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INDEPENDENT ACCOUNTANTS' REPORT

Baltimore City Community College and Maryland Higher Education Commission
Baltimore, Maryland

We have examined Baltimore City Community College's compliance with the Howard P. Rawlings Educational Excellence Awards program for the Guaranteed Access Grant, Educational Assistance Grant, and the Campus Based Educational Assistance Grant, as noted in the Maryland Higher Education Commission Office of Student Financial Assistance MHEC Independent Audit Manual, during the period July 1, 2017 to June 30, 2018. Management of Baltimore City Community College is responsible for Baltimore City Community College's compliance with the specified requirements. Our responsibility is to express an opinion on Baltimore City Community College's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Baltimore City Community College complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Baltimore City Community College complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on Baltimore City Community College's compliance with specified requirements.

In our opinion, Baltimore City Community College complied, in all material respects, with Howard P. Rawlings Educational Excellence Awards program for the Guaranteed Access Grant, Educational Assistance Grant, and the Campus Based Educational Assistance Grant, as noted in the Maryland Higher Education Commission Office of Student Financial Assistance MHEC Independent Audit Manual during the period July 1, 2017 to June 30, 2018.

This report is intended solely for the information and use of Baltimore City Community College and the Maryland Higher Education Commission, and is not intended to be and should not be used by anyone other than the specified parties.

CliftonLarsonAllen LLP

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Timonium, Maryland
May 31, 2019

Summary of Results

FINDING 2018-001: VERIFICATION

I. Detail of discrepancies and nature of non-compliant student records identified during review:

For student #1309706 the student's file contained conflicting information when compared to MDCAPS for verification purposes. The following items were not consistent: the student was listed as a dependent on her verification forms and all tax information obtained was for her mother who claimed her as a dependent, yet she was reported as independent in MDCAPS. The students ISIR noted 4 family members but MDCAPS noted 6. The EFC on the ISIR was reported as \$1,208 but MDCAPS reported an EFC of \$0. Lastly, MDCAPS noted no documentation was submitted for verification.

II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a policy to ensure all verification results are correctly reported in MDCAPS at the time of the award.

III. Total amount of award payments that were made improperly:

Student # 1309706- As a result of verification information not being reported to MDCAPS it cannot be determined if this student was eligible and whether the EA award for Spring 2018 of \$650 semester was made properly.

IV. If applicable, the institution's formal response outlining corrective actions implemented to resolve the documented findings:

Response: Student #1309706 was reported on Verification Roster Fall Term 1, 2017-2018 print date Friday, August 4, 2017 as noncompliant with the Satisfactory Academic Progress (SAP) policy at the College, and she had not submitted any documents for the verification process having been notified of the requirement in May, 2017. At that time the student was removed from the Verification Roster prohibiting the ability for further monitoring. The student was able to regain academic eligibility by retaking courses fall 2017, using an alternative funding source. And, the student also submitted documents for the verification process that was completed 9/26/2017. However, the need to report the verification corrections went unnoticed since the student was no longer on the Verification Roster for the fall 2017, or spring, 2018, semesters. Also, the EFC of 1,208 was still within the EFC cut off of (10,700) for FY17, for new recipients of the need-based Educational Assistance Grant bearing the "Initial" award status.

Dispute: Student #1309706 was eliminated from the Verification Roster in August, 2017, for being noncompliant with the standards of Satisfactory Academic Progress (SAP), and had not submitted any documentation to facilitate the verification process. At such time the student was eliminated from the Verification Roster; and, the award for the subsequent semester no longer had the award code of “AP” indicating that verification was still warranted for the spring, 2018, semester. If the award code remained with the “AP” status, there would be some way to continue to monitor and report changes for students that drop off the Verification Roster, also confirming that the ISIRs match between institutions.

V. Auditor Contact Information

Christina Bowman, CPA
410-308-8064
Christina.bowman@claconnect.com

FINDING 2018-002: AWARD DISBURSEMENTS

I. Detail of discrepancies and nature of non-compliant student records identified during review:

The following students were listed on the roster from MDCAPS as awarded but the student account does not indicate the student received the award.

1363618- EA Award for \$650

1399627- EA Award for \$650

II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a process to ensure that all money awarded to students is correctly posted to the student's account to ensure the award was properly disbursed.

III. Total amount of award payments that were made improperly:

1363618- Due to lack of disbursement to the student the EA award of \$650 was made improperly.

1399627- Due to lack of disbursement to the student the EA award of \$650 was made improperly.

IV. If applicable, the institution's formal response outlining corrective actions implemented to resolve the documented findings:

The institution will implement a process to ensure that students that become ineligible as a result of attendance issues still have their accounts updated in MD CAPS. And, any undisbursed funds as a result are returned to MHEC in a timely manner.

V. Auditor Contact Information

Christina Bowman, CPA
410-308-8064
Christina.bowman@claconnect.com

FINDING 2018-003: ISIR MISMATCH

I. Detail of discrepancies and nature of non-compliant student records identified during review:

Per OSFA guidelines each institution is responsible for updating the ISIR information for those students that have been identified by MHEC for the verification process. For those that are not on the verification roster an institution is still responsible for updating the ISIR information within MDCAPS if a student had a change to their EFC.

For student #1229582 the institution did not report the updated EFC within MDCAPS causing a mismatch between the ISIR and MDCAPS.

II. Recommendations provided to the institution to resolve findings:

We recommend the institution implement a formal process to ensure that MDCAPS is updated for changes made to students' ISIRs after verification procedures are completed.

III. Total amount of award payments that were made improperly:

No improper award payments were identified.

IV. If applicable, the institution's formal response outlining corrective actions implemented to resolve the documented findings:

The institution will implement a policy to monitor all students that are recipients of the Howard P. Rawlings Educational Assistance Grant Programs to ensure that if the ISIR results in a change in the EFC that these are updated in the MD CAPS database as required.

V. Auditor Contact Information

Christina Bowman, CPA
410-308-8064
Christina.bowman@claconnect.com

FINDING 2018-004: CB-EAG Calculations

I. Detail of discrepancies and nature of non-compliant student records identified during review:

The CB-EAG award for two students was incorrect as determined by the OSFA-provided formula as follows:

1426831 - The student was over awarded \$50. The OSFA calculated award is \$600 while the student was awarded \$650.

206365 - The student was over awarded \$700. The OSFA calculated award is \$0 while the student was awarded \$700.

Student ID	1426831	206365
OSFA COA	\$4,038	\$4,038
- EFC	\$93	\$1,528
COLA factor	1.05	1.05
+ COLA adjustment	\$5	\$76
- Pell grant	\$2,935	\$2,185
- other state aid	-	-
= OSFA adjusted need	\$1,015	\$0
Community college factor	60%	60%
CB-EAG calculated award	\$600	\$0
Amount awarded	\$650	\$700
Over (under) award	\$50	\$700

II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a process for ensuring the correct calculations for CB-EAG awards in accordance with the above formula.

III. Total amount of award payments that were made improperly:

Student ID	1426831	206365
Amount awarded	\$650	\$700
OSFA calculation	\$600	\$0
Amount to return	\$50	\$700

IV. If applicable, the institution's formal response outlining corrective actions implemented to resolve the documented findings:

The institution will consult with the IT Department to ensure that the guidelines for awarding the campus-based funds are accurate, up to date, and are being carried out as intended. Since this is a fully automated process, with reliance on the IT Department, we will ensure that they have all of the information required to set the parameters to expedite the process with accuracy.

V. Auditor Contact Information

Christina Bowman, CPA
410-308-8064
Christina.bowman@claconnect.com

FINDING 2018-005: HOUSING

I. Detail of discrepancies and nature of non-compliant student records identified during review:

We noted the following instances in which a student's housing status did not match what was reported within MDCAPS:

Student ID	Housing status per Institution	Housing status per MDCAPS
162977	With parent	Off-campus
1208323	With parent	Off-campus

II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a formal process to ensure the information in MDCAPS is correct at the time of the award. In addition, policies should indicate how the institution should report students who identify as "off-campus" with a dependent status as well as students who report as "with parent" and an independent status.

III. Total amount of award payments that were made improperly:

No improper award payments were identified.

IV. If applicable, the institution's formal response outlining corrective actions implemented to resolve the documented findings:

The institution will implement a policy to ensure that students' housing plans are reasonable for the individual's dependency status, that inconsistencies with regard to such are verified and documented; and, that the housing plan data is updated to concur with that in the MD CAPS database.

V. Auditor Contact Information

Christina Bowman, CPA
410-308-8064
Christina.bowman@claconnect.com