



SPECIAL ALERT

STATE OF
CALIFORNIA



Update from the California Student Aid Commission

January 24, 2020

GSA 2020-07

TO: Financial Aid Administrators
Accounting Officers

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

SUBJECT: **2019 Interest Remittance Deadline**

This Special Alert from the California Student Aid Commission (Commission) reminds institutions to remit interest earned on Cal Grant funds during the 2019 calendar year. Interest should be remitted to the Commission by **March 1, 2020**.

- In accordance with the 2017-21 Cal Grant Institutional 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, 2018, for calendar year 2017)."
- The account(s) in which Cal Grant funds are held must be an interest-bearing account, an investment account, or an equivalent account at a financial institution with a presence in California whose accounts are insured by the Federal Deposit Insurance Corporation (FDIC).
- Institutions shall calculate interest on Cal Grant funds in the same manner used by their financial institution or investment pool.
- Institutions cannot deduct negative interest or bank-related fees from the accrued interest that is sent to the Commission. 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 use the most recent version of the Interest Remittance Form, available on our [website](#), and mail it along with the respective interest earned check. This form should be returned even if the institution earned no interest.
- Institutions who fail to return the Interest Remittance Form by the deadline will be subject to a fiscal audit to ensure compliance with the laws and regulations governing the Cal Grant program.

- Institutions must keep all supporting documents for the interest submitted to the Commission or, if indicating in the form that your campus did not accrue interest during the calendar year, to support this claim.

Need to contact us?

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

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