



TEXAS HIGHER EDUCATION COORDINATING BOARD

P.O. Box 12788 Austin, Texas 78711

September 15, 2016

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Dr. Raymund A. Paredes
Commissioner of Higher Education
P.O. Box 12788
Austin, TX 78711

Dear Dr. Paredes,

I am attaching a copy of the final report of *A Review of the Free Application for Federal Student Aid (FAFSA) Completion Initiative*, Report No. THECB CM-SP-16-023. There were no reportable conditions resulting from this review.

The cooperation of your staff during this review was greatly appreciated.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Poehl".

Mark A. Poehl, CPA, CIA, CISA, CFE
Director, Internal Audit and Compliance

EXECUTIVE SUMMARY

Controls are in place to ensure that high school student data used in the ApplyTX Counselor Suite as part of the Free Application for Federal Student Aid (FAFSA) Completion Initiative is properly safeguarded in accordance with Family Educational Rights and Privacy Act (FERPA) requirements.

Our review included a test of authorization and access to the ApplyTX Counselor Suite. The ApplyTX Counselor Suite is a data base which allows high school counselors or advisors limited access to FAFSA filing information of senior students in their districts.

Procedures were performed to review controls over compliance with FERPA safeguarding of FAFSA initiative data by the Coordinating Board, The University of Texas, and participating Texas Independent School Districts.

The methodology included objectively reviewing and analyzing various forms of documentation, conducting interviews and observations, and performing a test of controls necessary to achieve the objectives of the review.

We conducted this review in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the review to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and recommendations based on our review objectives. We believe the evidence obtained provides a reasonable basis for the findings and recommendations based on the review objectives.

Background

The Department of Education launched the FAFSA completion initiative in an effort to allow state grant agencies such as the Coordinating Board to provide participating secondary school districts with limited data about students' progress in completing and filing the FAFSA form. Because the timely completion of a FAFSA form is an essential step for many families in obtaining financial aid to pursue a secondary education, the FAFSA completion initiative will enable state grant agencies and their school district partners to identify those students who have not filed a FAFSA form.

The THECB contracts with the University of Texas to develop and maintain the ApplyTX Counselor Suite for the approximately 1,249 school districts in Texas.

PERFORMED BY:

Mr. David Mahoney, Compliance Specialist

cc:

THECB

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