

University of Central Missouri

Accountants' Reports

Federal Awards Programs

June 30, 2009

University of Central Missouri

June 30, 2009

Contents

Schedule of Expenditures of Federal Awards.....	1
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	7
Independent Accountants' Report on Compliance and Internal Control Over Compliance with Requirements Applicable to Major Federal Awards Programs and Schedule of Expenditures of Federal Awards.....	9
Schedule of Findings and Questioned Costs	11
Summary Schedule of Prior Audit Findings.....	21

University of Central Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount Expended
U.S. Department of Education		
Federal Supplemental Educational Opportunity Grants	84.007	\$ <u>225,486</u>
Federal Work Study Program 08-09	84.033	<u>344,756</u>
Federal Pell Grant Program 08-09	84.063	<u>7,922,631</u>
Federal Direct Student Loans FY09	84.268	<u>51,201,994</u>
Federal Perkins Loan Program	84.038	<u>9,791,714</u>
Academic Competitiveness Grants	84.375	<u>325,849</u>
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376	<u>231,111</u>
Teacher Education Assistance for College and Higher Education (TEACH) Grants	84.379	<u>70,000</u>
Total Student Financial Assistance Cluster		<u>70,113,541</u>
Other U.S. Department of Education Direct Programs		
Trio Student Support Services	84.042	18,237
Trio Student Support Services	84.042	<u>272,168</u>
Total CFDA Number 84.042		<u>290,405</u>
Trio McNair Post - Baccalaureate Achievement	84.217	76,148
Trio McNair Post - Baccalaureate Achievement	84.217	<u>171,038</u>
Total CFDA Number 84.217		<u>247,186</u>
Total TRIO Cluster		<u>537,591</u>
Transition to Teaching Program	84.350	<u>13,174</u>
Passed-Through Missouri Department of Elementary and Secondary Education		
Special Education - Grants to States	84.027	<u>281,981</u>
Migrant Education - State Grant Program	84.011	70,009
Migrant Education - State Grant Program	84.011	<u>87,070</u>
Total CFDA Number 84.011		<u>157,079</u>

University of Central Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount Expended
Vocational Education Basic Grants to States		
Missouri Regional Career Education Coordinators	84.048	\$ 904
Center for Career Education	84.048	1,471
Center for Career Education	84.048	<u>1,332,107</u>
Total CFDA Number 84.048		<u>1,334,482</u>
Teacher Quality Enhancement Grants	84.336	54,507
Teacher Quality Enhancement Grants	84.336	52,832
Teacher Quality Enhancement Grants	84.336	26,403
Teacher Quality Enhancement Grants	84.336	<u>26,294</u>
Total CFDA Number 84.336		<u>160,036</u>
Reading First State Grants	84.357	<u>218,770</u>
Passed-Through Missouri Coordinating Board for Higher Education		
Improving Teacher Quality State Grants		
Scaffolding Authentic Learning by Inquiry: A Field Based Project	84.367	<u>34,800</u>
Passed-Through Kansas City, Missouri School District		
Fund For The Improvement of Education	84.215	10,371
Fund For The Improvement of Education	84.215	<u>12,658</u>
Total CFDA Number 84.336		<u>23,029</u>
Total U.S. Department of Education		<u>72,874,483</u>
U.S. Department of Transportation		
State and Community Highway Safety		
NHTSA Central Region Diversity Outreach Liaison	20.600	37,943
NHTSA Central Region Law Enforcement Liaison	20.600	<u>29,896</u>
Subtotal CFDA Number 20.600		<u>67,839</u>

University of Central Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount Expended
Passed-Through Missouri Division of Highway Safety		
Law Enforcement Training	20.600	\$ 13,539
Law Enforcement Training	20.600	1,490
Breath Lab Operations 2008	20.600	70,844
Breath Alcohol Simulator	20.600	(1,090)
Law Enforcement Traffic Systems Software	20.600	1,385
Driver Improvement Program	20.600	21,926
SFST Statewide Program	20.600	33,136
Statewide DWI Enforcement	20.600	148,150
Driver Improvement Program 2008	20.600	2,845
Sobriety Checkpoint Supervisor Training	20.600	144,096
Sobriety Checkpoint Supervisor Training	20.600	11,739
SFST Statewide Program	20.600	79,098
Law Enforcement Traffic Systems Software	20.600	2,519
Drugs That Impair LE Training	20.600	253
L. E. Crash Investigation Series 2007	20.600	47,114
Driver Improvement Program	20.600	32,242
Breath Alcohol Simulator	20.600	25,193
Breath Lab Operations 2007	20.600	163,475
Statewide Accident Reporting	20.600	61,556
Subtotal CFDA Number 20.600		859,510
Total CFDA Number 20.600		927,349
Occupant Protection		
Observational CMV Seat Belt Surveys	20.602	49,202
Child Safety Seat Belt Study	20.602	13,098
Teen Seat Belt Survey Studies	20.602	31,075
Seat Belt Survey Studies	20.602	17,640
Click it or Ticket Enforcement	20.602	13,329
Youth Enforcement	20.602	20,888
Teen Seat Belt Survey Studies	20.602	39,984
Statewide Seat Belt Survey and Spot Surveys	20.602	66,908
Click it or Ticket Enforcement	20.602	179,582
Child Safety Seat Belt Study	20.602	11,703
Click it or Ticket Enforcement	20.602	27,656
Total CFDA Number 20.602		471,065
Total U.S. Department of Transportation Highway Safety Cluster		1,398,414

University of Central Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount Expended
U.S. Department of Health and Human Services		
Occupational Safety and Health Training Grants	93.263	\$ 1,278
Occupational Safety and Health Training Grants	93.263	<u>31,210</u>
Total CFDA Number 93.263		<u>32,488</u>
Social Services Research and Demonstration	93.647	<u>156,170</u>
Passed-Through Missouri Department of Social Services, Division of Family Services		
Foster Care Title IV-E	93.658	(53)
Foster Care Title IV-E	93.658	<u>4,395</u>
Total CFDA Number 93.658		<u>4,342</u>
Passed-Through Missouri Department of Social Services, Missouri Child Care Resources and Referral Network		
Child Care Mandatory and Matching Funds of the Child Care and Development Fund		
DSS Accreditation	93.596	32,668
DSS Coordination	93.596	4,963
DSS Inclusion	93.596	2,857
DSS Dependent Care	93.596	1,296
DSS Core	93.596	(7,410)
DSS Quality Technical Assistance	93.596	4,704
DSS Family Child Care	93.596	8,509
DSS Quality Technical Assistance	93.596	18,581
DSS Inclusion	93.596	35,576
DSS Dependent Care	93.596	61,095
DSS Training	93.596	65,443
DSS Accreditation	93.596	<u>63,371</u>
Total CFDA Number 93.596		<u>291,653</u>

University of Central Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount Expended
Passed-Through Catholic Charities of Kansas City		
Compassion Capital Fund	93.009	\$ 12,946
Total U.S. Department of Health and Human Services		<u>497,599</u>
U.S. Small Business Administration		
Small Business Development Center Grant	59.037	43,522
Small Business Development Center Grant	59.037	<u>122,136</u>
Total U.S. Small Business Administration		<u>165,658</u>
National Science Foundation		
Mathematical and Physical Sciences	47.049	<u>8,688</u>
Biological Sciences	47.074	<u>2,684</u>
Education and Human Resources		
Computer Lab to Support Visualization of Integration	47.076	(339)
Computer Science & Math Scholarship Program	47.076	122,498
A New Approach to Analytical Chemistry	47.076	18,042
Exploring Student Understanding of Physical Chemistry	47.076	<u>11,150</u>
Total CFDA Number 47.076		<u>151,351</u>
Total National Science Foundation		<u>162,723</u>
U.S. Department of Agriculture		
Grants for Agricultural Research, Competitive Research Grants	10.206	<u>37,547</u>
Child and Adult Care Food Program	10.558	<u>45,728</u>
Resource Conservation and Development	10.901	<u>25,104</u>
Total U.S. Department of Agriculture		<u>108,379</u>
Federal Communications Commission		
ARRA - DTV Walk in Center and Mobile Center	32.XXX	<u>64,205</u>
Total Federal Communications Commission		<u>64,205</u>

University of Central Missouri
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Amount Expended
U.S. Department of Justice		
Grant to Reduce Violent Crimes Against Women on Campus	16.525	\$ 2,590
Total U.S. Department of Justice		<u>2,590</u>
U.S. Environmental Protection Agency Passed-Through Missouri Conservation Commission		
Targeted Watersheds Grants	66.439	<u>24,500</u>
Total U.S. Environmental Protection Agency		<u>24,500</u>
		<u><u>\$ 75,298,551</u></u>

Notes to Schedule

1. This schedule includes the federal awards activity of University of Central Missouri and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.
2. Of the federal expenditures presented in this schedule, University of Central Missouri provided no federal awards to subrecipients.

Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Governors
University of Central Missouri
Warrensburg, Missouri

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of University of Central Missouri as of and for the year ended June 30, 2009, which collectively comprise its basic financial statements, and have issued our report thereon dated November 5, 2009, which contained a reference to the report of other accountants. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of University of Central Missouri Foundation, which comprise 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, we considered the University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness on the University's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the University's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the University's financial statements that is more than inconsequential will not be prevented or detected by the University's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 09-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the University's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free of 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*.

We also noted certain additional matters that we reported to the University's management in a separate letter dated November 5, 2009.

The University's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the University's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the governing body, management and others within the University and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



November 5, 2009

Independent Accountants' Report on Compliance and Internal Control Over Compliance with Requirements Applicable to Major Federal Awards Programs and Schedule of Expenditures of Federal Awards

Board of Governors
University of Central Missouri
Warrensburg, Missouri

Compliance

We have audited the compliance of University of Central Missouri with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2009. The University's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the University's management. Our responsibility is to express an opinion on the compliance of University of Central Missouri based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination on the University's compliance with those requirements.

In our opinion, University of Central Missouri complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2009.

Internal Control Over Compliance

The management of University of Central Missouri is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 09-2, 09-3 and 09-4 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. We do not consider any of the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses.

The University's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the University's responses and, accordingly, we express no opinion on them.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of University of Central Missouri as of and for the year ended June 30, 2009, and have issued our report thereon dated November 5, 2009, which contained a reference to the report of other accountants. Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise University of Central Missouri's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the governing body, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD
12/14/09

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

7. The University's major program was:

Cluster/Program	CFDA Number
Student Financial Aid Cluster	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Direct Student Loans	84.268
Federal Work Study Program	84.033
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063
Academic Competitiveness Grants	84.375
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376
Teacher Education Assistance for College and Higher Education (TEACH) Grants	84.379

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was \$2,258,957.

9. The University qualified as a low-risk auditee as that term is defined in OMB Circular A-133? Yes No

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding	Questioned Costs
09-1	<p>Criteria or Specific Requirement – The objectives of internal control are to provide reasonable rather than absolute assurance that assets are safeguarded and financial statements are reliable. Segregation of incompatible duties is often an effective way of strengthening internal control.</p> <p>Condition – Certain individuals have incompatible duties relating to the payroll cycle.</p> <p>Context – In the payroll cycle, two individuals perform or have the ability to perform virtually all access, recording and monitoring functions.</p> <p>Effect – Potentially material misstatements in the financial statements or material misappropriations of assets due to error or fraud could occur and not be prevented or detected in a timely manner.</p> <p>Cause – Certain duties of access, recording and monitoring are being performed or controlled by one individual and compensating controls are insufficient.</p> <p>Recommendation – Management should periodically review various job functions and evaluate the costs versus the benefits of further segregation of duties or addition of monitoring or other compensating controls and implement those changes it deems appropriate.</p>	None

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding	Questioned Costs
09-1 (Continued)	<p>Views of Responsible Officials and Planned Corrective Actions –</p> <ol style="list-style-type: none"> 1. The Office of Payroll Services is a small operation. With 3.5 employees, it is essential all staff be cross-trained and have the ability to perform duties required to assist customers and support administrative requests during the usual course of business where absenteeism (planned and unplanned) is a reality. 2. As a result of the 2007 audit findings, security was enhanced to limit system access for payroll completion processes to the Payroll Specialist and the Director. From a cost benefit perspective, resources are not currently available to allow further segregation of these responsibilities; however, there are counter measures in place to reduce potential fraud and mismanagement of assets. <ul style="list-style-type: none"> • Employees enter hours on electronic time sheets for each pay period. Supervisor approval is required for hours to progress. • Adjustments to master files by the payroll staff are necessary to correct user errors and/or omissions. Banner records the transactions as an “override.” All overrides required by the payroll staff prior to the time sheet deadlines are system stamped with the payroll employee’s name and the date and time of the action. Corrections after the payroll process has begun required payroll intervention. Documentation is required by the department for the payroll staff to correct master files. The exception documentation is retained by the payroll department. • All payroll transactions require labor distribution to be recorded. Labor information is forwarded to Finance after any payroll event is finalized. Accounting Services monitors checks and direct deposit transactions. • The University Controller/Treasurer monitors each payroll for inconsistencies in overall amounts. 	

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding	Questioned Costs
09-1 (Continued)	<ul style="list-style-type: none"> • Labor charges are reported on the University’s monthly budgetary financial reports which are available online, real-time for each departmental budget manager. Departmental budget managers review these reports for accuracy and inconsistencies. • Labor charges are again available by employee/amount to each department with month-end accounting reports. • Budget levels are encumbered and then monitored by the University’s budget analyst. Should any organization exceed their budgeted personal services (student services included) during the fiscal year, the budget office contacts the department. The departments are responsible for any overages and subsequently investigate the shortages. This information is available immediately after each payroll is finalized. <p>3. We are currently in the process of completing an Electronic Personnel Action Form (EPAF) process for hiring student employees. This electronic form would allow University departments to complete the process of hiring student employees electronically and allow the Office of Financial Assistance electronic approval prior to forwarding the job information to Payroll Services.</p> <p>4. UCM Information Services will design a monthly report that will show all changes and updates to the Payroll Master files. The report will show the Payroll Master files impacted and the user i.d. of the Payroll employee who makes the changes.</p>	

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
09-2	<p>U.S. Department of Education – Student Financial Aid Federal Direct Student Loans, CFDA Number 84.268, Award Number P268K090253, Program Year 2008 – 2009</p> <p>Criteria or Specific Requirement – Special Tests and Provisions – Federal regulations provide the University is responsible for notifying the Federal Direct Loan (FDL) lender of student enrollment status changes on a timely basis.</p> <p>Condition – Sixteen student enrollment status changes were not communicated to the FDL lender on a timely basis.</p> <p>Context – Out of a population of 1,046 student enrollment status changes requiring FDL lender notification, a sample of 30 student status changes was selected for testing. Of the 30 status changes tested, 16 of the status changes were not communicated to the FDL lender timely.</p> <p>Effect – The FDL lender was not notified of student enrollment status changes on a timely basis.</p> <p>Cause – The programming developed by the University to create the data files used to notify the National Student Loan Data System (NSLDS) of student status changes did not properly calculate these borrowers’ student graduation dates. Therefore, the enrollment status changes were not reported to NSLDS on a timely basis.</p> <p>Recommendation – The University should notify NSLDS on a timely basis of all required changes in student enrollment status.</p>	None

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
09-2 (Continued)	<p>Views of Responsible Officials and Planned Corrective Actions – The Registrar’s Office has been working on correcting the actions stated in this concern.</p> <p>Utilizing tools available within the University’s ERP system to send reports to the Clearinghouse has been a top programming priority in the Registrar’s Office. The systems coordinator in the Registrar’s Office is currently working in a test environment to set up the required flow to send our files to the Clearinghouse via Banner. Our goal is to have all of the testing completed by the end of the semester so we can begin sending our files to the Clearinghouse monthly beginning in January 2010.</p>	
09-3	<p>U.S. Department of Education – Student Financial Aid Federal Perkins Loan Program, CFDA Number 84.038, Award Number P038A092293, Federal Direct Student Loans, CFDA Number 84.268, Award Number P268K090253, Federal Pell Grant Program, CFDA Number 84.063, Award Number P063P090253 Program Year 2008 – 2009</p> <p>Criteria or Specific Requirement – Special tests and Provisions – Return of Title IV Funds</p> <p>Condition – Nineteen students’ financial aid refunds were calculated incorrectly.</p> <p>Context – Out of a population of 315 students who withdrew or dropped out during the fiscal year, a sample of 30 was selected for testing. Of the 30, 19 of the refund calculations were calculated incorrectly.</p> <p>Effect – For students who withdrew or dropped out during the Fall 2008 semester, \$198 was over refunded by the University. For students who withdrew or dropped out during the Spring 2009 semester, \$368 was under refunded by the University.</p>	\$170

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
09-3 (Continued)	<p>Cause – The University incorrectly calculated the number of days in the Fall 2008 and Spring 2009 semesters.</p> <p>Recommendation – The University should review its policies and procedures to ensure that all “Return of Title IV” aid repayment calculations are completed correctly.</p> <p>Views of Responsible Officials and Planned Corrective Actions – An SCT Sungard (Banner) consultant originally set up all of the required tables for the Office of the Registrar prior to the Banner system going ‘live’ in December 2006. One of these tables includes the exact dates on which classes are not scheduled to be held due to holiday breaks. The information contained in this table, which is used by the UCM Office of Student Financial Services to calculate the federal ‘Return of Title IV’ aid repayment amounts, has been ‘cloned’ for each subsequent term, with appropriate changes made to all table dates. Corrective action will include the Office of the Registrar re-verify the accuracy of these dates at the beginning of each term, and also reviewing the table dates with the Office of Student Financial Services. This has already been done for the 2009 Fall semester and will continue for all subsequent terms in the future.</p>	

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
09-4	U.S. Department of Education – Student Financial Aid Federal Perkins Loan Program, CFDA Number 84.038, Award Number P038A082293, Federal Supplemental Educational Opportunity Grant Program, CFDA Number 84.007, Award Number P007A082293 Federal Direct Student Loans, CFDA Number 84.268, Award Number P268K080253, Federal Work Study Program, CFDA Number 84.033, Award Number P033A082293, Federal Pell Grant Program, CFDA Number 84.063, Award Number P063P080253 Academic Competitiveness Grant (ACG), CFDA Number 84.375, Award Number P375A080253, National Science and Mathematics Access to Retain Talent (SMART) Grants, CFDA Number 84.376, Award Number P3765080253 Program Year 2007 – 2008	None

Criteria or Specific Requirement – Reporting

Condition – Information was incorrectly reported to the U.S. Department of Education on the Fiscal Operations Report and Application to Participate (FISAP) for the award period July 1, 2007, to June 30, 2008.

Context – Reported SMART Grant expenditures did not match the University’s general ledger on Part II, Section E. Perkins borrowers whose loans had been assigned to and accepted by the United States, the administrative cost allowances, and the cost of loan principal and interest cancelled for all other teaching service did not match University generated reports on Part III, Section C. No support was provided for Part III, Section C, Status of Borrowers.

Effect – The information contained in those sections of the FISAP was incorrectly reported to the U.S. Department of Education.

Cause – The University unintentionally reported incorrect information on the FISAP report.

University of Central Missouri
Schedule of Findings and Questioned Costs
Year Ended June 30, 2009

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
09-4 (Continued)	<p>Recommendation – The University should review its procedures for preparing the FISAP and seek assistance from the U.S. Department of Education to clarify the reporting requirements.</p> <p>Views of Responsible Officials and Planned Corrective Actions – The 2007-08 award year Federal SMART Grant Expenditures amount entered on line II-E-23(c) of the 2007-08 FISAP (\$194,830) exactly matched on 12-15-2008 the ‘Paid’ amount on RFIBUDG of the Student Aid module of the Banner integrated system. Additional research is being jointly conducted by the Office of Student Financial Services and the Office of Accounting Services, with assistance from Information Services staff and BKD personnel, to determine why a \$43,000 difference exists between the above amount and the corresponding amount on the PY Schedule of Expenditures of Federal Awards (\$237,830). Resolution of this difference will occur prior to the final submission of the 2008-09 FISAP in December 2009.</p> <p>Research is also being conducted by the Office of Student Financial Services and the Office of Accounting Services, with assistance from Information Services staff and BKD personnel, to determine why a difference exists between the amounts entered on lines III-A-6, III-A-30 and III-A-27. 1 of the 2007-08 FISAP and the corresponding amounts on the CLM Ledger (6.00, 28.00 and 25.10, respectfully). Resolution of these differences will also occur prior to the final submission of the 2008-09 FISAP in December 2009.</p>	

University of Central Missouri
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Reference Number	Summary of Finding	Status
08-3	U.S. Department of Education – Student Financial Aid Federal Direct Student Loans, CFDA Number 84.268, Award Number P268K080253, Program Year 2007 – 2008	Unresolved. See current year finding 09-2.

Criteria or Specific Requirement – Special Tests and Provisions – Federal regulations provide the University is responsible for notifying the Federal Direct Loan (FDL) lender of student enrollment status changes on a timely basis.

Condition – Fourteen student enrollment status changes were not communicated to the FDL lender on a timely basis.

Context – Out of a population of 737 student enrollment status changes requiring FDL lender notification, a sample of 30 student status changes was selected for testing. Of the 30 status changes tested, 14 of the status changes were not communicated to the FDL lender timely.

Effect – The FDL lender was not notified of student enrollment status changes on a timely basis.

Cause – The programming developed by the University to create the data files used to notify the National Student Loan Data System (NSLDS) of student status changes did not properly calculate these borrowers' student graduation dates. Therefore, the enrollment status changes were not reported to NSLDS on a timely basis.

University of Central Missouri
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Reference Number	Summary of Finding	Status
08-4	<p style="text-align: center;">U.S. Department of Education – Student Financial Aid Academic Competitiveness Grant (ACG), CFDA Number 84.375, Award Number P375A070253, Program Year 2007 – 2008</p> <p style="text-align: center;">Criteria or Specific Requirement – Eligibility</p> <p>Condition – One student’s awarded financial aid was incorrect. The student received an Academic Competitiveness Grant, but had total aid that exceeded her cost of attendance.</p> <p>Context – Out of a population of 6,584 students receiving federal aid during the year, a sample of 30 was selected for testing.</p> <p>Effect – One student received too much financial aid.</p> <p>Cause – The University unintentionally awarded ACG to a student who was not eligible.</p>	Resolved

University of Central Missouri
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Reference Number	Summary of Finding	Status
08-5	U.S. Department of Education – Student Financial Aid Federal Perkins Loan Program, CFDA Number 84.038, Award Number P038A072293, Federal Supplemental Educational Opportunity Grant Program, CFDA Number 84.007, Award Number P007A072293 Federal Direct Student Loans, CFDA Number 84.268, Award Number P268K070253, Federal Work Study Program, CFDA Number 84.033, Award Number P033A072293, Federal Pell Grant Program, CFDA Number 84.063, Award Number P063P070253 Academic Competitiveness Grant (ACG), CFDA Number 84.375, Award Number P375A070253, National Science and Mathematics Access to Retain Talent (SMART) Grants, CFDA Number 84.376, Award Number P3765070253 Program Year 2006 – 2007	Unresolved. See current year finding 09-4.

Criteria or Specific Requirement – Reporting

Condition – Information was incorrectly reported to the U.S. Department of Education on the Fiscal Operations Report and Application to Participate (FISAP) for the award period July 1, 2006, to June 30, 2007.

Context – Total tuition and fees had not been updated from the prior year’s FISAP with current fiscal year amounts and reported SMART Grant expenditures did not match University generated reports on Part II, Section E. Perkins borrowers whose loans had been assigned due to default or liquidation did not match University generated reports on Part III, Section C. Estimates instead of actual numbers were entered into Part V, Sections G, H and I, and were not updated prior to the final FISAP being submitted.

Effect – The information contained in those sections of the FISAP was incorrectly reported to the U.S. Department of Education.

Cause – The University unintentionally reported incorrect information on the FISAP report.

University of Central Missouri
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2009

Reference Number	Summary of Finding	Status
07-5	<p style="text-align: center;">U.S. Department of Education – Student Financial Aid Federal Direct Student Loans, CFDA Number 84.268, Award Number P268K070253, Program Year 2006 – 2007</p> <p>Criteria or Specific Requirement – Special Tests and Provisions – Federal regulations provide the University is responsible for notifying all Federal Direct Loan (FDL) lenders of student enrollment status changes on a timely basis.</p> <p>Condition – Twelve student enrollment status changes were not communicated to FDL lenders on a timely basis and two student enrollment status changes had incorrect change dates reported.</p> <p>Context – Out of a population of 1,260 student enrollment status changes requiring FDL lender notification, a sample of 30 student status changes were selected for testing. Of the 30 status changes tested, 14 of the status changes were not communicated to FDL lenders and/or had incorrect status change dates reported.</p> <p>Effect – FDL lenders were not notified of student enrollment status changes accurately or on a timely basis.</p> <p>Cause – The programming developed by the University to create the data files used to notify the National Student Loan Data System (NSLDS) of student status changes did not properly calculate these borrowers’ student status dates. Therefore, the enrollment status changes were not reported to NSLDS on a timely basis.</p>	Unresolved. See current year finding 09-2.