



OLD DOMINION UNIVERSITY

REPORT ON AUDIT FOR THE YEAR ENDED JUNE 30, 2024

Auditor of Public Accounts

Staci A. Henshaw, CPA

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AUDIT SUMMARY

We have audited the basic financial statements of Old Dominion University (University) as of and for the year ended June 30, 2024, and issued our report thereon, dated September 25, 2025. Our report, included in the University's basic financial statements, is available at the Auditor of Public Accounts' website at www.apa.virginia.gov and at the University's website at www.odu.edu. Our audit found:

- the financial statements are presented fairly, in all material respects;
- nine internal control findings requiring management's attention; however, we do not consider them to be material weaknesses;
- six instances of noncompliance or other matters required to be reported under Government Auditing Standards; and
- adequate corrective action with respect to two prior audit findings and recommendations identified as complete in the Findings Summary included in the Appendix.

Our audit included testing over the major federal program of the Student Financial Assistance Programs Cluster for the Commonwealth's Single Audit, as described in the U.S. Office of Management and Budget Compliance Supplement.

In the section titled "Internal Control and Compliance 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 the Department of 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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INTERNAL CONTROL AND COMPLIANCE FINDINGS AND RECOMMENDATIONS

Continue to Improve the Financial Reporting Process

Type of Finding: Internal Control

Severity: Significant Deficiency

First Reported: Fiscal year 2021

Old Dominion University's (University) Office of Finance (Finance) continues to implement corrective actions to improve internal controls over the financial reporting and compilation process for the University's financial statements. As a result of these efforts, Finance finalized its financial data and prepared its fiscal year 2024 financial statements in November 2024, a significant improvement in timeliness from the prior fiscal year. While the University has demonstrated improvement compared to the prior audit and continues to implement corrective actions, we identified the following ongoing deficiencies in our review of the financial statements and related control environment:

- Finance is not consistently processing journal entries correctly. We identified several inaccurate journal entries resulting from Finance duplicating aspects of entries, failing to properly record or eliminate prior year adjusting entries, and improperly calculating allocations of amounts. These misstatements, including a \$5 million understatement to accounts receivable and unearned revenue, required adjustments to multiple financial statement line items.
- Finance does not consistently perform effective supervisory review to verify accuracy of financial support and reasonableness of amounts reported within the financial statements. Specifically, Finance did not detect and correct a formula error in financial support, resulting in a \$12 million reclassification within the Statement of Cash Flows. Finance also did not investigate a \$7 million reconciling difference between University and statewide accounting systems which resulted in the University reporting cash and accounts payable that did not exist. During review of the financial statements, Finance did not identify that it improperly classified \$4.9 million as cash and cash equivalents instead of restricted cash and cash equivalents. Lastly, Finance inadvertently omitted certain component unit activity resulting from compilation errors that it did not identify during supervisory review.
- Finance has not developed adequate written policies and procedures in certain financial areas. In one example, Finance implemented a new process for calculating accrued leave without formally vetting or documenting those procedures, resulting in liabilities and expenses being overstated by \$2.2 million. In another example, Finance improved timeliness of writing off accounts but did not update its procedures to effectively use write-off data for estimating its allowance for doubtful accounts, resulting in Finance understating the allowance by \$2 million.

- Finance is not properly entering elements of leases and subscription-based information technology arrangements (SBITA) into the lease accounting system. The University entered into limited new lease and SBITA arrangements during the fiscal year; therefore, the inaccuracies resulted in immaterial misstatements.
- Finance developed procedures to implement new guidance from the Governmental Accounting Standards Board (GASB) related to capitalization of group asset purchases but did not establish a reasonable accounting policy regarding the capitalization threshold, resulting in an audit adjustment to beginning net position.

Management is responsible for designing and maintaining a system of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements in accordance with generally accepted accounting principles. Additionally, universities in the Commonwealth are responsible for providing accurate financial data for inclusion in the Commonwealth's Annual Comprehensive Financial Report. Misstatements increase the risk that users of financial statements may draw improper conclusions about the University's financial activities.

Despite experiencing some turnover, management made progress stabilizing key positions in Finance during fiscal year 2024. Consistent with the prior year, management also continued to dedicate resources to evaluating and improving financial reporting processes. However, substantial challenges and delays in financial reporting for fiscal year 2023 absorbed key resources throughout much of fiscal year 2024. Attention to prior year errors hindered Finance's ability to focus on fiscal year 2024 year-end close as well as proactive measures, such as developing consistent processes for recording journal entries and compiling the financial statements. In some instances, Finance did not adequately execute or review accounting transactions under existing University procedures.

Management should continue to dedicate resources to evaluating and improving financial reporting processes, including year-end processing of journal entries. In designing updated processes, management should ensure that Finance staff document the procedures for preparing the financial statements, which will ensure that staff consistently perform the processes from year to year. In addition to taking proactive measures to improve processes, management should adequately monitor and review financial reporting activity to prevent errors and ensure staff are following established procedures. Management should further perform periodic reviews, including analytical procedures, to identify unusual or unexpected financial correlations or material variances in activities from year to year to help support the accuracy of financial data included in the Commonwealth's and the University's financial statements.

Improve Controls over Financial Reconciliations

Type of Finding: Internal Control

Severity: Significant Deficiency

First Reported: Fiscal Year 2022

Finance continues to implement corrective action over its reconciliation process to ensure timely performance and to provide assurance over the accuracy and validity of financial data included within certain reconciliations. However, during our review, we found:

- Finance continues to post material cash realignment entries to address a significant cumulative reconciling item between the bank balance and the accounting system since fiscal year 2001, when the University upgraded its accounting system.
- For one year-end bank reconciliation tested, Finance completed the reconciliation five months after fiscal year end. Finance completed the initial reconciliation in July 2024. However, Finance and University consultants analyzed additional entries and reconciling items after the initial completion date and did not complete the final version of the reconciliation until November 2024.
- Finance completed the year-end reconciliation between the University's accounting and financial reporting system general ledger and fixed asset module six months after fiscal year end.
- Finance did not complete or review timely (within 30 days of month-end) one out of four (25%) monthly billing and payment system reconciliations reviewed.

The Commonwealth Accounting Policies and Procedures (CAPP) Manual Topic 20905 states agencies may not certify reconciliations as complete until the agency has specifically and completely identified all reconciling items and made corrections at the transaction level. Further, best practices suggest that Finance should complete a reconciliation prior to the issuance of the following month's statement to ensure that transactions are correct and no fraud has occurred. Finance did not perform the reconciliations timely due to the time required to address significant reconciling items within the accounting system. By not completing and addressing reconciling items timely, Finance increases the risk of recording inaccurate information in the University's and Commonwealth's financial statements.

The University has made progress in improving its reconciliation process since our prior audit; however, corrective action remains ongoing. Since the beginning of fiscal year 2023, management has dedicated additional resources to Finance, including working with a consultant on the University's accounting and financial reporting system to address the significant bank balance reconciling items. While updating processes, Finance should correspondingly update its existing documented policies and procedures to capture and incorporate improvements in the University's internal control framework and to ensure the accuracy and timeliness of key financial reconciliations.

Strengthen Policies and Procedures Related to Terminated Employees

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2021

Our prior year audit found that neither University direct supervisors nor the Department of Human Resources (Human Resources) are notifying the Office of Procurement Services (Procurement) or the Security Officer of the Commonwealth's purchasing system timely of employee separations. As a result, employees retained access to the Commonwealth's purchasing system after termination from the University. Management informed us that corrective action remained ongoing throughout the fiscal year 2024 audit period. As management plans to complete corrective action after the fiscal year under review, we will evaluate whether the corrective actions achieved the desired results during the fiscal year 2025 audit.

University Policy #6060 Separation Process for Faculty and Staff states that it is the responsibility of the hiring supervisor to notify Human Resources about the separation of an employee immediately after receiving a separation notice from an employee. It is then Human Resource's responsibility to provide the supervisor with an email referencing a checklist to ensure that the hiring supervisor is aware of their responsibilities associated with the separation process. Additionally, the Commonwealth's Security Standard SEC530 (Security Standard), requires users to disable information system access within 24 hours of employment termination. Untimely processing of terminated employees increases the risk that terminated employees will retain unauthorized access to state and University systems and sensitive information, which can expose the University to inappropriate activity by individuals no longer employed by the institution.

The University updated Policy #6060 Separation Process in January 2024 to provide clarity and responsibility over the separation process. Management should continue implementing planned corrective action, to include educating departmental supervisors on their responsibilities regarding separated employees and notifying system account administrators of employee separations in a timely manner in accordance with the University's updated policy.

Improve Policies and Record Retention for Tuition and Fee Waivers

Type of Finding: Internal Control

Severity: Significant Deficiency

The University does not retain adequate documentation for tuition and fee waivers awarded to its students. Specifically, the University could not provide a waiver application or evidence of approval by University personnel for 17 of 40 (42.5%) waivers tested. By not obtaining or maintaining appropriate documentation, the University cannot verify that it awarded waivers to eligible applicants. Awarding waivers to ineligible applicants would unnecessarily reduce the University's revenue collections. The University awarded 3,902 tuition and fee waivers totaling \$15.4 million in fiscal year 2024. As a result, we project that the University may be unable to provide evidence of eligibility determination for approximately \$5.8 million in tuition and fee waivers during fiscal year 2024.

CAPP Manual Topic 10305 states that each agency must identify all internal control points in significant fiscal processes and evaluate controls over those significant fiscal processes to ensure those controls are functioning as intended. CAPP Manual Topic 21005 states that each agency shall establish and maintain a program for the management of records and that the agency shall be responsible for ensuring that its public records are preserved, maintained, and accessible throughout their lifecycle.

The University does not have adequate documented policies or procedures over tuition and fee waivers, including school board discounts, consortium waivers, and teaching/research/graduate assistantships. Lack of clarity in the design of relevant controls through policies and procedures contributed to the University's inability to support its waivers.

University management should develop and document policies and procedures to ensure responsible staff properly evaluate and approve tuition and fee waivers, as well as to define documentation requirements. Management should further evaluate opportunities for additional staff training and monitoring to improve retention of supporting documentation in accordance with the Commonwealth's minimum retention periods and University policy.

Improve Reporting to National Student Loan Data System

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2021

Prior Title: Improve Compliance over Enrollment Reporting

The Office of the University Registrar 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. University management indicated the errors were due to staff turnover and a lack of effective processes to ensure data accuracy and compliance with reporting requirements. From our review of 50 students, we noted the following instances of noncompliance:

- The University reported an inaccurate enrollment status for nine students (18%).
- The University reported an inaccurate effective date for 29 students (58%).
- The University did not report enrollment status changes timely for 15 students (30%).
- The University reported inaccurate information in at least one campus or program-level field deemed critical for 29 students (58%).

In accordance with Title 34 Code of Federal Regulations (CFR) § 685.309 and further outlined in the NSLDS Enrollment Guide published by the U.S. Department of Education (ED), the University must report enrollment changes to NSLDS within 30 days when attendance changes, unless it will submit a roster file within 60 days. The accuracy of Title IV enrollment data depends heavily on information reported by institutions. Untimely and inaccurate enrollment data submissions to the NSLDS can affect ED's reliance on the system for monitoring purposes. Noncompliance may also impact the University's participation in Title IV programs.

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

Promptly Return Unclaimed Aid to the Department of Education

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2021

The University Bursar's Office (Bursar's Office) did not return unclaimed Title IV aid to ED timely during fiscal year 2024. For four out of 17 (24%) students sampled, the Bursar's Office staff did not return a total of \$8,776 timely. The errors were due to a lack of effective processes in the Bursar's Office to ensure compliance.

In accordance with 34 CFR § 668.164(l), if an institution attempts to disburse funds by check and the recipient does not cash the check, the institution must return the funds no later than 240 days after the date it issued that check or no later than 45 days after a rejected electronic funds transfer (EFT). By not returning funds timely, the institution may be subject to potential adverse actions affecting participation in Title IV aid programs.

University management should ensure staff responsible for tracking unclaimed student financial aid have a thorough understanding of the federal requirements. If the Bursar's Office is unable to contact the federal aid recipient, and the check remains uncashed or the banking institution rejects the EFT, the Bursar's Office should return the unclaimed funds to ED within the required timeframe.

Promptly Return Unearned Title IV Funds to Department of Education

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2021

The Bursar's Office did not return unearned Title IV aid to the ED. For ten of 17 students (59%) tested, the net portion of the Direct Loan was not returned within the required timeframe resulting in \$325 in unreturned federal aid. Management indicated a lack of effective processes to ensure compliance with reporting requirements contributed to delays in returning the funds.

In accordance with 34 CFR 668.21(b) and Volume 5 of the federal Student Financial Aid Handbook, the University must return unearned funds for which it is responsible as soon as possible, but no later than 45 days after the date that the University becomes aware that a student has withdrawn. By not returning funds in a timely manner, the University is not in compliance with federal requirements and may be subject to potential adverse actions affecting its participation in Title IV Programs. University management should review current procedures, provide additional training to staff, and implement corrective measures to ensure timely return of unearned Title IV funds to ED.

Promptly Disburse Credit Balances to Students

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

The Bursar's Office did not provide timely refunds to students after posting disbursements. For two of 20 (10%) students tested, the Bursar's Office refunded credit balances up to 51 days after each student received credit on their student account. University management indicated staff shortages and manual processing contributed to the delay in refunding the students

In accordance with 34 CFR § 668.164(d)(1)(i)(a)(ii)(a) and 34 CFR § 668.164(h)(2)(i)(ii), a school may pay a credit balance by initiating an EFT to a bank account the student or parent designates. A school that is paying a student his or her credit balance with a direct disbursement must pay the student within 14 days or be able to provide payment to the student upon demand within 14 days of crediting the student's account. Regardless of the method used, a school must disburse the credit balance within the regulatory time frame.

By not disbursing the funds timely, the University may be subject to potential adverse actions affecting its participation in Title IV aid programs. The Bursar's Office should take necessary corrective actions to disburse credit balances to students timely, thus ensuring the University's disbursement of Title IV aid aligns with federal requirements.

Properly Complete Federal Verification Prior to Disbursing Title IV Aid

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

The University Financial Aid Office (Financial Aid) did not properly complete federal verification prior to disbursing Title IV aid. University management indicated the errors were due to staff turnover in Financial Aid. We noted the following instances of noncompliance:

- For one of 25 (4%) students tested, Financial Aid staff did not request or obtain appropriate documentation to verify the application data prior to awarding Title IV aid totaling \$9,479.
- For one of 25 (4%) students tested, Financial Aid staff used incorrect documentation while completing the verification. The student received Title IV aid totaling \$12,967.

- For one of two (50%) students tested, Financial Aid staff did not match the information on the Free Application for Federal Student Aid (FAFSA) to the requested information prior to awarding the student Title IV aid totaling \$6,234.

In accordance with 34 CFR § 668.54 through 34 CFR § 668.57, an institution must require an applicant whose FAFSA information has been selected for verification to verify the information selected by ED. Federal Register 87 F.R. 40826 outlines the 2023 - 2024 Award Year FAFSA information ED requires to be verified and the acceptable documentation by Verification Tracking Flag and Verification Tracking Group. Further, in accordance with ED Electronic Announcement GRANTS 24-04, published on April 12, 2024, institutions are required to verify all recipients selected for verification by ED's Central Processing System (CPS) unless a recipient is exempt from verification in accordance with the exclusions from verification provided for in the regulations at 34 CFR § 668.54(b). By not adequately performing the verification, the University may be providing financial aid disbursements to students based upon inaccurate information and may be subject to adverse actions affecting the University's participation in Title IV programs.

University management should provide additional training to staff for obtaining and reviewing mandatory documentation for students selected for verification. Management should implement corrective action to prevent future noncompliance and should consider implementing a quality control review to ensure that University personnel obtain, review, and retain acceptable documentation for audit purposes.



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 25, 2025

The Honorable Glenn Youngkin
Governor of Virginia

Joint Legislative Audit
and Review Commission

Board of Visitors
Old Dominion University

Brian O. Hemphill
President, Old Dominion University

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

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 aggregate discretely presented component units of **Old Dominion University** (University) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements and have issued our report thereon dated September 25, 2025. Our report includes a reference to other auditors who audited the financial statements of the component units of the University, as described in our report on the University's financial statements. The other auditors, excluding those of the Old Dominion University Research Foundation, did not audit the financial statements of the component units of the University in accordance with Government Auditing Standards, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with those component units of the University. Additionally, this report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters for the Old Dominion University Research Foundation, which are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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.

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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control titled, "Continue to Improve the Financial Reporting Process," "Improve Controls over Financial Reconciliations," "Strengthen Policies and Procedures Related to Terminated Employees," "Improve Policies and Record Retention for Tuition and Fee Waivers," "Improve Reporting to National Student Loan Data System," "Promptly Return Unclaimed Aid to the Department of Education," "Promptly Return Unearned Title IV Funds to Department of Education," "Promptly Disburse Credit Balances to Students," and "Properly Complete Federal Verification Prior to Disbursing Title IV Aid," which are described in the section titled "Internal Control and Compliance Findings and Recommendations," that we consider to be significant deficiencies.

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 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the section titled "Internal Control and Compliance Findings and Recommendations" in the findings and recommendations titled "Strengthen Policies and Procedures Related to Terminated Employees," "Improve Reporting to National Student Loan Data System," "Promptly Return Unclaimed Aid to the Department of Education,"

“Promptly Return Unearned Title IV Funds to Department of Education,” “Promptly Disburse Credit Balances to Students,” and “Properly Complete Federal Verification Prior to Disbursing Title IV Aid.”

The University’s Response to Findings

We discussed this report with management at an exit conference held on October 2, 2025. Government Auditing Standards require the auditor to perform limited procedures on the University’s response to the findings identified in our audit, which is included in the accompanying section titled “University Response.” The University’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Status of Prior Findings

The University has not taken adequate corrective action with respect to prior reported findings identified as ongoing in the Findings Summary included in the Appendix. The University has taken adequate corrective action with respect to prior audit findings and recommendations identified as complete in the Findings Summary included in the Appendix.

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.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

ZLB/vks

FINDINGS SUMMARY

Finding Title	Status of Corrective Action*	First Reported for Fiscal Year
Improve Oversight of Service Providers	Complete	2023
Improve Bad Debt Write-Off Process	Complete	2023
Continue to Improve the Financial Reporting Process	Ongoing	2021
Improve Controls over Financial Reconciliations	Ongoing	2022
Strengthen Policies and Procedures Related to Terminated Employees	Ongoing	2021
Improve Policies and Record Retention for Tuition and Fee Waivers	Ongoing	2024
Improve Reporting to National Student Loan Data System**	Ongoing	2021
Promptly Return Unclaimed Aid to the Department of Education	Ongoing	2021
Promptly Return Unearned Title IV Funds to Department of Education	Ongoing	2021
Promptly Disburse Credit Balances to Students	Ongoing	2024
Properly Complete Federal Verification Prior to Disbursing Title IV Aid	Ongoing	2024

* A status of **Complete** indicates management has taken adequate corrective action. A status of **Ongoing** indicates new and/or existing findings that require management’s corrective action as of fiscal year end.

** The prior title of this finding was “Improve Compliance over Enrollment Reporting.”



October 8, 2025
Ms. Staci Henshaw
Commonwealth of Virginia Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Dear Ms. Henshaw,

We have reviewed and concur with the audit findings and recommendations resulting from the Fiscal Year 2024 audit of Old Dominion University (the University). We appreciate the opportunity to address the management points raised and remain committed to strengthening internal controls across all areas. Below are the University's responses to each finding:

Continue to Improve the Financial Reporting Process

Type of Finding: Internal Control

Severity: Significant Deficiency

First Issued: Fiscal Year 2021

The University appreciates the recognition of improvements made since prior year audits. These enhancements reflect a substantial investment of resources aimed at refining the financial statement preparation process. Notably, both the quality and timeliness of financial reporting have significantly improved. Management acknowledges the conditions cited in the findings and remains committed to further strengthening internal controls, particularly in the areas of journal entry preparation, analytical procedures, and the adoption of new reporting requirements. The University continues to invest in process improvements, staffing resources, and consulting services to support ongoing improvements in financial reporting.

Improve Controls over Financial Reconciliations

Type of Finding: Internal Control

Severity: Significant Deficiency

First Issued: Fiscal Year 2022

The University has made meaningful progress in addressing the complexities of the realignment entry process, which developed over more than two decades. In addition, we are enhancing documentation practices to clearly differentiate between preliminary and final reconciliations, especially in year-end reporting. The University remains committed to continuous improvement and will continue to validate the effectiveness of corrective actions implemented to date.

Strengthen Policies and Procedures Related to Terminated Employees

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

First Issued: Fiscal Year 2021

The University is in the final stages of testing the corrective processes and controls that have been implemented to address this finding. We remain focused on ensuring that these measures are effective and sustainable.

Improve Policies and Record Retention for Tuition and Fee Waivers

Type of Finding: Internal Control and Compliance

Severity: Significant Deficiency

The University is committed to strengthening the control environment related to tuition and fee waivers to include adequate policies and procedures.

Student Financial Assistance Programs Cluster Audit

The University acknowledges the internal control and compliance findings identified through the Student Financial Assistance Programs Cluster audit. The University remains dedicated to implementing process improvements in the following areas:

- Accurate and timely reporting to the National Student Loan Data System (NSLDS)
- Proper handling and return of unclaimed financial aid
- Timely return of unearned Title IV funds
- Prompt disbursement of credit balances to students
- Completion of federal verification prior to disbursing Title IV aid

These efforts reflect the University's ongoing commitment to compliance, process improvement, and operational excellence.

Sincerely,



Chad A. Reed

Vice President for Finance and Chief Financial Officer