

# OFFICE OF THE STATE AUDITOR

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# DIANA DIZOGLIO

Official Audit Report – Issued September 15, 2023

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## Fitchburg State University

For the period March 1, 2020 through December 31, 2021



OFFICE OF THE STATE AUDITOR

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**DIANA DIZOGLIO**

September 15, 2023

Dr. Richard S. Lapidus, President  
Fitchburg State University  
160 Pearl Street  
Fitchburg, MA 01420

Dear Dr. Lapidus:

I am pleased to provide to you the results of the enclosed performance audit of Fitchburg State University. As is typically the case, this report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, March 1, 2020 through December 31, 2021. As you know, my audit team discussed the contents of this report with agency managers. This report reflects those comments.

I appreciate you and all your efforts at Fitchburg State University. The cooperation and assistance provided to my staff during the audit went a long way toward a smooth process. Thank you for encouraging and making available your team. I am available to discuss this audit if you or your team have any questions.

Best regards,



Diana DiZoglio  
Auditor of the Commonwealth

cc: C. Deborah Phillips, Chair of the Board of Trustees of Fitchburg State University  
Dr. Noe Ortega, Commissioner of the Massachusetts Department of Higher Education

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## LIST OF ABBREVIATIONS

ARP	American Rescue Plan
CARES	Coronavirus Aid, Relief, and Economic Security
CTR	Office of the Comptroller of the Commonwealth
CRRSAA	Coronavirus Response and Relief Supplemental Appropriations Act
FSU	Fitchburg State University
GEER	Governor's Emergency Education Relief
HEERF	Higher Education Emergency Relief Fund
IHE	institution of higher education
US DOE	United States Department of Education

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## EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of Fitchburg State University (FSU) for the period March 1, 2020 through December 31, 2021.

In this performance audit, we reviewed FSU's financial activity from federal funding provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted by Congress on March 27, 2020; the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), enacted on December 27, 2020; and the American Rescue Plan (ARP) Act, enacted on March 11, 2021. FSU received grant funding under two components of the CARES Act's Education Stabilization Fund: direct funding from the United States Department of Education (US DOE), provided through the Higher Education Emergency Relief Fund,<sup>1</sup> and funding from the Massachusetts Department of Higher Education, allocated through the Governor's Emergency Education Relief Fund. The purpose of our audit was to determine whether FSU administered the CARES Act, CRRSAA, and ARP Act funding it received in accordance with the criteria established by the Massachusetts Department of Higher Education and US DOE, as well as with its own student grant distribution method.

We also determined whether FSU complied with the Office of the Comptroller of the Commonwealth's guidance by updating its internal control plan to address risks related to the COVID-19 pandemic. In addition, we determined whether FSU personnel responsible for the management of COVID-19 funds within the Administration and Finance Department, the Student Accounts Department, the Financial Aid Department, and the Registrar's Office completed cybersecurity awareness training in accordance with Sections 6.2.3 and 6.2.4 of the state Executive Office of Technology Services and Security's Information Security Risk Management Standard IS.010.

Below is a summary of our finding and recommendations, with links to each page listed.

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1. The Higher Education Emergency Relief Fund (HEERF) consists of three separate grants related to the COVID-19 pandemic that were directly funded from US DOE under the CARES Act (HEERF I), CRRSAA (HEERF II), and ARP Act (HEERF III).

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<b>Finding 1</b> <b>Page <u>16</u></b>	FSU was unable to provide complete documentation that its employees responsible for the management of COVID-19 funds completed cybersecurity awareness training.
<b>Recommendations</b> <b>Page <u>17</u></b>	<ol style="list-style-type: none"><li>1. FSU should retain attendance sheets to provide evidence that its employees completed cybersecurity awareness training.</li><li>2. FSU should implement monitoring controls to ensure that it retains attendance sheets for its cybersecurity awareness training.</li></ol>

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## OVERVIEW OF AUDITED ENTITY

Fitchburg State University (FSU) is authorized by Section 5 of Chapter 15A of the Massachusetts General Laws and operates under the direction of a board of trustees, consisting of one undergraduate student member, one alumni member, and nine members appointed by the Governor. The president of FSU is the administrative head of the university and reports to the board of trustees. According to its website, FSU is “a public institution located in Fitchburg, Massachusetts, dedicated to integrating high-quality professional programs with strong liberal arts and sciences studies.”

FSU is a member of the Massachusetts public higher education system, which consists of 15 community colleges, nine state universities, and five University of Massachusetts campuses. Founded in 1894, FSU has more than 30 undergraduate programs and 22 master’s degree programs. As of fall 2021, FSU had 3,349 undergraduate students and 3,325 graduate students for a total of 6,674 students. As of fall 2021, FSU had 191 faculty and 338 staff members for a total of 529 employees.

In fiscal year 2020, FSU had operating revenue of \$70,784,219 and non-operating revenue (state appropriation, federal assistance, and investment income) of \$42,988,379. In fiscal year 2021, FSU had operating revenue of \$70,162,612 and non-operating revenue of \$47,694,781.

### Coronavirus Aid, Relief, and Economic Security Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted by Congress on March 27, 2020, provided \$30.75 billion for the Education Stabilization Fund to prevent, prepare for, and respond to the COVID-19 pandemic. The United States Department of Education’s (US DOE’s) Education Stabilization Fund included Governor’s Emergency Education Relief (GEER) Fund, Elementary and Secondary School Emergency Relief Fund, and Education Stabilization Fund grants to state educational agencies and Governors’ offices. The Education Stabilization Fund also allocated money for the Higher Education Emergency Relief Fund (HEERF) Program.

Section 18002 of the CARES Act awarded grants to states under the GEER Fund to provide emergency assistance funding to local educational agencies, institutions of higher education (IHEs), and other education-related entities. States could use GEER funding to provide emergency support through allocations to IHEs that served the students who were most significantly affected by COVID-19. The Massachusetts Executive Office of Education received \$50.8 million in GEER funding to distribute to

schools in the state as support for operations affected by the COVID-19 pandemic. The Massachusetts Department of Higher Education received approximately \$20.5 million in GEER funding to support state IHEs.

According to the *Frequently Asked Questions about the Governor's Emergency Education Relief Fund (GEER Fund)* document distributed by US DOE, IHEs may use GEER funding to provide the following:

- *Staff, infrastructure and technology to support distance education, or remote learning;*
- *Academic support for libraries, laboratories, and other academic facilities;*
- *Institutional support for activities related to personnel, payroll, security, environmental health and safety, and administrative offices;*
- *Student services that promote a student's emotional and physical well-being outside the context of the formal instructional program; and*
- *Student financial aid, such as IHE-sponsored grants and scholarships.*

Section 18004 of the CARES Act required recipients to use no less than 50% of the funds received (referred to as the student portion) to provide emergency financial aid grants to students for expenses related to the disruption of campus operations because of the COVID-19 pandemic (including tuition, course materials, food, housing, technology, healthcare, and childcare). This section also allowed IHEs to use up to 50% of the funds received (referred to as the institutional portion) to cover any costs associated with significant changes to the delivery of instruction because of the COVID-19 pandemic.

Students could receive funding under the CARES Act if they filed a Free Application for Federal Student Aid or if they applied for funding using an application developed by the institution disbursing the funds. At institutions that provided both online and on-campus education, students were not eligible if they were enrolled in an online-only program on March 13, 2020, the date the President declared the national emergency.

According to Section E(19) of US DOE's *Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document*,

*Institutions may provide emergency financial aid grants to students using checks, electronic transfer payments, debit cards, and payment apps that adhere to [US DOE's] requirements for paying credit balances [i.e., money paid directly] to students.*



## **Coronavirus Response and Relief Supplemental Appropriations Act**

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) was signed into law on December 27, 2020 to provide approximately \$23 billion of additional funding to support IHEs affected by the COVID-19 pandemic.

Like the CARES Act, Section 314(a)(1) of the CRRSAA allocated funding to IHEs by providing both student and institutional funding through HEERF II grants. US DOE modified its guidance to allow more students to receive funding. Under the modified guidance, students were no longer required to have completed a Free Application for Federal Student Aid or to be enrolled in on-campus classes to receive emergency financial aid grants.

US DOE also modified the guidance for the institutional portion, allowing IHEs to use funding to defray expenses associated with lost revenue. This updated guidance could also be applied to any CARES Act funding that was not expended by the time an IHE received CRRSAA funding.

## **American Rescue Plan Act**

On March 11, 2021, the American Rescue Plan (ARP) Act was signed into law, providing an additional \$40 billion for the HEERF Program. The ARP Act required that at least half of each institution's award be used to make emergency financial aid grants to students and the rest for institutional purposes.

US DOE's guidance document for ARP Act funding, *Higher Education Emergency Relief Fund III Frequently Asked Questions*, defines funding used for institutional purposes as follows:

*[Funding used to] (a) implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines; and (b) conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances.*

Below is a summary of FSU's financial activity related to COVID-19 funding during the audit period.

Grant Type	Award	Disbursements
CARES Act 18004(a)(1)–Student	\$ 1,955,463	\$ 1,955,463
CARES Act 18004(a)(1)–Institutional	1,955,462	1,955,462
GEER	280,875	280,875
CRRSAA 314(a)(1)–Student	1,955,463	1,934,750
CRRSAA 314(a)(1)–Institutional	4,899,039	4,899,039
ARP Act–Student	5,788,078	2,906,850
ARP Act–Institutional	5,639,971	5,474,933
Total	<u>\$ 22,474,351</u>	<u>\$ 19,407,372</u>

## AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of Fitchburg State University (FSU) for the period March 1, 2020 through December 31, 2021.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is a list of our audit objectives, indicating each question we intended our audit to answer; the conclusion we reached regarding each objective; and, if applicable, where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did FSU administer the student portion of funding under Section 18004(a)(1) of the Coronavirus Aid, Relief, and Economic Security (CARES) Act in accordance with Sections C, D, and E of the United States Department of Education's (US DOE's) <i>Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document</i> ?	Yes
2. Did FSU administer the institutional portion of funding under Section 18004(a)(1) of the CARES Act in accordance with Section F of US DOE's <i>Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document</i> ?	Yes
3. Did FSU administer the student portion of funding under Section 314(a)(1) of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) in accordance with US DOE's <i>Higher Education Emergency Relief Fund (HEERF) II Public and Private Nonprofit Institution (a)(1) Programs ([Catalog of Federal Domestic Assistance (CFDA)] 84.425E and 84.425F) Frequently Asked Questions</i> ?	Yes
4. Did FSU administer the institutional portion of funding under Section 314(a)(1) of the CRRSAA in accordance with US DOE's <i>Higher Education Emergency Relief Fund (HEERF) II Public and Private Nonprofit Institution (a)(1) Programs (CFDA 84.425E and 84.425F) Frequently Asked Questions</i> ?	Yes
5. Did FSU administer the student portion of funding under Section 2003(a)(1) of the American Rescue Plan (ARP) Act in accordance with Section B of US DOE's <i>Higher Education Emergency Relief Fund III Frequently Asked Questions</i> ?	Yes
6. Did FSU administer the institutional portion of funding under Section 2003(a)(1) of the ARP Act in accordance with Section C of US DOE's <i>Higher Education Emergency Relief Fund III Frequently Asked Questions</i> ?	Yes

Objective	Conclusion
7. Did FSU administer Governor’s Emergency Education Relief (GEER) funding in accordance with US DOE’s <i>Frequently Asked Questions about the Governor’s Emergency Education Relief Fund (GEER Fund)</i> and/or Attachment A—Terms of Performance and Justifications of its interdepartmental service agreement with the Massachusetts Department of Higher Education?	Yes
8. Did FSU update its internal control plan to address the COVID-19 pandemic in accordance with the Office of the Comptroller of the Commonwealth’s (CTR) “COVID-19 Pandemic Response Internal Controls Guidance,” dated September 30, 2020?	Yes
9. Did FSU employees responsible for the management of COVID-19 funds within the Administration and Finance Department, Student Accounts Department, Financial Aid Department, and the Registrar’s Office receive cybersecurity awareness training in accordance with Sections 6.2.3 and 6.2.4 of the Executive Office of Technology Services and Security’s Information Security Risk Management Standard IS.010?	No; see Finding 1

To achieve our objectives, we gained an understanding of FSU’s internal control environment related to our objectives by reviewing applicable FSU policies and procedures and interviewing FSU management. In addition, we performed the following procedures to address the objectives.

### CARES Act Student Portion

We determined whether FSU administered the student portion of funding under Section 18004(a)(1) of the CARES Act in accordance with Sections C, D, and E of US DOE’s *Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document*. To do this, we did the following:

- We obtained, from FSU’s director of student accounts, a list of 2,266 students who received CARES Act student-portion funding, totaling \$1,955,463, from FSU during the audit period. From the list of 2,266 students, we selected a statistical, random sample of 60 students, with a 95% confidence level, a 0% expected error rate, and a 5% tolerable error rate. The total amount of CARES Act student-portion funding associated with our sample was \$49,800.
- For each student in our sample, we reviewed FSU’s electronic student account records, including students’ financial aid awards, financial aid enrollments for each semester, account details, and applications for admission. We determined whether each student was enrolled during the spring 2020 semester, had filed a Free Application for Federal Student Aid, and had attended at least one class in person and was, therefore, eligible to receive CARES Act student-portion funding.
- To determine whether the amount of student-portion funding that each student received was correct, we reviewed FSU’s electronic student account records to verify the number of credit hours each student was enrolled in (full-time or part-time enrollment status) and determine whether each student received a Pell Grant, a federal grant for students with the highest financial need.

- We calculated the amount each student should have received using FSU's established distribution model, which had different tiers based on a student's enrollment status and whether they received a Pell Grant.
- We compared each of our calculated amounts to each of the amounts students received from FSU for agreement.

We noted no exceptions in our testing; therefore, we conclude that the CARES Act student-portion funding that we tested was used for its allowable and intended purposes.

### **CARES Act Institutional Portion**

We determined whether FSU administered the institutional portion of funding under Section 18004(a)(1) of the CARES Act in accordance with Section F of US DOE's *Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document*. To do this, we did the following:

- We obtained, from FSU's director of student accounts, a list of 2,373 credits provided to students for their housing and/or meal plan accounts, totaling \$3,554,579 (of which \$1,955,462 was paid for by CARES Act institutional-portion funding), for unused housing and/or meal plans because of the COVID-19 pandemic. These credits were applied to students' account balances. From the list of 2,373 credits, we selected a statistical, random sample of 60 credits, with a 95% confidence level, a 0% expected error rate, and a 5% tolerable error rate. The total amount of CARES Act institutional-portion funding associated with our sample was \$99,857.
- For each credit in our sample, we reviewed FSU's electronic student account records to determine whether each student was billed for housing and/or meal plans before the issuance of the CARES Act institutional-portion credits, and, therefore, whether each student was eligible for the credit.
- We used a formula provided by FSU (which determined the percentage of days the campus was closed during the spring 2020 semester because of the COVID-19 pandemic) to calculate what the amount of each CARES Act institutional-portion funding payment FSU issued to students should have been.
  - We compared each of our calculated amounts to each of the payment amounts that FSU issued to each student.

We noted no exceptions in our testing; therefore, we conclude that the CARES Act institutional-portion funding that we tested was used for its allowable and intended purposes.

### **CRRSAA Student Portion**

We determined whether FSU administered the student portion of funding under Section 314(a)(1) of the CRRSAA in accordance with US DOE's *Higher Education Emergency Relief Fund (HEERF) II Public and Private*

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*Nonprofit Institution (a)(1) Programs (CFDA 84.425E and 84.425F) Frequently Asked Questions.* To do this, we did the following:

- We obtained, from FSU's director of student accounts, a list of 2,765 students who received CRRSAA student-portion funding, totaling \$1,934,750, during the audit period. From the list of 2,765 students, we selected a statistical, random sample of 60 students, with a 95% confidence level, a 0% expected error rate, and a 5% tolerable error rate. The total amount of CRRSAA student-portion funding associated with our sample was \$41,800.
- We reviewed FSU's electronic student account records for each student in our sample and determined whether the student was enrolled during the spring 2021 semester as an undergraduate or graduate and, therefore, was eligible to receive CRRSAA student-portion funding during the audit period.
- To determine whether the amount each student received was correct, we reviewed FSU's electronic student account records and verified the number of credit hours each student was enrolled in (full-time or part-time enrollment status), whether they received previous CARES Act funding and institutional awards (e.g., scholarships), and whether they received a Pell Grant.
- We calculated the amount that each student should have received using FSU's established distribution model, which had different tiers based on (1) a student's enrollment status, (2) whether they received previous CARES Act funding and institutional awards, and (3) whether they received a Pell Grant.
  - We compared each of our calculated amounts to each of the amounts students received from FSU for agreement.

We noted no exceptions in our testing; therefore, we conclude that the CRRSAA student-portion funding that we tested was used for its allowable and intended purposes.

## **CRRSAA and ARP Act Institutional Portion**

We determined whether FSU administered the institutional portion of funding under Section 314(a)(1) of the CRRSAA in accordance with US DOE's *Higher Education Emergency Relief Fund (HEERF) II Public and Private Nonprofit Institution (a)(1) Programs (CFDA 84.425E and 84.425F) Frequently Asked Questions*. We also determined whether FSU administered the institutional portion of funding under Section 2003(a)(1) of the ARP Act in accordance with Section C of US DOE's *Higher Education Emergency Relief Fund III Frequently Asked Questions*. To do this, we did the following:

- We obtained, from FSU's comptroller, a list of 49 combined CRRSAA and ARP Act institutional-portion expenditures, totaling \$594,133, that were made during the audit period. From these 49 CRRSAA and ARP Act institutional-portion expenditures, we judgmentally selected

a nonstatistical sample of 11 expenditures, totaling \$264,355, for testing purposes. We examined FSU's supporting documentation (such as invoices, contracts, payment vouchers, and purchase orders) to determine whether each CRRSAA and ARP Act institutional-portion expenditure was related to the disruption of campus operations because of the COVID-19 pandemic and whether the documentation supported the need for each item or service, making each transaction allowable.

- For the lost revenue recovered by FSU through CRRSAA and ARP Act institutional-portion funding during the audit period, we interviewed FSU's comptroller to identify the methodology used for the lost revenue calculation. We reviewed FSU's lost revenue calculation and traced all the amounts used in its calculation to FSU's audited financial statements and related financial reports, such as summary trial balances and department operating reports, for agreement. We compared the revenue sources FSU used in its lost revenue calculation to the allowable uses according to US DOE's *Higher Education Emergency Relief Fund (HEERF I, II, and III) Lost Revenue Frequently Asked Questions*. We compared the "Quarterly Budget and Expenditure Reporting for HEERF I, II, and III (a)(1) Institutional Portion, (a)(2), and (a)(3), if applicable" report filed with US DOE for the fiscal quarter ending December 31, 2021 and verified that it was in agreement with the amount of lost revenue FSU reported for fiscal years 2020 and 2021.

We noted no exceptions in our testing; therefore, we conclude that the CRRSAA and ARP Act institutional-portion funding that we tested was used for its allowable and intended purposes.

### **ARP Act Student Portion**

We determined whether FSU administered the student portion of funding under Section 2003(a)(1) of the ARP Act in accordance with Section B of US DOE's *Higher Education Emergency Relief Fund (HEERF) III Frequently Asked Questions*. To do this, we did the following:

- We obtained, from FSU's director of student accounts, a list of 6,431 students who received ARP Act student-portion funding, totaling \$2,906,850, from FSU during the audit period. From the list of 6,431 students, we selected a statistical, random sample of 60 students, with a 95% confidence level, a 0% expected error rate, and a 5% tolerable error rate. The total amount of ARP Act student-portion funding associated with our sample was \$27,700.
- To determine each student's eligibility for student-portion funding, we reviewed FSU's electronic student account records for each student in our sample and determined whether the student was enrolled during the fall 2021 semester as an undergraduate or graduate student.
- To determine whether the amount each student received was correct, we reviewed FSU's electronic student account records and determined the number of credit hours each student was enrolled in (full-time or part-time enrollment status) and whether each student was a Pell Grant recipient.

- We calculated the amount each student should have received using FSU's established distribution model, which had different tiers based a student's enrollment status and whether they received a Pell Grant.
- We compared each of our calculated amounts to each of the amounts students received from FSU for agreement.

We noted no exceptions in our testing; therefore, we conclude that the ARP Act student-portion funding that we tested was used for its allowable and intended purposes.

## **GEER Funding**

We determined whether FSU administered GEER funding in accordance with US DOE's *Frequently Asked Questions about the Governor's Emergency Education Relief (GEER) Fund* and/or Attachment A—Terms of Performance and Justifications of its interdepartmental service agreement with the Massachusetts Department of Higher Education. To do this, we obtained, from FSU's comptroller, a list of all four GEER funding expenditures, totaling \$280,875, made during the audit period. We reviewed supporting documentation for all four GEER funding expenditures, which consisted of 10 invoices (because each expenditure had multiple invoices attached to it), to ensure that the invoice dates and payment dates were within the timeframe allowed according to its interdepartmental service agreement with the Massachusetts Department of Higher Education. In addition, we verified that the reasons for the expenditures were allowed according to the terms of the interdepartmental service agreement and were related to the COVID-19 pandemic.

We noted no exceptions in our testing; therefore, we conclude that the GEER funding that we tested was used for its allowable and intended purposes.

## **Internal Control Plan**

To determine whether FSU updated its internal control plan to address the COVID-19 pandemic in accordance with CTR's "COVID-19 Pandemic Response Internal Controls Guidance," dated September 30, 2020, we inspected the 2020 and 2021 Internal Control Questionnaires that FSU submitted to CTR. Specifically, we reviewed the Internal Control Questionnaire questions that addressed COVID-19 preparedness, as well as CTR's COVID-19 guidance. We obtained and reviewed FSU's most recent internal control plan and all FSU's policy updates to address the COVID-19 pandemic, and we determined whether FSU addressed the five objectives outlined in CTR's "COVID-19 Pandemic Response Internal Controls Guidance."



We noted no exceptions in our testing; therefore we conclude that FSU updated its internal control plan to address the COVID-19 pandemic.

### **Cybersecurity Awareness Training**

We determined whether FSU ensured that employees responsible for the management of COVID-19 funds within the Administration and Finance Department, Student Accounts Department, Financial Aid Department, and the Registrar's Office received cybersecurity awareness training in accordance with Sections 6.2.3 and 6.2.4 of the Executive Office of Technology Services and Security's Information Security Risk Management Standard IS.010. To do this, we obtained from FSU's chief information security officer a list of 49 FSU employees from the four key departments with access to FSU's accounting and finance system and selected a nonstatistical, random sample of 10 employees. We interviewed FSU management to determine whether the selected employees received cybersecurity awareness training during the audit period. We also reviewed the two Microsoft PowerPoint presentations that FSU officials told us they used to provide cybersecurity awareness training to their employees (one for new hires and one for all other employees) during the audit period. (Please see Finding 1 for the results of this testing.)

We used a combination of statistical and nonstatistical sampling methods for testing. Where nonstatistical sampling methods were used, we did not project the results of our testing to the entire population.

### **Data Reliability Assessment**

To determine the reliability of the data received from FSU's accounting and finance system, we interviewed FSU officials who were knowledgeable about the data. We also reviewed certain general information system controls (including security management, access controls, configuration management, segregation of duties, and contingency planning) over FSU's accounting and finance system.

We obtained the following three lists of students from FSU's director of student accounts: (1) 2,266 students who received CARES Act student-portion funding payments, totaling \$1,955,463; (2) 2,765 students who received CRRSAA student-portion funding payments, totaling \$1,934,750; and (3) 6,431 students who received ARP Act student-portion funding payments, totaling \$2,906,850. To determine the completeness of these lists, we compared the total amount of each list to the related FSU trial balance for the fiscal year in which the funds were distributed. To determine the accuracy of the lists, we selected a random sample of 20 students from each list and traced the students' names, student identification numbers, COVID-19 funding type received (CARES Act, CRRSAA, or ARP Act), and payment amounts to the

students' award notifications (emails or letters) or the students' account activity screens. We also reviewed each list for duplicates, identifying whether a student's name appeared more than once within a particular list. Following our testing, we removed all of the students' personally identifiable information from our audit workpapers.

We obtained a list of 2,373 credits to students for housing and/or meal plan accounts, totaling \$3,554,579, of which \$1,955,462 was paid for by CARES Act institutional-portion funding, from FSU's director of student accounts. From this list, we selected a random sample of 20 students who received credits. For the selected sample, we obtained screenshots of each student's account and compared their names, student identification numbers, term codes (for the semester the funds were disbursed), detail codes for the funding source (CARES Act, CRRSAA, or ARP Act), and credit amounts to the list of credits for accuracy. Following our testing, we removed all of the students' personally identifiable information from our audit workpapers.

FSU combined the institutional portions of funding from the CRRSAA and ARP Act for reporting purposes. We obtained, from FSU's comptroller, a list of 49 transactions, totaling \$252,916, that took place during the audit period. From this list, we selected a random sample of 5 transactions. We obtained FSU's Detailed Voucher Transaction Report and compared the object expense classification codes, expense voucher numbers, expense descriptions, and amounts to the transaction list for accuracy. Additionally, for the lost revenue recovered during the audit period by CRRSAA and ARP Act institutional-portion funding, totaling \$9,779,835, we interviewed FSU's comptroller to identify and gain an understanding of the methodology that FSU used for the lost revenue calculation.

We obtained, from FSU's comptroller, a list of all four expenditures, totaling \$280,875, of GEER funding. These four expenditures were associated with 10 invoices. To determine the completeness of the GEER funding list, we reconciled the list to the FSU trial balance. We also reviewed the list for duplicate invoices. To determine the accuracy of the data, we compared all four expenditures on the Detailed Voucher Transaction Report to the Departmental Operating Report.

To determine the reliability of the list of 49 FSU employees responsible for the management of COVID-19 funds within the Administration and Finance Department, Student Accounts Department, Financial Aid Department, and Registrar's Office, we ran a query in the Human Resources / Compensation Management System, the state's human resource and payroll system, to identify the total number of employees who

worked at FSU during the audit period. We compared the employee names, hire dates, and termination dates (where applicable) from the list of 49 FSU employees that we obtained from FSU's chief information security officer to the Human Resources / Compensation Management System query results for agreement.

Based on the data reliability procedures described above, we determined that the data obtained were sufficiently reliable for the purposes of our audit.

## DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

### **1. Fitchburg State University was unable to provide complete documentation that its employees responsible for the management of COVID-19 funds completed cybersecurity awareness training.**

Although Fitchburg State University (FSU) provided us some documentation, such as attendance sheets, to confirm that the employees responsible for handling COVID-19 funds completed cybersecurity awareness training, this documentation was incomplete. While there was evidence that FSU developed cybersecurity awareness training, there was incomplete documentation to confirm that seven out of eight employees (88%) from our sample who were required to complete training during the audit period completed such training.

If FSU does not retain documentation to confirm that its employees complete cybersecurity awareness training, it cannot ensure that employees complete this training, which may lead to user error and compromise the integrity and security of protected information in FSU's information security systems.

### **Authoritative Guidance**

According to the Executive Office of Technology Services and Security Information Security Risk Management Standard IS.010,

*6.2.3 New Hire Security Awareness Training: All new personnel must complete an Initial Security Awareness Training course. . . .The New Hire Security Awareness course must be completed within 30 days of new hire orientation.*

*6.2.4 Annual Security Awareness Training: All personnel will be required to complete Annual Security Awareness Training.*

### **Reasons for Issue**

According to FSU officials, during the pandemic, cybersecurity awareness trainings were held virtually instead of in person, and an FSU Human Resources Department employee who attended the trainings recorded employee attendance on attendance sheets. FSU officials told us that they were unable to locate the attendance sheets for our sampled employees. FSU did not have monitoring controls to ensure that it retained attendance sheets for these trainings.

## Recommendations

1. FSU should retain attendance sheets to provide evidence that its employees completed cybersecurity awareness training.
2. FSU should implement monitoring controls to ensure that it retains attendance sheets for its cybersecurity awareness training.

## Auditee's Response

*We have addressed the noted finding related to the documentation of cyber security training and attendance tracking and have already implemented the necessary process to ensure compliance. KnowBe4 online Cyber Security Training software was put into effect in December 2022.*

## Auditor's Reply

Based on its response, FSU is taking measures to address our concerns on this matter.