



August 1, 2014

Dr. Charles A. Staben
President
University of Idaho
709 Deakin Avenue
Administration Bldg. Room 105
Moscow, ID 83844-3151

Certified Mail
Return Receipt Requested
#: 7007 0710 0001 0675 5318

RE: **Expedited Final Program Review Determination Letter**
OPE ID: 00162600
PRCN: 201431028669

Dear Dr. Staben:

From June 24, 2014 through June 26, 2014, Adeline Espinosa and Marcia Clark conducted a review of University of Idaho's (UI'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 program review continued off-site until July 7, 2014. The purpose of this Final Program Review Determination Letter is to close the program review.

The focus of the review was to assess UI's compliance with the statutes and regulations as they pertain to the institution's administration of Title IV programs. A sample of 15 files was identified for review from the 2013-14 (year to date) award year. The sample included files that were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for the award year reported on the institution's Recipient Data Spreadsheet.

Appendix A lists the names and social security numbers of the students whose files were examined during the program review.

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 UI via e-mail.

Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning UI'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 UI of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

The San Francisco/Seattle School Participation Division has made a Final Program Review Determination concerning the findings that were identified during the program review. The following is a discussion of the findings identified and the resolution of those findings.

Program Review Findings and Final Program Review Determinations:

Finding 1. Inaccurate Reporting to the National Student Loan Data System (NSLDS)

Citation: An institution must provide timely notification of changes to a student's enrollment status for purposes of student loan administration. Before an institution may disburse Title IV, HEA program funds to a student who previously attended another eligible institution, the institution must use information it obtains from the Secretary, through NSLDS or its successor system, to determine:

- Whether the student is in default on any Title IV, HEA program loan;
- Whether the student owes an overpayment on any Title IV, HEA program grant or Federal Perkins Loan;
- For the award year for which a Federal Pell Grant is requested, the student's Scheduled Federal Pell Grant Award and the amount of Federal Pell Grant funds disbursed to the student;
- The outstanding principal balance of loans made to the student under each of the Title IV, HEA loan programs; and
- For the academic year for which Title IV, HEA aid is requested, the amount of, and period of enrollment for, loans made to the student under each of the Title IV, HEA loan programs.

If a student transfers from one institution to another institution during the same award year, the institution to which the student transfers must request from the Secretary, through NSLDS, updated information about that student so it can make appropriate determinations; and the institution may not make a disbursement to that student for seven days following its request, unless it receives the information from NSLDS in response to its request or obtains that information directly by accessing NSLDS, and the information it receives allows it to make that disbursement. 34 C.F.R. § 685.309(b)

Noncompliance: UI inaccurately reported the withdrawal date for the following students with non-passing grades to NSLDS.

Student #11: This student's last date of attendance was September 25, 2013; however, UI reported a withdrawal date of December 20, 2013 to NSLDS.

Student #14: This student's last date of attendance was October 25, 2013; however, UI reported a withdrawal date of December 20, 2013 to NSLDS.

Student #15: This student's last date of attendance was October 1, 2013; however, UI reported a withdrawal date of December 20, 2013.

Institutional Action Taken to Resolve Noncompliance: After discussing the noncompliance above with the reviewers, UI immediately started the review of all of its 2013-14 students with non-passing grades to determine the student's last date of attendance. Furthermore, UI submitted updated information to NSLDS to correct the NSLDS status of each affected students. These corrections to NSLDS were made in accordance with the updated procedures that UI submitted to the reviewers while on-site. In addition, UI revised its policy to reflect a new step, where UI will change the last date of attendance once UI receives the information from faculty documenting each student's last date of attendance. UI has provided all of the required information, including its revised policy and procedures to the reviewers during the off-site portion of the program review which concluded on July 7, 2014.

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

Finding 2. Federal Funds Not Identified in Bank Account

Citation: An institution must maintain Title IV, HEA program funds in a bank or investment account that is federally insured. For each bank or investment account that includes Title IV, HEA program funds, an institution must clearly identify that Title IV, HEA program funds are maintained in that account by including in the name of each account the phrase, "Federal Funds," or notifying the bank or investment company that the account contains Title IV, HEA program funds and retaining a record of that notification. 34 C.F.R. § 668.163(a).

Noncompliance: UI failed to properly designate the bank account into which Title IV funds are being deposited as one containing federal funds. While the reviewers were on-site, UI did not provide documentation that the bank was notified by the institution that the account be designated as a federal funds account.

Institutional Action Taken to Resolve Noncompliance: Prior to the end of the off-site portion of the program review, UI provided documentation to the Department that the bank was notified to revise the account name to include "Federal Funds" as part of the name.

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

Recommendation:

Based on a review of UI's Annual Security Report (ASR) Disclosures, it was determined that there was an over reporting of two incidents of UI's crime statistics. UI was made aware of the error, and will note this correction on its upcoming ASR due on October 1, 2014. The Department recommends that UI review its policy and procedures, and ensure that the information is complete and accurate prior to distribution.

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 contact Adeline Espinosa, Institutional Review Specialist, of my staff at (415) 486-5532.

Sincerely,

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

cc: Dr. Dan Davenport, Director, Admissions & Student Financial Aid
Northwest Commission on Colleges and Universities

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Appendix A: Student Sample
(Will Be Sent Separately Via E-mail)

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Appendix A: Student Sample

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