

The CEO/president must ensure that a school...

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| <ul style="list-style-type: none"> ✓ meets the financial standards for administering the FSA programs ✓ has an individual capable of administering the FSA programs and coordinating federal and nonfederal financial aid ✓ has an adequate number of qualified staff to administer FSA programs ✓ has a procedure to report changes to ED about the school's current eligibility status (for example, changes in ownership, address, name, officials, third-party servicers, programs, and locations) ✓ has a procedure to ensure that FSA funds for new programs and locations are not disbursed until approvals (when required) are received from ED ✓ has established clear lines of responsibility among the pertinent school offices ✓ has good communication and cooperation among personnel in the pertinent school offices ✓ maintains effective recordkeeping systems for both student records and financial records ✓ has an adequate system of checks and balances to ensure separation of award functions from disbursement functions ✓ has accurate information about student applicants for FSA aid and resolves any discrepancies or inconsistencies ✓ provides adequate financial aid and loan debt management counseling to students | <ul style="list-style-type: none"> ✓ refers any suspected cases of FSA fraud, abuse, or misrepresentation to ED's Office of Inspector General (OIG) ✓ obtains a letter of credit (if the school has failed to meet the standards of financial responsibility)¹ ✓ has an independent auditor perform an annual federal audit of the school's FSA financial operations² ✓ cooperates fully with any program reviews or audits and makes available all necessary information to the reviewers or auditors ✓ has no criminal or fraudulent activities occur as it manages federal funds and administers FSA programs ✓ has established reasonable standards of satisfactory academic progress (SAP) for students ✓ has established a fair and equitable institutional refund policy (if required by the school's accrediting agency) ✓ has an operable and accessible drug-abuse prevention program, as required by the Drug-Free Schools and Communities Act ✓ is a drug-free workplace, as required by the Drug-Free Workplace Act ✓ makes available all published information required by the Student Right-to-Know Act and the Campus Security Act and any other applicable laws and regulations ✓ provides the services described in its publications |
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1. For complete information about the requirement to obtain a letter of credit when a school fails to meet the standards of financial responsibility, please see *the Federal Student Aid Handbook, Volume 2 – School Eligibility and Operations, chapter 11 – Financial Standards*.
2. For complete information about the requirement to obtain an independent audit of a school's participation in the FSA programs, please see *the Federal Student Aid Handbook, Volume 2 – School Eligibility and Operations, chapter 12 – Program Integrity*.