

**LINCOLN UNIVERSITY OF THE COMMONWEALTH
SYSTEM OF HIGHER EDUCATION**

**Single Audit Together with
Reports of Independent Public Accountants**

For the Year Ended June 30, 2019



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JUNE 30, 2019

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Board of Trustees
Lincoln University of the Commonwealth System of Higher Education

Report on the Financial Statements

We have audited the statement of financial position of Lincoln University of Commonwealth System of Higher Education, Inc. (the University), as of June 30, 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the 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 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 financial statements or to the 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 financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2019, on our consideration of the University's internal controls over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal controls over financial reporting and compliance.

Owings Mills, Maryland
November 21, 2019

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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL
CONTROLS OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

The Board of Trustees
Lincoln University of the Commonwealth System of Higher Education

We have audited, in accordance with 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 Lincoln University of the Commonwealth System of Higher Education, Inc. (the University), which comprise the statement of financial position as of June 30, 2019, and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 21, 2019.

Internal Controls over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal controls over financial reporting (internal controls) 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 controls. Accordingly, we do not express an opinion on the effectiveness of the University's internal controls.

A *deficiency in internal controls* 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 controls, 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 controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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Our consideration of internal controls over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal controls over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal controls over financial reporting 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 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.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal controls 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 controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland
November 21, 2019

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**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON
COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON
INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

The Board of Trustees
Lincoln University of the Commonwealth System of Higher Education

Report on Compliance for Each Major Federal Program

We have audited Lincoln University of the Commonwealth System of Higher Education, Inc. (the University)'s compliance with the types of requirements described 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, 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 (CFR) 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.

Other Matters

The results of our auditing procedures disclosed 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 these matters.

The University's response to the noncompliance finding identified in our audit is described in the accompanying schedule of corrective actions. The University'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 Controls over Compliance

Management of the University is responsible for establishing and maintaining effective internal controls 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 controls 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 controls over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal controls over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal controls over compliance.

A deficiency in internal controls 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 controls over compliance* is a deficiency, or combination of deficiencies in internal controls 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 controls over compliance* is a deficiency, or a combination of deficiencies, in internal controls over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal controls over compliance, yet important enough to merit attention by those charged with governance.



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Our consideration of internal controls 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 controls over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal controls over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal controls over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a significant deficiency.

The University's response to the internal controls over compliance finding identified in our audit is described in the accompanying schedule of corrective actions. The University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal controls over compliance is solely to describe the scope of our testing of internal controls 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.

Owings Mills, Maryland
November 21, 2019

S B & Company, LLC

**LINCOLN UNIVERSITY OF THE COMMONWEALTH SYSTEM OF
HIGHER EDUCATION**

**Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2019**

| <u>Federal Grantor/Passthrough Grantor Program or Cluster Title</u> | <u>Federal CFDA Number</u> | <u>Pass-Through ID or Grant Number</u> | <u>Federal Expenditures</u> | <u>Expenditures to Subrecipients</u> |
|---|--------------------------------|--|---------------------------------|--|
| U.S. Department of Education | | | | |
| Student Financial Assistance Cluster | | | | |
| Federal Supplemental Educational Opportunity Grant (FSEOG) | 84.007 | | \$ 458,369 | \$ - |
| Federal Work-Study | 84.033 | | 209,403 | - |
| Federal Pell Grants | 84.063 | | 6,841,338 | - |
| Federal Perkins Loans Outstanding | 84.038 | | 663,877 | - |
| Federal Direct Lending | 84.268 | | 27,793,923 | - |
| Total Student Financial Assistance Cluster | | | <u>35,966,910</u> | <u>-</u> |
| Title III - Strengthening Historically Black Colleges and Universities | 84.031 | | 3,150,068 | - |
| Upward Bound | 84.047 | | 592,620 | - |
| Total U.S. Department of Education | | | <u>39,709,598</u> | <u>-</u> |
| National Science Foundation | | | | |
| <i>Passed through Virginia State University & Drexel University</i> | | | | |
| Educational and Human Resources (LEAPS Transformation) | 47.076 | HRD-1623350 | 486,158 | - |
| Educational and Human Resources (Philadelphia AMP) | 47.076 | HRD-1408052/HRD-1408052 | 54,259 | - |
| Educational and Human Resources (LEAPS Scholars) | 47.076 | HRD-1259726 | 50,165 | - |
| Educational and Human Resources (BRAINLU) | 47.076 | HRD-1533763 | 114,034 | 6,488 |
| Educational and Human Resources (ATOMIC SCALE) | 47.076 | HRD-1505377 | (1,363) | - |
| Educational and Human Resources (Learning Express App) | 47.076 | HRD-1623208 | 119,182 | - |
| Educational and Human Resources (Algebra Project) | 47.076 | DRL-1621416 | 55,456 | - |
| Educational and Human Resources (Target Infusion Project) | 47.076 | | 163,627 | - |
| Total National Science Foundation | | | <u>1,041,518</u> | <u>6,488</u> |
| U.S. Department of Agriculture | | | | |
| <i>Passed through Pennsylvania Department of Education</i> | | | | |
| Summer Food Service Program for Children | 10.559 | 424-15-510-1 | 24,936 | - |
| U.S. Department of Defense | | | | |
| <i>Passed through Pennsylvania Department of Health & Temple University</i> | | | | |
| Military Medical Research and Development Psychological Health/Traumatic Brain Injury | 12.420 | 4100077079 | 44,313 | - |
| U.S. Department of Justice | | | | |
| Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus | 16.525 | | 91,702 | - |
| <i>Passed through Drexel University</i> | | | | |
| Crime Victim Assistance/Discretionary Grants | 16.582 | 2015-VF-GX-K038 | 29,716 | - |
| Total U.S. Department of Justice | | | <u>121,418</u> | <u>-</u> |
| U.S. Department of Transportation | | | | |
| Highway Planning and Construction | 20.205 | | 20,243 | - |
| Dwight David Eisenhower Transportation Fellowship Program | 20.215 | | 23,500 | - |
| Total U.S. Department of Justice | | | <u>43,743</u> | <u>-</u> |
| Research and Development Cluster | | | | |
| U.S. Department of Defense | | | | |
| <i>Passed through Thurgood Marshall College Fund</i> | | | | |
| Air Force Defense Research Sciences Program | 12.800 | Unknown | 3 | - |
| National Institute of General Medical Sciences | | | | |
| <i>Passed through University of Pennsylvania</i> | | | | |
| Biomedical Research and Research Training | 93.859 | 5-K12-GM-081259-12 | 50,448 | - |
| Total Research and Development Cluster | | | <u>50,451</u> | <u>-</u> |
| National Aeronautics and Space Administration | | | | |
| <i>Passed through Pennsylvania State University</i> | | | | |
| STEM Academic Research Training-Underrepresented Pennsylvanians | 43.008 | NNX13AR34A | 12 | - |
| National Endowment for the Humanities | | | | |
| Promotion of the Humanities-Division of Preservation & Access (Preserving the History of Lincoln U. Village) | 45.149 | | 4,129 | - |
| Promotion of the Humanities-Public Programs (Journey to Sanctuary) | 45.164 | | 45,101 | - |
| <i>Passed through Morehouse School of Medicine</i> | | | | |
| HBCU-Center for Excellence-Substance Abuse and Mental Health Services Administration | 93.243 | 1H79TI080315-01 | 1,000 | - |
| Total National Endowment for the Humanities | | | <u>50,230</u> | <u>-</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 41,086,219</u> | <u>\$ 6,488</u> |

See accompanying notes to this schedule.

**LINCOLN UNIVERSITY OF THE COMMONWEALTH SYSTEM OF
HIGHER EDUCATION**

**Notes to the Schedule of Expenditures of Federal Awards
June 30, 2019**

1. BASIS OF PRESENTATION

All Federal grant operations of Lincoln University of the Commonwealth System of Higher Education (the University) are included in the scope of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit) for the year ended June 30, 2019. The Single Audit was performed in accordance with the provisions of the OMB Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major grant program noted below. The programs on the schedule of expenditures of Federal awards represent all Federal award programs for fiscal year 2019, with cash or non-cash expenditure activities. For our single audit testing, we tested Federal award programs to ensure coverage of at least 20% of Federally granted funds. Our actual coverage was 88%.

| Major Program | Federal CFDA Number | Federal Expenditures |
|---|--------------------------------|---------------------------------|
| Student Financial Assistance Cluster: | | |
| Federal Supplemental Education Opportunity Grants | 84.007 | \$ 458,369 |
| Federal Work-Study Program | 84.033 | 209,403 |
| Federal Pell Grant Program | 84.038 | 6,841,338 |
| Federal Perkins Loan Program | 84.063 | 663,877 |
| Federal Direct Student Loans | 84.268 | 27,793,923 |
| Total Student Financial Assistance Cluster | | \$ 35,966,910 |

Expenditures reported on the accompanying schedule of expenditures of Federal awards (the Schedule) are reported on the accrual basis of accounting. Management has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

2. FEDERAL PERKINS LOAN PROGRAM

The Federal Perkins Loan Program is administered directly by the University, and balances and transactions relating to this program are included in the University'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. Federal Perkins loans outstanding as of June 30, 2019, totaled \$663,877.

**LINCOLN UNIVERSITY OF THE COMMONWEALTH SYSTEM OF
HIGHER EDUCATION**

**Notes to the Schedule of Expenditures of Federal Awards
June 30, 2019**

3. WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

The University participates in the Federal Direct Loan Program (CFDA No. 84.268). During the year ended June 30, 2019, the University disbursed to students the following amount of new loans under the Federal Direct Loan Program:

| | <u>Amount Expended</u> |
|--------------------|-------------------------------|
| Stafford loans | \$ 6,678,385 |
| Unsubsidized loans | 10,170,882 |
| Plus loans | 10,944,656 |
| Total | <u>\$ 27,793,923</u> |

4. FACILITIES AND ADMINISTRATIVE COST

The University has negotiated facilities and administrative cost rates for use on Federal grants, contracts, and other agreements with the Federal Government. The negotiated predetermined rates are 55% on-campus and 20% off-campus, and are effective from July 1, 2016, through June 30, 2021. After June 30, 2021, the provisional rates of 55% on-campus and 20% off-campus will apply until amended.

**LINCOLN UNIVERSITY OF THE COMMONWEALTH SYSTEM OF
HIGHER EDUCATION**

**Schedule of Findings and Questioned Costs
June 30, 2019**

Financial Statements

| | |
|---|------------|
| Type of Independent Public Accountants' Report issued | Unmodified |
| Internal control over financial reporting: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified? | None Noted |
| Noncompliance material to the financial statements noted? | No |

Federal Awards

| | |
|---|------------|
| Type of Independent Public Accountants' Report issued on compliance for major programs | Unmodified |
| Internal control over major programs: | |
| Material weakness(es) identified? | No |
| Significant deficiency(ies) identified? | Yes |
| Audit finding disclosed that are required to be reported in accordance with Uniform Guidance? | Yes |

Identification of Major Program:

| Major Program | Federal CFDA Number | Federal Expenditures |
|---|------------------------|-------------------------|
| Student Financial Assistance Cluster: | | |
| Federal Supplemental Education Opportunity Grants | 84.007 | \$ 458,369 |
| Federal Work-Study Program | 84.033 | 209,403 |
| Federal Pell Grant Program | 84.038 | 6,841,338 |
| Federal Perkins Loan Program | 84.063 | 663,877 |
| Federal Direct Student Loans | 84.268 | 27,793,923 |
| Total Student Financial Assistance Cluster | | \$ 35,966,910 |

| | |
|--|--------------|
| Threshold for distinguishing between Type A and B programs | \$ 1,232,587 |
| Did the University qualify as a low risk auditee? | Yes |

**LINCOLN UNIVERSITY OF THE COMMONWEALTH SYSTEM OF
HIGHER EDUCATION**

**Schedule of Findings and Questioned Costs
June 30, 2019**

Section II – Financial Statement Findings

None Noted.

Section III – Award Findings

**Finding 2019-001 – U.S. Department of Education - Student Financial Aid Cluster -
July 1, 2018 - June 30, 2019**

| | |
|-------------------------------|--|
| Criteria: | The compliance supplement requires the University to protect student financial aid information. Further it requires the University to have a designated individual to coordinate the information security program, perform a risk assessment for the areas as noted in the compliance supplement, and document a safeguard for each risk identified. |
| Condition and Context: | For the fiscal year ended June 30, 2019, the University did not designate an information security officer, perform a risk assessment review or document safeguards for each risk identified from its risk assessment. |
| Cause: | The University did not complete the single audit compliance supplement requirements for the fiscal year ended June 30, 2019, because of the timing of when the supplement was issued. |
| Questioned Costs: | Not Applicable |
| Recommendation: | We recommend the University designate an individual as its information security officer, perform a risk assessment, and document safeguards for each risk identified from its risk assessment. |
| Management Response: | Management agrees with the finding. See schedule of corrective actions. |
| Repeat Finding: | No |



Lincoln University

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1. **Date** – *November 21, 2019*
2. **Finding 2019-001 – U.S. Department of Education - Student Financial Aid Cluster - July 1, 2018 - June 30, 2019**
3. **Responsible Official's Response and Corrective Action Plan** –
 - a. *Lincoln University has created a new position, Vice President of Human Resources. Jake Tanksley was hired in June 2019. He is responsible for the development of training programs at Lincoln University.*
 - b. *CliftonLarsonAllen LLP (CPA firm) is in the process of finalizing a University wide risk assessment for Lincoln University.*
 - c. *The results of the CliftonLarsonAllen risk assessment will be used to design a program for detecting, preventing and responding to attacks, intrusions or other system failures. Many procedures are currently in place to address these issues as well.*
 - d. *The finalization of the CliftonLarsonAllen risk assessment will involve documenting safeguards for each identified risk.*
4. **Person Responsible for Corrective Action** – *Justin McKenzie has been designated the security data officer.*
5. **Planned Implementation Date of Corrective Action** – *The CliftonLarsonAllen risk assessment is in final draft form with implementation scheduled in the second quarter of calendar year 2020.*

**LINCOLN UNIVERSITY OF THE COMMONWEALTH SYSTEM OF
HIGHER EDUCATION**

**Schedule of Prior Year Findings and Questioned Costs
June 30, 2019**

Department of Education

**Findings 2017-001 - U.S. Department of Education - CFDA No. 84.031 - Higher Education
Institutional Aid - July 1, 2016 - June 30, 2017**

| | |
|-------------------------------|---|
| Criteria: | Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. 2 CFR section 200.430(h)(8)(i)(vii). |
| Condition and Context: | In the sample of forty payroll charges, one individuals time and effort reports did not accurately support the salary and wages charged to the federal award for the eight pays tested. The sample was not a statistically valid sample. |
| Cause: | Review of time and effort reports failed to effectively identify errors in the allocation of employee time between grant and University activities. |
| Questioned Costs: | Not Applicable. |
| Recommendation: | It was recommended that the principal investigator compare the reported time and effort percentages to the actual wages charged to the grant as a component of the review process. |
| Management Response: | The Department of Sponsored Programs is now responsible for certification of effort for all grants (Federal, State, and other non-governmental organizations). |
| 2019 Status: | Based on 2019 testing, the finding is resolved. |