

Report on 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 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 Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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 of the University as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements of the University. We issued our report thereon dated October 31, 2023 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's 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 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.

Hick & Company, PC

Tulsa, Oklahoma
October 31, 2023



Northwestern Oklahoma State University
A Department of the Regional University System of Oklahoma
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity Identification Number	Provided to Subrecipients	Total Federal Expenditures
U. S. Department of Education				
Student Financial Assistance Cluster:				
Federal Pell Grant Program	84.063	N/A	N/A	\$ 3,669,988
Federal Work Study Program	84.033	N/A	N/A	145,255
Federal Supplemental Educational Opportunity Grants	84.007	N/A	N/A	54,600
Federal Direct Loan Programs	84.268	N/A	N/A	6,127,260
<i>Total Student Financial Assistance Cluster</i>				<u>9,997,103</u>
TRIO Program Cluster:				
Upward Bound	84.047A	N/A	N/A	282,812
Upward Bound - Math & Science	84.047M	N/A	N/A	308,934
Student Support Services	84.042A	N/A	N/A	232,203
Title III/LASSO		N/A	N/A	368,602
<i>Total TRIO Program Cluster</i>				<u>1,192,551</u>
Higher Education Emergency Relief Funds:				
Student Aid Portion	84.425E	N/A	N/A	-
Institutional Portion	84.425F	N/A	N/A	762,144
Strengthen Institutions Programs	84.425L	N/A	N/A	65,711
Debt Relief Grant	84.425S	N/A	N/A	-
<i>Total Higher Education Emergency Relief Funds</i>				<u>827,855</u>
Total U. S. Department of Education				<u>12,017,509</u>
Total Federal Awards				<u>\$ 12,017,509</u>

Northwestern Oklahoma State University
A Department of the Regional University System of Oklahoma
Notes to Schedule of Expenditures of Federal Awards
June 30, 2023

Note A--Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal awards activity of Northwestern Oklahoma State University under programs for the federal government 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 Northwestern Oklahoma State University, it is not intended to and does not present the financial position, changes in net position, or cash flows of Northwestern Oklahoma State University.

Note B--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.
- Under CFDA number 84.268, the Federal Direct Student Loan Program (Direct Loan Program), the U.S. Department of Education makes loans to enable a student or parent to pay the costs of the student's attendance at a postsecondary school. The Direct Loan Program enables an eligible student or parent to obtain a loan to pay for the student's cost of attendance directly from the U.S. Department of Education rather than through private lenders. The University administers the origination and disbursement of the loans to eligible students or parents. The University is not responsible for the collection of these loans.
- The University has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.
- During the year ended June 30, 2023, the University did not provide any federal awards to subrecipients.

Note C--Federal Direct Student Loan Program

The University participates in the Federal Direct Loan Program (the Program), CFDA number 84.268, which includes the Federal Subsidized Direct loan, the Federal Unsubsidized Direct Loan, the Federal Graduate Student PLUS Direct Loan, and Federal Direct Loans Parents of Undergraduate Students. The Program requires the University to draw down cash; and the University is required to perform certain administrative functions under the Program. Failure to perform such functions may require the University to reimburse the loan guarantee agencies. The University is not responsible for the collection of these loans. The value of loans made during the audit period are considered Federal awards expended for the audit period.

Northwestern Oklahoma State University
A Department of the Regional University System of Oklahoma
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Summary of Auditor's Results

1. The opinion expressed in the independent auditor's report was:

Unmodified Qualified Adverse Disclaimed

2. The independent auditor's report on internal control over financial reporting described:

Significant deficiencies Yes None reported

Material weaknesses? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit?

Yes No

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiencies? Yes None reported

Material weaknesses? Yes No

5. The opinion expressed in the independent auditor's report on compliance for major federal awards was:

Unmodified Qualified Adverse Disclaimed

6. The audit disclosed findings required to be reported by the Uniform Guidance?

Yes No

Northwestern Oklahoma State University
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 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2023

Summary of Auditor's Results (Continued)

7. The University's major program were:

<u>Cluster/Program</u>	<u>CFDA Number</u>
Student Financial Aid Cluster	
Federal Pell Grant	84.063
Federal Supplemental Education Opportunity Grants	84.007
Federal Direct Loan Program	84.268
Federal Work Study	84.033
Higher Education Emergency Relief Fund	
American Rescue Plan	84.425E
American Rescue Plan	84.425F
TRIO Cluster	
Talent Search	84.044
Upward Bound	84.047
Student Support Services	84.042

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in the Uniform Guidance was \$750,000

9. The University qualified as a low-risk auditee as that term is defined in Uniform Guidance. Yes No

Section II - Findings Required to be Reported by Government Auditing Standards

None to report for the year ended June 30, 2023.

Section III - Findings Required to be Reported by the Uniform Guidance

None to report for the year ended June 30, 2023.

Northwestern Oklahoma State University
A Department of the Regional University System of Oklahoma
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

No matters were reportable.