



REPORT ON REVIEW AND FEDERAL COMPLIANCE PROCEDURES • FISCAL YEAR 2025

Fort Valley State University Fort Valley, Georgia

A Member Institution of the University System of Georgia

Greg S. Griffin | State Auditor



DOAA

Georgia Department
of Audits & Accounts

Review Summary

We have reviewed the financial statements of the business-type activities and the fiduciary funds of Fort Valley State University, as of and for the year ended June 30, 2025, and issued our report thereon, dated December 11, 2025. We conducted our review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Our Independent Accountant's Review Report, included in the Fort Valley State University's Annual Financial Report, is available on the Georgia Department of Audits and Accounts' website at www.audits.ga.gov and on the Fort Valley State University's website at www.fvsu.edu.

We have performed the procedures on compliance with federal student financial assistance regulations reflected within the OMB Compliance Supplement for the year ended June 30, 2025. Fort Valley State University is responsible for complying with federal student financial assistance regulations reflected within the OMB Compliance Supplement. Fort Valley State University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating compliance with federal student financial assistance regulations as reflected in the OMB Compliance Supplement and meeting the requirements of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) as reflected in the SACSCOC Principles of Accreditation, Section 13.6 for the year ended June 30, 2025.

Our review of the University found:

- we are not aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America;
- no financial reporting findings that require management's attention; and
- Federal award findings that require management's attention, as described in the accompanying Schedule of Findings and Questioned Costs under the heading Federal Award Findings.

ENTITY'S RESPONSE TO PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None noted.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINANCIAL STATEMENT FINDINGS

None noted.

FEDERAL AWARD FINDINGS

FA 2025 - 001 Improve Controls over Cost of Attendance Budgets

Compliance Requirement:	Eligibility
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
AL Numbers and Titles:	84.007 - Federal Supplemental Educational Opportunity Grants 84.033 - Federal Work-Study Program 84.063 - Federal Pell Grant Program 84.268 - Federal Direct Student Loans 84.379 - Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
Federal Award Numbers:	P007A240999 (Year: 2025), P033A240999 (Year: 2025), P063P240082 (Year: 2025), P268K250082 (Year: 2025), P379T240082 (Year: 2025)
Questioned Costs:	None Identified

Description:

The Fort Valley State University Student Financial Aid Office did not maintain appropriate documentation to support the established cost of attendance budgets.

Background Information:

The cost of attendance (COA) for a student is an estimate of that student's educational expenses for the period of enrollment. Different standard costs can be used for different categories of students, such as a COA for out-of-state students who have higher tuition costs and a lower COA for in-state students. The COA budget is the cornerstone of establishing a student's financial need and sets a limit on the total aid a student may receive.

COA is the sum of the following, as applicable to different categories of students:

- The tuition and fees normally assessed for a student carrying the same academic workload,
- An allowance for books, course materials, supplies, and equipment,
- An allowance for transportation,
- An allowance for miscellaneous personal expenses,
- An allowance for food and housing,
- An allowance for costs expected to be incurred for dependent care,
- An allowance for the costs of obtaining required professional licensure, certification or a first professional credential for students who are enrolled in associated programs,
- Reasonable costs associated with study-abroad programs approved for credit by the student's home school,

- An allowance for expenses related to a student's disability,
- An allowance for reasonable costs associated with student employment through a cooperative education program, and
- The fees required to receive loans, such as the loan fee for a Direct Loan.

Criteria:

As a recipient of federal awards, Fort Valley State University (University) is required to establish and maintain effective internal control over federal awards that provides reasonable assurance of managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards pursuant to Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Section 200.303 – Internal Controls.

Provisions included in Title 34 CFR Section 668 provide general provisions for administering Student Financial Assistance (SFA) programs. In addition, Section 472 of the Higher Education Act of 1965 specifies the components that can be included in COA budgets.

Condition:

A review of the University's COA budgets was performed to determine if the budgets were reasonable, included allowable components, and were calculated based upon appropriate supporting documentation. The following deficiencies were noted:

- The Mandatory Fees amount included in all 12-month and Spring/Summer COA budgets did not agree to the University's published rates.
- The Food, Housing, Miscellaneous Living Expenses, and Transportation Expenses components reflected in the 12-month COA budgets did not agree to the supporting documentation provided.
- The Books and Supplies component reflected in COA budgets was supported by documentation that dated back to Fiscal Year 2016.

While students were ultimately awarded and disbursed appropriate amounts, it was noted that these issues led to the use of the incorrect COA budgets for 19 of the 25 students tested for overall eligibility compliance.

Cause:

In discussing these deficiencies with management, they stated that amounts from the 2023-2024 COA budgets were improperly entered for 12-month and Spring/Summer aid years due to human error.

Effect:

The University was not in compliance with federal regulations concerning the COA budgets used as the basis for determining SFA eligibility. If the estimated costs used for components within the COA budgets are unreasonable and do not represent average costs for students at the University a majority of the student population may have been over or under awarded.

Recommendation:

The University should reevaluate the components used in the COA budgets and document that these costs represent average costs for various categories of students enrolled at the University. The University should modify its procedures to ensure that any future changes to the COA budgets are reasonable and based on documented average costs for students. The University should also contact the U.S. Department of Education regarding resolution of this finding.

Views of Responsible Officials:

We concur with this finding.

FA 2025 - 002 Strengthen Controls over the Return of Title IV Funds Process

Compliance Requirement:	Special Tests and Provisions
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
AL Numbers and Titles:	84.007 - Federal Supplemental Educational Opportunity Grants 84.063 - Federal Pell Grant Program 84.268 - Federal Direct Student Loans 84.379 - Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
Federal Award Numbers:	P007A240999 (Year: 2025), P063P240082 (Year: 2025), P268K250082 (Year: 2025), P379T240082 (Year: 2025)
Questioned Costs:	\$4,032

Description:

Fort Valley State University did not properly perform the Return of Title IV funds process to ensure that unearned Title IV funds were returned in a timely manner.

Background Information:

Student financial assistance (SFA), or Title IV, funds are awarded to each student under the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws from Fort Valley State University (University), the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive. If a recipient of Title IV grant or loan funds withdraws from a school after beginning attendance, the school must perform a Return of Title IV (R2T4) calculation to determine the amount of Title IV assistance earned by the student. Up through the 60% point in each period of enrollment, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the period of enrollment, a student is considered to have earned all of the Title IV funds the student was scheduled to receive during the period.

The R2T4 calculation is prepared using the following information associated with the period of enrollment:

- The student's Title IV aid information, including amounts disbursed and amounts that could have been disbursed,
- The withdrawal date and scheduled start date, end date, and break days, and
- Institutional charges, such as tuition, fees, room, board, books, supplies, materials, and equipment.

An unofficial withdrawal is one in which the University has not received notice from the student that the student has ceased or will cease attending the school. Schools must have a procedure in place to determine when a student who began attendance and received or could have received an initial disbursement of Title IV funds unofficially withdrew. For these unofficial withdrawals, the University must also determine a withdrawal date, which may be the midpoint of the period of enrollment or the last date of an academically related activity in which the student participated.

Criteria:

As a recipient of federal awards, the University is required to establish and maintain effective internal control over federal awards that provides reasonable assurance of managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards pursuant to Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Section 200.303 – Internal Controls.

Provisions included in Title 34 CFR Section 668.22 provide requirements over the treatment of Title IV funds when a student withdraws. The University is required to determine the amount of Title IV funds that the student earned as of the student's withdrawal date when a recipient of Title IV funds withdraws from the University during a payment period or period of enrollment in which the recipient began attendance. A refund must be returned to Title IV programs when the total amount of the Title IV grant or loan assistance, or both, that the student earned is less than the amount of the Title IV grant and/or loan assistance that was disbursed to the student as of the withdrawal date.

Additionally, provisions included in Title 34 CFR Section 668.22(j) address the timeframe for the return of title IV funds and state "(1) An institution must return the amount of title IV funds for which it is responsible... as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew... (2) For an institution that is not required to take attendance, an institution must determine the withdrawal date for a student who withdraws without providing notification to the institution no later than 30 days after the end of the earlier of the – (i) Payment period or period of enrollment... (ii) Academic year in which the student withdrew; or (iii) Educational program from which the student withdrew."

Condition:

A sample of seven students from a population of 70 students who received SFA and withdrew from the University during the Fall 2024 and Spring 2025 semesters was randomly selected for testing using a non-statistical sampling method. The students' R2T4 calculations were reviewed to ensure that the refunds were calculated and returned in the correct amount to the proper funding agency and/or student in a timely manner. It was noted that the refund calculations for all students were calculated incorrectly due to the omission of scheduled break days. While two students ultimately did not owe a refund, five students were requested to return \$265 more than the required amount to various SFA programs.

In addition, a sample of six students from a population of 56 students who received SFA for the Fall 2024 and Spring 2025 semesters and withdrew from the University but for whom no R2T4 calculation was performed was randomly selected for testing using a non-statistical sampling method. Attendance and withdrawal records were reviewed to determine if a refund should have been calculated for these students. Our examination revealed that a R2T4 calculation was not performed appropriately for one student who unofficially withdrew during the Spring 2025 semester. This student should have been required to return a total of \$4,032 to various SFA programs.

Questioned Costs:

Upon testing a sample of \$51,397 in financial aid disbursements to students who withdrew from the University but for whom no R2T4 was performed, known questioned costs of \$4,032 were identified for omitted R2T4 calculations. Using the total population amount of \$385,924, we project the likely questioned costs to be approximately \$30,274. The following assistance listing number(s) was/were affected by the known and likely questioned costs: 84.063 and 84.268.

Cause:

In discussing these deficiencies with management, they stated that oversight led to scheduled break days led to the omission of scheduled break days within the R2T4 calculations and personnel turnover resulted in a student's last date of attendance not being properly evaluated to determine if they earned their failing or incomplete grades.

Effect:

The University is not in compliance with the federal regulations concerning performing R2T4 procedures. This deficiency may expose the University to unnecessary financial strains and shortages. The University's portion of the refunds that were not calculated correctly or omitted must be returned to the U.S. Department of Education (ED). Though the University may attempt to collect the funds from individual students affected by the errors, these collection efforts could be unsuccessful as the students may no longer attend the University and/or fail to repay the funds. Additionally, failing to identify withdrawn students, not performing R2T4 calculations accurately, and/or not returning unearned Title IV funds to ED in a timely manner may result in adverse actions and impact the University's participation in Title IV programs.

Recommendation:

The University should follow established procedures to ensure that all withdrawn students are identified, R2T4 calculations are performed accurately, and that unearned funds are returned to the appropriate accounts in a timely manner in accordance with federal regulations. Management should also develop and implement a monitoring process to ensure that controls are operating properly. The University should contact ED regarding resolution of the finding, as well.

Views of Responsible Officials:

We concur with this finding.

FA 2025 - 003 Improve Controls over Enrollment Reporting

Compliance Requirement:	Special Tests and Provisions
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	U.S. Department of Education
Pass-Through Entity:	None
AL Numbers and Titles:	84.063 - Federal Pell Grant Program 84.268 - Federal Direct Student Loans
Federal Award Numbers:	P063P240082 (Year: 2025), P268K250082 (Year: 2025)
Questioned Costs:	None Identified

Description:

Student enrollment information was not reported to required organizations in a timely and accurate manner.

Background Information:

Fort Valley State University (University) is required to report enrollment information under the Federal Pell Grant and Federal Direct Student Loans programs via the National Student Loan Data System (NSLDS). The University must review, update, and verify student enrollment statuses, program information, and effective dates periodically throughout the award year. The accuracy and timeliness of enrollment information reported by the University impacts its ability to properly administer the various Student Financial Assistance programs.

There are two categories of enrollment information reported to the NSLDS:

- Campus-Level, which includes data related to the student's overall enrollment at an institution's campus, and
- Program-Level, which includes data related to the student's program(s) of attendance.

The NSLDS Enrollment Reporting Guide provides institutions with the requirements and guidance for reporting these specific campus-level and program-level enrollment details for students.

Criteria:

As a recipient of federal awards, the University is required to establish and maintain effective internal control over federal awards that provides reasonable assurance of managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards pursuant to Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Section 200.303 – Internal Controls.

Regarding the enrollment reporting process, provisions included in Title 34 Section CFR 685.309(b) state that “(1) Upon receipt of an enrollment report from the Secretary, a school must update all information included in the report and return the report to the Secretary – (i) In the manner and format prescribed by the Secretary; and (ii) Within the timeframe prescribed by the Secretary. (2) Unless it expects to submit its next updated enrollment report to the Secretary within the next 60 days, a school must notify the Secretary within 30 days after the date the school discovers that – (i) ... the student has ceased to be enrolled on at least a half-time basis for the period...” In addition, per the NSLDS Enrollment Reporting Guide issued by the U.S. Department of Education (ED), students who

have received Federal Pell Grant Program funds will be included on the NSLDS roster file received by each institution and are subject to the same enrollment reporting requirements as those students who have received a loan under the William D. Ford Federal Direct Loan Program.

Condition:

A sample of 25 students who received Federal Pell Grant Program and/or Federal Direct Student Loan funds and had a reduction or increase in attendance level, graduated, withdrew, dropped out, or enrolled but never attended during the audit period was randomly selected for testing using a non-statistical sampling method. NSLDS Enrollment Detail information was reviewed for each student to ensure that the University accurately reported significant data elements under both the Campus-Level and Program-Level Record. The following deficiencies were identified:

- For one student, the Enrollment Effective Date and/or Program Enrollment Effective Date reflected on the Campus-Level Record and/or Program-Level Record, respectively, did not agree to the date on which the current enrollment status reported for the student was first effective.
- For five students, the Enrollment Status and/or Program Enrollment Status reflected on the Campus-Level and/or Program Level Record, respectively, was not appropriate based upon the student's enrollment status as of the reporting date.
- For one student, the Certification Date reflected on the Campus-Level Record was not within 60 days of the student's change in enrollment.

Cause:

In discussing these deficiencies with management, they stated human error led to the Enrollment Effect Date and Certificate Date errors noted. Additionally, the student information system was not configured to allow the entry of three-quarter time status, which resulted in the Enrollment Status issues identified by auditors.

Effect:

The University was not in compliance with federal regulations concerning enrollment reporting. Additionally, if enrollment statuses are not submitted appropriately to NSLDS by the University, loan interest subsidies may be negatively affected, deferments of Federal Direct Student Loans may be continued in error, loan repayment dates could be recorded incorrectly, and the compilation of data associated with other Title IV aid programs could be adversely affected.

Recommendation:

The University should follow established policies and procedures to ensure that all changes in student enrollment statuses are reported in accordance with timeframes prescribed by ED. Additionally, management should develop and implement a monitoring process to ensure that controls are operating properly.

Views of Responsible Officials:

We concur with this finding.



CORRECTIVE ACTION PLANS - FEDERAL AWARD FINDINGS

FA 2025-001 Improve Controls over Cost of Attendance Budgets

Compliance Requirement:	Eligibility
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	United States Department of Education
Pass-Through Entity:	None
AL Numbers and Titles:	84.007 – Federal Supplemental Educational Opportunity Grants 84.033 – Federal Work-Study Program 84.063 – Federal Pell Grant Program 84.268 – Federal Direct Student Loans 84.379 – Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
Federal Award Numbers:	P007A240999 (Year: 2025), P033A240999 (Year: 2025), P063P240082 (Year: 2025), P268K250082 (Year: 2025), P379T240082 (Year: 2025)
Questioned Costs:	None Identified

Description:

The Fort Valley State University Student Financial Aid Office did not maintain appropriate documentation to support the established cost of attendance budgets.

Corrective Action Plans:

To promote ongoing accuracy regarding Cost of Attendance Budgets in Banner and on the University's website, FVSU will establish clearly defined policies and procedures that support consistent monitoring and thorough review. These measures, coupled with staff training, will be aimed at preventing future occurrences of this issue.

Estimated Completion Date:

December 15, 2025

Contact Person: Christy Gaskin

Title: Executive Director of Financial Aid

Phone Number: (478) 825- 4318

Email: Christy.gaskin@fvsu.edu

Signature: _____

Title: President



FA 2025-002 Strengthen Controls over the Return of Title IV Funds Process

Compliance Requirement:	Special Tests and Provisions
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	United States Department of Education
Pass-Through Entity:	None
AL Numbers and Titles:	84.007 – Federal Supplemental Educational Opportunity Grants 84.063 – Federal Pell Grant Program 84.268 – Federal Direct Student Loans 84.379 – Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
Federal Award Numbers:	P007A240999 (Year: 2025), P063P240082 (Year: 2025), P268K250082 (Year: 2025), P379T240082 (Year: 2025)
Questioned Costs:	\$4,032

Description:

Fort Valley State University did not properly perform the Return of Title IV funds process to ensure that unearned Title IV funds were returned in a timely manner.

Corrective Action Plans:

To strengthen FVSU's Return of Title IV Process, the Financial Aid Office will establish a job aid document, outlining the steps to complete a R2T4 on both official and unofficial withdrawals. The document will be used for mandatory training of a designated staff member on the R2T4 process. A review of all R2T4 calculations will be performed at the end of each term to ensure accuracy.

Estimated Completion Date:

December 15, 2025

Contact Person: Christy Gaskin

Title: Executive Director of Financial Aid

Phone Number: (478) 825-4318

Email: Christy.gaskin@fvsu.edu

Signature: _____

Title: President



FA 2025-003 Improve Controls over Enrollment Reporting

Compliance Requirement:	Eligibility
Internal Control Impact:	Significant Deficiency
Compliance Impact:	Nonmaterial Noncompliance
Federal Awarding Agency:	United States Department of Education
Pass-Through Entity:	None
AL Numbers and Titles:	84.063 – Federal Pell Grant Program 84.268 – Federal Direct Student Loans
Federal Award Numbers:	P063P240082 (Year: 2025), P268K250082 (Year: 2025)
Questioned Costs:	None Identified

Description:

Student enrollment information was not reported to required organizations in a timely and accurate manner.

Corrective Action Plans:

The Financial Aid Office and the Registrar's Office will work on the policy and procedures related to students who withdraw, change programs, or have changes in enrollment status to ensure that updates are processed timely and correctly. In addition, all set-up tables in Banner will be reviewed periodically throughout the year to ensure accuracy in reporting.

Annual mandatory training on Banner file submission procedures to the National Student Clearinghouse will be required for the Financial Aid and Registrar's Offices to ensure compliance.

Estimated Completion Date:

December 15, 2025

Contact Person: Monica Green

Title: Registrar

Phone Number: (478) 825-4306

Email: monica.green@fvsu.edu

Signature: _____

Title: President