



## INDEPENDENT ACCOUNTANTS' REPORT

Bowie State University and Maryland Higher Education Commission  
Bowie, Maryland

We have examined Bowie State University'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 year ended June 30, 2021. Management of Bowie State University is responsible for Bowie State University's compliance with the specified requirements. Our responsibility is to express an opinion on Bowie State University'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 Bowie State University complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Bowie State University 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on Bowie State University's compliance with specified requirements.

In our opinion, except for the errors related to Credit Completion Requirements described in finding 2020-005 and CB-EAG Calculation described in finding 2020-004, Bowie State University complied, in all material respects, 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 year ended June 30, 2021.

This report is intended solely for the information and use of Bowie State University 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*

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
October 15, 2022

## Summary of Results

### 2021-001: 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
1351502	With Parent	Off Campus
1391101	With Parent	Off Campus
1447332	With Parent	Off Campus
1354242	On Campus	Off Campus
1461623	With Parent	Off Campus
1370544	On Campus	Off Campus
1444108	With Parent	Off Campus
1459142	On Campus	Off Campus
1293820	On Campus	Off Campus
1430222	On Campus	Off Campus
1430347	On Campus	Off Campus
1437783	On Campus	Off Campus
1522403	With Parent	Off Campus
1528568	On Campus	Off Campus
1608997	On Campus	Off Campus
1637979	With Parent	Off Campus
1648939	With Parent	Off Campus

#### II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a review process of the housing status in MDCAPS to ensure the records match the supporting documentation obtained from the student.

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

Given the discrepancies described above, Bowie State University made the following improper payments to students:

<b>Student ID</b>	<b>Amount the Student was Awarded</b>	<b>Student's Award (Recalculation)</b>	<b>Due to the Student (MHEC)</b>
1351502	\$2,500	\$1,800	\$(700)
1391101	\$1,450	\$1,050	\$(400)
1447332	\$2,900	\$2,200	\$(700)
1354242	\$2,500	\$2,500	\$ -
1461623	\$2,700	\$2,000	\$(700)
1370544	\$2,800	\$2,800	\$ -
1444108	\$2,800	\$2,100	\$(700)
1459142	\$2,900	\$3,000	\$100
1293820	\$2,900	\$3,000	\$100
1430222	\$2,900	\$3,000	\$100
1430347	\$1,600	\$3,000	\$1,400
1437783	\$2,900	\$3,000	\$100
1522403	\$2,900	\$2,100	\$(800)
1528568	\$1,450	\$1,500	\$50
1608997	\$2,900	\$3,000	\$100
1637979	\$1,450	\$1,500	\$50
1648939	\$1,450	\$1,050	\$(400)

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

The University acknowledges the recommendation. Beginning in the 2022-2023 aid year, the action plan is to move away from a manual review of the housing status and ISIR information on file. Instead, we have used a data driven approach based on housing charges on file with the University. Updates will be made to MHEC through an updated roster rather than a manual process for each student.

In addition, we have implemented an internal auditing process. Due to the recurrence of these findings, the review process of the housing status in MDCAPS will be reviewed by the financial aid compliance specialist before the end of each school year.

V. Auditor Contact Information

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

**2021-002: CB-EAG Calculation**

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

We noted the following discrepancies in the calculation of the following students' CB-EAG award:

Student ID	Amount Awarded to Student per Institution	Correct Amount that should have been awarded
1027344	\$1,450	\$1,500

II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a review process of the CB-EAG calculation to ensure the institution is using the correct figures and formulas.

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

The chart below outlines each individual student and the award difference between what was awarded to the student and what they should have received.

Student ID	Amount Awarded to Student per Institution	Correct Amount that should have been awarded	Amount due to the Student
1027344	\$1,450	\$1,500	\$50

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

The University acknowledges the recommendation and will implement the corrective actions below:

- Financial Aid Scholarship Coordinator will complete the review and award based on establish MHEC criteria.
- Financial Aid Compliance Specialist will include the review of MHEC awards in their review process for the 2022-2023 aid year.

V. Auditor Contact Information

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410-308-8064  
Christina.bowman@claconnect.com

**2021-003: Statement of Educational Purpose**

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

For student #1351502, the 2020-2021 Statement of Educational Purpose was not provided due to a change from a paper form to an electronic form.

II. Recommendations provided to the institution to resolve findings:

We recommend the institution to establish a formal process to ensure the proper transition of information is obtained and filed in the student financial aid office, as well as electronically.

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 Office of Financial Aid has discontinued the use of its electronic forms. To ensure the secure management of documents, Student Financial Planning has been implemented. Verification forms are completed, submitted and stored in the student portal according to federal regulation.

V. Auditor Contact Information

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

**2021-004: Incorrect Award Amount**

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

For student #1027344, the incorrect award amount was awarded to the student during the Spring 2022 semester.

<b>Student ID #</b>	<b>Amount Awarded on MDCAPS</b>	<b>Amount Awarded on Student Account History</b>	<b>Difference</b>
1027344	\$0	\$1,450	\$1,450

II. Recommendations provided to the institution to resolve findings:

We recommend the institution to establish a formal process to ensure the proper amount is recorded in MDCAPs.

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

The chart below outlines each individual student and the award difference between what was awarded to the student and what they should have been recorded.

<b>Student ID</b>	<b>Amount Awarded on MDCAPS</b>	<b>Amount Awarded on Student Account History</b>	<b>Difference</b>
1027344	\$0	\$1,450	\$1,450

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

The University acknowledges the recommendation. Beginning in the 2022-2023 aid year, updates will be made to MHEC through a roster upload rather than a manual process for each student.

In addition, we have implemented an internal auditing process. To avoid human error, awards will be reviewed by the financial aid compliance specialist before the end of each school year.

V. Auditor Contact Information

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

**2021-005: CREDIT COMPLETION**

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

During the 2016 Legislative Session, the College Affordability Act of 2016 (Chapters 689 and 690) was enacted, requiring students that are recipients of the Educational Excellence Awards Program grant to successfully complete at least 30 credit hours by the end of the students' second academic year in order to receive full (non-prorated) State funding in the subsequent year. The overarching intent of the law is to encourage on-time completion in the State's need-based aid program through student financial aid incentives and annual credit completion requirements.

We noted the following instances in which the completed credits for the 2020-2021 academic year reported by the institution within MDCAPS did not match the completed credits per the student's transcript for the 2020-2021 academic year:

Student ID	Completed Credits Reported in MDCAPS	Completed Credits Reported on Transcript
1383468	28	39
1370544	28	36
1345571	27	29

The amount of credits reported within MDCAPS affects the award amount. In order to receive the full award, the student needs to successfully complete 30 credits in the previous academic year. If the student completed 24-29 credits the previous academic year they are eligible for a prorated award.

II. Recommendations provided to the institution to resolve findings:

We recommend the institution establish a process to ensure the correct number of credits completed are reported within MDCAPS and that the credits reported are in compliance with the definition of a completed credit.

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

Given the discrepancies described above, Bowie State University made the following improper payments to students:

Student ID	Credits Reported in MDCAPS	Credits Reported on Transcript	Award Type	Amount Awarded	Amount that Should have been Awarded	Due to MHEC (Student)
1383468	28	39	EA	\$2,700	\$3,180	\$480
1370544	28	36	EA	\$2,800	\$2,890	\$90
1345571	27	29	EA	\$2,700	\$2,910	(\$210)

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

The University acknowledges the recommendation. Beginning in the 2022-2023 aid year, updates will be made by a team of financial aid specialists with oversight by the Financial Aid Scholarship Coordinator.

In addition, we have implemented an internal auditing process. To increase accuracy, completed credits will be reviewed by the financial aid compliance specialist before the end of each school year.

V. Auditor Contact Information

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



## **2021-006 Signed Drug Free Pledge**

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

For students #1137476, #1396911, #1420846, the written, signed drug free pledge could not be produced.

### II. Recommendations provided to the institution to resolve findings:

We recommend the University establish a process to ensure a signed drug free pledge is obtained and filed in the student financial aid office, as well as electronically, for students who have not previously completed the online pledge within MDCAPS.

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

No improper payments were identified.

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

The University implemented this action in the beginning of the 2021-2022 aid year. The form appears on our website and will be distributed to recipients that have not completed the online pledge within MDCAPS before the disbursement of aid for the Spring semester.

### V. Auditor Contact Information

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