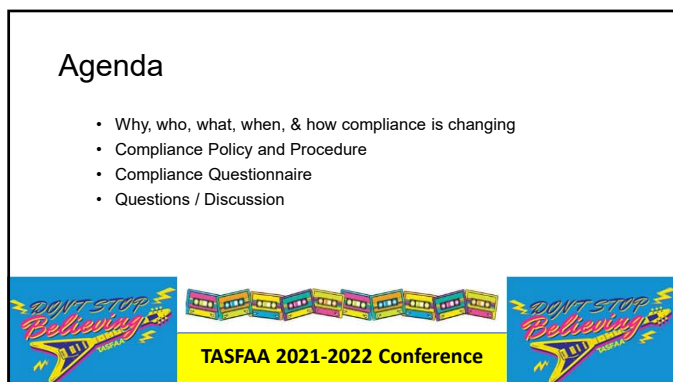




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WHO?

A task force was created to review, provide feedback, and approve the updated compliance processes. These individuals represented each institution type.



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WHAT?

Compliance changes include:

- Updated Policy and Procedure
- New School Questionnaire
- Updated letters, forms & notifications



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WHEN?

The new audit process begins
July 1, 2022
(Auditing Year 2021-2022)



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1. Become familiar with the updated Policy and Procedures Manual
 2. Ask Questions
 3. Quality over Quantity








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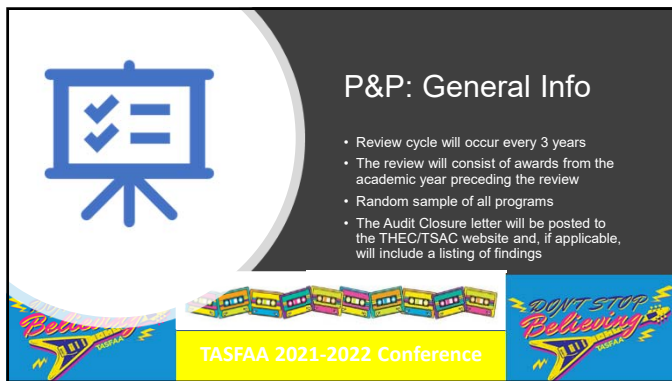


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What to know about the new Compliance P&P?

-  Read, read, read!
-  FAST Help Link
-  New Method for the Random Sample
-  Updated Timeline of Events
-  4 New Finding Levels & Related Consequences

9

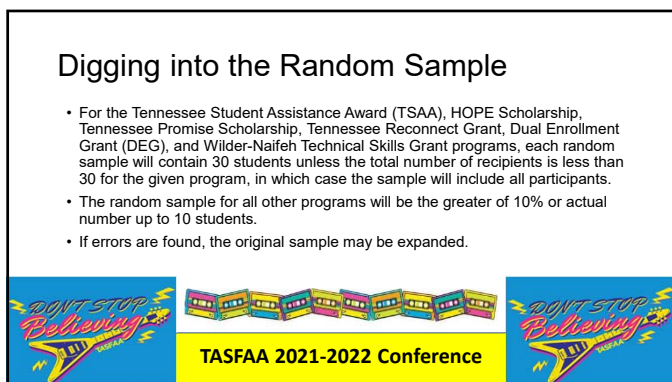


P&P: General Info

- Review cycle will occur every 3 years
- The review will consist of awards from the academic year preceding the review
- Random sample of all programs
- The Audit Closure letter will be posted to the THEC/TSAC website and, if applicable, will include a listing of findings

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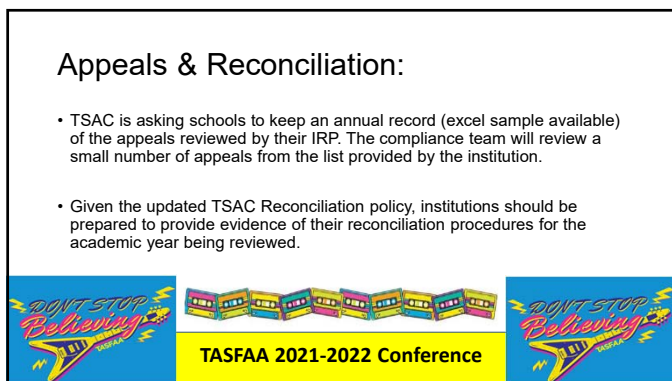


Digging into the Random Sample

- For the Tennessee Student Assistance Award (TSAA), HOPE Scholarship, Tennessee Promise Scholarship, Tennessee Reconnect Grant, Dual Enrollment Grant (DEG), and Wilder-Naifeh Technical Skills Grant programs, each random sample will contain 30 students unless the total number of recipients is less than 30 for the given program, in which case the sample will include all participants.
- The random sample for all other programs will be the greater of 10% or actual number up to 10 students.
- If errors are found, the original sample may be expanded.

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Appeals & Reconciliation:

- TSAC is asking schools to keep an annual record (excel sample available) of the appeals reviewed by their IRP. The compliance team will review a small number of appeals from the list provided by the institution.
- Given the updated TSAC Reconciliation policy, institutions should be prepared to provide evidence of their reconciliation procedures for the academic year being reviewed.

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Timeline:

- The audit schedule will be determined each May preceding the start of the academic year.
- Audit dates are scheduled based on the reported times provided by the Compliance Task Force for each school type.
- Reviews are estimated to conclude in one week. If the audit is unable to be completed in one week, the team will work to schedule a subsequent week to continue the review.
- The Questionnaire must be returned two weeks prior to the start of the review.
- Compliance staff will request a nice, clean space to work on your campus.



13

Updated Finding Levels:

- Observation
- Warning
- Finding
- Repeat Finding



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Observation:

A procedure or process, written or unwritten, is found to be outside standard industry practice but is not against state policy, rules, and/or statutory regulations. The procedure or process is not linked to a Finding but could eventually lead to one. While there may be other factors associated with an Observation, the inherent risks associated with this choice must be recognized.

Example: An institution processes the certification of state grant/scholarship awards manually rather than using the batch (upload/download) process.



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Warning:

A procedure or process, written or unwritten, used to administer state grant/scholarship programs is found to be in direct violation of state policy, rules, and/or statutory regulations though it has not yet led to a financial error.



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Finding:

A procedure or process, written or unwritten, is found to be in direct violation of state policy, rules, and/or statutory regulations which resulted in the improper award of state funds.



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Repeat Finding:

A repeat occurrence of a previously noted Finding which was in direct violation of state policy, rules, and/or statutory regulations.



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Updated Questionnaire

- All institutions will complete the same questionnaire and be required to submit all required documents listed.
- Questionnaires are designed to be submitted electronically. No printed paper copies will be accepted.
- The questionnaire, random sample and all other requirements will be exchanged between TSAC and the institution through a secure site.



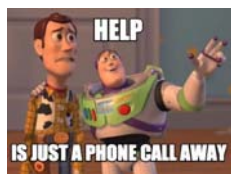
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Questions?
Discussion?



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Last Take-a-way.....CALL US ANYTIME!



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