



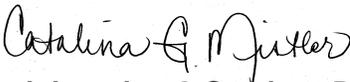
SPECIAL ALERT

Update of the California Student Aid Commission

December 8, 2010

GSA 2010-36

TO: Financial Aid Administrators

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SUBJECT: 2009-10 Cal Grant Funds, Reconciliation and Year End Process

This Special Alert from the California Student Aid Commission (Commission) provides an update on the Cal Grant 2009-10 pending payments and the year end process, including final reconciliation, invoicing, and interest remission.

2009-10 Pending Payments

As discussed in Grant Special Alert (GSA) 2010-23 dated July 2, 2010, the Commission received a partial budget augmentation by the State Legislature which allowed disbursement of 2009-10 Cal Grant payments up to June 17, 2010. Since then, the Commission has been unable to process any further 2009-10 payment requests from Cal Grant institutions. The Commission has requested a final budget augmentation to meet the pending 2009-10 Cal Grant disbursements.

The Commission was faced with a similar situation the same time last year for the 2008-09 aid year, and the final augmentation did not become available until late February 2010. Any 2009-10 Cal Grant disbursements after June 17 will be submitted to the State Controller's Office when the final augmentation for the 2009-10 year has been authorized by the Department of Finance.

The Commission encourages all schools to continue to post payments in WebGrants and track any pending disbursements by referring to the Monthly Payment Activity (MPA) report. All pending disbursements on the MPA report will be denoted with an asterisk which states, "Payment delayed until additional funding is authorized by Legislature." The asterisk will be removed once the actual payment has been made to the school.

2009-10 Reconciliation

This year, institutions will have until noon on Thursday, December 30, 2010, to complete all 2009-10 roster transactions. Any payment requests or adjustments



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must be completed on the roster in WebGrants before noon on December 30. If your school is unable to post a payment or make an adjustment, please call the Commission's school support line immediately at (888) 294-0153.

Schools are encouraged to complete their 2009-10 Cal Grant reconciliation early so they have time to fix any errors or make final adjustments. The Commission realizes that the 2009-10 pending payments may create some difficulty with the final year reconciliation. However, all reconciliation reports including the monthly payment activity report reflect up-to-date figures (with pending payments). If you have any questions on reconciliation, please contact our school support line at (888) 294-0153.

After December 30, **WebGrants will be in query mode only and no further updates or requests for payments will be accepted for the 2009-10 academic year.** The Commission estimates that WebGrants will be available again in inquiry mode on Monday, January 3, 2011.

2009-10 Invoicing and Interest Remission

Immediately following the year end reconciliation, the Commission will initiate two additional steps to complete the 2009-10 award year. First, the Commission will mail invoices during the second week of January to all institutions with remaining 2009-10 Cal Grant balances. If your institution has a pending Cal Grant disbursement or has a zero balance, an invoice will not be mailed. To check your current Cal Grant balance, please refer to the most current MPA report. Invoices must be paid within 30 days from the date of the invoice. However, we encourage schools to return unused Cal Grant funds if you have fully reconciled your Cal Grant account.

Secondly, interest earned on Cal Grant funds for the 2010 calendar year is due to the Commission by March 2011. As stated in the 2008-12 Institutional Participation Agreement, Article D (3), "Annual interest earned on Cal Grant funds constitute State funds and must be remitted to the Commission on behalf of the State no later than March 1 following the calendar year for which the interest accrued." The updated interest remission form is now available on our main home page at <http://www.csac.ca.gov/doc.asp?id=1317>. The form should be mailed with any interest payments to the Commission.

If you have questions regarding any of the information contained in this memorandum, please contact Justin Watkins by phone at (916) 464-6425 or at jwatkins@csac.ca.gov or Janice Wright at (916) 464-6420 or at jwright@csac.ca.gov.

Enclosure: 2010 Interest Remission Form

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