

**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769**

**Paul D. Joyce, CPA
State Examiner**

FEDERAL COMPLIANCE AUDIT REPORT

OF

INDIANA STATE UNIVERSITY

VIGO COUNTY, INDIANA

July 1, 2023 to June 30, 2024



FILED

02/24/2025

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SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|--|--|
| President | Dr. Deborah Curtis Dr. Mike P. Godard | 07-01-23 to 05-31-24 06-01-24 to 06-30-25 |
| Senior Vice President for Finance and Administration and University Treasurer | Diann E. McKee | 07-01-23 to 06-30-25 |
| Associate Vice President and University Controller | Jeffrey J. Jacso | 07-01-23 to 06-30-25 |
| Chair of the Board of Trustees | Robert E. Casey, Jr. | 07-01-23 to 06-30-25 |



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302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF THE INDIANA STATE UNIVERSITY, TERRE HAUTE, INDIANA

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the Indiana State University (University), a component unit of the State of Indiana, 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 October 31, 2024, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 31, 2024. Our report includes a reference to other auditors who audited the financial statements of the Indiana State University Foundation, Inc., as described in our report on the University's 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. 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Beth Kelley, CPA, CFE
Deputy State Examiner

February 5, 2025



Paul D. Joyce, CPA
State Examiner

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

TO: THE OFFICIALS OF THE INDIANA STATE UNIVERSITY, VIGO COUNTY, INDIANA

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, the discretely presented component unit, and the aggregate remaining fund information of the Indiana State University (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 and have issued our report thereon dated October 31, 2024. Our report includes a reference to other auditors who audited the financial statements of the Indiana State University Foundation, Inc., as described in our report on the University's financial statements. The financial statements of the Indiana State University Foundation, Inc. were not audited in accordance with *Government Auditing Standards*, and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Indiana State University Foundation, Inc. or that are reported on separately by those auditors who audited the financial statements of the Indiana State University Foundation, Inc.

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 opinion 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.

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 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. A significant deficiency is a deficiency, or 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free of 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 determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.



Beth Kelley, CPA, CFE
Deputy State Examiner

October 31, 2024, except for the Schedule of Expenditures
of Federal Awards, for which the date is February 5, 2025



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF THE INDIANA STATE UNIVERSITY, VIGO COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Indiana State University's (University) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its 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 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 *Auditor's 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 Indiana State University Foundation, Inc., which is a component unit of the University. Expenditures of federal awards for this component unit, if any, are 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*, did not include the operations of the Indiana State University Foundation, Inc. as the component unit is a legally separate entity of the University and is subject to a separate audit, as applicable in accordance with Indiana state statutes or regulations, and the audit requirements of the Uniform Guidance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

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 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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Report on Internal Control over Compliance

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 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 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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.



Beth Kelley, CPA, CFE
Deputy State Examiner

February 5, 2025

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared by management of the University. The schedule and notes are presented as intended by the University.



INDIANA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2024

| Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title | Federal Assistance Listing Number | Pass-Through Entity (or Other) Identifying Number | Pass-Through To Subrecipient | Total Federal Awards Expended |
|--|--|--|---------------------------------|-------------------------------------|
| Research and Development Cluster | | | | |
| <u>U.S. DEPARTMENT OF COMMERCE</u> | | | | |
| Pass-Through Purdue University | | | | |
| Sea Grant Support | 11.417 | F0008309702120 | \$ - | \$ 9,000 |
| Total for Federal Grantor Agency | | | - | 9,000 |
| <u>U.S. DEPARTMENT OF THE INTERIOR</u> | | | | |
| Pass-Through Purdue University | | | | |
| Assistance to State Water Resources Research Institutes | 15.805 | 15200101-037 | - | 13,755 |
| Total for Federal Grantor Agency | | | - | 13,755 |
| <u>U.S. DEPARTMENT OF TRANSPORTATION</u> | | | | |
| Pass-Through Purdue University | | | | |
| Highway Research and Development Program | 20.200 | 21000350-122 | - | 41,356 |
| Total for Federal Grantor Agency | | | - | 41,356 |
| <u>NATIONAL SCIENCE FOUNDATION</u> | | | | |
| Direct Grants | | | | |
| Geosciences | 47.050 | 1804900 | - | 24,615 |
| Geosciences | 47.050 | 1903607 | - | 1,388 |
| Total for Geosciences | | | - | 26,003 |
| Direct Grants | | | | |
| Biological Sciences | 47.074 | 2224888 | - | 891 |
| Total for Federal Grantor Agency | | | - | 26,894 |
| <u>ENVIRONMENTAL PROTECTION AGENCY</u> | | | | |
| Pass-Through Ouabache Land Conservancy | | | | |
| Nonpoint Source Implementation Grants | 66.460 | 48894 | - | 8,743 |
| Total for Federal Grantor Agency | | | - | 8,743 |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | |
| Direct Grant | | | | |
| Higher Education Institutional Aid | 84.031 | P031F180072 | 67,427 | 390,092 |
| Total for Federal Grantor Agency | | | 67,427 | 390,092 |

INDIANA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2024

| Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title | Federal Assistance Listing Number | Pass-Through Entity (or Other) Identifying Number | Pass-Through To Subrecipient | Total Federal Awards Expended |
|--|--|--|---------------------------------|-------------------------------------|
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | |
| Direct Grant | | | | |
| Food and Drug Administration Research | 93.103 | 1U01FD007776 | - | 48,698 |
| Direct Grant | | | | |
| Minority Health and Health Disparities Research | 93.307 | 1R25MD011712 | - | 88,171 |
| Direct Grant | | | | |
| Primary Care Training and Enhancement | 93.884 | 1D57HP40198-01-00 | - | 299,346 |
| Total for Federal Grantor Agency | | | - | 436,215 |
| Total for Research and Development Cluster | | | 67,427 | 926,055 |
| <u>U.S. DEPARTMENT OF AGRICULTURE</u> | | | | |
| Pass-Through Indiana Department of Education | | | | |
| Child and Adult Care Food Program | 10.558 | | - | 39,885 |
| Total for Federal Grantor Agency | | | - | 39,885 |
| <u>U.S. DEPARTMENT OF THE TREASURY</u> | | | | |
| Pass-Through City of Greencastle | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | - | 42,344 |
| Pass-Through City of Terre Haute/Vigo County | | | | |
| COVID-19 Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | - | 4,715 |
| Total for Federal Grantor Agency | | | - | 47,059 |
| <u>SMALL BUSINESS ADMINISTRATION</u> | | | | |
| Pass-Through Indiana Economic Development Corp | | | | |
| Small Business Development Centers | 59.037 | A229-3-SBA-1082 | - | 64,618 |
| Small Business Development Centers | 59.037 | A229-4-SBA-1089 | - | 46,411 |
| Total for Small Business Development Centers | | | - | 111,029 |
| Direct Grant | | | | |
| COVID-19 Community Navigator Pilot Program | 59.077 | SBAHQ22CNP0027 | 266,008 | 475,877 |
| Total for Federal Grantor Agency | | | 266,008 | 586,906 |

INDIANA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2024

| Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title | Federal Assistance Listing Number | Pass-Through Entity (or Other) Identifying Number | Pass-Through To Subrecipient | Total Federal Awards Expended |
|--|--|--|---------------------------------|-------------------------------------|
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | |
| Student Financial Assistance Cluster | | | | |
| Direct Grants | | | | |
| Federal Supplemental Educational Opportunity Grants | 84.007 | | - | 367,007 |
| Federal Work-Study Program | 84.033 | | - | 519,624 |
| Federal Perkins Loan Program_Federal Capital Contributions | 84.038 | | - | 2,019,398 |
| Federal Pell Grant Program | 84.063 | | - | 15,653,303 |
| Federal Direct Student Loans | 84.268 | | - | 38,648,096 |
| Total for Student Financial Assistance Cluster | | | - | 57,207,428 |
| Direct Grant | | | | |
| Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | 84.326 | H326T180018 | - | 84,444 |
| Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | 84.326 | H326T230037 | - | 164,021 |
| Total Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | | | - | 248,465 |
| Pass-Through Indiana Department of Education COVID-19 Education Stabilization Fund | 84.425U | 67795 | 15,542 | 120,165 |
| Total Education Stabilization Fund | | | 15,542 | 120,165 |
| Total for Federal Grantor Agency | | | 15,542 | 57,576,058 |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | |
| Pass-through Indiana University Area Health Education Centers | 93.107 | 9490 | 6,116 | 119,937 |
| Total for Area Health Education Centers | | | 6,116 | 119,937 |
| CCDF Cluster | | | | |
| Pass-through Indiana Family & Social Services Administration | | | | |
| Child Care and Development Block Grant | 93.575 | | - | 268,800 |
| COVID-19 Child Care and Development Block Grant | 93.575 | | - | 233,379 |
| Total for CCDF Cluster | | | - | 502,179 |
| Total for Federal Grantor Agency | | | 6,116 | 622,116 |
| Total federal awards expended | | | \$ 355,093 | \$ 59,798,079 |

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

INDIANA STATE UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires an annual audit of any entity expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with the Indiana Code (IC 5-11-1 et seq.), audits of universities shall be conducted annually.

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Indiana State University for the year ended June 30, 2024 and is presented in accordance with the requirements of Uniform Guidance. The accompanying Schedule has been prepared in a format that presents summary financial information of the federal funds awarded to Indiana State University directly from federal agencies as well as amounts received as a subgrantee of other organizations. For purposes of the Schedule, federal assistance includes all federal assistance and procurement relationships entered into directly between Indiana State University and the federal government and subawards from nonfederal organizations made under federally sponsored agreements. Accordingly, the amount of federal awards expended is based on when the activity related to the award occurs. Because the Schedule presents only a selective portion of the activities of Indiana State University, it is not intended to and does not present the financial position, change in financial position, or cash flows of Indiana State University.

Indiana State University did not elect to use the 10% de minimis cost rate. The University uses a federally negotiated facilities & administration rate of 31.1% on federal awards when the rate is not restricted by federal regulation. This facilities & administration rate was approved by the US Department of Health & Human Services and is effective from 7/1/2021 through 6/30/2026.

The accounting principles followed by Indiana State University and used in preparing the accompanying schedule are as follows:

Awards Other Than Student Financial Assistance

Deductions (expenditures) for direct costs are recognized as incurred using the accrual method of accounting and the cost accounting principles contained in Uniform Guidance. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Moreover, expenditures include a portion of costs associated with general university activities (indirect costs) which are allocated to federal awards under negotiated formulas commonly referred to as indirect cost rates.

INDIANA STATE UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

Student Financial Assistance

Expenditures for non-loan awards made to students are recognized and reported in the Schedule. Student loan programs are funded by the federal government under various programs; e.g., Perkins Student Loan Program. Activity related to these loan programs includes federal capital contributions, loan repayments, interest earned on loans, cancellation of loans, and administrative and collection costs.

Note 2. Federal Direct Student Loans

The Schedule of Expenditures of Federal Awards includes Federal Direct Student Loans which were not made by Indiana State University but were received by its students. Indiana State University is responsible only for the performance of certain administrative duties with respect to these loans.

The number of guaranteed loans and the total amount processed for each Direct Loan Program for the year ended June 30, 2024 were as follows:

| Program Title | Number of Loans Issued | Loan Amount |
|--|---------------------------|---------------------|
| Direct Loan Program (Subsidized and Unsubsidized) | 6,345 | \$32,404,426 |
| Direct PLUS Loans (Parent and Graduate PLUS Loans) | 551 | \$ 6,243,670 |
| | | |
| Totals | 6,896 | \$38,648,096 |

Note 3. Federal Perkins Student Loan Program

Indiana State University participates in the Federal Perkins Loan Program. A revolving loan fund is maintained for the administration of the Program, the balances and transactions relating to the program are included in the University's financial statements. The Schedule of Federal Expenditures includes the entire amount of the revolving loan fund including the outstanding loans to students. The following schedule represents loans outstanding as of June 30, 2024:

| Program Title | Federal CFDA Number | Amount |
|------------------------------|---------------------|------------------|
| Federal Perkins Loan Program | 84.038 | \$924,279 |

INDIANA STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:

| <u>Name of Opinion Unit</u> | <u>Opinion Issued</u> |
|---|---------------------------|
| Business-Type Activities | Unmodified |
| Discretely Presented Component Unit | Unmodified |
| Aggregate Remaining Fund Information | Unmodified |
| Internal control over financial reporting: | |
| Material weaknesses identified? | no |
| Significant deficiencies identified? | none reported |
| Noncompliance material to financial statements noted? | no |

Federal Awards:

| | |
|---|---------------|
| Internal control over major programs: | |
| Material weaknesses identified? | no |
| Significant deficiencies identified? | none reported |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | no |

Identification of Major Programs and type of auditor's report issued on compliance for each:

| <u>Name of Federal Program or Cluster</u> | <u>Opinion Issued</u> |
|---|---------------------------|
| Student Financial Assistance Cluster | Unmodified |
| Research and Development Cluster | Unmodified |

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

| | |
|--|----|
| Auditee qualified as low-risk auditee? | no |
|--|----|

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

AUDITEE-PREPARED DOCUMENT

The subsequent document was provided by management of the University. The document is presented as intended by the University.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***FINDING 2023-001*****Fiscal year in which the finding initially occurred: 2022/23****Current Audit Period: 2023/24****Finding Subject: Research and Development Cluster – Subrecipient Monitoring****Summary of Finding:**

Audit Finding 2023-001 states that Indiana State University did not have an effective internal control system in place in order to ensure that subrecipient Federal Audit Clearinghouse reports are reviewed in a timely manner for the Research & Development Cluster.

Status of Audit Finding:

Fully Corrected and the original corrective action was implemented.

Response Comments:

OTHER REPORTS

In addition to this report, other reports may have been issued for the University. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.