

MOUNT MARY UNIVERSITY
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2024



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

Board of Trustees and Management
Mount Mary University, Inc.
Milwaukee, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Mount Mary University Inc. (the University), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

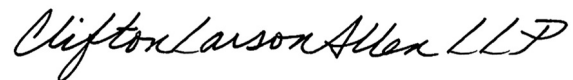
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Milwaukee, Wisconsin
March 17, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL AND STATE PROGRAMS AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE, AND REPORT ON THE
SCHEDULE OF FEDERAL AND STATE AWARDS REQUIRED BY THE UNIFORM
GUIDANCE AND THE WISCONSIN STATE SINGLE AUDIT GUIDELINES**

Board of Trustees and Management
Mount Mary University
Milwaukee, WI

We have audited Mount Mary University Inc.'s (the University) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Wisconsin *State Single Audit Guidelines* that could have a direct and material effect on each of the University's major federal and state programs for the year ended June 30, 2024. The University's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the Wisconsin *State Single Audit Guidelines*. Our responsibilities under those standards, the Uniform Guidance, and the Wisconsin *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Mount Mary University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the University's federal and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the Wisconsin *State Single Audit Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the Wisconsin *State Single Audit Guidelines*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Wisconsin *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and Wisconsin *State Single Audit Guidelines* and which are described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Wisconsin *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the Wisconsin *State Single Audit Guidelines*

We have audited the financial statements of the University as of and for the year ended June 30, 2024, and have issued our report thereon dated November 15, 2024 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and the Wisconsin *State Single Audit Guidelines* and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has

Board of Trustees and Management
Mount Mary University

been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Milwaukee, Wisconsin
March 17, 2025

MOUNT MARY UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

| Federal Grantor / Pass-Through Agency / Program or Cluster Title | Assistance Listing Number | Pass-Through Entity Identifying Number | Federal Expenditures | Passed Through to Subrecipients |
|--|---------------------------|--|-----------------------------|---------------------------------|
| U.S. Department of Education | | | | |
| Direct Awards: | | | | |
| Federal Pell Grant Program | 84.063* | N/A | \$ 2,713,134 | \$ - |
| Federal Supplemental Educational Opportunity Grants | 84.007* | N/A | 167,869 | - |
| Federal Work-Study Program | 84.033* | N/A | 175,062 | - |
| Federal Direct Student Loans | 84.268* | N/A | <u>8,574,657</u> | <u>-</u> |
| Total Student Financial Aid Cluster from U.S. Department of Education | | | 11,630,722 | - |
| Direct Awards: | | | | |
| Strengthening Institutions Program (TITLE III) | 84.031F** | N/A | 458,354 | - |
| HIS STEM (Proyecto) | 84.031C** | N/A | <u>419,800</u> | <u>-</u> |
| Total Research and Development (R&D) Cluster from U.S. Department of Education | | | 878,154 | - |
| Direct Award: | | | | |
| TRIO Student Support Services | 84.042A | N/A | <u>272,084</u> | <u>-</u> |
| Total TRIO Cluster | | | 272,084 | - |
| Direct Award: | | | | |
| Gaining Early Awareness and Readiness for Undergraduate Programs | 84.334 | N/A | 28,125 | - |
| Direct Award: | | | | |
| Child Care Access Means Parents in School | 84.335 | N/A | 34,551 | - |
| Total U.S. Department of Education | | | <u>12,843,636</u> | <u>-</u> |
| National Science Foundation | | | | |
| Direct Award: | | | | |
| STEM Education | 47.076** | N/A | <u>320,228</u> | <u>-</u> |
| Total National Science Foundation | | | 320,228 | - |
| U.S. Department of Health and Human Services | | | | |
| Direct Award: | | | | |
| Scholarship for Health Professions Students from Disadvantaged Backgrounds | 93.925* | N/A | <u>650,000</u> | <u>-</u> |
| Student Financial Assistance Cluster from the U.S. Department of Health and Human Services | | | <u>650,000</u> | <u>-</u> |
| Total U.S. Department of Health and Human Services | | | 650,000 | - |
| Corporation for National and Community Service | | | | |
| Passed through Wisconsin Department of Administration: | | | | |
| AmeriCorps State Commissions State Grant | 94.006 | Unknown | <u>19,150</u> | <u>-</u> |
| Total Corporation for National and Community Service | | | 19,150 | - |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | <u>\$ 13,833,014</u> | <u>\$ -</u> |

*Federal Assistance Listing Numbers are included with the Student Financial Assistance Cluster.

Total Student Financial Assistance Cluster is \$12,280,722.

**Federal Assistance Listing Numbers are included with the Research and Development (R&D) Cluster. Total R&D Cluster is \$1,198,382

See accompanying notes to the schedule of expenditures of federal and state awards.

**MOUNT MARY UNIVERSITY
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2024**

| <u>State Agency / Pass-Through Agency / Program Title</u> | <u>State ID Number</u> | <u>State Expenditures</u> | <u>Passed Through to Subrecipients</u> |
|---|----------------------------|-------------------------------|--|
| STATE AWARDS | | | |
| State of Wisconsin Higher Educational Aids Board | | | |
| Wisconsin Tuition Grant | 235.101 | \$ 1,760,883 | \$ - |
| Minority Undergraduate Retention Grant | 235.107 | 34,685 | - |
| Academic Excellence Scholarship | 235.109 | 4,500 | - |
| Wisconsin Deaf/Blind Grant | 235.112 | 900 | - |
| Talent Incentive Program Grant | 235.114 | 90,600 | - |
| Indian Grant | 235.132 | 1,100 | - |
| Wisconsin Veteran's Grant | 235.155 | 10,000 | - |
| Total State of Wisconsin Higher Educational Aids Board | | <u>1,902,668</u> | <u>-</u> |
| TOTAL EXPENDITURES OF STATE AWARDS | | <u>\$ 1,902,668</u> | <u>\$ -</u> |

See accompanying notes to the schedule of expenditures of federal and state awards.

MOUNT MARY UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the Schedules) include the federal and state award activity of the Mount Mary University, Inc. (the University) under programs of the federal and state government for the year ended June 30, 2024. The information in these Schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Guidelines. Because the Schedules present only a selected portion of the operations of the University, they are not intended to and do not present the financial position, changes in net assets or cash flows of the University.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Mount Mary University has not elected to charge a de minimis indirect cost rate of 10% of modified total direct costs.

NOTE 3 INDIRECT COST RATE

The University has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**MOUNT MARY UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? _____ yes X none reported
3. Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes X no
 - Significant deficiency(ies) identified? X yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)

Name of Federal Program or Cluster

Student Financial Assistance Cluster

- | | |
|--------|--|
| 84.063 | Federal Pell Grant Program |
| 84.007 | Federal Supplemental Educational Opportunity Grants |
| 84.033 | Federal Work-Study Program |
| 84.268 | Federal Direct Student Loans |
| 93.925 | Scholarship for Health Professions Students from Disadvantaged Backgrounds |

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? _____ yes X no

**MOUNT MARY UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors’ Results

State Financial Assistance

1. Internal control over major state programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

2. Type of auditors’ report issued on compliance for major state programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with the *Wisconsin State Single Audit Guidelines*? _____ yes X no

Identification of Major State Programs

State ID Number

Name of State Program

235.101

Wisconsin Tuition Grant

Dollar threshold used to distinguish between Type A and Type B programs:

\$250,000

Auditee qualified as low-risk auditee?

_____ yes X no

**MOUNT MARY UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal and State Programs

Federal Agency: U.S. Department of Education

Federal Program Name: Student Financial Aid Cluster

Assistance Listing Number: 84.063 & 84.268

Federal Award Identification Number and Year: P063P242442-2024 & P268K242442-2024

Award Period: July 1, 2023 through June 30, 2024

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions. Institutions must review, update, and certify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website.

Condition: The University failed to reconcile the enrollment statuses and effective dates per their records to the enrollment information per NSLDS.

Questioned costs: None

Context: During the reporting window, the University went through a software update. As a result of this update, three students were identified to have inaccurate enrollment information transmitted during the transition.

Cause: The University's internal controls failed to detect that the data reported and posted to NSLDS did not agree to the University's records.

Effect: There is a risk that students have the incorrect NSLDS enrollment information, which can result in improper financial aid amounts being awarded.

Repeat Finding: The finding is not a repeat finding.

Recommendation: We recommend that the University review its enrollment certification batches subsequent to being posted by NSLDS.

Views of responsible officials: There is no disagreement with the audit finding.

**MOUNT MARY UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Section IV – Other Issues

Does the auditors' report or the notes to the financial statements include disclosure with regard to the substantial doubt as to the auditee's ability to continue as a going concern? _____ yes X no

Does the audit report show audit issues (i.e., material noncompliance, nonmaterial noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:

Wisconsin Higher Education Aids Board _____ yes X no

Was a Management Letter or other document conveying audit comments issued as a result of this audit? _____ yes X no

Name and signature of Principal 
Jordan Boehm, CPA

Date of report March 17, 2025



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