

RHODE ISLAND COLLEGE
(a Component Unit of the State of Rhode Island and
Providence Plantations)

**INDEPENDENT AUDITORS' REPORTS AS
REQUIRED BY OFFICE OF MANAGEMENT AND
BUDGET (OMB) CIRCULAR A-133 AND
GOVERNMENT AUDITING STANDARDS AND
RELATED INFORMATION**

JUNE 30, 2014

RHODE ISLAND COLLEGE

(a Component Unit of the State of Rhode Island and Providence Plantations)

Independent Auditors' Reports as Required by Office of Management and Budget (OMB) Circular A-133 and *Government Auditing Standards* and Related Information

June 30, 2014

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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 OMB Circular A-133

To the Board of Governors for Higher Education of
State of Rhode Island and Providence Plantations
Providence, Rhode Island

Report on Compliance for Each Major Federal Program

We have audited Rhode Island College's (the "College") (a component unit of the State of Rhode Island and Providence Plantations) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Rhode Island College's major Federal programs for the year ended June 30, 2014. The College'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 Rhode Island College'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Rhode Island College'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 Rhode Island College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College 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, 2014.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as Findings 2014-001, through 2014-003. Our opinion on each major Federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

Management of Rhode Island College 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 Rhode Island College'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 OMB Circular A-133, 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 Rhode Island College'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 were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as item Findings 2014-001 through 2014-003, which we consider to be significant deficiencies.

The College's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of Rhode Island College as of and for the year ended June 30, 2014 and have issued our report thereon dated September 30, 2014, which contained an unmodified opinion on those financial statements. Our audit was performed 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 the purposes of additional analysis, as required by OMB Circular A-133 and is not a required part of the financial statements. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic 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 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.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

O'Connor and Drew, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

November 30, 2014

(Except for our report on the Schedule of Expenditures of Federal Awards, for which the date is September 30, 2014)



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 Education
State of Rhode Island and Providence Plantations
Providence, Rhode Island

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 Rhode Island College (the "College") (a component unit of the State of Rhode Island and Providence Plantations), which comprise the statements of net position as of June 30, 2014 and 2013, the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated September 30, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) to determine 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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 College'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

O'Connor and Drew, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

September 30, 2014

RHODE ISLAND COLLEGE
(a Component Unit of the State of Rhode Island and Providence Plantations)

Schedule of Current Year Findings and Questioned Costs

June 30, 2014

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	Yes

RHODE ISLAND COLLEGE
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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Major Federal programs of Rhode Island College:

<u>Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>
Student Financial Assistance Cluster:	
Federal Supplemental Education Opportunity Grant Program	84.007
Federal Direct Student Loans (Note 2)	84.268
Federal Work Study Program	84.033
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063

The dollar threshold to distinguish between Type A and Type B programs is \$13,400,000.

The Office of Management and Budget (OMB) has minimum requirements for a recipient of Federal funds to be considered a low-risk auditee. The College does not qualify as a low-risk auditee because of its inclusion in the single audit of the State of Rhode Island.

RHODE ISLAND COLLEGE
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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Finding number: 2014-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.033
Award year: 2014

Condition

According to 34 C.F.R. Section 668.24(e):

An institution shall keep records relating to its administration of the Federal Perkins Loan, FWS, FSEOG, Federal Pell Grant, ACG, National SMART Grant, or TEACH Grant Program for three years after the end of the award year for which the aid was awarded and disbursed under those programs.

Criteria

The College has established policies and procedures for maintaining, monitoring, and controlling student Federal Work Study (FWS) payroll records and files in accordance with both federal and state regulations.

The audit procedures included tests for proper authorization, supporting documentation, accuracy, completeness, timeliness, and adherence to award specifications. We reviewed payroll timesheets for Fall 2013 and Spring 2014 semesters for a sample of fifteen students. Our review indicated that four of the fifteen student's timesheets were unavailable for testing because the supervisor disposed of them after the semester ended.

Cause/Effect

Current business processes in the payroll office were not effective in ensuring supervisors were keeping appropriate documentation of the work study student's timesheets by allowing a supervisor to dispose of timesheets after the end of the semester. Lack of record retention leads to questioned costs because there is no verification for the hours the students worked and were paid.

RHODE ISLAND COLLEGE
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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Recommendation

We recommend that management strengthen their oversight of the supervisors in charge of administering the FWS student's timesheets. The College should request that copies of timesheets are kept for the appropriate amount of time.

Questioned Costs

\$4,899

Views of Responsible Officials

It was found that certain departments did not realize they should be maintaining copies of all student sign in sheets. Per the Student Employment Handbook student employment supervisors should "retain the current and the previous year departmental sign in and sign out sheets and official timesheets in order to be in compliance with our regulations". There was a misunderstanding of what should be retained since now student timesheets are on-line and inputted by the departments, approved paper timesheets were previously sent to payroll.

Payroll will reinforce with the departments that they need to retain the student sign in sheets. A communication will be sent to all student employment supervisors reminding them to retain the sign in sheets for the appropriate lengths of time. They will be instructed to notify payroll, if space is a problem for file retention and that payroll will take them and scan them for the departments and will be maintained on our server.

Contact Person

Melissa Souza
Assistant Controller

RHODE ISLAND COLLEGE

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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Finding number: 2014-002
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: Multiple
Award year: 2014

Condition

Out of a sample of forty students, twenty-five students' financial aid caused a student credit. Out of the twenty-five students whose financial aid caused a credit, two were applied to prior year charges in excess of \$200. Per Federal regulations, current year awards are only allowed to be applied to current year charges, unless under \$200.

Criteria

According to 34 C.F.R. Section 668.164(d)(2):

An institution can disburse funds for prior year charges for a total of not more than \$200 for tuition and fees, room, or board and if the institution obtains the student's or parent's authorization under 34 C.F.R. 668.165(b), other educationally related charges incurred by the student at the institution.

Cause/Effect

The College's system automatically applies payments received to the student's account balance. Because the system is set up this way, if a student has a balance due from prior years and receives aid in excess of what is needed for the current year, the additional aid is automatically applied to the prior year balance that is past due. Per the Federal regulation, this is not allowed in excess of \$200.

Recommendation

We recommend the bursar office ensure that the current year award is only allowed for current year charges unless under \$200. If the student has an outstanding balance, the College should provide the appropriate refund check to the student and request the student write the refund check back to the College or not allow the student to enroll in courses at all, until the student has paid their balance due in full.

RHODE ISLAND COLLEGE
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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Questioned Costs

Unknown

Views of Responsible Officials

When financial aid is disbursed to the student's account, the system automatically deducts any amounts that are outstanding for previous balances. The College will establish procedures to provide the appropriate refund check to the student. The College will then request that the student sign the check back over to the College or use the funds to pay off their past due balance. By doing so, this will adhere to the regulation by not applying the funds directly to the prior year charges and it will ensure adherence to the 14 day refund requirement.

Contact Person

Charlene L. Szczepanek
Bursar

RHODE ISLAND COLLEGE
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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Finding number: 2014-003
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: Multiple
Award year: 2014

Condition

Out of a sample of forty students, twenty-five students' financial aid caused a student credit. Out of the twenty-five credits, two credits were applied to prior award year charges instead of being refunded to the student. Because the students' accounts were credited instead of the student receiving the refund, the refund is past the 14-day requirement.

Criteria

According to 34 C.F.R. 668.164(e):

Whenever an institution distributes Title IV, HEA program funds by crediting a student's account, and the total amount of all Title IV, HEA program funds credited exceeds the amount of tuition and fees, room and board, and other authorized charges the institution accessed the student, the institution must pay the resulting credit balance directly to the student or parent as soon as possible, but:

No later than 14 days after the balance occurred if the credit balance occurred after the first day of class of a payment period; or

No later than 14 days after the first day of class of a payment period if the credit balance occurred on or before the first day of class of that payment period.

Cause/Effect

The College has policies and procedures in place to determine and issue refunds for all students within the required 14 days. However, in the case of these selected students, the College applied the refund to prior award year balances that the students held on their accounts. Because this is not allowed, as noted in Finding 2014-002, the College is now delayed in refunding the student.

RHODE ISLAND COLLEGE
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Schedule of Current Year Findings and Questioned Costs - Continued

June 30, 2014

Recommendation

The College should review refund procedures currently in effect and determine the necessary changes to ensure improved adherence to the 14-day refund requirement.

Questioned Costs

Not applicable

Views of Responsible Officials

See the response to finding 2014-002, as this finding was a result of finding 2014-002.

Contact Person

Charlene L. Szczepanek
Bursar

RHODE ISLAND COLLEGE
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Schedule of Prior Year Findings and Questioned Costs

June 30, 2014

Finding number: 2013-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
CFDA #'s: 84.038 and 84.268
Award year: 2013

Condition

According to 34 CFR 682.610(c)(2), a college shall, unless it expects to submit its next Enrollment Reporting Roster File to the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days if the college discovers a Stafford, SLS, or PLUS loan has been made to a student who enrolled at the college and:

1. Has ceased to be enrolled on at least a half-time basis
2. Has failed to enroll on at least a half-time basis for the period for which the loan was intended
3. The loan was made to a full-time student who has ceased to be enrolled on a full-time basis
4. Has changed his or her permanent address

Auditors' Current Year Comment

The finding has been corrected during award year 2014.

RHODE ISLAND COLLEGE
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Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Education:</i>		
Direct Programs:		
<i>Student Financial Assistance Cluster</i>		
Federal Supplemental Educational Opportunity Grants	84.007	\$ 811,344
Federal Work Study Program	84.033	639,567
Federal Perkins Loan Program-Federal Capital Contributions	84.038	518,874
Federal Pell Grant Program	84.063	13,050,634
Federal Direct Student Loans	84.268	34,786,620
 <i>Other Direct Programs</i>		
TRIO - Upward Bound	84.047A	597,850
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326C	<u>55,689</u>
Total Direct Programs		<u>50,460,578</u>
 Passed-Through Programs:		
<i>Rhode Island Department of Education</i>		
Title I Grants to Local Education Agencies	84.010A	(55)
Special Education - Grants to States	84.027	1,008,440
Special Education - Grants to States	84.027A	637,054
Special Education - Preschool Grants	84.173	106,184
Education for Homeless Children and Youth	84.196A	1,952
Special Education - State Personnel Development	84.323A	591,137
English Language Acquisition State Grants	84.365A	2,367
Race to the Top	84.395A	35,158
Higher Education Inventory	84.421A	38,490
Institute for Early Childhood Development at Rhode Island College	84.421A	6,522
 <i>Office of Higher Education</i>		
Improving Teacher Quality State Grants	84.367	4,503
Improving Teacher Quality State Grants	84.367B	2,764
College Access Challenge Grant Program	84.378A	447,922
 <i>Department of Human Services</i>		
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126A	112,934
Special Education - Grants for Infants and Families	84.181A	37,513
 <i>Department of Children, Youth & Families</i>		
Title I Grants to Local Educational Agencies	84.010	777
 <i>Other Sources</i>		
Special Education - Educational Technology Media, and Materials for Individuals with Disabilities	84.327	(140)
Improving Teacher Quality State Grants	84.367	12,045
Improving Teacher Quality State Grants	84.367D	8,777
National Writing Project	84.928A	<u>43</u>
Total Passed-Through Programs		<u>3,054,387</u>
Total U.S. Department of Education		<u>53,514,965</u>

The accompanying notes are an integral part of this schedule.

RHODE ISLAND COLLEGE
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Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Health and Human Services</i>		
Direct Programs:		
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	\$ 535,123
Child Health and Human Development Extramural Research	93.865	<u>100,699</u>
Total Direct Programs		<u>635,822</u>
Passed-Through Programs:		
<i>Department of Human Services</i>		
Temporary Assistance for Needy Families	93.558	125,039
Child Support Enforcement Research	93.564	-
Refugee and Entrant Assistance - State Administered Programs	93.566	19,911
Medical Assistance Program	93.778	468,000
<i>Rhode Island Department of Education</i>		
Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	93.938	5,585
<i>Department of Children, Youth & Families</i>		
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	121,407
Community - Based Child Abuse Prevention Grants	93.590	398
Adoption Opportunities	93.652	114,071
<i>University of Rhode Island</i>		
National Center for Research Resources	93.389	623,819
Geriatric Education Center	93.969	22,980
Total Passed-Through Programs		<u>1,501,210</u>
Total U.S. Department of Health and Human Services		<u>2,137,032</u>
<i>National Science Foundation</i>		
Direct Programs:		
Mathematical and Physical Sciences	47.049	23,976
Education and Human Resources - Geology Textbook Evaluation	47.076	<u>211,371</u>
Total Direct Programs		<u>235,347</u>
Passed-Through Programs:		
<i>University of Rhode Island</i>		
Education and Human Resources - Geology Textbook Evaluation	47.076	305,238
Office of Experimental Program to Stimulate Competitive Research	47.081	181,808
<i>Other Sources</i>		
Office of Experimental Program to Stimulate Competitive Research	47.081	<u>13,605</u>
Total Passed-Through Programs		<u>500,651</u>
Total National Science Foundation		<u>735,998</u>

The accompanying notes are an integral part of this schedule.

RHODE ISLAND COLLEGE
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Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Labor</i>		
Passed-Through Programs:		
<i>Department of Labor & Training</i>		
Workforce Investment Act (WIA) Adult Program	17.258	\$ 26,500
<i>Other Sources</i>		
Workforce Investment Act (WIA) National Emergency Grants	17.277	1,658
Training Responsible Adults to be Medical Assistants	Unknown	<u>5,774</u>
Total U.S. Department of Labor		<u>33,932</u>
<i>U.S. Department of Defense</i>		
Passed-Through Programs:		
<i>Other Sources</i>		
Basic and Applied Scientific Research	12.300	<u>5,780</u>
Total U.S. Department of Defense		<u>5,780</u>
<i>Other Federal Expenditures</i>		
<i>Other Sources</i>		
Federal Grant Overhead	None	(15,264)
Virtual CPRS Educational Platform	None	<u>2,065</u>
Total Other Federal Expenditures		<u>(13,199)</u>
Total Federal Expenditures		<u>\$ 56,414,508</u>

The accompanying notes are an integral part of this schedule.

RHODE ISLAND COLLEGE
(a Component Unit of the State of Rhode Island and Providence Plantations)

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2014

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of Federal awards (the "Schedule") includes the Federal grant activities of Rhode Island College (the "College") (a component unit of the State of Rhode Island and Providence Plantations) and is presented on the accrual basis of accounting.

For purposes of the Schedule, Federal awards include all grants, contracts, and similar agreements entered into directly between the College, agencies, departments of the Federal Government, and all subawards to the College by non-Federal organizations pursuant to Federal grants, contracts, and similar agreements.

Note 2 - Federal Direct Student Loans Program

The College disbursed \$34,786,620 of loans under the Federal Direct Student Loans Program, which includes Stafford Subsidized and Unsubsidized Loans and Parents' Loans for Undergraduate Students. It is not practical to determine the balances of loans outstanding to students of the College under this program as of June 30, 2014. The College is only responsible for the performance of certain administrative duties and, accordingly, these loans are not included in the College's financial statements.

Note 3 - Federal Perkins Loan Program

During the year ended June 30, 2014, \$518,874 in loans was advanced under the Federal Perkins Loan Program. As of June 30, 2014, loan balances receivable under the Federal Perkins Loan Program was \$5,211,432.