

**OREGON INSTITUTE OF TECHNOLOGY**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED JUNE 30, 2023**



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**OREGON INSTITUTE OF TECHNOLOGY  
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YEAR ENDED JUNE 30, 2023**

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**INDEPENDENT AUDITORS' 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**

Members of the Board  
Oregon Institute of Technology  
Klamath Falls, Oregon

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 Oregon Institute of Technology (the University), a component unit of the State of Oregon, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated March 27, 2024. Our report includes a reference to other auditors who audited the financial statements of the Oregon Institute of Technology Foundation, a discretely presented component unit, as described in our report on the University's financial statements. 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. The financial statements of the discretely presented component unit referred to above were not audited in accordance with *Government Auditing Standards*.

**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 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 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.

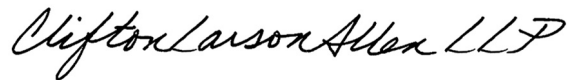
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Oregon Institute of Technology’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 financial statements. 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 entity’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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Denver, Colorado  
March 27, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND  
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Board  
Oregon Institute of Technology  
Klamath Falls, Oregon

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Oregon Institute of Technology's (the University) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2023. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the 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, 2023.

***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; 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 Auditors' 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.

### ***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.

### ***Auditors' 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.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, 2023-003 and 2023-004. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on Oregon Institute of Technology's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Oregon Institute of Technology's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 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, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*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 a 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, 2023-003 and 2023-004, to be significant deficiencies.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the University's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 University as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated March 27, 2024, which contained unmodified opinions on those financial statements. Our report includes a reference to other auditors who audited the financial statements of Oregon Institute of Technology Foundation. 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 basic 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.



**CliftonLarsonAllen LLP**

Denver, Colorado  
March 27, 2024



**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

| Program/Federal Grantor/Program Title                            | Assistance Listing Number | Pass-Through Entity       | Pass-Through Identifying Number | Passed Through to Subrecipients | Expenditures     |
|--|---------------------------|---------------------------|---------------------------------|---------------------------------|------------------|
| <b>Economic Development</b>                                      |                           |                           |                                 |                                 |                  |
| Department of Commerce   |                           |                           |                                 |                                 |                  |
| Investments for Public Works and Economic Development Facilities | 11.300                    |                           |                                 | \$ -                            | \$ 1,594,889     |
| Total Department of Commerce                                     |                           |                           |                                 | <u>-</u>                        | <u>1,594,889</u> |
| Total Economic Development Cluster                               |                           |                           |                                 | -                               | 1,594,889        |
| <b>Research and Development Cluster</b>                          |                           |                           |                                 |                                 |                  |
| Department of Agriculture  |                           |                           |                                 |                                 |                  |
| Rural Energy for America Program                                 | 10.868                    |                           |                                 | -                               | 7,320            |
| Total Department of Agriculture                                  |                           |                           |                                 | <u>-</u>                        | <u>7,320</u>     |
| Department of Defense  | 12.000                    |                           |                                 | -                               | 440              |
| Total Department of Defense                                      |                           |                           |                                 | <u>-</u>                        | <u>440</u>       |
| Department of the Interior                                       |                           |                           |                                 |                                 |                  |
| Wildlife Resource Management                                     | 15.247                    |                           |                                 | -                               | 13,749           |
| Total Department of the Interior                                 |                           |                           |                                 | <u>-</u>                        | <u>13,749</u>    |
| Environmental Protection Agency                                  |                           |                           |                                 |                                 |                  |
| P3 Award: National Student Design Competition for Sustainability | 66.516                    | The University of Alabama | 63-6001138                      | -                               | 3,407            |
| Total Environmental Protection Agency                            |                           |                           |                                 | <u>-</u>                        | <u>3,407</u>     |
| Department of Transportation                                     |                           |                           |                                 |                                 |                  |
| University Transportation Centers Program                        | 20.701                    |                           |                                 | -                               | 42,672           |
| University Transportation Centers Program                        | 20.701                    | Portland State University | NITC2016-OIT-15                 | -                               | 6,150            |
| University Transportation Centers Program                        | 20.701                    | Portland State University | NITC2016-OIT-18                 | -                               | 58,118           |
| University Transportation Centers Program                        | 20.701                    | Portland State University | NITC16-OIT-17                   | -                               | 3,101            |
| University Transportation Centers Program                        | 20.701                    | Portland State University | NITC16-OIT-16                   | -                               | 38,477           |
| Total Department of Transportation                               |                           |                           |                                 | <u>-</u>                        | <u>148,518</u>   |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

| Program/Federal Grantor/Program Title  | Assistance<br>Listing<br>Number | Pass-Through Entity     | Pass-Through<br>Identifying Number | Passed Through<br>to Subrecipients | Expenditures |
|--|---------------------------------|-------------------------|------------------------------------|------------------------------------|--------------|
| <b>Research and Development Cluster (Continued)</b>  |                                 |                         |                                    |                                    |              |
| National Aeronautics and Space Administration  |                                 |                         |                                    |                                    |              |
| Office of Stem Engagement (OSTEM)  | 43.008                          | Oregon State University | NASA80NSSC20M0035                  | \$ -                               | \$ (293)     |
| Office of Stem Engagement (OSTEM)  | 43.008                          | Oregon State University | 80NSSC20M0035                      | -                                  | 5,056        |
| Office of Stem Engagement (OSTEM)  | 43.008                          | Oregon State University | 22248100Yr1                        | -                                  | 8            |
| Total National Aeronautics and<br>Space Administration   |                                 |                         |                                    | -                                  | 4,771        |
| National Science Foundation  |                                 |                         |                                    |                                    |              |
| Mathematical and Physical Sciences   | 47.049                          |                         |                                    | -                                  | 32,714       |
| Education and Human Resources  | 47.076                          |                         |                                    | -                                  | 6,215        |
| NSF Technology, Innovation, and Partnerships   | 47.084                          |                         |                                    | -                                  | 18,963       |
| Total National Science Foundation  |                                 |                         |                                    | -                                  | 57,892       |
| Department of Education  |                                 |                         |                                    |                                    |              |
| Innovative Approaches to Literacy; Promise<br>Neighborhoods; Full-Service Community Schools;<br>and Congressionally Directed Spending for<br>Elementary and Secondary Education Community<br>Projects: Fund for the Improvement of Education | 84.215K                         |                         |                                    | -                                  | 392,825      |
| Total Department of Education  |                                 |                         |                                    | -                                  | 392,825      |
| Total Research and Development Cluster   |                                 |                         |                                    | -                                  | 628,922      |
| <b>Student Financial Assistance Cluster</b>  |                                 |                         |                                    |                                    |              |
| Department of the Treasury   |                                 |                         |                                    |                                    |              |
| Coronavirus Relief Fund  | 21.019                          |                         |                                    | -                                  | 56,400       |
| Total Department of the Treasury   |                                 |                         |                                    | -                                  | 56,400       |
| Department of Education  |                                 |                         |                                    |                                    |              |
| Federal Supplemental Educational Opportunity<br>Grants   | 84.007                          |                         |                                    | -                                  | 257,952      |
| Federal Work-Study Program   | 84.033                          |                         |                                    | -                                  | 91,145       |
| Federal Perkins Loan   | 84.038                          |                         |                                    | -                                  | 686,316      |
| Federal Pell Grant Program   | 84.063                          |                         |                                    | -                                  | 4,322,323    |
| Direct Student Loan  | 84.268                          |                         |                                    | -                                  | 14,764,637   |
| Total Department of Education  |                                 |                         |                                    | -                                  | 20,122,373   |
| Total Student Financial Assistance Cluster   |                                 |                         |                                    | -                                  | 20,178,773   |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

| Program/Federal Grantor/Program Title   | Assistance Listing Number | Pass-Through Entity                     | Pass-Through Identifying Number | Passed Through to Subrecipients | Expenditures         |
|---|---------------------------|---|---------------------------------|---------------------------------|----------------------|
| <b>TRIO Cluster</b>   |                           |   |                                 |                                 |                      |
| Department of Education   |                           |   |                                 |                                 |                      |
| TRIO Student Support Services   | 84.042                    |   |                                 | \$ -                            | \$ 68,876            |
| TRIO Student Support Services   | 84.042A                   |   |                                 | -                               | 189,492              |
| Total Department of Education   |                           |   |                                 | <u>-</u>                        | <u>258,368</u>       |
| Total TRIO Cluster  |                           |   |                                 | -                               | 258,368              |
| <b>Other Programs</b>   |                           |   |                                 |                                 |                      |
| Department of Labor   |                           |   |                                 |                                 |                      |
| WIOA Youth Activities   | 17.259                    | Oregon State University                 | 80NSSC20M0035                   | -                               | 38,674               |
| Total Department of Labor   |                           |   |                                 | <u>-</u>                        | <u>38,674</u>        |
| Department of Education   |                           |   |                                 |                                 |                      |
| COVID 19 - Education Stabilization Fund: Governor's Emergency Education Relief (GEER) Fund                  | 84.425C                   | Higher Education Coordinating Committee | 20-074B                         | -                               | (378)                |
| COVID 19 - Education Stabilization Fund: Governor's Emergency Education Relief (GEER) Fund                  | 84.425C                   | Higher Education Coordinating Committee | 21-059B                         | -                               | 79,672               |
| COVID 19 - Education Stabilization Fund: Higher Education Emergency Relief Fund (HEERF) Student Aid Portion | 84.425F                   |   |                                 | -                               | 448,792              |
| COVID 19 - Education Stabilization Fund: Governor's Emergency Education Relief (GEER) Fund                  | 84.425C                   | State of Oregon Department of Education | 23642rv1                        | -                               | 159,884              |
| COVID 19 - Education Stabilization Fund: Emergency Assistance to Non-Public Schools (EANS)                  | 84.425R                   | State of Oregon Department of Education | 23642rv1                        | -                               | 274,879              |
| Total Department of Education   |                           |   |                                 | <u>-</u>                        | <u>962,849</u>       |
| National Aeronautics and Space Administration Science   | 43.001                    | Central Washington University           | 22248100Yr1                     | -                               | 70,885               |
| Office of Stem Engagement (OSTEM)   | 43.008                    | Oregon State University                 | NASA80NSSC20M0035               | -                               | 12,291               |
| Total National Aeronautics and Space Administration   |                           |   |                                 | <u>-</u>                        | <u>83,176</u>        |
| Department of Health and Human Services   |                           |   |                                 |                                 |                      |
| Congressional Directives  | 93.493                    |   |                                 | -                               | 707,134              |
| Total Department of Health and Human Services   |                           |   |                                 | <u>-</u>                        | <u>707,134</u>       |
| Total Other Programs  |                           |   |                                 | <u>-</u>                        | <u>1,791,833</u>     |
| Total Expenditures of Federal Funds   |                           |   |                                 | <u>\$ -</u>                     | <u>\$ 24,452,785</u> |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**OREGON INSTITUTE OF TECHNOLOGY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2023**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Oregon Institute of Technology under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of Oregon Institute of Technology, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Oregon Institute of Technology.

**NOTE 2 INDIRECT COST RATE**

Oregon Institute of Technology has elected to not use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE 3 FEDERAL STUDENT LOAN PROGRAM**

The federal student loan program listed below is administered directly by Oregon Institute of Technology, and balances and transactions relating to this program are included in Oregon Institute of Technology's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding as of June 30, 2023 consists of:

| <u>Assistance Listing Number</u> | <u>Program Title</u>  | <u>Outstanding Balance</u> |
|----------------------------------|-----------------------|----------------------------|
| 84.038                           | Federal Perkins Loans | <u>\$ 331,735</u>          |

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified?   x   yes      \_\_\_\_\_ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?   x   yes      \_\_\_\_\_ no

**Identification of Major Federal Programs**

| <b>Assistance Listing Number(s)</b>               | <b>Name of Federal Program or Cluster</b> |
|---|---|
| 21.019, 84.007, 84.033,<br>84.038, 84.063, 84.268 | Student Financial Assistance Cluster      |
| 84.425C, 84.425F                                  | Education Stabilization Fund              |
| 11.300  | Economic Development Cluster              |

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

Auditee qualified as low-risk auditee?   x   yes      \_\_\_\_\_ no

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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**Section II – Financial Statement Findings**

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Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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**Section III – Findings and Questioned Costs – Major Federal Programs**

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**2023 – 001 – Special Tests – NSLDS Reporting**

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Assistance Cluster

Assistance Listing Number: 84.063; 84.268; 84.007

Federal Award Identification Number and Year: P063P222067, P268K32067, P007A223499; 2022-2023

Award Period: July 1, 2022 – June 30, 2023

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** Institutions are required to report enrollment information under the Pell grant and the Direct loan programs via the National Student Loan Data System (NSLDS) (OMB No. 1845-0035) (Pell, 34 CFR 690.83(b)(2); Direct Loan, 34 CFR 685.309). Institutions must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website. There are two categories of enrollment information; “Campus Level” and “Program Level,” both of which need to be reported accurately and have separate record types. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process. Institutions must report enrollment changes within 30 days; however, if a roster file is expected within 60 days, you may provide the updated data on that roster file. Additionally, Institutions must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Institution is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award (2 CFR 200.303).

**Condition:** During our testing of the Direct Loan and Pell Grant programs, we selected a sample of 40 student enrollment changes to test for timeliness and accurate reporting of student status changes to the National Student Loan Data System (NSLDS). We identified the following items of noncompliance:

- 8 enrollment changes where a student's enrollment status effective date was not correctly reported to NSLDS. (34 CFR 685.309 (b)(1) and 34 CFR 690.83(b)(2))
- 1 instance where a student's enrollment status change was not reported timely to NSLDS. (34 CFR 685.309(b)(1) and 34 CFR 690.83(b)(2))

**Questioned costs:** None

**Context:** Out of a sample of 40 enrollment changes selected for testing for the requirement noted above, we noted 9 instances with exceptions as described above.

**Cause:** The University was unaware of the errors which were caused by the transmission of date between their student information system and the third-party servicer.

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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**Section III – Findings and Questioned Costs – Major Federal Programs (Continued)**

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**2023 – 001 – Special Tests – NSLDS Reporting (Continued)**

**Effect:** The NSLDS system could not be updated accurately or timely with student enrollment information.

**Repeat Finding:** No

**Recommendation:** CLA recommends that the University enhance its policies and procedures regarding enrollment reporting including additional monitoring over the third-party service provider to ensure that reporting is completed accurately and timely.

**Views of responsible officials:** The University agrees with the finding. Management has developed a plan to correct the finding.



**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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**Section III – Findings and Questioned Costs – Major Federal Programs (Continued)**

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**2023 – 002 – Special Tests - Disbursements to or on Behalf of Students**

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Assistance Cluster

Assistance Listing Number: 84.268

Federal Award Identification Number and Year: P268K32067, 2022-2023

Award Period: July 1, 2022 – June 30, 2023

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** 34 CFR 668.164(l) requires an institution must have a process that ensures SFA funds never escheat to a state or revert to the institution. Additionally, if a check sent to a student or parent is not returned to the institution but is not cashed, the institution must return the funds to the Secretary no later than 240 days after the date it issued the check. Additionally, Institutions must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Institution is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award (2 CFR 200.303).

**Condition:** During our testing of outstanding SFA checks, we identified three checks outstanding that had not been returned to the U.S. Department of Education within 240 days.

**Questioned costs:** None

**Context:** Out of our population of 31 outstanding checks, we noted three had the exception described above.

**Cause:** The University did not have a process in place when these checks were created in fiscal year 2021; when a process was created, it was not retroactively applied to all outstanding SFA checks to date.

**Effect:** The University did not return all SFA funds timely to the Department of Education.

**Repeat Finding:** No

**Recommendation:** CLA recommends that the University enhance its policies and procedures regarding stale-dated check escheatment to ensure that the funds are returned to the appropriate program within 240 days from the date of issue.

**Views of responsible officials:** The University agrees with the finding. Management has developed a plan to correct the finding.

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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**Section III – Findings and Questioned Costs – Major Federal Programs (Continued)**

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**2023 – 003 – Special Tests - Using a Servicer or Financial Institution to Deliver Title IV Credit Balances to a Card or Other Access Device**

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Assistance Cluster

Assistance Listing Number: 84.063; 84.268; 84.007

Federal Award Identification Number and Year: P063P222067, P268K32067, P007A223499; 2022-2023

Award Period: July 1, 2022 – June 30, 2023

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** 34 CFR 668.164(e)(2)(viii) requires institutions must provide an up-to-date URL for their contract with a third-party servicer who assist in providing credit balances to students. This publication is published in a centralized database accessible to the public managed by the U.S. Department of Education. Additionally, Institutions must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Institution is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award (2 CFR 200.303).

**Condition:** During our testing the University could not provide support that an up-to-date third party servicer contract and the related contract data was provided to the U.S. Department of Education. Additionally, the University was not included within the database retained by the U.S. Department of Education.

**Questioned costs:** None

**Context:** The University did not meet the compliance requirement to report the contract and contract components to the U.S. Department of Education.

**Cause:** The University was not aware of the requirement and previous personnel did not retain applicable support, if completed.

**Effect:** The U.S. Department of Education was not provided required information regarding the contract.

**Repeat Finding:** No

**Recommendation:** We recommend that the University enhance its policies and procedures to ensure required contracts and contract components are provided to the U.S. Department of Education.

**Views of responsible officials:** The University agrees with the finding. Management has developed a plan to correct the finding.

**OREGON INSTITUTE OF TECHNOLOGY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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**Section III – Findings and Questioned Costs – Major Federal Programs (Continued)**

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**2023 – 004 – Special Tests - Perkins Loan Recordkeeping and Record Retention**

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Assistance Cluster

Assistance Listing Number: 84.038

Federal Award Identification Number and Year: N/A – Revolving Loan Portfolio

Award Period: July 1, 2022 – June 30, 2023

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** 34 CFR 674.19 (e)(4)(i) requires an institution shall keep the original paper promissory note or original paper MPN and repayment schedules in a locked, fireproof container. Additionally, Institutions must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Institution is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award (2 CFR 200.303).

**Condition:** During our testing of the open Perkins Loans, we selected a sample of 21 loans, 6 of the loans tested were paper MPNs electronically copied to Adobe PDF and the paper MPNs were not retained and/or stored in the fireproof container. Certified true copies of MPN's are only allowed to be retained when the original is required to be released to enforce the loan.

**Questioned costs:** None

**Context:** Out of a sample of 21 open loans 6 paper signed MPNs were converted to Adobe PDF's and the original paper MPN was not retained and/or stored in the fireproof container.

**Cause:** The school was unaware they needed to retain the original copies.

**Effect:** The school does not have original paper MPNs in a locked, fireproof container.

**Repeat Finding:** No

**Recommendation:** We recommend that they assign the loans back to the Department of Education or have the students resign the loans via Electronic MPN or Paper MPN and retain those in the proper manner.

**Views of responsible officials:** The University agrees with the finding. Management has developed a plan to correct the finding.



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