

Top Ten Audit Findings

10. Gaps Reporting - Verify that each student reported to COD matches the school's general ledger. This procedure should be done throughout and at the close of the award year.

9. Excess Cash – Be sure to consider refunds deposited to the federal funds account before requesting your next drawdown.

8. Exit Counseling - Review your policies and procedures to ensure that all grads and drops with student loans receive exit counseling. Consider conducting exit counseling in groups prior to graduation.

7. Invalid ISIR, C-Code – Resolve all C code issues before you disburse funds. You must have a valid ISIR while the student is still enrolled and eligible for payment. What are the key words? Document, Document, Document.

6. Incorrect loan certification - Have parents complete PLUS pre-screen forms for each loan period. In some cases they are only valid for 60 days. If the parent is denied in the first loan period, they could be approved in the second loan period

5. Professional Judgment – Although judgment is the operative word, you must have documentation to support your judgment.

4. Conflicting Information - Resolve all conflicting information before you disburse funds.

Any information given to the school is subject to review. Information given to the registrar or admission office must agree with information given to the financial aid department. Document, Document, Document.

3. Incorrect R2T4 Calculations - For clock hour schools, you must use hours scheduled in payment periods instead of actual hours completed. Consider implementing a review process for each calculation to verify the correct withdrawal date, Title IV disbursements, tuition charges, etc.

2. Late Refunds - Review your policies and procedures to ensure that all refunds are made within 45 days. Consider developing a termination checklist to ensure that R2T4 calculations and refunds are done timely and that exit counseling is completed.

1. Verification - Once again; document, document, document. Once you have gathered the applicable verification documents, be sure to compare that information to the ISIR and make any necessary corrections.

Bottom Line: *Your file should be like a story. Know your student and what they are about. You will be able to better serve them.*



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