

4.7

Title IV program responsibilities

The institution is in compliance with its program responsibilities under Title IV of the most recent Higher Education Act as amended. (In reviewing the institution's compliance with these program responsibilities, the Commission relies on documentation forwarded to it by the U. S. Department of Education.)

Judgment

Compliance Partial Compliance Non-Compliance Not Applicable

Narrative

The Tennessee Technological University (TTU) Office of Financial Aid has received from the U.S. Department of Education three documents, described in the narrative below, that provide the basis for participation in Title IV aid programs. The University adheres to all federal regulations as set forth under Title IV Student Aid Programs [1].

Program Eligibility and Participation

ECAR. The TTU Office of Financial Aid received notification from the U.S. Department of Education in October 2012 that continued eligibility in all federal aid programs was reaffirmed from October 2012 through September 30, 2018. A copy of the Eligibility and Certification Approval Report (ECAR) is attached [2]. This document approves the University to participate in the following aid programs through the September 2018 date:

Program Approved	Continuously Since
Federal Pell Grant	July 1, 1972
Federal Family Education Loan	December 1, 1965
Federal Direct Loan	July 1, 1994
Federal Perkins Loan	July 1, 1972
Federal Work Study	December 1, 1965
Federal Supp Educational Opportunity Grant	December 1, 1965

ECAR for TEACH Grant. Additional programs have been approved by the U.S. Department of Education that are not included in the ECAR report. The TEACH Grant Program was approved on August 29, 2008. A copy of this approval notice is linked here [3].

PPA. The University has also received a Program Participation Agreement (PPA) dated through September 30, 2018, signed on behalf of the Secretary of Education, providing continued participation in any Title IV, Higher Education Amendments (HEA) Program [4].

Processing of student aid applications and of federal funds is carried out as mandated by these regulations. Student eligibility is verified in accordance with federal and state verification regulations. The regulations are reviewed annually, and all manual and systematic procedures are adjusted each year.

The Office of Financial Aid annually reports all federal aid expenditures to the Department of Education via submission of the Fiscal Operations Report and Application to Participate (FISAP) report. The FISAP report is completed by the Director of Financial Aid with assistance from University Loan Accounting staff and reported each year by the deadline submission date. The President of the University signs the

final report before submission is complete [5] [5b] [5c] [5d] [5e] [5f] [5g].

Table 1. Financial Aid Expenditures.

Academic Year	2010-2011	2011-2012	2012-2013	2013-2014	% Change
Federal Aid \$	\$50,588,292	\$51,738,627	\$49,801,272	\$49,609,854	-2%
Fed Aid Recipients	6842	6976	6795	6714	-2%
State Aid \$	\$24,560,676	\$26,456,622	\$26,650,512	\$27,232,301	11%
State Aid Recipients	5953	6321	6249	6262	5%
Institutional Aid \$	\$11,624,452	\$11,466,318	\$12,301,225	\$12,907,135	11%
Inst. Aid Recipients	3903	2759	3224	2768	-29%
External Aid \$	\$6,463,926	\$4,170,159	\$15,608,066	\$23,707,947	266%
Ext. Aid Recipients	1318	1191	1736	2078	57%

Annual Audit

The State of Tennessee Division of State Audit, in accordance with the U.S. Office of Management and Budget Circular A-133, conducts an annual audit of the federal award programs and those administered through the Tennessee Student Assistance Corp. The most recent finalized audit was for fiscal year 2013-2014. There has been one reported finding related to administering Title IV aid programs over the past four years. The narrative for Comprehensive Standard 3.10.2 provides further details of the results of all audits completed.

Cohort Default Rate

The Department of Education annually assesses the University Cohort Default Rate based on data provided by the National Student Loan Data System (NSLDS). A cohort default rate is the percentage of a school's borrowers who enter repayment on certain loans during a federal fiscal year (October 1 to September 30) and default prior to the end of the next one to two fiscal years. Each fiscal year, the University receives notification concerning its cohort default rate. TTU has had the lowest rate of all Tennessee Board of Regents institutions for each of the last five years. In fact, the current cohort default rate is second lowest of all four-year public institutions in the State of Tennessee (University of Tennessee at Knoxville, 8.1). The most recent default rates, as reported by the Department of Education, are as follows:

	TTU	State of TN Rate
National Rate		
FY 2012	Not Released Until September 2015	
FY 2011	8.7	13.4
13.7		
FY 2010*	8.2	15.6
14.7		
FY 2009	3.1	10.8
8.8		
FY 2008	2.6	8.8
7.0		
FY 2007	3.0	8.4
6.7		
FY 2006	3.0	6.1
5.2		

*This is the second year a three-year rate was used.

The University has never been placed on the reimbursement method. The University has never been required to obtain a letter of credit in favor of the Department of Education. Students are encouraged to contact the U.S. Office of Inspector General with issues or complaints regarding the administration of federal funds. To date, no action has been mandated by the Office of Inspector General as a result of these complaints or issues.

Conclusion

TTU has no significant impending litigation issues with respect to financial aid activities, no unpaid dollar amounts due back to the Department of Education, and no adverse communication received from the Department of Education. Therefore, TTU demonstrates compliance with Federal Requirement 4.7.

Sources

-  [1] Federal Student Aid Handbook
-  [2] ECAR Main
-  [3] ECAR Teach Addendum
-  [4] Program Participation Agreement
-  [5] 2007_08FISAP
-  [5b] 2008_09FISAP
-  [5c] 2009_10FISAP
-  [5d] 2010_11FISAP
-  [5e] 2011_12FISAP
-  [5f] 2012_13FISAP
-  [5g] 2013_14FISAP