



April 17, 2015

Dr. Adena W. Loston, President
Saint Philip's College
1801 Martin Luther King Drive
San Antonio, TX 78203-2098

Certified Mail
Return Receipt Requested
7011 2970 0002 0470 1528

RE: **Final Program Review Determination**
OPE ID: 00360800
PRCN: 201230627900

Dear Dr. Loston:

The U.S. Department of Education's (Department's) Dallas School Participation Division issued a program review report on July 25, 2012 covering the Saint Philip's College (SPC) 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 2010-2011 and 2011-2012 award years. SPC's final response was received on December 1, 2012. A copy of the program review report (and related attachments) and SPC's response are attached. Any supporting documentation submitted with the response is being retained by the Department and is available for inspection by SPC 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 SPC of a possible adverse action. Due to the serious nature of one or more of the enclosed findings, this FPRD is being referred to the Department's Administrative Actions and Appeals Service Group (AAASG) for its consideration of possible adverse action. Such action may include a fine, or the limitation, suspension or termination of the eligibility of the institution. Such action may also include the revocation of the institution's program participation agreement (if provisional), or, if the institution has an application pending for renewal of its certification, denial of that application. If AAASG initiates any action, a separate notification will be provided which will include information on institutional appeal rights and procedures to file an appeal.

Federal Student Aid

An OFFICE of the U.S. DEPARTMENT of EDUCATION

Dallas School Participation Division
1999 Bryan Street, Suite 1410, Dallas, TX 75201-6817
StudentAid.gov

This FPRD contains one or more findings regarding SPC's failure to comply with the requirements of the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (the *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 and 668.46. Because a *Clery Act* finding does not result in a financial liability, such a finding may not be appealed. If an adverse administrative action is initiated, additional information about SPC's appeal rights will be provided under separate cover.

The total liabilities due from the institution from this program review are \$130,989.59.

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, the findings reference students only by a student number created by Federal Student Aid. The student numbers were assigned in Appendix A, Student Sample. This appendix was encrypted and sent separately to the institution via e-mail.

Appeal Procedures:

This constitutes the Department's FPRD with respect to the liabilities identified from the July 25, 2012 program review report. If SPC wishes to appeal to the Secretary for a review of monetary liabilities established by the FPRD, the institution must file a written request for an administrative hearing. The Department must receive the request no later than 45 days from the date SPC receives this FPRD. An original and four copies of the information SPC submits must be attached to the request. The request for an appeal must be sent to:

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

SPC'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 SPC'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 notes.**

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 Shereé Porter at 214-661-9576. 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)

Cynthia Thornton, Director
Dallas School Participation Division

Enclosure:
Protection of Personally Identifiable Information

cc: Richard Silva, Financial Aid Administrator
Texas Higher Education Coordinating Board
Southern Association of Colleges and Schools Commission on Colleges
Texas Guaranteed Student Loan Corporation

Prepared for

Saint Philip's College

Federal Student Aid
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OPE ID 00360800

PRCN 201230627900

Prepared by

U.S. Department of Education

Federal Student Aid

Dallas School Participation Division

Final Program Review Determination

April 17, 2015

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A. Institutional Information

Saint Philip's College
1801 Martin Luther King Drive
San Antonio, Texas 78203-2098

Type: Public

Highest Level of Offering: Associate's Degree

Accrediting Agency: Southern Association of Colleges and Schools Commission on Colleges

Student Enrollment: 25,269 (2011-2012)

% of Students Receiving Title IV: 71% (2009-2010)

Title IV Participation: School Participation Team Funding Report and Institutional Records

	2010-2011
Federal Pell Grant Program	\$ 24,009,396
Academic Competitiveness Grant (ACG)	\$ 128,039
Federal Supplemental Education Opportunity Grant (FSEOG)	\$ 535,718
Federal Family Education Loan Program (Subsidized)	\$ 5,850
Federal Family Education Loan Program (Unsubsidized)	\$ 3,300
William D. Ford Federal Direct Loan Program (Subsidized)	\$ 4,271,864
William D. Ford Federal Direct Loan Program (Unsubsidized)	\$ 4,341,399
William D. Ford Federal Direct Loan Program (PLUS)	\$ 17,961

Default Rate FFEL/DL: (3-Year Rates)	2011	14.4%
	2010	11.7%
	2009	12.3%

B. Scope of Review

The U.S. Department of Education (the Department) conducted a program review at Saint Philip's College (SPC) from May 7, 2012, to May 11, 2012. The review was conducted by Ms. Shereé Porter and Ms. Regina Krob.

The focus of the review was to determine SPC's compliance with the statutes and regulations as they pertain to the institution's administration of the Title IV, HEA programs. The review consisted of, but was not limited to, an examination of SPC'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 2010-2011 and 2011-2012 (year to date) award years. The files were selected randomly from a sample of the total population receiving Title IV, HEA program funds for each award year. Appendix A lists the names and partial social security numbers of the students whose files were examined during the program review. A program review report (PRR) was issued on July 25, 2012.

Disclaimer:

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

Findings 2, 3, 4, 5, 6, 7, 8, 9 and 10.

SPC has provided supporting documentation and taken the corrective actions necessary to resolve findings 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the program review report. Therefore, these findings may be considered closed. Findings requiring further action by SPC are discussed below.

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 SPC's response to the finding and the Department's final determination for that finding. A copy of the program review report issued on July 25, 2012 is attached as Appendix B.

Finding 1 Student Credit Balance Deficiencies

Citation: *If an institution cannot locate a student to whom an FSA credit balance must be paid (i.e., the institution has made a reasonable effort and failed to find the student), the institution must exercise its fiduciary responsibility to the student and to the Title IV, HEA financial aid programs, and return credit balances to the appropriate programs.*

The institution has a fiduciary responsibility to:

- *Safeguard Title IV, HEA funds;*
- *Ensure that Title IV, HEA funds are used for the purpose intended;*
- *Act on the student's behalf to repay a student's educational loan debt when the institution is unable to pay a credit balance directly to the student, and*
- *Return to the Department any Title IV, HEA funds that cannot be used as intended.*

34 C.F.R § 668.164(h)

Noncompliance: *SPC has been returning undeliverable student credit balance funds to the Texas State Treasury.*

Required Action: *SPC must determine the amount of undeliverable credit balance funds that was returned to the Texas State Treasury from July 1, 2008 to the date of this report. The total amount of Title IV, HEA program funds returned, by each Title IV, HEA program, must be reported in the institutional response to this program review report. The total amount of the unreturned credit balances will be considered a liability to the Department. Instructions for repayment will be in the Final Program Review Determination letter.*

SPC's Response: In a response dated August 30, 2012, SPC reported that it identified four checks totaling \$2,488 in Title IV funds that had been escheated to the State of Texas for the July and August 2008 period. In a subsequent response from Diane E. Snyder, Vice Chancellor for Finance and Administration at Alamo Colleges dated November 29, 2012, SPC stated that it had reviewed unclaimed checks for SPC for the period July 1, 2008 through July 25, 2012, and identified 190 student checks totaling \$122,281.27 that were unclaimed past 240 days, but were escheated to the State of Texas.

The following table displays the total amount of unreturned credit balances, which SPC has acknowledged were "to be returned" to the Department:

SPC	PELL	SEOG	LOANS	ACG	TOTAL
FY 07	2,488.00				2,488.00
FY 08	21,114.17		2,611.50	375.00	24,100.67
FY 09	5,678.00	800.00	1,425.75		7,903.75
FY 10	25,891.97	4,723.50	2,238.75	2,063.00	34,917.22
FY 11	35,459.72	1,500.00	2,172.50	375.00	39,507.22
FY 12	11,074.41	300.00	1,990.00		13,364.41
TOTAL	\$101,706.27	\$7,323.50	\$10,438.50	\$2,813.00	\$122,281.27

In the November 2012 letter from Ms. Snyder, SPC also requested that the Department “provide disbursement instructions for returning the funds to each program,” as the Department had, in the PRR, stated would be required.

Final Determination: SPC is liable for the \$122,281.27 of credit balance funds from July 1, 2008, to July 25, 2012.

In addition, SPC is also required to pay interest on these funds for the period commencing on the date the funds were disbursed to the school through December 1, 2012. A calculation has been computed to determine the amount of this interest, known as the Cost of Funds (COF), due on the total of \$111,842.77 in Federal Pell Grant, FSEOG and ACG funds. The amount of interest is \$7,277.42. The COF due on the total of \$10,438.50 in FFEL and Direct Loan funds is \$1,430.50. The COF calculation is included as Appendix D. Please Note: In Appendix D, the date in the Disbursement Date and Return Paid Date columns represent the period of time as to which the Department is applying interest.

Therefore, the total liability to be remitted for this finding is \$130,989.59. Specific payment instructions, by Title IV program, are in Section E, Payment Instructions.

With respect to the loan amounts attributable to SPC’s participation in the FFEL program, SPC must identify the FFEL students who comprise the loan amounts of \$2,611.50 for FY 2008 (2007-2008 award year), \$1,425.75 for FY 2009 (2008-2009 award year) and \$2,238.75 for FY 2010 (2009-2010 award year), and, as detailed below in the section on repayment instructions, return these funds and interest to the lender to reduce the respective students’ loan debts. SPC must also notify all students and/or borrowers in writing regarding payments made on their behalf. This notification must include the amount and date of the payments.

We also wish to remind SPC of its obligations under 34 C.F.R § 668.164(h) which specifically provide that, “[n]otwithstanding any State law (such as a law that allows funds to escheat to the State), an institution must return to the Secretary, lender, or guaranty agency, any Title IV, HEA program funds, except FWS program funds, that it attempts to disburse directly to a student or parent but the student or parent does not receive or negotiate those funds.” Unclaimed Title IV, HEA program funds must be

returned no later than 240 days after the date of the initial attempt to disburse the funds (regardless of whether the disbursement is attempted by check or EFT).

Finding 11 Annual Security Report Does Not Meet Requirements

Citation: *By October 1 of each year, institutions are required to publish and distribute an annual security report that contains required crime statistics, as well as required statements and policies, to its current students and employees. Institutions must also inform prospective students and employees of the report's availability and provide a copy upon request.*

Among the various required statements and policies that must be included in the annual security report is a statement on the institution's emergency response and evacuation procedures. This statement must include the procedures the institution will use to immediately notify the campus community upon the confirmation of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students or employees occurring on the campus. This includes how emergencies of dangerous situations are confirmed, the information that will be included in the notification and how the information will be disseminated. In addition, it must also include the institution's procedures to test the emergency response and evacuation procedures on at least an annual basis, including (1) tests that may be announced or unannounced, (2) publicizing its emergency response and evacuation procedures in conjunction with at least one test per calendar year, and (3) documenting, for each test, a description of the exercise, the date, time, and whether it was announced or unannounced. 34 C.F.R. § 668.46

Noncompliance: *SPC's 2011 Annual Security Report does not include required emergency response and evacuation procedures, including information regarding the testing of those procedures and documentation of the tests.*

Required Action: *SPC must develop the required emergency response and evacuation procedures and include them in its Annual Security Report.*

A copy of the procedures, along with a copy of the Annual Security Report must be submitted to this office in response to this finding.

SPC's Response: SPC submitted its official response on August 30, 2012. In its response, SPC concurred with the finding and directed the review team to a revised 2011 ASR posted on the College's website. SPC also referred the Department to various policy and procedure statements that are posted to the Alamo College District's (the District) website and that are included in its publications for information regarding certain topics of mandatory disclosure.

Final Determination: Finding 11 of the program review report cited SPC for its failure to produce an accurate and complete 2011 ASR. Specifically, the Department found that

certain required policies and procedures were omitted from the 2011 ASR during a review of the other three institutions in the District (Palo Alto College, Northwest Vista College and San Antonio College). SPC officials acknowledged that all four institutions use a common ASR and also share other standard policies and publications. As a result, it was ascertained that all four institutions failed to publish the following campus safety policies and procedures:

- A statement of policy regarding emergency response and evacuation procedures including a clear notice that the institution will, without delay, and taking into account the safety of the community, determine the content of the notification and initiate the notification system, unless issuing a notification will, in the professional judgment of responsible authorities, compromise efforts to assist a victim or to contain, respond to, or otherwise mitigate the emergency.
- A clear statement regarding the College's emergency response and evacuation procedures. An institution must include a statement of policy regarding its emergency response and evacuation procedures in the annual security report. This statement must include a description of the process the institution will use to confirm that there is a significant emergency or dangerous situation:
 - Determine the appropriate segment or segments of the campus community to receive a notification;
 - Determine the content of the notification;
 - Initiate the notification system;
 - A list of the titles of the person or persons or organization or organizations responsible for carrying out the actions; and,
 - The institution's procedures for disseminating emergency information to the larger community:
 - The institution's procedures to test the emergency response and evacuation procedures on at least an annual basis, including
 - Tests that may be announced or unannounced;
 - Publicizing its emergency response and evacuation procedures in conjunction with at least one test per calendar year; and
 - Documenting, for each test, a description of the exercise, the date, time, and whether it was announced or unannounced.

During the response analysis, the Department determined that the College also failed to comply with the certain sexual assault education, prevention, and adjudication policy provisions. Specifically, SPC failed to include the following information in its 2011 ASR:

- 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. The statement must include:

- A description of educational programs to promote the awareness of rape, acquaintance rape, and other forcible and non-forcible sex offenses;
- Procedures students should follow if a sex offense occurs, including procedures concerning who should be contacted, the importance of preserving evidence for the proof of a criminal offense, and to whom the alleged offense should be reported;
- Information on a student's option to notify appropriate law enforcement authorities, including on-campus and local police, and a statement that institutional personnel will assist the student in notifying these authorities, if the student requests the assistance of these personnel;
- Notification to students of existing on-and off-campus counseling, mental health, or other student services for victims of sex offenses;
- Procedures for campus disciplinary action in cases of an alleged sexual offense, including a clear statement that the accuser and the accused are entitled to the same opportunities to have others present during a disciplinary hearing and that both the accuser and the accused must be informed of the outcome of any institutional disciplinary proceeding brought alleging a sex offense; and,
- Sanctions the institution may impose following a final determination of an institutional disciplinary proceeding regarding rape, acquaintance rape, or other forcible or non-forcible sex offenses.

As a result of these violations, SPC was required to review and revise its 2011 ASR and also take all other necessary action to ensure that its 2012 ASR was accurate and complete and was actively distributed in the required manner. In its response, the College concurred with the finding and stated that the violations were addressed adequately and directed the review team to a revised ASR that is posted to the College's website. SPC acknowledged that the required policy disclosures were not included in the 2011 ASR and directed the Department to other consumer information published by the District in an attempt to show compliance with these requirements. The College also stated that the District had retained a consultant to assist in the development and implementation of required sexual assault education, prevention, and adjudication policies.

The Department carefully examined SPC's narrative response and supporting documentation. Based on that review and the College's admission of noncompliance, the violations identified in the finding are sustained. In this regard, SPC is reminded that the ASR must be published and distributed as a single comprehensive document and that with one exception (drug and alcohol abuse prevention information), cross-references to the other publications is not an acceptable means of complying with any of the *Clery Act's* policy provisions. Nevertheless, the review team's examination of the College's response showed that the identified violations were, for the most part, satisfactorily

addressed in the College's response. The Department has also determined that SPC's remedial action plan meets minimum requirements. For these reasons, the Department has accepted SPC's response and considers this program review finding to be closed, for the purposes of the program review; however, the officials and directors of SPC are put on notice that the College must take all additional actions that may be necessary to address the deficiencies and weaknesses identified by the Department as well as those that were detected during the preparation of the response to this report and as may otherwise be needed to ensure that these violations do not recur.

To that end, additional post-review testing will be conducted to verify these remedial actions. SPC must submit the following documentation to the Department: 1) A copy of its 2012 and 2013 ASRs with proof of active distribution to all required recipients; 2) A copy of its 2014 ASR with proof of active distribution to all required recipients; and, 3) A certification statement attesting to the fact that the 2012, 2013, and 2014 ASRs (as applicable) were distributed in accordance with the *Clery Act* (unless one or more reports were not distributed properly). This certification must also affirm that the College understands its *Clery Act* obligations and that it has taken all necessary corrective actions to ensure that these violations do not recur.

SPC's response to item #1 must be submitted via electronic mail to Ms. Shereé Porter at sheree.porter@ed.gov within 15 days of receipt of this FPRD. The College's response to items #2 and 3 must be submitted to Ms. Porter on or before May 18, 2015. In addition, all responses also must be sent to the Department's Clery Act Compliance Division (CACD) at clery@ed.gov. SPC's submission must indicate the Program Review Control Number (PRCN) that is referenced in the cover letter of this FPRD in the subject line of its e-mail message. If any of the requested records were not produced or do not exist, SPC officials must clearly communicate that fact to the Department in writing. In this context, College officials are advised that no new documents are to be created for the purpose of demonstrating compliance with the ASR requirement for past periods. SPC is also advised that any failure to respond to the supplemental request for document production will result in a referral for the imposition of administrative actions in addition to any such referral that may be made to address the original violations identified in Finding 11 of the program review report.

Although the finding is now closed, SPC is reminded that the exceptions identified above constitute serious 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 take remedial action and in doing so, has begun to address the conditions that led to these violations. SPC has stated that it has brought its overall campus safety program into compliance with the *Clery Act* as required by its Program Participation Agreement (PPA). Nevertheless, SPC officials must understand that any failure to publish and distribute an accurate and complete ASR deprives students and employees of important campus safety information to which they are entitled. For these reasons, the College is advised that its remedial actions, whether already completed or planned for the future, 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 SPC 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, College 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 12 Part 86 - Drug and Alcohol Prevention Program Requirements Not Met

Citation: *To be eligible to receive funds or any other form of financial assistance under any Federal program, including participation in any federally funded or guaranteed student loan program, an institution of higher education must certify to the Secretary that the institution has adopted and has implemented a program to prevent the use of illicit drugs and the abuse of alcohol by students and employees that, at a minimum, includes the annual distribution to each student and employee of standards of conduct that clearly prohibit, at a minimum, the unlawful possession, use, or distribution of illicit drugs and alcohol by students and employees on the institution's property or as part of any of the institution's activities.*

In addition, an institution must perform a biennial review of the program to determine its effectiveness and implement changes to the program if they are needed, and to ensure that the disciplinary sanctions are consistently enforced. 34 C.F.R. §§ 86.3 and 86.100.

Noncompliance: *SPC could not document that it conducts a biennial review of its drug prevention program to determine its effectiveness or to ensure the consistent enforcement of its disciplinary sanctions. SPC was unable to provide a copy of the biennial review report.*

In addition, SPC does not have an annual distribution to all students of information concerning drug and alcohol abuse and the school's prevention program. Information regarding drug and alcohol abuse is listed in the school catalog under Student Code of Conduct which can be accessed electronically. No annual notice is sent to students, faculty, and staff.

Required Action: *SPC must develop procedures for a biennial review that measures the effectiveness of its drug prevention program in order to determine if changes need to be made as to its implementation. SPC must determine the number of drug and alcohol-*

related violations and fatalities that are reported to campus officials, which occur on the institution's campus or as part of any of the institution's activities, and determine the number and type of sanctions that are imposed by the institution as a result, and ensure that the sanctions are consistently enforced. A copy of the procedures must be submitted in response to this finding.

SPC's Response: SPC submitted its official response on August 30, 2012. In its response, SPC concurred with the finding and conceded that no biennial reviews were conducted and that DAAPP program materials were not distributed, as required. To address these deficiencies, the College stated that the Vice Chancellor for Student Success is leading an inter-College team to "document the drug prevention program at each college and to design a review process to measure the effectiveness" of the DAAPP at each of the institutions in the District. The College asserted that the Alamo College Police Department pursues prosecution for the most serious violations and also provides information about drug and alcohol violations "in order to assess and respond to trends." Management claimed that drug and alcohol surveys would be conducted and that a system will be established to ensure that persons in need of treatment are referred to campus counselors or community resources.

Final Determination: Finding 12 of the program review report cited SPC for its failure to conduct biennial reviews. As a result of this finding, the College was required to develop a review plan and then conduct a substantive review and produce a report of findings and recommendations. During the response analysis phase of the review, the Department also determined that the College failed to actively distribute DAAPP program materials to enrolled students and current employees. In its response, SPC concurred with the finding and stated that the Vice Chancellor for Student Success had convened a team to create a review plan and conduct the required reviews. In the District's responses to the Department's reviews, management stated that policies and procedures were designed and implemented to ensure timely distribution of consumer information going forward.

The Department carefully examined SPC's narrative response and supporting documentation. The review team's examination showed that the College developed a review plan but failed to actually conduct the required reviews at each campus by the due date for the response. Based on that review and the College's admission of noncompliance, the violations identified in the finding are sustained. SPC acknowledged that at the time of the review, it did not conduct a biennial review of its drug prevention program to determine its effectiveness or to ensure the consistent enforcement of its disciplinary sanctions. As a result, SPC was not able to provide any biennial review reports for evaluation by the Department. In addition, District management conceded that the Colleges did not comply with the DAAPP disclosure distribution requirement. Information regarding drug and alcohol abuse was included in the College's catalog and was posted to the District's website; however, annual notices were not sent to students and employees in violation of the *DFSCA*. The Department has reviewed SPC's and the District's remedial action plans and determined that the plans meet minimum

requirements. For these reasons, the Department has accepted the College's response and considers this finding to be closed, for the purposes of the program review, subject to the satisfactory submission of documentation showing that appropriate actions were taken.

Notwithstanding the closure of this finding, the officials and directors of SPC are put on notice that the College must take all additional actions that may be necessary to address the deficiencies and weaknesses identified by the Department as well as those that were detected during the preparation of the response to this report and as may otherwise be needed to ensure that these violations do not recur. To document its remedial actions thus far, SPC must submit its 2012 and 2014 biennial review reports and documentation showing that an annual DAAPP disclosure was actively distributed in the required manner during each term of the 2012-2013 and 2013-2014 academic years. Within 15 days of receipt of this FPRD, the College must submit this information via electronic mail to Ms. Porter at sheree.porter@ed.gov and to the CACD at clery@ed.gov. SPC's submission must indicate the Program Review Control Number (PRCN) referenced on the cover letter of this FPRD in the subject line of its e-mail message. If any of the requested records were not produced or do not exist, SPC officials must clearly communicate that fact to the Department in writing. In this context, these officials are advised that no new documents are to be created for the purpose of demonstrating compliance with the DAAPP requirement for past periods. The College is also advised that any failure to respond to the supplemental request for production of documents will result in a referral for the imposition of administrative actions in addition to any such referral that may be made to address the original violations identified in Finding 12 of the program review report.

As noted above, if either the 2012 and/or the 2014 biennial reviews were not completed, SPC must immediately notify the Department of that fact in writing. In that event, the College also must immediately conduct a substantive biennial review to measure the effectiveness of its DAAPP, to assess the consistency of its enforcement programs for students and employees, and to identify areas for improvement. All biennial review reports must describe the research methods and data analysis tools that were used in the conduct of the review and do so with specificity. The official(s) who conducted the review must be identified clearly in the narrative. In addition, the biennial review report must indicate that it was presented to and accepted by the College's President and/or its Board of Trustees. SPC's biennial review must be completed by May 18, 2015, and the biennial review report must be submitted via electronic mail to Ms. Porter and the CACD by June 1, 2015.

Although the finding is now conditionally closed, SPC 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 required to take remedial action. The College has initiated some such actions and is required to take immediate steps to implement the rest of its remedial action plan as directed above and as required by its PPA. While this is an important first step, SPC 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 of important information about the effectiveness of any drug and alcohol programs that were in place during the review period. For these reasons, the College is advised that its remedial actions, whether already taken or planned for the future, 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.

In light of the serious consequences associated with compliance failures of this type, the Department strongly recommends that SPC re-examine its drug and alcohol 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 the *DFSCA*. 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.

D. Summary of Liabilities

Established Liabilities					
Liabilities	Pell (Closed Award Year)	FSEOG	ACG	DL/FFEL	Totals
Finding 1	\$101,706.27	\$7323.50	\$2,813.00	\$10,438.50	
Interest - Finding 1	\$6,974.56	\$164.53	\$138.33	\$1,430.90	
TOTAL	\$108,680.83	\$7,488.03	\$2,951.33	\$11,869.40	\$130,989.59
Payable To:					
Department	\$108,680.83	\$7,488.03	\$2,951.33	\$4,201.50	123,321.69
Lenders				\$7,667.90	\$7,667.90

E. Payment Instructions

1. Liabilities Owed to the Department

Liabilities Owed to the Department \$100,000 or More

SPC owes to the Department \$123,321.69. This liability must be paid using an electronic transfer of funds through the Treasury Financial Communications System, which is known as FEDWIRE. SPC must make this transfer within **45 days of the date of this letter**. This repayment through FEDWIRE is made via the Federal Reserve Bank in New York. If SPC's bank does not maintain an account at the Federal Reserve Bank, it must use the services of a correspondent bank when making the payments through FEDWIRE.