

Federal Awards Reports in Accordance with the Uniform
Guidance
June 30, 2025

Western Oregon University

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
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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, 2025, 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, 2025. Our report includes 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 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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*.

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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
November 12, 2025



Independent Auditor's 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

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, 2025. 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, 2025.

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. 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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness.

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, 2025, 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, 2025, 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

February 12, 2026, except for our report on the schedule of expenditures of federal awards, for which the date is November 12, 2025

Western Oregon University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Education			
<u>Direct Programs</u>			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007	Not Applicable	\$ 218,594
Federal Work-Study Program	84.033	Not Applicable	328,950
Federal Perkins Loans	84.038	Not Applicable	631,323
Federal Pell Grant Program	84.063	Not Applicable	8,554,016
Federal Direct Student Loans	84.268	Not Applicable	14,397,666
Teacher Education Assistance for College & Higher Education Grants	84.379	Not Applicable	<u>123,840</u>
Total Student Financial Assistance Cluster			<u>24,254,389</u>
English Language Acquisition State Grants (Title III, Part A)	84.031	Not Applicable	<u>432,863</u>
TRIO Cluster:			
TRIO Student Support Services	84.042	Not Applicable	744,267
TRIO Upward Bound	84.047	Not Applicable	<u>305,818</u>
Total TRIO Cluster:			<u>1,050,085</u>
Rehabilitation Long-Term Training	84.129	Not Applicable	<u>313,531</u>
Training Interpreters for Individuals who are Deaf and Individuals who are Deaf-Blind	84.160	Not Applicable	<u>528,886</u>
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325	Not Applicable	<u>61,425</u>
English Language Acquisition State Grants	84.365	Not Applicable	<u>537,048</u>
<u>Total Department of Education Direct Programs</u>			<u>27,178,227</u>
<u>Pass-Through Programs</u>			
Oregon Department of Education			
COVID-19 and Secondary School Emergency Relief Fund	84.425U	ODE Agreement 34853	<u>120,246</u>
Pacific University			
Teacher Quality Partnership Grant	84.336S	PU SUBAWARD PU-WOU-020-	<u>47,227</u>
<u>Total Department of Education Programs Pass-Through</u>			<u>167,473</u>
Total Department of Education			<u>27,345,700</u>

Western Oregon University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services			
<u>Pass-Through Programs</u>			
Oregon Department of Early Learning and Care CCDF Cluster			
Child Care and Development Block Grant	93.575	DELC IGA PO- 58800-0023889	1,703,815
Child Care and Development Block Grant	93.575	DELC Agreement 15450	26,166
Child Care and Development Block Grant	93.575	DELC Grant 23003	1,973,057
Child Care and Development Block Grant	93.575	DELC Agreement 32619	256,544
Subtotal ALN 93.575 (CCDF Cluster)			<u>3,959,582</u>
Every Student Succeeds Act/Preschool Development Grants	93.434	DELC Grant 13898	99
Lead Testing in School and Child Care Program Drinking Water	66.444	DELC Agreement DCHS-IGA-E- 14330-2023-- 32619	50,156
Total Department of Health and Human Services			<u>4,009,837</u>
Department of Justice			
<u>Direct Programs</u>			
Public Safety Partnership and Community Policing Grants	16.710	Not Applicable	81,125
Crime Victim Assistance	16.525	Not Applicable	94,756
<u>Total Department of Justice Direct Programs</u>			<u>175,881</u>
<u>Pass-Through Programs</u>			
Oregon Department of Justice			
Crime Victim Assistance University of North Dakota	16.575	VOCA-FI-2020 -WOU-0069	7,052
Tribal Law and Policy Institute Tribal Justice Systems and Alcohol and Substance Abuse	16.608	UND0024465-S1	142,813
<u>Total Department of Justice Pass-Through Programs</u>			<u>149,865</u>
Total Department of Justice			<u>325,746</u>

Western Oregon University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
National Science Foundation			
Research and Development Cluster			
<u>Direct Programs</u>			
Geosciences	47.050	Not Applicable	38,495
<u>Pass-Through Programs</u>			
John Carroll University		JCU-ASCENDSUB-	
Education and Human Resources	47.076	004	1,311
University of Southern Mississippi			
Integrative Activities	47.083	8007461-04-01 WOU	953
University of Wisconsin-Oshkosh			
Education and Human Resources	47.036	FSA.23.004	6,591
Christopher Newport University			
Computer and Information Science and Engineering	47.070	WOU23	122,303
Total Pass-Through Programs			131,158
Total National Science Foundation			169,653
United States Department of Agriculture			
<u>Pass-Through Programs</u>			
Oregon Department of Education			
Child and Adult Care Food Program	10.558	Not Applicable	21,095
Total United States Department of Agriculture			21,095
United States Department of Interior			
<u>Pass-Through Programs</u>			
Oregon State University			
Assistance to State Water Resources Research Institutes	15.805	GS501H-B	10,785
Total United States Department of Interior			10,785
United States Department of Homeland Security			
<u>Pass-Through Programs</u>			
Oregon Department of Emergency Management			
State and Local Cybersecurity Grant Program	97.137	CY22-143	18,400
Total United States Department of Homeland Security			18,400
Department of the Treasury			
<u>Pass-Through Programs</u>			
United Way			
Coronavirus State and Local Fiscal Recovery Funds	21.027	2023-5992-DOE	420,359
Total Department of the Treasury			420,359
Total Expenditures of Federal Awards			\$ 32,321,575

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, 2025. 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, 2025, consists of:

<u>Federal Financial Assistance</u> <u>Listing</u>	<u>Program Name</u>	<u>Outstanding Balance at</u> <u>June 30, 2025</u>
84.038	Federal Perkins Loan Program	\$333,272

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
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	None Reported
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 Assistance 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
Child Care Development Block Grant	
Child Care and Development Block Grant	93.575
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

None Noted

Section III – Federal Award Findings and Questioned Costs

**2025-001 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: Material Weakness in Internal Control over Compliance and Non-Compliance**

Criteria: Under 34 CFR 690.63 and 685.200, institutions must calculate Pell grant and federal direct loan awards based on the student's eligible enrollment status, cost of attendance, expected family contribution (EFC) or student aid index (SAI), satisfactory academic progress, and other Title IV eligibility requirements. Institutions are required to ensure award amounts are accurate and supported by the documentation in the student's file.

Condition: During our testing of 60 students, we found two students who were not awarded the correct amount of Pell, one student who was not awarded the correct amount of federal direct loans, and two students who received subsidized direct loans however did not meet the requirements to receive the need based aid.

Cause: The process for awarding financial aid did not detect the incorrect awarding of Pell awards and federal direct loans.

Effect: Two students were under awarded Pell for a total of \$2,464, one student was over awarded federal direct loans of \$4,871, and two students who were overawarded need based subsidized direct loans of \$2,511.

Questioned Costs: None reported.

Context/Sampling: Nonstatistical sample of 60 students receiving financial aid out of 2,351 total students receiving financial aid. Total Pell and direct loans tested were \$179,310 and \$164,361, respectively.

Repeat Finding from Prior Year(s): No

Recommendation: the University should have a control or process in place to ensure Pell indicators are properly flagged for each student requesting financial aid, and that students receive the full award for which they qualify.

Views of Responsible Officials: Management agrees with the finding.