

NORTHEASTERN ILLINOIS 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

NORTHEASTERN ILLINOIS 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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University Officials

President (08/01/24 to Present)	Dr. Katrina Bell-Jordan
Interim President (07/01/23 to 07/31/24)	Dr. Katrina Bell-Jordan
Vice President for Finance and Administration/Treasurer (03/17/25 to Present)	Ms. Beni Ortiz
Interim Vice President for Finance and Administration/Treasurer (04/01/24 to Present)	Ms. Beni Ortiz
Vice President for Finance and Administration/Treasurer (1/27/20 to 03/31/24)	Mr. Manish Kumar
University General Counsel (10/04/23 to Present)	Vacant
University General Counsel (10/04/23 to 10/03/23)	Mr. G.A. Finch
Director of Internal Audit (09/18/23 to Present)	Ms. Chrystal Temples
Director of Internal Audit (01/07/23 to 09/17/23)	Vacant
Director of Internal Audit (9/17/17 to 01/06/23)	Ms. Rita Moore

Board Officers

Chair (Member since 01/31/23, elected 02/15/24)	Mr. J. Todd Phillips
Chair (Member since 01/17/23, 03/06/23 to 01/29/24)	Mr. Jose Rico
Vice Chair (Member since 03/16/23, elected 05/28/24)	Ms. Michelle Morales
Vice Chair (Member since 01/17/23, elected 03/06/23)	Mr. Marvin Garcia
Secretary (Member since 08/07/23, elected 02/15/24)	Ms. Anna Meresidis
Secretary (Member since 01/31/23, elected 03/06/23)	Mr. J. Todd Phillips

Board Members

Member (Appointed 10/18/24)	Mr. Carlos Garcia
Member (10/08/24 to 10/17/24)	Vacant
Member (05/06/19 to 10/07/24)	Mr. Marvin Garcia
Member (01/30/24 to present)	Vacant
Member (01/17/23 to 01/29/24)	Mr. Jose Rico
Member (Appointed 08/07/23)	Ms. Anna Meresidis
Member (02/01/23 to 08/06/23)	Vacant
Member (Appointed 05/22/23)	Mr. Jorge Leon
Member (Appointed 03/16/23)	Ms. Betty Fleurimond
Member (Appointed 03/16/23)	Ms. Michelle Morales

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Member (Appointed 01/31/23)

Dr. Paula Wolff

Member (Appointed 01/31/23)

Mr. J. Todd Phillips

Member (Appointed 05/06/19)

Dr. Ann Kalayil

Student Member (07/01/24 to 06/30/25)

Ms. Itzel Linares

Student Member (07/01/23 to 06/30/24)

Mr. Edwin Medina

University Office

Northeastern Illinois University's primary administrative office is located at 5500 N. St. Louis Avenue, Chicago, Illinois 60625.

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FEDERAL COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this audit of the Northeastern Illinois 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*.

AUDITOR’S REPORT

The Independent Auditor’s 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 Activity does not contain scope limitations, disclaimers, but does identify a material weakness over internal control over compliance.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Reports</u>
Findings	7	7
Repeated Findings	6	5
Prior Recommendations Implemented or Not Repeated	1	2

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
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Current Findings – Government Auditing Standards

2024-001	13	2023/2020	Inadequate Internal Controls over Census Data	Material Weakness/Noncompliance
2024-002	17	2023/2022	Noncompliance with the Fiscal Control and Internal Auditing Act	Material Weakness/Noncompliance
2024-003	19	2023/2019	Lack of Adequate Control over the Review of Internal Controls for Service Providers	Significant Deficiency/Noncompliance

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SCHEDULE OF FINDINGS (CONTINUED)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings – Government Auditing Standards (Continued)				
2024-004	22	2023/2017	Weakness in Computer Security	Significant Deficiency/Noncompliance
2024-005	24	2023/2023	Lack of Adequate Change Management Controls	Significant Deficiency/Noncompliance

Current Findings – Federal Compliance

2024-006	25	New	Noncompliance with Enrollment Reporting Requirements	Material Weakness/ Material Noncompliance
2024-007	27	2023/2020	Noncompliance with Grant Report Requirements	Significant Deficiency/ Noncompliance

Prior Finding Not Repeated

A	29	2023/2022	Lack of Adequate Controls over Year-End Reviews and Reconciliations
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EXIT CONFERENCE

The University waived an exit conference for the Federal Compliance OMB Uniform Guidance audit in an email from Chrystal Temples, Director of Internal Audit on March 20, 2025. The responses to the recommendations were provided by Chrystal Temples, Director of Internal Audit, in a correspondence dated March 20, 2025.

INDEPENDENT AUDITOR’S 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
Northeastern Illinois University

As Special Assistant Auditors for the Auditor General, 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, fiduciary activities, and the discretely presented component unit of Northeastern Illinois 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 have issued our report thereon dated March 19, 2025. Our report includes a reference to other auditors who audited the financial statements of the Northeastern Illinois University 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.

Report on 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) as a basis for 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 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. However, as described in the accompanying Schedule of Findings as items 2024-001 through 2024-005, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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

Honorable Frank J. Mautino
Auditor General
State of Illinois

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Northeastern Illinois University

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2024-001 and 2024-002 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 deficiencies described in the accompanying Schedule of Findings as items 2024-003, 2024-004 and 2024-005 to be significant deficiencies.

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 through 2024-005.

The University's Response to the Findings

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

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

Grand Rapids, Michigan
March 19, 2025

**INDEPENDENT AUDITOR’S
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
Northeastern Illinois University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

As Special Assistant Auditors for the Auditor General, we have audited compliance by Northeastern Illinois 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 Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

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 the major federal programs identified in the Summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Northeastern Illinois University

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 qualified and unmodified opinions 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 Northeastern Illinois University 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 discretely presented component unit because the component unit engaged other auditors to perform an audit of their financial statements and, if necessary, and audit of compliance and we do not assume responsibility for, and accordingly make reference to, the audit of the component auditor in our *Independent Auditor's Report* on the University's group 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.

Auditor's 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 Board'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.

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Northeastern Illinois University

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

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2024-006 and 2024-007. Our opinion on each major federal program is not modified with respect to these matters.

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

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's 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.

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Northeastern Illinois University

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness and 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. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2024-006 to be a material weakness.

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 2024-007 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.

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 responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's 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.

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Northeastern Illinois University

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 Activity

We have audited the financial statements of the business-type activities, 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 compromise the University's basic financial statements. We issued our report thereon dated March 19, 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 compromise 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 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 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 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 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

East Lansing, Michigan
March 21, 2025

NORTHEASTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S 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 auditor's 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 Number	Name of Federal Program or Cluster
84.007, 84.268, 84.033, 84.038, 84.063, 84.379	Student Financial Assistance Cluster
84.287	Twenty-First Century Community Learning Centers

Dollar threshold used to distinguish between type A and type B programs: \$1,146,561

Auditee qualified as a low-risk auditee? Yes No

NORTHEASTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS – *GOVERNMENT AUDITING STANDARDS* FINDINGS
For the Year Ended June 30, 2024

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

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

CONDITIONS FOUND

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:

- The University had not performed an initial complete reconciliation of its census data recorded by SURS to its internal records to establish a base year of complete and accurate census data.
- After establishing a base year, the University had not developed a process to annually obtain from SURS the incremental changes recorded by SURS in their census data records and reconcile these changes back to the University's internal supporting records.
- During our previous cut-off testing of data transmitted by the University to SURS, we noted 1 instance of an active employee becoming inactive and 1 instance of an active employee becoming active were reported to SURS after the close of the fiscal year in which the event occurred. We also noted 1 instance whereby service credit was different by a total of $\frac{1}{4}$ of a

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SCHEDULE OF FINDINGS – GOVERNMENT AUDITING STANDARDS FINDINGS
For the Year Ended June 30, 2024

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

- During our previous cut-off testing of data transmitted by the University to SURS, we noted 1 instance of an active employee becoming inactive and 1 instance of an active employee becoming active were reported to SURS after the close of the fiscal year in which the event occurred. We also noted 1 instance whereby service credit was different by a total of ¼ of a year. These were previously reported, but still had an impact on the June 30, 2022 census data.

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.

CRITERIA

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, who is:

- 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,

NORTHEASTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS – GOVERNMENT AUDITING STANDARDS FINDINGS
For the Year Ended June 30, 2024

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 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)).

CAUSE

University officials indicated the competing priorities during the implementation of new Human Resource system and the impact of staff turnover resulted in delays. The biographical data was provided to SURS and the remaining item needed in FY23 salary information.

EFFECT

Failure to ensure complete, timely, 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, 2021-001, 2020-001)

RECOMMENDATION

We recommend the University continue to work with SURS to complete the base year reconciliation of Fiscal Year 2021 active members’ census data from its underlying records to a report of census data submitted to SURS’ actuary and CMS’ actuary. After completing an initial full reconciliation, the University may limit the annual reconciliations 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.

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

Further, we recommend the University ensure all events occurring within a census data accumulation year are timely reported to SURS so these events can be incorporated into the census data provided to SURS' actuary and CMS' actuary.

UNIVERSITY RESPONSE

The University agrees with the recommendation.

NORTHEASTERN ILLINOIS UNIVERSITY
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SCHEDULE OF FINDINGS – GOVERNMENT AUDITING STANDARDS FINDINGS
For the Year Ended June 30, 2024

2024-002. FINDING - Noncompliance with the Fiscal Control and Internal Auditing Act

Northeastern Illinois University (University) did not comply with the Fiscal Control and Internal Auditing Act (FCIAA).

CONDITIONS FOUND

During our testing of the University's Fiscal Year 2024 internal audit activities, we noted the following:

- The University did not perform its required peer review in Fiscal Year 2024. The last peer review was performed in 2019. There was no formal approval for an extension but the Office of the Auditor General and the State Internal Audit Advisory Board (SIAAB) were made aware of the delay.
- The Internal Auditor position was vacant from January 7, 2023 through September 17, 2023.
- The Internal Auditor did not conduct all the audits as approved in the Fiscal Year 2024 audit plan. As a result of changes throughout the year, only one audit was completed during Fiscal Year 2024.
- The Fiscal Year 2025 audit plan was not approved by the President prior to the required July 1, 2024 date.

CRITERIA

FCIAA (30 ILCS 10/2003(a)) (Act) requires the chief executive officer to ensure that the internal auditing program includes a two-year plan, identifying audits scheduled for the pending fiscal year, approved by the chief executive officer before the beginning of the fiscal year. The Act also requires the University's internal auditing program to include audits of major systems of internal accounting and administrative control conducted on a periodic basis so that all major systems are reviewed at least once every two years. FCIAA also requires reviews of the design of major new electronic data processing systems and major modifications of those systems before their installation to ensure the systems provide for adequate audit trails and accountability.

The Institute of Internal Auditors Standard 1312 (External Assessments) requires that external assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization.

CAUSE

University officials noted these exceptions were due to the Internal Auditor position being vacant until September 18, 2023. Shortly thereafter, the Internal Auditor established a Fiscal Year 2024 audit plan and had the President sign in September 2023. However, the Internal Auditor was still unable to complete all the scheduled audits and peer review due to competing priorities. University officials stated the Fiscal Year 2025 audit plan was not approved by July 1, 2024 due to the many other competing priorities on the President's schedule.

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**2024-002. FINDING - Noncompliance with the Fiscal Control and Internal Auditing Act
(Continued)**

EFFECT

Lack of timely audits, a peer review, required approvals and proper internal audit staffing inhibits the University's ability in monitoring the effectiveness of its system of internal controls and results in noncompliance with the Act. (Finding Code Nos. 2024-002, 2023-003, 2022-011)

RECOMMENDATION

We recommend the University continue to implement the requirements of the Act since the position was filled. In addition, we recommend the University complete its peer review.

UNIVERSITY RESPONSE

The University agrees with the recommendation

NORTHEASTERN ILLINOIS UNIVERSITY
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For the Year Ended June 30, 2024

2024-003. FINDING - Lack of Adequate Control Over the Review of Internal Controls for Service Providers

The Northeastern Illinois University (University) lacked adequate controls over review of internal controls over service providers.

CONDITIONS FOUND

The University entered into agreements with various service providers to assist with significant processes such as (1) implementing University wide defined criteria to identify the third-party service providers that require a service organization controls (SOC) report or equivalent review, including the frequency of reviews performed, and (2) enhancing the SOC report review procedures to perform mappings of Complementary User End Controls (CUECs) to specific University internal controls.

The University could not provide a population of service providers. The population/report of service providers is manually maintained by the University and includes both vendors and service providers, resulting in samples that did not meet the criteria of a service provider.

Due to the condition noted above, we were unable to conclude the University's population records of service providers were complete, accurate, and reliable under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AT-C 205.36; AU-C 330; AU-C 530).

The auditors selected a sample of service providers where a SOC report was required for Fiscal Year 2024 and noted the following:

- The University has not established a documented and comprehensive policy or procedures to guide vendor's due diligence when onboarding third-party service provider and defining a service provider vs. vendor.
- The University has not established documented policies and procedures to monitor performance and contractual compliance of service providers.
- Even given the population limitation, we selected 10 service providers from the listing provided by the University, where the SOC report was required for Fiscal Year 2024 and noted the following: the CUECs noted in these SOC reports were not mapped to existing internal controls at the University.

The finding was first reported in Fiscal Year 2019. In subsequent years, the University has been unsuccessful in implementing appropriate procedures to improve controls over service providers.

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2024-003. FINDING - Lack of Adequate Control Over the Review of Internal Controls for Service Providers (Continued)

CRITERIA

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 that revenues, expenditures, and transfers of assets, resources, or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the State's resources.

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), Maintenance and System and Service Acquisition sections, requires entities outsourcing their IT environment or operations to obtain assurance over the entities' internal controls related to the services provided. Such assurance may be obtained via SOC reports or independent reviews.

CAUSE

University management indicated the conditions noted were due to the complexities of implementing, coordinating, and executing a university-wide program that requires buy in and participation from multiple stakeholders and departments.

EFFECT

The lack of a comprehensive university-wide population of service providers and the lack of a consistent process executed by the University departments to evaluate the service providers make it difficult to identify and assess risks that service providers have on security, integrity, availability, confidentiality, and security of University computer systems and data. (Finding Code No. 2024-003, 2023-004, 2022-003, 2021-003, 2020-003, 2019-020)

RECOMMENDATION

We recommend the University strengthen its controls in identifying and documenting all service providers. Further, we recommend the University:

- Establish and enforce a formal University-wide onboarding requirement and processes for all service providers.
- Establish and enforce a formal University-wide requirement in obtaining SOC reports from service providers.
- Establish and enforce a formal University-wide requirement in reviewing SOC reports.

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2024-003. FINDING - Lack of Adequate Control Over the Review of Internal Controls for Service Providers (Continued)

- Establish and enforce a formal University-wide requirement in reviewing applicable CUECs and mapping of these CUECs to existing internal controls at the University.

UNIVERSITY RESPONSE

The University agrees with the recommendation.

NORTHEASTERN ILLINOIS UNIVERSITY
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SCHEDULE OF FINDINGS – GOVERNMENT AUDITING STANDARDS FINDINGS
For the Year Ended June 30, 2024

2024-004. FINDING - Weakness in Computer Security

Northeastern Illinois University (University) has not adequately safeguarded their computing environment.

CONDITIONS FOUND

During our review of the University's computer security, we noted the following:

- ERP access testing:
 - The user access review is not comprehensively performed to include the appropriateness of all active permissions.
 - 1 (10%) of 10 new accounts tested did not have documented approval.
 - For 8 (67%) of 12 terminated users tested, there was no documented evidence that the employee level access was removed in a timely manner.
 - For 10 (33%) of 30 users tested, the user's manager noted access was not appropriate due to termination or job function.
 - For 2 (22%) of 9 users with administrative access tested, the users accounts remained after active the users were terminated or after the consulation period was completed.
- Student system access testing:
 - For 1 (10%) of 10 users tested, noted access was not appropriate due to job function per inquiry with the controller's office.
 - For 2 (67%) of 3 terminated users tested, a termination ticket was not documented as the users were deactivated before the termination process was formalized.
- Human Resource system access testing:
 - For 1 (10%) of 10 terminated users tested, termination was not executed timely (165 days).
 - 40 devices were running unsupported operation systems.
 - The data privacy training program has not been fully implemented, including developing a plan for monitoring the implementation of the governance process.
 - 2 (40%) of 5 incident resolutions tested were not documented to include resolution of incident or the total impact on the systems.

The finding was first reported in Fiscal Year 2017. In subsequent years, the University has been unsuccessful in implementing appropriate procedures to improve its controls over computer security.

CRITERIA

The *Framework for Improving Critical Infrastructure Cybersecurity and 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, Access Control section, requires

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2024-004. FINDING - Weakness in Computer Security (Continued)

entities to develop access provisioning policies and establish controls to ensure authorized users only have needed access.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and maintain accountability over the State's resources.

CAUSE

The University officials stated the cause of the finding is due to the University experiencing staffing constraints, turnover, and completing priorities resulting in a lack of awareness of the importance of responding timely to user access reviews, as well as adding and terminating employees from the systems in a timely manner.

EFFECT

Failure to (1) periodically review users' access rights, (2) implement governance monitoring, (3) update operating systems, and (4) document incident response resolution could result in inappropriate access and manipulation of the University's data. (Finding Code No. 2024-004, 2023-005, 2022-002, 2021-002, 2020-002, 2019-018, 2018-021, 2017-018)

RECOMMENDATION

We recommend the University:

- Periodically review and update user access.
- Ensure implementation of governance monitoring.
- Ensure documentation of responses to all identified incidents.
- Update all operating systems timely.

UNIVERSITY RESPONSE

The University agrees with the recommendation.

NORTHEASTERN ILLINOIS UNIVERSITY
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SCHEDULE OF FINDINGS – GOVERNMENT AUDITING STANDARDS FINDINGS
For the Year Ended June 30, 2024

2024-005. FINDING - Lack of Adequate Change Management Controls

Northeastern Illinois University (University) did not have adequate Change Management Controls.

CONDITIONS FOUND

During our testing of 27 Human Resource system changes, we noted the following:

- 19 (70%) change tickets were missing approvals, testing, or migration documentation.
- 4 (15%) change tickets were closed with the changes being made to the environment or documentation on why the changes were not made.

In addition, the University does not require a post implementation review for system changes.

CRITERIA

The *Framework for Improving Critical Infrastructure Cybersecurity* and 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, Information Protection Processes section, requires entities to develop Security policies (that address purpose, scope, roles, responsibilities, management commitment, and coordination among organizational entities), processes, and procedures are maintained and used to manage protection of information systems and assets.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires all State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation and to maintain accountability over the State's resources.

CAUSE

University officials stated the cause of the finding is due to staffing constraints and not having a University-wide Change Management Policy in place.

EFFECT

Failure to periodically review or monitor all implemented changes might lead to inappropriate changes being made to sensitive systems. (Finding Code No. 2024-005, 2023-006)

RECOMMENDATION

We recommend the University document, approve, and maintain all system changes, in addition to requiring a post implementation review of those system changes.

UNIVERSITY RESPONSE

The University agrees with the recommendation.

NORTHEASTERN ILLINOIS UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
CURRENT FINDINGS – FEDERAL COMPLIANCE AND QUESTIONED COSTS
For the Year Ended June 30, 2024

2024-006. FINDING - Noncompliance with Enrollment Reporting Requirements

Federal Agency:	Department of Education
Assistance Listing Numbers:	84.268, 84.063
Program Names and Award Numbers:	Federal Direct Student Loans, Federal Pell Grant Program
Program Expenditures:	\$10,983,995, \$12,186,160
Questioned Costs:	None

Northeastern Illinois University (University) did not have adequate procedures and controls in place to ensure that the effective date of students who unofficially withdrew was accurately reported to National Student Loan Data System (NSLDS).

CONDITIONS FOUND & CRITERIA

During our testing of the University’s compliance with enrollment reporting requirements for Direct loan programs via the NSLDS (OMB No. 1845-0035), we noted the University did not update program-level and campus-level effective enrollment dates for the students’ appropriate withdrawal date. We noted the following:

- Two of 25 (8%) of the students originally tested withdrew during the Fall semester however were reported to NSLDS as withdrawn with an effective enrollment change date for the last day of the spring semester.

NSLDS requires the that date the current enrollment status is to be reported when the change was first effective (See 4.4.2 of *NSLDS Enrollment Reporting Guide*)

- Five of 25 (20%) of the students originally tested withdrew during their respective fall and spring semester however were reported to NSLDS as withdrawn with an effective enrollment at the end of the semester and not updated retroactively.
- 15 of 15 (100%) additional students tested as a result of the error withdrew during their respective fall and spring semester however were reported to NSLDS as withdrawn with an effective enrollment at the end of the semester and not updated retroactively thus bringing total errors to 22 of 40 students (55%).

NSLDS requires the that date the current enrollment status is to be reported when the change was first effective (See 4.4.2 of *NSLDS Enrollment Reporting Guide*) and can be retroactively reported to reflect the accurate effective date (See 4.4.5 of *NSLDS Enrollment Reporting Guide*) The sample was not intended to be, and was not, a statistically valid sample.

NSLDS Enrollment Reporting Guide (4.4.5) does speak to continue education as a way of determination of student’s enrollment status. However, this is only applicable when evaluating the end of the current school year, during the spring and summer semester, with respect to the upcoming school year’s fall semester.

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CURRENT FINDINGS – FEDERAL COMPLIANCE AND QUESTIONED COSTS
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2024-006. FINDING - Noncompliance Enrollment Reporting Requirements (Continued)

CAUSE

The University officials stated the errors noted were due to the two separate processes involved and how they capture and report data. The Registrar's Office reports monthly to National Student Clearinghouse (NSC) on student enrollment, including official withdrawals. The Registrar's Office is required to report annually on unofficial withdrawals. The Financial Aid Office identifies unofficial withdrawals at the end of each semester. Due to the different time periods of each process for collecting and reporting the dates, these errors occurred.

EFFECT

Failure to meet enrollment reporting requirements is noncompliance with federal regulations and could result in loss of loan/grant funding in future years. (Finding Code No. 2024-006)

RECOMMENDATION

We recommend the University's Registrar's Office implement greater controls to ensure that an accurate determination of the last date of attendance is used for withdrawal determinations reported to NSC and then to NSLDS.

UNIVERSITY RESPONSE

The University agrees with the recommendation. The Registrar's Office will utilize the Financial Aid Office's last date of attendance report to back date the effective enrollment reported date for unofficially withdrawn students.

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CURRENT FINDINGS – FEDERAL COMPLIANCE AND QUESTIONED COSTS
For the Year Ended June 30, 2024

2024-007. FINDING - Noncompliance with Grant Report Requirements

Federal Agency:	Department of Education
Assistance Listing Numbers:	84.425F
Program Names and Award Numbers:	Education Stabilization Fund Under the Coronavirus Aid, Relief, And Economic Security Act [COVID-19 Higher Education Emergency Relief Fund: Institution Portion (P425F200852)]
Program Expenditures:	\$2,160,298
Questioned Costs:	None

Northeastern Illinois University (University) did not have adequate procedures in place to ensure the Education Stabilization Fund - Higher Education Emergency Relief Fund (HEERF) reports were accurate and timely submitted to the U.S. Department of Education and posted to the University's website.

CONDITIONS FOUND & CRITERIA

During our testing of the University's compliance with the grant reporting requirements for HEERF, we noted the University did not review the required reports to ensure accuracy and compliance with the reporting requirements of the grant agreement. We noted the following:

- Four of 4 (100%) Quarterly Public Reports improperly did not report the cumulative student aid disbursed for each undergraduate and graduate student.

The Department of Education Quarterly Budget and Expenditure Reporting Form requires the posting of cumulative student aid disbursed by quarter for both undergraduate and graduate.

- Two of 4 (50%) Quarterly Public Reports were posted 175 days and 84 days late to the University's website.

The Department of Education Quarterly Budget and Expenditure Reporting Form requires the University to post the Quarterly Public Reports covering each quarterly reporting period (September 30, December 31, March 31, June 30), no later than 10 days after the end of each calendar quarter.

Uniform Guidance (2 CFR 200.303(a)) requires nonfederal entities receiving federal awards to establish and maintain effective internal control designed to reasonably ensure compliance with Federal laws, statutes, regulations, and the terms and conditions of the Federal award.

CAUSE

University officials stated required reports were not timely and accurately submitted due to turnover within the University resulting in staffing constraint.

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CURRENT FINDINGS – FEDERAL COMPLIANCE AND QUESTIONED COSTS
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2024-007. FINDING - Noncompliance with Grant Report Requirements (Continued)

EFFECT

Failure to meet grant reporting requirements is noncompliance with federal regulations and could result in loss of grant funding in future years. (Finding Code No. 2024-007, 2023-007, 2022-005, 2021-008, 2020-011)

RECOMMENDATION

We recommend the University improve its grant reporting and monitoring process to adhere with grant requests for reporting utilizing a calendar schedule and proper review before submission.

UNIVERSITY RESPONSE

The University agrees with the recommendation.

NORTHEASTERN ILLINOIS UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
PRIOR FINDINGS NOT REPEATED
For the Year Ended June 30, 2024

A. Finding (Lack of Adequate Controls Over Year-End Reviews and Reconciliations)

During the prior audit, the University did not timely complete and did not have adequate reviews of its year-end reconciliations.

During the current audit, the University implemented controls and procedures that allowed for timely completion and adequate reviews of its year-end reconciliations. (Finding Code No. 2023-002, 2022-004)

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For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor Program/Grant Title		Federal ALN	Passed-Through Number	Federal Expenditures	Passed-Through to Subrecipients
Student Financial Assistance Cluster					
Department of Education					
Federal Supplemental Educational Opportunity Grants	(M)	84.007		\$ 266,765	\$ -
Federal Direct Student Loans	(M)	84.268		10,983,995	-
Federal Work-Study Program	(M)	84.033		520,049	-
Federal Perkins Loan Program	(M)	84.038		210,744	-
Federal Pell Grant Program	(M)	84.063		12,186,160	-
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	(M)	84.379		131,151	-
Total Department of Education				<u>24,298,864</u>	<u>-</u>
Total Student Financial Assistance Cluster				<u>24,298,864</u>	<u>-</u>
Research and Development Cluster					
National Science Foundation					
Geosciences					
Collaborative Research: Measurement of Cooper Speciation in Basaltic Glasses using X-ray Absorption Spectroscopy, a New Window on Metal Solubility and Transport in Magmatic Systems		47.050		761	-
RUI/Collaborative Research: The Rise of C4 Grasses South America: Linking Grassland Transition to the South American Summer Monsoon		47.050		13,287	-
Total Geosciences				<u>14,048</u>	<u>-</u>
Computer and Information Science and Engineering					
Passed-Through American Society of Engineering Education CyBR-MSI:IRR: Capacity Building for Research at Minority-Serving Institutions: Infrastructure Research Readiness.			2233087-009-NEIU	3,356	-
Passed-Through University of Texas at El Paso NSF INCLUDES Alliance: Computing Alliance of Hispanic-Serving Institutions		47.070	226100998J	58,946	-
CISE-MSI: RPEP: S&CC: Information Systems meet Cultural Competencies (IS-CUCO): Enabling data-driven decision-making in underserved Hispanic populations.		47.070		263,741	181,400
CISE-MSI: DP: IIS-III: ACOSUS: An AI-driven counseling System for Underrepresented Transfer Students		47.070		96,915	74,581
CISE-MSI: DP: SCH: Preserving Tutoring System for Health Education of Low Literacy Hispanic Populations		47.070		51,452	-
Collaborative Research: HDR DSC: The Metropolitan Chicago Data Science Coprs (MCDC): Learning from Data to Support Communities		47.070		11,837	-
Total Computer and Information Science and Engineering				<u>486,247</u>	<u>255,981</u>
Mathematical and Physical Sciences					
Passed-Through Northwestern Illinois University Liquid-Noble Bubble Chambers for Dark Matter and CEvNS Detection		47.049	60056510 NEIU	26,014	-
PRIMES: A Biological and Socio-Environmental Approach to Machine Learning for Equitable and Proactive Cancer Cancer and Health Screening		47.049		107,458	-
Total Mathematical and Physical Sciences				<u>133,472</u>	<u>-</u>
Biological Sciences					
BRC-BIO: Investigating Color and Pattern Diversity in Painted Turtles		47.074		79,648	-
Passed-Through Hauptman Woodward Medical Research Institute Z/E Isomerization in Phytochromes from Myxobacteria		47.074	6227	36,949	-
Passed-Through Illinois Institute of Technology PCN-UBE Incubator: Stem Research on Non-model Genomes Network		47.074	A22-0016-S002	95	-
Total Biological Sciences				<u>116,692</u>	<u>-</u>

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For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor Program/Grant Title	Federal ALN	Passed-Through Number	Federal Expenditures	Passed-Through to Subrecipients
Research and Development Cluster (continued)				
National Science Foundation (continued)				
STEM Education (formerly Education and Human Resources)				
Preparing Chicago STEM Teacher-Leaders through Community Partnership, Transformative Practices, and Mentorship for Imporved Middle Level STEM Education Passed-Through Chicago State University	47.076		141,707	-
Illinois Louis Stokes STEM Pathways and Research Alliance (ILSPRA)	47.076	53114	18,531	-
Robert Noyce Teacher Scholarship Program:				
University and Community College Collaboration for Mathematics and Biology Scholar Teacher Education Passed-Through Education Development Center	47.076		11,717	-
Preparation for Persistence: Building a Community of Practice to Research and Support Noyce Scholars in High-Need Schools	47.076	2021-0143	21,938	-
Building Capacity: Addressing Critical Transitions of First-Year STEM Students Passed-Through Harold Washington College	47.076		284,105	-
Exploring the Impact of Cultural Wealth & Scholarship Advancing Computer Science Transfers for Success on Community College Students Success in STEM	47.076 47.076	18050523-NEIUSA1	185,631 19,753	- -
Total Education and Human Resources			<u>683,382</u>	<u>-</u>
Total National Science Foundation			<u>1,433,841</u>	<u>255,981</u>
Department of Health and Human Services				
Biomedical Research and Research Training				
NU-STARS for Northeastern Illinois Student Training in Academic Research in the Sciences Passed-Through University of Chicago	93.859		237,974	-
Institutional Research and Career Development	93.859	AWD103344	38,406	-
Total Biomedical Research and Research Training			<u>276,380</u>	<u>-</u>
Cancer Centers Support Grants				
The Chicago Collaborative to Promote and Advance Cancer Health Equity	93.397		1,082,044	-
Total Cancer Centers Support Grants			<u>1,082,044</u>	<u>-</u>
Cancer Cause and Prevention Research				
Passed-Through Northwestern University Patient Navigation 2.0: Addressing the Challenge of Scaling Navigation through Checklist-based Implementation	93.393	60056069	16,617	-
Total Cancer Treatment Research			<u>16,617</u>	<u>-</u>
Total Department of Health and Human Services			<u>1,375,041</u>	<u>-</u>
Department of Agriculture				
Hispanic Serving Institutions Education Grants				
A Bridge to USDA Research for HIS STEM Undergraduates	10.223		31,849	-
Outreach to Hispanic Serving Institutions	10.223		3,500	-
Total Hispanic Serving Institutions Education Grants			<u>35,349</u>	<u>-</u>
Total Department of Agriculture			<u>35,349</u>	<u>-</u>
Total Research and Development Cluster			<u>2,844,231</u>	<u>255,981</u>
TRIO Cluster				
Department of Education				
TRIO Talent Search	84.044		582,018	-
TRIO McNair Post-Baccalaureate Achievement	84.217		248,467	-

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For the Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor Program/Grant Title	Federal ALN	Passed-Through Number	Federal Expenditures	Passed-Through to Subrecipients
TRIO Cluster (continued)				
Department of Education (continued)				
TRIO Upward Bound				
TRIO Upward Bound Pathways	84.047		229,734	-
TRIO Upward Bound Math and Science Pathways	84.047		745	-
TRIO Student Support Services	84.042		1,019,755	-
Total TRIO Cluster			<u>2,080,719</u>	<u>-</u>
Total Clusters			<u>29,223,814</u>	<u>255,981</u>
Other Federal Awards:				
Department of Education				
Twenty-First Century Community Learning Centers				
Passed-Through Illinois State Board of Education				
Project 4421-15: Pathways	(M) 84.287	15-016-5405-51	189,786	-
Project 4421-19: Craft	(M) 84.287	15-016-5405-51	112,859	3,766
Project 4421-25: Morton Success	(M) 84.287	15-016-5405-51	451,896	-
Project 4421-B2: Elementary	(M) 84.287	15-016-5405-51	434,721	-
Project 4421-A2: Unity	(M) 84.287	15-016-5405-51	103,603	-
Total Twenty-First Century Community Learning Centers			<u>1,292,865</u>	<u>3,766</u>
Higher Education Institutional Aid				
EXITO: Exit on Time in STEM	84.031		246,376	-
A Comprehensive System of Support: Increasing Retention into the Third Year	84.031		28,769	-
Title V: Developing Hispanic-Serving Institutions Program	84.031		622,098	194,759
CASA: Creating Access to STEM for All	84.031		799,728	-
ARCOS - Advancing Research and Career Opportunities in STEM	84.031		1,114,874	232,174
Transforming and Advancing Student Success through Excellence and Learning Supports (TASSELS)	84.031		111,450	-
Higher Education Institutional Aid (continued)				
Strengthening Postbaccalaureate Enrollment, Education, and Degree Completion (SPEED)	84.031		66,424	-
Title V: IMPACTOS: Improving Multiple Pathways for Academic and Career Thriving Students	84.031		348,312	-
Total Higher Education Institutional Aid			<u>3,338,031</u>	<u>426,933</u>
Rehabilitation Long-Term Training				
Rehabilitation Long-Term Training Program - Vocational Rehabilitation	84.129		209,888	-
Education Stabilization Fund				
COVID-19 Higher Education Emergency Relief Fund: Institutional Aid Portion	84.425F		1,988,162	-
COVID-19 Governor's Emergency Education Relief Fund	84.425C	601-GEE-2200-NEIU	172,136	-
Total Education Stabilization Fund			<u>2,160,298</u>	<u>-</u>
Education Innovation and Research (formerly Investing in Innovation (i3) Fund)				
Passed-Through Waukegan School District 60	84.411	N/A	59,452	-
Total Education Innovation and Research			<u>59,452</u>	<u>-</u>
School Safely National Activities				
Safe and Drug-Free Schools and Communities National Activities	84.184		538,872	-
Total School Safely National Activities			<u>538,872</u>	<u>-</u>
Total Department of Education			<u>7,599,406</u>	<u>430,699</u>

NORTHEASTERN ILLINOIS 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	Federal ALN	Passed-Through Number	Federal Expenditures	Passed-Through to Subrecipients
Other Federal Awards (continued)				
Department of Health and Human Services				
Block Grants for Prevention and Treatment of Substance Abuse Passed-Through Illinois Department of Human Services Substance Abuse Prevention	93.959	43CXZ03274	91,200	-
Child Care and Development Block Grant Passed-Through Illinois Board of Higher Education Early Childhood Access Consortium for Equity	93.575	601-ECC-2200-NEIU	654,179	-
Total Department of Health and Human Services			<u>745,379</u>	<u>-</u>
Department of Justice				
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus K(NO)W More STOP School Violence Passed-Through Bowling Green State University	16.525		110,631	900
Leadership for School Safety and Well-being Byrne Criminal Justice Innovation Program Passed-Through Illinois Criminal Justice Authority Violent Crime Reduction in Illinois Communities	16.839	10010809-NEIU	13,784	-
	16.738	419064-SUB	106,419	-
Total Department of Justice			<u>230,834</u>	<u>900</u>
Department of State				
Professional and cultural exchange programs - citizen exchanges Passed-Through Institute of International Education Steven's Initiative HIVER II Passed-Through Institute of International Education Steven's Initiative HIVER	19.415	3000307842	2,983	-
	19.415	3000228292	4,106	-
Total Department of State			<u>7,089</u>	<u>-</u>
Department of Commerce				
Connecting Minority Communities Pilot Program Passed-Through Chicago State University Advancing Adaptive Lifelong Digital Literacy to Promote Digital Equity in Greater Chicago	11.028	53187A	99,977	-
Total Department of Commerce			<u>99,977</u>	<u>-</u>
Department of Energy				
Photocatalyzed Degradation and Chemical Recycling of Polymers Using Visible Light Photo-oxidation Catalysts Office of Science Financial Assistance Program Community Research on Climate and Urban Science	81.049		190,828	-
	81.049	3000228292	121,375	-
Total Department of Energy			<u>312,203</u>	<u>-</u>
Total Other Federal Awards			<u>8,994,888</u>	<u>431,599</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>38,218,702</u></u>	<u><u>687,580</u></u>

(M) - Program tested as a Major Program

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

Note 1 - Significant Accounting Policy

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Northeastern Illinois University (University) for the year ended June 30, 2024 which are recorded 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). All federal awards received directly from federal agencies as well as federal awards passed through other government and nonprofit agencies are included on the schedule. The passthrough identifying numbers are presented where available. Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University. The University has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 2 - Student Loan Program Administered by the University

As of June 30, 2024, the University's outstanding loan balance totaled \$201,273 under the Federal Perkins Loan Program (ALN #84.038) and loans made to eligible student during the year totaled \$0. Administrative costs charged to the loan program is \$0.

Note 3 - Total New Federal Student Loans

During the audit period, the University processed the following amounts under the Federal Direct Student Loans Program (ALN #84.268):

Direct Subsidized Loans	\$	2,926,104
Direct Unsubsidized Loans		7,534,681
Direct Graduate PLUS Loans		75,366
Direct Parent Plus Loan		447,844
Total		\$ 10,983,995

There were no administrative costs charged to the Federal Direct Student Loans Program.

Note 4 - Nonmonetary Assistance

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

Note 5 - Insurance Disclosure

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

NORTHEASTERN ILLINOIS UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY
For the Year Ended June 30, 2024

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 reported on SEFA schedule ¹	<u>\$ 38,218,702</u>
TOTAL SCHEDULE A	<u><u>\$ 38,218,702</u></u>

SCHEDULE B - TOTAL FINANCIAL COMPONENT

Total operating expenses ²	\$ 141,071,552
Total nonoperating expenses ²	1,567,023
Total new loans made ⁵	10,983,995
Amount of federal loan balances at the beginning of the year ⁴	263,794
Other noncash federal award expenditures ³	<u>-</u>
TOTAL SCHEDULE B	<u><u>\$ 153,886,364</u></u>

SCHEDULE C - COMPUTATION OF NONFEDERAL EXPENSES

		Percent
Total Schedule B	\$ 153,886,364	100%
Total Schedule A	<u>38,218,702</u>	<u>25%</u>
TOTAL SCHEDULE C	<u><u>\$ 115,667,662</u></u>	<u><u>75%</u></u>

- ¹ Obtained from the 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.