

Winston Salem State University Federal Financial Aid Findings

WINSTON-SALEM, NC – In a recent letter from the U.S. Department of Education (DOE) Winston Salem State University (WSSU) was notified of the final determinations concerning the findings of a program review of the administration of its Federal financial aid program.

A July 2006 program review by the DOE concluded originally in a December 2006 report that the university's financial aid program failed to comply with DOE regulatory guidelines in nine areas during the 2004-05 and 2005-06 academic years. The final determination notice focused on three of the nine original findings, the other six having been corrected by the university prior to the release of the December 2006 report. As a result, the university has been instructed to repay \$1.15 million to the DOE and to several lending organizations.

The DOE findings determined that WSSU had no system in place to identify students who unofficially withdrew from the institution and had no way of establishing their last date of attendance. In addition, WSSU's policy on satisfactory academic progress (SAP), for students receiving financial aid was found to be less stringent than the academic progress policy for non-aided students, and therefore, not in compliance with DOE regulations. Finally, an individual WSSU undergraduate student was found to have exceeded the annual federal Stafford loan limits by being packaged as a graduate student rather than an undergraduate (the student had earned a bachelor's degree in another discipline and returned to the nursing program).

From December 2006, the date the DOE issued its initial report, until March 2008, the date of the university's final response to the DOE program review, WSSU was in communication with the DOE to ensure that university compliance measures were appropriate and sufficient. The University has made significant progress relative to university compliance during the past academic year (2007-2008).

As a part of the ongoing effort to improve processes across the university, additional steps have been taken, including the realignment of the organizational reporting relationship for the Division of Enrollment Management. In addition, the university is in the process of reviewing each of the functions involved in the enrollment management process, including, financial aid, undergraduate admissions and customer service.

In conjunction with UNC General Administration, WSSU officials will continue to evaluate and review all policies and processes related to financial aid to improve functionality and to make full use of available technology.