

EASTERN OREGON UNIVERSITY
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2019

**EASTERN OREGON UNIVERSITY
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**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**

Members of the Board of Trustees
Eastern Oregon University
La Grande, Oregon

We have audited, in accordance with the 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 the business-type activities and the discretely presented component unit of Eastern Oregon University (the University), a component unit of the State of Oregon, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 15, 2019. Our report includes a reference to other auditors who audited the financial statements of of the discretely presented component unit, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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) to determine the 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 may exist that have not been identified.

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 determination of financial statement amounts. 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.



CliftonLarsonAllen LLP

Denver, Colorado
October 15, 2019



**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**

Members of the Board of Trustees
Eastern Oregon University
La Grande, Oregon

Report on Compliance for Each Major Federal Program

We have audited Eastern Oregon 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, 2019. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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* (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, Eastern Oregon University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2019.

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 items 2019-001 and 2019-002. Our opinion on each major federal program is not modified with respect to these matters.

The University's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 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.

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 2019-001 and 2019-002, which we consider to be significant deficiencies.

Members of the Board of Trustees
Eastern Oregon University

The University's response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The University'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.

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 discretely presented component unit of the University, a component unit of the State of Oregon, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated October 15, 2019, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit. 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 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, based on our audit and the report of other auditors, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Denver, Colorado
October 15, 2019

**EASTERN OREGON UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

Cluster	Federal Grantor	Program Title	CFDA Number	Pass-Through Entity	Expenditures	Pass-Through to Subrecipients
Research and Development						
	Department of Agriculture	Cooperative Extension Service	10.500		\$ 3,253	\$ -
	National Science Foundation	Biological Sciences Education and Human Resources	47.074		62,442	-
	National Science Foundation		47.076		95,109	-
	National Science Foundation Total				<u>157,551</u>	-
	Department of Energy	Office of Science Financial Assistance Program	81.049	Bonneville Power Administration	213,120	-
	Total Research and Development Cluster				373,924	-
Student Financial Assistance						
	Department of Education	Supplemental Educational Opportunity Grants	84.007		137,357	-
	Department of Education	Work-Study Program	84.033		236,831	-
	Department of Education	Perkins Loan	84.038		1,225,312	-
	Department of Education	Pell Grant Program	84.063		5,251,046	-
	Department of Education	Direct Student Loans	84.268		13,612,376	-
	Department of Education	Teacher Education Assistance for College and Higher Education Grants	84.379		8,744	-
	Total Department of Education and Student Financial Assistance Cluster				20,471,666	-
TRIO						
	Department of Education	Student Support Services	84.042		255,245	-
	Total Department of Education and TRIO Cluster				255,245	-
Other Programs						
	Department of Agriculture	Child and Adult Care Food Program	10.558	Oregon Department of Education	89,536	-
	Department of Labor	Mine Health and Safety Grants	17.600		141,921	-
	Small Business Administration	Small Business Development Centers	59.037	Lane Community College	13,200	-
	Department of Health and Human Services	Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Center for Human Development Inc.	600	-
	Department of Health and Human Services	Head Start	93.600		1,447,930	-
	Department of Health and Human Services Total				<u>1,448,530</u>	-
	Total Other Programs				1,693,187	-
Total Expenditure of Federal Funds					\$ 22,794,022	\$ -

See Notes to Schedule of Expenditures of Federal Awards

**EASTERN OREGON UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Eastern Oregon University under programs of the federal government of the year ended June 30, 2019. The information in this Schedule 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 Eastern Oregon University, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Eastern Oregon 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, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Eastern Oregon University has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 FEDERAL STUDENT LOAN PROGRAMS

The federal student loan programs listed subsequently are administered directly by Eastern Oregon University, and balances and transactions relating to these programs are included in Eastern Oregon University's basic financial statements. Loans outstanding at the beginning of the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2019 consists of:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Outstanding</u>
Perkins Loans	84.038	\$ 922,801

**EASTERN OREGON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
3. Noncompliance material to financial statements noted? yes no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes no
 - Significant deficiency(ies) identified? yes none reported
2. Type of auditors’ report issued on Compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of Major Federal Programs

CFDA Number(s)	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.379 93.600	Student Financial Assistance Cluster Head Start

- Dollar threshold used to distinguish between Type A and Type B programs: \$750,000/\$187,500
- Auditee qualified as low-risk auditee? yes no

**EASTERN OREGON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section I – Summary of Auditors’ Results (Continued)

Required Reporting for the Pell Grant Program:

Sample Description	OPEID	Sample		Sample was Drawn	
		Students Receiving Pell (#)	Pell Disbursed (\$)	Students Receiving Pell (#)	Pell Disbursed (\$)
Eligibility	00319300	37	\$ 161,246	1,327	\$ 5,245,442
Return of Title IV (1)	00319300	9	\$ 25,211	141	\$ 402,719
Reporting to COD - 25 Disbursements (2)	00319300	10	\$ 35,389	1,327	\$ 5,245,442
(1) Overlap of Students tested for Eligibility	00319300	-	\$ -	141	\$ 402,719
(2) All 10 students tested for Reporting to COD were also tested for Eligibility					

Required Reporting for the Direct Loan Program:

Sample Description	OPEID	Sample		Sample was Drawn	
		Students Receiving Direct Loan (#)	Direct Loan Disbursed (\$)	Students Receiving Direct Loan (#)	Direct Loan Disbursed (\$)
Eligibility	00319300	32	\$ 317,923	1,555	\$ 13,656,999
Return of Title IV (1)	00319300	24	\$ 197,426	136	\$ 774,443
Reporting to COD (2)	00319300	7	\$ 52,555	1,555	\$ 13,656,999
(1) Overlap of Students tested for Eligibility	00319300	1	\$ 17,892	136	\$ 774,443
(2) All 7 students tested for Reporting to COD were also tested for Eligibility					

**EASTERN OREGON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2019 – 001

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Number: 84.063 – Federal Pell Grant and 84.268 – Federal Direct Loans

Award Period: July 1, 2018 to June 30, 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Federal regulations require all student enrollment status changes be reported to the National Student Loan Database System (NSLDS) using the proper enrollment status, effective date of the change, and be reported within 30 days of the change, unless a scheduled reporting with the change is to occur in the next 60 days from the later of the school becoming aware or the actual change in enrollment.

Condition: Enrollment status changes were reported with improper statuses and were not reported timely.

Questioned costs: None reported.

Context: One of 40 students tested in our statistically valid sample was reported to NSLDS with an incorrect status. Two of the 40 students tested were not reported in a timely manner to NSLDS based on the time the University became aware of the change in status.

Cause: The University schedule of reporting status changes has some gap time at the end of each term that allows the possibility of students changing status within that "gap" time to not be timely reported. Lack of proper procedures around reporting graduating students.

Effect: The University is not in compliance with the federal regulations that require accurate enrollment statuses and changes to those status be reported to NSLDS within a timely manner. This could result in changes to the amount of interest charged to a student along with improper length of grace periods for students.

Repeat Finding: No

**EASTERN OREGON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Recommendation: We recommend the University put a process in place to ensure that enrollment status changes be reported accurately and timely for all graduated students and if degrees are to not be completed within 60 days of the end of a student’s last term the student be reported as withdrawn and subsequently updated to graduated when the degree is awarded to the student. In addition, the University should revise their submission schedule to ensure all dates a student could withdraw would be included in a report to be filed within 60 days.

View of Responsible Official: The University agrees with the finding.

2019 – 002

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Number: 84.007 – Federal Supplemental Education Opportunity Grants (FSEOG)

Award Period: July 1, 2018 to June 30, 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: The Code of Federal Regulations, 34 CFR 676.10(a)(1) and (2) states “In selecting among eligible students for FSEOG awards in each award year, an institution shall select those student with the lowest expected family contributions (EFC) who will also receive Federal Pell Grants in that year. If the institution has FSEOG funds remaining after giving FSEOG awards to all the Federal Pell Grant recipients at the institution, the institution shall award the remaining FSEOG funds to those eligible students with the lowest EFC who will not receive Federal Pell Grants.”

Condition: The University awarded FSEOG to a student with a non-zero EFC, while eligible students with a zero EFC did not receive an FSEOG award. The amount awarded to this student was \$600.

Questioned costs: None reported.

Context: During our eligibility testing, we noted one student out of 40 students tested in a statistically valid sample, who was awarded FSEOG funds with a non-zero EFC. In this same population, we noted 7 students with a zero EFC who did not receive FSEOG that would have otherwise been eligible.

Cause: The student originally had a zero EFC but after the verification process their EFC increased to 1508, effectively causing this student to no longer be the neediest of students to receive the funding. The student file had been locked down and therefore did not update the EFC to capture the verification changes.

Effect: FSEOG was given to a student with an EFC other than zero, when eligible students with zero EFCs did not receive FSEOG.

Repeat Finding: Yes, 2018-002

**EASTERN OREGON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Recommendation: We recommend the University evaluate their procedure for secondary oversight, when EFC changes are made during the verification process. Secondary oversight would ensure that students with the greatest financial need receive FSEOG before other eligible students with the lowest EFC receive FSEOG.

View of Responsible Official: The University agrees with the finding. While this is listed as a repeat finding, due to FSEOG being paid to a non-zero EFC student, the procedural errors that caused these issues were very different. 2018 was due to an inaccurate data pull selection due to the overlapping years in the first year of FAFSA opening date on October 1st, 2017, and 2019 was due to not removing the FSEOG code after an increase in EFC during a verification change.



EASTERN OREGON
UNIVERSITY

**EASTERN OREGON UNIVERSITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2019**

Department of Education

Eastern Oregon University respectfully submits the following corrective action plan for the year ended June 30, 2019.

Audit period: June 30, 2019

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

2018 – 001 Capital Assets

Condition: This finding was a significant deficiency stating that the University included approximately \$1.8 million in operating expense that should have been capitalized and reported in capital assets.

Status: Corrected. An additional reconciliation process was implemented during year-end to identify and reconcile those expenditures that may have not been coded correctly when initially paid out to the vendor. The new reconciliation involves two parts. Both parts are in-place to capture potential capital expense transactions over \$5,000 that are not recorded under a capital account code (40000), by cross referencing these transactions against the account code and fund type. The first report will cross reference these non-capital transactions with an S&S code that is commonly used when purchasing items for capital projects. These account codes include; architect services, engineering services, construction permits and fees, etc. The second report will cross reference these non-capital transactions with a fund type that is commonly used for construction or other capital projects. These fund types include; 86-Investment in Plant, 84-Retirement of Debt, 82-Renewal and Replacement Funds, and 80 Unexpended Plant Funds. Any transactions identified on either of these reports are then reviewed by the fiscal coordinator, and entries are made to reallocate expenditures to the correct capital account, if necessary.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2018 – 002 Awarding of FSEOG

Condition: This finding was a significant deficiency stating that the University awarded FSEOG to a student with a non-zero-EFC, while eligible students with a zero EFC did not receive an FSEOG award. The amount of the award to this student was \$600.

Status: See current year finding 2019-002.

Reason for finding's recurrence: While this is listed as a repeat finding, due to FSEOG being paid to a non-zero EFC student, the procedural errors that caused the issue in 2019 were different than what caused the issue in 2018. 2018 was due to an inaccurate data pull selection due to the overlapping years in the first year of FAFSA opening date on October 1st, 2017, and 2019 was due to not removing the FSEOG code after an increase in EFC during a verification change. After 2018's finding, a new process was implemented during the 4th week of each term, where the Assistant Financial Aid Director will review a report from the system and look for students that should have received an SEOG award based on zero-EFC, and did not receive the award during the initial awarding process. Since the new report was only looking for zero-EFC, it does not catch students who changed from a zero-EFC, so there was a student in 2019 that should have had FSEOG reversed.

Corrective Action: Prior to Financial Aid Disbursement each term, our Systems analyst has scheduled a report that will pull all students receiving FSEOG to ensure that all students scheduled from FSEOG payment have a zero EFC. This should cover all situations for changes in EFC throughout the year.

If the U.S. Department of Education has questions regarding this schedule, please call Sandy Henry at 541-962-3185.



EASTERN OREGON
UNIVERSITY

**CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2019**

U.S. Department of Education

Eastern Oregon University respectfully submits the following corrective action plan for the year ended June 30, 2019.

Audit period: June 30, 2019

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the current year that require a corrective action plan.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

2019-001

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Number: 84.063 – Federal Pell Grant and 84.268 – Federal Direct Loans

Award Period: July 1, 2018 to June 30, 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

Recommendation: We recommend the University put a process in place to ensure that enrollment status changes be reported accurately and timely for all graduated students and if degrees are to not be completed within 60 days of the end of a student's last term the student be reported as withdrawn and subsequently updated to graduated when the degree is awarded to the student. In addition, the University should revise their submission schedule to ensure all dates a student could withdraw would be included in a report to be filed within 60 days.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: In researching the timing of events for these students that were reported outside the 60 day enrollment reporting, the delay was caused by the timing of uploads between, EOU - NSC - NSLDS. To correct this timing issue, EOU's Registrar, Emily Sharratt will be scheduling two additional data uploads to NSC to occur during weeks 7 - 10 of each term, prior to the end of term upload.

Name(s) of the contact person(s) responsible for corrective action: Emily Sharratt, Registrar

Planned completion date for corrective action plan: Already completed.

2019-002

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Number: 84.007 – Federal Supplemental Education Opportunity Grants (FSEOG)

Award Period: July 1, 2018 to June 30, 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

Recommendation: We recommend the University evaluate their procedure for secondary oversight, when EFC changes are made during the verification process. Secondary oversight would ensure that students with the greatest financial need receive FSEOG before other eligible students with the lowest EFC receive FSEOG.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Prior to Financial Aid Disbursement each term, our Systems analyst has scheduled a report that will pull all students receiving FSEOG to ensure that all students scheduled from FSEOG payment have a zero EFC.

Name(s) of the contact person(s) responsible for corrective action: Sandy Henry, Director of Financial Aid

Planned completion date for corrective action plan: Already completed.

If the U.S. Department of Education has questions, please have them contact Sandy Henry at 541-962-3185