



STATE OF ILLINOIS
OFFICE OF THE
AUDITOR GENERAL

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

GOVERNORS STATE UNIVERSITY

Single Audit
For the Year Ended June 30, 2024

Release Date: March 27, 2025

FINDINGS THIS AUDIT: 7				AGING SCHEDULE OF REPEATED FINDINGS			
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	0	0	2023		24-01; 24-03	
Category 2:	1	3	4	2021		24-02	
Category 3:	3	0	3				
TOTAL	4	3	7				
FINDINGS LAST AUDIT: 5							

INTRODUCTION

This digest covers the Governors State University (University) Single Audit for the year ended June 30, 2024. A separate digest for the University's Financial Audit as of and for the year ended June 30, 2024 was separately released. In addition, a separate digest covering the University's State Compliance Examination for the year ended June 30, 2024 will be released at a later date. In total, this report contains 7 findings, one of which was reported in the Financial Audit.

SYNOPSIS

- (24-02) The University did not timely and accurately report student enrollment information to the U.S. Department of Education's National Student Loan Data System.
- (24-05) The University did not retain documentation of its internal monthly Direct Loans reconciliation to demonstrate timely completion.
- (24-07) The University did not comply with activities allowed or unallowed and allowable costs and cost principles requirements.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

ENROLLMENT REPORTING

The University did not timely and accurately report student enrollment information to the U.S. Department of Education's National Student Loan Data System (NSLDS).

During testing of 40 enrollment status changes, we noted the following:

- Seven of 40 (18%) enrollment status changes were not reported timely to the NSLDS. These enrollment status changes were reported 1 to 228 days late after the date of occurrence. In addition, 2 of the 7 enrollment status changes pertain to students with direct loans who ceased to be enrolled on at least a halftime basis for the period for which the loan was intended.
- Ten of 40 (25%) enrollment status changes data had discrepancies in Program Begin Date ranging from 1,254 days early to 2 days late when compared to their official program start dates. (Finding 2, pages 14-16)

University reported students' change in enrollment status 1 to 228 days late

Discrepancies noted in program begin dates between 2 to 1,254 days

We recommended the University improve its procedures to ensure timely and accurate reporting of student enrollment status to the NSLDS.

University agreed with auditors

University officials agreed with the finding and stated it has implemented procedures to ensure timely and accurate reporting.

FAILURE TO RETAIN ADEQUATE DOCUMENTATION OF INTERNAL DIRECT LOANS RECONCILIATION

The University did not retain documentation of its internal monthly Direct Loans reconciliation to demonstrate timely completion.

University failed to maintain monthly reconciliation documentation

During testing of Direct Loans, we were unable to verify whether the University completed the monthly internal reconciliation in a timely manner due to the absence of supporting documentation. (Finding 5, pages 22-23)

We recommended the University improve its procedures to ensure documentation is retained to demonstrate timely completion of monthly reconciliation.

University agreed with auditors

University officials agreed with the finding and stated existing procedures have been revised to demonstrate timely completion of monthly reconciliations.

NONCOMPLIANCE WITH ACTIVITIES AND COST PRINCIPLES REQUIREMENTS

The University did not comply with activities allowed or unallowed and allowable costs and cost principles requirements.

University charged unallowable cost of \$414 to a program

During our review of the Illinois Tutoring Initiative program under the Elementary and Secondary School Emergency Relief Fund which had total expenditures of \$1,222,010, we identified 1 of 25 (4%) expenditures was inappropriately charged to the grant. The University inadvertently charged Central Management Services insurance of \$414 for an employee who did not work on the program. (Finding 7, pages 26-27)

We recommended the University improve its procedures to ensure fringe benefits allocated to the grant align consistently with the salaries and wages charged to the grant.

University agreed with auditors

University officials agreed with the finding and stated it is working toward preventing recurrence.

OTHER FINDINGS

The remaining findings pertain to weaknesses in change control processes, and noncompliance with the Gramm-Leach-Bliley Act and with notification and record retention requirements. We will review the University's progress towards the implementation of our recommendations in our next Single Audit.

AUDITOR'S OPINIONS

The auditors stated the financial statements of the University as of and for the year ended June 30, 2024 are fairly stated in all material respects.

The auditors also conducted a Single Audit of the University as required by the Uniform Guidance. The auditors stated the University complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on the University's major federal programs for the year ended June 30, 2024.

This Single Audit was conducted by Adelfia, LLC.

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COURTNEY DZIERWA
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

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FRANK J. MAUTINO
Auditor General

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