TRUCKEE MEADOWS COMMUNITY COLLEGE
STUDENT ACCOUNTS-PEOPLESOFT
Internal Audit Report
Fall 2012 and Spring 2013

GENERAL OVERVIEW

In recent years, institutions within the Nevada System of Higher Education (NSHE) have implemented a new student information system, PeopleSoft, as part of the first phase of the iNtegrate project. At Truckee Meadows Community College (TMCC) the system was implemented beginning with the Fall 2010 semester. PeopleSoft includes a student accounts module, which allows students to access their account information through a self-service portal, MyTMCC. This portal provides students, faculty, and staff with 24-hour online information and self-service capabilities. PeopleSoft allows students to check for important dates, access and update personal data, apply for financial aid, search for classes, register and pay for classes, and much more.

TMCC is authorized in Title 4, Chapter 17 of the Board of Regents Handbook to charge Fees and Expenses to students. These applicable fees and tuition are identified in the NSHE Procedures and Guidelines Manual, Chapter 7.

At TMCC, the Controller's Office is primarily responsible for charging and collecting tuition and fees. Tuition and fees charged to student accounts for the Fall 2012 semester was approximately $8.1 million.

SCOPE OF AUDIT

The Internal Audit Department has completed a review of student accounts within the college's PeopleSoft application for the Fall 2012 and Spring 2013 semesters.

Our review was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors, and included tests of the student records contained within the application and other auditing procedures, as we considered necessary. The tests included, but were not necessarily limited to, these areas.

1. Testing student accounts to determine whether tuition and fees, and refunds, were accurately assessed and recorded.

2. Reviewing the procedures for updating the tuition and fee tables within the PeopleSoft application.

3. Reconciling student registration fees collected and distributed by the college and verifying the distribution complied with NSHE Procedures and Guidelines Manual, Chapter 7, Section 15.

In our opinion, we can be reasonably assured that the administration of fees and tuition processed within the PeopleSoft application is being performed in a satisfactory manner. Implementation of the following recommendations, however, would further improve processes in this area.

STUDENT ACCOUNT TESTING

We generated reports of students enrolled in courses during the Fall 2012 and Spring 2013 semesters. From the reports a sample of 61 student accounts was selected for testing, 31 from the Fall 2012 semester and 30 from the Spring 2013 semester. We examined the students' accounts within the PeopleSoft application to determine whether tuition and fees was accurately assessed and recorded.

We also generated reports of students that had dropped courses or were dropped administratively by college personnel, within the PeopleSoft application. From the reports a

sample of 40 student accounts was selected for testing, 20 from the Fall 2012 semester and 20 from the Spring 2013 semester. The intent of the review was to determine whether these transactions were accurately recorded and in compliance with TMCC's drop and/or refund policies. The following exceptions were noted.

1. On two occasions, financial aid refunds were issued to students that had dropped all of their courses and were no longer eligible for financial aid. This occurred due to the timing difference between the processing of refunds and the review of financial aid eligibility.

    For improved control, we recommend the college develop a timelier method for identifying students that have no enrollment and for whom financial aid refunds should not be processed.

    Institution Response:
    We agree with the recommendation. These two refunds were previously identified by Accounting Services prior to the audit and as part of our normal process; a process had been initiated to correct the transaction and request a refund. We have reviewed our procedures to develop a more timely method for identifying these transactions. The Accounting Services department has modified the query used for issuing financial aid refunds. The department now verifies current enrollment status for each account and places a No Refund Hold on accounts not having the minimum required credits. All questionable refunds are confirmed with Financial Aid personnel before the refund is issued. This process is administered by the Cashier supervisor.

2. One student was enrolled in a course that required the assessment of a Special Course Fee. We noted the fee was not assessed. Upon further review, we noted the fee was not assessed to 12 other students enrolled in the course during the Spring 2013 semester.

    We recommend that college personnel determine the reason the fee was not assessed so this issue does not recur in the future.

Institution Response:
We concur with the findings and recommendation. With the implementation of PeopleSoft, special course fees were manually entered into the system. This process resulted in omissions. College staff have reviewed the noted discrepancy and made the appropriate adjustments to the student information system. To prevent this problem from recurring, TMCC has created an Institutional Master List of Special Course Fees kept by the Accounting Services department. This list is reviewed annually by each Academic Dean for accuracy. The Cashier Supervisor, or her designee, reconciles the student account system to the master list each term as part of the PeopleSoft Term Rollover process. Documentation of this review is kept by the Cashier Supervisor.

3. One student was enrolled in the college's Tech Prep Program and was assessed Special Course Fees for two courses. We were informed students in this program are not assessed tuition and fees. Upon further review, we noted 15 other students that were enrolled in the Tech Prep Program in the Fall 2012 semester that had similar charges. The charges remain as a balance in the students' accounts.

    We recommend the Special Course Fee charges be removed from the students' accounts.
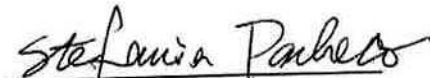
    We also recommend that students enrolled in the Tech Prep Program be properly identified within the PeopleSoft application so tuition and fees are not assessed.
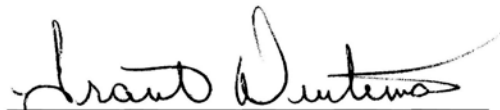
    Institution Response
    We agree with the recommendation and the charges have been removed from the student's accounts. Tech Prep students have historically been enrolled in a Tech Prep section of a course at the end of the preceding term. Our time sensitive procedures do not allow us to identify/exclude Tech Prep sessions in our term updates, so the Cashier Supervisor manually removes Tech Prep fees from the student's accounts when notified that a Tech Prep session had been created. This session was missed and the fee was not removed. To prevent this problem from recurring, the Accounting Services department now monitors the Tech Prep classes along with the normal course/class fees. The Cashier Supervisor, or her designee, reviews the Tech Prep class fees as part of the PeopleSoft Term Rollover process. This review is documented in the term rollover checklist. The Cashier supervisor also reviews the Tech Prep sessions during the term to ensure fees are removed from student accounts. Documentation for this review is kept by the Cashier Supervisor.

The Internal Audit Department appreciates the cooperation and assistance received from the

Cashier's Office during this review.

Reno, Nevada
September 27, 2013

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Truckee Meadows Community College
Student Accounts-PeopleSoft Audit Response (Fall 2012 and Spring 2013)

#	Recommendation	Implemented	Update*	Est. Date of Completion
1	Student Account Testing For improved control, we recommend the college develop a timelier method for identifying students that have no enrollment and for whom financial aid refunds should not be processed.	Yes	These two refunds were previously identified by Accounting Services and the return of the refunds had been requested as part of our normal processes. However, we agree with the recommendation and have modified our financial aid refund process so that refunds are not issued to students with a credit balance lower than the minimum required for financial aid. Prevention and Monitoring: To prevent this issue from recurring, the Accounting Services department has modified the query used for issuing financial aid refunds. The department now verifies current enrollment status for each account and places a No Refund Hold on accounts not having the minimum required credits. All questionable refunds are confirmed with Financial Aid personnel before the refund is issued. This process is administered by the Cashier supervisor.	Fall 2013

| 2 | Special Course Fee

We recommend that college personnel determine the reason the fee was not assessed so this issue does not recur in the future. | Yes | With the implementation of PeopleSoft, special course fees were manually entered into the system. This process resulted in omissions. College staff have reviewed the noted discrepancy and made the appropriate adjustments to the student information system.

Prevention and Monitoring: To prevent this problem from recurring, TMCC has created an Institutional Master List of Special Course Fees kept by the Accounting Services department. This list is reviewed annually by the Dean's for accuracy. The Cashier Supervisor, or her designee, reconciles the student account system to the master list each term as part of the PeopleSoft Term Rollover process. Documentation of this review is kept by the Cashier Supervisor. | Fall 2013 |
| 3 | Tech Prep Program Fees

We recommend the Special Course Fee charges be removed from the student's accounts. We also recommend that students enrolled in the Tech Prep Program be properly identified within the PeopleSoft application so tuition and fees are not assessed. | Yes | We agree with the recommendation and the charges have been removed from the student's accounts. Tech Prep students have historically been enrolled in a Tech Prep section of a course at the end of the preceding term. Our time sensitive procedures do not allow us to identify/exclude Tech Prep sessions in our term updates. So, the Cashier Supervisor manually | Fall, 2013 |

			removes Tech Prep fees off of the student's accounts when notified a Tech Prep session had been created. This session was missed and the fee was not removed. Prevention and Monitoring: To prevent this problem from recurring, the Accounting Services department now monitors the Tech Prep classes along with the normal course/class fees. The Cashier Supervisor, or her designee, reviews the Tech Prep class fees as part of the PeopleSoft Term Rollover process. This review is documented in the term rollover checklist. The Cashier supervisor also reviews the Tech Prep sessions during the term to ensure fees are removed from student accounts. Documentation for this review is kept by the Cashier Supervisor.	