

4.7 The institution is in compliance with its program responsibilities under Title IV of the 1998 Higher Education Amendments. **(Title IV program responsibilities)**

Compliance Status: Compliance

The College of Coastal Georgia's Financial Aid Office provides service to students on the Brunswick campus and at the Camden Center in Kingsland, Georgia. Processing occurs at both locations and all student files are kept and maintained at the Brunswick campus.

The College participates in the Department of Education's [Quality Assurance](#) (QA) program. The program strives to help schools attain compliance, to sustain compliance by evaluating policies and procedures, and advance the process using lessons learned to implement change. As a QA program participant, the College completes two self-assessments each year to sustain compliance with Title IV responsibilities.

Financial Aid Audits

As part of the USG, the College's financial aid program accounts are audited in accordance with the Single Audit Act (Circular A-133) by the Georgia Department of Audits and Accounts on an annual basis.

The Georgia Student Finance Commission performs a periodic Program Review of Georgia's State Scholarships and Grant Programs. The most [recent review](#) to determine compliance with HOPE (Helping Outstanding Pupils Educationally) and LEAP (Leveraging Educational Assistance Partnership) program regulations was performed in March 2009 for awards dispersed during fiscal year 2008.

Several audit findings were brought to the attention of the College, including unavailability of academic transcripts, incorrect invoicing and reporting of data, and unverifiable student citizenship status. To address these discrepancies, the Financial Aid Office has implemented the following processes:

- Formulated a systematic inventory process to ensure official academic transcripts are in each applicant's file
- Developed an online faculty attendance verification process to allow faculty to easily and quickly verify student attendance within the first 30 days
- Generated exception reports to ascertain if a student's eligibility or cost of attendance budget has changed during the middle or at the end of each academic term
- Developed a student level data tracking system to effectively address student citizen status for each enrolled student

On January 24, 2011, the Department of Education (DOE) began an off-site Program Review to assess the College's administration of the Title IV, Higher Education Act programs in which it participates. This review lasted approximately one week, and an exit conference call with DOE occurred on February 1, 2011, to discuss the preliminary findings. It is expected that the College will receive the formal DOE Program Review Report during the month of April 2011, after which, the College will have 30 days to provide an institutional response to the DOE findings. Following the review of the institutional response, the DOE will issue a Final Program Review Determination to conclude the Program Review.

Compliance Measures and Continuous Improvement

Student financial aid is an important resource that, if not available, would prevent many students from accessing higher education. The College sets policies and procedures designed to ensure the accurate and equitable distribution of federal, state, private, and institutional funds.

The Financial Aid Office employs a staff of six, including a director, an operations specialist, three financial aid counselors, and assistant to the director. All staff members counsel students on financial aid rules, regulations, and procedures. The Financial Aid Office receives ongoing training via webinars, workshops, targeted training, various listservs, and membership in state ([GASFAA](#)) and national ([NASFAA](#)) financial aid associations.

Rapid Process Improvement (RPI)

In order to improve the delivery of financial aid, the College began an Administrative Services Rapid Process Improvement (RPI) project in August 2010. After the initial start-up meeting, the project leaders, spent two days observing the last orientation and registration activities prior to the start of classes. These activities included new student orientation, advising, registration, and financial aid counseling. The observational data was combined with the data learned through informal discussions and interviews with College leadership and staff. The purpose of the data gathering step was to gain greater understanding and insight into the issues and problems that face the organization, particularly the Financial Aid Office. This insight provided the basis for developing the overall focus of the project. This understanding and project focus was [documented](#) in the project Memorandum of Understanding.

On September 20, 2010, a team of College leaders and staff were trained in the concepts of LEAN thinking and the methodologies of LEAN manufacturing. This training aided the participating by providing a foundation of understanding and common language for all stakeholders throughout the project. A subset of departmental leaders from the LEAN Overview then participated in the development of a Value Stream Map (VSM) on September 21-22, 2010. The focus of the VSM activities centered on the work involved in processing a student from initial interest, through enrollment and the start classes. This defined workflow included the interactions and communications of prospective and current students with the College, the prospective and current students' interaction in the financial aid application process, and the prospective and current students' interaction with the College after acceptance, enrollment, and registration. Ultimately, the VSM team found the current state of processes at the College to be confusing and disjointed. Further, the team felt that the current state was inadequate to meet the vision and goals of the College as it transitioned to a four-year state institution. Ultimately, the VSM team recommended that the first RPI event concentrate on the processes and

procedures involved in admitting a student to the College and successfully processing financial aid in a timelier, more efficient manner. In light of these findings, the actual RPI event was scheduled and occurred in October 2010.

During the RPI event, the RPI team created more detailed value stream maps of the main processes involved in the financial aid process, as well as the College's entire admissions and enrollment process. Site visits were conducted, and relevant policy documents were reviewed. After completing the analysis, the RPI team developed actionable recommendations and solutions in the form of a revised future process map. The characteristics of these future processes included, among other things, being faster, friendlier and easier; being supported by clear policies and standard operating procedures; and having an ability to grow and adapt, as necessary, due to a growth in student population. Based on the analysis of the current state and the desired characteristics of the future state, the RPI team developed changes in four significant areas: (a) admissions; (b) financial aid; (c) orientation; and (d) disbursement of financial aid.

The proposed changes, which are currently being implemented in time for the Fall Semester 2011 academic term, are expected to have a significant impact on the College's operations. These anticipated results include, but are not limited to: (a) financial aid applications being submitted sooner to the College; (b) financial aid awards being determined faster and notification to the student occurring sooner; and (c) an increase in the quality of academic advising and orientation time.

Attendance Verification

The College has designed procedures to assure attendance requirements are met for all financial aid recipients. Each faculty member is required to verify the attendance of each student in his/her class each semester. This process ensures the College is in compliance with federal regulations that require validation of students' attendance in class prior to financial aid award disbursements. This process also helps ensure the appropriate amount of aid is disbursed correctly based on a student's actual enrollment. Attendance verification workshops and training are available to new faculty each semester.

Return of Title IV (Fee Refunds)

Title IV funds are awarded to a student under the assumption that the student will attend College for the entire period for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive. If a recipient of Title IV grant or loan funds withdraws from a College after beginning attendance, the amount of Title IV grant or loan assistance earned by the student must be determined. If the amount disbursed to the student is greater than the amount the student earned, unearned funds must be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

The College must return the amount of Title IV funds for which it is responsible as soon as possible, but no later than 45 days after the date of the College's determination that the student withdrew. The College will be considered to have returned funds timely if the College does one of the following within the designate timeframes: (a) deposits or transfers the funds into the College's federal funds bank account; (b) initiates an electronic funds transfer to an account belonging to the student; (c) initiates an electronic transaction that informs the Federal Family Education Loan (FFEL) or United States Department of Education, in the case of a Direct Loan, to adjust the borrower's loan account for the amount returned; or (d) issues a check.

For more information regarding the determination and documentation of a student withdrawal date, approved leave of absence, amount to be returned, and notification to students, please refer to the College's [Policy on Return of Title IV Funds](#).

Satisfactory Academic Progress (SAP)

Federal regulations require institutions of higher education to establish minimum standards of [Satisfactory Academic Progress](#) (SAP) for students receiving financial aid. To receive financial aid at the College, a student must maintain a satisfactory GPA and be making satisfactory progress as outlined below. These requirements apply to any grants, loans or scholarships that contain any federal or state funds. An automated program is run at the end of each Spring Semester to ensure all federal and state financial aid recipients are meeting the required SAP guidelines. Students who fail to meet the minimum SAP guidelines are notified via letter that their aid is being discontinued and are given an opportunity to appeal to the Financial Aid Office if extenuating circumstances were present.

Debt and Default Management

The College's Default Management Plan (DMP) consists of activities, techniques, and tools to promote student and school success and reduce student loan defaults. The College recognizes the many negative aspects of students defaulting on student loans and takes a proactive role in assuring that students have the information needed to make sound decisions regarding the repayment of their student loans. As a part of the College's loan policy, students must complete loan entrance counseling and loan exit counseling each year that they received a student loan.

All schools participating in Title IV loan programs are required to follow regulatory guidance, including: entrance counseling and exit counseling for borrowers, reporting timely and accurate enrollment information to the U.S. Department of Education, and sharing satisfactory academic progress information across campus. In addition to these regulatory requirements, the College has implemented non-regulatory measures in its DMP.

Given the steady increase in the cohort default rate noted in Table 1, the College has implemented several aggressive measures designed to lower it, including:

- New and improved financial aid practical guide which offers step-by-step directions to students; this guide is available as a printed document, and has been parsed into various areas on the College's financial assistance web pages

- Continued and expanded specific conditions of financial aid awards listed on the financial aid web pages
- An explicit and enforced withdrawal policy

Table 1: College of Coastal Georgia Cohort Default Rates¹

Category	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008
Default Rate	7.6	7.9	11.1
No. in Default	25	31	35
No. in Repay	325	392	313
Enrollment figures	4161	4284	4246
Percentage Calculation	7.8	9.2	7.4

Entrance Counseling

Regulations require that first-time borrowers of student loans receive entrance counseling. During entrance counseling, schools must explain how the master promissory note works, emphasize the importance of repaying the loan, describe the consequences of default, and show borrowers sample monthly repayment amounts based on their program of study.

The College enhances entrance counseling to include financial literacy and ensure that borrowers thoroughly understand all information.

Key questions addressed during the entrance counseling session include:

- Are student loans the same as regular consumer loans?
- When do I start repaying my student loan?
- Do I have to pay off my student loan even if I don't finish my program?
- What happens if my student loan is not paid?
- What happens to my credit rating?

¹ * The Fiscal year 2008 official cohort default rates, the most recent cohort default rates available, were published on September 13, 2010.

Exit Counseling

Regulations require that institutions provide exit counseling. Exit counseling is an effective way to prevent defaults and is often the last opportunity that borrowers have to work with someone at school regarding their loans. In-depth counseling that focuses on fully explaining repayment plans and choices that fit the borrowers' needs is essential. Exit counseling is the opportunity to clear up any misconceptions students may have about their loan obligations and re-emphasize the consequences of default. Institutions should take full advantage of this opportunity to work with their students. A large percentage of borrowers in delinquency either did not have the benefit of receiving this information or did not receive it timely. Thorough exit counseling is a cornerstone of default prevention and is mandatory.

Delinquency Assistance

The College sends letters to students on the guarantor-provided delinquency reports. These letters explain their rights and responsibilities and also includes deferment, forbearance, and economic hardship forms for students to complete if they meet the criteria.

FISAP and Consumer Information

The College ensures accurate reporting associated with Title IV through timely submission of the Fiscal Operations Report and Application to Participate ([FISAP](#)) to the U.S. Department of Education. Additionally, the institution provides current [consumer information](#) on its website to ensure that the College is in compliance with the Higher Education Opportunity Act (HEOA) of 2008 and complies with its responsibility for disseminating financial aid and consumer information to the general public.

Supporting Documentation

[Department of Education Quality Assurance Program](#)

[2009 State Scholarship & Grant Programs Compliance Review](#)

[Georgia Association of Student Financial Aid Administrators \(GASFAA\)](#)

[National Association of Student Financial Aid Administrators \(NASFAA\)](#)

[Rapid Process Improvement Final Report](#)

[College of Coastal Georgia Satisfactory Academic Progress Policy](#)

[College of Coastal Georgia, Return of Title IV \(Fee Refunds\) Policy](#)

[Fiscal Operations Report and Application to Participate \(FISAP\)](#)

[Consumer Information, College of Coastal Georgia web page](#)