

# Program Reviews

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## Program Review – What Is It?

- A review of an institution's compliance with the laws and regulations pertaining to the Title IV Federal Student Aid Programs.
- Performed by members of the regional School Participation Team (SPT)

# Types of Program Reviews

- General assessment review
  - Random sampling of files
  - Will do a general review of processes
  - Will look at other offices that have information that FA needs
- Focused program review
  - Will focus on one program or process
- Standard program review or joint program review
- Off-site or on-site



## The Program Review Process

- School selected for a program review
  - Announced or unannounced
- Review conducted
  - Typically 5 days in length
  - Review of files, policies and fiscal procedures records
- Program Review Report sent to school

## The Program Review Process

- School responds to the Program Review Report
- Final Program Review Determination Letter (FPRD) sent to the school
- School has *45 calendar* days to appeal any Final Determinations

# The Reviewers Are Coming... What Do You Do?

- Announcement letter will include request for information to be provided before the review or at review
- If you have any questions about what is requested, call and talk to the reviewers immediately
- Inform all the administrators at your school about the review
- Impress upon administration and staff the importance of the review

## Entrance Interview

- Lead program reviewer will:
  - Outline activities for the week
  - Provide student sample for review
  - Explain scope and purpose of the review
  - Identify records needed and copies to be made
  - Clarify what is needed from whom

## Entrance Interview

- Who should attend?
  - Financial Aid
  - Business Office
  - Admissions
  - Registrar
  - Systems IT
  - Senior Management



## Assisting the Reviewers

- Help the reviewers understand your institution's processes
- Provide requested documents
- Arrange for staff to be available
- Appoint a liaison to facilitate the review process
- Provide review team with the space to work, preferably in a private space

## **Access to Staff and Students**

- Designate a knowledgeable contact person in each appropriate office
- Never restrict access to any staff member or student
- Ensure that a third-party servicer contact is available (if applicable)

## Facilitate Access to Records

- Provide requested records with little or no delay
  - PPA and ECAR
  - Accrediting agency/state agency
  - Documentation for all approved locations/programs
  - Completion and placement rates for short-term programs (70%)

## **Facilitate Access to Records**

- Academic records for student sample
- Student files
- Admissions files
- Accounting records
- Records in the possession of a servicer
- Consumer information
- Catalogues/course descriptions
- Budgets/cost of attendance

## Program Review Items

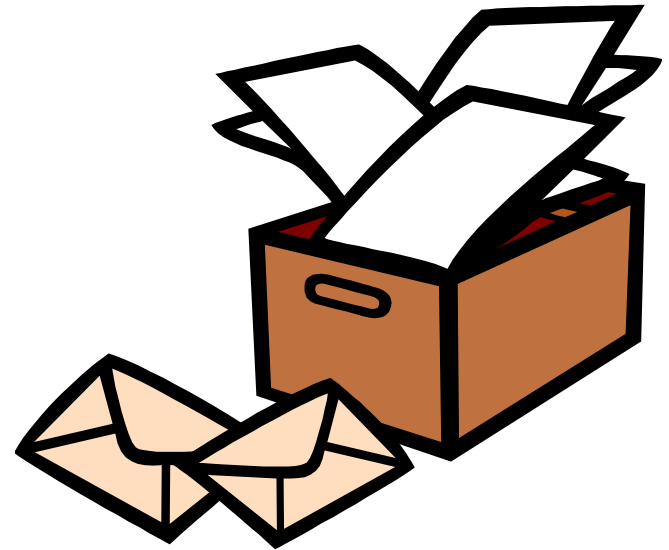
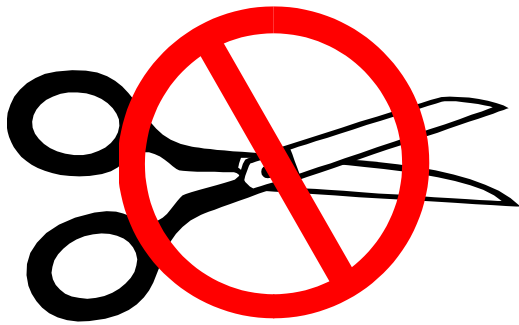
- Institutional eligibility items
- Student eligibility issues
- Fiscal record/financial management
- Electronic reporting



# A Note of Caution

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- Don't shred your files before the end of the record retention period!



## **Institutional Eligibility**

- Eligible programs
- Eligible locations
- Clock-to-credit hour conversions
- Ability to benefit
- Contractual consortium agreements
- Campus security

## **Institutional Eligibility**

- Separation of duties
- Preferred lender list
- Fiscal review
- Financial responsibility



## **Student Eligibility**

- Eligible student (HS diploma, citizenship, selective service, ATB, etc.)
- Award documentation
  - FAFSAs, ISIRs, award letters
- Cost of attendance/needs analysis
- ISIR corrections
- Enrollment status

## Student Eligibility

- Verification
- Professional judgment
- Dependency overrides
- Conflicting information
- Attendance (if required)

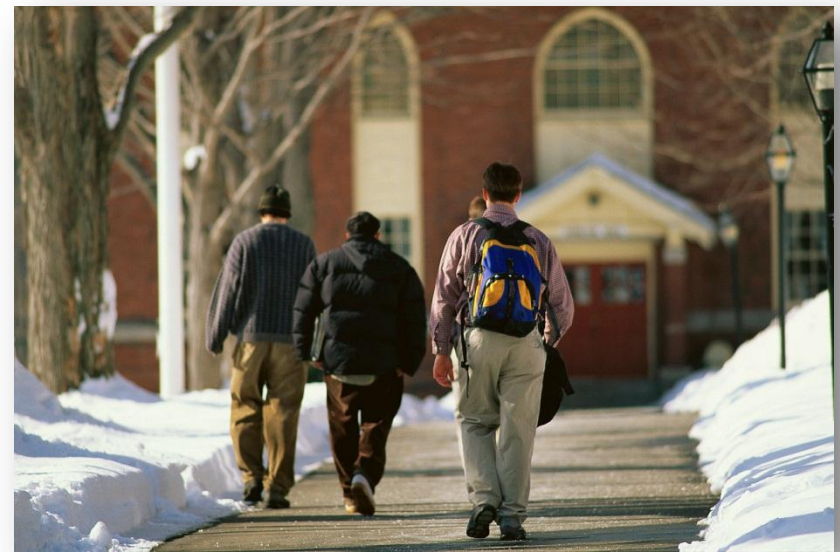


## **Student Eligibility**

- Calculation of aid
- Satisfactory academic progress (SAP)
- Disbursement of aid
- Credit balances
- Return of Title IV funds

# Campus-Based Programs

- FSEOG
- Federal Work Study
- Federal Perkins Loan



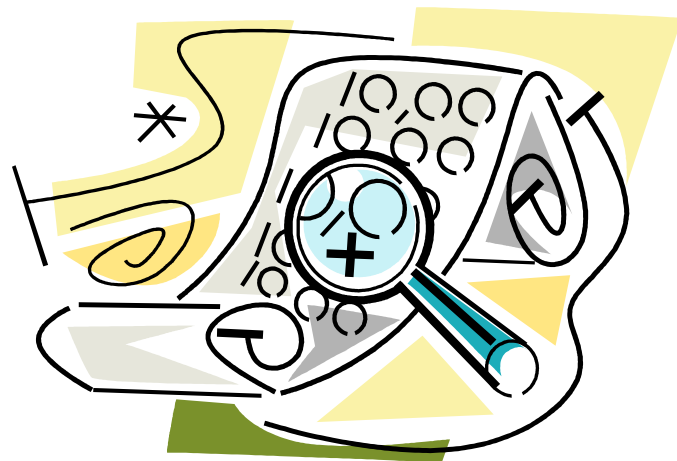
# Fiscal Review: Show Me Where the Money Went!

- Total drawdowns vs. disbursements
- Bank accounts/statements
- Returns/refunds of cash
- Excess cash



# Fiscal Review: Show Me Where the Money Went!

- Reconciliation – Monthly and Yearly
  - G5
  - General ledger
  - Bank statements
  - COD
  - FISAP



# Electronic Requirements

- Receipt of ISIRs
- IFAP updates
- Back-up systems
- Storage of documents
- COD reporting (Direct Loan, Pell)



# Electronic Requirements

- NSLDS
  - SSCRs, Perkins Loans, overpayments, Transfer Monitoring
- EZ-Audit
- G5
- Campus crime statistics
- IPEDS





# Exit Interview/Conference

- Summarize deficiencies
- Inform officials of corrective action
- Timeframes for follow-up activities
- Preliminary findings
  - *Further research in office may add/combine/subtract findings from report*

# Exit Interview/Conference

- Who should attend?
  - Financial aid
  - Business office
  - Admissions
  - Registrar
  - Systems/IT
  - Senior management

# Outcomes of Program Reviews

- No findings
- Findings
  - Requires repayment of misspent funds
  - Could include payment of fines
  - Could require reconstruction of files
- Technical assistance or required training
- Appeals process

# Program Review Report

- Identifies findings of non-compliance
- Identifies regulatory references and the harm caused by the institution's error or non-compliance
- Includes required corrective action as well as restitution
- School must respond to each finding in the Program Review Report (PRR)

# Program Review Report

- PRR sent to school up to 75 days after review is completed
  - Timeframe depends on complexity of the report
  - Very complex reviews may require more than 75 days for report to be issued

# Program Review Report

- School has 30-60 days to respond to the Program Review Report
  - Timeframe depends upon complexity of review and/or need for files
  - Extension can be granted on a case-by-case basis

# Final Program Review Determination Letter (FPRD)

- Reviewer considers school response when drafting FPRD
- FPRD sent to school 30-90 days after receipt of school response

# Final Program Review Determination Letter (FPRD)

- Letter outlines actions the school must take to resolve findings
- Includes liabilities and payment instructions, if applicable



# Final Program Review Determination Letter (FPRD)

- School has 45 days to appeal any monetary liabilities
- Appeal instructions included in the FPRD
- If no appeal, school follows instructions to resolve all findings

## **Common Finding – FY2010**

- Return to Title IV calculation errors
- Return to Title IV funds made late
- Verification violations
- Student credit balance deficiencies
- Entrance/Exit counseling deficiencies
- Consumer information requirements not met
  - Crime awareness requirements not met

## **Common Finding – FY2010**

- Pell over/under payments
- Lack of administrative capability
- SAP policy not adequately developed and/or monitored
- Information in student files missing or inconsistent

## Things to Remember...

- FSA School Participation Teams use holistic approach to review institutional performance
- Audits are a major factor in FSA review process
- Institutional self-assessment helps keep your institution healthy

# FSA Assessments


- Self-assessment tool designed to assist schools in evaluating their financial aid policies, processes and procedures
- Includes assessment modules on students, schools, managing funds and policies and procedures


<http://www.ifap.ed.gov/qahome.fsaassessments.html>


# FSA Assessments

In collaboration with financial aid professionals, Federal Student Aid has designed management assessment modules to help schools enhance their services. The modules contain links to applicable laws and regulations. If you have questions regarding how to use this useful tool please visit our [FAQ page](#).

[This chart](#) features examples of specific compliance issues and provides recommendations for related assessments that your school may want to complete.

 This denotes a new assessment.

 This denotes an updated assessment.

Students	Schools
<a href="#">Student Eligibility</a> <a href="#">Satisfactory Academic Progress</a> <a href="#">Verification</a>	<a href="#">Institutional Eligibility</a> <a href="#">Default Prevention &amp; Management</a> <a href="#">Consumer Information</a> <a href="#">Automation</a>
Managing Funds	Innovations
<a href="#">Fiscal Management</a> <a href="#">Return of Title IV Funds</a> <a href="#">FWS</a> <a href="#">FSEOG</a> <a href="#">Perkins Awarding &amp; Disbursement</a> <a href="#">Perkins Due Diligence</a> <a href="#">Perkins Repayment</a> <a href="#">Perkins Forbearance &amp; Deferment</a> <a href="#">Perkins Cancellation</a>	<a href="#">Policies and Procedures</a> 

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Links

## Be Prepared

- Contact all other major offices that are involved with Title IV aid to coordinate and plan for review (Admissions, Instruction, Owners, Directors, Registrar, Bursar, etc.)
- Have student files organized
- Keep reviewer informed if problem in meeting due date for school response

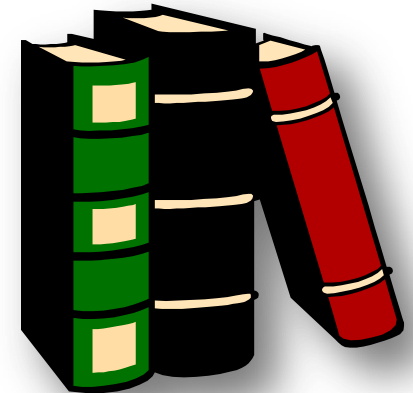
# Be Prepared

- Financial aid is an **INSTITUTIONAL RESPONSIBILITY**
- Use audit and program review findings and recommendations to improve compliance
- Reconcile, reconcile, reconcile
- Understand the regulations



# Reference Materials

- For all years being reviewed: [www.ifap.ed.gov](http://www.ifap.ed.gov)
  - FSA Handbook
  - Regulatory Compilation/Federal Registers
  - System User Guides (G5, COD, etc.)
  - Direct Loan User Guide
  - Dear Colleague Letters
  - Electronic Announcements
  - Program Review Guide (2009)



# **Benefits of a Program Review and Audit**

- Second level of confidence
- Identification of errors
- Opportunity for corrective action
- Eliminate future liabilities
- Establish relationship with SPT and ED

# Region I Training Officers

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# Training Evaluation

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To ensure quality training, we ask all participants to complete an online evaluation for each session

- Go to <https://s.zoomerang.com/s/PamelaGilligan>
  - Evaluation form is specific to Pam Gilligan
- Feedback is a tool to help us improve our training and to listen to our customers
- Additional concerns about training can be directed to [joann.borel@ed.gov](mailto:joann.borel@ed.gov)