



## SC Commission on Higher Education Lottery Funds Expenditures

Monitoring Procedures as of September 26, 2022

**Disbursing Funds:** The Financial Aid Office (FAO) is responsible for coordinating all financial assistance offered to students at the College. The FAO is charged with the responsibility of ensuring that students meet the eligibility criteria for all aid awarded to include state based programs such as South Carolina Merit-Based scholarships (LIFE, Palmetto Fellows), SC National Guard College Assistance Program (CAP), and SC Need-Based Grants. The College uses Ellucian Colleague for all student information and finance functions. Colleague has adequate checks and balances and is designed as to allow for the separation of duties.

Though awards are made for the academic year, students must meet eligibility criteria each payment period in order for funds to be disbursed (transmitted) to the student's account. Funds are disbursed as students meet the disbursement eligibility criteria each term; however, an invoice is submitted later in the semester to CHE for a reimbursement of actual expenditures.

The initial CERS opening report is submitted by prescribed deadlines each semester to the SC Technical College System Office by OCtech's Institutional Effectiveness Office (IEO). The IEO works closely with the FAO to resolve data errors prior to submitting the file to State Tech. The CHEMIS disbursement report includes an itemized listing of all students and their corresponding award type and amounts. Once the System Office has accepted the file, it is then forwarded to the Commission on Higher Education.

**Posting Funds:** Each scholarship and grant is assigned a unique general ledger expense account and expenditures are posted and recorded daily as awards are transmitted to the student accounts.

**Reconciling Funds:** A designated Financial Aid staffer compares the expenditures from Colleague's Financial Aid Module to the general ledger in the Finance Module each month. Differences, if they exist, are identified and variances resolved each month. Additionally, the Accounting Manager performs a reconciliation prior to submitting an invoice each semester. This reconciliation includes a review of expenditures in the Financial Aid and Finance modules. All differences identified must be resolved.

**Requesting Funds:** At or near the middle of each semester, after all awards have likely been disbursed to student accounts, the OCtech Accounting Manager prepares and submits invoices to CHE to request lottery-funded scholarships (LIFE, Palmetto Fellow, SC Need-Based, and SC National Guard CAP). Each corresponding general ledger account expenditure total is compared to a system generated report from the Financial Aid module of Ellucian Colleague (TFAR – Transmitted Financial Aid Report) to identify variances and resolve any differences. The TFAR report contains the students' names and the award amount. Attached to the invoice is a copy of the TFAR report and general ledger expense report (with agreeing amounts for each award). In addition, for SC National Guard CAP scholarship, the students' last four of their social security number and the number of credit hours enrolled are also reported.

**Receiving Funds:** After sending the invoice to CHE, the Accounting Manager will periodically review the College's specified bank account to determine if the funds have been delivered via ACH. If after an extended period of time has passed and funds have not been received, the Accounting Manager will submit an inquiry to CHE about the fund reimbursement.