

Chicago State University

**A COMPONENT UNIT OF THE
STATE OF ILLINOIS**

FEDERAL SINGLE AUDIT

**In Accordance with the
Single Audit Act and
Applicable Federal Regulations**

**FOR THE YEAR ENDED
JUNE 30, 2025**

**PERFORMED AS SPECIAL
ASSISTANT AUDITORS FOR THE
AUDITOR GENERAL,
STATE OF ILLINOIS**

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
FEDERAL SINGLE AUDIT
In Accordance with the Single Audit Act and Applicable Federal Regulations
For the Year Ended June 30, 2025

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The Chicago State University's <i>Financial Audit and State Compliance Examination</i> for the year ended June 30, 2025, were issued under separate covers.	

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UNIVERSITY OFFICIALS

President	Ms. Zaldwaynaka Scott, Esq.
Chief of Staff	Ms. Jimell Byrd - Reno
Provost and V.P. for Academic Affairs	Dr. Sonja Feist-Price
V.P., General Counsel, Chief Compliance Officer and V.P. of Legal Affairs (07/01/2025 – Present)	Jason Carter
Interim V.P., General Counsel, Chief Compliance Officer and V.P. of Legal Affairs (05/15/2025 – 06/30/2025)	Jason Carter
Interim V.P., General Counsel, Chief Compliance Officer and V.P. of Legal Affairs (05/01/2025 – 05/14/2025)	Vacant
V.P., General Counsel, Chief Compliance Officer and V.P. of Legal Affairs (07/01/2024 – 04/30/2025)	Sonya Miller
CFO & V.P. of Financial Operations	Ms. Nicole Latimer-Williams
Executive Director/Controller (12/01/2025 – Present)	Ms. Zaneta Dabney
Executive Director/Controller (07/01/2024 – 11/30/2025)	Ms. Evelyn Romero
Chief Internal Auditor (06/01/ 2025 – Present)	James Timberlake
Chief Internal Auditor (07/01/2024 – 05/31/2025)	Vacant

BOARD OF TRUSTEES

Chair	Ms. Andrea Zopp, Esq.
Vice Chair	Ms. Angelique David, Esq.
Secretary	Ms. Cheryl Watkins
Member	Mr. Jason Quaira
Member (05/02/2025 – Present)	Ms. Dixie Adams
Member (07/01/2024 – 05/01/2025)	Vacant
Member (05/02/2025 – Present)	Ms. Michelle Gooze-Miller
Member (07/01/2024 – 05/01/2025)	Vacant
Member (06/09/2025 – Present)	Mr. John C. Robak
Member (03/11/2025 – 06/08/2025)	Vacant
Member (07/01/2024 – 03/10/2025)	Mr. Cory Thames
Student Member (07/01/2025 – Present)	Ms. Zariah Franklin
Student Member (07/01/2024 – 06/30/2025)	Ms. Allison Bolden

UNIVERSITY OFFICE

The University's primary administrative office is located at:

9501 S. King Drive
Chicago, Illinois 60628

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FEDERAL COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this audit of the Chicago State University (University) was conducted in accordance with the Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Guidance Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and *Government Auditing Standards*.

AUDITORS' REPORT

The Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards, and the Schedule of Federal and Nonfederal Financial Activity does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	5	4
Repeated Findings	3	4
Prior Recommendations Implemented or Not Repeated	1	2

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings - Government Auditing Standards				
2025-001	12	2024/2020	Inadequate Internal Controls over Census Data	Noncompliance and Significant Deficiency
2025-002	17	New	Inadequate Controls over Financial Reporting	Significant Deficiency
2025-003	19	2024/2020	Weaknesses over Computer Security	Noncompliance and Material Weakness
2025-004	22	2024/2023	Inadequate Controls to Ensure Compliance with the Illinois Pension Code	Noncompliance and Material Weakness

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings - Federal Compliance				
2025-005	24	New	Failure to Timely Return Title IV Funds	Noncompliance and Significant Deficiency
Prior Finding Not Repeated				
A	26	2024/2022	Failure to Notify Students and Parents Upon Disbursement of Funds	

EXIT CONFERENCE

The University waived an exit conference in a correspondence from Mr. James Timberlake, Chief Internal Auditor, on February 25, 2026. The responses to the recommendations for Findings 2025-001 through 2025-004 were provided by Mr. James Timberlake, Chief Internal Auditor, in a correspondence dated February 10, 2026. The response to the recommendation for Finding 2025-005 was provided by Mr. James Timberlake, Chief Internal Auditor, in a correspondence dated February 26, 2026.





**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***

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Board of Trustees
Chicago State University

As Special Assistant Auditors for the Auditor General, 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, fiduciary activities, and the discretely presented component unit of the Chicago State University (University), collectively a component unit of the State of Illinois, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and we have issued our report thereon dated February 25, 2026. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component unit, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters of the Chicago State Foundation, a component unit of the University, associated with this component unit that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

Management of the University is responsible for establishing and maintaining effective internal control over financial reporting (internal control).

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings as items 2025-001, 2025-002, 2025-003 and 2025-004, we identified certain deficiencies in internal control that we

consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-003 and 2025-004 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings as items 2025-001 and 2025-002 to be significant deficiencies.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings as items 2025-001, 2025-003, and 2025-004.

University's Responses to the Findings

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the findings identified in our audit described in the accompanying Schedule of Findings. The University's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 University'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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
February 25, 2026





**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 AND
 THE SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY**

Honorable Frank J. Mautino
 Auditor General
 State of Illinois

and

Board of Trustees
 Chicago State University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Program

As Special Assistant Auditors for the Auditor General, we have audited compliance by the Chicago State University (University) 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 University’s major federal programs for the year ended June 30, 2025. The University’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 University 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, 2025.

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 (*Government Auditing Standards*); 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 University 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 University's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The University's basic financial statements include the operations of the Chicago State Foundation, which is not included in the University's Schedule of Expenditures of Federal Awards during the year ended June 30, 2025. Our compliance audit, described in the "Opinion on Each Major Federal Program", does not include the operations of the Chicago State Foundation because we decided to not assume responsibility for, and accordingly make reference to, the audit of the component auditor in our *Independent Auditors' Report* on the University's financial statements.

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 University'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 University'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 University'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 University'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 University’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 University’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

Instance of Noncompliance

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 is described in the accompanying Schedule of Findings and Questioned Costs as item 2025-005. 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 the University’s response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The University’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.

Corrective Action Plan

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditors’ report. The University’s corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as described below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 2025-005 to be a significant deficiency.

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.

Internal Control Findings

Government Auditing Standards requires the auditor to perform limited procedures on the University's responses to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The University'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.

Corrective Action Plan

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The University's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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 and the Schedule of Federal and Nonfederal Financial Activity

We have audited the financial statements of the business-type activities, the fiduciary activities, and the discretely presented component unit of the University as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon, dated February 25, 2026, 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 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. In addition, the accompanying Schedule of Federal and Nonfederal Financial Activity is presented for the purposes of additional analysis 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 and the Schedule of Federal and Nonfederal Financial Activity are fairly stated in all material respects in relation to the basic financial statements as a whole.

SIGNED ORIGINAL ON FILE

Chicago, Illinois

March 4, 2026, except for our Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and the Report on the Schedule of Federal and Nonfederal Financial Activity, for which the date is February 25, 2026.



CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITORS' RESULTS
For the Year Ended June 30, 2025

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 C.F.R. § 200.516(a)? Yes No

Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268, 84.379, and 93.925	Student Financial Assistance Cluster
84.031P	Higher Education Institutional Aid - Predominantly Black Institutions Program - Formula Grants

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? Yes No

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards

2025-001. **FINDING** Inadequate Internal Controls over Census Data

The Chicago State University (University) did not have adequate internal control over reporting its census data to provide assurance that the census data submitted to the State Universities Retirement System (System) and State Employees' Group Insurance Program (Plan) was complete and accurate.

Census data is demographic data (date of birth, gender, years of service, etc.) of the active, inactive, or retired members of a pension or other postemployment benefit (OPEB) plan. The accumulation of inactive or retired members' census data occurs before the current accumulation period of census data used in the plan's actuarial valuations (which eventually flows into each employer's financial statements), meaning the plan is solely responsible for establishing internal controls over these records and transmitting this data to the plan's actuary. In contrast, responsibility for active members' census data during the current accumulation period is split among the plan and each member's current employer(s). Initially, employers must accurately transmit census data elements of their employees to the plan. Then, the plan must record and retain these records for active employees and then transmit this census data to the plan's actuary.

We noted the University's employees are members of both the pension plan administered by the System and the Plan sponsored by the State of Illinois, Department of Central Management Services (CMS) for their OPEB. In addition, we noted these plans have characteristics of different types of pension and OPEB plans, including single employer plans and cost-sharing multiple-employer plans. Additionally, CMS' actuary uses census data for employees of the State's public universities provided by the System, along with census data for other participating members provided by the State's four other pension systems, to prepare their projection of the liabilities of the Plan. Finally, the System's actuary and CMS' actuary used census data transmitted by the University during Fiscal Year 2023 to project pension and OPEB-related balances and activity at the plans during Fiscal Year 2024, which is incorporated into the University's Fiscal Year 2025 financial statements.

During the performance of the census examination, the auditors noted the following:

While the University had performed an initial complete reconciliation of its census data recorded by the System to its internal records, the University had not developed a process to annually obtain from the System the incremental changes recorded by the System in the census data records and reconcile these changes back to the University's internal supporting records.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

During completeness testing of University faculty data, the auditors identified eight instructors were not reported as eligible to participate in the System and Plan by the University.

During testing of System records to University records, the University was not able to provide supporting documentation for the significant elements of census data for 2 of 60 (3%) members selected for testing.

During testing of University records to System records, the auditors identified one instructor was not reported as eligible to participate in the System and the Plan by the University. The auditors also noted the University was not able to provide supporting documentation for the significant elements of census data for 6 of 60 (10%) employees selected for testing.

During cut-off testing of data transmitted by the University to the System, the auditors identified the following events were reported to the System after the close of the fiscal year in which the event occurred, resulting in inaccurate member status (active or inactive) as of fiscal year-end.

- One new employee hire
- 22 employee terminations

The result of the errors above led to contributions due to the plan being understated and inaccurate census data being utilized by the System and the State in the performance of the annual pension and OPEB actuarial valuation processes. The independent actuaries utilized by the System and the State of Illinois for the pension and OPEB plans deemed the errors immaterial to the plan level valuations as a whole.

The State Records Act (5 ILCS 160/8) requires the University to make and preserve records containing adequate and proper documentation of its essential transactions to protect the legal and financial rights of the State and of persons directly affected by the University's activities.

Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative control to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial and statistical reports.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

Additionally, eligibility criteria for participation in the System under the Illinois Pension Code (Code) (40 ILCS 5/15-134(a)) states any person who is an employee of the University becomes a participant in the System. Under the Code (40 ILCS 5/15-107), an employee is any member of the educational, administrative, secretarial, clerical, mechanical, labor, or other staff of an employer whose employment in a position in which services are expected to be rendered on a continuous basis for at least four months or an academic term, whichever is less, and is:

1. Not a student employed on a less than full-time temporary basis;
2. Not receiving a retirement or disability annuity from the System;
3. Not on military leave;
4. Not eligible to participate in the Federal Civil Service Retirement System;
5. Not currently on a leave of absence without pay more than 60 days after the termination of the System's disability benefits;
6. Not paid from funds received under the Federal Comprehensive Employment and Training Act as a public service employment program participant hire on or after July 1, 1979;
7. Not a patient in a hospital or home;
8. Not an employee compensated solely on a fee basis where such income would net earnings from self-employment;
9. Not providing military courses pursuant to a federally funded contract where the University has filed a written notice with the System electing to exclude these persons from the definition of employee;
10. Currently on lay-off status of not more than 120 days after the lay-off date;
11. Not on an absence without pay of more than 30 days; and
12. A nonresident alien on a visa defined under subparagraphs (F), (J), (M), or (Q) of Section 1101(a)(15) of Title 8 of the United States Code who (1) has met the Internal Revenue Service's substantial presence test and (2) became an employee on and after July 1, 1991.

In addition, the Code (40 ILCS 5/15-157) requires the University to, at a minimum, withhold contributions of each employee's total compensation of 8% (9.5% for firefighters or police officers) for their participation in the System, unless further contributions by the employee would either exceed the maximum retirement annuity in the Code (40 ILCS 5/15-136(c)) or the Tier 2 earnings limitation within the Code (40 ILCS 5/15-111(b)), and remit these amounts to the System. Further, the Code (40 ILCS 5/15-155(b)) requires the University to remit employer contributions to the System reflecting the accruing normal costs of an employee paid from federal or trust funds.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

Finally, we noted participation in the OPEB is derivative of an employee's eligibility to participate in the System, as members of the System participate in OPEB as annuitants under the State Employees Group Insurance Act of 1971 (Act) (5 ILCS 375/3(b)).

University management indicated these exceptions were due to significant turnover in the Human Resources department, resulting in poor record management and inadequate internal control over census data.

Failure to ensure that complete and accurate census data, as well as employee and employer contributions are reported to the System and the State reduces the overall reliability of the pension and OPEB-related balances and activity reported in the University's financial statements, the financial statements of other employers within both plans, and the State of Illinois' Annual Comprehensive Financial Report. Further, failure to report all eligible employees to the System and Plan may result in employees not receiving the pension and OPEB benefits they are entitled to receive under the Code and the Act. Finally, failure to maintain adequate supporting documentation inhibits the auditor's ability to verify the accuracy of the data being provided to the actuaries. (Finding Code No. 2025-001, 2024-001, 2023-001, 2022-001, 2021-003, 2020-003)

RECOMMENDATION

We recommend the University continue to work with the System to establish the process of annually obtaining from the System the incremental changes recorded in the census data records and reconcile these changes back to the University's internal supporting records. If differences are noted between the University's data and the System's data, these differences should be communicated timely and rectified to ensure the actuarial valuations are using accurate data.

In addition, we recommend the University strengthen controls to ensure all eligible employees are reported to the System and State, along with any required employee and employer contributions.

Further, we recommend the University strengthen controls to ensure all events occurring within the census data accumulation year are reported timely to the System so these events can be incorporated into the census data utilized in the annual actuarial valuation process.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-001. **FINDING** Inadequate Internal Controls over Census Data (Continued)

Finally, we recommend the University maintain the relevant supporting documentation for all employees, especially documentation containing the significant elements of census data.

UNIVERSITY RESPONSE

The University agrees with the recommendations. The University will establish the process of annually obtaining the incremental changes recorded by the System in the census data, to reconcile these changes back to the University. The University will work to strengthen controls to ensure that all eligible employees are reported to the System, along with required employee and employer contributions. The University will develop processes to ensure all events occurring within a census data accumulation year are timely reported to the System. The University will maintain supporting documentation for elements of census testing.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-002. **FINDING** Inadequate Controls over Financial Reporting

The Chicago State University (University) did not exercise adequate internal control over its financial reporting.

During our audit of the University's financial statements, we noted the following:

- The University did not properly account for changes in monthly payment amounts related to subscription services resulting in inaccurate balances in various accounts. Specifically, operating expenses were understated by \$207,392, right of use assets were understated by \$218,240, subscription payable was understated by \$207,075, accumulated amortization was understated by \$1,708 and gain on termination was understated by \$216,849.
- The University did not properly implement Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Specifically, the inaccurate calculation and recording of accrued compensated absences resulted in an overstatement of both the accrued liability and related operating expenses by \$3,488,089.

Proposed adjustments to correct these misstatements were recorded by the University.

In accordance with U.S. generally accepted accounting principles (GAAP), including GASB Statement No. 96, Subscription-Based Information Technology Arrangements, changes in subscription payment terms and services to be evaluated and accounted for as subscription modifications. Such modifications require appropriate remeasurement of the subscription liability and related subscription assets, including corresponding adjustments to accumulated amortization and subscription-related expenses.

Further, GASB Statement No. 101 requires governmental entities to recognize a liability and expense for the amount of vested or accumulated compensated absences that employees are expected to receive as a result of services already rendered. Proper implementation requires that both liabilities and expenses are to be accurately reported in the financial statements.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-002. **FINDING** Inadequate Controls over Financial Reporting

Additionally, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that revenues, expenditures, and transfers of assets, resources or funds applicable to operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial reports. The University's system of internal control should include procedures that assets, liabilities, revenues, and expenses are properly recorded and presented in the financial statements.

University management indicated the leadership turnover in Finance Office led to inaccurate calculation for GASB Statement No. 96 and GASB Statement No.101 account balances.

Failure to accurately record financial transactions resulted in misstatements of the University's financial statements. (Finding Code No. 2025-002)

RECOMMENDATION

We recommend the University strengthen its controls over financial reporting to allow for the accurate preparation of its financial statements in accordance with GAAP.

UNIVERSITY RESPONSE

The University agrees with the finding. The University will appropriately account for changes in monthly payment amounts related to subscription services and compensated absences in accordance with applicable GASB standards. The preparation, review, and approval of all accounts will be performed in a timely and consistent manner. In addition, the University will ensure the proper implementation of GASB standards on an ongoing basis.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-003. **FINDING** Weaknesses over Computer Security

The Chicago State University (University) did not maintain adequate general Information Technology (IT) controls related to its environment and applications.

The University had invested in computer hardware and systems and established several critical, confidential, or financially sensitive systems for use in meeting its mission.

Security of the environment

During testing, we requested the University provide a population of its active servers. In response to this request, the University provided a listing of servers which included decommissioned servers. Due to these conditions, we were unable to conclude the University's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 500.08 and AT-C § 205.36).

Despite this limitation, we performed testing on a sample of servers and noted the Information Technology (IT) infrastructure was not secured properly.

Controls over access provisioning

During our testing of the University's controls over access provisioning, we noted separated employees continued to have access to the University's environment.

This finding was first reported in Fiscal Year 2020. In subsequent years, the University has been unsuccessful in implementing appropriate procedures to improve its controls over computer security.

The *Security and Privacy Controls for Information Systems and Organizations* (Special Publication 800-53, Fifth Revision) published by the National Institute of Standards and Technology (NIST), Access Control, Configuration, and System and Services Acquisition sections, require entities to maintain proper internal controls over the security of the environments and access provisioning.

Further, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to maintain a system, or systems, of internal fiscal and administrative controls to provide assurance resources are utilized efficiently and effectively and in compliance with applicable law.

University management indicated the issues regarding separated employees having access to the network were due to the University's access deactivation process being manual and relied on coordination between Human Resources and the

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-003. **FINDING** Weaknesses over Computer Security (Continued)

Information Technology Department. University management further indicated employee access was revoked upon separation; however, user accounts remain

active when individuals also maintain active student status, as student accounts follow a separate offboarding policy. During the audit period, this distinction between employee and student account lifecycles was not consistently documented or clearly distinguishable within the environment.

Further, University management indicated the University did not have fully documented server lifecycle management procedures integrated with configuration and vulnerability management processes resulting in server inventories being not consistently updated to reflect decommissioned or retired systems, leading to incomplete populations used for audit and security management purposes.

In addition, University management indicated the IT infrastructure was not being secured due to not fully formalizing the baseline security configuration standards and exception management practices across all server environments, including legacy system constraints limited the ability to uniformly apply current security requirements.

Failure to have adequate security controls over computing resources increases the risk of unauthorized access to the computing environment and the risk that confidentiality, integrity, and availability of systems and data will be compromised. (Finding Code No. 2025-003, 2024-002, 2023-002, 2022-002, 2021-001, 2020-001)

RECOMMENDATION

We recommend the University implement adequate general IT controls related to its environment and applications.

UNIVERSITY RESPONSE

University management agrees with the finding and acknowledges the need to strengthen general information technology controls over the University's computing environment and applications. To address these findings, the University has initiated actions to formalize governance, improve documentation, and plan targeted technical improvements.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-003. **FINDING** Weaknesses over Computer Security (Continued)

As part of these efforts, the University will:

- Continue to implement NIST 800-171 as its governance framework to establish standardized security controls and align with industry best practices.
- Document distinct account lifecycle procedures and plan a separate account model with unique identifiers for employee and student access to ensure employee accounts can be deprovisioned upon separation even when student status remains active.
- Improve coordination and documentation between Human Resources and Information Technology to support more consistent and timely employee separation notifications.
- Use IT tools to enhance visibility into server inventories, patch status, and lifecycle risks, including systems impacted by application dependencies and testing limitations.

The University remains committed to strengthening its IT control environment and will continue refining its security practices to align with applicable regulatory and industry standards.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-004. **FINDING** Inadequate Controls to Ensure Compliance with the Illinois Pension Code

The Chicago State University (University) did not have adequate internal controls to ensure compliance with the Illinois Pension Code (Code).

During testing, we requested the University provide the populations of retired employees, persons receiving a retirement annuity (Annuitant) from the State Universities Retirement System (SURS) and re-employed by the University, and employees who filed for disability benefits during Fiscal Year 2025. The University provided the populations; however, these populations could not be reconciled to the University's internal records and SURS.

Due to this condition, we were unable to conclude the University's population records were sufficiently precise and detailed under the Professional Standards promulgated by the American Institute of Certified Public Accountants (AU-C § 500.08 and AT-C § 205.36) to test the University's compliance with the Code.

Even given the population limitations noted above which hindered our ability to conclude whether selected samples were representative of the population as a whole, we performed the testing to determine whether the University accurately reported to SURS about unused sick leave of retired employees, certificates of disability for employees who filed for disability benefits stating the employee is unable to perform the duties, and re-employment of annuitants. During testing, we noted one of seven (14%) retired employees' unused sick leave days totaling 129 days were incorrectly reported to SURS.

This finding was first reported in Fiscal Year 2023. In subsequent years, the University has been unsuccessful in implementing appropriate procedures to improve its controls over the Code.

The Code (40 ILCS 5/15-113.4) requires the University to certify to the SURS Board the number of days of unused sick leave accrued to the employee's credit on the date the employee was terminated.

In addition, the Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the University to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance funds applicable to operations are properly recorded and accounted for to permit the preparation of reliable financial reports and to maintain accountability over State's resources.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - Government Auditing Standards (Continued)

2025-004. **FINDING** Inadequate Controls to Ensure Compliance with the Illinois Pension Code (Continued)

University management stated there was a significant turnover of payroll staff which impacted the proper documentation of disability leave and accuracy of reporting unused sick leave in accordance with the Code.

Failure to maintain adequate internal control resulted in noncompliance with the Code and reduced the overall reliability of activity reported in the University's financial statements. (Finding Code No. 2025-004, 2024-003, 2023-003)

RECOMMENDATION

We recommend the University implement controls to ensure the completeness and accuracy of populations of retirees, re-employed annuitants, and employees who filed for disability benefits. Further, we recommend the University accurately report unused sick leave to SURS in accordance with the Code.

UNIVERSITY RESPONSE

The University agrees with the finding and will implement controls to maintain accurate records of retirees, re-employed annuitants, and employees who file for disability benefits. The University will also implement controls for accurate reporting of unused sick leave to SURS.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - *Federal Compliance and Questioned Costs*

2025-005. **FINDING** Failure to Timely Return Title IV Funds

Federal Agency:	U.S. Department of Education
Assistance Listing Number:	84.268
Program Name:	Student Financial Assistance Cluster: Federal Direct Student Loans
Award Number:	P268K251351
Program Expenditures:	\$19,691,778
Questioned Costs:	None

The Chicago State University (University) did not timely return Title IV funds to the Department of Education (ED).

Conditions Found

During our testing of 40 students who withdrew from the University, we noted one student (3%) in which the University’s unearned Direct Loan funds, totaling \$2,015, were not returned within the 45-day timeframe. Specifically, the funds were returned 181 days after the student’s withdrawal date. The sample methods used in performing this testing were not statistically valid.

Evaluative Criteria

The Code of Federal Regulations (34 CFR 668.173(b) and 34 CFR 668.22(j)(1)) requires the University to 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 University’s determination that the student withdrew.

The Uniform Guidance (2 CFR 200.303) requires nonfederal entities receiving federal awards to establish and maintain internal controls designed to reasonably ensure compliance with federal statutes, regulations, and terms and conditions of the federal award. Effective internal controls should include procedures to ensure Title IV funds are returned to the ED in a timely manner.

Underlying Cause

University management stated the issue noted was due to oversight when reviewing the student withdrawal spreadsheet.

Significance

Failure to timely return Title IV funds to the ED results in noncompliance with federal regulations and may jeopardize the University’s future federal funding. (Finding Code No. 2025-005)

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Current Findings - *Federal Compliance and Questioned Costs (Continued)*

2025-005. **FINDING** Failure to Timely Return Title IV Funds (Continued)

RECOMMENDATION

We recommend the University strengthen its controls to ensure unearned Title IV funds are returned to the ED within the 45-day period.

UNIVERSITY RESPONSE

The University agrees with the finding. The delay resulted from an oversight in properly determining that a return to Title IV calculation was required. Upon identification that a calculation was required, the calculation was performed immediately, and unearned funds were returned to the ED. This is an isolated instance and not indicative of a systemic issue; however, to help prevent recurrence, the University has provided staff with guidance to enhance monitoring of the student withdrawal spreadsheet.

CHICAGO STATE UNIVERSITY
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Prior Findings Not Repeated

A. **FINDING** Failure to Notify Students and Parents Upon Disbursement of Funds

During the prior year, the Chicago State University (University) did not notify the students and parents upon disbursement of Teacher Education Assistance for College and Higher Education (TEACH) Grants and Federal Direct Loan funds.

During the current year, our sample testing did not identify instances of untimely or missing notifications related to the grant and loan disbursements. (Finding Code No. 2024-004, 2023-005, 2022-005)

CHICAGO STATE UNIVERSITY
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program/Grant Title	Assistance Listing Number	Pass-Through Entity Identifying Number	FY 2025 Expenditures	Passed-Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER:				
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Federal Supplemental Educational Opportunity Grants	(M) 84.007		\$ 209,000	\$ -
Federal Work Study Program	(M) 84.033		656,369	-
Federal Perkins Loan Program (Note 2)	(M) 84.038		773,829	-
Federal Pell Grant Program	(M) 84.063		6,041,886	-
Federal Direct Student Loans (Note 3)	(M) 84.268		19,691,778	-
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	(M) 84.379		17,917	-
TOTAL U.S. DEPARTMENT OF EDUCATION			\$ 27,390,779	\$ -
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Scholarships for Health Professions Students from Disadvantaged Backgrounds <i>Scholarships for Disadvantaged Students</i>	(M) 93.925		\$ 620,000	\$ -
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 620,000	\$ -
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER			\$ 28,010,779	\$ -
RESEARCH AND DEVELOPMENT CLUSTER:				
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Agriculture and Food Research Initiative (AFRI) Passed-Through Illinois Institute of Technology <i>CIVIC-FA Track B: Community FoodMOBilization in Chicago (CF-MOB)</i>	10.310	2024-67022-41533	\$ 36,460	\$ -
TOTAL U.S. DEPARTMENT OF AGRICULTURE			\$ 36,460	\$ -
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
University Transportation Centers Program Passed-Through Illinois Institute of Technology <i>Center for Assured and Resilient Navigation in Advanced Transportation Systems: Carnations</i>	20.701	A24-0011-S003	\$ 60,191	\$ -
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ 60,191	\$ -
<u>U.S. DEPARTMENT OF COMMERCE</u>				
Connecting Minority Communities Pilot Program <i>Advancing Adaptive Lifelong Digital Literacy to Promote Equity in Greater Chicago</i>	11.028		\$ 1,627,610	\$ 404,485
TOTAL U.S. DEPARTMENT OF COMMERCE			\$ 1,627,610	\$ 404,485
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
Science <i>HDTN Simulation and Modeling at Southern University</i>	43.001		\$ 17,104	\$ -
Office of Stem Engagement (OSTEM) Passed-Through University of Illinois at Urbana-Champaign <i>Illinois Space Grant Consortium</i>	43.008	099286-17922	1,500	-
TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			\$ 18,604	\$ -
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Biomedical Research and Research Training Passed-Through University of Chicago <i>IRACDA at the University of Chicago</i>	93.859	2024-67022-41533	\$ 20,567	\$ -
Extramural Research Programs in the Neurosciences and Neurological Disorders Passed-Through University of Chicago via National Institutes of Health (NIH) <i>BRAIN CONNECTS: Photoemission Electron Microscopy for Connectomics</i>	93.853	1U01NS136401-01	56,079	-
PPHF Geriatric Education Centers Passed-Through University of Chicago via Health Resources and Services Administration <i>Geriatrics Workforce Enhancement Program</i>	93.969	1U1QHP53056-01-00	19,581	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			\$ 96,227	\$ -
<u>NATIONAL SCIENCE FOUNDATION</u>				
Biological Sciences <i>CAREER: Museomic Approach for Exploring the Evolution of Past, Persistent, and Emerging Orthopozvirs Outbreaks</i>	47.074		\$ 208,807	\$ -

CHICAGO STATE UNIVERSITY
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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program/Grant Title	Assistance Listing Number	Pass-Through Entity Identifying Number	FY 2025 Expenditures	Passed-Through to Subrecipients
Computer and Information Science and Engineering				
<i>Collaborative Research:HDR DSC: the Metropolitan Chicago Data Science Corps (MCDC): Learning from Data to Support Communities</i>	47.070		\$ 29,005	\$ -
<i>CAP: Expanding AI Teaching and Research Capacity at a Predominantly Black Institution (AI@PBI)</i>	47.070		26,127	-
<i>Research Infrastructure: CC* Strategy-Campus: Planning for a Cyberinfrastructure for Research at Chicago State University (CyReCSU)</i>	47.070		23,517	-
			<u>\$ 78,649</u>	<u>\$ -</u>
STEM Education (formerly Education and Human Resources)				
<i>Conference: 2023 NSF Louis Stokes Alliances for Minority Participation (LSAMP) Principal Investigators/Project Directors Meeting</i>	47.076		\$ 21,385	\$ -
<i>Conference: 2024 & 2025 NSF Louis Stokes Alliances for Minority Participation (LSAMP) Stakeholders Convenings</i>	47.076		573,648	-
<i>Louis Stokes Alliances for Minority Participation National Coordination Hub: Cultivating Holistic and Inclusive Dimensions to Broadening Participation in STEM</i>	47.076		706,645	217,664
<i>Louis Stokes STEM Pathways and Research Alliances: The Illinois LSAMP STEM Pathway and Research Alliance (ILSPRA) - Illinois Post-Baccalaureate Research Experiences for LSAMP Students (IPRELS)</i>	47.076		59,165	-
<i>Louis Stokes STEM Pathways and Research Alliances: The Illinois LSAMP STEM Pathway and Research Alliance (ILSPRA)</i>	47.076		652,563	246,057
<i>Collaborative Research: Equitable STEM Student Success and Persistence Through Leadership Development Contextualized in a Learning Assistant Program</i>	47.076		11,906	-
Passed-Through Northeastern University <i>NSF INCLUDES Alliance: Engineering PLUS (Partnerships Launching Underrepresented Students)</i>	47.076	502996-78050	178,168	-
			<u>\$ 2,203,480</u>	<u>\$ 463,721</u>
Integrative Activities				
Passed-Through Regents of The University of Michigan <i>Center for Complex Particle Systems (COMPASS)</i>	47.083	SUBK00018199	\$ 82,692	\$ -
Mathematical & Physical Sciences				
<i>RUI: Collaboration for Studies of Cosmic Ray Muon Radiation and its Application to Archaeometry</i>	47.049		\$ 35,005	\$ 2,532
<i>Collaborative Research: Access Expansion: Growing a Network of Equity-Focused Programs in the Physical Sciences</i>	47.049		4,922	-
<i>RUI: Studies of Relativistic Heavy Ions Collisions in ALICE at LHC- Continuation</i>	47.049		152,208	-
<i>Collaborative Research: Evaluating Access: How a Multi-Institutional Network Promotes Equity and Cultural Change through Expanding Student Voice</i>	47.049		5,234	-
Passed-Through University of Chicago <i>QLCI-CI NSF Quantum Leap Challenge Institute for Quantum Sensing in Biophysics and Bioengineering - QUBBE</i>	47.049	OMA-212104	946,285	-
Passed-Through The American Physical Society <i>PhysTEC Network Cohorts</i>	47.049	NSFP5-2025-07	1,047	-
			<u>\$ 1,144,701</u>	<u>\$ 2,532</u>
NSF Technology, Innovation, and Partnerships				
<i>Pivots: Chicagoland Partnership for Semiconductor and Microelectronics Experiential Learning</i>	47.084		\$ 240,528	\$ -
TOTAL NATIONAL SCIENCE FOUNDATION			<u>\$ 3,958,857</u>	<u>\$ 466,253</u>
TOTAL RESEARCH AND DEVELOPMENT CLUSTER			<u>\$ 5,797,949</u>	<u>\$ 870,738</u>
TRIO CLUSTER:				
<u>U.S. DEPARTMENT OF EDUCATION</u>				
TRIO Educational Opportunity Centers	84.066A		\$ 359,641	\$ -
TRIO Upward Bound <i>Upward Bound Program</i>	84.047A		283,147	-
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>\$ 642,788</u>	<u>\$ -</u>
TOTAL TRIO CLUSTER			<u>\$ 642,788</u>	<u>\$ -</u>
OTHER PROGRAMS				
<u>U.S. DEPARTMENT OF COMMERCE</u>				
CHIPS Research and Development Passed-Through National Institute of Standards and Technology, through National Center for Advancement of Semiconductor Technology) via University of Illinois <i>NSTC Workforce Partner Alliance Program (WPPA): Illinois Semiconductor Workforce Network (ISWN)</i>	11.042	119836-20462	\$ 2,561	\$ -
TOTAL U.S. DEPARTMENT OF COMMERCE			<u>\$ 2,561</u>	<u>\$ -</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program/Grant Title	Assistance Listing Number	Pass-Through Entity Identifying Number	FY 2025 Expenditures	Passed-Through to Subrecipients
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities <i>The Special Education Masters Degree Program for Initial Certification Grant</i>	84.325K		\$ 111,227	\$ -
<i>The Special Education Fast-Track Cohort Program Grant</i>	84.325K		111,924	-
			<u>\$ 223,151</u>	<u>\$ -</u>
Fund for the Improvement of Postsecondary Education <i>Enhancing Black and Latinx Professionals Preparedness for Careers in STEM and the Health Sciences Through Laboratory & Instructional Improvements for Careers in STEM and the Health Sciences Through Laboratory & Instructional Improvements</i>	84.116Z		\$ 334,647	\$ -
<i>Initiative to Improve Higher Education Training Facilities for Black and Latinx Students Preparing for Careers in Communication and Media Arts</i>	84.116Z		456,698	-
			<u>\$ 791,345</u>	<u>\$ -</u>
Higher Education Institutional Aid <i>Predominantly Black Institutions Program - Formula Grants</i>	(M) 84.031P		\$ 819,893	\$ -
Minority Science and Engineering Improvement <i>STEM Capacity Accelerates Learning and Employment</i>	84.120A		\$ 262,346	\$ -
Child Care Access Means Parents in School <i>CCAMPIS Grant Program for Providing Needed Child Care for Chicago State University Students</i>	84.335A		\$ 25,128	\$ -
Teacher Quality Partnership Grants Passed-Through Cook County School District 104 <i>TEAM Teacher Quality Partnership Program</i>	84.336S	S336S230063	\$ 80,129	\$ -
Strengthening Minority-Serving Institutions <i>Resiliency and Capacity Expansion for Student Success in the Health Professions (RECESS-HP)</i>	84.382A		\$ 648,960	\$ -
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>\$ 2,850,952</u>	<u>\$ -</u>
<u>U.S. DEPARTMENT OF ENERGY</u>				
Office of Science Financial Assistance Program <i>Community Research on Climate and Urban Science</i>	81.049		\$ 151,978	\$ -
TOTAL U.S. DEPARTMENT OF ENERGY			<u>\$ 151,978</u>	<u>\$ -</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Health Profession Opportunity Grants Passed-Through ABT Associates <i>National and Tribal Evaluation of the 2nd Generation of Health Profession Opportunity Grants</i>	93.093	HHSP233201500052C	\$ 10,255	\$ -
Maternal and Child Health <i>Intergovernmental Personnel Act (IPA) Assignment</i>	93.HRD-1740448		\$ 13,467	\$ -
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 23,722</u>	<u>\$ -</u>
<u>THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>				
National Leadership Grants Passed-Through University of Alabama via Institute of Museum and Library Services <i>Civic Engagement for Racial Justice in Public Libraries (RJ@PL)</i>	45.312	A22-0490-S001-A02	\$ 3,569	\$ -
TOTAL THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES			<u>\$ 3,569</u>	<u>\$ -</u>
<u>OFFICE OF DIRECTOR OF NATIONAL INTELLIGENCE</u>				
Intelligence Community Centers for Academic Excellence <i>Intelligence Community Center for Academic Excellence: The Illiana Consortium for Intelligence and Critical Technology (IC2Tech)</i>	54.001		\$ 163,923	\$ 14,969
TOTAL OFFICE OF DIRECTOR OF NATIONAL INTELLIGENCE			<u>\$ 163,923</u>	<u>\$ 14,969</u>
TOTAL OTHER PROGRAMS			<u>\$ 3,196,705</u>	<u>\$ 14,969</u>
Grand Total			<u>\$ 37,648,221</u>	<u>\$ 885,707</u>

(M) - Program was audited as a major program.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity for the year ended June 30, 2025, and is presented on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. The University has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 2 LOANS OUTSTANDING AT FISCAL YEAR END

The University Perkins Loan Program’s outstanding loan balance as of June 30, 2025, totaled \$731,834, for programs that are administered directly. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule. There were no administrative costs charged to the Perkins Loan Program.

NOTE 3 TOTAL NEW FEDERAL STUDENT LOANS

During the year ended June 30, 2025, the University awarded the following amounts of new loans under the Federal Direct Student Loans Program:

Direct Unsubsidized Loans	\$	9,469,688
Direct Subsidized Loans		2,589,908
Direct Parent PLUS Loans		591,411
Direct Graduate PLUS Loans		<u>7,040,771</u>
Total	\$	<u><u>19,691,788</u></u>

There were no administrative costs charged to the loan program.

NOTE 4 NONMONETARY ASSISTANCE

During the period, the University did not receive any nonmonetary assistance.

NOTE 5 INSURANCE DISCLOSURE

During the period, there was no federally-funded insurance in effect.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2025

NOTE 6 DONATED PERSONAL PROTECTIVE EQUIPMENT

During Fiscal Year 2025, the University did not receive any donated personal protective equipment.

CHICAGO STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY
For the Year Ended June 30, 2025
(in thousands)

The following schedules are used to determine the University's Single Audit costs in accordance with the Uniform Guidance (2 C.F.R. § 200.425).

Schedule A - Federal Financial Component

Total federal expenditures ¹	\$	37,648
Total Schedule A	\$	<u>37,648</u>

Schedule B - Total Financial Component

Total operating expenses ²	\$	118,205
Total nonoperating expenses ²		216
Federal loan balances: ^{1,4}		
Federal Perkin Loans Program		774
Total value of new federal loans: ^{1,3,5}		
Federal Direct Student Loan		<u>19,692</u>
Total Schedule B	\$	<u>138,887</u>

Schedule C - Computation of Nonfederal Expenses

		<u>Percent</u>
Total Schedule B	\$	100.00%
Total Schedule A		<u>27.11%</u>
Total nonfederal expenses	\$	<u>72.89%</u>

¹ Obtained from Schedule of Expenditures of Federal Awards

² Obtained from the Statement of Revenues, Expenses, and Changes in Net Position

³ Obtained from the Notes to the Schedule of Expenditures of Federal Awards

⁴ Balance at the beginning of the fiscal year with continuing compliance requirements

⁵ Balance of loans issued during the fiscal year