

READING HOSPITAL SCHOOL OF HEALTH SCIENCES

POLICY NO. 615

SUBJECT: Fiscal Reports and Financial Statements

Responsibility of: Director of Financial Aid and Budget
Originated: June, 2012 Revised: July, 2014 Reviewed: July, 2014

SCOPE: Institutional Administrative Capability and Fiscal Management Compliance

PURPOSE: Federal guidelines require that Reading Hospital School of Health Sciences (RHSHS) account for the receipt and expenditure of Title IV, HEA program funds in accordance with generally accepted accounting principles. Specifically, systems must be identified which provide all program financial statements required for compliance, and also include bank account and internal ledger reconciliation procedures.

POLICY: RHSHS maintains comprehensive, accurate program and fiscal records related to its use of FSA program funds. Records for each FSA recipient clearly identify that the student was eligible for the funds received, and that the funds were disbursed and/or returned in accordance with program regulations.

DEFINITIONS: N/A

PROCEDURE: Unless the Department requires the school to use a separate account, the school may use its operating account for FSA purposes. In this case, the school must designate that account as its federal bank account, and have an auditable system of records showing that the funds have been allocated properly and returned in a timely manner.

1. The Student Accounts office and the Fiscal Department at Reading Health System share responsibility in maintaining fiscal records which include: records of all FSA transactions, bank statements for all accounts containing FSA funds, and general ledger and related subsidiary ledgers that identify each FSA transaction.
2. The Student Accounts Office at RHSHS is responsible (primarily through use of the GradPro database) for: records of student accounts – including each student’s institutional charges, cash payments, FSA payments, and refunds for each semester. Cash requests and quarterly or monthly reports from the G5 payment system and FSA program reconciliation reports are also maintained by the Student Accounts Office.
3. The Financial Aid Office maintains the student’s individual financial aid file which contains copies of the student’s ISIR and signed Award Letter from which the student was awarded. Verification documents are also found in the student’s financial aid file along with copies of the Excel spreadsheets/database used to calculate the student’s award.
4. FAFSA and ISIR records, documentation of Entrance Counseling, disbursement and award details can also be found in EDEExpress, G5 and/or COD.

5. RSHSHS uses the G5 payment system to request payments, adjust drawdowns and report expenditures and provides continuous access to current grant and payment information. When G5 accepts the school's request for funds, it will make an EFT (electronic funds transfer) of the amount requested to the bank account and the school will make the disbursements to the student's account in GradPro no later than three business days following the date the school receives the funds.
6. Disbursements of the calculated awards are scheduled based upon the definition of each program's academic year and are divided into two payment periods. The student must maintain satisfactory academic progress as defined by RSHSHS policy (and be at least half time status for Direct Loans) to receive disbursements. Failure to meet these standards will result in disbursement delays or cancellations.
7. Nursing and Medical Imaging Programs – First disbursements are scheduled the first semester the eligible student is attending school, and the second disbursement is scheduled upon successful completion of 450 clock hours and 13 weeks. For Direct Loan purposes the student must be at least half-time status defined as 12 clock hours per week to receive a disbursement.
8. Direct Loan reconciliation is done monthly as required by ED guidelines. The Director of Financial Aid and Budget and the Student Accounts Officer meet to review and reconcile Direct Loan disbursements utilizing reports from GradPro, EDEExpress, COD, and G5. Individual student transactions are reviewed to verify that what is posted on the student's account in GradPro matches what was scheduled to be disbursed by the Financial Aid Office (based upon the signed award letter from the student and originated accordingly) and what was drawn down through G5. Any discrepancies are resolved. Pell is reconciled yearly.
 - A. Account for all drawdowns and refunds to ensure they are applied to the correct program year.
 - B. Ensure all batches have been sent to and accepted by COD and all disbursements and adjustments are reflected correctly on COD
 - C. Ensure all unbooked loans are booked or inactivated (reduced to \$0)
 - D. Resolve all outstanding rejected records.
 - E. Return all refunds of cash to ED
 - F. Request remaining funds owed based upon disbursements accepted by COD
9. All returns of FSA grants and Direct Loan funds previously disbursed are made through G5 by the Student Accounts Office. The Director of Financial Aid and Budget will make the appropriate adjustment to the student's record in COD (through EDEExpress for AY12/13 and beyond).
10. RSHSHS maintains its copies of the PPA and the ECAR in the office of the Director of Financial Aid and Budget and is made available for review by auditors when needed.

EDUCATION AND TRAINING: N/A

REFERENCES: CFR 668.16(d), 668.24(b), 668.164 -166

COMMITTEE AND COUNCIL APPROVALS: SHS Director's Meeting, 9/22/14

CANCELLATION: Reading Health System policies directly related to this topic shall supersede this RSHSHS policy. This policy supersedes all previous policies, memoranda, and/or other communications pertaining to this policy.