Preparing for Special Programs Program Reviews

March 2021

PA State Grant & Special Programs
Examine the program review process for the 
PHEAA-administered Special Programs

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<td>PA State Grant and Special Programs (SGSP) staff welcome attendees, review the agenda, and explain how to access session materials.</td>
<td>Hosts will explain why and how reviews are conducted, the types of reviews, and how organizations can prepare for a program review.</td>
<td>Presenters will discuss what happens after a review and share tips that the organization can pursue to prevent program findings during a future review.</td>
<td>PHEAA staff will share several reminders, explain available resources, and provide an opportunity for attendees to ask questions.</td>
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This content has been abridged and does not supersede current program policy. For complete guidance on program administration, refer to the appropriate year program guidelines.
Overview

• Program Review is a method used to assess compliance with statutes, regulations, and policies
  – Federal Student Aid (FSA) conducts federal reviews on postsecondary institutions

• PHEAA conducts reviews to:
  1. Assess the capability of the organization to manage programs administered by PHEAA
  2. Assist with maintaining the integrity of taxpayer programs
  3. Encourage an atmosphere of support between PHEAA and organizations
  4. Assist our partners by sharing ideas and other best practices
Overview

• Review may focus on PA State Grant Program but could include all other PHEAA-administered programs
  – Examples: PA State Work-Study Program (SWSP), PA Targeted Industry Program (PA-TIP), Federal Work-Study Community Service (FWS-CS) Program, Ready to Succeed Scholarship (RTSS) Program, etc.
  – New PHEAA-administered programs will be included as they are developed
  – Findings may be financial or administrative and will be cumulative across programs

For a full list of programs subject to a PHEAA program review, check out PHEAA.org/ProgramReview.
Types of Reviews

**Routine**
- Conducted every 2-3 years to review policies and procedures

**Follow-Up**
- Conducted when a Routine Review yields ≥4 administrative findings or an error rate of ≥4.0%

**Probationary**
- Conducted when, for a second year in a row, the school has an error rate of >8.9%

**Audit**
- Conducted when fraud is reported or suspected

**Closing**
- Conducted when the organization closes or intends to close

Note: PHEAA may conduct a Follow-Up or other review regardless of the organization’s number or type of findings during a prior review.
Review Scheduling

- Review notification sent via email to primary contact (i.e., Director of Financial Aid or SWSP contact)
  - Sent 1-2 months before the review is scheduled
  - Contains dates of the review and the award year(s) to be reviewed
    - Typically the latest award year will be reviewed
    - Review date may be adjusted to meet organizational needs

- Organization may be asked to supply specific documents to PHEAA prior to the scheduled review
  - Documents should be supplied to PHEAA within 5 days of review notification
  - Coordinate with other departments to supply information to PHEAA
Preparing for the Review

- Complete the reconciliation process for each program in a timely manner
- Make sure that all rosters, refunds, and other reports have been returned
  - Review the *Outstanding Items Report* in PageCenter to ensure all items from the review period have been submitted
- Confirm all documentation is in order
- Resolve prior findings, if applicable
- Establish an information sharing protocol
Preparing for the Review

- Notify appropriate personnel and departments of the dates and times of the scheduled visit (e.g., security, Registrar, etc.)
- Develop a contact list for PHEAA staff
- Establish appropriate office space for PHEAA staff to conduct their work if the review is conducted in-person
Review Components

• Reviews are conducted based on the policies outlined in the guidelines for the year and/or summer term being reviewed
  – If special instructions were issued for the year under review, they are used in conjunction
  – Old policy guidance will not be considered

• PHEAA staff will evaluate:
  1. Student eligibility
  2. Student financial aid files
  3. Student academic and administrative records
  4. General institutional eligibility
  5. Program administration
  6. Fiscal administration records
Review Components

**Entrance Interview**

- Explains the scope of the review
- School receives the list of files for review from PHEAA
  - PHEAA staff determine which files will be reviewed

**File Review**

- Files reviewed to assess compliance with program policies and procedures
  - Most reviews will include 10 Special Programs files per program or 100-percent if less than 10
  - PHEAA may adjust the sample size based upon the number of programs being reviewed or the type of review

**Exit Interview**

- Discuss unresolved findings, recommendations, and outline next steps
Resolving the Review

• Initial report will be mailed to the organization approximately 30 days following the review
  – Report will list the findings, the related policy references, and the action the organization is required to perform to resolve the findings
  – If no findings, organization will receive No Error Letter

• Results will be either financial or administrative
  – Financial errors may require a refund and do not count towards the PA State Grant error rate
  – Administrative findings apply to all programs

• Organization is required to respond in writing to each finding in the report
Resolving the Review

• Responses to the initial program review findings must be submitted within 30 days
  – For School Closing Reviews, responses must be submitted within 10 days
  – PHEAA will respond and continue sending secondary correspondence letters until all findings are resolved

• Documentation may be submitted throughout the review process to dispute or reverse a finding

• Any refunds due PHEAA must be remitted in a timely manner and should follow procedures outlined in program review correspondence
**Review Results**

- Administrative findings identified upon further review of student and institutional records
  - Do not count towards PA State Grant error rate calculation
  - ≥4 will require additional reviews
  - Examples: incorrect award certification amount, student was eligible but not awarded, funds credited too early during modular terms, failure to adjust the award due to withdrawal, student not paid for all SWSP hours worked and reported to PHEAA, etc.
- Refer to the individual program guidelines for additional examples of common findings
Review Results

• Program Improvement Plan (PIP) required when the school’s PA State Grant error rate exceeds 8.9% or when the organization has ≥4 administrative findings
  – Provides roadmap for improvement
  – May encompass many activities and organization officials (e.g., technical support, training, etc.)

• Failure to improve or comply with PHEAA regulations may result in probationary status or termination from participation
Review Results

Scenario:

• PHEAA Technical College receives notice from PHEAA that their Program Review is scheduled for August

• The institution is cited for 5 admin findings across 4 programs for several students:
  – **PA-TIP:** Student is not enrolled full-time, but awarded full-time award and student funds adjusted incorrectly upon withdrawal
  – **Chafee:** Award exceeds cost of attendance
  – **BDBG:** Roster not returned within 30 calendar days of receipt
  – **EAP:** Funds not properly identified on the account records

Questions:

• The date of the review conflicts with other institutional activities. Can the review be rescheduled for a different date?

• During the file review, it is discovered that student record documentation has been misplaced. Can this information be later submitted to PHEAA if it is found? If so, when?

• What are the next steps that the institution should anticipate?
Review Results

Answers:

• Yes. The institution’s primary contact should contact PHEAA’s Program Review team to request a new date.

• Yes! If misplaced documentation cannot be produced before the Exit Interview, this information should be submitted to PHEAA as soon as possible. The final opportunity to submit any missing documentation will be presented when the official findings report is sent to the institution. Institutions will have an opportunity to respond to the findings which may include submitting previously missing documentation.

• Since the institution had 4 or more administrative findings, a Follow-Up Program Review will be scheduled within the next 12-18 months.
  – The institution will also be required to submit a PIP to PHEAA staff. The PIP should detail steps, institutional policy and procedural changes, and other activities that will be undertaken to prevent these findings from occurring in the future.
Tips to Prevent Program Review Findings

• Schools:
  – Verify that distance education courses are clearly identified
  – Credit student awards and remit any credit balances in a timely manner
  – Perform all eligibility tests on all awarded students

• Employers:
  – Ensure that employment or work conditions comply with all federal, state, and local laws
  – Establish and adhere to organizational payroll procedures
  – Verify that all SWSP assignments, tasks, and projects are consistent with the student’s job description
Tips to Prevent Program Review Findings

• Report all organizational changes in a timely manner (e.g., status changes, ownership changes, etc.)
• Review organization documentation and information to ensure “PHEAA Grant” is removed
• Maintain well-trained staff
• Adhere to published deadlines
• Conduct internal compliance reviews
• Identify methods to reduce over-disbursements (e.g., avoiding “blanket” certification, etc.)
• Follow your organization’s written policies and procedures
• Review program guidelines at the start of each year
  – Share suggestions for content with PHEAA staff

PHEAA - Creating affordable access to higher education.
• PA State Grant program review process will differ slightly from process used for Special Programs
  – Sample size of 30-45 records is used
  – Review may yield an error rate and administrative findings
  – *PA State Grant Handbook* details error rate policies and types of findings

• Findings across multiple programs may be jointly evaluated to determine follow-up actions (e.g., administrative findings across multiple programs, etc.)

• Escalate unique enrollment, financial, and eligibility questions to PHEAA
Reminders

• PHEAA’s review cycle runs September 1 through August 31
• Records from prior years that are still within the retention scope may be requested for review
  – Retain records in accordance with each program’s record retention policy
• Following a review, do not adjust student records in the PHEAA systems, via emails, or via rosters/listings
Join Us Next Time!

• Wednesday April 21, 2021
  – Fostering Independence Tuition Waiver (FosterEd) Program
    FosterEd Reconciliation

Session details, registration information, and future training events will be available via PHEAA.org/SGSPtraining.
Resources

• Web:
  – PHEAA.org
  – Alec

• SGSP Staff:
  – 1-800-443-0646
  – Contact Us

• Events:
  – Webinar Series
  – Conferences/Workshops

• Print Materials:
  – Student-facing
  – School-facing
Get Social w/ PHEAA

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Thank You!