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Information Item

California Student Aid Commission

Update on Cal Grant Reconciliation Issues Relating to Summer Sessions

At the April 20th, 2006 California Student Aid Commission (Commission) meeting, the Commissioners adopted a CSAC staff and Grant Advisory Committee (GAC) recommendation to enforce the October 15th reconciliation deadline as outlined in the Cal Grant Institutional Participation Agreement (IPA). This action was in response to findings and recommendations contained in CSAC's Internal Audit Review of Cal Grant Disbursement and Reconciliation policies.

However, the Commission directed CSAC staff to conduct further research on the feasibility of the October 15th Cal Grant reconciliation deadline with respect to summer term reconciliation and identify the appropriate option for implementation.

At the October 19th, 2006 GAC Work Group meeting, CSAC staff and GAC discussed several options including:

- Transitioning the summer term from a "trailer" to a "header"
- Eliminating the summer advance and implementing a "report and pay" process
- Issuing a preliminary Cal Grant invoice on October 15th and a final invoice on December 15th (for institutions with summer payments)

Each of these options presented challenging administrative concerns for one or more institutional segments and for CSAC as well.

GAC and CSAC staff recommends the formation of a joint work group to conduct further research on the feasibility of the October 15th Cal Grant reconciliation deadline with respect to summer term reconciliation, including the review of necessary system modifications, to identify the appropriate option for implementation. CSAC staff will update the Commission on steps taken to implement the Commission's actions on this item at a future Commission meeting.

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