

Statement from Wayne A. I. Frederick, President of Howard University

In accordance with my commitment to continuous progress, in February 2015, I initiated a proactive review of the Howard University Office of Financial Aid to ensure the office was providing the best support to our campus community.

As part of this process, I was alerted in December 2016 that there may have been some misappropriation of University-provided financial aid funds. From the moment I was alerted that there may have been a misappropriation of funds, I have taken this situation extremely seriously. I immediately informed the Board of Trustees, and together we moved swiftly to begin an internal investigation. The University immediately engaged an outside auditor (RSM) to determine whether there had been any misappropriation of Howard University funds by staff in the Office of Financial Aid or elsewhere, and if so, the magnitude of that misappropriation. The auditors completed their investigation and reported the results to me in May 2017.

The investigation found that from 2007 to 2016, University grants were given to some University employees who also received tuition remission. The audit revealed that the combination of University grants and tuition remission exceeded the total cost of attendance. As a result, some individuals received inappropriate refunds. Note that University grants are institutional funds used to help support students with student charges. They are not federal funds or donor directed funds.

In July 2017, I self-reported this issue to the Department of Education and assured them we would provide regular updates on the investigation.

An investigation of individual employee actions was completed in September 2017 and as a result, six employees have been fired for gross misconduct and neglect of duties. We will refer this matter for criminal prosecution, as appropriate.

Third Coast Higher Education, another outside expert, was also brought in specifically to determine if any misappropriation of federal funds occurred. At this point, Third Coast found no misappropriation of federal funds related to this issue.