

**St. Mary's College of Maryland**  
**Report of Independent Public Accountants**  
**On**  
**Applying Agreed-Upon Procedures**  
  
**2017-2018 Academic Year**

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## **REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON APPLYING AGREED-UPON PROCEDURES**

Mr. Rob Maddox  
Director of Financial Aid  
St. Mary's College of Maryland  
47645 College Drive  
St. Mary's City, MD 20686

The Maryland Higher Education Commission  
6 N. Liberty Street, Ground Suite  
Baltimore, Maryland 21201

We have performed the procedures enumerated below, which were agreed to by the Maryland Higher Education Commission (the Commission) and St. Mary's College of Maryland (the College) solely to assist in ensuring the accuracy of the eligibility of recipients of the Howard P. Rawlings Educational Excellence Awards Program, which includes the Educational Assistance Grant (EAG), the Guaranteed Access Grant (GAG), and the Campus Based Educational Assistance Grant (CB-EAG). The College's management is responsible for ensuring the accuracy of the eligibility of recipients of the Howard P. Rawlings Educational Excellence Awards Program, which the College reported to the Commission through the Maryland College Aid Processing System (MDCAPS). The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and related results were as follows:

1. We obtained the population of students for the fiscal year ended June 30, 2018, for EAG, GAG and CB-EAG from the Commission. We calculated the sample size based on the selection size calculated from the spreadsheet developed by the Commission which we were informed by the Commission was based on a statistical sampling method using 75% confidence level, tolerable rate of error of 3% and an expected error rate of 0% for sample sizes of 101 or more for items a and b below. The spreadsheet allocated the total sample size between a and b. For a and b below, if a population was between 11 and 100, we selected 10% of the population, and if a population was 10 or less, we selected the entire population per the Commission requirements. For items c and d, if the population was over 10, we selected 10% and if the population was 10 or less, we selected the entire population per the Commission requirements. We calculated the following samples.



- a. For the Educational Assistance Grant, not selected for verification, we selected 32 students from the College’s 137 students receiving EAG that were not selected for federal verification as reported in MDCAPS.
  - b. For the Educational Assistance Grant, selected for federal verification as reported in MDCAPS, we selected 11 students from the College’s 35 students receiving EAG that were selected for federal verification as reported in MDCAPS.
  - c. For the Guaranteed Access Grant, we selected 3 students from the College’s 29 students receiving the GAG as reported in MDCAPS.
  - d. For the Campus Based Educational Assistance Grant, we selected 5 students from the College’s 5 students receiving the CB-EAG as reported in MDCAPS.
2. For those students selected in No. 1, we compared information reported in MDCAPS database to supporting evidence maintained at the College with respect to the following attributes.

	<b>Agreed-Upon Procedures</b>	<b>Exceptions</b>
a.	We obtained the Institutional Student Information Report (ISIR) and determined if the student was a U.S. citizen or eligible non-citizen. If the student received a Student Aid Report (SAR) code on the ISIR which indicated that the Social Security Administration could not verify citizenship or eligible non-citizen status, we obtained the proof of U.S. Citizenship or eligible non-citizen status such as, the student’s U.S. Passport, Certificate of Naturalization, or Birth Certificate, or Alien Registration Receipt Card.	None
b.	We obtained the student’s address as stated on the student academic transcript or the ISIR and determined the student was a Maryland resident per the address listed on the student academic transcript or ISIR. The Maryland residency requirements include (1) the student who is dependent upon a parent(s) or spouse, (2) independent, and (3) full-time active member of the Armed Forces of the United States who is stationed in the State of Maryland. Further, we determined the student maintained a permanent residence in Maryland for the required period.	None
c.	We obtained the student’s academic transcript and determined each student was enrolled for a minimum of 12 credits hours per semester or enrolled at least 12 credits as of the institution’s official census date of September 4, 2017, for the Fall semester and February 10, 2018, for the Spring semester.	None
d.	We obtained the student’s academic transcript and determined the student met the requirements of the institution's Satisfactory Academic Progress (SAP) policy.	None
e.	We obtained the student’s ISIR and determined the student had not received any SAR code and was not in default of the federal loan.	None
f.	We obtained the degree program status as stated on the student’s ISIR and the academic transcript and determined the course work is applicable towards a degree or a 2-year associate degree program in which the course work is acceptable for transfer credit for an accredited baccalaureate program in an eligible institution. Also, we determined if each field was updated appropriately in MDCAPS as noted in the MDCAPS Financial Aid Officers (FAO) User Manual.	None



<b>Agreed Upon Procedures</b>		<b>Findings</b>
g.	We obtained the student’s billings records and determined if each undergraduate student who received funds from the CB-EAG filed a Free Application for Federal Student Aid (FAFSA) on or after March 2, 2017, for the academic year from which the funds were paid.	None
h.	We obtained the student’s ISIR and their billings records and determined the institution reported the correct housing status to the Commission.	None
i.	For the EAG recipients who were federally selected for verification by the Commission, we obtained verification results reported by the institution in MDCAPS and determined if the ISIR had been updated for each student prior to disbursements of the state grant/scholarship.	None
j.	For the EAG recipients who were federally selected for verification by the Commission, in accordance with the U.S Department of Education’s Title IV financial aid rules and regulations, we determined the ISIR information reported in MDCAPS for State aid recipients matched the ISIR used to disburse the student’s State aid award.	None
k.	For the CB-EAG award recipients, we determined the student met all the eligibility requirements which were the student had completed the FAFSA after March 2, 2017, and had demonstrated financial need to receive the CB-EAG award. We recalculated the award amount based on the formula provided by the Office of Student Financial Assistance (OSFA).	None

This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the compliance with the Howard P. Rawlings Educational Excellence Awards Program, in accordance with the Commission Office of Student Financial Assistance Independent Audit Manual. 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.

This report is intended solely for the information and use of the management of the Commission and the College, and is not intended to be and should not be used by anyone other than these specified parties.

Hunt Valley, Maryland  
May 23, 2019



**Status of Prior Years Findings:**

Findings	Recommendation	The College's Response/Status*
<p><b>Housing</b></p> <ul style="list-style-type: none"> <li>The University failed to correctly certify student's housing status as reported in MDCAPS based on the University's stated housing policy. <b>There was one (1) finding.</b></li> </ul>	<p>OSFA recommends that St. Mary's College of Maryland create a written housing policy which details how the housing status is determined for a student. Also, the written housing policy should include how a student that self-reports as living on campus, off campus or with parent on the FAFSA is confirmed for certifying a state award.</p>	<p>The Office of Financial Aid took the following steps to assure that the students were housed and charged as demonstrated on the FAFSA form:</p> <ul style="list-style-type: none"> <li>The Office of Residence Life created a shared spreadsheet listing all students who are under contract to live in college residences. This is then updated as they check-in to their campus housing.</li> <li>Each student receiving MHEC funding has their bursar statement reviewed for the campus housing charges. These charges assure both residency, and proper billing.</li> </ul> <p>The SMCM Office of Financial Aid feels as though this process has corrected the previously found issue.</p>

\* SBC did not perform any procedures to validate