August 28, 2017

Mr. James Brent
President
Brensten Education
20633 Watertown Court
Waukesha, WI 53186

Certified Mail Return Receipt Requested
Domestic Return Receipt
7012 1640 0000 0217 0490

RE: **Final Program Review Determination**
OPE ID: 04137900
PRCN: 2014 4 05 28823

Dear Mr. Brent:

The U.S. Department of Education's (Department's) Chicago/Denver School Participation Team – Chicago/Denver issued a program review report on January 14, 2015 covering Brensten's (Brensten) administration of programs authorized by Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs), for the 2012/13 and 2013/14 award years. Brensten's final response was received on January 27, 2016. A copy of any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Brensten upon request. Additionally, this Final Program Review Determination (FPRD), related attachments, and any supporting documentation may be subject to release under the Freedom of Information Act (FOIA) and can be provided to other oversight entities after this FPRD is issued.

Purpose:

Final determinations have been made concerning all of the outstanding findings of the program review report. The purpose of this letter is to: (1) identify liabilities resulting from the findings of this program review report, (2) provide instructions for payment of liabilities to the Department, and (3) notify the institution of its right to appeal.

Due to the serious nature of one or more of the enclosed findings, in the normal course, this FPRD would have been referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for its consideration of possible adverse action (e.g. fine). Since Brensten is no longer participating in the Title IV programs, this FPRD will not be referred at this time; however, should Brensten apply for reinstatement in the future, in addition to meeting all other requirements, this matter will need to be addressed. Please note that the appeal instructions contained herein apply only to the appeal of the financial liabilities established in this final program review determination.

This FPRD contains one or more findings regarding Brensten's failure to comply with the requirements of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the Clery Act) in Section 485(f) of the HEA, 20 U.S.C. § 1092(f), and the Department's regulations in 34 C.F.R. §§ 668.41 and 668.46. Since a Clery Act finding does not result in a financial liability, such a finding may not be appealed.

This FPRD contains one or more findings regarding Brensten's failure to comply with the requirements of the Drug-Free Schools and Communities Act Amendments of 1989 as reflected in Section 120 of the HEA, 20 U.S.C. § 1011(i), and the Department's regulations in 34 C.F.R. Part 86. Since such a finding does not result in a financial liability it may not be appealed at this time.

The total liabilities due from the institution from this program review are $369,522.00.

This final program review determination contains detailed information about the liability determination for all findings.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the findings in the attached report do not contain any student PII. Instead, each finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. In addition, Appendix B, List of Students Reviewed (Finding 1) also contains PII. These appendices were encrypted and sent separately to the institution via e-mail.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the January 14, 2015 program review report. If Brensten wishes to appeal to the Secretary for a review of financial liabilities established by the FPRD, the institution must file a written request for an administrative hearing. Please note that institutions may appeal financial liabilities only. The Department must receive the request no later than 45 days from the date Brensten receives this FPRD. An original and four copies of the information Brensten submits must be attached to the request. The request for an appeal must be sent to:

Director
Administrative Actions and Appeals Service Group
U.S. Department of Education
Federal Student Aid/PC
830 First Street, NE - UCP3, Room 84F2
Washington, DC 20002-8019

Brensten's appeal request must:

(1) indicate the findings, issues and facts being disputed;
(2) state the institution's position, together with pertinent facts and reasons supporting its position;
(3) include all documentation it believes the Department should consider in support of the appeal. An institution may provide detailed liability information from a complete file review to appeal a projected liability amount. Any documents relative to the appeal that include PII data must be redacted except the student's name and last four digits of his / her social security number (please see the attached document, "Protection of Personally

Identifiable Information," for instructions on how to mail "hard copy" records containing PII); and
(4) include a copy of the FPRD. The program review control number (PRCN) must also accompany the request for review.

If the appeal request is complete and timely, the Department will schedule an administrative hearing in accordance with § 487(b) (2) of the HEA, 20 U.S.C. § 1094(b) (2). The procedures followed with respect to Brensten's appeal will be those provided in 34 C.F.R. Part 668, Subpart H. **Interest on the appealed liabilities shall continue to accrue at the applicable value of funds rate, as established by the United States Department of Treasury, or if the liabilities are for refunds, at the interest rate set forth in the loan promissory note(s).**

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. §§ 668.24(e)(1), (e)(2), and (e)(3).

If the institution has any questions regarding this letter, please contact Tammi Sawyer at 312-730-1531. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

[redacted]

Douglas Parrott
Division Director

Enclosure:
Protection of Personally Identifiable Information
Program Review Report (and appendices)
Final Program Review Determination Report (and appendices)

cc: Wendy Mirenda, Financial Aid Administrator
WI Educational Approval Board
Accrediting Council for Continuing Education & Training
Department of Defense
Department of Veterans Affairs
Consumer Financial Protection Bureau

Prepared for

Brensten Education

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

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OPE ID 04137900
PRCN 2014 4 05 28823

Prepared by
U.S. Department of Education
Federal Student Aid
School Participation Division – Chicago/Denver

Final Program Review Determination
August 28, 2017

Chicago/Denver School Participation Division
500 West Madison Street, Suite 1576, Chicago, IL 60661
StudentAid.gov.

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A. Institutional Information

Brensten Education
20633 Watertown Court
Waukesha, WI 53186

Type: Proprietary

Highest Level of Offering: Associate's Degree

Accrediting Agency: Accrediting Council for Continuing Education & Training

Current Student Enrollment: 336

% of Students Receiving Title IV, HEA funds: 100% (2012/2013)

Title IV, HEA Program Participation (PCNet):

	2012/2013
Federal Pell Grant (Pell Grant)	$ 1,091,134.00
William D. Ford Federal Direct Loan Program (Direct Loan)	$ 2,568,384.00

Default Rate DL:
2011- 26.4%
2010- 31.5%
2009- 0.0%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Brensten Education (Brensten) from September 15, 2014 to September 19, 2014. The review was conducted by Stefanie Tucker and Clare Barger.

The focus of the review was to determine Brensten's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV HEA programs. The review consisted of, but was not limited to, an examination of Brensten's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 30 files was identified for review from the 2012/13 and 2013/14 award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review.

Disclaimer:
Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning Brensten's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve Brensten of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

C. Findings and Final Determinations

Resolved Findings

Findings *5*, 7, 8, 9, 10, and 11

Brensten has taken the corrective actions necessary to resolve findings 5, 7, 8, 9, 10, and 11 of the program review report (PRR). Therefore, these findings may be considered closed. Findings requiring further action by Brensten are discussed below.

Findings with Final Determinations

The PRR findings requiring further action are summarized below. At the conclusion of each finding is a summary of Brensten's response to the finding, and the Department's final determination for that finding. A copy of the PRR issued on January 14, 2015 is attached as Appendix C.

Note: Any additional costs to the Department, including interest, special allowances, cost of funds, unearned administrative cost allowance, etc., are not included in individual findings, but instead are included in the summary of liabilities table in Section D of the report.

Finding 1. Verification Violations

Citation Summary: An institution is responsible for verifying the information that is used to calculate an applicant's Expected Family Contribution (EFC) as part of the determination of need for student financial assistance for students who are selected for verification. *34 C.F.R. § 668.51 through 34 C.F.R. § 668.61.*

Noncompliance Summary: Brensten failed to complete verification for eight students in the 2012/13 award year and two students during the 2013/14 award year.

Required Action Summary: Brensten was required to complete a file review for all 2012/13 and 2013/14 Title IV, HEA recipients selected for verification.

[redacted]

Final Determination: Brensten did not correctly complete the file review for 2012/13 and 2013/14 award years. Brensten failed to correct verification errors for 173 students. Uncorrected verification errors are provided below and grouped into categories. Student specific details for 2012/13 award year verification file review is provided in Appendix E and 2013/2014 award year is provided in Appendix F.

Incorrectly Verified and Under-Payments – No Liabilities Involved

2012-2013 Errors

Brensten did not correctly complete verification for the following students: #10, 32, 38, 40, 42, 56, 64, 72, 77, 87, 88, 103, 115, 120, 121, 124, 133, 135, 151, and 153. However, when the reviewer completed verification correctly, there were no liabilities associated with these errors.

There were other data element errors made in the verification process for students #118 and 150 that did not result in liabilities to the Department due to Pell Grant under-payments made to the student.

2013-2014 Errors

Brensten did not correctly complete verification for the following students: #25, 27, 129, 171, 178, 179, 180, 193, 198, 202, 205, 208, 218, 230, 231, 237, 239, 248, 253, 254, 260, 264, and 271. However, when the reviewer completed verification correctly, there were no liabilities associated with these errors.

There were other data element errors made in the verification process for students #28, 169, 246, and 249 that did not result in liabilities to the Department due to Pell Grant under-payments made to the student.

Overpayments made due to change in EFC:

2012-2013 Errors

For student #8 the student's income tax paid was incorrectly verified by Brensten. The ISIR shows the student's income tax paid as $3,130.00 but the tax return shows $2,994.00. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 1392 to 1442. The corrected EFC resulted in a revised Pell Grant award of $2,050.00. The student was overpaid Pell Grant funds by $50.00 due to the institution's verification errors.

For student #45, the number in the household and 1040A/EZ filing eligibility was incorrectly verified by Brensten. The ISIR shows two in the household and not eligible to file a 1040 A/EZ. A written statement from the student shows only one in the household and the tax return transcript shows the student was eligible to file a 1040 A/EZ. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 8801. The corrected EFC resulted in a revised Pell Grant award of $0. The student was overpaid Pell Grant funds by $2,775.00 due to the institution's verification errors.

For student #57, the student's income tax paid was incorrectly verified by Brensten. The ISIR shows income tax paid as $1,773.00 and the tax return transcript shows $1,541.00. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 2886 to 2939. The corrected EFC resulted in a revised Pell Grant award of $2,600.00. The student was overpaid Pell Grant funds by $100.00 due to the institution's verification errors.

For student #74, the student's income tax paid was incorrectly verified by Brensten. The ISIR shows income tax paid as $2,664.00 but the tax return transcript shows $3,354.00. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 822. The corrected EFC resulted in a revised Pell Grant award of $4,700.00. The student was overpaid Pell Grant funds by $850.00 due to the institution's verification errors.

For student #85, the student's adjusted gross income and student's income tax paid were incorrectly verified by Brensten. The ISIR shows the student's adjust gross income as $22,000.00 and the student's income tax paid as $3,000.00 but the tax return shows the adjusted gross income as $21,134.00 and the income tax paid as $1,319.00. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 3554 to 3906. The corrected EFC resulted in a revised Pell Grant award of $800.00. The student was overpaid Pell Grant funds by $200.00 due to the institution's verification errors.

2013-2014 Errors

For student #166, the number in the household was incorrectly verified by Brensten. The ISIR shows the number in the household as two but the email documentation from the student shows one. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 4623. The corrected EFC resulted in a revised Pell Grant award of $498.00. The student was overpaid Pell Grant funds by $2,325.00 due to the institution's verification errors.

For student #181, the child support paid was incorrectly verified by Brensten. The ISIR shows child support paid as $16,276.00, but documentation from the student states he does not provide child support but provides more than 50% support and counts the children in the household. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 544. The corrected EFC resulted in a revised Pell Grant award of $2,548.00. The student was overpaid Pell Grant funds by $275.00 due to the institution's verification errors.

For student #186, the child support paid was incorrectly verified by Brensten. The ISIR shows child support paid as $2,400.00, but documentation from the student states he does not pay child support but provides more than 50% support and counts the children in the household. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 77 to 325. The corrected EFC resulted in a revised Pell Grant award of $5,295.00. The student was overpaid Pell Grant funds by $300.00 due to the institution's verification errors.

For student #189, the child support paid was incorrectly verified by Brensten. The ISIR shows child support paid as $8,580.00, but documentation from the student states he does not pay child support but provides more than 50% support and counts the children in the household. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 698. The corrected EFC resulted in a revised Pell Grant award of $2,498.00. The student was overpaid Pell Grant funds by $325.00 due to the institution's verification errors.

For student #194, the number in the household was incorrectly verified by Brensten. The ISIR shows the number in the household as five, but documentation from the student states he does not provide 50% support for dependents listed. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 422. The corrected EFC resulted in a revised Pell Grant award of $2,598.00. The student was overpaid Pell Grant funds by $225.00 due to the institution's verification errors.

For student #195, the number in the household was incorrectly verified by Brensten. The ISIR shows the number in household as three, but documentation from the student states he does not provide 50% support for dependents listed. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 0 to 9531. The corrected EFC resulted in a revised Pell Grant award of $0. The student was overpaid Pell Grant funds by $2,823.00 due to the institution's verification errors.

For student #197, the student's income tax paid was incorrectly verified by Brensten. The ISIR shows student's income tax paid as $1,068.30, but the tax return transcript shows $738.00. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 2357 to 2522. The corrected EFC resulted in a revised Pell Grant award of $1,548.00. The student was overpaid Pell Grant funds by $100.00 due to the institution's verification errors.

For student #247, the student's untaxed pension was incorrectly verified by Brensten. The ISIR shows the student's untaxed pension as $0, but the tax return transcript shows $501.00. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 4820 to 5060. The corrected EFC resulted in a revised Pell Grant award of $605.00. The student was overpaid Pell Grant funds by $190.00 due to the institution's verification errors.

For student #255, the education credits were incorrectly verified by Brensten. The ISIR shows the student's education credits as $793.00, but the tax return transcript shows $0. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 2192 to 2577. The corrected EFC resulted in a revised Pell Grant award of $3,095.00. The student was overpaid Pell Grant funds by $400.00 due to the institution's verification errors.

For student #265, the number of individuals in college was incorrectly verified by Brensten. The ISIR shows the number in college as three, but email documentation from the student shows one. The reviewer completed a corrected EFC recalculation which resulted in an EFC change from 2214 to 5542. The corrected EFC resulted in a revised Pell Grant award of $0. The student was overpaid Pell Grant funds by $1,698.00 due to the institution's verification errors.

Unresolved ISIR C Code Issues:

2012-2013 Errors

For student #50, Brensten failed to resolve a C code for student loan default. This student was in default, and was ineligible to receive any Title IV funds. Verification is incomplete and the student was ineligible to receive Title IV funds due to the C code issue.

For student #95, Brensten failed to resolve a C code for Selective Service. Brensten failed to acquire a status information letter for Selective Service verification. Additionally, Brensten did not provide a tax return transcript for this student, and therefore the verification process was not completed. Verification is incomplete and the student was ineligible to receive Title IV funds due to the C code issue.

For student #144, Brensten failed to resolve a C code for Selective Service. Brensten failed to acquire status information letters for Selective Service verification. Verification is incomplete and the student was ineligible to receive Title IV funds due to the C code issue.

2013-2014 Errors

For students #95, 170, 175, 182, 183, 258, and 259, Brensten failed to resolve a C code for Selective Service. Brensten failed to acquire status information letters for Selective Service verification. Verification is incomplete and these students were ineligible to receive Title IV funds due to the C code issue.

For student #263, Brensten did not resolve the C code by failing to obtain default documentation for the student file. Additionally, Brensten did not resolve conflicting information for verification worksheets that showed dependents listed in the household and child support being paid for those dependents. Verification is incomplete and the student was ineligible to receive Title IV funds due to the C code issue and unresolved conflicting information.

Professional Judgment Not Documented:[1]

2012-2013 Errors

For student #76, Brensten failed to collect documentation to support the professional judgement which resulted in an adjustment to the student's EFC. The institution was unable to provide documentation to support the student's change of income. Due to the professional judgement lacking documentation the student's EFC will remain at 6039. The student was overpaid $2,775 in Pell Grant funds.

For student #86, Brensten failed to collect documentation to support the professional judgement which resulted in an adjustment to the student's EFC. The institution was unable to provide documentation to support the student's change of income. Due to the lack of documentation for the professional judgement the student's EFC will remain at 4379. The student was overpaid $4,350 in Pell Grant funds.

2013-2014 Errors

For student #250, Brensten failed to collect documentation to support the professional judgement which resulted in an adjustment to the student's EFC. The institution was unable to provide documentation to support the student's change of income. Due to the lack of documentation for the professional judgement the student's EFC will remain at 2666. The student was overpaid $2,650 in Pell Grant funds.

Unresolved Conflicting Information:

2012-2013 Errors

[1] This professional judgment finding is included in this finding because it was only discovered during the file review process.

For student #11, conflicting information regarding the number in household was not resolved. The ISIR shows the number in household as four, but the verification worksheet shows three. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax transcripts.

For student #14, conflicting information regarding the student's marital status was not resolved. The FAFSA shows student as not married, but the verification worksheet shows a wife in the household. The student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #34, conflicting information regarding child support paid was not resolved. The child support paid shows $4,888.00 on the ISIR and the verification worksheet shows $5,200.00. Additionally, Brensten did not provide tax return transcripts for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax transcripts.

For student #35, conflicting information regarding the number of people in the household was not resolved. The number of people in the household shows three on the ISIR and the verification worksheet shows one. Additionally, Brensten incorrectly verified the student's income earned from work. The student's income earned from work shows $9,543.00 on the ISIR and the tax return transcript shows $5,320.00. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #39, conflicting information regarding number in the household, number in college, and dependents that are listed in the household that are also being listed as children that child support was being paid for were not resolved. The number in the household is three and the number in college is one on the ISIR, but the conflicting data report and independent family information sheet are showing five in the household and two in college. Additionally, the conflicting data report shows two children in the household that the student is also paying child support for those two children. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #44, conflicting information regarding child support paid was not resolved. Mother is listed in the same household as the student on the verification worksheet; however, she is also listed as paying child support for the student. Child support was erroneously included for a child (student) that was living in the parents' household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #49, conflicting information regarding child support paid was not resolved. The child support paid shows $2,400.00 on the ISIR and the verification worksheet shows $0. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #55, conflicting information regarding the number the number in college was not resolved. The number in college is one on the ISIR and the verification worksheet shows two. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #62, conflicting information regarding the number in household was not resolved. The number in household is four on the ISIR and the verification worksheet shows one. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax return transcript.

For student #68, conflicting information regarding the dependents that are listed in the household that are also being listed as children that child support was being paid for was not resolved. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax return transcript.

For student #75, conflicting information regarding the dependents that are listed in the household that are also being listed as children that child support was being paid for was not resolved. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #92, conflicting information regarding the dependents that are listed in the household that are also being listed as children that child support was being paid for was not resolved. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax return transcript.

For Student #97, conflicting information regarding the dependents that are listed in the household that are also being listed as children that child support was being paid for was not resolved. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #101, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student married in 2009 but the student filed taxes as head of household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student#110, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as single but the verification worksheet shows the student as married. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #116, conflicting information regarding the student's income earned from work was not resolved. The ISIR shows the student's income earned from work in 2011 as $5,500.00

and the verification shows no income earned for the student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #128, conflicting information regarding the parents' marital status was not resolved. The ISIR shows the mother as divorced and the verification worksheet shows the father living in the household. Additionally, Brensten incorrectly verified mother's adjusted gross income. The ISIR shows the mother's adjusted gross income as $4,025.00 and the tax return transcript shows $4,040.00. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #140, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as single and the verification worksheet shows a wife in the household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #142, conflicting information regarding the student's independent status was not resolved. The ISIR shows the student as being independent because of providing more that 50% support for a child, but the verification worksheet does not show any children. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #145, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as single, but the verification worksheet shows a wife in the household. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax return transcript.

2013-2014 Errors

For students #97, 161, 173, 185, 199, 211, 214, 261, and 275, conflicting information regarding the dependents that are listed in the household that are also being listed as children that child support was being paid for was not resolved. Verification is incomplete and these students were ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #48, conflicting information regarding SNAP benefits was not resolved. The ISIR shows SNAP benefits as not received, but the verification worksheet shows SNAP benefits as received. Additionally, the student filled out the child support paid section of the verification worksheet as child support received, but there was no child support listed as received on the ISIR. Verification is incomplete and this student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #158, conflicting information regarding the number in household was not resolved. The ISIR shows two in the household and the verification worksheet shows three. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and

the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax return transcript.

For student #159, conflicting information regarding child support paid was not resolved. The ISIR shows child support paid as $8,600.00, but the verification worksheet shows no child support being paid. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information and missing tax return transcript.

For student #162, conflicting information regarding the number in household, the number in college, and SNAP benefits received was not resolved. The ISIR shows the number in the household as five, the number in college as one, and no SNAP benefits received. However, the verification worksheet shows the number in household as seven, the number in college as two, and the student as receiving SNAP benefits. Verification is incomplete and these students were ineligible to receive Title IV funds due to the unresolved conflicting information.
For student #163, conflicting information regarding the number in college was not resolved. The ISIR shows the number in college as two, but the verification worksheet shows one. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #165, conflicting information regarding the number in the household and the number in college was not resolved. The ISIR shows the number in the household as four and the number in college as two, but the verification worksheet shows the number in the household as three and the number in college as one. Additionally, Brensten incorrectly verified the father's income earned from work, adjusted gross income, and income tax paid. The tax return transcript shows father's income earned from work as $32,919.00, the adjusted gross income as $63,429.00, and the income tax paid as $789.00. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #167, conflicting information regarding the dependents that are listed in the household that are also being listed as children that child support was being paid for was not resolved. Additionally, Brensten incorrectly verified student's income tax paid. The ISIR shows the student's income tax paid as $0, but the tax return transcript shows $1,849.00. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #176, conflicting information regarding student providing more than 50% support for his child was not resolved. The student is only independent because he indicated that he supports a child. The student has no income and did not report any other benefits received. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #177, conflicting information regarding the number in household was not resolved. The ISIR show the number in the household as two, but the verification worksheet shows one.

Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #187, conflicting information regarding child support paid. The student listed child support paid on the verification worksheet but did not provide a dollar amount. Additionally, Brensten incorrectly verified student's income tax paid. The ISIR shows student's income tax paid as $1,135.00, but the tax return transcript shows $1,173.00. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #191, conflicting information regarding the dependents that are listed in the household that are also being listed as children for whom child support was being paid was not resolved. Additionally, the parents show no income or assets but listed child support paid. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #192, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student being married as of 2010, but taxes were filed as single and the spouse's taxes were filed as head of household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #204, conflicting information regarding the student's grade level in college was not resolved. The ISIR shows student as a graduate/professional, but Brensten awarded Pell Grant funds to this student. Additionally, Brensten incorrectly verified SNAP benefits. The ISIR shows SNAP benefits as not received and the independent conflicting data report shows SNAP benefits were received. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #216, conflicting information regarding the parents' marital status was not resolved. The ISIR shows the mother's marital status as single, but the verification worksheet shows a step-father in the household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #223, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as single but the taxes were filed as married filing separately. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #225, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as being married as of 2007, but both the student and spouse filed taxes as head of household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #227, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as being married since 2006, but both student and spouse

filed taxes as head of household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #229, conflicting information regarding the dependents that are listed in the household who are also being listed as children for whom child support was being paid was not resolved. Additionally, Brensten incorrectly verified the student's income tax paid. The ISIR shows income tax paid as $2,791.00 and the tax return transcripts shows $2,786.00. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #232, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as separated and the verification worksheet shows a husband in the household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #235, conflicting information regarding the student's marital status was not resolved. The ISIR shows the student as married as of 2011, but the student filed taxes as head of household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #240, conflicting information regarding the student's marital status was not resolved. The ISIR shows student as being single, but student states he was married prior to the 2013-2014 received date. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #262, conflicting information regarding the student's marital status was not resolved. The ISIR shows student as married in 2012, but taxes were filed as head of household. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

For student #276, conflicting information regarding the student's dependency status was not resolved. The student is independent because of listing two children in the household. The student is only showing $2,000 in income and did not provide a W2. Verification is incomplete and the student was ineligible to receive Title IV funds due to the unresolved conflicting information.

Incomplete/Missing Documentation:

2012-2013 Errors

For students #3, 36, 37, 43, 47, 59, 60, 69, 78, 83, 84, 89, 90, 91, 96, 106, 114, 117, 132, 139, and 154, Brensten did not provide tax return transcripts for these students. Verification is incomplete and these students were ineligible to receive Title IV funds due to missing tax return transcripts.

For students #2, 79, 129, 131, 134, and 156, Brensten did not provide the spouses' tax return transcripts for these students. Verification is incomplete and these students were ineligible to receive Title IV funds due to the missing spouses' tax return transcripts.

For students #15 and 127, Brensten did not provide the verification worksheet and the student's tax return transcript. Verification is incomplete and these students were ineligible to receive Title IV funds due to the missing verification worksheets and student's tax return transcripts.

For student #3, Brensten did not provide a signed tax return. Verification is incomplete and the student was ineligible to receive Title IV funds due to an unsigned tax return.

For student #9, Brensten did not provide a signed tax return. Verification is incomplete and the student was ineligible to receive Title IV funds due to an unsigned tax return.

For student #93, Brensten did not provide the step-father's tax return transcript. Verification is incomplete and the student was ineligible to receive Title IV funds due to the step-father's missing tax return transcript.

For student #138 Brensten did not provide parent's tax return transcript and a signed copy of verification worksheet (parent). Verification is incomplete and the student was ineligible to receive Title IV funds due to the parent's missing tax return transcript and signature.

For student #141, Brensten did not provide the student's W2. Verification is incomplete and the student was ineligible to receive Title IV funds due to the student's missing W2.

For student #147, Brensten did not provide the parent's signature on the verification worksheet. Verification is incomplete and the student was ineligible to receive Title IV funds due to the parent's missing signature.

2013-2014 Errors

For students #157, 160, 234, 269, and 270, Brensten did not provide tax return transcripts for these students. Verification is incomplete and these students were ineligible to receive Title IV funds due to missing tax return transcripts.

For student #17, Brensten did not provide the student's W2. Verification is incomplete and the student was ineligible to receive Title IV funds due to the student's missing W2.

For student #147, Brensten did not provide tax return transcripts for this student. Additionally, Brensten incorrectly verified the parent's 1040 A/EZ eligibility. The ISIR shows parent is eligible for 1040 A/EZ, but the tax return shows parent is not eligible. Verification is incomplete and the student was ineligible to receive Title IV funds due to student's missing tax transcript.

For student #168, Brensten could not verify high school completion status. Verification is incomplete and the student was ineligible to receive Title IV funds due to the missing high school completion status.

For student #267, the verification worksheet is missing the name of person who paid child support, the name of the person to whom child support was paid, and the name of child for whom support was paid. Additionally, Brensten incorrectly verified the number in household. The ISIR shows the number in household as two, but the conflicting data report shows five. Verification is incomplete and the student was ineligible to receive Title IV funds due to the missing child support information.

Incorrectly Verified

2012-2013 Errors

For student #5, Brensten incorrectly verified the number in the household. The ISIR shows the number in the household as five, but email correspondence from the student shows the number in the household as one. Additionally, Brensten did not provide a tax return transcript for the student. Verification is incorrect and the student was ineligible to receive Title IV funds due to the missing tax return transcript.

For student #58, Brensten incorrectly verified the number in the household. The ISIR shows the number in the household as two, but email correspondence from the student shows the number in household as one. Additionally, Brensten did not provide a tax return transcript for this student. Verification is incorrect and the student was ineligible to receive Title IV funds due to the missing tax return transcript.

For student #71, Brensten incorrectly verified active duty status. Brensten did not provide documentation of student being on active duty, which is the only reason he was independent. Verification is incorrect and the student was ineligible to receive Title IV funds due to the missing active duty status documentation.

For student #80, Brensten incorrectly verified student's dependency status. Student was processed as an independent student but does not provide more than 50% support for his child per the conflicting information worksheet. Verification is incorrect and the student was ineligible to receive Title IV funds due to not being independent.

Pell Grant Liabilities: Brensten is liable for $194,602.39 disbursed in Federal Pell Grant funds to ineligible students during the 2012/13 award year. The interest associated with these disbursements is $3,535.11 for a total liability amount of $198,137.50. The cost of funds calculation is included in Appendix G.

For the 2013/14 academic year, Brensten disbursed $168,523.24 in Federal Pell Grant funds to ineligible students. The interest associated with these disbursements is $1,375.98 for a total liability amount of $169,899.22. The cost of funds calculation is included in Appendix G1.

The total amount of ineligible Federal Pell Grant funds disbursed, including interest, is $368,036.72.

Direct Loan Liabilities: The total amount of Direct Loans that Brensten improperly disbursed during the 2012/13 award year was $132,321.00 (subsidized $124,371.00, unsubsidized $7,950.00, PLUS $12,727.00) and improperly disbursed $124,426.00 for the 2013/14 award year (subsidized $106,616.00, unsubsidized $17,810.00).

However, in lieu of requiring Brensten to assume the risk of default by purchasing the ineligible loans from the Department, or asserting a liability for the entire loan amount, the Department has asserted a liability for the estimated actual loss (EAL) that the government may incur with respect to the ineligible loans. The EAL is calculated based on the relationship between Brensten's cohort default rate and the sector cohort default rate. As a result, the estimated actual loss that Brensten must pay to the Department for ineligible 2012/13 loans is $1,349.81. There is $0 estimated actual loss that Brensten owes for ineligible 2013/14 loans. A copy of the results of that calculation is included as Appendix G3. A list of loans included in the estimated actual loss calculation is included in Appendix G2.

Finding 2. Return of Title IV (R2T4) Calculation Error

Citation Summary: Institutions are required to properly calculate R2T4 funds for all students who withdraw, drop out, are expelled, or otherwise fail to complete a payment period or period of enrollment. R2T4's must be paid no later than forty five days after the institution has determined or should have determined that the student has withdrawn, been expelled, or terminated his or her enrollment. *34 C.F.R. § 668.22.*

Noncompliance Summary: Brensten failed to properly calculate R2T4 for three students who withdrew during the 2013/14 award year.

Required Action Summary: Brensten was required to submit a completed R2T4 calculation with all supporting documentation for student #25 and provide proof of funds returned. No further action was required for the other two students due to no liability being owed to the Department.



Final Determination: Brensten has returned all Title IV funding for student #25. Brensten is liable for the interest costs associated with the R2T4 error. The interest associated with the R2T4 error is $94.50 ($35.50 for the Pell Grant Funds, $22.00 for the subsidized Direct Loan

funds and $37.00 for the unsubsidized Direct Loan funds). Details of interest calculations are presented in Appendix H and H1. Payment instructions are provided at the end of this letter.

Finding 3. Return of Title IV (R2T4) Funds Made Late

Citation Summary: Institutions are required to determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date. *34 C.F.R. § 668.22(a)(1).*

Noncompliance Summary: Brensten failed to timely return the amount of unearned Title IV funds for student #21.

Required Action Summary: Brensten was required to return the Direct Subsidized Loan funds for the payment period the student withdrew (Disbursement 2) and reinstate the funds for Disbursement 1.



Final Determination: For student #21, Brensten returned the Direct Subsidized Loan Disbursement 2 and reinstated Disbursement 1. Brensten is liable for the interest costs associated with the R2T4 error. The interest associated with the R2T4 error is $2.00 ($2.00 for the subsidized Direct Loan funds and $0 for the unsubsidized Direct Loan funds). Details of interest calculations are presented in Appendix I. Payment instructions are provided at the end of this letter.

Finding 4. Pell Overpayment

Citation Summary: An institution must disburse a Pell Grant to an eligible student who is qualified to receive that disbursement and electronically transmit Pell Grant disbursement data. *34 C.F.R. § 690.61 through 34 C.F.R. § 690.63*

Noncompliance Summary: Brensten failed to properly calculate and disburse the 2013/14 Pell Grant award for one student.

Required Action Summary: Brensten was required to correct the error made with student #24 and provide documentation that Pell Grant funds were returned to the Department. Brensten was also required to provide written policies and procedures specifying how it awards the Pell Grant award.

[redacted]

Final Determination: Brensten provided revised policies and procedures to ensure proper awarding of the Pell Grant funds. For student #24, Brensten corrected the error and returned $243.43 in Pell Grant funds. Brensten is liable for the interest costs associated with the Pell overpayment error. We have estimated the related interest costs to be $3.75. Details of interest calculations are presented in Appendix J. Payment instructions are provided at the end of this letter.

Finding 6. Satisfactory Academic Progress (SAP) Not Monitored

Citation Summary: An institution must establish a SAP policy for determining whether a student is eligible and making SAP. A student is eligible to receive Title IV funds if the student maintains SAP in his or her educational program. *34 C.F.R. § 668.34(a),(b), and (c).*

Noncompliance Summary: Brensten incorrectly tracked the SAP for student #20. The student did not meet SAP for grading period one and grading period two of the 2013/14 award year.

Required Action Summary: Brensten was required to correct the error made with student #20 and provide documentation that the Direct Loan funds were returned to the Department. Brensten was also required to provide written policies and procedures specifying how it reviews its SAP policy.

[redacted]

Final Determination: Brensten provided revised policies and procedures to ensure that SAP checks will be performed. For student #20, Brensten returned $5,194.00 in Direct Loan funds. ($2,226.00 subsidized, $2,968.00 unsubsidized). Brensten is liable for interest costs associated with the SAP failure to monitor error. The interest associated with the SAP failure to monitor error is $35.00. Details of interest calculations are presented in Appendix K. Payment instructions are provided at the end of this letter.

Finding 12. Crime Awareness Requirements Not Met-Annual Security Report Not Developed/Distributed

Citation Summary: The Jeanne Clery Disclosure of Campus Security and Campus Crime Statistics Act (Clery Act) and the Department's regulations require that all institutions that receive Title IV, HEA funds must, by October 1 of each year, publish and distribute to its

current students and employees through appropriate publications and mailing, a comprehensive Annual Security Report (ASR) that contains at a minimum, all of the statistical and policy elements enumerated in 34 C.F.R. § 668.46 (b)

Noncompliance Summary: Brensten violated multiple provisions of the Clery Act. Brensten failed to prepare and publish an accurate and complete ASR as a single comprehensive document.

Required Action Summary: Brensten was required to develop and implement new policies and procedures that would govern the preparation, publication, and distribution of all future ASRs.

[redacted]

Final Determination: Finding #12 of the PRR report cited Brensten for multiple violations of the *Clery Act* and the Department's regulations. Specifically, the institution failed to produce an accurate and complete 2012 ASR that included all of the campus safety and crime prevention disclosures required by *34 C.F.R. §668.46(b).* In addition, the institution failed to actively distribute this required report to enrolled students and current employees. As a result of these violations, Brensten would have normally been required to review and revise its policies and procedures regarding ASR production and distribution and then to develop a compliant report, distribute it to mandatory recipients, and to submit credible evidence of distribution to the Department.

However, because Brensten ceased operations on January 8, 2016, and therefore is no longer eligible to participate in the Title IV, HEA programs, the Department will not require any remedial action at this time and considers this finding to be closed for purposes of this program review. Notwithstanding this action, Brensten officials are advised that the exceptions identified in this finding constituted serious violations of the *Clery Act* that by their nature cannot be cured. As such, the officials and directors of Brensten are put on notice that these violations would have to be addressed to the Department's satisfaction before an application for reinstatement could be considered for approval.

Finding 13. Drug Abuse Prevention Program Requirements Not Met

Citation Summary: The Drug-Free Schools and Communities Act (DFSCA) and Part 86 of the Department's General Administrative Regulations require each institution of higher

education (IHE) to certify that it has developed and implemented a drug and alcohol abuse prevention program (DAAPP). The program must be designed to prevent the unlawful possession, use, and distribution of drugs and alcohol on campus and at recognized events and activities. *34 C.F.R. § 86.3 and 86.100.*

Noncompliance Summary: Brensten failed to deliver a materially complete DAAPP disclosure to all employees and students who are enrolled for academic credit.

Required Action Summary: Brensten was required to take the corrective actions by developing procedures ensuring the distribution of the DAAPP.

[redacted]

Final Determination: Finding #13 of the program review report cited Brensten for multiple violations of the *DFSCA* and the Department's Part 86 regulations. Specifically, the institution failed to develop and implement a DAAPP that addressed all required program components. Brensten also failed to produce an annual DAAPP disclosure that summarized the program and as a result, was unable to comply with the active distribution requirement. Finally, the review team also determined that Brensten persistently failed to conduct biennial reviews to assess the effectiveness of its DAAPP, and as a result was also unable to produce the required reports of findings, recommendations, and supporting documentation. As a result of these violations, Brensten would have normally been required to take full and immediate remedial action to demonstrate that a substantive DAAPP program was in place, that it was functioning properly, and that its effectiveness was evaluated on the required schedule.

However, because Brensten ceased operations on January 8, 2016, and therefore is no longer eligible to participate in the Title IV, HEA programs, the Department will not require any remedial action at this time and considers this finding to be closed for purposes of this program review. Notwithstanding this action, Brensten officials are advised that the exceptions identified in this finding constituted serious and persistent violations of the *DFSCA* that by their nature cannot be cured. As such, the officials and directors of Brensten are put on notice that these violations would have to be addressed to the Department's satisfaction before an application for reinstatement could be considered for approval.

D. Summary of Liabilities

The total amount calculated as liabilities from the findings in the program review determination is as follows.

	Established Liabilities – Duplicate Liabilities Removed			
Liabilities	**Pell (Closed Award Year)**	**Pell Interest**	**DL Interest**	**EALF DL**
Finding #1	$363,125.63	$4,911.09		$1,349.81
Finding #2		$35.50	$59.00	
Finding #3			$2.00	
Finding #4		$3.75		
Finding #6			$35.00	
Total	$363,125.63	$4,950.34	$96.00	$1,349.81
Payable To:				
Department (Rounded)	$363,126.00	$4,950.00	$96.00	$1,350.00

E. Payment Instructions

1. Liabilities Owed to the Department

Brensten owes to the Department $369,522.00. This liability must be paid using an electronic transfer of funds through the Treasury Financial Communications System, which is known as FEDWIRE. Brensten must make this transfer within 45 days of the date of this letter. This repayment through FEDWIRE is made via the Federal Reserve Bank in New York. If Brensten's bank does not maintain an account at the Federal Reserve Bank, it must use the services of a correspondent bank when making the payments through FEDWIRE.

Any liability of $100,000 or more identified through a program review must be repaid to the Department via FEDWIRE. The Department is unable to accept any other method of payment in satisfaction of these liabilities.

Payment and/or adjustments made via G5 will not be accepted as payment of this liability. Instead, the school must first make any required adjustments in COD as required by the applicable finding(s) and Section II – Instructions by Title IV, HEA Program (below), remit payment, and upon receipt of payment the Department will apply the funds to the appropriate G5 award (if applicable).

Instructions for completing the electronic fund transfer message format are included on the attached FEDWIRE form found in Appendix L.

2. Terms of Payment

As a result of this final determination, the Department has created a receivable for this liability and payment must be received by the Department within **45 days of the date of this letter**. If payment is not received within the 45-day period, interest will accrue in monthly increments from the date of this determination, on the amounts owed to the Department, at the current value of funds rate in effect as established by the Treasury Department, until the date of receipt of the payment. Brensten is also responsible for repaying any interest that accrues. If you have any questions regarding interest accruals or payment credits, contact the Department's Accounts Receivable & Bank Management Group at (202) 245-8080 and ask to speak to Brensten's account representative.

If full payment cannot be made within **45** days of the date of this letter, contact the Department's Accounts Receivable Group to apply for a payment plan. Interest charges and other conditions apply. Written request may be sent to:

U.S. Department of Education
OCFO Financial Management Operations
Accounts Receivable Group
550 12th Street, S.W., Room 6114
Washington, DC 20202-4461

If within 45 days of the date of this letter, Brensten has neither made payment in accordance with these instructions nor entered into an arrangement to repay the liability under terms satisfactory to the Department, the Department intends to collect the amount due and payable by administrative offset against payments due Brensten from the Federal Government. **Brensten may object to the collection by offset only by challenging the existence or amount of the debt.** To challenge the debt, Brensten must **timely appeal** this determination under the procedures described in the "Appeal Procedures" section of the cover letter. The Department will use those procedures to consider any objection to offset. **No separate appeal opportunity will be provided.** If a timely appeal is filed, the Department will defer offset until completion of the appeal, unless the Department determines that offset is necessary as provided at 34 C.F.R. § 30.28. This debt may also be referred to the Department of the Treasury for further action as authorized by the Debt Collection Improvement Act of 1996.

3. Direct Loan Estimated Actual Loss

Finding: #1
Appendix: G3

Direct Loan – Estimated Actual Loss	
Amount	**Award Year**
$ 1,350.00	2012/13
Total	
$ 1,350.00	

Brensten must pay the amount reflected above in Direct Loan estimated loss liabilities for the award year reflected above. The liabilities will be applied to the general Direct Loan fund. This amount is also reflected in the total amount owed to the Department in Section 1 above.

4. Direct Loan interest owed to the Department

Findings: #2, 3 and 6
Appendices: H1, I and K

Direct Loan Interest	
Amount	**Award Year**
$96.00	2013/14
Total	
$ 96.00	

Brensten must pay the amount reflected above in Direct Loan interest for the award year reflected above. The liabilities will be applied to the general Direct Loan fund. This amount is also reflected in the total amount owed to the Department in Section 1 above.

5. Liabilities Owed to the Department in the case of Title IV Grants

Pell Grant – Closed Award Year

Findings: #1, 2 and 4
Appendices: G, G1, H and J

Brensten must repay:

Pell Closed Award Year			
Amount (Principal)	**Amount (Interest)**	**Title IV Grant**	**Award Year**
$ 194,602.39	$ 3,535.11	Pell Grant	2012/13
$ 168,523.24	$ 1,415.23	Pell Grant	2013/14
Total Principal	**Total Interest**		
$ 363,125.63	$ 4,950.34		

The disbursement record for each student identified in the Appendices A and B to the applicable finding(s) must be adjusted in the Common Origination and Disbursement (COD) system based on the recalculated amount identified in the Appendices G and G1.

Adjustments in COD must be completed prior to remitting payment to the Department. Payment cannot be accepted via G5. Once the Department receives payment via FEDWIRE, the Department will apply the principal payment to the applicable G5 award. The interest will be applied to the general program account.

A copy of the adjustment to each student's COD record must be sent to Tammi Sawyer **within 45 days of the date of this letter.**

F. Appendices

Appendix A, Student Sample and Appendix B, List of Students Reviewed (Finding 1), contain personally identifiable information and will be emailed to Brensten as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file(s) will be sent in a separate email.

Appendices C – L are attached to this report.

Appendix C

Program Review Report

Prepared for

Brensten Education

Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of the AMERICAN MIND™

OPE ID 04137900
PRCN 2014 4 05 28823

Prepared by
U.S. Department of Education
Federal Student Aid
School Participation Division- Chicago/Denver

Program Review Report
January 14, 2015

Chicago/Denver School Participation Division
500 West Madison Street, Suite 1576, Chicago, IL 60661
StudentAid.gov

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A. Institutional Information

Brensten Education
20633 Watertown Court
Waukesha, WI 53186

Type: Proprietary

Highest Level of Offering: Associates Degree

Accrediting Agency: Accrediting Council for Continuing Education & Training

Current Student Enrollment: 336

% of Students Receiving Title IV: 100% (2012/2013)

Title IV Participation (PCNet):

	2012/2013
Federal Pell Grant (Pell Grant)	$ 1,091,134.00
William D. Ford Federal Direct Loan Program (Direct Loan)	$ 2,568,384.00

Default Rate DL:	2011-	26.4%
	2010-	31.5%
	2009-	0.0%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Brensten Education (Brensten) from September 15, 2014 to September 19, 2014. The review was conducted by Stefanie Tucker and Clare Barger.

The focus of the review was to determine Brensten's compliance with the statutes and federal regulations as they pertain to the institution's administration of Title IV programs. The review consisted of, but was not limited to, an examination of Brensten's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of thirty files was identified for review from the 2012/2013 and 2013/2014 award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning Brensten's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve Brensten of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects initial findings. These findings are not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, several areas of noncompliance were noted. Findings of noncompliance are referenced to the applicable statutes and regulations and specify the actions to be taken by Brensten to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1. Verification Violations

Citation: An institution shall require each applicant whose application is selected for verification on the basis of edits specified by the Secretary, to verify all of the applicable items. *34 C.F.R. § 668.54(a)(2).*

If an institution has reason to believe that any information on an application used to calculate an EFC is inaccurate, it shall require the applicant to verify the information that it has reason to believe is inaccurate. *34 C.F.R. § 668.54(a)(3).*

If the information on an application changes as a result of the verification process, the institution shall require the applicant to resubmit his or her application information to the Secretary for corrections if:

(i) The institution recalculates the applicant's EFC, determines that the applicant's EFC changes, and determines that the change in the EFC changes the applicant's Federal Pell Grant award; or
(ii) The institution does not recalculate the applicant's EFC. *34 C.F.R. § 668.59(a).*

34 C.F.R § 668.56 states that for each student selected for verification, a school must verify the student's household size, number in college, adjusted gross income, U.S. income taxes paid and certain untaxed income.

Noncompliance: Brensten failed to complete verification for eight students during the 2012/2013 award year and two students during the 2013/2014 award year.

Student #3 failed to sign his 2011 Federal Tax Return. Brensten should have requested the student signature's on the 2011 Federal Tax Return before disbursing funds for the 2012/2013 award year.

Student #5 reported five people in the household size on the Institutional Student Information Record (ISIR). The student's verification worksheet indicated there is only one person in the household. Since Brensten did not correct the household size on the ISIR, verification for this student is incomplete.

Student #8 reported incorrect amount for taxes paid on the ISIR. The ISIR should have included the correct amount of $2,994 from line 55 of the 2011 Federal Tax Return (Form 1040) instead of line 61 in the amount of $3,130. Since Brensten did not correct the amount of taxes paid on the ISIR, verification for this student is incomplete.

Student #9 failed to sign his 2011 Federal Tax Return. Brensten should have requested the student signature's on the 2011 Federal Tax Return before disbursing funds for the 2012/2013 award year.

Student #10 reported incorrect amount for taxes paid on the ISIR. The ISIR should have included the correct amount of $5,256 from line 55 of the 2011 Federal Tax Return (Form 1040) instead of line 61 in the amount of $5,484. Since Brensten did not correct the amount of taxes paid on the ISIR, verification for this student is incomplete. Student #10 also failed to sign his 2011 Federal Tax Return.

Student #11 reported incorrect amount for taxes paid on the ISIR. The ISIR should have included the correct amount of $0 from line 35 of the 2011 Federal Tax Return (Form 1040A) instead of line 27 in the amount of $4,270. Since Brensten did not correct the amount of taxes paid on the ISIR, verification for this student is incomplete. Student #11 also failed to sign his 2011 Federal Tax Return.

Student #14 reported two people in the household size on the Institutional Student Information Record (ISIR). The student's verification worksheet indicated there is only one person in the household. Since Brensten did not correct the household size on the ISIR, verification for this student is incomplete.

Student #15 was selected for verification. Verification documents for this student could not be located. Since Brensten did not collect the necessary documents, verification for this student is incomplete.

Student #27 reported incorrect amount for taxes paid on the ISIR. The ISIR should have included the correct amount of $0 from the income tax after credits per computer line item on the 2012 Tax Return Transcript (Form 1040) instead of line item total tax liability figures per computer in the amount of $294. Since Brensten did not correct the amount of taxes paid on the ISIR, verification for this student is incomplete.

Student #28 failed to report education credits on the ISIR. The ISIR should have included the amount of $508 from line 49 of the 2012 Federal Tax Return (Form 1040). Since Brensten did not correct the ISIR by including the amount of the education credit, verification for this student is incomplete.

Required Action: Brensten must resolve the verification deficiencies cited above for Student #'s 3, 9, 10, and 11 by having the student sign their Federal Tax Return and recalculate the students' eligibility based on the verified information for Student #'s 5, 8, 10, 11, 14, 15, 27, and 28.

If the institution is unable to verify a student's application information, the student will be ineligible for all Title IV funds received during the award year. If there is any change in a student's eligibility for Title IV funds due to a change in the EFC based on completion of verification, the amount previously disbursed and the correct amount for which the student was actually eligible must also be provided.

Due to the systemic nature of this finding for the 2012/2013 and 2013/2014 award years, it is necessary to fully determine the impact of Brensten's failure to complete verification. Accordingly, Brensten must review the files of all Title IV, HEA recipients who were selected

for verification for the 2012/2013 and 2013/2014 award year and complete verification for each student for whom verification was not completed. File review instructions are presented below:

Needs Analysis Instructions

The 2012/2013 award year is closed; as such, changes to the ISIR cannot be made. Therefore, Brensten must go to the following website and complete a needs analysis calculation for each student selected for verification:

http://www.finaid.org/calculators/finaidestimate.phtml

Scroll down and selected the most recent award year available. Enter all of the correct ISIR data and then selected "calculate" at the bottom of the page – you do not need to complete the estimated school costs section. Print the final calculation and write the student's name at the top of each page.

File Review Instructions

Brensten must create a spreadsheet for the 2012/2013 and 2013/2014 award years and identify all students selected for verification and the total amount of Title IV, HEA funds disbursed.

The spreadsheet must include the following detail with a separate column for each of the items noted below. If Brensten does not include each of the data elements requested, the response will not be considered complete:

1. Student's Name
2. Student's SSN
3. Original EFC
4. Revised EFC
5. Original Amount of Title IV funds disbursed, by program; and
6. Correct Amount of Title IV funds that should have been disbursed by program

Brensten must collect any missing documentation, as determined by its file review, and perform all required verification and need analyses to confirm each student's eligibility if data was revised as a result of verification. When collecting any additional documentation as a result of the file review, the institution must ensure that the documents collected from students contain the most up-to-date address and telephone number where the student can be contacted. In cases where information on verification worksheets is revised, the changes must be initialed and each required person(s) must sign the worksheets again. The results of the file review are subject to verification by the Department.

The completed spreadsheets must be submitted in an electronic format as part of Brensten's response to this program review report. The spreadsheets must be emailed to

Stefanie.Tucker@ed.gov in an encrypted zip file. In addition, copies of the following documents must be submitted for each student selected for verification:

1. Original ISIR
2. Revised ISIR
3. Needs Analysis ***printout*** (provide the entire printout and write the student's name at the top of each page)
4. Verification Worksheet
5. Income Tax Return and/or W-2's
6. Other documents collected as a result of verification
   (letters, citizenship documents, selective service, etc.)

If Brensten is unable to complete the verification process it will be liable for all Title IV, HEA funds disbursed to the student for the award year in which the student was selected for verification. Payment instructions for the liabilities associated with this finding will be provided in the Department's Final Program Review Determination letter.

Finding 2. Return of Title IV (R2T4) Calculation Error

Citation: 34 C.F.R. § 668.22(a)(1) states when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date in accordance with paragraph (e) of this section.

If the total amount of Title IV grant or loan assistance, or both, that the student earned as calculated under paragraph (e)(1) of this section is less than the amount of Title IV grant or loan assistance that was disbursed to the student or on behalf of the student in the case of a PLUS loan, as of the date of the institution's determination that the student withdrew, the difference between these amounts must be returned to the Title IV programs in accordance with paragraphs (g) responsibility of the institution to return unearned aid and (h) responsibility of the student to return unearned aid of this section in the order specified in paragraph (i) of this section; and no additional disbursements may be made to the student for the payment period or period of enrollment. *34 C.F.R. § 668.22(a)(3).*

The amount of Title IV grant or loan assistance that is earned by the student is calculated by—

(i) Determining the percentage of Title IV grant or loan assistance that has been earned by the student, as described in paragraph (e)(2) of this section; and

(ii) Applying this percentage to the total amount of Title IV grant or loan assistance that was disbursed (and that could have been disbursed, as defined in paragraph (l)(1) of this section) to the student, or on the student's behalf, for the payment period or period of enrollment as of the student's withdrawal date. *34 C.F.R. § 668.22(e)(1).*

The percentage of Title IV grant or loan assistance that has been earned by the student is—

(i) Equal to the percentage of the payment period or period of enrollment that the student completed (as determined in accordance with paragraph (f) of this section) as of the student's withdrawal date, if this date occurs on or before—
  (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or
  (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program that is measured in clock hours; or

(ii) 100 percent, if the student's withdrawal date occurs after—
  (A) Completion of 60 percent of the payment period or period of enrollment for a program that is measured in credit hours; or
  (B) Sixty percent of the clock hours scheduled to be completed for the payment period or period of enrollment for a program measured in clock hours. *34 C.F.R. § 668.22(e)(2).*

The percentage of Title IV grant or loan assistance that has not been earned by the student is calculated by determining the complement of the percentage of Title IV grant or loan assistance earned by the student as described in paragraph (e)(2) of this section. *34 C.F.R. § 668.22(e)(3).* The percentage of the payment period or period of enrollment completed is determined—

(i) In the case of a program that is measured in credit hours, by dividing the total number of calendar days in the payment period or period of enrollment into the number of calendar days completed in that period as of the student's withdrawal date; and

(ii) In the case of a program that is measured in clock hours, by dividing the total number of clock hours in the payment period or period of enrollment into the number of clock hours scheduled to be completed as of the student's withdrawal date. *34 C.F.R. § 668.22(f)(1).*

The total number of calendar days in a payment period or period of enrollment includes all days within the period, except that scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in a payment period or period of enrollment and the number of calendar days completed in that period. *34 C.F.R. § 668.22(f)(2).*

Noncompliance: For the 2013/2014 award year Student #24 started the payment period on July 23, 2013 and withdrew on November 26, 2013. Step 1 of the R2T4 calculation indicated $468.93 Pell Grant funds were disbursed. The incorrect Pell Lifetime Eligibility Used (LEU) amount was disbursed to the student. The student should have been awarded $243.50 in Pell Grant funds. Step 2 of the R2T4 calculation indicated the student had 407 hours scheduled to complete out of 450 total clock hours in period with 90.3% of the payment period completed. The actual percentage the student completed in Step 2 is 86.4% (389 hours scheduled to complete out of 450 total clock hours in period).

For the 2013/2014 award year Student #25 was on a Leave of Absence (LOA) that started on April 16, 2014. The student's deadline to return from LOA was August 12, 2014. The student

never returned from LOA, therefore Brensten should have completed an R2T4 calculation on August 12, 2014. While on-site it was determined that the school was having difficulty completing the R2T4 calculation and that the reviewers would take a closer look at the R2T4 off-site.

For the 2013/2014 award year Student #29 started the payment period on November 14, 2013 and withdrew on December 5, 2013. Step 6 of the R2T4 calculation indicated that the school must return $504.10 in Pell Grant funds. The school over refunded the Pell Grant by returning $1,681.56 to the Department.

Required Action: No further action is required for Student #24 based on their percentage of aid earned being over 60%.

No further action is required for Student #29. Over refund resulted in no liabilities to the Department. The school also backed the tuition charges for the student.

Since Student #25 was did not return from a LOA on August 12, 2014 Brensten is required to submit a completed R2T4 calculation with all supporting documentation and proof of funds returned if required. If Brensten requires assistance with this calculation all documentation (attendance history report) needs to be provided.

Brensten will be liable for the additional Title IV, HEA funds owed as a result of the incorrect Return of Title IV funds calculations. Payment instructions for the liability associated with this finding will be provided in the Department's Final Program Review Determination letter.

The institution is reminded that its fiduciary responsibilities obligate it to the highest standard of care and diligence in administering and accounting for Title IV, FSA funds.

Finding 3. Return of Title IV (R2T4) Funds Made Late

Citation: 34 C.F.R. § 668.22(a)(1) states when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date in accordance with paragraph (e) of this section.

Noncompliance: For the 2013/2014 award year Student #21 started the payment period on June 17, 2014 and withdrew on the same day. According to the school's 14 day absence policy the date of determination should have been July 1, 2014. The school should have returned the funds within forty-five days. Instead Brensten returned $2,793 in Direct Unsubsidized Loan funds on August 12, 2014. The school neglected to return an additional $176 in Direct Unsubsidized Loan funds and $1,672 in Direct Subsidized Loan funds until September 17, 2014.

In addition to the late return of refunds, Brensten returned $1,672 in Direct Subsidized Loan funds for Disbursement 1 (disbursement date November 1, 2013). The loan funds should have been returned for Disbursement 2 (disbursement date June 20, 2014) which is during the payment period the student withdrew.

Required Action: Brensten must return the Direct Subsidized Loan funds for the payment period the student withdrew (Disbursement 2) and reinstate the funds for Disbursement 1.

Payment instructions for the liability associated with this finding will be provided in the Department's Final Program Review Determination letter.

The institution is reminded that its fiduciary responsibilities obligate it to the highest standard of care and diligence in administering and accounting for Title IV, FSA funds.

Finding 4. Pell Overpayment

Citation: 34 C.F.R § 690.61(a)(1) states that an institution must disburse a Federal Pell Grant to an eligible student who is otherwise qualified to receive that disbursement and electronically transmit Federal Pell Grant disbursement data to the Secretary for that student if:

(i) The student submits a valid SAR to the institution; or
(ii) The institution obtains a valid ISIR for the student.

34 C.F.R § 690.62 requires an institution to calculate the amount of a student's Federal Pell Grant for an academic year based upon the payment and disbursement schedules published by the Secretary for each award year.

34 C.F.R. § 690.63(d) states the Federal Pell Grant for a payment period, *i.e.,* an academic term, for a student in a program using terms and credit hours, other than equal terms within a standard 30 week award year, is calculated by:

(A) Dividing the number of weeks of instructional time in the term by the number of weeks of instructional time in the program's academic year;
(B) Multiplying this fraction by the number of credit hours in the program's academic year to determine the number of hours required to be enrolled to be considered a full-time student; and
(C) Determining a student's enrollment status by comparing the number of hours in which the student enrolls in the term to the number of hours required to be considered full-time for that term.

When an institution awards and disburses ineligible Federal Pell Grant funds to a student, that institution will be held responsible for violating the aforementioned regulations and liable to repay the ineligible funds to the Department.

Noncompliance: Brensten failed to properly award the Federal Pell Grant to Student #24 during the 2013/2014 award year. The student had a Pell Lifetime Eligibility Used (LEU) amount of 8.3069%. For one term that is 8.30069% x $2823 which equals $234.50. The student received a Federal Pell Grant in the amount of $468.93. This resulted in an over award payment in the amount of $234.43.

Required Action: Brensten must correct the error made with Student #24 and provide documentation that $234.43 in Federal Pell Grant funds was returned to the Department.

The institution must also develop and implement written policies specifying how it awards the Pell Grant award. If written policies and procedures are already established, Brensten must make necessary adjustments to ensure they are in compliance and are following their written policy. A copy of these policies and procedures should be included in the response to this report.

Payment instructions for the liabilities associated with this finding will be provided in the Department's Final Program Review Determination letter.

Finding 5. Ineligible Disbursement- Disbursement Prior to Midpoint

Citation: 34 C.F.R. § 668.4(c)(1)(ii) states for a student enrolled in an eligible program that is more one academic year or less in length:

(i) The first payment period is the period of time in which the student successfully completes half of the number of credit hours or clock hours, as applicable, in the program and half of the number of weeks of instructional time in the program; and
(ii) The second payment period is the period of time in which the student successfully completes the program or the remainder of the program.

Noncompliance: Brensten disbursed Title IV, HEA funds to three students prior to the completion of the student's prior payment period rendering the disbursements premature.

Student #2 received their second disbursement of Federal Direct Loan on July 23, 2013 and Federal Pell Grant on July 25, 2013. The student had completed 430.25 clock hours as of July 23, 2013 and 434.75 clock as of July 25, 2013. The student subsequently completed 450 clock hours on July 30, 2013.

Student #5 received their second disbursement of Federal Direct Loan on April 12, 2013 and Federal Pell Grant funds on April 16, 2013. The student had completed 331.50 clock hours at the time of disbursement. The student subsequently completed 450 clock hours on June 21, 2013.

Student #11 received their second disbursement of Federal Direct Loan and Federal Pell Grant on July 26, 2012. The student had completed 443.50 clock hours at the time of disbursement. The student subsequently completed 450 clock hours on July 27, 2012.

Required Action: Although the three students subsequently completed their prior payment period thereby earning the disbursement, Brensten must enact written procedures to ensure that all Title IV, HEA funds are not disbursed prior to the student completing the previous payment period.

Finding 6. Satisfactory Academic Progress (SAP) Not Monitored

Citation: 34 C.F.R. § 668.34 requires an institution to establish a reasonable satisfactory academic progress policy for determining whether an otherwise eligible student is making satisfactory academic progress in his or educational program and may receive assistance under the Title IV, HEA programs. The Secretary considers the institution's policy to be reasonable if the policy is at least as strict as the policy the institution applies to a student who is not receiving assistance under the Title IV, HEA programs and the policy provides for consistent application of standards to all students within categories of students.

Noncompliance: Brensten did not follow their SAP policy for Student #20. Brensten SAP policy states for students who do not meet SAP requirements for two consecutive grading periods will be placed on Academic Probation and will not qualify for Title IV funding eligibility. SAP is evaluated at the completion of each period.

Student #20 did not meet SAP for grading period one (09/25/13 to 02/19/14) and grading period two (02/26/14 to 06/25/14). The student's probation period began on June 26, 2014 and ended on October 29, 2014. Student #20 received a Direct Subsidized and Unsubsidized Loan disbursement on August 1, 2014. This disbursement is in direct violation of Brensten's SAP policy to not disburse Title IV funds to a student that has failed SAP requirements for two consecutive grading periods.

Required Action: Brensten must correct the error made with Student #20 and provide documentation that the Direct Subsidized and Unsubsidized Loan funds in the amount of $5,194.00, disbursed on August 1, 2014 was returned to the Department.

The institution must also develop and implement written policies specifying how it reviews its Satisfactory Academic Progress policy. If written policies and procedures are already established, Brensten must make necessary adjustments to ensure they are in compliance and are following their own written policy. A copy of these policies and procedures should be included in the response to this report.

Finding 7. Inaccurate Recordkeeping (COD Discrepancies)

Citation: An institution makes a disbursement of Title IV program funds on the date the institution credits a student's account at the institution or pays a student directly with funds received from the Secretary, or with institutional funds used in advance of receiving Title IV program funds. See 34 C.F.R. § 668.164(a)(1). The disbursement date reported by the financial aid office to the Department must be the date of the actual disbursement to the student's account.

An institution must establish and maintain, on a current basis, program records that document its disbursement and delivery of Title IV program funds and financial records that reflect each Title IV program transaction. See 34 C.F.R. § 668.24(b)(2). The records that an institution must maintain include but are not limited to documentation relating to each student's or parent's receipt of Title IV program funds, as described at 34 C.F.R. § 668.24(c)(1)(iv). This documentation includes but is not limited to:

- The date and amount of each disbursement or delivery of grant or loan funds;
- The amount, date and basis of the institution's calculation of any refunds or overpayments due to or on behalf of the student, or the treatment of Title IV funds when a student withdraws;
- The payment of any overpayment or the return of any Title IV program funds to the Title IV program fund, a lender or the Secretary, as appropriate, and;
- Records of student accounts, including each student's institutional charges, cash payments, FSA payments, cash disbursements, refunds, returns and overpayments required for each enrollment period.

There should be one definitive, complete and accurate record of the charges and payments to each student's account.

Noncompliance: In general the disbursement dates listed on the student account ledgers were not reconciled with the disbursement dates listed in COD. The student files that were not reconciled were students' # 1, 3, 5, 6, 9, 14, 16, 18, 19, 20, 23, 26, and 30.

Required Action: Brensten must establish procedures to ensure that the disbursement dates listed on the student account ledgers are reconciled with the disbursement dates listed in COD. A copy of those procedures must be submitted in response to this report.

Based on an evaluation of all available information including Brensten's response, the Department will determine if additional actions will be required and will advise the institution accordingly in its Final Program Review Determination.

Finding 8. Student Status- Inaccurate/Untimely Report

Citation: A participating school shall submit all reports required to the Secretary. A school shall upon receipt of a student status confirmation report from the Secretary, complete and return that report to the Secretary within 30 days of receipt; and unless it expects to submit its next student status confirmation report to the Secretary within the next 60 days, notify the Secretary

within 30 days if it discovers that a Direct Subsidized, Direct Unsubsidized, or Direct PLUS Loan has been made to or on behalf of a student who enrolled at that school but has ceased to be enrolled on at least a half-time basis. 34 C.F.R.§685.309 (a)(2) and 34 C.F.R §685.309 (b)(1) and (2)(i)

Noncompliance: As an attendance-taking institution the institution was required to make a determination within 14 days of the student's last date of attendance whether or not the student had withdrawn. If, at 14 days, the institution determined that the student had withdrawn, the institution had 30 days to report the status change to NSLDS, unless its next regular cycle of status reporting was to occur within 60 days.

During the review it was determined that Brensten was late reporting enrollment changes to NSLDS for 12 of the students who had graduated and/or withdrawn.

Student #1 withdrew on December 20, 2012. The student's status was reported to NSLDS as withdrawn with an effective date of May 21, 2013.

Student #4 graduated on February 19, 2013. The student's status was reported to NSLDS as graduated with an effective date of February 7, 2013.

Student #7 graduated on October 18, 2013. The student's status was reported to NSLDS as graduated with an effective date of October 24, 2013.

Student #8 graduated on February 22, 2013. The student's status was reported to NSLDS as graduated with an effective date of February 7, 2013.

Student #9 graduated on October 24, 2013. The student's status was reported to NSLDS as graduated with an effective date of May 06, 2013.

Student #13 graduated on March 21, 2014. The student's status was reported to NSLDS as withdrawn with an effective date of March 21, 2014.

Student #14 withdrew on October 12, 2012. The student's status was reported to NSLDS as withdrawn with an effective date of October 18, 2012.

Student #18 is on a LOA from May 9, 2014 to October 09, 2014. The student's status was reported to NSLDS as withdrawn with an effective date of June 19, 2014.

Student #21 withdrew on June 17, 2014. The student's status was reported to NSLDS as full-time with an effective date of June 19, 2014.

Student #24 withdrew on November 26, 2013. The student's status was never reported to NSLDS. Student continues to show status as full-time with an effective date of August 7, 2013.

Student #25 was on a LOA that started April 16, 2014. The student was to return to Brensten by August 12, 2014. The student's status was reported to NSLDS with a LOA effective date of August 6, 2014. The student's last date of attendance was April 15, 2014.

Student #29 withdrew on December 5, 2013. The student's status was reported to NSLDS as withdrawn with an effective date of January 23, 2014.

Required Action: All schools that are approved to participate in the FSA programs must have procedure for reporting student enrollment data to NSLDS, either through a Roster File (formerly called the Student Status Confirmation Report or SSCR) or via updates on the web. Brensten must immediately implement a policy and procedures to ensure timely reporting of students' status to NSLDS. The new procedure will involve cross-office coordination, between academic offices and financial aid. The new procedure must address how Brensten Financial Aid will ensure timeliness with NSLDs reporting. A copy of the new policy and procedure must be submitted by Brensten in response to this report.

For student's 13, 21, 24 and 25 Brensten is required to correct the student status in NSLDS. Documentation of this update must be submitted in response to this report.

Finding 9. Consumer Information Requirements Not Met

Citation: HEA Sec. 485 (a)(1)(V) states that each eligible institution participating in any program under this title shall carry out information dissemination activities for prospective and enrolled students (including those attending or planning to attend less than full time) regarding the institution and all financial assistance under this title. The information required by this section shall be produced and be made readily available upon request, through appropriate publications, mailings, and electronic media, to an enrolled student and to any prospective student. Each eligible institution shall, on an annual basis, provide to all enrolled students a list of the information that is required to be provided by institutions to students by this section and section 444 of the General Education Provisions Act (commonly known as the 'Family Educational Rights and Privacy Act of 1974'), together with a statement of the procedures required to obtain such information. The information required by this section shall accurately describe institutional policies regarding vaccinations. HEA Sec. 132 requires each institution receiving Title IV program funds to post on its website either the Department's net price calculator or a similar calculator developed by the institution.

34 C.F.R. § 668.43 (a)(10)(i)-(iii) states that institutional policies and sanctions related to copyright infringement must include:

- A statement that explicitly informs its students that unauthorized distribution of copyrighted material, including unauthorized peer-to-peer file sharing, may subject the students to civil and criminal liabilities;
- A summary of the penalties for violation of Federal copyright laws; and
- A description of the institution's policies with respect to unauthorized peer-to-peer file sharing, including disciplinary actions that are taken against students who engage in

illegal downloading or unauthorized distribution of copyrighted materials using the institution's information technology.

Noncompliance: Brensten did not include institutional sanctions (disciplinary actions) related to copyright infringement.

Required Action: Brensten must revise all of its consumer information documents (including its catalog and website) to include the missing element identified above. Copies of the revised documents and catalog must be submitted with the institution's response to this program review report. Furthermore, the school must immediately disseminate the above listed consumer information to all enrolled and prospective students. As evidence of this action, Brensten must provide a written statement attesting to its compliance in disseminating this information; this statement must also include the date the information was disseminated and a description of how it was disseminated.

Brensten may wish to visit the Information for Financial Aid Professionals (IFAP) website during the preparation of its response. Included under the "Tools for Schools" box is a section dedicated to consumer information. The consumer information page under FSA Assessments provides the regulatory citation links, links to the Federal Student Aid (FSA) Handbook, and Consumer Information Disclosures at a Glance document that provides a summary of school disclosure requirements.

Based on an evaluation of all available information including Brensten's response, the Department will determine if additional actions will be required and will advise the institution accordingly in its Final Program Review Determination.

Finding 10. Verification Policies and Procedures Inadequate

Citation: 34 C.F.R. § 668.53(a) articulates that an institution must establish written policies and procedures for verifying information contained in a student aid application. These policies and procedures must include:

- The time period within which an applicant shall provide the documentation;
- The consequences of an applicant's failure to provide required documentation within the specified time period;
- The method by which the institution notifies an applicant of the results of verification if, as a result of verification, the applicant's EFC changes and results in a change in the applicant's award or loan;
- The procedures the institution requires an applicant to follow to correct application information determined to be in error; and
- The procedures for making referrals under §668.16(g).

Moreover, the institution's procedures must also provide a clear explanation of the documentation needed to satisfy the verification requirements, the students responsibilities with

respect to the verification, the deadlines for completing any required actions and the consequences of failing to complete the verification process. 34 C.F.R. § 668.53(b)

Noncompliance: Brensten has not developed an adequate verification policy or procedures as evidenced by Finding 1.

Note: The verification policy is the document that is given to selected students notifying them of their responsibilities and the deadlines associated with the verification process as outlined in the citation section above. The "Verification Procedures" are an internal document for staff that describes the process staff must follow when verifying a selected applicant.

Required Action: In response to this finding Brensten must create a verification ***policy*** that: 1) includes all of the required elements outlined in the regulatory citation above; 2) ensures that students are adequately informed of the consequences if they fail to provide required verification documents within the specified time period; and 3) inform students of the consequences for providing false documentation/information (i.e. that they will be referred to the Office of Inspector General).

In addition, the institution must also implement written verification ***procedures*** that will ensure verification is properly completed and documented (i.e. detailed step by step process).

For assistance in developing its verification policy and procedures Brensten should refer to the Federal Student Aid Handbook's: Application and Verification Guide and also complete the FSA Verification Assessment. The FSA Verification Assessment can assist you in your evaluation of your verification policies and procedures and can be an effective training tool. The institution may access this tool from the Department's IFAP website at http://ifap.ed.gov, select Tools for Schools, FSA Assessments, and then select Verification from the Students category. The institution is also strongly encouraged to complete the Management Enhancement worksheet (listed on the left side of the FSA Assessments page). This process will help you track and resolve any corrective actions that you have identified.

A copy of the newly developed policy and procedures must be submitted as part of Brensten's response to this program review report.

Based on an evaluation of all available information including Brensten's response, the Department will determine if additional actions will be required and will advise the institution accordingly in its Final Program Review Determination.

Finding 11. Account Records Not Reconciled

Citation: 34 C.F.R § 668.171(a) states that to begin and to continue to participate in any title IV, HEA program, an institution must demonstrate to the Secretary that it is financially responsible under the standards established in this subpart. As provided under section 498(c)(1)

of the HEA, the Secretary determines whether an institution is financially responsible based on the institution's ability to—

1) Provide the services described in its official publications and statements;
2) Administer properly the title IV, HEA programs in which it participates; and
3) Meet all of its financial obligations.

Noncompliance: Brensten reported total net expenditure of Pell Grant awards for the 2012/2013 award year as $1,078,992.51 to G5 and COD, while the school's account ledger listed the amount disbursed for that same time period as $1,142,472.78.

Brensten reported total net disbursements of Direct Loan awards for the 2012/2013 award year as $2,238,034.00 to G5 and COD, while the school's account ledger listed the amount disbursed for that same time period as $2,773,215.06.

Required Action: Brensten is required to reconcile their Pell Grant and Direct Loan account ledger and provide documentation to the Department that the correction was made.

Based on an evaluation of all available information including Brensten's response, the Department will determine if additional actions will be required and will advise the institution accordingly in its Final Program Review Determination.

Finding 12. Crime Awareness Requirements Not Met- Annual Security Report Not Developed/Distributed

Citation: The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (*Clery Act*) and the Department's regulations require that all institutions that receive Title IV, HEA funds must, by October 1 of each year, publish and distribute to its current students and employees, a comprehensive Annual Security Report (ASR) that contains, at a minimum, all of the statistical and policy elements described in *34 C.F.R. § 668.46(b)*.

The ASR must be prepared and actively distributed as a single document. Acceptable means of delivery include regular U.S. Mail, hand delivery, or campus mail distribution to the individual or posting on the institution's website. If an institution chooses to distribute its report by posting to an internet or intranet site, the institution must, by October 1 of each year, distribute a notice to all students and employees that includes a statement of the report's availability and its exact electronic address, a description of its contents, as well as an advisement that a paper copy will be provided upon request. *34 C.F.R. § 668.41 (e)(1)*. The Department's regulations also require participating institutions to provide a notice to all prospective students and employees that includes a statement about the ASR's availability, its contents, and its exact electronic address if posted to a website. This notice must also advise interested parties of their right to request a paper copy of the ASR and to have it furnished upon request. *34 C.F.R. § 668.41 (e)(4)*.

The ASR must include statistics for incidents of crimes reported during the three most recent calendar years. The covered categories include criminal homicide (murder and non-negligent

manslaughter), forcible and non-forcible sex offenses, robbery, aggravated assaults, burglary, motor vehicle theft, and arson. Statistics for certain hates crimes as well as arrest and disciplinary referral statistics for violations of certain laws pertaining to illegal drugs, illegal usage of controlled substances, liquor, and weapons also must be disclosed in the ASR. These crime statistics must be published for the following geographical categories: 1) on campus; 2) on-campus student residential facilities; 3) certain non-campus buildings and property; and, 4) certain adjacent and accessible public property. *34 C.F.R. § 668.46(c)(1).*

Additionally, the ASR must include several policy statements. These disclosures are intended to inform the campus community about the institution's security policies, procedures, and the availability of programs and resources as well as channels for victims of crime to seek recourse. In general, these policies include topics such as the law enforcement authority and practices of campus police and security forces, incident reporting procedures for students and employees, and policies that govern the preparation of the report itself. Institutions are also required to disclose alcohol and drug policies and educational programs. Policies pertaining to sexual assault education, prevention, and adjudication must also be disclosed. Institutions also must provide detailed policies of the issuance of timely warnings, emergency notifications, and evacuation procedures. All required statistics and policies must be included in a single comprehensive document, known as an ASR. With the exception of certain drug and alcohol program information, cross referencing to other publications is not sufficient to meet the publication and distribution requirements of the Act. *§ 485(f) of the HEA*; *34 C.F.R. § 668.46 (b).* Finally, each institution must also submit its crime statistics to the Department for inclusion in the Office of Postsecondary Education's (OPE) "Campus Safety and Security Data Analysis Cutting Tool." *34 C.F.R. § 668.41 (e)(5).*

Noncompliance: Brensten failed to prepare and distribute a comprehensive annual security report by October 1, 2012. Specifically, there was no comprehensive ASR published; and therefore, no comprehensive ASR was actively distributed to current students and employees. There also was no notice regarding the availability of the ASR was provided to prospective students and employees.

During the site visit, the review team requested a hardcopy version of Brensten's ASR. The team also asked whether or not the ASR was available on Brensten's website. The campus security official showed the review team the documentation the institution was publishing as the ASR. Although Brensten did include statements about campus security in their Student Catalog, the Department officials found that Brensten had, in fact, failed to publish an actual ASR as a comprehensive document.

As a result of this systemic failure, the Department finds that Brensten has failed to meet the ASR active distribution and notification requirements.

Failure to publish an accurate and complete ASR and actively distribute it in accordance with Federal regulations deprives the campus community of important security information that can empower its members to be informed and play an active role in their own safety and security.

Required Action: As a result of this violation, Brensten must develop and implement procedures for preparing, publishing, and distributing an ASR in accordance with federal regulations. The new procedures also must articulate how prospective students and employees receive notification of the report's availability. Using its new policy as a guide, Brentsten must prepare and publish an accurate and complete ASR that includes all of the statistical disclosures and policy, procedure and programmatic information required under 34 C.F.R. § 668.46(b). A copy of the institution's new policies and procedures and its draft ASR must accompany Brenten's response to this program review report. The school must actively distribute it to all current students and employees in accordance with 34 C.F.R. § 668.41(e).

Finally, Brensten will be required to provide documentation to the Department evidencing the ASR distribution as well as a certifying statement attesting that dissemination occurred in accordance with applicable regulations. This certification must also affirm that the school understands all of its *Clery Act* obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur.

As noted above, the exceptions identified in this finding constitute serious violations of the *Clery Act* that by their nature cannot be cured. There is no way to truly "correct" a violation of this type once it occurs. Brensten shall receive an opportunity to develop and distribute an ASR and finally begin to bring its overall campus security program into compliance with the *Clery Act* as required by its Program Participation Agreement (PPA). However, the school is advised that these remedial measures cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or additional corrective measures.

Brensten officials may wish to review the Department's "Handbook for Campus Safety and Security Reporting" (2011) during the preparation of its response. The handbook is available online at: http://www2.ed.gov/admins/lead/safety/handbook.pdf. The regulations governing the Clery Act can be found at 34 C.F.R. §§ 668.14, 668.41, 668.46, and 668.49.

Based on an evaluation of all available information including Brensten's response, the Department will determine if additional actions will be required and will advise the school accordingly in its Final Program Review Determination.

Finding 13. Drug Abuse Prevention Program Requirements Not Met

Citation: The Drug-Free Schools and Communities Act (*DFSCA*) and Part 86 of the Department's General Administrative Regulations requires each participating institution of higher education (IHE) to certify that it has developed and implemented a drug and alcohol abuse education and prevention program (DAAPP). The program must be designed to prevent the unlawful possession, use, and distribution of drugs and alcohol on campus and at recognized events and activities.

On an annual basis, the IHE must distribute written information about its DAAPP to all current students, faculty, and staff. The distribution plan must make provisions for providing the material to students who enroll at a date after the initial distribution, and for employees who are hired at different times throughout the year. The information must include:

1) A written statement about its standards of conduct that prohibits the unlawful possession, use or distribution of illicit drugs and alcohol by students and employees;
2) A written description of legal sanctions imposed under Federal, state and local laws for unlawful possession or distribution of illicit drugs and alcohol;
3) A description of the health risks associated with the use of illicit drugs and the abuse of alcohol;
4) A description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to students and employees; and,
5) A statement that the IHE will impose disciplinary sanctions on students and employees for violations of the institution's codes of conduct and a description of such sanctions.

In addition, each IHE must conduct a biennial review in order to measure the effectiveness of its drug prevention program, and to ensure consistent treatment in its enforcement of its disciplinary sanctions. The IHE must prepare a report of findings and maintain its biennial review report and supporting materials and make them available to the Department and interested parties upon request. *34 C.F.R. §§ 86.3* and *86.100.*

Noncompliance: Brensten violated the requirements of the Drug Free Schools and Communities Act *(DFSCA)* and Part 86 of the Department's regulations. Specifically, Brensten violated DFSCA's annual distribution requirement by failing to deliver a materially complete DAAPP disclosure to all employees and students who are enrolled for academic credit.

Failure to comply with the *DFSCA's* DAAPP requirements deprives students and employees of important information regarding the educational, disciplinary, health, and legal consequences of illegal drug use and alcohol abuse. Such failures may contribute to increased drug and alcohol abuse as well as an increase in drug and alcohol-related violent crime.

Required Action: Brensten is required to take all necessary corrective actions to resolve this violation. At a minimum, Brensten must perform the following:

- Develop policies and procedures for ensuring that the DAAPP program materials are distributed to every student who is currently enrolled for academic credit and all employees. Brensten must provide a draft copy of its new distribution policy and procedures with its response to this program review report. Once the materials are approved by the Department, Brensten must distribute them in accordance with the Part 86 regulations and provide documentation evidencing the distribution as well as a statement of certification attesting to the fact that the materials were distributed in accordance with the DFSCA. This certification must also affirm that the institution

understands all of its DFSCA obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur;

As noted above, the exception identified in this finding constitutes a serious violation of the DFSCA that by their nature cannot be cured. There is no way to truly "correct" a violation of this type once it occurs. Brensten will be given an opportunity to distribute an accurate and complete DAAPP disclosure and to begin bringing its drug and alcohol programs into compliance with the DFSCA as required by its PPA. However, Brensten is advised that these remedial measures cannot and do not diminish the seriousness of these violations nor do they eliminate the possibility that the Department will impose an adverse administrative action and/or require additional corrective measures.

Based on an evaluation of all available information including Brensten's response, the Department will determine if additional actions will be required and will advise the institution accordingly in its Final Program Review Determination.

E. Appendices

Appendix G: Finding 1 Cost of Funds Worksheet 2012/13

Ineligible Disbursements (Non-Loan) - Cost of Funds and Administrative Cost Allowance

Name of Institution: Brensten Education - Finding #1 2012/13

No.	Description/Name	Ineligible Disbrsmnt	Program	Disbursement Date	Return Paid Date	No. of Days	Imputed CVFR	Federal Share	To ED
2	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
3	2012/13	$1,650.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 1,650.00	$ 29.97
5	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
8	2012/13	$50.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 50.00	$ 0.91
9	2012/13	$1,200.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 1,200.00	$ 21.80
11	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
14	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
15	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
34	2012/13	$229.75	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 229.75	$ 4.17
35	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
36	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
37	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
39	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
45	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
47	2012/13	$1,303.75	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 1,303.75	$ 23.68
49	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
50	2012/13	$2,650.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,650.00	$ 48.14
55	2012/13	$3,400.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 3,400.00	$ 61.77
57	2012/13	$100.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 100.00	$ 1.82
58	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
59	2012/13	$5,188.03	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,188.03	$ 94.25
60	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
62	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
68	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82

69	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
71	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
74	2012/13	$850.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 850.00	$ 15.44
75	2012/13	$1,175.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 1,175.00	$ 21.35
76	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
78	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
79	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
80	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
83	2012/13	$2,600.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,600.00	$ 47.23
84	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
85	2012/13	$200.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 200.00	$ 3.63
86	2012/13	$4,350.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 4,350.00	$ 79.02
89	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
90	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
91	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
92	2012/13	$964.66	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 964.66	$ 17.52
93	2012/13	$2,200.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,200.00	$ 39.97
96	2012/13	$579.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 579.00	$ 10.52
97	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
106	2012/13	$2,750.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,750.00	$ 49.96
114	2012/13	$2,000.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,000.00	$ 36.33
116	2012/13	$3,200.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 3,200.00	$ 58.13
117	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
127	2012/13	$2,450.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,450.00	$ 44.51
132	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
134	2012/13	$4,800.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 4,800.00	$ 87.20
138	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
139	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41
140	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
141	2012/13	$441.20	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 441.20	$ 8.01
142	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41

144	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
145	2012/13	$5,550.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 5,550.00	$ 100.82
147	2012/13	$1,050.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 1,050.00	$ 19.07
154	2012/13	$2,146.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,146.00	$ 38.98
156	2012/13	$2,775.00	Pell Grant	6/30/2013	4/24/2015	663	1.00%	$ 2,775.00	$ 50.41

Total Ineligible $194,602.39

Totals $ 3,535.11

ACA Liability

Campus-Based Amounts Spent (from FISAP, Part VI, Section B)

Federal FWS	
Federal SEOG	
Federal Perkins	
Total C-B Spent	$ -
ACA Percentage	

	Total	Federal Share
Pell	$194,602.39	$ 194,602.39
ACG	$ -	$ -
SMART	$ -	$ -
TEACH	$ -	$ -
FWS	$ -	$ -
FSEOG	$ -	$ -
Perkins	$ -	$ -
FWS-50% Match	$ -	$ -
FWS-No Match	$ -	$ -
FSEOG-No Match	$ -	$ -
Perkins-No Match	$ -	$ -
Total Campus-Based	$ -	$ -

Interest Breakdown

Pell Grants	$ 3,535.11
ACG	$ -
SMART	$ -
TEACH	$ -
FWS	$ -
FSEOG	$ -
Perkins	$ -
FWS-50% Match	$ -
FWS-No Match	$ -
FSEOG-No Match	$ -
Perkins-No Match	$ -

ACA Breakdown

FWS	
FSEOG	
Perkins	
FWS-50% Match	
FWS-No Match	
FSEOG-No Match	
Perkins-No Match	

Appendix G1: Finding 1 Cost of Funds Worksheet 2013/14

Ineligible Disbursements (Non-Loan) - Cost of Funds and Administrative Cost Allowance

Name of Institution: Brensten Education - Finding #1 2013/14

No.	Description/Name	Ineligible Disbrsmnt	Program	Disbursement Date	Return Paid Date	No. of Days	Imputed CVFR	Federal Share	To ED
17	2013/14	$152.54	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 152.54	$ 1.25
48	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
95	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
97	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
147	2013/14	$1,148.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 1,148.00	$ 9.37
157	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
159	2013/14	$5,095.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 5,095.00	$ 41.60
160	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 5,645.00	$ 46.09
161	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
162	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
163	2013/14	$1,448.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 1,448.00	$ 11.82
165	2013/14	$948.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 948.00	$ 7.74
166	2013/14	$2,325.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,325.00	$ 18.98
167	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
168	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
170	2013/14	$4,895.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 4,895.00	$ 39.97
173	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 5,645.00	$ 46.09
175	2013/14	$1,694.86	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 1,694.86	$ 13.84
177	2013/14	$3,458.88	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 3,458.88	$ 28.24
181	2013/14	$275.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 275.00	$ 2.25
182	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 5,645.00	$ 46.09
183	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
185	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 2,823.00	$ 23.05
186	2013/14	$300.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 300.00	$ 2.45
187	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$ 5,645.00	$ 46.09

189	2013/14	$325.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	325.00	$ 2.65
191	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
192	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
194	2013/14	$225.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	225.00	$ 1.84
195	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
197	2013/14	$100.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	100.00	$ 0.82
199	2013/14	$5,095.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,095.00	$ 41.60
204	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
211	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
214	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
216	2013/14	$1,998.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	1,998.00	$ 16.31
223	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
225	2013/14	$1,898.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	1,898.00	$ 15.50
227	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
229	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
232	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
234	2013/14	$3,095.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	3,095.00	$ 25.27
235	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
240	2013/14	$5,645.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	5,645.00	$ 46.09
247	2013/14	$190.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	190.00	$ 1.55
250	2013/14	$2,650.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,650.00	$ 21.64
255	2013/14	$400.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	400.00	$ 3.27
258	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
259	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
261	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
262	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
263	2013/14	$1,312.96	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	1,312.96	$ 10.72
265	2013/14	$1,698.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	1,698.00	$ 13.86
267	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
269	2013/14	$2,823.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,823.00	$ 23.05
270	2013/14	$1,248.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	1,248.00	$ 10.19
275	2013/14	$2,348.00	Pell Grant	6/30/2014	4/24/2015	298	1.00%	$	2,348.00	$ 19.17

Total Ineligible	$168,523.24

Campus-Based Amounts Spent (from FISAP, Part VI, Section B)

Federal FWS	
Federal SEOG	
Federal Perkins	

Total C-B Spent	$ -
ACA Percentage	

	Total	Federal Share
Pell	$168,523.24	$ 168,523.24
ACG	$ -	$ -
SMART	$ -	$ -
TEACH	$ -	$ -
FWS	$ -	$ -
FSEOG	$ -	$ -
Perkins	$ -	$ -
FWS-50% Match	$ -	$ -
FWS-No Match	$ -	$ -
FSEOG-No Match	$ -	$ -
Perkins-No Match	$ -	$ -
Total Campus-Based	$ -	$ -

Totals	$ 1,375.98
ACA Liability	

Interest Breakdown

Pell Grants	$ 1,375.98
ACG	$ -
SMART	$ -
TEACH	$ -
FWS	$ -
FSEOG	$ -
Perkins	$ -
FWS-50% Match	$ -
FWS-No Match	$ -
FSEOG-No Match	$ -
Perkins-No Match	$ -

ACA Breakdown

FWS	
FSEOG	
Perkins	
FWS-50% Match	
FWS-No Match	
FSEOG-No Match	
Perkins-No Match	

Appendix G2: Finding 1 – Loans Included in EALF Calculation

2012/13 Ineligible Loans Included in EAL Calculation		
Stu. No.	DLS	DLU
2	$3,466.00	
5	$3,466.00	
9	$3,466.00	
14	$1,733.00	
35	$1,733.00	
36	$3,466.00	
37	$3,466.00	
39	$3,466.00	
43	$3,466.00	
44	$1,733.00	
47	$133.00	
55	$3,466.00	
58	$3,466.00	
59	$3,466.00	
60	$746.00	
68	$3,466.00	
69	$3,466.00	
71	$3,466.00	
78	$3,466.00	
80	$3,466.00	
83	$3,466.00	
84	$3,466.00	
89	$3,466.00	

2013/14 Ineligible Loans Included in EAL Calculation		
Stu. No.	DLS	DLU
157	$1,732.00	
158	$3,464.00	
159	$3,464.00	
160	$3,464.00	
161	$1,732.00	
162	$1,732.00	
167	$1,732.00	
168	$3,464.00	
170	$3,464.00	$5,936.00
173	$3,464.00	
177	$1,732.00	
182	$3,464.00	$5,936.00
183	$1,732.00	$2,969.00
185	$3,464.00	
187	$7,916.00	
191	$3,464.00	
192	$3,464.00	
199	$3,464.00	
211	$3,464.00	
214	$3,464.00	
216	$1,732.00	
223	$3,464.00	
225	$3,464.00	

90	$164.00				227	$7,684.00		
91	$1,733.00				229	$3,464.00		
93	$1,733.00				232	$3,464.00		
95	$1,732.00	$2,969.00			234	$3,464.00		
106	$1,733.00				235	$1,732.00		
110	$3,466.00				240	$3,464.00		
116	$3,466.00				258	$1,732.00	$2,969.00	
117	$3,466.00				259	$1,176.00		
128	$3,464.00				261	$1,732.00		
129	$3,466.00				262	$1,508.00		
131	$3,466.00				269	$1,732.00		
132	$3,466.00				270	$1,732.00		
134	$3,466.00				275	$1,732.00		
138	$3,466.00				Total	$106,616.00	$17,810.00	
139	$3,466.00							
140	$3,466.00							
142	$288.00							
144	$3,466.00	$4,981.00						
145	$3,466.00							
147	$3,466.00							
Total	$124,371.00	$7,950.00						

Appendix G3: Finding 1 Estimated Actual Loss Calculation

Estimated Loss Formula

Enter Institution Name	Brensten Education
Select Institution Type	Proprietary 2 Yrs or Less

	Select Type of Loan	Select Award Year	Enter Ineligible Loan Amount	Enter School CDR	Total Subsidy Costs	Estimated Loss Liability
1	DL Subsidized	2012-2013	$ 124,371.00	26.70%	1.09%	$ 1,349.81
2	DL Unsubsidized	2012-2013	$ 7,950.00	26.70%	-21.77%	$ -
3						
	Description		$ 132,321.00			$ 1,349.81
4	DL Subsidized	2013-2014	$ 106,616.00	26.70%	-0.84%	$ -
5	DL Unsubsidized	2013-2014	$ 17,810.00	26.70%	-7.24%	$ -
6						
	Description		$ 124,426.00			$ -
7						
8						
9						
	Description		$ -			$ -
10						
11						
12						
	Description		$ -			$ -
	Original Ineligible Loan Liability		$ 256,747.00	**Total Estimated Loss**		$ 1,349.81

Appendix H: Finding 2 – Cost of Funds Worksheet – Non-loans

Ineligible Disbursements (Non-Loan) - Cost of Funds and Administrative Cost Allowance

Name of Institution: Brensten Education - Finding #2

No.	Description/Name	Ineligible Disbrsmnt	Program	Disbursement Date	Return Paid Date	No. of Days	Imputed CVFR	Federal Share	To ED
25	2013/14	$2,823.00	Pell Grant	10/25/2013	1/27/2015	459	1.00%	$ 2,823.00	$ 35.50

Total Ineligible $2,823.00

Totals $ 35.50

Appendix H1: Finding 2 – Cost of Funds Worksheet – Loans

Ineligible Disbursements (Loans) - Cost of Funds

Name of Institution: Brensten Education - Finding #2

Note: Only for FFEL loans not subject to Estimated Actual Loss

No.	Description/Name	Ineligible Disbrsmnt	Program	Disbursement Date	Loan Paid Date	No. of Days	Imputed CVFR	FFEL Interest	Special Allow	To ED
25	2013/14	$1,732.00	DL Sub	10/25/13	01/27/15	459	1.00%			$22.00
25	2013/14	$2,969.00	DL Unsub	10/25/13	01/27/15	459	1.00%			$37.00

Total Principal $ 4,701.00

Total $ 59.00

Total DL Sub $ 1,732.00
Total DL Unsub $ 2,969.00

Appendix I: Finding 3 – Cost of Funds Worksheet – Loans

Late or Unmade Returns (Loans) - Cost of Funds

Name of Institution: Brensten Education - Finding #3

No.	Description/Name	Return Amount	Program	W/D Date	Institution Det Date	Return Paid Date	Return Due Date	Days Late	Imputed CVFR			To ED
21	2013/14	$1,672.00	DL Sub	06/17/14	07/01/14	09/17/14	8/15/2014	33	1.00%			$ 2.00
21	2013/14	$176.00	DL Unsub	06/17/14	07/01/14	09/17/14	8/15/2014	33	1.00%			$ -

Total Principal	$ 1,848.00	$ 2.00
Total DL Sub	$ 1,672.00	
Total DL Unsub	$ 176.00	

Appendix J: Finding 4 – Cost of Funds Worksheet – Non-Loans

Ineligible Disbursements (Non-Loan) - Cost of Funds and Administrative Cost Allowance

Name of Institution: Brensten Education - Finding #4

No.	Description/Name	Ineligible Disbrsmnt	Program	Disbursement Date	Return Paid Date	No. of Days	Imputed CVFR	Federal Share	To ED
24	2013/14	$234.43	Pell Grant	7/23/2013	2/27/2015	584	1.00%	$ 234.43	$ 3.75

Total Ineligible	$234.43	Totals	$ 3.75

Appendix K, Finding 6 – Cost of Funds Worksheet – Loans

Ineligible Disbursements (Loans) - Cost of Funds

Name of Institution: Brensten Education - Finding #6

No.	Description/Name	Ineligible Disbrsmnt	Program	Disbursement Date	Loan Paid Date	No. of Days	Imputed CVFR	FFEL Interest	Special Allow	To ED
20	2013/14	$2,226.00	DL Sub	08/01/14	03/31/15	242	1.00%			$15.00
20	2013/14	2,968.00	DL Unsub	08/01/14	03/31/15	242	1.00%			$20.00

Total Principal	$ 5,194.00	Total	$ 35.00
Total DL Sub	$ 2,226.00		
Total DL Unsub	$ 2,968.00		

Appendix L

FEDWIRE Form and Instructions

DEPARTMENT OF EDUCATION
FED-WIRE EFT MESSAGE FORMAT & INSTRUCTIONS

ABA Number 021030004	Type/Sub-Type	
Sender No.:	Sender Ref. No.	Amount ①

Sender Name (Automatically inserted by the Federal Reserve Bank)

Treasury Department Name/CTR/
TREAS NYC / CTR /

BNF=ED / AC - 91020001 OBI=

Name / City / State:
②

DUNS / TIN:
③

FOR:
④

INSTRUCTIONS

A. Complete circled items 1-4 above as follows:

① Indicate amount including cents digits.

② Indicate Name, City, and State.

③ Indicate DUNS Number and Taxpayer Identification Number (TIN).

④ Enter the reason for the remittance: Bill Number / Document Number / Other.

B. Provide the sending bank with a copy of the completed form. This form contains other information the bank will need to transmit the FEDWIRE message.