



U.S. Department of Education
Office of Inspector General

Quality of Data Reported through the Department's Integrated Postsecondary Education Data System Surveys by Southern New Hampshire University

January 16, 2026
ED-OIG/I24IL0217

INSPECTION REPORT

NOTICE

Statements that managerial practices need improvements, as well as other conclusions and recommendations in this report, represent the opinions of the Office of Inspector General. The appropriate Department of Education officials will determine what corrective actions should be taken.

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UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

Audit Services

January 16, 2026

Lisa Marsh Ryerson
President
Southern New Hampshire University
2500 North River Road
Manchester, NH 03106

Dear President Ryerson:

Enclosed is our final report, "Quality of Data Reported through the Department's Integrated Postsecondary Education Data System Surveys by Southern New Hampshire University," Control Number ED-OIG/I24IL0217. This report incorporates the comments you provided in response to the draft report. The U.S. Department of Education's policy is to expedite inspection resolution by timely acting on findings and recommendations. Therefore, if you have any additional comments or information that you believe may have a bearing on the resolution of this inspection, you should send them directly to the following Department of Education officials, who will consider them before taking final Departmental action on this inspection.

Richard Lucas
Acting Chief Operating Officer for Federal Student Aid
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Matthew Soldner
Acting Commissioner of the National Center for Education Statistics
U.S. Department of Education
400 Maryland Ave SW
Washington, DC 20202

We appreciate your cooperation during this inspection. If you have any questions, please contact Tracie Goff-Smith, Assistant Director, Higher Education Oversight Team, at Tracie.Goff-Smith@ed.gov or (202) 987-0578 or me at Jeffrey.Nekrasz@ed.gov.

Sincerely,

/s/
Jeffrey Nekrasz
Acting Director
Higher Education Oversight Team

Enclosure

400 MARYLAND AVENUE, S.W., WASHINGTON, DC 20202-1510

Promoting the efficiency, effectiveness, and integrity of the Department's programs and operations.



Results in Brief

Quality of Data Reported through the Department's Integrated Postsecondary Education Data System Surveys by Southern New Hampshire University

Why Did the OIG Perform this Work?

Section 487(a)(17) of the Higher Education Act of 1965, as amended, requires postsecondary schools participating in Title IV programs to annually report data, including data relevant to students' cost of attendance and financial aid and the schools' graduation rates, to the U.S. Department of Education's (Department) Integrated Postsecondary Education Data System (IPEDS) to the satisfaction of the Secretary. IPEDS data are available to the public, including students, parents, and researchers, and can be used to analyze trends in postsecondary education. They also can help students attending postsecondary schools, prospective students, and their parents compare postsecondary schools and make informed school enrollment decisions.

The objective of our inspection was to determine whether Southern New Hampshire University (SNHU) reported verifiable data to IPEDS for the 2021–2022 reporting period.

What Did the OIG Find?

SNHU did not always report verifiable data in the Student Financial Aid, Graduation Rates, and Institutional Characteristic Surveys to IPEDS for the 2021–2022 reporting period because it did not update and implement procedures for collecting, consolidating, assessing the reliability of, and reporting data to IPEDS.

What Is the Impact?

Because the data that SNHU reported to IPEDS were not always verifiable, its published net price, graduation rate, and cost of attendance for the 2021–2022 reporting period were unreliable. Prospective students and their parents might have made enrollment decisions based on this unreliable information.

What Are the Next Steps?

We made five recommendations to the Chief Operating Officer for Federal Student Aid and the Commissioner of the Department's National Center for Education Statistics to address these issues.

We provided a draft of this report to SNHU for comment. SNHU agreed with three recommendations and disagreed with two recommendations. SNHU also disagreed with various conclusions presented in each finding. We summarize SNHU's comments and provide our response at the end of each finding. We also provide the full text of SNHU's comments at the end of the report. ([SNHU's Comments](#))

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Introduction

Background

Southern New Hampshire University (SNHU) is a private, nonprofit institution accredited by the New England Commission of Higher Education. SNHU offers courses and programs both on-campus and online and carries specialized accreditations for some programs, including more than 200 certificate, bachelor's, master's, and doctoral degree programs in areas such as business, criminal justice, education, engineering, health care, liberal arts, math, science, and social sciences. During award year 2021–2022 (July 1, 2021, through June 30, 2022), 223,520 students were enrolled in the school.¹

Title IV Programs and Funding Information

Programs authorized by Title IV of the Higher Education Act of 1965, as amended (HEA), provide financial assistance to postsecondary students and their parents through grants, work-study, and loans. During award year 2021–2022, SNHU participated in five Title IV programs—the Federal Pell Grant Program, William D. Ford Federal Direct Loan Program, Federal Supplemental Educational Opportunity Grant Program, Federal Work-Study Program, and Iraq and Afghanistan Service Grant. For award year 2021–2022, SNHU disbursed about \$816.4 million in Title IV funds to about 113,000 students.

Integrated Postsecondary Education Data System, Surveys, and Keyholders

The National Center for Education Statistics (NCES) within the U.S. Department of Education's (Department) Institute of Education Sciences oversees the Integrated Postsecondary Education Data System (IPEDS). It is responsible for collecting, analyzing, and reporting postsecondary education statistics. NCES collects data through a set of 12 annual surveys, including the Student Financial Aid (SFA), Graduation Rates, and Institutional Characteristics surveys.

¹ Our inspection covered the 2021–2022 reporting period, the most recent period for which final data from the Integrated Postsecondary Education Data System were available as of the start of our inspection in December 2024.

- The SFA survey collects data on the amount of financial aid, including grants, scholarships, Federal work-study, and loans received by all undergraduate students. Part D of this survey collects information used to estimate the average net price for Group 3 students.² Section 132(a)(3) of the HEA defines net price as the average yearly price charged to full-time undergraduate students³ seeking their first certificate or degree and receiving financial aid. According to the IPEDS survey materials for the 2021–2022 reporting period, net price is the school’s cost of attendance (COA) less the average amount of financial aid (excluding Higher Education Emergency Relief Fund grants) that Group 3 students received from Federal, State, and local governments and the school.
- The Graduation Rates survey collects data on the number of full-time undergraduate students who began attending a school in a particular academic year, were seeking their first postsecondary certificate or degree, and completed their program of study within 150 percent of the normal time for completion (1.5 years for a 1-year program, 3 years for a 2-year program, and 6 years for a 4-year program). The Department uses this data to calculate a school’s graduation rate.
- The Institutional Characteristics survey collects data on average tuition and fees, books and supplies, room and board, and other expenses that a school charges to full-time undergraduate students who are seeking their first certificate or degree.

Under Section 487(a)(17) of the HEA, postsecondary schools participating in the Title IV programs annually report data, including data relevant to students’ cost of attendance and financial aid and the schools’ graduation rates to the Department through IPEDS surveys to the satisfaction of the Secretary of Education. The “New Keyholder Handbook for the IPEDS Data Collection (Keyholder Handbook): 2021–22” states that the Department relies on postsecondary schools to report accurate data through the IPEDS surveys, and the IPEDS survey materials tell schools to report accurate and correct data.

² Group 3 students are all full-time (12 or more credit hours), first-time certificate- and degree-seeking undergraduate students who enrolled in the prior fall and were awarded grant or scholarship aid from Federal, State, or local governments or the school.

³ According to the IPEDS survey materials, a full-time undergraduate student is a student enrolled for 12 or more semester credits, or 12 or more quarter credits, or 24 or more clock hours per week each term.

IPEDS data are available to the public, including students, parents, and researchers, through the Department's [College Scorecard](#), [College Navigator](#), and [IPEDS Data Center](#) websites.

- The College Scorecard is a search tool designed to provide transparency and consumer information relevant to postsecondary schools. It brings together information on postsecondary education costs, graduation rates, student loan debt, post-college earnings, and more.
- The College Navigator is a consumer information and college search tool designed to help postsecondary school students, prospective students, and their parents understand the differences between postsecondary schools and how much it costs to attend each school.
- The IPEDS Data Center is a centralized, web-based tool for the retrieval and analysis of IPEDS data. It allows users to access and evaluate postsecondary school data using analytical features.

According to the Committee of Sponsoring Organizations of the Treadway Commission's "Internal Control—Integrated Framework" (Integrated Framework),⁴ management reports external non-financial information in accordance with laws, rules, regulations, standards or other frameworks. Internal controls help provide quality information underlying reports of external non-financial information (such as IPEDS surveys). The quality of such information depends on attributes such as verifiability, accuracy, and correctness.

The "Keyholder Handbook: 2021–2022" requires each postsecondary school to appoint an IPEDS keyholder. A school's keyholder is responsible for accurately and timely submitting all applicable IPEDS survey components. The keyholder's responsibilities include entering data into the IPEDS Data Collection System, resolving all issues and errors, and locking each component once it is complete and correct.⁵ The keyholder also serves as the school's point of contact with NCES.

⁴ The Integrated Framework is a widely accepted framework of internal control that focuses on the needs of the private sector. It contains five components of internal control—control environment, risk assessment, control activities, information and communication, and monitoring—and the underlying principles of each component.

⁵ Locking the survey indicates that the data for that survey component are complete and correct. Once locked, the system becomes read-only, and the keyholder no longer has access to the system to alter data.

Finding 1. SNHU Did Not Report Verifiable Data to IPEDS through the SFA Survey for the 2021–2022 Reporting Period

SNHU did not report verifiable data to IPEDS in the SFA survey for the 2021–2022 reporting period. SNHU did not correctly count and report the number of full-time undergraduate students who were enrolled in the fall of 2021, were seeking their first postsecondary certificate or degree, and were awarded grant or scholarship aid from Federal, State, or local governments or the school. As a result, SNHU overstated the total amount of grant and scholarship aid received from the Federal, State, or local governments, or the school by at least \$27,098. Because SNHU incorrectly reported data through the SFA survey, its net price of \$32,043 calculated for the 2021–2022 reporting period was unreliable. Prospective students and their parents might have made enrollment decisions based on this unreliable information.

Incorrect Counting of Full-time Undergraduate Students Seeking their First Postsecondary Certificate or Degree

To assess whether SNHU reported verifiable data through the SFA survey for the 2021–2022 reporting period, we selected a statistical sample of 71 students from the population of 1,483 full-time undergraduate students who were enrolled in the fall of 2021, were seeking their first postsecondary undergraduate certificate or degree, and were awarded grant or scholarship aid from Federal, State, or local governments or the school (see [Sampling Methodology](#)). We reviewed the school’s records for 17 of the 71 students and found that the data for 7 students were not verifiable.⁶ Based on our review, the 2021–2022 Institutional Student Information Report (ISIR)⁷ for each of the seven students indicated prior attendance at a postsecondary institution, and five of the seven students included prior attendance at a postsecondary institution on their SNHU admission application. For the two students who did not list prior postsecondary attendance on their admission application, we confirmed through the Department’s National Student Loan Data System (NSLDS) that these students had prior postsecondary education experience. Therefore, the school should not have included

⁶ Because we found more than three errors, we concluded that the data for the entire population were not verifiable at a 95 percent accuracy level. Further, because we found these errors after having reviewed the school’s records for the first 17 students in our sample, we did not review the school’s records for the remaining 54 students.

⁷ The ISIR summarizes the information provided by students on their Free Application for Federal Student Aid, including whether the student has prior postsecondary experience.

the seven students in its count of full-time undergraduate students seeking their first postsecondary certificate or degree, who were awarded grant or scholarship aid from Federal, State, or local governments or the school. [Table 1](#) summarizes the results of our work.

Table 1. Documents Supporting Student's Prior Postsecondary Attendance

Sample Number	2021–2022 ISIR?	SNHU Admission Application?	NSLDS Records?
3	Yes	Yes	Yes
6	Yes	Yes	No
8	Yes	Yes	Yes
11	Yes	No	Yes
12	Yes	Yes	Yes
13	Yes	Yes	Yes
17	Yes	No	Yes
Total Number of Students	7	5	6

SNHU incorrectly counted these seven students as seeking their first postsecondary certificate or degree because it did not have adequate procedures to identify first-time undergraduate students.⁸ According to SNHU, the university incorrectly counted five students as seeking their first postsecondary certificate or degree because staff completing the Fall Enrollment survey for fall 2021 identified first-time students based on whether SNHU awarded transfer credit at the time of admission. If SNHU did not award transfer credit at the time of admission, the student was designated as a first-time student. As a result, some students were incorrectly identified as first-time students in SNHU's Fall Enrollment survey for the 2021–2022 reporting period and in the

⁸ According to the SFA survey glossary, a first-time student is a student who has no prior postsecondary experience attending any school for the first time at the undergraduate level.

SFA survey for which cohorts are based on data from the Fall Enrollment survey. In addition, SNHU incorrectly counted two of the seven students who were seeking their first postsecondary certificate or degree because it did not resolve conflicting information between their ISIR and admission application. SNHU's believes it correctly classified the two students who did not report prior postsecondary attendance on their admission application because the IPEDS Fall Enrollment survey does not indicate that institutions are required to review NSLDS or ISIR data when determining a student's status. Principle 12 of the Integrated Framework states that an organization's management should implement control activities through policies establishing what is expected and relevant procedures specifying actions.

The "Keyholder Handbook: 2022–2023" provides a general description of the IPEDS survey components, data collected, data collection schedule, and keyholder responsibilities. It states that the primary responsibility of an IPEDS keyholder is to ensure that all applicable survey components are submitted accurately and on time. In addition, according to the SFA survey instructions for academic reporters, the student cohort includes undergraduate students enrolled for the prior academic year as of October 15 or as of the institution's official fall reporting date.

A postsecondary school participating in Title IV programs must complete IPEDS surveys to the satisfaction of the Secretary of Education (section 487(a)(17) of the HEA). Additionally, a school must demonstrate that it has the administrative capability to meet the statutory and regulatory requirements of Title IV programs (Title 34 Code of Federal Regulations (C.F.R.) section 668.16(a)). As such, a school must administer Title IV programs with adequate checks and balances in its system of internal controls (34 C.F.R. section 668.16(c)(1)). As relates to student information, this starts, in part with the school's review of a student's application for financial aid under Title IV, HEA programs. The school must develop and apply an adequate system to obtain and review all student aid applications, need analysis documents, eligibility notification documents presented by or on behalf of each applicant, and any other information normally available to the school regarding a student's previous educational experience and to identify and resolve discrepancies in the information that it receives from different sources (34 C.F.R. sections 668.16(f)(1) and (3)). In addition, pursuant to the Integrated Framework, management reports external non-financial information, such as IPEDS surveys, in accordance with laws, rules, regulations, standards or other frameworks; internal controls help provide quality information for such reports; and the quality of such information depends on attributes such as verifiability, accuracy, and completeness.

Potential Effect of Incorrectly Reporting Data through the IPEDS SFA Survey

SNHU overstated the total amount of grant and scholarship aid received from the Federal, State, or local governments, or the school by at least \$27,098—the amount of aid associated with the seven students with prior attendance at a postsecondary institution. Because SNHU incorrectly reported data through the SFA Survey, its net price of \$32,043 calculated for the 2021–2022 reporting period was unreliable. As a result, prospective students and their parents might have made enrollment decisions based on this unreliable information.

Recommendations

We recommend that the Chief Operating Officer for Federal Student Aid (FSA), in conjunction with the Commissioner for NCES, require SNHU to—

- 1.1 Update its existing policies and procedures for identifying full-time undergraduate students who were seeking their first postsecondary certificate or degree for the IPEDS SFA survey to ensure student cohorts are identified consistent with the Keyholder Handbook and survey instructions.

We also recommend that the Chief Operating Officer for FSA—

- 1.2 Consider taking appropriate action pursuant to subpart G of 34 C.F.R. 668 because the school reported inaccurate and incorrect information to IPEDS through the SFA survey for the 2021–2022 reporting period.⁹

SNHU's Comments

SNHU agreed with Recommendation 1.1 and has taken corrective actions to satisfy the recommendation. SNHU revised its policies to correctly classify first-time, full-time students; implemented a training requirement for relevant personnel; and implemented a quality control process to ensure procedures are being followed and first-time students are correctly identified. SNHU disagreed with Recommendation 1.2, and requested it be removed because the school contends a Subpart G action is inappropriate where the information it reported is generally verifiable and students and parents were not harmed.

⁹ Subpart G describes the actions that the Department may take against schools that violate any statutory provision of or applicable to Title IV programs. According to the “Keyholder Handbook: 2022–2023,” each year, Federal Student Aid issues fine notices or warning letters to schools for not complying with requirements related to the submission of IPEDS surveys.

SNHU disagreed with various conclusions presented in the finding. Of the seven students identified in the finding as being erroneously reported as first-time students, SNHU agreed with our conclusion about five of the students but disagreed with our conclusion about two of the students because the school said that IPEDS guidance does not instruct institutions to consult NSLDS or ISIR data when determining a student's first-time status. SNHU also disagreed with our reference to requirements at 34 C.F.R. section 668.16(f) to support the finding, stating that this rule for schools to have processes to resolve conflicting information does not apply to the collection and submission of IPEDS data but rather requires that relevant information regarding a student's application for federal student aid is directed from various sources around the institution to the financial aid office, which makes the determination on a student's Title IV eligibility.

For SNHU's revised cohort of first-time, full-time students for the 2021–2022 reporting period, SNHU stated that its recalculated net price is lower compared to the published net price; therefore, students and parents were not harmed by the published net price.

OIG Response

We stand by our finding and recommendations. SNHU's proposed corrective actions, if implemented as described, are responsive to Recommendation 1.1. Regarding Recommendation 1.2, the Chief Operating Officer for FSA will determine what corrective actions should be taken.

Regarding the seven erroneously reported students in the finding, because we found more than three errors, based on our sampling methodology, we concluded that the data for the entire population were not verifiable at a 95 percent accuracy level and that SNHU did not report verifiable data to IPEDS in the SFA survey.

While IPEDS guidance does not explicitly instruct institutions to review NSLDS or ISIR data when determining a student's first-time status, the Integrated Framework and IPEDS guidance establish the expectation that reported information is accurate. We revised the finding to clarify that (1) regulations at 34 C.F.R. section 668.16(f) regarding controls over the resolution of conflicting information apply to a student's application for Federal student aid; and (2) according to the Integrated Framework, internal controls help provide that quality information is used for external non-financial reports, such as IPEDS surveys.

SNHU did not provide any details about how it recalculated the lower net price. Because we concluded that the data for the entire population were not verifiable, any recalculations of net price would need to be based on verifiable data and recalculated based not only on corrected data for the seven students reported in the finding but for the entire population. Lastly, SNHU's statements that its SFA survey was generally verifiable, that its recalculated net price was lower, or that students and parents were not harmed need to be supported with verifiable data for the entire population.

Finding 2. SNHU Did Not Report Verifiable Data to IPEDS through the Graduation Rates Survey for the 2021–2022 Reporting Period

SNHU did not report verifiable data to IPEDS in the Graduation Rates survey for the 2021–2022 reporting period. We found that SNHU incorrectly reported the number of full-time undergraduate students who were enrolled in fall 2016 and were seeking their first postsecondary degree. Because SNHU inaccurately reported the number of such students, its overall graduation rate calculated for the 2021–2022 reporting period was not reliable. The unreliable graduation rate might have resulted in prospective SNHU students and their parents making enrollment decisions based on unreliable graduation rate data.

Inaccurate Counting of Students Who Began Attending during Academic Year 2016–2017 and Were Seeking their First Postsecondary Certificate or Degree

To assess whether SNHU reported verifiable data in the Graduation Rates survey for the 2021–2022 reporting period, we selected a statistical sample of 69 students from the population of 886 full-time undergraduate students who began attending the school during the academic year 2016–2017 and were seeking their first postsecondary certificate or degree (See [Sampling Methodology](#)). We reviewed the school’s records for these 69 students and found that SNHU should not have included 16 students from our sample in the fall 2016 cohort for the Graduation Rates survey because the students either began classes or completed postsecondary courses before the fall 2016 semester.¹⁰ Specifically, 13 of the 16 students began classes before the fall 2016 semester, with 11 students starting classes in the spring 2016 semester and 2 students starting classes in the summer 2016 semester. In addition, 4 of the 16 students completed postsecondary courses at other schools before the fall 2016 semester, and the credits they earned were transferred to the student’s degree being pursued at SNHU.¹¹

¹⁰ Because we found more than three errors, we concluded that the data for the entire population were not verifiable at a 95 percent accuracy level. We reviewed the school’s records for all 69 students in our sample due to the way in which the information was provided and the time needed to make our determinations.

¹¹ One of these students was also one of the 11 students who began classes in the spring 2016 semester.

The “Keyholder Handbook: 2022–2023” provides a general description of the IPEDS survey components, data elements, data collection schedule, and keyholder’s responsibilities. It states that an IPEDS keyholder’s primary responsibility is to ensure all applicable survey components are submitted accurately and on time. According to the IPEDS data collection system survey materials for the Graduation Rates survey for the 2022–2023 reporting period, institutions using a fall cohort must count all full-time, first-time degree or certificate-seeking undergraduate students who entered the institution in the fall term.¹² The survey materials also state that institutions are to report the status of these students as of August 31, 2022.

We identified 13 students who began classes before the fall 2016 semester—11 students who started classes in the spring 2016 semester and 2 students who started classes in the summer 2016 semester—who should not have been included in the graduation rate data reported to IPEDS.

Documentation provided showed that the 11 students who started in the spring semester were enrolled in March, April, or May 2016 and continued their enrollment through the following semesters. SNHU officials stated that the school’s spring semester spans from April 1, 2016, through September 30, 2016, and that the semester included dates that were typically part of a fall 2016 semester. However, the IPEDS instructions state that the full-time, first-time degree or certificate seeking undergraduate status of a student is based on the date the student entered the institution during the fall semester. The IPEDS instructions do not provide for institutions to establish a cohort based on the end date of the semester.

We found that the two students who started classes in the summer 2016 semester, did not attend classes in the fall 2016 semester, and later continued their studies in the winter 2017 semester. SNHU officials stated that the students started in the summer 2016 semester and that the summer semester for one student started on August 1, 2016, and ended on January 31, 2017, and for the second student started on July 1, 2016, and ended on December 31, 2016. In addition, SNHU officials stated that there is an exception for students who start taking classes in the summer semester prior to the fall 2016 semester. Specifically, the IPEDS data collection system survey materials for the Graduation Rates survey for the 2022–2023 reporting period states that there

¹² According to IPEDS survey materials, this survey component collects data on the cohort of full-time, first-time degree or certificate-seeking undergraduate students enrolled at the institution as of October 15, 2016, for institutions that offer a predominant number of programs based on standard academic terms (e.g., semesters, trimesters, quarters). SNHU offers programs based on standard academic terms.

are two exceptions: (1) a student who attended any postsecondary school for the first time in the summer before entering the school in the fall term and (2) students who entered with advanced standing (college credits earned before graduation from high school). Both are to be counted as first-time degree or certificate seeking undergraduate students. We determined that the exceptions did not apply to the two students because both students started with a full-time schedule in the summer 2016 semester and did not enter the fall 2016 semester afterwards, and the student transcripts did not show that they entered with advanced standing upon graduating high school.

Lastly, we determined that 4 of the 16 students completed postsecondary courses before the fall 2016 semester and the credits they earned were transferred to the student's degree being pursued at SNHU. Therefore, they were not first-time degree or certificate seeking undergraduate students as defined in the IPEDS glossary and should not have been included in the fall 2016 cohort.¹³ SNHU officials agreed that the four students should not have been included in the fall 2016 cohort because they had transfer credits from other post-secondary institutions prior to attending SNHU.

[Table 2](#) summarizes the results of our review.

Table 2. Graduation Rates Survey Verification of Students Incorrectly Included in the Fall 2016 Cohort

Sample Number	Student ID	Started During the Spring 2016 Semester?	Earned Transfer Credits from Other Institutions?	Started During the Summer 2016 Semester?
6	1270520	No	Yes	No
9	1221423	Yes	No	No
17	1252494	No	No	Yes
20	1223973	Yes	No	No
22	1221436	Yes	No	No
26	1221417	Yes	No	No
28	1221421	Yes	No	No

¹³ One of these students was also one of the eleven students who began classes in the spring 2016 semester.

Sample Number	Student ID	Started During the Spring 2016 Semester?	Earned Transfer Credits from Other Institutions?	Started During the Summer 2016 Semester?
31	0502549	No	Yes	No
32	1204890	Yes	No	No
34	1212498	Yes	No	No
36	1223630	Yes	Yes	No
40	0792610	No	Yes	No
41	1218339	Yes	No	No
47	1214871	Yes	No	No
51	0889634	No	No	Yes
56	1188342	Yes	No	No
Total Number of Students	16	11	4	2

According to section 485(a)(1)(L) of the HEA, schools are required to provide prospective and enrolled students with accurate information about the graduation rates for their full-time undergraduate students who were seeking their first postsecondary education degree or certificate. The graduation rate is calculated by dividing the total number of students who receive a certificate, degree, diploma, or other recognized postsecondary education credential within 150 percent of the normal time for graduation by the number of students in the revised adjusted cohort.

SNHU did not design and implement control activities to ensure that admissions and other pertinent information received about a student after admission was considered during its IPEDS reporting. According to Principle 12 of the Integrated Framework, an organization's management should implement control activities through policies establishing what is expected and relevant procedures specifying actions. Also, section 487(a)(17) of the HEA, and 34 C.F.R. section 668.14(b)(19), states that all schools that participate in any Federal student financial assistance program must complete all IPEDS surveys to the satisfaction of the Secretary of Education. Additionally, a school must demonstrate that it has the administrative capability to meet the statutory and

regulatory requirements of the Title IV programs (Title 34 C.F.R. section 668.16(a)). As such, a school must administer Title IV programs with adequate checks and balances in its system of internal control (34 C.F.R. section 668.16(c)(1)).

SNHU's Keyholder stated that she attended a training session in April 2018 and was advised that the cohort data used for the Graduation Rate surveys should remain unchanged and reflect the original composition of the cohort when it was created. However, the IPEDS data collection system survey materials for the Graduation Rates survey for the 2022–2023 reporting period state that institutions have the option to revise the initial cohort to add eligible students who were omitted and to remove students who were reported but who did not belong to the cohort.

Potential Effect of Incorrectly Reporting Data through the IPEDS Graduation Rates Survey

By incorrectly counting some students as full-time undergraduate students seeking their first postsecondary education degree or certificate, SNHU's overall graduation rate calculated for the 2021–2022 reporting period was not reliable. As a result, prospective students and their parents might have made enrollment decisions based on unreliable graduation rate information.

Recommendations

We recommend that the Chief Operating Officer for FSA, in conjunction with the Commissioner for NCES, require SNHU to—

- 2.1 Update its policies and procedures for collecting, verifying, and reporting accurate data for the Graduation Rates survey to align with current IPEDS reporting requirements and ensure accurate classification of first-time, full-time undergraduate students seeking their first postsecondary education degree or certificate.

We also recommend the Chief Operating Officer for FSA—

- 2.2 Consider taking appropriate action pursuant to subpart G of 34 C.F.R. 668 because the school reported inaccurate and incorrect information to IPEDS through the Graduation Rates survey for the 2021–2022 reporting period.

SNHU's Comments

SNHU agreed with Recommendation 2.1 and has taken corrective actions to satisfy the recommendation by revising its policies to correctly classify first-time, full-time students; implementing a training requirement for relevant personnel; and implementing a quality control process to ensure procedures are being followed and first-time students are correctly identified. SNHU disagreed with Recommendation 2.2

and asked the OIG to remove it. SNHU contends the data it reported were generally verifiable, that its recalculated graduation rate was better than previously reported, and that a Subpart G action is not appropriate because students and their parents could not have been harmed by the reported data.

SNHU disagreed with various conclusions presented in the finding. Regarding the 16 students identified in the finding as being incorrectly included in the fall 2016 graduation rate cohort, SNHU agreed with the OIG's conclusion as to 7 of the students but disagreed regarding the other 9 because each student was enrolled during a spring or summer term with dates that are inclusive of a traditional fall term and was enrolled on the IPEDS reporting date of October 15, 2016.

For SNHU's revised cohort of first-time full-time students for the 2021–2022 reporting period, SNHU stated that its recalculated graduation rate is higher compared to the published graduation rate. SNHU contends, therefore, that students and parents were not harmed by the published graduation rate.

OIG Response

We stand by our finding and recommendations. SNHU's proposed corrective actions, if implemented as described, are responsive to Recommendation 2.1. Regarding Recommendation 2.2, the Chief Operating Officer for FSA will determine what corrective actions should be taken.

Regarding the 16 erroneously reported students in the finding, because we found more than three errors, based on our sampling methodology, we concluded that the data for the entire population were not verifiable at a 95 percent accuracy level and that SNHU did not report verifiable data to IPEDS in the Graduation Rates survey.

Regarding the nine students enrolled in the spring or summer of 2016, IPEDS guidance clearly states that students must have entered in the fall semester to be considered full-time undergraduate students who were enrolled in the fall and were seeking their first postsecondary certificate or degree. Consequently, the students who were identified as entering SNHU in spring or summer semesters were incorrectly included in the graduation rate cohort reported to IPEDS.

SNHU did not provide any details about how it recalculated the higher graduation rate. Because we concluded that the data for the entire population were not verifiable, any recalculations of the graduation rate would need to be based on verifiable data and recalculated based not only on corrected data for the 16 students reported in the finding but for the entire population. Lastly, SNHU's statements that its Graduation Rate Survey was generally verifiable, that its recalculated graduation rate was higher, or that students and parents were not harmed need to be supported with verifiable data for the entire population.

Finding 3. SNHU Did Not Report Verifiable Data to IPEDS through the Institutional Characteristics Survey for the 2021–2022 Reporting Period

SNHU inaccurately calculated the room and board costs for off-campus students (those not living with family) and other expenses for all full-time undergraduate students on-campus and off-campus (both living with family and not with family) who began attending the school during the 2021–2022 academic year and were seeking their first postsecondary degree or certificate. This occurred because SNHU did not use the correct budgets for room and board and other expenses for the 2021–2022 academic year when determining certain component costs of its total COA. Additionally, SNHU did not maintain documentation to support the book and supplies cost that it reported to IPEDS. As a result, the school reported inaccurate room and board and other expenses, leading prospective students and their parents to make enrollment decisions based on unreliable information.

Inaccurate Use of Prior Year Percentages to Report Current Year COA

To assess whether SNHU reported verifiable data in the Institutional Characteristics survey for the 2021–2022 reporting period, we traced and verified the average amount of tuition and the required fees (student activity and wellness) that SNHU reported through the Institutional Characteristics survey to the documentation that SNHU officials provided as support for the data. We recalculated the room and board and other expenses and found that SNHU’s reported numbers were incorrect. SNHU uses budgets when determining certain component costs (room and board, transportation, and miscellaneous costs) of its total COA. A new budget is created annually, which SNHU uses to calculate the component costs. The Budget provides a total for the component costs and includes the individual components as a percentage of the overall total. The 2020–2021 budget totaled \$20,400 for a 9-month period, of which 52 percent was for room and board and 48 percent was for other expenses (17 percent for transportation costs and 31 percent for miscellaneous costs). The 2021–2022 budget totaled \$21,540 for a 9-month period, of which 54 percent was for room and board and 46 percent was for other expenses (11 percent for transportation costs and 35 percent for miscellaneous costs).

SNHU’s Vice President of Student Financial Services informed us that the school used the 2021–2022 Budget total cost of \$21,540 for a 9-month period; however, it inadvertently used the 2020–2021 percentages, of which 52 percent was for room and board and 48 percent was for other expenses, to calculate its 2021–2022 component

costs. This resulted in discrepancies in the COA cost component calculations. Because the school did not use the applicable 2021–2022 living expense percentages to calculate room and board and other expenses, it misreported these expenses. [Table 3](#) shows the discrepancies in the COA cost calculations by cost component.

Table 3. Discrepancies in the COA Cost Components Calculation

Cost Component	2020–2021 Budget Percentage	Calculated Cost Based on 2020–2021 Percentage	2021–2022 Budget Percentage	Calculated Cost Based on 2021–2022 Percentage	Total Difference
Room and Board (Off campus not with family)	52%	\$11,200	54%	\$11,632	(\$432)
Other Expenses (On campus)	48%	\$7,326	46%	\$8,198	(\$863)
Other Expenses (Off campus with and without family)	48%	\$10,438	46%	\$10,008	\$430

Further, SNHU did not maintain support for the 2021–2022 9-month average living expense that totaled \$21,540 and the 2021–2022 percentages that it used to calculate room and board (for off-campus students) and other expenses. When we requested supporting documentation from SNHU, university officials stated that they did not maintain the support and that they needed to obtain the information from a third party. Additionally, the books and supplies cost reported by SNHU was not verifiable because the school did not maintain supporting documentation.

According to Principle 13 of the Integrated Framework, the organization obtains or generates and uses quality information. In addition, the quality of information depends on whether the data has certain attributes, including verifiability, accuracy, and correctness. Information is verifiable when it is supported by evidence from the source.

The “Keyholder Handbook 2021–2022” provides a general description of the IPEDS survey components, data elements, data collection schedule, and keyholder’s responsibilities. It states that an IPEDS keyholder’s primary responsibility is to ensure all applicable survey components are submitted accurately and on time. In addition, according to section 485(a)(1)(E) of the HEA, schools are required to provide prospective and enrolled students with accurate cost of attendance information.

The Institutional Characteristics survey instructions for the 2021–2022 reporting period required a school to report the required fees, books and supplies, typical room and board charges (costs) and other expenses (travel, loan fees, and miscellaneous) for a student for the full academic year 2021–2022. In addition, SNHU’s “Institutional Characteristics Work Instructions” require the school’s keyholder or their designee to use the current year’s cost of attendance to calculate the annual amounts for room and board and other expenses.

Potential Effect of Incorrectly Reporting Data through the IPEDS Institutional Characteristics Survey

Because some of the cost components used to calculate SNHU’s cost of attendance reported in the IPEDS Institutional Characteristics survey for the 2021–2022 reporting period were inaccurate (room and board and other expenses) and unverifiable (books and supplies), prospective students and their parents might have made enrollment decisions based on unreliable information. To the extent that students and their parents relied on inaccurate and unverifiable cost data in the COA used by SNHU to package financial aid, they could have under borrowed or overborrowed for room and board and other expenses.

Recommendation

We recommend that the Chief Operating Officer for FSA, in conjunction with the Commissioner for NCES, require SNHU to—

- 3.1 Update its existing policies and procedures to ensure that the cost of attendance data reported for the IPEDS Institutional Characteristics survey are accurate and supported by source documentation.

SNHU’s Comments

SNHU agreed with the recommendation and has taken corrective actions to satisfy it by revising its policies and procedures, implementing multiple levels of review, and developing a policy statement regarding record retention requirements.

However, SNHU disagreed with some statements regarding the accuracy and support for some of its reported costs. SNHU also disagreed with the statement in the finding that prospective students and their parents might have made enrollment decisions based on unreliable information. SNHU contends that because the COAs reported to IPEDS were the same COAs used to determine financial aid packages for students, the differences in total COA for off-campus students are insubstantial, and students decide to enroll based on their actual COA and net price, not on an estimated COA.

SNHU also disagreed with the statement in the finding that students could have under or overborrowed for room and board and other expenses, because the indirect costs portion of the COA is an estimate and not the actual indirect costs that a specific student will experience and students can chose to borrow less than the COA or request an increase to their COA to potentially receive more financial aid.

OIG Response

We stand by our finding and recommendation. SNHU's proposed corrective actions, if implemented as described, are responsive to Recommendation 3.1.

SNHU agreed that it made errors when calculating some components of the COA for the 2021–2022 academic year. Further, the COA reported to IPEDS was the same COA used by SNHU to determine financial aid packages for students. As such, inaccurate COA information was reported to IPEDS, made available to prospective students and parents, and used by SNHU to package financial aid for students. SNHU did not provide any evidence as to the actual effect of the inaccurate COA information on actual enrollment or borrowing decisions made by students and parents.

We revised our finding to clarify the effect of inaccurate and unverifiable COA data; specifically, "To the extent that students and their parents relied on inaccurate and unverifiable cost data in the COA used by SNHU to package financial aid, they could have under borrowed or overborrowed for room and board and other expenses."

Appendix A. Scope and Methodology

Our inspection covered selected data elements and variables that SNHU reported through the SFA, Graduation Rates, and Institutional Characteristics IPEDS surveys for the 2021–2022 reporting period, the most recent period for which final data were available as of the start of our inspection. To accomplish our objective, we reviewed

- sections 132(a), 485(a)(1)(E) and (L), 485(a)(3) and (4), and 487(a)(17) of the HEA;
- 34 C.F.R. Part 668, Subpart B—Standards for Participation in Title IV, HEA Programs, Subpart D—Institutional and Financial Assistance Information for Students, and Subpart G—Fine, Limitation, Suspension and Termination Proceedings;
- the Integrated Framework’s requirements for effective internal control;
- NCES’ “Keyholder Handbook: 2021–22” as it relates to the Institutional Characteristics survey, as the information for the 2021–2022 reporting period is collected in the fall of the 2021–2022 collection period;
- NCES “Keyholder Handbook: 2022–23” as it relates to the SFA and Graduation Rates survey as the information for the 2021–2022 reporting period is collected in the winter of the 2022–2023 collection period;
- Volume 2, Chapter 6 of the “2021–2022 Federal Student Aid Handbook;” and
- the IPEDS website.

We also reviewed SNHU’s website, annual compliance reports, and annual financial statement audit reports; records that school officials provided to us (see [Analysis Techniques](#)); and the New England Commission of Higher Education’s website. Additionally, we interviewed SNHU officials and reviewed the completed surveys that school officials provided to us.

Sampling Methodology

We used acceptance sampling to achieve our objective. For the SFA survey, we obtained from SNHU the population of 1,483 full-time undergraduate students who were enrolled in the fall of 2021, were seeking their first postsecondary degree or certificate, and were awarded grant or scholarship aid from Federal, State, or local governments or the school.

For the Graduation Rates survey, we obtained from SNHU the population of 886 students who were full-time undergraduate students, began attending the school during academic year 2016–2017, were seeking their first postsecondary degree or

certificate, and completed their program within 150 percent of the normal time for graduation from that program.

We then selected two random statistical samples. The SFA survey sample consisted of 71 of the 1,483 students who were full-time undergraduate students, enrolled in the fall of 2021, were seeking their first postsecondary undergraduate degree or certificate, and were awarded grant or scholarship aid from Federal, State, or local governments or the school. The Graduation Rates survey sample consisted of 69 of the 886 students who were full-time undergraduate students, began attending the school during academic year 2016–2017, were seeking their first postsecondary degree or certificate, and completed their program within 150 percent of the normal time for graduation from that program. We selected both samples using an expected error rate of zero. This sample design allowed for acceptance or rejection of the verifiability of the data for the population at a 95 percent confidence level. If the data were not verifiable for four or more of the students selected in each sample, then the data for the entire respective population would not be verifiable at a 95 percent accuracy level.

Analysis Techniques

We evaluated the verifiability of the final data elements that SNHU reported through the SFA, Graduation Rates, and Institutional Characteristics IPEDS surveys for the 2021–2022 reporting period. We concluded that the final data elements were verifiable when the school’s records supported its information system data that was reported through the three IPEDS surveys.

SFA Survey

We reviewed the school’s records for 17 of the 71 students in our sample. To determine whether the school accurately categorized these students as full-time undergraduate students, enrolled in the fall of 2021, who were seeking their first postsecondary undergraduate degree or certificate, and were awarded grant or scholarship aid from Federal, State, or local governments or the school, we reviewed the backup data file that SNHU provided as support. We traced relevant data, such as the student’s education history and number of credit hours attempted, to the 17 students’ school records. We concluded that SNHU accurately categorized the students if its records showed that they were full-time undergraduate students who enrolled in the fall of 2021, were seeking their first postsecondary degree or certificate, and received financial aid from Federal, State or local governments or the school during academic year 2021–2022. [See Finding 1.](#)

To determine whether SNHU reported the correct amount of total annual financial aid awarded to first-time, full-time who were seeking their first postsecondary undergraduate degree or certificate, and were awarded grant or scholarships by

Federal, State, or local governments or the school, we reviewed the backup data file that the school provided as support. For 17 of the students included in our sample, we traced the total amount of financial aid reported in the SFA survey to the school's financial assistance records. We concluded that SNHU reported the correct total amount of financial aid if the amount recorded in the school's records matched the amount reported through the SFA survey for the 2021–2022 reporting period. See [Finding 1](#).

Graduation Rates Survey

We reviewed the school's records for all 69 students included in our sample. To determine whether SNHU reported verifiable data in the Graduation Rates survey for the 2021–2022 reporting period, we reviewed the school's records (student application, demographic, academic program, graduation information, prior institution attended information, and award detail screenshots) from SNHU's Student Information System, and ISIR records, as well as the Department's NSLDS records for select students. We traced relevant data elements in the backup data file (students' enrollment dates, academic programs, number of credit hours attempted, graduation dates, and prior postsecondary education experiences) to the 69 students' official transcripts. We concluded that SNHU accurately categorized the students if its records showed that each of them completed their program by the end of academic year 2021–2022 (150 percent of the normal time for a 4-year program), was a full-time undergraduate student who began attending the school during academic year 2016–2017 and had not previously sought a postsecondary education credential. See [Finding 2](#).

Institutional Characteristics Survey

To determine whether SNHU reported verifiable cost of attendance data, we traced and verified the average tuition and the required fees (student activity and wellness) that SNHU reported through the Institutional Characteristics survey to its Fall 2021 Academic Catalog, its 2021–2022 cost of attendance backup file, and other documentation that SNHU officials provided as support for the data. In addition, we traced and verified that SNHU utilized the correct overall total for room and board and other expenses contained in the 2021–2022 budget for such expenses. We concluded that SNHU reported verifiable cost of attendance data if its records and other documentation supported the averages reported through the Institutional Characteristics survey for the 2021–2022 reporting period. See [Finding 3](#).

Use of Computer-Processed Data

We relied, in part, on computer-processed data from SNHU's student information system. We used the data to identify the populations for our two samples and to obtain student records, such as transcripts and financial aid. Because the objective of our inspection was to assess the verifiability of the data reported through the SFA,

Graduation Rates, and Institutional Characteristics IPEDS surveys, we did not separately assess the reliability of the student data from SNHU’s student information system.

We also obtained data from FSA’s Data Center and the Department’s NSLDS. We used that data to identify the amount of Title IV funds disbursed by SNHU during award year 2021–2022 and to determine whether students had prior postsecondary education experience. Because we considered it to be the best available data for the purposes of our inspection, we did not assess the reliability of the data.

Compliance with Standards

We conducted our work in accordance with the Council of the Inspectors General on Integrity and Efficiency “Quality Standards for Inspection and Evaluation.” Those standards require that we plan and perform our work to obtain sufficient and appropriate evidence to support our findings and provide a reasonable basis for our conclusions. We believe that the evidence obtained provides a reasonable basis for our conclusions.

We conducted our inspection remotely from December 2024 through May 2025. We discussed the results of our work with SNHU on May 5, 2025.

Appendix B. Acronyms and Abbreviations

C.F.R.	Code of Federal Regulations
COA	Cost of Attendance
Department	U.S. Department of Education
FSA	Federal Student Aid
HEA	Higher Education Act of 1965, as amended
Integrated Framework	“Internal Control—Integrated Framework”
IPEDS	Integrated Postsecondary Education Data System
ISIR	Institutional Student Information Record
Keyholder Handbook	New Keyholder Handbook for the IPEDS Data Collection
NCES	National Center for Education Statistics
NSLDS	National Student Loan Data System
SFA	Student Financial Aid
SNHU	Southern New Hampshire University

Southern New Hampshire University's Comments



**Southern
New Hampshire
University**

October 20, 2025

Via Email: Jeffrey.Nekrasz@ed.gov

Jeffrey Nekrasz
Acting Director, Higher Education Oversight Team
400 Maryland Avenue SW
Washington, DC 20202-1510

Re: SNHU Response to Draft Inspection Report (Control Number ED-OIG/I24IL0217)

Dear Mr. Nekrasz,

Southern New Hampshire University (“SNHU” or “University”) respectfully submits this response to the draft inspection report titled, “Quality of Data Reported through the U.S. Department of Education’s (“Department”) Integrated Postsecondary Education Data System Surveys by Southern New Hampshire University” (hereinafter “Draft Inspection Report”) received by SNHU on September 30, 2025.

I. Summary

SNHU appreciates this opportunity to respond to the Draft Inspection Report. Per the instructions in the OIG’s September 30, 2025 cover letter, SNHU confirms it agrees with Recommendations 1.1, 2.1, and 3.1 and that it has taken corrective actions to satisfy these recommendations. See Section II. SNHU also confirms it disagrees with Recommendations 1.2 and 2.2 and respectfully requests that the OIG remove these recommendations when issuing the Final Inspection Report. See Section III. Finally, SNHU provides detailed comments addressing Findings 1, 2, and 3 of the Draft Inspection Report, including points of clarification and requests for revisions when issuing the Final Inspection Report. See Sections IV, V, and VI.

II. SNHU Has Taken Corrective Actions Satisfying Recommendations 1.1, 2.1, and 3.1

SNHU agrees the institution made inadvertent errors when determining the first-time status of certain students identified during the OIG’s inspection, as discussed in detail in the below sections of this response. SNHU also agrees the institution made a one-time error when updating the cost of attendance for the 2021-22 award year.

SNHU has implemented a robust IPEDS policy and revised its procedures to address these issues and to ensure the institution is meeting the reporting requirements published in the IPEDS guidance and the Department’s record retention requirements. Assuming the OIG agrees the attached revised policies and procedures resolve Recommendations 1.1, 2.1, and 3.1, SNHU

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respectfully recommends the OIG either remove them from the Final Inspection Report entirely or note in the Final Inspection Report that they have already been resolved by the institution.

a. Recommendations 1.1 and 2.1

Initial Identification of First-Time Students for the Fall Enrollment Survey

As SNHU is an academic reporter for IPEDS, the first-time, full-time cohort reported on the Fall Enrollment Survey is pre-populated in the Cost II, Student Financial Aid, and Graduation Rates Surveys. SNHU has revised its policies and procedures to ensure it correctly identifies first-time students for inclusion in the fall cohort reported in the Fall Enrollment Survey.¹ In particular, SNHU has implemented two procedures to ensure the student is correctly classified as first-time prior to submission of the Fall Enrollment Survey: SNHU (1) confirms the student began enrollment at SNHU in the correct term; and (2) reviews the student's record in SNHU's system (including the application for admission), data from the National Student Clearinghouse (NSC) and postsecondary transcripts (including SNHU transcripts) a second time to confirm there is no evidence of prior postsecondary enrollment that the student did not disclose.²

Students are first identified as potentially first-time through SNHU's admission process.³ That is, when the student completes the application for admission, the student is asked to inform the university (via admissions counselor, portal, or the actual application) of prior institutions attended. If the student self-reports this information, he or she can also indicate the list of postsecondary institutions attended. The student also attests to his or her month and year of high school graduation/GED completion (via an attestation form). The information provided by the student is stored in SNHU systems and updated if additional information is subsequently provided (i.e., transcripts). During the admission evaluation process, the Transfer Credit Evaluation Team reviews all information provided to date by the student and populates the entry status classification (i.e., first-time or transfer) in the SNHU system. Although a student may be classified as first-time based on the Transfer Credit Evaluation Team's review, the student's classification is not considered official for IPEDS purposes and is subject to change based on the results of the procedures described below.

- Procedure 1:⁴ SNHU runs a query in its student information system to identify students who began enrollment at SNHU in a term that is eligible for potential inclusion in the fall cohort. The query identifies undergraduate students with a first term of enrollment at SNHU that is the fall term, or the preceding summer term if the student also enrolls for the fall term.
 - A student must have been enrolled in the fall term to be included in the query. Summer term enrollment is optional.

¹ Student enrollment for the Fall Enrollment Survey is reported as of October 15.

² In order to be responsive to the Draft Inspection Report, SNHU describes in this response those procedures that relate to student classifications (e.g., first-time, transfer). SNHU's various other IPEDS procedures are not described in this response. For example, when determining how a student should be reported to IPEDS, SNHU also evaluates the student's enrollment status (i.e., full-time, part-time), degree or certificate-seeking status, and any other criteria required by IPEDS surveys.

³ See Exhibit A, Section VII.b.ii (pages 9-10).

⁴ See Exhibit A, Section VII.b.ii (page 10).

- Students who began enrollment in any term other than summer or fall will not be included in the query.
- Procedure 2:⁵ If the student is identified as a potential first-time student for the fall cohort based on the classification assigned during the admission process and procedure 1, SNHU then reviews the student's record in SNHU's system (including the application for admission), reviews the student's record in NSC, and reviews any postsecondary transcripts received (including SNHU transcripts) to determine the student's classification. Procedure 2 is completed after the admission process has ended and by SNHU's Analytics Office, which oversees the IPEDS reporting process. Any evaluation of a student's classification is made in compliance with IPEDS guidance defining a first-time student at an academic reporter institution.
 - If a student has no enrollment history in the NSC and no postsecondary transcripts (with the exception of coursework that occurred during high school or in the summer immediately preceding the student's first fall trimester at SNHU), and is enrolled in the correct term, the student is classified as a first-time student for IPEDS reporting purposes according to the student's enrollment status for fall (e.g., full-time or part-time).
 - If there is any conflicting information in the student's admission record regarding the student's first-time classification (e.g., a student listed a post-secondary institution on the admission application but has no enrollment history listed in the NSC), SNHU will resolve the conflict before classifying the student as a first-time student.
 - If a student has enrollment history at a different institution in the NSC and/or enrollment history at a different institution as documented by transcripts (unless it is related to the exceptions discussed above for first-time students), and is enrolled in the correct term, the student is classified as a transfer student for IPEDS reporting purposes according to the student's enrollment status for fall (e.g., full-time or part-time).
 - If the student has an internal coursework history that was not captured by the query in Procedure 1 (unless it is related to the exceptions discussed above for first-time students), the student will be classified as continuing/returning student for IPEDS reporting purposes according to the student's enrollment status for fall (e.g., full-time or part-time).

Although the published IPEDS guidance does not require institutions to review the NSC to determine if a student is first-time (see Section IV.a below), SNHU has adopted this procedure to ensure the accuracy of its cohorts. SNHU is also considering if National Student Loan Data System (NSLDS) information can be incorporated into the procedures and is actively exploring options to do so.⁶

⁵ See Exhibit A, Section VII.b.ii (pages 10-11).

⁶ If the Department expects institutions to review information provided by NSC, the ISIR, and/or NSLDS when determining a student's first-time status, SNHU strongly recommends the Department state such requirement in the published IPEDS guidance provided to institutions. Institutions depend on the published IPEDS guidance to correctly complete the IPEDS surveys, and we submit it is unfair and unreasonable to expect institutions to comply with unpublished standards.

Exhibit A contains relevant excerpts of SNHU's revised IPEDS Policy and Procedures. SNHU has highlighted the specific portions of the Policy and Procedures that are directly responsive to the OIG's Draft Inspection Report.

Additionally, SNHU has implemented a mandatory training requirement for personnel who complete the above procedures.⁷ The first training session was offered on September 22, 2025 and another training session will be conducted in November 2025. Refresher training will be provided annually. Any employees who are new to classifying student statuses in the student information system will be required to complete training prior to being permitted to update any student's status.

Finally, SNHU has implemented internal controls to ensure its procedures are being followed and that the institution is correctly identifying first-time students.⁸ Each year SNHU will select a sample of students and examine their records—including their admission files, transcripts, and NSC records—to ensure they are correctly classified as either first-time or transfer students. Any issues identified during this review process will be used to train personnel and to modify procedures as needed. This process will occur at least three weeks in advance of submitting the Fall Enrollment Survey to allow time for corrections if needed.

Updating the First-Time Cohort for the Cost II, Student Financial Aid, and Graduation Rates Surveys

As SNHU is an academic reporter for IPEDS, the first-time, full-time cohort reported on the Fall Enrollment Survey is pre-populated in the Cost II, Student Financial Aid, and Graduation Rates Survey. Although the published IPEDS guidance does not state that institutions are required to re-verify the accuracy of the first-time, full-time cohort reported in the Fall Enrollment Survey prior to completing these surveys (see Section V.a below) and instead states that such updates are optional,⁹ SNHU has implemented a process to do so in light of the Draft Inspection Report.

Prior to submitting the Cost II and Student Financial Aid Surveys,¹⁰ SNHU will re-review the corresponding first-time, full-time cohort to assess if new information has been provided to the institution since the time the cohort was formed for the Fall Enrollment Survey that would impact a student's first-time status and will confirm that there were no errors in the initial

⁷ See Exhibit A, Section VII.b.iii.

⁸ See Exhibit A, Section VII.b.iv.

⁹ If the Department expects institutions to re-verify the accuracy of the first-time, full-time cohort established at the time of the Fall Enrollment Survey (which it pre-loads into other surveys that use a fall cohort), SNHU strongly recommends the Department state such requirement in the published IPEDS guidance provided to institutions. As noted in this response, the IPEDS guidance provided to institutions states that such updates are optional, which naturally suggests that institutions are not required to re-verify this information.

¹⁰ Net price is no longer calculated in the Student Financial Aid Survey and is currently calculated in the Cost II Survey. However, institutions are required to provide information regarding first-time, full-time students in both surveys and, therefore, SNHU will update the cohort for both surveys as necessary per the procedure described in this section.

calculation of the cohort.¹¹ The Keyholder, who is part of SNHU's Analytics Office, will make any required adjustments to the cohort. As an internal control of this second review of the cohort, SNHU will review a sample of students who remain in the first-time, full-time cohort and will review all students who were removed from the cohort to ensure accuracy.¹² The updated cohort will be provided to the Student Financial Services Office to gather the relevant data for the modified cohort for both surveys.¹³

Additionally, prior to submitting the Graduation Rates Survey, SNHU will first make any adjustments to the first-time cohort that were already made to the cohort for the Cost II and Student Financial Aid Surveys. Then, SNHU will assess if new information has been provided to the institution since the time the Cost II and Student Financial Aid Surveys were submitted that would impact a student's first-time status. The Keyholder will make any required adjustments to the cohort. As an internal control, SNHU will review a sample of students who remain in the first-time, full-time cohort and will review all students who were newly removed from the cohort to ensure accuracy.¹⁴ The updated cohort will be provided to Student Financial Services and the correct official in the Analytics Office to gather the relevant data for the modified cohort.

b. Recommendation 3.1

Any errors related to SNHU's cost of attendance (COA) calculations and inability to immediately produce documentation requested by the OIG are attributable to one-time human error. To prevent recurrence of these issues, SNHU's revised its policies and procedures to require additional documentation of institutional decisions related to COA; multiple levels of review of the COA components, documentation, and calculations; and a policy statement of record retention requirements related to the COA calculations and supporting documentation.¹⁵

SNHU's multiple levels of review of the COA components, documentation and calculations serve as an internal control of the accuracy of the information entered in the Cost I Survey.¹⁶

III. OIG Should Remove Recommendations 1.2 and 2.2

SNHU respectfully requests that the OIG remove recommendations 1.2 and 2.2 when issuing the Final Inspection Report. These recommendations that Federal Student Aid consider taking a Subpart G action against SNHU should be removed because the discrepancies noted in Finding 1

¹¹ For example, SNHU will query the student information system to identify any transcripts received or transfer credit awarded after SNHU's determination that students in the cohort are first-time, full-time. The process and criteria described in Section II.a. will be applied to any student in the cohort with an updated record suggesting he or she may not be a first-time student. *See Exhibit A, Section VIII.a.ii.1. and Section IX.a.*

¹² *See Exhibit A, Section VIII.a.ii.2. and Section IX.b*

¹³ SNHU is updating prior year surveys to improve the accuracy of its first-year cohorts. When and if prior year surveys (such as the Fall Enrollment Survey) are available for prior-year revisions and SNHU has revised the cohort, SNHU will report these revisions in the applicable prior year surveys.

¹⁴ *See Exhibit A, Section X.a.i.*

¹⁵ *See Exhibit A, Section VIII.a.1-2.*

¹⁶ Cost of attendance information is no longer reported in the Institutional Characteristics survey and is now reported in the Cost I Survey.

and Finding 2 did not result in erroneous information that had the potential to be detrimental to prospective students and/or their parents. Specifically, the net price recalculated by SNHU to address Finding 1 is 4.2% lower than the net price published through IPEDS (see Section IV.b). This means students and parents did not experience any detriment because they attended an institution with lower costs for first-time, full-time students than expected.

Equally notable, the graduation rate recalculated by SNHU to address Finding 2 is 10% higher than the rate published through IPEDS (see Section V.b). This means students and parents did not experience any detriment because they attended an institution that retained and graduated first-time, full-time students at a rate that was better than expected.

The removal of recommendations 1.2 and 2.2 would be appropriate under Subpart G for two independent reasons. First, an action based on misrepresentation is available only if the students and/or their parents would be expected to rely on information to that person's detriment.¹⁷ As noted above, students and parents experienced no detriment because the net price was lower than expected and the graduation rate was higher than expected. Second, under the Higher Education Act,¹⁸ the Department may not limit, suspend, terminate, or fine the institution if an institution's violation results from an administrative, accounting, or recordkeeping error; that error was not part of a pattern of error; there is no evidence of fraud or misconduct related to the error; and the institution has corrected or cured the error.¹⁹ This provision applies because the errors identified during the OIG inspection were of an administrative and/or recordkeeping nature, were isolated (i.e., SNHU otherwise completed accurate and timely IPEDS surveys), were not the result of fraud or misconduct, and SNHU has implemented corrective actions to prevent the errors from occurring in the future (see Section II).

IV. SNHU's Detailed Response to Finding 1

Finding 1 relates to the Student Financial Aid survey ("SFA Survey") for the 2021-2022 period. SNHU agrees with the OIG's conclusion during the inspection that the amounts of financial aid that SNHU reported to IPEDS for all 17 students in the SFA Survey sample were supported by the institution's records. However, this conclusion was omitted from the draft Inspection Report, and SNHU requests that this finding be made public in the final Inspection Report.

In Finding 1, OIG further found that the data for 10 of the 17 students were generally verifiable. Of the remaining 7 students identified in Finding 1 as being erroneously reported as first-time students, SNHU agrees with the OIG's conclusion as to 5 of the 7 students and therefore has implemented the policies, procedures, and controls noted in Section II.a to prevent recurrence of the issue that led to these errors. For example, SNHU has implemented procedures to review student records including the admission application, transcripts received by the institution, and

¹⁷ 34 C.F.R. § 668.84 (stating the Secretary may impose a fine if the institution "substantially misrepresents the nature of [...] its educational program, its financial charges, or the employability of its graduates") (emphasis added); 34 C.F.R. § 668.71 (defining substantial misrepresentation as "[a]ny misrepresentation, including omission of facts as defined under § 668.75, on which the person to whom it was made could reasonably be expected to rely, or has reasonably relied, to that person's detriment") (emphasis added).

¹⁸ 20 U.S.C. § 1099c-1(b)(3).

¹⁹ 34 C.F.R. § 668.96.

NSC records to ensure potential prior postsecondary enrollment is reviewed prior to determining if student should be classified as first-time.

As detailed in Section IV.a, SNHU disagrees with the error classification as to 2 of the 7 students, and requests that these students be removed as errors in the final Inspection Report.

Finally, as explained in Section IV.b, the administrative and recordkeeping errors noted in Finding 1 did not result in erroneous information that had the potential to be detrimental to prospective students because the recalculated net price is actually lower than the net price published through IPEDS.

a. SNHU's Comments on Section Titled "Incorrect Counting of Full-Time Undergraduate Students Seeking their First Postsecondary Certificate or Degree"

Of the 7 students identified in Finding 1 as being erroneously reported as first-time, SNHU disagrees with the error classification as to 2 students. That is, SNHU believes Student 11 and Student 17 were correctly reported as first-time students based on the information available to SNHU at the time of the determination. For additional detail regarding Students 11 and 17, please see SNHU's May 16, 2025 Response to the Observation Report, pages 3-5, and Exhibit 1 of that response.

Finding 1 notes the OIG reviewed NSLDS and Institutional Student Information Record ("ISIR") data in determining Student 11 and Student 17 were not first-time students. However, as noted above, institutions are not required to review NSLDS or ISIR data when determining a student's first-time status as an initial matter. SNHU relies on the Department's guidance within the IPEDS surveys, and the IPEDS guidance does not instruct institutions to consult NSLDS or ISIR data when determining if a student is first-time. SNHU assumes the Department would explicitly indicate in its published IPEDS guidance if schools are expected to consult NSLDS or ISIR data when making this determination. Moreover, for the period covered by the OIG's inspection, the IPEDS guidance acknowledged (and continues to acknowledge) that determining first-time status may be imprecise and that institutions may make reasonable assumptions about a student's status. The IPEDS survey guidance includes the following question and answer.²⁰

Where do I report students if I don't know whether or not they are first-time?

If their status is not indicated directly and the student does not enroll with prior credits or transcripts from another institution, then assume the student is first-time.

(Underline added.)

The IPEDS guidance clearly did not require consultation of NSLDS or ISIR data to confirm first-time status. If the Department intended to require institutions to rely on NSLDS or ISIR data in determining a student's first-time status for IPEDS reporting, there would be explanatory text to

²⁰ 2021-22 Survey Materials > Package, Fall Enrollment for 4-year degree-granting institutions, FAQs, Fall Enrollment by Student Level, Race/Ethnicity and Gender (Part A).

that effect in the IPEDS guidance. Indeed, there are several other examples wherein IPEDS survey guidance expressly states that an institution may or should consult these sources.²¹ This shows that, if the Department wanted an institution to consult NSLDS or ISIR data when making a first-time status determination, the instructions would have said as much. In the absence of specific instructions that institutions must consult NSLDS or ISIR data when determining if a student is first-time, we believe many institutions do not include this step in their procedures and instead comply with the published IPEDS guidance that they may assume a student is first-time unless his or her status is indicated directly (e.g., via an admission application) or unless the student “enroll[s] with prior credits or transcripts”²².

Finding 1 of the draft Inspection Report also cited the Department’s conflicting information rule at 34 C.F.R. § 668.16(f) to suggest that SNHU was required to consult NSLDS or ISIR data when making a first-time status determination. However, the conflicting information rule does not apply to the collection and submission of IPEDS data. This rule instead requires institutions to ensure relevant information regarding a student’s application for federal student aid is directed from various sources around the institution to the financial aid office, which makes the determination on a given student’s Title IV eligibility.²³ The financial aid office must then review the information, identify discrepancies, and resolve these discrepancies. The regulation is completely unrelated to IPEDS filings and does not impose an obligation that information already reviewed by (or pending review by) the financial aid office, such as an ISIR or NSLDS

²¹ Such instances include assigning student income categories and obtaining student living arrangement information using ISIR data. 2022-23 Survey Materials > Package, Student Financial Aid for Private Institutions Reporting on a Fall Cohort (Academic Reporters), FAQs, Financial Aid. Additionally, the prior and current guidance for the Outcome Measures Survey instructs institutions that “the National Student Loan Data System (NSLDS), may also be used to verify subsequent enrollment.” (emphasis added). 2025-26 Survey Materials > Package, Outcome Measures, FAQs, Tracking Subsequent Enrollment. SNHU believes that if IPEDS intended for institutions to rely on NSLDS or ISIR data for determining a student’s first-time status, it would have included similar explanatory text in both the Fall Enrollment Survey and the Student Financial Aid Survey.

²² As noted in SNHU’s response to the Observation Report, Student 17 was reported as a first-time student on both the Fall Enrollment Survey for reporting period 2021-22 and on the Student Financial Aid Survey for reporting period 2021-2022 because the student did not report prior postsecondary institutions on his admission application and also did not submit any postsecondary transcripts at the time of admission. Therefore, in compliance with IPEDS guidance, SNHU assumed he was a first-time student. On August 14, 2023, Student 17 submitted a postsecondary transcript and was awarded transfer credit. SNHU provided the OIG documentation of Student 17’s untimely transcript submission, which occurred after both the Fall Enrollment Survey and the Student Financial Aid Survey were submitted. SNHU correctly reported Student 17 as a first-time student on both the Fall Enrollment Survey and the Student Financial Aid Survey based on the information available at the time of admission and the information sources it was directed to consult by IPEDS guidance.

²³ The requirement that an institution “[d]evelops and applies an adequate system to identify and resolve discrepancies in the information that the institution receives from different sources” is specifically limited by the plain text of the regulation to information that is relevant “to a student’s application for financial aid under Title IV, HEA programs.” 34 C.F.R. § 668.16(f) (2024) (emphasis added). The conflicting information rule also states that an institution must obtain and review “any other information normally available to the institution regarding a student’s citizenship, previous educational experience, documentation of the student’s social security number, or other factors relating to the student’s eligibility for funds under the Title IV, HEA programs[.]” 34 C.F.R. § 668.16(f)(3) (2024) (emphasis added).

record, be directed to, considered, and resolved by the IPEDS keyholder when completing a survey.²⁴

SNHU respectfully requests Student 11 and Student 17 be removed as errors in the final Inspection Report. While OIG relied on 2021-22 ISIR and NSLDS records to determine that Student 11 and Student 17 attended postsecondary institutions prior to enrolling at SNHU, the relevant IPEDS guidance does not require institutions to review NSLDS or ISIR data when determining a student's first-time status (as explained above). SNHU does not believe it is reasonable to assess a finding that relies on a standard for data collection and reporting which exceeds the published IPEDS guidance provided to institutions. Nevertheless, to ensure SNHU's IPEDS reporting accounts for the OIG's position in the future, SNHU has adopted procedures to review NSC records for students who appear to be first-time based on information provided on their application for admission. See Section II.a (which provides a detailed description of SNHU's revised policies and procedures for identifying first-time students for the fall cohort).

b. SNHU's Comments on Section Titled "Potential Effect of Incorrectly Reporting Data through the IPEDS SFA Survey"

Finding 1 states "SNHU overstated the total amount of grant and scholarship aid received from the Federal, State, or local governments, or the school by at least \$27,098." SNHU disagrees with the \$27,098 figure because it appears to include funds awarded to Students 11 and 17, and yet SNHU correctly included Students 11 and 17 as first-time students in the 2021-2022 IPEDS report (as explained in Section IV.a).

Finding 1 also asserts that the net price of \$32,043 was unreliable and "prospective students and their parents might have made enrollment decisions based on this unreliable information." SNHU disagrees with any implication that students or parents would have been harmed by the published net price. Specifically, based on SNHU's revised cohort of first-time full-time students for the 2021-2022 reporting period,²⁵ the recalculated net price is approximately \$30,694 (which is 4.2% lower compared to the published net price of \$32,043). Students and their parents did not enroll based on an artificially low price estimate, and therefore students and parents were not harmed.

c. SNHU's Comments Regarding OIG's Recommendations

²⁴ Prior to disbursing Title IV aid for Students 11 and 17, SNHU reviewed 2021-22 ISIR and NSLDS records and determined there was no conflicting information requiring resolution. Both Student 11's and 17's 2021-22 ISIRs confirmed they had previously attended college, did not already have baccalaureate degrees, had previously received Federal Pell Grants and had not exceeded Lifetime Eligibility Used. Student 11's ISIR also confirmed the student had previously borrowed a federal student loan. The NSLDS records for both Student 11 and Student 17 did not conflict with the information on their ISIRs and confirmed each student's remaining eligibility for Federal Pell Grant and Federal Direct Loans. Both students were offered Federal Direct Loans as first-year students because they were not awarded transfer credit by SNHU during the 2021-22 award year. The OIG received all relevant documentation during the inspection.

²⁵ SNHU recalculated the net price for group 3 by excluding students from the numerator and/or denominator (as applicable) who: earned transfer credits prior to SNHU's Fall 2021 term unless the transfer credits were earned while the student was enrolled in high school; received Title IV funds prior to enrolling at SNHU; reported on the ISIR that the 2021-22 year was not their first year in college; and/or did not begin enrollment at SNHU in the Fall 2021 term or Summer 2021 term (in the latter case, if the student also attended the fall term).

SNHU agrees with Recommendation 1.1. That is, SNHU has revised its policies and procedures for identifying full-time undergraduate students who are seeking their first postsecondary certificate or degree to ensure student cohorts are identified consistent with the Keyholder Handbook and survey instructions. SNHU has implemented procedures to ensure first-time students for the fall cohort are correctly identified by (1) confirming that they entered the institution in the fall term (or preceding summer if they also attended the fall term) and (2) reviewing student records including the admissions application, transcripts received by the institution, and NSC records to ensure potential prior postsecondary enrollment is reviewed prior to determining if student should be classified as first-time. See Section II.a (which provides a detailed description of SNHU's revised policies and procedure for identifying first-time students for the fall cohort).

SNHU disagrees with Recommendation 1.2. A Subpart G action would be inappropriate because SNHU's SFA Survey was generally verifiable except for the isolated issues noted in Finding 1. A Subpart G action would also be inappropriate because students and their parents were not harmed. The net price recalculated to address Finding 1 is lower (by 4.2%) than the net price published through IPEDS (see Section IV.b). We respectfully submit that students were not harmed because they attended an institution with slightly lower costs for first-time, full-time students than expected (see Section III).

V. SNHU's Detailed Response to Finding 2

Finding 2 relates to the Graduation Rates survey ("GR Survey") for the 2021-2022 period.

In Finding 2, OIG found that the data for 53 of the 69 students were generally verifiable. Of the remaining 16 students identified in Finding 2, SNHU agrees with the OIG's conclusion as to 7 of the 16 students and therefore has implemented the policies, procedures, and controls noted in Section II.a to prevent recurrence of the issues that led to these errors. For example, SNHU's revised policies and procedures ensure each student included in the fall cohort was enrolled in the correct term to be included in the fall cohort and ensures all information regarding prior postsecondary attendance is reviewed at the time of the student's classification as a first-time student for the Fall Enrollment Survey and then again prior to each survey that reports on the fall cohort.

As detailed in Section V.a, SNHU disagrees with the error classification as to 9 of the 16 students identified by the OIG as not having verifiable data, and requests that these students be removed as errors in the final Inspection Report.

Finally, as explained in Section V.b, the administrative and recordkeeping errors noted in Finding 2 did not result in erroneous information that had the potential to be detrimental to prospective students because the recalculated graduation rate is actually higher than the rate published through IPEDS.

a. SNHU's Comments on Section Titled "Inaccurate Counting of Students Who Began Attendance during Academic Year 2016-2017 and Were Seeking their First Postsecondary Certificate or Degree"

Of the 16 students identified in Finding 2 as errors, SNHU disagrees with the error classification as to 9 students for two primary reasons.

First, SNHU believes 2 students were reasonably classified as first-time students based on their summer enrollment. Specifically, Student 17 and Student 51 had their first term of enrollment at SNHU in summer 2016. Attending the summer 2016 term did not disqualify these students from being classified as first-time students because the IPEDS Glossary states that "students enrolled in the fall term who attended college for the first time in the prior summer term" are first-time students.²⁶ The OIG has nevertheless classified these students as errors because they "did not enter the fall 2016 semester" after the summer 2016 term. While we understand the OIG's position and have revised our procedures to mandate students are reported as first-time for fall if they are registered for the fall term (see Exhibit A, Section VII.b.ii.), SNHU believes it was reasonable to classify these two students as first-time students. SNHU's classification was reasonable because the summer 2016 terms attended by each student²⁷ included dates that are inclusive of the traditional fall term and the students were enrolled as of the reporting date on October 15, 2016 (i.e., during the fall). SNHU therefore requests that Students 17 and 51 be removed as errors in the final Inspection Report because (1) there is no evidence in the students' file indicating they were not first-time, (2) the students were first enrolled at SNHU for the summer term which does not disqualify the student from inclusion in the first-year cohort, and (3) the students were enrolled as of the reporting date for Fall 2016.

If Student 17 and Student 51 are not removed as errors, SNHU requests the OIG consider the above information as context for the administrative and recordkeeping issues that occurred almost nine years ago. That is, at that time, SNHU personnel²⁸ considered students who attended a summer term that extended the full length of the fall term and who were enrolled as of the October 15, 2016 reporting date to be students in the fall cohort. We respectfully submit that this was a reasonable practice. Regardless, this has not been SNHU's practice since the 2017 cohort. For additional detail regarding Students 17 and 51, please see SNHU's May 16, 2025 Response to the Observation Report, pages 7-9, and Exhibits 4 and 7 of that response.

Second, SNHU believes the remaining 7 students were reasonably classified as first-time students because they began enrollment at SNHU during a spring term that included traditional fall dates. Specifically, Students 9, 20, 26, 32, 34, 41, and 47 began their enrollment in a term that had term dates inclusive of traditional fall term dates (even though the term was labeled spring 2016 on the students' transcripts). Further, each of these students was enrolled on the October 15, 2016 IPEDS reporting date in the fall. SNHU therefore requests that these students be removed as errors in the final Inspection Report because it was reasonable to consider these

²⁶ 2016-17 Survey Materials > Package, Fall Enrollment for 4-year degree-granting institutions, Glossary.

²⁷ Student 17 attended term 16CFA08, which includes the term dates August 1, 2016 to January 31, 2017. Student 51 attended term 16CFA07, which includes the term dates July 1, 2016 to December 31, 2016.

²⁸ The SNHU personnel who identified the first-time, full-time cohort for Fall 2016 in the 2016-17 Fall Enrollment survey are no longer involved in the IPEDS reporting process at SNHU.

students as first-time students who entered SNHU during a term that included traditional fall term dates. For additional detail regarding Students 20, 26, 32, 34, 41, and 47, please see SNHU's May 16, 2025 Response to the Observation Report, pages 7-9, and Exhibits 5 and 6 of that response.

Again, if these students are not removed as errors, SNHU requests the OIG consider the above information as context for the administrative and recordkeeping issues that occurred almost nine years ago. SNHU personnel²⁹ considered students who attended a spring term that extended into the traditional fall term dates and who remained enrolled as of the October 15, 2016 reporting date to be students in the fall cohort. We respectfully submit that this was a reasonable practice. Regardless, this has not been SNHU's practice since the 2017 cohort.

To ensure SNHU's IPEDS reporting accounts for the OIG's position in the future (as it has since the 2017 cohort), the institution has revised its procedures to clearly state students will be considered full-time, first-time only if they meet both of these characteristics during the fall term (see Exhibit A, Section VII.b.ii).

SNHU also wishes to address a statement made by the OIG in the Draft Inspection Report regarding Students 6, 31, 36, and 40. That is, the OIG stated on page 10 that "SNHU officials agreed that the four students should not have been included in the fall 2016 cohort because they had transfer credits from other post-secondary institutions prior to attending SNHU." Respectfully, this is not SNHU's position. SNHU's position is instead that these four students were errors and should not have been included in the cohort either because SNHU had information regarding the students' postsecondary education and/or transfer credits at the time of admission.³⁰ This is an important distinction because IPEDS guidance expressly states that institutions are not required to monitor their cohorts indefinitely and update IPEDS reporting based on late-arriving information. For the period covered by the OIG's inspection and currently, IPEDS guidance states "[i]nstitutions have the option of revising their preloaded cohort if: [...] students were reported who did not belong in the cohort (e.g., they were not actually first-time, or full-time)."³¹ (Emphasis added). We respectfully request that the OIG reflect this distinction in the Final Inspection Report.

For the same reasons, we request that the OIG revise its statement that "SNHU did not design and implement control activities to ensure that admissions and other pertinent information received about a student after admissions was considered during its IPEDS reporting" (emphasis added) because, as explained above, there was no obligation under published IPEDS standards to

²⁹ The SNHU personnel who identified the first-time, full-time cohort for Fall 2016 in the 2016-17 Fall Enrollment survey are no longer involved in the IPEDS reporting process at SNHU.

³⁰ SNHU's response to the relevant portion of the Observation Report stated, "[a]s noted above, SNHU agrees that it inadvertently overlooked certain information disclosed during the admission process for Students 6, 31, 36, and 40 that disqualified the students from inclusion in the first-time cohort. However, SNHU believes the second part of the Cause statement ('...and other pertinent information received about a student after admission') is not relevant to the cause for the error for these four students or to any of the students listed in Observation 2 for the reasons that follow."

³¹ 2022-23 Survey Materials > Package, Graduation Rates for 4-year institutions reporting on a fall cohort (academic reporters), Reporting Instructions, Section I – Establishing Cohorts.

monitor cohorts indefinitely and update IPEDS reporting based on late-arriving information “after admissions”.

b. SNHU’s Comments on Section Titled “Potential Effect of Incorrectly Reporting Data through IPEDS Graduation Rates Survey”

Finding 2 incorrectly asserts that the graduation rate was unreliable and “prospective students and their parents might have made enrollment decisions based on this unreliable graduation rate information.” While SNHU agrees that IPEDS data should be accurate, it rejects any implication that students or parents were harmed by the published graduation rate. In fact, students and their parents benefited from the student attending an institution whose graduation rates exceeded the published figure. That is, based on SNHU’s revised cohort of first-time full-time students for the 2021-2022 reporting period,³² the recalculated graduation rate is approximately 51%, which is 10% higher compared to the published graduation rate of 41%. This demonstrates that students and their parents could not have been misled into enrolling based on an artificially high graduation rate, and therefore students and parents were not harmed.

c. SNHU’s Comments Regarding OIG’s Recommendations

SNHU agrees with Recommendation 2.1. That is, SNHU has revised its policies and procedures to ensure first-time students for the fall cohort are correctly identified based on (1) confirming that they entered the institution in the fall term (or preceding summer if they also attended the fall term) and (2) reviewing student records including the admission application, transcripts received by the institution, and NSC records to ensure potential prior postsecondary enrollment is reviewed prior to determining if the student should be classified as first-time. See Section II.a (which provides a detailed description of SNHU’s revised policies and procedure for identifying first-time students for the fall cohort).

SNHU disagrees with Recommendation 2.2. A Subpart G action would be inappropriate because SNHU’s GR Survey was generally verifiable except for the isolated issues noted in Finding 2. A Subpart G action would also be inappropriate because students and their parents were not harmed because, as stated above, they attended an institution with better graduation rates for first-time, full-time students than expected (see Section III).

VI. SNHU’s Detailed Response to Finding 3

Finding 3 relates to the Institutional Characteristics survey (“IC Survey”) for the 2021-2022 period.

³² SNHU recalculated the 150% graduation rate for the Fall 2016 first-time, full-time cohort by excluding students from the numerator and/or denominator (as applicable) who: earned transfer credits prior to SNHU’s Fall 2016 term unless the transfer credits were earned while the student was enrolled in high school; received Title IV funds prior to enrolling at SNHU; reported on the ISIR that the 2016-17 year was not their first year in college; and excluded any students who did not begin enrollment at SNHU in the Fall 2016 term or Summer 2016 term (if the student also attended the fall term).

SNHU agrees that it made inadvertent and isolated errors when calculating certain components of the cost of attendance (“COA”) for the IC Survey. SNHU has implemented the policies, procedures, and controls noted in Section VI.c to prevent recurrence of these errors. However, as explained in Section VI.a, SNHU disagrees with the implication that the “off-campus (not with parents)” COA provided an inaccurate estimated total of indirect cost to such students. SNHU also disagrees with the assertion that the institution did not maintain adequate documentation of books and supplies costs.

Finally, as explained in Section VI.b, the inadvertent and isolated errors noted in Finding 3 did not result in erroneous information that had the potential to be detrimental to prospective students and/or their parents.

a. SNHU's Comments on Section Titled “Inaccurate Use of Prior Year Percentages to Report Current Year COA”

SNHU agrees that it made inadvertent and isolated errors when calculating the miscellaneous component for the on-campus COA, the off-campus (with parents) COA, and the transportation component of the off-campus (with parents) COA. SNHU has revised its policies and procedures to prevent recurrence of these issues.

However, SNHU disagrees with the implication in Finding 3 that the off-campus (not with parents) COA provided an inaccurate estimated total of indirect costs to such students. As background, for the 2021-22 award year, SNHU used the College Board’s “Moderate Living Expense Estimate” when determining certain indirect components of its COA. The College Board publishes a new estimate annually, which provides a total for indirect COA components and also describes the individual components as a percentage of the overall total. For example, the College Board’s Moderate Living Expense Estimate for the 2021-22 award year totaled \$21,540 for a 9-month period, of which 54% was housing costs, 11% was transportation costs, and 35% was miscellaneous costs. The off-campus (not with parents) COA is equal to the College Board’s Moderate Living Expense Estimate for the 2021-22 award year (i.e., \$21,540) because this COA includes all three components from the College Board’s estimate: housing costs, transportation costs and miscellaneous costs.³³

While gathering documentation in response to information requests from the OIG, SNHU noted and promptly disclosed to the OIG that it inadvertently used the 2020-21 percentages for the miscellaneous and transportation components of the 2021-22 COA. As a result, some of the COAs were adjusted differently than SNHU intended (i.e., had the 2021-22 award year percentages been correctly applied). For the off-campus (not with parents) COA, the percentages assigned to individual COA components were inaccurate. However, this did not impact the off-campus (not with parents) COA because the indirect costs used in the COA for such students still total \$21,540.³⁴ The net effect is these off-campus (not with parents) students had accurate

³³ The COA also included direct expenses which are not discussed here as the OIG’s findings were limited to the calculation of indirect expenses.

³⁴ Despite the incorrect percentages being applied to the off-campus (not with parents) COA, there is no difference in the total indirect costs included in the COA. Specifically:

COAs. We therefore respectfully request that references to off-campus (not with family) or off-campus (without family) be removed from both the Room and Board and Other Expenses lines in Table 3 in the Final Inspection Report. Alternatively, the OIG should note in the Final Inspection Report that total indirect expenses for students with the off-campus (not with parents) COA were accurately calculated.

While SNHU agrees with the statement in Finding 3 that SNHU did not maintain certain records to support its calculations for the COA, the institution requests that OIG disclose in the Final Inspection Report that SNHU expeditiously obtained these records. Finding 3 states “SNHU did not maintain support for the 2021–2022 9-month average living expense that totaled \$21,540 and the 2021–2022 percentages that it used to calculate room and board (for off-campus students) and other expenses.” SNHU did not maintain a copy of the 2021-22 College Board figures in its historical IPEDS records, but the institution was able to locate preliminary supporting documentation within 8 calendar days of the OIG’s request, which was followed with confirmation of the figures directly from the College Board’s website. The Final Inspection Report should reflect that SNHU was able to supply such documentation in a timely manner.

Finally, SNHU disagrees with the assertion in Finding 3 that the institution did not maintain adequate documentation of books and supplies costs. Finding 3 states “the books and supplies cost reported by SNHU was not verifiable because the school did not maintain supporting documentation.” SNHU disagrees because there is no relevant documentation to maintain. As background, SNHU includes a book allowance of \$50 per credit, and the full-time cost of attendance assumes 30 credits for a total of \$1,500 annually. This figure does not come from the College Board; it was internally determined. Therefore, there is no documentation to maintain or supply other than demonstrating that SNHU consistently uses this figure for all COA categories. The 2021-22 Federal Student Aid Handbook’s guidance on COA does not stipulate a specific method an institution must use to determine the books and supplies component of COA.³⁵ SNHU believes its method is reasonable, consistently applied, and adequately documented. For these reasons, we request that the OIG omit from the Final Inspection Report any citation regarding documentation of books and supplies costs.

b. SNHU’s Comments on Section Titled “Potential Effect of Incorrectly Reporting Data Through the IPEDS Institutional Characteristics Survey”

SNHU disagrees with the statement in Finding 3 that prospective students and their parents might have made enrollment decisions based on unreliable information. The OIG should remove this statement from the Final Inspection Report for at least three reasons:

- The 2020-2021 percentages applied in error to 2021-22 budgets were: 31% Miscellaneous; 17% Transportation; 52% Housing.
- Miscellaneous: $\$21,540 \times 31\% = \$6,677.40$; Transportation: $\$21,540 \times 17\% = \$3,661.80$; Housing: $\$21,540 \times 52\% = \$11,200.80$.
- $\$6,677.40$ (Miscellaneous) + $\$11,200.80$ (Housing) + $\$3,661.80$ (Transportation) = $\$21,540$ (Total).
- $\$21,540$ is the correct indirect costs for the COA despite the application of incorrect percentages – because all three of the College’s Board’s components totaling $\$21,540$ are used in this COA, and therefore the percentages are irrelevant.

³⁵ See 2021-22 Federal Student Aid Handbook, Volume 3, Chapter 2.

1. The COAs that SNHU reported to IPEDS for the 2021-22 award year are the same as the COAs disclosed on SNHU's website during 2021-22. Further, the COAs reported to IPEDS for the 2021-22 award year are the same as the COAs that SNHU used to determine financial aid packages for students who entered that year. So, SNHU's 2021-22 students had the same COA applied to their financial aid packages that they expected to be applied. SNHU's only error is that it used different percentages than it intended when calculating certain indirect expense components of COAs. This is a minor technical error related to components of COA that already are intended as estimates and therefore imprecise by nature.³⁶
2. The isolated and inadvertent errors in SNHU's COA calculation did not significantly impact the overall COA that was actually published and used in 2021-22. SNHU used \$36,006 as the total COA for on-campus students for 2021-22, but would have used \$36,868 had it applied the 2021-22 percentages instead of the 2020-2021 percentages to indirect costs. Thus, the COA SNHU actually published and used in 2021-22 was \$862³⁷ less than it would have intended, which is a difference of 2.4%. Similarly, SNHU used \$28,820 as the total COA for off-campus students (with parents), but would have used \$28,390 had it applied the correct percentages. In this case SNHU used a COA that was \$430 more than it intended – which is a difference of 1.5%. These differences are inessential.
3. The minor discrepancies in SNHU's calculation of estimated indirect costs in a single year did not impact students' decisions to enroll in the 2022-23 and later years. Students decide to enroll based on their actual COA and net price, and not based on an estimate provided in pre-application resources and derived from prior students with some similar characteristics. The Department recognizes that students should consider such estimates to be simply informational pending the student's actual confirmed financial aid notification from the institution. In fact, the Department's Net Price Calculator Template for institutions contains the following disclaimer:

The following information will appear at the bottom of the output screen for the calculator:

Please note: The estimates above apply to full-time, first-time degree/certificate-seeking undergraduate students only.

These estimates do not represent a final determination, or actual award, of financial assistance or a final net price; they are only estimates based on cost of attendance and financial aid provided to students in 2023-24. Cost of attendance and financial aid availability changes year to year. These estimates

³⁶ The discrepancies noted in the Draft Inspection Report are related to calculating estimated indirect costs specific to students enrolling for the 2021-22 award year, and therefore did not automatically result in higher or lower actual costs to individual students in the 2021-22 year or in any other year.

³⁷ SNHU calculated \$863 and \$429, respectively, as the differences. We have used the OIG's figures here.

shall not be binding on the Secretary of Education, the institution of higher education, or the State.³⁸

Similarly, the estimated COA for a prior award year (which is displayed through College Navigator and College Scorecard) is intended to provide students with an estimate of the costs and net price of a similar student (e.g., off campus, on campus, family income, etc.) so that they can compare college costs among institutions to which they are considering applying.³⁹ Once a student applies, is admitted, and submits a FAFSA, the student receives a personalized financial aid notification confirming his/her actual eligibility for financial aid. SNHU publishes its current and upcoming year COA to its website and students may use this information to calculate their personal net price upon receipt of the award notification. SNHU also provides financial aid counselors that assist students in understanding their net price and estimated costs so that students can make an informed enrollment decision based on current information for the period in which they will enroll. Again, students and their families would rely on this current information (provided by SNHU) rather than outdated COA information used to calculate net price for prior students (displayed through College Navigator and College Scorecard).

SNHU also disagrees with the statement in Finding 3 that students could have under or overborrowed for room and board and other expenses. SNHU accurately reported the direct costs students would experience when enrolling at SNHU.⁴⁰ The indirect costs portion of the COA is an estimate and not intended to confirm the actual indirect costs that a specific student will experience. College Navigator publishes “Tuition, Fees, and Estimated Student Expenses” (emphasis added) to assist prospective students in understanding that portions of their COA are based on likely actual costs (i.e., tuition and fees) and other portions of their COA are an estimate and largely dependent on individual decisions made by the student. As always, if an individual student finds that the COA accounts for more in indirect costs than the student will experience (e.g., the student’s transportation costs are less than included in the COA), the student or his/her parent can simply choose to borrow less than the COA. Conversely, if a student finds the COA (including estimated student expenses) is not adequate to cover his or her educational expenses and can document reasonable costs above the cost of COA, the student can request a professional judgment to increase his or her COA and potentially receive more financial aid. For these reasons, we request that the OIG omit from the Final Inspection Report the assertion about under or overborrowing.

³⁸ Office of Postsecondary Education (OPE), United States Department of Education, Net Price Calculator Quick Start Guide p.15, accessed October 16, 2025, https://nces.ed.gov/ipeds/netpricecalculator/wwwroot/documents/NetPriceCalculator_QuickStartGuide.pdf (emphasis added and removed).

³⁹ The College Scorecard “Search School” function describes its purpose as to “[s]earch schools that might be a good fit, and add to your compare list to see how they match up.” Similarly, the College Navigator allows students to “build a list of schools [...] for side-by-side comparisons.” SNHU believes the College Scorecard and College Navigator are intended as tools to assist students in comparing schools prior to their application to an institution. After applying to an institution and being admitted, students receive up-to-date and personalized information to assist them in making a fully informed decision to enroll. College Scorecard accessed October 14, 2025, <https://collegescorecard.ed.gov/>. College Navigator accessed October 14, 2025, <https://nces.ed.gov/collegenavigator/>.

⁴⁰ SNHU accurately reported tuition and fees and room and board for on-campus students according to the guidance in the 2021-22 Federal Student Aid Handbook, Volume 3, Chapter 2, p. 3-53.

c. SNHU's Comments Regarding OIG's Recommendation

SNHU agrees with Recommendation 3.1. That is, SNHU has revised its policies and procedures to prevent future occurrences of the type of one-time and isolated errors cited in Finding 3. SNHU will now require: additional documentation of institutional decisions related to COA; multiple levels of review of the COA components, documentation, and calculations; and a statement of record retention requirements related to the COA calculations and supporting documentation.⁴¹ SNHU's multiple levels of review of the COA components, documentation and calculations serve as an internal control to ensure the accuracy of the information entered in the Cost I Survey.⁴²

VII. Conclusion

SNHU sincerely appreciates the Department's thorough inspection process and the opportunity to respond to the Draft Inspection Report. SNHU remains committed to ensuring that its IPEDS data is reported with accuracy and integrity. As part of this commitment, SNHU has already implemented numerous corrective actions identified in this response and will continue to proactively strengthen its policies, procedures, and internal controls to further enhance the reliability of its data.

Sincerely,

[Redacted]
Christopher Morrow
Associate General Counsel
Southern New Hampshire University

⁴¹ See Exhibit A, Section VIII.a.

⁴² Cost of attendance information is no longer reported in the Institutional Characteristics survey and is now reported in the Cost I Survey.

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