

University of the District of Columbia
Student Financial Assistance - 11.12 A-133 Findings Matrix

No.	NFR #	Compliance Requirement	Finding Condition / Description	Management's response	Action Plan	Procedures Developed and Controls in Place	Effective date of Implementation
1	2012-GO-05	(N) Special Tests and Provisions – includes ARRA	Verification - For 65 samples selected, we noted the following: <ul style="list-style-type: none"> For all 65 students tested; there was no evidence of review and approval of the verification performed. KPMG noted for 6 students, information in the Student Information Record (ISIR) did not agree to the supporting documentation. 	3,173 UDC Financial Aid Applicants were selected for Verification in 11-12. Federal student aid regulations nor UDC Financial Aid Policy and Procedure require the Executive Director to review and approve every file selected for verification. UDC policy is each Financial Aid Counselors' first-initial 30 files are reviewed 10 at a time to ensure accuracy. Once the Counselor's files are proficient, a notation is made in the Counselor's performance evaluation and no longer reviewed by the Director or Assistant Director. For the 12-13 Award Year new controls are in place to ensure 100% verification accuracy. The University has implemented a verification checklist that each counselor must complete as a part of their verification review.	1. For the 12-13 AY, the UDC FAO will require all counselors to complete a "Financial Aid Checklist" confirming verification is correct. A random sample of files will be reviewed and signed off as correct by the Director and/or Assistant FAD. File reviews will be made of all Counselors at the beginning of the verification cycle to ensure accuracy and randomly checked throughout the award year. 2. The FAO is reviewing the 11-12 six verification errors to ensure errors are not repeated.	See attached updated Verification Procedures and Verification Checklist Spreadsheet.	12-13 and 13-14 year. Based on 11-12 audit findings an increase in file reviews will be conducted in the 13-14 AY
2	2012-GO-06	(N) Special Tests and Provisions – includes ARRA	Return of Title IV Funds - For 65 samples selected, we noted the following: <ul style="list-style-type: none"> For 2 students, the withdrawal request was not signed by a Registrar's Office representative. For 10 students, the withdrawal form did not agree with the information in BANNER. For 36 students, the University's percentage of enrollment calculation was incorrect. For 28 students, the University did not consider Spring Break 2012 in their return of funds calculation for the semester withdrawal. One (1) student's revised awards in BANNER did not agree to the awards disbursed in their student account activity. For 2 students, the student was over-awarded. For 2 students, the University's erroneously returned financial aid to the Department of Education. For 11 students, the University did not apply the correct refund to the student's account. The University did not disburse the earned award to one (1) student. For 7 students, refunds were not made within the required 45 days. 	The Office of the Registrar has implemented withdrawal policies and procedures, and will conduct monthly "audits" to ensure program compliance, and appropriate maintenance of documents. Staff training is ongoing. The University has established controls, policies, and procedures that ensure compliance, and has increased periods of reporting to NSC. Further, the office of the registrar has established a working relationship with the NSC that allows it to identify and address reporting issues/concerns in a timelier manner. The Banner system has been updated and procedures developed to ensure Spring Break is calculated in all Return of Title IV calculations for applicable aid recipients. The Financial Aid Office is updating its policies, procedures and controls to ensure all refunds are correctly calculated within the 45 day period for all official and unofficial withdrawals	1. The Registrar's Office will perform monthly audits of all Official Withdrawal Forms to ensure the withdrawal date is accurately reported for Return of Title IV Refund compliance. 2. Part of the Registrar's Internal Review Procedures will include reviewing Withdrawal Forms to ensure the date listed on the form is what is posted in Banner. 3. The Registrar will ensure ALL breaks more than five days (to include Spring Break) are entered in the SOARBRK Screen in Banner to ensure R2T4 calculations are correctly performed. 4. The Financial Aid Office has updated it's R2T4 Policy and Procedures to ensure R2T4's are correctly calculated and completed within the 45 day period. The office will confirm the correct refund has posted in COD within the 45 day timeframe.	See attached Registrar's Internal Review Procedures, Banner Release Guide and UDC FAO Return of Title IV Policy Procedures and Controls outlining the step-by-step process.	Effective 13-14 Year (beginning September 2013) while performing a retro-review of 12-13 processes.
3	2012-GO-07	(N) Special Tests and Provisions – includes ARRA	Enrollment Reporting (FFEL & Direct Loan) - For 65 samples selected, we noted the following: <ul style="list-style-type: none"> For 18 students, lenders were not notified within the required 30 days of the student's status change. For 2 students, the National Student Clearinghouse (NSC) indicated there was no notification history. For 2 students, no withdrawal form was provided; therefore, we could not verify the student's withdrawal date. 	The University has established controls, policies, and procedures that ensure compliance with the requirements of the student financial assistance program, including ongoing staff training, increased NSC reporting, enhanced records maintenance, auditing, and retrieval processes. Further, the University has established a working relationship with the NSC that allows the Office of the Registrar to identify and address reporting issues/concerns in a timelier manner.	1. The Registrar's Office will perform and submit monthly enrollment reports to the NSC Clearinghouse. 2. The Registrar's Office will perform periodic internal audit reviews of the data submission to ensure accuracy and work with the NSC to resolve reporting issues. 3. The Registrar's Office will perform monthly audits of all Official Withdrawal Forms to ensure the withdrawal date is accurately reported for Enrollment Reporting and Return of Title IV Refund requirements.	1. See attached calendar on dates each month the Enrollment Report will be transmitted. 2. See attached procedures on internal review of Enrollment Report Data submitted. 3. See attached Official Withdrawal Form monthly review procedures.	Effective 13-14 Year (beginning September 2013) while performing a retro-review of 12-13 processes.

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4	2012-GO-08	(N) Special Tests and Provisions – includes ARRA	<p>Borrower Data Transmission & Reconciliation (Direct Loan) - -The University did not retain copies of the reconciliation performed between the School Account System report and the general ledger.</p> <p>For each of the 65 samples selected, we noted the following:</p> <ul style="list-style-type: none"> • For 4 students, the loan disbursement date in Common Origination and Disbursement (COD) did not agree with the disbursement date in BANNER. • For 6 students, the disbursement notification was sent by the University before the disbursement was made. • The disbursement information for one (1) student was not transmitted within the required 30 days. 	<p>UDC has updated its policies, procedures and controls to ensure copies of monthly reconciliations are retained for audit review and general reference. Secured monthly reconciliation files that contain the raw data from both Banner and COD, as well as the reconciliation spreadsheet(s) will be housed in an accessible, but secure UDC shared drive.</p> <p>UDC is reviewing the Banner system data-loads and controls to ensure the COD disbursement date is equal to the Banner disbursement date and notifications accurately sent while ensuring disbursements are submitted no later than the 30 day limitation.</p>	<p>1. The UDC FAO has written procedures to archive monthly reconciliations between Banner and COD. The raw files and reconciliation spreadsheet will be housed in a UDC shared drive for monthly audit review and compliance. A monthly reconciliation report will be completed and signed between the Finance Office and the Financial Aid Office to document reconciled amounts.</p> <p>2. The UDC FAO has implemented written procedures to ensure Disbursement Notifications are sent 14 days prior to the disbursement being made and transmitted a minimum of every 21 days. The transmitted records will be sample reviewed to ensure the COD disbursement date agrees with the Banner disbursement date.</p>	<p>1. See attached Banner Financial Aid User's Guide (Release 8.17) and FAO Monthly Reconciliation Procedures between Banner and COD. A sample of the FO and FAO reconciliation signature report is also attached.</p> <p>2. See attached UDC Disbursement Notification Procedures and calendar.</p>	Effective 13-14 Year (beginning September 2013) while performing a retro-review of 12-13 processes.
5	2012-GO-09	(E) Eligibility	<p>For 65 samples selected, we noted the following:</p> <ul style="list-style-type: none"> • For 22 students, the University incorrectly calculated the cost of attendance (COA). • For 2 students, the award amount was greater than the subsidized loan limit; one (1) student was over the combined subsidized and unsubsidized loan limit. • Three (3) students did not maintain satisfactory academic progress and should have been suspended from receiving financial assistance. • One (1) student was provided the incorrect COA budget. This resulted in the student being over-awarded. • One (1) student received an award in excess of their expected family contribution (EFC). • For 16 students, we did not receive sufficient supporting documentation to determine whether the University was in compliance. 	<p>Per page 3-33 of Volume 3 of the Federal Student Aid Handbook, "The cost of attendance for a student is an estimate of that student's educational expenses for the period of enrollment." For the 22 students listed as having an incorrect COA, was the result of estimating Federal student loan fees should the students consider borrowing.</p> <p>For the two students that exceeded the loan aggregate the funds were returned to the Federal student loan program.</p> <p>UDC has updated its policies, procedures and Banner system controls to ensure loan aggregates are not exceeded, SAP is correctly calculated and student budgets are adjusted based on changes in Residency and do not exceed their COA.</p> <p>UDC is reviewing its records management process to ensure all H.S., GED and transfer transcripts are digitally available and SAR's archived.</p>	<p>1. UDC has established Banner system controls and reports to verify students' COA are correct. The Registrar's Office will provide (at least monthly) to the Financial Aid Office "Change in Residency" Reports. The FAO will review the report to ensure aid recipients have an accurate budget and are not over-awarded.</p> <p>2. The FAO will run Banner System Control Reports at least monthly verifying students are not over their annual and aggregate loan limits.</p> <p>3. The FAO has reprogrammed Banner system rules to ensure it is correctly identifying students to be placed on Warning or Suspension based on qualitative, quantitative and max time-frame measurements.</p> <p>4. UDC is implementing controls and checks to ensure only students that have a high school diploma, GED or transfer with an Associate Degree applicable to a Bachelor's Degree are Federal student aid recipients. The Admissions Office will provide the FAO with bi-weekly reports admitted students that do not meet the above Federal student aid requirements to ensure they are not packaged and disbursed aid until the requirement is met</p>	<p>1. See attached Banner Financial Aid User's Guide (Release 8.17) and FAO COA Change and Update Procedures.</p> <p>2. See sample "Change in Residency" Report.</p> <p>3. See revised Banner financial aid SAP programming script.</p> <p>4. See attached Admissions Office Report prepared bi-weekly identifying students that are admitted without a H.S. Diploma, GED or Associates Degree transferrable to a Bachelor's Degree.</p>	Effective 13-14 Year (beginning September 2013) while performing a retro-review of 12-13 processes.

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6	2012-GO-10	(L) Reporting	<p>We noted 12 items in the FISAP report did not match the support provided.</p> <p>For 65 samples selected, we noted the following:</p> <ul style="list-style-type: none"> For 9 students, the student's disbursement was not transmitted within the required 30 days. For 6 students, the COD origination date could not be provided. 	<p>UDC is liquidating the Federal Perkins Loan Program. The U.S. Department of Education has received official notification from the University President of UDC's intent to liquidate as well as indicating it on the FISAP.</p> <p>Part III Federal Perkins Loan Program for Award Year July 1, 2011 through June 30, 2012 errors were a result of numbers from the second NRP60081 (third party servicer) totals not being added to the original Perkins financial data statement and updated on the FISAP. This will be corrected once the FISAP is updated to reflect the liquidation.</p> <p>For the 17 students that received \$66,496 in Pell awards, the Disbursed amount in the University's records matched COD disbursements. The awarded amount was/is listed as full-time to inform the student the maximum amount they could have received and the disbursed amount is made on actual enrollment (i.e., ½ or ¾ time).</p> <p>UDC is reviewing the Banner system data-loads and controls and is updating procedures to ensure the cost of attendance, origination, disbursement and transaction dates are correctly batch transmitted to COD in a timely manner.</p>	<p>1. The 12 FISAP items did not match in Part III of the Perkins Reporting Section as a result of a second activity page with data not included in the calculation updates. UDC is liquidating the Federal Perkins Loan Program to be reflected in the 13-14 FISAP.</p> <p>2. The University has updated its Banner system controls to ensure all disbursements are completed a minimum of bi-weekly to ensure the 30 day rule.</p> <p>3. UDC will ensure COD origination dates are periodically reviewed and on file for auditing purposes.</p>	<p>1. See attached Perkins Liquidation Procedures. Also, Verification of FISAP submission data will be signed by various offices providing data to double-check accuracy.</p> <p>2. See attached UDC FAO Disbursement transmission procedures and calendar of disbursement date runs.</p> <p>3. See attached COD origination date collection and control procedures</p>	<p>1. Perkins Liquidation will be completed by December 1, 2013 or prior to Final FISAP submission deadline</p> <p>2. Full implementation of disbursement transmission procedures will be effective 13-14 with a review of 12-13 records to ensure audit compliance.</p> <p>3. Full implementation of disbursement transmission procedures will be effective 13-14 with a review of 12-13 records to ensure audit compliance.</p>
7	2012-GO-11	(N) Special Tests and Provisions – includes ARRA	<p>Disbursements To or On Behalf of Students - For 65 samples selected, we noted the following:</p> <ul style="list-style-type: none"> A valid ISIR could not be provided for one (1) student. The Pell award was not within the Pell Schedule guidelines for one (1) student. This resulted in an over-award. For 46 students, there was insufficient documentation to support the date each student received a disbursement notification. 	<p>UDC has updated its policies, procedures and controls to ensure all ISIR's are electronically archived.</p> <p>34 CFR 690.63(g) and in Chapter 3, Volume 3 page 3-41 of the Federal Student Aid Handbook states, "Pell Grant awards are based on a 9-month EFC in the students SAR/ISIR and COA. . . " The \$4,163 was based on ¾ time enrollment for the Summer Semester and should not have been reduced to COA and reduced by \$1,388.</p> <p>Although UDC had an automated batch process in place to notify students of their scheduled disbursement and right to reduce or cancel their loans, the University was unable to produce records of students notified in the batch runs due to the loss of a staff member that kept the reports on file.</p>	<p>1. The UDC FAO has revised its procedures to archive ISIR's monthly on a UDC shared-drive to ensure all ISIRs are available for audit testing.</p> <p>2. A review of the FSA regulations have determined the one student in question was not over-awarded for Summer.</p> <p>3. UDC will archive monthly all disbursement notifications sent to students. The archive will list the dates and names the disbursement notification was sent and it will be housed in a UDC shared-drive along with the content of notification.</p>	<p>See attached ISIR Data Archiving and Disbursement Notification Procedures and samples</p>	<p>May 2013 with a review of 12-13 processes and records for 12-13. Full implementation for the 13-14 AY (beginning September 2013).</p>
8	2012-GO-12	(H) Period of Availability	<p>For 65 samples selected, we noted the following:</p> <ul style="list-style-type: none"> For 15 students, the University's return of Title IV funds calculation was computed incorrectly; therefore an incorrect adjustment was made to the student's account. The University made an adjustment to one (1) student's account, which resulted in excess financial assistance being disbursed. As of April 2013, the excess aid was not returned to the Department of Education. 	<p>The University is reviewing and ensuring its "Banner" Financial Aid Management system has been updated, and procedures developed, to ensure R2T4's are calculating correctly (to include Spring Break dates) in accordance with Federal student aid regulations.</p> <p>The University is reviewing the \$694 in excess and will return accordingly to the Federal student aid programs.</p>	<p>The UDC FAO has revised it's procedures and controls to ensure R2T4's are correctly calculated. Monthly audits will be conducted by the Registrar and FAO to ensure accuracy in data entry of official and unofficial withdrawal dates in the Banner Student Information System.</p>	<p>See attached R2T4 Procedures and Controls outlining the step-by-step process.</p>	<p>Effective 13-14 Year (beginning September 2013) while performing a retro-review of 12-13 processes.</p>