



Federal Awards Reports in Accordance with the Uniform  
Guidance  
June 30, 2024

Western Oregon University

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**Independent Auditor’s 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  
Western Oregon University  
Monmouth, Oregon

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 (*Government Auditing Standards*), the financial statements of the business-type activities and the discretely presented component unit of Western Oregon University (the University) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University’s basic financial statements, and have issued our report thereon dated November 12, 2024. Our report includes a reference to other auditors who audited the financial statements of Western Oregon University Development Foundation (the Foundation), as described in our report on the University’s financial statements. The audit of the financial statements of the Foundation were not performed in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance that are reported on separately by those auditors of Western Oregon University Development Foundation.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the University’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies in internal control may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a material weakness.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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*.

### **The University's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the University's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The University's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Boise, Idaho

November 12, 2024, except for finding 2024-001 in the schedule of findings and questioned costs, for which the date is December 13, 2024.



## **Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance**

The Board of Trustees  
Western Oregon University  
Monmouth, Oregon

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

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

We have audited Western Oregon University’s (the University) compliance with the types of compliance requirements identified as subject to audit 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, 2024. The University’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the 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, 2024.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University’s compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the University's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

*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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a material weakness.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-003 and 2024-004 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the University's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other 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.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of the University as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated November 12, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic 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.

*Eide Bailly LLP*

Boise, Idaho  
November 12, 2024



Western Oregon University  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
<b>Department of Education</b>			
<u>Direct Programs</u>			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007	Not Applicable	\$ 217,527
Federal Work-Study Program	84.033	Not Applicable	299,045
Federal Perkins Loans	84.038	Not Applicable	937,062
Federal Pell Grant Program	84.063	Not Applicable	6,941,858
Federal Direct Student Loans	84.268	Not Applicable	14,436,793
Teacher Education Assistance for College & Higher Education Grants	84.379	Not Applicable	<u>151,044</u>
Total Student Financial Assistance Cluster			<u>22,983,329</u>
English Language Acquisition State Grants (Title III, Part A)	84.031	Not Applicable	<u>206,448</u>
TRIO Cluster:			
TRIO Student Support Services	84.042	Not Applicable	678,610
TRIO Upward Bound	84.047	Not Applicable	<u>289,424</u>
Total TRIO Cluster:			<u>968,034</u>
Rehabilitation Long-Term Training	84.129	Not Applicable	<u>325,385</u>
Training Interpreters for Individuals who are Deaf and Individuals who are Deaf-Blind	84.160	Not Applicable	<u>426,345</u>
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325	Not Applicable	<u>201,562</u>
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	Not Applicable	<u>43,699</u>
English Language Acquisition State Grants	84.365	Not Applicable	<u>501,500</u>
<u>Total Department of Education Direct Programs</u>			<u>25,656,302</u>

Western Oregon University  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
<u>Pass-Through Programs</u>			
Higher Education Coordinating Commission COVID-19: Governors Emergency Education Relief Fund	84.425C	HECC 21-044D	32,305
Oregon Department of Education Elementary and Secondary School Emergency Relief Fund	84.425U	ODE Agreement 34853	20,590
Total ALN 84.425			<u>52,895</u>
Pacific University	84.336S	PU SUBAWARD PU-WOU-020- 230058	448
Oregon State University Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325	OSU SUBAWARD ED197A-A	25,521
<u>Total Department of Education Programs Pass Through</u>			<u>78,864</u>
<b>Total Department of Education</b>			<u>25,735,166</u>
<b>Department of Health and Human Services</b>			
<u>Pass-Through Programs</u>			
Oregon Department of Education CCDF Cluster			
Child Care and Development Block Grant	93.575	ODE AGREEMENT 15450	5,804,174
Child Care and Development Block Grant	93.575	ODE AGREEMENT 14522	77
Subtotal ALN 93.575 (CCDF Cluster)			<u>5,804,251</u>
Oregon Department of Early Learning and Care CCDF Cluster			
Child Care and Development Block Grant	93.575	DELIC IGA PO-58800- 0023889	1,380,801
Child Care and Development Block Grant	93.575	DELIC Grant 23003	1,633,124
Child Care and Development Block Grant	93.575	DELIC Agreement 32619	264,056
Subtotal ALN 93.575 (CCDF Cluster)			<u>3,277,981</u>
Every Student Succeeds Act/Preschool Development Grants	93.434	DELIC Grant 13898	747,887
Lead Testing in School and Child Care Program Drinking Water	66.444	DELIC Agreement 32619	9,005
<b>Total Department of Health and Human Services</b>			<u>9,839,124</u>

Western Oregon University  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
<b>Department of Justice</b>			
<u>Direct Programs</u>			
Public Safety Partnership and Community Policing Grants	16.710	Not Applicable	51,440
Crime Victim Assistance	16.525	Not Applicable	<u>27,161</u>
<b>Total Department of Justice Direct Programs</b>			<b><u>78,601</u></b>
<u>Pass-Through Programs</u>			
Oregon Department of Justice			
Crime Victim Assistance	16.575	VOCA-FI-2020 -WOU-0069	38,373
University of North Dakota			
Tribal Law and Policy Institute			
Tribal Justice Systems and Alcohol and Substance Abuse	16.608	UND0024465-S1	127,634
Tribal Justice Systems Infrastructure Program for Indian Tribes	16.596	UND0028863-S1	<u>2,334</u>
<b>Total Department of Justice Pass-Through Programs</b>			<b><u>168,341</u></b>
<b>Total Department of Justice</b>			<b><u>246,942</u></b>
<b>National Science Foundation</b>			
Research and Development Cluster			
<u>Pass-Through Programs</u>			
John Carroll University		JCU-ASCENDSUB- 004	
Education and Human Resources	47.076		1,781
Pacific Lutheran University			
Education and Human Resources	47.076	2020-4843-TRI-SG	4,247
Oregon State University			
Education and Human Resources	47.076	OSU S2382A-B	22,935
University of Wisconsin-Oshkosh			
Education and Human Resources	47.036	FSA.23.004	5,612
Christopher Newport University			
Computer and Information Science and Engineering	47.070	WOU23	<u>46,543</u>
<b>Total National Science Foundation and Research and Development Cluster</b>			<b><u>81,118</u></b>
<b>United States Department of Agriculture</b>			
<u>Pass-Through Programs</u>			
Oregon Department of Education			
Child and Adult Care Food Program	10.558	Not Applicable	<u>14,912</u>
<b>Total United States Department of Agriculture</b>			<b><u>14,912</u></b>
<b>Dept of the Treasury</b>			
<u>Pass-Through Programs</u>			
United Way			
Coronavirus State and Local Fiscal Recovery Funds	21.027	2023-5992-DOE	<u>101,593</u>
<b>Total Dept of the Treasury</b>			<b><u>101,593</u></b>
<b>Total Expenditures of Federal Awards</b>			<b><u>\$ 36,018,855</u></b>

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of Western Oregon University (the University) under programs of the federal government for the year ended June 30, 2024. The information is presented 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 in the schedule are recognized on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

**Note 3 - Indirect Cost Rate**

The University has not elected to use the 10% de minimis cost rate.

**Note 4 - Federal Student Loan Programs**

The federal student loan programs listed subsequently are administered directly by the University and balances and transactions relating to these programs are included in the University's basic financial statements. Loans made during the year are included in the federal expenditures presented in the schedule. The balance of loans outstanding at June 30, 2024, consists of:

<u><i>Federal Financial Assistance Listing</i></u>	<u><i>Program Name</i></u>	<u><i>Outstanding Balance at June 30, 2024</i></u>
84.038	Federal Perkins Loan Program	\$606,426

**Section I – Summary of Auditor’s Results**

**FINANCIAL STATEMENTS**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	No
Noncompliance material to financial statements noted?	No

**FEDERAL AWARDS**

Internal control over major program:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	Yes

**Identification of major programs:**

<u>Name of Federal Program</u>	<u>Assistance Listing Number</u>
Student Financial Aid Cluster	
Federal Supplemental Educational Opportunity Grant	84.007
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Federal Perkins Loan Program	84.038
Federal Direct Student Loans	84.268
Teacher Education Assistance for College & Higher Education Grants	84.379
TRIO Cluster	
Student Support Services	84.042
Upward Bound	84.047
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

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**Section II – Financial Statement Findings**

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**2024-001      Material Audit Adjustments  
Material Weakness in Internal Control**

Criteria: The internal control structure of the University should include procedures to ensure the trial balance provided for the audit is free from misstatement. A good system of internal controls requires management to have policies and procedures in place to allow for the accurate close of the fiscal year-end which includes reviewing all adjusting entries, closing entries, reconciliations and financial information.

Condition: During the current year audit, management discovered and brought to the auditor's attention, an error in balances that had previously reported on for accrued payroll benefits and taxes. Additionally, subsequent to the issuance of the 2024 financial statements, an error was discovered by management and brought to the attention of the auditors resulting in a restatement and reissuance of the 2024 financial statements associated with current and noncurrent cash.

Cause: The controls in place at the University were not sufficient or designed to detect and prevent an error in the amounts being reported for accrued liabilities relating to payroll taxes and benefits as well as the classification of current and noncurrent assets.

Effect: (1) Beginning net position of the University was overstated by \$1,330,000. (2) Restricted cash in the amount of \$3,716,000 previously reported for fiscal year 2024 was incorrectly reported as a noncurrent asset, but should have been reported as a current asset. This resulted in the reissuance and restatement of the 2024 financial statements.

Recommendation: We recommend management review their current policies and procedure for the reconciliation and reporting of significant balances relating to payroll taxes and benefits, to ensure accruals are complete and accurate. In addition, we recommend management implement a timely review process of the financial statements to ensure the classification of balance sheet accounts are appropriately classified between current and noncurrent.

Views of Responsible Officials: Management agrees with the finding.

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

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**2024-002 U.S. Department of Education  
Student Financial Assistance Cluster  
Federal Financial Assistance Listing Number(s): 84.063, 84.007, 84.268, 84.033, 84.038, 84.379  
Compliance Requirement: Special Tests & Provisions – Borrower Data and Reconciliation  
Type of Finding: Material Weakness in Internal Control over Compliance**

Criteria: Each month, the Common Origination and Disbursement (COD) system provides institutions with a School Account Statement (SAS) data file which consists of a Cash Summary, Cash Detail, and (optional at the request of the institution) Loan Detail records. The institution is required to reconcile these files to the institution's financial records.

Condition: The SAS reconciliations were not performed during the year.

Cause: The University did not have internal controls to provide for the reconciliations of the SAS data file.

Effect: Records maintained by the COD may not agree to the University's records.

Questioned Costs: None reported.

Context/Sampling: The SAS monthly reconciliations were not performed for the whole year.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend the University implement internal controls to provide for the reconciliation of the SAS data file.

Views of Responsible Officials: Management agrees with the finding.

**2024-003 U.S. Department of Education  
Student Financial Assistance Cluster  
Federal Financial Assistance Listing Number(s): 84.063, 84.007, 84.268, 84.033, 84.038, 84.379  
Compliance Requirement: Special Tests & Provisions – Enrollment Reporting  
Type of Finding: Significant Deficiency in Internal Control**

Criteria: 34 CFR 690.83(b)(2) and 34 CFR 685.309 states that Institutions are responsible for timely and accurate reporting of a student's enrollment status and changes in those enrollment statuses, whether they report directly or via a third-party servicer. When an Institution is made aware of a change in a student's enrollment status, the Institution has 60 days to update the change in enrollment status via NSLDS.

Condition: During our testing of compliance for Enrollment Reporting, there was 1 instance out of 60 where NLSDS did not reflect accurate or timely reporting of a student's change in enrollment status. While records were submitted accurately and timely to the Clearinghouse, those records were not reflected in NSLDS.

Cause: The University pushed through the changes in enrollment status to the Clearinghouse timely and accurately based upon the student's enrollment status; however, the change in enrollment status was not pushed through all the way to NSLDS resulting in inaccurate and untimely records within NSLDS.

Effect: The student's change in enrollment status was not accurately reported in NSLDS and/or was not reported timely.

Questioned Costs: None reported.

Context/Sampling: A nonstatistical sample of 60 participants out of 669 students who had a change in enrollment status were selected for testing.

Repeat Finding from Prior Year(s): Yes, prior year finding 2023-001.

Recommendation: The University should implement controls to ensure that enrollment records for students are being updated every 60 days, and that those records being submitted to NSLDS are accurate.

Views of Responsible Officials: Management agrees with the finding.

**2024-004**

**U.S. Department of Education**

**Student Financial Assistance Cluster**

**Federal Financial Assistance Listing Number(s): 84.063, 84.007, 84.268, 84.033, 84.038, 84.379**

**Compliance Requirement: Eligibility**

**Type of Finding: Significant Deficiency in Internal Control**

Criteria: Awards must be coordinated among the various programs and with other federal and nonfederal aid (need and non-need-based aid) to ensure that total aid is not awarded in excess of the student's financial need or cost of attendance (34 CFR 668.42, FWS, and FSEOG, 34 CFR 673.5 and 673.6; Direct Loan, 34 CFR 685.301). Financial need is defined as the student's COA minus the student's EFC (as computed by the central processor and included on the student's SAR/ISIR).

Condition: During our testing of compliance for eligibility, we noted students who worked as resident advisors for the University, did not have their Title IV aid adjusted for amounts they received via direct payments to cover the cost of their housing.



Cause: The University compensated the students for the cost of their housing outside the normal processing and packaging of Title IV aid. As a result, the student's estimated financial assistance (EFA) was understated allowing the student to be awarded additional aid they were not eligible to receive.

Effect: Students who worked as Resident Advisors for the University during the current year, were over awarded direct loans.

Questioned Costs: \$26,572.

Context/Sampling: Sampling was not used. Students tested were specifically identified as those who worked as resident advisors for the University.

Repeat Finding from Prior Year(s): No.

Recommendation: The University should review their current policies and procedures for awarding Title IV aid to students who also receive subsidies from the University towards their cost of attendance.

Views of Responsible Officials: Management agrees with the finding.