

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

FEDERAL COMPLIANCE AUDIT REPORT

OF

VINCENNES UNIVERSITY

VINCENNES, INDIANA

July 1, 2020 to June 30, 2021



FILED

12/27/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President	Dr. Charles Johnson	07-01-20 to 12-31-21
Vice President for Financial Services	Linda Waldroup Tim Eaton	07-01-20 to 10-24-21 10-25-21 to 06-30-22
Chair of the Board of Trustees	John A. Stachura	07-01-20 to 10-04-21



INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, VINCENNES, INDIANA

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of Vincennes University (University), a component unit of the State of Indiana, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated October 28, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 28, 2021. Our report includes a reference to other auditors who audited the financial statements of Vincennes University Foundation, Inc., as described in our report on the University's financial statements.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 basic 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.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

October 28, 2021



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

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, VINCENNES, INDIANA

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 the business-type activities, the discretely presented component unit, and the aggregate remaining fund information as of and for the year ended June 30, 2021, of Vincennes University (University), 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 28, 2021. Our report includes a reference to other auditors who audited the financial statements of Vincennes University Foundation, Inc. (Foundation), as described in our report on the University'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 the University'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 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2021-001, that we consider to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.


We noted certain matters that we reported to management in a separate letter dated October 28, 2021.

Vincennes University's Response to Findings

The University's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The University's response was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we express no opinion on it.

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.


Paul D. Joyce, CPA
State Examiner

October 28, 2021



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, VINCENNES, INDIANA

Report on Compliance for Each Major Federal Program

We have audited Vincennes University's (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 its major federal programs for the year ended June 30, 2021. The University's major federal programs are identified in the Summary of Auditor's 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.

Auditor's 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* (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, 2021.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)


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 our 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 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 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.

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.


Paul D. Joyce, CPA
State Examiner

November 30, 2021

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared by management of the University. The schedule and notes are presented as intended by the University.

VINCENNES UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2021

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
U.S. DEPARTMENT OF EDUCATION				
Direct Grant				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grants	84.007		\$ -	\$ 212,023
Federal Work-Study Program	84.033		-	242,487
Federal Perkins Loan Program -Federal Capital Contributions	84.038		-	705,803
Federal Pell Grant Program	84.063		-	8,768,014
Federal Direct Student Loans	84.268		-	16,307,933
Total for Federal Grantor Agency			-	26,236,260
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Grant				
Student Financial Assistance Cluster				
Nursing Student Loans	93.364		-	106,648
Total for Federal Grantor Agency			-	106,648
Total for Student Financial Assistance Cluster			-	26,342,908
U.S. DEPARTMENT OF LABOR				
Pass-Through South Central Region 8 Workforce Board, Inc				
Employment Service Cluster				
Region 8				
Employment Service/Wagner-Peyser Funded Activities	17.207	BC-20-VU	-	62,294
Total for Employment Service Cluster			-	62,294
WIOA Cluster				
Region 8				
WIOA Adult Program	17.258	WIOA-20-ADW-VU,	-	367,618
WIOA Adult Program	17.258	WIOA-ADSP-19-VU	-	161,124
Total for WIOA Adult Program			-	528,742
WIOA Youth Activities	17.259	WIOA-20-Y-VU	-	553,424
WIOA Dislocated Worker Formula Grants	17.278	WIOA-20-ADW-VU	-	368,897
COVID-19 - WIOA Dislocated Worker Formula Grants	17.278	RRCOVID-19-VU	-	56,083
Total for WIOA Dislocated Worker Formula Grants			-	424,980
Total for WIOA Cluster			-	1,507,146
Direct Grants				
Mine Health and Safety Grants	17.600	MS-35135-20-55-R-18	-	155,661
Mine Health and Safety Grants	17.600	MS-36503-21-55-R-18	-	198,027
Total for Mine Health and Safety Grants			-	353,688
Pass-Through Indiana Department of Workforce Development				
Apprenticeship USA Grants	17.285	AppExp 668/19418	-	18,538
Pass-Through South Central Region 8 Workforce Board, Inc				
Region 8				
Unemployment Insurance	17.225	RESEA-19-VU	-	191,523
COVID-19 - Unemployment Insurance	17.225	UICOID-19-VU	-	19,572
Total for Unemployment Insurance			-	211,095
Homeless Veterans' Reintegration Program	17.805	DOL-HVRP-19-VU	-	78,618
COVID-19 -WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	DRCOVID-19-VU	-	73,822
COVID-19 -WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	ERCOVID-20-VU	-	92,970
Total for COVID-19-WIOA National Dislocated Worker Grants/WIA National Emergency Grants			-	166,792
Total for Federal Grantor Agency			-	2,398,171

VINCENNES UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2021

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
U.S. DEPARTMENT OF TRANSPORTATION				
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	A249-16-OT1606s101 28816	-	140,691
Total for Highway Planning and Construction Cluster			-	140,691
Total for Federal Grantor Agency			-	140,691
U.S. DEPARTMENT OF TREASURY				
Pass-Through Indiana Department of Family and Social Services Administration Tax Counseling for the Elderly	21.006	21-TCEP0034	-	12,857
Region 8				
COVID-19 -Coronavirus Relief Fund	21.019	ETS-CARES-20-VU	-	94,444
COVID-19 -Coronavirus Relief Fund	21.019	WRG-CARES-20-VU	-	92,792
Total for COVID-19-Coronavirus Relief Fund			-	187,236
Total for Federal Grantor Agency			-	200,093
U.S. DEPARTMENT OF EDUCATION				
Direct Grant				
TRIO Cluster				
TRIO Student Support Services	84.042	P042A150570-19	-	74,895
TRIO Student Support Services	84.042	P042A200182	-	298,528
TRIO Student Support Services	84.042	P042A150576-19	-	41,236
TRIO Student Support Services	84.042	P042A200169	-	202,661
Total for TRIO Student Support Services			-	617,320
TRIO Talent Search	84.044	P044A160010	-	406,704
TRIO Talent Search	84.044	P044A160011	-	314,875
Total for TRIO Talent Search			-	721,579
TRIO Upward Bound	84.047	P047A170876	-	464,271
Total for TRIO Cluster			-	1,803,170
Pass-Through Indiana Department of Education				
Twenty-First Century Community Learning Centers	84.287	26617	-	28,202
Twenty-First Century Community Learning Centers	84.287	44794	-	368,898
Total for Twenty-First Century Community Learning Centers			-	397,100
Pass-Through Indiana Department of Workforce Development				
Adult Education - Basic Grants to States	84.002	Contract 45835 Award V002a2000014	-	489,451
Career and Technical Education - Basic Grants to States	84.048	20-0512-2637	-	78,289
Career and Technical Education - Basic Grants to States	84.048	21-0512-2637	-	454,840
Total for Career and Technical Education - Basic Grants to States			-	533,129
Pass-Through South Central Region 8 Workforce Board, Inc.				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	PRE-ETS-20-VU	-	69,213
Direct Grant				
COVID-19 - Education Stabilization Fund	84.425E	P425E204178	-	2,830,350
COVID-19 - Education Stabilization Fund	84.425F	P425F203045	-	10,900,574
COVID-19 - Education Stabilization Fund	84.425M	P425M200885	-	694,272
Total for COVID-19 - Education Stabilization Fund			-	14,425,196
Pass-Thru Indiana Department of Education				
COVID-19 - Education Stabilization Fund	84.425C	49242	-	50,950
Total for Federal Grantor Agency			-	17,768,209

VINCENNES UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2021

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Pass-Through Indiana Department of Family and Social Services Administration				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	38312	-	140,227
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	49747	-	120,718
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	43043	-	118,046
Total for Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			-	378,991
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	38312	-	196,104
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	49747	-	70,954
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	52463	-	123,567
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	52463	-	233,462
Total for Special Programs for the Aging, Title III, Part C, Nutrition Services			-	624,087
Nutrition Services Incentive Program	93.053	38312	-	15,856
Nutrition Services Incentive Program	93.053	49747	-	11,905
Total for Nutrition Services Incentive Program			-	27,761
Total for Aging Cluster			-	1,030,839
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	38312	-	1,250
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	49747	-	6,671
COVID-19 - Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	43043	-	8,000
Total for Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals			-	15,921
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	38312	-	7,399
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	49747	-	9,616
Total for Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			-	17,015
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG0035-03-00	-	2,215
National Family Caregiver Support, Title III, Part E	93.052	38312	-	36,207
National Family Caregiver Support, Title III, Part E	93.052	49747	-	7,390
COVID-19 - National Family Caregiver Support, Title III, Part E	93.052	43043	-	56,051
Total for National Family Caregiver Support, Title III, Part E			-	99,648
Social Services Block Grant	93.667	38312	-	54,651
Social Services Block Grant	93.667	49747	-	76,012
Total for Social Services Block Grant			-	130,663
Pass-Through Indiana Department of Insurance Medicare Enrollment Assistance Program	93.071	22932	-	6,630
Pass-Through South Central Region 8 Workforce Board, Inc Temporary Assistance for Needy Families	93.558	JAG-TANF-19-VU	-	79,652
Temporary Assistance for Needy Families	93.558	JAG-TANF-20-VU	-	93,215
Total for Temporary Assistance for Needy Families			-	172,867
Total for Federal Grantor Agency			-	1,475,798
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Pass-Through Indiana Department of Family and Social Services Administration Retired and Senior Volunteer Program	94.002	20 SRNIN001	-	98,406
Total for Federal Grantor Agency			-	98,406
U.S. DEPARTMENT OF HOMELAND SECURITY				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-05-IN-4515-PW-00113	-	104,868
Total for Federal Grantor Agency			-	104,868
Total Federal Awards Expended			\$ -	\$ 48,529,144

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards

VINCENNES UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Vincennes University (University) under programs of the federal government for the year ending June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance). For purposes of the Schedule, federal awards include all federal assistance and procurement relationships entered into directly between the University and the federal government and sub-awards from non-federal organizations made under federally sponsored agreements. The Schedule presents only a selective portion of the activities of the University; therefore, it is not intended to and does not present the financial position, change in financial position, or cash flow of the University.

Student Financial Assistance

Expenditures for non-loan assistance made to students are recognized and reported in the Schedule.

Student loan programs are funded by the federal government under various programs; e.g., Perkins Student Loan Program and Nursing Student Loan Program. Activity related to these loan programs include federal and university capital contributions, loan repayments, interest earned on loans, cancellation of loans, and administrative and collection costs.

FEMA Disaster Assistance

Expenditures are reported on the Schedule when FEMA approves the non-Federal entity's Project Worksheet. The University incurred \$22,190 during fiscal year 2020, which was approved by FEMA on June 21, 2021; therefore, it was recorded on the fiscal year 2021 Schedule.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, whereas certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The University did not elect to use the 10 percent de minimis cost rate. The University has an approved indirect cost rate of 35.20 percent for on-campus programs and 12.50 percent for off-campus programs using a modified total direct cost basis. The University's cognizant agency is Health and Human Services. The effective period for these rates is July 1, 2017, through June 30, 2021.

VINCENNES UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Note 4. Federal Direct Student Loans

The Schedule includes Federal Direct Student loans, which were not made by the University, but were received by its students. The University is responsible only for the performance of certain administrative duties with respect to these loans.

The number of guaranteed loans and the total amount processed for each Direct Loan Program for the year ended June 30, 2021, were as follows:

<u>Program Title</u>	<u>Number of Students</u>	<u>Loan Amount</u>
Direct Loan Program (Subsidized and Unsubsidized)	2,158	\$ 12,790,653
Direct PLUS Loans (Parent(PLUS) and Graduate PLUS)	330	<u>3,517,280</u>
Total		<u>\$ 16,307,933</u>

Note 5. Federal Student Loan Program

The University participates in various loan programs. The University maintains revolving loan funds for the Perkins and Nursing Student Loan Programs. The Perkins Loan and the Nursing Student Loan Programs are administered by the University. The balances and transactions related to these programs are included in the University's financial statements; therefore, the federal expenditures include the entire amount reported in the loan fund, which also includes the outstanding loans to students. The following schedule represents loans outstanding as of June 30, 2021:

<u>Program Title</u>	<u>Federal CDFA Number</u>	<u>Loans Outstanding</u>
Federal Perkins Loan Program Federal Capital	84.038	\$ 474,814
Nursing Student Loans	93.364	18,537

VINCENNES UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:

<u>Name of Opinion Unit</u>	<u>Opinion Issued</u>
Business-Type Activities	Unmodified
Discretely Presented Component Unit	Unmodified
Aggregate Remaining Fund Information	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>	<u>Opinion Issued</u>
84.048	Career and Technical Education - Basic Grants to States	Unmodified
84.425	COVID-19 - Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes

VINCENNES UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Section II - Financial Statement Findings

FINDING 2021-001

Subject: Internal Controls
Audit Finding: Material Weakness

Condition and Context

There were deficiencies in the University's internal control system related to its information technology (IT) environment. Internal controls over access to the University's software systems were inadequate. Additionally, the University had not separated incompatible activities within the IT environment related to vendor disbursements.

Criteria

Management is responsible for designing and maintaining a system of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements in accordance with generally accepted accounting principles, which includes internal controls over and within the IT environment. Management should design internal controls for security management of the University's information system for appropriate access to protect the integrity of the system.

Cause

Management of the University had not established a proper system of internal controls related to the IT environment.

Effect

The failure to establish a proper system of internal controls could enable misstatements or irregularities to remain undetected.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the University. The document is presented as intended by the University.



CORRECTIVE ACTION PLAN

FINDING 2021-001

Contact Person Responsible for Corrective Action: Tim Eaton, Vice President for Financial Services
Contact Phone Number: (812) 888-5307

Views of Responsible Official: Vincennes University concurs with this finding and understands the importance of maintaining an adequate system of internal controls.

Description of Corrective Action Plan: Management immediately installed additional security software on March 9, 2021 to control access to the University systems. This installation by the University's IT security team established preventive controls to protect the integrity of its systems. A compensating control was also added for all vendor changes in the system.

Anticipated Completion Date: Immediately

OTHER REPORTS

In addition to this report, other reports may have been issued for the University. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.