



SPECIAL ALERT

Update of the California Student Aid Commission

August 16, 2012

GSA 2012-31

TO: Financial Aid Administrators

FROM: Catalina G. Mistler 
Chief, Program Administration & Services Division

CONTACT: Specialized Programs Operations Branch
Phone: (888) 294-0153, Option 2
Fax: (916) 464-7977
E-mail: specialized@csac.ca.gov

SUBJECT: 2012-13 State Budget Changes and the California National Guard Education Assistance Award Program

On July 27, 2012, Senate Bill (SB) 1016 was chaptered into California law amending Section 69432.7 of the California Education Code (CEC). This amendment affects Cal Grant institutions and California National Guard Education Assistance Award Program (CNG EAAP) recipients for the 2012-13 academic year.

Change in Definition of Qualifying Institution

For an institution to be eligible for the CNG EAAP, it must be a Cal Grant eligible institution and meet the requirements of Section 69432.7(l) of the California Education Code. The 2012-13 Budget Act amended this Section to restrict the definition of a qualifying institution based on its 3-year Cohort Default Rate (CDR) and its graduation rate. Institutions that have a CDR of 15.5 percent or greater or a graduation rate of 30 percent or less are no longer considered eligible institutions.

CNG EAAP Renewal Participants for 2012-13

A limited exception in SB 1016 allows renewal recipients to receive their payment for the 2012-13 award year if they were in attendance at the same institution during the 2011-12 award year. CNG EAAP renewal recipients may receive their full award. *Note: The 20 percent reduction of a Cal Grant award for renewal Cal Grant recipients who attended an institution before it became ineligible does not apply to CNG EAAP recipients.*

However, renewal recipients must transfer to an eligible school starting with the 2013-14 award year to continue to receive CNG EAAP funds.

CNG EAAP New (Prospective) Participants for 2012-13

New (prospective) participants must transfer to an eligible school in order to receive their CNG EAAP benefits.



Notification to Recipients

All affected recipients will receive a notification from the Military Department by e-mail and a follow-up letter regarding these changes.

Contact Information

If you have any questions regarding information provided in this Special Alert, please contact Katrina Beck at (916) 464-3382 or at kbeck@csac.ca.gov.

Working together to effectively promote education beyond high school!