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**New York State Office of the State Comptroller**  
Thomas P. DiNapoli

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Division of State Government Accountability

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# **Selected Aspects of Central Office Disbursements From the Tuition and Fees Refund Bank Account**

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## **City University of New York**

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Report 2016-S-35

October 2018

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## Executive Summary

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### Purpose

To determine whether disbursements to students from the Tuition and Fees Refund bank account were appropriate and authorized. The audit scope period was from January 1, 2013 through January 22, 2016.

### Background

The City University of New York (CUNY) is the largest urban university in the United States, consisting of 24 institutions. More than 270,000 degree-credit students and 273,000 continuing and professional education students are enrolled at campuses located in New York City. CUNY's Central Office provides administrative support and business services to its institutions.

Central Office began centralizing its disbursement process of tuition and fees and financial aid refund checks in 2012. The centralized process is a component of CUNY's Fully Integrated Resources and Services Tool (CUNYfirst). CUNYfirst is an Enterprise Resource Planning project that replaces legacy computer systems in the areas of Student Administration, Finance, and Human Resources. Refunds issued through CUNYfirst are usually posted to Central Office's general ledger automatically.

To centralize the refund process, Central Office established a Tuition and Fees Refund bank account to reimburse students when the payments they make exceed their tuition and fees (e.g., due to out-of-pocket payments; withdrawal from classes; or tuition covered by other sources, such as scholarships). The account is also used to issue book advance payments, enabling students to purchase books and supplies before the semester begins. The account is a zero balance account (i.e., a balance of zero is maintained by automatically transferring funds from another account in an amount to cover checks presented) and is linked to CUNY's Tuition and Fees Collection account.

Refunds may be subject to federal and State regulations, which can also impact the timing of a refund, the amount of a refund, the appropriate bank account for a refund, and the appropriateness of a refund.

CUNY made 440,537 payments totaling \$305,754,246 to students from the Tuition and Fees Refund bank account during the period January 4, 2013 to January 22, 2016. Excluding book advances, 256,180 of these payments totaling \$218,606,626 ranged in dollar value from \$100 and \$15,000. We examined 270 refund payments totaling \$1,075,874 issued to students attending 20 CUNY colleges. The payments consisted of:

- A random sample of 100 payments selected from all payments between \$100 and \$15,000 that were not book advance payments and a second random sample of 100 possible book advance payments selected based on dollar value.
- The 40 highest-dollar payments selected from payments between \$15,000 and \$20,000.
- A judgmental sample of 30 payments that had certain risk indicators, such as out-of-state or out-of-country addresses and/or lengthy time lapses from the date the refund was identified to the date the payment (electronic or check) was issued to the student.

## Key Findings

We found that controls over payments from the Tuition and Fees Refund bank account need significant improvement. Thirteen of 100 randomly selected payments with a dollar value between \$100 and \$15,000 (totaling \$125,762) were either miscalculated or not supported. In addition, other exceptions existed, including 17 payments that were paid prematurely and 17 financial aid payments that were incorrectly made from the Tuition and Fees Refund bank account. These exceptions increase the risk of overpayment as well as the risk of fraud, waste, and abuse. Overpayments were also identified for large-dollar refunds (i.e., \$15,000–\$20,000) that were not always supported by the records provided by the colleges. Similar problems were found with a random sample of book advances. However, the level of exceptions for book advances was significantly lower, at 5 percent.

## Key Recommendations

- Strengthen the internal control environment by monitoring compliance with all applicable policies and procedures regarding the refund process and by ensuring all refunds are appropriate.
- Develop procedures to delineate the use of the bank accounts, specifying which accounts are to be used for financial aid payments and which are to be used for tuition and fee refunds.

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**State of New York  
Office of the State Comptroller**

**Division of State Government Accountability**

October 19, 2018

Ms. Vita C. Rabinowitz  
Interim Chancellor  
City University of New York  
205 East 42<sup>nd</sup> Street  
New York, NY 10017

Dear Ms. Rabinowitz:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage their resources efficiently and effectively. By so doing, it provides accountability for tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit entitled *Selected Aspects of Central Office Disbursements From the Tuition and Fees Refund Bank Account*. This audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this report, please feel free to contact us.

Respectfully submitted,

*Office of the State Comptroller  
Division of State Government Accountability*

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This report is also available on our website at: [www.osc.state.ny.us](http://www.osc.state.ny.us)

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## Background

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The City University of New York (CUNY) is the largest urban university in the United States, consisting of 24 institutions. More than 270,000 degree-credit students and 273,000 continuing and professional education students are enrolled at campuses located throughout New York City. CUNY's Central Office provides administrative support and business services to its institutions.

Central Office began centralizing its disbursement process of tuition and fees and financial aid refund checks in 2012. The centralized process is a component of CUNY's Fully Integrated Resources and Services Tool (CUNYfirst). CUNYfirst is an Enterprise Resource Planning project that replaces legacy computer systems in the areas of Student Administration, Finance, and Human Resources. Refunds issued through CUNYfirst are generally posted to Central Office's general ledger automatically.

To centralize the refund process, Central Office established a Tuition and Fees Refund bank account to reimburse students when the payments they make exceed their tuition and fees (e.g., due to out-of-pocket payments; withdrawal from classes; or tuition covered by other sources, such as scholarships). The account is also used to issue book advance payments, enabling students to purchase books and supplies before the semester begins. This account is linked to CUNY's Tuition and Fees Collection account. From January 4, 2013 through January 22, 2016, Central Office reported that it generated 440,537 refunds totaling \$305,754,246. Of these, 129,131 payments were book advances, totaling \$83,942,625.

Refunds may be subject to federal and State regulations, which can also impact the timing or amount of a refund, the appropriate bank account for a refund, and the appropriateness of a refund.

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# Audit Findings and Recommendations

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## Tuition and Fee Refunds

To assess the controls over tuition and fee refunds, we tested a random sample of 100 payments out of the population of 256,180 payments with a dollar value ranging from \$100 and \$15,000 that we classified as not being book advances. For this sample of 100 payments totaling \$125,762, we found 47 exceptions totaling \$45,161, indicating that a significant number of payments were likely to contain some form of exception and that improved controls are needed.

Of the 47 exceptions, 4 payments were miscalculated resulting in overpayments totaling \$803. Another nine payments totaling \$6,318 were unsupported because the documents provided did not validate that a refund was appropriate. For instance, a student received a refund of \$180, despite having an outstanding balance of \$879. CUNY indicated that the student made \$1,213 in cash payments, but could only provide support for \$257. In addition, we found a financial aid waiver had been credited to the student's account for \$102, but the documentation provided did not support that the waiver had been approved.

We also found 17 payments totaling \$20,966 that were made to students before their eligibility was confirmed. Payments made before eligibility is confirmed can lead to overpayments, resulting in unnecessary administrative burdens for staff and inconvenience for the students when money needs to be repaid. In addition, a student received a refund check for \$19,110 dated February 6, 2015. The student was an out-of-state student who did not submit documentation to support her residency status until March 2015. College officials retroactively applied in-state tuition rates to the student's billing periods beginning with the fall 2013 semester, in contravention of the provisions in CUNY's Tuition and Fee Manual prohibiting colleges from making residency determinations retroactively. Additionally, although the student appealed the residency decision, the Tuition and Fees Manual requires the appeal to be made within ten days of the notification of non-residency. This criteria was not met. The decision to retroactively apply in-state tuition rate charges caused the student to be over-refunded \$10,045.

An additional 17 payments totaling \$17,074 were financial aid payments, which should not have been paid from the Tuition and Fees Refund bank account. In response to our preliminary findings, CUNY officials explained that, although the sources of all funds are tracked by CUNYfirst, certain financial aid refunds made before the financial aid systems had been rolled out in CUNYfirst were being paid from the Tuition and Fees Refund bank account. However, we noted that other financial aid refunds from the same colleges had been paid from the bank accounts designated for financial aid payments. Failure to track the sources of funds, and disbursing funds from the wrong account, increases the risk of errors and could lead to overpayments. For example, a student received a \$5,000 payment in August 2014 from a third-party scholarship. The scholarship was restricted to the student's tuition and fees for the same academic year. Any unused funds were required to be returned to the sponsor. However, CUNY refunded the \$5,000 to the student rather than returning the funds to the sponsor. According to college officials, the scholarship was manually posted to the student's account because there were no codes within CUNYfirst to ensure that the



remaining funds would be returned to the sponsor. CUNY officials indicated that refundable and non-refundable codes for scholarship payments were added to CUNYfirst in 2016.

We also reviewed the 40 highest-dollar payments totaling \$696,429, consisting of all payments between \$15,000 and \$20,000, and identified problems. For example, a student received a refund check for \$16,079 dated February 13, 2015, two weeks after the academic semester started. This refund included disbursements from an alternative loan. Alternative loans are offered through private lenders and are meant to provide additional educational funding only after a student and his/her family have exhausted all other sources of funding, such as federal and State aid. The refund was inappropriate because the student had withdrawn from school on January 27, 2015 and canceled the alternative loan on January 5, 2015, prior to the first day of classes. As the loan was canceled, CUNY also had to return funds to the lender.

CUNY disagreed that the refund was inappropriate, indicating that the student was entitled to the loan. However, while the student may have been entitled to the loan, the loan was canceled prior to CUNY issuing the refund. Thus, CUNY not only had to return funds to the lender due to the loan cancelation, but now must attempt to obtain repayment from the student, who still has not paid back the funds.

In addition, we selected a judgmental sample of 30 payments totaling \$188,630 based on certain high-risk factors, such as an out-of-state or out-of-country address or a lengthy time lapse between the date a refund was identified and the date of the payment. Our review identified exceptions for eight payments totaling \$33,397. These exceptions consisted of:

- Payments that were unsupported (\$17,211);
- Payments from the Tuition and Fees Refund bank account instead of the Financial Aid Payment account (\$14,042); and
- Overpayments due to miscalculations (\$2,144).

For example, in January 2014, a student received a payment for \$544. This payment was sampled because there were 395 days between the date the voucher was created (January 28, 2014) and the date the payment was issued (February 27, 2015). This unusually long time span increases the risk of funds being misapplied. We found two checks with the same voucher number were issued to this student for the same amount one year apart. The initial check appeared on the student's records as a book advance dated January 28, 2014 and was cashed on February 21, 2014. The second check, dated February 27, 2015, was cashed on March 2, 2015. CUNY disagreed, stating that the initial \$544 check was stopped at the student's request and replaced 295 days later. However, although the bank placed a stop payment on the first check, it was still paid. CUNY failed to recover the first payment, resulting in an overpayment of \$544.

## Book Advances

We reviewed a random sample of 100 payments totaling \$65,053 out of 129,131 payments totaling \$83,942,625 that CUNY's records identified, based on payment amounts, as possible book advances. We found five payments totaling \$2,557 that were not in compliance with



CUNY's requirements for a book advance. These exceptions consisted of unsupported payments, payments from the wrong bank account, and payments made before the students' eligibility for the funds was established.

## Recommendations

1. Strengthen the internal control environment by monitoring compliance with all applicable policies and procedures regarding the refund process and by ensuring all refunds are appropriate.
2. Develop procedures to delineate the use of the bank accounts, specifying which accounts are to be used for financial aid payments and which are to be used for tuition and fee refunds.

## Audit Scope, Objective, and Methodology

Our objective was to determine whether disbursements to students from the Tuition and Fees Refund bank account were appropriate and authorized. The audit scope period was from January 1, 2013 through January 22, 2016. We visited the selected schools through December 29, 2016.

CUNY made 440,537 payments to students totaling \$305,754,246 from the Tuition and Fees Refund bank account during the period from January 4, 2013 to January 22, 2016. We examined 270 refund payments to students attending 20 CUNY colleges totaling \$1,075,874. The payments included a random selection of 100 payments between \$100 to \$15,000 (totaling \$125,762) and the 40 highest-dollar payments between \$15,000 and \$20,000 (totaling \$696,429). We also selected 30 payments totaling \$188,630 that met certain conditions, such as out-of-state or out-of-country addresses and/or long periods of time from the date the refund was identified to the date the payment (ACH or check) was issued to the student. We also identified 129,131 possible book advances totaling \$83,942,625 based on the refund amounts. We randomly selected 100 of these payments totaling \$65,053. We did not sample the 52,656 payments that were less than \$100 each.

To accomplish our objective, we interviewed CUNY Central Office officials to evaluate internal controls. We reviewed sections of State policies and CUNY and federal guidelines. We reviewed supporting documentation and disbursements made from our statistical and judgmental sample of student refunds.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating

the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members (some of whom have minority voting rights) to certain boards, commissions and public authorities. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

## Authority

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This audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

## Reporting Requirements

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A draft copy of this report was provided to CUNY officials for their review and comment. Their comments were considered in preparing this final report and are attached in their entirety at the end of it. CUNY officials generally disagreed with the audit findings and recommendations because they concluded that the implementation of CUNYfirst, which included centralizing the tuition refunding, eliminated all of the process-related errors and, as such, all payments were correct. While the introduction of a new system for processing payments will address some of the issues related to the appropriateness of the payments, it has to be coupled with other controls that ensure the payments authorized are correct, and that was not always the case with disbursements from the Tuition and Fees Refund account. Our rejoinders to certain comments are included in the report's State Comptroller's Comments.

Within 90 days after the final release of this report, as required by Section 170 of the Executive Law, the Chancellor of the City University of New York shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

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## Contributors to This Report

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## Division of State Government Accountability

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### Vision

A team of accountability experts respected for providing information that decision makers value.

### Mission

To improve government operations by conducting independent audits, reviews, and evaluations of New York State and New York City taxpayer-financed programs.

# Agency Comments



Senior Vice Chancellor and Chief Financial Officer

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June 21, 2018

Ms. Carmen Maldonado  
Audit Director  
Office of the State Comptroller  
Division of State Government Accountability  
110 State Street, 11<sup>th</sup> Floor  
Albany, NY 12236

Re: Selected Aspects of Central Office Disbursement from the Tuition and Fees Refund Bank Account - Draft Report 2016-S-35

Dear Ms. Maldonado,

Thank you for the opportunity to respond to the above referenced draft audit report. Our understanding is that the objective of the audit was to determine whether disbursements to students from the Tuition and Fees Refund Bank Account were appropriate and authorized. The audit covered the period from January 1, 2013 through December 29, 2016.

The tuition refunding process is one where the University has leveraged technology to create greater administrative efficiencies, resulting in improved customer service to our students. Prior to the implementation of CUNY's technology platform, CUNYfirst, each our 24 campuses were preparing and sending tuition refunds to their students, a process that was mostly manual and very time consuming. As part of the CUNYfirst implementation, the University took the opportunity to centralize the tuition refunding processing into an existing Shared Services Center in the University's Office of Budget and Finance, which was already responsible for processing financial aid refunds. This unit is now responsible for processing over 500,000 payments and refunds annually in an automated, efficient and customer friendly environment. And we plan and expect to continue to further automate, streamline and strengthen the controls within CUNYfirst over the refunding process.

The following represents CUNY's responses to those findings and recommendations.

**Findings:**

1. Miscalculated Payments (Page 6, paragraph 2) - The auditors concluded that four of the refunds were miscalculated despite CUNY having provided documentation to prove that

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Page | 1

\*See State Comptroller's Comments, page 15.

these payments were properly calculated. We therefore disagree with this finding and can again provide the documents to prove that the amounts cited were calculated correctly.

2. Unsupported Payments (Page 6, paragraph 2) - The auditors concluded that nine of the refunds were unsupported despite CUNY's having provided documentation to prove that eight of these payments were properly supported. We therefore disagree with the majority of this finding and can again provide the documents supporting the payments.

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- a. We agree that there was one refund for \$102 that was not supported. This issue was caused by human error at one of the CUNY colleges during the transition from our legacy system to CUNYfirst. Now that all colleges are in delivered financial aid in CUNYfirst, the postings are handled by the ERP system thus eliminating the need for manual posting and the possibility of human error.

3. Premature Payments (Page 6, paragraph 3) - The auditors concluded that 17 payments were made to the students before they were eligible despite CUNY's having provided support for 16 payments that were refunded in a timely manner. We therefore disagree with this finding and can again provide the documents to prove that amounts cited were refunded correctly.

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- a. We agree that there was one case where the student payment may have been considered premature. Nonetheless, the student was entitled to the entire award and it was disbursed to the student as intended pursuant to the award letter.
- b. Furthermore, the one example cited in the report under premature payments, where a student received a refund check for \$19,110, was not one of the 17 payments cited in the preliminary draft report under premature payments.

4. Financial Aid Payments (Page 6, paragraph 4) - The auditors concluded that 17 payments should have been made from the Financial Aid bank account instead of the Tuition and Fees Refund bank account despite CUNY providing support for 16 payments that were properly paid from the Tuition and Fees Refund bank account. The original disbursement of awards came from the Financial Aid bank account to pay for eligible tuition and fee charges. The funds were moved from the Financial Aid bank account into the Tuition and Fees bank account to satisfy the student's outstanding tuition and fee balances. Therefore, any subsequent disbursements or refunds would need to come out of the Tuition and Fees bank account. We therefore disagree with this finding.

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- a. There was however one payment/refund posted incorrectly due to human error. The refund was posted manually by a college as a tuition and fee refund instead of a financial aid refund. CUNY central will continue to review and provide additional training to the colleges to carefully select the type of refund depending on the source of the payment when manual input is required.
- b. Furthermore, the one example provided under the financial aid payment where a student received a \$5,000 payment from a third party was not one of the 17 payments cited in the preliminary draft report under financial aid payments.



5. Highest Dollar Payments (Page 7, paragraph 2) – We agree with the auditor that the one example in the draft report for highest dollar payments was unsupported (even though the student did not notify the college until 2/19/15 to cancel his loan, more than a week after the refund was issued) after reviewing the backup provided by the college. We are however, not aware of any CUNY policy that the auditor referenced of waiting 18 days after a student withdraws before issuing a refund. Nonetheless, we are working on developing a risk-based approach to reviewing high dollar refunds.
6. Judgmental Sample Payments (Page 7, paragraph 4) – The auditors concluded that eight payments had exceptions, despite CUNY’s providing support and justification for seven payments. We therefore disagree with this finding and can again provide the documents to prove that amounts cited were refunded correctly.
- a. There was one case where the refund was unsupported due to a missing transcript from another college. The refund would have been appropriate if we were successful in obtaining a copy of the student’s transcript. Unfortunately, we did not have the student’s permission and, therefore, the consortium college would not release the transcript.
7. Book Advances (Page 7, paragraph 6) - The auditors concluded that five payments were not in compliance with CUNY’s requirements for book advances, despite CUNY providing documentation to prove that all five payments represented eligible book advances based on the students’ financial aid eligibility at the time of the book advance calculation. The auditors incorrectly concluded that the wrong bank account was used for these five cases; however, CUNY issues book advances from the Tuition and Fee Refund Bank account and is compliant with CUNY’s requirements for book advances.

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**We have provided supporting documentation for the findings; the documentation is still available for review in the Tumbleweed file transfer folder.**

**Recommendations:**

1. *Strengthen the Internal control environment by monitoring compliance with all applicable policies and procedures regarding the refund process and by ensuring all refunds are appropriate.*

Overall, CUNY agrees that out of the auditor’s sample of 270 refunds, there were 10 instances identified where either there were errors made or the specific supporting documents the auditors requested were not available. CUNY will closely review each of these instances to identify their root cause and take the appropriate actions to mitigate the risk of reoccurrence. This may include developing or updating policies, procedures and practices and/or providing either targeted or general training.

We do note, however, that during the scope of the audit, 2013 through 2016, the University was transitioning from its legacy system to a fully integrated ERP system, called CUNYfirst. This transition has now been concluded, and as a result, we have

moved away from many manual processes to a much more automated and integrated system.

2. *Develop procedures to delineate the use of the bank accounts, specifying which accounts are to be used for financial aid payments and which are to be used for tuition and fee refunds.*

Overall, we disagree with the findings that served as the basis of this recommendation as the auditors incorrectly concluded that CUNY routinely used the incorrect bank account to process refunds and books advances.

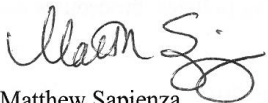
While we agree to continue to provide training to the colleges on selecting correct bank accounts, this issue was only correctly cited one time by the auditors—the instance where human error was the cause. Another two instances which were identified and corrected by CUNY, related to a configuration issue during the transition from our legacy system to a fully automated ERP system.

In compliance with CUNY's requirements, the bank account used for a disbursement or refund transaction is a factor of the flow of funds and can be impacted by the swapping of funds. For example, CUNY, and nearly all other institutions of higher education, routinely apply financial aid directly to a student's outstanding tuition and fee charges instead of disbursing the funds to the student and then having the student remit those funds back to CUNY to satisfy their tuition and fee balance. When this transaction occurs, (i.e., the aid is applied to the student's outstanding tuition and fee charges), the funds are moved from the Financial Aid Account to the Tuition and Fee bank account. If in a subsequent period the financial aid that was applied to that student's tuition and fee balance needs to be returned, the funds should correctly come from the Tuition and Fees bank account, as that is the account in which those funds reside.

While we agree that there are improvements that CUNY can make with regard to the refunding process and we are committed to doing so, we also ask that the auditors reconsider the documentation and explanations that were provided as part of the audit and ensure that final draft report includes only those audit exceptions that were not resolved.

Thank you again for the opportunity to respond to the draft audit report. Please contact me if you need any additional information.

Respectfully,



Matthew Sapienza  
Senior Vice Chancellor and Chief Financial Officer  
The City University of New York

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## State Comptroller's Comments

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1. We reviewed all of the documents CUNY provided during our visits to the campuses related to CUNYfirst as well as material provided in response to our preliminary findings. However, even with the additional documentation, the disbursements that we identified were still not in compliance with the stated criteria for the reasons cited.
2. These four payments were miscalculated. For example, the student credit payments were transferred from spring 2014 to fall 2015, before the student received a refund. Another student's refund was applied to future charges, in violation of HESC regulations. For another student, CUNY made a business decision to not refund the funds to the student as required by regulations, but instead apply these monies to the following semester.
3. We discussed these instances with CUNY officials and reviewed the documentation provided, but maintain that these payments were unsupported.
4. We reviewed the documentation provided by CUNY and concluded that the payments were made before confirmation of eligibility. Regarding the \$19,110 refund, this finding was presented to CUNY in preliminary findings issued June 13, 2017.
5. As stated in the report, these payments were made from the Tuition and Fees Refund account. However, they should have been made from the Financial Aid Payment account.
6. The report was revised to reflect information in the response.
7. We reviewed the documentation provided for the seven payments and concluded that they were exceptions. For instance, the payment cited in the report (\$544) was accidentally paid twice. Although CUNY had stopped payment of the first check at the bank, this was done after the check had been cashed. In its response to the preliminary findings, CUNY advised us that this occurred because of delays in reconciling cashed checks in CUNYfirst, leading to this check being re-issued. This payment was never recovered.
8. We reviewed all documentation provided by CUNY, both at the schools and the additional documentation provided in response to the preliminary findings. We found that these five payments were not in compliance with CUNY's requirements. They consisted of payments that were unsupported, payments from the wrong bank account, and payments made before the students' eligibility was determined.
9. Federal regulations require that an institution establish and maintain financial records that identify the various types of funds held for students. By not maintaining and disbursing funds from the appropriate accounts, there is an increased risk that the source of the funds would not be tracked, which increases the risk of errors and overpayments.