

### ***CS 3.10.3 - Financial Aid Audits***

The institution audits financial aid programs as required by federal and state regulations.

#### **Compliance Finding: In Compliance**

##### **Narrative:**

The University of South Carolina Beaufort's (USC Beaufort) financial aid programs are audited annually by KPMG, LLP, certified public accountants, under contract with the South Carolina Office of the State Auditor. USC Beaufort Financial Aid audits demonstrate compliance with the standards of the Single Audit Act Amendment of 1996, in accordance with the Office of Management and Budget (OMB) and Audit Criteria A-133 (2006 [\[i\]](#) and 2007 [\[ii\]](#)). The OMB Circular A-133 Reports reveal no reportable conditions on internal control over financial reporting. There are no instances of noncompliance with laws, regulations, or provisions of contracts and grants, and no reportable conditions relating to the federal award programs. In addition, USC Beaufort has been approved to participate in Title IV programs as demonstrated in the Program Participation Agreement from the United States Department of Education.

USC Beaufort also meets reporting requirements of the U. S. Department of Education including Fiscal Operations Report Application to Participate (FISAP) which includes the E-Z Audit [\[iii\]](#). FISAP requires the institution to report its expenditures and apply for funding for its Federal Work-Study Program and Federal Supplemental Educational Opportunity Program. E-Z Audit requires that the institution submit its financial statements and compliance audits electronically to the U.S. Department of Education. The institution has not been required to obtain a letter of credit in favor of the U.S. Department of Education.

##### **Supporting Documentation**

- [i USC Beaufort A-133 Audit Reports 2006](#)
- [ii USC Beaufort A-133 Audit Reports 2007](#)
- [iii Fiscal Operations Report Application to Participate](#)