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May 10, 2021

Col. Michael E. Fossum, Chief Operating Officer
Texas A&M University at Galveston
200 Seawolf Parkway
Galveston, Texas 77554

Dear Col. Fossum,

I am attaching the final report on *A Compliance Monitoring Desk Review of College Access Loan at Texas A&M University at Galveston*, Report No. THECB-CM-FA-21-020. There were no findings resulting from this engagement.

This Compliance Monitoring report will be presented to the THECB Committee on Agency Operations, a standing committee of the THECB Board, on July 21, 2021.

The cooperation of your staff during this review is greatly appreciated. If you have any questions or comments, please let me know.

Sincerely,

Mark A. Poehl, CPA, CIA, CISA, CFE
Assistant Commissioner, Internal Audit and Compliance

EXECUTIVE SUMMARY

Texas A&M University at Galveston complied with relevant Coordinating Board (THECB) rules and regulations for the College Access Loan (CAL) program and with the Texas Administrative Code (TAC), Title 19, Part 1, Chapter 22, Subchapter C, Sections 22.42 - 22.55.

We reviewed the following areas:

Award Amounts

No reportable findings were noted.

Student Eligibility

No reportable findings were noted.

Financial Need

No reportable findings were noted.

Satisfactory Academic Progress

No reportable findings were noted.

Residency

No reportable findings were noted.

Enrollment Requirement

No reportable findings were noted.

Approved Degree Program

No reportable findings were noted.

Reconciliation of CAL Funds

No reportable findings were noted.

Scope, Objective, and Methodology

Our review included tests of College Access Loan eligibility requirements data reported and certified by Texas A&M University at Galveston. Our review focused on CAL data for the financial aid year 2019-2020.

Our work included procedures to verify:

- Students met all eligibility criteria including SAP requirements;
- Students demonstrated financial need;
- Students fulfilled residency requirements;
- Students registered with Selective Service;
- Reported award amounts reconciled with student information system data and payment records;

- Students were enrolled at least half-time; and
- Students were in a course of study leading to an associate, bachelor's, graduate, or higher degree.

Background

The CAL program provides alternative educational loans to Texas students who are unable to meet the cost of attendance. Students must meet the following eligibility requirements to receive a CAL:

- Be a Texas resident;
- Be registered with Selective Service;
- Be enrolled at least half-time in a course of study leading to an associate, bachelor's, graduate, or higher degree or be enrolled in an approved Alternative Educator Certification Program; and
- Meet the satisfactory academic progress requirements set by the institution.

Texas Administrative Code, Title 19, Part 1, Chapter 1, Subchapter A, Section 1.13 (b)(2) states, "The purpose of the Board's risk assessment process and compliance methodologies is to maximize the effectiveness of monitoring funds allocated by the Board and data reported to the Board. The agency-wide, risk-based compliance monitoring function is established for... (A) funds allocated by the Board to institutions of higher education, private or independent institutions of higher education, and other entities, including student financial assistance funds, academic support grants, and any other grants, to ensure that those funds are distributed in accordance with applicable law and Board rule."

Texas A&M University at Galveston was awarded \$221,941 in College Access Loans for the financial aid year 2019-2020.

PERFORMED BY:

Ms. Carol Conner, CFE, Senior Compliance Specialist

CC:

THECB

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