

FRAMINGHAM STATE UNIVERSITY

(an agency of the Commonwealth of Massachusetts)

**INDEPENDENT AUDITORS' REPORTS AS REQUIRED
BY THE UNIFORM GUIDANCE AND *GOVERNMENT*
AUDITING STANDARDS AND RELATED
INFORMATION**

JUNE 30, 2020

FRAMINGHAM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

**Independent Auditors' Reports as Required by the Uniform Guidance and
Government Auditing Standards and Related Information**

June 30, 2020

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees of
Framingham State University
Framingham, Massachusetts

Report on Compliance for Each Major Federal Program

We have audited Framingham State University's (the "University") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2020. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as Finding 2020-001 and 2020-002. Our opinion on each major federal program is not modified with respect to this matter.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Finding 2020-001 and 2020-002 that we consider to be significant deficiencies.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the University, as of and for the year ended June 30, 2020. We issued our report thereon dated October 26, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

O'Connor + Drew, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

August 2, 2021 (except for the Schedule of Expenditures of Federal Awards, for which the date is October 26, 2020)



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Framingham State University
Framingham, Massachusetts

We have audited, 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 Framingham State University (the "University"), which comprise the statement of net position as of June 30, 2020, the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the University's basic financial statements and have issued our report thereon dated October 26, 2020.

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 the audit procedures that are appropriate in the circumstances 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. 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.

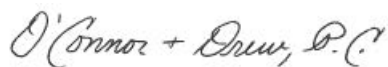
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 University'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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Certified Public Accountants
Braintree, Massachusetts**

October 26, 2020

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

FRAMINGHAM STATE UNIVERSITY
(an agency of the Commonwealth of Massachusetts)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2020

	CFDA Number	University Internal Fund Number	Pass-through Entity	Pass-through Entity Award Number	Federal Expenditures	Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER						
U.S. Department of Education:						
Direct Awards:						
Federal Supplemental Educational Opportunity Grant	84.007	S03003	N/A	N/A	\$ 160,109	\$ -
Federal Work-Study Program	84.033	S03004	N/A	N/A	92,928	-
Federal Direct Student Loans	84.268	Y05001	N/A	N/A	20,826,272	-
Federal Perkins Loan Program (beginning of year)	84.038	L01002	N/A	N/A	1,759,390	-
Federal Perkins Loan Program (current year expenditure)	84.038	L01002	N/A	N/A	10,159	-
Federal Pell Grant Program	84.063	S03000	N/A	N/A	6,561,157	-
Total Student Financial Assistance Cluster					<u>29,410,015</u>	<u>-</u>
RESEARCH AND DEVELOPMENT CLUSTER						
U.S. Department of Agriculture:						
Direct Awards:						
Agriculture Research - Basic and Applied Research (USDA Test/Phenolic Quorum)	10.001	G01518	N/A	N/A	402	-
Agriculture Research - Basic and Applied Research (USDA Novel Teat Dip/Cows)	10.001	G01526	N/A	N/A	29,482	-
Agriculture Research - Basic and Applied Research (USDA Cereal Rust Development)	10.001	G01527	N/A	N/A	1,949	-
Subtotal - Pass-through Awards					<u>31,833</u>	<u>-</u>
U.S. Department of Defense:						
Direct Awards:						
Basic Scientific Research - Natick Labs Botanical Extraction	12.431	G01520	N/A	N/A	27,148	-
National Aeronautics and Space Administration						
Pass-through Awards:						
Integrated Astrophysics STEM Learning & Literacy Program	43.001	G01515	Smithsonian Astrophysical Observatory	SV6-86013	43,697	-
National Science Foundation						
Pass-through Awards:						
Biological Sciences	47.074	G01529	Cell Biology Education Consortium	1827066	1,357	-
Education and Human Resources	47.076	G01516	Harvard University	136013-5101130	1,515	-
Education and Human Resources	47.076	G01524	The Regents of the University of California	00009879-01	12,604	-
Subtotal - Pass-through Awards					<u>15,476</u>	<u>-</u>
Total Research and Development Cluster					<u>118,154</u>	<u>-</u>
NON-CLUSTER						
U.S. Department of Agriculture:						
Pass-through Awards:						
State Administrative Expenses for Child Nutrition (John Stalker Institute of Food and Nutrition)	10.560	G01521	Massachusetts Department of Education	F2020N2533	669,015	-
Team Nutrition Grants (John Stalker Prof. Live Set Training)	10.574	G01528	Massachusetts Department of Education	F1918N3503	24,353	-
Improving Student Health and Academic Achievement through Nutrition, Physical Activity and the Management of Chronic Conditions in Schools (John Stalker Institute - Train the Trainer)	93.981	G01522	Massachusetts Department of Education	F8DP006432	9,528	-
Subtotal - Pass-through Awards					<u>702,896</u>	<u>-</u>

FRAMINGHAM STATE UNIVERSITY
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Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2020

	<u>CFDA Number</u>	<u>University Internal Fund Number</u>	<u>Pass-through Entity</u>	<u>Pass-through Entity Award Number</u>	<u>Federal Expenditures</u>	<u>Through to Subrecipients</u>
NON-CLUSTER - CONTINUED						
U.S. Department of Education:						
Direct Awards:						
English Language Acquisition State Grants (PROPELL: Producing Reading and Oral	84.365Z	G01517	N/A	N/A	\$ 298,256.00	\$ -
Higher Education Emergency Relief Fund - Student portion	84.425E	G01531	N/A	N/A	421,200	-
Higher Education Emergency Relief Fund - Institutional portion	84.425F	G01530	N/A	N/A	1,948,875	-
Subtotal - Higher Education Emergency Relief Fund					<u>2,370,075</u>	<u>-</u>
Subtotal - Direct Awards					2,668,331	-
Total Non-Cluster					<u>3,371,227</u>	<u>-</u>
Total Federal Funds					<u>\$ 32,899,396</u>	<u>\$ -</u>

See accompanying notes to the Schedule of Expenditure of Federal awards.

FRAMINGHAM STATE UNIVERSITY
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Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2020

Note 1 - **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of the University under programs of the Federal Government for the year ended June 30, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the University.

Note 2 - **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 - **Indirect Cost Rate**

The University has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - **Federal Student Loan Programs**

Perkins Loan Program

The Federal Perkins Loan Program (“Perkins”) is administered directly by the University and balances and transactions relating to this program are included in the University’s basic financial statements. During the year ended June 30, 2020, there were no loans advanced under the Perkins program. During the year ended June 30, 2020, \$10,159 of administrative costs were incurred. As of June 30, 2020, gross loan balances receivable under Perkins were \$1,434,683.

There was no federal capital contribution or match by the University during the current year.

FRAMINGHAM STATE UNIVERSITY
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Notes to the Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2020

Note 4 - **Federal Student Loan Programs - Continued**

Direct Student Loan Program

The University disbursed \$20,826,272 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. It is not practical to determine the balances of the loans outstanding to students of the University under the program as of June 30, 2020. The University is only responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the University's financial statements.

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs

Year Ended June 30, 2020

Section I – Summary of Auditors’ Results:

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Noncompliance material to the financial statements noted? yes no

Federal Awards

Type of auditors’ report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

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

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Identification of Major Programs

Name of Federal Program or Cluster	CFDA Number
Student Financial Assistance Cluster:	
Federal Supplemental Educational Opportunity Grant Program	84.007
Federal Work-Study Program	84.033
Federal Direct Student Loans (Note 4)	84.268
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063
Non-Cluster:	
Higher Education Emergency Relief Fund - Student portion	84.425E
Higher Education Emergency Relief Fund - Institutional portion	84.425F
English Language Acquisition State Grants (PROPELL: Producing Reading and Oral proficiency in ELLs)	84.365Z

Dollar threshold used to distinguish between
type A and type B programs:

\$750,000

Auditee qualified as a low-risk auditee?

 x yes no

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Section II – Financial Statement Findings:

None noted.

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Section III – Federal Award Findings and Questioned Costs:

Finding number: 2020-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #: 84.063 and 84.268
Award year: 2020

Criteria

According to 34 CFR 685.309(b)(2):

Unless [the institution] it expects to submit its next updated enrollment report to the Secretary within the next 60 days, a school must notify the Secretary within 30 days after the date the school discovers that –

- (i) A loan under Title IV of the Act was made to or on behalf of a student who was enrolled or accepted for enrollment at the school, and the student has ceased to be enrolled on at least a half-time basis or failed to enroll on at least a half-time basis for the period for which the loan was intended; or
- (ii) A student who is enrolled at the school and who received a loan under Title IV of the Act has changed his or her permanent address.

The Dear Colleague Letter GEN-12-6 issued by the U.S. Department of Education (“ED”) on March 30, 2012 states that in addition to student loan borrowers, Enrollment Reporting files will include two additional groups of students: Pell Grant and Perkins Loan recipients.

According to 2 CFR Part 200, Appendix XI Compliance Supplement updated June 2020:

Under the Pell Grant and loan programs, institutions must complete and return within 15 days the Enrollment Reporting roster file placed in their Student Aid Internet Gateway mailboxes sent by ED via the National Student Loan Data System (“NSLDS”). The institution determines how often it receives the Enrollment Reporting roster file with the default set at a minimum of every 60 days. Once received, the institution must update for changes in student status, report the date the enrollment status was effective, enter the new anticipated completion date, and submit the changes electronically through the batch method or the NSLDS website. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer.

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Condition

The Federal Government requires the College to report student enrollment changes to the National Student Loan Data System (“NSLDS”) within 60 days. During our testing, we noted 7 students, out of a sample of 40, who were reported to NSLDS one day beyond the required timeframe.

Cause

The University's Registrar's office sent the roster including the Spring 2020 graduates to the National Student Clearinghouse, the service entity that processes their uploads to NSLDS, within the acceptable 60 day timeframe. The National Student Clearinghouse took longer than anticipated to upload the status updates to NSLDS and did so one day beyond the 60 day timeframe.

Effect

The University did not report the students’ status changes to NSLDS within the required timeframe, which may impact the students’ loan grace periods.

Questioned Costs

Not applicable

Perspective

Our sample was not, and was not intended to be, statistically valid. Of the 40 students selected for testing, 7 students, or 17.5% of our sample, had status changes that were not reported to NSLDS within the required timeframe by 1 day. We tested 7 students who graduated in Spring 2020 and each of these students was included in this finding.

Identification as a Repeat Finding, if applicable

See finding 2019-001 included in the summary schedule of prior year findings.

Recommendation

The University should discuss the required processing lead times with the National Student Clearinghouse to ensure a timely upload to NSLDS. Additionally, submission of additional rosters may reduce the likelihood of the finding in the future.

View of Responsible Officials

The University agrees with the finding.

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Finding number:	2020-002
Federal agency:	U.S. Department of Education
Programs:	Federal Direct Student Loans
CFDA #:	84.268
Award year:	2020

Criteria

According to 34 CFR 690.83(b):

(1) An institution shall report to the Secretary any change for which a student qualifies including any related Payment Data changes by submitting to the Secretary the student's Payment Data that discloses the basis and result of the change in award for each student. The institution shall submit the student's Payment Data, reporting any to the Secretary by the reporting deadlines published by the Secretary in the Federal Register.

(2) An institution shall submit, in accordance with the deadline dates established by the Secretary, through publication in the Federal Register, other reports and information the Secretary requires and shall comply with the procedures the Secretary finds necessary to ensure that the reports are correct.

According to the Federal Register (Volume 83, Number 233):

An institution must submit Pell Grant, Iraq and Afghanistan Service Grant, Direct Loan, and TEACH Grant disbursement records to COD, no later than 15 days after making the disbursement or becoming aware of the need to adjust a previously reported disbursement. In accordance with 34 CFR 668.164(a), Title IV, Higher Education Act ("HEA") program funds are disbursed on the date that the institution:

- (a) Credits those funds to a student's account in the institution's general ledger or any subledger of the general ledger; or
- (b) pays those funds to a student directly.

Title IV, HEA program funds are disbursed even if an institution uses its own funds in advance of receiving program funds from the Department.

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Condition

Federal regulations require the University to report Direct Loan disbursements made to students to the Federal Government's Common Origination and Disbursement System ("COD") within 15 days of the funds being disbursed to the student with an accurate disbursement date. During our testing, we noted 3 students, out of a sample of 40, were reported with an incorrect disbursement date to COD.

Cause

The University has policies and procedures in place to report the disbursement records to the Department of Education through the COD system within the required fifteen calendar days; however, in this case the procedures were not completed properly.

During the disbursement process for two of the students, the scheduled disbursement date was entered into the financial aid software in anticipation of a disbursement. Adjustments to the disbursements were required for these two students and the actual disbursements did not occur until later dates. When the disbursement date was reported to COD, the original, scheduled disbursement date was still locked into the University's system and went unnoticed. This resulted in an incorrect disbursement date being reported to COD.

For the third student, the University's financial aid department sent a maintenance file to COD to increase the student's loan amount, although the disbursement of the additional funds had not yet been made. Since a disbursement had already been reported to COD for that semester, COD interpreted the update as an additional disbursement, rather than a loan increase, and recorded it as such. The funds were actually disbursed by the University at a later date. This resulted in an incorrect disbursement date being reported to COD.

Effect

The University did not report Direct Student Loan disbursements to COD with an accurate disbursement date.

Questioned Costs

Not applicable

Perspective

Our sample was not, and was not intended to be, statistically valid. Of the 40 students selected for testing, 3 students, or 7.5% of our sample, were determined to be reported with an incorrect disbursement date to the COD.

FRAMINGHAM STATE UNIVERSITY
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2020

Identification as a Repeat Finding, if applicable

See finding 2019-002 included in the summary schedule of prior year findings.

Recommendation

We recommend that management of the University review, and if necessary, update the policies and procedures to ensure all Direct Student Loan funds are reported accurately and within the required timeframe.

View of Responsible Officials

The University agrees with the finding.



Management's Summary Schedule of Prior Audit Findings

Year Ended June 30, 2020

Finding number: 2019-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #: 84.063 and 84.268
Award year: 2019

Condition

The Federal Government requires the College to report student enrollment changes to the National Student Loan Data System (“NSLDS”) within 60 days.

Award Year 2019: During our testing, we noted one student, out of a sample of forty, that had an incorrect effective date reported to NSLDS and noted a second student, out of the same sample of forty, whose status change was not reported to NSLDS.

Current Year Status:

Corrective action was not implemented during the year, see current year finding 2020-001.



Management's Summary Schedule of Prior Audit Findings- Continued

Year Ended June 30, 2020

Finding number: 2019-002
Federal agency: U.S. Department of Education
Programs: Federal Direct Student Loans
CFDA #: 84.268
Award year: 2019

Condition

Federal regulations require the University to report Federal Direct Loan disbursements made to students to the Federal Government's Common Origination and Disbursement System ("COD") within 15 days of the funds being disbursed to the student.

Award Year 2019: During our testing, we noted 36 students, out of a sample of forty, were not reported within the required timeframe. All 36 of these students were reported one day after the 15-day deadline.

Current Year Status:

Corrective action was not implemented during the year, see current year finding 2020-002.



Framingham State University

October 16, 2020

Management's Views and Corrective Action Plans

2020-001

Student Financial Assistance Cluster (84.063 and 84.268)

Finding:	The Federal Government requires the University to report student enrollment changes to the National Student Loan Data System ("NSLDS") within 60 days. The University does this reporting through the National Student Clearinghouse, the service entity that processes their uploads to NSLDS. During FY2020 spring student enrollment data was not reported within the required timeframe; NSDLS was notified in 61 days, rather than the required 60 day requirement.
Questioned Costs:	N/A
Status:	The Graduates Only Submission was scheduled to be sent no later than 06/10/2020. As a result of COVID-19, the University's Spring Graduation Date was changed from May 24th to May 31st. While typically all students would be cleared and graduated by that date, the majority of students were not posted as graduated until mid- to late June. Many clearances for both undergraduate and graduate degree completion were dependent on Incomplete grades awarded for Spring 2020 or students choosing the COVID-19 Course Pass/Fail policy which impacted both major and overall GPA's; and also transcripts from other institutions for course work needed to complete degree requirements. The Graduates Only Submission was sent to the Clearinghouse on July 8, 2020. The sixty-day window for reporting to NSDLS was no later than July 14, 2020. The Clearinghouse transmitted the file on July 15, 2020.
Corrective Action:	The corrective action is to return to the established reporting timeframe of no later than June 10, 20xx for the Graduates Only Submission file.
Completion:	Corrective actions have been completed as of October 16, 2020.
Contact Person:	Dr. Dale M Hamel, Chief Financial Officer / Executive Vice President, Administration, Finance, & Technology Dr. Ellen Zimmermann, Acting Provost / Vice President of Academic Affairs Mark Powers, University Registrar / Executive Director of Student Records & Registration Services

Sincerely,

Mark Powers, University Registrar/Executive Director of Student Records & Registration Services

Dr. Ellen Zimmermann, Acting Provost / Vice President of Academic Affairs

Dr. Dale M. Hamel, Chief Financial Officer / Executive Vice President, Administration, Finance, & Technology



Framingham State University

October 16, 2020

Management's Views and Corrective Action Plans

2020-002

Federal Direct Student Loans (84.268)

Finding:	Federal regulations require the University to report Federal Direct Loan disbursements made to students as well as any related changes to these disbursement dates to the Federal Government's Common Origination and Disbursement System ("COD") within 15 days of the funds being disbursed to the students. During FY2020 student disbursement date changes were reported with incorrect disbursement dates.
Questioned Costs:	N/A
Status:	Corrective actions have already been implemented, and new procedures are being followed.
Corrective Action:	We have taken the following additional steps to prevent COD reporting errors from occurring in the future: A new report was created in Spring of 2020 to find reporting mismatches between the financial aid system, and COD. We are running this report and correcting errors on a weekly basis. To avoid the error that occurred when increases to existing loans. This will help us better control disbursement and reporting of the increase, and should avoid the error that occurred this year.
Completion:	Corrective actions have been completed as of October 1, 2020.
Contact Person:	Dr. Dale M Hamel, Chief Financial Officer / Executive Vice President, Administration, Finance, & Technology Dr. Lorretta Holloway, Vice President of Enrollment Management and Student Development Carla Minchello, Director of Financial Aid

Sincerely,

Carla Minchello, Director of Financial Aid

Dr. Lorretta Holloway, Vice President of Enrollment Management and Student Development

Dr. Dale M. Hamel, Chief Financial Officer / Executive Vice President, Administration, Finance, & Technology