

3.10.2

Financial Resources: Financial aid audits

The institution audits financial aid programs as required by federal and state regulations.

Judgment

Compliant Non-Compliant Not Applicable

Narrative

Note: Text for all linked documents below can be increased/decreased for ease of reading by pressing your keyboard's Ctrl key while rotating the mouse wheel.

Angelo State University's Office of Financial Aid completes the federally mandated Fiscal Operations Report and Application to Participate (FISAP) annually. The Office is also subject to financial-aid audits conducted by the Texas State Auditor's Office, the Texas Tech University System Office of Audit Services, and the US Department of Education to determine compliance with federal and state regulations.

TEXAS STATE AUDITOR'S OFFICE

The Texas State Auditor's Office conducts audits in accordance with the US Office of Management and Budget (OMB) Circular A-133, and an opinion is issued on the state as a whole every year. As a public institution of the State of Texas, ASU is included in this statewide audit. The State Auditor's Office conducts this audit so that the State can comply with legislation and federal grant requirements to obtain an opinion regarding the material accuracy of its basic financial statements and report on internal controls related to those statements.

ASU's compliance with requirements applicable to the OMB Circular A-133 Student Financial Assistance Cluster was audited for the award year July 1, 2010 to June 30, 2011 and reported as part of the State of Texas Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2011, p. 255. Two findings were identified at ASU during this audit, each of which has been addressed by management. The findings are not associated with any errors in distribution amounts, and no unpaid dollar amounts are due back to the US Department of Education.

The State Auditor's Office contracts with KPMG, LLP to perform the federal portion of the statewide single audit. The federal portion includes a review of compliance and controls over the State's federal awards and an audit of the Schedule of Expenditures of Federal Awards. The reports from the federal portion and the financial portion are submitted to the federal government to fulfill single audit reporting requirements.

As indicated in the following State of Texas Statewide Single Audit Reports for each of the past three fiscal years, the State's financial systems and controls are adequate to enable the State to prepare materially correct basic financial statements:

- Federal Portion for the Fiscal Year Ended August 31, 2011, p. 4
- Financial Portion for the Fiscal Year Ended August 31, 2011
- Federal Portion for the Fiscal Year Ended August 31, 2010. p. 6

- Financial Portion for the Fiscal Year Ended August 31, 2010
- Federal Portion for the Fiscal Year Ended August 31, 2009, p. 6
- Financial Portion for the Fiscal Year Ended August 31, 2009

TEXAS TECH UNIVERSITY SYSTEM OFFICE OF AUDIT SERVICES

The Texas Tech University System Office of Audit Services (OAS) conducts an annual audit plan based on a risk assessment that includes student financial aid. OAS also coordinates with the Texas State Auditor's Office to determine the State's planned audit engagements and to ensure that OAS is not conducting the same audits as the State.

US DEPARTMENT OF EDUCATION

The US Department of Education's Dallas School Participation Team completed a review of ASU's application to participate in the Title IV, Higher Education Act Programs in May 2009. The review indicated that ASU meets the requirements of institutional eligibility, administrative capability, and financial responsibility as set forth in CFR Parts 600 and 668 (US DOE letter May 15, 2009).