



# CALIFORNIA STUDENT AID COMMISSION

## PROGRAM ADMINISTRATION & SERVICES DIVISION

March 30, 2018

Alex Poyuzina  
Campus President  
Brightwood College - Chula Vista  
555 Broadway, Suite 144  
Chula Vista, CA 91910

RE: Program Compliance Review ID#91702091702

Dear Mr. Poyuzina:

This letter is in reference to the response to the Cal Grant Program Compliance Review report. All required actions to the findings have been addressed satisfactorily. The institution may now consider the program review for the 2015-16 award year closed, with no further action required.

Thank you for the courtesy and cooperation extended to the California Student Aid Commission (Commission) staff during the review. Your continued effort and consideration toward the Commission's programs will help produce an efficient and beneficial student financial assistance program.

Sincerely,

Catalina G. Mistler, Deputy Director  
Program Administration and Services Division

c. Raul Gloria, Student Finance Supervisor  
Program Review File



***Program Compliance Office  
Cal Grant Program Review Report***

***2015-16 Award Year***

**Brightwood College - Chula Vista  
Program Review ID#91702091702**

**555 Broadway, Suite #144  
Chula Vista, CA 91910**

---

**Program Review Dates:**

November 2017

**Auditor:**

Melanie Wong

**Report Approved by:**

Catalina Mistler, Deputy Director  
Program Administration and Service Division

---

## TABLE OF CONTENTS

---

### Page Number

#### AUDITOR'S REPORT

SUMMARY.....	3
BACKGROUND .....	3
OBJECTIVES, SCOPE AND METHODOLOGY .....	4
CONCLUSION.....	5
VIEWS OF RESPONSIBLE OFFICIALS .....	5
FINDINGS AND REQUIRED ACTIONS .....	6

---

## AUDITOR'S REPORT

---

### SUMMARY

We reviewed Brightwood College - Chula Vista's administration of California Student Aid Commission (Commission) programs for the 2015-16 award year.

The institution's records disclosed the following deficiencies:

- Non-compliance with WebGrants Information Security and Confidentiality Agreement
- Cal Grant award not maximized

### BACKGROUND

The Commission performs institution compliance reviews to ensure program integrity and institution compliance with applicable laws, policies, contracts and institutional participation agreements as they pertain to the following grant programs administered by the Commission:

Cal Grants

A, B and C

The following information, obtained from the institution and the Commission's database, is provided as background on the institution:

#### A. Institution

- Type of Organization: Private, For-Profit Institution of Higher Education
- President: Alex Poyuzina
- Accrediting Body: Accrediting Council for Independent Colleges and Schools

#### B. Institutional Persons Contacted

- Raul Gloria: Financial Aid Supervisor

#### C. Financial Aid

- Date of Prior Commission Program Review: N/A
- Branches: N/A
- Financial Aid Programs: Federal: Direct Loan, Workstudy, Pell, and SEOG,  
State: Cal Grants A, B and C
- Financial Aid Consultant: N/A

---

## AUDITOR'S REPORT (continued)

---

### OBJECTIVES, SCOPE AND METHODOLOGY

The purpose of our review is to provide the Commission with assurance that the institution adequately administered Commission programs and complied with applicable laws, policies, contracts and institutional participation agreements as they pertain to the grant programs administered by the Commission.

The review focused on, but was not limited to, the following areas:

- A. General Eligibility
- B. Applicant Eligibility
- C. Fund Disbursement and Refunds
- D. File Maintenance and Records Retention
- E. Fiscal Responsibility for Program Funds

The specific objectives of the review were to determine that:

- Administration systems have adequate controls to ensure that grant funds received by the institution are secure.
- Administration systems have adequate controls to ensure that grant payments are accurate, legal and proper.
- Accounting requirements are being followed.

The procedures performed in conducting this review included:

- Evaluating the current administrative procedures through interviews and reviews of student records, forms and procedures.
- Evaluating the current payment procedures through interviews and reviews of student records, forms and procedures.
- Reviewing the records and grant payment transactions from a sample of three students who received a total of 3 Cal Grant B awards within the review period. The program review sample was selected to include all students awarded.

The review scope was limited to planning and performing procedures to obtain reasonable assurance that Commission grant funds were administered according to the applicable laws, policies, contracts and institutional agreements. Accordingly, transactions were examined on a test basis to determine whether grant funds were expended in an eligible manner. The auditor considered the institution's management controls only to the extent necessary to plan the review.

---

## AUDITOR'S REPORT (continued)

---

OBJECTIVES,  
SCOPE AND  
METHODOLOGY  
(continued)

This report is written using the exception-reporting format, which excludes the positive aspects of the Institution's administration of the Commission grant programs.

The names and social security numbers of the sample of students reviewed have been excluded from the body of this report and have been replaced by identifying numbers.

CONCLUSION

In conclusion, this report records the findings from our review and identifies the required actions necessary to improve controls and ensure the adequate administration of the Commission's grant programs. The matters raised in this report are only those which have come to our attention during the course of the compliance review and do not necessarily represent a comprehensive record of all the matters.

VIEWS OF  
RESPONSIBLE  
OFFICIALS

The findings were discussed with institution representatives in an exit conference on January 26, 2018. The institution staff concurred with all findings.

We appreciate the cooperation and assistance of the management and staff during the course of this review.

Catalina Mistler, Deputy Director  
Program Administration and Services Division

---

## FINDINGS AND REQUIRED ACTIONS

---

GENERAL  
ELIGIBILITY:

**FINDING 1: Non-compliance with WebGrants Information Security and Confidentiality Agreement**

A review of institution records revealed that the institution failed to comply with the Commission's WebGrants Information Security and Confidentiality Agreement.

**DISCUSSION:**

As indicated in the 2012-16 Institutional Participation Agreement signed by the institution's President, institutions must comply with all applicable federal, state and local information security, confidentiality and privacy laws and regulations, Commission policies and requirements pertaining to the proper access, creation, modification, handling, storage, transfer, transmission, dissemination, sharing or destruction of confidential information maintained on the Commission's Grant Delivery System (GDS), WebGrants system and/or pertaining to the Commission, its programs, and its program applicants and/or recipients.

Participating institutions must designate a single individual as the Authorized Official (AO), who will then designate a maximum of two other individuals as the institution's System Administrator(s) (SA). The institution's AO will grant authority to the institution's SA(s) to create or disable individual user accounts for that institution's staff to access the Commission's network and data. The AO **shall not have authorization to access GDS WebGrants.**

The AO and SA(s) are required to submit an accurate and complete "Information Security and Confidentiality Agreement" and "System Administrator's Access Request Form" to the Commission before access to the Commission's network and data is granted. These forms must be renewed annually to ensure continued access and copies of all documents mentioned above must be maintained and retained at the institution.

A review of the Information Security and Confidentiality Agreements provided by the institution disclosed that the AO has had user access rights as of October 29, 2015. The Commission has disabled the user access rights for the AO per instructions from the institution received on January 18, 2018.

**REFERENCES:**

2012-16 Institutional Participation Agreement, Article VI  
Cal Grant Handbook, Chapter 2, pages 13-16, 2/11/2016 - version 2.1  
WebGrants Information Security and Confidentiality Agreement

**REQUIRED ACTION:**

The institution is required to provide policies and procedures to ensure compliance as outlined on the WebGrants Information Security and Confidentiality Agreement.

---

**FINDINGS AND REQUIRED ACTIONS (continued)**

---

**FINAL DETERMINATION:**

The institution provided WebGrants Information Security and Confidentiality policies and procedures that are deemed acceptable. No further action is required.

FUND  
DISBURSEMENT  
AND REFUNDS:

**FINDING 2: Cal Grant award not maximized**

A review of three student files disclosed one case where a student's Cal Grant award was not maximized.

**DISCUSSION:**

Institutions are required to verify eligibility at the time that Cal Grant funds are disbursed to the student or credited to the student's account. The enrollment status must be determined according to the student's attendance at the time Cal Grant funds are paid to the student. Enrollment status directly correlates to the amount of the Cal Grant award and the percentage of eligibility used.

The institution's enrollment status policy is as follows:

Full-time	12 units or more
Three-quarter-time	9-11 units
Half-time	6-8 units

According to academic transcripts, student 1 was enrolled in 6 units (half-time) during the Spring 2016 term (2/22/2016 to 4/18/2016), however, the institution did not report a half-time payment on WebGrants. The student's Cal Grant award was not maximized by \$276.

**REFERENCES:**

California Education Code section 69432.7(f)  
Institutional Participation Agreement, Article IV.B  
Institutional Participation Agreement, Article IV.C.1.b  
Cal Grant Manual, Charter 8, November 2005  
Cal Grant Manual, Chapter 9, September 2003  
Cal Grant Handbook, Chapter 13, page 106-123, 2/11/2016 – version 2.1

**REQUIRED ACTIONS:**

In response to the above finding, the institution must provide written procedures and internal controls that will be put into place to ensure that enrollment status is verified and that the correct amount of Cal Grant funds is disbursed to students.

The Commission has issued to the institution, a Spring 2016 payment in the amount of \$276 for student 1. Since the student has graduated from the institution, the funds must be applied to the outstanding institution balance of \$552. Please provide documentation that the funds were applied accordingly.



---

**FINDINGS AND REQUIRED ACTIONS (continued)**

---

**FINAL DETERMINATION:**

The institution provided Cal Grant policies and procedures that are deemed acceptable. No further action is required.