



MOUNTAIN EMPIRE
COMMUNITY COLLEGE
STUDENT FINANCIAL ASSISTANCE
PROGRAMS CLUSTER

FOR THE YEAR ENDED
JUNE 30, 2024

Auditor of Public Accounts
Staci A. Henshaw, CPA
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AUDIT SUMMARY

We audited the Student Financial Assistance Cluster of federal programs administered by Mountain Empire Community College (Mountain Empire) for the year ended June 30, 2024. We found:

- proper recording and reporting of all transactions, in all significant respects, in Mountain Empire's accounting and financial reporting system and U.S. Department of Education's federal student financial assistance systems and the federal attachment submitted to the Department of Accounts (Accounts); and
- five matters involving internal control and its operation necessary to bring to management's attention that also represent instances of noncompliance with applicable laws and regulations or other matters that are required to be reported.

In the section titled "Audit Findings and Recommendations," we have included our assessment of the conditions and causes resulting in the internal control and compliance findings identified through our audit as well as recommendations for addressing those findings. Our assessment does not remove management's responsibility to perform a thorough assessment of the conditions and causes of the findings and develop and appropriately implement adequate corrective actions to resolve the findings, as required by Accounts in Topic 10205 – Agency Response to APA Audit of the Commonwealth Accounting Policies and Procedures Manual. Those corrective actions may include additional items beyond our recommendations.

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AUDIT FINDINGS AND RECOMMENDATIONS

Improve Reporting to National Student Loan Data System

Type: Internal Control and Compliance

Mountain Empire Community College's (Mountain Empire) Admissions and Records Office staff did not report accurate and timely enrollment data to the National Student Loan Data System (NSLDS) for students that graduated, withdrew, or changed enrollment levels. Mountain Empire management indicated a lack of management oversight and batch processing issues led to the exceptions. For a sample of 40 students, we noted the following instances of noncompliance:

- Mountain Empire reported an inaccurate enrollment status for two students (5%);
- Mountain Empire reported an inaccurate effective date for three students (8%);
- Mountain Empire staff did not report enrollment status changes timely for nine students (23%); and
- Mountain Empire reported inaccurate information for at least one campus or program-level field deemed critical for four students (10%).

In accordance with Title 34 U.S. Code of Federal Regulations (CFR) § 690.83(b)(2), an institution shall submit, in accordance with deadline dates established by the Secretary of Education (Secretary), other reports and information the Secretary requires and shall comply with the procedures the Secretary finds necessary to ensure the reports are correct. As further outlined in the U.S. Department of Education's (Education) NSLDS Enrollment Guide, institutions are required to certify enrollment every 60 days. The accuracy of Title IV enrollment data depends heavily on information reported by institutions. Mountain Empire's inaccurate and untimely enrollment data submissions to NSLDS can affect Education's reliance on the system for monitoring purposes. Noncompliance may also impact an institution's participation in Title IV programs.

Mountain Empire's management should evaluate its current enrollment reporting procedures and implement corrective action to ensure the college reports accurate and timely student enrollment status changes to NSLDS. Management should also consider implementing a quality control review process to monitor the accuracy of campus and program-level batch submissions.

Properly Complete Federal Verification Prior to Disbursing Title IV Aid

Type: Internal Control and Compliance

Mountain Empire Financial Aid Office staff did not properly complete federal verification prior to disbursing Title IV aid. For two of 12 (17%) students tested for verification, Mountain Empire staff did not retain adequate student aid application documentation, therefore, we were unable to determine if staff reviewed the information prior to awarding Title IV aid. Mountain Empire management indicated staff did not follow written verification policies and procedures.

In accordance with 34 CFR § 668.54 through 34 CFR § 668.57, an institution must require an applicant, whose Free Application for Student Aid (FAFSA) information has been selected for verification, to verify the information selected by Education. Federal Register 87 F.R. 40826 outlines the 2023 - 2024 Award Year FAFSA information Education requires to be verified and the acceptable documentation by Verification Tracking Flag and Verification Tracking Group. By not performing or improperly performing the necessary verification, Mountain Empire may be providing financial aid disbursements to students based upon inaccurate information, which could subject the institution to potential adverse actions affecting participation in Title IV programs.

Mountain Empire management should provide additional financial aid staff training and monitor compliance with written policies and procedures. Management should consider implementing a quality control review to ensure that staff obtain, review, and retain acceptable documentation for audit purposes.

Ensure an Accurate FISAP is Submitted to Department of Education

Type: Internal Control and Compliance

Mountain Empire management inaccurately reported one field on its Fiscal Operations Report and Application to Participate (FISAP). Management understated tuition and fees by \$81,877 in Section II, Field 22. Mountain Empire management did not have an adequate understanding of the FISAP reporting requirements to properly prepare the report.

In accordance with 34 CFR § 675.19(b)(3) and 34 CFR § 676.19(b)(3), each year, an institution shall submit a FISAP plus other information the Secretary requires. The institution shall report accurate information on the form and submit it at the time the Secretary specifies. The FISAP instructions provided by Education further inform institutions of what to report in Section II, Field 22. Per this guidance, institutions should exclude tuition and fee revenue collected from individuals not meeting the description of an enrolled student.

Inaccurately reported FISAP information provides Education with inaccurate information from which to make funding decisions. Management should enhance policies and procedures and train staff on the FISAP instructions to ensure the college reports the proper amounts on the FISAP.

Strengthen the Schedule of Expenditures of Federal Awards Review Process

Type: Internal Control and Compliance

Mountain Empire's Business Office staff did not prepare an accurate Schedule of Expenditures of Federal Awards (SEFA), which details amounts of federal expenditures for fiscal year 2024. The Business Office understated federal Pell grant expenditures by \$547,475. Mountain Empire management did not properly implement a policy change to include certain financial aid amounts on the SEFA, which resulted in the error.

In accordance with 2 CFR § 200.510(b), “the auditee must prepare a schedule of expenditures of federal awards for the period covered by the auditee’s financial statements which must include the total federal awards expended as determined in accordance with § 200.502.” The Department of Accounts (Accounts) Comptroller’s Directive 2-24 provides specific directions for compiling the SEFA and supporting schedules, and providing inaccurate schedules to Accounts could result in a misstatement in the Commonwealth’s SEFA and related disclosures.

Mountain Empire’s management should update its procedures when implementing policy changes to provide for accurate reporting on the SEFA. Additionally, management should establish a review process to ensure the college accurately captures and reports financial aid information.

Implement Information Security Requirements for the Gramm-Leach-Bliley Act

Type: Internal Control and Compliance

Mountain Empire does not comply with certain elements of the Gramm-Leach-Bliley Act (GLBA) related to its information security program. Public Law 106-102, known as the GLBA, classifies institutions of higher education as financial institutions due to their involvement in financial assistance programs. Related regulations in 16 CFR §§ 314.3 and 314.4 require organizations to develop, implement, and maintain an information security program to safeguard customer information. Specifically, Mountain Empire does not comply with the following GLBA requirements:

- While Mountain Empire’s written information security program states that it will ensure third parties implement, operate, and maintain security controls as defined in agreements, Mountain Empire does not have documented and approved procedures for how it will oversee its third-party service providers. The GLBA requires organizations to oversee service providers by periodically assessing service providers based on the risk they present and the continued adequacy of their safeguards. Additionally, the GLBA requires organizations to document procedures for evaluating, assessing, or testing the security of externally developed applications utilized for transmitting, accessing, or storing customer information. Not formally developing procedures to periodically assess its service providers could result in unaddressed vulnerabilities, which may result in the compromise of the college’s sensitive information and data.
- Mountain Empire does not have documented and approved procedures for administering security awareness and role-based training to its personnel. The GLBA requires that organizations provide security awareness training to personnel and update this training as needed based on risks identified in risk assessments. Additionally, it requires the use of qualified information security personnel to administer the program and oversee security risks. Without a formal procedure in place, Mountain Empire increases the risk that it may not consistently provide training to staff or update the training based on current risks, further increasing the likelihood of insider threats and potential data breaches due to system misuse.

Mountain Empire did not have documented procedures mentioned above due to a lack of management oversight. Mountain Empire should develop procedures to maintain oversight of its third-party service providers and to consistently administer security awareness and role-based training to

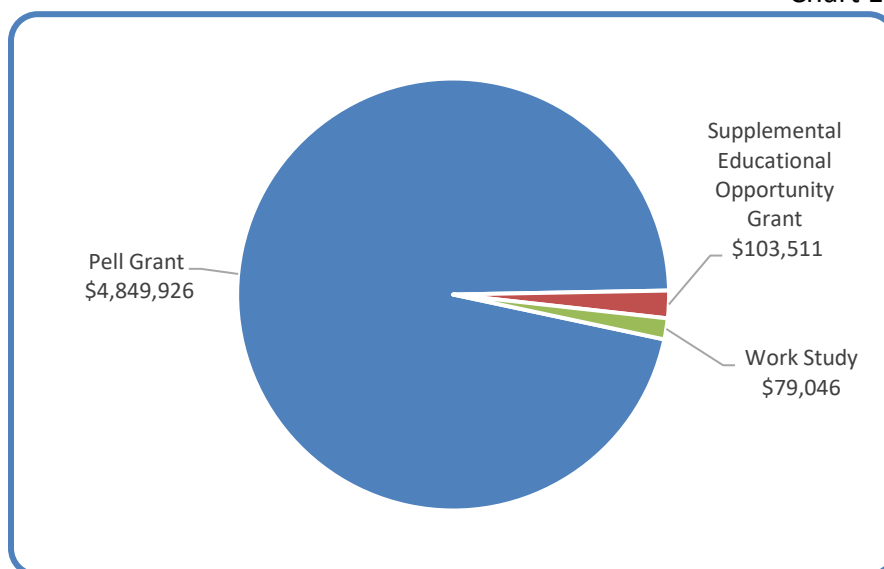
personnel. Ensuring compliance with the GLBA requirements will support Mountain Empire in evaluating its information security practices over the confidentiality, integrity, and availability of the college's customer information.

AUDIT SCOPE OVERVIEW

Mountain Empire is part of the Virginia Community College System and serves the counties of Dickenson, Lee, Scott, and Wise and the City of Norton. Mountain Empire provides federal financial assistance through Pell Grants, Supplemental Educational Opportunity Grants, and Work-Study Programs. Chart 1 below shows the amounts comprising the Student Financial Assistance Cluster of federal program awards at Mountain Empire.

**Student Financial Assistance Cluster Federal Program Awards
Fiscal Year 2024**

Chart 1



For our audit covering the fiscal year ended June 30, 2024, we performed procedures over the Student Financial Assistance Cluster of federal programs in accordance with U.S. Office of Management and Budget Compliance Supplement Part 5 Student Financial Assistance Programs. In addition, we reviewed the accuracy of the SEFA submitted to Accounts.



Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 2, 2025

The Honorable Glenn Youngkin
Governor of Virginia

Joint Legislative Audit
and Review Commission

State Board for Community Colleges
Virginia Community College System

David Doré
Chancellor, Virginia Community College System

Kris Westover
President, Mountain Empire Community College

We have audited **Mountain Empire Community College's** (Mountain Empire) compliance over the Student Financial Assistance Cluster of federal programs for the year ended June 30, 2024. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Objectives

Our audit's primary objective was to audit the Student Financial Assistance Cluster of federal programs. In support of this objective, we evaluated the accuracy of recorded transactions in Mountain Empire's accounting and financial reporting system, U.S. Department of Education's federal student financial assistance systems, and the federal attachment submitted to the Department of Accounts (Accounts); reviewed the adequacy of Mountain Empire's internal controls; and tested compliance with applicable laws, regulations, contracts, and grant agreements.

Audit Scope and Methodology

Mountain Empire's management has responsibility for establishing and maintaining internal control and complying with applicable laws, regulations, contracts, and grant agreements. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws, regulations, contracts, and grant agreements.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered significance and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the following applicable Student Financial Assistance Cluster of federal programs compliance requirements:

- Cash management
- Enrollment reporting
- Title IV disbursements
- Financial reporting
- Gramm-Leach-Bliley Act
- Institutional eligibility
- Return of Title IV funds
- Student eligibility
- System access
- Verification

We performed audit tests to determine whether Mountain Empire's controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws, regulations, contracts, and grant agreements. Our audit procedures included inquiries of appropriate personnel, inspection of documents and records, and observation of Mountain Empire's operations. We performed analytical procedures and tested details of transactions to achieve our objectives.

A nonstatistical sampling approach was used. Our samples were designed to support conclusions about our audit objectives. An appropriate sampling methodology was used to ensure the samples selected were representative of the population and provided sufficient, appropriate evidence. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

Conclusions

We found that Mountain Empire has properly stated, in all material respects, the amounts recorded and reported in its financial system and the U.S. Department of Education's federal student financial assistance systems for the Student Financial Assistance Cluster of federal programs.

We noted certain matters involving internal control and its operation and compliance with applicable laws, regulations, contracts, and grant agreements that require management's attention and corrective action. These matters are described in the section titled "Audit Findings and Recommendations."

Exit Conference and Report Distribution

We discussed this report with management on August 25, 2025. Management's response to the findings identified in our audit is included in the section titled "College Response." We did not audit management's response and, accordingly, we express no opinion on it.

This report is intended for the information and use of the Governor and General Assembly, Mountain Empire Community College management, the Virginia Community College System Chancellor, the State Board for Community Colleges, and the citizens of the Commonwealth of Virginia and is a public record.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

DLR/vks

FINDINGS SUMMARY

| Finding Title | Status of Corrective Action* | First Reported for Fiscal Year |
|--|------------------------------|--------------------------------|
| Improve Reporting to National Student Loan Data System | Ongoing | 2024 |
| Properly Complete Federal Verification Prior to Disbursing Title IV Aid | Ongoing | 2024 |
| Ensure an Accurate FISAP is Submitted to Department of Education | Ongoing | 2024 |
| Strengthen the Schedule of Expenditures of Federal Awards Review Process | Ongoing | 2024 |
| Implement Information Security Requirements for the Gramm-Leach-Bliley Act | Ongoing | 2024 |

* A status of **Ongoing** indicates existing findings that require management's corrective action as of fiscal year end.



Office of the Vice President
Financial and Administrative Services

3441 Mountain Empire Road
Big Stone Gap, Virginia 24219
Phone 276.523.7478
Fax 276.523.8257

September 26, 2025

Ms. Staci Henshaw
Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Dear Ms. Henshaw:

In response to the 2024 APA Student Financial Aid Audit findings, Mountain Empire Community College (MECC) accepts and agrees with all findings. The following outlines the APA findings and management's response to the concerns and issues raised with appropriate corrective action to address and resolve each of the findings.

IMPROVE REPORTING TO NATIONAL STUDENT LOAN DATA SYSTEM

Type: Internal Control and Compliance

Mountain Empire Community College (Mountain Empire) Admissions and Records Office staff did not report accurate and timely enrollment data to the National Student Loan Data System (NSLDS) for students that graduated, withdrew or had an enrollment level change. Mountain Empire management indicated the exceptions were due to a lack of management oversight and batch processing issues. From our review of 40 students sampled, we noted the following instances of noncompliance:

- The enrollment status was inaccurate for two students (5%);
- The effective date was inaccurate for three students (8%);
- Mountain Empire staff did not report enrollment status changes timely for nine students (23%);
- At least one campus or program level field deemed critical was inaccurate for four students (10%).

In accordance with Title 34 U.S. Code of Federal Regulations (CFR) § 690.83(b)(2) an institution shall submit, in accordance with deadline dates established by the Secretary of Education (Secretary), other reports and information the Secretary requires and shall comply with the procedures the Secretary finds necessary to ensure the reports are correct. As further outlined in the U.S. Department of Education's (Education) NSLDS Enrollment Guide, institutions are required to certify enrollment every 60 days. The accuracy of Title IV enrollment data depends heavily on information reported by institutions. Mountain Empire's inaccurate and untimely enrollment data submissions to NSLDS can affect Education's reliance on the system for monitoring purposes. Noncompliance may also impact an institution's participation in Title IV programs.

Mountain Empire's management should evaluate its current enrollment reporting procedures and implement corrective action to ensure the college reports accurate and timely student enrollment status changes to NSLDS. Management should also consider implementing a quality control review process to monitor the accuracy of campus and program-level batch submissions.

MECC Response

Mountain Empire Community College will submit an ad-hoc roster request to the National Student Loan Data System to ensure that graduated statuses flow from the National Student Clearinghouse to the National Student Loan Data System in a timely manner.



Mountain Empire Community College will work with the VCCS to determine the best procedure for identifying Title IV students and unofficial withdrawals to ensure that they are reported timely and accurately. Based on their guidance, we will develop queries for quality control.

The SIS Business Process Technologist will be provided with access to the National Student Loan Data System. The SIS Business Process Technologist is responsible for reporting to the National Student Clearinghouse, and having access to the National Student Loan Data System will allow for internal audit to monitor accuracy of campus and program level batch submissions.

PROPERLY COMPLETE FEDERAL VERIFICATION PRIOR TO DISBURSING TITLE IV AID

Type: Internal Control and Compliance

Mountain Empire Financial Aid Office staff did not properly complete federal verification prior to disbursing Title IV aid. In two of 12 students (17%) tested for verification, Mountain Empire staff did not retain adequate student aid application documentation, therefore, we were unable to determine if staff reviewed the information prior to awarding Title IV aid. Mountain Empire management indicated staff did not follow written verification policies and procedures.

In accordance with 34 CFR § 668.54 and 34 CFR § 668.56, an institution must require an applicant, whose Free Application for Student Aid (FAFSA) information has been selected for verification, to verify the information selected by the Secretary. Federal Register 87 F.R. 40826 outlines the 2023 - 2024 Award Year FAFSA information Education requires to be verified and the acceptable documentation by Verification Tracking Flag and Verification Tracking Group. By not performing the necessary verification, Mountain Empire may be providing financial aid disbursements to students based upon inaccurate information.

Mountain Empire management should provide additional financial aid staff training and monitor compliance with written policies and procedures. Management should consider implementing a quality control review to ensure that staff obtain, review, and retain acceptable documentation for audit purposes.

MECC Response

MECC's financial aid office has developed procedures to follow when reviewing students selected for verification and staff are fully trained and knowledgeable of the procedures.

The Financial Aid Coordinator has scheduled a training session for October 17 with financial aid staff to review the verification policy and procedures to prevent future verification errors. During that time a quality control measure will be developed to ensure procedures are followed and proper verification documentation is obtained and retained in Perceptive Content.

ENSURE AN ACCURATE FISAP IS SUBMITTED TO DEPARTMENT OF EDUCATION

Type: Internal Control and Compliance

Mountain Empire management inaccurately reported one field on its Fiscal Operations Report and Application to Participate (FISAP). Management understated tuition and fees by \$81,877 in Section II, Field 22. Mountain Empire management did not have an adequate understanding of the FISAP reporting requirements to properly prepare the report.

In accordance with 34 CFR § 675.19 (b)(3) and 34 CFR § 676.19(b)(3), each year an institution shall submit a Fiscal Operations Report plus other information the Secretary requires. The institution shall report accurate information on

the form and submit it at the time the Secretary specifies. The FISAP instructions provided by Education further inform institutions of what to report in Section II, Field 22. Per this guidance, institutions should exclude tuition and fee revenue collected from individuals not meeting the description of an enrolled student.

By inaccurately reporting information on FISAP, Education does not have accurate information from which to make funding decisions. Management should review the FISAP instructions and ensure the college is reporting the proper amounts on the FISAP.

MECC Response

The FISAP report is submitted by the Coordinator of Financial Aid using information provided by the VCCS systems office, MECC's business office and records kept by MECC's financial aid office. The 2025-26 FISAP Instructions provided by the Department of Education were used for guidance.

The answer to Section II, Field 22 was determined using data from the VCCS Systems office (17_tuition_fees_fisap_2024.xls) with clarification from the previous Business Office Manager explaining what information to use. (17_RE FISAP tuition and fees question.msg)

MECC is committed to providing accurate information for future FISAP reports. The audit team explained that the information to report for Section II Field 22 on the FISAP is the sum of the Tuition column and the Student Fees column from the VCCS Systems Office information. This information will be saved to the Financial Aid's Policy and Procedures Folder as additional information when completing the FISAP.

STRENGTHEN THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REVIEW PROCESS

Type: Internal Control and Compliance

Mountain Empire Business Office staff did not properly prepare an accurate Schedule of Expenditures of Federal Awards (SEFA), a schedule that details the amounts of federal expenditures for fiscal year 2024. The Business Office understated federal Pell grant expenditures by \$547,475. The error occurred because Mountain Empire management did not properly implement a policy change to include certain financial aid amounts from the SEFA.

In accordance with 2 CFR § 200.510(b), "the auditee must prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements which must include the total federal awards expended as determined in accordance with § 200.502." The Department of Accounts (Accounts) Comptroller's Directive 2-24 provides specific directions for compiling the SEFA and supporting schedules, and providing inaccurate schedules to Accounts could result in a misstatement in the Commonwealth's SEFA and related disclosures.

Mountain Empire management should update its procedures to ensure policy changes are properly implemented and reported accurately on the SEFA. Additionally, management should establish a review process to ensure financial aid information is accurately captured and reported.

MECC Response

MECC believes the underlying cause of the variance was oversight in the transition in academic calendar reporting from a summer header to a summer trailer. This structural change resulted in Pell Grant expenditures being reported in a different fiscal year than in prior years, causing the understatement of \$547,475 in fiscal year 2024. Below is our response and action plan for each item noted.

Strengthening the Schedule of Expenditures of Federal Awards Review Process

Response to Action Areas:



1. Accurate Preparation of SEFA - Action: Business Office staff will ensure that future SEFA preparation considers calendar changes that impact Pell Grant reporting. Adjustments will be documented to explain differences in expenditures between fiscal years.
2. Staff Understanding of Federal Requirements - Action: Staff responsible for financial aid and accounting entries will receive refresher training on federal requirements related to SEFA reporting. This will include guidance on handling academic year structure changes such as summer header vs. summer trailer.
3. Strengthening SEFA Review Process - Action: Business Office staff will enhance the SEFA review process by reconciling Pell Grant expenditures reported on SEFA to completed payments/drawdowns in the Federal G5 report. This comparison will be included in the final review checklist before submission.

IMPLEMENT INFORMATION SECURITY REQUIREMENTS FOR THE GRAMM-LEACH-BLILEY ACT

Typo: Internal Control and Compliance

Mountain Empire does not comply with certain elements of the Gramm-Leach-Bliley Act (GLBA) related to its information security program. Public Law 106-102, known as the GLBA, classifies institutions of higher education as financial institutions due to their involvement in financial assistance programs. Related regulations in 16 CFR §§ 314.3 and 314.4 require organizations to develop, implement, and maintain an information security program to safeguard customer information. Specifically, Mountain Empire does not comply with the following GLBA requirements:

- While Mountain Empire's written information security program states that it will ensure third parties implement, operate, and maintain security controls as defined in agreements, Mountain Empire does not have documented and approved procedures for how it will oversee their third-party service providers. The GLBA requires organizations to oversee service providers by periodically assessing service providers based on the risk they present and the continued adequacy of their safeguards. Additionally, the GLBA requires organizations to document procedures for evaluating, assessing, or testing the security of externally developed applications utilized for transmitting, accessing, or storing customer information. Not formally developing procedures to periodically assess its service providers could result in unaddressed vulnerabilities, which may result in the compromise of the College's sensitive information and data (16 CFR 314.4(f)(3)).
- Mountain Empire does not have documented and approved procedures for administering security awareness and role-based training to its personnel. The GLBA requires that organizations provide security awareness training to personnel and update this training as needed based on risks identified in assessments. Additionally, it requires the use of qualified information security personnel to administer the program and oversee security risks. Without a formal procedure in place, Mountain Empire increases the risk that it may not consistently provide training to staff or update the training based on current risks, further increasing the likelihood of insider threats and potential data breaches due to system misuse (16 CFR 314.4(e)(1)).

Mountain Empire did not have documented procedures mentioned above due to a lack of management oversight. Mountain Empire should develop procedures to maintain oversight of its third-party service providers and to consistently administer security awareness and role-based training to personnel. Compliance with the GLBA and VCCS IT Security Standard requirements will assist Mountain Empire in evaluating its information security practices to ensure the confidentiality, integrity, and availability of customer information within its environment.



MECC Response

The college is committed to addressing these issues promptly and strengthening our overall information security posture. Below is our response and action plan for each item noted.

1. Oversight of Third-Party Service Providers

Mountain Empire Community College (MECC) has initiated the development of formal, documented procedures for the oversight of third-party service providers that access, store, or process customer information, as required by 16 CFR 314.4(f)(3).

The finalized procedure will be adopted as an official component of our Information Security Program and will include:

- A risk-based vendor management framework that classifies third-party vendors local to MECC into risk tiers (e.g., high, moderate, low) based on their access to sensitive data and institutional systems.
- A pre-engagement checklist (HECVAT) to assess vendors during procurement, including contract language that requires GLBA compliance, data protection expectations, breach notification obligations, and the right to audit. Most of this is done via the VCCS Shared Service Center (SSC) during procurement.
- A vendor reassessment schedule that includes an annual review of high-risk vendors, coordinated by the IT Security Officer.
- A documentation requirement for any security reviews or evaluations of externally developed applications for storing or transmitting customer information.
- An acknowledgment of enterprise vendor review: Vendors procured and managed centrally by the VCCS are subject to a formal evaluation process at the System level. MECC will document and rely on VCCS assessments where applicable, but will also ensure local responsibilities (e.g., contract addendums, access limitations) are followed.

These procedures will ensure consistent documentation, accountability, and GLBA compliance at the local level.

Timeline for Remediation:

- Draft procedures completed: July 31, 2025
- Final review and approval: August 15, 2025
- Implementation and vendor reassessment rollout: September 30, 2025

2. Security Awareness and Role-Based Training

Although MECC is performing all of the requirements related to security awareness, role-based training, and phishing campaigns, we lack documentation and approved procedures for providing ongoing security awareness and role-based training for personnel.

MECC is currently formalizing a security training plan that includes:

- Annual mandatory security awareness training for all employees.
- Quarterly phishing simulations and follow-up education.
- Targeted role-based training for staff with access to sensitive systems (e.g., financial aid, IT, HR).
- Procedures for tracking participation and incorporating risk-based updates based on evolving threats.

Timeline:

- Procedure development and training plan finalization: July 31, 2025
- Training platform rollout and initial awareness campaign: August 15, 2025



- Role-based modules deployed: October 1, 2025

Root Cause and Preventive Measures:

We acknowledge that these gaps stemmed from a lack of formal oversight. As a corrective action, MECC will incorporate third-party management and training compliance checks into our annual risk assessment and IT governance cycle. In addition, the college's Information Security Officer will take ownership of tracking GLBA compliance items and will report progress to the Executive Leadership Team quarterly.

Sincerely,

Digitally signed by Kristy Hall
Date: 2025.09.26 14:16:17 -04'00'

Kristy Hall
Vice President of Finance and Administration

Cc: Kristen Westover, Ed.D., President
Lelia Bradshaw, Dean of Student Success
Ritchie Deel, CIO
Candice Lane, Business Office Manager
Sherry Whitaker, Financial Aid Coordinator
Brandi Cooke, SIS Business Process Technologist