



SPECIAL ALERT

STATE OF
CALIFORNIA



Update from the California Student Aid Commission

January 12, 2017

GSA 2017-03

TO: Financial Aid Administrators

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

SUBJECT: **2016 Annual Interest Earned Deadline**

This Special Alert from the California Student Aid Commission (Commission) reminds institutions to remit interest that was earned on Cal Grant funds during the 2016 calendar year.

- Interest earned on Cal Grant funds for the 2016 calendar year is due to the Commission by **March 1, 2017**.
- As stated in the 2016-17 Institution Participation Agreement, Article III (D)(2):
 - *"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 (e.g. March 1, 2017, for calendar year 2016)."*
- When returning interest, neither bank-related fees associated with maintaining the account nor negative interest associated with an institution's use of non-state funds for Cal Grant students should be deducted from the accrued interest.
 - Both of these amounts reflect expenses that cannot be offset against the interest earned by the advance of State funds for the Cal Grant program.
- Institutions should complete the [Interest Remittance Form](#) and mail it along with the respective interest earned check. This will allow the Commission to correctly identify the purpose of the check and apply it to the institution.

Need to contact us?

- Institutional Support phone number: (888) 294-0153
- E-mail: schoolsupport@csac.ca.gov

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