

**SALEM STATE UNIVERSITY**  
(an agency of the Commonwealth of Massachusetts)

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**INDEPENDENT AUDITORS' REPORTS AS REQUIRED  
BY THE UNIFORM GUIDANCE AND *GOVERNMENT*  
*AUDITING STANDARDS* AND RELATED  
INFORMATION**

**JUNE 30, 2020**

**SALEM STATE UNIVERSITY**  
**(an agency of the Commonwealth of Massachusetts)**

**Independent Auditors' Reports as Required by the Uniform Guidance and  
*Government Auditing Standards* and Related Information**

**June 30, 2020**

**C O N T E N T S**

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# **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees of  
Salem State University  
Salem, Massachusetts

## **Report on Compliance for Each Major Federal Program**

We have audited Salem State University's (the "University") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2020. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

## **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2020-001 and 2020-002. Our opinion on each major federal program is not modified with respect to these matters.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

## **Report on Internal Control over Compliance**

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002, that we consider to be significant deficiencies.

Management's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Entity's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the University, as of and for the year ended June 30, 2020. We issued our report thereon dated October 26, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**Certified Public Accountants  
Braintree, Massachusetts**

May 10, 2021

(except for the Schedule of Expenditures of Federal Awards; for which the date is October 26, 2020)



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees of  
Salem State University  
Salem, Massachusetts

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Salem State University (the "University"), which comprise the statements of net position as of June 30, 2020, the related statements of revenues, expenses and changes in net position, cash flows, the combining statements of net position of major component units, and combining statements of revenues and expenses of major component units for the year then ended, and the related notes to the financial statements, which collectively comprise Salem State University's basic financial statements, and have issued our report thereon dated October 26, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Salem State University's internal control over financial reporting ("internal control") as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002, that we consider to be significant deficiencies.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Salem State University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Certified Public Accountants  
Braintree, Massachusetts**

October 26, 2020

**SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS**



**SALEM STATE UNIVERSITY**  
**(an agency of the Commonwealth of Massachusetts)**

**Schedule of Expenditures of Federal Awards**

**Year Ended June 30, 2020**

	<b>CFDA Number</b>	<b>Pass-Through Entity</b>	<b>Pass-Through Entity Award Number</b>	<b>Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>STUDENT FINANCIAL ASSISTANCE CLUSTER</b>					
<b>U.S. Department of Education:</b>					
<b>Direct Awards:</b>					
Federal Supplemental Educational Opportunity Grant	84.007	N/A	N/A	\$ 619,349	\$ -
Federal Work-Study Program	84.033	N/A	N/A	493,892	-
Federal Perkins Loan Program (beginning of year)	84.038	N/A	N/A	1,202,153	-
Federal Perkins Loan Program (current year expenditure)	84.038	N/A	N/A	-	-
Federal Pell Grant Program	84.063	N/A	N/A	11,180,647	-
Federal Direct Student Loans	84.268	N/A	N/A	41,288,439	-
Teachers Education Assistance for College Grant	84.379	N/A	N/A	10,350	-
Nursing Student Loans (beginning of year)	93.364	N/A	N/A	660,838	-
Nursing Student Loans (current year expenditures)	93.364	N/A	N/A	20,000	-
Total Student Financial Assistance Cluster				55,475,668	-
<b>TRIO CLUSTER</b>					
<b>U.S. Department of Education:</b>					
<b>Direct Awards:</b>					
Student Support Services	84.042	N/A	N/A	456,700	-
Upward Bound	84.047	N/A	N/A	305,738	-
Total TRIO Cluster				762,438	-

*See accompanying notes to the schedule of expenditures of federal awards.*

**SALEM STATE UNIVERSITY**  
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**Schedule of Expenditures of Federal Awards - Continued**

Year Ended June 30, 2020

	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
<b>RESEARCH AND DEVELOPMENT CLUSTER</b>					
<b>National Science Foundation:</b>					
<b>Direct Awards:</b>					
Agricultural Research	47.076	N/A	N/A	\$ 31,542	\$ -
Geosciences	47.050	N/A	N/A	27,624	-
Learning of Physics and Programing	47.076	N/A	N/A	8,159	-
Subtotal - Direct Awards				67,325	-
<b>U.S. Department of the Interior</b>					
<b>Direct Awards:</b>					
Organization of American Historians	15.946	N/A	N/A	5,754	-
Subtotal - Direct Awards				5,754	-
<b>U.S. Department of Health and Human Services</b>					
<b>Direct Awards:</b>					
Title X Family Planning Program	93.217	N/A	N/A	7,103	-
Phonological Research	93.173	N/A	N/A	46,055	-
Subtotal - Direct Awards				53,158	-
Total Research and Development Cluster				126,237	-

*See accompanying notes to the schedule of expenditures of federal awards.*

**SALEM STATE UNIVERSITY**  
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**Schedule of Expenditures of Federal Awards - Continued**

**Year Ended June 30, 2020**

	<b>CFDA Number</b>	<b>Pass-Through Entity</b>	<b>Pass-Through Entity Award Number</b>	<b>Federal Expenditures</b>	<b>Passed Through to Subrecipients</b>
<b>NON-CLUSTER</b>					
<b>U.S. Department of Education:</b>					
<b>Direct Awards:</b>					
Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	84.425E	N/A	N/A	\$ 3,117,250	\$ -
Higher Education Emergency Relief Fund (HEERF) Institutional Portion	84.425F	N/A	N/A	3,117,250	-
Subtotal - Pass-through Awards				6,234,500	-
<b>U.S. Small Business Administration</b>					
<b>Pass-through Awards:</b>					
SBDC Network Jobs Bill Workplan	59.037	University of Massachusetts	N/A	5,000	-
Small Business Development Center	59.037	University of Massachusetts	N/A	408,781	-
Subtotal - Pass-through Awards				413,781	-
<b>National Oceanic and Atmospheric Administration</b>					
<b>Direct Awards:</b>					
Center for Sponsored Coastal Ocean Research	11.478	N/A	N/A	57,813	-
Subtotal - Direct Awards				57,813	-
<b>U.S. Department of Justice:</b>					
<b>Direct Awards:</b>					
Violence Against Women	16.525	N/A	N/A	5,399	-
Subtotal - Direct Awards				5,399	-
Total Non-Cluster				6,711,493	-
<b>Total Federal Funds</b>				<b>\$ 63,075,836</b>	<b>\$ -</b>

See accompanying notes to the schedule of expenditures of federal awards.

**SALEM STATE UNIVERSITY**  
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**Notes to the Schedule of Expenditures of Federal Awards**

**Year Ended June 30, 2020**

Note 1 - **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Salem State University (the “University”) under programs of the Federal Government for the year ended June 30, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to, and does not present, the financial position, changes in net position or cash flows of the University.

Note 2 - **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 - **Indirect Cost Rate**

The University has elected to not use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

Note 4 - **Federal Student Loan Programs**

*Perkins Loan Program*

The Federal Perkins Loan Program (“Perkins”) is administered directly by the University and balances and transactions relating to this program are included in the University’s basic financial statements. During the year ended June 30, 2020, there were no loans advanced under the Perkins program and no administrative costs were incurred. As of June 30, 2020, loan balances receivable under Perkins was \$1,011,980.

There was no federal capital contribution or match by the University during the current year.

*Nursing Student Loans*

The Nursing Student Loan Program is administered by Salem State University. Fiscal year 2020 activity included loan funds disbursed of \$20,000. As of June 30, 2020, the loan balances receivable for this program was \$603,387.

**SALEM STATE UNIVERSITY**  
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**Notes to the Schedule of Expenditures of Federal Awards - Continued**

**Year Ended June 30, 2020**

Note 4 - **Federal Student Loan Programs - Continued**

*Direct Student Loan Program*

The University disbursed \$41,288,439 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. It is not practical to determine the balances of the loans outstanding to students of the University under the program as of June 30, 2020. The University is only responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the University's financial statements.

**SALEM STATE UNIVERSITY**  
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**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2020**

**Section I – Summary of Auditors’ Results:**

***Financial Statements***

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  no

Noncompliance material to the financial statements noted?  yes  no

***Federal Awards***

Type of auditors’ report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weaknesses identified?  yes  no
- Significant deficiencies identified that are not considered to be material weaknesses?  yes  no

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  yes  no

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**Schedule of Findings and Questioned Costs - Continued**

**Year Ended June 30, 2020**

*Identification of Major Programs*

Name of Federal Program or Cluster	CFDA Number
Student Financial Assistance Cluster:	
Federal Supplemental Educational Opportunity Grant Program	<b>84.007</b>
Federal Work-Study Program	<b>84.033</b>
Federal Perkins Loan Program	<b>84.038</b>
Federal Pell Grant Program	<b>84.063</b>
Federal Direct Student Loans (Note 4)	<b>84.268</b>
Non-Cluster:	
Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	<b>84.425E</b>
Higher Education Emergency Relief Fund (HEERF) Institutional Portion	<b>84.425F</b>

Dollar threshold used to distinguish between  
type A and type B programs:

\$750,000

Auditee qualified as a low-risk auditee?

  x   yes         no

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**Schedule of Findings and Questioned Costs - Continued**

**Year Ended June 30, 2020**

**Section II – Financial Statement Findings:**

None



**SALEM STATE UNIVERSITY**  
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**Schedule of Findings and Questioned Costs - Continued**

**Year Ended June 30, 2020**

**Section III – Federal Award Findings and Questioned Costs:**

**Finding number:** 2020-001  
**Federal agency:** U.S. Department of Education  
**Program:** Federal Work-Study Program  
**CFDA #:** 84.033  
**Award year:** 2020

***Criteria***

*According to 34 CFR 675.19(a):*

The institution must establish and maintain program and fiscal records that include a certification by the student's supervisor, an official of the institution, or off-campus agency, that each student has worked and earned the amount being paid. The certification must include or be supported by, for the students paid on an hourly basis, a time record showing the hours each student worked in clock time sequence, or the total hours worked per day.

*The 2019-2020 Federal Student Aid Handbook (Vol. 6, Pg. 46) states:*

In general, students are not permitted to work in Federal Work-Study positions during scheduled class times. Exceptions are permitted if the individual class is cancelled, if the instructor has excused the student from attending for a particular day, and if the student is receiving credit for employment in an internship, externship, or community work-study experience. Any such exemptions must be documented.

***Condition***

Federal regulations require an institution to monitor and ensure that a work-study student is not working during his/her designated class time. Out of a sample of seven students, we noted one student who worked during class time.

***Cause***

Our procedures disclosed that, although the University has policies and procedures to ensure students were not working during class time, there was an occurrence in which the University failed to identify an instance where a student's work schedule conflicted with their class schedule.

***Effect***

A student's reported time sheet conflicted with their class schedule. As a result of this scheduling conflict, the student either did not attend class or was not present during the documented time period for which they were paid Federal Work-Study wages.

**SALEM STATE UNIVERSITY**  
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**Schedule of Findings and Questioned Costs - Continued**

**Year Ended June 30, 2020**

***Questioned Costs***

Not applicable

***Perspective***

Our sample was not, and was not intended to be, statistically valid. Of seven students selected for testing, one student, or approximately 14% of our sample, was determined to have worked during class time.

***Identification as a Repeat Finding, if applicable***

N/A

***Recommendation***

We recommend that management of the University review, and if necessary, update the policies and procedures to ensure all Federal Work-Study supervisors are monitoring students' work time to ensure that it does not conflict with their class schedules. These policies should also be revisited and reinforced with those in charge of monitoring the students' Federal Work-Study time.

***View of Responsible Officials***

The University agrees with the finding. The University has reviewed and revisited its policies and procedures related to this finding.

**SALEM STATE UNIVERSITY**  
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**Schedule of Findings and Questioned Costs - Continued**

**Year Ended June 30, 2020**

**Finding number:** 2020-002  
**Federal agency:** U.S. Department of Education  
**Programs:** Student Financial Assistance Cluster  
**CFDA #:** 84.063  
**Award year:** 2020

***Criteria***

According to 34 CFR 668.22(j)(1):

*Timeframe for the return of Title IV funds.* An institution must return the amount of Title IV funds for which it is responsible under paragraph (g) of this section as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew as defined in paragraph (l)(3) of this section.

According to 34 CFR 668.173(b):

*Timely return of Title IV, HEA program funds.* In accordance with procedures established by the Secretary or Federal Family Education Loan (“FFEL”) program lender, an institution returns unearned Title IV, HEA program funds timely if –

- (1) The institution deposits or transfers the funds into the bank account it maintains under 34 CFR Sections 668.163 no later than 45 days after the date it determines the student withdrew;
- (2) The institution initiates an electronic funds transfer no later than 45 days after the date it determines that the student withdrew;
- (3) The institution initiates an electronic transaction no later than 45 days after the date it determines that the student withdrew, that informs a FFEL lender to adjust the borrower’s loan account for the amount returned; or
- (4) The institution issues a check no later than 45 days after the date it determines that the student withdrew. An institution does not satisfy this requirement if –
  - (i) The institution’s records show that the check was issued more than 45 days after the date the institution determined the student withdrew; or

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**Schedule of Findings and Questioned Costs - Continued**

**Year Ended June 30, 2020**

- (ii) The date on the cancelled check shows that the bank used by the Secretary or FFEL Program lender endorsed that check more than 60 days after the date the institution determined that the student withdrew.

***Condition***

Federal regulations state that any unearned Title IV grant or loan assistance received by a student must be refunded to the Title IV programs upon a student's withdrawal from the institution. The University has 45 days from the date they determined the student withdrew to return any unearned portions of Title IV funds. During our testing, we noted 2 students, out of a sample of 25, had unearned Title IV aid that was not returned to the Federal Government, within 45 days of the determined withdrawal date, by 130 days. The total amount to return was \$4,681.

***Cause***

The University did not consistently follow the procedures in place to monitor student withdrawals related to Title IV funds that must be returned to the Department of Education within 45 days primarily due to the University's turnover to a new staff and transition to remote work.

***Effect***

The University did not return unearned Title IV funds within the required 45-day time frame.

***Questioned Costs***

None - Funds have been returned.

***Perspective***

Our sample was not, and was not intended to be, statistically valid. Of the 25 students selected for testing, 2 students, or 8% of our sample, had unearned Title IV funds that were not returned to the Department of Education within the 45-day required time frame.

***Identification as a Repeat Finding, if applicable***

See finding 2019-001 included in the summary schedule of prior year findings.

***Recommendation***

The University should strengthen their controls surrounding the review Return of Title IV calculations in a timely manner to ensure that all funds are returned to the Department of Education within the required time frame.

***View of Responsible Officials***

The University agrees with the finding and has returned the funds. The University has reviewed and revisited its policies and procedures related to this finding.

## Management's Summary Schedule of Prior Audit Findings

Year Ended June 30, 2020

**Finding number:** 2019-001  
**Federal agency:** U.S. Department of Education  
**Programs:** Student Financial Assistance Cluster  
**CFDA #'s:** 84.063  
**Award year:** 2019

### *Condition*

Federal regulations state that any unearned Title IV grant or loan assistance received by a student must be refunded to the Title IV programs upon a student's withdrawal from the institution. The academic institution is responsible for the calculation of the earned and unearned portion of Title IV assistance using a standard Return of Title IV Funds form ("R2T4"). In our testing sample of twenty-five students who were determined to have withdrawn from the University, we noted two students for whom funds were not returned within the required 45 days. Our audit disclosed that the funds were not returned until 35 and 40 days after the 45-day disbursement timeframe. The total amount to return was \$6,011.

### *Current Year Status*

As noted in finding 2020-002, there were two students whose aid was not returned within the established timeframe.

**Finding number:** 2019-002  
**Federal agency:** U.S. Department of Education  
**Programs:** Student Financial Assistance Cluster  
**CFDA #'s:** 84.268  
**Award year:** 2019

### *Condition*

Federal regulations require an institution to return unclaimed Title IV funds issued by check or EFT within 240 days. During our testing, we noted 1 student, out of a sample of 10, that had unclaimed funds exceeding the federal day limit.

### *Current Year Status*

Corrective action was taken during the year.

## Management's Corrective Action Plan

Year Ended June 30, 2020

Finding number: 2020-001  
Federal agency: U.S. Department of Education  
Programs: Federal Work-Study Program  
CFDA#'s: 84.033  
Award year: 2020

***Corrective Action***

As a result of this issue, the Student Employment Office (SEO) will tighten work-study policy and procedures and require, if applicable, set work schedules for work-study students. Work-Study supervisors will be asked to send SEO a copy of their students' work and class schedules at the time the student and supervisor have agreed to an appropriate work schedule. SEO will require each student to review a copy of the *Student Employee Rights and Responsibilities* and sign a copy to be kept in their personnel file. In addition, SEO will require each student employee supervisor to review a copy of the *Student Employee Supervisor Rights and Responsibilities* and sign a copy to be kept in their personnel file.

***Timeline for Implementation of Corrective Action Plan:***

Corrective Action will be taken beginning Fall 2021.

***Contact Persons:***

Mark Quigley

Assistant Vice President, Human Resources and Equal Opportunity

Craig Licourt

Assistant Director, Human Resources and Equal Opportunity

## Management's Corrective Action Plan

### Year Ended June 30, 2020

**Finding number:** 2020-002  
**Federal agency:** U.S. Department of Education  
**Programs:** Student Financial Assistance Cluster  
**CFDA #'s:** 84.063  
**Award year:** 2020

#### *Corrective Action*

The financial aid office has reviewed and enhanced the queries used and updated our internal policies that now require staff to run this query through the end of each term. The financial aid office has also reviewed and made enhancements to our Disbursement Exceptions report to identify students who are on a leave and for whom an R2T4 was calculated and whose account shows un-recovered funds which will help ensure that funds are returned within the required timeframe.

The funds in question have been returned.

#### *Timeline for Implementation of Corrective Action Plan:*

Corrective action will be taken beginning Summer 2021.

#### *Contact Person:*

Scott Jewell  
Director of Financial Aid