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Records Management

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OBJECTIVES

By the end of this session, you will be able to:

- ◆ explain what types of Title IV records must be maintained,
- ◆ explain the record-retention requirements on the duration, location, format, and availability of these records, and
- ◆ describe the relationship between records management and audits and program reviews.

RESOURCES

- ◆ *The Blue Book*, Chapter 2—General Institutional Responsibilities
- ◆ *The Blue Book*, Chapter 6—Title IV Reporting, NSLDS, Audit, Program Review, and Guaranty Agency Procedures
- ◆ *Student Financial Aid Handbook: Institutional Eligibility and Participation*
- ◆ Federal Regulations
34 CFR Parts 668, 674, 675, 676, 682, 685, and 690
- ◆ *Program Review Guide*
- ◆ *Audit Guide: Student Financial Assistance Programs*

A. RECORD RETENTION

Notes



Importance of Record Keeping

Failure to comply with Title IV record-keeping requirements can:

- ◆ jeopardize school's eligibility for funds, and
- ◆ lead to findings, exceptions, or liabilities in an audit or program review.

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B. MINIMUM LENGTH OF TIME RECORDS MUST BE MAINTAINED



Minimum Time Records Must be Maintained

- ◆ Keep records for Pell Grants, campus-based aid, FFEL Program loans, and Direct Loans at least 3 years after pertinent award year.

▲ Example:

- *Keep 1999-2000 records through at least June 30, 2003.*



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- The chart on the next page provides an overview of record-retention periods.

Minimum Record-Retention Periods

Title IV Program	End of the award year in which the report was submitted	End of the award year for which the aid was awarded	End of the award year in which the student last attended the school	The loan is satisfied or the documents are needed to enforce the obligation	The date on which a loan is assigned to ED, cancelled, or repaid
Campus-Based and Pell Grant		3 Years			
Except:					
• Fiscal Operations Report and Application to Participate (FISAP) and supporting records	3 Years				
• Perkins repayment records					3 Years
• Perkins original promissory notes and repayment schedules				Until	
FFEL and Direct Loans					
• Records related to borrower's eligibility and participation			3 Years		
• All other records, including any reports and forms	3 Years				

1. Special Rules for FISAP and Federal Perkins Loan Program

Notes



Fiscal Operations Report and Application to Participate (FISAP)

- ◆ FISAP must be kept for 3 years after end of award year in which it was submitted.
- ◆ Most current FISAP (with October 1999 submission date):
 - ▲ will contain data for 1998-99,
 - ▲ must be submitted during 1999-2000,
 - ▲ will request funds for 2000-01, and
 - ▲ must be retained until June 30, 2003.

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Federal Perkins Loan Program

- ◆ Keep original promissory notes and repayment schedules in locked, fireproof container.
- ◆ Keep repayment records for 3 years from date on which loan is repaid, canceled, or assigned to ED, or as long as the documents are needed to enforce the loan obligation.



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2. Special Rules for Direct Loan Program and FFEL Program

Notes



Direct Loan Program and FFEL Program

- ◆ Keep borrower eligibility records for 3 years after end of award year in which student last attended the school.
- ◆ Keep school aid-program-participation records for 3 years after end of award year in which information is submitted to ED.

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3. Records Subject to Audit, Program Review, or Investigation

- In general, schools keep reports to ED for three years after the award year in which the report is submitted.



Records Subject to Audit, Program Review, or Investigation

- ◆ Keep records questioned by Title IV program audit, program review, or investigation until the **later** of:
 - ▲ resolution of questionable loan, claim, or expenditure,
 - OR**
 - ▲ end of retention period applicable to that record.

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C. TYPES OF RECORDS TO MAINTAIN

Notes



Types of Records to Maintain

Record maintenance and retention requirements cover:

- ◆ general student records,
- ◆ general institutional records,
- ◆ general fiscal records,
- ◆ reporting records,
- ◆ financial aid application and award records, and
- ◆ program-specific records.

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1. General Student Records



General Student Records

For each student receiving Title IV funds, school must keep records of:

- ◆ academic standing, including admission information,
- ◆ all financial aid received,
- ◆ financial aid the student received previously at other schools, if applicable, and
- ◆ all refunds due or paid to student, Title IV programs, or FFEL Program lenders.

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- Schools must also keep records relating to student consumer-information requirements and to requirements under the Student Right-To-Know Act (SRK) and Campus Security Act.

2. General Institutional Records



General Institutional Records

School must maintain records relating to its eligibility to participate in Title IV programs:

- ◆ Program Participation Agreement (PPA),
- ◆ accrediting and licensing agency reviews, approvals, and reports,
- ◆ state agency reports,
- ◆ audit and program review reports, and
- ◆ self-evaluation reports.

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3. General Fiscal Records

- A school must use generally accepted accounting principles (GAAP), and its fiscal records must show a clear audit trail for expenditures of federal funds.



Fiscal Records

School must maintain on a current basis:

- ◆ records of all Title IV transactions,
- ◆ bank statements dealing with Title IV funds,
- ◆ student accounts, and
- ◆ general ledger (control accounts) and related subsidiary ledgers.

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Notes

4. Reporting Records

Notes



Reporting Records

School must maintain reports or copies of:

- ♦ FISAP,
- ♦ Federal Pell Grant Electronic Statements of Account (ESOAs),
- ♦ ED Payment Management System cash requests and quarterly or monthly reports,
- ♦ Grant Administration and Payment System (GAPS) cash requests,
- ♦ reconciliation reports for all Title IV programs,

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Reporting Records (cont'd)

- ♦ federal, state, and independent audit reports and school responses,
- ♦ state grant and scholarship award rosters and reports, and
- ♦ accrediting and licensing agency reports.



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- A school must also maintain the supporting documentation for these reports.
- The chart on the next page provides examples of required Title IV fiscal records.

EXAMPLES OF REQUIRED TITLE IV FISCAL RECORDS*

Records relating to a school's administration of Title IV programs for an award year must be kept for 3 years after the end of that award year, unless otherwise indicated.

The following are examples of required records that must be established and maintained on a current basis. This list is not comprehensive—see CFR 668.24(c) for a comprehensive list.

- ▶ Records of all Title IV program transactions
- ▶ Bank statements for all accounts containing Title IV funds
- ▶ Student accounts, which include each student's institutional charges, cash payments, Title IV payments, cash disbursements, and returned funds
 - ◇ Required for each enrollment period
 - ◇ Must be maintained on a current basis
- ▶ General ledger (control accounts) and related subsidiary ledgers that identify each Title IV program transaction
 - ◇ Title IV transactions must be separate from school's other financial transactions
 - ◇ Must be maintained on a current basis
- ▶ Reports and supporting documentation
 - ◇ Federal Pell Grant Electronic Statements of Account (ESOAs)
 - ◇ GAPS cash requests
 - ◇ Title IV program reconciliation reports
 - ◇ Audit reports and school responses
 - ◇ State grant and scholarship award rosters and reports
 - ◇ Accrediting and licensing agency reports
- ▶ Other records, as specified in the regulations, that pertain to factors of financial responsibility and standards of administrative capability

* Records involved in any loan, claim, or expenditure questioned by a Title IV program audit, program review, investigation, or other review must be kept until questions are resolved or the end of the appropriate retention period, whichever is longer.