




Administrative Capability: A Campus Wide Compliance Requirement

National Association of Student
Financial Aid Administrators

The following is a presentation
prepared for

TASFAA
Arlington, TX
October 5-7, 2011

© NASFAA 2011

National Association of Student
Financial Aid Administrators

**Administrative Capability:
A Campus Wide
Compliance Requirement**



© NASFAA 2011




Presenter

Debra La Grone
Training Specialist, NASFAA

Slide 3 © NASFAA 2011



Administrative Capability: A Campus Wide Compliance Requirement

Administrative Capability: Introduction

- Coordination and development of campus-wide activities influenced by participation in the Title IV programs
- Campus-wide information-sharing requirements; and
- Ways to promote the importance of administrative capability throughout the institution

Slide 4 © NASFAA 2011



Administrative Capability

- One key factor of administrative capability is communication
- Effective cross-campus communication is vital to achieving compliance

Slide 5 © NASFAA 2011



Administrative Capability Standards Related to Adequate Resources

- Designation of a capable individual to administer Title IV programs and coordinate with other programs of assistance
- Adequate number of qualified staff to administer Title IV programs in which school participates

Slide 6 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Administrative Capability Standards Related to Adequate Resources

- Communication of all institutional information having a bearing on a student's eligibility for Title IV aid
- Adequate counseling of prospective and enrolled students who apply for financial aid

Slide 7 © NASFAA 2011



Administrative Capability Standards Related to Adequate Resources

- Adequate number of qualified staff to administer required Department of Education electronic processes and perform day-to-day duties associated with those processes
- No evidence of findings or significant problems indicating school is incapable of properly administering Title IV programs
- Demonstration of level of competency, integrity, and ethical behavior
- Appearance of being otherwise capable of administering Title IV programs

Slide 8 © NASFAA 2011



Compliance & Evaluation

Methods financial aid office can use to assess office operations quality and results:

- Student feedback from questionnaires and/or interviews
- Financial aid office staff meetings to get feedback and ideas
- Feedback from staff from other institutional offices that regularly deal with students and/or financial aid office
- Analysis of reports
- Self-evaluation
 - NASFAA's on-line *Self-Evaluation Guide for Institutional Participation and in Title IV and Other Federal Programs*

Slide 9 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Compliance & Evaluation

Periodically supplement self-evaluation with evaluation by objective third party

- Internal auditor or similar employee
- Peer review and evaluation
 - NASFAA's *Standards of Excellence Peer Review Program* (see NASFAA website for additional information)

Slide 10 © NASFAA 2011



Adequate Staffing – Qualitative Factors

Qualitative factors may include:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Administrative requirements for financial aid programs • Demographics • Service delivery time lines • Distribution of application materials and consumer information • Customer service expectations | <ul style="list-style-type: none"> • Automation and technology utilization • Financial aid counseling • Satisfactory academic progress advising • Refund and Title IV repayment estimates for students who drop classes or completely withdraw |
|--|--|

Slide 11 © NASFAA 2011



Adequate Staffing – Quantitative Factors

Some quantitative factors are:

- Number of financial aid programs
- Total headcount and full-time equivalents
- Number of applications received
- Volume of documents reviewed
- Total number of financial aid recipients
- Dollar volume of financial aid

Slide 12 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Adequate Staffing and Salary Tools

- NASFAA *Staffing Analysis Model*
 - Range of staffing levels based on data entered in tool and compared to survey data from institutions of similar size and scope
- NASFAA *Salary Survey* tool
 - Specific to financial aid profession
 - Can determine average or normative salaries based on education level, institution type, job title, primary duties, and geographic location

Slide 13 © NASFAA 2011



Separation of Functions

- There must be adequate checks and balances in the school's system of internal controls
- A school not only should be able to detect, but also to prevent:
 - Fraud and abuse in its administration of the Title IV programs, and
 - The misuse of federal funds

Slide 14 © NASFAA 2011



Separation of Functions

Institutions must meet the following requirements:

- No one office may have responsibility for both functions with respect to any student aided under the programs
- Individuals carrying out these functions for any particular student must be organizationally independent
- Individuals may not be members of same family
- Individuals may not together exercise substantial control over the institution

Slide 15 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Separation of Functions

If a school uses electronic processes for awarding and disbursing Title IV aid, how do they fit in with these checks and balances?

- ED permits the office responsible for the award function to “press a button” that authorizes an award and simultaneously makes the disbursement
- Assumes the system is properly programmed with safeguards and internal checks

Slide 16 © NASFAA 2011



Contingency Planning

Contingency planning is anticipation of the unexpected and preparation for the possibility that things may not go as projected

Slide 17 © NASFAA 2011



Contingency Planning

Administrative capability regulations require an institution to have written procedures or information indicating the responsibilities of the various offices with respect to:

- Approval, disbursement, and delivery of Title IV aid, and
- Preparation and submission of reports to ED

Slide 18 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Contingency Planning

Types of contingency plans:

- Security emergency
- System threats
- Natural disasters
- Funding freeze
- School closure

Slide 19 © NASFAA 2011



Contingency Planning

- When an emergency occurs, "business as usual" is suspended
- Length of time to return to normal operations depends on whether the institution has a contingency plan and how well the institution planned for the unexpected

Slide 20 © NASFAA 2011



What Is Conflicting Information?

Examples of Title IV-related data items that may conflict with information found in other campus offices include:

- Citizenship status
- Accuracy of the Social Security Number
- Default or overpayment status

Slide 21 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

What Is Conflicting Information?

Examples include:

- Drug convictions
- Change of enrollment
- Change in academic status
- Receipt of other student financial assistance or resources

Slide 22 © NASFAA 2011



What Is Conflicting Information?

Examples related to cost of attendance:

- State residency assessment
- Campus room and board costs
- On-campus day care expenses, or
- Disability-related expenses

Slide 23 © NASFAA 2011



What Is Not Conflicting Information?

Examples include:

- Household size versus number of exemptions on a tax return
- Roster of candidates versus a list of recipients
- Privacy protected information
- CPS assumptions
- Estimated income on FAFSA
- Expired citizenship document versus secondary confirmation match

Slide 24 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Offices Within An Institution Where Conflicting Information Can Affect Title IV Eligibility

The Admissions Office:

- Documentation of a high school diploma
- Regular student status
- Simultaneous enrollment in elementary or secondary school and an eligible postsecondary program

Slide 25 © NASFAA 2011



Offices Within An Institution Where Conflicting Information Can Affect Title IV Eligibility

The Admissions Office:

- Receipt of a prior baccalaureate degree
- Incarceration
- Conviction of the possession or sale of drugs
- State residency

Slide 26 © NASFAA 2011



Strategies to Coordinate Dissemination of Information

Establish a committee

- Success of this type of committee is contingent on the participation of prominent campus officials such as deans, department heads, and central administration officers

Slide 27 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Strategies to Coordinate Dissemination of Information

Educate department officials on:

- Responsibility of institution as a whole to implement statutory and regulatory requirements governing Title IV programs;
- FAFSA process;
- Need analysis process;
- Satisfactory academic progress policy; and
- Packaging policy

Slide 28 © NASFAA 2011



Develop Campus-Wide Policies and Procedures

- Standardize institutional practices
- Support compliance with federal and state requirements
- Formalize roles of each office within institution
- Promote interoffice communication
- Source of in-house training for new employees

Slide 29 © NASFAA 2011



Methods to Disseminate Information Campus Wide

- Generate computer reports
- Establish timely notification dates
- Permit campus-wide “read only” information

Slide 30 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Resolution of Conflicting Information

To resolve conflicting information, an institution must:

- Determine what information is correct; and
- Document the outcome in the student's records

Slide 31 © NASFAA 2011



Shared Mission

- Compliance and service start with mission statement
- FAO mission statement should mirror campus-wide commitment to students through:
 - Enrollment and retention efforts
 - Customer service
 - Recognition of goals of other departments
 - Camaraderie, outreach, and collaboration

Slide 32 © NASFAA 2011



Your Plan

- Create realistic collaboration plan
- Conduct your self-assessment
- Share finalized plan with superiors and seek feedback before implementation

Slide 33 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Your Plan

Share information, ideas, and strategies to accomplish objectives, including:

- Understanding of operational issues related to your plan
- Shared interests and common issues needing to be addressed

Slide 34 © NASFAA 2011



Your Plan

Share information, ideas, and strategies to accomplish objectives, including:

- Shared resources of related or parallel planning activities already being performed
- Identification of other affected staff and/or offices on campus

Slide 35 © NASFAA 2011



Researching Useful Data

- Research needed to:
 - Provide vital data
 - Relate FAO activities to school's mission
 - Answer questions
- Comparative data analysis assists in identifying trends and making projections
- Simple raw counts, averages, and percentages often make obvious points

Slide 36 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement

Campus-Wide Collaboration

Any campus-wide collaboration should also focus on:

- Public relations initiatives
- Working inter-office relationships
- Constant and irreplaceable customer service

Slide 37 © NASFAA 2011



Training and Cross-Training

- Train staff outside FAO so they understand federal requirements and compliance issues
- Find and provide cross-training for:
 - FAO staff
 - Administrators with whom FAO works most closely

Slide 38 © NASFAA 2011



Contact



Questions?

lagroned@nasfaa.org

Slide 39 © NASFAA 2011





Administrative Capability: A Campus Wide Compliance Requirement