10 Common Questions Schools Have About Federal Program Reviews

2019 CASFAA Annual Conference

November 2-5, 2019
What comes to mind when you hear...

We're having a Program Review.

10 COMMON QUESTIONS SCHOOLS HAVE ABOUT FEDERAL PROGRAM REVIEWS
1. What is a Program Review?

- Required by Law
- Evaluate the School
- Focus on Title IV Provisions

2. What are the Types of Program Reviews?

- General Assessment Reviews
- Focused Reviews
- Compliance Assurance Reviews
- Incentive Compensation Reviews
- Joint Program Reviews

3. Who Performs Program Reviews?
4. Why Does ED Conduct Program Reviews?

Schools must demonstrate they effectively manage the federal funds entrusted to them.

5. When and How Often Will My School Have a Program Review?

Every school participating in Title IV aid programs will have a program review on a "systematic basis."
6. What Might Trigger a Program Review at My School?

- High Default Rate
- Fluctuations in Pell Grant and/or Direct Loan Volume
- Issues Reported by Outside Agencies
- High Annual Dropout Rates
- Risk of Failing to Comply with Administrative Capability Provisions

7. What are the Most Common Findings in Federal Program Reviews?

- Not meeting crime awareness requirements.
- Having verification violations.
- Being deficient in processing Title IV credit balances.
- Making Return of Title IV Funds (R2T4) calculation errors.
- Not adequately developing SAP policies or monitoring students for SAP.
- Having loan entrance and/or exit counseling deficiencies.
- Not fulfilling other consumer information requirements.
- Having a lack of administrative capability.

8. What Financial Consequences May Result from a Program Review?

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Reason</th>
<th>Example</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

In FY 2015-17, ED imposed over $143 million in liabilities.
8. What Financial Consequences May Result from a Program Review?

**Liabilities**

- **Reason:** Correcting Mistakes
- **Example:** R2T4 Calculation Errors

**Fines**

- **Reason:** Punishing for Misconduct
- **Example:** Clery Act Violations

The maximum fine for campus safety violations is now $55,907 per incident.
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9. How Long Can My School be Held Responsible for Compliance Violations?

There is no published guidance regarding the criteria ED uses to select the initial award year(s) under review and the triggers for expanding that timeframe.


- Ask questions.
- Compile policies and procedures.
- Attend training.
- Conduct self-assessments.
- Engage a third-party peer review service.
- Enlist the help of consultants.

Questions

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