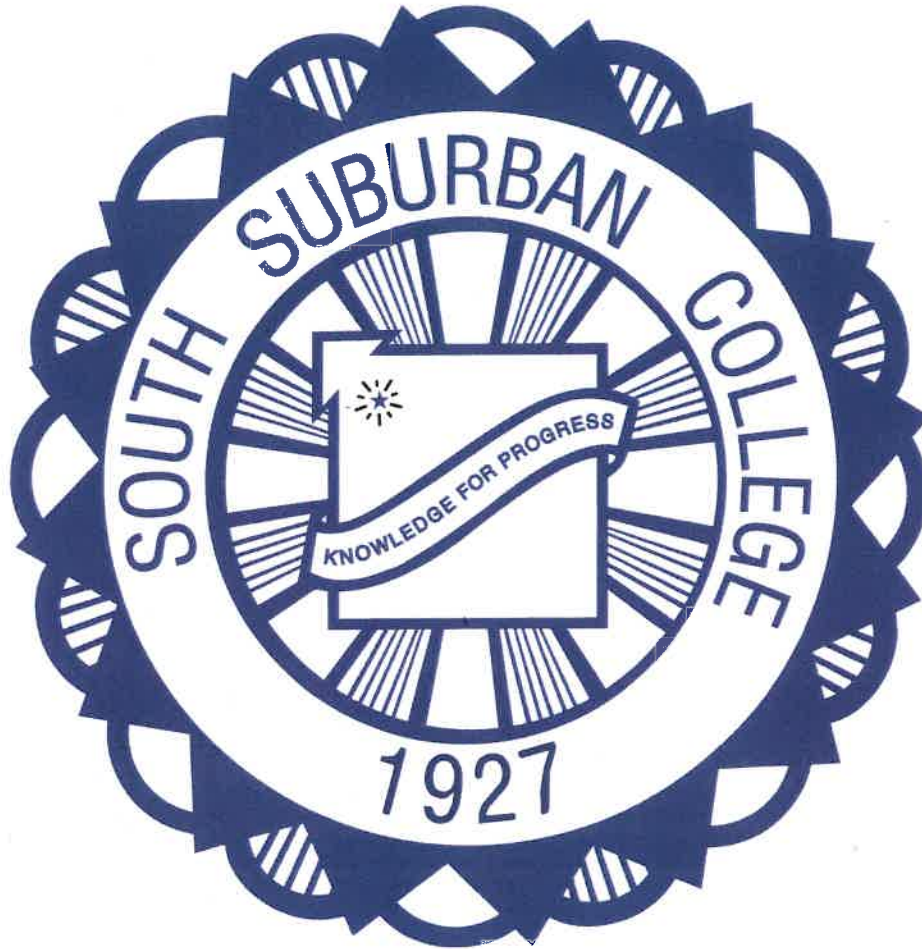


SINGLE AUDIT



Fiscal Year Ended June 30, 2017

South Suburban College
Community College District No. 510
South Holland, Illinois

**SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510**

SINGLE AUDIT REPORT
June 30, 2017

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510

SINGLE AUDIT REPORT

June 30, 2017

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
South Suburban College
Community College District No. 510

We have audited, in accordance with the 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 the business-type activities and the discretely presented component unit of South Suburban College – Community College District No. 510 (the College) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 13, 2017. The financial statements of the College's discretely presented component unit, South Suburban College Foundation (the Foundation), were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Internal Control Over Financial Reporting

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

A deficiency in internal control 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 control such that there is a reasonable possibility that a material misstatement of the College'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 control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001 that we consider to be a material weakness.

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free of 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

College's Response to Findings

The College's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crowe Horwath LLP

Oak Brook, Illinois
October 13, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
South Suburban College
Community College District No. 510
South Holland, Illinois

Report on Compliance for Each Major Federal Program

We have audited South Suburban College-Community College District No. 510's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2017. The College'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the College'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 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 College'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 College's compliance.

Opinion on Each Major Federal Program

In our opinion, the College 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, 2017.

(Continued)

Report on Internal Control Over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the College's internal control 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 control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

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

Our consideration of internal control 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 control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2017-002 that we consider to be a significant deficiency.

The College's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The College'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 control over compliance is solely to describe the scope of our testing of internal control 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.

(Continued)

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

We have audited the financial statements of the business-type activities and the discretely presented component unit of the College as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 13, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic 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 basic financial statements or to the basic 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 expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Crowe Horwath LLP

Oak Brook, Illinois
October 13, 2017

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2017

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Agency Grant Identification #	Federal Expenditures
Major Programs:			
<i>U.S. Department of Education:</i>			
Student Financial Aid Program Cluster:			
Federal Pell Grant Program	84.063		\$ 8,771,167
Federal Supplemental Educational Opportunity Grant program	84.007		199,625
Federal Work Study Program	84.033		213,384
Administrative Cost Allowances	84.063		14,950
Total Student Financial Aid Program Cluster			<u>9,199,126</u>
Total U.S. Department of Education			<u>9,199,126</u>
Total Major Programs			<u>9,199,126</u>
Nonmajor Programs:			
<i>U.S. Department of Labor:</i>			
Passed through the Chicago Cook Workforce Partnership:			
Workforce Investment Act Cluster:			
WIA Adult Program	17.258	2016Q-225	16,861
WIA Adult Program	17.258	2016-225	67,901
WIA Youth Activities	17.259	2015-525	1,530
WIA Youth Activities	17.259	2016-525	220,504
WIA Dislocated Workers	17.278	2016-325	66,986
WIA Dislocated Workers	17.278	2016Q-325	15,317
Total WIA Cluster			<u>389,099</u>
Passed through the Chicago Cook Workforce Partnership:			
WIA National Emergency	17.277	306-325	44,186
Total U.S. Department of Labor			<u>433,285</u>
<i>U.S. Department of Education:</i>			
PBI - Predominantly Black Institutions Program	84.031P		149,280
PBI - Predominantly Black Institutions Program	84.382A		253,340
Passed through Illinois Community College Board:			
Carl D. Perkins Vocational Education - Basic Grants to States Program	84.048	CTE51006	672,938
Carl D. Perkins Vocational Education - Basic Grants to States Program	84.048	CTE51006	381
Total 84.048			<u>673,319</u>
Adult Education - Federal Basic Program	84.002	51001	394,999
Bridging the Gap	84.367A	BTG51017	18,332
Total U.S. Department of Education			<u>1,489,270</u>
<i>U.S. Department of Health and Human Services:</i>			
Passed through Chicago State University			
Step Up Health Careers (HPOG)	93.093	90FX0052-01-01	109,801
Step Up Health Careers (HPOG)	93.093	90FX0052-01-01	121,439
Total 93.093			<u>231,240</u>
Passed through University of Illinois - Chicago			
National Institute of Health "Bridging"	93.859	0813161-00001	4,428
Total U.S. Department of Health and Human Services			<u>235,668</u>
<i>U.S. Department of Justice</i>			
Bullet Proof Vest Partnership	16.607		1,508
Total U.S. Department of Justice			<u>1,508</u>
Total Non-Major Programs			<u>2,159,731</u>
Total Federal Expenditures			<u>\$ 11,358,857</u>

See accompanying notes to schedule of expenditures of federal awards.

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2017

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) summarizes the federal awards expended by South Suburban College-Community College District No. 510 (the College) for the year ended June 30, 2017.

For the purposes of the Schedule, federal awards include all grants, contracts, loans, and loan guarantee agreements entered into directly between the College and agencies and departments of the federal government. The College has classified all awards into major and nonmajor programs in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Major programs include the following:

Student Financial Aid Program Cluster – Includes certain awards to provide financial assistance to students, primarily under the Federal Pell Grant (Pell), Federal Supplementary Educational Opportunity Grant (FSEOG), and Federal Work-Study (FWS) programs of the Department of Education.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule has been prepared on the accrual basis of accounting.

Expenditures for federal student financial aid programs are recognized as incurred and include Pell program grants to students, the federal share of students' FSEOG program grants, FWS program earnings, and administrative cost allowances, where applicable.

Expenditures for other federal awards of the College are determined using the cost accounting principles and procedures set forth in the Uniform Guidance. Under these cost principles, certain expenditures are not allowable or are limited as to reimbursement.

The College has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

MAJOR PROGRAMS

In accordance with the Uniform Guidance, major programs for the College are individual programs or a cluster of programs determined by using a risk-based analysis. The threshold for distinguishing Type A and Type B programs was \$750,000 and \$187,500, respectively. Student Financial Aid programs are designated as clusters of programs.

NON-CASH ASSISTANCE

The College had no non-cash assistance during the year.

FEDERAL INSURANCE

The College had no Federal Insurance in force during the year.

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

Type of report the auditor issued whether on the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards:

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor’s report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516a? Yes No

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
	Department of Education
	Student Financial Aid Program Cluster:
84.063	Pell Grant Program
84.063	Pell Administrative Cost Allowance
84.007	Supplemental Educational Opportunity Grant Program
84.033	College Work Study Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

(Continued)

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

SECTION II – FINANCIAL STATEMENT FINDINGS

FINDING 2017-001 – DOCUMENTATION OF CONTROLS OVER ADJUSTING JOURNAL ENTRIES AND BANK ACCOUNT RECONCILIATIONS

Criteria

The principles of internal control include segregation of duties over significant financial reporting operations, including the preparation and review of adjusting journal entries and monthly bank account reconciliations. The operation of such controls should be documented so that it is clear that the functionality behind the designed control took place.

Condition

During our review of the internal control over adjusting journal entries posted by management to the College's General Ledger, as well as monthly bank account reconciliations, we noted proper signatures of review management were not always evident.

Context

During our testing, all adjusting journal entries prepared by the College Treasurer did not have documentation that they were reviewed prior to posting by the Vice President of Administration/Chief Financial Officer. In our control corroboration of bank account reconciliations, the 2 bank account reconciliations for June 2017 were not signed off by the reviewer.

Effect

While the exceptions noted above were for adjusting journal entries for proper business purposes, the incomplete documentation for the review of the adjusting journal entries and bank account reconciliations are indicators of a gap in the completed review process. No exceptions were noted in those bank account reconciliations.

Cause

The cause appears to be the Treasurer did not have Vice President of Administration/Chief Financial Officer review and approve prior to posting.

Recommendation

We recommend that the College adhere its established control procedures over adjusting journal entries and bank account reconciliations to ensure that all reviews of adjusting activity and reconciliations are appropriately documented.

Views of Responsible Officials and Planned Corrective Actions

See Corrective Action Plan.

(Continued)

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS

FINDING 2017-002 – CONTROLS AND NONCOMPLIANCE OVER VERIFICATION – SPECIAL TESTS AND PROVISIONS

Federal Department: Department of Education
CFDA Number(s): 84.063, 84.007, 84.033
Program Name(s): Student Financial Aid Cluster
Questioned Costs: None

Criteria

Federal regulations dictate an institution not participating under a U.S. Department of Education approved Quality Assurance Program is required to establish written policies and procedures that incorporate the provisions of 34 CFR sections 668.51 through 668.61 for verifying applicant information. Such an institution shall require each applicant whose application is selected by the U.S. Department of Education to verify the information required for the Verification Tracking Group to which the applicant is assigned.

Condition

Students that are flagged by the U.S. Department of Education on their Institutional Student Information Record (ISIR) form for verification require verification to be performed. During our testing we noted the following:

- One student selected did not have verification performed as required.
- One student selected had a variance identified in the verification documents for base income that was not reported to the U.S. Department of Education.
- Three students selected had a variance identified in the verification documents for family members in the household that was not reported to the U.S. Department of Education.
- Two students selected had a variance identified in the verification documents for family members attending post-secondary education institutions as half-time students that was not reported to the U.S. Department of Education.
- One student selected a variance in the tax return above the U.S. Department of Education's investigation threshold that was not reported to the U.S. Department of Education.

Context

A sample of 60 students were selected for testing. Verification worksheets and supporting documentation were included in the student folders to show that the verification process took place. For the above exceptions where the College performed the verification, the College timely verified the information and adjusted the student records in the College's record system. However, the change was not reported to the U.S. Department of Education. It was noted that the adjusted student records did not require an adjustment to the aid awarded to the students. For the student record that did not have verification take place, it was determined that the student initially applied for aid in FY16, but a change in the student income for FY17 caused the file to be flagged for verification by the U.S. Department of Education.

Repeat Finding Status

This was previously reported as a finding in the College's Single Audit report for the year ended June 30, 2016, specifically finding 2016-002.

Effect

Without proper verification, the College could overlook important information that should be taken into account when determining if a student is eligible for aid.

(Continued)

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS (Continued)

FINDING 2017-002 –CONTROLS AND NONCOMPLIANCE OVER VERIFICATION – SPECIAL TESTS AND PROVISIONS (CONTINUED)

Federal Department:	Department of Education
CFDA Number(s):	84.063, 84.007, 84.033
Program Name(s):	Student Financial Aid Cluster
Questioned Costs:	None

Cause

The cause appears to be errors in the processing of the completed verification documentation in the student file folders, as the College correctly modified the student records with the proper information but did not select the correct reporting feature within its software to submit the information to the U.S. Department of Education. The omission of the student flagged for verification appears to be an oversight in the processing of verification flags from the U.S. Department of Education.

Recommendation

We recommend that the College reviews its established procedures to ensure that changes in student records that are captured during the verification process are timely reported to the U.S. Department of Education, as well as ensure all students flagged for verification by the U.S. Department of Education are timely verified.

Views of Responsible Officials and Planned Corrective Actions

See Corrective Action Plan.

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
STATUS OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2017

FINDING 2016-001 –REPORTING – CONTROLS AND NONCOMPLIANCE OVER FISAP REPORTING

Federal Department: Department of Education
CFDA Number(s): 84.063, 84.007, 84.033
Program Name(s): Student Financial Aid Cluster
Questioned Costs: None

Criteria

Federal regulations dictate that the activity reported on the annual FISAP be supported with appropriate documentation and should reconcile to applicable financial records, including the annual Schedule of Expenditures of Federal Awards (SEFA).

Condition

During the testing of the final 2014 FISAP report, which was submitted to the Department of Education in December 2015, we noted variances between the College's supporting documentation and the FISAP.

Context

During the testing of the final 2015 FISAP report, we noted the following (all are considered known errors):

- For Part II, Section F of the FISAP, specific sections of the student by income table on the FISAP did not agree to available support.
 - For dependent students with a baccalaureate degree and income using the automatic \$0 classification, the headcount per the available support was 4 while the FISAP reported 0.
 - For dependent students with a baccalaureate degree and income between \$48,000 and \$53,999, the headcount per the available support was 1 while the FISAP reported 0.
 - For dependent students with a baccalaureate degree and income over \$60,000, the headcount per the available support was 3 while the FISAP reported 0.
 - For dependent students without a baccalaureate degree and income between \$48,000 and \$53,999, the headcount per the available support was 151 while the FISAP reported 150.
- For Part IV of the FISAP covering the FSEOG grant, the expenditures per the SEFA and the reconciled balance per the FISAP had a variance in reported expenditures of \$23,366.
- For Part V of the FISAP covering the FWS Grant, the College is responsible to allocate 7% of the total FWS share to community service. The actual amount allocated was \$19,062, which is 6.7% of the total FWS share.
- For Part VI of the FISAP covering the Program Summary:
 - For FSEOG, the differences in the support vs the FISAP were:
 - For Undergraduate Dependent students with income between \$0 and \$5,999, the headcount per the FISAP was 115 with awards of \$64,656, but support indicated 116 with awards of \$65,156.
 - For Undergraduate Independent students with income between \$0 and \$1,999, the headcount per the FISAP was 291 with awards of \$155,812, but support indicated 279 with awards of \$151,062.
 - For students that are Less than Full time, the FISAP totaled 219 participants with awards of \$102,468 while the support indicated 213 with awards of \$101,968.
 - For students that are classified as an Automatic Zero EFC, the FISAP totaled 250 participants with awards of \$138,437 while support indicated 244 with awards of \$135,812.

(Continued)

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
STATUS OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2017

FINDING 2016-001 –REPORTING – CONTROLS AND NONCOMPLIANCE OVER FISAP REPORTING
(Continued)

- For FWS, the differences in the support vs the FISAP for Undergraduate dependent students were:
 - For students with income between \$0 and \$5,999, the FISAP amount was \$31,161, but support was \$23,665. Headcount was 18 on the FISAP, but 17 on the support.
 - For students with income between \$6,000 and \$11,999, the FISAP amount was \$10,881, but support was \$9,957.
 - For students with income between \$12,000 and \$23,999, the FISAP amount was \$33,163, but the support was \$41,475.
 - For students with income between \$24,000 and \$29,999, the FISAP amount was \$32,873, but the support was \$32,021.
 - For students with income between \$30,000 and \$41,999, the FISAP amount was \$27,822, but the support was \$29,175.
 - For students with income between \$42,000 and \$59,999, the FISAP amount was \$12,237, but the support was \$12,531.
 - For students with income between \$60,000 and \$69,999, the FISAP amount was \$7,669, but the support was \$3,262. Headcount was 2 on the FISAP, but 3 on the support.
 - For students with income between \$70,000 and \$79,999, the FISAP amount was \$1,701, but the support was \$3,000.
 - For students with income over \$100,000, the FISAP amount was \$8,468, but the support was \$1,652.
- For FWS, the differences in the support vs the FISAP for Undergraduate independent students were:
 - For students with income between \$0 and \$1,999 - FISAP amount amount was \$62,945, but the support was \$69,582. Headcount was 35 on the FISAP, but 39 on the support.
 - For students with income between \$2,000 and \$3,999, the FISAP amount was \$13,421, but the support was \$10,459.
 - For students with income between \$4,000 and \$7,999, the FISAP amount was \$19,293, but the support was \$16,529.
 - For students with income between \$8,000 and \$11,999, the FISAP amount was \$8,881, but the support was \$6,923. Headcount was 5 on the FISAP, but 4 on the support.
 - For students with income between \$12,000 and \$15,999, the FISAP amount was \$5,348, but the support was \$10,026. Headcount was 4 on the FISAP, but 5 on the support.
 - For students with income between \$16,000 and \$19,999, the FISAP amount was \$1,738, but the support was \$4,425.
 - For students with income between \$20,000 and \$24,999, the FISAP amount was \$1,793, but the support was \$1,508.
 - For students with income between \$25,000 and \$29,999, the FISAP amount was \$4,614, but the support was \$4,607.
 - For students with income between \$30,000 and \$34,999, the FISAP amount was \$1,970, but the support was \$3,908.
- For students that are Less than Full Time, the FISAP amount was \$38,247, but the support was \$52,048. Headcount was 23 on the FISAP, but 30 on the support.

(Continued)

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
STATUS OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2017

FINDING 2016-001 –REPORTING – CONTROLS AND NONCOMPLIANCE OVER FISAP REPORTING
(Continued)

- For students that are classified as Automatic Zero EFC, the FISAP amount was \$223,147, but the support was \$214,125. Headcount was 123 on the FISAP, but 128 on the support.

Current Year Follow-up

During our testing for the year ended June 30, 2017, no errors were noted in the FISAP reporting. As such, this finding is not repeated.

FINDING 2016-002 –CONTROLS OVER VERIFICATION – SPECIAL TESTS AND PROVISIONS

Federal Department:	Department of Education
CFDA Number(s):	84.063, 84.007, 84.033
Program Name(s):	Student Financial Aid Cluster
Questioned Costs:	None

Criteria

Federal regulations dictate an institution not participating under an U.S. Department of Education approved Quality Assurance Program is required to establish written policies and procedures that incorporate the provisions of 34 CFR sections 668.51 through 668.61 for verifying applicant information. Such an institution shall require each applicant whose application is selected by ED to verify the information required for the Verification Tracking Group to which the applicant is assigned.

Condition

Students that are flagged by the Department of Education on their ISIR form for verification require verification using the verification checklist, per College policy. During our testing, 18 exceptions were noted in that the student's file folders did not contain a completed and signed verification checklists. In addition, 4 students did not have acceptable documentation to indicate that the verification was completed for income and taxes.

Context

A sample of 60 students were selected for testing. Verification worksheets and supporting documentation were included in the student folders to show that the verification process took place. The missing verification checklists were subsequently completed and added to the student file folders.

Current Year Follow-up

During our testing for the year ended June 30, 2017, errors were noted in the verification testing. As such, this finding is repeated as finding 2017-002.

(Continued)

SOUTH SUBURBAN COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 510
STATUS OF PRIOR YEAR AUDIT FINDINGS
Year Ended June 30, 2017

FINDING 2016-003 – CONTROLS AND NONCOMPLIANCE OVER COMMON ORIGINATION DISBURSEMENT REPORTING

Federal Department: Department of Education
CFDA Number(s): 84.063, 84.007, 84.033
Program Name(s): Student Financial Aid Cluster
Questioned Costs: None

Criteria

Federal regulations require that institutions reporting on the U.S. Department of Education Common Origination and Disbursement (COD) system must report student payment data within 15 calendar days after the school makes a payment, or becomes aware of the need to make an adjustment to previously reported student payment data or expected student payment data.

Condition

During our testing of submissions to the COD system, we noted 15 exceptions in that the disbursement date per the COD system did not agree to the College's records with a variance greater than 15 days. In addition, 11 disbursements were not sent to the COD system within the 15 day requirement. Finally, 2 students per review of the COD system were flagged for verification but the College did not complete the verification process.

Context

A sample of 60 students were selected for testing. The student's information was compared to the COD System of the Department of Education to ensure timely reporting of student status.

Current Year Follow-up

During our testing for the year ended June 30, 2017, no errors were noted in the reporting testing. As such, this finding is not repeated.



SOUTH SUBURBAN COLLEGE

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Our Mission
Is to **Serve** our
Students and
the **Community**
Through Lifelong
Learning.

Finding 2017-001 – Documentation of Controls over Adjusting Journal Entries and Bank Account Reconciliations

Management's Response

The College agrees with this finding and has already taken appropriate measures to ensure that journal entries are approved and signed off on prior to posting to the general ledger. I do want to highlight the point that all journal entries that were posted were correct. Bank reconciliations are done on a monthly basis and were all correct as well. However, two reconciliations for June 2017 were not signed off by the Treasurer/Controller.

Plan

To make sure that the Treasurer/Controller's journal entries are approved by the Vice President of Administration/CFO prior to posting to the general ledger. Bank reconciliations will be signed off by the reviewer.

Anticipated Date of Completion

7/31/2017

Name of Contact Person

Tim Pollert

Finding 2017-002 – Controls and Noncompliance over Verification – Special Tests and Provisions

Management's Response

The College concurs with the findings above and has already taken appropriate measures to ensure that the verification process is completed in its entirety. Minor discrepancies were noted in several cases during the file review process but were not uploaded to the central processing system due to the fact that the award did not change.

Plan

An extra step in the import/export process will be added to last year's corrective action plan to gather and transmit all transactions regardless of the scope of the change to the student file.

Anticipated Date of Completion

7/31/2017

Name of Contact Person

John Semple