

**Texas A&M University at Prairie View**

Reference No. 03-37

**Special Tests and Provisions - Student Status Changes**

**Student Financial Assistance Cluster**

**Type of finding - Reportable Condition Control**

Under the Federal Family Education Loan Program (FFELP), the University must complete and return student status confirmation reports (SSCR) sent by the National Student Loan Data System (NSLDS) within 30 days of receipt. To comply with this regulation, the University may work directly with NSLDS or they may work with the National Student Clearinghouse (NSC). Texas A&M University – Prairie View (PVAMU) has elected to utilize the services of NSC.

Initial Year Written:	2002
Status:	Partially Implemented
U.S. Department of Education	

Per review of the NSC on-line Operations Guide, the following submissions are required:

- First of Term Submission is to be submitted immediately after the registration “add” period is over since it is used to report students who should have their loans deferred. This file is also used to report students who withdraw because they have not returned from the prior period.
- Mid-Term Submission is used to report the enrollment of late students and students who have withdrawn or changed status after the registration period.
- End of Term Submission is also used to report the enrollment of late students and students who have withdrawn or changed status after the registration period. In addition, the submission should be scheduled after classes end in order to report graduates.

NSC also recommends an additional report, Graduates-Only Submission, in the early summer if the End of Term Submission does not include graduates. If the graduates are not reported in the End of Term or the Graduates-Only Submission, then NSC will not report graduates as having separated from school until the next First of Term Submission. By this time, the majority of the grace period has passed, leaving little time for the student’s lender to notify the students of repayment obligations and deadlines.

The reported date to NSC for four of 30 students selected with student status changes was not within the required time frames. PVAMU only submits the three required reports with the End of Term Submission report being filed prior to graduation. In addition, upon review of the four students’ status in December 2002, NSC did not reflect the students as graduated. However the PVAMU Financial Aid Office did report the expected graduations to the respective lenders timely, so there are no questioned costs.

Recommendation 2002:

PVAMU should consider filing the optional Graduates-Only Submission. In addition, the report generation process should be reviewed to ensure the following First of Term Submission correctly includes all student status changes.

Recommendation 2003:

Corrective actions were implemented for the 2002 recommendation noted above. PVAMU instituted new procedures and advised all registrar office personnel of NSC submission dates. The new procedures include that all student status changes after the last submission for the semester are recorded on a central list, a NSC Correction Request – Enrollment form is completed, and the form is faxed to the NSC.

During our review of the new procedures, a sample of 23 students with status changes occurring after semester-end was selected for test work. Three of the status changes were submitted via fax to NSC; however, registrar personnel were not aware that the fax transmission failed. Therefore, the three students were not reported timely. PVAMU should implement additional procedures to ensure that fax transmissions are successful.

Management Response and Corrective Action Plan:

Effective with the spring semester, registrar personnel will attach the transmittal confirmation sheet to the faxed report ensuring that the transmission was successful.

Implementation Date: Spring Semester 2004

Responsible Person: A.D. James

Reference No. 03-38

**Special Tests and Provisions - Disbursements To Or On Behalf of Students**

**Student Financial Assistance Cluster**

**Type of finding - Reportable Condition Control**

A school must conduct initial counseling with each FFELP loan borrower either in person, by audiovisual presentation, or by interactive electronic means prior to its release of the first disbursement, unless the student borrower has received a prior FFELP loan. (34 C.F.R. 682.604(f)) Texas A&M University – Prairie View (PVAMU) has policies to require counselors to verify that counseling has occurred (per review of a specific screen) prior to disbursing FFELP loans. Six students in the sample of 30 disbursements were first time borrowers. For 1 of the 6 students, counseling did occur but subsequent to the loan being disbursed.

Initial Year Written:	2002
Status:	Implemented
U.S. Department of Education	

Corrective Action:

Corrective action was taken.