

Vernon College

Assessment Activity/Report Communication Form 2011-2012

Title: Department of Education Independent Audit Date of completion: Dec 14, 2011

Please circle: Assessment Activity Report Both

Highlights of data: We received an unqualified audit with one material weakness identified. Institutions must report all loan disbursements to the Direct Loan Servicing System (DLSS) via Common Origination and Disbursement (COD) within 30 days of disbursement. Even though the Direct Loan (DL) program is not new, due to the elimination of the Federal Family Education Loan Program, DL was new to Vernon College and also to our software provider. Our software provider created an enhancement which they believed would automate the reporting of disbursements; unfortunately, there were numerous problems and errors with the batch. We repeatedly attempted to submit disbursements in a timely manner with little success. Finally in March, we manually reported via COD each disbursement that had not been reported. For the remainder of the 2010-11 school year, disbursements were manually reported. Our software provider updated the program and installed it on the college's system in August 2011. Since installing the new version, this issue has been fully resolved. We are fully aware of the timely reporting requirements and make every attempt to ensure compliance with this regulation.

Use of data: A school that participates in any federal student aid (FSA) program, must have an independent auditor conduct an annual audit of the school's compliance with the laws and regulations that are applicable to the FSA programs in which the school participates and an audit of the school's financial statements. Audits are conducted to identify compliance problems at the school and identify corrective actions. If a school is cited in an audit for improperly disbursing FSA program funds, the school must restore those funds as appropriate. If a school is cited in an audit for other serious program violations, the school may be subject to corrective action and sanctions, such as fines, emergency action, or limitation, suspension, or termination from the FSA programs.

How associated to Student Success? The audit ensures our compliance with regulations which enables us to be maintain our eligible institution status and therefore award students financial aid.

Where the report can be found: Financial Aid Office

Submitted by: Melissa Elliott

Date: December 5, 2011

(responsible party)

Received by Office of Institutional Effectiveness: 12.5.11

Presented to College Effectiveness Committee: posted to Blackboard January 2012