

Howard University Officials Stole Nearly \$1 Million in Financial Aid Funds, records show

Mar 27

Note: For the safety of student whistleblower, he will be referred to as “Chase” throughout this article. Administrators who provided information in the spirit of transparency while risking their jobs will also be unnamed.

Records obtained by a Howard University financial aid administrator show that former financial aid officials received nearly \$1 Million in financial aid funds between 2013 and 2017 in an office-wide scandal that involved at least four other senior financial aid administrators.

Accounts given by current and former employees and students familiar with the embezzlement scandal suggest that Howard University **President Wayne Fredrick and his administration have been aware of this fraud since at least May 2017**, despite making no public comments on the matter. Since that time, at least seven senior-level financial aid officials have either resigned or been quietly removed by the University. It is unclear whether the University has reported the theft to federal authorities or worked to recover any of the stolen money.



Wayne Frederick, 17th President of Howard University

During briefings and public statements on the University's fiscal health, Dr. Frederick has repeatedly said that the Office of Financial Aid is in about \$9 million of debt, which he attributes to students' failure to pay their tuition. **At no point did the President in any public forum admit that the debt was in part due to his own staff's theft and misallocation of funds.**

The embezzlement was *allegedly* first discovered by a student employee, *Chase**, who noticed that the office was dispersing refund checks nearing \$100,000 in a single aid year. Federal law and financial aid policies limit the amount students can receive to the cost of attendance budget. **In 2017–2018, this amount was just \$43,501 according to Howard**

University's website.

“I noticed irregularities in the type and amount of grants that were being awarded. And then I noticed that all of these grants were being awarded to my colleagues,” Chase said.

Phony grants were allegedly created and awarded to financial aid employees who were also registered for University courses. In some cases, these employees qualified for tuition remission and therefore weren't charged tuition for their classes. Despite this, they still received large grants and scholarships that exceeded amounts generally awarded to normal students. These grants almost always exceeded legally allowed amounts.

In 2013, for example, the Associate Director of Financial Aid, Brian Johnson, received tuition remission, and despite this, also received “University Need Based Grants” totaling \$35,400 one year and more than \$68,000 the following year. **These grants are intended for low-income students who are in desperate need of assistance and in danger of having their education disrupted by their inability to pay.** The grant amounts usually range between \$2,000 to \$5,500 a semester. **A current financial aid employee described the amount awarded to the former Associate Director as “unprecedented” and “illegal.”** Total aid received by the Associate Director neared \$200,000.

Oracle Fusion Middleware Forms Services: Open > RPAAWRD

File Edit Options Block Item Record Query Tools Help

Award Maintenance RPAAWRD 8.27 (PROD11G)

1415 ID: @02552359 Brian Jonathan Johnson

Award Maintenance Award Schedule Disbursement Schedule Direct Loan Interface

Fund Awards

Amounts Overrides Locks/Indicators

Description	Offered	Accepted	Declined or Cancelled	Memoed or Authorized	Paid	Schedule
REMEU Remission/Emp/ HU ACPT	22,080.00	22,080.00			22,080.00	<input type="checkbox"/>
WGRNT Univ. Need-Based Disc. Grant ACPT	68,712.75	68,712.75			68,712.75	<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
						<input type="checkbox"/>
Total:	90,792.75	90,792.75			90,792.75	

Summary Packaging Group Pell Loans

Offered: 90,792.75 Aid Period: UAYR Budget EFC Gross Need Unmet Need

Resource: .00 Pell Aid Period: FM: IM:

Crossover Pell Award: GRMOCC Pell:

Crossover Aid Year: Budget Group: Pell:

Fund Code; press COUNT QUERY HITS for Applicant Immediate Process, DUPFLD for Auto Packaging

Record: 1/2 <OSC>

Screenshot showing excessive aid awarded to former Associate Director of Financial Aid in 2014–2015, SOURCE: Anonymous Financial Aid Employee—Whistleblower

Unfortunately, however, this was not the last time a grant of that amount had been awarded. Between 2014 and 2017, another financial aid student-employee, Tyrone Hankerson, was repeatedly awarded a \$65,000 “University Need Based Grant.” In 2014, Hankerson was awarded another \$22,683 scholarship, labeled as a Mock Trial Scholarship. **Sources who have been involved with the mock trial, including past leadership, say the team has never awarded a scholarship of that amount and wouldn’t even have had the budget to accommodate a scholarship of that amount.**

Oracle Fusion Middleware Forms Services: Open > RPAAWRD

File Edit Options Block Item Record Query Tools Help

Award Maintenance RPAAWRD 8.27 (PROD11G)

Confidential

1314 ID: @02662139 Tyrone LaSalle Hankerson, Jr.

Award Maintenance Award Schedule Disbursement Schedule Direct Loan Interface

Fund Awards

Amounts Overrides Locks/Indicators

Description	Offered	Accepted	Declined or Cancelled	Memoed or Authorized	Paid	Schedule
ORS Fed Direct Loan (Sub) CNCL			5,500.00			
DIRU Fed Direct Ln (Unsub) CNCL			100.00			
HUSEP HU Stud Emplmt Prog ACPT	10,999.00	10,999.00	.00		15,420.00	
MOCKTR Mock-Trial Scholarship ACPT	22,683.00	22,683.00			22,683.00	
NEEDY HU Need-Based Grant ACPT	5,645.00	5,645.00			5,645.00	
PELL Federal Pell Grant ACPT	5,645.00	5,645.00			5,645.00	
PLUSD Direct Parent Loan CNCL			500.00			
STABFA Study Abroad- Univ. Support ACPT	6,061.00	6,061.00			6,061.00	
Total:	74,083.00	74,083.00	6,100.00		78,504.00	

Summary Packaging Group Pell Loans

Offered:	74,083.00	Aid Period:	UYRSUM	Budget	EFC	Gross Need	Unmet Need
Resource:	.00	Pell Aid Period:		FM: 70,483.00	0	70,483.00	-3,600.00
Crossover Pell Award:				IM:			
Crossover Aid Year:		Budget Group:	UGOFCC	Pell: 46,972.00	0		

FRM-40100: At first record.

Screenshot showing excessive aid awarded to former student employee in 2013–2014,
SOURCE: Anonymous Financial Aid Employee—Whistleblower

Also during that aid year, Hankerson received a \$6,000 “study abroad scholarship,” another \$5,645 university grant, a \$21,000 “Trustee scholarship” and multiple other atypical **financial aid awards totaling \$429,612 over 4 years.**

He routinely received financial aid awards that doubled and even tripled the maximum allowed budget. In addition to money received via financial aid, many familiar with the situation claim that Hankerson also received stipends for unspecified amounts from the Office of Student Life & Activities and the Student Employment program.

While the records obtained show just 12 cases of embezzlement or financial aid fraud between the two officials, **the whistleblower and other University officials say this is just the tip of the iceberg.** A senior level University official who confirmed the embezzlement suggested that the problem was so widespread, it went **far beyond the Office of Financial Aid and involved many more employees and University offices.** The President’s Office had no comment on this story.