



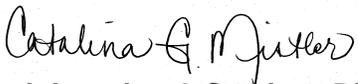
# OPERATIONS MEMO

Update of the California Student Aid Commission

June 12, 2012

GOM 2012-22

**TO:** Financial Aid Administrators

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**SUBJECT:** 2012-13 Cal Grant Renewals

The California Student Aid Commission (Commission) is pleased to announce that on June 9, 2012, the Cal Grant renewal process was successfully completed. A total of 187,036 current Cal Grant recipients are eligible to renew their Cal Grants for the 2012-13 award year.

## 2012-13 Renewal Process

Last year, Senate Bill (SB 70) changed the Cal Grant program requirements for continuing recipients. Under SB 70, renewal students must meet the same minimum need and income/asset ceiling criteria as new Cal Grant applicants. In addition to the SB 70 renewal requirements, students must establish renewal eligibility by receiving a 2011-12 payment or by requesting a leave of absence. Students who do not have a 2011-12 payment posted on WebGrants must establish their eligibility for renewal consideration or be withdrawn. Renewal students will receive e-mail notifications that confirm their Cal Grant eligibility and encourage them to update any demographic or school status in WebGrants for Students (WGS).

Cal Grant B students who failed to meet the income and asset ceilings during the renewal process, but met Cal Grant A eligibility during their initial award year, were re-evaluated in the 2012-13 renewal program using the Cal Grant A income and asset ceilings. Grant Operations Memo [\(GOM\) 2012-10](#), released March 16, 2012, provides more detail on this particular issue. The renewal process automatically assesses Cal Grant recipients who meet this criteria and allows these eligible renewal recipients to switch Cal Grant programs when necessary.

## Renewal Reports

The Commission generates the following reports on the WebGrants "Data Transfer" screen to identify students who were disqualified and those whose renewal Cal Grant eligibility is uncertain:



State of California  
Edmund G. Brown Jr.  
Governor

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- *Unable to Determine Roster:* Lists students with 2011-12 Cal Grant award offers who were not renewed because the Commission did not receive a 2011-12 payment request or a leave of absence request.
- *Automatic Leave Report:* Lists students with 2011-12 Cal Grant award offers who were renewed in spite of not having a school term accounted for or paid for during the academic year.
- *Disqualified Renewal Students Report:* Lists prior year Cal Grant recipients/students who were disqualified for failing to meet the income and asset ceilings and/or minimum need requirements.

Students who did not meet the income and asset ceilings and/or minimum need criteria during the renewal process were notified of their Cal Grant program disqualification. As with all Commission correspondence, students were notified via e-mail or paper letter if no e-mail address was provided. Students are encouraged to check their Cal Grant status by logging into WebGrants for Students at [www.webgrants4students.org](http://www.webgrants4students.org).

### Renewal Changes to WebGrants

The list below contains reminders about changes to the WebGrants system for renewal students:

- *Unmet/Annual Need:* Since the Commission has determined need through the renewal process, schools are no longer required to enter annual need on the payment roster in WebGrants. The annual need field had been shaded out and is no longer available for use.
- *Income and Asset Year Used:* The "Income and Asset" field was added to the payment roster in WebGrants. As outlined in SB 70, renewal Cal Grant students are subject to income and asset ceilings based on their entry year into the Cal Grant program. The new field will indicate which year's income and asset ceilings were used for that student. The grant record layout (enclosed) has been updated to reflect the new field.
- *Grant Record Change (G-21):* As in the case of new Cal Grant recipients, schools may use the G-21 process to withdraw renewal students who fail to meet income/asset ceilings or minimum need during the federal verification process. In the past, schools could simply insert an annual need amount of less than \$100 on the roster to withdraw a renewal student. However, since the minimum need formulas have changed through SB 70, schools can use the G-21 process in WebGrants to withdraw ineligible renewal students.
- *Renewal Corrections:* As indicated in the renewal disqualification letter, a student may be re-evaluated for the renewal process due to changing financial circumstances or an error on the FAFSA. Please follow the instructions below for renewal corrections:
  - **Non University of California (UC) institutions:** Students are instructed to contact the financial aid office of their school of attendance. Financial aid administrators who determine a FAFSA error has been made or approve professional judgment for disqualified Cal Grant students must make the ISIR correction for renewal consideration by the Commission. For the renewal cycle, the Commission will only automatically process ISIR corrections submitted by any school.
  - **UC institutions:** Students are instructed to make the ISIR correction themselves on the [www.fafsa.gov](http://www.fafsa.gov) website and not contact the UC financial aid office. UC financial aid administrators will determine if the ISIR correction submitted by the student will impact their Cal Grant eligibility. The UC financial aid administrator should submit a grant record change (G-21) in WebGrants for any disqualified students who need renewal re-processing. Complete the G-21 with the pertinent data, including which ISIR transaction number is to be processed in the "reason" section.

**Renewal Students at Cohort Default Rate (CDR) Schools**

Under current law, an otherwise qualifying institution with a three-year CDR that is equal to or greater than 30 percent shall be ineligible for initial Cal Grant awards in the 2012-13 academic year. The Commission found that [42 institutions](#) that were on the list of Cal Grant institutions affected by the SB 70 CDR requirements in the 2011-12 academic year remain ineligible institutions for 2012-13 based on the CDR requirements specified in CEC Section 69432.7(l)(3)(C). These institutions shall continue to be ineligible for initial Cal Grant awards. Cal Grant renewal students who attended the institution during 2011-12 and remain enrolled at the institution will be eligible to receive a reduced Cal Grant renewal award for the 2012-13 academic year.

The Commission has also determined that [34 institutions](#) on the list for the 2011-12 academic year now have a CDR equal to or over 24.6 and below 30 percent. In accordance with CEC Section 69432.7(l)(3)(D)(i), these institutions may regain eligibility to provide initial and full renewal Cal Grant awards in the 2013-14 academic year if they satisfy the CDR threshold and all other requirements for the 2013-14 academic year.

The maximum tuition payment for Cal Grant A and B recipients will be reduced by 20 percent if they continue attendance at the affected institution. The 20 percent reduction for Cal Grant A and B tuition payments for these renewal students at affected institutions is reflected on the payment roster in WebGrants.

**CC Reserve Students**

Cal Grant A award recipients identified on the roster of a community college have not been processed through the renewal financial requirements. The students will have their income, assets and financial need evaluated once they or their school enters a school change to a Cal Grant eligible non-community college. This allows students to have their financial need verified based on the actual cost of attendance at the school where they will activate their awards. Also, if found ineligible based on the renewal financial requirements, the new school will be able to review the financial data and, if appropriate, initiate corrections or exercise professional judgment.

Contact the School Support Services Branch at (888) 294-0153 or at [schoolsupport@csac.ca.gov](mailto:schoolsupport@csac.ca.gov) if you have any questions related to this Operations Memo.

Enclosure: Grant Roster Record Layout

*Working together to effectively promote education beyond high school!*