

Chicago State University

**A COMPONENT UNIT OF THE
STATE OF ILLINOIS**

FEDERAL SINGLE AUDIT

**In Accordance with the
Single Audit Act and
Applicable Federal Regulations**

**FOR THE YEAR ENDED
JUNE 30, 2024**

**PERFORMED AS SPECIAL
ASSISTANT AUDITORS FOR THE
AUDITOR GENERAL,
STATE OF ILLINOIS**

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
FEDERAL SINGLE AUDIT
In Accordance with the Single Audit Act and Applicable Federal Regulations
For the Year Ended June 30, 2024

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The Chicago State University's <i>Financial Audit and State Compliance Examination</i> for the year ended June 30, 2024, were issued under separate covers.	

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UNIVERSITY OFFICIALS

President	Ms. Zaldwaynaka Scott, Esq.
Chief of Staff (07/01/24 – Present)	Ms. Jimell Byrd - Reno
Chief of Staff (07/01/23 – 06/30/24)	Mr. Kim Tran
Provost and V.P. for Academic Affairs (07/01/24 – Present)	Dr. Sonja Feist-Price
Interim Provost and Senior V.P. for Academic Affairs (07/01/23 – 06/30/24)	Dr. Leslie Roundtree
V.P., General Counsel, Chief Compliance Officer & V.P. of Legal Affairs (07/01/24 – Present)	Ms. Sonya Miller
V.P., General Counsel, Chief Compliance Officer & V.P. of Legal Affairs (07/01/23 – 06/30/24)	Mr. Jason Carter
CFO & V.P. of Financial Operations (07/01/23 – Present)	Ms. Nicole Latimer-Williams
Executive Director/Controller (01/03/24 – Present)	Ms. Evelyn Romero
Executive Director/Controller (11/25/23 – 01/02/24)	Vacant
Executive Director/Controller (07/01/2023 – 11/24/23)	Ms. Rona Lagdamen, CPA
Chief Internal Auditor (07/01/23 – Present)	Vacant

BOARD OF TRUSTEES

Chair	Ms. Andrea Zopp, Esq.
Vice Chair (12/04/23 – Present)	Ms. Angelique David, Esq.
Vice Chair (07/01/23 – 12/03/23)	Vacant
Secretary (12/04/23 – Present)	Ms. Cheryl Watkins
Secretary (07/01/23 – 12/03/23)	Ms. Angelique David, Esq.
Member (07/01/23 – Present)	Vacant
Member (12/04/23 – Present)	Vacant
Member (07/01/23 – 12/03/23)	Ms. Cheryl Watkins
Member	Mr. Cory Thames
Member	Mr. Jason Quaira
Student Member (07/01/24 – Present)	Ms. Allison Bolden
Student Member (07/01/23 – 06/30/24)	Mr. James Elam

UNIVERSITY OFFICE

The University's primary administrative office is located at:

9501 S. King Drive
Chicago, Illinois 60628

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FEDERAL COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this audit of the Chicago State University (University) was conducted in accordance with the Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Guidance Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and *Government Auditing Standards*.

AUDITORS' REPORT

The Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards, and the Schedule of Federal and Nonfederal Financial Activity does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Reports</u>
Findings	4	6
Repeated Findings	4	3
Prior Recommendations Implemented or Not Repeated	2	3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings - Government Auditing Standards				
2024-001	12	2023/2020	Inadequate Internal Controls over Census Data	Noncompliance and Significant Deficiency
2024-002	16	2023/2020	Weaknesses over Computer Security	Noncompliance and Material Weakness
2024-003	19	2023/2023	Inadequate Controls to Ensure Compliance with the Illinois Pension Code	Noncompliance and Material Weakness

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings - Federal Compliance and Questioned Costs				
2024-004	21	2023/2022	Failure to Notify Students and Parents Upon Disbursement of Funds	Noncompliance and Significant Deficiency
Prior Findings Not Repeated				
A	23	2023/2023	Failure to Provide Uniform Resource Locator to the Department of Education	
B	23	2023/2023	Failure to Comply with Established Procurement Procedures	

EXIT CONFERENCE

The University waived an exit conference in a correspondence from Natalie Covello, Consultant, on February 16, 2025. The responses to the recommendations were provided by Natalie Covello, Consultant, in a correspondence dated February 23, 2025.



**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***

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Chicago State University

As Special Assistant Auditors for the Auditor General, we have audited, in accordance with the 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, fiduciary activities, and the discretely presented component unit of the Chicago State University (University), collectively a component unit of the State of Illinois, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and we have issued our report thereon dated February 21, 2025. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, 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 of the Chicago State Foundation, a component unit of the University, associated with this component unit that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

Management of the University is responsible for establishing and maintaining effective internal control over financial reporting (internal control).

In planning and performing our audit of the financial statements, we considered the University's internal control as a basis of designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying Schedule of Findings as items 2024-001, 2024-002, and 2024-003, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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. We consider the deficiency described in the accompanying Schedule of Findings as items 2024-002 and 2024-003 to be material weaknesses.

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. We consider the deficiency described in the accompanying Schedule of Findings as item 2024-001 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University'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 financial statements. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as items 2024-001, 2024-002, and 2024-003.

University's Responses to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the findings identified in our audit described in the accompanying Schedule of Findings. The University's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
February 21, 2025





**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 AND
THE SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY**

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Chicago State University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

As Special Assistant Auditors for the Auditor General, we have audited compliance by the Chicago State University (University) with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University’s major federal programs for the year ended June 30, 2024. The University’s major federal programs are identified in the Summary of Auditors’ Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the University complied, in all material respects, with the 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors’ Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for

each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The University's basic financial statements include the operations of the Chicago State Foundation, which is not included in the University's Schedule of Expenditures of Federal Awards during the year ended June 30, 2024. Our compliance audit, described in the "Opinion on Each Major Federal Program", does not include the operations of the Chicago State Foundation because we decided to not assume responsibility for, and accordingly make reference to, the audit of the component auditor in our *Independent Auditors' Report* on the University's financial statements.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



- obtain an understanding of the University’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the University’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

Instances of Noncompliance

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2024-004. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the University’s response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The University’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Corrective Action Plan

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditors’ report. The University’s corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors’ Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance 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, as described below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2024-004 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Internal Control Findings

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Corrective Action Plan

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The University's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and the Schedule of Federal and Nonfederal Financial Activity

We have audited the financial statements of the business-type activities, the fiduciary activities, and the discretely presented component unit of the University as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon, dated February 21, 2025, 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. 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. In addition, the accompanying Schedule of Federal and Nonfederal Financial Activity is presented for the purposes of additional analysis 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 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 and the Schedule of Federal and Nonfederal Financial Activity are fairly stated in all material respects in relation to the basic financial statements as a whole.

SIGNED ORIGINAL ON FILE

Chicago, Illinois

March 3, 2025, except for our Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and the Report on the Schedule of Federal and Nonfederal Financial Activity, for which the date is February 21, 2025.



CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITORS' RESULTS
For the Year Ended June 30, 2024

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 C.F.R. § 200.516(a)? Yes No

Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.379, and 93.925	Student Financial Assistance Cluster
10.310, 11.028, 20.701, 43.001, 43.002, 43.008, 47.049, 47.070, 47.074, 47.076, 47.083, 47.084, 93.846, and 93.859	Research and Development Cluster
84.116Z	Fund for the Improvement of Postsecondary Education

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

Auditee qualified as a low-risk auditee? Yes No

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards

2024-001. **FINDING** Inadequate Internal Controls over Census Data

The Chicago State University (University) did not have adequate internal control over reporting its census data to provide assurance census data submitted to its pension and other postemployment benefits (OPEB) plans was complete and accurate.

Census data is demographic data (date of birth, gender, years of service, etc.) of the active, inactive, or retired members of a pension or OPEB plan. The accumulation of inactive or retired members' census data occurs before the current accumulation period of census data used in the plan's actuarial valuation (which eventually flows into each employer's financial statements), meaning the plan is solely responsible for establishing internal controls over these records and transmitting the data to the plan's actuary. In contrast, responsibility for active members' census data during the current accumulation period is split among the plan and each member's current employer(s). Initially, employers must accurately transmit census data elements of their employees to the plan. Then, the plan must record and retain these records for active employees and then transmit this census data to the plan's actuary.

We noted the University's employees are members of the State Universities Retirement System (SURS) for their pensions and the State Employees Group Insurance Program sponsored by the State of Illinois, Department of Central Management Services (CMS) for their OPEB. In addition, we noted these plans have characteristics of different types of pension and OPEB plans, including single employer plans and cost-sharing multiple-employer plans. Additionally, CMS' actuary uses census data for employees of the State's public universities provided by SURS, along with census data for the other participating members provided by the State's four other pensions plans, to prepare their projection of the liabilities of CMS' plan. Finally, SURS' actuary and CMS' actuary used census data transmitted by the University during Fiscal Year 2022 to project pension and OPEB-related balances and activity at the plans during Fiscal Year 2023, which is incorporated into the University's Fiscal Year 2024 financial statements.

During testing, we noted the following:

- During our testing of eligibility testing, we noted 2 instructors were not reported as eligible to participate in SURS by the University. For the June 30, 2022 census data, it was determined the service credit was different by a combined total of ½ of a year. These have been previously reported but had not been corrected as of June 30, 2022.
- The University was not able to provide supporting documentation for the census data points related to 24 members selected for testing.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

We provided SURS' actuary and CMS' actuary with the exceptions we identified during our testing, along with the results of census data testing at the State Employees Retirement System of Illinois, and determined the net effect of these errors, along with the errors of other plan participants, was immaterial to SURS' and CMS' pension and OPEB-related balances and activity at the plans during Fiscal Year 2023.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial reports and to maintain accountability over the State's resources.

Additionally, eligibility criteria for participation in SURS under the Illinois Pension Code (Code) (40 ILCS 5/15-134(a)) states any person who is an employee of the University becomes a participant in SURS. Under the Code (40 ILCS 5/15-107), an employee is any member of the educational, administrative, secretarial, clerical, mechanical, labor, or other staff of an employer whose employment in a position in which services are expected to be rendered on a continuous basis for at least four months or an academic term, whichever is less:

- 1) not a student employed on a less than full-time temporary basis;
- 2) not receiving a retirement or disability annuity from SURS;
- 3) not on military leave;
- 4) not eligible to participate in the Federal Civil Service Retirement System,
- 5) not currently on a leave of absence without pay more than 60 days after the termination of SURS' disability benefits;
- 6) not paid from funds received under the Federal Comprehensive Employment and Training Act as a public service employment program participant hired on or after July 1, 1979;
- 7) not a patient in a hospital or home;
- 8) not an employee compensated solely on a fee basis where such income would net earnings from self-employment;
- 9) not providing military courses pursuant to a federally-funded contract where the University has filed a written notice with SURS electing to exclude these persons from the definition of an employee;
- 10) currently on lay-off status of not more than 120 days after the lay-off date;
- 11) not on an absence without pay of more than 30 days; and,

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

- 12) a nonresident alien on a visa defined under subparagraphs (F), (J), (M), or (Q) of Section 1101(a)(15) of Title 8 of the United States Code who (1) has met the Internal Revenue Service’s substantial presence test and (2) became an employee on and after July 1, 1991.

In addition, the Code (40 ILCS 5/15-157) requires the University to, at a minimum, withhold contributions of each employee’s total compensation of 8% (9.5% for firefighters or police officers) for their participation in SURS, unless further contributions by the employee would either exceed the maximum retirement annuity in the Code (40 ILCS 5/15-136(c)) or the Tier 2 earnings limitation within the Code (40 ILCS 5/15-111(b)), and remit these amounts to SURS. Further, the Code (40 ILCS 5/15-155(b)) requires the University to remit employer contributions to SURS reflecting the accruing normal costs of an employee paid from federal or trust funds.

Finally, for CMS’ OPEB plan, we noted participation in OPEB is derivative of an employee’s eligibility to participate in SURS, as members of SURS participate in OPEB as annuitants under the State Employees Group Insurance Act of 1971 (Act) (5 ILCS 375/3(b)).

University management indicated the University continued to rely on manual reconciliation processes which were not fully adequate to ensure accuracy and consistency among SURS, CMS, and the records retained at the University.

Failure to ensure complete and accurate census data was reported to SURS reduces the overall reliability of pension and OPEB-related balances and activity reported in the University’s financial statements, the financial statements of other employers within both plans, and the State of Illinois’ Annual Comprehensive Financial Report. Further, failure to report all eligible employees to SURS may result in employees not receiving the pension and OPEB benefits they are entitled to receive under the Code and the Act. (Finding Code No. 2024-001, 2023-001, 2022-001, 2021-003, 2020-003)

RECOMMENDATION

We recommend the University continue to focus on the incremental changes to the census data file from the prior actuarial valuation, provided no risks are identified that incomplete or inaccurate reporting of census data may have occurred during prior periods. Any errors identified during this process should be promptly corrected by either the University or SURS, with the impact of these errors communicated to both SURS’ actuary and CMS’ actuary.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

Finally, we recommend the University ensure all eligible employees are reported to SURS along with any required employee and employer contributions.

UNIVERSITY RESPONSE

The University agrees with the recommendation. The University is developing processes to ensure all events occurring within a census data accumulation year are timely reported to SURS. Documentation and cross-training are still on-going to improve processes and minimize errors. The University will continue to review and update incremental changes to the census data file to ensure that all errors are promptly corrected.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-002. **FINDING** Weaknesses over Computer Security

The Chicago State University (University) did not maintain adequate general Information Technology (IT) controls related to its environment and applications.

The University had invested in computer hardware and systems and established several critical, confidential, or financially sensitive systems for use in meeting its mission.

Security of the environment

During testing, we requested the University provide a population of its active servers. In response to this request, the University provided a listing of servers which included decommissioned servers. Due to these conditions, we were unable to conclude the University's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 500.08 and AT-C § 205.36).

Despite this limitation, we performed testing on a sample of servers and noted the Information Technology (IT) infrastructure was not secured properly.

Controls over access provisioning

During our testing of the University's controls over access provisioning, we noted separated employees continued to have access to the University's environment.

This finding was first reported in Fiscal Year 2020. In subsequent years, the University has been unsuccessful in implementing appropriate procedures to improve its controls over computer security.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Access Control, Configuration, and System and Services Acquisition sections, require entities to maintain proper internal controls over the security of the environments and access provisioning.

Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to maintain a system, or systems, of internal fiscal and administrative controls to provide assurance resources are utilized efficiently and effectively and in compliance with applicable law.

University management indicated the issues regarding separated employees having access to the network were due to the reliance on ad-hoc and manual processes for offboarding employees when they leave the University, resulted in delays in access

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-002. **FINDING** Weaknesses over Computer Security (Continued)

revocation. University management further indicated other issues were due to the lack of monitoring technology and absence of a formal process for deprovisioning of servers.

Failure to have adequate security controls over computing resources increases the risk of unauthorized access to the computing environment and the risk that confidentiality, integrity, and availability of systems and data will be compromised. (Finding Code No. 2024-002, 2023-002, 2022-002, 2021-001, 2020-001)

RECOMMENDATION

We recommend the University implement adequate general IT controls related to its environment and applications.

UNIVERSITY RESPONSE

The University agrees with the finding and acknowledges the need to strengthen controls over its IT environment and applications. To address these concerns, the University has initiated a comprehensive review of its identity and access management (IAM) processes to improve offboarding procedures and eliminate reliance on manual and ad-hoc processes. Additionally, the University is formalizing procedures for server management to ensure accurate inventory tracking and decommissioning.

As part of these efforts, the University has:

- Implemented NIST 800-171 as its governance framework to establish standardized security controls and ensure compliance with best practices.
- Been actively researching and evaluating IAM solutions that will enhance the provisioning and deprovisioning process to reduce security risks and improve efficiency.
- Worked closely with Human Resources and other key stakeholders to assess and refine existing processes, ensuring proper identity management practices while mitigating gaps in user offboarding.
- Enhanced monitoring capabilities by migrating from a mail system to a cloud service provider, which provides increased visibility into the University's technical environment.
- Leveraged additional security monitoring tools to improve detection, response, and overall security posture.
- Implemented IT solutions to aid in the management and monitoring of servers, improving visibility, security, and compliance with IT controls.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-002. **FINDING** Weaknesses over Computer Security (Continued)

- Established periodic access reviews to mitigate the risk of unauthorized access.

The University remains committed to strengthening its IT controls and will continue refining its security practices to align with regulatory and industry standards.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-003. **FINDING** Inadequate Controls to Ensure Compliance with the Illinois Pension Code

The Chicago State University (University) did not have adequate internal controls to ensure compliance with the Illinois Pension Code (Code).

During testing, we requested the University provide the populations of retired employees, persons receiving a retirement annuity (Annuitant) from the State Universities Retirement System (SURS) and re-employed by the University, and employees who filed for disability benefits during Fiscal Year 2024. The University provided the populations; however, these populations could not be reconciled to the University's internal records and SURS.

Due to this condition, we were unable to conclude the University's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 500.08 and AT-C § 205.36) to test the University's compliance with the Code.

Even given the population limitations noted above which hindered our ability to conclude whether selected samples were representative of the population as a whole, we performed testing to determine whether the University accurately reported to SURS about unused sick leave of retired employees, certificates of disability for employees who filed for disability benefits stating the employee is unable to perform the duties, and re-employment of annuitants. During testing, we noted the following:

- Two of four (50%) retired employees' unused sick leave ranging 17 and 122 days were incorrectly reported to SURS.
- Two of two (100%) re-employed annuitants were not timely reported to SURS. The University notified SURS 9 and 347 days late.

The Code (40 ILCS 5/15-113.4) requires the University to certify to the SURS Board the number of days of unused sick leave accrued to the employee's credit on the date the employee was terminated.

In addition, the Code (40 ILCS 5/15-139.5) requires the University to notify SURS within 60 days after employing an annuitant.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Government Auditing Standards (Continued)

2024-003. **FINDING** Inadequate Controls to Ensure Compliance with the Illinois Pension Code (Continued)

Finally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial reports and to maintain accountability over State's resources.

University management stated there was a significant turnover of employees within the Human Resources Department which impacted the current employees' ability to generate reports from the University's information system and timely comply with the reporting requirements of the Code.

Failure to maintain adequate internal control resulted in noncompliance with the Code and reduces the overall reliability of activity reported in the University's financial statements. (Finding Code No. 2024-003, 2023-003)

RECOMMENDATION

We recommend the University implement controls to ensure the completeness and accuracy of populations of retirees, re-employed annuitants, and employees who filed for disability benefits. Further, we recommend the University accurately report unused sick leave and timely notify re-employment of annuitants to SURS in accordance with the Code.

UNIVERSITY RESPONSE

The University agrees with the recommendation and is currently working with SURS to reconcile data. Further, internal controls will be strengthened to ensure timely reporting.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Federal Compliance and Questioned Costs

2024-004.	<u>FINDING</u>	Failure to Notify Students and Parents Upon Disbursement of Funds
	Federal Agency:	U.S. Department of Education
	Assistance Listing Numbers:	84.379; 84.268
	Program Names:	Student Financial Assistance Cluster - Teacher Education Assistance for College and Higher Education Grants Federal Direct Student Loans
	Program Expenditures:	\$23,575, \$17,736,297
	Award Numbers:	P379T221351; P268K221351
	Questioned Costs:	None

The Chicago State University (University) did not notify the students and parents upon disbursement of grant funds and loans.

Conditions Found

During testing of five students, who received Teacher Education Assistance for College and Higher Education (TEACH) Grants totaling \$15,088, we noted one (20%) student with a grant disbursement amounting to \$3,772 was notified by the University 98 days before the TEACH funds were credited to the student's account. The sample methods used in performing this testing were not statistically valid.

In addition, during testing of 40 students, who received Federal Direct Loans totaling \$597,967, we noted the following:

- Six (15%) students with grant disbursements totaling \$60,860 were not notified by the University indicating the funds were credited to the students' accounts.
- Seven (18%) students with grant disbursements totaling \$44,586 were notified 35 to 120 days before or after the Federal Direct Loan funds were credited to the students' accounts.

The sample methods used in performing this testing were not statistically valid.

Evaluative Criteria

The Code of Federal Regulations (Code) (34 CFR § 668.165 (a)(3)(i)) requires the University to notify students or parents in writing no earlier than 30 days before, and no later than 30 days after, crediting the student's ledger account at the University with TEACH Grant funds and Federal Direct Loans.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Current Findings - Federal Compliance and Questioned Costs *(Continued)*

2024-004. **FINDING** Failure to Notify Students and Parents Upon Disbursement of Funds (Continued)

Further, the Code (2 CFR § 200.303) requires the nonfederal entity receiving federal awards to establish and maintain effective internal control over the federal award to provide reasonable assurance the nonfederal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. Effective internal controls include procedures to ensure timely notification of disbursements to students receiving TEACH Grants and Federal Direct Loans.

Underlying Cause

University management indicated the failure to timely notify students and parents upon disbursements of TEACH Grants and Federal Direct Loans was due to a student aid simplification process that caused errors in financial aid processing. University management further indicated the Enterprise Resource Planning (ERP) System experienced a technical glitch during the process of sending notifications to students.

Significance

Failure to timely notify students and parents regarding grant and loan disbursements represents noncompliance with the Code. (Finding Code No. 2024-004, 2023-005, 2022-005)

RECOMMENDATION

We recommend the University strengthen controls to ensure timely notifications are sent to students and parents upon disbursement of grant funds and loans.

UNIVERSITY RESPONSE

The University agrees with the recommendation. An additional level of oversight has been added to ensure the notification of disbursement information is sent in a timely manner. The Associate Director of Financial Aid and the Director of Financial Aid will review the list of disbursements against the list of emails sent to ensure that emails are sent in a timely manner. The additional oversight will begin with the Summer 2025 disbursement based on the date of notification of the issue.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2024

Prior Findings Not Repeated

A. **FINDING** Failure to Provide Uniform Resource Locator to the Department of Education

During the prior year, the Chicago State University (University) did not provide the Department of Education with the uniform resource locator (URL) of its website where the disclosure of its contract with the servicer and related contract information is posted.

During the current year, the University provided the Department of Education with the URL of the contract with the servicer and the related contract information. (Finding Code No. 2023-004)

B. **FINDING** Failure to Comply with Established Procurement Procedures

During the prior year, the University did not ensure procurements exempt from solicitation and competitive bidding were published in the Illinois Procurement Bulletin.

During the current year, our sample testing indicated the University published procurements exempt from solicitation and competitive bidding in the Illinois Procurement Bulletin. (Finding Code No. 2023-006)

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program/Grant Title	Assistance Listing Number	Pass-Through Entity Identifying Number	FY 2024 Expenditures	Passed-Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER:				
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Federal Supplemental Educational Opportunity Grants	(M) 84.007		\$ 217,050	\$ -
Federal Work Study Program	(M) 84.033		573,918	-
Federal Perkins Loan Program (Note 2)	(M) 84.038		888,511	-
Federal Pell Grant Program	(M) 84.063		4,946,199	-
Federal Direct Student Loans (Note 3)	(M) 84.268		17,736,297	-
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	(M) 84.379		23,575	-
TOTAL U.S. DEPARTMENT OF EDUCATION			\$ 24,385,550	\$ -
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Scholarships for Health Professions Students from Disadvantaged Backgrounds <i>Scholarships for Disadvantaged Students</i>	(M) 93.925		\$ 625,000	\$ -
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 625,000	\$ -
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER			\$ 25,010,550	\$ -
RESEARCH AND DEVELOPMENT CLUSTER:				
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Agriculture and Food Research Initiative (AFRI) Passed-Through Illinois Institute of Technology <i>CIVIC-FA Track B: Community Food Mobilization in Chicago (CF-MOB)</i>	(M) 10.310	2024-67022-41533	\$ 9,094	\$ -
TOTAL U.S. DEPARTMENT OF AGRICULTURE			\$ 9,094	\$ -
<u>U.S. DEPARTMENT OF COMMERCE</u>				
Connecting Minority Communities Pilot Program <i>Advancing Adaptive Lifelong Digital Literacy to Promote Equity in Greater Chicago</i>	(M) 11.028		\$ 741,793	\$ 228,242
TOTAL U.S. DEPARTMENT OF COMMERCE			\$ 741,793	\$ 228,242
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
University Transportation Centers Program Passed-Through Illinois Institute of Technology <i>Center for Assured and Resilient Navigation in Advanced Transportation Systems: Carnations</i>	(M) 20.701	69A3552348324	\$ 32,117	\$ -
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ 32,117	\$ -
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
Science <i>HDTN Simulation and Modeling at Southern University</i>	(M) 43.001		\$ 18,605	\$ -
Aeronautics Passed-Through University of Illinois at Urbana-Champaign <i>Development of the Cryogenic Hydrogen-Energy Electric Transport Aircraft (CHEETA) Design Concept</i>	(M) 43.002	80NSSC19M0125	6,231	-
Office of Stem Engagement (OSTEM) Passed-Through University of Illinois at Urbana-Champaign <i>Illinois Space Grant Consortium</i>	(M) 43.008	80NSSC20M0046	82,806	-
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			\$ 107,642	\$ -
<u>NATIONAL SCIENCE FOUNDATION</u>				
Mathematical & Physical Sciences <i>Collaborative Research: Access Expansion: Growing a Network of Equity-Focused Programs in the Physical Sciences</i>	(M) 47.049		\$ 15,622	\$ -
<i>RUI: Collaboration for Studies of Cosmic Ray Muon Radiation and its Application to Archaeometry</i>	(M) 47.049		53,922	-
<i>RUI: Studies of Relativistic Heavy Ions Collisions in ALICE at LHC- Continuation</i>	(M) 47.049		173,405	-
Passed-Through University of Chicago <i>QLCI-CI NSF Quantum Leap Challenge Institute for Quantum Sensing in Biophysics and Bioengineering - QUBBE</i>	(M) 47.049	0MA-212104	391,473	-
			\$ 634,422	\$ -

CHICAGO STATE UNIVERSITY
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program/Grant Title	Assistance Listing Number	Pass-Through Entity Identifying Number	FY 2024 Expenditures	Passed-Through to Subrecipients
Computer and Information Science and Engineering <i>Collaborative Research:HDR DSC: the Metropolitan Chicago Data Science Corps (MCDC): Learning from Data to Support Communities</i>	(M) 47.070		\$ 21,783	\$ -
Biological Sciences Passed-Through Illinois Institute of Technology <i>RCN-UBE Incubator: Stem Research on Non-model Genomes Network</i>	(M) 47.074	SA22-0016-S001	\$ 6,161	\$ -
<i>CAREER: Museomic Approach for Exploring the Evolution of Past, Persistent, and Emerging Orthopozvirs Outbreaks</i>	(M) 47.074		73,553	-
			<u>\$ 79,714</u>	<u>\$ -</u>
STEM Education (formerly Education and Human Resources) <i>Conference: 2023 NSF Louis Stokes Alliances for Minority Participation (LSAMP) Principal Investigators/Project Directors Meeting</i>	(M) 47.076		\$ 12,269	\$ -
<i>Louis Stokes STEM Pathways and Research Alliances: The Illinois LSAMP STEM Pathway and Research Alliance (ILSPRA) - Illinois Post-Baccalaureate Research Experiences for LSAMP Students (IPRELS)</i>	(M) 47.076		36,084	-
<i>Collaborative Research: Louis Stokes Regional Center of Excellence: Louis Stokes Midwest Region Center of Excellence for Boarding Participation in STEM</i>	(M) 47.076		425,889	64,668
<i>Louis Stokes STEM Pathways and Research Alliances: The Illinois LSAMP STEM Pathway and Research Alliance (ILSPRA)</i>	(M) 47.076		890,229	275,870
Passed-Through Northeastern University <i>NSF INCLUDES Alliance: Engineering PLUS (Partnerships Launching Underrepresented Students)</i>	(M) 47.076	2119930	114,069	-
			<u>\$ 1,478,540</u>	<u>\$ 340,538</u>
Integrative Activities Passed-Through Regents of The University of Michigan <i>Center for Complex Particle Systems (COMPASS)</i>	(M) 47.083	SUBK00018199	\$ 162,747	\$ -
NSF Technology, Innovation, and Partnerships <i>Pivots: Chicagoland Partnership for Semiconductor and Microelectronics Experiential Learning</i>	(M) 47.084		\$ 112,407	\$ -
TOTAL NATIONAL SCIENCE FOUNDATION			<u>\$ 2,489,613</u>	<u>\$ 340,538</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Arthritis, Musculoskeletal and Skin Diseases Research Passed-Through University of Alabama at Birmingham <i>Social Determinants and Timeliness of Total Knee Replacement: A National Perspective</i>	(M) 93.846	5R01AR078342-02	\$ 49,850	\$ -
Biomedical Research and Research Training Passed-Through University of Chicago <i>IRACDA at the University of Chicago</i>	(M) 93.859	5K12GM146658-02	13,307	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 63,157</u>	<u>\$ -</u>
TOTAL RESEARCH AND DEVELOPMENT CLUSTER			<u>\$ 3,443,416</u>	<u>\$ 568,780</u>
TRIO CLUSTER:				
U.S. DEPARTMENT OF EDUCATION				
TRIO Upward Bound <i>Upward Bound Program</i>	84.047A		\$ 342,342	\$ -
TRIO Educational Opportunity Centers	84.066A		358,259	-
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>\$ 700,601</u>	<u>\$ -</u>
TOTAL TRIO CLUSTER			<u>\$ 700,601</u>	<u>\$ -</u>
OTHER PROGRAMS				
INSTITUTE OF MUSEUM AND LIBRARY SERVICES (IMLS)				
National Leadership Grants Passed-Through University of Alabama via Institute of Museum and Library Services <i>Civic Engagement for Racial Justice in Public Libraries (RJ@PL)</i>	45.312	A22-0490-S001	\$ 2,981	\$ -
TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES (IMLS)			<u>\$ 2,981</u>	<u>\$ -</u>

CHICAGO STATE UNIVERSITY
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program/Grant Title	Assistance Listing Number	Pass-Through Entity Identifying Number	FY 2024 Expenditures	Passed-Through to Subrecipients
U.S. DEPARTMENT OF ENERGY				
Office of Science Financial Assistance Program <i>Community Research on Climate and Urban Science</i>	81.049		\$ 88,559	\$ -
TOTAL U.S. DEPARTMENT OF ENERGY			\$ 88,559	\$ -
U.S. DEPARTMENT OF EDUCATION				
Higher Education Institutional Aid <i>Predominantly Black Institutions Program - Formula Grants</i>	84.031P		\$ 664,599	\$ -
Fund for the Improvement of Postsecondary Education <i>Initiative to Improve Higher Education Training Facilities for Black and Latinx Students Preparing for Careers in Communication and Media Arts</i>	(M) 84.116Z		\$ 694,897	\$ -
<i>Enhancing Black and Latinx Professionals Preparedness for Careers in STEM and the Health Sciences Through Laboratory & Instructional Improvements for Careers in STEM and the Health Sciences Through Laboratory & Instructional Improvements</i>	(M) 84.116Z		158,758	-
			\$ 853,655	\$ -
Minority Science and Engineering Improvement <i>STEM Capacity Accelerates Learning and Employment</i>	84.120A		\$ 84,705	\$ -
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities <i>The Special Education Masters Degree Program for Initial Certification Grant The Special Education Fast-Track Cohort Program Grant</i>	84.325K 84.325K		57,005 49,459	- -
			\$ 106,464	\$ -
Child Care Access Means Parents in School <i>CCAMPIS Grant Program for Providing Needed Child Care for Chicago State University Students</i>	84.335A		\$ 59,119	\$ -
Strengthening Minority - Serving Institutions <i>Resiliency and Capacity Expansion for Student Success in the Health Professions (RECESS-HP) The Center for STEM Education & Research at Chicago State University</i>	84.382A 84.382A		\$ 669,332 58,545	\$ - 22,951
			\$ 727,877	\$ 22,951
Higher Education Stabilization Fund <i>Passed-Through Illinois Board of Higher Education COVID-19 - GOVERNOR'S EMERGENCY EDUCATION RELIEF FUND</i>	84.425C	601-GEE-2200-CSU	\$ 317,856	\$ -
TOTAL U.S. DEPARTMENT OF EDUCATION			\$ 2,814,275	\$ 22,951
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Health Profession Opportunity Grants <i>Partnerships to Step-up Careers in Health Careers</i>	93.093		\$ 26	\$ -
Passed-Through ABT Associates <i>National and Tribal Evaluation of the 2nd Generation of Health Profession Opportunity Grants</i>	93.093	HHSP233201500052C	468	-
			\$ 494	\$ -
Congressional Directives <i>Community Project Funding/Congressionally Directed Spending - Construction</i>	93.493		\$ 449,488	\$ -
Child Care and Development Block Grant <i>Early Childhood Access Consortium</i>	93.575		\$ 736,581	\$ -
Head Start <i>Passed-Through OHS & ACF via Henry Booth House Early Head Start Program</i>	93.600	05CH012056-01-00	\$ 37,796	\$ -
<i>Head Start / Early Head Start Program</i>	93.600	05CH012056-01-00	158,434	-
			\$ 196,230	\$ -
Maternal and Child Health <i>Intergovernmental Personnel Act (IPA) Assignment</i>	93.HRD-1740448		\$ 38,141	\$ -
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 1,420,934	\$ -
TOTAL OTHER PROGRAMS			\$ 4,326,749	\$ 22,951
Grand Total			\$ 33,481,316	\$ 591,731

(M) - Program was audited as a major program.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity for the year ended June 30, 2024, and is presented on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. The University has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2 LOANS OUTSTANDING AT FISCAL YEAR END

The University Perkins Loan Program’s outstanding loan balance as of June 30, 2024 totaled \$773,829, for programs that are administered directly. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule. There were no administrative costs charged to the Perkins Loan Program.

NOTE 3 TOTAL NEW FEDERAL STUDENT LOANS

During the year ended June 30, 2024, the University awarded the following amounts of new loans under the Federal Direct Student Loans Program:

Direct Unsubsidized Loans	\$	9,902,403
Direct Subsidized Loans		1,988,402
Direct Parent PLUS Loans		452,115
Direct Graduate PLUS Loans		<u>5,393,377</u>
Total	\$	<u>17,736,297</u>

There were no administrative costs charged to the loan program.

NOTE 4 NONMONETARY ASSISTANCE

During the period, the University did not receive any nonmonetary assistance.

NOTE 5 INSURANCE DISCLOSURE

During the period, there was no federally-funded insurance in effect.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2024

NOTE 6 DONATED PERSONAL PROTECTIVE EQUIPMENT

During Fiscal Year 2024, the University did not receive any donated personal protective equipment.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY
For the Year Ended June 30, 2024
(in thousands)

The following schedules are used to determine the University's Single Audit costs in accordance with the Uniform Guidance (2 C.F.R. § 200.425).

Schedule A - Federal Financial Component

Total federal expenditures ¹	\$	33,481
Total Schedule A	\$	<u>33,481</u>

Schedule B - Total Financial Component

Total operating expenses ²	\$	107,775
Total nonoperating expenses ²		269
Federal loan balances: ^{1,4}		
Federal Perkin Loans Program		889
Total value of new federal loans: ^{1,3,5}		
Federal Direct Student Loan		<u>17,736</u>
Total Schedule B	\$	<u>126,669</u>

Schedule C - Computation of Nonfederal Expenses

		Percent
Total Schedule B	\$	100.00%
Total Schedule A		26.43%
Total nonfederal expenses	\$	<u>73.57%</u>

¹ Obtained from Schedule of Expenditures of Federal Awards

² Obtained from the Statement of Revenues, Expenses, and Changes in Net Position

³ Obtained from the Notes to the Schedule of Expenditures of Federal Awards

⁴ Balance at the beginning of the fiscal year with continuing compliance requirements

⁵ Balance of loans issued during the fiscal year