

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

FEDERAL SINGLE AUDIT REPORT

INDIANA STATE UNIVERSITY

TERRE HAUTE, INDIANA

July 1, 2018 to June 30, 2019



FILED
01/23/2020

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SCHEDULE OF UNIVERSITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President	Dr. Deborah Curtis	07-01-18 to 06-30-20
Senior Vice President for Finance and Administration, and University Treasurer	Diann E. McKee	07-01-18 to 06-30-20
Associate Vice President and University Controller	Jeffery J. Jasco	07-01-18 to 06-30-20
President of the Board of Trustees	Edward Pease Jeffrey W. Taylor	07-01-18 to 06-30-19 07-01-19 to 06-30-20



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

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

We have audited the financial statements of the business-type activities and the discretely presented component unit of Indiana State University (University), a component unit of the State of Indiana, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated October 25, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 25, 2019. Our report includes a reference to other auditors who audited the financial statements of the Indiana State University Foundation (Foundation), 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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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.

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

October 25, 2019



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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 FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Indiana State University (University), a component unit of the State of Indiana, as of and for the year ended June 30, 2019, 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 25, 2019. Our report includes a reference to other auditors who audited the financial statements of Indiana State University Foundation (Foundation) as described in our report on the University's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*. 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.

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) to determine the 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. 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.

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 FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

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 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.


Paul D. Joyce, CPA
State Examiner

October 25, 2019



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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 INDIANA STATE UNIVERSITY, VIGO COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

We have audited 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, 2019. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

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, 2019.

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

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.


Paul D. Joyce, CPA
State Examiner

January 16, 2020

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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, 2019

Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Research and Development Cluster				
<u>U.S. DEPARTMENT OF THE INTERIOR</u>				
Direct Grants				
Cooperative Research and Training Programs - Resources of the National Park System	15.945	P17AC00786	\$ -	\$ 41,224
Pass-Through Purdue University Assistance to State Water Resources Research Institutes	15.805	4107-81241	-	3,345
Total for Federal Grantor Agency			-	44,569
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass-Through North Carolina Department of Transportation Highway Planning and Construction	20.205	MA-2013-01 PA-2018-36	24,108	355,561
Total for Federal Grantor Agency			24,108	355,561
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
Pass-Through Purdue University Education				
	43.008	12000145-194	-	14,238
Total for Federal Grantor Agency			-	14,238
<u>NATIONAL SCIENCE FOUNDATION</u>				
Direct Grants				
Geosciences	47.050	1804900	-	10,332
Pass-Through University of Arizona Geosciences	47.050	125161	-	45,760
Total for Geosciences			-	56,092
Direct Grants				
Computer and Information Science and Engineering	47.070	1751765	-	27,007
Direct Grants				
Biological Sciences	47.074	1556982	-	61,914
Direct Grants				
Social, Behavioral, and Economic Sciences	47.075	1759694	10,716	54,464
Direct Grants				
Trans-NSF Recovery Act Research Support	47.082	DUE-0934648	-	(12,000)
Total for Federal Grantor Agency			10,716	187,477
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
Pass-Through Ouabache Land Conservancy Nonpoint Source Implementation Grants				
	66.460	21678	-	8,551
Total for Federal Grantor Agency			-	8,551
<u>U.S. DEPARTMENT OF ENERGY</u>				
Direct Grant				
Office of Science Financial Assistance Program	81.049	DE-FG02-06ER46304	-	93,663
Total for Federal Grantor Agency			-	93,663

INDIANA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
U.S. DEPARTMENT OF EDUCATION				
Direct Grant				
Higher Education Institutional Aid	84.031	P031F180072	12,108	22,692
Direct Grant				
Fund for the Improvement of Postsecondary Education	84.116	P116F140237	75,626	346,622
Total for Federal Grantor Agency			87,734	369,314
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Grant				
Minority Health and Health Disparities Research	93.307	1R25MD011712	148,105	293,422
Pass-Through Union Hospital, Inc				
Telehealth Programs	93.211		-	9,655
Telehealth Programs	93.211		-	11,946
Total for Telehealth Programs			-	21,601
Pass-Through Indiana University				
Allergy and Infectious Diseases Research	93.855	IN468104ISU	-	26,811
Pass-Through Indiana Family and Social Services				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	21846	-	3,217
Total for Federal Grantor Agency			148,105	345,051
Total for Research and Development Cluster			270,663	1,418,424
U.S. DEPARTMENT OF AGRICULTURE				
Pass-Through Indiana Department of Education				
Child and Adult Care Food Program	10.558		-	33,014
Total for Federal Grantor Agency			-	33,014
U.S. DEPARTMENT OF THE INTERIOR				
Pass-Through Purdue University				
National Land Remote Sensing Education Outreach and Research	15.815		-	750
Total for Federal Grantor Agency			-	750
U.S. DEPARTMENT OF JUSTICE				
Direct Grant				
Children of Incarcerated Parents	16.831	2016-IG-BX-0004	75,214	87,563
Total for Federal Grantor Agency			75,214	87,563
U.S. DEPARTMENT OF LABOR				
Pass-Through Indiana Department of Workforce Development				
Trade Adjustment Assistance	17.245	24984	-	12,188
Trade Adjustment Assistance	17.245	28525	-	56,487
Total for Trade Adjustment Assistance			-	68,675
Total for Federal Grantor Agency			-	68,675

INDIANA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
<u>NATIONAL ENDOWMENT FOR THE ARTS</u>				
Direct Grant				
Promotion of the Arts Grants to Organizations and Individuals	45.024	1808988-41	-	30,000
Pass-Through Arts Illiana				
Promotion of the Arts Partnership Agreements	45.025	52nd Annual Contemporary Music Festival	-	3,173
Promotion of the Arts Partnership Agreements	45.025	2018 Rock Camp!	-	4,230
Pass-Through Indiana Arts Commission				
Promotion of the Arts Partnership Agreements	45.025	22806	-	641
Total for Promotion of the Arts Partnership Agreements			-	8,044
Total for Federal Grantor Agency			-	38,044
<u>INSTITUTE OF MUSEUM AND LIBRARY SCIENCES</u>				
Pass-Through Indiana State Library				
Grants to States	45.310	27486	-	6,520
Total for Federal Grantor Agency			-	6,520
<u>SMALL BUSINESS ADMINISTRATION</u>				
Pass-Through Indiana Economic Development Corp				
Small Business Development Centers	59.037	A342-8-SBDC-18-107	-	21,541
Small Business Development Centers	59.037	A229-9-SBA-1012	-	48,955
Total for Small Business Development Centers			-	70,496
Total for Federal Grantor Agency			-	70,496
<u>Student Financial Assistance Cluster</u>				
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Direct Grants				
Federal Supplemental Educational Opportunity Grants	84.007		-	536,761
Federal Work-Study Program	84.033		-	519,876
Federal Perkins Loan Program_Federal Capital Contributions	84.038		-	9,597,009
Federal Pell Grant Program	84.063		-	21,353,267
Federal Direct Student Loans	84.268		-	72,049,466
Total for Student Financial Assistance Cluster			-	104,056,379
Special Education Cluster (IDEA)				
Pass-Through Indiana Department of Education				
Special Education Grants to States	84.027	A58-5-15DL-2243	43,260	699,329
Special Education Grants to States	84.027	A58-6-16DL-0176	-	133,105
Special Education Grants to States	84.027	21797	-	205,619
Total for Special Education Grants to States			43,260	1,038,053
Total for Special Education Cluster (IDEA)			43,260	1,038,053
TRIO Cluster				
Direct Grant				
TRIO Student Support Services	84.042	P042A150220	-	355,870
Total for TRIO Cluster			-	355,870
Direct Grant				
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	H326T130078	-	62,347
Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326	H326T180018	-	155,606
Total for Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities			-	217,953

INDIANA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

Cluster Title/Federal Grantor Agency/Pass-Through Entity/ Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient	Total Federal Awards Expended
Pass-Through Ball State University Career and Technical Education -- Basic Grants to States	84.048		-	11,764
Total for Federal Grantor Agency			43,260	105,680,019
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Grant Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79TI025977	55,315	81,963
Pass-through Indiana University Area Health Education Centers	93.107	IN4683373ISU	34,356	58,169
Area Health Education Centers	93.107	IN4683374	1,436	39,896
Total for Area Health Education Centers			35,792	98,065
CCDF Cluster Pass-through Indiana Family & Social Services Administration Child Care and Development Block Grant	93.575		-	209,028
Total for CCDF Cluster			-	209,028
Total for Federal Grantor Agency			91,107	389,056
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
Pass-Through Indiana Department of Workforce Development - Serve Indiana AmeriCorps	94.006	AF6264 - 17415	-	(166)
Total for Federal Grantor Agency			-	(166)
Total federal awards expended			\$ 480,244	\$ 107,792,395

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, Cost 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, 2019 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 7/1/2017 through 6/30/2021.

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, 2019 were as follows:

<u>Program Title</u>	<u>Number of Loans Issued</u>	<u>Loan Amount</u>
Direct Loan Program (Subsidized and Unsubsidized)	12,474	\$57,915,604
Direct PLUS Loans (Parent and Graduate PLUS Loans)	1,372	\$14,133,862
Totals	13,846	\$72,049,466

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, 2019:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount</u>
Federal Perkins Loan Program	84.038	\$7,132,755

INDIANA STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:	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:

Name of Federal Program or Cluster	Opinion Issued
Student Financial Assistance Cluster	Unmodified
Research and Development Cluster	Unmodified
Special Education Cluster (IDEA)	Unmodified
CCDF 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 2018-001**

FY2018

U.S. Department of Education

Contact Person Responsible for Corrective Action: Jeffrey Jacso, Associate Vice President and University Controller

Contact Phone Number: 812-237-3537

Status of Audit Finding:

The University did not retain evidence that contracted vendors had been verified for compliance with suspension and debarment requirements prior to entering into contracts.

The University has since take corrective action and the finding is fully corrected.

The University has required documentation for suspension and debarment requirements that include one of the following approved methods listed in 2 CFR 180.300.

- Checking SAM exclusions
- Collecting a certification from that person
- Adding a clause or condition to the covered transaction with that person

Purchasing procedures have been updated for suspension and debarment requirements.



Jeffrey J. Jacso
Associate Vice President and University Controller
1/10/20

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/>.