



AGREED-UPON PROCEDURES REPORT • FISCAL YEAR 2023

Coastal Pines Technical College

Waycross, Georgia

Greg S. Griffin | State Auditor



DOAA

Georgia Department
of Audits & Accounts

COASTAL PINES TECHNICAL COLLEGE

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the State Board of the
Technical College System of Georgia,
Members of the Local Board of Directors of
Coastal Pines Technical College,
and
Mr. Lonnie Roberts, President
Coastal Pines Technical College
Waycross, Georgia 31503

Ladies and Gentlemen:

We have performed the procedures enumerated below on compliance with federal student financial assistance regulations for the fiscal year ended June 30, 2023. Coastal Pines Technical College (Technical College) is responsible for compliance with federal student financial assistance regulations.

The Technical College has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating compliance with federal student financial assistance regulations and meeting the requirements of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Comprehensive Standard 13.6 for the fiscal year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. Complete applicable procedures reflected in the 2023 OMB Compliance Supplement for the Activities Allowed or Unallowed compliance requirement.

We did not note any exceptions as a result of our procedures.

2. Complete applicable procedures reflected in the 2023 OMB Compliance Supplement for the Cash Management compliance requirement.

We did not note any exceptions as a result of our procedures.

3. Complete applicable procedures reflected in the 2023 OMB Compliance Supplement for the Eligibility compliance requirement.

See FA 2023-001 in the Schedule of Findings and Questioned Costs for a detail of exceptions noted.

4. Complete applicable procedures reflected in the 2023 OMB Compliance Supplement for the Reporting compliance requirement.

We did not note any exceptions as a result of our procedures.

5. Complete applicable procedures reflected in the 2023 OMB Compliance Supplement for the Special Tests and Provisions compliance requirement.

We did not note any exceptions as a result of our procedures.

We were engaged by the Technical College to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with federal student financial assistance regulations for the fiscal year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Technical College and the Technical College System of Georgia (TCSG) and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management of the Technical College, the TCSG and the SACSCOC, and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully,



Greg S. Griffin
State Auditor

November 16, 2023

COASTAL PINES TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FA 2023-001 Improve Controls over the Awarding Process

Compliance Requirement:	Eligibility
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	Direct
AL Numbers and Titles:	84.007 – Federal Supplemental Educational Opportunity Grants 84.033 – Federal Work-Study Program 84.063 – Federal Pell Grant Program
Federal Award Numbers:	P007A221057 (Year: 2023), P033A221057 (Year: 2023), P063P222730 (Year: 2023)
Questioned Costs:	\$1,536

Description:

The Coastal Pines Technical College’s Student Financial Aid Office improperly awarded amounts to ineligible students.

Background Information:

To receive student financial assistance (SFA), students must complete a Free Application for Federal Student Aid (FAFSA). Once the FAFSA is processed, an Institutional Student Information Record (ISIR) is provided to Coastal Pines Technical College (Technical College). Among other things, the ISIR contains the applicant’s Expected Family Contribution (EFC) and helps determine student eligibility, award amounts, and disbursements.

The following types of SFA was awarded and disbursed to students at the Technical College:

- *Federal Pell Grant (Pell)* – The Pell program provides grants to eligible students enrolled in eligible undergraduate programs and certain eligible post-baccalaureate teacher certificate programs and is intended to provide the foundation of financial aid. Maximum and minimum Pell awards are established by statute, but the amount for which each student is eligible is based on Pell Grant Payment and Disbursement Schedules published every year by the U.S. Department of Education (ED).
- *Federal Supplemental Educational Opportunity Grants (FSEOG)* – The FSEOG program provides grants to eligible undergraduate students. Priority for FSEOG awards is given to Pell recipients who have the lowest EFC.
- *Federal Work-Study (FWS)* – The FWS program provides part-time employment to eligible undergraduate and graduate students who need earnings to help meet the costs of postsecondary education.

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YEAR ENDED JUNE 30, 2023

Once financial aid is awarded and disbursed to students, those students are required to maintain satisfactory academic progress (SAP) as defined by the Technical College's published standards. These published standards must include a review of a qualitative component, which is typically based upon grade point average (GPA), and a quantitative component, which is based upon successful completion of attempted coursework at a specified pace within a maximum timeframe. SAP must be evaluated at least once per academic year, and if at the time of each evaluation, the student has not maintained SAP, they are no longer eligible to receive SFA.

Criteria:

As a recipient of federal awards, the Technical College is required to establish and maintain effective internal control over federal awards that provides reasonable assurance of managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards pursuant to Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Section 200.303 – Internal Controls.

All ED SFA programs are authorized by Title IV of the Higher Education Act (HEA) of 1965, as amended (20 USC 1001 *et seq.*). The U.S. Department of Health and Human Services (HHS) SFA programs are authorized by the Public Health Service Act (PHS Act), which was amended by the Health Professions Education Partnership Act of 1998, Pub. L. No. 105-395 and, for the NFLP, further amended by the Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), Pub. L. No. 111-148, Section 5311.

In addition, provisions included in Title 34 CFR Section 668 provide general provisions for administering SFA programs and Title 34 CFR Sections 675, 676, and 690 provide eligibility and other related program requirements that are specific to the FWS Program, FSEOG Program, and Federal Pell Grant Program, respectively.

Condition:

A sample of 25 students from a population of 1,461 students who received student financial assistance funds was randomly selected for testing using a non-statistical sampling method. Student financial assistance files were reviewed to ensure that financial assistance was properly calculated and disbursed to eligible students. The following deficiencies were identified:

- The Technical College does not have a written awarding and disbursement policy.
- Five students were not notified of disbursements within the appropriate time frame.
- Pell origination data reflected within the Common Origination and Disbursement (COD) system for four students did not agree to the student information system.
- One student was awarded based upon the incorrect cost of attendance budget.

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YEAR ENDED JUNE 30, 2023

- One student was not in compliance with the Technical College's published Satisfactory Academic Progress (SAP) policies. The student did not meet the maximum timeframe requirement of SAP, which resulted in over disbursements totaling \$1,536.

Questioned Costs:

Upon testing a sample of \$79,581 in financial aid disbursements, known questioned costs of \$1,536 were identified for the student who received student financial assistance in excess of their eligibility. Using the total population amount of \$4,642,620, we project the likely questioned costs to be approximately \$89,608. The following assistance listing number was affected by the known and likely questioned costs: 84.063.

Cause:

In discussing these deficiencies with management, they stated that the Technical College was not aware of the need to have formal awarding and disbursing policies. Additionally, the process used to notify students of their disbursements was not run as frequently as necessary. Further, the SAP policy component of maximum timeframe was not reviewed as thoroughly as required.

Effect or Potential Effect:

These deficiencies may expose the Technical College to unnecessary financial strains and shortages. The funds disbursed to students in excess of their eligibility must be returned to ED. Though the Technical College may attempt to collect the funds from individual students affected by the errors, these collection efforts could be unsuccessful as the students may no longer attend the Technical College and/or fail to repay the funds. Additionally, the Technical College was not in compliance with federal regulations concerning awarding of SFA funds to students.

Recommendation:

Technical College should review its processes and procedures for determining each student's financial aid eligibility. Where vulnerable, the Technical College should develop policies and procedures to ensure that correct amounts will be awarded to students in conformity with federal requirements. Additionally, the Technical College should develop and implement a monitoring process to ensure that controls are functioning properly. The Technical College should also contact ED regarding resolution of this finding.

Views of Responsible Officials:

We concur with this finding.



Office of the President

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CORRECTIVE ACTION PLANS - FEDERAL AWARD FINDINGS

Compliance Requirement:	Eligibility
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	Direct
AL Numbers and Titles:	84.007 – Federal Supplemental Educational Opportunity Grants 84.033 – Federal Work-Study Program 84.063 – Federal Pell Grant Program
Federal Award Numbers:	P007A221057 (Year: 2023), P033A221057 (Year: 2023), P063P222730 (Year: 2023)
Questioned Costs:	\$1,536

Description:

The Coastal Pines Technical College's Student Financial Aid Office improperly awarded amounts to ineligible students.

Corrective Action Plans:

Coastal Pines Technical College is currently in the process of writing an awarding procedure and disbursement procedure. The Shopping Sheet information will be run more frequently throughout the semester which will notify all students of their disbursements. The CPTC Satisfactory Academic Progress Procedure is being edited and the maximum timeframe requirement will be reviewed more closely. The conditions and exit comments are noted and steps are being made to minimize these errors in the future.

Estimated Completion Date: January 1, 2024

Contact Person: Lanie Jonas

Title: Vice President of Administrative Services

Phone Number: 912-427-5841

Email: ljonas@coastalpines.edu

Signature: 

Title: President