



Tab 11

## Overview of Recent Audit Reports

Coordinating Board for Higher Education  
March 4, 2020

### BACKGROUND

DHEWD undergoes routine annual audits by the following entities:

- 1) State Auditor's Office (SAO) – The SAO determines which funds have the most significant amount of activity and tests transactions from those funds during its annual Statewide Financial Statements Audit (SEFA). Within DHEWD, the loan program, the state financial aid funds, and federal funds administered by the Office of Workforce Development typically have activity at a level that the SAO considers significant. The SAO conducts the SEFA of these funds and includes the findings in its comprehensive annual financial report (CAFR).
- 2) United States Department of Education (USDE) – The USDE performs on-site reviews of the Missouri Student Loan Program (MSLP) information security controls, as well as requires the department to submit self-assessments of information security controls each year.
- 3) RubinBrown – Through a contract awarded by the Office of Administration, RubinBrown audits the MSLP's annual comparative financial statements. An independent audit is required by the USDE of all guaranty agencies; the department must submit a copy of its audited financial statements to the USDE each year.

### CURRENT STATUS

DHEWD staff received the final RubinBrown audit report. There are no findings.

USDE conducted its Program Review of DHEWD's Student Loan Program loan servicer, Ascendium Education, on-site at Ascendium, July 16-19, 2019. During the exit conference there were no findings identified. DHEWD is still waiting on the final audit report.

The State Auditor's Office finalized its Comprehensive Annual Financial Report audit for fiscal year 2019. Due to the length of the report, a copy is not included in the board book. However, the full report can be found at: [https://oa.mo.gov/sites/default/files/CAFR\\_2019\\_0.pdf](https://oa.mo.gov/sites/default/files/CAFR_2019_0.pdf). There were no findings related to the DHEWD.

Missouri was selected, along with 12 other guaranty agencies, to complete a 2020 Self-Assessment of our security controls. DHEWD staff will complete the Self-Assessment between February and May of 2020. DHEWD last completed the Self-Assessment in 2017 and it had 580+ questions covering all NIST 800-53 control families.

DHEWD staff continue to work with the USDE on resolving findings in the USDE Information Security Audit. DHEWD staff submitted corrective action plans on December 6, 2019, January 7, 2020, and February 7, 2020.

### NEXT STEPS

DHEWD will continue to provide the USDE corrective action plans as scheduled required in the DHEWD response to the USDE Information Security Audit.

DHEWD will provide the CBHE with a copy of the Student Loan Program audit of Ascendium when available.

### RECOMMENDATION

This is an information item only.

**NO ATTACHMENTS**