



**OAKTON COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SINGLE AUDIT REPORT

For the Year Ended June 30, 2019

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OAKTON COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NUMBER 535
DES PLAINES, ILLINOIS
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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***

Board of Trustees
Oakton Community College
Community College District Number 535
Des Plaines, Illinois

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 Oakton Community College - Illinois Community College District No. 535 (the College) as of and for the year ended June 30, 2019, and the related notes to financial statements, which collectively comprise of the College's basic financial statements, and have issued our report thereon dated October 7, 2019. The financial statements of Oakton Community College Educational Foundation 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 Oakton Community College Educational Foundation.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 entity'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
October 7, 2019

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**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 REQUIRED BY THE UNIFORM GUIDANCE**

Board of Trustees
Oakton Community College
Community College District Number 535
Des Plaines, Illinois

Report on Compliance for Each Major Federal Program

We have audited Oakton Community College, Community College District 535's (the College) compliance with the types of compliance requirements described on the (*OMB Compliance Supplement*) that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2019. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management 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 College'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 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 College'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 College's compliance.

Opinion of Each Major Federal Program

In our opinion, Oakton Community College, Community College District 535 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2019-001. Our opinion on each major federal program is not modified with respect to this matter.

The College's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the College 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 College'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 an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 College'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 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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019-002 that we consider to be a significant deficiency.

The College's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Purpose of Report

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

We have audited the financial statements of the business-type activities and the discretely presented component unit of the College as of and for the year ended June 30, 2019, and the related notes to financial statements, which collectively comprise the College's basic financial statements and have issued our report thereon dated October 7, 2019, which contained an unmodified opinion 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. 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 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.

Sikich LLP

Naperville, Illinois
October 7, 2019

**Oakton Community College
District Number 535**

Schedule of Federal Expenditures of Federal Awards

Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Contract Number	Federal Expenditures
MAJOR PROGRAMS			
U.S. Department of Education Student Financial Aid Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007	EP007A41248	\$ 210,000
Federal Pell Grant Program	84.063	EP063P41248	6,629,366
Federal Work Study Program	84.033	181CWS27	69,500
Federal Direct Student Loans	84.268	N/A	569,723
Total Student Financial Aid Cluster			7,478,589
Total U.S. Department of Education (major)			7,478,589
Total Major Programs			7,478,589
NONMAJOR PROGRAMS			
U.S. Department of Education			
Adult Education - Basic Grants to States - Federal Basic	84.002A	F5350119	459,434
Adult Education - Basic Grants to States - EL Civics	84.002A	F5350119	38,960
Passed through Illinois State Board of Education			498,394
U.S. Department of Education TRIO Cluster:			
TRIO - Student Support Services Carryforward FY18	84.042A	EP042A150193-18	3,701
TRIO - Student Support Services FY18	84.042A	EP042A150193-18	48,736
TRIO - Student Support Services FY19	84.042A	EP042A150193	218,469
Total TRIO Cluster			270,906
Career and Technical Education - Basic Grants to States - CTE Postsecondary	84.048	CTE53519	256,334
NSERVE	84.048	N/A	25,082
CTE Improvement Grant	84.048	CTE-IG-53518	33,131
			314,547
Total U.S. Department of Education (non-major)			1,083,847
U.S. Department of Veteran Affairs			
Post-9/11 Veterans Educational Assistance	64.028	N/A	191,896
Total U.S. Department of Veteran Affairs			191,896

Oakton Community College
District Number 535

Schedule of Federal Expenditures of Federal Awards (Continued)

Year Ended June 30, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Contract Number	Federal Expenditures
NONMAJOR PROGRAMS (Continued)			
National Science Foundation - Education and Human Resources			
Education and Human Resources - NSF Supply Chain FY18	47.076	C-0005507	\$ 16,194
Passed through Norco Community College			
Education and Human Resources - NSF Supply Chain FY19	47.076	DUE-1601452	24,277
Passed through Norco Community College			
NSF IUSE Astronomy FY18	47.076	DUE-1524392	3,146
Advanced Technological Education	47.076	1800186	34,552
STEM Scholars	47.076	N/A	2,993
Roosevelt-Noyce Grant	47.076	DUE-1660728	69
Total National Science Foundation - Education and Human Resources			<u>81,231</u>
National Endowment for Humanities			
Environmental Studies	45.162	AK-255368-17	<u>16,063</u>
Total National Endowment for Humanities			<u>16,063</u>
Total Nonmajor Programs			<u>1,373,037</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 8,851,626</u></u>

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

NOTES TO SCHEDULE OF FEDERAL AWARDS

June 30, 2019

Note A - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards has been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). It is a summary of the activity of the College's federal awards program prepared on the accrual basis of accounting. Accordingly, expenditures are recognized when the liability has been incurred and revenues are recognized when the qualifying expenditure has been incurred.

Note B - Federal Loan Program

For the year ended June 30, 2019, the College acted as a pass-through agency for Federal Direct Loans (subsidized and unsubsidized) to students in the amount of \$569,723.

Note C - Other Information

The College did not receive any federal insurance or federal noncash assistance and did not provide any amounts to sub-recipients.

The College did not elect to use the 10% de minimis indirect cost rate.

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: *unmodified*

Internal control over financial reporting: ☐ yes ☒ no

Material weakness(es) identified? ☐ yes ☒ none reported

Significant deficiency(ies) identified? ☐ yes ☒ none reported

Noncompliance material to 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 opinion on Student
Financial Aid Program Cluster*

Any audit findings disclosed that are required
to be reported in accordance with
2 CFR 200.516(a)? ☒ yes ☐ no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.007, 84.033, 84.063, 84.268	Student Financial Aid Program Cluster

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

Auditee qualified as low-risk auditee? ☒ yes ☐ no

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2019

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

2019-001 Incorrect Pell Disbursement - Student Financial Aid Cluster CFDA 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019

Criteria: According to 34 CFR 690.63 students may qualify for a maximum Pell Grant award of \$6,095 for an award year. The maximum amount is awarded to students with a zero Expected Family Contribution (EFC) and full-time enrollment status. Students with less than full-time enrollment or more than a zero EFC are eligible for a reduced Pell award.

Condition: During our student file testing we noted one student out of forty was not disbursed the correct Pell Grant award. The system did not identify one student as half-time and due to their high EFC the student was not eligible for Pell resulting in an over award of \$422. In addition, during our Return of Title IV Fund testing we noted the College over awarded one student \$49 as this student was not eligible for Pell. We consider this to be an instance of noncompliance relating to the Eligibility Compliance Requirement.

Sample				Population from which the Sample was drawn	
Sample Description	OPEID	Students Receiving Pell (#)	Pell Disbursed (\$)	Students Receiving Pell (#)	Pell Disbursed (\$)
Eligibility Sample	00989600	33	\$95,189	1,910	\$6,629,366

Finding Number	Student Identifier	OPEID	Pell Disbursed (\$)	Pell Under-payment (\$)	Pell Over-payment (\$)
2019-001	9	00989600	\$422		\$422
2019-001	15	00989600	\$49		\$49

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2019

Section III - Federal Award Findings and Questioned Costs (Continued)

2019-001 Incorrect Pell Disbursement - Student Financial Aid Cluster CFDA 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019 (Continued)

Statistical sampling was not used when making sample selections.

Questioned Costs: \$471

Effect: Students received an incorrect amount of Pell award and were over awarded an amount of \$471 which is considered a questioned cost and will need to be returned to Department of Education.

Cause: The College's internal controls did not identify that the incorrect amount of Pell grant was awarded to the students. According to the Department of Education's Pell matrix chart, these students were over awarded Pell in the amount of \$471.

Recommendation: We recommend the College closely monitor all student's enrollment status to ensure all students receiving financial aid are disbursed the correct amount.

Views of Responsible Officials: Management agrees with the Single Audit finding and a response is included in the Corrective Action Plan.

2019-002: Return of Title IV - Student Financial Aid Cluster - CFDA#s 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019

Criteria: According to 34 CFR 668.22, the College is responsible to correctly determine the amount of Title IV earned by student and the remaining portion is to be timely returned to the U.S. Department of Education.

Condition/Context: During our Return of Title IV Fund testing, we noted that the College did not calculate properly or return Title IV Student Financial Aid in the required time frame for seven out of twenty-five students we tested. We consider the untimely returns and incorrect calculations of the Return of Title IV to be a significant deficiency relating to the Special Tests and Provisions Compliance Requirement.

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2019

Section III - Federal Award Findings and Questioned Costs (Continued)

2019-002: Return of Title IV - Student Financial Aid Cluster - CFDA#s 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019 (Continued)

Sample				Population from which the Sample was drawn	
Sample Description	OPEID	Students Receiving Pell (#)	Pell Disbursed (\$)	Students Receiving Pell (#)	Pell Disbursed (\$)
Return of Title IV Sample	00989600	25	11,827	1,910	\$6,629,366

Finding Number	Student Identifier	OPEID	Pell Disbursed (\$)	Pell Under-payment (\$)	Pell Over-payment (\$)
2019-002	4	00989600	\$293		\$147
2019-002	8	00989600	\$1,215		\$226
2019-002	9	00989600	\$1,212		\$762
2019-002	11	00989600	\$1,143		\$762
2019-002	18	00989600	\$448		\$224
2019-002	22	00989600	\$118		\$113
2019-002	23	00989600	\$343		\$24

Statistical sampling was not performed in the selection of the sample.

Questioned Costs: \$2,258

Effect: The College did not calculate properly the amount of Title IV funds to be returned, or return unearned Title IV Funds to the U.S. Department of Education within the required time frame for seven out of the twenty-five students tested.

Cause: The College's internal controls did not detect errors in the amount of Title IV Funds to be returned nor did they ensure that Title IV funds were returned in the required time frame.

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2019

Section III - Federal Award Findings and Questioned Costs (Continued)

2019-002: Return of Title IV - Student Financial Aid Cluster - CFDA#s 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019 (Continued)

Recommendation: We recommend the various departments with the College responsible for identifying students who have ceased attendance coordinate with the financial aid and finance departments to ensure that the calculation of the Return of Title IV is accurate and the funds returned timely.

Views of Responsible Officials: Management agrees with the Single Audit finding and responses are found in the Correction Action Plan.

Section IV - Prior Year Audit Findings

2018-001 Student Verification - Student Financial Aid Cluster CFDA 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2018

Criteria: According to 34 CFR 690.63, students may qualify for a maximum Pell Grant award of \$5,920 for an award year. The maximum amount is awarded to students with a zero Expected Family Contribution (EFC) and full-time enrollment status. Students with less than full-time enrollment or more than a zero EFC are eligible for a reduced Pell award.

According to 34 CFR 685.203, an eligible independent student in their second year of school can borrow up to \$4,500 in Subsidized Direct Loans and \$6,000 in Unsubsidized Direct Loans not to exceed their Cost of Attendance.

Condition: During our student file testing we noted two students out of forty had verification completed incorrectly which affected their Pell grant eligibility. One student had education credits that were not reported, and one student did not have the correct amount of student income reported. This caused an incorrect Pell award. Based on the students' enrollment status and need, the College under awarded the students by \$950.

**OAKTON COMMUNITY COLLEGE
DISTRICT NUMBER 535
DES PLAINES, ILLINOIS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2019

Section III - Federal Award Findings and Questioned Costs (Continued)

2018-001 Student Verification - Student Financial Aid Cluster CFDA 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2018 (Continued)

In addition, during our student file testing, we noted one student out of forty was disbursed the incorrect Subsidized and Unsubsidized Direct Loan amounts due to verification completed incorrectly. The student's education credits and untaxed pension were not reported. Based on the student's enrollment status and need, the College over awarded Subsidized Direct Loans in the amount of \$190 and under awarded Unsubsidized Direct Loans in the amount of \$190.

We consider the under award of Pell for \$950, over award of Subsidized Direct Loans for \$190, and the under award of Unsubsidized Direct Loans for \$190 to be instances of noncompliance relating to the Eligibility Compliance Requirement.

Statistical sampling was not used when making sample selections.

Effect: Two students received an incorrect amount of Pell and were under awarded an amount of \$950 and will need to be awarded to the students. One student received an incorrect amount of Subsidized and Unsubsidized Direct Loans in an amount of \$190 and so the College will have to reclassify \$190 from Subsidized to Unsubsidized.

Cause: The College's internal controls did not identify that incorrect amounts of Pell and Direct Loans were awarded to the students.

Recommendation: We recommend the institution review awards to students to assure the proper amount of award is provided to the student.

Views of Responsible Officials: Management agrees with the Single Audit finding and a response is included in the Corrective Action Plan.

2019 Update

This finding was not repeated for the Year Ended June 30, 2019.



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Corrective Action Plan

For the Year Ended June 30, 2019

2019-001 Incorrect Pell Disbursement - Student Financial Aid Cluster CFDA 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019

Condition Found

During our student file testing we noted one student out of forty was not disbursed the correct Pell Grant award. The system did not identify one student as half-time and due to their high EFC the student was not eligible for Pell resulting in an over award of \$422. In addition, during our Return of Title IV Fund testing we noted the College over awarded one student \$49 as this student was not eligible for Pell. We consider this to be an instance of noncompliance relating to the Eligibility Compliance Requirement.

Corrective Action Plan

On April 26, 2019 the College downward adjusted the federal Pell grant of \$422 and the student's record was updated on May 2, 2019 in the U.S. Department of Education's Common Origination and Disbursement (COD) system.

Currently, each financial aid disbursement requires Financial Aid Advisers to review each student's record in 2 computer systems. They use Ellucian's Banner system to review academic records and The CollegeBoard's Powerfaids system to correctly disburse awards for their assigned caseload. The Financial Aid Advisers review students' enrollment, academic indicators/grades, repeated courses, financial aid academic progress standing, and tuition and fees in Banner, and reviews award types and additional comments in Powerfaids to ensure that the student is paid according to financial aid regulations. This manual process is supplemented with reports from Oakton's Information Technology department that clearly designate a student's enrollment each semester.

The financial aid department will increase utilization of a Powerfaids feature that allows the award amounts to be "locked" or "unlocked". The "unlocks" code automatically adjusts the Pell amount to the enrollment hours and EFC recorded in Powerfaids. This additional step will help to ensure that the disbursement amount aligns with the student's expected family contribution (EFC). Next, the Financial Aid Advisors will review and compare the Pell amount on the Powerfaids screen to the printed federal Pell payment schedule to further ensure accuracy. Federal Pell grant amounts will then be "locked" so the record can move forward in the disbursement process.

Additionally, the student who had the Return of Title IV calculation completed had her Pell downward adjusted on May 8, 2019 and the student's record was updated on May 9, 2019 with COD. This student graduated in December 2018 with her bachelor's degree, but did not update her

FASFA data. It was upon review that Oakton learned of the BA and therefore was no longer eligible for a Pell grant.

Responsible Person for Corrective Action Plan

Manager of Student Financial Assistance
Registrar/Director of Student Financial Support

Implementation Date of Corrective Action Plan

May 2, 2019 and May 9, 2019 – record adjustment
July 1, 2019 – process improvement implementation

**2019-002: Late Return of Title IV Financial Aid - Student Financial Aid Cluster - CFDA#s
84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2019**

Condition Found

During our Return of Title IV Fund testing, we noted that the College did not calculate properly or return Title IV Student Financial Aid in the required time frame for seven out of twenty-five students we tested. We consider the untimely returns and incorrect calculations of the Return of Title IV to be a significant deficiency relating to the Special Tests and Provisions Compliance Requirement.

Corrective Action Plan

Oakton took the following actions to improve compliance related to Return of Title IV regulations. This included immediate review of all 2018-2019 Return of Title IV calculations, development of immediate and future training activities, and expansion of the Return of Title IV controls to ensure increased accuracy.

Review of All 2018-19 Return of Title IV Calculations: First, the Manager of Student Financial Assistance reviewed all 312 calculations completed for the 2018-19 academic year. Second, the Manager of Student Financial Assistance met with the Financial Aid Advisors and Technical Specialist about compliance with Return of Title IV to provide a synopsis of the issues found in the work, presented supplemental training, and included them in remedying the errors found. Changes and adjustments were made and reported to the U.S. Department of Education. \$5,845 was returned to the U.S. Department of Education. Institutional funds in the same amount were used to cover the loss of federal student aid in order to do no harm to the affected students.

Immediate and Future Training Activities: The Manager of Student Financial Assistance met with the Technical Specialist to provide immediate additional training since the Technical Specialist reviews Financial Aid Advisors' initial calculations, finalizes disbursements, and reports dollar changes to the U.S. Department of Education. They continue to meet regularly to review calculations. All Financial Aid staff will participate in the National Association of Student

Financial Aid Administrator's online Return of Title IV Fund course offered on October 1, 2019, and Return of Title IV will be discussed regularly at staff meetings.

Expansion of Return of Title IV Controls: The Manager of Student Financial Assistance will meet weekly with the Technical Specialist on the second review of return calculations during the 2019-20 academic year.

Responsible Person for Corrective Action Plan

Manager of Student Financial Assistance
Registrar/Director of Student Financial Support

Implementation Date of Corrective Action Plan

June 10, 2019