deduct negative interest or bank-related fees from the accrued interest that is sent to the Commission. These amounts reflect expenses that cannot be offset against the interest earned by the advance of State funds for the Cal Grant program.
- Institutions must retain supporting documents for the interest submitted to the Commission. If the campus did not accrue interest during the calendar year, institutions must retain documents to support this claim.

**Need to contact us?**

- School Support phone number: (888) 294-0153
- E-mail: [schoolsupport@csac.ca.gov](mailto:schoolsupport@csac.ca.gov)

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