



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

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

WESTERN ILLINOIS UNIVERSITY

Single Audit and Compliance Examination
 For the Year Ended June 30, 2020

Release Date: June 29, 2021

FINDINGS THIS AUDIT: 11				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	<u>Repeated Since</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
Category 1:	1	0	1	2019		4, 11	
Category 2:	4	6	10	2018		10	
Category 3:	0	0	0	2016		6, 9	
TOTAL	5	6	11	2012		7	
FINDINGS LAST AUDIT: 8							

INTRODUCTION

This digest covers our single audit and compliance examination of Western Illinois University (University) for the year ended June 30, 2020. A separate financial audit as of and for the year ending June 30, 2020 was previously released on June 16, 2021. In total, this report contains 11 findings, one of which was reported in the financial audit.

SYNOPSIS

- (20-02) The University did not document the Gramm-Leach-Bliley Act (GLBA) required risk assessments related to student information security.
- (20-03) The University disbursed the Higher Education Emergency Relief Fund to non-eligible students and inconsistently applied the University's approved methods of determining and distribution of funds to students.

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.

WESTERN ILLINOIS UNIVERSITY
SINGLE AUDIT AND COMPLIANCE EXAMINATION
For the Year Ended June 30, 2020

COMPARATIVE SCHEDULE OF INCOME FUND REVENUES AND EXPENDITURES	FY 2020	FY2019
INCOME FUND REVENUES		
Tuition.....	\$ 54,516,183	\$ 60,816,842
Fines and other student charges.....	1,919,204	2,356,849
Finance charges.....	245,862	347,231
Interest.....	92,955	181,761
Other.....	528,164	389,312
Total Revenues.....	57,302,368	64,091,995
INCOME FUND EXPENDITURES		
Personal services.....	30,887,238	44,424,635
Contractual services.....	6,146,338	7,153,549
Travel.....	134,571	294,852
Commodities.....	551,173	703,017
Library books and equipment.....	1,333,649	1,381,265
Operation of automotive equipment.....	93,581	119,289
Telecommunications.....	55,506	146,284
Awards, grants, and matching funds.....	8,217,228	7,413,599
Social Security/Medicare and group insurance.....	423,225	866,817
Permanent improvements.....	28,526	13,910
Tuition and fees waived.....	6,914,706	7,484,956
Employment security.....	25,034	10,375
Total Expenditures.....	54,810,775	70,012,548
EXCESS OF REVENUES OVER EXPENDITURES.....	\$ 2,491,593	\$ (5,920,553)
SUPPLEMENTAL INFORMATION (Unaudited)		
	FY 2020	FY 2019
Employment Statistics		
Faculty and Administrative.....	695	877
Civil Service.....	614	643
Student Employees.....	168	220
Total Employees.....	1,477	1,740
Enrollment Statistics		
Fall term enrollment - undergraduate.....	4,993	5,945
Fall term enrollment - graduate.....	1,006	1,143
Fall term enrollment - extension.....	1,625	1,414
Total.....	7,624	8,502
AGENCY DIRECTOR		
During Examination Period: Dr. Martin Abraham (through 12/31/21)		
Currently: Dr. Guiyou Huang (effective 1/1/21)		

FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS

**INFORMATION TECHNOLOGY RISK ASSESSMENT
NOT PERFORMED**

Western Illinois University (University) did not document the Gramm-Leach-Bliley Act (GLBA) required risk assessments related to student information security.

The University did not conduct a risk assessment to identify risks to the security, confidentiality, and integrity of students' information

As a requirement under the University's Program Participation Agreement with the Department of Education, the University must protect student financial aid information. During our testing, we noted they had not conducted a risk assessment identifying internal and external risks to the security, confidentiality, and integrity of the students' information. (Finding 2, pages 25-27)

We recommended the University perform and document a comprehensive risk assessment that specifically addresses the requirements of GLBA related to the security, confidentiality, and integrity of student information.

University agreed with the finding

The University agreed with the finding and stated they will perform and document a comprehensive risk assessment that specifically addresses the requirements of GLBA related to the security, confidentiality, and integrity of student information.

**INACCURATE CALCULATION AND DISBURSEMENT
OF HIGHER EDUCATION EMERGENCY RELIEF
FUND (HEERF)**

Western Illinois University (University) disbursed the HEERF to non-eligible students and inconsistently applied the University's approved methods of determining and distribution of funds to students.

During our testing of HEERF Student Aid Portion of the emergency aid grant disbursement for 60 students, a statistically valid sample, we noted the following:

- Two of 60 (3%) students enrolled in an online program received \$2,875.

Students enrolled in online programs were awarded HEERF grants resulting in a loss to the University of \$112,818

The question cost was determined by obtaining the summary of students enrolled in online programs for the fiscal year 2020 spring and summer semesters. The list was matched to students awarded with HEERF grants for the same period. We noted 88 students enrolled in online program were awarded HEERF grants. The University charged \$56,409 to the grant and recognized revenue for the same amount. If the

amount is not recovered from the students, the University will have incurred unnecessary expenses for the same amount resulting in a total financial loss to the University of \$112,818.

- One of 60 (2%) students with a total score of more than 1 was awarded \$500 instead of the computed \$2,500 based on the distribution plan.

Students were underpaid by \$56,566

To determine the underpayment, we obtained the summary per the distribution plan for the fiscal year 2020 spring and summer semesters. This summary is the manual calculation of HEERF grants to be awarded to eligible students. We matched the calculated amount against HEERF grants disbursed to students by billing and receivable for the same period. We noted 63 students were underpaid by \$56,566. (Finding 3, pages 28-30)

We recommended the University implement controls to ensure proper determination of eligibility and accuracy in the distribution of HEERF student aid.

University agreed with the finding

The University agrees with the finding and stated the Financial Aid office will review and modify its controls related to HEERF to ensure accuracy in awarding HEERF student aid.

OTHER FINDINGS

The remaining findings pertain to noncompliance with statutory requirements, subsidies between accounting entities, internal audit, computer inventory controls, controls over external service providers and segregation of duties over programmer access to production. We will review the University's progress towards the implementation of our recommendations in our next Single Audit and compliance examination.

AUDITOR'S OPINIONS

The financial audit report was previously released. The auditors stated the financial statements of the University as of and for the year ended June 30, 2020, 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, 2020.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the University for the year ended June 30, 2020, as required by the Illinois State Auditing Act. The accountants stated the University complied, in all material respects, with the requirements described in the report.

This Single Audit and compliance examination was conducted by Adelfia LLC.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

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

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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