



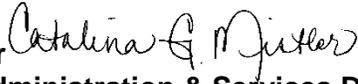
SPECIAL ALERT

Update of the California Student Aid Commission

June 27, 2013

GSA 2013-21

TO: Financial Aid Administrators

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SUBJECT: Close-Out Audits for 2013-14 Ineligible Institutions

California Education Code Section 69432.7(l)(3) requires the California Student Aid Commission (Commission) to certify by October 1 of each year, an institution's latest three-year cohort default rate (CDR) and graduation rate as most recently reported by the United States Department of Education (USED). In December 2012, the institutions that were deemed ineligible for the 2013-14 academic year were notified of their termination from participation in the Cal Grant Program effective June 30, 2013.

The Commission will begin performing final close-out audits of all 2013-14 ineligible institutions as soon as the 2012-13 Cal Grant reconciliation has been completed by each institution (**all 2012-13 payments must be reported to the Commission by September 30, 2013**). The audits will consist of performing student-by-student reconciliation, verifying funds were maintained in an interest-bearing account, and verifying interest earned on Cal Grant funds were returned.

Please contact Melanie Wong, Acting Manager of Program Compliance, at (916) 464-8912 or at mwong@csac.ca.gov if you have any questions or concerns regarding the audit process.

Working together to effectively promote education beyond high school!!



State of California
Edmund G. Brown Jr.
Governor

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