



November 20, 2013

Ismael Reyes
President
Nova College of Puerto Rico
137 Dr. Veve Street
Bayamon, PR 00960-4016

Certified Mail Return Receipt Requested
Domestic Return Receipt 7006 2760 0002 1734 7402

RE: **Final Program Review Determination**
OPE ID: 03124200
PRCN: 201340228357

Dear Mr. Reyes:

The U.S. Department of Education's (Department's) School Participation Team – New York/Boston issued a program review report on September 10, 2013 covering Nova College of Puerto Rico's (Nova College) 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 response was received on October 1, 2013.

The School Participation Team – New York/Boston has reviewed Nova College's response to the Program Review Report. A copy of the program review report (and related attachments) and Nova College's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by Nova College 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.

Nova College's response has resolved the finding in the program review report. In addition, Nova College has provided assurances that the appropriate corrective actions have been taken to resolve and prevent future occurrences of that finding. Therefore, Nova College may consider the program review closed with no further action required.

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 call Nancy Rosario-Velez at (646) 428-3752.

Sincerely,

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

Division Director

Enclosure: Program Review Report (with attachments)
Nova College's Response to the Program Review Report

cc: Gladys Munoz, Financial Aid Administrator
Consejo de Educacion de Puerto Rico
Accrediting Commission of Career Schools and Colleges

Federal Student Aid

AN OFFICE OF THE U.S. DEPARTMENT OF EDUCATION

School Participation Division – New York/Boston

Financial Square, 32 Old Slip, 25th Floor, New York, NY 10005

bcc: Reading file, Correspondence file, Nancy Rosario-Velez, ERM

Final Program Review Determination
PRCN #: 201340228357

Appendix A
Program Review Report



September 10, 2013

Ismael Reyes
President
Nova College of Puerto Rico
137 Dr. Veve Street
Bayamon, PR 00960-4016

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7011 1150 0000 5736 5028

RE: **Program Review Report**
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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 Nova College. The response should include a brief, written narrative for each finding that clearly states Nova College's position regarding the finding and the corrective action taken to resolve the finding. Separate from the written narrative, Nova College must provide supporting documentation as required in each finding.

Please note that pursuant to HEA section 498A(b), the Department is required to:

- (1) provide to the institution an adequate opportunity to review and respond to any preliminary program review report¹ 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.

¹ 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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The institution's response should be sent directly to Nancy Rosario-Velez of this office 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 finding in the attached report does not contain any student PII. Instead, the finding references students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. If the institution's response will contain PII- 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 Nancy Rosario-Velez at (646) 428-3752 or Nancy.Rosario@ed.gov.

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

Patrice Fleming
Compliance Manager

cc: Gladys Munoz, Financial Aid Administrator

Enclosure:
Protection of Personally Identifiable Information

PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION

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PII data cannot be sent via fax.

Prepared for:

Nova College of Puerto Rico

Federal Student Aid
AN OFFICE of the U.S. DEPARTMENT of EDUCATION

PROUD SPONSOR of
the AMERICAN MIND™

OPE ID 03124200
PRCN 201340228357

Prepared by
U.S. Department of Education
Federal Student Aid
School Participation Division -- New York/Boston

Program Review Report

September 10, 2013

| Table of Contents | | Page |
|--------------------------|---|-------------|
| A. | Institutional Information..... | 3 |
| B. | Scope of Review..... | 4 |
| C. | Finding | 4 |
| | Finding 1. FWS – Improper Payment for Hours Worked..... | 4 |
| D. | Appendix | |
| | Appendix A: Student Sample | |

A. Institutional Information

Nova College of Puerto Rico
137 Dr. Veve Street
Bayamon, PR 00960-4016

Type: Proprietary

Highest Level of Offering: Non-Degree Two Years

Accrediting Agency: Accrediting Commission of Career Schools and Colleges

Current Student Enrollment: 202 (2013)

% of Students Receiving Title IV: 99.01% (2013)

Title IV Participation PCNet:

| | 2011/2012 |
|---|-------------|
| Pell Grant | \$1,484,668 |
| Supplemental Educational Opportunity Grant (SEOG) | \$ 26,784 |
| Federal Work Study (FWS) | \$ 16,866 |

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Nova College of Puerto Rico (Nova College) from July 29, 2013 to August 1, 2013. The review was conducted by Nancy Rosario-Velez and Janelle Jacobs.

Based upon an analysis of the Department's data, the Department determined that Nova College had a significant number of withdrawal occurrences, and the institution was close to failing to meet the requirement that at least 10 percent of its revenue be derived from sources other than Title IV, HEA program funds.

A sample of 30 files was identified for review from the 2011/2012 and 2012/2013 award years. Appendix A lists the names and 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 Nova College'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 Nova College of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

This report reflects an initial finding. This finding is not final. The Department will issue its final findings in a subsequent Final Program Review Determination letter.

C. Findings

During the review, one area of noncompliance was noted. The finding of noncompliance is referenced to the applicable statute and regulation and specifies the action to be taken by Nova College to bring operations of the financial aid programs into compliance with the statutes and regulations.

Finding 1. FWS – Improper Payment for Hours Worked

Citation: A student's FWS compensation is earned when the student performs the work. 34 C.F.R. § 675.16 (a)(5)

Noncompliance: Nova College made an overpayment of FWS funds as a result of a miscalculation of hours worked by student 12.

Student 12's FWS time and attendance sheet for the week of 9/12/11 – 9/28/11, reported the student to have worked a total of 30 hours. At an hourly rate of \$7.25/hour, Nova College paid student 12 a total of \$217.50 in FWS funds.

The following table illustrates the hours worked by student 12 that week, as reported on her time and attendance sheet:

| Date | Time In PM | Time Out PM | # of Hours |
|---------|------------|-------------|------------|
| 9/12/11 | 2:00 | 6:00 | 4 |
| 9/14/11 | 2:00 | 6:00 | 4 |
| 9/15/11 | 2:00 | 6:00 | 4 |
| 9/20/11 | 2:00 | 6:00 | 4 |
| 9/21/11 | 2:00 | 6:00 | 4 |
| 9/26/11 | 2:00 | 6:00 | 4 |
| 9/28/11 | 2:00 | 4:00 | 2 |
| 9/28/11 | 2:00 | 4:00 | 4 |

Upon review of the time sheet, reviewers noted that there were two entries for 9/28/11. Each of the entries for that day, reported the student to have worked from 2:00 pm – 4:00 pm. However, one entry correctly identified the total hours worked as 2 hours, and the other entry incorrectly reported the student as having worked a total of 4 hours. Each of those reported hours were calculated into the total of 30 hours worked by student 12 for the week.

As a result, student 12 was either overpaid for the double entry made on 9/28/11. Or, if the second date entry for 9/28/11 is incorrect, and it corresponds to another date worked by the student, then the hours calculated for that subsequent date is incorrect, since the student only worked 2 hours and not the reported 4 hours that was calculated.

Required Action: Nova College is liable for the FWS overpayment made to student 12.

In response to this report, Nova College must clarify whether the second entry for 9/28/11 is a duplicate, or whether the student did actually work on another day a total of 2 hours, and not the reported 4 as indicated on the time sheet.

Instructions for the repayment of the FWS overaward will be provided in the final program review determination letter.

In response to this report, Nova College must provide this office with assurance that it will properly calculate the hours worked for students participating in the FWS program.

D. Appendix

Appendix A – Student Sample (attached)

Appendix A - Student Sample to the Program Review

**School: Nova College of Puerto Rico
OPEID: 03124200**

| Student No. | Award Year | Last Name | First Name | Full SSN |
|--------------------|-------------------|-------------------|-------------------|-----------------|
| 1 | 2011-2012 | (b)(6); (b)(7)(C) | | |
| 2 | 2011-2012 | | | |
| 3 | 2011-2012 | | | |
| 4 | 2011-2012 | | | |
| 5 | 2011-2012 | | | |
| 6 | 2011-2012 | | | |
| 7 | 2011-2012 | | | |
| 8 | 2011-2012 | | | |
| 9 | 2011-2012 | | | |
| 10 | 2011-2012 | | | |
| 11 | 2011-2012 | | | |
| 12 | 2011-2012 | | | |
| 13 | 2011-2012 | | | |
| 14 | 2011-2012 | | | |
| 15 | 2011-2012 | | | |

Confidential - This document contains Personally Identifiable Information

Appendix A - Student Sample to the Program Review

School: Nova College of Puerto Rico
OPEID: 03124200

| Student No. | Award Year | Last Name | First Name | Full SSN |
|--------------------|-------------------|-------------------|-------------------|-----------------|
| 16 | 2012-2013 | (b)(6); (b)(7)(C) | | |
| 17 | 2012-2013 | | | |
| 18 | 2012-2013 | | | |
| 19 | 2012-2013 | | | |
| 20 | 2012-2013 | | | |
| 21 | 2012-2013 | | | |
| 22 | 2012-2013 | | | |
| 23 | 2012-2013 | | | |
| 24 | 2012-2013 | | | |
| 25 | 2012-2013 | | | |
| 26 | 2012-2013 | | | |
| 27 | 2012-2013 | | | |
| 28 | 2012-2013 | | | |
| 29 | 2012-2013 | | | |
| 30 | 2012-2013 | | | |

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Final Program Review Determination
PRCN #: 201340228357

Appendix B

Nova College's Response
to the Program Review Report

Rosario-Velez, Nancy

From: Ismael Reyes Morales <ismaelreyes52@gmail.com>
Sent: Wednesday, October 02, 2013 4:55 PM
To: Rosario-Velez, Nancy
Subject: PROGRAM REVIEW REPORT RESPONSE
Attachments: DOC100213.pdf

Dear Nancy:

Enclosed is our response to the Program Review Report finding. Please contact me if additional information is needed.

Ismael Reyes
President



BOX 55016, STATION 1, 137 CALLE DR. VEVE, BAYAMÓN, PUERTO RICO 00961
TEL. 787-740-5030 FAX: 787-778-0420

October 1, 2013

Via e-mail: Nancy.Rosario-Velez@ed.gov

ATTN: Nancy Rosario-Velez
U.S. Department of Education
32 Old Slip, Financial Square
25th Floor
New York, NY 10005

Dear Ms. Rosario-Velez:

School Response to the Program Review Report - Findings of Noncompliance
NOVA College, OPE ID: 03124200
PRNC: 201340228357

Noncompliance: Nova College made an overpayment of FWS funds as a result of a miscalculation of hours worked by student 12.

Response:

The reference student has certified in writing that he made a mistake by duplicating the September 28, 2011 date in her FWS Attendance Sheet. The student also certified that the last day she has worked during the period was on September 29, 2011 from 2:00 PM to 6:00 PM for a total of four worked hours. So, this September 29's attendance completes the 30 hours that NOVA paid to her during the period. Enclosed is a copy of the signed certification of the student.

If despite this explanation and the student certification, the FSA Office understands that the overpayment prevails, then, please advise us on how we must return to the Department this payment.

To prevent future occurrences, NOVA College has established a "triple-checking" procedure in the count of hours worked by FWS students. As a first step, the student's supervisor certify the hours worked, then the Financial Aid Officer verify the worked hours in terms of the student eligibility and finally the Accounting Officer, review them when preparing the disbursement.

Should you need additional information, do not hesitate to contact us.

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

Ismael Reyes
President

2/10ct/13

(b) (6), (b) (7)(C)

Yo,

(b) (6), (b) (7)(C)

Certifico que cometi un error en la hoja de asistencia del Programa de estudio y trabajo de Nova College.

En la hoja de asistencia aparece duplicado el día 9/28/2011 la última fecha debe ser el 9/29/2011 de 2:00 - 6:00 (4 horas) Para un total de 30 horas trabajadas.

(b) (6), (b) (7)(C)



November 20, 2013

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

Betty Coughlin
Division Director

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cc: Gladys Munoz, Financial Aid Administrator
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PRCN #: 201340228357

Appendix A
Program Review Report



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PROUD SPONSOR of
the AMERICAN MINDSM

OPE ID 03124200
PRCN 201340228357

Prepared by
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Federal Student Aid
School Participation Division – New York/Boston

Program Review Report

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| Table of Contents | | Page |
|--------------------------|---|-------------|
| A. | Institutional Information..... | 3 |
| B. | Scope of Review..... | 4 |
| C. | Finding | 4 |
| | Finding 1. FWS – Improper Payment for Hours Worked..... | 4 |
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| 9/28/11 | 2:00 | 4:00 | 4 |

Upon review of the time sheet, reviewers noted that there were two entries for 9/28/11. Each of the entries for that day, reported the student to have worked from 2:00 pm – 4:00 pm. However, one entry correctly identified the total hours worked as 2 hours, and the other entry incorrectly reported the student as having worked a total of 4 hours. Each of those reported hours were calculated into the total of 30 hours worked by student 12 for the week.

As a result, student 12 was either overpaid for the double entry made on 9/28/11. Or, if the second date entry for 9/28/11 is incorrect, and it corresponds to another date worked by the student, then the hours calculated for that subsequent date is incorrect, since the student only worked 2 hours and not the reported 4 hours that was calculated.

Required Action: Nova College is liable for the FWS overpayment made to student 12.

In response to this report, Nova College must clarify whether the second entry for 9/28/11 is a duplicate, or whether the student did actually work on another day a total of 2 hours, and not the reported 4 as indicated on the time sheet.

Instructions for the repayment of the FWS overaward will be provided in the final program review determination letter.

In response to this report, Nova College must provide this office with assurance that it will properly calculate the hours worked for students participating in the FWS program.

D. Appendix

Appendix A – Student Sample (attached)

Appendix A - Student Sample to the Program Review

**School: Nova College of Puerto Rico
OPEID: 03124200**

| Student No. | Award Year | Last Name | First Name | Full SSN |
|--------------------|-------------------|-------------------|-------------------|-----------------|
| 1 | 2011-2012 | (b)(6); (b)(7)(C) | | |
| 2 | 2011-2012 | | | |
| 3 | 2011-2012 | | | |
| 4 | 2011-2012 | | | |
| 5 | 2011-2012 | | | |
| 6 | 2011-2012 | | | |
| 7 | 2011-2012 | | | |
| 8 | 2011-2012 | | | |
| 9 | 2011-2012 | | | |
| 10 | 2011-2012 | | | |
| 11 | 2011-2012 | | | |
| 12 | 2011-2012 | | | |
| 13 | 2011-2012 | | | |
| 14 | 2011-2012 | | | |
| 15 | 2011-2012 | | | |

Confidential - This document contains Personally Identifiable Information

Appendix A - Student Sample to the Program Review

School: Nova College of Puerto Rico
OPEID: 03124200

| Student No. | Award Year | Last Name | First Name | Full SSN |
|--------------------|-------------------|-------------------|-------------------|-----------------|
| 16 | 2012-2013 | (b)(6); (b)(7)(C) | | |
| 17 | 2012-2013 | | | |
| 18 | 2012-2013 | | | |
| 19 | 2012-2013 | | | |
| 20 | 2012-2013 | | | |
| 21 | 2012-2013 | | | |
| 22 | 2012-2013 | | | |
| 23 | 2012-2013 | | | |
| 24 | 2012-2013 | | | |
| 25 | 2012-2013 | | | |
| 26 | 2012-2013 | | | |
| 27 | 2012-2013 | | | |
| 28 | 2012-2013 | | | |
| 29 | 2012-2013 | | | |
| 30 | 2012-2013 | | | |

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Final Program Review Determination
PRCN #: 201340228357

Appendix B

Nova College's Response
to the Program Review Report

Rosario-Velez, Nancy

From: Ismael Reyes Morales <ismaelreyes52@gmail.com>
Sent: Wednesday, October 02, 2013 4:55 PM
To: Rosario-Velez, Nancy
Subject: PROGRAM REVIEW REPORT RESPONSE
Attachments: DOC100213.pdf

Dear Nancy:

Enclosed is our response to the Program Review Report finding. Please contact me if additional information is needed.

Ismael Reyes
President



BOX 55016, STATION 1, 137 CALLE DR. VEVE, BAYAMÓN, PUERTO RICO 00961
TEL. 787-740-5010 FAX: 787-778-0420

October 1, 2013

Via e-mail: Nancy.Rosario-Velez@ed.gov

ATTN: Nancy Rosario-Velez
U.S. Department of Education
32 Old Slip, Financial Square
25th Floor
New York, NY 10005

Dear Ms. Rosario-Velez:

School Response to the Program Review Report - Findings of Noncompliance
NOVA College, OPE ID: 03124200
PRNC: 201340228357

Noncompliance: Nova College made an overpayment of FWS funds as a result of a miscalculation of hours worked by student 12.

Response:

The reference student has certified in writing that he made a mistake by duplicating the September 28, 2011 date in her FWS Attendance Sheet. The student also certified that the last day she has worked during the period was on September 29, 2011 from 2:00 PM to 6:00 PM for a total of four worked hours. So, this September 29's attendance completes the 30 hours that NOVA paid to her during the period. Enclosed is a copy of the signed certification of the student.

If despite this explanation and the student certification, the FSA Office understands that the overpayment prevails, then, please advise us on how we must return to the Department this payment.

To prevent future occurrences, NOVA College has established a "triple-checking" procedure in the count of hours worked by FWS students. As a first step, the student's supervisor certify the hours worked, then the Financial Aid Officer verify the worked hours in terms of the student eligibility and finally the Accounting Officer, review them when preparing the disbursement.

Should you need additional information, do not hesitate to contact us.

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

Ismael Reyes
President

2/10ct/13

(b) (6), (b) (7)(C)

Yo,
Certifico que cometi un error
en la hoja de asistencia del
Programa de estudio y trabajo
de Nova College.

En la hoja de asistencia
aparece duplicado el día 9/28/2011
la última fecha debe ser el
9/29/2011 de 2:00 - 6:00 (4 horas)
Para un total de 30 horas trabajadas.

(b) (6), (b) (7)(C)