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Student Aid Commission

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**CALIFORNIA STUDENT AID COMMISSION IMMEDIATELY HALTS ALL
CAL GRANT AWARD PAYMENTS TO 10 HEALD COLLEGE CAMPUSES**
Heald College Fails to Submit Required, Audited Financial Statements

SACRAMENTO – (2015) – Acting to protect students and state taxpayer funds, the California Student Aid Commission today suspended Cal Grants payments to 10 Heald College campuses including: Roseville, Stockton, Modesto, Concord, Fresno, Rancho Cordova, Hayward, Milpitas, San Francisco and Salinas. Approximately \$1 million in payments have been suspended which represents approximately 4,497 Cal Grant Awarded students. In order to participate in the Cal Grant Award program, California institutions of higher education must enter into an Institutional Participation Agreement (IPA) with the Commission that outlines compliance terms and agreements. Under the terms of the IPA, institutions are required to maintain standards of administrative capacity and financial stability in accordance with federal and state law and regulations.

On January 22, 2015, the Commission requested that Heald College submit its audited financial statement for the fiscal year July 1, 2013 – June 30, 2014. The deadline for Heald College to submit their audited financial statement was December 30, 2014. On February 5, 2015, Heald College notified the Commission it would not be able to provide that audited financial statement.

Heald College's failure to provide an audited financial statement, in conjunction with other public statements by Heald College's parent corporation, Corinthian Colleges, Inc., regarding the severe financial crisis facing the corporation raised the question on whether Heald College possesses the requisite financial stability to participate in the Cal Grant program. On February 12, 2015, Heald College was notified by the Commission that this week's Cal Grant Award payments totaling \$1 million, are being suspended pending further review. The average student Cal Grant award payment to Heald College is between \$2,000 and \$11,000 depending on the student's type of award and term of attendance. Heald College has immediately been placed in a "halt pay" status until the Commission considers its Cal Grant status at its February 20, 2015 public meeting at its headquarters in Rancho Cordova, California.

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The amount of Cal Grant awards potentially affected could total as much \$14 million in payments reserved through June 30, 2015. The Commission has notified 4,497 Cal Grant new and renewal awardees that are currently enrolled at the Heald College campuses, about the Commission's action. Campus Institutional Participation Agreements are renewed every four years. Students may contact the California Student Aid Commission Student Support toll-free number at 1-888-224-7268 Monday through Thursday from 8:00am – 4:45pm and on Fridays from 10:00am – 4:45pm.

Heald College is currently on “provisional status” with the U.S. Department of Education. The California Department of Justice, Office of the Attorney General has established the following link for students: http://oag.ca.gov/consumers/general/consumers_cii_faqs. For more information, please contact Patti Colston at 916-206-285.

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