

Record Retention and Management: It Can Be Frightening!

NHASFAA

October 29-30 2015

Allene Begley Curto
Associate Director of Financial Aid Services
Springfield College - School of Professional and Continuing Studies

What Who When Where Why How

- What do we keep and who keeps it?
What is required?
- Who *must* have access, who *should* and who should *not*
- When do we have to have it? When are we allowed to get rid of it?
- Where do we keep it?
- What causes problems? Why and How do we do all this?

What Do We Keep?

- Program Records
- Fiscal Records
- Student Records
 - Paper
 - Electronic

Program Records

- PPA, Approval letter and ECAR
- Application portion of FISAP
- Accreditation and licensing agency reviews, approvals and reports and state agency reports
- Audit and program review reports
- Self-evaluation reports
- Records specified in regulation on financial responsibility and administrative capability

Fiscal Records to Keep

- FSA program transaction
- Bank statements for accounts containing FSA funds
- General ledger and subsidiary ledgers on FSA transactions
- State grant and scholarship rosters and reports

Wait - What Do we Keep on *Students?*

- COA
- SAP
- Admissions and Enrollment
- Documents for verification and resolution of conflicting information
- Professional Judgment documentation
- Financial Aid History for transfer students

Student Records

- ISIR/SAR
- Documentation of eligibility
 - Verification documents
 - Eligibility Documentation (such as HS/GED/ATB, clearance of C status flags)
 - Amounts of federal aid, payment periods, and calculations used to determine eligibility
 - Amounts, dates and basis of refunds/returns and dates of payments

More Student Information

- Documentation of loan entrance and exit counseling
- Reports and forms used to participate in an FSA program (and records to verify data used)
- Documentation supporting school's calculation of completion/graduation rates and transfer-out rates

Who has access?

- FERPA gives students the right to access to their educational records - including their financial aid records
- FERPA protects educational record from being accessed by unauthorized parties - including institutional employees who do not have a reason they need access to perform their duties

Who else?

- Independent Auditor
- Authorized representatives of:
 - ✓ Secretary of Education
 - ✓ Inspector General of ED
 - ✓ Comptroller General of the US
 - ✓ Certain court orders or subpoenas
- Must note that access was given, to whom and for what reason on what date

More on FERPA

- Directory Information *may* be disclosed but is *not required* to be disclosed
- Students can opt out of allowing directory information to be released - and you *may or may not* know if they have done this

Beyond FERPA

- FTC regulations: 16 CFR 313.3(n) and 16 CFR 314.1-5
- Gramm-Leach-Bliley Act: Sections 501 and 505(b)(2)
- U.S. Code: 15 USC 6801(b), 6805(b)(2)

When Do We Keep It?

Minimum Retention Requirements

Pell and TEACH, Campus Based - 3
years from the end of the award year in
which it was awarded - except:

- FISAP - 3 years from end of award year in which submitted
- Perkins repayment records- until satisfied
- Perkins original promissory notes - 3 years from date repaid, canceled or assigned to ED

When Do We Keep It?

Minimum Retention Requirements

Direct Loans and FFEL

- Records on borrowers eligibility and participation - 3 years from end of award year in which student *last attended*
- All other records - 3 years from the end of the award year in which report was submitted

When Can We Get Rid Of It?

- Minimum Retention Requirements are just that - MINIMUM!
- Risk assessment - What might still be needed?
- "If it's not there they can't prove I was wrong" - and you also can't prove you were right!
- Potential need for documentation long past minimum - accounts that went to collections, potential lawsuits, other red flags

Where Do We Keep It?

- Not *just* the Financial Aid Office
- Not *necessarily* the Financial Aid Office
- Sometimes *not at all* the Financial Aid Office
 - Financial Aid Office
 - Admissions
 - Registrar
 - Finance

How Do We Keep It?

- Paper or electronic - must be secure
- Paper records - locked
- Paper records - accessed only by authorized persons
- Electronic records - "locked" by secure protocols - no PII in unsecured emails or file transmittal
- Electronic records - accessed only by authorized persons

What Causes Problems?

- Conflicting Information
- Reviewing What we Receive
- Ensuring What we Received is what we needed to receive
- Finding What We Receive

Conflicting Information Even if Not Verifying

There are times when you don't need to verify a student's application.

- Except in the case of the student's death, however, none of the exemptions excuse you from the requirement to resolve conflicting Information.
- The school must resolve all such conflicting information, except when the student dies during the award year.

Conflicting Information

A school must have an adequate internal system to identify conflicting information—regardless of the source and regardless of whether the student is selected for verification—that would affect a student's eligibility

- Information from the admissions office as to whether the student has a high school diploma
- Information from other offices regarding academic progress and enrollment status.
- Subsequent ISIRs
- Discrepant Tax Data

Conflicting Information and Professional Judgment

The reason for the adjustment **must be documented** (by a third party if possible) in the student's file, and it must relate to the special circumstances that differentiate him—not to conditions that exist for a whole class of students.

You must resolve any inconsistent or conflicting information shown on the output document **before** making any adjustments.

Reviewing What We Receive

- Does it document what we need to document?
- Is it different than what we received before? If so, which is correct?
- Is it new information that might impact eligibility?
- How do we know when we receive the documentation?
- Proper filing - paper and/or electronic

Basic Steps

- Policies and Procedures that *are followed* that meet at least minimum requirements
- Review of "duplicate" and "unsolicited" documents
- Review of subsequent ISIRs
- *Institutional* responsibility - not just FAO

Resources

- [FSA Handbook Chapter 7 - Record keeping, Privacy, & Electronic Processes](#)
- [Chapter 3 - FSA Administrative & Related Requirements](#)
- [Application and Verification Guide](#)
- <http://ifap.ed.gov/fsahandbook/1516FS AHbkVol2.html>

Questions? Answers?

