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Survival Course: Program Reviews and Audits

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HELEN FAITH, LANE COMMUNITY COLLEGE

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Islanders' Overview

- ▶ Understanding audits and program reviews
- ▶ The phone rings
- ▶ The letter arrives
- ▶ Preparation
- ▶ The reviewers arrive
- ▶ The visit ends
- ▶ The aftermath

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Choose Your Own Aid-Venture

- ▶ Aid directors' work is never finished—we have endless to-do lists and catch-up work.
- ▶ Flawless compliance is like world peace
- ▶ What happens when your number is called?
- ▶ Time for a series of critical decisions and actions!
- ▶ This is one office's story—your plot twists may vary.

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Program Reviews Vs. Audits

- ▶ Program Reviews:
 - ▶ Used to determine compliance with FSA regulations
 - ▶ Conducted by ED or state agency
- ▶ Audits:
 - ▶ Used to detect fraud and abuse
 - ▶ Conducted by the Office of Inspector General (OIG)

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Program Reviews

- ▶ Advance Notice or Short Notice
- ▶ Scope: General Assessment, Focused, Incentive Compensation, or Joint
- ▶ Method: on-site or off-site

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Common Triggers

- ▶ Repeat audit findings
- ▶ Complaints to ED/OIG/law enforcement
- ▶ Negative media attention
- ▶ Whistle-blowing
- ▶ Substantial funding level changes
- ▶ Re-certification of eligibility
- ▶ New programs
- ▶ New aid director
- ▶ Time (not if, but when)

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The Phone Rings

- ▶ In an announced or "advance notice" review, you'll get a phone call first.
 - ▶ Overview of the process
 - ▶ Summary of required materials, deadlines, dates
 - ▶ Expect the visit within 30 days
 - ▶ Materials due within 2-3 weeks of call
- ▶ Follow-up email & snail mail from ED
 - ▶ Not instant—allow a few days
 - ▶ Full details of the required information

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Decision Point: What Next?

- ▶ Breathe. You may see your life flash before your eyes. Do not panic.
- ▶ Inform your boss and the President. Express urgency and importance. Keep calm!
- ▶ Inform your team. Clear your calendar. Begin your training.
- ▶ From here on out, remember to be patient but persistent!

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Preparing Your Strategy: Read!

- ▶ Program Review Guide for Institutions
 - ▶ <https://itap.ed.gov/programrevguide/attachments/2017ProgramReviewGuide.pdf>
 - ▶ Hurray! The previous version was published in 2009!
- ▶ NPEC Information Required to Be Disclosed Under the Higher Education Act of 1965: Suggestions for Dissemination
 - ▶ <https://nces.ed.gov/pubs2012/2012831.pdf>
- ▶ PPA & ECAR
 - ▶ <http://elqcert.ed.gov>
- ▶ "Top 10" lists: audit & program review findings
 - ▶ Watch: <https://www.youtube.com/watch?v=eD6EKwkz96U>
 - ▶ <https://isaconferences.ed.gov/conferences/library/2017/2017FSAConSession26.ppt>

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Flexing Your (Mental) Muscles: Check!

- ▶ P&P:
 - ▶ Are all your requirements covered?
- ▶ Consumer information:
 - ▶ Can you find all of the required disclosures? Are they up-to-date?
- ▶ Lean on your network:
 - ▶ Reach out for perspective and advice.
- ▶ FSA Assessments:
 - ▶ <http://ifap.ed.gov/qahome/fsaassessment.html>

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Communicate!

Set up a meeting with top brass

- ▶ Explain the steps
- ▶ Provide a timeline
- ▶ Explain the need to contact various departments on campus and the urgency of receiving timely responses
- ▶ Warn of potential findings, possibility of negative publicity, and financial consequences

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Coordinate the Supporting Cast

- ▶ Connect with key individuals on campus
 - ▶ Campus public safety
 - ▶ Athletics
 - ▶ Drug & alcohol abuse prevention
 - ▶ Business office
 - ▶ Registrar's office
 - ▶ Etc.--Everyone's on call!

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Understand the Rules of Engagement

- ▶ Review your letter from ED. Look for--
 - ▶ List of documents in the body of the letter
 - ▶ Additional table of consumer information and documents

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Avoid this pitfall!

Cross-reference the list of requirements in the letter with the table of consumer info/documents

- ▶ Most (not all!) of the items in the letter are also in the table. Review the lists side-by-side.
- ▶ Know your team players; Determine who "owns" each item. Assign duties & deadlines.
 - ▶ Keep track of assignments, dates, & communication.
- ▶ Some items will not make much sense
 - ▶ Turn to the NCES guide for help!

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Mapping the Territory

- ▶ Determine areas of risk—you'll probably learn a great deal in the process of preparing the list of items for your review.
- ▶ Categorize risks by likelihood of finding and anticipated cost or penalty
- ▶ Take corrective action and/or create a plan for correction and begin implementation whenever appropriate
- ▶ Prepare for difficult questions

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Provisioning For Guests

- ▶ Reserve secure work space for your reviewers
 - ▶ Internet access, phone line, printer, locking door
- ▶ Provide appropriate view access to your FAMS and SIS
- ▶ Lesson learned: provide computers that are ready to go upon reviewers' arrival
 - ▶ Basic cheat sheet on navigation and relevant screens would also be helpful

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The Reviewers Arrive

- ▶ Day 1: Meet & greet, orient reviewers to their new space, talk about scheduling and interviews, provide hard copies of documents requested in advance
- ▶ Days 2-4: Don't expect to accomplish anything but make it through the review—you're at the beck and call of your reviewers, as is everyone else on campus
- ▶ Day 5: Exit conference or status meeting; reviewers depart; FedEx drop-off, if requested

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After the Visit

- ▶ Homework
 - ▶ You may need to provide documents and information from your institution in the weeks following the visit
- ▶ Communication
 - ▶ Be responsive and proactive

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Outcome: EDL or PRR

- ▶ Expedited Determination Letter (EDL)
 - ▶ No major findings, any findings have been corrected, and any liabilities have been paid
 - ▶ May include recommendations
 - ▶ No further action required
- ▶ Program Review Report (PRR)
 - ▶ Preliminary report of findings
 - ▶ Will include a deadline for response

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Responding to the PRR

- ▶ Findings may be student-specific or institutional
 - ▶ If systemic errors are identified, a file review may be required
 - ▶ Could include the entire student population or a statistical sample
 - ▶ Financial liabilities
 - ▶ Corrective action to fix institutional processes
- ▶ Communication between institution and ED to reach a conclusion

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When Follow-Up Is Required

- ▶ Workload and cost can be significant
 - ▶ File review: go through each file to check for systemic errors & repay any inappropriately disbursed aid
 - ▶ Statistical sample: go through a statistical sample of files to determine error rate & extrapolate total cost to repay to ED
- ▶ Enlist appropriate support
 - ▶ IT assistance, legal counsel, short-term staffing
- ▶ Build up endurance
 - ▶ It can be a slow process

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Recovery: Sunburn, Wooziness

- ▶ Once it's all over, take some time to reflect upon the experience and write up notes.
- ▶ You've just engaged the mythical beast and lived to tell the tale!
- ▶ You've gained valuable experience that enriches your knowledge, skills, and resume.
- ▶ Pay it forward: use your experience to help guide others as they embark on their own aid-ventures.

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Thank You!

- ▶ Questions?
- ▶ Contact info:
Helen Faith
541-463-5266
faithh@lanecc.edu
