



**SINGLE AUDIT REPORTS AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
WITH REPORTS OF INDEPENDENT AUDITORS**



AS OF AND FOR THE YEAR ENDED JUNE 30, 2020

**CAMERON 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***

Board of Directors of the University of Oklahoma
Cameron University
Norman, Oklahoma

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 discretely presented component unit of Cameron University (the University), an organizational unit of the Regents of the University of Oklahoma (the Regents), which is a component unit of the state of Oklahoma, which comprise the statement of net position as of June 30, 2020, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 20, 2020. Our report includes a reference to other auditors who audited the financial statements of Cameron University Foundation, Inc. (the Foundation), as described in our report on Cameron 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. The Foundation was 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) 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.

Internal Control Over Financial Reporting (Continued)

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 may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2020-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

Cameron University's Response to Findings

Cameron University's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Cameron University's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



CliftonLarsonAllen LLP

St. Louis, Missouri
October 20, 2020



**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**

Board of Directors of the University of Oklahoma
Cameron University
Norman, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited Cameron University's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Cameron University's major federal programs for the year ended June 30, 2020. Cameron 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 Cameron 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 Cameron 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 Cameron University's compliance.

Opinion on Each Major Federal Program

In our opinion, Cameron 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 items 2020-002, 2020-003, 2020-004, 2020-005, 2020-006. Our opinion on each major federal program is not modified with respect to these matters.

Cameron University's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and question costs. Cameron 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 Cameron 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 Cameron 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 Cameron 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. However we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-002, 2020-003, 2020-004, 2020-005, and 2020-006.

Cameron University's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Cameron University's responses were 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 discretely presented component unit of Cameron University as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Cameron University's basic financial statements. We issued our report thereon dated October 20, 2020 which made reference to other auditors for 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, 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

St. Louis, Missouri
March 17, 2021

**CAMERON UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of Education Direct Programs				
STUDENT FINANCIAL AID ASSISTANCE CLUSTER:				
Federal Pell Grant	84.063			\$ 8,921,741
Federal Supplemental Education Opportunity Grant	84.007			152,805
Federal Direct Student Loan Program	84.268			11,749,232
Federal Work Study	84.033			113,087
TEACH Grant	84.379			91,010
Federal Perkins Loan Program	84.038			13,924
Total Student Financial Aid Assistance Cluster				21,041,799
Coronavirus Aid, Relief, and Economic Security Act Section 2				
Higher Education Emergency Relief Fund (HEERF)				
HEERF Student Aid Portion (COVID-19)	84.425E			1,175,525
HEERF Institutional Portion (COVID-19)	84.425F			706,515
Total Coronavirus Aid, Relief, and Economic Security Act				1,882,040
TRIO CLUSTER:				
Upward Bound	84.047A			290,960
Student Support Services	84.042A			411,726
Talent Search Grant	84.044A			414,538
Total TRIO Cluster				1,117,224
Total Department of Education Direct Programs				24,041,064
Department of Defense				
U.S. Army - ONRRO	12.630			155,374
Total Department of Defense				155,374
Department of Health and Human Services Pass-Through Program From:				
Board of Regent's of the University of Oklahoma	12.598	73-1377584		87
Total Department of Health and Human Services				87
U.S. Small Business Administration Program				
Pass-Through Program From:				
Oklahoma Small Business Development Center Network	59.037			59,077
Total U.S. Small Business Administration				59,077
Department of Education Pass-Through Program From:				
Oklahoma Department of Career and Technology Education				
Carl Perkins	84.048	73-6017987		106,968
Total Department of Education				106,968
National Aeronautics Space Administration Pass-Through Program:				
University of Oklahoma NASA Grant	43.008	73-1377584		25,582
Total National Aeronautics Space Administration				25,582
National Center for Research Resources Pass-Through Programs:				
University of Oklahoma - OK INBRE	93.859	73-1563627		20,720
Total National Center for Research Resources				20,720
National Science Foundation Pass-Through Programs:				
Oklahoma State University - Oklahoma Lewis Stokes				
Alliance for Minority Participants	47.076	73-1383996		28,219
Oklahoma EPSCoR - English and Applied Math Summer Academy	47.083	73-6017987		1,374
Oral Roberts University				
Extended Vital Education Research Multiple Organization Regional	47.083	73-0739626		19,948
OneOklahoma Criction Free Network				
Total National Science Foundation				49,541
Total Expenditures of Federal Awards				\$ 24,458,411

See Notes to Schedule of Expenditures of Federal Awards.

CAMERON UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

NOTE 1 BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards includes the federal award activity of Cameron University under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of 2 CFR 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 Cameron University, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Cameron University.

NOTE 2 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. The University has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 FEDERAL DIRECT STUDENT LOAN PROGRAM

Under the Federal Direct Student Loan Program (Direct Loan Program), the U.S. Department of Education makes loans to enable a student or parent to pay the costs of the student's attendance at a postsecondary school. The Direct Loan Program enables an eligible student or parent to obtain a loan to pay for the student's cost of attendance directly from the U.S. Department of Education rather than through private lenders. The University began participation in the Direct Loan Program on July 1, 2010. The University administers the origination and disbursement of the loans to eligible students or parents. The University is not responsible for the collection of these loans.

NOTE 4 SUBRECIPIENTS

During the year ended June 30, 2020, the University did not provide any federal awards to subrecipients

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? x yes no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? yes x none reported

Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes x no

Significant deficiency(ies) identified that are not considered to be material weakness(es)? x yes none reported

Type of auditors' report issued on compliance for major programs? Unmodified

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

Identification of Major Programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.063	SFA Cluster:
84.408	Pell Grant
84.007	Iraq and Afghanistan Service Grant
84.268	Federal Supplemental Educational Opportunity Grants
84.033	Federal Direct Student Loans
84.379	Federal Work Study
	Teacher Education Assistance for College and Higher Education Grants
	HEERF Cluster:
84.425E	HEERF Student Aid Portion (COVID-19)
84.425F	HEERF Institutional Portion (COVID-19)

* See the Schedule of Expenditures of Federal Awards for identification of CFDA numbers applicable to the major programs.

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? x yes no

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Section II – Financial Statement Findings

2020 – 001

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: During the audit process, a prior period adjustment was recorded which restated prior year net position by \$821,515.

Criteria: The University must have controls in place so that audited financial statements are presented fairly in all material respects in conformity with the Governmental Accounting Standards Board.

Context: While performing audit procedures, it was noted that the pension liability related to the University's Supplemental Retirement Plan was recorded at net pension obligation.

Effect: The University's Financial Statements were materially misstated.

Cause: The University's actuary provided the incorrect actuarial report for the pension liability related to the University's Supplemental Plan which the University was using to adjust the pension liability.

Recommendation: The University's accounting personnel should evaluate and engage a new qualified actuary to ensure the University's Supplement Retirement Plan pension liability is properly recorded.

Management's Response: Accepted. The University has evaluated and engaged a new qualified actuary to provide the annual actuarial report for the University's Supplement Retirement Plan.

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

Section III – Findings and Questioned Costs – Major Federal Programs

2020-002: Enrollment Reporting NSLDS

Federal agency: U.S. Department of Education

Federal Program: Title: Student Financial Assistance Cluster

CFDA Numbers: 84.007, 84.063, 84.268

Award Period: July 1, 2019 to June 30, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or Specific Requirement: 34 CFR 685.309 (b) - Enrollment Reporting - Unless it expects to submit its next student status confirmation report to the Secretary within the next 60 days, notify the Secretary within 30 days if it discovers that a Direct Subsidized, Direct Unsubsidized, or Direct PLUS Loan has been made to or on behalf of a student who—(i) Enrolled at that school but has ceased to be enrolled on at least a halftime basis; (ii) Has been accepted for enrollment at that school but failed to enroll on at least a half-time basis for the period for which the loan was intended; or (iii) Has changed his or her permanent address.

Condition: During our testing, we noted for two of the 40 students tested that change in status were not reported timely. We also noted three of the 40 students tested were not correctly reported to NSLDS. Lastly, we noted for two of the 40 students tested that enrollment was not certified every 60 days.

Questioned Costs: None

Cause: The University's processes and controls did not ensure that student status changes were properly and timely reported to NSLDS.

Effect: The NSLDS system is not updated with the student information which can cause over awarding should the student transfer to another institution and the students may not properly enter the repayment period.

Repeat Finding: Yes, Prior year finding 2019-001

Recommendation: We recommend the University review its reporting procedures to ensure that students' statuses are accurately and timely reported to NSLDS as required by regulations.

Management Response: Student Financial Services updated its policies and procedures regarding Enrollment Reporting in collaboration with the Registrar's office. The Assistant Registrar has been given access to NSLDS so review can occur regularly after submission to the National Student Clearinghouse. SFS also implemented a process where a standard 15 day SCHER report is provided to the Assistant Registrar. In addition, the Director of Student Financial Services, the Information Systems Specialist and the Assistant Registrar meet monthly to discuss errors and updates and to work collaboratively to ensure that all errors are corrected accurately and within the required timeframe.

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

2020-003: Common Origination and Disbursement

Federal agency: U.S. Department of Education

Federal Program: Title: Student Financial Assistance Cluster

CFDA Numbers: 84.063, 84.268

Award Period: July 1, 2019 to June 30, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Award Period: July 1, 2019 to June 30, 2020

Criteria or Specific Requirement: OMB No. 1845-0021 – Institutions must report all loan disbursements and submit required records to Common Origination and Disbursement (COD) within 15 days of disbursement. Each month, the COD 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 school) Loan Detail records. The school is required to reconcile these files to the institution's financial records.

Condition: During our testing, we noted two of the 40 disbursements tested had incorrect disbursement dates reported to the Common Origination and disbursement (COD) system. In addition, two of 40 disbursements tested were not reported within 15 days of disbursement. Lastly, one of the 40 disbursements tested was not reported in COD.

Cause: The student's disbursement was rejected by COD and university staff was not monitoring the COD rejection report and therefore it was not corrected until several months later.

Questioned Costs: None

Effect: Disbursements were not correctly reported to COD.

Repeat Finding: Yes, Prior year finding 2019-002

Recommendation: The University should monitor rejections from COD to ensure that the disbursement dates for students who received Federal Pell Grants and Direct Loans are accurate. Any discrepancies should be updated in COD to reflect the actual disbursement date.

Management Response: Student Financial Services will monitor rejections from COD to ensure corrections are made both accurately and timely.

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

2020-004: Gramm-Leach-Bliley Act – Student Information Security

Federal agency: U.S. Department of Education

Federal program title: Student Financial Aid

CFDA Numbers: 84.007, 84.033, 84.038, 84.063, 84.268, 84.379

Award Period: July 1, 2019 to June 30, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: The Gramm-Leach-Bliley Act (Public Law 106-102) requires financial institutions to explain their information-sharing practices to their customers and to safeguard sensitive data. (16 CFR 314) The Federal Trade Commission considers Title IV-eligible institutions that participate in Title IV Educational Assistance Programs as “financial institutions” and subject to the Gramm-Leach-Bliley Act (16 CFR 313.3(k)(2)(vi)).

Condition: Under an institution’s Program Participation Agreement with the Department of Education and the Gramm-Leach-Bliley Act, schools must protect student financial aid information, with particular attention to information provided to institutions by the Department or otherwise obtained in support of the administration of the federal student financial aid programs.

Context: During our audit procedures, it was noted that the University did not designate an individual to coordinate the information security program; perform a risk assessment that addresses the three areas noted in 16 CFR 314.4 (b) which are (1) Employee training and management; (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures and document safeguards for identified risks.

Cause: University management has an IT department, however, the University should have an individual designated internally to assure compliance with the requirements of the Gramm-Leach-Bliley Act. The organization did not perform an IT risk assessment tailored specifically to the organization, identify risks or address risks identified as required by the Gramm-Leach-Bliley Act.

Effect: The student personal information could be vulnerable.

Repeat Finding: No

Recommendation: We recommend that the University designate an individual to oversee the information security function, engage a third party or perform the risk assessment for the three areas required by the Gramm-Leach-Bliley Act and ensure that there are documented safeguards for identified risks.

Views of responsible officials: University has a detailed action plan to become compliant with the requirements of the Gramm-Leach-Bliley Act by May 1, 2021.

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

2020-005: Return of Title IV Calculation Errors

Federal agency: U.S. Department of Education

Federal program title: Student Financial Aid

CFDA Numbers: 84.007, 84.033, 84.038, 84.063, 84.268, 84.379

Award Period: July 1, 2019 to June 30, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or Specific Requirement: An institution that is not required to take attendance may use as the withdrawal date, the last date of attendance at an academically related activity as documented by the institution (34 CFR668.22(c) and (d)). In accordance with 34 CFR 668.22(a)(1), when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date.

Condition: During our testing we noted one of the 16 students tested who's withdrawal date used to calculate the Return of Title IV Funds was during the scheduled spring break, when no academically related activities were in process. Additionally, during our testing we noted the University did not investigate students who withdrew prior to the add/drop period to determine if students began attendance during the payment period and earned post-withdrawal financial aid.

Questioned Costs: None

Cause: The University does not have procedures in place to ensure student awards are properly adjusted based on calculations performed.

Effect: The University is not returning the proper amounts to the Department based on the calculations performed.

Repeat Finding: No

Recommendation: We recommend the University review the R2T4 requirements and implement procedures to ensure award adjustments as determined by the R2T4 calculations are being properly adjusted to the student's account and the correct amounts are being returned to the Department.

Management Response: The Director of Student Financial Services is now reviewing and approving each R2T4 calculation as of August 2020.

**CAMERON UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2020**

2020-006: Reconciliations of the Direct Loan Program

Federal agency: U.S. Department of Education

Federal program title: Student Financial Aid

CFDA Numbers: 84.268 – Federal Direct Student Loans

Award Period: July 1, 2019 to June 30, 2020

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or Specific Requirement: The Code of Federal Regulations, 34 CFR 685.300(b)(5) requires the College on a monthly basis, to reconcile the institutional records with the Direct Loan funds received from the Secretary and the Direct Loan disbursement records submitted to and accepted by the Secretary.

Condition: Direct loan reconciliations between the COD, G5 and student accounts were not being performed for the year.

Questioned Costs: None

Cause: The University's management did not have procedures in place to ensure reconciliations were performed in a timely maner.

Effect: University is not complying with internal policy and federal requirements to ensure funds are properly reconciled.

Repeat Finding: No

Recommendation: The University should ensure all necessary employees receive proper training, support, and time to follow the University's policies and federal requirements related to monthly reconciliations.

Management Response: This requirement had been overlooked due to a change in personnel. The reconciliations are now being performed on a monthly basis and are reviewed and approved by the Director of Student Financial Services as of August 2020.