

**From:** Shanedling, Adam <Adam.Shanedling@ed.gov>  
**Sent:** Friday, May 24, 2019 8:25 AM  
**To:** Paul Schronen; Hodge, Christopher  
**Cc:** Antonia Allen  
**Subject:** RE: Request for assistance determining if an incident is reportable

Hey Paul, thanks for reaching out. Give me a call and we can discuss the matter. This is definitely fraud and must be reported to the OIG.

Adam M. Shanedling  
Special Agent in Charge  
U.S. Department of Education  
Office of Inspector General  
One World Trade Center, Suite 2300  
Long Beach, CA 90831  
Direct: (562) 980-4136  
Fax: (562) 980-4143

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**From:** Paul Schronen <schronp@wwu.edu>  
**Sent:** Thursday, May 23, 2019 4:08 PM  
**To:** Shanedling, Adam <Adam.Shanedling@ed.gov>; Hodge, Christopher <Christopher.Hodge@ed.gov>  
**Cc:** Antonia Allen <allena32@wwu.edu>  
**Subject:** Request for assistance determining if an incident is reportable

Hello,

I attended one of your training sessions at an [ACUA](#) conference in the spring of 2016, similar to [this presentation](#) that I found online yesterday. Our department has been investigating academic irregularities in one of our departments for the past several months. I would like to share some of the particulars of the case with you, and ask whether or not you feel that the actions described constitute fraud as defined on page 6 of your presentation, and if so, which category it falls into? We would also like to ask whether or not the actions in question meet the criteria for a reportable incident as defined by [34 CFR 668.16](#)?

Our review concluded that staff and faculty members in the department in question offered, and granted, false academic credentials to students with the intent to bolster their credit loads for financial aid purposes. Correspondence and documentation appear to indicate that this practice was systemic throughout the department, and widely communicated to their students. We have extensive email records and source documents indicating that the 2 credit course was offered to students who needed additional credits to get them up to full-time status for financial aid purposes. There was no work associated with the credits, and the course was referred to by students, staff, and faculty using terminology such as "ghost course", a "filler for credits", "space-filler", "credit adder", and "a 2 credit option during Q1 or 2 for interns to basically "pad" their registration to be full time".

Our analysis indicated that these false credentials were awarded to 20 students between winter quarter 2016 and winter quarter 2019. Our financial aid department determined that 9 of these students received over-awards totaling \$4,580 as a direct result of this practice.

I was hoping to obtain your opinion on the following questions:

- Does this activity constitute *fraud, misrepresentation, conversion or breach of fiduciary responsibility, or other illegal conduct* and therefore reportable per [34 CFR 668.16](#)? If not, how would you classify this activity?
- Does this activity constitute a failure on our part *to administer a Title IV, HEA program, or to account for the funds that the institution or servicer receives under that program, in accordance with the highest standard of care and diligence required of a fiduciary* in violation of [34 CFR 668.82](#)?
- Does this activity constitute a substantial misrepresentation of the nature of our educational program in violation of [34 CFR 668.84](#) and [34 CFR 668.85](#)?
- If you do not feel that this activity violates any of these statutes, does our institution have any other obligations under Title IV, of the HEA program?

Thank you in advance for your assistance.

**PAUL SCHRONEN**  
SENIOR INTERNAL AUDITOR  
OFFICE OF THE INTERNAL AUDITOR  
WESTERN WASHINGTON UNIVERSITY  
[PAUL.SCHRONEN@WWU.EDU](mailto:PAUL.SCHRONEN@WWU.EDU)  
360-650-4033

**From:** [Shanedling, Adam](#)  
**To:** [Antonia Allen](#); [Paul Schronen](#)  
**Cc:** [Hodge, Christopher](#)  
**Subject:** RE: Request for assistance determining if an incident is reportable  
**Date:** Friday, May 24, 2019 9:38:27 AM

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We are all out of state next week for training. I can call you from the road on Tuesday morning, say about 10am. Let me know what number to call. I look forward to speaking with you two. Enjoy the long weekend.

Adam

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**From:** Antonia Allen <[allena32@wwu.edu](mailto:allena32@wwu.edu)>  
**Sent:** Friday, May 24, 2019 9:27 AM  
**To:** [Shanedling, Adam](mailto:Adam.Shanedling@ed.gov) <[Adam.Shanedling@ed.gov](mailto:Adam.Shanedling@ed.gov)>; [Paul Schronen](mailto:schronp@wwu.edu) <[schronp@wwu.edu](mailto:schronp@wwu.edu)>; [Hodge, Christopher](mailto:Christopher.Hodge@ed.gov) <[Christopher.Hodge@ed.gov](mailto:Christopher.Hodge@ed.gov)>  
**Subject:** RE: Request for assistance determining if an incident is reportable

Hi Adam,  
Thank you so much for responding to Paul's email. Paul is out of the office today, but we would definitely like to discuss this matter with you further. Paul and I are available on Tuesday, May 28<sup>th</sup>, any time after 9:00 am and Wednesday, May 29<sup>th</sup>, before 10:00 am. Please let us know what date/time/number would work best for you.

Thank you,

*Antonia*

*Antonia Allen*

Director, Office of the Internal Auditor  
Western Washington University  
Old Main 330G, MS 9015  
Bellingham, WA 98225  
p 360.650.3435 | f 360.650.6197  
[Antonia.Allen@wwu.edu](mailto:Antonia.Allen@wwu.edu)  
<http://www.wwu.edu/internalaudit/>

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**From:** [Shanedling, Adam](mailto:Adam.Shanedling@ed.gov) <[Adam.Shanedling@ed.gov](mailto:Adam.Shanedling@ed.gov)>  
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**Cc:** [Antonia Allen](mailto:allena32@wwu.edu) <[allena32@wwu.edu](mailto:allena32@wwu.edu)>  
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AA000208

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