
3
Information Item

Audit Committee

Presentation on “What to Expect from a Cal Grant Review”

An oral presentation will be provided.

Responsible Person(s): Melanie Wong, Acting Manager
Program Compliance

What to Expect from a Cal Grant Review



PRESENTED BY MELANIE WONG

Audit Objective



- To evaluate and report on the institution's administration of Commission programs.
- To ensure program compliance by postsecondary institutions participating in the Commission's Cal Grant Programs.

General Eligibility



- **School's Policies and Procedures**
- **Cal Grant Institutional Participation Agreement**
- **Fiscal Operations Report and Application to Participate (FISAP)**
- **Independent Auditor's Report**
- **Educational Programs**
- **Information Security and Confidentiality Agreement**

Applicant Eligibility



- **Citizenship Requirements**
- **U.S. Selective Service Requirements**
- **Not in Default**
- **California Residency**
- **Enrolled in Eligible Program**
- **Does not Have Bachelor's or Professional Degree**
- **Education Level (EL)**
- **Income/Asset Does not Exceed Ceilings**
- **Demonstrates Need for the Award (Overawards)**
- **Meeting Satisfactory Academic Progress**
- **Valid Institutional Student Information Record (ISIR)**

Fund Disbursements and Refunds



- **Enrollment Status - Number of Units**
- **Disbursement Policy & Dates**
- **Refund Policy**
- **Cal Grant Tuition Awards May Not Exceed Actual Tuition Charges**
- **Authorization – Cal Grant B Access and C Book & Supply Awards**

Fiscal Responsibility



- **Cal Grant Reconciliation (student by student)**
- **Accounting Documents – Ledgers (Receipt of Cal Grant Funds and Disbursements to Students)**
- **Reconciliation Discrepancies (excess funds, unreported payment, undisbursed funds)**
- **Cal Grant Funds Maintained in an Interest Bearing Account**
- **Return of Interest Earned on Cal Grant Funds**

Audit Findings and Reporting Process



- **Exit Conference—Summary of Finding/Observation Results**
- **Management Representation Letter**
- **Draft Report**
- **Institutional Audit Response to Draft Report**
- **Final Report**

Top 10 Most Common Audit Findings



1. Cal Grant Reconciliation
2. Education Grade Level Verified Incorrectly
3. No Written Policies & Procedures
4. SAP Not in Compliance with Title IV
5. Noncompliance with Information Security and Confidentiality Agreement
6. Ineligible Student/Program
7. Income/Assets Exceeds Ceiling
8. Incorrect Payment Amounts Due To Enrollment Status
9. Cal Grant Tuition Disbursement Exceeds Tuition Charges
10. Conflicting Information Not Resolved or Not Documented