



TEXAS HIGHER EDUCATION COORDINATING BOARD

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September 17, 2019

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Dr. Raymund A. Paredes
Commissioner of Higher Education
1200 E. Anderson Lane
Austin, TX 78752

Dear Dr. Paredes:

I am attaching the final report for *A Review of Scholarship Programs at the Texas Higher Education Coordinating Board*, Report No. THECB-IA-WP-19-215.

The issues presented in this report resulted in a Category 1 Report Rating. These reports contain no or minimal reportable observations. While the noted observations require management attention, if addressed timely they do not pose a significant risk for negative reputational or financial consequences.

If you have any questions or comments, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Poehl".

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

EXECUTIVE SUMMARY

Controls were effective over the administration of the License Plate Insignia Program and the Texas Armed Services Scholarship Program. However, the organization of scholarship information on the Coordinating Board's main website and the College For All Texans website needs improvement. The Coordinating Board's main website and the College For All Texans website can be improved to provide more cohesive, and complete scholarship information to students and institutions. Organized and complete communication of scholarship information is vital to the Coordinating Board's Strategic Plan 60x30TX.

Audit Objective, Scope and Methodologies

The audit objective was to review scholarship programs for compliance, effectiveness, and efficiency. Based on risk, our scope was refined to specifically review current processes in the License Plate Insignia Program and the Texas Armed Service Scholarship Program. The audit included reviewing relevant documentation related to the audit area, performing various testing to address the audit objectives, and interviewing appropriate THECB staff.

We conducted this audit in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Additionally, 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 conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The Coordinating Board generally considers scholarships to be non-loan, merit, or need-based financial aid directed to a student to pursue a degree or certificate. Various areas administer scholarships in a variety of ways; most scholarships are administered through Student Financial Aid Programs (SFAP).

Although scholarship information can mostly be found in two locations, the Coordinating Board main website and the College For All Texans website, neither site provides a centralized location of scholarship information. Both websites have different scholarship programs listed with varying information, with the College For all Texans website stated as the main informational site for scholarship programs according to management.

Through the risk assessment process, two programs were selected for review; the License Plate Insignia Program and the Texas Armed Services Scholarship Program.

The Coordinating Board seeks to ensure students and institutions have accurate, timely, and clear information related to student assistance opportunities. Ensuring accurate dissemination of information to external parties promotes two of the goals of the Coordinating Board's strategic plan 60x30TX to reduce student debt and to ensure students complete degrees.

The audit team greatly appreciates the efforts of program staff and assistance during this project.

Detailed Observation, Recommendation, and Management Response

1. The organization of agency scholarship information, and the ease by which uninformed stakeholders can locate that information, requires improvement.

The organization of agency scholarship information, and the ease by which uninformed stakeholders can locate that information, requires improvement. Programs administered by the Coordinating Board that use the word "scholarship", whether they are true scholarship programs or some other type of student financial assistance such as a loan or waiver, are currently promoted in two locations:

1. [The agencies main website](#)
2. [The College For All Texans website](#)

Neither location provides a comprehensive, organized listing of programs that use the word “scholarship”. Further, each website promotes different financial assistance programs. The result is that stakeholders, especially prospective or current college students, may not be able to easily locate resources that could assist them in their pursuit of higher education credentials. Any lack of optimization in locating student financial assistance runs contrary to the goals of the agency’s strategic plan, 60X30TX.

The agency’s main website was searched using the word “scholarship”. The search result shows a page titled “Work-Study & Scholarships” first, which has three programs; Texas College Work-Study, Top Ten Percent (10%) Scholarship, and Bilingual Education Exchange Program Scholarship. None of these programs are listed on College For All Texans website.

The College For All Texans website was searched using the term “scholarship”. The result was a mix of web pages listing various scholarships; in order to find a collective list of scholarships several additional webpages were reviewed while trying to locate a complete list. The site “Types of Financial Aid-State and Federal Grants and Scholarships” was located and lists 13 programs, which are a mix of Coordinating Board and external programs. The information is organized in a manner that makes it difficult to find scholarship programs and to easily obtain accurate information.

Recommendations:

1. Improve [the agency’s main website](#), and the [College For All Texans website](#), regarding the ability to obtain meaningful, comprehensive search results and underlying information when stakeholders query “scholarship”.

Management Response:

Management agrees with the observation that confusion in finding scholarship information could be lessened. Financial aid information on the agency’s main website (www.thecb.state.tx.us) is targeted toward institutional financial aid administrators. For example, the “Work-Study and Scholarships” page referenced in the observation is located under the “Institutional Resources & Programs” menu. Alternately, the College for All Texans website provides the consumer information regarding financial aid for students, parents, counselors, and others. Financial Aid Services will work with the Website Governance Committee and Information Solutions and Services (ISS) to identify and implement opportunities to (a) make

it clearer on the main agency web pages that the financial aid information is for aid administrators, and (b) improve the search and navigation on the agency's website to guide students, parents, counselors, and other consumers to College For All Texans for financial aid details.

The College For All Texans website is currently undergoing review, led by the College Readiness and Success (CRS) division. Financial Aid Services is participating in those discussions and will continue to suggest improvements that can be made during that project to improve the accessibility of financial aid information.

Implementation Date:

May 1, 2020 for updates to pages on the agency website; the Website Governance Committee in collaboration with ISS will need to define timeline for improvements to search engine, and CRS will need to provide updates to improvements to College For All Texans website.

Responsible Party (ies):

DeChà Reid for updates to pages on the agency website.

PERFORMED BY:

Ms. Michelle Koog, CFE, CISA, Internal Auditor

cc:

THECB

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