

Michigan State University

June 30, 2023

Summary Schedule of Prior Audit Findings

Prior Year Finding Number:

2022-001

Fiscal Year in Which the Finding Initially Occurred:

2022

Federal Program, Assistance Listing Number and Name:

Student Financial Assistance Cluster - Federal Direct Student Loan Program ALN 84.268 and Federal Pell Grants ALN 84.063

Original Finding Description:

The University did not report certain students' status to the NSLDS in an accurate and timely manner during the fiscal year.

Status:

This finding is partially corrected.



During the year ended June 30, 2023, the University established a process to submit the data to NSLDS via the Clearinghouse that properly captured changes that took place during the standard reporting cycle. Certain status changes that took place after the standard reporting cycle were not properly captured. See current year finding 2023-001.

**OFFICE OF THE
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**Office of Financial
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Planned Corrective Action:

The Registrar's Office is submitting the data to NSLDS via the Clearinghouse in the required timeline. Certain status changes took place after the standard reporting cycle and were not picked up in this process. New processes have been established to identify and report these status changes to NSLDS that take place after the standard reporting cycle.

Michigan State University

June 30, 2023

Summary Schedule of Prior Audit Findings

Prior Year Finding Number:

2022-002

Fiscal Year in Which the Finding Initially Occurred:

2022

Federal Program, Assistance Listing Number and Name:

Student Financial Assistance Cluster - Federal Direct Student Loan Program ALN
84.268

Original Finding Description:

The University did not reconcile the SAS data file to its institutional data records.

Status:

This finding is corrected.



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June 30, 2023

Summary Schedule of Prior Audit Findings

Prior Year Finding Number:

2022-003

Fiscal Year in Which the Finding Initially Occurred:

2022

Federal Program, Assistance Listing Number and Name:

Student Financial Assistance Cluster - Federal Direct Student Loan Program ALN 84.268, Federal Pell Grants ALN 84.063, and Federal Supplemental Education Opportunity Grant ALN 84.007

Original Finding Description:

The University used incorrect or incomplete data in the return of Title IV calculations.

Status:

This finding is partially corrected.

During the year ended June 30, 2023, the University implemented controls to improve the accuracy of the R2T4 calculations and capture more accurate data for students that had not begun attendance. Certain scenarios, such as medical withdrawals, students that rescind their intent to withdraw, and other rare non-standard occurrences were not accurately captured. See current year finding 2023-002.



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Planned Corrective Action:

The failure to return funds in a timely fashion is primarily a result of university withdrawal policy not aligning with the timelines required by the regulations. To that end, the university is revising its policies and procedures, specifically as they relate to medical withdrawals and for programs where attendance is required.

As of June 2023, the school now has reports that identify all the affected students in a timely fashion. Additional resources have been allocated to assure that there is consistency and timeliness in the review of enrollment data specifically as it relates to determining attendance in dropped courses, and students who rescind their intent to withdraw, or enroll in or attend subsequent modules.

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June 30, 2023

Summary Schedule of Prior Audit Findings

Prior Year Finding Number:

2022-004

Fiscal Year in Which the Finding Initially Occurred:

2022

Federal Program, Assistance Listing Number and Name:

Student Financial Assistance Cluster - Federal Direct Student Loan Program ALN 84.268

Original Finding Description:

The notifications related to the direct loan borrowers did not include information on the right to cancel or instructions on how to cancel the loans.

Status:

This finding is partially corrected.

During the year ended June 30, 2023, notifications to students were implemented during the Fall 2022 semester. It was subsequently discovered that the notification system included a coding error resulting in notifications not going out for all disbursements. This was rectified in September 2023. An automated process has been put in place for parent notifications effective in the Fall 2023 semester. See current year finding 2023-003.



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Planned Corrective Action:

Missing notifications to students was a result of a coding error in the automated process that was resolved on September 5, 2023. Notifications to parents didn't begin until the Summer 2023, with an automated procedure being implemented in the Fall 2023 semester.

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Summary Schedule of Prior Audit Findings

Prior Year Finding Number:

2022-005

Fiscal Year in Which the Finding Initially Occurred:

2022

Federal Program, Assistance Listing Number and Name:

Student Financial Assistance Cluster - Federal Pell Grants ALN 84.063

Original Finding Description:

There were two errors identified that were attributed to this finding.

1) Of the 47 students tested who received a Pell Grant as part of the eligibility sample, there were 5 students who changed their academic load between the census date (quarter term) and the date used to determine eligibility for the purpose of Pell, resulting in an overpayment of Pell due to the student information system using an incorrect enrollment status to calculate the students' Pell Grant award.

2) Of the 47 students tested who received a Pell Grant and tested for eligibility, there was 1 student who was not awarded a Pell Grant for the fall semester due to the student information system not properly recognizing the student's enrollment status.



Status:

This finding is corrected.

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June 30, 2023

Summary Schedule of Prior Audit Findings

Prior Year Finding Number:

2022-006

Fiscal Year in Which the Finding Initially Occurred:

2022

Federal Program, Assistance Listing Number and Name:

Student Financial Assistance Cluster - Federal Direct Student Loan Program ALN 84.268 and Federal Pell Grants ALN 84.063

Original Finding Description:

The University did not obtain the correct tax return as part of the verification process.

Status:

This finding is corrected.



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