STRATEGIC LEADERSHIP TEAM

Financial Aid Update
Federal Program Review
September 23, 2011
The U.S. Department of Education Office of Student Financial Aid conducted an on-site Federal Program Review during the week of August 22, 2011.
“The Secretary of Education is mandated by law under Section 498A of the HEA, 20 U.S.C 1099c, to conduct program reviews at institutions of higher education participating in the Title IV, HEA programs to determine whether these institutions continue to meet the institutional eligibility, financial responsibility, and administrative capability requirements for participation in the Title IV, HEA programs.”
Institutional Requirements

• Meet basic institutional eligibility criteria (be accredited, be authorized by State, provide eligible academic programs)

• Demonstrate financial responsibility

• Meet minimum administrative capability standards
Program Review PURPOSE

- Evaluate compliance with the Title IV, HEA statute and regulations
- Identify liabilities owed to the Dept of Ed for errors in compliance
- Improve future institutional capabilities
Program Review -vs- Annual Audit

- GRCC undergoes an annual A-133 Audit
- Completed each year by third party accounting firm/auditor
- Financial aid is just one part of this larger College financial audit
- Generally “routine”
- Not financial aid experts
Program Review -vs- Annual Audit

• In contrast, a Program Review is anything but routine
  – Program Review originates with Dept of Ed
  – Selection for review at DOE’s discretion (could be years between reviews – GRCC’s last Program Review was August, 1992)
  – Short window from notification to on site review
  – Reviewers are financial aid experts
  – TOTALLY focused on financial aid processes and regulations
Program Review PROCESS

• Pre-visit submission of data/information

• Site Visit
  – Examine financial aid, academic and fiscal records
  – Interview College staff and students
  – Review relevant consumer information
Not Your Mother’s Financial Aid

• “Performing a word count of student aid regulations in 2000 and 2010 reveals a 40 percent increase over that decade.”

• No longer just about dollars and cents

• Financial Aid regulations touch nearly every part of the institution

• Good example – consumer information

http://cms.grcc.edu/about-us/student-consumer-information
Exit Conference

• Reviewers provided a summary and listed some preliminary findings
• Formal report expected by mid November
• Expecting a favorable report!

• THANK YOU to the many faculty and staff who assisted in this process!
Questions???