

Lynn University

Florida Student Financial Assistance Programs
Financial and Compliance Reports
Year Ended June 30, 2020

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RSM US LLP

**Independent Auditor's Report
on the Schedule of Florida Student Financial Assistance Programs**

Board of Trustees
Lynn University

Report on the Schedule of Florida Student Financial Assistance Programs

We have audited the accompanying Schedule of Florida Student Financial Assistance Programs (the Schedule) of Lynn University (the University) for the year ended June 30, 2020, and the related notes to the Schedule.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Schedule

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with 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, and the Audit Program Guidance of the Florida Department of Education, Bureau of Auditing Services. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedule of Florida Student Financial Assistance Programs referred to above presents fairly, in all material respects, the awards expended for the year ended June 30, 2020, under the University's Florida Student Financial Assistance Programs in accordance with accounting principles generally accepted in the United States of America

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2020, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
October 14, 2020



RSM US LLP

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Florida Student Financial Assistance Programs Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board of Trustees
Lynn University

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 accompanying Schedule of Florida Student Financial Assistance Programs (the Schedule) of Lynn University (the University) for the year ended June 30, 2020, and the related notes to the Schedule, and have issued our report thereon dated October 14, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the Schedule, we considered University's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule, 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's Schedule is 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 determination of Schedule amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Fort Lauderdale, Florida
October 14, 2020

Lynn University

Schedule of Florida Student Financial Assistance Programs
Year Ended June 30, 2020

<u>Program</u>	<u>Amount of Awards Expended</u>
Florida Effective Access to Student Education	\$ 1,893,604
Florida Work Experience Program	8,676
Florida Student Assistance Grant	176,653
Florida Medallion Scholars Award	172,852
Florida Academic Scholars Awards	141,043
Scholarships for the Children and Spouses of Deceased or Disabled Veterans	<u>8,904</u>
Total	<u><u>\$ 2,401,732</u></u>

See notes to the Schedule of Florida Student Financial Assistance Programs.

Lynn University

Notes to the Schedule of Florida Student Financial Assistance Programs Year Ended June 30, 2020

Note 1. Basis of Presentation

The accompanying Schedule of Florida Student Financial Assistance Programs (the Schedule) includes certain grants, contracts and similar agreements entered into directly between Lynn University and the Florida Department of Education. The information in the Schedule is presented in accordance with the requirements of the Florida Department of Education Office of Student Financial Assistance and Chapter 10.650, *Rules of the Auditor General* of the State of Florida. Because the Schedule presents only a selected portion of the operations of Lynn University, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Lynn University.

Note 2. Summary of Significant Accounting Policies

Awards expended on the Schedule are reported on the accrual basis of accounting and consist of awards of state financial aid grants to students for courses taken during the year ended June 30, 2020.



RSM US LLP

**Report on Compliance With Requirements for Each Florida
Student Financial Assistance Program
and on Internal Control Over Compliance in Accordance With
the Audit Program Guidance of the Florida Department of Education,
Bureau of Auditing Services**

Independent Auditor's Report

Board of Trustees
Lynn University

Report on Compliance for Each Florida Student Financial Assistance Program

We have audited Lynn University's (the University) compliance with the program requirements described in the Florida Board of Education Administrative Rules and the audit program guidance provided by the Florida Department of Education, Bureau of Auditing Services that could have a direct and material effect on each of the University's Florida Student Financial Assistance Programs for the year ended June 30, 2020. The University's Florida Student Financial Assistance Programs are identified in the summary of independent auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, and contract and grant terms and conditions applicable to the Florida Student Financial Assistance Programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance with the University's Florida Student Financial Assistance Programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit program guidance provided by the Florida Department of Education, Bureau of Auditing Services. Those standards and program guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on each of the Florida Student Financial Assistance Programs occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the University's Florida Student Financial Assistance Programs. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Florida Student Financial Assistance Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its Florida Student Financial Assistance Programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on its Florida Student Financial Assistance Programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its Florida Student Financial Assistance Programs and to test and report on internal control over compliance in accordance with the audit program guidance provided by the Florida Department of Education, Bureau of Auditing Services, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

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 program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 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 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 audit program guidance provided by the Florida Department of Education, Bureau of Auditing Services. Accordingly, this report is not suitable for any other purpose.

RSM US LLP

Fort Lauderdale, Florida
October 14, 2020

Lynn University

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2020**

I. Summary of Independent Auditor's Results

A. Schedule of Florida Student Financial Assistance Programs

- | | | |
|---|---------------------------|----------------------------|
| 1. Type of auditor's report issued: | <u>Unmodified opinion</u> | |
| 2. Internal control over financial reporting: | | |
| • Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No |
| • Significant deficiency(ies) identified that are not considered to be material weakness(es)? | <u> </u> Yes | <u> X </u> None Reported |
| 3. Noncompliance material to schedule noted? | <u> </u> Yes | <u> X </u> No |

B. Compliance—Florida Student Financial Assistance Programs

- | | | |
|---|---------------------------|----------------------------|
| 1. Internal control over the programs: | | |
| • Material weakness(es) identified? | <u> </u> Yes | <u> X </u> No |
| • Significant deficiency(ies) identified that are not considered to be material weakness(es)? | <u> </u> Yes | <u> X </u> None Reported |
| 2. Type of auditor's report issued on compliance for the programs: | <u>Unmodified opinion</u> | |

Lynn University

Schedule of Findings and Questioned Costs (Continued)
 Year Ended June 30, 2020

Summary of Population and Test Results as Required By
 Florida Department of Education, Bureau of Auditing Services

Program	Description of Category	Number of Students	Percent of Population	Number of Awards	Percent of Population	Amount of Awards	Percent of Population
Florida Effective Access to Student Education	Population	744	100%	1,333	100%	\$ 1,893,604	100%
	Tested	50	7%	94	7%	133,530	7%
	Findings	-	0%	-	0%	-	0%
	Refunds	-	0%	-	0%	-	0%
Florida Work Experience Program	Population	6	100%	9	100%	8,676	100%
	Tested	6	100%	6	67%	8,676	100%
	Findings	-	0%	-	0%	-	0%
	Refunds	-	0%	-	0%	-	0%
Florida Student Assistance Grant	Population	116	100%	209	100%	176,653	100%
	Tested	29	25%	50	24%	40,500	23%
	Findings	-	0%	-	0%	-	0%
	Refunds	-	0%	-	0%	-	0%
Florida Medallion Scholars Award	Population	35	100%	72	100%	172,852	100%
	Tested	10	29%	20	28%	49,612	29%
	Findings	-	0%	-	0%	-	0%
	Refunds	-	0%	-	0%	-	0%
Florida Academic Scholars Award	Population	21	100%	40	100%	141,043	100%
	Tested	10	48%	20	50%	65,835	47%
	Findings	-	0%	-	0%	-	0%
	Refunds	-	0%	-	0%	-	0%
Scholarships for the Children and Spouses of Deceased and Disabled Veterans	Population	2	100%	4	100%	8,904	100%
	Tested	2	100%	2	50%	8,904	100%
	Findings	-	0%	-	0%	-	0%
	Refunds	-	0%	-	0%	-	0%

(Continued)

Lynn University

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2020

II. Findings on Schedule of Florida Student Financial Assistance Programs

None reported.

III. Findings and Questioned costs of the Florida Student Financial Assistance Programs

None reported.

IV. Schedule of Prior Year Audit Findings

None reported.