

Federal Requirement 4.7

The Institution is in compliance with its program responsibilities under Title IV of the 1998 Higher Education Amendments.

Compliance Non-Compliance

Proof/Explanation:

Program Eligibility and Participation

Tennessee Technological University Office of Financial Aid received notification from the US Department of Education in March 2007 that continued eligibility in all federal aid programs was reaffirmed from March 15, 2007, through December 31, 2012. A copy of the Eligibility and Certification Approval Report is available below (1). This document approves the University to participate in the following aid programs through the December 2012 date:

Program	Approved continuously since
Federal Pell Grant	July 1, 1972
Federal Family Education Loan	December 1, 1965
Federal Direct Loan	July 1, 1994
Federal Perkins Loan	July 1, 1972
Federal Work Study	December 1, 1965
Federal Supp Educational Opportunity Grant	December 1, 1965

Additional programs have been approved by the US Department of Education that are not included in the ECAR report. The TEACH Grant Program was approved on August 29, 2008 (2).

The University has also received a Program Participation Agreement dated through December 31, 2012, signed on behalf of the Secretary of Education providing continued participation in any Title IV, HEA Program (3).

These three documents, all provided by the US Department of Education, provide the basis for participation in Title IV aid programs. The Institution adheres to all federal regulations as set forth under the Title IV Student Aid Programs SFA Handbook (4). Processing of student aid applications and of federal funds is carried out as mandated by these regulations. Student eligibility is verified in accordance with federal and state verification regulations. The regulations are reviewed on an annual basis, and manual and systematic procedures are adjusted each year.

The Office of Financial Aid annually reports all federal aid expenditures to the Department of Education via submission of the Fiscal Operations Report and Application to Participate (FISAP) report. The FISAP report is completed by the Director of Financial Aid with assistance from University Loan Accounting staff and reported each year by the deadline submission date. The president of the University signs off on the

final report before submission is complete. Copies of the last four years of completed reports are available below (5, 6, 7, 8).

Office Structure

The Office of Financial Aid is led by the Director of Financial Aid who is assisted by an Associate Director, Assistant Director, and a Technical Administrator. Clerical and support staff, supervised by administrative staff, include one coordinator, two technical clerks, four financial aid assistants, and a secretary 2 position. The Office of Financial Aid reports directly to the Executive Director of Enrollment Management and is a vital part of the Enrollment Management process. The Executive Director of Enrollment Management reports to the University Provost. All staff positions of the Office of Financial Aid are permanent full-time positions.

Director	22 Years of Experience in FA	6 Years at TTU
Associate Director	18 Years of Experience in FA	18 Years at TTU
Assistant Director	12 Years of Experience in FA	10 Years at TTU
Technical Administrator	Unfilled	
Clerical Support	11 Years of Experience on Avg	All at TTU

Annual Audit

The State of Tennessee Division of State Audit in accordance with the US Office of Management and Budget Circular A-133 conducts an annual audit of the federal award programs and those administered through the Tennessee Student Assistance Corp. The most recent finalized audit was for fiscal year 2009-10. There have been no reported findings related to administering Title IV aid programs over the past three years. The narrative for Comprehensive Standard 3.10.3 provides further details of the results of all audits completed.

Other Factors Showing Compliance

The Department of Education annually assesses the University Cohort Default Rate based on data provided by the National Student Loan Data System (NSLDS). Each fiscal year, the University receives notification as to cohort default rate. The most recent default rates, as reported by the Department of Education, are as follows:

	Tenn Tech University	State of TN Rate	National Rate
FY 2009	3.1	10.8	8.8
FY 2008	2.6	8.8	7.0
FY 2007	3.0	8.4	6.7
FY 2006	3.0	6.1	5.2

Supporting Documentation:

1. <http://www.tntech.edu/files/sacscoc/compliance/ECAR.pdf>
2. <http://www.tntech.edu/files/sacscoc/compliance/TEACH.pdf>
3. <http://www.tntech.edu/files/sacscoc/compliance/PPA.pdf>
4. <http://www.ifap.ed.gov/ifap/byAwardYear.jsp?type=fsahandbook>
5. [2007/08 FISAP](#)
6. [2008/09 FISAP](#)
7. [2009/10 FISAP](#)
8. [2010/11 FISAP](#)

Comprehensive Standard 3.10.3

The institution audits financial aid programs as required by federal and state regulations.

Compliance Non-Compliance

Proof/Explanation:

Annual Independent Audits

The State of Tennessee Division of State Audit in accordance with the US Office of Management and Budget Circular A-133, conducts an annual audit of the federal awards programs and those administered through the Tennessee Student Assistance Corp. There have been no reported findings related to administering Title IV aid programs over the past three years. A summary of the annual financial audits and Title IV findings are listed below. The full audit report for each item below is located on the Office of the Vice President for Planning & Finance website (1). The audit for Fiscal Year 2011 did not begin until January 2012, and a final report will not be available until the end of June 2012.

Below is a summary of the audit reviews since our last accreditation report:

Audit Year Ending June 30, 2010	No federal aid compliance findings
Audit Year Ending June 30, 2009	No federal aid compliance findings
Audit Year Ending June 30, 2008	No federal aid compliance findings
Audit Year Ending June 30, 2007	Finding #5 Monthly Loan Reconciliation
Audit Year Ending June 20, 2006	Finding #3 Monthly Loan Reconciliation
Audit Year Ending June 30, 2005	No federal aid compliance findings

The Office of Financial Aid concurred with the findings during the 2006 and 2007 audits. A formal review of all findings and management's response are included in the audit report links listed above.

Tennessee Technological University is a part of the State University and Community College System of Tennessee (Tennessee Board of Regents). This system is a component unit of the State of Tennessee. As such, the University is covered under the State of Tennessee's Single Audit report (2). An audit of Financial Aid was done in the Fall 2011 as part of the State of Tennessee 2011 Single Audit Report that can be found at the above link. There were no findings or issues reported to Tennessee Technological University at the exit of the auditors, and this was confirmed in January during the entrance conference for the financial audit. The electronic communication from the onsite audit liaison to the Director of Financial Aid is available below (3).

The Office of Internal Audit conducted a review of federal and state policies and procedures in early 2006. During the audit, the Director of Financial Aid, Mr. McKenzie, disclosed to audit staff that the prior administration of the Office of Financial Aid did not properly calculate refunds. Mr. McKenzie contacted the Department of Education to self-report the errors. Upon receiving guidance from the Department of Education, the matter was resolved, and no further action was required by the Office of Financial Aid.

Ms. Deanna Metts, Director of Internal Audit, indicated that a subsequent audit has not been conducted by her office due to consistently clean state audit records. Ms. Metts surveys all offices on campus to assist in identifying potential risks and needed audits. The Office of Financial Aid has not been included in that annual list of needed audits due to the annual audits conducted by State officials.

A copy of the internal audit can be found at: [2006 Internal Audit of Financial Aid](#)

Supporting Documentation:

1. <http://www.tntech.edu/business/statements/>
2. <http://www.comptroller1.state.tn.us/sa/SASub.asp?SC=AG&F>
3. <http://www.tntech.edu/files/sacscoc/compliance/AuditExit.pdf>