

## INSTITUTIONAL COMPLIANCE EXAMINER SERIES

<b>Code No.</b>	<b>Class Title</b>	<b>Occ. Area</b>	<b>Work Area</b>	<b>Prob. Period</b>	<b>Effective Date</b>	<b>Last Action</b>
1474	Institutional Compliance Examiner I	01	358	6 mo.	12/15/11	Rev.
1475	Institutional Compliance Examiner II	01	358	6 mo.	12/15/11	Rev.
1476	Institutional Compliance Examiner III	01	358	6 mo.	12/15/11	Rev.
1477	Institutional Compliance Examiner IV	01	358	6 mo.	12/15/11	Rev.
4814	Manager of Institutional Audits	01	358	12 mo.	12/15/11	Rev.

### *Promotional Line: 292*

#### Series Narrative

Employees in this series perform audits of institutions participating in student financial aid programs (such as colleges and universities, commercial lenders, and loan servicing entities) in order to analyze data and records for compliance with federal and state student aid regulations for such institutions. The work is analytical and evaluative in nature, with outcomes that may affect the financial position and administrative systems of the audited organization. Considerable travel to institutions in and out-of-state is common.

#### DESCRIPTIONS OF LEVELS OF WORK

#### **Level I: Institutional Compliance Examiner I 1474**

Employees at this level are entry-level professionals who examine institutional compliance with student financial aid regulations. Their assignments are closely monitored in order to develop knowledge, understanding, practical skills, and abilities to audit institutions. They work under direct supervision from higher level Examiners.

An Institutional Compliance Examiner I typically –

1. coordinates the gathering of documents necessary for pre-examination from various departments and computer records
2. under immediate supervision, works as a member of the compliance review team
3. receives financial aid training
4. on a limited basis, audits selected financial aid documents and files at external institutions to verify conformance to pertinent federal and state regulations
5. assists higher level Examiners in any aspects of an audit
6. receives instruction in and prepares working papers to properly document examination findings; prepares drafts of memorandums and write-ups to be included in the report of examination
7. performs other related duties as assigned

**Level II: Institutional Compliance Examiner II****1475**

Employees at this level are professional examiners who work independently as members of compliance review teams. They work under general supervision of higher level Examiners.

An Institutional Compliance Examiner II typically –

1. analyzes student financial aid records and documentation
2. gathers documents and facts related to the audit sample prior to the review
3. audits a variety of financial aid documents and files at external locations to verify institutional conformance to pertinent federal and state regulations
4. documents findings and assesses the institution's financial liability for non-compliance
5. assists Examiner III's in analyzing an institution's eligibility for participation in student financial aid programs by reviewing financial statements and student aid policies and procedures
6. performs other related duties as assigned

**Level III: Institutional Compliance Examiner III****1476**

Employees at this level are senior professional examiners who are regularly assigned to conduct and/or review institutions for compliance with pertinent state and federal regulations. They work under direction of higher level Examiners.

An Institutional Compliance Examiner III typically –

1. analyzes documentation submitted by the institution prior to the review to determine problem areas and sample size
2. when serving as examiner-in-charge:
  - a) coordinates audit activities from initial assignment to audit closure
  - b) assigns, directs, and reviews the activities of the compliance review team
  - c) corresponds with institutions prior to and following audit to resolve audit issues
  - d) explains findings to institutional administrative officers
3. conducts entrance and exit interviews with administrative officers of the institution selected for review
4. audits a variety of financial aid documents and files at external institutions to verify conformance to pertinent federal and state regulations

5. documents findings and assesses the institution's liability for non-compliance
6. interprets and resolves technical problems/questions during the course of the review
7. writes audit reports
8. researches technical issues to ensure consistent application of regulations and penalties
9. determines possible fraud and abuse and refers case to supervisor
10. analyzes institution's application for participation in student financial aid programs and documents results
11. recommends and suggests methods for improvement of services at the audited institutions
12. works on the development, maintenance, and improvement of automated review systems
13. facilitates travel arrangements for on-site visits at external institutions for review team
14. performs other related duties as assigned

**Level IV: Institutional Compliance Examiner IV****1477**

Employees at this level (a) apply auditing principles, theories, concepts, and practices to independently resolve problems for which no clear precedent exists and (b) supervise employees engaged in compliance reviews. The work is performed under administrative direction from higher-level personnel.

An Institutional Compliance Examiner IV typically –

1. prepares audit schedule in consultation with manager
2. plans and assigns team members and appoints examiner-in-charge to review selected institutions
3. coordinates all audit activities
4. audits a variety of financial aid documents and files at external institutions to verify institutional conformance to pertinent federal and state regulations
5. issues comprehensive audit reports and follow-up correspondence with audited institutions
6. develops automated information systems to assist in the review process
7. trains and evaluates performance of subordinates
8. provides technical and procedural advice to lower level Examiners
9. provides technical advice to higher level staff during the negotiation of settlements to recover funds and resolve audit findings

10. documents cases of fraud and abuse and refers them to appropriate agency (such as the Inspector General's Office or Attorney General's Office) for resolution
11. performs other related duties as assigned

**Level V: Manager of Institutional Audits****4814**

Employees at this level manage a program for auditing external student financial aid institutions for compliance with governmental regulations. They work under the administrative review of higher-level administrators.

A Manager of Institutional Audits typically –

1. develops and maintains an audit program that satisfies federal and state regulations
2. approves institutions selected for compliance review
3. approves audit schedule
4. answers appeals to audit reports as the agency's first level of response in the appeal process
5. evaluates new or proposed legislation to determine the impact on program operations
6. plans, organizes, and controls department operations, including the evaluation and management of professional staff
7. writes department policies and procedures
8. testifies at hearings involving the prosecution of fraud and abuse cases
9. manages the development of automated review systems
10. manages the recovery of funds and negotiates settlements with affected institutions to recover funds and resolve audit findings
11. performs or advises staff on complex analysis of financial position of institutions applying for participation in student aid programs
12. provides technical assistance to staff and to other agency personnel and professionals throughout the industry
13. manages the process of updating the federal data base containing institutional data
14. provides status reports of audited institutions to agency senior management
15. performs other related duties as assigned

MINIMUM ACCEPTABLE QUALIFICATIONS REQUIRED FOR ENTRY INTO:**Level I: Institutional Compliance Examiner I****1474**

## CREDENTIALS TO BE VERIFIED BY PLACEMENT OFFICER

1. Any one or any combination that equals **three (3) years (36 months)** from the categories below:
  - (a) credit for college training leading to a major in accounting, business administration, or finance or closely related field which included a Bachelor's Degree that was supplemented with course work in accounting, business administration, and/or finance<sup>1</sup>
    - 60 semester hours equals 1 year (12 months)
    - 90 semester hours equals 2 years (24 months)
    - 120 semester hours or a Bachelor's Degree equals 3 years (36 months)
  - (b) work experience and/or on-the-job training that provided a knowledge of generally accepted principles, theories, and practices used in one of the fields listed in "a" that included or was supplemented with 12 hours in accounting, business administration, and/or finance<sup>2</sup>

## KNOWLEDGE, SKILLS &amp; ABILITIES (KSAs)

1. Elementary knowledge of accounting theory, methods, standards, and procedures
2. Elementary knowledge of personal computer and peripherals
3. Ability to learn and retain knowledge of applicable federal law and regulations and accounting practices governing the student financial aid industry
4. Ability to prepare written documentation of examination findings in a logical and concise manner
5. Ability to maintain the confidentiality of information developed or received during the course of examination
6. Ability to establish effective working relationships with co-workers and officials and employees of schools and financial institutions
7. Ability to travel extensively and frequently within and outside the state to different work sites

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<sup>1&2</sup>In substituting work experience and/or on-the-job training for education as provided above, it is recommended that, in order to ensure consistent application of these qualifications, the evaluation and verification of an applicant's experience and/or training be accomplished through the cooperative efforts of the personnel office and an experienced professional in the field in a manner that will preserve the applicant's anonymity.

**Level II: Institutional Compliance Examiner II****1475**

## CREDENTIALS TO BE VERIFIED BY PLACEMENT OFFICER

1. Any one or any combination that equals **three (3) years (36 months)** from the categories below:
  - (a) credit for college training leading to a major in accounting, business administration, or finance or closely related field which included a Bachelor's Degree that was supplemented with course work in accounting, business administration, and/or finance<sup>3</sup>
    - 60 semester hours equals 1 year (12 months)
    - 90 semester hours equals 2 years (24 months)
    - 120 semester hours or a Bachelor's Degree equals 3 years (36 months)
  - (b) work experience and/or on-the-job training that provided a knowledge of generally accepted principles, theories, and practices used in one of the fields listed in "a" that included or was supplemented with 12 hours in accounting, business administration, and/or finance<sup>4</sup>
2. An additional preparation that equals **one (1) year (12 months)** of work experience comparable to that gained at the lower level of this series<sup>5</sup>

## KNOWLEDGE, SKILLS &amp; ABILITIES (KSAs)

1. Knowledge of accounting and auditing theory, principles, methods, and procedures
2. Knowledge of business administration practices
3. Ability to apply state laws and federal regulations pertinent to the accounting and auditing functions of a student financial aid institution (such as schools and banks)
4. Ability to check and verify financial entries from various source documents, including EDP printouts and other books and accounts and supporting financial records
5. Ability to review account records, statements, and documents for irregularities and non-compliance
6. Ability to prepare written documentation of examination findings in a logical and concise manner

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<sup>3</sup> A Master's Degree in accounting, business administration, and/or finance used to satisfy requirement #1 may be used in satisfying this requirement as well.

<sup>4&5</sup> In substituting work experience and/or on-the-job training for education as provided above, it is recommended that, in order to ensure consistent application of these qualifications, the evaluation and verification of an applicant's experience and/or training be accomplished through the cooperative efforts of the personnel office and an experienced professional in the field in a manner that will preserve the applicant's anonymity.

7. Ability to maintain confidentiality of information developed or received during the course of an examination
8. Ability to establish effective working relationships with co-workers and officials and employees of student financial aid institutions
9. Ability to travel extensively and frequently within and outside the state to different work sites
10. Ability to operate a personal computer and peripherals

**Level III: Institutional Compliance Examiner III****1476**

## CREDENTIALS TO BE VERIFIED BY PLACEMENT OFFICER

1. Any one or any combination that equals **three (3) years (36 months)** from the categories below:
  - (a) credit for college training leading to a major in accounting, business administration, or finance or closely related field which included a Bachelor's Degree that was supplemented with course work in accounting, business administration, and/or finance<sup>6</sup>
    - 60 semester hours equals 1 year (12 months)
    - 90 semester hours equals 2 years (24 months)
    - 120 semester hours or a Bachelor's Degree equals 3 years (36 months)
  - (b) work experience and/or on-the-job training that provided a knowledge of generally accepted principles, theories, and practices used in one of the fields listed in "a" that included or was supplemented with 12 hours in accounting, business administration, and/or finance<sup>7</sup>
2. An additional preparation that equals **two (2) years (24 months)** of work experience comparable to that gained at the lower level of this series<sup>8</sup>

## KNOWLEDGE, SKILLS &amp; ABILITIES (KSAs)

1. Working knowledge of methods and techniques of accounting and auditing
2. Working knowledge of student financial aid rules and regulations

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<sup>6</sup> A Master's Degree in accounting, business administration, and/or finance used to satisfy requirement #1 may be used in satisfying this requirement as well.

<sup>7&8</sup> In substituting work experience and/or on-the-job training for education as provided above, it is recommended that, in order to ensure consistent application of these qualifications, the evaluation and verification of an applicant's experience and/or training be accomplished through the cooperative efforts of the personnel office and an experienced professional in the field in a manner that will preserve the applicant's anonymity.

3. Knowledge of federal needs-analysis process used to determine student eligibility financial awards
4. Knowledge of economic and accounting principles and practices, the financial markets, banking and the analysis and reporting of financial data
5. Working knowledge of various types of records maintained by institutions, including financial aid, academic transcripts, student account records, and financial aid billing records
6. Working knowledge of electronic data processing as used by the student financial aid industry
7. Knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling, leadership technique, and coordination of people and resources
8. Ability to read, interpret, and analyze journals, ledgers, balance sheets, audited financial statements, and other types of financial documentation
9. Ability to recognize and determine violations of and non-compliance with student financial aid laws, rules, and regulations and to examine and interpret significant irregularities to student financial aid industry officials
10. Ability to apply project management methodology
11. Ability to prepare and maintain statistical and informational records and reports
12. Ability to travel extensively and frequently within and outside the state to different work sites
13. Ability to operate a personal computer and peripherals

**Level IV: Institutional Compliance Examiner IV****1477**

## CREDENTIALS TO BE VERIFIED BY PLACEMENT OFFICER

1. Any one or any combination that equals **three (3) years (36 months)** from the categories below:
  - (a) credit for college training leading to a major in accounting, business administration, or finance or closely related field which included a Bachelor's Degree that was supplemented with course work in accounting, business administration, and/or finance<sup>9</sup>
    - 60 semester hours equals 1 year (12 months)
    - 90 semester hours equals 2 years (24 months)
    - 120 semester hours or a Bachelor's Degree equals 3 years (36 months)

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<sup>9</sup> A Master's Degree in accounting, business administration, and/or finance used to satisfy requirement #1 may be used in satisfying this requirement as well.



- (b) work experience and/or on-the-job training that provided a knowledge of generally accepted principles, theories, and practices used in one of the fields listed in “a” that included or was supplemented with 12 hours in accounting, business administration, and/or finance<sup>10</sup>
- 2. An additional preparation that equals **two (2) years (24 months)** of work experience comparable to that gained at the lower level of this series<sup>11</sup>
- 3. **One (1) year (12 months)** of experience comparable to that gained as an Institutional Compliance Examiner III

#### KNOWLEDGE, SKILLS & ABILITIES (KSAs)

1. Broad knowledge of economic and accounting principles and practices, the financial markets, banking and the analysis and reporting of financial data
2. Broad knowledge of methods and techniques of student financial aid accounting and auditing
3. Broad knowledge and understanding of the various types of records maintained by student financial aid institutions (schools and banks)
4. Broad knowledge of methods, procedures, and techniques used in the examination and review of student financial aid documents and supporting documentation, and in determining and recommending appropriate corrective action
5. Broad knowledge of business and management principles involved in strategic planning, resource allocation, human resources modeling, leadership technique, and coordination of people and resources
6. Broad knowledge of principles and method for curriculum and training design, teaching and instruction for subordinates, and the measurement of training effects
7. Skill in recognizing and determining violations of and non-compliance with the student financial aid laws, rules, and regulations and in examining and interpreting significant irregularities to student financial aid industry officials
8. Ability to plan, organize, and supervise the activities of an assigned team of Institutional Compliance Examiners engaged in performing student financial aid audits

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<sup>10&11</sup>In substituting work experience and/or on-the-job training for education as provided above, it is recommended that, in order to ensure consistent application of these qualifications, the evaluation and verification of an applicant’s experience and/or training be accomplished through the cooperative efforts of the personnel office and an experienced professional in the field in a manner that will preserve the applicant’s anonymity.

9. Ability to apply project management methodology
10. Ability to operate a personal computer and peripherals
11. Ability to travel extensively and frequently within and outside the state to different work sites

**Level V: Manager of Institutional Audits****4814**

## CREDENTIALS TO BE VERIFIED BY PLACEMENT OFFICER

1. Any one or any combination that equals **three (3) years (36 months)** from the categories below:
  - (a) credit for college training leading to a major in accounting, business administration, or finance or closely related field which included a Bachelor's Degree that was supplemented with course work in accounting, business administration, and/or finance<sup>12</sup>
    - 60 semester hours equals 1 year (12 months)
    - 90 semester hours equals 2 years (24 months)
    - 120 semester hours or a Bachelor's Degree equals 3 years (36 months)
  - (b) work experience and/or on-the-job training that provided a knowledge of generally accepted principles, theories, and practices used in one of the fields listed in "a" that included or was supplemented with 12 hours in accounting, business administration, and/or finance<sup>13</sup>
2. An additional preparation that equals **two (2) years (24 months)** of work experience comparable to that gained at the lower level of this series<sup>14</sup>
3. **Two (2) years (24 months)** of experience comparable to that gained as an Institutional Compliance Examiner IV

## KNOWLEDGE, SKILLS &amp; ABILITIES (KSAs)

1. Extensive knowledge of the theories, principles, methods, and procedures of student financial aid, accounting, and auditing
2. Extensive knowledge of office methods and procedures

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<sup>12</sup> A Master's Degree in accounting, business administration, and/or finance used to satisfy requirement #1 may be used in satisfying this requirement as well.

<sup>13&14</sup> In substituting work experience and/or on-the-job training for education as provided above, it is recommended that, in order to ensure consistent application of these qualifications, the evaluation and verification of an applicant's experience and/or training be accomplished through the cooperative efforts of the personnel office and an experienced professional in the field in a manner that will preserve the applicant's anonymity.

3. Extensive knowledge of automated data processing systems
4. Ability to direct and manage the activities of a staff engaged in review activities
5. Ability to prepare, review, and interpret complex student financial aid records, reports, and systems
6. Ability to apply project management methodology
7. Ability to deal tactfully with controversial problems
8. Ability to operate a personal computer and peripherals
9. Ability to travel extensively and frequently within and outside the state to different work sites