



**Accounting Document – Prior Year Monetary Recovery (AD-PYMR)**

**Institution:** Florida State College at Jacksonville

**City, State:** Jacksonville, Florida

**PRCN:** 240428075

**TIN:** 591149317

**DUNS:** 623113990

**Reviewer:** Jon Finkelstein

**Region:** Atlanta

**Date:** 2/25/2014

Programs	Type	Amount	Funding Code	Object Class
Federal Pell Grant (Closed AY)	Principal	\$3,220,765	3220RNOYR	69017
	Interest	\$ 34,855	1435RNOYR	64020
ACG	Principal	\$ 34,547	3220RNOYR	69017
	Interest	\$ 522	1435RNOYR	64020
National SMART	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
FSEOG (No FISAP Corrections)	Principal	\$ 44,647	3220RNOYR	69017
	Interest	\$ 172	1435RNOYR	64020
FWS (No FISAP Corrections)	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
Direct Loan and Direct Loan EAL	Principal		4253XNOYR	53020 or 53010
	Interest	\$111,079	4253XNOYR	53040
FFEL and FFEL EAL	Interest/ SA/EAL		4251XNOYR	53020
Federal Perkins	Principal		2915RNOYR	53054

Add rows if necessary			Amount			G5 Program Award # *
Pell, ACG, SMART, TEACH	Program / Award Year	Principal		3875FNOYR	69020	
	Program / Award Year	Imputed Interest		1435RNOYR	64020	
Direct Loan (do not use for estimated loss)	Award Year	Principal		3875FNOYR	69020	
	Award Year	Imputed Interest		4253XNOYR	53040	

Comments:

\* G5 Award # (P063P104306, first 5 digits = program, next 2 digits = award year, next 4 digits = code unique to school). Note: It is important that the year in the G5 award number correspond to the award year for which any adjustments are being made, or for which the balance has been incurred (in the case of an unsubstantiated cash or negative cash balance). If the reviewer is unsure after looking in G5, contact Susan Lewey for Pell or DL, or Tremia Haythe for FWS or FSEOG.

Example of G5 award numbers for a single school for the 2009-2010 award year, Pell vs. DL:

Pell is designated by "P063P" and DL is designated by "P268K"

P063P091445 (Pell 2009-2010 award - Pell uses the final two digits of the leading award year in the award number)

P268K101445 (Direct Loan 2009-2010 award - DL uses the final two digits of the trailing award year in the award number)

Example of G5 award number for FWS and FSEOG

FWS is designated by "P033A" and FSEOG is designated by "P007A"

P033A092121 (FWS 2009-2010 award - FWS uses the final two digits of the leading award year in the award number)

P007A092121 (FSEOG 2009-2010 award - FSEOG uses the final two digits of the leading award year in the award number)

See FPRD Distribution Form for distribution information for this form and related program review documents.



March 12, 2014

Dr. Cynthia A. Bioteau  
President  
Florida State College at Jacksonville  
501 West State Street  
Jacksonville, Florida 32202-4030

UPS Tracking Number  
1ZA879640190020642

RE: **Final Program Review Determination**  
OPE ID: 00148400  
PRCN: 201240428075

Dear Dr. Bioteau:

The U.S. Department of Education's (Department's) School Participation Division- Atlanta issued a program review report on November 7, 2012 covering Florida State College at Jacksonville's (FSCJ) 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 2010-2011 and 2011-2012 award years. FSCJ's response was received on January 8, 2013. A copy of the Program Review Report (and related attachments) and FSCJ's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by FSCJ 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, (3) notify the institution of its right to appeal, and (4) close the review.

The total liabilities due from the institution from this program review are **\$3,446,587**. This FPRD 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 finding in the attached report does not contain any student PII. Instead, the finding references

**Federal Student Aid**

AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

School Participation Division - Atlanta

61 Forsyth Street Room 18740

Atlanta, Georgia 30303-8918

students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample.

### **Appeal Procedures:**

This constitutes the Department's FPRD with respect to the liabilities identified from the November 7, 2012 Program Review Report. If FSCJ 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 FSCJ receives this FPRD. An original and four copies of the information FSCJ submits must be attached to the request. The request for an appeal must be sent to:

Ms. Mary E. Gust, 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

FSCJ'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 FSCJ'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).

The Department expresses its appreciation for the courtesy and cooperation extended during the review. If the institution has any questions regarding this letter, please contact Jon Finkelstein at 404-974-9341. Questions relating to any appeal of the FPRD should be directed to the address noted in the Appeal Procedures section of this letter.

Sincerely,

(b)(6); (b)(7)(C)

Charles Engstrom  
Division Director

Enclosure:  
Protection of Personally Identifiable Information

cc: Ms. Aquila Galgon, Acting Financial Aid Administrator  
FL State Board of Community College System  
Southern Association of Colleges and Schools Commission on Colleges

## **PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION**

Personally Identifiable Information (PII) being submitted to the Department must be protected. 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).

PII being submitted electronically or on media (e.g., CD-ROM, floppy disk, DVD) must be encrypted. The data must be submitted in a .zip file encrypted with Advanced Encryption Standard (AES) encryption (256-bit is preferred). The Department uses WinZip. However, files created with other encryption software are also acceptable, provided that they are compatible with WinZip (Version 9.0) and are encrypted with AES encryption. Zipped files using WinZip must be saved as Legacy compression (Zip 2.0 compatible).

The Department must receive an access password to view the encrypted information. The password must be e-mailed separately from the encrypted data. The password must be 12 characters in length and use three of the following: upper case letter, lower case letter, number, special character. A manifest must be included with the e-mail that lists the types of files being sent (a copy of the manifest must be retained by the sender).

Hard copy files and media containing PII must be:

- sent via a shipping method that can be tracked with signature required upon delivery
- double packaged in packaging that is approved by the shipping agent (FedEx, DHL, UPS, USPS)
- labeled with both the "To" and "From" addresses on both the inner and outer packages
- identified by a manifest included in the inner package that lists the types of files in the shipment (a copy of the manifest must be retained by the sender).

PII data cannot be sent via fax.

Prepared for

Florida State College at  
Jacksonville

**Federal Student Aid**  
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OPE ID 00148400  
PRCN 201240428075

Prepared by  
U.S. Department of Education  
Federal Student Aid  
School Participation Division - Atlanta

# Final Program Review Determination

## March 12, 2014

Federal Student Aid, Atlanta School Participation Division  
61 Forsyth Street Room 18F40  
Atlanta, Georgia 30303-8918  
[www.FederalStudentAid.gov](http://www.FederalStudentAid.gov)



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**A. Institutional Information**

Florida State College at Jacksonville  
501 West State Street  
Jacksonville, Florida 32202-4030

Type: Public

Highest Level of Offering: Bachelor Degree

Accrediting Agency: Southern Association of Colleges and Schools Commission on Colleges

Current Student Enrollment: 55795 (2011-2012)

% of Students Receiving Title IV, HEA funds: 37.7% (2011-2012)

Title IV, HEA Program Participation – Postsecondary Educational Participants System (PEPS)

2011-2012

Federal Pell Grant Program	\$ 54,114,767
Federal Direct Loan Program (FDLP)	\$ 46,979,332
Federal Work Study Program	\$ 753,940
Federal Supplemental Educational Opportunity grant (FSEOG)	\$ 481,546
<b>Total:</b>	<b>\$102,329,585</b>

Default Rate FDLP:	2011	13.6%
	2010	12.6%
	2009	12.6%

## **B. Scope of Review**

The U.S. Department of Education (the Department) conducted a program review at Florida State College at Jacksonville (FSCJ) from July 30, 2012 to August 3, 2012. The review was conducted by Jon Finkelstein and Patricia Gilbert.

The focus of the review was to determine FSCJ's compliance with the statutes and regulations as they pertain to the institution's administration of the Title IV, HEA programs. The review consisted of, but was not limited to, an examination of FSCJ'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 2011 and 2012 (year to date) 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 student numbers of the students whose files were examined during the program review. A Program Review Report was issued on November 7, 2012.

### **Disclaimer:**

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning FSCJ'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 FSCJ 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 2, 3, 4, 5, 6, 7, 8, 9 and 10

FSCJ has taken the corrective actions necessary to resolve findings 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the Program Review Report. Therefore, these findings may be considered closed. Appendix C contains FSCJ's response to the Program Review Report. Included in this response is FSCJ's corrective action and applicable policy and procedures documents. Findings requiring further action by FSCJ are discussed below.

### **Findings with Final Determinations:**

The Program Review Report finding (Finding 1) requiring further action is summarized below. At the conclusion of the finding is a summary of FSCJ's response to the finding and the Department's final determination for that finding. A copy of the Program Review Report issued on November 7, 2012 is attached as Appendix B.

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: Title IV Aid Disbursed for Coursework not Required for Degree/Certificate**

**Citation** 34.C.F.R. § 668.32 (a)(1)(i) states a student is eligible to receive Title IV, HEA program assistance if the student is a regular student enrolled, or accepted for enrollment, in an eligible program at an eligible institution.

The 2012-2013 Federal Student Aid Handbook, Volume 1, pp.14 states that if a student is enrolled in courses that do not count toward his/her degree, they cannot be used to determine enrollment status unless they are eligible remedial courses. This means that FSCJ cannot award a student aid for classes that do not count toward his/her degree or certificate.

The 2011-2012 Federal Student Aid Handbook, Volume 1, pp.69 states that a student may apply for a Stafford or PLUS loan for coursework that the school has documented is necessary for the student to enroll in an eligible program. The courses must be part of an eligible program otherwise offered by the school, though the student does not have to be enrolled in that program. If enrolled at least half time in these prerequisite courses, the student is eligible for loans for one consecutive 12 month period (not per program) beginning on the first day of the loan period. If the period of prerequisite courses spans

more than one academic year, the student may receive multiple loans. To be eligible for loans under this exception, the student must be taking classes that are a prerequisite for admission. If the student is only taking courses to raise his/her GPA in order to be admitted, the student would not qualify for the loans.

**Noncompliance:** During the review, several instances of multiple degree changes were detected in the student database (ORION). The majority of these changes did not demonstrate student intent. Each student in question had no documentation of a Program Objective Change Form. The program changes were generated by an institutional automated program of study (POS) process or by an academic advisor. As such, Title IV aid was disbursed for coursework not required for a student's intended program of study.

In the interest of brevity, please note that the Department limited the number of students included in Finding 1 in the Program Review Report drafted on November 7, 2012. The Department did not include all instances of Title IV Aid Disbursed for Coursework Not Required for Degree/Certificate discovered during the file review process. In addition, the Department received comprehensive information from a former FSCJ employee documenting the intent and scope of the POS automated system. The students identified after FSCJ's response and additional Department analysis are as follows:

**Student 1** – The noncompliance section of the Program Review Report stated that the ARTEMIS College Application screen (My Advisor) shows a Program Objective of B398 (Billing and Coding Program). The ORION Browse Student Objective History Screen indicates a 999 code as the transfer code for the Associates in Arts Program (1108). This code is used for operations performed by the automated POS system. The ORION Select Student Program Objective screen shows an asterisk next to the Billing and Coding Program (B398). The asterisk indicates that the student chose the program of study at entry or initiated a Program Degree Change Form.

The Billing and Coding Program is a limited access program that requires the completion of specific prerequisite courses. The coursework taken in the fall 2010 and spring 2011 terms were not part of the Billing and Coding curriculum. Title IV aid was paid to the student for both terms.

FSCJ's response stated that the student met with an advisor on August 31, 2010. The advisor added Nursing R.N. (2149) as the student's POS after the first term advising session (ORION Browse Student Objective History screen). There was no Program Objective Change Form reflecting the student's intent to enter the Nursing R.N. program. The response went on to say, "The student went through the auto POS program on October 15, 2010. Because the student was not accepted into the Nursing R.N. program, the auto POS program changed the student's primary POS from Nursing R.N. to Associate in Arts (code 1108). However, as noted above, the courses the student was enrolled in were required for the Nursing R.N. program. Because the courses are required for most, if not all majors, they also met the requirements for the Associate of

