



GOVERNORS 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

GOVERNORS 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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For the Year Ended June 30, 2025

UNIVERSITY OFFICIALS

| | |
|--|---------------------------------|
| President (July 1, 2025 to Present) | Dr. Joyce C. Ester |
| Interim President (March 1, 2025 to June 30, 2025) | Dr. Corey S. Bradford, Sr. |
| President (Up to February 28, 2025) | Dr. Cheryl F. Green |
| Interim Chief Financial Officer (October 7, 2025 to Present) | Ms. Villalyn Baluga, CPA |
| Vice President for Administration and Finance (Up to October 6, 2025) | Dr. Corey S. Bradford, Sr. |
| General Counsel and Vice President | Ms. Therese King Nohos |
| Chief Internal Auditor | Mr. Kristoffer Evangelista, CPA |
| Associate Vice President for Finance | Ms. Villalyn Baluga, CPA |

OFFICERS OF THE UNIVERSITY BOARD OF TRUSTEES

| | |
|--|----------------------|
| Chairman (August 20, 2024 to Present) | Mr. James Kvedaras |
| Chairman (Up to August 19, 2024) | Ms. Angela Sebastian |
| Vice Chairman (August 20, 2024 to Present) | Ms. Stacy Crook |
| Vice Chairman (Up to August 19, 2024) | Mr. Kevin Brookins |
| Secretary (August 20, 2024 to Present) | Ms. Karen Nunn |
| Secretary (Up to August 19, 2024) | Mr. James Kvedaras |

UNIVERSITY BOARD OF TRUSTEES

| | |
|--|--------------------------------|
| Trustee | Ms. Karen Nunn |
| Trustee | Ms. Stacy Crook |
| Trustee (March 21, 2025 to Present) | Ms. Angelica Zuniga |
| Trustee (January 21, 2025 to March 20, 2025) | Vacant |
| Trustee (Up to January 20, 2025) | Mr. Kevin Brookins |
| Trustee (March 10, 2025 to Present) | Dr. Judith L. Mitchell |
| Trustee (Up to March 9, 2025) | Vacant |
| Trustee (March 10, 2025 to Present) | Ms. Frances Pao-Han Kao |
| Trustee (January 21, 2025 to March 9, 2025) | Vacant |
| Trustee (Up to January 20, 2025) | Ms. Angela Sebastian |
| Trustee | Mr. James Kvedaras |
| Trustee | Mr. Anibal Taboas |
| Trustee (July 1, 2025 to Present) | Mr. Brett Porter, Student |
| Trustee (Up to June 30, 2025) | Mr. Harish Rayalapati, Student |

UNIVERSITY OFFICE

1 University Parkway, University Park, Illinois 60484

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FEDERAL COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this audit of the Governors 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), Government Auditing Standards*, and auditing standards generally accepted in the United States of America (GAAS).

AUDITOR’S REPORT

The Independent Auditor’s 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 Activity does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

| Number of | <u>Current Report</u> | <u>Prior Reports</u> |
|---|------------------------------|-----------------------------|
| Findings | 4 | 7 |
| Repeated Findings | 3 | 3 |
| Prior Recommendations Implemented or Not Repeated | 4 | 2 |

SCHEDULE OF FINDINGS

| <u>Item No.</u> | <u>Page</u> | <u>Last/First Reported</u> | <u>Description</u> | <u>Finding Type</u> |
|------------------------|--------------------|-----------------------------------|---------------------------|----------------------------|
|------------------------|--------------------|-----------------------------------|---------------------------|----------------------------|

Current Finding – Government Auditing Standards

The audit did not disclose any findings required to be reported by *Government Auditing Standards*.

Current Findings – Federal Compliance and Questioned Costs

| | | | | |
|----------|----|-----------|---|--|
| 2025-001 | 12 | 2024/2021 | Enrollment Reporting | Significant Deficiency and Noncompliance |
| 2025-002 | 15 | 2024/2024 | Noncompliance with Notification Requirements on Direct PLUS Loans Disbursements | Significant Deficiency and Noncompliance |

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SCHEDULE OF FINDINGS (Continued)

| <u>Item No.</u> | <u>Page</u> | <u>Last/First Reported</u> | <u>Description</u> | <u>Finding Type</u> |
|-----------------|-------------|----------------------------|---|--|
| 2025-003 | 17 | 2024/2024 | Noncompliance with Activities Allowed or Unallowed and Allowable Costs and Cost Principles Requirements | Significant Deficiency and Noncompliance |
| 2025-004 | 19 | New | Noncompliance with Reporting Requirements for Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | Significant Deficiency and Noncompliance |

Prior Findings Not Repeated

| | | | |
|---|----|-----------|--|
| A | 21 | 2024/2023 | Weaknesses in Change Control Processes |
| B | 21 | 2024/2023 | Noncompliance with Gramm-Leach-Bliley Act |
| C | 21 | 2024/2024 | Failure to Retain Adequate Documentation of Internal Direct Loans Reconciliation |
| D | 21 | 2024/2024 | Noncompliance with Perkins Loans' Retention of Records Requirements |

EXIT CONFERENCE

The University waived an exit conference in a correspondence from Ms. Villalyn Baluga, Associate Vice President for Finance and Interim Chief Financial Officer, on March 13, 2026. The responses to the recommendations were provided by Ms. Villalyn Baluga, Associate Vice President for Finance and Interim Chief Financial Officer, in a correspondence dated March 13, 2026.



**INDEPENDENT AUDITOR'S 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
Governors 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 and the aggregate discretely presented component unit of Governors 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 March 10, 2026. Our report includes a reference to other auditors who audited the financial statements of the Governors State University Foundation, as described in our report on the University's financial statements. The financial statements of the Governors State University Foundation were not audited in accordance with Government Auditing Standards and, accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Governors State University Foundation or that are reported on separately by those auditors who audited the financial statements of the Governors State University Foundation.

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 for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
March 10, 2026



INDEPENDENT AUDITOR’S
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
Governors 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 Governors 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 Auditor’s 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 Auditor's 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 Governors State University Foundation, a component unit of the University, 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 component unit because the component unit engaged other auditors to perform an audit of their 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.

Auditor's 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

Instances of Noncompliance

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001 through 2025-004. Our opinion on each major federal program is not modified with respect to these matters.

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

Corrective Action Plan

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's 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 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 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 certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2025-001 through 2025-004 to be significant deficiencies.

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 responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Corrective Action Plan

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's 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 of Governors State University and its discretely presented component unit 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 March 18, 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

Adelfia LLC

Chicago, Illinois
March 18, 2026

GOVERNORS STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SUMMARY OF AUDITOR'S 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 weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Noncompliance material to the financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weaknesses identified? Yes No
- Significant deficiencies identified? Yes None Reported

Type of auditor's 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 |
|--|---|
| 84.268, 84.063, 84.038, 84.033, 84.007, 84.379, 93.925, 93.264 | Student Financial Assistance Cluster |
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds |

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

Auditee qualified as a low-risk auditee? Yes No

GOVERNORS 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

2025-001. **FINDING** (Enrollment Reporting)

| | |
|-----------------------------------|---|
| Federal Department: | U.S. Department of Education |
| Assistance Listing Number: | 84.268 |
| Cluster Name: | Student Financial Assistance Cluster |
| Program Name: | Federal Direct Student Loans |
| Award Numbers: | P268K250567 (2025), P268K240567 (2024) |
| Questioned Cost: | None |

Governors State University (University) did not timely and accurately report student enrollment information to the U.S. Department of Education’s National Student Loan Data System (NSLDS).

CONDITION

During testing of 40 enrollment status changes, we noted the following:

- One of 40 (3%) enrollment status changes was not accurately or timely reported to the NSLDS Program-Level Record. The enrollment status change was incorrectly reported as withdrawn instead of graduated, and the update was reported 113 days after the date of occurrence.
- Thirteen of 40 (33%) enrollment status changes data contained inaccurate Program Begin Dates, with discrepancies ranging from 1 to 45 days later than the official program start dates.

The sample was not intended to be, and was not, a statistically valid sample.

CRITERIA

The Code of Federal Regulations (34 CFR 685.309) requires the University, upon the receipt of an enrollment report from the Secretary of the Department of Education (ED), to update all information included in the report and return the report to the ED within the timeframe prescribed by the ED. It further requires the University to report enrollment changes within 30 days unless a roster file is expected within 60 days, in which case the enrollment data may be updated on that roster file changes.

The NSLDS Enrollment Reporting Guide states the University is responsible for accurately reporting all Program-Level Record and Campus-Level Record data elements. The Program Begin Date is the date the student first began attending the program being reported. Typically, this would be the first day of the term in which the student began enrollment in the program, unless the student enrolled in the program on an earlier date.

GOVERNORS 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

2025-001. **FINDING** (Enrollment Reporting) (Continued)

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 accurate and timely student enrollment status reports are submitted to NSLDS.

CAUSE

University officials stated that the University reports enrollment status changes to the NSLDS through the National Student Clearinghouse (NSC), a third-party servicer. The incorrect reporting for the one student noted occurred because the student was enrolled under a doctoral program while taking courses applicable to a master’s program. The student met the requirements for the master’s degree, and the University awarded the degree and reported the student as graduated to the NSC. However, when the NSC transmitted the information to the NSLDS, the NSLDS assigned a withdrawn status because no enrollment record existed for the master’s program.

With regard to the discrepancies noted in Program Begin Dates, system-generated files are uploaded to the NSC, which then provides the data to the NSLDS in accordance with the University’s enrollment reporting process. Upon review of the system-generated files, there are various dates contained within the files, which may have caused inaccurate Program Begin Dates reflected in the NSLDS’ Program-Level Record. The University is aware of these discrepancies through the error reports it receives from the NSC when uploading the files and has been correcting the differences. However, the corrected information is not being reflected in the NSLDS when the NSC transmits the files.

EFFECT

Accurate, timely, and complete enrollment reporting is essential for the proper administration of federal student aid programs. Failure to comply with federal enrollment reporting requirements may expose the University to loss of future federal funding. (Finding Code No. 2025-001, 2024-002, 2023-002, 2022-002, 2021-003)

RECOMMENDATION

We recommend the University strengthen internal controls and improve its reporting procedures to ensure timely and accurate reporting of student enrollment status to the NSLDS.

GOVERNORS 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

2025-001. **FINDING** (Enrollment Reporting) (Continued)

UNIVERSITY RESPONSE

The University agrees with this finding and accepts the recommendation. The University has manually corrected the incorrect status for the one student noted, and the student is now properly reflected as graduated in the NSLDS. The University will further review this matter internally and will consult with both the NSC and the NSLDS to identify a viable solution to prevent similar issues from recurring.

The discrepancies in Program Begin Dates are a known issue related to the NSC reporting from a system similar to the University. The University has already notified the NSC of this matter and is awaiting guidance on how to correct the Program Begin Date discrepancies so that the information will properly flow through to the NSLDS. The University will implement any necessary procedural changes once feedback is received from the NSC.

GOVERNORS 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

2025-002. **FINDING** (Noncompliance with Notification Requirements on Direct PLUS Loans Disbursements)

| | |
|-----------------------------------|---|
| Federal Department: | U.S. Department of Education |
| Assistance Listing Number: | 84.268 |
| Cluster Name: | Student Financial Assistance Cluster |
| Program Name: | Federal Direct Student Loans |
| Award Numbers: | P268K250567 (2025), P268K240567 (2024) |
| Questioned Cost: | None |

Governors State University (University) did not comply with the notification requirements on Direct PLUS Loans disbursements.

CONDITION

During testing of 25 Direct Loans disbursements, we noted four (16%) students with Direct PLUS loans, where the parents were not properly notified. Notifications were made only to students.

CRITERIA

The Code of Federal Regulations (34 CFR 668.165) requires the University when Direct Loans are being credited to a student’s account to notify the student, or parent, in writing of (1) the date and amount of the disbursement; (2) the student’s right, or parent’s right, to cancel all or a portion of that loan or loan disbursement and have the loan proceeds returned to Department of Education; and (3) the procedure and time by which the student or parent must notify the institution that he or she wishes to cancel the loan (a minimum of 14 or 30 days depending on confirmation process). Further, the Federal Student Aid (FSA) handbook clarified that general notification must be provided to the parent Direct PLUS borrower and all students receiving FSA funds.

CAUSE

University officials stated the University revised its Direct PLUS borrower notification procedures upon identifying the issue; however, a significant number of Fall 2024 PLUS loans had already been processed under the prior procedure, resulting in the noted noncompliance.

GOVERNORS 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

2025-002. **FINDING** (Noncompliance with Notification Requirements on Direct PLUS Loans Disbursements) (Continued)

EFFECT

Proper notifications protect the borrower’s rights and give the parent borrower a chance to reconsider the loan, adjust disbursements or cancel within the specified timeframe. (Finding Code No. 2025-002, 2024-004)

RECOMMENDATION

We recommend the University continue full implementation of its updated procedures to ensure proper notification is made to the parent Direct PLUS borrowers.

UNIVERSITY RESPONSE

The University agrees with this finding and accepts the recommendation. However, we would like to clarify that we were not made aware of this issue until the end of the Fall 2024 semester. By that time, more than half of the PLUS loans for the year had already been processed. Although the University implemented the corrective action plan immediately upon being notified, the majority of the academic year’s PLUS loans had already been completed. As part of the corrective action, the University now provides direct notification to the parent at the time PLUS loans are processed.

GOVERNORS 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

2025-003. **FINDING** (Noncompliance with Activities Allowed or Unallowed and Allowable Costs and Cost Principles Requirements)

| | |
|-----------------------------------|--|
| Federal Department: | U.S. Department of Education |
| Assistance Listing Number: | 84.425D |
| Program Name: | Elementary and Secondary School Emergency Relief Fund |
| Award Number: | S425D210041 (2022) |
| Questioned Cost: | \$2,614 |

Governors State University (University) did not comply with activities allowed or unallowed and allowable costs and cost principles requirements.

CONDITION

During our review of the Illinois Tutoring Initiative program under the Elementary and Secondary School Emergency Relief Fund, which incurred total expenditures of \$113,816, we identified three of 10 (30%) expenditures that were inappropriately charged to the grant. The University charged \$2,614 in Central Management Services (CMS) insurance costs for an employee who did not perform any work related to the program.

The sample was not intended to be, and was not, a statistically valid sample.

CRITERIA

The Code of Federal Regulations (2 CFR 200.431(c)) requires the University to allocate fringe benefits to federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such federal awards and other activities, and charged as direct or indirect costs following the University's accounting practices.

Additionally, the Uniform Guidance (2 CFR 200.303(a)) requires nonfederal entities receiving federal awards to establish and maintain effective internal controls designed to reasonably ensure compliance with federal laws, statutes, regulations, and the terms and conditions of the federal award.

GOVERNORS 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

2025-003. **FINDING** (Noncompliance with Activities Allowed or Unallowed and Allowable Costs and Cost Principles Requirements) (Continued)

CAUSE

University officials stated the payroll change for the one employee noted was inadvertently not reflected in the calculation for the corresponding CMS insurance charges. While review and approval procedures for payroll changes are already in place, they were not consistently followed during the period in question due to staffing constraints.

EFFECT

Failure to accurately charge the correct grant may result in disallowance of federal expenditures and questioned costs, and could jeopardize future federal funding. (Finding Code No. 2025-003, 2024-007)

RECOMMENDATION

We recommend the University improve its procedures to ensure fringe benefits allocated to the grant align consistently with the salaries and wages charged to the grant.

UNIVERSITY RESPONSE

The University agrees with this finding and accepts the recommendation. Effective immediately, a second level of approval will be required for all payroll adjustments to ensure that any changes are accurately reflected in the calculation of the related CMS insurance charges.

GOVERNORS 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

2025-004 **FINDING** (Noncompliance with Reporting Requirements for Teacher Education Assistance for College and Higher Education Grants (TEACH Grants))

| | |
|-----------------------------------|--|
| Federal Department: | U.S. Department of Education |
| Assistance Listing Number: | 84.379 |
| Cluster Name: | Student Financial Assistance Cluster |
| Program Name: | Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) |
| Award Number: | P379T250567 (2025), P379T250567 (2024) |
| Questioned Cost: | None |

Governors State University (University) did not timely submit TEACH Grants disbursement records to the U.S. Department of Education’s (ED) Common Origination and Disbursement (COD) System.

CONDITION

During testing of three TEACH Grants disbursements, we noted one (33%) student whose Fall and Spring term disbursements were reported to the ED's COD System 227 days and 143 days late, respectively. The sample was not intended to be, and was not, a statistically valid sample.

CRITERIA

The Code of Federal Regulations (Code) (34 CFR 690.83(b)(2)) requires the University to submit, in accordance with deadline dates established by the Secretary of the ED, through publication in the Federal Register, other reports and information the ED requires and to comply with the procedures the ED finds necessary to ensure the reports are correct.

The Federal Register (Volume 90, No. 179 published on September 30, 2025) requires institutions to submit TEACH Grants disbursement records to the COD System no later than November 30, 2024 or 15 days after making the disbursement or becoming aware of the need to adjust a previously reported disbursement, whichever is later. Further, transmissions must be completed and accepted before the designated processing time on the deadline submission date. If transmissions are started at the designated time, but are not completed until after the designated time, those transmissions will not meet the deadline. In addition, any transmission submitted on or just prior to the deadline date that is rejected may not be reprocessed because the deadline will have passed by the time the user gets the information notifying him or her of the rejection.

GOVERNORS 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

2025-004 **FINDING** (Noncompliance with Reporting Requirements for Teacher Education Assistance for College and Higher Education Grants (TEACH Grants))
(Continued)

Additionally, the Uniform Guidance (2 CFR 200.303(a)) requires nonfederal entities receiving federal awards to establish and maintain effective internal controls designed to reasonably ensure compliance with federal laws, statutes, regulations, and the terms and conditions of the federal award.

CAUSE

University officials stated the disbursements were initially reported to the COD System within the required timeframe but were rejected. The University corrected the errors during its reconciliation process; however, the reconciliation was completed after the required reporting deadline to the COD System.

EFFECT

Failure to submit disbursement records within the required timeframe may affect the accuracy and integrity of federal grant reporting, and represents noncompliance with federal regulations. (Finding Code No. 2025-004)

RECOMMENDATION

We recommend the University strengthen internal controls over its COD System reporting process to ensure TEACH Grants disbursement records are transmitted timely, accurate, and accepted by ED prior to the required deadlines. Controls should include timely monitoring of rejected records and prompt resolution of errors.

UNIVERSITY RESPONSE

The University agrees with this finding and accepts the recommendation. Procedures were promptly updated to ensure that any TEACH Grants discrepancies are reconciled on a monthly basis, consistent with the reconciliation process used for the Federal Pell Grant and Direct Loan programs.

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

PRIOR FINDINGS NOT REPEATED

A. **FINDING** (Weaknesses in Change Control Processes)

During the prior audit, Governors State University (University) did not have adequate controls around its change control process and had not adequately controlled developer access to its production environment.

During the current audit, the University implemented controls to strengthen its change control process and controlled developer access to the production environment. Current year testing did not identify financially significant issues. The exceptions noted this year will be reported within the *State Compliance Examination Report*. (Finding Code No. 2024-001, 2023-001)

B. **FINDING** (Noncompliance with Gramm-Leach-Bliley Act)

During the prior audit, Governors State University (University) did not establish a written incident response plan designed to promptly respond to, and recover from, any security event materially affecting the confidentiality, integrity, or availability of customer information in their control.

During the current audit, the University adopted a written incident response plan to respond to data security incidents and recover from the incident. (Finding Code No. 2024-003, 2023-003)

C. **FINDING** (Failure to Retain Adequate Documentation of Internal Direct Loans Reconciliation)

During the prior audit, Governors State University (University) did not retain documentation of its internal monthly Direct Loans reconciliation to demonstrate timely completion.

During the current audit, the University improved its procedures to ensure documentation is retained to demonstrate timely completion of reconciliations. Current year monthly reconciliations program requirements for Direct Loans testing did not identify any issues. (Finding Code No. 2024-005)

D. **FINDING** (Noncompliance with Perkins Loans' Retention of Records Requirements)

During the prior audit, Governors State University (University) did not maintain a copy of the master promissory note (MPN) for a Perkins Loan program loan.

During the current audit, the University improved its procedures to ensure compliance with records retention requirements. Current year Perkins Loan record retention testing did not identify any issues. (Finding Code No. 2024-006)

GOVERNORS STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

| Federal Grantor/Pass-Through Grantor Program/Grant Title | Assistance Listing Number | Federal Project or Pass-Through Number | Pass-Through To Subrecipients | FY 2025 Expenditures |
|--|---------------------------------|--|-------------------------------------|-------------------------|
| STUDENT FINANCIAL ASSISTANCE CLUSTER: | | | | |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | |
| Federal Direct Student Loans | (M) 84.268 | | \$ - | \$ 22,452,423 |
| Federal Pell Grant Program | (M) 84.063 | | - | 9,290,017 |
| Federal Perkins Loan Program | (M) 84.038 | | - | 1,825,591 |
| Federal Work-Study Program | (M) 84.033 | | - | 542,304 |
| Federal Supplemental Educational Opportunity Grants | (M) 84.007 | | - | 226,275 |
| Teacher Education Assistance for College and Higher Education Grants (TEACH Grants) | (M) 84.379 | | - | 56,929 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | - | 34,393,539 |
| <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 | | - | 596,000 |
| Nurse Faculty Loan Program (NFLP) <i>Nurse Faculty Loan Program</i> | (M) 93.264 | | - | 704,167 |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | - | 1,300,167 |
| TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER | | | - | 35,693,706 |
| RESEARCH AND DEVELOPMENT CLUSTER: | | | | |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | |
| Centers for International Business Education Passed through the Trustees of Indiana University <i>IU Center for International Business Education and Research, 2022-2026</i> | 84.220A | 9404_GSU | - | 7,000 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | - | 7,000 |
| <u>NATIONAL INSTITUTES OF HEALTH</u> | | | | |
| Biomedical Research and Research Training Passed through the Board of Trustees of the University of Illinois <i>IRACDA at University of Illinois at Chicago</i> | 93.859 | 18121 | - | 60,150 |
| 21st Century Cures Act - Precision Medicine Initiative Passed through The University of Chicago <i>The Illinois Precision Medicine Consortium (IPMC) All of Us Research Program Site</i> | 93.368 | AWD104295(SUB00000974) | - | 34,849 |
| TOTAL NATIONAL INSTITUTES OF HEALTH | | | - | 94,999 |
| <u>NATIONAL SCIENCE FOUNDATION</u> | | | | |
| STEM Education (formerly Education and Human Resources) Passed through Chicago State University <i>Louis Stokes STEM Pathways and Research Alliances: The Illinois LSAMP STEM Pathway and Research Alliance (ILSPRA)</i> | 47.076 | 53114 | - | 3,496 |
| NSF Technology, Innovation, and Partnerships <i>NSF Engines Development Award: Advancing smart logistics (IL, IN, MO, WI)</i> | 47.084 | | 168,554 | 336,630 |
| TOTAL NATIONAL SCIENCE FOUNDATION | | | 168,554 | 340,126 |
| TOTAL RESEARCH AND DEVELOPMENT CLUSTER | | | 168,554 | 442,125 |

GOVERNORS STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

| Federal Grantor/Pass-Through Grantor Program/Grant Title | Assistance Listing Number | Federal Project or Pass-Through Number | Pass-Through To Subrecipients | FY 2025 Expenditures |
|--|---------------------------------|--|-------------------------------------|-------------------------|
| HEAD START CLUSTER: | | | | |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | |
| Head Start <i>Early Head Start</i> | 93.600 | | - | 1,164,464 |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | - | 1,164,464 |
| TOTAL HEAD START CLUSTER | | | - | 1,164,464 |
| TRIO CLUSTER: | | | | |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | |
| TRIO Educational Opportunity Centers <i>Governors State University TRIO Educational Opportunities Centers Project</i> | 84.066A | | - | 248,516 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | - | 248,516 |
| TOTAL TRIO CLUSTER | | | - | 248,516 |
| OTHER PROGRAMS | | | | |
| <u>U.S. DEPARTMENT OF EDUCATION</u> | | | | |
| Education Stabilization Fund Passed through the Illinois State Board of Education <i>New Principal Mentoring Program</i> | 84.425 | 586-28-2391-4998-F | - | 6,242 |
| Elementary and Secondary School Emergency Relief Fund Passed through the Illinois Board of Higher Education <i>Illinois Tutoring Initiative</i> | 84.425D | 22&23TUTORIPO-GSU | - | 113,816 |
| Total Education Stabilization Fund | | | - | 120,058 |
| Child Care Access Means Parents in School <i>CCAMPIS at Governors State University</i> | 84.335A | | - | 31,356 |
| Undergraduate International Studies and Foreign Language Programs <i>Developing a Mandarin Curriculum/Course and International Business Preparation with Enhanced Accessibility to Undergraduate Students</i> | 84.016A | | - | 34,192 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | - | 185,606 |
| <u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | |
| Mental and Behavioral Health Education and Training Grants <i>Behavioral Health Workforce Education and Training (BHWET) Program</i> | 93.732 | | - | 352,279 |
| Block Grants for Prevention and Treatment of Substance Abuse Passed through the Illinois Department of Human Services <i>Substance Abuse Prevention and Treatment SAPT Block Grant State</i> | 93.959 | 43CCC00123 | - | 19,243 |
| TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | - | 371,522 |
| <u>U.S. DEPARTMENT OF TREASURY</u> | | | | |
| Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) Passed through the Illinois Department of Commerce and Economic Opportunity <i>The American Rescue Plan Act/State Fiscal Recovery Fund Program</i> | (M) 21.027 | 21-417013 | - | 46,244 |
| Passed through Will County <i>The American Rescue Plan Act</i> | (M) 21.027 | ECD-CSP-GSU | - | 416,815 |
| TOTAL U.S. DEPARTMENT OF TREASURY | | | - | 463,059 |

GOVERNORS STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

| Federal Grantor/Pass-Through Grantor Program/Grant Title | Assistance Listing Number | Federal Project or Pass-Through Number | Pass-Through To Subrecipients | FY 2025 Expenditures |
|---|---------------------------------|--|-------------------------------------|-------------------------|
| <u>U.S. DEPARTMENT OF AGRICULTURE</u> | | | | |
| Child and Adult Care Food Program Passed through the Illinois State Board of Education <i>Child and Adult Food Care Program</i> | 10.558 | 56099527051 | - | 95,022 |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | - | 95,022 |
| <u>U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES</u> | | | | |
| Promotion of the Humanities Federal/State Partnership <i>Southland History Collective and Southland Regional History Center</i> | 45.129 | | - | 3,700 |
| Promotion of the Humanities Teaching and Learning Resources and Curriculum Development <i>Southland History Collective</i> | 45.162 | | - | 17,091 |
| TOTAL U.S. NATIONAL ENDOWMENT FOR THE HUMANITIES | | | - | 20,791 |
| <u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CNCS)</u> | | | | |
| AmeriCorps Volunteers In Service to America <i>Volunteers In Service To America</i> | | 94.013 | - | 21,051 |
| TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE | | | - | 21,051 |
| TOTAL OTHER PROGRAMS | | | - | 1,157,051 |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | \$ 168,554 | \$ 38,705,862 |

(M) - Program was audited as a Major Program.

The accompanying notes to the schedule of expenditures of federal awards are an integral part of this schedule.

GOVERNORS 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 (Schedule) includes the federal grant activity of the State of Illinois, Governors State University (University) under programs of the federal government for the year ended June 30, 2025. 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 this schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

NOTE 2 - 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. The University has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 - FEDERAL STUDENT LOAN PROGRAMS

The federal student loan programs listed subsequently are administered directly by the University and balances and transactions relating to these programs are included in the University's basic financial statements. Expenditures reported on the Schedule include loans outstanding at the beginning of the year, loans made during the year, any administrative cost allowance claimed, cash balance of the fund as of the end of the year, and cancellations receivable at the end of the year. The balance of loans outstanding at June 30, 2025 consists of:

| Assistance Listing | | Outstanding Balance |
|---------------------------|------------------------------|----------------------------|
| <u>Number</u> | <u>Program Name</u> | <u>at June 30, 2025</u> |
| 84.038 | Federal Perkins Loan Program | \$220,985 |
| 93.264 | Nurse Faculty Loan Program | \$165,435 |

NOTE 4 - SUBRECIPIENTS

During the year ended June 30, 2025, the University passed through federal assistance to subrecipients in an amount of \$168,554.

GOVERNORS 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 5 - NON-CASH ASSISTANCE

The University did not receive any federal non-cash assistance during the year ended June 30, 2025.

NOTE 6 - INSURANCE

The University did not have federally funded insurance in effect during the year ended June 30, 2025.

GOVERNORS STATE UNIVERSITY
A Component Unit of the State of Illinois
SCHEDULE OF FEDERAL AND NONFEDERAL FINANCIAL ACTIVITY
For the Year Ended June 30, 2025

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 | \$ 38,705,862 |
| Total, Schedule A | \$ 38,705,862 |

Schedule B: Total Financial Component

| | |
|--|----------------|
| Total operating expenses ² | \$ 124,911,399 |
| Total nonoperating expenses ² | 897,161 |
| Federal loan balances: ^{1,3} | |
| Perkins Loan Program | 258,261 |
| Nursing Faculty Loan Program | 232,811 |
| Total value of new federal loans: ^{1,4} | |
| Perkins Loan Program | — |
| Nursing Faculty Loan Program | — |
| Federal Direct Loans | 22,452,423 |
| Other noncash federal award expenditures | — |
| Total, Schedule B | \$ 148,752,055 |

Schedule C: Computation of Nonfederal Expenses

| | | |
|---------------------------|----------------|---------|
| Total, Schedule B | \$ 148,752,055 | 100.00% |
| Total, Schedule A | 38,705,862 | 26.02% |
| Total nonfederal expenses | \$ 110,046,193 | 73.98% |

¹ Obtained from the Schedule of Expenditures of Federal Awards

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

³ Balance at the beginning of the fiscal year with continuing compliance requirements

⁴ Balance of loans issued during the fiscal year