



Ted Strickland, Governor
Eric D. Fingerhut, Chancellor

Board of Regents

University System of Ohio

STATE GRANTS AND SCHOLARSHIPS (SGS) GUIDANCE MEMO

REFERENCE:	SGS 09-001
TOPIC:	FINANCIAL AID AUDITS
AUTHOR:	CHAD FOUST, SGS DIRECTOR
DATE:	30 SEPTEMBER 2008
RELEVANT STATUTE:	ORC 3333.047

[3333.047 Student financial aid program audits.](#)

With regard to any state student financial aid program established in this chapter, Chapter 5910, or section 5919.34 of the Revised Code, the chancellor of the Ohio board of regents shall conduct audits to:

(A) Determine the validity of information provided by students and parents regarding eligibility for state student financial aid. If the chancellor determines that eligibility data has been reported incorrectly or inaccurately, and where the chancellor determines an adjustment to be appropriate, the institution of higher education shall adjust the financial aid awarded to the student.

(B) Ensure that institutions of higher education are in compliance with the rules governing state student financial aid programs. An institution that fails to comply with the rules in the administration of any state student financial aid program shall be fully liable to reimburse the state for the unauthorized use of student financial aid funds.

The Ohio College Opportunity Grant (OCOG) program has entered its third year of operation and will be fully phased in (with the elimination of the Ohio Instructional Grant program) during FY 2010. As such, it is imperative that our financial aid audit process be used effectively to monitor institutional administration of this relatively new program.

In assigning institutions for the 2009 calendar year audits (auditing academic year 2007-2008), two primary criteria will be applied:

- Primary emphasis on institutions which have yet to be audited for the OCOG program
- Secondary emphasis on institutions with larger volumes of OIG and OCOG expenditures

All calendar year 2009 audits will focus primarily on OIG and OCOG and will be based on a maximum sample of 250 students per campus/branch. With this directive, all institutions and branches (approximately 176 in all) will have undergone a financial aid audit of the OCOG program by the end of the 2011 calendar year (academic year 2009-2010).

Additionally, all institutions and branches newly approved for state grants and scholarships will automatically be assigned for a financial aid audit in the calendar year immediately following the academic year in which they first receive funding from any SGS program.