



October 21, 2014

Dr. Michael Plater
President
Strayer University
1133 15th Street NW
Washington, DC 20005-2603

Certified Mail
Return Receipt Requested
7014 1820 0002 0352 8948

RE: **Expedited Final Program Review Determination Letter**
OPE ID: 00145990
PRCN: 201440628827

Dear Dr. Plater:

From September 22, 2014 through September 25, 2014, Ms. Dalinda Lasater and Ms. Regina Krob conducted a review of Strayer University's (SU'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 purpose of this Final Program Review Determination Letter is to close the program review.

The focus of the review was to determine SU'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 SU'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 2012-2013 and 2013-2014 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.

Appendix A (Student Sample) contains personally identifiable information and will be emailed to SU 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.

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. Appendix A was encrypted and sent separately to the institution via e-mail.

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning SU's specific practices and procedures must not be construed

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as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve SU of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

The School Participation Division - Dallas has made a Final Program Review Determination concerning the finding that was identified during the program review. Following is a discussion of the finding identified and the resolution of the finding.

Program Finding and Final Program Review Determination:

Finding 1. Conflicting Information

Citation: An institution must develop and apply an adequate system to identify and resolve discrepancies in the information that the institution receives from different sources with respect to a student's application for assistance from the Title IV, HEA programs. This includes information regarding a student's citizenship, previous educational experience, documentation of the student's social security number, and other factors relating to the student's eligibility for funds under the Title IV, HEA programs. *34 C.F.R. § 668.16(f)*

Noncompliance: SU failed to resolve conflicting information provided by Student #11. Student #11 submitted two Institutional Student Information Record (ISIR) transactions with different data. ISIR transaction #01, which contained parental information, indicated the student was living at home with the parents, and was signed by the student and the parent. ISIR transaction #01 was subsequently rejected because the parents' adjusted gross income from the IRS form equaled the parents' U.S. income tax paid. The student then submitted ISIR transaction #02, which indicated that the student was providing at least 50% of the support for a child, did not contain any parental information, but indicated the student was living at home with the parents.

School officials stated during the review that since the student was not selected for verification, the student's ISIR was not required to be checked. In addition, SU does not have a policy for reconciling all inconsistencies, it may receive regardless of the source of that data.

Institutional Action Taken to Resolve Noncompliance: SU resolved the finding and returned \$2,776.00 to the Federal Pell Grant Program, \$2,312.00 to the Federal Direct Subsidized Loan Program and \$4,063.00 to the Federal Direct Unsubsidized Loan Program for the fall 2012 and winter 2013 terms. COD screenshots of the actions taken as well as the student's updated ledger have been provided to this office. SU has also provided updated policies and procedures to ensure that all ISIR transactions requiring resolution will be resolved prior to the disbursement of Title IV, HEA program funds.

Final Program Review Determination: SU has taken the corrective actions necessary to resolve this finding. Therefore, SU may consider this finding closed, with no further action required.

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. If you have any questions concerning this report, please call Ms. Dalinda Lasater at 214.661.9578.

Sincerely,

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for Cynthia Thornton, Director
Dallas School Participation Division

cc: Mr. James A. Foster, Associate Vice President, Student Financial Services
Middle States Commission on Higher Education
Texas Higher Education Coordinating Board