<table>
<thead>
<tr>
<th>Compliance Requirement</th>
<th>11-12 Finding Condition / Description</th>
<th>2010-11 Finding Conditions/Description</th>
<th>2009-10 Finding Conditions/Description</th>
<th>Have Findings been Rectified?</th>
<th>Resolution for 12-13 or 13-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N) Special Tests and Provisions – includes ARRA</td>
<td>Verification - For 65 samples selected, we noted the following: 1. All 65 students tested; there was no evidence of review and approval of the verification performed. 2. KPMG noted for 6 students, information in the Student Information Record (ISIR) did not agree to the supporting documentation.</td>
<td>For the 65 samples selected, we noted the following: 1. For all 65 students tested; there was no evidence of review and approval of the verification performed. 2. For 17 students that received $142,390 the ISIR did not agree to the information on the Verification Worksheet or tax info. This includes taxes paid, untaxed income and AGI. 3. For those 17 students no data corrections were submitted for correction in spite of errors being identified. 4. For 1 student who receive $10,050 in SFA, there was no documentation to support when the verification was completed. 5. For three students who received $32,779 in SFA, no tax return was provided. 6. For two students who received $22,720 in SFA, the Verification Worksheet was not provided. 7. For one student who received $5,942 in SFA the disbursement of funds occurred prior to verification being completed. 8. For 20 students who received $92,075 in SFA the ISIR could not be provided for testing.</td>
<td>During our Verification testwork we requested and were not provided in a timely manner a listing of students selected for verification. As a result, we did not have a sample selection. Instead, of the 60 sample we reviewed 29 students with conditions. For the 29 students, we determined the following: 1. For 1 of the 29 files reviewed, we were unable to determine if verification was completed. 2. For 6 of the 29, the information in the file did not agree to reported information on SIS+. 3. For 2 out of the 29 files, complete supporting documentation was not provided, and 4. For 1 of the 29 files, the student's file did not contain accurate information used for verification.</td>
<td>Effective 13-14 Year (beginning September 2013) while performing a retro review of 12-13 processes.</td>
<td>The Financial Aid Office has implemented a Verification Checklist that will ensure verification accuracy. In addition, the Director and Associate Director perform initial verification file reviews to ensure accuracy and periodically sample files throughout the year to ensure proficiency.</td>
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<td>(N) Special Tests and Provisions – includes ARRA</td>
<td>Return of Title IV Funds - For 65 samples selected, we noted the following: 1. For 2 students, the withdrawal request was not signed by a Registrar's Office representative. 2. For 10 students, the withdrawal form did not agree with the information in BANNER. 3. For 36 students, the University’s percentage of enrollment calculation was incorrect. 4. For 28 students, the University did not consider Spring Break 2012 in their return of funds calculation for the semester withdrawal. 5. One (1) student’s revised awards in BANNER did not agree to the awards disbursed in their student account activity. 6. For 2 students, the student was over-awarded. 7. For 2 students, the University’s erroneously returned financial aid to the Department of Education.</td>
<td>For 65 samples selected, we noted the following: 1. There is no evidence of review of the District’s calculation to return funds versus the amount earned by the District. 2. Three students did not complete withdrawal. 3. For 22 students, UDC was unable to provide the withdrawal form. 4. For 11 students, the withdrawal date per the signed withdrawal form did not agree with transcript date. 5. Student had an incorrect RT4 calculation. 6. For 17 students the percentage calculation was incorrect. 7. For one student the date signed on the withdrawal form shows the student was not enrolled for more than 60% of the payment period. 8. One student did not have Direct Loans included in the return calculation. 9. Six students did not have the correct percentage of earned aid. 10. One student's calculation was back-dated. 11. Five students had updated calculations in 2012.</td>
<td>Effective 13-14 Year (beginning September 2013) while performing a retro review of 12-13 processes.</td>
<td>A review of all 2012-13 Withdrawal Forms must be compared against the withdrawal dates in the Banner system to ensure accuracy and all Forms are accounted for. The FAD will utilize FSA assessment tools to ensure calculations are correct and submitted within the 45 day reporting period.</td>
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<tr>
<td>(N) Special Tests and Provisions – includes ARRA</td>
<td>Enrollment Reporting (FFEL &amp; Direct Loan) - For 65 samples selected, we noted the following: 1. For 18 students, lenders were not notified within the required 30 days of the student’s status change. 2. For 2 students, the National Student Clearinghouse (NSC) indicated there was no notification history. 3. For 2 students, no withdrawal form was provided; therefore, we could not verify the student’s withdrawal date.</td>
<td>For 65 samples we noted the following: 1. 22 students had no withdrawal form maintained or on file. 2. For 21 students, the NSC indicated there is no notification history for the student. 3. For 7 students the lenders were not notified of an enrollment change within 30 days. 4. For 3 students the students did not totally withdraw. 5. For 2 students UDC could not provide the date the leders were notified. 6. For one student the status change reason on NSLDS is different from UDC’s documented reason.</td>
<td>During our test work over the ‘Student Status Changes’ Special Test &amp; Provision pertaining to the FFELP, we noted insufficient NSLDS Enrollment Detail supporting documentation was provided by the University.</td>
<td>Effective 13-14 Year (beginning September 2013) while performing a retro review of 12-13 processes.</td>
<td>Updated Procedures and Controls are being developed by the Registrar’s Office</td>
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### (E) Eligibility

**For 65 samples selected, we noted the following:**

- 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.

1. for two students who received $31,420 in student financial assistance from a total of 95 students tested, one was greater than the subsidized loan limit and one was also over the combined subsidized and unsubsidized loan limit totalling a combined $14,249.
2. Eleven students who received $101,734 in FSA from a total of 95 students tested did not maintain satisfactory academic progress due to the 70% completion requirement.
3. 37 students who received $274,698 in SFA from a total of 65 students cost of attendance did not match the cost of attendance in the student's account.
4. Four students who received $92,000 in FSA from 95 tested received an award in excess of need and/or EFC. In total these students were awarded aid in excess of their EFC in the amount of $32,750.
5. For six students who received SFA from a total of 95, UDC did not maintain sufficient supporting documentation (i.e., transcripts, SAR Form).

### (L) Reporting

**For 65 samples selected, we noted the following:**

- 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.

1. There was no evidence that the FISAP Report was properly reviewed and approved prior to submission.
2. The SF-425 Report (HRSA) was not submitted within 90 days of the end of the budget period.
3. The ARRA SF-425 report was not submitted within 90 days of the budget period.
4. Line 4 of Part III of the Perkins Loan Program FISAP Report did not agree to the support provided.
5. For 1 of 29 tested, the verification status code is missing from the reporting shown on the COD system.
6. For 1 of 29 tested, we noted that the CPS transaction number on COD does not agree with what is on SIS+.
7. UDC did not reconcile the amounts reported on COD against SEFA for 9.30.10. Further 31 of 60 students did not maintain documentation to demonstrate that the disbursement record was no more than 30 days before the disbursement was paid.
8. Management could not explain the difference in expenditures from what was reported on the FISAP against the SEFA and General Ledger.
9. UDC must comply with ARRA 1512 Reporting. Management could not provide support who was accountable for completing the necessary ARRA Reports.
For 65 samples selected, we noted the following:
1. Five students who received $32,395 in FSA an adjustment was not applied to the student account until March 2012, which is outside the period of availability. The District is required to return $2,229 in FSA for two students.
2. 17 students who receive $53,920 in SFA the recalculated percentage of payment period or period of enrollment completed (R2T4), did not agree to the percentage of the District's recalculation for one (1) student. This resulted in an over-award.
3. for four students, Loan Entrance Counseling and an MPN were not available.
4. A student received a $1,216 Pell award when they were only eligible for $800 for an overpayment of $416. The COA was incorrect and the student received Pell in excess.
5. No account information was provided for one student for the Fall Semester.
6. A student received a disbursement notification. They did not receive Pell payment scheduled for 28 out of 28 samples.
7. the COA was incorrect and the student received Pell in excess.
8. No account information was provided for one student for the Fall Semester.
9. Five students had insufficient documentation to support disbursement dates and amounts.

For 31 of 60 students, UDC was unable to provide documentation demonstrating that the disbursement was made to the student account within the required timeframe. Further, 29 verified students were reviewed for proper documentation within the required timeframes and noted the following:
1. 16 SFA disbursements (11 Pell and 5 FFELP) corresponding to 16 of 29 students tested occurred outside the required timeframe:
2. Evidences of adherence to documentation for numerous disbursements of the 29 tested could not be obtained. We did not receive Pell payment scheduled for 28 out of 28 samples, MPNs or Entrance Counseling for 17 out of 17 and notification letters to students.

For 65 samples selected, the University’s return of Title IV funds calculation was computed incorrectly; therefore an incorrect adjustment was made to the student’s account.
1. Five students who received a valid ISIR was not maintained.
2. The Pell award was not within the Pell Schedule guidelines for one (1) student. This resulted in an over-award.
3. For 46 students, there was insufficient documentation to support the date each student received a disbursement notification.

For 31 out of 60 students beneficiary payments selected for testing of activities allowed/unallowed, the University was unable to provide documentation supporting the amounts disbursed to the students. These 31 of 60 payments tested totaled approximately $203,714 and $424,164, respectively.

### Disbursements To or On Behalf of Students - For 65 samples selected, we noted the following:

<table>
<thead>
<tr>
<th>Activity Allowed</th>
<th>Unallowed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Management</td>
<td>No comments for 2011-12 A-133 Audit Report listed.</td>
</tr>
<tr>
<td>Activities Allowed</td>
<td>No comments for 2011-12 A-133 Audit Report listed.</td>
</tr>
<tr>
<td>(H) Period of Availability</td>
<td>For 65 samples selected, we noted the following:</td>
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<td>For 65 of the students tested we noted the following:</td>
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<td></td>
<td>For 31 out of 60 students selected for testing, the University was unable to provide documentation supporting the amounts disbursed to the students were disbursed within the period of availability.</td>
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<td>Effective 13-14 Year (beginning September 2013) while performing a retro review of 12-13 processes.</td>
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</tbody>
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### No comments for 2011-12 A-133 Audit Report listed.