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September 12, 2018

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(512) 427-6101
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Dr. Jerry King, President
Trinity Valley Community College
100 Cardinal Drive
Athens, TX 75751

RE: A Compliance Monitoring Audit of Texas Educational Opportunity Grant (TEOG)
and TEXAS Grant at Trinity Valley Community College

Dear Dr. King,

I am attaching the final report of *A Compliance Monitoring Audit of Texas Educational Opportunity Grant (TEOG) and TEXAS Grant at Trinity Valley Community College*, Report No. THECB-CM-FA-18-028.

This Compliance Monitoring audit report will be presented to the Texas Higher Education Coordinating Board (THECB) Committee on Agency Operations, a standing committee of the THECB Board, on October 24, 2018.

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

Sincerely,

A handwritten signature in black ink that reads "Mark A. Poehl". The signature is written in a cursive style with a large, stylized "M" and "P".

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

EXECUTIVE SUMMARY

Trinity Valley Community College (TVCC) partially complied with relevant THECB rules and regulations for the TEOG Program. TVCC awarded \$1,609,105 of TEOG financial aid to students during fiscal years 2015, 2016, and 2017.

Several observations warrant attention to strengthen compliance and internal controls:

1. TEOG award disbursements plus other eligible award disbursements did not provide adequate matching of tuition and fees as required by TAC §22.260(b)(4) and TEC §56.407(f-g), totaling \$260,790.48 in under matching for award years 2015-2017.
2. TEOG awards did not meet eligibility requirements in 15% of sampled student records, totaling \$17,023.
3. TVCC student financial aid data was not accurately reported to the THECB on the Financial Aid Database (FADs) report in 20% of sampled student records.
4. The information in the TVCC financial aid database is not completely accurate and needs more frequent and thorough reconciliation with the TVCC general ledger and reports submitted to the THECB.
5. Internal controls and risk management policies need further development, including implementing internal control standards that align with federal Green Book standards or a suitable alternative framework.

See the Detailed Observations, Recommendations and Management's Response on page four of this report.

Trinity Valley Community College (TVCC) generally complied with relevant THECB rules and regulations for the TEXAS Grant Program. TVCC awarded \$103,350 of TEXAS Grant financial aid to students during fiscal years 2015, 2016, and 2017.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and recommendations based on our audit objectives. We believe the evidence obtained provides a reasonable basis for the findings and recommendations based on the audit objectives.

Scope, Objective, and Methodology

Our compliance audit included tests of TEOG and TEXAS Grant disbursements during fiscal years 2015, 2016, and 2017 for compliance with relevant criteria, including but not limited to the following:

- Student Eligibility
- Financial Need
- Satisfactory Academic Progress (SAP)
- Residency
- Selective Service Registration
- Award Amounts

Our work included procedures to verify:

- Students met all eligibility criteria including SAP requirements;
- Students demonstrated financial need;
- Students fulfilled residency requirements;
- Applicable students registered with the selective service system; and
- Reportable award amounts reconciled between the student information system data and payment records

The methodology employed during this audit included objectively reviewing and analyzing various forms of documentation, conducting interviews and observations, and other tests necessary to achieve the objectives of the audit. THECB used judgmental sampling as well as a 100% review of the TEOG tuition and fees matching data to determine the extent to which TVCC accurately reported TEOG data and met eligibility requirements.

Background

TEOG is a Texas public two-year college financial aid program designed to provide grant aid to eligible students with financial need. Trinity Valley Community College disbursed the following TEOG aid:

- 2015: 362 students; \$605,486
- 2016: 308 students; \$510,410
- 2017: 248 students; \$493,209

TEXAS Grant is a Texas public college financial aid program designed to provide grant aid to eligible students with financial need. Trinity Valley Community College disbursed the following TEXAS Grant aid:

- 2015: 76 students; \$88,650
- 2016: 12 students; \$13,500
- 2017: 2 students; \$1,200

Detailed Observations, Recommendations and Management's Response

1. TEOG award disbursements plus other eligible award disbursements did not provide adequate matching of tuition and fees as required by TAC §22.260(b)(4) and TEC §56.407(f-g), totaling \$260,790.48 in under matching for award years 2015-2017.

TEOG award disbursements plus other eligible award disbursements did not provide adequate matching of tuition and fees as required by TAC §22.260(b)(4)ⁱ and TEC §56.407(f-g)ⁱⁱ totaling \$260,790.48 in under matching for award years 2015-2017. TEOG awarding rules require that the TEOG award plus other non-loan, non-Pell¹ aid covers the cost of tuition and fees.

Semester	NUMBER TEOG AWARDS	NUMBER UNDER MATCHED	AMOUNT
Fall 14	315	5	\$ 2,571.00
Sp 15	318	3	\$ 617.00
Fall 15	279	149	\$ 74,884.83
Sp 16	265	160	\$ 94,482.58
Fall 16	185	73	\$ 36,867.97
Sp 17	199	92	\$ 51,367.10
TOTAL	1561	482	\$ 260,790.48

Recommendation:

Develop procedures to ensure compliance with TAC §22.260(b)(4) and TEC §56.407(f-g), including sound financial aid eligibility review practices. Reimburse the \$260,790.48 in insufficient matching directly to the students or provide an alternative corrective action with the affected students to make the students whole.

Management Response:

The under-matching in award year 14-15 was due to human error related to manual award processing. The under-matching in award years 15-16 and 16-17 was due to the TVCC Financial Aid department failing to implement the new match guidelines implemented by THECB effective with the fall semester of 2015. The new matching guidelines were issued during a period of extended FMLA absences for the Director of Financial Aid followed by her retirement on 12-31-15, and were unfortunately overlooked as duties were being transferred to the new Financial Aid Director during the 9-1-15 through 1-1-16 training period. In addition, TVCC was provided notification at the end of each year from the THECB stating "Congratulations! Your data had no errors!" as shown on Exhibits A and B. If TVCC had been notified the matching

¹ Note that Pell was allowed by TAC rule for matching purposes prior and including 2014-15.

guidelines were not met, the matching requirements would have been adjusted at that time.

Corrective action and date for completion:

TVCC Financial Aid administration discovered the matching error while preparing for THECB's audit. The error was corrected immediately for award year 17-18. A procedures manual entitled *Trinity Valley Community College Financial Aid Procedures Non-Federal Funds Fall 2018 to Summer 2 2019* has been developed and implemented, see Exhibit C. TVCC Financial Aid management will ensure ongoing compliance with these procedures and the relevant TAC and TEC sections, and will conduct regular training for appropriate staff regarding the procedures. The manual is maintained on the TVCC Financial Aid department network share and is considered a living document, updated as necessary on a routine basis. Procedures have been further refined for award year 18-19 to include a student level TEOG award match control process and report. A sample page from the report is shown in Exhibit D.

TVCC staff, administration, and board of trustees are committed to making the students whole for the entire \$260,790.48 with direct cash payment to the students and/or through other means including but not limited to applying the funds to balances owed by the student to the college, providing TPEG assistance, institutional scholarships, TVCC Foundation scholarships, and/or waiving or exempting charges for future TVCC coursework over a three to five year time period. TVCC administration is currently considering these and other alternatives in order to achieve optimal resolution for both students and the institution. Administration intends to evaluate, select and implement resolution(s) beginning in the spring of 2019 and extending over a three to five year timeframe. The entire \$260,790.48 will be reimbursed to students. If near the end of the three to five year timeframe there are students remaining who have not been reimbursed through one of the alternatives listed above, TVCC will remit direct cash payments to those remaining students.

Responsible parties for implementing matching controls:

VP of Student Services, Dr. Jay Kinzer; AVP of Enrollment Management, Dr. Colette Hilliard; and Financial Aid staff

Responsible parties for reimbursement to students:

Above parties; VP of Administrative Services & CFO, Jean McSpadden; Director of Accounting Services & Controller, Courtney Walker; and Accounting Services staff

While taking full responsibility for failing to implement the revised THECB match guidelines effective with award year 15-16, TVCC respectfully requests that THECB consider Exhibits A and B for award years 15-16 and 16-17 respectively. As previously noted, the exhibits contain certification documents from THECB pertaining to TEOG

student-by-student data and state "CONGRATULATIONS! Your End-of-Year Report did not have any errors."

Additionally, TVCC requests that THECB implement additional TEOG grant controls to assist institutions in detecting matching and similar errors during each reporting cycle, and provide guideline updates in a more timely manner. TVCC began awarding TEOG funds for award year 18-19 in May 2018 based on the then current THECB guidelines. The guidelines were changed in September 2018, causing TVCC and likely other institutions to amend amounts previously awarded.

2. TEOG awards did not meet eligibility requirements in 15% of sampled student records, totaling \$17,023.

TEOG awards did not meet eligibility requirements in 15% of sampled student records, totaling \$17,023. TEOG eligibility, as required by TEC §56.404ⁱⁱⁱ, TEC §56.405^{iv}, and TAC §22.256^v, was not met in 17 instances out of 111 sampled records as noted below. The amount of over awarding of TEOG for the 17 eligibility errors was \$17,023. Note that this amount is in addition to the under awarding of \$260,790.48 noted above in Observation 1. Note that two of the instances of ineligibility related to students with relationships to financial aid department staff and may have resulted in misappropriation of TEOG funds of up to \$850².

- a. In ten student records, the financial aid award, including TEOG, exceeded financial need, as not allowed by TAC §22.256(a)(2), TAC §22.256(b)(2), TEC §56.404(a)(2), and TEC §56.405(a)(1).
- b. Three students exceeded 75 attempted credits as not allowed by TAC §22.256(c)(1) and TEC §56.404(d).
- c. One student exceeded the financial need requirements (Maximum Expected Family Contribution) for an initial TEOG award as required by TAC §22.256(a)(8) and TEC §56.404(a)(2).
- d. One student was not a Texas resident as required by TAC §22.256(a)(1) and TEC §56.404(a)(1).
- e. One record failed to adequately document lack of a controlled substance conviction as required by TAC §22.256(c)(3), TEC §56.404(b), and TEC §56.405(b). The student indicated a prior conviction on the controlled substance form, but other documents provided by the student indicated no prior conviction. Although the other documents support that the student likely did not have a prior conviction, TVCC did not request the student to update the controlled substance certification nor request the student to explain the discrepancy even though the controlled substance form requires the student to update their status if it changes.
- f. One student had previously been granted an associate degree as not allowed by TAC §22.256(a)(6), TAC §22.256(b)(5), and TEC §56.404(c).

² Possible criminal acts were reported to relevant state and federal authorities.

Recommendation:

Develop procedures to ensure compliance with the statutes and rules noted above, including sound financial aid eligibility review practices. Refund \$17,023 in TEOG disbursed for the above ineligible awards to the Texas Higher Education Coordinating Board.

Management Response:Corrective action and date for completion:

As noted in the response to Finding 1, TVCC Financial Aid administration has developed and implemented procedures as shown on Exhibit C and will ensure ongoing compliance with these procedures and the relevant TAC and TEC sections. TVCC will remit \$17,023 to THECB immediately upon audit closure.

Responsible parties for implementing eligibility controls:

VP of Student Services Dr. Jay Kinzer; AVP of Enrollment Management, Dr. Colette Hilliard; and Financial Aid department staff

Responsible parties for disbursement of funds:

VP of Administrative Services & CFO Jean McSpadden; Director of Accounting Services & Controller Courtney Walker; and Accounting Services staff

3. TVCC student financial aid data was not accurately reported to the THECB on the Financial Aid Database (FADs) report in 20% of sampled student records.

TVCC student financial aid data was not accurately reported to the THECB on the Financial Aid Database (FADs) report in 20% of sampled student records. TVCC misreported the Expected Family Contribution (EFC) on 11 out of the 111 student records sampled and other financial aid data was misreported on an additional 11 out of 111 sampled student records. According to TAC §1.3^{vi}, TVCC is required to submit such reports so that the Board may comply with requirements of the legislature concerning the collection of data. According to TAC §22.255(c)(3)^{vii}, all institutions must meet Board reporting requirements including the Financial Aid Database Report. In addition, various memorandums of understanding relating to financial aid between TVCC and the Board require that TVCC submit such financial aid reports as required and that all reports are complete and accurate³.

³ See, for example, the current Memorandum of Understanding for State Financial Aid programs, THECB contract No. 18909, executed 7/19/2017, Section 3.0 (C).

Recommendation:

Develop procedures to ensure compliance with the rules and agreements noted above, including sound data integrity, review, and reporting practices.

Management Response:

The misreported Expected Family Contribution (EFC) amounts were due to manual human error related to the inability to timely and accurately identify the most recent EFC for each student among thousands of records in the existing antiquated financial aid software.

Corrective action and date for completion:

Prior to Colleague implementation, the financial aid department will, to the extent possible and practical in the current manual environment, implement control procedures in order to capture the most current EFC amounts prior to FADS reporting. The procedures will be implemented by the FADS reporting deadline for the fall semester of 2018. Colleague implementation is scheduled for award year 19-20 and will supply automated and integrated EFC amounts from the federal calculation to the state calculation, enabling TVCC to use the software itself to significantly enhance the accuracy of EFC data reported in FADS.

Responsible parties:

VP Student Services, Dr. Jay Kinzer; AVP Enrollment Management, Dr. Colette Hilliard; and Financial Aid staff

4. The information in the TVCC financial aid database is not completely accurate and needs more frequent and thorough reconciliation with the TVCC general ledger and reports submitted to the THECB.

The information in the TVCC financial aid database is not completely accurate and needs more frequent and thorough reconciliation with the TVCC general ledger and reports submitted to the THECB. The information differs between the TVCC financial aid database, the TVCC general ledger, and the FADs report submitted and certified to the THECB. The total TEOG disbursed reported in the TVCC Financial Aid database did not match total amounts in the FADs report submitted and certified to the THECB nor to the TVCC general ledger. Although TEOG financial records were sufficient to determine total amounts for all three years reviewed and a student-by-student reconciliation for FY2017, financial records were not sufficient to complete a full student-by-student reconciliation between the general ledger, FADs, and the TVCC financial aid database for FY2015 and FY2016.

TEOG Award Year	TVCC Financial Aid Database	CB Financial Aid Database (FADs) (certified)	TVCC General Ledger
FY 2015	\$618,317	\$605,486	\$605,486
FY 2016	\$517,410	\$510,410	\$511,410
FY 2017	\$498,459	\$493,209	\$493,209

The TEOG amounts disbursed to students reported in the TVCC financial aid database are not adequately reconciled with the TVCC general ledger. A school's financial management system must provide effective control over and accountability for all funds received. According to TAC §22.255(c)(2)(A)^{viii}, the institution must maintain records to prove the receipt of program funds by the student or the crediting of such funds to the student's account. In addition, a fiscal management system, as described in the Federal Student Aid Handbook⁴, includes procedures for disbursing funds, accounting for funds and financial activities, keeping accurate and auditable records including providing accounting records that are supported by audit trail documentation, and monthly reconciliation of individual student awards as recorded in the financial aid, business office, student account, and federal systems.

The financial management system at TVCC failed to provide adequate accounting for funds and financial activities on a student-by-student basis for two of three years and failed to keep accurate and auditable records. TVCC was not able to provide complete accounting records supported by audit trail documentation. In addition, TVCC has not completed monthly reconciliations.

Recommendation:

Develop policies and procedures to ensure that the school's financial management system provides effective control over and accountability for all funds received. The financial management system should comply with the recommendations of the Federal Student Aid Handbook regarding financial management. The financial management system should include accounting for funds and financial activity, keep accurate and auditable records, provide accounting records supported by audit trail documentation, and provide monthly reconciliation of individual student awards as recorded in the financial aid, business office, student account, and federal and state systems.

⁴ See, for example, 2016-17 Federal Student Aid Handbook, Appendix B, page 4-185.

Management Response:

Corrective action and date for completion:

Reconciliation procedures have been strengthened and implemented, see Exhibit E. Additional reconciliation controls will be implemented effective with September 2018 accounting as indicated in Exhibit E.

As previously noted, TVCC is in the process of replacing its existing antiquated student information ERP software which requires significant manual intervention with the Colleague system. Colleague will enable TVCC to use the software itself as an internal control tool that will significantly enhance the college's ability to perform more thorough, accurate and timely three-way reconciliation between the TVCC financial aid database, the TVCC general ledger, and the THECB FADS report. Accounting Services and Financial Aid will evaluate Federal Student Aid Handbook recommendations and coordinate implementation of the handbook's recommendations with Colleague implementation.

TVCC respectfully requests that THECB implement additional TEOG grant controls to assist institutions in detecting FADS errors during each reporting cycle by comparing the amounts reported to THECB in FADS to the amounts reported to THECB in the student-by-student certification process noted in Exhibits A and B.

Responsible parties:

VP Student Services, Dr. Kinzer; AVP Enrollment Management, Dr. Colette Hilliard; Financial Aid staff; VP Administrative Services & CFO, Jean McSpadden; Director of Accounting Services & Controller, Courtney Walker; and Accounting Services staff

5. Internal controls and risk management policies need further development, including implementing federal Green Book internal control standards or a suitable alternative framework.

Internal controls and risk management policies need further development, including implementing federal Green Book internal control standards or a suitable alternative framework. Review of various TVCC departmental policies and procedures indicate that internal control and risk management standards have not been fully implemented or, where implemented, have not been adequately followed. In addition, federal grant rules strongly suggest the implementation of internal controls as described in "Standards for Internal Control in the Federal Government," commonly referred to as the "Green Book". (See 2 CFR §200.303⁵).

⁵ 2 CFR §200.303 Internal Controls. The non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government"

Furthermore, review of the TVCC financial aid department, as well as other departments, identified several issues that correlate to weaknesses in implementation of internal control, such as inadequate identification of key risks, inadequate controls to manage risks, inadequate documentation of TVCC policies, and inadequate monitoring or oversight of internal controls. References to internal control weaknesses as identified in the Green Book are included after the relevant recommendations.

Recommendation:

Develop policies and procedures to ensure that internal controls and risk management policy are effective, including implementing internal control standards that align with federal Green Book standards or a suitable alternative framework.

- a. Management should document in policies the internal control responsibilities of the institution. Specifically, management should adopt the "Standards for Internal Control in the Federal Government," or an alternative framework commonly referred to as the "Green Book" as institution policy. (Green Book 12.02).
- b. Management should hold institution personnel accountable for performing their assigned internal control responsibilities. (Green Book 5.03). Assigned internal control responsibilities should include the following for areas of responsibility:
 1. Identification, analysis, and response to risks related to achieving institution, division, and program objectives. (Green Book 7.01).
 2. Design of appropriate controls to achieve objectives and respond to risks. (Green Book 10.01).
 3. Providing appropriate segregation of duties in designing control responsibilities so that incompatible duties are segregated. (Green Book 10.12).
 4. Management should implement control activities through policies. (Green Book 12.01).
 5. Establishment and operation of monitoring activities to monitor the internal control system and evaluate results. (Green Book 16.01).

issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management Response:

Corrective action, date for completion and responsible parties:

Through the following personnel, organizational, operational, and technology changes, TVCC has addressed or is in the process of addressing internal control and risk management concerns. These actions were reported to and discussed with the TVCC board of trustees at the August 15, 2018 board meeting. TVCC staff, administration, and trustees fully support the actions taken to date, and are committed to implementing future actions. An implementation plan and schedule will be developed after further evaluation of specific needs and prioritization by administration.

FINANCIAL AID DEPARTMENT PERSONNEL CHANGES

- Director was immediately put on administrative leave then terminated as a result of internal and external investigations prompted by TVCC accounting services personnel discovering apparent improper awards by the director.
- Other Financial Aid staff on all campuses were investigated including a review of financial aid transactions processed by each staff member since 2010.
- Evidence suggesting inappropriate actions was reviewed resulting in resignation of a Pell Specialist and the Veterans Specialist, and initiation of Performance Improvement Plans for other staff members as appropriate.
- The Lead Specialist position has been filled with a new qualified employee with fourteen years' experience as a financial aid director at a private Texas college. She was selected from a large competitive applicant pool of twenty-four by a selection committee including Dr. Kinzer and Dr. Hilliard. The committee thoroughly vetted the applications and interviewed the leading candidates.
- The Lead Specialist is currently serving as Acting Director.
- The Lead Specialist will cross train extensively and work closely with the Director when the director position is filled, ensuring that both positions have full knowledge of all aspects of financial aid processing, are both involved in state and federal training, and that both receive official email communications from DoE, THECB, Veteran's Administration, and similar regulatory bodies.
- The Veterans/Pell Specialist position has been filled with a new qualified employee with twenty years of financial aid experience in Texas public college and university environments.

- Additional staffing needs are currently being evaluated by Dr. Kinzer and Dr. Hilliard.

ORGANIZATIONAL CHANGES

In order to establish additional hands-on oversight of departmental operations, Dr. Kinzer placed the Financial Aid department under the supervision of Dr. Hilliard, Associate VP of Enrollment Management, who reports to Dr. Kinzer. Dr. Hilliard has been meeting on a daily basis with the financial aid employees. Additional organizational changes are currently being evaluated by Dr. Kinzer and Dr. Hilliard.

OPERATIONAL CHANGES

- Numerous operational changes have been implemented to strengthen internal control processes related to financial aid awarding, processing, disbursement and reconciliation, including but not limited to:
 - modifying (restricting or expanding as appropriate) computer login and application access to specified staff members,
 - expanding official college contact information with THECB and DoE to include all appropriate personnel vs. limited to the Director,
 - revising procedures for awarding, processing and disbursing financial aid of all types both within Financial Aid and across all involved college departments,
 - establishing a specific award order to ensure correct TEOG matching and significantly reducing the possibility of over awarding TEOG and TPEG,
 - requiring additional financial aid training for all financial aid employees,
 - additional training for accounting services employees responsible for reconciling financial aid disbursements to the financial aid award system and the general ledger
 - creating a Financial Aid policy and procedures manual, revising as needed, directed staff to utilize it in their daily job activities
 - establishing new general ledger accounts that mirror the THECB Financial Aid Database System (FADS) structure and provide more granularity for TEOG reconciliation
- Additional changes currently in progress are as follows:
 - identifying risks related to achieving the Financial Aid department's objectives and designing appropriate controls to respond to those risks,
 - conducting detailed process reviews and discussions between Financial Aid and Accounting Services staff members on a regular basis
 - working to implement more timely reconciliations between the TVCC Financial Aid system, FADS, and the TVCC general ledger. Colleague implementation will significantly enhance and greatly assist staff in accomplishing this objective.
 - performing and documenting reconciliations between the above data sources more often.

- Areas needing attention and more work include:
 - designing more extensive internal controls and risk management policies including implementation of internal control standards that align with Federal Control Standards or a suitable alternative framework.
 - developing a more extensive policy and procedures manual with software available from the National Association of Student Financial Aid Administrators (NASFAA) that includes all federal guidelines. There is no additional cost for software to TVCC as a NASFA member.

TECHNOLOGY CHANGES

One of the most significant changes impacting future financial aid processing is the implementation of the new Ellucian Colleague ERP system. This new system will transform the college's financial aid award and disbursement processing controls. Currently every student's financial aid package is processed manually. Disbursement control and reconciliation between the financial aid system and the general ledger is manual as well. These manual processes allow opportunity for human error or human manipulation. Once the new ERP system is implemented the large majority of the aid packaging process will be automated. Additionally, the Colleague software fully integrates the award and disbursement processes, significantly improving disbursement control.

Colleague is designed to use federal and state rules/regulations to determine each student's eligibility and then apply appropriate financial aid. The TVCC Financial Aid ERP team is currently working with Ellucian consultants to write rules and establish criteria that will become the foundation of aid processing, enabling the college to use the software itself as an internal control and to minimize the opportunity for human error or human manipulation in addition to the personnel, organizational, and operational changes discussed above.

PERFORMED BY:

Mr. Paul Maeyaert, Auditor, JD, MBA, CIA, CGAP (Lead Auditor)
Ms. Michelle Koog, CISA, Internal Auditor
Ms. Carol Conner, Compliance Specialist

CC:

THECB**Board Members****Commissioner's Office**

Dr. Raymund A. Paredes, Commissioner of Higher Education
Ms. Linda Battles, Deputy Commissioner for Agency Operations and
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Dr. David Gardner, Deputy Commissioner for Academic Planning and Policy
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Officer

Student Financial Aid Programs

Dr. Charles Puls, Deputy Assistant Commissioner

Trinity Valley Community College

Mr. Ray Raymond, President, Board of Trustees
Dr. Jay Kinzer, VP of Student Services
Ms. Jean McSpadden, VP of Administrative Services & CFO
Dr. Colette Hilliard, Associate VP of Enrollment Management
Ms. Courtney Walker, Director of Accounting Services & Controller

Texas Association of Community Colleges

Mr. Jacob Fraire, President and CEO

STATUTORY DISTRIBUTION REQUIREMENT**State Auditor's Office**

Internal Audit Coordinator

Sunset Advisory Commission

Mr. Ken Levine, Director

Endnotes of Selected Statutes and Rules

ⁱ Texas Administrative Code Title 19, Part 1, §22.260(b)

(4) An approved institution may not charge a person receiving a Texas Educational Opportunity Grant through that institution, an amount of tuition and required fees in excess of the amount of the Texas Educational Opportunity Grant award received by the person. Nor may it deny admission to or enrollment in the institution based on a person's eligibility to receive or actual receipt of a Texas Educational Opportunity Grant award. If an institution's tuition and fee charges exceed the Texas Educational Opportunity Grant award amount, it may address the shortfall in one of two ways:

(A) It may use other available sources of financial aid, other than a loan or Pell grant to cover any difference in the amount of a Texas Educational Opportunity Grant award and the student's actual amount of tuition and required fees at the institution; or

(B) it may waive the excess charges for the student. However, if a waiver is used, the institution may not report the recipient's tuition and fees in a way that would increase the general revenue appropriations to the institution.

ⁱⁱ Texas Education Code Title 3, Subtitle A, §56.407(f) An eligible institution may not:

(1) charge a person attending the institution who also receives a grant under this subchapter an amount of tuition and required fees in excess of the amount of the grant under this subchapter received by the person; or

(2) deny admission to or enrollment in the institution based on a person's eligibility to receive a grant under this subchapter or a person's receipt of a grant under this subchapter.

TEC §56.407(g) An institution may use other available sources of financial aid, other than a loan or a Pell grant, to cover any difference in the amount of a grant under this subchapter and the actual amount of tuition and required fees at the institution.

ⁱⁱⁱ TEC §56.404. INITIAL ELIGIBILITY FOR GRANT.

(a) To be eligible initially for a grant under the grant program, a person must:

- (1) be a resident of this state as determined by coordinating board rules;
- (2) meet financial need requirements as defined by the coordinating board;
- (3) be enrolled in an associate degree or certificate program at an eligible

institution;

(4) be enrolled as an entering student for at least one-half of a full course load for an entering student in the associate degree or certificate program, as determined by the coordinating board;

(5) have applied for any available financial aid or assistance; and

(6) comply with any additional nonacademic requirement adopted by the coordinating board under this subchapter.

(b) A person is not eligible to receive a grant under this subchapter if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court and at least two years have elapsed from the date of the receipt or completion; or

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- (2) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.
 - (c) A person is not eligible to receive a grant under this subchapter if the person has been granted an associate or baccalaureate degree.
 - (d) A person may not receive a grant under this subchapter for more than 75 semester credit hours or the equivalent.
 - (e) A person may not receive a grant under this subchapter and a TEXAS grant under Subchapter M for the same semester or other term, regardless of whether the person is otherwise eligible for both grants during that semester or term. A person who but for this subsection would be awarded both a grant under this subchapter and a TEXAS grant for the same semester or other term is entitled to receive only the grant of the greater amount.
 - (f) A person's eligibility for a grant under this subchapter ends on the fourth anniversary of the initial award of a grant under this subchapter to the person and the person's enrollment in an eligible institution.

iv TEC §56.405. CONTINUING ELIGIBILITY AND ACADEMIC PERFORMANCE REQUIREMENTS.

- (a) After initially qualifying for a grant under this subchapter, a person may continue to receive a grant under this subchapter during each semester or term in which the person is enrolled at an eligible institution only if the person:
 - (1) meets financial need requirements as defined by the coordinating board;
 - (2) is enrolled in an associate degree or certificate program at an eligible institution;
 - (3) is enrolled for at least one-half of a full course load for a student in an associate degree or certificate program, as determined by the coordinating board;
 - (4) makes satisfactory academic progress toward an associate degree or certificate;and
 - (5) complies with any additional nonacademic requirement adopted by the coordinating board.
- (b) A person is not eligible to continue to receive a grant under this section if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of another jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:
 - (1) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court and at least two years have elapsed from the date of the receipt or completion; or
 - (2) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant under this subchapter.
- (c) If a person fails to meet any of the requirements of Subsection (a) after the completion of any semester or term, the person may not receive a grant under this subchapter during the next semester or term in which the person enrolls. A person may become eligible to receive a grant under this subchapter in a subsequent semester or term if the person:
 - (1) completes a semester or term during which the student is not eligible for a scholarship; and
 - (2) meets all the requirements of Subsection (a).
- (d) For the purpose of this section, a person makes satisfactory academic progress toward an associate degree or certificate only if:
 - (1) in the person's first academic year the person meets the satisfactory academic progress requirements of the institution at which the person is enrolled; and
 - (2) in a subsequent academic year, the person:

(A) completes at least 75 percent of the semester credit hours attempted in the student's most recent academic year; and

(B) has earned an overall grade point average of at least 2.5 on a four-point scale or the equivalent on course work previously attempted at institutions of higher education.

(e) A person who is eligible to receive a grant under this subchapter continues to remain eligible to receive the grant if the person enrolls in or transfers to another eligible institution.

(f) The coordinating board shall adopt rules to allow a person who is otherwise eligible to receive a grant under this subchapter, in the event of a hardship or for other good cause shown, including a showing of a severe illness or other debilitating condition that may affect the person's academic performance or that the person is responsible for the care of a sick, injured, or needy person and that the person's provision of care may affect the person's academic performance, to receive a grant under this subchapter:

(1) while enrolled in a number of semester credit hours that is less than the number of semester credit hours required under Subsection (a)(3); or

(2) if the student's grade point average or completion rate falls below the satisfactory academic progress requirements of Subsection (d).

✓ TAC §22.256

(a) To receive an initial award through the Texas Educational Opportunity Grant Program, a student must:

(1) be a resident of Texas;

(2) show financial need;

(3) have applied for any available financial aid assistance;

(4) be enrolled as an entering student on at least a half-time basis in an associate's degree or certificate program at an eligible institution;

(5) not be concurrently receiving a TEXAS Grant;

(6) not have been granted an associate's or baccalaureate degree; and

(7) have a statement on file with the institution of higher education indicating the student is registered with the Selective Service System as required by federal law or is exempt from Selective Service registration under federal law.

(8) In determining initial student eligibility for Texas Educational Opportunity grant awards pursuant to subsections (a), (b) and (c) of this section, priority shall be given to those students who have an expected family contribution that does not exceed the lesser of the limit set by the Board for the relevant fiscal year or 60 percent of the average statewide amount of tuition and fees for general academic teaching institutions for the relevant academic year.

(b) To receive a continuation award through the Texas Educational Opportunity Grant Program, a student must:

(1) have previously received an initial award through this program;

(2) show financial need;

(3) be enrolled on at least a half-time basis;

(4) be enrolled in an associate's degree or certificate program at an eligible institution;

(5) not have been granted an associate or baccalaureate degree;

(6) not be concurrently receiving a TEXAS Grant;

(7) have a statement on file with the institution of higher education indicating the student is registered with the Selective Service System as required by federal law or is exempt from Selective Service registration under federal law; and

(8) make satisfactory academic progress towards an associate degree or certificate, which requires:

(A) for persons receiving their first awards prior to fall semester, 2005,

completion of at least 75% of the hours attempted in the student's most recent academic year, and maintenance of an overall grade point average of at least 2.5 on a four point scale or its equivalent.

(B) for persons receiving their first awards for fall 2005 or later:

(i) compliance with the academic progress requirements of the institution as of the end of the first academic year; and

(ii) in subsequent academic years, completion of at least 75% of the hours attempted in the student's most recent academic year, and maintenance of an overall grade point average of at least 2.5 on a four point scale or its equivalent.

(C) The completion rate calculations may be made in keeping with institutional policies.

(D) Grade point average calculations may be made in keeping with institutional policies except that if a grant recipient's grade point average falls below program requirements and the student transfers to another institution, the receiving institution cannot make a continuation award to the transfer student until he/she provides official transcripts of previous coursework to the new institution's financial aid office and that office re-calculates an overall grade point average, including hours and grade points for courses taken at the old and new institutions that proves the student's overall grade point average now meets or exceeds program requirements.

(c) Discontinuation of Eligibility or Non-Eligibility.

(1) A student may not receive a Texas Educational Opportunity Grant for more than 75 semester credit hours or its equivalent. Beginning with awards for the 2015-2016 academic year, a student's eligibility for a Texas Educational Opportunity Grant ends once he or she has attempted 75 semester credit hours or the equivalent unless the student is granted a hardship extension in accordance with §22.257(b) of this chapter.

(2) A student's eligibility for a Texas Educational Opportunity Grant award ends four years from the start of the semester or term in which the student received his or her initial award.

(3) A person is not eligible to receive an initial or continuation Texas Educational Opportunity Grant award if the person has been convicted of a felony or an offense under Chapter 481, Health and Safety Code (Texas Controlled Substances Act), or under the law of any other jurisdiction involving a controlled substance as defined by Chapter 481, Health and Safety Code, unless the person has met the other applicable eligibility requirements under this subchapter and has:

(A) received a certificate of discharge by the Texas Department of Criminal Justice or a correctional facility or completed a period of probation ordered by a court, and at least two years have elapsed from the date of the receipt or completion; or

(B) been pardoned, had the record of the offense expunged from the person's record, or otherwise been released from the resulting ineligibility to receive a grant.

(4) Unless granted a hardship extension in accordance with §22.257 of this title (relating to Hardship Provisions), if a person fails to meet any of the requirements for receiving a continuation award as outlined in subsection (b) of this section after completion of any year, the person may not receive a Texas Educational Opportunity Grant award until he or she completes courses while not receiving a Texas Educational Opportunity Grant and meets all the requirements of subsection (b) of this section as of the end of that period of enrollment.

^{vi} TAC §1.3 To enable the Board to comply with requirements of the legislature concerning the collection of data, each public junior and senior institution of higher education shall submit such reports to the Board as may be prescribed by the Educational Data Reporting System.

^{vii} TAC §22.255(c)(3) Reporting Requirements/Deadlines. All institutions must meet Board reporting requirements in a timely fashion. Such reporting requirements shall include reports specific to allocation and reallocation of grant funds (including the Financial Aid Database Report) as well as progress and year-end reports of program activities.

^{viii} TAC §22.255(c)(2)(A) Documentation. The institution must maintain records to prove the receipt of program funds by the student or the crediting of such funds to the student's school account.

EXHIBIT A

From: TEOG@theccb.state.tx.us [<mailto:TEOG@theccb.state.tx.us>]

Sent: Thursday, July 28, 2016 10:57 AM

To: Evilsizer, Jennifer <jevilsizer@tvcc.edu>

Cc: TEOG@theccb.state.tx.us

Subject: PROD--FICE Code 003572 Academic Year 2015-2016 TEOG Data Certification -- Congratulations!
Your data had no errors!

TEOG STUDENT-BY-STUDENT DATA CERTIFICATION

CONGRATULATIONS! Your End-of-Year Report did not have any errors.

-----	Number of Students Awarded	Funds Awarded
Initial	205	\$348508
Renewal	104	\$162902
Grand Total	309	\$511410
-Disbursed-	----	\$511410

By replying to this e-mail, I hereby certify that the figures in the table accurately reflect the TEOG Program totals for academic year 2015-2016.

Fice Code: 003572

Institution: TRINITY VALLEY COMM COLLEGE

Certifying Official

Name: [Jennifer Evilsizer](#)

Title: [Director, Student Financial Aid](#)

Phone Number: (903) 675-6387

Email: jevilsizer@tvcc.edu

Please submit this completed form **ASAP** by e-mail to TEOG@theccb.state.tx.us. Institutions are not considered certified until all refunds are received and the signed certification statement is collected.

EXHIBIT B

From: TEOG@theccb.state.tx.us [mailto:TEOG@theccb.state.tx.us]

Sent: Wednesday, July 12, 2017 9:27 AM

To: TXG-mail@tvcc.edu

Cc: TEOG <TEOG@THECB.state.tx.us>

Subject: PROD--FICE Code 003572 Academic Year 2016-2017 TEOG Data Certification -- Congratulations! Your data had no errors!

TEOG STUDENT-BY-STUDENT DATA CERTIFICATION

CONGRATULATIONS! Your End-of-Year Report did not have any errors.

-----	Number of Students Awarded	Funds Awarded
Initial	158	\$314300
Renewal	90	\$178909
Grand Total	248	\$493209
-Disbursed-	----	\$493209

By replying to this e-mail, I hereby certify that the figures in the table accurately reflect the TEOG Program totals for academic year 2016-2017.

Fice Code: 003572

Institution: TRINITY VALLEY COMM COLLEGE

Certifying Official

&nb sp; Name:

Title:

Phone Number:

Email:

Please submit this completed form **ASAP** by e-mail to TEOG@theccb.state.tx.us. Institutions are not considered certified until all refunds are received and the signed certification statement is collected.

EXHIBIT C

Trinity Valley Community College

Financial Aid Procedures
Non-Federal Funds

Fall 2018 to Summer 2 2019

Overview

The Financial Aid Procedures for Non-Federal Funds is a guide for financial aid staff to allocate and award nonfederal funds to students. The procedures also provide daily, weekly and monthly processes for financial aid and accounting services staff to follow in regards to financial aid non-federal funds. As procedures change, the appropriate staff will update the guide.

Payout Order of Financial Aid Funds

Federal, State and Local

1. TEOG
2. Scholarships
3. TPEG
4. SEOG
5. PELL
6. Federal Student Loans

TEOG Procedures

Returning Year (RY) Awards

1. At close of a spring semester, after grades are posted, the Financial Aid Director will request an Excel spreadsheet of students who received TEOG funds. Submit the request to Administrative Computing via a Service Now ticket.
2. Once the spreadsheet is received from Administrative Computing, the Financial Aid Director or designee will create and label columns:
 - a. Graduated
 - b. Met Satisfactory Academic Progress (SAP)
 - c. Total number of hours earned
 - d. Tuition status
 - e. Estimated Financial Contribution (EFC) for the next financial aid year
3. Then, populate the fields based on the following criteria:
 - a. Graduation field should be populated with a C or A for certificate or associates degree.

- b. SAP field should be populated with cumulative GPA

ACADEMIC YEAR	SATISFACTORY ACADEMIC PROGRESS (SAP) REQUIREMENTS	
END OF 1 ST ACADEMIC YEAR	Institutional SAP policy	
END OF 2ND ACADEMIC YEAR OR LATER	75% completion rate in the most recent academic year	2.5 cumulative GPA on a 4-point scale

- c. Total hours earned includes all hours earned, including transfer.
 - d. EFC is the number from Institutional Student Information Record (ISIR) for the next financial aid year
 - e. Tuition status from AS400
4. All students who graduated with an associate's degree will be dropped from the list as not eligible.
 5. All students who have earned more than 75 semester hours will be dropped from the list as not eligible.
 6. All students who did not meet SAP will be notified of the chance to appeal if they meet the hardship policy requirements.
 7. The remaining students are the only students who are still eligible.
 8. All students meeting the requirements will have TEOG calculated on their current enrollment or on 15 hours.
 9. If already enrolled, you will need to lock number of hours with the number of hours enrolled in. See the table below, as it will need to be updated with the current year guidelines for each fall semester and again in the spring semester if tuition and fees increase.
 10. Once awards for returners have been entered:
 11. Run the awards for this department to determine the amount allocated.
 12. Subtract this amount from the fall dollars allocated.
 13. This amount will determine the amount that can be spent on new TEOG eligible students.
 14. The financial aid award number for Initial Year is 4410-095.

Table for 18-19 TEOG awards

Semester Hours	Indistrict	TEOG	Amount of scholarship or TPEG required	Out of District Palestine	TEOG	Amount of scholarship or TPEG required	Out of District	TEOG	Amount of scholarship or TPEG required
1	\$ 166.00	NA	NA	\$ 188.00	NA	NA	\$ 242.00	NA	NA
2	\$ 215.00	NA	NA	\$ 259.00	NA	NA	\$ 367.00	NA	NA
3	\$ 264.00	NA	NA	\$ 330.00	NA	NA	\$ 492.00	NA	NA
4	\$ 352.00	NA	NA	\$ 440.00	NA	NA	\$ 656.00	NA	NA
5	\$ 440.00	NA	NA	\$ 550.00	NA	NA	\$ 820.00	NA	NA
6	\$ 528.00	\$ 788.00	\$ -	\$ 660.00	\$ 788.00	\$ -	\$ 984.00	\$ 788.00	\$ 196.00
7	\$ 616.00	\$ 788.00	\$ -	\$ 770.00	\$ 788.00	\$ -	\$ 1,148.00	\$ 788.00	\$ 360.00
8	\$ 704.00	\$ 788.00	\$ -	\$ 880.00	\$ 788.00	\$ -	\$ 1,312.00	\$ 788.00	\$ 524.00
9	\$ 792.00	\$1,181.00	\$ -	\$ 990.00	\$ 1,181.00	\$ -	\$ 1,476.00	\$ 1,181.00	\$ 295.00
10	\$ 880.00	\$1,181.00	\$ -	\$1,100.00	\$ 1,181.00	\$ -	\$ 1,640.00	\$ 1,181.00	\$ 459.00
11	\$ 968.00	\$1,181.00	\$ -	\$1,210.00	\$ 1,181.00	\$ -	\$ 1,804.00	\$ 1,181.00	\$ 623.00
12	\$1,056.00	\$1,575.00	\$ -	\$1,320.00	\$ 1,575.00	\$ -	\$ 1,968.00	\$ 1,575.00	\$ 393.00
13	\$1,144.00	\$1,575.00	\$ -	\$1,430.00	\$ 1,575.00	\$ -	\$ 2,132.00	\$ 1,575.00	\$ 557.00
14	\$1,232.00	\$1,575.00	\$ -	\$1,540.00	\$ 1,575.00	\$ -	\$ 2,231.00	\$ 1,575.00	\$ 656.00
15	\$1,320.00	\$1,575.00	\$ -	\$1,650.00	\$ 1,575.00	\$ 75.00	\$ 2,319.00	\$ 1,575.00	\$ 744.00
16	\$1,408.00	\$1,575.00	\$ -	\$1,760.00	\$ 1,575.00	\$ 185.00	\$ 2,407.00	\$ 1,575.00	\$ 832.00
17	\$1,496.00	\$1,575.00	\$ -	\$1,870.00	\$ 1,575.00	\$ 295.00	\$ 2,495.00	\$ 1,575.00	\$ 920.00
18	\$1,584.00	\$1,575.00	\$ 9.00	\$1,980.00	\$ 1,575.00	\$ 405.00	\$ 2,583.00	\$ 1,575.00	\$ 1,008.00
19	\$1,672.00	\$1,575.00	\$ 97.00	\$2,090.00	\$ 1,575.00	\$ 515.00	\$ 2,671.00	\$ 1,575.00	\$ 1,096.00
20	\$1,760.00	\$1,575.00	\$ 185.00	\$2,200.00	\$ 1,575.00	\$ 625.00	\$ 2,759.00	\$ 1,575.00	\$ 1,184.00
21	\$1,818.00	\$1,575.00	\$ 243.00	\$2,280.00	\$ 1,575.00	\$ 705.00	\$ 2,817.00	\$ 1,575.00	\$ 1,242.00
22	\$1,857.00	\$1,575.00	\$ 282.00	\$2,341.00	\$ 1,575.00	\$ 766.00	\$ 2,856.00	\$ 1,575.00	\$ 1,281.00

This chart is a beginning look and lab and internet fees will be added to the tuition and fee amount.

Initial (IY) Year Awards

After RY awards are determined, if funds are available, determine IY awards in the following way:

1. Query the ISIRs for the next year for the students who applied for financial aid from opening to March 15th.
2. Place these students in Excel. Create and label the columns with the following:
 - a. Total number of semester hours earned after high school
 - b. Total number of transfer hours earned after high school.
 - c. EFC for the next financial aid year
 - d. Tuition status
3. Enter the semester hours earned after graduating high school and number of transfer hours completed after high school graduation.
4. Mark all students with more than 30 combined semester credit hours.
5. If a student has an ISIR but has no residency status, this student needs to be sent an email to apply for admission to the College.
6. Sort students by EFC.
7. Mark students with high EFC as not eligible.
8. Take the lowest EFC and award money until the money available is gone.
9. All students meeting the requirements will have TEOG calculated on their current enrollment or on 15 hours.

- a. If already enrolled you need to lock number of hours with the number of hours enrolled in.
10. See the table below for allocation amounts.
 - a. Table will need to be updated with the current year guidelines for each fall semester and spring semester if tuition and fees increase.
11. Once amounts for new awards have been entered, run the awards for this department to determine the amount allocated.
12. Subtract this amount from the fall dollars allocated, and that will determine the amount of TEOG that is left to be awarded to eligible students.
13. If money is still available, then follow the above procedure for ISIRs from March 15 to May 31.
14. A date-applied column will need to be added to the Excel spreadsheet so awards may be made based on date and need; because money is available on a first come first serve basis.
15. The financial aid award number for Initial Year is 4410-091.

Table for 18-19 TEOG awards

Semester Hours	Indistrict	TEOG	Amount of scholarship or TPEG required	Out of District Palestine	TEOG	Amount of scholarship or TPEG required	Out of District	TEOG	Amount of scholarship or TPEG required
1	\$ 166.00	NA	NA	\$ 188.00	NA	NA	\$ 242.00	NA	NA
2	\$ 215.00	NA	NA	\$ 259.00	NA	NA	\$ 367.00	NA	NA
3	\$ 264.00	NA	NA	\$ 330.00	NA	NA	\$ 492.00	NA	NA
4	\$ 352.00	NA	NA	\$ 440.00	NA	NA	\$ 656.00	NA	NA
5	\$ 440.00	NA	NA	\$ 550.00	NA	NA	\$ 820.00	NA	NA
6	\$ 528.00	\$ 787.50	\$ -	\$ 660.00	\$ 787.50	\$ -	\$ 984.00	\$ 787.50	\$ 196.50
7	\$ 616.00	\$ 787.50	\$ -	\$ 770.00	\$ 787.50	\$ -	\$ 1,148.00	\$ 787.50	\$ 360.50
8	\$ 704.00	\$ 787.50	\$ -	\$ 880.00	\$ 787.50	\$ -	\$ 1,312.00	\$ 787.50	\$ 524.50
9	\$ 792.00	\$1,181.50	\$ -	\$ 990.00	\$ 1,181.50	\$ -	\$ 1,476.00	\$ 1,181.50	\$ 294.50
10	\$ 880.00	\$1,181.50	\$ -	\$1,100.00	\$ 1,181.50	\$ -	\$ 1,640.00	\$ 1,181.50	\$ 458.50
11	\$ 968.00	\$1,181.50	\$ -	\$1,210.00	\$ 1,181.50	\$ -	\$ 1,804.00	\$ 1,181.50	\$ 622.50
12	\$1,056.00	\$1,575.00	\$ -	\$1,320.00	\$ 1,575.00	\$ -	\$ 1,968.00	\$ 1,575.00	\$ 393.00
13	\$1,144.00	\$1,575.00	\$ -	\$1,430.00	\$ 1,575.00	\$ -	\$ 2,132.00	\$ 1,575.00	\$ 557.00
14	\$1,232.00	\$1,575.00	\$ -	\$1,540.00	\$ 1,575.00	\$ -	\$ 2,231.00	\$ 1,575.00	\$ 656.00
15	\$1,320.00	\$1,575.00	\$ -	\$1,650.00	\$ 1,575.00	\$ 75.00	\$ 2,319.00	\$ 1,575.00	\$ 744.00
16	\$1,408.00	\$1,575.00	\$ -	\$1,760.00	\$ 1,575.00	\$ 185.00	\$ 2,407.00	\$ 1,575.00	\$ 832.00
17	\$1,496.00	\$1,575.00	\$ -	\$1,870.00	\$ 1,575.00	\$ 295.00	\$ 2,495.00	\$ 1,575.00	\$ 920.00
18	\$1,584.00	\$1,575.00	\$ 9.00	\$1,980.00	\$ 1,575.00	\$ 405.00	\$ 2,583.00	\$ 1,575.00	\$ 1,008.00
19	\$1,672.00	\$1,575.00	\$ 97.00	\$2,090.00	\$ 1,575.00	\$ 515.00	\$ 2,671.00	\$ 1,575.00	\$ 1,096.00
20	\$1,760.00	\$1,575.00	\$ 185.00	\$2,200.00	\$ 1,575.00	\$ 625.00	\$ 2,759.00	\$ 1,575.00	\$ 1,184.00
21	\$1,818.00	\$1,575.00	\$ 243.00	\$2,280.00	\$ 1,575.00	\$ 705.00	\$ 2,817.00	\$ 1,575.00	\$ 1,242.00
22	\$1,857.00	\$1,575.00	\$ 282.00	\$2,341.00	\$ 1,575.00	\$ 766.00	\$ 2,856.00	\$ 1,575.00	\$ 1,281.00

This chart is a beginning look and lab and internet fees will be added to the tuition and fee amount.

Hardship Policy and Procedure for TEOG

If a student receiving TEOG fails to maintain SAP, the student may appeal based on hardship. The student will be notified if they did not meet SAP and may appeal. If a student appeals, they will need to submit the following information and meet with the Financial Aid Appeals Committee prior to the semester beginning.

Submission includes:

1. Written statement of what happened and circumstance in their life that caused issue.
2. Provide documented proof of hardship.

The committee will review the information provided by the student. Based on the review and information provided a determination will be made whether the student is eligible to continue receiving TEOG. All documents and the official decision will be placed in the student's electronic financial aid file so that the information can be submitted on request to the THECB.

TASFA Procedures

1. Collect TASFA application and all required documentation.
2. Check to make sure the student has applied for admission.
3. Check student tuition status. This status must be an “A” —in district, “B” —out of district, or a “C” out of district Palestine. If the students tuition status is anything other than A, B, or C please contact Tammy Denney to review the student records.
4. If the student has not registered, send them to advising to register.
5. If all TEOG requirements are met, then award the student TEOG based on enrollment and lock hours to match current registration.
6. Then award \$750 in TPEG.

TPEG Procedures

1. TPEG budget allocations are determined by the Director of Accounting Services in the college-operating budget. Budget funds are allocated for use in financial aid, TDCJ and continuing education.
2. Allocations of monies by student is determined by the following:
 - TDCJ—College personnel
 - Continuing Education—The Dean of this area and Director of Financial Aid
 - Financial Aid—the Director of Financial Aid or the Lead Specialist of Financial Aid.
3. The Director or Lead Specialist of Financial Aid are the only authorized college personnel to award TPEG to credit students. Credit students are those considered regular students or out of district students for tuition and fee purposes.
4. No TPEG funds will be awarded to either financial aid employees or a relative of a financial aid employee without the authorization of the Vice President of Student Services.
5. The maximum allocation of TPEG to any student is \$750; unless approved by the Vice President of Student Services.
 - a. The only exception is if TPEG funds are required to match TEOG funds awarded.
6. Allowable expenses for TPEG awards is tuition, fees, and bookstore charges. TPEG awards may never be paid directly to the student.
7. The awarding of TPEG is on a first come basis; determined by the funds allocated for each semester in the college budget.
8. Before TPEG is awarded, the following criteria must be met:
 - a. Student must have documents on file with financial aid showing financial need
 - b. Student must not be on scholastic probation
 - c. Student must not be on financial aid suspension.
 - d. Student must not be on disciplinary probation
 - e. Student cannot be in default of any student loans.
9. The Vice President of Student Services or his /her designee, (the designee cannot be the Director or Lead Specialist of Financial Aid) must review the financial aid pay out. This includes all financial aid runs and semester payouts.

Prior to Census Day (Review before Payout)

1. The first day of class, print the financial aid award report for TEOG and TPEG.
2. The students must be verified for enrollment.
3. If a student is not enrolled then their allocations must be deleted.
4. By the third day of class, the following must be sent to athletics for verification of Letter of Intent (LOIs):
 - a. Scholarship list of all sports
 - b. TEOG list
 - c. TPEG list

Athletics must review and return the above reports to the Financial Aid Director by the 5th class day. The financial aid office will verify LOIs and update to include TEOG and TPEG awards, as applicable.

5. On the fifth class day of the semester, the following must occur:
 - a. A list of TEOG and TPEG awards for tuition and fees be sent to Accounting Services, Senior Accountant - Grants for review of dollars allocated. If amounts are not within the TPEG award allocations the Senior Accountant - Grants will contact the Financial Aid Director or Lead Specialist via email to inform them of the discrepancy.
 - b. A list of all TEOG student awards will be printed and reviewed by financial aid staff for the following:
 - i. Amount awarded based on number of hours;
 - ii. the order in which aid should be distributed,
 - iii. Changes needed for match of funds.
 - c. Any corrections should be given to the Director of Financial Aid for approval.
 - d. A list of all TEOG students should be printed and given to the Associate Vice President of Enrollment Management to be reviewed for accuracy and total dollars awarded.
6. All corrections or changes for TEOG will be sent to the Director of Financial Aid no later than the end of the 10th class day.
7. Once these corrections are completed, by the 11th class day a new report will be generated and sent to the AVP of Enrollment Management and the Director of Accounting Services to approve for payout on census (12th class day).

Scholarship Procedure for Non-Performing Groups

1. All scholarships applications must be submitted to the financial aid office.
2. Only the financial aid office can award scholarships that are non-performing groups.
3. Student must apply by the college stated deadline. If the deadline date is extended, a new time frame will be established for late scholarships applications.
4. Late scholarship period will be established if money exists for the scholarship.
5. When a student applies, they must have performed the following:
 - a. Made application to the college or be a current student

- b. Submitted all documents required by the scholarship criteria
 - c. Submitted a FAFSA if scholarship is based on financial need.
- 6. The student will be sent a letter indicating the scholarship award. Letter will indicate how to accept or reject the scholarship and the deadline date.
 - a. Student must submit the form stating their intention to accept or reject scholarship.
 - b. If a student rejects the scholarship, then the award will be distributed to another student.

Hardship Scholarship Procedure for Non-Performing Groups

- 1. All scholarships must be applied for and submitted to the financial aid office.
- 2. A student must submit a FAFSA to qualify
- 3. Financial need must be determined.
- 4. A sub group of the scholarship committee must meet to award funds.
 - a. Sub group committee must be 2 to 3 people, minimum.
- 5. A student must accept the award.

Scholarship Procedures for Departmental Scholarships

- 1. Students apply online with google documents. This is on the departmental website.
Deadlines to apply:
 Fall—July 15
 Spring—Nov 15
- 2. Student must have completed FASFA or affidavit for the current year and have it sent to TVCC financial aid office.
- 3. Student must submit a copy of their TVCC degree plan with application
- 4. Student must submit a copy of their schedule for the semester they are applying for scholarship
- 5. Financial Aid will receive a list from the department with the following signatures:

Division Chair
 Associate Vice President
 Vice President of Instruction

The deadline to submit to the Financial Aid Office is August 1 for Fall semester and December 1 for the Spring semester.

- 6. The departments will be responsible for determining the eligibility of the student and financial aid will not check these students for departmental qualifications.

Scholarship Procedures for Performing Groups

- 1. Student must have completed FASFA or affidavit for the current year and have it sent to TVCC financial aid office
- 2. Sponsors will have performance specific requirements

3. Sponsor will monitor all requirements
4. Financial Aid will receive a list from the department with the following signatures:

Director and Division Chair

The deadline to submit to the Financial Aid Office is August 1 for Fall semester and December 1 for the Spring semester.

5. The financial aid office will check to assure student is meeting scholarship requirements in regard to SAP established by the college.

Weekly Financial Aid Runs

Every week there should be a Financial Aid Run. The only exception would be if the college is closed on either Wednesday or Thursday.

The Financial Aid Office prepares the proposed run. The Director of Financial Aid will either email or deliver a copy of the proposed weekly run to the Accounts Receivable Specialist no later than 11:30 on Tuesday.

1. Accounts Receivable Specialist will review the proposed run, checking for any amounts due from the student for either T&F or R&B and amounts listed on the Overdue Menu. Accounts Receivable Specialist will note on the Proposed Award Disbursement Report the amount to be deducted from the disbursement and the account numbers it needs to be receipted to.
2. Accounts Receivable Specialist will make two copies of the proposed run. One copy for Accounts Receivable Specialist and one copy for Senior Accountant, Grants.
3. Accounts Receivable Specialist will only email the Controller the following information. The information is found on the last two pages of the proposed run report. The information needs to be sent for each semester that has a proposed run report.

	QTY	AMOUNTS
TOTAL REFUNDS IN THIS REPORT:		
TOTAL AMOUNT OF REFUNDS:		
TOTAL REFUND CHECKS TO STUDENTS:		
TOTAL PELL CHECKS:		
TOTAL SEOG CHECKS:		
TOTAL TPEG RES CHECKS:		
TOTAL TPEG NON-RES CHECKS:		
TOTAL TEXAS GRANT CHECKS		
TOTAL TEOG CHECKS		
TOTAL LEAP CHECKS		
TOTAL SLEAP CHECKS		
TOTAL FED DIR LOAN CHECKS		
TOTAL OTHER AWARDS		
GRAND TOTAL		

4. Take original proposed run with adjustments to the Director of Financial Aid.
5. Director of Financial Aid or designee will enter corrections/adjustments.
6. After corrections/adjustments have been entered, Director of Financial Aid will email only the Controller and include the 2nd Proposed Award Disbursement Report and the Possible Late Room & Board Award Report.
7. Controller will use the 2nd Proposed Award Disbursement Report and the Possible Late Room & Board Award Report to verify corrections/adjustments were made and the totals match that the Accounts Receivable Specialist sent in earlier email.
 - a. If the dollar amount on second set of runs is different than the first the Controller will verify with the AVP of Enrollment Management that additions are okay.
8. If the 2nd proposed run is accurate, the Controller will submit a ticket to admin computing requesting the final financial aid run be processed.
9. If the Controller is out of the office, emails will need to be sent to the Accounts Receivable Specialist (Delana) and she will request the run.

Example of Service Ticket Request:

Please run the Proposed Award Disbursement TOMORROW for the following:

S2 2018

Also, please place the direct deposit file(s) out on the business office "A-FS" drive, EFT's- Financial Aid folder, and notify the business office when done. The effective date for this run is 8.30.18

Please place a copy of the "SSN" report(s) out on the financial aid "A-FS" drive AS-400 DISBURSEMENT REPORTS/Reports from Computer Center/Proposed Award Disbursements folder.

And, please send an email and attach all reports to the following:

finaid@tvcc.edu

businessoffice@tvcc.edu

On the morning of the run:

Checks will print and Admin Computing will e-mail reports to the financial aid and accounting services distribution email groups.

1. Accounts Receivable Specialist will e-mail a copy of the check summary (Refund Disb Payout Check Summary) to:
Palestine – Gail McInnis, Melissa Singletary
Terrell – Angel Hutto, Linda White, Kathey Taldo
Kaufman – Shelia Goldman
2. Accounts Receivable Specialist will print one copy of all reports except check summary

3. Accounts Receivable Specialist will collate and sort checks together as they will run in several different batches & need to be in alpha order.
 - Sort checks in campus stacks.
 - Verify all checks on "Check release form" are there by either counting checks or checking names.
 - Put a post it note on the front & write **"Checks for Friday, Oct 8th. Please do not release early."** If you do not put post it note, they think they can go at any time. Put checks for other campuses into Envelopes for delivery thru Campus mail
4. There should only be one or two checks made out to "TVCC" or "TVCC for"
 - The "TVCC" check has already been automatically receipted. Admin Computing will automatically print these receipts. If for some reason they do not print, Accounts Receivable Specialist or Cashier will need to go into the AS400 to get the receipt #'s from the non-tuition screen (#17, #2, #10) the receipt #'s are marked on the report by each student's name that had something withheld from their original amount.
 - Accounts Receivable Specialist or Cashier will write the receipt numbers on the TVCC checks. Receipt #'s also have to be written on the TVCC check. This also has to be done for any checks for R&B. These checks have to be down to the cashier prior to balancing.
 - The "TVCC for" checks are for T&F payments. These have to be individually receipted & the receipt # marked on the report. These do not have to be done by balancing but should be done that day or at the latest the next.
 - Copies of receipts need to be printed for:
 - Payments to Pell (1 copy Director of Financial Aid)
 - Payments to Direct Loan (1 copy Director of Financial Aid, 1 copy to Senior Accountant, Grants)
 - Payments for traffic, library, ID, dorm charges, etc. (1 copy to Cashier)
5. The Over Due screen **must** be updated for any amounts that were paid from the run.
 - Anything that is maintained by Cashier (LRC, ID, fines) and was paid on this run must be given to the Cashier. The Cashier will update their records and the Overdue Screen.
 - Temp loans paid by Pell or Direct Loan will need to be updated by either the Cashier or Accounts Receivable Specialist.
 - Accounts Receivable Specialist will need to update their 1098T spreadsheet for any Temp Loans that are paid by Pell.

Reconciliation

TVCC's Financial Aid Office enters all student award information and balances due to students. TVCC's Accounting Services controls the disbursement of funds; disbursement is payable to the student by either direct deposit or paper check. A subsidiary ledger exists for each award. The subsidiary ledgers can include the following account types: cash, expense, income, accounts receivable and accounts payable. Receipt and disbursement of grant and contract funds are subject to the same policies and procedures as institutional receipts and disbursements.

1. Each month the Senior Accountant – Financial Reporting reconciles all bank accounts to ensure the subsidiary cash balances are correct. If there are any discrepancies at the bank designation code level for the financial aid subsidiary ledger accounts, the Senior Accountant – Financial Reporting will contact the Senior Accountant- Grants Accounting and/or the Director of Financial Aid to resolve. The Controller reviews and approves all bank reconciliations.
2. Monthly, the Senior Accountant- Grant Accounting, and/or other Business Office personnel will reconcile state grant general ledger accounts. If there are reconciliation discrepancies, the Senior Accountant will work with TVCC's Financial Aid department personnel to resolve within 30 days.
3. Monthly, the Lead Financial Aid Specialist will reconcile TVCC Financial Aid Award Database to the general ledger expenditure account for the specific grant award.
4. Both the Lead Financial Aid Specialist and Senior Accountant – Grants submit monthly reconciliation reports to their immediate supervisors for review and approval.

Example of bank code reconciliation:

TEOG (All Accounts tied to bank ID 0010-094-1)								
Dept	Object Class	Campus	Account Name	Account Type	Bank Code	Beginning Balance	Transactions as of 7.31.18	Ending Balance
0010	090	1	PB GEN&FED: TEXAS GRANT & TEOG	A		-	150,587.56	150,587.56
0030	094	1	A/R - TEXAS GRANT & TEOG	A	00100901	-	-	-
0380	090	1	TEXAS GRANT ALLOCATION	I	00100901	-	-	-
0380	091	1	TEXAS EDUC'L OPPORTUNITY GRANT	I	00100901		(480,676.00)	(480,676.00)
0380	098	1	TEOG - PRIOR YEARS	I	00100901	-	-	-
4410	090	1	TEXAS GRANT ALLOCATION	E	00100901	-	(3.06)	(3.06)
4410	091	1	TEXAS EDUC'L OPPORTUNITY GRANT	E	00100901		330,091.50	330,091.50
4410	094	1	TEOG - PRIOR YEAR	E	00100901	-	-	-
Balance								-

Example of general ledger account reconciliation:

Reconciliation Spreadsheet: FWS 2015-2016 PO33A154032									
FWS as of 09.30.2015									
Year	1/1-1/31	2/1-2/29	3/1-3/31	4/1-4/30	5/1-5/31	6/1-6/30	7/1-7/31	8/1-8/30	Total
4410 070 1 FWS July/Aug	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,092.13
4410 054 1 FWS Sep/June	\$ 952.95	\$ 1,344.88	\$ 12,076.02	\$ 10,043.21	\$ 12,391.88	\$ 3,667.75	\$ (5,174.30)	\$ -	\$ 38,297.71
4410 055 1 FWS Community Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,320.43	\$ -	\$ 9,320.43
4410 064 1 FWS Prior Year Carryover	\$ -	\$ -	\$ -	\$ (38.70)	\$ -	\$ -	\$ -	\$ -	\$ 2,411.25
4410 069 1 FWS Prior Year Carryback	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expense per General Ledger	\$ 952.95	\$ 1,344.88	\$ 12,076.02	\$ 10,004.51	\$ 12,391.88	\$ 3,667.75	\$ 4,146.13	\$ -	\$ 53,121.52
0380 079 1 FWS July/Aug	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,092.13)
0380 063 1 WS - Fed Contribution	\$ (1,950.78)	\$ (1,344.88)	\$ (12,076.02)	\$ (10,004.51)	\$ (12,430.58)	\$ (3,667.75)	\$ (4,146.13)	\$ -	\$ (47,618.14)
0380 076 1 FWS Prior Year Carryforward	\$ -	\$ -	\$ -	\$ -	\$ 38.70	\$ -	\$ -	\$ -	\$ (2,411.25)
0380 073 1 FWS from SEOG	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(Less FWS Admin)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Income Per General Ledger	\$ (1,950.78)	\$ (1,344.88)	\$ (12,076.02)	\$ (10,004.51)	\$ (12,391.88)	\$ (3,667.75)	\$ (4,146.13)	\$ -	\$ (53,121.52)
Difference	\$ (997.83)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.00

Example of financial aid award transactions reconciliation to general ledger:

Financial Aid Award Transactions by Semester - Per Report in AS400							
Semester	Award Number	T&F	R & B	Books	Paid to Student	Other	Total
S2 2016	4410-050	167,595.88	25,823.41	26,501.35	78,941.41	3,452.51	302,314.56
FL 2016	4410-050				812.00	-	812.00
Fall 2016	4410-051	1,951,423.70	303,350.49	586,969.37	1,494,952.99	35,217.67	4,371,914.22
S2 2016	4410-051	2,637.59	878.41		5,118.00	862.99	9,496.99
FL 8Wk 1 M5 2016	4410-051	2,658.00	-	529.00	2,971.00	1.00	6,159.00
FL 8Wk 2 M6 2016	4410-051	9,016.00	555.00	1,139.01	10,859.23		21,569.24
SP 2017	4410-051	2,073,618.83	210,797.49	419,736.03	1,352,392.60	24,582.15	4,081,127.10
M0 2017 SP 8WK 1	4410-051	2,126.00	-	108.25	634.75		2,869.00
M1 2017 SP 8WK 2	4410-051	11,161.00	369.00	1,842.93	9,348.89	-	22,721.82
M2 2017 Nursing	4410-051	12,805.00		342.35	5,499.65	444.00	19,091.00
M3 2017 All Summer	4410-051	100,374.25	-	6,311.90	43,434.29	172.38	150,292.82
S1 2017	4410-051	137,371.10	1,908.53	20,208.38	56,670.13	316.00	216,474.14
MY 2017 Jan Fast Track	4410-051	-	-	-	-	-	-
MZ 2017 May Fast Track	4410-051	-	-	-	-	-	-
SP 2017	4410-067				6,944.00		6,944.00
M3 2017 All Summer	4410-067					403.00	403.00
Totals		4,470,787.35	543,682.33	1,063,688.57	3,068,578.94	65,451.70	9,212,188.89

EXHIBIT D

	A	C	D	E	F	G	H	I	J	K
1	student names redacted	# of semes ter hours	Amount Tuition & Fees	Amount awarded	Amount matched	what account matched	Amount to pay out at census T & F, R&B, Books as of 9/2	Amount TEOG and Match	difference	difference between award and pay out
2	student names redacted	12	\$ 2,128.00	\$ 1,575.00	\$ 553.00	TEOG match	\$ 1,575.00	\$ 2,128.00	\$ -	\$ -
3		12	\$ 1,480.00	\$ 1,575.00	\$ -		\$ 1,575.00	\$ 1,575.00	\$ (95.00)	\$ -
4		14	\$ 2,371.00	\$ 1,575.00	\$ 796.00	TEOG match	\$ 1,575.00	\$ 2,371.00	\$ -	\$ -
5		17	\$ 2,685.00	\$ 1,575.00	\$ 1,110.00	TEOG match	\$ 1,575.00	\$ 2,685.00	\$ -	\$ -
6		12	\$ 1,216.00	\$ 1,575.00	\$ -		\$ 1,575.00	\$ 1,575.00	\$ (359.00)	\$ -
7		13	\$ 2,272.00	\$ 1,575.00	\$ 697.00	TEOG match	\$ 1,575.00	\$ 2,272.00	\$ -	\$ -
8		10	\$ 995.00	\$ 1,182.00	\$ -		\$ 1,181.00	\$ 1,182.00	\$ (187.00)	\$ 1.00
9		9	\$ 1,801.00	\$ 1,182.00	\$ 620.00	TEOG match	\$ 1,181.00	\$ 1,802.00	\$ (1.00)	\$ 1.00
10		9	\$ 1,666.00	\$ 1,182.00	\$ 485.00	TEOG match	\$ 1,181.00	\$ 1,667.00	\$ (1.00)	\$ 1.00
11		12	\$ 1,515.00	\$ 1,575.00	\$ -		\$ 1,575.00	\$ 1,575.00	\$ (60.00)	\$ -
12						300 SEOG TEOG match				
13		12	\$ 2,163.00	\$ 1,575.00	\$ 588.00	TEOG match	\$ 1,575.00	\$ 2,163.00	\$ -	\$ -
14		8	\$ 949.00	\$ 788.00	\$ 161.00		\$ 788.00	\$ 949.00	\$ -	\$ -
15		10	\$ 1,000.00	\$ 1,182.00	\$ -		\$ 1,181.00	\$ 1,182.00	\$ (182.00)	\$ 1.00
16		13	\$ 1,445.00	\$ 1,575.00			\$ 1,471.00	\$ 1,575.00	\$ (130.00)	\$ 104.00
17		10	\$ 1,255.00	\$ 1,182.00	\$ 73.00	TEOG match	\$ 1,181.00	\$ 1,255.00	\$ -	\$ 1.00
18		11	\$ 1,128.00	\$ 1,182.00			\$ 1,181.00	\$ 1,182.00	\$ (54.00)	\$ 1.00
19		6	\$ 608.00	\$ 788.00			\$ 748.73	\$ 788.00	\$ (180.00)	\$ 39.27
20		14	\$ 1,342.00	\$ 1,575.00			\$ 1,342.00	\$ 1,575.00	\$ (233.00)	\$ 233.00
21		6	\$ 740.00	\$ 788.00			\$ 787.99	\$ 788.00	\$ (48.00)	\$ 0.01
22		13	\$ 1,179.00	\$ 1,575.00			\$ 1,575.00	\$ 1,575.00	\$ (396.00)	\$ -
23		16	\$ 2,547.00	\$ 1,575.00	\$ 972.00	TEOG match	\$ 1,575.00	\$ 2,547.00	\$ -	\$ -
24		12	\$ 2,128.00	\$ 1,575.00	\$ 553.00	TEOG match	\$ 1,575.00	\$ 2,128.00	\$ -	\$ -
25		14	\$ 2,556.00	\$ 1,575.00	\$ 981.00	TEOG match	\$ 1,575.00	\$ 2,556.00	\$ -	\$ -
26		15	\$ 2,589.00	\$ 1,575.00	\$ 588.00	TEOG match	\$ 1,575.00	\$ 2,163.00	\$ 426.00	\$ -
27		9	\$ 912.00	\$ 1,182.00	\$ -		\$ 1,181.00	\$ 1,182.00	\$ (270.00)	\$ 1.00
28		12	\$ 1,216.00	\$ 1,575.00	\$ -		\$ 1,216.00	\$ 1,575.00	\$ (359.00)	\$ 359.00
29		7	\$ 1,298.00	\$ 788.00	\$ 510.00	TEOG match	\$ 788.00	\$ 1,298.00	\$ -	\$ -
30		19	\$ 1,907.00	\$ 1,575.00	\$ 726.00	Texas Rehab	\$ 1,575.00	\$ 2,301.00	\$ (394.00)	\$ -
31			\$ 45,091.00	\$ 38,201.00	\$ 9,413.00		\$ 37,458.72			\$ 742.28

EXHIBIT D

EXHIBIT E

Reconciliation Controls Financial Aid Accounts

Procedures prior to the THECB TEOG audit were as follows:

A subsidiary ledger exists for each Title IV, THECB and similar awards. The subsidiary ledgers can include the following account types: cash, expense, income, accounts receivable and accounts payable. TVCC's Financial Aid Office enters all student award information and balances due to students. TVCC's Accounting Services controls the disbursement of funds; disbursement is payable to the student by either direct deposit or paper check. Receipt and disbursement of grant and contract funds are subject to the same policies and procedures as institutional receipts and disbursements.

As a result of the THECB audit, the following procedures and actions have been added and taken to strengthen reconciliation and reporting processes:

- Created two new expense general ledger accounts and financial award numbers to document TEOG initial year and returning year award disbursements. The new ledgers will allow ease of tracking disbursements by different categories eligible for funding by TEOG.
- Improved communication between financial aid and accounting services staff has enhanced review of financial data review before submission to reporting entities.
- Created the TVCC Financial Aid Procedures Non-Federal Funds (Exhibit C) as discussed in responses above.
- Documented, updated and trained staff on Weekly Financial Aid Run Procedures. The updated procedures clearly outline roles and responsibilities for financial aid and accounting services personnel as they pertain to disbursements to or on behalf of students. The procedures are included in the Financial Aid Procedures Non-Federal Funds (Exhibit C) for financial aid and accounting services staff to reference.

The following additional controls will be implemented monthly effective with 9/1/18 accounting:

- Each month the Senior Accountant – Financial Reporting reconciles all bank accounts. In the future the Senior Accountant – Financial Reporting will also reconcile cash accounts by bank designation code. If there are any discrepancies at the bank designation code level for the nonfederal financial aid subsidiary ledger accounts, the Senior Accountant – Financial Reporting will contact the Senior Accountant- Grants Accounting and/or the Director of Financial Aid to resolve.
- Monthly, the Senior Accountant- Grant Accounting, and/or other Accounting Services personnel will reconcile state grant general ledger accounts. If there are reconciliation discrepancies, the Senior Accountant will work with Financial Aid department personnel to resolve within 30 days.
- Monthly, the Lead Financial Aid Specialist (acting as director) will reconcile the TVCC Financial Aid Award Database to the general ledger expenditure account for the specific grant award.
- Both the Lead Financial Aid Specialist and Senior Accountant – Grants will submit monthly reconciliation reports to their immediate supervisors for review and approval.