

**MONTGOMERY COLLEGE  
REPORT ON SINGLE AUDIT  
YEAR ENDED JUNE 30, 2023**



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**MONTGOMERY COLLEGE  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

<b>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 <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>1</b>
<b>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</b>	<b>3</b>
<b>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>7</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</b>	<b>9</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>10</b>



**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**

Board of Trustees  
Montgomery College  
Rockville, Maryland

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, the discretely presented component unit and the aggregate remaining fund information of Montgomery College (the College), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 29, 2023.

The financial statements of Montgomery College Foundation, Inc., the discretely presented component unit, were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or reportable noncompliance associated with Montgomery College Foundation, Inc.

**Report on 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) as a basis for designing 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 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 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 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 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.

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

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 29, 2023



**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**

Board of Trustees  
Montgomery College  
Rockville, Maryland

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

***Opinion on Each Major Federal Program***

We have audited Montgomery College (the College)'s compliance with the types of compliance requirements identified as subject to audit 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, 2023. The College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the 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, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

***Other Matter – Federal Expenditures Not included in the Compliance Audit***

The College's basic financial statements include the operations of Montgomery College Foundation, Inc., a discretely presented component unit which is not included in the College's schedule of expenditures of federal awards during the year ended June 30, 2023. Our compliance audit, described in the Opinion on Each Major Federal Program, does not include the operations of Montgomery College Foundation, Inc. because it did not receive federal awards.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the College's federal programs.

**Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on Montgomery College's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Montgomery College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

*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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the College's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

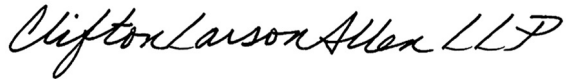
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the aggregate remaining fund information of the College as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We have issued our report thereon dated September 29, 2023, which contained unmodified opinions on those financial statements.

Board of Trustees  
Montgomery College

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 basic 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 expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

**CliftonLarsonAllen LLP**

Baltimore, Maryland  
December 20, 2023



**MONTGOMERY COLLEGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Federal Grant Number/Pass Through Grantor's Number	Amounts Passed Through to Subrecipients	Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<b>Student Financial Aid Cluster</b>				
Federal Pell Grant	84.063	N/A	\$ -	\$ 18,030,367
Federal Supplemental Educational Grant	84.007	N/A	-	915,974
Federal Work Study	84.033	N/A	-	429,640
Federal Direct Loans	84.268	N/A	-	6,439,926
Total Student Financial Aid Cluster			-	25,815,907
<b>TRIO Cluster</b>				
Student Support Services Program	84.042A	P042A200499	-	266,019
Educational Opportunity Centers Program	84.066A	P066A210140	-	257,148
Total TRIO Cluster			-	523,167
<b>Education Stabilization Fund</b>				
COVID-19 Higher Education Emergency Relief Funds (HEERF)				
COVID-19 HEERF Minority Serving Institution (MSI) Portion	84.425L	P425L200469	-	680,351
COVID-19 HEERF Institutional Portion	84.425F	P425F203423	-	13,864,212
Total HEERF			-	14,544,563
<b>Passed Through State Higher Education Commission</b>				
COVID-19 Governor's Emergency Education Relief (GEER) II Fund	84.425C	GEERIIIFund-3	-	488,911
Total GEER			-	488,911
Total ALN 84.425			-	15,033,474
<b>Fund for the Improvement of Postsecondary Education</b>				
Montgomery College Social Resource Program: Nourishing the Mind, Body, and Spirit	84.116N	P116N210009	-	184,260
<b>Passed Through State Department of Education</b>				
Title IC Program Improvement	84.048A	220835	-	495,932
<b>Passed Through Maryland Department of Labor, Licensing, and Regulation</b>				
Consolidated Adult Education & Family Literacy	84.002A	P00P3600164	-	1,683,601
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<b>Direct Programs</b>				
FY2021 Citizenship and Integration Direct Services Grant Program	97.010	21CICET00186	-	123,826

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**MONTGOMERY COLLEGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal Grant Number/Pass Through Grantor's Number	Amounts Passed Through to Subrecipients	Federal Expenditures
<b>RESEARCH &amp; DEVELOPMENT (R&amp;D) CLUSTER</b>				
<b>NATIONAL SCIENCE FOUNDATION</b>				
Improving Biopharmaceutical Technician Education with Cell and Gene Therapy Credentials	47.076	DUE-2155187	\$ -	\$ 24,460
Collaborative Research: Institutional and Community Transformation for Teaching and Learning Quantitative Reasoning in the Biological Sciences	47.076	DUE-1821169	-	54,526
<b>Passed Through Mount St. Mary's University</b>				
UMBC CyberCorps Program Renewal and Building Research-Based SFS Relationships between Community Colleges and Four Year Schools	47.076	2030851-02	-	5,029
Total ALN 47.076			-	84,015
<b>Passed Through BioQUEST Curriculum Consortium</b>				
RCN-UBE: Quantitative Biology at Community Colleges	47.074	1919613-1	-	18,771
<b>U.S. DEPARTMENT OF COMMERCE (NIST)</b>				
PREP Gaithersburg	11.620	70NANB23H022	-	36,878
PREP Gaithersburg	11.620	70NANB18H163	-	277,933
Total ALN 11.620			-	314,811
<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)</b>				
<b>Passed Through Secor Strategies LLC</b>				
NASA MINDS	43.008	Email dated 12/9/2022	-	1,483
Total R&D Cluster			-	419,080
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<b>Passed Through Maryland Department of Human Resources</b>				
Vocational Training and Employment Services	93.566	FIA/VTES-23-481	-	416,656
Vocational Training and Employment Services	93.566	FIA/VTES-22-481	-	113,735
English as a Second Language Training Program for Refugees	93.566	FIA/ESOL-23-484	-	154,480
English as a Second Language Training Program for Refugees	93.566	FIA/ESOL-22-484	-	41,409
Total ALN 93.566			-	726,280
<b>Child Care and Development Block Cluster</b>				
<b>Passed Through State Department of Education</b>				
Maryland Rebuilds Initiative Grant	93.575	231,648	-	50,124
Total Child Care and Development Block Cluster			-	50,124
<b>U.S. DEPARTMENT OF LABOR</b>				
Technical Metro Area Pathways (TechMAP, SCC2)	17.261	CC-38931-22-60-A-24	-	59,517
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>				
Identity and Connections among African, Afro-Caribbean, and African American Communities in the United States	45.163	EH-218219-21	-	23,859
Total Expenditures of Federal Awards			\$ -	\$ 45,139,027

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**MONTGOMERY COLLEGE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2023**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Montgomery College (the College) for the year ended June 30, 2023. The information in this schedule is presented in accordance with the 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). 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, change in net position or cash flows of the College.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(A) 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 reimbursements.

(B) Pass-through entity identifying numbers are presented where available.

**NOTE 3 INDIRECT COST RATE**

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

**NOTE 4 LOAN PROGRAMS**

During the year ended June 30, 2023, the College processed the following amount of new loans under the Federal Direct Lending Program. Since this program is administered by outside financial institutions, new loans made during the fiscal year relating to this program are considered current year expenditures in the schedule.

<u>Assistance Listing Number</u>	<u>Program Name</u>	<u>Loan Expenditures</u>
84.268	Federal Direct Lending	\$6,439,926

**MONTGOMERY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2023**

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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        | <u>  X  </u> | No            |
| • Significant deficiency(ies) identified that is (are) not considered to be a material weakness(es). | _____ | Yes        | <u>  X  </u> | None Reported |
| 3. Noncompliance material to financial statements noted?   | _____ | Yes        | <u>  X  </u> | No            |

**Federal Awards**

- |   |              |            |              |               |
|---|--------------|------------|--------------|---------------|
| 1. Internal control over major programs:  |              |            |              |               |
| • Material weakness(es) identified?   | <u>  X  </u> | Yes        | _____        | No            |
| • Significant deficiency(ies) identified that is (are) not considered to be a material weakness(es).  | _____        | Yes        | <u>  X  </u> | None Reported |
| 2. Type of auditors’ report issued on compliance for major programs:                                  |              | Unmodified |              |               |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | <u>  X  </u> | Yes        | _____        | No            |

**Identification of Major Programs**

Name of Federal Program or Cluster	Assistance Listing
Education Stabilization Fund:	
HEERF Institutional Portion	84.425F
HEERF Minority Serving Institution (MSI) Portion	84.425L
Governor’s Emergency Education Relief (GEER) II Fund	84.425C
Student Financial Assistance Cluster:	
Federal Pell Grant	84.063
Federal Supplemental Educational Grant	84.007
Federal Work Study	84.033
Federal Direct Loans	84.268
Consolidated Adult Education & Family Literacy	84.002A
Dollar threshold used to distinguish between type A and type B programs	<u>\$1,354,171</u>
Auditee qualified as low-risk auditee?	_____ Yes <u>  X  </u> No

**MONTGOMERY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
JUNE 30, 2023**

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

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Our audit did not disclose any matters required to be reported in accordance with *Governance Auditing Standards*.

**MONTGOMERY COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2023**

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

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**2023 – 001: NSLDS Enrollment Reporting**

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Aid Cluster

Assistance Listing Number: 84.063, 84.268

Federal Award Identification Number: P063P222871, P268K23871

Award Period: July 1, 2022 – June 30, 2023

Type of Finding: Material Weakness in Internal Control over Compliance, Other Matters

**Criteria or specific requirement:**

Internal Control - Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Compliance:

1. The Code of Federal Regulations, 34 CFR 685.309(b), states that:
  - Colleges must have some arrangement to report student enrollment data to the National Student Loan Data System (NSLDS) through an enrollment roster file. The college is required to report changes in the student’s enrollment status, the effective date of the status, and an anticipated completion date. Also, the Code of Federal Regulations, 34 CFR 682.610, states that college must report accurately the enrollment status of all students regardless if they receive aid from the institution or not.
  - Colleges must have some arrangement to report student program enrollment effective date and status to NSLDS.
2. Per Section 4.4.8 of the *NSLDS Enrollment Reporting Guide*, the Program Begin Date is the date the student first began attending the program being reported. Typically, this would be the first day of the term in which the student began enrollment in the program.
3. The Code of Federal Regulations, consisting of 34 CFR 685.309 and 34 CFR 690.83(b)(2), requires that enrollment status changes for students be reported to NSLDS within 30 days or within 60 days if the student with the status change will be reported on a scheduled transmission within 60 days of the change in status. Additionally, schools are required to certify enrollment at a minimum of every 60 days or every other month.

**MONTGOMERY COLLEGE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**JUNE 30, 2023**

**Condition:** Incorrect enrollment status, effective date, and program begin date were reported to NSLDS. It was also noted that the change in status was not reported timely.

**Questioned costs:** None

**Context:** This condition occurred in our statistically valid sample as follows:

1. The Enrollment Status was incorrectly reported for 24 out of 40 students.
2. The Effective Date was incorrectly reported for 9 out of 40 students.
3. The begin date was incorrectly reported for 26 out of 40 students.
4. The status was not reported timely for 9 out of 40 students.

**Cause:**

1. Montgomery College utilizes the National Student Clearinghouse (NSC) as a third-party provider in order to submit student information to the NSLDS. Student enrollment status corrections were uploaded to NSC timely, however, monitoring of the upload through success was inconsistent, resulting in error reports preventing the accurate and timely update to the enrollment statuses. No review was completed to ensure the upload was completed in NSLDS.
2. Inaccurate Student withdrawal effective dates were not identified timely due to delays in the review of student withdrawal status.
3. Inaccurate Student program begin dates were due to a programming issue with the file transmission software. Program start date was updating each semester to the latest semester start date. There was insufficient review to identify the problem and recommend a solution to resolve.

**Effect:** Student enrollment status, effective date, and program begin date was not reported accurately to NSLDS.

**Repeat finding:** No

**Recommendation:** The College should evaluate their procedures and policies related to reporting status changes to NSLDS and enhance as deemed necessary to ensure that accurate information is reported to NSLDS.

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



**MONTGOMERY COLLEGE  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2023**

Montgomery College respectfully submits the following corrective action plan for the year ended June 30, 2023.

Audit period: July 1, 2022 – June 30, 2023

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS— FEDERAL AWARD PROGRAMS AUDITS**

U.S. Department of Education

2023-001      NSLDS Enrollment Reporting

Student Financial Aid Cluster – Assistance Listing No. 84.063, 84.268

Condition: During testing of enrollment status reporting, we noted that the incorrect enrollment status, effective date, and program begin date was reported to NSLDS.

Recommendation: The College should evaluate their procedures and policies related to reporting status changes to NSLDS and enhance as deemed necessary to ensure that accurate information is reported to NSLDS.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

**Cause-Enrollment Status Reporting:** Montgomery College utilizes the National Student Clearinghouse (NSC) as a third-party provider in order to submit student information to the NSLDS. Student enrollment status corrections were uploaded to NSC timely, however, monitoring of the upload through success was inconsistent, resulting in error reports preventing the accurate and timely update to the enrollment statuses. No review was completed to ensure the upload was completed in NSLDS.

**Cause for Effective Date Reporting** - Inaccurate Student withdrawal effective dates were not identified timely due to delays in the review of student withdrawal status.

**Cause for Program Start Date Reporting** - Inaccurate Student program begin dates were due to a programming issue with the file transmission software. Program start date was updating each semester to the latest semester start date. There was insufficient review to identify the problem and recommend a solution to resolve.





**The following actions have been implemented to resolve the deficiencies:**

Review of error reports by an employee not responsible for correcting the errors to ensure completeness and timeliness of the corrections submitted.

Use of internal weekly reports to identify students who dropped below half time status or withdrew entirely from a semester.

Use of the NSC online error reporting tool to correct errors monthly. Errors are corrected using this tool within eight days of receipt of the error report, which provides the NSC two days to resubmit the information and meet the ten-day resolution requirement.

Utilize the Enrollment Reporting Summary Report (SCHER1) to ensure completeness and timeliness of error correction submissions.

The Dept of Enrollment Services has coordinated with the Office of Information Technology to adjust the programming on the file transmission to NSC to ensure accuracy and minimize discrepancies.

Manually submit corrections directly to NSLDS on an as-needed basis.

Name(s) of the contact person(s) responsible for corrective action: Director of Enrollment Services- Earnest Cartledge

Planned completion date for corrective action plan: December 2023

For questions regarding this plan, please call Earnest Cartledge - Director of Enrollment Services at 240-567-7991.