

**VOORHEES COLLEGE  
STATE LOTTERY PROGRAMS  
DENMARK, SOUTH CAROLINA**

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**Independent Accountants' Report On  
Applying Agreed-Upon Procedures  
June 30, 2022**



**VOORHEES COLLEGE**  
**STATE LOTTERY PROGRAMS**  
For the Year Ended June 30, 2022

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Independent Accountants' Report On  
Applying Agreed-Upon Procedures

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Bryce Wilson, CPA  
Commission on Higher Education

We have performed the procedures enumerated below for Voorhees College's State Lottery programs disbursed by the Commission on Higher Education (CHE) as of June 30, 2022. Voorhees College's management is responsible for compliance with state requirements for the state lottery programs.

CHE has agreed to and acknowledges that the procedures performed below are appropriate to meet the intended purpose which is to assist CHE in evaluating whether Voorhees College's state lottery programs are in compliance with state requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report, may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

We obtained the population of the state lottery programs disbursed by CHE from Voorhees College to select a sample of students for each program. For the year ended June 30, 2022, the institution had disbursements to students in the following programs:

We obtained the student file for each student selected and performed procedures for eligibility requirements as prescribed in the four areas of: Initial eligibility and continued eligibility, records, retention, and award amount based on the specified laws, regulations, and contracts.

<b>State Lottery Programs Disbursed by CHE</b>	<b>June 30, 2022</b>
SC LIFE Scholarship	Yes
SC Hope Scholarship	Yes

The result of those procedures are as follows:

<b>State Lottery Program Disbursed by CHE</b>	<b>Sample Size</b>	<b>Exceptions Noted</b>
SC LIFE Scholarship	3	None Noted
SC Hope Scholarship	2	2

**SC LIFE Scholarship – 62-1200.1 – 62-1200.75**

1. We obtained and documented proof of SC residency and US Citizenship at the time of high school graduation and College enrollment and proof of South Carolina residency of the parent or guardian for dependent students.

We found no exceptions as a result of this procedure.

2. We obtained financial aid records and documented the signing of the required attestation affidavit for each academic year.

We found no exceptions as a result of this procedure.

3. We obtained the student's final high school transcript signed by the school official and documented the graduation date, SC UGPA, ACT/SAT score, and class ranking.

We found no exceptions as a result of this procedure.

4. For transferring students, we obtained the academic transcripts to verify the following criteria:
  - Recipient earned a cumulative LIFE GPA of 3.0 or higher and
  - Recipient met the annual credit hour requirements based on the initial enrollment date:
    - o Second year transfer - 30 non-remedial credit hours (or equivalent)
    - o Third year transfer – 60 credit hours (or equivalent)
    - o Fourth year transfer – 90 credit hours (or equivalent)

We found no exceptions as a result of this procedure.

5. We obtained the FINAL official transcript and verified that the date calculated was between 3 days prior to the date of the high school graduation and no later than June 15<sup>th</sup>. Covid-19 waivers were taken into consideration, if applicable.

We found no exceptions as a result of this procedure.

6. We obtained and evaluated the institutional academic transcript and documented the initial enrollment date, initial eligibility date, student's academic classification, academic term, credits earned and LIFE GPA to verify that the student met the continued eligibility criteria:
  - Earned a cumulative Life GPA of 3.0 or higher by the end of the academic year.
  - Received the award in one of eight consecutive terms from the time of initial enrollment.
  - Met the annual credit hour requirement based on initial college enrollment date:
    - o Second year - 30 non-remedial credit hours (or equivalent)
    - o Third year - 60 credit hours (or equivalent)
    - o Fourth year - 90 credit hours (or equivalent)

We found no exceptions as a result of this procedure.

7. We recalculated the student LIFE GPA and compared it to the institution's calculation.

We found no exceptions as a result of this procedure.

**SC LIFE Scholarship – 62-1200.1 – 62-1200.75, Continued**

8. We obtained proof of full-time enrollment and documented any remedial or developmental courses taken.

We found no exceptions as a result of this procedure.

9. We agreed the student's awarding documentation to the awarding information in CHE's AS400 (CHEMIS).

We found no exceptions as a result of this procedure.

10. We obtained the financial aid record and documented the LIFE award amount to verify that the annual grant amount was not exceeded.

We found no exceptions as a result of this procedure.

11. We obtained the financial aid awarding and disbursing records to verify that the cost of attendance (COA) was not exceeded.

We found no exceptions as a result of this procedure.

12. We traced the disbursements to the student's account history from the business office.

We found no exceptions as a result of this procedure.

13. We obtained and documented award notifications to determine if scholarship terms and conditions were provided.

We found no exceptions as a result of this procedure.

14. We obtained the student account history and verified that the student did not receive Palmetto Fellows scholarship, HOPE scholarship, or Lottery Tuition Assistance during the same award year.

We found no exceptions as a result of this procedure.

**SC Hope Scholarship – 62-900.85 - 62-900.140**

1. We obtained and documented proof of the student's South Carolina residency and US Citizenship at the time of high school graduation and College enrollment and proof of SC residency of the parent or guardian for dependent students.

Finding: We found one exception. Our finding as a result of the procedure performed is presented on the Reviewer's Findings section of the report.

2. We obtained financial aid records and documented the signing of the required attestation affidavit for each academic year.

We found no exceptions as a result of this procedure.

3. We obtained the student's final high school transcript signed by the school official and documented the high school graduation date and verified that the SC UGP GPA was at least a 3.0.

Finding: We found one exception. Our finding as a result of the procedure performed is presented on the Reviewer's Findings section of the report.

**SC HOPE Scholarship – 62-900.85 - 62-900.140, Continued**

4. We obtained the institutional academic transcript and documented the initial enrollment date, academic terms, and registered hours, excluding any remedial or developmental courses, to verify full-time enrollment and that the student is a first-time entering freshman who does not qualify for LIFE or Palmetto Fellows Scholarships.

We found no exceptions as a result of this procedure.

5. We obtained the student account history to verify that the award amount did not exceed two thousand eight hundred dollars (includes \$300 book allowance) during the freshman year only.

We found no exceptions as a result of this procedure.

6. We obtained the student's financial aid file and documented the cost of attendance (COA) and all other gift aid to verify that COA was not exceeded.

We found no exceptions as a result of this procedure.

7. We obtained the award notifications to determine if scholarship terms and conditions were provided.

We found no exceptions as a result of this procedure.

8. We traced the disbursements to the student's account history from the business office.

We found no exceptions as a result of this procedure.

9. We obtained the student account history and verified that the student did not receive Palmetto Fellows scholarship, LIFE scholarship, or Lottery Tuition Assistance during the same award year.

We found no exceptions as a result of this procedure.

10. We agreed the student's awarding documentation to the awarding information in CHE's AS400 (CHEMIS).

We found no exceptions as a result of this procedure.

11. We obtained evidence that the student was a Hope scholarship recipient for only 2 eligible terms.

We found no exceptions as a result of this procedure

**Other Procedures**

1. We obtained the institution's current policies and procedures for monitoring lottery funded scholarships to ensure that the documents are readily available.

We found no exceptions as a result of this procedure.

2. We obtained and completed the CHEMIS variance analysis form with information provided by the institution and CHE to determine if the state lottery programs have been reconciled properly and in a timely manner.

We found no exceptions as a result of this procedure.

Voorhees College  
State Lottery Programs

We were engaged by CHE to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on State Lottery programs disbursed by CHE. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Voorhees College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of CHE and Voorhees College and is not intended to be and should not be used by anyone other than those specified parties.



November 20, 2024  
Gaffney, SC



## Reviewer's Findings

### SC HOPE Scholarship

*Based on a sample of two (2) students*

**Condition:** During our review of the HOPE Scholarships awarded during the 2021-2022 academic year, we found one instance where the high school transcript used to determine initial eligibility was not made available and documentation for proof of citizenship was not provided.

**Criteria:**

62-900.85 states, all eligible institutions that participate in in the program must verify the lawful presence of any student who receives a SC HOPE Scholarship prior to awarding the Scholarship to the student.

62-900.135 (B) states, "...all eligible institutions that participate in the program must abide by program policies, rules, or regulations..."

In order to determine eligibility for the State scholarship programs, the institution must have a final and official transcript on file demonstrating, but not limited to, the following items:

- A valid signature (electronic or otherwise) from the principal. In the event that the principal is not available, the Superintendent signature is acceptable. For Independent/Private and home school students: The administrator, registrar, or an official from the home school/accountability group. Should provide a letter stating the designated school representative.
- SC UGP GPA: must be demonstrated.
- Calculation Date: All final official transcripts must be date calculated between the date of the high school graduation and no later than June 15th (regardless of academic year). For the LIFE Scholarship and the Palmetto Fellows Scholarship Late Award the transcript MUST demonstrate that it is the final official transcript, as well as reflect a graduation date.
- Rank: If an independent high school or home school association has an approved policy on rank, a rank must be demonstrated on the official transcript (even if the student is not using rank for scholarship eligibility). A rank report must also be submitted with a date calculated matching the transcripts even if the student is not using rank. (LIFE 62-1200.10.C)

**Cause:** The institution was unable to locate a final high school transcript due to the transition of staff in pertinent offices.

**Effect:** We could not verify the student's eligibility for the HOPE scholarship due to lack of documentation. The institution is required to immediately reimburse \$1,400 to the SC HOPE Scholarship Program for improperly awarding funds.

**Recommendation:** We recommend the institution evaluate all functional areas that impact how and when initial eligibility is determined and identify weaknesses that increase the risk of incorrect awarding and disbursing. We recommend the institution evaluate their record retention policy and ensure that all staff are properly trained.

**Management Response:** The student eligibility was determined at the time of the award; however, at the time of the audit the required documentation was not submitted. Therefore, the institution is in agreement with the finding. The institution also acknowledges that the funds received will be returned no later than November 29, 2024.

*Corrective Action:*

The institution has taken steps to make sure hard copies are continually retained as well as the creation of a shared drive between the offices to store official student documents. The documents within the shared drive will only be accessible to pertinent offices. Finally, pertinent offices will maintain a log of all official documents received with updates within the systems.