

UNIVERSITY OF DENVER
STATE OF COLORADO STATE-FUNDED
STUDENT ASSISTANCE PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2022



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UNIVERSITY OF DENVER
STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
INTRODUCTION
Year Ended June 30, 2022

Introduction

University of Denver (the University) is a private institution of higher education located in Denver, Colorado.

Our audit of the various state-funded student assistance programs at the University for the year ended June 30, 2022, was directed toward the objectives and criteria set forth in the University's Financial Aid Policy. The state student financial assistance programs were audited simultaneously with the federal financial aid programs for the year ending on June 30, 2022.

State-Funded Assistance Programs

The various state-funded student assistance programs at the University include the Colorado Student Grant Program, the Colorado Graduate Grant Program, the Colorado Work-Study Program, and the Colorado Merit Program.

The state-funded student assistance awards made by the University were \$2,145,392 during the year ended June 30, 2022.

The Director of Financial Aid is responsible for administration of these programs. This responsibility includes application processing, eligibility determination and financial aid packaging, as well as ensuring compliance with regulations governing the participation of the University in federal and state financial aid programs. The University's Controller is responsible for the programs' financial management, general ledger accounting, payments, and collections.

During the year ended June 30, 2022, the University obtained authorizations to award federal student financial aid funds as follows:

Pell Grants	\$ 4,336,424
Direct Loan	174,210,714
Supplemental Educational Opportunity Grant	1,254,767
College Work-Study	1,960,546
Perkins Student Loan Program	7,524,294
Teacher Education Assistance for College and Higher Education Grant	90,528

During the year ended June 30, 2022, the University obtained authorizations to award state student financial aid funds as follows:

Colorado Student Grant Program	\$ 1,599,542
Colorado Graduate Grant Program	319,772
Colorado Work-Study Program	226,078
Colorado Merit Program	-

**UNIVERSITY OF DENVER (COLORADO SEMINARY)
STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
REPORT SUMMARY
Year Ended June 30, 2022**

Report Summary

Purpose and Scope of Audit

Our audit of the state-funded student assistance programs was performed in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The purpose of the audit was to formulate an opinion on the statement of student aid program allocations, expenditures, and reversions for the fiscal year ending June 30, 2022, and to determine if these programs were administered in accordance with applicable laws, regulations, terms of agreements, and Governing Board directives which were set forth in the handbook.

Our audit included:

- Expressing an opinion on the statement of student aid program allocations, expenditures, and reversions.
- Evaluation of the policies, procedures, and practices used to administer these programs.
- Determination of compliance with applicable sections of Colorado Revised Statutes 23-3.3 et. seq. and approved Governing Board policies.

Summary of Current Year Recommendations

The audit report for the year ended June 30, 2022 contained no recommendations.

Summary of Progress in Implementing Prior Audit Recommendations

The audit report for the year ended June 30, 2020 included no recommendations.



INDEPENDENT AUDITORS' REPORT

Board of Trustees
University of Denver
Denver, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying statement of student aid program allocations, expenditures, and reversions of the State of Colorado State-Funded Assistance Programs (the Statement) of the University of Denver (the University) for the year ended June 30, 2022, and the related notes.

In our opinion, the statement referred to above presents fairly, in all material respects, the student aid allocations, expenditures, and reversions of the State of Colorado State-Funded Student Assistance Programs of the University of Denver for the year ended June 30, 2022, in accordance with the format set forth in the *2021-2022 Audit Guide, Colorado-Funded Student Aid* issued by the Department of Higher Education (DHE) and in conformity with the policies and procedures for State-Funded Student Financial Assistance Programs established by the Board of Trustees of the University, as described in Note 1 to the Statement.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Statement

Management is responsible for the preparation and fair presentation of the Statement. The Statement was prepared in accordance with the format set forth in the *2021-2022 Audit Guide, Colorado-Funded Student Aid* issued by the DHE and in conformity with the policies and procedures for State-Funded Student Financial Assistance Programs established by the Board of Trustees of the University; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS And Government Auditing Standards, , we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statement.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Basis of Accounting

We draw your attention to Note 2 of the Statement, which describes the basis of accounting. The Statement is a summary of cash activity of the state-funded financial assistance programs with the exception of the Colorado Work-Study program, and does not present certain transactions that would be included in the statement of the state-funded student assistance programs if it was presented on the accrual basis of accounting, as prescribed by U.S. generally accepted accounting principles. Accordingly, the accompanying statement is not intended to, and does not present the financial position, changes in financial position or cash flows of the University in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Board of Trustees
University of Denver

Restriction on Use

This report is intended solely for the information and use the Board of Trustees, management, the Colorado Department of Higher Education, and the Colorado Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
November 14, 2022

UNIVERSITY OF DENVER (COLORADO SEMINARY)
STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
STATEMENT OF STUDENT AID ALLOCATIONS, EXPENDITURES, AND REVERSIONS
Year Ended June 30, 2022

	Colorado Student Grant Program	Colorado Graduate Grant Program	Colorado Work-Study Program	Colorado Merit Program	Total State- Funded Student Assistance
STUDENT AID ALLOCATIONS					
Original Official Allocation Notice	\$ 1,597,908	\$ 319,772	\$ 543,934	\$ -	\$ 2,461,614
Additional Funds Reallocated by CDHE	1,634	-	(317,856)	-	(316,222)
Total Appropriations	<u>1,599,542</u>	<u>319,772</u>	<u>226,078</u>	<u>-</u>	<u>2,145,392</u>
EXPENDITURES	<u>1,599,542</u>	<u>319,772</u>	<u>226,078</u>	<u>-</u>	<u>2,145,392</u>
REVERSIONS TO STATE GENERAL FUND	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Statement of Student Aid Allocations, Expenditures, and Reversions.

UNIVERSITY OF DENVER (COLORADO SEMINARY)
STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
NOTES TO STATEMENT OF STUDENT AID ALLOCATIONS, EXPENDITURES, AND REVERSIONS
Year Ended June 30, 2022

(1) Basis of Presentation

The University of Denver (the University) is governed by the University's Board of Trustees. The accompanying statement of student aid program allocations, expenditures, and reversions of state-funded student financial assistance programs (the Statement) has been prepared in accordance with the format set forth in the 2021-2022 *Audit Guide, Colorado-Funded Student Aid* issued by the Department of Higher Education (DHE) and in conformity with the policies and procedures for State-Funded Student Financial Assistance Programs established by the Board of Trustees of the University. The purpose of the Statement is to present the state-funded student financial assistance activities for the year ended June 30, 2022.

Because the Statement presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position or changes in financial position of the University in conformity with U.S. generally accepted accounting principles.

(2) Basis of Accounting

The University's accounting system is structured and administered in accordance with the accounting principles promulgated by the Financial Accounting Standards Board.

All state-funded student financial assistance is expensed on a cash basis, except for the Colorado Work-Study program. Colorado Work-Study wages are recorded on the accrual basis recognizing expenses when the services are performed.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE STATEMENT OF STUDENT AID PROGRAM ALLOCATIONS, EXPENDITURES, AND REVERSIONS OF THE STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Trustees
University of Denver
Denver, 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 statement of student aid program allocations, expenditures, and reversions of the State of Colorado State-Funded Assistance Programs (the Statement) of University of Denver (the University) for the year ended June 30, 2022, and the related notes to the Statement, and have issued our report thereon dated November 14, 2022.

Report on Internal Control Over Financial Reporting

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

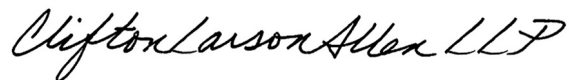
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 results 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.



CliftonLarsonAllen LLP

Denver, Colorado
November 14, 2022

**UNIVERSITY OF DENVER (COLORADO SEMINARY)
STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2022**

No matters are reportable.

**UNIVERSITY OF DENVER (COLORADO SEMINARY)
STATE OF COLORADO STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended June 30, 2020**

No matters are reportable.



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