



# CALIFORNIA STUDENT AID COMMISSION

## PROGRAM ADMINISTRATION & SERVICES DIVISION

March 28, 2018

Mary B. Marcy  
President  
Dominican University of California  
Guzman Hall – 2<sup>nd</sup> Floor  
50 Acacia Avenue  
San Rafael, CA 94901

RE: Program Compliance Review ID#81700119600

Dear Ms. Marcy:

This letter is in reference to the response to the Cal Grant Program Compliance Review report and the return of liabilities. All required actions to the findings have been addressed satisfactorily and a copy of the final report is attached. 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

Enclosure

- c. Lauren Coburn, Associate Director of Financial Aid  
Program Review File



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

***2015-16 Award Year***

**Dominican University of California  
Program Review ID#81700119600**

**50 Acacia Avenue  
San Rafael, CA 94901-2298**

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**Program Review Dates:**

May 9, 2017 to May 12, 2017

**Auditor:**

Melanie Wong

**Report Approved by:**

Catalina Mistler, Deputy Director  
Program Administration and Services Division

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## TABLE OF CONTENTS

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**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

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## AUDITOR'S REPORT

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### SUMMARY

We reviewed Dominican University of California'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
- Recipient over-awarded due to insufficient need

### 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 and B

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

#### A. Institution

- Type of Organization: Non-profit Institution of Higher Education
- President: Mary B. Marcy, Ph.D.
- Accrediting Body: Western Association of Schools & Colleges

#### B. Institutional Persons Contacted

- Shanon Little: Director of Financial Aid
- Rebecca Keenan: Associate Director of Financial Aid
- Lauren Coburn: Senior Financial Aid Advisor
- Susie Naylor: Accounting Manager

#### C. Financial Aid

- Date of Prior Commission Program Review: April 2008
- Branches: None
- Financial Aid Programs: Federal: Direct Loan Program, Workstudy, Pell, SEOG and Perkins  
State: Cal Grants A and B
- Financial Aid Consultant: N/A

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## AUDITOR'S REPORT (continued)

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### 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 40 students who received a total of 31 Cal Grant A awards and 9 Cal Grant B awards within the review period. The program review sample was randomly selected from the total population of 303 recipients.

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.

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## AUDITOR'S REPORT (continued)

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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 May 12, 2017. 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

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## FINDINGS AND REQUIRED ACTIONS

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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, as of June 10, 2016, the AO was also given user access rights. The Commission immediately disabled the user access rights for the AO.

**REFERENCES:**

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

**REQUIRED ACTION:**

The institution has submitted all required Security and Confidentiality Agreements with an Authorized Official who does not also have user rights as of August 8, 2017. The institution is required to provide policies and procedures to ensure compliance as outlined on the WebGrants Information Security and Confidentiality Agreement.

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## FINDINGS AND REQUIRED ACTIONS (continued)

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### INSTITUTION RESPONSE:

“Ms. Wong called to our attention that we had designated Ms. Shanon Little as AO while also allowing her access to WebGrants. Upon notice of this discrepancy, we designated Ms. Sandy Siegle as our AO instead; Ms. Siegle has no WebGrants user access. Attached: Cal Grant Information Security and Confidentiality Agreement P&P.”

### COMMISSION REPLY:

The institution’s response and submitted policies and procedures are deemed acceptable. No further action is required.

APPLICANT  
ELIGIBILITY:

### FINDING 2: Recipient over-awarded due to insufficient need

A review of 40 student files revealed 1 case in which the institution over-awarded Cal Grant funds.

### DISCUSSION:

Institutions are responsible to ensure that Cal Grant recipients are not over-awarded. The total of the Cal Grant award and all other types of Estimated Financial Assistance (EFA) may not exceed the student’s Cost of Attendance (COA) or budget less the calculated Expected Family Contribution (EFC).

Some examples of EFA are Pell Grant, SEOG, Perkins, Direct and FFEL Loans, other education loans, grants, tuition and fee waivers, scholarships, fellowships, assistantships, and net earnings from need-based employment that will be received during the award year.

If the institution becomes aware of an over-award, the institution must correct the over-award by adjusting other financial assistance (excluding tuition waivers) offsetting subsequent term payments within the same academic year, or, if necessary returning the overage to the Commission. Furthermore, all over-awards, regardless of the dollar amount, must be resolved and no tolerance amount is allowed. When learning of an over-award, institutions must report the over-award through the “Grant Record Changes” screen on WebGrants or by completing the Grant Record Change Form for Schools (G-21).



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**FINDINGS AND REQUIRED ACTIONS (continued)**

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A review of the file for student 27 revealed that the student received Cal Grant funds which they were not fully eligible to receive during the 2015-16 award year as illustrated:

<b>Need Analysis Student 27</b>	
Cost of attendance	\$62,242
Less EFC	<16,305>
Less Trustee Scholarship	<21,000>
Less Tuition Overage	<8,800>
Less Federal TEACH Grant	<3,708>
Less Outside Scholarships	<8,000>
Less Unsubsidized Loan	<u>&lt;6,500&gt;</u>
Unmet Need	<2,071>
Add Unsub/Teach Grant to Replace EFC	<u>10,208</u>
Cal Grant Need	8,137
Less Actual Cal Grant awarded	<u>&lt;9,084&gt;</u>
Over-award	<947>

**REFERENCES:**

2012-16 Institutional Participation Agreement, Article IV, B&C  
Cal Grant Handbook, Chapter 13, page 121, 2/11/2016  
2015-16 Federal Student Aid Handbook, Volume 3, Chapter 7

**REQUIRED ACTIONS:**

The institution is required to return the ineligible amount of **\$947** to the Commission **or** apply these funds to any existing loan balances on behalf of student 27. If the institution chooses to repay loan balances for the student, the institution must provide documentation of this action (Revised Student Account Statement showing reduction of loan amount and Lender verification of loan reduction).

Furthermore, the institution must provide policies and procedures to ensure that all Cal Grant recipients have sufficient need prior to disbursement.

**INSTITUTION RESPONSE:**

"The Office of Financial Aid understands the miscalculation of the student's over-award and has rectified this overpayment by submitting payment of the over-award to CSAC. The check, #211286, in the amount of \$947, has been mailed with expected post-mark of 3/15/2018. We have enhanced our written procedures to include examples like this one, reminding the packager not to award over Financial Need (see attached page 47 from 2017-18 Packaging Procedures)."

**COMMISSION REPLY:**

The institution's response, return of liabilities and revised policies and procedures are deemed acceptable. No further action is required.