



RADFORD 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 Radford University (University) as of and for the year ended June 30, 2024, and issued our report thereon, dated June 16, 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.radford.edu. Our audit found:

- the financial statements are presented fairly, in all material respects;
- three matters involving internal control and its operation requiring management's attention, that also represent instances of noncompliance with applicable laws and regulations that are required to be reported under Government Audit Standards; however, we do not consider the matters to be material weaknesses; and
- adequate corrective action with respect to prior audit findings and recommendations identified as complete in the Findings Summary included in the Appendix.

Our audit also 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; and found two internal control findings requiring management's attention and instances of noncompliance in relation to this testing.

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

Improve Reporting to National Student Loan Data System

Type: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2018

University personnel did not report accurate and timely enrollment data to the National Student Loan Data System (NSLDS) for students that had graduated, withdrawn, or changed enrollment levels. The primary cause of the discrepancies was employee turnover and the time required for new staff to become proficient in their responsibilities. From our sample of 43 students, we noted the following instances of noncompliance:

- inaccurate enrollment status for one student (2%);
- inaccurate enrollment status effective date for three students (7%);
- untimely enrollment status changes for ten students (23%);
- inaccurate information for at least one critical field for three students (7%); and
- unverified academic program approval for one student (2%), since the student had no record in NSLDS.

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 an institution's participation in Title IV programs.

University management should evaluate its current enrollment reporting desktop 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 Department of Education

Type: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2024

University personnel did not return unclaimed student financial aid funds to ED within the required timeframe. Upon review of the outstanding check list as of June 30, 2024, we noted one

student refund totaling \$1,486 which University personnel did not return timely. University management indicated employee turnover contributed to the untimely return of funds.

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 the check or no later than 45 days after the rejection of an 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 University personnel are unable to contact the federal aid recipient, and the check remains uncashed or the banking institution rejects the EFT, University personnel should cease attempts with the student and return the unclaimed funds to ED within the required timeframe.

Improve Information Technology Asset Management

Type: Internal Control and Compliance

Severity: Significant Deficiency

First Reported: Fiscal Year 2023

In our prior report, we identified that the University did not define certain requirements and procedures related to its information technology (IT) asset management, surplus, and disposal process in accordance with the International Organization for Standardization and the International Electrotechnical Commission Standard, ISO/IEC 27002. Additionally, we identified that the University did not consistently follow some of the requirements and procedures outlined in the University's IT Asset Surplus Procedures and its Information Technology Security Standard. The University did not expect to have corrective actions to remediate the prior year finding complete until March 2025. As these corrective actions occurred after the fiscal year-end of the period under audit, we will evaluate whether the corrective actions achieved the desired results during the fiscal year 2025 audit.



Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

June 16, 2025

The Honorable Glenn Youngkin
Governor of Virginia

Joint Legislative Audit
and Review Commission

Board of Visitors
Radford University

Bret Danilowicz
President, Radford 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 discretely presented component unit of **Radford 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 June 16, 2025. Our report includes a reference to another auditor who audited the financial statements of the component unit of the University, as described in our report on the University's financial statements. The other auditor did not audit the financial statements of the component unit 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 the component unit of the University.

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 "Improve Reporting to National Student Loan Data System," "Promptly Return Unclaimed Aid to Department of Education," and "Improve Information Technology Asset Management," 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 titled "Improve Reporting to National Student Loan Data System," "Promptly Return Unclaimed Aid to Department of Education," and "Improve Information Technology Asset Management."

The University's Response to Findings

We discussed this report with management at an exit conference held on June 3, 2025. Government Auditing Standards require the auditor to perform limited procedures on the University's response to the finding 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 completed corrective action with respect to the prior reported findings identified as ongoing in the Finding 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

DLR/clj

FINDINGS SUMMARY

Finding Title	Status of Corrective Action*	First Reported for Fiscal Year
Dedicate Additional Resources to Financial Reporting	Complete	2022
Improve Timeliness of Bank Reconciliations	Complete	2023
Improve IT Risk Management and Contingency Planning Documentation	Complete	2023
Improve Reporting to National Student Loan Data System	Ongoing	2018
Promptly Return Unclaimed Aid to the Department of Education	Ongoing	2021
Improve IT Asset Management	Ongoing	2023

* 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.



June 12, 2025

The Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Dear Ms. Henshaw:

We have reviewed the audit findings and recommendations for the year ended June 30, 2024 that were discussed during the financial statement audit exit conference. Radford University acknowledges and concurs with the audit findings. The following contains management's response to each finding.

Improve Reporting to the National Student Loan Data System

Radford University acknowledges challenges with enrollment reporting and is committed to correcting our timely and accurate reporting. The University Registrar has already started meetings with the National Student Clearinghouse (NSC) to review reporting timelines so that we provide timely submissions that are ultimately provided to NSLDS. With this finding the Office of the Registrar will work with the NSC audit and support teams and explore internal process improvements to ensure that our reporting is completed for us to remain compliant. Additionally, specific actions with target completion dates have already been identified to address the instances of noncompliance noted in the finding.

Promptly Return Unclaimed Aid to the Department of Education

The University acknowledges there was a check for \$1,486 that was returned to the Department of Education untimely. This had been discovered internally by the University's Cash Accountant, and action was taken immediately to remedy the situation. Over the past year, the University has engaged its staff and revised its procedures in this area to help ensure that staff responsible for tracking unclaimed student financial aid have a thorough understanding of the federal requirements, to clarify accountability, and to tighten its controls. Radford University is dedicated to complying with Federal requirements, and these procedures continue to be monitored and revised as needed to ensure compliance.

Improve IT Asset Management

This prior year management point resulted in five action items. The University completed four of those action items by February 2025. The fifth action item was to update University policy *FA-PO-1211 Surplus Property Management Policy*. This policy was reviewed by Information Technology Services, the Fixed Assets office, and the Surplus Property Management office in January 2025. Policy revisions received final approval in March 2025.

We would like to thank you and your staff for the valuable services that you provide.

Sincerely,

DocuSigned by:

A blue ink signature of Bethany M. Usher.

Bethany M. Usher

Provost and Senior Vice President for Academic Affairs

A blue ink signature of Robert N. Hoover.

Robert N. Hoover

Vice President for Finance and Administration and Chief Financial Officer

Signed by:

A blue ink signature of Dannelle Gomez Beane.

Dannelle Gomez Beane

Vice President for Enrollment Management
and Strategic Communications