

**THE COLORADO COLLEGE**  
**SINGLE AUDIT REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**THE COLORADO COLLEGE  
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FOR THE YEAR ENDED JUNE 30, 2019**

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**INDEPENDENT AUDITORS' 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**

Audit Committee of the Board of Trustees  
The Colorado College  
Colorado Springs, Colorado

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 Colorado College (the College), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 31, 2019.

**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 opinion 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 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 College'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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

### **CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
October 31, 2019



**INDEPENDENT AUDITORS' 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**

Audit Committee of the Board of Trustees  
The Colorado College  
Colorado Springs, Colorado

**Report on Compliance for Each Major Federal Program**

We have audited The Colorado College'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 the College's major federal program for the year ended June 30, 2019. The College's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for the College's major federal program 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 its major federal program for the year ended June 30, 2019.

**Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019-001 through 2019-004. Our opinion on the major federal program is not modified with respect to this matter.

The College's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The College's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

**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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2019-001 through 2019-004, which we consider to be significant deficiencies.

The College's responses 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 responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 result of that testing based on the requirements of The Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the College as of and for the year ended June 30, 2019, and have issued our report thereon dated October 31, 2019, which contained an unmodified opinion on those financial statements. 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 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.



**CliftonLarsonAllen LLP**

Greenwood Village, Colorado  
October 31, 2019

**THE COLORADO COLLEGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

Federal Grantor Pass-Through Grantor Program/Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b><u>Student Financial Assistance Cluster</u></b>				
<b>United States Department of Education</b>				
Federal Pell Grant Program	84.063		\$ -	\$ 1,171,042
Federal Supplemental Educational Opportunity Grants	84.007		-	176,441
Federal Work-Study Program	84.033		-	173,520
Federal Perkins Loans	84.038		-	3,948,236
Federal Direct Loans	84.268		-	4,801,202
<b>Total Student Financial Assistance Cluster</b>			-	10,270,441
<b><u>Research and Development Cluster</u></b>				
<b>National Science Foundation</b>				
NSF: The Role of NRA Binding Protein	47.074		-	146
NSF: Advance Geosciences	47.076		-	13,226
NSF: RUI: Biology-Physics Collaboration	47.074		-	34,534
NSF: Collaborative Research: Improving the recruitment and persistence of women in the geosciences	47.076		-	3,756
NSF: Collaborative Research: Surface water-Groundwater connectivity in the Tidal Freshwater Zone	47.050		-	2,037
NSF: Rosetta ICE	47.050		-	44,068
NSF: Noyce Scholarship	47.076		-	119,306
NSF: Ecosystem in Arctic	47.050	93(GG009393)	-	8,172
NSF: Columbia IODP	47.050	800010080-01	-	59,690
NSF Digitization of Herbarium	47.049	1555728	-	3,756
<b>Total National Science Foundation</b>			-	288,691
<b>NASA</b>				
NASA Subaward through JPL California Institute of Technology, Cluster with K2, Research Support Agreement (RSA)	43.001	1569406	-	14,009
<b>US Army</b>				
Mathematics: Probability and Statistics	12.431		-	14,982
<b>USDA Forest Service</b>				
Hot Creek, Challenge Cost Share agreement	10.15-CS-11020900-014		-	2,836
USFS Archeology Field Study	10.15-CS-11020900-017		-	3,037
<b>Total USDA Forest Service</b>			-	5,873
<b>Total Research and Development Cluster</b>				
<b>United States Department of Commerce</b>				
CPB Community Service Grant	11.000		-	157,350
CPB RJC	11.000		-	30,449
<b>Total United States Department of Commerce</b>			-	187,799
<b>TOTAL FEDERAL AWARDS</b>			<b>\$ -</b>	<b>\$ 10,781,795</b>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**THE COLORADO COLLEGE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of The Colorado College (the College) under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the College.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The College has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 3 FEDERAL STUDENT LOAN PROGRAMS**

The federal student loan programs listed subsequently are administered directly by the College, and balances and transactions relating to these programs are included in the College'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. The balance of loans outstanding at June 30, 2019 consists of:

Program Title	CFDA Number	Amount Outstanding
Federal Perkins Loan Program	84.038	\$ 3,089,323

**NOTE 4 SUBRECIPIENTS**

There were no amounts to report on the Schedule that were passed through to subrecipients.

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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***Section I – Summary of Auditors’ Results***

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***Financial Statements***

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?  yes  no
  - Significant deficiency(ies) identified?  yes  none reported
3. Noncompliance material to financial statements noted?  yes  no

***Federal Awards***

1. Internal control over major federal programs:
- Material weakness(es) identified?  yes  no
  - Significant deficiency(ies) identified?  yes  none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  yes  no

***Identification of Major Federal Programs***

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.063; 84.007; 84.033; 84.038; 84.268	Student Financial Assistance Cluster
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	<input checked="" type="checkbox"/> yes <input type="checkbox"/> no

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**Section I – Summary of Auditors’ Results (Continued)**

**Required Reporting for the Pell Grant Program:**

Sample Description	OPEID	Sample		Sample was Drawn	
		Students Receiving Pell (#)	Pell Disbursed (\$)	Students Receiving Pell (#)	Pell Disbursed (\$)
Eligibility	00134700	16	\$ 71,720	247	\$ 1,171,042
Return of Title IV (1)	00134700	4	\$ 11,874	9	\$ 25,590
Reporting to COD - 25 Disbursements (2)	00134700	16	\$ 71,720	247	\$ 1,171,042
(1) Overlap of Students tested for Eligibility	00134700	-	\$ -	9	\$ 25,590
(2) All 16 students tested for Reporting to COD were also tested for Eligibility					

**Required Reporting for the Direct Loan Program:**

Sample Description	OPEID	Sample		Sample was Drawn	
		Students Receiving Direct Loan (#)	Direct Loan Disbursed (\$)	Students Receiving Direct Loan (#)	Direct Loan Disbursed (\$)
Eligibility	00134700	30	\$ 383,189	510	\$ 4,801,202
Return of Title IV (1)	00134700	3	\$ 11,145	9	\$ 32,007
Reporting to COD (2)	00134700	25	\$ 354,830	510	\$ 4,801,202
(1) Overlap of Students tested for Eligibility	00134700	-	\$ -	9	\$ 32,007
(2) All 25 students tested for Reporting to COD were also tested for Eligibility					

**Required Reporting for Findings:**

Finding Number	Student Identifier	OPEID	Pell Disbursed (\$)	Pell Under-Payment (\$)	Pell Over-Payment (\$)	Direct Loan Disbursed (\$)	Direct Loan Under-Payment (\$)	Direct Loan Over-Payment (\$)
2019-001	Student 1	00134700	\$ -	\$ -	\$ -	\$ 74,820		\$ -
2019-002	Student 2	00134700	\$ 4,445	\$ -	\$ -	\$ 5,109	\$ 127	\$ -

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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***Section II – Financial Statement Findings***

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No findings reported.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2019-001**

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Numbers: 84.268 – Federal Direct Loans

Award Period: July 1, 2018 to June 30, 2019

Eligibility – Parent PLUS Loans

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** 34 CFR 668.164(e)(1) states that whenever an institution disburses Title IV, HEA program funds by crediting a student's account and the total amount of all Title IV, HEA program funds credited exceeds the amount of tuition and fees, room and board, and other authorized charges the institution assessed the student, the institution must pay the resulting credit balance directly to the student or parent as soon as possible but (1) no later than 14 days after the balance occurred if the credit balance occurred after the first day of class of a payment period; or (2) no later than 14 days after the first day of class of a payment period if the credit balance occurred on or before the first day of class of that payment period.

**Condition:** Per review of one student's account detail, Parent PLUS loans were distributed to the student account on January 21, 2019, which created a credit balance in the account of \$2,190. The student account detail showed that the credit balance was not refunded until February 12, 2019, which was outside the prescribed 14-day window.

**Context:** We tested a sample of 30 students for Direct Loan eligibility and discovered that one student was found to have a credit balance in their account created by a Parent PLUS Loan disbursement for greater than the allowable 14 days.

**Questioned costs:** None.

**Cause:** This was a manual error in the College's student accounts review process. Financial Aid and student accounts have a process in place to review student accounts for credit balances created by Title IV aid, but this particular instance was overlooked in the process.

**Effect:** A credit balance on a student account was not remedied within the prescribed 14-day window creating an instance of noncompliance.

**Repeat Finding:** No.

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**Recommendation:** We recommend that the Student Financial Aid Office work with the Student Accounts Office to implement a review process for Title IV Aid recipients' accounts who hold a credit balance to ensure that proper action is taken place within the prescribed window of 14 days.

**Views of responsible officials and management's response:** The College agrees with the finding.

**2019-002**

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Numbers: 84.268 – Federal Direct Student Loans

Award Period: July 1, 2018 to June 30, 2019

Eligibility – Direct Loans

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** Chapter 5, Special Cases, of The Federal Student Aid (FSA) Handbook published by the Department of Education, states that if institutions adjust a data element, they must use the resulting expected family contribution (EFC) consistently for all FSA funds awarded to that student.

**Condition:** During testing of a student's award package, we noted that the student's original award was generated using an EFC of \$2,221, but the EFC was later adjusted to \$1,664. The adjustment to the EFC triggered additional need for Direct loans of \$127. During our review of the records, the student was never offered the additional need based aid causing an under-awarding of aid.

**Context:** We tested a sample of 30 students for Direct Loan eligibility, awarding and disbursement, and we noted that one student was under-awarded possible Direct loans by \$127.

**Questioned costs:** One student was under-awarded \$127.

**Cause:** When the student's EFC was adjusted, the student's Pell award was adjusted properly, but no adjustment of the Direct Loans (need-based) aid was made.

**Effect:** The student was eligible for more aid than disbursed to the student.

**Repeat Finding:** No.

**Recommendation:** We recommend the Student Financial Aid Office work to implement a process that reviews the full award package for Title IV recipients who have an adjustment to their EFC.

**Views of responsible officials and management's response:** The College agrees with the finding.

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-003**

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Numbers: 84.038 – Federal Perkins Loan

Award Period: July 1, 2018 to June 30, 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** The Code of Federal Regulation, 34 CFR 674.42 requires an institution to contact a Perkins Loan borrower for the first time 90 days after the commencement of any grace period. The institution shall remind the borrower of his or her responsibility to comply with the terms of the loan. The institution is then required at 150 days and 240 days after the commencement of the grace period to remind the borrower of his/her responsibility to comply with the terms of the loan.

**Condition:** The College utilizes University Accounting Service, LLC (UAS) for its third party Perkins Loan servicing. This is a very common practice for colleges and universities in order to provide the most efficient and effective means to not only collect loans but meet the federal regulations for servicing student Perkins Loans. In auditing the compliance features for the loan servicing, CLA reviewed the external compliance report performed for UAS by other auditors. We noted within the UAS compliance audit report for the year ended June 30, 2019, there was a finding for not contacting the student within the required timeframes. The audit did not specify the students that were not contacted within the required guidelines and UAS is one of the largest third party servicer for federal student loans. CLA selected a sample of Colorado College Students who entered Perkins Loan repayment during the award year, and noted that none of the six students selected for testing were sent the notice by the third party servicer (UAS) of required repayment.

**Context:** Of the six students selected for testing, the University's third party servicer, UAS, failed to notify the students of his/her responsibility to comply with terms of the loan during the required timeframes.

**Questioned Costs:** None.

**Cause:** UAS, the third-party servicer, did not have controls in place to ensure students were notified of responsibilities under terms of his/her loan in accordance with the required timeline discussed above.

**Effect:** The College was not in compliance with regulatory provisions as it pertains to the notification of students exiting the Perkins Loan grace period.

**Repeat Finding:** No.

**Recommendation:** We recommend that the College monitor the actions of third-party service organizations to ensure they comply with Department of Education Rules and Regulations.

**Views of responsible officials and management's response:** The College agrees with the finding.

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**2019-004**

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Numbers: 84.063, 84.007, 84.033, 84.038, 84.268

Award Period: July 1, 2018 to June 30, 2019

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** The Gramm-Leach-Bliley Act (Public Law 106-102) requires financial institutions to explain their information-sharing practices to their customers and to safeguard sensitive data. (16 CFR 314) The Federal Trade Commission considers Title IV-eligible institutions that participate in Title IV Educational Assistance Programs as “financial institutions” and subject to the Gramm-Leach-Bliley Act (16 CFR 313.3(k)(2)(vi)).

Under an institution’s Program Participation Agreement with the Department of Education and the Gramm-Leach-Bliley Act, schools must protect student financial aid information, with particular attention to information provided to institutions by the Department or otherwise obtained in support of the administration of the federal student financial aid programs.

Requirements of the Act include:

- Institution has designated an individual to coordinate the information security program.
- Institution has performed a risk assessment that addresses the three required areas noted in 16 CFR 314.4 (b), which are (1) Employee training and management; (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures.
- Institution has documented a safeguard for each risk identified above.

**Condition:** While the College had certain security controls in place, documentation to support compliance with the Act was not produced by the College.

**Questioned costs:** None

**Context:** The College did not formally perform and document a risk assessment that addresses the three areas noted in 16 CFR 314.4 (b) which are (1) Employee training and management; (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures and document safeguards for identified risks.

**Cause:** The College did not formally perform and document a risk assessment that addressed the three areas noted in 16 CFR 314.4 (b).

**THE COLORADO COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**Effect:** The College is not in compliance with all statutory and regulatory provisions as it pertains to safeguarding sensitive data.

**Repeat Finding:** No

**Recommendation:** We recommend that the College perform and document an annual risk assessment against the three areas noted in 16 CFR 314.4 (b), then identify and document safeguards to address the risks identified in the risk assessment process.

**Views of responsible officials:** There is no disagreement with the audit finding.

**THE COLORADO COLLEGE  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2019**

**Department of Education**

The Colorado College respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2019.

Audit period: 2018

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

There were no financial statement findings in the prior year.

**2018-001**

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Numbers: 84.063 – Federal Pell Grant

Award Period: July 1, 2017 to June 30, 2018

Eligibility – Federal Pell Grants

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

**Condition:** Per review of one student's award package, the disbursements made to the student, and other supporting student account information, an erroneous computation of the student's award amount, based on eligibility factors, resulted in an under-award Federal Pell Grant funds.

**Status:** Fully implemented.

**2018-002**

Federal agency: Department of Education

Federal program title: Student Financial Assistance Cluster

CFDA Numbers: 84.038 – Federal Perkins Loans  
84.063 – Federal Pell Grant Program  
84.268 – Federal Direct Student Loans

Award Period: July 1, 2017 to June 30, 2018

Special Tests and Provisions – Enrollment Reporting

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal Control over Compliance

**Condition:** During testing of underlying enrollment information, one student's change in status was inaccurately submitted to the NSLDS.

**Status:** Fully implemented.