

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

BALL STATE UNIVERSITY
MUNCIE, INDIANA

July 1, 2015 to June 30, 2016



FILED
01/06/2017



STATE OF INDIANA
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**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

TO: MANAGEMENT OF BALL STATE UNIVERSITY

We have performed the procedures enumerated below, which were agreed to by management of Ball State University (University), solely to assist you and the Commonwealth of Kentucky Council on Postsecondary Education with respect to the State of Kentucky's licensing requirements for online enrollment for the period July 1, 2015 to June 30, 2016. The University's management is responsible for the University's compliance with the licensing requirements for online enrollment. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the University. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and the related findings are as follows:

1. Identify from enrollment records students taking online classes during fiscal year 2016 that indicated the state of residency as Kentucky.

Finding: We obtained online student enrollment records for fiscal year 2016 that indicated the state of residency as Kentucky.

2. Compare total tuition and fees applicable to each student with a Kentucky residency, taking online classes to their individual student account for each semester during fiscal year 2016.

Finding: We compared total tuition and fee charges for students with a Kentucky residency, taking online classes to their individual student account for each semester during fiscal year 2016.

3. Determine the total amount of tuition and fees for each semester for students with a Kentucky residency, taking online classes, then calculate the largest amount of potential unearned tuition at any point during fiscal year 2016.

Finding: We determined the total amount of tuition and fees for each semester for students with a Kentucky residency, taking online classes, then calculated the largest amount of potential unearned tuition during fiscal year 2016 to be the fall term.


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(Continued)

4. Determine whether the University is in compliance with Title 13 Kentucky Administrative Regulations (KAR) chapter 1:020, Section 8(3)(b)1, in that the Surety Bond obtained is equal to, or in excess of, the largest amount of unearned tuition at any point during fiscal year 2016 and is at least \$10,000.

Finding: We determined that the University was in compliance with Title 13 KAR Chapter 1:020, Section 8(3)(b)1. The Surety Bond obtained is in the amount of \$250,000, which is in excess of the largest amount of unearned tuition held during fiscal year 2016.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on licensing requirements for online enrollment. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of the University and the Commonwealth of Kentucky Council on Postsecondary Education and is not intended to be and should not be used by anyone other than those specified parties.


Paul D. Joyce, CPA
State Examiner

December 1, 2016