



STATE OF ILLINOIS  
OFFICE OF THE  
**AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**GOVERNORS STATE UNIVERSITY**

Single Audit  
For the Year Ended June 30, 2021

Release Date: July 13, 2022

FINDINGS THIS AUDIT: 5	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	1	1	2020	21-01		
Category 2:	3	0	3	2016			21-05
Category 3:	0	1	1				
<b>TOTAL</b>	<b>3</b>	<b>2</b>	<b>5</b>				
FINDINGS LAST AUDIT: 3							

**INTRODUCTION**

This digest covers Governors State University's (University) Single Audit for the year ended June 30, 2021. A separate digest covering the University's Financial Audit was previously released on June 16, 2022. In addition, a separate digest covering the University's Compliance Examination will be separately released. In total, this report contains 5 findings, one of which was reported in the Financial Audit.

**SYNOPSIS**

- (21-02) The University did not timely provide exit counseling for Federal Direct Student Loan recipients who ceased half-time study at the University.
- (21-03) The University did not accurately and timely report student enrollment information to the U.S. Department of Education's National Student Loan Data System.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).  
**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.  
**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

## **FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS**

### **UNTIMELY EXIT COUNSELING**

The University did not timely provide exit counseling for Federal Direct Student Loan recipients who ceased half-time study at the University.

**Exit counseling was provided 43 days late for 2 (14%) students and was never sent to 3 (21%) students**

We tested a sample of 60 students who received Federal student financial aid. Included in those 60 students were 14 Federal Direct Student Loan recipients who ceased half-time study at the University during Fiscal Year 2021. The University's notification to the students of the need to complete exit counseling was provided 43 days late for 2 (14%) of the students and was never sent for 3 (21%) students. (Finding 2, pages 17-18)

We recommended the University conduct timely exit counseling in accordance with Federal regulations.

**University agreed with auditors**

University officials agreed with the finding and stated they updated procedures to conduct timely exit counseling.

### **ENROLLMENT REPORTING**

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

**University inaccurately reported two students' change in enrollment status 59 days late**

During our audit, we tested 25 students who experienced a change in enrollment status during the fiscal year. Our testing identified two students (8%) who had a change in enrollment status (graduated) which was not reported accurately to the NSLDS (student was erringly reported as withdrawn). These two students were reported to NSLDS 119 days (59 days late) after the status change. (Finding 3, pages 19-20)

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

**University agreed with auditors**

University officials agreed with the finding and stated it has updated its procedures to ensure timely and accurate reporting of students' enrollment information.

### **OTHER FINDINGS**

The remaining findings pertain to inadequate internal controls over census data, errors in Fiscal Operations Report, and Federal Perkins Loan Cohort default rate too high. We will review the University's progress towards the implementation of our recommendations in our next Single Audit.

**AUDITOR’S OPINION**

The financial audit report was issued separately. The auditors stated the financial statements of the University as of and for the year ended June 30, 2021, are fairly stated in all material respects.

The auditors also conducted a Single Audit of the University as required by the Uniform Guidance. The auditors stated the University complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on the University’s major federal programs for the year ended June 30, 2021.

This Single Audit was conducted by Borschnack, Pelletier & Co.

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JANE CLARK  
Division Director

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

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FRANK J. MAUTINO  
Auditor General

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