



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

MANPOWER AND WELFARE
DIVISION

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FEB 20 1975

Dr. Cleveland L. Dennard, President
Washington Technical Institute
4100 Connecticut Avenue, N.W.
Washington, D.C. 20008

Dear Dr. Dennard:

We have recently surveyed the College Work-Study program administered by the Office of Education (OE), Department of Health, Education, and Welfare. The Washington Technical Institute was one participating institution included in the survey, which covered program operations at both the OE and institution level during fiscal years 1972-74.

In examining fiscal year 1972 and 1973 program operations we observed problems involving:

- Students with different computed needs who received the same or similar award amounts.
- Students who received awards exceeding their estimated need for aid.
- Discrepancies in time and attendance and other payroll records.
- Compliance with program requirements.

In fiscal year 1974, the first three areas generally improved, but the problems involving compliance with program requirements continued. For example:

- Chapter 4 of the OE College Work-Study program manual specifies that needs analysis documentation should be maintained in the student's aid folder. The lack of complete needs analysis documentation can cast doubt on the aid officer's basis for determining need and may lead to other problems, such as overaward. For fiscal years 1972-74 we analyzed 45 student financial aid files selected at random from a universe of about 1,100. Thirty-seven of the 45 files (82 percent) did not contain complete needs analysis documentation.

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Eight of these students were paid a total of about \$11,400 under College Work-Study even though no needs analysis documentation was on file. The needs analysis documentation for the remaining 29 students was not the type required for the program; they were paid a total of about \$31,300.

--In another instance the needs analysis documentation indicated the student had no need, but she earned about \$1,800 under the program.

--The manual also requires that the amount of a student's College Work-Study award be documented in his or her financial aid file. Failure to do this makes it impossible to determine when the student's earnings will exceed his or her award or estimated total need. In 13 of the 45 files (29 percent), no award amount was specified. Most of these students participated in the program during the summer. Also the files showed that 29 of the 45 students earned a total of about \$16,500 more than their approved college work-study award limits.

We discussed the above problems with the Institute's director of financial aid. He stated that the lack of current OE regulations and the lack of an independent audit were problems. He added that the Institute was taking some corrective actions:

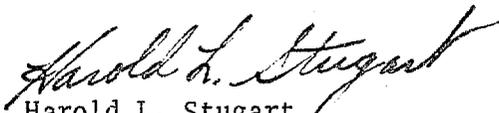
--A routine program audit of student aid programs would be required.

--The practice of failing to identify specific award amounts for College Work-Study participants had ceased.

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We are sending copies of this letter to the Secretary of Health, Education, and Welfare. Please thank your staff for their cooperation.

Sincerely yours,


Harold L. Stugart
Associate Director