Barbara Mroz: Okay. I'm Barbara Mroz, and I'm the director of the Quality Assurance program. I'm proud to have been associated with this program since it began as a pilot project back in 1985, and I have been with the Department for 36 years – actually before it was a department. It used to be part of Health, Education, and Welfare. The Quality Assurance program has undergone changes throughout the years, and one of the major ones was becoming authorized in the statute, but it has always had the focus on compliance, quality improvement, and streamlining operations. I hope that your presence at this session is an indication that you're interested in learning more about the program and how it can help you and your students. Before we move on to the slide presentation, we're going to hear from Jeff Baker, Federal Student Aid's Director of Policy, Liaison, and Implementation.

Jeff Baker: Thanks, Barbara, and thank all of you for coming to this session, last session, last day. We know that you have to get moving.

(Crosstalk)

Barbara Mroz: I think your mic's not on.

Jeff Baker: Oh, no, okay. Sorry. Thank you, Barbara, and thank you all for coming to this session, the last session on the last day. We're excited about this session. We were excited about deciding to offer it because what it's about is to inform as many financial-aid administrators as possible about the Quality Assurance program, and so we had overwhelming crowds the other day, and then, again, today, at the last session, which is why we moved rooms, and we apologize for that a little bit, but it's good news for us. The Quality Assurance program, as Barbara mentioned, has been around for years, and it has been invaluable to the Department. It actually serves – I think a way to put it – three different constituencies, but also three that are of course very much interrelated. It allows schools to, on the one hand, have some reduced burden in the administration of Title IV programs, particularly in verification, while, at the same time, enhancing the integrity of the programs because, in simple terms, and these folks will give you a lot more detail, but in simple terms it says, "Rather than use a national analysis of who dish like for verification and how to verify, let's have each school use some analytical tools to determine where it's best to put the school's resources, and, frankly, from the students' perspective, let's not hassle students where there's unlikely to be an error for the students at that particular school."

The data that the Quality Assurance program collects comes back to the Department, and we use it in our analysis to set national standards and national selection criteria, and David will give you a little bit more on that. One of the things we've been concerned about over the years is that we need to expand the number of schools in the Quality Assurance program, and we need to expand the diversity of the types of institutions in the Quality Assurance program, so it's an exciting time. I think we probably would have moved in this direction to look for expansion anyway, but with the new verification regs and IRS data retrieval, it's a perfect time to move in this direction, so we're very much appreciative of you being here, we hope that you'll take a lot away from this session, you'll ask questions towards the end, you'll follow up with our team, and that many of you will get serious about being in our Quality Assurance program and expanding the opportunities for your school to reduce some burden, for your school to serve your students better, and for, as a national program, for us to have even better information in terms of making national policy and national selection, so we're really excited about.

I need to apologize. I have an airplane I have to catch, and it's been a long four days, so thank you very much. I apologize to my colleagues here. They're gonna take you through a not very extensive, but an overview of the QA program, and then we'll have some discussion with the team and amongst yourselves, and hopefully you'll get excited about it and follow up with us over the next days and weeks. Thanks very much. Thank you. *(Applause)*

Barbara Mroz: Thank you, Jeff. Travel safely. Now that you've heard from Jeff, Anne Tuccillo, a senior member of the Quality Assurance program team, will walk through the first part of the slides.

Anne Tuccillo: Can you hear me okay? Okay.

Audience: No.

Anne Tuccillo: No? Okay. Well, I guess I'll have to talk with my ear to my shoulder. I have this remote on, so I'll try and project loudly. Thank you for coming this morning. As Barbara mentioned, my name is Anne Tuccillo. I've worked for the Department for 26 years, pretty much from the – except for one year of my federal career, I've worked for Quality Assurance, and it's funny, Jeff was referred to as Grumpy – there was Happy and Grumpy – and I've been referred to as Gimpy because I only have one good leg during this conference, so it's been interesting getting around, but thank you for those who have opened doors for me or helped me get where I need to go. What I want to do today is go over a couple of slides that give you a high-level picture of what the Quality Assurance program is, where it's been, where it is now, and where we hope it will go, but what we hope to accomplish in this session is three things – talk a little bit about the QA program, Jeff briefly touched on how we think we're at a pivotal point right now, to talk about moving the program forward to incorporate the changes that are being made to verification at the federal level, and also with the implementation of the IRS data-retrieval solutions, so that's kind of our second objective, and to share with you a new approach to looking at information about verification, using data to make informed decisions, not only about how verification is working at your institutional level, but those best practices that are being discovered or are being implemented on the campus level can be used then to inform the federal verification policy at federal student aid.

So those are the three things we hope to leave you with. I could talk forever about QA, but since we only have an hour and 15 minutes, it's gonna be a very high-level discussion. Okay. Three cornerstones of the QA program. It's authorized in legislation, it focuses on targeted verification and also, that targeted verification, the key point in that is also analyzing the results of your verification efforts. As you'll see that the QA program is authorized in 487a of the Higher Education Act, and what we want to impart upon you is talk a little bit about the vision, and the vision of the Quality Assurance Program, with around 150 school that are currently participating, is to provide tools that help all institutions of higher education participating in Title IV promote better service to students, compliance with Title IV requirements, and continuous improvement in program delivery. The key point about our program is that participating institutions develop and implement their own systems of institutional verification. They decide who and what they want to verify. It gives – schools have that regulatory flexibility to implement their own comprehensive systems to verify FASA information.

So for over 25 years, this program has provided the schools that currently participate with that flexibility. We also strongly emphasize tailoring your verification so that it's targeted, but we also provide schools that are in the program with tools to help them be successful in the program, by using the icer analysis tool, which is a web-based application, and also we have developed – it's birthed out of the QA program – the federal student-aid assessments. Has anybody heard of the FSA assessments or used them? Excellent. So those two tools, combined, help a school learn more about their financial-aid delivery, learn more about their verification so they can use the data that they learned from those policies and make improvements in their verification policies, and in overall their delivery of Title IV aid.

Some of you may be familiar with the QA program of the past, so we wanted to dispel some of the myths and the misconceptions that have circulated in the community for many years. Most of the misinformation stems from when this program was initially implemented as a pilot project. That's when Barbara and I both started working on it, when we were just really young and had lots of energy, and so right now we have moved from the pilot project into a full-blown program, but some of those myths and misconceptions still have hung around, and one of them, as Jeff had said – Jeff mentioned burden, but a lot of the misconceptions were that the program was burdensome, and, back in the day, when things were much more paper driven, it was a little bit more burdensome, but verification, no matter how you did it, was burdensome because we were all dealing with a paper process. So now, as we've moved towards more automation and everything, we've also moved along with the times as well, and we think the burden has shifted from that paper process to looking at making your work count. Maybe you're working smarter, not necessarily harder.

Again, one of the misconceptions back several years ago is that we had a complicated analysis tool. As you'll hear from our two school reps, they would probably agree with that. Twenty years ago, again, things were not as simplified as far as using any kind of analytic program, and we've moved away from the paper, and we've refined our methodology so that it is more intuitive, and it's a web-based application that schools use and that they're much more comfortable with using that type of product. No program reviews. That was something was part of our pilot project but, in recent history, has not been – you're still welcome to get program reviews at any time, whether you're in the program or not. One of the things we want to change is our last – on the left-hand side – large public universities overrepresented, and that's still pretty much true right now. We do have a good majority of four-year public institutions that comprise the bulk of our program. We're trying to expand the program so that we get a wide representation of all types and controls of schools, because we feel that might be a best practice at a two-year community college or a trade and technical school, as far as their verification processes and procedures or effective selection criteria, might not be as effective at a four-year public institution. So we would love to expand and have more representation from all types and controls of institutions.

Just a side note regarding the large public universities. The schools that are in QA that are from the four-year public universities disperse almost eight percent of the Pell dollars in the Pell Grant program, so even though we're looking at 150 schools in QA, a good majority of them are public but are, for that small a number, are still dispersing a good chunk of Pell money. Let's talk a little bit about what you're exempt from and what you're still required to do. As I mentioned, schools have that flexibility. They're given regulatory flexibility for implementing their own system for verifying icer or FASA information, and these are the regulations around the left-hand side, and the topic is on the right. Now, I don't want you to be confused because the next slide is going to show you the things that you are required to still comply with, and some of the same citations appear on both slides, but really what you're looking at as far as exemptions is that there are certain sections that allow you to establish your own policies and procedures, who you can select to be verified, the items to be verified, the acceptable documentation, and deadlines for submitting documentations, so, as we'll see in a few slides, you're selecting who you want, what you want to collect, and the timing for doing that collection.

Schools in the Quality Assurance program are exempt from having to verify those records selected by the central processing system because they are using data to base their decisions on how they're gonna shape their own verification criteria, and they will implement edits that select records for the population on their campus rather than that national selection that federal student aid uses for all other postsecondary, Title IV institutions. Requirements. Here you'll see some of the same sections. Certain sections of 668.53 and 54 are on both slides. We encourage you to go to our QA program web site and take a look at our federal register notice – Barbara will mention that later – that talks specifically about what it is you are exempt from and what it is – the requirements that you still must comply with. But, again, the requirements, in certain sections of 668.53, there are certain things about policies and procedures that you must adhere to. Everybody should have their verification policies and procedures documented in one way, shape, or form. If it's not in a manual, it needs to be accessible either in some type of electronic format or somewhere where, if you had a auditor or program reviewer, they would be able to find the procedures that you're going to be using for verification, and that holds true whether or not you're in QA or you're not.

The federal student-aid assessments have a wonderful section on verification, and they also have a wonderful section on creating a policies and procedures manual, and I strongly encourage you to take a look at that, as well. Again, schools in QA are not exempt from resolving conflicting data, and then also the updating the information, the interim dispersements, and the consequences of a change in applicant information. Okay, Jeff was not able to really stay with us for long, but what we wanted to try and show you was what verification will look like as it pertains to the Quality Assurance program. And, again, you see, there's two columns. You have the CPS column, and then you have the Quality Assurance program, and one thing that I want to point out is that no matter what system you're using, CPS or QA, we all share the same outcome. We want to ensure that the right aid is going to the right student at the right time. There are many different approaches that we can get to do the same, shared outcome, and QA is one of those.

So if you look about at CPS, with the new program integrity regs published, schools will verify 100 percent of those records selected by the central processing system. In the Quality Assurance program, you'll see we bold school. School will determine who to verify, and that school makes that determination after doing some analysis of their applicant population. Moving down, for 2011-2012, schools following the federal methodology will verify all five elements. Again, when you're looking at Quality Assurance, schools in the QA program will determine the items they want to verify. Again, moving down, acceptable documentation as prescribed in the regulation. Again, you see in the QA program, the school will determine the type of acceptable documentation to collect. Where we see a common thrain is when it comes to corrections and changes. Schools who are using the CPS edits and the Quality Assurance schools will send 100 percent of the corrections or changes through the CPS. There's no difference there.

Regarding how we approach verification or how we analyze data, federal student aid in the department will look at the data on a national level. Where you'll see a difference or a shift, and we think a more proactive approach, is looking at – we're gonna be developing online templates or online reports, which you'll see in a few minutes when David shares them with you, that will provide schools with results of their verification efforts on an individual criteria or criterion basis, so if you've implemented a criteria that's looking for dependent students who have EFC range between one and 5,279 and they have more than two in the household – that's just an example, something I've just come up with off the top of my head – you can get feedback from this tool that will say, "Hey, that edit was working, and that was a very effective way to verify or select applicants who had a higher likelihood of having a major change, and a major change either in their EFC or in their Pell Grant award." Okay? So what we'll be looking at is data from individual institutions but, more specifically, individual criterion that have been successful, and that data will be fed back to FSA, where the QA program schools will be helping to shape verification policy for all schools nationwide.

I know our Chief Operation Officer, Bill Taggart, has mentioned our five-year strategic plan. I know with all the other work and all the other reading that you probably have on a daily basis, you haven't probably gotten to it quite yet, so here I just wanted to share with you the core values, and we think the core values of our organization are also the core values that we share, or schools share, in the Quality Assurance program. Integrity – we are always stressing program compliance and making sure that we're all accountable for the work that we do in making sure that the neediest students get the aid that they're entitled to receive. Customer service – and I think our two school folks will talk a little bit about this. When your verification is tailored and targeted and you're actually focused in on the records or on the applicants that are most likely to make a change and you're letting go of the philosophy of, "I have to look at every file that cross my desk because I've got to check it," even though sometimes, and we'll all admit, a lot of those records don't have a change, or the change that's been reported is so insignificant that it doesn't affect the bottom line.

Those types of things are barriers to students getting the aid in a timely manner, and we're trying to get schools – or schools in the QA program have used that targeted approach to get that aid out to the students and to streamline that procedure so that students are getting the service and getting their aid on time or in a much more efficient manner. And it's improved the way the aid office operates from a customer-service standpoint. Excellence – I think we're all striving to do the very best that we do every day in our job. Respect is also respect between your customers, your students and your parents, and respect within your office. You know, when you're working together to try and reach a common goal and work on something that will probably help in the long run, both the burden in the office and the burden placed on the student – there's that respect that's key in that aspect. Stewardship – I think that enough is said. We all work very hard to ensure that not only the taxpayer dollars are protected but as well as your own institutional money as well.

And then teamwork – teamwork's a very important concept in the QA program, not only from using our – most in the area of using our tools, specifically when you're assessing your aid-office policies and procedures, teamwork is critical. Being in the QA program, we try and emphasize that not one person can do the program. This has to be a shared responsibility among the aid office, and also when you're doing your assessments. When you're trying to look at your Perkins portfolio or look at your fiscal responsibility, that is not just a financial-aid responsibility. Title IV administration is an institutional responsibility, and we encourage you to reach out to other offices to get them involved if you choose to join the Quality Assurance program, so that you have a team of folks in different areas of the aid office and also outside who know what you're doing and also have ownership in the process.

I love this slide. Again, we want to emphasize that CPS verification and the Quality Assurance program have the same shared outcome, and that's improving the process of verification, not only from the office perspective, but for the student perspective. But we like to look at it this way. The orange arrow says, "Do what you're told," which is what most of you are doing right now, versus having an opportunity to determine what you do. And with this program, the Quality Assurance program, we want to help you determine who to verify, to ensure, again, that the right aid is going to the right student at the right time, and to make sure that your verification is targeted to focus on those records and those applicants that matter. Where are we going? Again, just to reiterate, we're moving from more of a wider, program-wide look at verification to a data-driven and focused on more specific successful practices on an institutional-by-institutional basis. We're also going to be enhancing our web-based tool to help schools learn more about their verification criteria by providing reports that give them more information without them having to do a lot more work, to – instead of having to complete complex reports, we will simplify our reports to give schools feedback to them about the results of their verification efforts.

And with those two, the data-drive approach and the targeted verification, the enhancement to our tool, we hope that the schools that are participating in the Quality Assurance program will provide the data to FSA to help, as I said, impact the larger federal verification process. It's not a major shift in our program, but we see it as an improvement along the way. We've been improving this program for the last 25 years, and we think this is really a great time to move this program in the direction that I've been talking about because of all of the timing. It's just right. And at this time, I'm going to turn the podium over to David Rhodes, who's going to talk a little bit more about the tools and the data-driven approach.

David Rhodes: Thanks, Anne. I'm David Rhodes. I work together with Anne Tuccillo on the analysis of Quality Assurance data. We also work together with the rest of the team to develop the templates that are available in the icer analysis tool and in the previous versions of our analytical software. The change that Anne is talking about, just a few seconds ago, is – up until now, most of the analysis the QA schools did of their data and that we did of the program-wide data was kind of looking to make sure that they weren't giving away the store when they were allowed to develop their own verification procedures, to make sure that they maintained program integrity at least as well as the CPS, and the results of that analysis over the last at least five to ten years have been very boring. QA schools have remained on par with the CPS. They tend to do a little bit better job of preventing underpayments in the Pell Grant program and a little worse job in terms of preventing overpayments in the Pell Grant programs. Basically QA schools, if you'll pardon the pun, aim a little bit higher in the school verification criteria, and they just select a slightly higher EFC student for verification. They often have a significant amount of institutional funds or state funds that they want to make sure go to the right students.

So anyway, that analysis has been done and sort of accepted, and schools have been doing it, but we haven't been able to translate what schools have been doing on their campuses to feed into the CPS verification as much as we'd like. So what we're hoping to do is we're hoping to collect a little bit more detail about the reasons why individual QA schools select records for verification and evaluate those reasons rather than QA verification in total. It's very difficult to copy somebody else's complete verification system. We're hoping it'll be a little easier to copy one or two of their good ideas. So that's where the analysis is going. We're gonna ask schools to self-reflect on their individual reasons. They may have a whiz-bang program overall, but they might have one or two clunkers of an idea of why they're selecting students, and maybe they can get rid of those ideas. As a team, Anne and I will look and try to identify the most efficient and the most effective criteria amongst the schools as candidates to move into the CPS verification.

What I mean by an efficient criteria is an efficient criteria won't select a lot of records that don't experience a change to need-based eligibility. You don't want to have to verify 100 students to make 15 corrections. It'd be much better if you verified 20 students to make those 15 corrections. So that's efficiency. Effectiveness is not leaving people outside of verification that should be there. Every other year, QA schools do a random sample of at least 300 records and verify all the records in that sample to figure out what their verification criteria might be missing. Okay? So we're going to be looking to make sure that – we want efficient individual criteria, but we also don't want to leave people out of the verification system that should be there. This slide shows how this change is gonna be implemented. As Anne indicated, participants in the Quality Assurance program will remain exempt from the requirement of verifying any records selected by the CPS. That doesn't change at all. Again, we're gonna stick with the biannual sample methodology. In years the QA schools don't do a random sample to see what their verification system might be missing, they analyze records that they do select for verification to work on that efficiency, to see if they can remove the criteria that are inefficient or tweak the criteria to make them more efficient.

Right now we have them complete the complete federal verification worksheet. As Jeff and other people have shared, CPS verification is changing, and we anticipate changes going forward. As those changes are implemented in the CPS, this sample exercise in the QA program will change along with it. The Quality Assurance program is an alternative to CPS verification, so as CPS verification changes, those changes will be reflected in the Quality Assurance program, and given we don't know what those changes are, that's all I can say, is they'll change, and we don't know what those changes are. The icer analysis tool has 11 standard reports and an ad-hoc reporting capacity that allows schools to write their own analytical reports. Those reports focus in on the effectiveness of school verification in general. It identifies which icer records are most likely to change and tries to point the user to identify what types of students are most likely to experience changes in general or changes to a specific icer field. We're gonna retain most of those current standard reports, but we want to add into the icer analysis tool the ability to look at individual criteria, the ability to filter an individual criteria and to evaluate the effectiveness and efficiency of those criteria.

The program-wide analysis, as I've sort of shared before, kind of could be characterized as the Good Housekeeping seal of approval. Every other year they do a sample, we look at that sample, and we find QA schools in general are doing a pretty good job of maintaining program integrity. We still want to monitor that, but now we want to try to benefit from the experimentation the QA schools are doing, to identify their best ideas and try to copy them in federal verification. What do you have to do if you're a QA school? You have to verify your targeted records. You're free to ignore the CPS edits, but every QA school establishes their own verification criteria and needs to follow them. It's not "Do whatever you want" in terms of verification. It's "Set your own system up and follow that system for that award year." If your analysis indicates that you should change it, you change it in the following award year, and it's kind of a continuous improvement process where we expect QA schools will change their verification procedures moving forward. That's the whole idea. But they have to follow those procedures on an annual basis. It's not sort of "D whatever you want."

You use the icer analysis tool both to analyze your verification criteria but also to share your data with the Department. That's how Anne and I get the data to analyze, is through the icer analysis tool, so every February when we collect it, there's a couple of calls and e-mails saying, "Get your data into the tool now," and we collect it and analyze it. We're gonna be asking schools to provide additional information in terms of identifying which specific reasons they selected each record into the tool. And, any QA school in the audience, that's not until next year that we're gonna try to do that, so don't worry about that for this year. This slide provides overview template that we're working on. This is a prototype that we shared with the QA schools on Monday. We've been meeting with several of the QA schools in the PC lab over the course of the week, and this, I want to underscore, is a template that's received a lot of good, constructive criticism over the week, and we'll be taking those great ideas that we got from the QA schools into consideration in modifying this template, but the basic idea behind this template I think will remain, and what we want to have sort of as the major overall dashboard is we want to present schools participating in the Quality Assurance program an overview of how well their school criteria are doing, either in total or individually.

When you decide to verify or when you're deciding to verify icer records, you can get it right two ways and you can get it wrong two ways, and that's what the different bars on this stack-bar chart represent. They represent the intersection between selecting a record for verification and that record experience in a change to need-based eligibility. The definition we use, that's gonna be tweaked, is any change to a Pell. There's a lot of agreement about that. If a record experiences a change to a Pell award, that record's a good record to verify. Either they're gonna get more or less Pell, but you want to have them get the correct amount of Pell. The other part of our definition in this is a change to EFC of 400 or more. Some of the QA schools indicated they'd like to have the ability to set their own sensitivity on that EFC range. Some want it lower, some want it higher, and we're gonna try to implement that request. And they also pointed out that EFC changes above the cost of attendance, they don't care about, and obviously every institution's cost of attendance is different, and different students have different costs of attendance, so it would be nice if they could set that, as well. So we're gonna be working on that.

But anyway, definitions aside, you'd like to cover those records that have a major change with your verification criteria, and that's the bar that's on the bottom, represented in red. Those are records that experienced a change, and you selected them, and you've prevented an improper payment from being made. You can also experience a change and not be selected by a verification system. Those are potential liabilities out there. Someone is getting more or less aid than they're entitled to that wasn't corrected by verification. QA schools, when they're presented with that information, those are the records that they should want to add to their system in the next year. You can also go overboard. You can select records that don't experience a change. That's a lot of work for your office. That's a lot of work and hassle for your students. If there's no benefit to verification, we'd all just as soon not do it, so that's the third bar. And the second way to get things right is, if you don't experience, don't verify. Okay? And so that's the top, blue bar.

The dashboard report gives you an overview of what percentage of your records fall into those four different categories but doesn't tell you anything about who's who – "How do I figure out what students to add, what students to subtract from my verification exercises?" So what we've tried to develop is a detailed report that will allow schools with a limited amount of time and a limited amount of access to programming expertise a way to find out who they need to be verifying and who they maybe should stop verifying, and we've taken advantage of an active report feature that's available from the software that's behind the scenes on our tool. How many people in the audience have heard of Excel Pivot

Tables? Okay. How many people in the audience know how to program a Pivot Table? People on the video, you can't see, but there are significantly fewer hands know how to program a Pivot Table. What an active report is, it allows you to build your own Pivot Tables without knowing how to do that in Excel. It's just a simple click and menu-driven process. I just want to get over to a example of that.

This is real school data that's been shared with us. Name has been taken off to protect the innocent. And what this Pivot Table is – the rows are parental income level, negative through 75,000 or more, and the final category for "not applicable" – those are the independent students. The columns are whether or not this school selected that record for verification. So if you just look at the first row, A negative, those are folks with negative AGIs. There were eight of them in this school sample, and the school selected seven of those eight. That's how to read this table. Does everybody sort of follow what this table is presenting? These are simple counts, and you'll notice here that we have this variable called ABS Pell change. This ABS Pell change is the absolute value of Pell changes, so if a Pell increased $1,500, that value is $1,500. If a Pell was reduced $2,500, that value is $2,500. So any negative signs, in terms of changes of Pell, have been removed because, in terms of improper payments, you don't really care if an individual student is getting more or less – you just care that they're getting the right amount.

So if we change – instead of counting how many records there are, if we simply sum up what that absolute value in Pell changes is, we can see where verification is covering those changes and where verification is missing those changes. Remember the negative and zero columns. There weren't a lot of records there, just eight or seven or so, but look how many Pell changes they're there. None. Okay? So with this one small sample, you won't want to bet the farm on just eight records, but that's sort of a suggestion that people with extremely low incomes, after you verify them, you're not changing their Pell award, and with that low of income, they're probably going to have a pretty low EFC, so they're probably getting full Pell before and after verification. As you go up the income ladder, the first couple of rows, the lower incomes, there are some changes to Pell, but this school's verification system is covering them. The majority of the dollars in Pell changes are in the "yes" column. There are some ones that are missing, but no verification system is going to be perfect, but the majority of Pell changes are under the "yes" column, so those are covered. That's what schools would want to see when they're reading this new report.

But notice for the high incomes of $75,000 or more. There's quite a few changes to Pell here. Obviously if an income is, at least on the initial transaction, $75,000, that person probably is not gonna be Pell eligible on their initial transaction, but after they did the verification for their sample, they found a nontrivial amount of people who became Pell eligible once they corrected their FASA information. And notice that that – 24,000 out of that 26,000 is in the "no" column. Those errors in Pell wouldn't have been corrected by their normal verification system, and that's something for that school to consider. Maybe they want to figure out who these relatively high-income folks are that, after you verify, are going to be eligible for Pell because that will help, obviously, everybody. But that's sort of the basic illustration of the analysis we ask QA schools to do.

At this time I'd like to turn the presentation back over to Barbara Mroz to sum up the formal presentation but also to introduce two individuals that are participants of the Quality Assurance program.

Barbara Mroz: Thank you, David. Slide 17 does provide a summary of the benefits of participating in the Quality Assurance program. However, in the interest of time, I think it might be a more dynamic lesson for you to hear from two schools who are currently participating in the Quality Assurance program. So we have two guests with us today. We have Kirk Yetz, the director of financial aid at Central Michigan University, and Deborah Legron, the director of financial aid at Texas A&M at Texarkana, so we'd like to invite you to come up and speak to our audience.

Kirk Yetz: First of all, thank you for everyone for attending this session. As Barbara mentioned, my name is Kirk Yetz. I'm from Central Michigan University. We're one of the large public universities in the QA program. We've been in the program well over ten years now, and we've been asked to give sort of a school perspective on what we like about the program, how it assists our staff and our students. I guess probably the biggest benefit that we see is that it does allow us to get to know our filing population and tailor our verification process as in selection edits to sections or to groups of students in that population that make a difference. Years ago, we used to do the full 30 percent, wheel in 3,000-4,000 files every year. We'd have the staff go through and do the mundane verification, have students waiting to receive their aid, parents calling, departments calling, presidents calling, saying, "Why can't you speed the process up?"

And through QA, we've been allowed to, again, understand our population and go after those people and students who really seem to have problems filling out the FASA. In our case, we don't look at students who are not Pell eligible. We're a very large traditional four-year school. We make the assumption that parents and students can hopefully do the FASA correctly, and if you're not really receiving Pell, you don't qualify for any of our need-based financial aid, so we've concentrated on Pell-eligible students for years, and we've basically reduced our verification population down to five basic groups, and what this has done for our staff is it helps validate to them that if you're just verifying things, rubber-stamping a tax form and not making a change, we've got a lot more important things that we can find for you to do in the office as opposed to just rubber-stamping verification. And what it also does is it allows the parents and students who are not needed to be selected from having to send tax forms, W2 forms, and so forth, back and forth through the mail system or through the fax. By not pestering those folks, it does free up our staff to do a lot more individual counseling sessions, do more outreach, and do things that really help impact the overall experience for a student transitioning into college.

So from our perspective, just having that flexibility to look at our sample every year and say, "Hey, maybe we've got one of those clunker groups that is not producing any kind of edits, and we're changing two percent of the records we verify," we step back and ask ourselves, "Why are we doing it?" And if – we will throw that group out next year, and we'll pick something else, but it really helps keep the staff riled up because our staff, when they verify, we'll start into a verification process, and I will hear, within probably the first month of verification, that we're not making any changes to this cell, so we need to put that on our list of things not to do next year because it's not providing any changes to students' Pell eligibility, and by not changing it, we're sort of wasting our time. So from a large public school perspective, my staff is doing a lot less verification, but it's a lot more targeted, a lot more efficient, so they're understanding feeling that the benefits of not having to work overtime, which we all need more staff, quite frankly, but it gives them the opportunity to be more involved in the process and get to know the verification samples that we have selected.

So if anyone has any questions afterwards, I'll be happy to stick around and answer 'em from a large public school perspective.

Deborah Legron: Good morning. One of the things is, when I was asked by Anne to come and talk to you all about Quality Assurance – I've got a long history with Anne. I'm actually at my fourth school with Quality Assurance. I met her a long time ago, and, as such, it was actually a no brainer. The school that I'm currently at, Texas A&M Texarkana, was not a Quality Assurance school. I think we are actually the newest school. Okay, we are the newest school to become the Quality Assurance, one of the 150. We've been in Quality Assurance for about three months, so brand new. Brand-new director, brand-new school. One of the things that I actually did before I looked into becoming a Quality Assurance school was I looked at and assessed what was out there, looked to see what type of schools that we had in the Southwestern region, and would we be of benefit to the Department of Education for us to actually gather some information. In addition, looked at what my staff was doing.

Our team was working so hard to verify not only everybody that Department of Education said we needed to verify, but we are so good at catching errors that we were verifying 20 different codes that came off the icer. Now, when you only have a staff of two that are verifying, it makes it really hard, so – and that was one of the driving forces for us to become a Quality Assurance school. We're right in the process of doing our sample and actually seeing where our errors are. With all my years of experience, which I will not say, I can see where the trends are gonna come up, and I'm really excited to cut down on some of these things for the upcoming year. In addition to – it's just like a year of change for my school – in addition to becoming a Quality Assurance school, we also added freshmen and sophomores, as well as doctoral students, to our population, so we're this big old Slinky and we're growing at both ends, and, with that, it doesn't seem to be effective, and, as you know, you're not gonna get new staff. I need to find a better way to do it.

So this provides you the documentation to help hone what we're doing and to provide, hopefully, in the next year some support to my administration as to why additional staff may be necessary, or additional training to not only the students who work our front counter in our one-stop shop, but also to the staff that are going out to our local areas and recruiting, so I've get good information in the first time, versus having to work harder on the back end, which I'm very excited to do, and I'm working on doing some pieces for not only our recruiters, but also for our high-school counselors, so they actually know what they're doing, not just pushing people to fill out stuff with bad information, which is what we've had in the past, from what I'm looking at with the data that I've got. Another thing, as a brand-new director, is providing the assessments to ensure that I've got compliance. Not only do I have access to over 150 schools that can help me through some issues that I haven't experienced with the brand-new software system that I haven't had a lot of experience with, but it also gives me access to Department of Education staff that can give me some guidance as to schools of my size, which is about 2,000 – what they've found in some of the trends.

So those are some of the reasons why we decided to actually go and become a Quality Assurance school and actually take on the additional workload this year of not only doing regular verification but also doing a sample to provide information for the Department come February –

David Rhodes: Thank you.

Deborah Legron: *(Laughter)* – to help give some ideas to what's going on because, as you know, there's a lot of changes that are going on. Where I'm at in Texarkana, it's a very rural region. Lots of interesting things occur there where they didn't occur in the bigger cities I've been at before. For me, I'm a data-driven person. I find that it's hard for people to, as well as students, and at the administration, to argue when you have data that supports what you're doing, so it's something that I know that I'm excited, and the staff that was with me earlier this week really were excited about what I've done to them and for them, and so on that note I'm gonna turn it back over to Barbara.

Barbara Mroz: Thank you, Deborah and Kirk. So I wanted to ask the audience a question. Show of hands – who has an opinion about the QA program now that is different than they had when they walked into the room? Good. I'm taking that to mean it's a positive change of opinion. *(Laughter)* I'd also like to see what types of schools we have in the audience. Do we have four-year publics? Privates? Two-year? Okay. Career schools? Great. It's a good mix, and we do look forward to hearing from you. You can find out more about the QA program and how to join by visiting our web site. The address is up on the slide. We will have a notice published in the federal register inviting schools to participate, or to apply to participate. We expect that notice will probably be published in February of 2011, but there is a current notice that will expire before the new one is published, and you can currently use that one to apply for the program now if you're interested.

We also have our contact list if you have questions or want to contact any of us. We'd be happy to hear from you, and I think we have some time for questions if anyone would like to come up to the microphone or – okay.

Audience: I actually have three questions. I know you have a link about how to apply, but can you give any kind of indication about how schools might be selected or deselected when they apply, and the gal, I don't remember her name, that spoke, she's doing both QA and regular at the same time. Is that a normal transition, where you do both at the same time? And then, lastly, you indicated that 300 students were selected every other year. Is that based on the size of the school?

Barbara Mroz: Okay. I'll answer the question about the selection of the school. You apply by writing a letter, and the basic thing that we look at is we check to ensure that you don't have any open program reviews or serious audit findings, and those are just kind of the basics to make sure that you're in pretty good stead and that you would be able to meet the program requirements.

Anne Tuccillo: And then the second question regarding Deborah doing two things at once – obviously the first year, we don't want you to throw the baby out with the bathwater, so to speak, so I think it's just a way for them to analyze what's going on with the CPS to get a feel for what might be missed through CPS, but also then you need to start somewhere, and that's just kind of a transition step that most schools who are new to the program take.

David Rhodes: Right, in terms of the sample, unfortunately sampling theory doesn't allow for smaller schools to have a smaller sample than bigger schools. That said, if it's an extremely small school, like currently it's 1,000 or less, then we do a 20 percent sample for schools that are 1,000 or less. But to get a good estimate of a large population or a small population requires as much information, and therefore the same size sample, whether you're a huge school or a medium-sized school. Right, it's separate from your other stuff.

Audience: ____________.

Barbara Mroz: *(Crosstalk)* Every other year.

David Rhodes: *(Crosstalk)* Every other year.

Audience: Every other year?

Anne Tuccillo: So schools still do – who are in QA – are still selecting the records that met their selection criteria that they've developed, but then they're also doing that random sample.

Audience: _______ students who __________.

David Rhodes: Yeah.

Anne Tuccillo: Correct. A minimum of 350.

David Rhodes: Three fifty.

Anne Tuccillo: Three fifty.

Barbara Mroz: Other questions? Going once, going twice, going three times. Thank you very much. Just a reminder that evaluations, I'm sure you've heard, will be e-mailed to you after the conference is over. Thank you very much for joining us and have a safe trip back to wherever you came from. *(Applause)*

[End of Audio]