



September 3, 2014

Mr. J. Kevin Ingram, President
Manhattan Christian College
1415 Anderson Avenue
Manhattan, KS 66502-4081

Shipment via United Parcel Service
Tracking No. 1Z A87 964 02 9257 9428

RE: Final Program Review Determination
OPE ID: 00193100
PRCN: 201310728107

Dear Mr. Ingram:

The U.S. Department of Education's (Department) School Participation Division – Kansas City issued a program review report on January 30, 2013 covering Manhattan Christian College's (MCC), 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 2011-2012 and 2012-2013 award years. MCC's final response was received on July 18, 2013. A copy of the program review report (and related attachments) and MCC's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by MCC 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) notify MCC of a possible adverse action. Due to the serious nature of Findings 8 and 9, this FPRD is being referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for its consideration of possible adverse administrative action pursuant to 34 C.F.R. § 668, Subpart G. Such action may include a fine, or the limitation, suspension or termination of the eligibility of the institution.

This FPRD contains one or more findings regarding MCC's failure to comply with the requirements of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (*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, 668.46, and 668.49*. Because a *Clery Act* finding does not result in a financial liability, such a finding may not be appealed. If an adverse

Federal Student Aid

AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

School Participation Division – Kansas City

1010 Walnut Street, Suite 336, Kansas City, MO 64106-2147

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administrative action is initiated, additional information about MCC's appeal rights will be provided under separate cover.

The total liabilities due from the institution from this program review are **\$8,493.00**.

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 the attached Appendices.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the January 30, 2013 program review report. If MCC 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 MCC receives this FPRD. An original and four copies of the information MCC 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

MCC'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 MCC'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 Mr. Rick Moore at 816-268-0421. 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)

Ralph A. LoBosco
Division Director

Enclosure: Protection of Personally Identifiable Information

cc: Lori Jo Stanfield, Vice President of Student Services
Margaret Carlisle, Financial Aid Director
Kansas State Board of Regents

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, flash drive, 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
Manhattan Christian College

OPE ID 00193100
PRCN 201310728107

Prepared by:
U.S. Department of Education
Federal Student Aid
School Participation Division – Kansas City

Final Program Review Report

September 3, 2014

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A. Institutional Information

Manhattan Christian College
1415 Anderson Avenue
Manhattan, KS 66502-4081

Type: Private, Nonprofit

Highest Level of Offering: Bachelor's Degree

Accrediting Agency: North Central Association of Colleges and Schools

Current Student Enrollment: 318 (2011-2012)

% of Students Receiving Title IV: 69%

Title IV Participation (G5, Fiscal Operations Report)

	<u>2011-12</u>
Federal Pell Grant	\$567,709.00
Supplement Education Opportunity Grant (SEOG)	15,289.00
Federal Direct Loan (DL)	1,749,833.00
Perkins Loan	41,500.00
Federal Work Study	54,308.00

Default Rate FFEL/DL:	2010	2.4%
	2009	4.3%
	2008	4.4%

Default Rate Perkins:	2011	9.8%
	2010	8.8%
	2009	9.3%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Manhattan Christian College (MCC) from November 5, 2012 to November 9, 2012. The review was conducted by Rick Moore, Jenny Hendrickson and Bridget Johnston.

The focus of the review was to determine MCC'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 MCC'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 2011-12 and 2012-13 (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. In addition, 14 files were selected for further review of Return of Title IV calculations, Federal SEOG, Federal Work Study and Perkins Loans due diligence. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review. Appendix B lists the names of students who were examined with MCC's response to the program review report.

Disclaimer:

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning MCC'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 MCC 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

MCC has taken the corrective actions necessary to resolve findings #2, 4, 5, 6, 7, 10, 11 and 12 of the program review report. Therefore, these findings may be considered closed.

Resolved Findings With Comments

The following program review findings have been resolved by the institution and may be considered closed with regards to the program review process. These findings are included solely for the purpose of discussing resolution of the findings. No additional response to this office is required at this time but additional action may be required by the Department's Administrative Actions and Appeals Service Group as referenced in the cover letter of this final determination report.

Finding 8: Crime Awareness Requirements Not Met - Failure to Accurately Disclose Crime Statistics: Non Campus Buildings or Property and Omission/Inadequacy of Required Security Policies in the ASR

Citation Summary:

The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the Clery Act) and the Department's regulations require that all institutions participating in Title IV, HEA financial aid programs prepare 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 distributed as a single document. The only exception to this requirement is that the ASR may cross-reference information regarding the institution's alcohol and other drug abuse prevention programs required by § 120 (a)-(d) of the Higher Education Act. 34 C.F.R. § 668.46 (a)(10).

Institutions also must publish statistics of certain incidents of crime that are reported to its police or security department and/or to any official that meets the definition of a campus security authority. The required policy disclosures include but are not limited to the following:

- (1) *Policies for making timely warnings to members of the campus community regarding the occurrence of those crimes required to be reported in the crime statistics section of the annual report; 34 C.F.R. § 668.46 (b);*

- (2) *A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others. 34 C.F.R. § 668.46(b)(5);*
- (3) *A description of programs designed to inform students and employees about the prevention of crimes. 34 C.F.R. § 668.46(b)(6);*
- (4) *A statement of policy regarding the possession, use, and sale of alcoholic beverages and enforcement of State underage drinking laws. 34 C.F.R. § 668.46(b)(8);*
- (5) *A statement of policy regarding the possession, use, and sale of illegal drugs and enforcement of Federal and State drug laws. 34 C.F.R. § 668.46(b)(9);*
- (6) *A statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses, and procedures to follow when a sex offense occurs. 34 C.F.R. §668.46(b)(11).*
- (7) *A description of any drug or alcohol-abuse education programs, as required under section 120(a) through (d) of the Higher Education Amendments (HEA). For the purpose of meeting this requirement, an institution may cross-reference the materials the institution uses to comply with section 120(a) through (d) of the HEA.*

Beginning by October 1, 2010, an institution that maintains any on-campus student housing facility must also prepare an annual fire safety report that describes its policies, procedures, and programs related to fire safety. Institutions also must publish fire statistics for the three most recent calendar years. 34 C.F.R. § 668.49(c)(1).

Noncompliance Summary:

MCC failed to provide crime statistics for the category of non-campus buildings or property for 2009. MCC was not able to provide an explanation concerning the missing information. MCC also failed to properly compile and distribute an Annual Fire Safety Report as required.

As a part of its ASR for 2012, MCC did not include, or did not fully address several required statements of current campus policies and program descriptions as follows:

- *Policies for making timely warnings to members of the campus community regarding the occurrence of those crimes required to be reported in the crime statistics section of the annual report;*
- *A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others;*

- *A description of programs designed to inform students and employees about the prevention of crimes;*
- *A statement of policy regarding the possession, use, and sale of alcoholic beverages and enforcement of State underage drinking laws;*
- *A statement of policy regarding the possession, use, and sale of illegal drugs and enforcement of Federal and State drug laws;*
- *A statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses; and,*
- *A description of any drug or alcohol-abuse education programs, as required under section 120(a) through (d) of the Higher Education Amendments (HEA). For the purpose of meeting this requirement, an institution may cross-reference the materials the institution uses to comply with section 120(a) through (d) of the HEA.*

Required Action Summary:

MCC was required to publish and disseminate an updated Campus Security Report that includes all required information concerning campus crime statistics for the calendar years 2009 through 2011, as well as all other attendant components, in accordance with current Federal regulations and the guidance found in the Federal Student Aid Handbook. MCC was also required to publish and disseminate a Fire Safety Report that includes statistics, as well as all other attendant components, in accordance with current Federal regulations. A copy of the Campus Security Report and Fire Safety Report, as well as institutional assurances on how they had been disseminated to all students and employees and made available to all prospective students and employees, was requested with MCC's response.

In addition, MCC was required to review its procedures to ensure that an appropriate Campus Security Report and Fire Safety Report would be produced and disseminated on an annual basis to all current students and employees. A copy of the revised policy and procedures was requested to accompany MCC's response to this report.

MCC's Response:

MCC submitted its initial response in April, 2013. A supplemental response was filed on July 18, 2013. In its responses, MCC stated its concurrence with the finding and provided a revised 2012 ASR that included the previously-omitted content. The College also submitted a copy of its first Annual Fire Safety Report. In addition, MCC also submitted documentation indicating that the revised 2012 ASR and AFSR were distributed to students and employees. Finally, the College provided copies of its new policies and procedures that will govern the preparation, publication, and distribution of future reports. Per the response, the College intends to engage an outside consultant to conduct a campus security and safety assessment.

Final Determination:

Finding #8 of the program review report cited MCC for multiple violations of the *Clery Act*. First, the College failed to produce an accurate and complete 2012 ASR. Specifically, the College did not disclose crime statistics for non-campus buildings and property and also failed to include required statements of policy and procedure regarding sexual assault and crime prevention training, the issuance of timely warnings, and drug and alcohol abuse education and prevention. In addition, the Department found that MCC had never produced an Annual Fire Safety Report. As of October 1, 2010, each institution that operates an on-campus student housing facility is required to produce such a report and actively distribute it to enrolled students and current employees by October 1st of each year. As a result of these violations, MCC was required to revise its 2012 ASR and to produce its first AFSR. Once these reports were completed, MCC was required to distribute them in the required manner. In its response, the College concurred with all parts of the finding and submitted materials indicating that remedial action was taken. The Department notes that the information submitted by MCC indicates that no reportable crimes occurred in the geographical areas in the non-campus buildings and properties category.

The Department carefully examined MCC's narrative response and supporting documentation. The review team's examination showed that the identified violations were addressed to the extent possible by the revisions to the 2012 ASR and the production of the College's first AFSR and related remedial efforts. Based on that review and MCC's admission of noncompliance, the violations identified in the finding are sustained. The Department has also determined that MCC's remedial action plan meets minimum requirements. For these reasons, the Department has accepted the College's response and considers this finding to be closed for the purposes of this program review; however, the officials and directors of MCC are put on notice that the College must take any additional actions that may be necessary to address the deficiencies identified by the Department as well as any such deficiencies that were detected during the preparation of the College's response to this report and as may otherwise be needed to ensure that these violations do not recur.

Although this program review finding is now closed, MCC is reminded that the exceptions identified above constitute very serious and persistent 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. The College was required to initiate all necessary remedial measures and in doing so, has finally begun to remediate the conditions that led to these violations. MCC has stated that it has brought its overall campus security program into compliance with the *Clery Act* as required by its Program Participation Agreement (PPA). Nevertheless, MCC officials must understand that the *Clery Act* is first and foremost a consumer protection law that is based on the premise that access to accurate and complete campus crime information empowers students and employees to make

informed decisions and actively participate in their own safety and security. Compliance failures of this type effectively negate the public safety and crime prevention intent of the *Clery Act*. For these reasons, the College is advised that its remedial actions 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 actions as a result.

Because of the serious consequences of such violations, the Department strongly recommends that MCC officials re-examine its campus safety and general Title IV policies and procedures on an annual basis to ensure that they continue to reflect current institutional practices and are compliant with Federal requirements. To that end, MCC officials are encouraged to consult the Department's "Handbook for Campus Safety and Security Reporting" (2011) as a reference guide on *Clery Act* compliance. The Handbook is online at: www2.ed.gov/admins/lead/safety/handbook.pdf. The Department also provides a number of other *Clery Act* training resources. The College can access these materials at: www2.ed.gov/admins/lead/safety/campus.html. The regulations governing the *Clery Act* can be found at 34 C.F.R. §§ 668.14, 668.41, 668.46, and 668.49.

Finding 9: Failure to Comply with Drug and Alcohol Abuse Education and Prevention Program Requirements

Citation Summary:

The Drug-Free Schools and Communities Act (DFSCA) and Part 86 of the Department's General Administrative Regulations requires the participating institution of higher education (IHE) to certify that it has developed and implemented a drug and alcohol abuse education and prevention program. 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 drug and alcohol abuse prevention program (DAAPP) to all 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, the 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 Summary:

MCC violated multiple requirements of the Drug-Free Schools and Communities Act. Specifically, at the time of the site visit, MCC was unable to produce documentation that it had distributed an accurate and complete drug and alcohol abuse prevention program (DAAPP) disclosure during the current award year as required. In addition, MCC did not fully developed one of the required elements of the student disclosure for the 2011-2012 award year. MCC's 2011-2012 DAAPP provided a hotline phone number to contact to find treatment, but it did not include an adequate description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to students and employees. MCC was similarly unable to produce documentation evidencing an annual distribution of the DAAPP disclosure to current employees. The DFSCA requires an annual distribution of a compliant DAAPP disclosure to all employees and all students enrolled for academic credit.

Furthermore, MCC failed to conduct a Biennial Review (BR) and also failed to prepare a BR report of findings. The BR is intended to periodically assess the effectiveness of the institution's DAAPP and in so doing, identify any necessary modifications or improvements and to evaluate the consistency of disciplinary sanctions imposed for any violations of the institution's drug and alcohol-related policies or codes of conduct.

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

Required Action Summary:

MCC was required to take all necessary corrective actions to address the violations. MCC was also required to conduct an actual Biennial Review to measure the effectiveness of its drug and alcohol abuse education and prevention programs. In the review, MCC was required to describe the research methods and data analysis tools that will be used to determine the effectiveness of the program as well as identify the responsible officials who will conduct the review. The BR report must also address how the institution will ensure consistent enforcement of its disciplinary standards and codes of conduct regarding illegal drug use and alcohol abuse. Finally, the BR report was to be approved by the institution's chief executive.

MCC Response:

MCC submitted its initial response in April, 2013. A supplemental response was filed on July 18, 2013. In its responses, MCC concurred with the finding and submitted its revised DAAPP disclosure along with documentation showing that program materials were distributed to students and employees. In addition, College officials claimed that a group of officials met to plan and conduct a biennial review. As part of its July 18, 2013 response, MCC submitted documentation that explained the review process and the findings of the review.

Final Determination:

Finding #9 cited MCC for multiple violations of the *DFSCA*. Specifically, the College failed to develop and implement a substantive DAAPP and as a result, also failed to produce a DAAPP disclosure and distribute it to students and employees. In addition, MCC failed to conduct a biennial review of the DAAPP's effectiveness prior to the on-site program review. These violations necessarily follow from each other because the biennial review is primarily a study of the DAAPP's effectiveness. Therefore, an institution cannot produce and distribute program materials or conduct a biennial review unless and until it has implemented a DAAPP that includes all required components.

As a result of these violations, MCC was required to review and enhance its existing drug and alcohol program DAAPP to bring it into compliance with *DFSCA* requirements and then produce an accurate and complete DAAPP disclosure that summarizes the program. The College was also required to submit documentation showing that program materials were actively distributed to all enrolled students and current employees. In addition, MCC was required to conduct a comprehensive biennial review and produce a report of findings. Finally, the College was provided to submit a copy of its initial report along with its new policies and procedures with its response to the program review report.

The Department carefully examined MCC narrative response and supporting documentation. The review team's examination showed that the identified violations

were, for the most part, satisfactorily addressed by the College's responses. Based on that review and the College's admission of noncompliance, the violations identified in the finding are sustained. The Department also determined that MCC remedial action plan meets minimum requirements. For these reasons, the Department has accepted the College's response and considers this finding to be closed for the purposes of this program review. Nevertheless, the officials and directors of MCC are put on notice that the College must take any additional action that may be necessary to fully address the deficiencies and weaknesses identified by the Department as well as any such deficiencies that were detected during the preparation of the College's response to the Department's report and as may otherwise be needed to ensure that these violations do not recur.

Although this program review finding is now closed, MCC is reminded that the exceptions identified above constitute very serious and persistent violations 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. The College was instructed to take remedial action and by doing so, has finally begun to address the conditions that led to these violations. MCC has stated that it has brought its overall drug and alcohol abuse program into compliance with the *DFSCA* as required by its PPA. While this is an important first step, MCC officials must understand that compliance with the *DFSCA* and the *Clery Act* are essential to maintaining a safe and healthy learning environment, especially in light of the fact that more than 90% of all violent campus crimes are drug and/or alcohol-related. The compliance failures documented by the Department deprived the College and members of the campus community of important information about the effectiveness of any drug and alcohol programs that may have been in place during the review period. For these reasons, MCC is advised that its remedial actions 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 actions as a result.

Because of the serious consequences of such violations, the Department also strongly recommends that MCC re-examine its drug and alcohol abuse education and prevention policies, procedures, and programs on at least an annual basis and revise them as needed to ensure that they continue to reflect current institutional policy and are in full compliance with Federal regulations. To that end, MCC is reminded of its obligation to conduct comprehensive biennial reviews and to prepare substantive reports of findings and recommendations going forward. MCC is specifically advised that its next report must contain substantially more information about the actual conduct of the review. Moreover, the findings and recommendations must be supported by valid evidentiary data about the DAAPP's effectiveness. The regulations governing the *DFSCA* can be found at *34 C.F.R. Part 86*. Please be advised that the Department may request information on a periodic basis to test the effectiveness of the College's new DAAPP policies and procedures.

Findings with Final Determinations

The program review report findings requiring further action are summarized below. At the conclusion of each finding is a summary of MCC's response to the finding and the Department's final determination for that finding. A copy of the program review report issued on January 30, 2013, is attached as Appendix D.

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 are included in the Summary of Liabilities Table in Section D of the report.

Finding 1. First Date of Attendance Not Documented/Enrollment Status Not Verified

Citation Summary: An institution is required to establish and maintain, on a current basis, program records that document its disbursement and delivery of Title IV, HEA funds. 34 C.F.R. § 668.24(a)(6)

A school must keep records that substantiate the eligibility of students for Title IV, HEA funds, such as:

- *documentation of student's program of study and the courses in which the student was enrolled; and*
- *data used to establish student's admission, enrollment status, and period of enrollment. 2011-2012 Federal Student Aid Handbook.*

In the case of Federal Pell Grant recipients, 34 C.F.R. § 690.80(b)(2)(ii) states that if a student's projected enrollment status changes during a payment period before the student begins attendance in all of his or her classes for that payment period, the institution shall recalculate the student's enrollment status to reflect only those classes for which the student actually began attendance.

Noncompliance Summary: Regarding verification that a student begins attendance in each class in which the student is enrolled, MCC indicated that faculty were asked to report the names of students who did not begin attendance in their classes. However, no official policy was in place to ensure the Financial Aid Office received that information for all students in order to determine their enrollment status for Title IV purposes.

Required Action Summary: MCC was required to review and revise its internal policies and procedures to ensure that the institution has appropriate mechanisms in place to ensure information regarding students who fail to begin attendance in a course is

reported to the financial aid office in a timely fashion. A copy of these procedures was to be provided with MCC's response to this report.

In addition, MCC was required to review the attendance records of all Federal Pell Grant recipients who attended the institution during the 2011-2012 award year who failed to earn a passing grade in one or more courses (grades of W, I, F, etc) during any semester of enrollment in the 2011-2012 award year. For each student identified, MCC was required to identify any ineligible disbursement amounts.

MCC was also required to review the attendance records for all students enrolled during the 2012-2013 award year (year to date) and adjust the Title IV, IIEA disbursements for those students who failed to begin attendance in enough hours to support the amount of Title IV, HEA program funds disbursed and provide written assurance that all required adjustments for the 2012-2013 award year had been made.

MCC's Response: As required in the program review report, MCC provided a spreadsheet listing Federal Pell Grant recipients who attended during the 2011-2012 award year and who failed to earn a passing grade in one or more courses. The listing indicated the number of hours in which the student was enrolled and the actual number of hours for which the student was verified to have begun attendance.

In addition, MCC provided copies of its revised policies and procedures regarding verification of enrollment/attendance in order to show that enrollment status would be properly verified in the future.

Final Determination: The Department reviewed MCC's program review response and determined that MCC failed to verify enrollment status before disbursing Federal Pell Grants. MCC provided a spreadsheet of Federal Pell Grant recipients who failed to earn a passing grade in one or more courses during the 2011-2012 award year. A review of the documentation provided showed that enrollment status could not be verified for five students listed on the spreadsheet.

Consequently, MCC is responsible to return \$4,503.00 in Federal Pell Grant funds to the Department for the students whose enrollment status could not be verified. Additionally, MCC is liable for the cost of funds associated with the improper disbursement of Federal Pell Grant funds. The total cost of funds liability due to the Department for this finding is \$124.00. The interest charges were computed using the cost of funds for Federal Pell Grant program published in the Federal Register by the Department of Treasury, effective from the date of disbursement to the date of this determination. Detailed information about this cost of funds liability determination may be found in Appendix E.

MCC must notify all students in writing regarding payments made on their behalf. This notification must include the date and the amount of the payments.

Finding 3: Improper Disbursement – Direct Loan Payment Made to Ineligible Student

Citation Summary: Before disbursing Federal Direct Stafford loans to students, an institution must confirm that a student remains eligible to receive them. A student is eligible to receive a Federal Direct Stafford loan if the student is enrolled, or accepted for enrollment, on at least a half-time basis in a school that participates in the Federal Direct Loan Program and the student meets the requirements under 34 C.F.R. § 668.32. Generally, for the Direct Loan program, an otherwise eligible student or parent becomes ineligible to receive Title IV funds on the date that the student is no longer enrolled at least half-time.

34 C.F.R. § 685.200(a)

Noncompliance Summary: In one instance, MCC improperly disbursed Federal Direct Stafford Loan funds to a student who had enrolled on a half-time basis but never actually attended any classes.

Student #4: This student was initially enrolled in six credit hours for the Fall 2011 semester. On 9/5/11 the student was dropped from one three hour course because he did not attend any classes. The student received an "F" grade for the other course for which he was enrolled. During the review and subsequent to the review, MCC was unable to provide documentation verifying the student attended any classes for either of the courses for which he was enrolled. The student received an ineligible Subsidized Direct loan disbursement of \$1140 and an Unsubsidized Direct Loan disbursement of \$2611.

Required Action Summary: MCC was required to review and revise its internal policies and procedures to ensure that the institution has appropriate mechanisms in place to ensure information regarding students who fail to begin attendance in a course is reported to the financial aid office in a timely fashion. Disbursements found to be ineligible would be required to be returned to the Department. A copy of these procedures was required to be submitted with MCC's response to this report.

MCC's Response: MCC concurred with this finding. As required in the program review report, MCC submitted revised policies and procedures to ensure that Federal Direct Loan funds would be verified and disbursed only to eligible students in the future.

Final Determination: The Department reviewed MCC's program review response and determined that it would be liable for the ineligible Federal Direct Loan disbursements made to Student #4 in the amount of \$3,751.00.

MCC is responsible to return \$3,751.00 in Federal Direct Loan disbursements for Student #4. Additionally, MCC is liable for the cost of funds associated with the improper disbursement of Federal Direct Loan funds. The total cost of funds liability due to the

Department for this finding is \$115.00. The interest charges were computed using the cost of funds for the Federal Direct Loan program published in the Federal Register by the Department of Treasury, effective from the date of disbursement to the date of this determination. Detailed information about this cost of funds liability determination may be found in Appendix E.

MCC must notify all students in writing regarding payments made on their behalf. This notification must include the date and the amount of the payments.

D. Summary of Liabilities

Liabilities	Pell (Closed Award Year)			DL/ FFEL		
Finding 1	\$4,503					
Finding #3				\$3,751		
Subtotal 1	\$4,503			\$3,751		
Interest/SA	\$123.99			\$115		
Excess Cash						
ACA						
Subtotal 2	\$123.99			\$115		
TOTAL	\$4,626.99			\$3,866		
Payable To:						Totals
Department	\$4,626.99			\$3,866		\$8,492.99
						\$
						\$
						\$

E. Payment Instructions

1. Liabilities Owed to the Department

MCC owes to the Department **\$8,493.00**. Payment must be made by forwarding a check made payable to the "U.S. Department of Education" to the following address within 45 days of the date of this letter:

U.S. Department of Education
P.O. Box 979026
St. Louis, MO 63197-9000

Remit checks only. Do not send correspondence to this address.

Payment must be made via check and sent to the above Post Office Box. 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 findings 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 necessary).

The following identification data must be provided with the payment:

Amount:	\$8,493.00
DUNS:	010654598
TIN:	480559090
PRCN:	201310728107

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. MCC 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 Group at (202) 245-8080 and ask to speak to MCC'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, MCC 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 MCC from the Federal Government. **MCC may object to the collection by offset only by challenging the existence or amount of the debt.** To challenge the debt, MCC 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.

Federal Pell Grant Program Liabilities:

Federal Pell Grant Closed Award Years (Request Extended Processing)

Finding: 1
 Appendix: E

MCC must repay:

Federal Pell Grant Closed Award Year			
Amount (Principal)	Amount (Interest)	Title IV Grant	Award Year
\$4,503.00	\$124.00	Federal Pell Grant	2011-2012
Total Principal	Total Interest		
\$4,503.00	\$124.00		

The disbursement record for each student identified in the appendices to the applicable findings must be adjusted in the Common Origination and Disbursement (COD) system based on the recalculated amount identified in each appendix.

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 check, 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 Rick Moore **within 45 days of the date of this letter.**

William D. Ford Federal Direct Loan (Direct Loan) Liabilities:

Direct Loan Closed Award Years (Request Extended Processing)

Finding: 3
Appendix: E

MCC must repay the following Direct Loan liabilities:

DL Closed Award Year		
Amount (Principal)	Amount (Interest)	Award Year
\$3,751.00	\$115.00	2011-2012
Total Principal	Total Interest	
\$3,751.00	\$115.00	

The disbursement record for each student identified in the appendix listed above must be adjusted in the Common Origination and Disbursement (COD) system based on the recalculated amount identified in the appendix. A copy of the adjustment to each student's COD record must be sent to Rick Moore **within 45 days of the date of this letter.**

Request Extended Processing

COD adjustments are necessary for the closed award year listed above. Before any student level adjustments can be processed, MCC must immediately request extended processing through the COD Website (<http://cod.ed.gov>).

- Click on the Request Post Deadline/Extended Processing link under the School menu.
- On the request screen, the institution should indicate in their explanation that the request is based on a program review, and provide the program review control number.
- The institution will be notified of the status of the request at the time of submission, and will also be notified by email to the FAA and President when extended processing has been authorized. At that time, the school must transmit student/borrower level adjustments to COD for the closed award year(s).

F. Appendices

Appendix A: Student Sample from Program Review Report

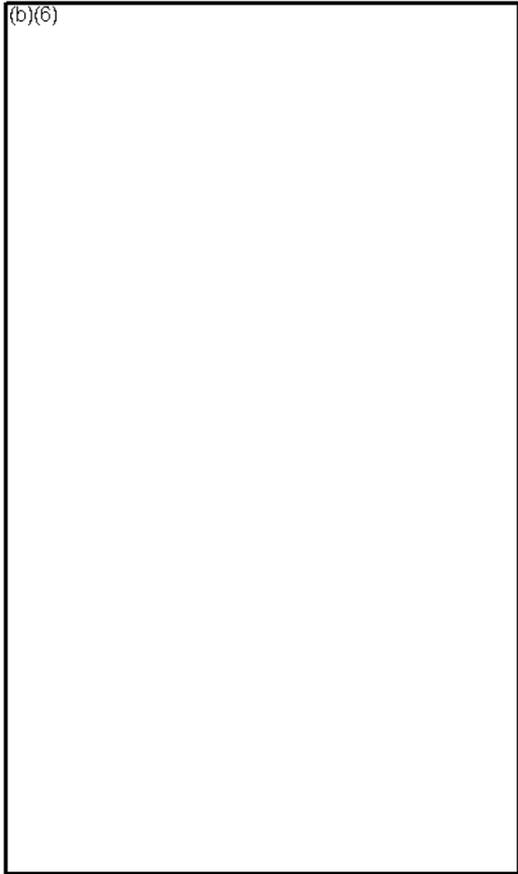
Student No.	Award Year	Last Name	First Name	SSN(last 4)
1	2011-12	(b)(6)		
2	2011-12			
3	2011-12			
4	2011-12			
5	2011-12			
6	2011-12			
7	2011-12			
8	2011-12			
9	2011-12			
10	2011-12			
11	2011-12			
12	2011-12			
13	2011-12			
14	2011-12			
15	2011-12			
16	2012-13			
17	2012-13			
18	2012-13			
19	2012-13			
20	2012-13			
21	2012-13			
22	2012-13			
23	2012-13			
24	2012-13			
25	2012-13			
26	2012-13			
27	2012-13			
28	2012-13			
29	2012-13			
30	2012-13			

Student No.	Last Name	First Name	SSN(last 4)
31	(b)(6)		
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			

Appendix B: Student Sample in Response to Finding #1

Student No.	Award Year	Last Name	First Name	SSN(last 4)
45	2011-12	(b)(6)		
46	2011-12			
47	2011-12			
48	2011-12			
49	2011-12			
50	2011-12			
51	2011-12			
52	2011-12			
53	2011-12			
54	2011-12			
55	2011-12			
56	2011-12			
57	2011-12			
58	2011-12			
59	2011-12			
60	2011-12			
61	2011-12			

62 2011-12
63 2011-12
64 2011-12
65 2011-12
66 2011-12
67 2011-12
68 2011-12
69 2011-12
70 2011-12
71 2011-12
72 2011-12
73 2011-12
74 2011-12
75 2011-12
76 2011-12
77 2011-12
78 2011-12
79 2011-12
80 2011-12
81 2011-12



Appendix C: Student Level Liabilities

Finding 1

Student No.	Award Year	Last Name	First Name	Last 4 SSN	Direct Federal Pell Grant Liability
46	2011-2012	(b)(6)			\$1,388.00
50	2011-2012	(b)(6)			\$520.00
67	2011-2012	(b)(6)			\$707.00
71	2011-2012	(b)(6)			\$944.00
72	2011-2012	(b)(6)			\$944.00
Total Federal Pell Grant Liability					\$4,503.00

Finding 3

Student No.	Award Year	Last Name	First Name	Last 4 SSN	Direct Unsubsidized Loan Liability
4	2011-2012	(b)(6)			\$2,611.00
Total Direct Unsubsidized Loan Liability					\$2,611.00

Student No.	Award Year	Last Name	First Name	Last 4 SSN	Direct Subsidized Loan Liability
4	2011-12	(b)(6)			\$1,140.00
Total Direct Subsidized Loan Liability					\$1,140.00

Appendix D: Program Review Report

A. Institutional Information

Manhattan Christian College
1415 Anderson Avenue
Manhattan, KS 66502-4081

Type: Private, Nonprofit

Highest Level of Offering: Bachelor's Degree

Accrediting Agency: North Central Association of Colleges and Schools

Current Student Enrollment: 318 (2011-2012)

% of Students Receiving Title IV: 69%

Title IV Participation (G5, Fiscal Operations Report)

	<u>2011-12</u>
Federal Pell Grant	\$567,709.00
Supplement Education Opportunity Grant (SEOG)	15,289.00
Federal Direct Loan (DL)	1,749,833.00
Perkins Loan	41,500.00
Federal Work Study	54,308.00

Default Rate FFEL/DL:	2010	2.4%
	2009	4.3%
	2008	4.4%

Default Rate Perkins:	2011	9.8%
	2010	8.8%
	2009	9.3%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Manhattan Christian College (MCC) from November 5, 2012 to November 9, 2012. The review was conducted by Rick Moore, Jenny Hendrickson and Bridget Johnston.

The focus of the review was to determine MCC'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 MCC'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 2011-12 and 2012-13 (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. In addition, 14 files were selected for further review of Return of Title IV calculations, Federal SEOG, Federal Work Study and Perkins Loans due diligence. Appendices A and B list 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 MCC'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 MCC 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 MCC to bring operations of the financial aid programs into compliance with the statutes and regulations.

1. First Date of Attendance Not Documented/Enrollment Status Not Verified

Citation: In order to demonstrate to the Secretary that the institution is capable of adequately administering the Title IV, HEA programs, it must establish and maintain records required under the individual Title IV, HEA program regulations.
34 C.F.R. § 668.16(d)(1)

An institution is required to establish and maintain, on a current basis, program records that document its disbursement and delivery of Title IV, HEA funds.
34 C.F.R. § 668.24(a)(6)

A school must keep records that substantiate the eligibility of students for Title IV, HEA funds, such as:

- documentation of student's program of study and the courses in which the student was enrolled; and
- data used to establish student's admission, enrollment status, and period of enrollment. *2011-2012 Federal Student Aid Handbook.*

In the case of Federal Pell Grant recipients, 34 C.F.R. § 690.80(b)(2)(ii) states that if a student's projected enrollment status changes during a payment period before the student begins attendance in all of his or her classes for that payment period, the institution shall recalculate the student's enrollment status to reflect only those classes for which the student actually began attendance.

Noncompliance: During the on-site program review while conducting interviews with staff, MCC personnel in the Financial Aid Office and Business Office were asked about the process of determining a student's enrollment status for the purposes of disbursing Title IV aid. Regarding verification that a student begins attendance in each class in which the student is enrolled, MCC indicated that faculty were asked to report the names of students who did not begin attendance in their classes. However, no official policy was in place to ensure the Financial Aid Office received that information for all students in order to determine their enrollment status for Title IV purposes.

Required Action: MCC must review and revise its internal policies and procedures to ensure that the institution has appropriate mechanisms in place to ensure information

regarding students who fail to begin attendance in a course is reported to the financial aid office in a timely fashion. A copy of these procedures must accompany MCC's response to this report.

In addition, MCC must review the attendance records of all Federal Pell Grant recipients who attended the institution during the 2011-2012 award year who failed to earn a passing grade in one or more courses (grades of W, I, F, etc) during any semester of enrollment in the 2011-2012 award year. For each student identified, MCC must provide the following information in a spreadsheet format:

- (1) Student's name;
- (2) Last four digits of the student's Social Security Number (SSN);
- (3) Award year;
- (4) Semester (Fall, Spring, Summer);
- (5) Number of hours student enrolled in and received Federal Pell Grant funds;
- (6) Number of hours that student began attendance in;
- (7) Amount of Federal Pell Grant funds disbursed;
- (8) Date of disbursement;
- (9) Recalculated amount of Federal Pell Grant funds student should have received based on hours student began attendance in; and
- (10) Difference between recalculated award and amount disbursed.

MCC must provide legible copies of the following documents:

- Student account card;
- Academic transcript;
- Copies of all pertinent attendance records supporting MCC's determination of the student's enrollment status; and
- Pertinent screen shots from the Common Origination and Disbursement System (COD) indicating amounts and dates of disbursements and returns.

The spreadsheet discussed above must be compiled in an Excel spreadsheet program and submitted in the following manner:

Student	SSN	Award year	Semester	Number of Hours Student Enrolled In	Number of Hours for Which Student Began Attendance	Amount of Federal Pell Grant funds disbursed	Date of Disbursement	Recalculated Title IV, HEA funds that Should Have Been Disbursed	Difference
***	****	2010/11	Fall	12	9	\$2,775	09/27/2010	\$2,081	\$694
***	****	2010/11	Fall	6	0	\$2,000	09/27/2010	\$0	\$2,000

MCC must also review the attendance records for all students enrolled during the 2012-2013 award year (year to date) and adjust the Title IV, HEA disbursements for those students who failed to begin attendance in enough hours to support the amount of Title

IV, HEA program funds disbursed. MCC must provide a written assurance that all required adjustments for the 2012-2013 award year have been made.

Instructions for repayment of any liabilities for the 2011-2012 award year will be provided in the FPRD letter. The institution must not repay any funds owed to the Department for these award years until the FPRD is issued.

MCC is reminded that hard copy files containing PII must be safeguarded as described in the enclosure to the cover letter of this report.

2. Satisfactory Academic Progress Policy Not Adequately Developed/Monitored

Citation: In order to be eligible to receive Title IV, HEA program aid, a student must maintain Satisfactory Academic Progress (SAP) in accordance with the institution's published standards of satisfactory progress. 34 C.F.R. § 668.32(f).

An institution's policy must be the same or stricter than the satisfactory academic progress standards applied to a student who is not receiving Title IV, HEA program aid. 34 C.F.R. § 668.34(a)(1).

The policy must have both a qualitative component, such as grades, that are measurable against a norm and a quantitative component that consists of a maximum time frame in which the student must complete the educational program.

The policy should provide that a student's academic progress is evaluated at the end of each payment period if the educational program is either one academic year in length or shorter than an academic year; or for all other educational programs, at the end of each payment period or at least annually to correspond with the end of a payment period. The policy should specify the pace at which a student must progress through his or her educational program to ensure that the student will complete the program within the maximum timeframe allowed and provides for measurement of the student's progress at each evaluation. 34 C.F.R. §§ 668.34(3) & (5)

Also, the policy must define the effect of course incompletes, withdrawals, repetitions, noncredit remedial courses, and transfer credits from another institution on SAP, both GPA and pace of completion. Credit hours from another institution that are accepted toward a student's educational program must count as both attempted and completed hours. 34 C.F.R. § 668.34(a)(5-6)

If the institution places students on financial aid warning or financial aid probation, as defined in 34 C.F.R. § 668.34(b), the institution must have a policy that describes these statuses. This policy must also inform students that a student who is placed on financial aid warning is still eligible to receive Title IV, HEA funds for one more payment period

despite the fact the student is not making SAP, and that a student on financial aid probation may receive Title IV, HEA funds for one payment period after an approved SAP appeal. At the end of one payment period the student must meet the institution's SAP standards or meet the requirements of the academic plan developed by the institution, if the institution chooses to develop academic plans for financial aid probation students. 34 C.F.R. § 668.34(a)(8)(i-ii)

Noncompliance: MCC's Satisfactory Academic Policy does not include a quantitative component that defines a maximum time frame in which the student must complete the educational program.

Required Action: MCC must revise its Satisfactory Academic Progress policies and procedures ensuring compliance with federal regulations. MCC must submit a copy of the revised policies and procedures to this office prior to conducting the required action outlined below.

Once the revised policy has been approved by this office, MCC will be required to review the financial aid files of all Title IV, HEA recipients who attended the institution from July 1, 2010 to the present. For each student who received a disbursement of Title IV, HEA funds without meeting the institution's SAP requirements (qualitative and quantitative after 12 hours attempted), MCC must provide the following information in a spreadsheet format:

- (1) Student's name;
- (2) Last four digits of the student's Social Security Number;
- (3) Date of ineligible disbursement(s);
- (4) Student's degree program;
- (5) Total hours attempted;
- (6) Total hours earned;
- (7) Student's quantitative completion percentage at the time of disbursement;
- (8) Student's cumulative GPA at the time of disbursement;
- (9) Amount of Title IV, HEA funds disbursed to the student, organized by Title IV, HEA program; and
- (10) Date student regained eligibility for Title IV, HEA funds, if applicable.

For each student who received a disbursement of Title IV, HEA funds without meeting the institution's SAP requirements, MCC also must provide legible copies of the following documents:

- (1) Student account card;
- (2) Academic transcript;
- (3) Copies of SAP Appeals if applicable;
- (4) Pertinent COD screen shots indicating amounts and dates of disbursements and NSLDS screen shots for Pell and Direct Loans indicating amounts and dates of disbursements.

The SAP spreadsheet discussed above should be compiled in an Excel spreadsheet program and submitted in the following manner:

Student	SSN	Date of ineligible disbursement	Degree Program	Total Hours Attempted	Total Hours Earned	Quantitative %	Cumulative GPA	Amount of PELL disbursement	Amount of FSEOG disbursement
***	***	5/23/11	Music	40	64	62.5%	1.5	\$2,025	\$100

Amount of Subsidized Direct Loan disbursement	Amount of Unsubsidized Direct Loan disbursement	Amount of PLUS Direct Loan disbursement	Amount of Federal Perkins Loan disbursement	Other Title IV Program disbursement	Date student regained eligibility
\$1,750	\$2,000	n/a	\$1000	62.5%	n/a

In addition, MCC must provide assurance that it will appropriately monitor SAP and in the future withhold Title IV, HEA funds to students subject to financial aid termination.

3. Improper Disbursement – Direct Loan Payment Made to Ineligible Student

Citation: Before disbursing Federal Direct Stafford loans to students, an institution must confirm that a student remains eligible to receive them. A student is eligible to receive a Federal Direct Stafford loan if the student is enrolled, or accepted for enrollment, on at least a half-time basis in a school that participates in the Federal Direct Loan Program and the student meets the requirements under 34 C.F.R. § 668.32. Generally, for the Direct Loan program, an otherwise eligible student or parent becomes ineligible to receive Title IV funds on the date that the student is no longer enrolled at least half-time. 34 C.F.R. § 685.200(a)

Noncompliance: In one instance, MCC improperly disbursed Federal Direct Stafford Loan funds to a student who had enrolled on a half-time basis but never actually attended any classes.

Student #4: This student was initially enrolled in six credit hours for the Fall 2011 semester. On 9/5/11 the student was dropped from one three hour course because he did not attend any classes. The student received an “F” grade for the other course for which he was enrolled. During the review and subsequent to the review, MCC was unable to provide documentation verifying the student attended any classes for either of the courses for which he was enrolled. The student received an ineligible Subsidized Direct loan disbursement of \$1140 and an Unsubsidized Direct Loan disbursement of \$2611.

Required Action: MCC must review and revise its internal policies and procedures to ensure that the institution has appropriate mechanisms in place to ensure information regarding students who fail to begin attendance in a course is reported to the financial aid office in a timely fashion. Disbursements found to be ineligible must be returned to the Department. A copy of these procedures must accompany MCC's response to this report.

Instructions for repayment of any liabilities will be provided in the Final Program Review Determination letter.

4. Failure to Perform Return to Title IV Funds Calculation

Citation: Federal regulations state that when a recipient of Title IV, HEA program aid withdraws from an institution during a period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV, HEA program aid the student earned as of the student's withdrawal date. Any unearned aid must be returned to the Title IV, HEA program. If the total amount of Title IV, HEA program aid earned is greater than the amount that was disbursed to the student as of the date of the institution's determination the student withdrew, the difference between those amounts must be treated as a post-withdrawal disbursement. 34 C.F.R. § 668.22(a)

Noncompliance: For the students listed below, MCC incorrectly performed the Return to Title IV (R2T4) calculations.

Student #41: This student was in the LEAD program, which only offers classes on Mondays and Tuesdays. This student was enrolled in 12.5 hours and attending classes on Monday evenings. She withdrew from the first module on 8/22/12 but remained enrolled in 9.5 hours. She officially withdrew from the fall 2012 semester on 9/26/12.

MCC used the incorrect amount of student loans as aid that could have been disbursed. MCC used \$6,000 as the Unsubsidized Direct Loan amount (the gross amount for two semesters) when the R2T4 calculation directions call for the net amount for the period of enrollment. The Subsidized Direct Loan amount that could have been disbursed was listed as \$2,250 when the net should have been used.

MCC performed the R2T4 calculation using 155 as the total number of days in the fall 2012 LEAD calendar. Because LEAD classes are only offered on Mondays and Tuesdays, institutional breaks always start on Wednesdays. In calculating the number of days in the period of enrollment, MCC should have taken into account a 12-day break in enrollment in November and a 19-day break in enrollment in December/January. Therefore, the fall 2012 LEAD period of enrollment consisted of 138 days. This results

in the student earning 37% of the Title IV, HEA program funds she was eligible for, instead of 32.9% that MCC calculated.

Student #43: This student was in the LEAD program, which only offers classes on Mondays and Tuesdays. This student was enrolled in 12.5 hours and attending classes on Tuesday evenings. She completed the first three credit hour class on 10/4/11 and began the second three credit hour class on 10/11/11. She officially withdrew from the fall 2011 semester on 10/25/11.

MCC performed the R2T4 calculation based on half time enrollment, when the student was enrolled and awarded based on full-time. When a student drops all remaining classes at the same time the student is withdrawing in a modular program, Title IV, HEA program aid is not recalculated based on enrollment. Therefore, the amount of Federal Pell Grant used in the R2T4 calculation, \$1,388, is incorrect and should have been \$2,775.

MCC used the incorrect amount of student loans as aid that could have been disbursed. MCC used \$2,750 (the gross amount that could have been disbursed) when the R2T4 calculation directions call for the net amount. Also, MCC identified the loan as an Unsubsidized Direct loan in the R2T4 calculation, when the student was awarded and disbursed a Subsidized Direct Loan.

MCC did not use the correct number of days in the period of enrollment for this student. This student's start date was used correctly as 9/6/11, but the scheduled end date should have been 2/14/12 instead of 11/15/11. Again, MCC should not have shortened this student's period of enrollment based on classes that were dropped at the same time as total withdrawal.

Adjustments to a student's enrollment status made after the student ceases attendance have no bearing on the Return requirements. Thus, if a student enrolled in three modules completes one module and drops the two remaining modules after ceasing attendance, the total number of calendar days in this student's payment period or period of enrollment would include the days in all three modules. *2011-2012 FSA Handbook, Volume 5 Chapter 2*

MCC did not use the correct institutional charges for the period of enrollment in Step 5 of the calculation. This student was charged \$4,685 for LEAD tuition on 8/31/11, but MCC used \$2,342, the adjustment amount after the student withdrew, as the institutional charges in Step 5.

The institutional charges used in the calculation are always the charges that were assessed the student for the entire payment period or period of enrollment, as applicable, prior to the student's withdrawal. *2011-2012 FSA Handbook, Volume 5 Chapter 2*

As a result of the incorrect calculation, this student did not receive the total amount of Federal Pell Grant she was due; also, MCC improperly retained Subsidized Direct Loan funds for this student. This student should have received \$1,984 in Federal Pell Grant funds and was not eligible to receive a Post-Withdrawal Disbursement of Subsidized Direct Loan funds. Instead, MCC reduced the student's Federal Pell Grant to \$1,388 and disbursed \$956 in a Subsidized Federal Direct Loan without the student's written permission.

A school must notify a student, or parent for a parent PLUS loan, in writing prior to making any Post-withdrawal disbursement of loan funds, whether those loan funds are to be credited to the student's account or disbursed directly to the student (or parent). The information provided in this notification must include the information necessary for the student, or parent for a parent PLUS loan, to make an informed decision as to whether the student or parent would like to accept any disbursement of loan funds and must be provided within 30 days of the date of a school's determination that a student has withdrawn. In addition, the notice must request confirmation of any Post-withdrawal disbursement that the student or parent, as applicable, wishes the school to make. The notice must identify the type and amount of the loan funds it wishes to credit to the student's account or disburse directly to the student or parent, explain that a student, or parent for a parent PLUS loan, may accept or decline all or a portion of the funds. *2011-2012 FSA Handbook, Volume 5 Chapter 2*

Required Action: MCC must review the financial aid files and R2T4 calculations for the students shown above and perform a correct calculation or recalculation and provide the results of that review to this office.

MCC must review and revise its internal policies and procedures to ensure that Return of Title IV Funds calculations are correct in the future. A copy of these procedures must accompany MCC's response to this report.

Instructions for repayment of any liabilities will be provided in the Final Program Review Determination letter.

5. Verification Not Completed – ISIR Not Updated

Citation: The purpose of verification is to ensure accuracy in determining a student's eligibility for Title IV, HEA program funds. If a student is selected for verification, an institution is responsible for confirming information reported on the student's application for federal student aid, as well as resolving any conflicting information that presents itself regarding that application. There are five required data elements that must be verified:

- i. Household size,
- ii. Number enrolled in college,

- iii. Adjusted gross income,
- iv. U.S. income tax paid, and
- v. Other untaxed income and benefits.

Supporting documentation collected from the student/parents is compared to the information that was reported on the student's Institutional Student Information Record (ISIR). Verification documentation collected must be retained in the student's file as evidence that the process was completed. 34 C.F.R. § 668.16(f), 34 C.F.R. § 668.24(c)(1)(i), and 34 C.F.R. § 668.56.

Noncompliance: One student file showed that MCC completed verification for the student but did not update the student's application information which would have resulted in an updated Student Aid Report.

Student #21: This student was selected for verification and had an original EFC of 3604. Although information regarding the parent's income required an update to the student's application, the ISIR was not updated as a result of verification. While the reviewers were on site, the institution submitted the corrections and provided a copy of the Corrections on the Web Submission Confirmation to reviewers showing an updated EFC of 3703.

Required Action: In response to this report, MCC must determine if the change in the student's EFC will result in a change to the amount of the student's Title IV eligibility and provide that information to this office.

In addition, MCC must devise and implement procedures that will ensure, in the future, the verification process is properly completed for all students. A copy of those procedures must accompany MCC's response.

6. Inadequate FSEOG Selection Policy

Citation: In each award year, an institution must select its FSEOG recipients from among those eligible students with the lowest EFCs who will also receive Federal Pell Grant funds in that award year. 34 C.F.R. § 676.10 (a)(1). If an institution's allocation of FSEOG funds is directly or indirectly based on the financial need of less-than-full-time students or independent students, the institution must offer a reasonable portion of its FSEOG allocation to those students. 34 C.F.R. § 676.10(b)

Noncompliance: During the review, it was found that the institution did not always award FSEOG funds to the students with greatest economic need (lowest EFCs). Priority must be given to those students with the lowest EFCs. One student with a higher EFC was awarded FSEOG funds while several other students with zero EFCs did not receive FSEOG funds.

For example, student #33 had had an EFC of 1944 for the 2011-12 award year and received an FSEOG award of \$1,000.00. Although the student was Pell eligible, there were several other students who had zero EFC amounts that did not receive FSEOG awards.

Required Action: With its response to this report, MCC must submit a copy of its policies and procedures that will ensure it awards FSEOG funds to the students with the lowest EFCs first and that FSEOG funds are made reasonably available to those students.

7. Consumer Information Requirements Not Met

Citation: The Higher Education Act of 1965 (HEA), as amended by the Higher Education Opportunity Act of 2008 (HEOA), includes many disclosure and reporting requirements. A disclosure requirement is information that a postsecondary education institution is required to distribute or make available to another party, such as students or employees. Additionally, the Code of Federal Regulations outlines required consumer disclosures in multiple areas, including 34 C.F.R. § 668 and others.

Privacy of Student Records-Family Education Rights and Privacy Act (FERPA)
All institutions receiving funds from any Department of Education Program must annually provide a notice to all enrolled students, through any means reasonably likely to inform students of their rights about the following:

- the right to review their education records, to request amendment of records, to consent to disclosures of personally identifiable information, and to file complaints with the Department of Education;
- procedures for reviewing education records and requesting amendment of the records; and
- if applicable, information about the institution's policy regarding disclosures to school officials with a legitimate educational interest in the education records.

In order to disclose directory information without prior consent, an institution must provide to students a notice of directory information that includes:

- the types of information the institution has designated as directory information; and
- the student's right to refuse to allow any or all such information about the student to be designated as directory information, and the time period the student has for notifying the institution in writing.

HEA Sec. 485(a)(1); 34 C.F.R. §668.41(c); 34 C.F.R. Part 99

Noncompliance: MCC's written policy states that parents of a dependent student may receive transcripts, grade reports, and student financial records upon request and proper

identification. While the financial aid staff verbally explained that their policy is to only release non-directory information with student permission, the published consumer information does not reflect those standards.

Required Action: MCC must revise the deficient consumer information disclosure in compliance with federal regulations. Additionally, MCC must immediately make the updated information available to students and employees online. Written explanation of the online update along with a copy of MCC's revised policies and procedures should accompany its response to this report.

8. Crime Awareness Requirements Not Met - Failure to Accurately Disclose Crime Statistics: Non Campus Buildings or Property and Omission/Inadequacy of Required Security Policies in the ASR

Citation: The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the Clery Act) and the Department's regulations require that all institutions participating in Title IV, HEA financial aid programs prepare 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 distributed as a single document. The only exception to this requirement is that the ASR may cross-reference information regarding the institution's alcohol and other drug abuse prevention programs required by § 120 (a)-(d) of the Higher Education Act. 34 C.F.R. § 668.46 (a)(10).

Institutions also must publish statistics of certain incidents of crime that are reported to its police or security department and/or to any official that meets the definition of a campus security authority. The required policy disclosures include but are not limited to the following:

- (8) Policies for making timely warnings to members of the campus community regarding the occurrence of those crimes required to be reported in the crime statistics section of the annual report; 34 C.F.R. § 668.46 (b);
- (9) A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others. 34 C.F.R. § 668.46(b)(5);
- (10) A description of programs designed to inform students and employees about the prevention of crimes. 34 C.F.R. § 668.46(b)(6);
- (11) A statement of policy regarding the possession, use, and sale of alcoholic beverages and enforcement of State underage drinking laws. 34 C.F.R. § 668.46(b)(8);

- (12) A statement of policy regarding the possession, use, and sale of illegal drugs and enforcement of Federal and State drug laws. 34 C.F.R. § 668.46(b)(9);
- (13) A statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses, and procedures to follow when a sex offense occurs. 34 C.F.R. §668.46(b)(11).
- (14) A description of any drug or alcohol-abuse education programs, as required under section 120(a) through (d) of the Higher Education Amendments (HEA). For the purpose of meeting this requirement, an institution may cross-reference the materials the institution uses to comply with section 120(a) through (d) of the HEA.

Beginning by October 1, 2010, an institution that maintains any on-campus student housing facility must also prepare an annual fire safety report that describes its policies, procedures, and programs related to fire safety. Institutions also must publish fire statistics for the three most recent calendar years. 34 C.F.R. § 668.49(c)(1)

Noncompliance: MCC failed to provide crime statistics for the category of non-campus buildings or property for 2009. MCC was not able to provide an explanation concerning the missing information. MCC has also failed to properly compile and distribute an Annual Fire Safety Report as required.

As a part of its ASR for 2012, MCC did not include, or did not fully address several required statements of current campus policies and program descriptions as follows:

- Policies for making timely warnings to members of the campus community regarding the occurrence of those crimes required to be reported in the crime statistics section of the annual report;
- A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others;
- A description of programs designed to inform students and employees about the prevention of crimes;
- A statement of policy regarding the possession, use, and sale of alcoholic beverages and enforcement of State underage drinking laws;
- A statement of policy regarding the possession, use, and sale of illegal drugs and enforcement of Federal and State drug laws;
- A statement of policy regarding the institution's campus sexual assault programs to prevent sex offenses; and,
- A description of any drug or alcohol-abuse education programs, as required under section 120(a) through (d) of the Higher Education Amendments (HEA). For the purpose of meeting this requirement, an institution may cross-reference

the materials the institution uses to comply with section 120(a) through (d) of the HEA.

Failure to prepare an accurate and complete ASR and to actively distribute it to current students and employees in accordance with Federal regulations deprives the campus community of important campus crime information.

Required Action: In response to this report, MCC must publish and disseminate an updated Campus Security Report that includes all required information concerning campus crime statistics for the calendar years 2009 through 2011, as well as all other attendant components, in accordance with current Federal regulations and the guidance found in the *Federal Student Aid Handbook*. MCC must also publish and disseminate a Fire Safety Report that includes statistics, as well as all other attendant components, in accordance with current Federal regulations. A copy of the Campus Security Report and Fire Safety Report, as well as institutional assurances on how they have been disseminated to all students and employees and made available to all prospective students and employees, must be included with MCC's response.

In addition, MCC must review its procedures to ensure that an appropriate Campus Security Report and Fire Safety Report will be produced and disseminated on an annual basis to all current students and employees. As part of this process, MCC must review in their entirety the Federal regulations at 34 CFR § 668.46 and 34 CFR § 668.49 to ensure that it has made provisions to meet all of the requirements for both reports. A copy of the revised policy and procedures should accompany MCC's response to this report.

MCC officials may wish to review the Department's "Handbook for Campus Safety and Security Reporting" (2011) for guidance on complying with the *Clery Act*. The handbook is available online at: www2.ed.gov/admins/lead/safety/handbook.pdf.

Based on an evaluation of all available information, including MCC's response, the Department will determine if additional action will be required and will advise MCC accordingly in the FPRD.

9. Failure to Comply with Drug and Alcohol Abuse Education and Prevention Program Requirements

Citation: The Drug-Free Schools and Communities Act and Part 86 of the Department's General Administrative Regulations requires the participating institution of higher education (IHE) to certify that it has developed and implemented a drug and alcohol abuse education and prevention program. 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 drug and alcohol abuse prevention program (DAAPP) to all 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:

- 6) 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;
- 7) A written description of legal sanctions imposed under Federal, state and local laws for unlawful possession or distribution of illicit drugs and alcohol;
- 8) A description of the health risks associated with the use of illicit drugs and the abuse of alcohol;
- 9) A description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to students and employees; and,
- 10) 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, the 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: MCC violated multiple requirements of the Drug-Free Schools and Communities Act. Specifically, at the time of the site visit, MCC was unable to produce documentation that it had distributed an accurate and complete drug and alcohol abuse prevention program (DAAPP) disclosure during the current award year as required. In addition, MCC did not fully develop one of the required elements of the student disclosure for the 2011-2012 award year. MCC's 2011-2012 DAAPP provided a hotline phone number to contact to find treatment, but it did not include an adequate description of any drug or alcohol counseling, treatment, or rehabilitation or re-entry programs that are available to students and employees. MCC was similarly unable to produce documentation evidencing an annual distribution of the DAAPP disclosure to current employees. The DFSCA requires an annual distribution of a compliant DAAPP disclosure to all employees and all students enrolled for academic credit.

Furthermore, MCC failed to conduct a Biennial Review (BR) and also failed to prepare a BR report of findings. The BR is intended to periodically assess the effectiveness of the institution's DAAPP and in so doing, identify any necessary modifications or improvements and to evaluate the consistency of disciplinary sanctions imposed for any violations of the institution's drug and alcohol-related policies or codes of conduct.

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

Required Action: As a result of this violation, MCC is required to take all necessary corrective action to address the violations outlined above. MCC must also conduct an actual Biennial Review to measure the effectiveness of its drug and alcohol abuse education and prevention programs. MCC must describe the research methods and data analysis tools that will be used to determine the effectiveness of the program as well as identify the responsible officials who will conduct the review. The BR report must also address how the institution will ensure consistent enforcement of its disciplinary standards and codes of conduct regarding illegal drug use and alcohol abuse. Finally, the BR report must be approved by the institution's chief executive. The new biennial review and report must be completed by March 1, 2013 and submitted to the Department by March 15, 2013.

As noted above, violations of the DFSCA are very serious and by their nature, cannot be cured. MCC will be given an opportunity to bring its drug and alcohol program into compliance with the DFSCA as required by its Program Participation Agreement. However, the institution 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 additional corrective or administrative actions.

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

10. Student Credit Balance Deficiencies

Citation: Federal regulations state that whenever an institution disburses Title IV, HEA program funds by crediting a student's account and the total amount of all Title IV program funds credited exceeds the amount of tuition and fees, room and board, and other authorized charges the institution assessed the student, the institution must pay the resulting credit balance directly to the student or parent as soon as possible but—

- (1) No later than 14 days after the balance occurred if the credit balance occurred after the first day of class of a payment period; or
- (2) No later than 14 days after the first day of class of a payment period if the credit balance occurred on or before the first day of class of that payment period. 34 C.F.R. § 668.164(e)

In addition, COD disbursement dates for student #11 did not match student account statements. COD shows a Pell disbursement date of 9/9/11 and the student account card shows a disbursement date of 8/16/11.

Required Action: In addition to those corrections already made, MCC must correct the COD disbursement dates for student #11 shown above. MCC must also revise its COD reporting procedures to ensure that the institution accurately reports to COD the date that the institution disburses Title IV, HEA funds to each student's account. A copy of these procedures must accompany MCC's response to this report.

12. Federal Work-Study – Time Card/Sheet Violations

Citation: Before an institution makes an initial disbursement of Federal Work-Study (FWS) compensation to a student for an award period, the institution must notify the student of the amount of funds the student is authorized to earn, and how and when the FWS compensation will be paid. Regardless of who employs the student, the institution is responsible for ensuring that the student is paid for work performed. A student's FWS compensation is earned when the student performs the work. 34 C.F.R. § 675.16(a)(3-5)

The institution must establish and maintain program and fiscal records that –

- Include a certification by the student's supervisor, an official of the institution or off-campus agency that each student has worked and earned the amount being paid. The certification must include or be supported by, for students paid on an hourly basis, a time record showing the hours each student worked in clock time sequence, or the total hours worked per day;
- Include a payroll voucher containing sufficient information to support all payroll disbursements;
- Include a noncash contribution record to document any payment of the institution's share of the student's earnings in the form of services and equipment; and
- Are reconciled at least monthly. 34 C.F.R. § 675.19(b)(2)(i-iv)

Noncompliance: In one instance of FWS disbursements reviewed, the accounting records were inadequate, incomplete or not supported by actual payroll documents for the period.

Student #10: The institution could not provide all of the FWS timesheets or documentation verifying all of the hours worked by this student. Also, the timesheet information that was provided was not signed by the supervisor.

Required Action: As part of its response to this report, MCC must provide an updated policy that ensures that Title IV, HEA Work-Study program funds are awarded and disbursed according to regulations and adequate records are maintained. In addition, MCC must submit documentation that shows Student #10 was correctly paid for all hours worked.

Instructions for repayment of any liabilities will be provided in the Final Program Review Determination letter.

Appendix E: Cost of Funds Worksheets

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

Name of Institution: Manhattan Christian College

No.	Description/Name	Ineligible Disbursement	Program	Disbursement Date	Return Paid Date	No. of Days	Imputed CVFR	Federal Share	To ED	To Inst Accounts
	(b)(6)	\$1,368.00	Pell Grant	10/26/2011	9/1/2014	1041	1.00%	\$ 1,368.00	\$ 39.59	\$ -
		\$520.00	Pell Grant	1/25/2012	9/1/2014	950	1.00%	\$ 520.00	\$ 13.54	\$ -
		\$707.00	Pell Grant	1/13/2012	9/1/2014	982	1.00%	\$ 707.00	\$ 18.64	\$ -
		\$944.00	Pell Grant	9/9/2011	9/1/2014	1088	1.00%	\$ 944.00	\$ 28.14	\$ -
		\$944.00	Pell Grant	2/13/2012	9/1/2014	931	1.00%	\$ 944.00	\$ 24.08	\$ -

Total Ineligible **\$4,503.00**

Totals **\$ 123.99** **\$ -**

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	\$ 4,503.00	\$ 4,503.00
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	\$ 123.99	\$ -
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 F: Institutional Response to Program Review Report

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

Institution: Manhattan Christian College

City, State: Manhattan, Kansas

PRCN: 310728107

TIN: 480559090

DUNS: 010654598

Reviewer: Rick Moore

Region: VII

Date: 9/3/14

Section A - Use if no adjustments are being made in COD

Programs	Type	Amount	Funding Code	Object Class
Federal Pell Grant (Closed AY)	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
ACG	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
National SMART	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
FSEOG (No FISAP Corrections)	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
FWS (No FISAP Corrections)	Principal		3220RNOYR	69017
	Interest		1435RNOYR	64020
Direct Loan and Direct Loan EAL	Principal		4253XNOYR	53020 or 53010
	Interest		4253XNOYR	53040
FFEL and FFEL EAL	Interest/ SA/EAL		4251XNOYR	53020
Federal Perkins	Principal		2915RNOYR	53054

Section B: Use if the Institution is instructed to make adjustments in COD

Add rows if necessary			Amount			G5 Program Award # *
Pell, ACG, SMART, TEACH	Pell/2011-2012	Principal	4503.00	3875FNOYR	69020	P063P111475
	Program / Award Year	Imputed Interest	124.00	1435RNOYR	64020	P063P111475
Direct Loan (do not use for estimated loss)	2011-2012	Principal	3751.00	3875FNOYR	69020	P268K121475
	Award Year	Imputed Interest	115.00	4253XNOYR	53040	P268K121475