



December 24, 2013

Dr. Shouan Pan, President  
Mesa Community College  
1833 West Southern Avenue  
Mesa, AZ 85202-4868

Certified Mail  
Return Receipt Requested  
#: 70070710000106752034

RE: **Final Program Review Determination**  
OPE ID: 00107700  
PRCN: 201330928277

Dear Dr. Pan:

The U.S. Department of Education's (Department's) San Francisco/Seattle School Participation Division (SPD) issued a program review report on July 16, 2013 covering Mesa Community College's (Mesa's) administration of programs authorized pursuant to 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. The institution's final response was received on September 25, 2013.

The SPD has reviewed Mesa's responses to the program review report. A copy of the program review report (and related attachments) and Mesa's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Mesa 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.

In the report, under Finding #4, Incorrect Payment Period Determinations, the Department detailed its concerns with the way in which Mesa was awarding/disbursing Title IV, HEA program funds to students enrolled in Entry-Open/Open-Exit (OE/OE) classes. The program review provided a full explanation as to the proper method for determining financial aid for students enrolled in those programs. In response to our report, Mesa provided sufficient information to confirm that overawards that may have resulted, if any, would have been minuscule, as students were only enrolled in few OE/OE classes, and typically took classes in addition to the OE/OE classes to establish enrollment status for Title IV eligibility. Mesa also provided assurances that it has ceased the practice of awarding Title IV aid on a non-term basis for those students, and in fact, has restructured its programs in more of a modular system, and it's awarding of Title IV funds is consistent with applicable regulatory requirements.

The Department advises Mesa to review the regulatory requirements whenever developing new programs, establishing new terms, and creating alternative class schedules to ensure full compliance with all applicable Title IV, HEA program regulations.

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Mesa's responses have resolved all findings. In addition, Mesa has provided assurances that the appropriate corrective actions have been, and will continue to be, taken to resolve findings and prevent future occurrences of the findings noted in our program review report.

Mesa is advised that repeat findings in future program reviews or failure to satisfactorily resolve the findings of this program review may lead to an adverse administrative action. An adverse action may include the imposition of a fine, or the limitation, suspension, or termination of the eligibility of the institution pursuant to 34 C.F.R. Part 668, Subpart G.

Appendix A, Student Sample, contain personally identifiable information and will be emailed to Mesa as an encrypted WinZip file using Advanced Encryption Standard, 256-bit. The password needed to open the encrypted WinZip file will be sent in a separate email.

Program records relating to the period covered by this program review must be retained until the later of: the resolution of the loan(s), claim(s) or expenditure(s) questioned in the program review [34 C.F.R. § 668.24(e)(3)(i)] or the end of the retention period applicable to the record [34 C.F.R. § 668.24(e)(1) and (e)(2)].

If you have any questions please contact Ms. Pilar Diaz, Institutional Review Specialist, at (415) 486-5368.

Sincerely,

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

Martina Fernandez-Rosario  
Division Director  
San Francisco/Seattle School Participation Division

Enclosures: Program Review Report  
Mesa's Response to the Program Review Report

cc: Ms. Pat Peppin, Financial Aid Administrator  
Maricopa County Community College District Governing Board  
North Central Association of Colleges and Schools



July 16, 2013

Dr. Shouan Pan, President  
Mesa Community College  
1833 West Southern Avenue  
Mesa, AZ 85202-4868

Certified Mail  
Return Receipt Requested  
#: 70070710000106748013

RE: **Program Review Report**  
OPE ID: **00107700**  
PRCN: **201330928277**

Dear Dr. Pan:

From April 29, 2013 through May 3, 2013, Pilar Diaz, Adeline Espinosa, and Anna Archila conducted a review of Mesa Community College's (Mesa's) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The findings of that review are presented in the enclosed report.

Findings of noncompliance are referenced to the applicable statutes and regulations and specify the action required to comply with the statute and regulations. Please review the report and respond to each finding, indicating the corrective actions taken by Mesa. The response should include a brief, written narrative for each finding that clearly states Mesa's position regarding the finding and the corrective action taken to resolve the finding. Separate from the written narrative, Mesa must provide supporting documentation as required in each finding.

Please note that pursuant to HEA section 498A(b), the U.S. Department of Education (Department) is required to:

- (1) provide to the institution an adequate opportunity to review and respond to any preliminary program review report<sup>1</sup> and relevant materials related to the report before any final program review report is issued;
- (2) review and take into consideration an institution's response in any final program review report or audit determination, and include in the report or determination –
  - a. A written statement addressing the institution's response;
  - b. A written statement of the basis for such report or determination; and
  - c. A copy of the institution's response.

The Department considers the institution's response to be the written narrative (to include e-mail communication). Any supporting documentation submitted with the institution's written

<sup>1</sup> A "preliminary" program review report is the program review report. The Department's final program review report is the Final Program Review Determination (FPRD).

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response will not be attached to the FPRD. However, it will be retained and available for inspection by Mesa upon request. Copies of the program review report, the institution's response, 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 the FPRD is issued.

The institution's response should be sent directly to Pilar Diaz within 30 calendar days of receipt of this letter.

**Protection of Personally Identifiable Information (PII):**

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information. To protect PII, the findings in the attached report do not contain any student PII. Instead, each finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. The Appendix A was encrypted and sent separately to the institution via e-mail. Please see the enclosure Protection of Personally Identifiable Information for instructions regarding submission to the Department of required data / documents containing PII.

**Record Retention:**

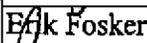
Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e).

We would like to express our appreciation for the courtesy and cooperation extended during the review. Please refer to the above Program Review Control Number (PRCN) in all correspondence relating to this report. If you have any questions concerning this report, please contact Pilar Diaz at (415) 486-5368 or at [Pilar.Diaz@ed.gov](mailto:Pilar.Diaz@ed.gov).

Sincerely,

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

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

  
Erik Fosker  
Compliance Manager

cc: Pat Peppin, Financial Aid Administrator

Enclosures:

Protection of Personally Identifiable Information  
Program Review Report