

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

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

JUNE 30, 2017

RHODE ISLAND COLLEGE

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

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

June 30, 2017

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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 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 (a component unit of the State of Rhode Island and Providence Plantations) (the "College") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2017. 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 Federal statutes, regulations, and the terms and conditions of its federal awards applicable to its Federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 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 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 the 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, 2017.

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 Findings 2017-001 and 2017-002. Our opinion on each major federal program is not modified with respect to these matters.

The College's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The College'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 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 the 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 the Uniform 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses; however, material weaknesses may exist that have not been identified.

We identified deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Findings 2017-001 and 2017-002 that we consider to be significant deficiencies.

The College's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The College'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 College, as of and for the year ended June 30, 2017. We issued our report thereon dated September 29, 2017, 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 and is not a required part of the basic 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 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 and Duen, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

November 22, 2017

(except for the Schedule of Expenditures of Federal Awards, for which the date is September 29, 2017)



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 of
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"), which comprise the statement of net position as of June 30, 2017, 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 Rhode Island College's basic financial statements and have issued our report thereon dated September 29, 2017. Our report includes a reference to other auditors who audited the financial statements of Rhode Island College Foundation, as described in our report on Rhode Island College's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rhode Island 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 Rhode Island 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 College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

O'Connor and Duen, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

September 29, 2017

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

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

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2017

	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER					
U.S. Department of Education:					
Direct Awards:					
Federal Supplemental Educational Opportunity Grant	84.007	N/A	N/A	\$ 799,348	\$ -
Federal Work-Study Program	84.033	N/A	N/A	799,910	-
Federal Perkins Loan Program (beginning of year)	84.038	N/A	N/A	4,653,355	-
Federal Perkins Loan Program (current year expenditures)	84.038	N/A	N/A	257,074	-
Federal Pell Grant Program	84.063	N/A	N/A	13,189,107	-
Federal Direct Student Loans	84.268	N/A	N/A	<u>32,591,600</u>	<u>-</u>
Total Student Financial Assistance Cluster				<u>52,290,394</u>	<u>-</u>
RESEARCH AND DEVELOPMENT CLUSTER					
National Science Foundation:					
Pass-through Awards:					
Office of International Science and Engineering	47.079	Brown University	N/A	34,835	-
Office of Experimental Program to Stimulate Competitive Research	47.081	University of Rhode Island	N/A	<u>32,778</u>	<u>-</u>
Total Research and Development Cluster				<u>67,613</u>	<u>-</u>
TRIO CLUSTER					
U.S. Department of Education:					
Direct Awards:					
TRIO - Upward Bound	84.047	N/A	N/A	<u>691,461</u>	<u>-</u>
NON-CLUSTER					
U.S. Department of Agriculture:					
Pass-through Awards:					
Specialty Crop Block Grant Program - Farm Bill	10.170	Rhode Island Department of Environmental Management	N/A	<u>8,725</u>	<u>-</u>
U.S. Department of Energy:					
Pass-through Awards:					
Office of Science Financial Assistance Program	81.049	Brown University	N/A	<u>23,875</u>	<u>-</u>
U.S. Department of Education:					
Direct Awards:					
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	N/A	N/A	81,970	-
Transition Programs for Students with Intellectual Disabilities into Higher Education	84.407	N/A	N/A	<u>393,634</u>	<u>-</u>
Subtotal - Direct Awards				<u>475,604</u>	<u>-</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)

Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2017

	CFDA Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
NON-CLUSTER - CONTINUED					
U.S. Department of Education - Continued:					
Pass-through Awards:					
Federal Loan Guarantees for Innovative Energy Technologies Research in Special Education	84.126	Rhode Island Department of Human Services	N/A	\$ 9,799	\$ -
Special Education - Personnel Development to Improve Services and Improve Services and Results for Children with Disabilities	84.324	University of Kansas Center for Research	N/A	28,934	-
Teacher Quality Partnership Grants	84.326	University of Connecticut Health Center	N/A	14,548	-
Supporting Effective Instruction State Grant	84.336	North Providence School Department	N/A	91,687	-
College Access Challenge Grant Program	84.367	Rhode Island Office of Higher Education	N/A	51,346	-
Race to the Top - Early Learning Challenge	84.378	Rhode Island Office of Higher Education	N/A	208,228	-
Subtotal - Pass-through Awards	84.412	Rhode Island Department of Education	N/A	<u>360,739</u>	<u>-</u>
				<u>765,281</u>	<u>-</u>
U.S. Department of Health and Human Services:					
Direct Awards:					
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	N/A	N/A	156,010	-
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632	N/A	N/A	511,017	-
Child Health and Human Development Extramural Research	93.865	N/A	N/A	10,022	-
Subtotal - Direct Awards				<u>677,049</u>	<u>-</u>
Pass-through Awards:					
Lifespan Respite Care Program	93.072	Rhode Island Department of Human Services	N/A	30,907	-
Maternal and Child Health Federal Consolidated Programs	93.110	Rhode Island Hospital	N/A	126,063	-
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	Brown University	N/A	28,681	-
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	Rhode Island Department of Behavioral Healthcare, Developmental Disabilities and Hospitals	N/A	53,381	-
Refugee and Entrant Assistance - State Administered Programs	93.566	Rhode Island Department of Human Services	N/A	3,527	-
Biomedical Research and Research Training	93.859	University of Rhode Island	N/A	638,437	-
HIV Care Formula Grants	93.917	Rhode Island Executive Office of Health and Human Services	N/A	32,410	-
PPHF Geriatric Education Centers	93.969	University of Rhode Island	N/A	28,791	-
Subtotal - Pass-through Awards				<u>942,197</u>	<u>-</u>
Social Security Administration:					
Direct Awards:					
Social Security - Work Incentives Planning and Assistance Program	96.008	N/A	N/A	179,457	-
Total Non-Cluster				<u>3,072,188</u>	<u>-</u>
Total Federal Funds				<u>\$ 56,121,656</u>	<u>\$ -</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

Year Ended June 30, 2017

Note 1 - **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Rhode Island College (the “College”) under programs of the Federal Government for the year ended June 30, 2017. 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 College, it is not intended to and does not present the financial position, changes in net position or cash flows of the College.

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 College 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 by the College and balances and transactions relating to this program are included in the College’s basic financial statements. During the year ended June 30, 2017, \$257,074 of loans were advanced under the Perkins program and no administrative costs were incurred. As of June 30, 2017, loan balances receivable under Perkins was \$4,310,047.

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

RHODE ISLAND COLLEGE
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Notes to the Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2017

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

Perkins Loan Program - Continued

The Federal Perkins Loan Program Extension Act of 2015 (the “Extension Act”), enacted on December 18, 2015, extended the Perkins Loan Program through September 30, 2017. The Extension Act states that new Perkins Loans cannot be disbursed to students after September 30, 2017. Students that received a fall semester Perkins loan disbursement before October 1, 2017 can receive a spring semester Perkins loan disbursement. The College is currently evaluating alternative methods of financial aid for students affected by the Extension Act for the 2018-19 academic year.

Federal Direct Student Loans

The College disbursed \$32,591,600 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. The College is only responsible for the performance of certain administrative duties and, accordingly, there are no significant continuing compliance requirements and these loans are not included in the College’s financial statements.

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs

Year Ended June 30, 2017

Section I – Summary of Auditors’ Results:

Financial Statements

Type of auditors’ report issued:	Unmodified	
Internal control over financial reporting:		
• Material weaknesses identified?	_____ yes	___x___ no
• Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	___x___ no
Noncompliance material to the financial statements noted?	_____ yes	___x___ no

Federal Awards

Type of auditors’ report issued on compliance for major programs:	Unmodified	
Internal control over major programs:		
• Material weaknesses identified?	_____ yes	___x___ no
• Significant deficiencies identified that are not considered to be material weaknesses?	___x___ yes	_____ no
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	___x___ yes	_____ no

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Identification of Major Programs

Name of Federal Program or Cluster	CFDA Number
Student Financial Assistance Cluster	
Federal Supplemental Educational Opportunity Grant	84.007
Federal Work-Study Program	84.033
Federal Perkins Loan Program	84.038
Federal Pell Grant Program	84.063
Federal Direct Student Loans (Note 4)	84.268

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

\$14,600,000

Auditee qualified as a low-risk auditee?

yes no

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Section II – Financial Statement Findings:

None

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

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Section III – Federal Award Findings and Questioned Costs:

Finding number: 2017-001
Federal agency: U.S. Department of Education (“ED”)
Program: Student Financial Assistance Cluster
CFDA #'s: 84.063 and 84.268
Award year: 2017

Criteria

According to 34 C.F.R. Section 685.309(b)(2):

A school shall, unless it expects to submit its next student status confirmation report to the Secretary within the next sixty days, notify the Secretary within thirty days if it discovers that a Direct Subsidized, Direct Unsubsidized, or Direct PLUS Loan has been made to or on behalf of a student who:

- i. Enrolled at that school but has ceased to be enrolled on at least a half-time basis;
- ii. Has been accepted for enrollment at that school but failed to enroll on at least a half-time basis for the period for which the loan was intended; or
- iii. Has changed his or her permanent address.

Also, The Dear Colleague Letter GEN-12-6 (the “Letter”) issued by 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.

Condition

The Federal government requires the College to report student enrollment changes to the National Student Loan Data System (“NSLDS”) within sixty days. In a sample of forty students who either graduated, withdrew from the institution, or became enrolled on less than half-time basis, we noted the following:

- Three students that graduated were never reported to NSLDS.
- One student that graduated was not reported to NSLDS within the required time frame. The time frame to report the status change was 170 days, which was 110 days late.

Cause

Our procedures disclosed that, although the College had policies and procedures for transmitting information to the National Student Clearinghouse (“NSC”) on at least a monthly basis to ensure reporting of all students is done in a timely manner, there were instances in which the College failed to correct enrollment files within an adequate time frame to ensure timely reporting.

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Finding number: 2017-001 - Continued
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #'s: 84.063 and 84.268
Award year: 2017

Effect

Student enrollment status changes were not reported accurately and within the required time frame, which may result in the students entering repayment status later than the required time frame.

Questioned Costs

Not applicable

Perspective

Our sample was not, and was not intended to be, statistically valid. Of 40 students selected for testing, 4 students or 10% of our sample was determined to have either no status change reported to NSLDS or a status change not reported timely to NSLDS.

Identification as a Repeat Finding, if applicable

Not applicable

Recommendation

We recommend that management strengthen their oversight of the NSLDS reporting to ensure that timely and accurate reporting of enrollment information is made to the NSLDS in order for them to be in compliance with the requirements. We also recommend that management establish and enforce specific administrative procedures, according to which students who unofficially withdraw from the College will be identified and subsequently reported to the NSLDS within prescribed time frames. We recommend that the College discuss the reason(s) for the delay in reporting from the NSC to NSLDS with the NSC audit resource team. Submitting additional roster files would also reduce the likelihood of this finding occurring in the future.

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

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Finding number:	2017-001 - Continued
Federal agency:	U.S. Department of Education
Program:	Student Financial Assistance Cluster
CFDA #'s:	84.063 and 84.268
Award year:	2017

Views of Responsible Officials

Management concurs with audit finding 2017-001

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

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Finding number: 2017-002
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #: 84.268
Award year: 2017

Criteria

The Higher Education Act of 1965, as amended Section 471 states that except as otherwise provided therein, the amount of need of any student for financial assistance under this title (except subparts 1 or 2 or part A) is equal to -

- (1) the cost of attendance of such student, minus
- (2) the expected family contribution for such student, minus
- (3) estimated financial assistance not received under this title (as defined in section 480(j)).

Condition

The Financial Aid Office is responsible for awarding student federal, state and institutional financial aid. The Federal Government requires the College to compare the students Cost of Attendance (“COA”) with the students Estimated Family Contribution (“EFC”) and Estimated Financial Assistance (“EFA”). EFA must include all grants and scholarships the College anticipates the student will receive regardless of the source. The total aid awarded to a student cannot exceed the students COA. Federal, state and institutional aid is awarded by the Financial Aid Office. Testing revealed that 1 student was over-awarded Title IV aid.

A student had a COA of \$17,166, was awarded \$5,815 of Pell, a Subsidized Direct Loan for \$5,500, \$6,500 of outside scholarships, and had an EFC of \$-0-.

Cause

The student received an over-award of Title IV financial aid due to the unanticipated increase of an outside scholarship. Therefore, the student received aid that they were not entitled to receive.

Effect

Of the 40 students selected for testing, one student was over-awarded Title IV aid.

Questioned Costs

\$649

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2017

Finding number: 2017-002 - Continued
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #: 84.268
Award year: 2017

Perspective

Our sample was not, and was not intended to be, statistically valid. Of 40 students selected for testing, one student or 2.5% of our sample was awarded financial aid in excess of the students' cost of attendance.

Identification as a Repeat Finding, if applicable

Not applicable

Recommendation

The College should strengthen the review of packaging and disbursing aid to ensure that financial aid is not awarded in excess of the students' cost of attendance.

Views of Responsible Officials

Management concurs with audit finding 2017-002



RHODE ISLAND COLLEGE

OFFICE OF THE CONTROLLER

Management's Summary Schedule of Prior Audit Finding

Year Ended June 30, 2017

Finding number: 2016-001
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #'s: 84.003
Award year: 2016

Condition

The Federal Government requires an institution to pay students federal work-study compensation at least once per month.

Our testing of twenty-five students revealed one student who was not paid at least once per month.

Current Year Status

The College took corrective action and strengthened the controls in place over federal work study student payments as described in the prior year "Management's Corrective Action Plan." The auditor did not have a finding in the current year.



RHODE ISLAND COLLEGE

OFFICE OF THE CONTROLLER

Management's Corrective Action Plan

Year Ended June 30, 2017

Finding number: 2017-001
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #'s: 84.063 and 84.268
Award year: 2017

Corrective Action Plan

The Records Office will work directly with the Management Information System (MIS) Office to develop a report showing students that have graduated after their expected graduation date. Currently, MIS uploads degree conferrals approximately two weeks after the graduation date into the National Student Clearinghouse database. Records will run the new report regularly and monitor students that graduated late, typically due to late grade submissions. Records will then manually enter those students into the National Student Clearinghouse database.

Timeline for Implementation of Corrective Action Plan

The College plans to implement the corrective action plan by June 30, 2018.

Contact Person

Stephen J Nedder Jr.
Controller



RHODE ISLAND COLLEGE

OFFICE OF THE CONTROLLER

Management's Corrective Action Plan - Continued

Year Ended June 30, 2017

Finding number: 2017-002
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #: 84.268
Award year: 2017

Corrective Action Plan

The Financial Aid and Bursar's Offices, in collaboration with Management Information Systems (MIS), are currently in the process of developing a report that will include all outside scholarships and waivers credited by the Bursar's Office to students' accounts. This report will be available to both offices and can be generated at any time to provide the most current information. The new report will be run regularly by the Financial Aid Office in order to ensure the tracking of all sources of external financial assistance.

Timeline for Implementation of Corrective Action Plan

The College plans to implement the corrective action plan immediately.

Contact Person

Ken Ferus
Director of Financial Aid