

# WELCOME

## *Retention of Records: What's Required?*

**Thursday, February 12 at 2:00 p.m. EST**

**Moderated by**

**Pattie Mastin, Account Manager**

**Sharon Cameron, Audit and Compliance Specialist**

## **AGENDA**

- Review of Fiscal procedures and records  
(34 CFR 674.19 and 34 CFR 668.24)
- Record Retention Periods
- Record Maintenance
- What Campus Partners' provides as it  
pertains to Records and Retention
- Retention of Reports

The General Provisions regulations require that schools maintain detailed records related to their participation in the FSA programs.

In addition, a school must also comply with all program-specific recordkeeping requirements contained in the individual FSA program regulations.

## **Records and Reporting (34CFR 674.19):**

- An institution shall establish and maintain program and fiscal records that are reconciled at least monthly.
- Each year, an institution shall submit a Fiscal Operations Report plus other information that the Secretary requires. The institution shall insure that the information reported is accurate and shall submit it on the form and at the time specified by the Secretary.

## **Retention of Records – 34CFR 674.19:**

1. Records – An institution shall follow the record retention and provisions in this part and in 34CFR 668.24.
2. Loan Records –
  - An institution shall retain a record of disbursements for each loan made to a borrower on a Master Promissory Note (MPN). This record must show the date and amount of each disbursement.
  - For loans signed electronically, you must maintain an affidavit or certification regarding the creation and maintenance of your electronic MPN.  
(See section 34CFR 674.50)

## **Retention of Records – 34CFR 674.19, (cont.):**

- Schools must maintain a repayment history for each borrower. This repayment history must show the date and amount of each repayment over the life of the loan. It must also indicate the amount of each repayment credited to principal, interest, collection costs and either penalty or late charges.

## Retention of Records – 34CFR 674.19, (cont.):

ALL HISTORY DISPLAY

OPTION B

SEARCH START DATE 020307           END 999999

ACCOUNT 999 980 344 01   SSN 990 00 0344

CAMPUS PARTNERS TRAINING

PROGRAM 99920                   LOAN 999 98 0344 01

STUDENT ID \_\_\_\_\_

NAME       JOHNSON, CLYDE

TRAN DT P   PR O G M   L O A N   N U M B E R   S   T R A N   D E S C  
 012009 \* 99920 999980344-01 H PAYMENT

T R A N S A C T I O N   D E T A I L  
 PMT LN 4859.09+ TOTAL 4859.09+  
 PRIN 3596.23+ INT 132.67+  
 LT CHG 12.60+ C/FEES 1117.59+  
 PMT TYP 10 CORE FILM # 000000000

SEQ-107 POSTDT- 020209   EMP#- W164   BATCH- 2185   ITEM- 7   GROUP-

## **Retention of Records – 34CFR 674.19, (cont.):**

- The history must also show the date, nature and result of each contact with the borrower in the collection of an overdue loan. The institution shall include in the repayment history copies of all correspondence to or from the borrower, except bills, routine overdue notices and routine form letters.



## **Retention of Records – 34CFR 674.19, (cont.):**

3. Period of retention of repayment records - An institution shall retain repayment records, including cancellation and deferment requests **for at least three years** from the date on which the loan is assigned to **the Department of Education, canceled, or repaid.**

## **Retention of Records – 34CFR 674.19, (cont.):**

4. Manner of retention of Prom notes and repayment schedules –
  - a) An institution shall keep the original promissory note and repayment schedules in a locked, fireproof container until –
    - i. The loans are satisfied,
    - ii. The original documents are needed in order to enforce the loan obligation.
  - b) If a prom note was signed electronically, the institution must store it electronically and the prom note must be retrievable in a coherent format.
  - c) The institution shall retain certified true copies of documents released for enforcement of the loan.
  - d) After the loan obligation is satisfied, the institution shall return the original notes marked “paid in full” to the borrower, or otherwise notify the borrower in writing that the loan is paid in full, and retain a copy for the prescribed period.
  - e) An institution shall maintain separately its records pertaining to cancellations of Defense, NDSL and Federal Perkins Loans

## **What is 34CFR 668.24?:**

Record retention and examinations –

1. Program Records
2. Fiscal Records
3. Required Records
4. General
5. Record Retention
6. Examination of Records

## Record Retention Periods:

- Schools are required to retain records relating to its administration of the Federal Perkins, FWS, FSEOG, Federal Pell Grant, ACG, National SMART Grant, or TEACH Grant Program for three years after the end of the award year for which the aid was awarded and disbursed under those programs.
- Required minimum retention periods for records:
  - ❖ **Fiscal Operation Report (FISAP) and supporting records** – 3 years from the end of the award year in which the report was submitted.
  - ❖ **Perkins repayment records** – 3 years from the date on which the loan is assigned to the Department, cancelled or repaid. These records include cancellation and deferment requests.
  - ❖ **Perkins original promissory notes** – 3 years after all loans made under the MPN are satisfied or the documents are needed to enforce the obligation.

## **Record Maintenance:**

- Acceptable formats – a school must maintain all records in a systematically organized manner.
- Reference: 2008-09 FSA Handbook, p. 2-108 - Unless a specific format is required by law, regulations, or sub-regulatory guidance, a school may keep required records in:
  - Hard copy
  - Microfilm
  - Computer File
  - Optical Disk
  - CD-ROM
  - Other media formats

## Campus Partners provides:

- **System III / System 3i** - maintains a complete chronological history of all transactions, including:
  - Payment application;
  - Contact with the borrower;
  - Deferments and cancellations; and
  - Changes of name and/or address, etc.
- **Imaged Documents** – easily downloaded to System 3i; added option to restore archived documents
- **Annual CD-ROM** – assistance with reduction in paper

## Retention of Reports:

- **Loan Maintenance Reports:**
  - Student Loan Journal – permanent
  - TRA Report – (optional report) - permanent
  - Loans to Review for Cohort Default Rate – until the next report; June 30<sup>th</sup> report should be maintained with FISAP permanently
- **Past Due Loan Reports:**
  - Maintain until the next report or until necessary actions have been taken
- **Collection Agency Interface and Reports:**
  - New Delinquents Report (optional) – until activities have been performed
  - New Placements Report – until placements are verified
  - Collection Agency Inventory – until the next report is received
  - Transactions Against Loans in Collection – until payments are reconciled with agency invoice

## **Retention of Reports, (cont.):**

- **Accounting Reports:**
  - Transactions and Adjustments Journal – permanent
  - Cash Activity Report – permanent (with bank statement reconciliation)
  - Accounting Reports – permanent
  - Fiscal Operations Analysis Report (FISAP) – permanent
  - Funds Advanced YTD (optional) – one fiscal year
  
- **Management Reports:**
  - Status Summary Report – permanent
  - Collection Agency Recovery Analysis – permanent
  - Monthly Collection Analysis Report – permanent
  - Invoice Detail Report – until the next report

## RESOURCES

- Campus Partners' Federal Regulations Manual -  
<http://www.campuspartners.com/documentation>
- Department of Education –  
<http://ifap.ed.gov>
  - Federal Student Aid Handbook – on the IFAP home page under the heading “Handbook”.
  - Blue Book: Accounting/Recordkeeping/Reporting – on the IFAP home page, click on the Publications heading.

***QUESTIONS?***

**Thank you for joining us!**

**Should you have questions or want additional training,  
please contact Pattie Mastin at  
[pmastin@campuspartners.com](mailto:pmastin@campuspartners.com) or call 336-607-2011**