

**COLUMBIA INTERNATIONAL UNIVERSITY
STATE LOTTERY PROGRAMS
COLUMBIA, SOUTH CAROLINA**

**Independent Accountants' Report On
Applying Agreed-Upon Procedures
June 30, 2023**

COLUMBIA INTERNATIONAL UNIVERSITY
STATE LOTTERY PROGRAMS
For the Year Ended June 30, 2023

Table of Contents

Independent Accountants' Report On Applying Agreed-Upon Procedures	1-7
Reviewer's Findings	8

Independent Accountants' Report On
Applying Agreed-Upon Procedures

Dr. Bill Jones
President, Columbia International University
7435 Monticello Rd
Columbia SC, 29203

Bryce Wilson, CPA
Commission on Higher Education

We have performed the procedures enumerated below for Columbia International University's State Lottery programs disbursed by the Commission on Higher Education (CHE) as of June 30, 2023. Columbia International University'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 Columbia International University'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 Columbia International University to select a sample of students for each program. For the year ended June 30, 2023, the institution had disbursements to students in the following programs:

<u>State Lottery Programs Disbursed by CHE</u>	<u>June 30, 2023</u>
Palmetto Fellow Scholarship	Yes
SC LIFE Scholarship	Yes
SC Hope Scholarship	Yes
SC National Guard College Assistance Program	Yes

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.

The result of those procedures are as follows:

State Lottery Program Disbursed by CHE	Sample Size	Exceptions Noted
Palmetto Fellow Scholarship	2	None Noted
SC LIFE Scholarship	14	None Noted
SC Hope Scholarship	6	1
SC National Guard College Assistance Program	1	None Noted

Palmetto Fellows Scholarship - 62-300 - 62-375

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 institutional academic transcript and documented the initial enrollment date, initial eligibility date, student's academic classification, academic terms, credits earned and GPA.

We found no exceptions as a result of this procedure.

4. We documented the student's enrollment status, credit hour enrollment, and if applicable, made note of any remedial and developmental courses taken to verify full time enrollment and that hours for AP, IB, Dual Enrollment, or CLEP are not used towards the credit hour requirements.

We found no exceptions as a result of this procedure.

5. 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.

6. We obtained the financial aid record and documented the Palmetto Fellows award amount to verify that the annual grant amount was not exceeded.

We found no exceptions as a result of this procedure.

7. 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.

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.

Palmetto Fellows Scholarship - 62-300 - 62-375, Continued

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

We found no exceptions as a result of this procedure.

10. We obtained proof of the initial CHE approval. The approval from CHE signifies that the student satisfied the following criteria:

- 3.5 SC UGP GPA (4.0 without ranking); and
- 1200 SAT or 25 ACT (1400 SAT or 31 ACT without ranking); and
- Top 6% rank in 10, 11, or 12 grade.

We found no exceptions as a result of this procedure.

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

We found no exceptions as a result of this procedure.

12. We obtained evidence that the award term is within the maximum number of eligible terms.

We found no exceptions as a result of this procedure.

13. If the student did not retain their eligibility by the end of the spring term, we obtained the non-renewal notification. We verified that the notification included information regarding the student's ability to attend summer school in order to meet the continued eligibility requirements.

We found no exceptions as a result of this procedure.

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.

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

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 15th. 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.

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.

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 high school graduation date and verified that the SC UGP GPA was at least a 3.0.

We found no exceptions as a result of this procedure.

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.

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.

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.

SC National Guard College Assistance Program - 62-250 - 62-262

1. We obtained proof of student eligibility from CHE.

We found no exceptions as a result of this procedure.

2. We obtained the total lifetime award from CHE to ensure that the total lifetime maximum was not exceeded.
 - Army NG \$5,500 max per academic year
 - Air NG \$11,000 max per academic year (AIR National Guard recipients may receive up to a maximum of \$11,000 per academic year if enrolled in a two-year program at two-year or four-year eligible SC Institutions OR a maximum of \$5,500 at eligible SC four-year Institutions per academic year).
 - Lifetime max \$22,000

We found no exceptions as a result of this procedure.

3. We obtained the student's institutional transcript to verify that the amount disbursed agreed to the student's enrollment status.

We found no exceptions as a result of this procedure.

4. We obtained evidence that the student was making satisfactory academic progress as defined by the institution.

We found no exceptions as a result of this procedure.

5. We obtained evidence that the student was enrolled in a degree-seeking program.

We found no exceptions as a result of this procedure.

6. We traced the disbursements to the student's account history from the business office and verified that ROTC scholarship funds were not disbursed to the student.

We found no exceptions as a result of this procedure.

7. 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.

8. 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.

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.

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 Columbia International University 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 Columbia International University and is not intended to be and should not be used by anyone other than those specified parties.



November 13, 2024
Gaffney, SC

Reviewer's Findings

SC HOPE Scholarship

Based on a sample of six (6) students

Condition: We found one instance where a student was awarded HOPE Scholarship in their first year of enrollment but was eligible for LIFE Scholarship instead.

Criteria: 62-900.85 states the purpose of the SC HOPE Scholarship Program is to provide funding to first-time entering freshmen who do not qualify for the LIFE or Palmetto Fellows Scholarships.

Cause: The student's initial state scholarship eligibility was incorrectly determined by the institution. The institution did not use the student's final high school transcript prior to awarding the HOPE Scholarship.

Effect: The student was incorrectly awarded and disbursed \$2,800 of SC HOPE Scholarship during the student's freshman year when the student was eligible for the LIFE Scholarship. The institution must refund the HOPE Scholarship program immediately by returning \$2,800 to the CHE due to the improperly awarding the HOPE Scholarship.

The institution must make all appropriate and necessary adjustments to award the LIFE Scholarship to the student in the 2022-2023 academic year. Because the institution did not catch this error while still in the 2022-2023 academic year, the institution must forfeit reimbursement of \$5,000 from the LIFE Scholarship Program.

Recommendation: We recommend the institution evaluate all functional areas that impact how and when initial eligibility is determined and identify weaknesses in current policies and procedures to reduce the risk of incorrect awarding and disbursing.

Management Response: We agree with the finding of the student that was incorrectly awarded the \$2,800 SC HOPE scholarship during the student's freshman year 2022-2023 when he was eligible for the LIFE Scholarship. CIU will return the HOPE Scholarship funds in the amount of \$2,800 to SCCHE by Tuesday November 26, 2024.

Adjustments have already been made to the student account. We have removed the \$2,800 Hope Scholarship funds and have awarded CIU funds in the amount of \$5,000 to cover the LIFE Scholarship funds the student was eligible for.

The awarding error was the result of human error. CIU does initially award state scholarship monies based on the initial, official, high school transcript received. Those awards are reviewed and adjusted, if necessary, once the final, official high school transcripts are received following the high school graduation. This student's early transcript showed the student did not meet the rank requirement for the LIFE Scholarship. The final, official, high school transcript showed the rank requirement was met. It appears the former employee who reviewed the final transcripts missed this updated rank. CIU will continue to review the final, official, high school transcripts once received to be sure the students are awarded correctly.